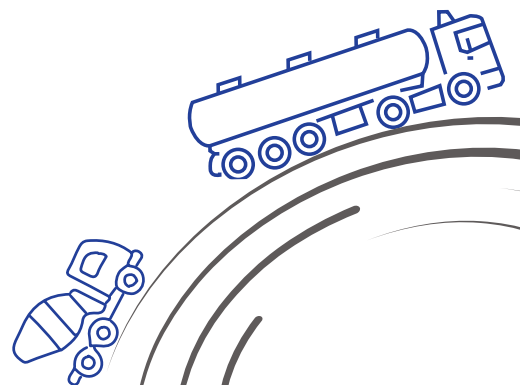


Advancing Sustainability Targets with Innovation



OUR CORE VALUES

和顺 HARMONY

We adopt a balanced approach in everything

诚信 TRUST

We uphold integrity in everything we do

卓越 EXCELLENCE

We go the extra mile to achieve breakthrough in innovation

共赢 WIN-WIN

We work together with all stakeholders to achieve mutually beneficial goals



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EnGro Corporation Limited (“EnGro”, or the “Company”) was incorporated on 27 November 1973 under the name of “SsangYong Cement (S) Pte. Ltd.”, and later converted into a public limited company on 31 May 1983 and assumed the name of “SsangYong Cement (S) Ltd”. In 1976, the Company started off with the manufacturing of 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 it witnessed the end of the Singapore-Korea partnership over the Company’s 30-year history. In 2005, the Company changed its name to “EnGro Corporation Limited” with a new logo that reflects its vision of growth in North Asia and growth through strategic partnerships.



OUR VISION

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



OUR MISSION

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

OUR BUSINESS

A business overview of EnGro and its subsidiaries (collectively as the “Group” or “We”), is as follows:



Suppliers

We procure from suppliers of cement, aggregates, sands and admixture.



Operations

We produce and sell specialty integral cement, high performance RMC with low carbon emissions and other building materials.



Customers

We mainly sell building materials to construction contractors.

BOARD STATEMENT

The Board of Directors (“**Board**”) of EnGro is pleased to present its Sustainability Report (“**Report**”), which discusses the developments and progress of our sustainability journey. In line with our sustainability strategy in promoting green cement and green concrete, we continue to invest in the circular economy via our waste-to-resource programme to reduce greenhouse gas (“**GHG**”) emissions. As part of our commitment to sustainability, we provide insights into the way we do business, while taking into account our key sustainability factors under the sustainability pillars of economic, environmental, social and governance (collectively as “**Sustainability Factors**”) to provide readers with an accurate and meaningful overview on how sustainability issues are managed. The Board having considered the Group’s sustainability issues as part of its strategic formulation and business strategies, determined the key Sustainability Factors and overseen the management and monitoring of the key Sustainability Factors.

To enhance integration of sustainability throughout the Company, we adopted the following initiatives in FY2023:



Climate change transition plan

Global warming and extreme weather events have increased global awareness of the risks posed by climate change and accelerated the call for global urgent action to embark on a decarbonisation journey. To step up our efforts on this front, we developed and disclosed our inaugural climate change transition plan to steer us on our decarbonisation journey.



Scenario analysis

To enhance our business resiliency to climate change, we conducted a qualitative scenario analysis to assess the impacts of key climate-related risks identified during the Group’s climate-related risk assessment.



Sustainability governance structure

To strengthen our sustainability governance structure, we established terms of reference for component parties involved in the sustainability reporting process, for clarity and accountability purposes.

We believe that our proactive business initiatives will allow us to stay on course in our sustainability journey.

Our Target in 2035:

**REDUCE SCOPE 2 GHG
EMISSIONS BY 25%**



SUSTAINABILITY PERFORMANCE AT A GLANCE

Our Progress in 2023: Action for Future

A summary of our key sustainability performance in FY2023 and a comparison with FY2022, is provided as follows:

Sustainability pillar	Performance indicator	Sustainability performance	
		FY2023	FY2022
Governance	Number of reported corruption incidents ¹	-	-
	Number of incidents of non-compliance with laws and regulations for which significant fines and/or non-monetary sanctions were incurred	-	-
Environmental	Scope 1 GHG emissions intensity (tonnes CO ₂ e/production volume in kilograms)	2	2
	Scope 2 GHG emissions intensity (tonnes CO ₂ e/production volume in kilograms)	1	1
	Water consumption intensity (m ³ /production volume in kilograms)	59	61
Social	Number of cases of product non-compliance with regulations concerning the health and safety impacts of products	-	-
	Number of reported incidents of unlawful discrimination against employees	-	-
	Turnover rate	28%	43%
	Average training hours per employee	1.6	2.9
	Number of workplace fatalities	-	-
	Number of high consequence ² work-related injuries	-	-
	Number of recordable work-related injuries	2	-
	Number of recordable work-related ill-health cases	-	-

¹ A corruption incident is defined as one that involves fraud or dishonesty and is being or has been committed against a company by officers or employees of the company. Such serious offence is punishable by imprisonment for a term of not exceeding 5 years and the value of the property obtained or likely to be obtained from the commission of the offence amounts to not less than S\$100,000.

² A 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.

REPORTING FRAMEWORK

This Report is prepared in accordance with the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) listing rules 711A and 711B. This Report is also prepared in accordance with the Global Reporting Initiative (“**GRI**”) Standards as it provides an extensive framework that is widely accepted as a global standard for sustainability reporting. Please refer to the GRI content index for further details.

As part of our continual efforts to align our sustainability reporting with relevant market standards, we 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 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**”).

The Group has an established system of internal controls as well as verification mechanisms to ensure the accuracy and reliability of the narratives and data disclosed in this Report. To further enhance the credibility of this Report, the Group has subjected our sustainability reporting process to internal reviews, as required by SGX-ST Listing Rules 711B (3). We have not engaged any external assurance for this reporting period and will consider commissioning external assurance in the future.

REPORTING PERIOD AND SCOPE

Unless specified otherwise, this Report covers our sustainability performance and initiatives for the period of 1 January 2023 to 31 December 2023 (“**FY2023**” or “**Reporting Period**”). This Report covers the following operating entities of the Group in Singapore and Malaysia, which contributed to 99% (FY2022: 99%) of the Group’s revenue:

Cement

EnGro Corporation Limited
(Incorporation: Singapore)

Manufacture of cement, lime and plaster (manufacture and sale of cement)

Concrete

Top-Mix Concrete Pte Ltd
(Incorporation: Singapore)

Top Mix Concrete (Malaysia)
Sdn Bhd
(Incorporation: Malaysia)

Manufacture and sale of concrete and other building materials

Polymer

R&P Technologies Pte. Ltd
(Incorporation: Singapore)

R&P (Pte.) Ltd.
(Incorporation: Singapore)

Manufacture of thermosetting synthetic resin and plastic materials

FEEDBACK

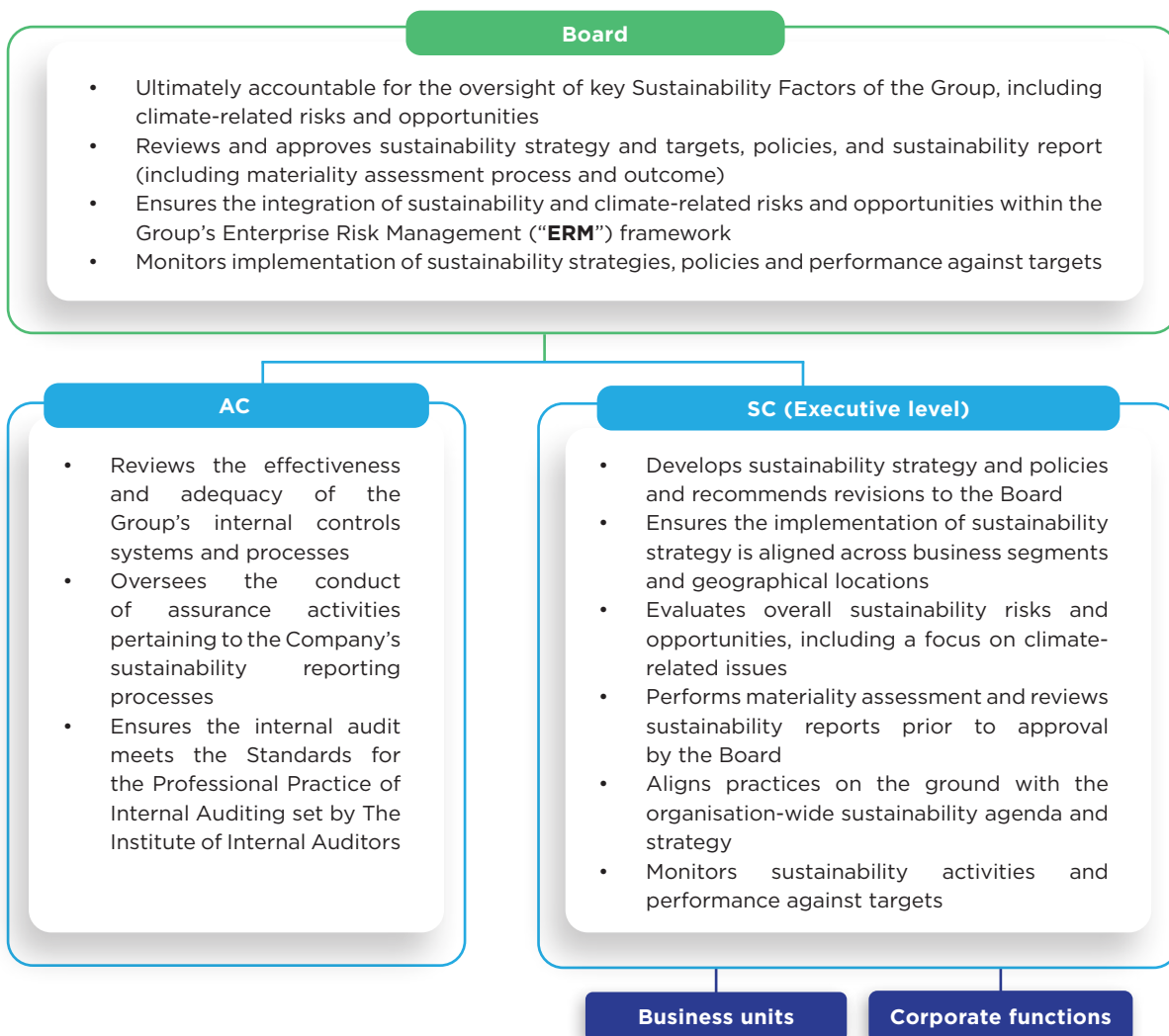
This Report is published in April 2024 and our sustainability reports are available on the Company’s website (<https://engro-global.com/sustainability-report/>). Should you have any comments or suggestions relating to this Report, please contact us at ir@engro-global.com.

SUSTAINABILITY GOVERNANCE

The Board oversees the management and monitoring of the sustainability matters of the Group, including climate-related risks and opportunities, and considers them in determining the Group's strategic direction and policies.

The Board assigned the responsibility for monitoring and overseeing the Company's sustainability efforts to an executive level Sustainability Committee ("SC"). The SC members comprise senior executives of the Group who provide the direction for reporting. The SC is responsible for the management and monitoring of our key Sustainability Factors, including working with the various business units and corporate functions, to ensure that they are integrated in our day-to-day operations. Our sustainability performance is monitored against established targets, to be evaluated periodically to tighten our engagement with stakeholder groups to understand their expectations and concerns. Shortfalls are investigated and efforts are made to achieve the targets. A description of our sustainability performance is provided throughout this Report in the relevant sections.

Besides the SC, the Board is also supported by the Audit Committee ("AC") on specific sustainability matters under their respective terms of reference. Our sustainability governance structure and the responsibilities of component parties are detailed as follows:









As part of our continual efforts to enhance and 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 Directors have attended at least one of the approved sustainability training courses.

SUSTAINABILITY GOVERNANCE

STAKEHOLDER ENGAGEMENT

Through a stakeholder mapping exercise performed with the senior management, we identified our 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.

We engage our key stakeholder groups regularly through various means effective for each stakeholder group. We believe this process is important for identifying new opportunities and to manage risk associated with each stakeholder group. Below is a summary of our approach to each stakeholder group, as well as the key areas of concern identified:

Key stakeholder group	Mode of engagement	Frequency of engagement	Areas of concern
Communities 	<ul style="list-style-type: none"> Corporate website Charitable contributions 	Ongoing	<ul style="list-style-type: none"> Environmental impact of the business Job creation for the local community
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 	Management-employee meetings <hr/> Performance appraisals	As and when required <hr/> Annually	<ul style="list-style-type: none"> Training and development Safe working environment Welfare and benefits
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
Shareholders 	<ul style="list-style-type: none"> Annual General Meeting Annual Reports Sustainability Reports <hr/> Corporate website	Annually <hr/> Ongoing	<ul style="list-style-type: none"> Information disclosure Distribution of profits
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

POLICY, PRACTICE AND PERFORMANCE REPORTING

A Sustainability Policy (“**SR Policy**”) covering our sustainability strategies, reporting structure, materiality assessment and processes in identifying and monitoring key Sustainability Factors is in place and serves as a point of reference in the conduct of our sustainability reporting. Under this SR Policy, we monitor, review and update our key Sustainability Factors from time to time, taking into account the feedback that we receive from our engagement with our stakeholder groups, organisational and external developments.

Sustainability Reporting Processes

Under our SR policy, our sustainability 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 key Sustainability Factors disclosed in this Report. Processes involved are shown in the chart below:



POLICY, PRACTICE AND PERFORMANCE REPORTING

Materiality Assessment

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

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

Performance Tracking and Reporting

We track the progress of our key Sustainability Factors by identifying the relevant data points, monitoring and measuring them. In addition, we set performance targets that are aligned with our strategy to ensure that we remain focused in our path to sustainability. We will 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 embark on this journey of improving global sustainability, better corporate governance and greater economic contribution to society. A sustainability report is published annually in accordance with our SR Policy.

KEY SUSTAINABILITY FACTORS

In FY2023, a stakeholder engagement session³ and a materiality assessment were conducted by the SC to understand the concerns and expectations of our stakeholder groups. Through the materiality assessment, factors with significant impacts on the economy, environment, people and their human rights were updated. In this Report, we also reported our progress in managing these factors and set related targets to improve our sustainability performance.

Our key Sustainability Factors are grouped under sustainability pillars as follows:

Sustainability pillar	Key Sustainability Factor	SDG	Key stakeholder group
Governance	Ethical business conduct and compliance	Peace, justice and strong institutions	<ul style="list-style-type: none"> Regulators Shareholders
Environmental	Energy and GHG emissions management	Affordable and clean energy	<ul style="list-style-type: none"> Communities Shareholders
	Water management	Clean water and sanitation	<ul style="list-style-type: none"> Communities Shareholders
	Water management	Responsible consumption and production	<ul style="list-style-type: none"> Communities Regulators
Economic	Economic performance	Decent work and economic growth	<ul style="list-style-type: none"> Employees Regulators Shareholders Suppliers
Social	Product quality, service quality and customer satisfaction	Peace, justice and strong institutions	<ul style="list-style-type: none"> Customers
	Employment	Reduced inequalities	<ul style="list-style-type: none"> Employees
	Training and education	Quality education	<ul style="list-style-type: none"> Employees
	Occupational health and safety	Good health and well-being	<ul style="list-style-type: none"> Employees Regulators
	Local communities	Sustainable cities and communities	<ul style="list-style-type: none"> Communities

³ The Company engaged both internal and external stakeholders of customers, employees and suppliers for the materiality assessment performed.

ETHICAL BUSINESS CONDUCT AND COMPLIANCE

Our Commitment

We uphold our commitment towards corporate governance which is in accordance with EnGro's continuing obligation as a company listed on the SGX-ST.

Our Approach

We go beyond the basics in regulatory compliance and 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. Our goal is to ensure that we maintain a sound system of risk management and internal controls to safeguard shareholders' interests and our assets. The Board, AC and senior management assume the responsibility of the risk management function. The senior management regularly reviews the Group's business and operational activities to identify areas of significant risks. It also reviews the measures to control and mitigate such risks and highlights all significant matters to the Board and AC for review on a quarterly basis.

We maintain a whistleblowing policy to enable our employees to raise their concerns for any possible fraud or improprieties in relating to their work, harassment, human rights or discrimination. Our employees have access to an anonymous whistleblowing channel in the event that they would like to report on any unethical practices or misconduct. The whistleblowing policy is designed for whistle-blower raising concerns without fear of reprisal, to an internal authority (AC Chairman, Chairman & Chief Executive Officer ("CEO") and the internal auditor). Whistle-blowers can choose to raise their complaint 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 changing environment.

By adhering to laws, regulations, guidelines and specifications relevant to our businesses, it ensures that our long-standing reputation is intact and 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 us, 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.

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.

Our Performance

During the Reporting Period, 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 (FY2022: zero incident).

In FY2023, there were zero incidents of significant fines and non-monetary sanctions for non-compliance with laws and regulations in the environmental or social and economic areas (FY2022: zero incidents).

ENVIRONMENTAL

ENERGY AND GHG EMISSIONS MANAGEMENT

Our Commitment

We strive to be at the forefront of product innovations through intensive research and development. We rely on our knowledge-based culture of continuous learning and spirit of innovation to develop new products. Our research team work closely with external partners to develop environmentally friendly solutions to address new applications that will generate long-term benefits for our stakeholders. We strive to lower our GHG emissions at every stage of our product lifecycle.

Our Approach

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 has a high carbon footprint of almost 20 times that of GGBS. From 2002 onwards, our Go Green programme intensified after we expanded into North Asia, particularly in China, where we set up 18 green cement (i.e. GGBS) manufacturing plants with a total GGBS production capacity of 10.8 million tons per annum. 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, some of our green products were the first in the industry to receive the Singapore Green Labelling Scheme accreditation for its sustainability qualities and similarly achieved the “4 ticks” or “Leader” rating from the Singapore Green Building Council.

Our Products are certified with Green Accreditation

We have invariably sought to obtain international certifications, such as the ISO, to demonstrate our environmental commitment. Our Singapore operations have been certified ISO 14001 since 2012. Our Malaysia concrete operations also obtained ISO 9001 certification. To closely communicate the results of our green initiatives, we chose to implement independent carbon footprint assessments at product and company level to communicate the GHG footprint of our operations and products to our stakeholders. A product life cycle assessment has also been performed for selected products in accordance with international standards ISO 14040/44 and PAS 2050.

To run our manufacturing operations, we rely mainly on the following energy sources:

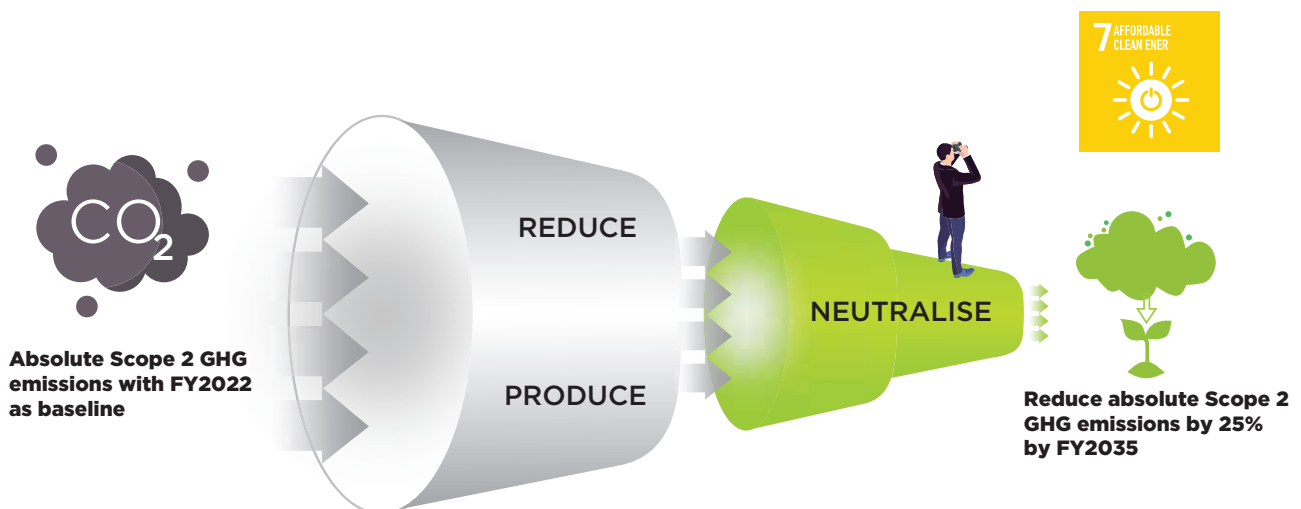
- Diesel for generators and motor vehicles;
- Petrol for motor vehicles; and
- Electricity for lighting, cooling, office equipment and machinery and equipment.

We track and monitor our Scope 1, 2 and certain categories of Scope 3 GHG emissions closely and are developing mechanisms to track our other categories of our Scope 3 GHG emissions, where relevant and practicable. We developed a climate change transition plan and will refine and improve our climate change transition plan as we progressively implement the plan, by considering changes in business operations, environment and market trends. Progress updates and performance will be provided in our future sustainability reports with assurance on the reporting process covered by an internal review.

Climate Change Transition Plan

Our climate change transition plan steers us on our decarbonisation journey. Under this strategy, we commit to reduce our absolute Scope 2 GHG emissions by 25% by FY2035, with FY2022 as our baseline. As we are still analysing our Scope 1 GHG emissions trend, decarbonisation target setting for Scope 1 GHG emissions is deferred till a time when we better understand the trend and how we can better control such emissions. Our climate change transition plan is focused on three (3) strategic levers of reduce, produce and neutralise as follows:

CLIMATE CHANGE TRANSITION PLAN



ENVIRONMENTAL

Details of our strategic levers are as follows:

Lever	Reduce	Produce	Neutralise
Description	<ul style="list-style-type: none"> Reduce absolute emissions first within our operations and followed by our supply chain Replace existing energy source with low or zero-carbon sources 	On-site generation of green or renewable energy	Neutralise unavoidable residual emissions
Focus area	<ul style="list-style-type: none"> Energy efficiency Behavioural changes Clean energy 	Solar energy	<ul style="list-style-type: none"> Renewable energy certificates (“REC”) Carbon credits

We track and review spending on energy consumption regularly to control usage and take corrective actions when unusual consumption patterns are observed. We continuously strive to improve our energy use and efficiency through the following initiatives and aspirations:

Lever	Key initiative	Description
Reduce	Energy efficiency – Machinery and equipment	We implement a systematic maintenance programme for machinery and equipment to improve energy efficiency.
	Energy efficiency – Lighting	We optimise electricity efficiency using high-efficiency lighting.
	Behavioural changes	We constantly remind our staff 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 optimizing operating temperatures.
	Clean energy	We are constantly exploring opportunities to source for clean and/or renewable energy where we operate in.
Produce	Solar energy	We plan to explore the generation of solar energy onsite where practicable.
Neutralise	<ul style="list-style-type: none"> REC Carbon credits 	We plan to explore the use of REC and carbon credits to offset unavoidable residual emissions when the relevant markets mature.

Our Performance

Our overall energy consumption from our offices and manufacturing sites in Singapore and Malaysia for FY2023 was approximately 79,243 GJ (FY2022: 58,201 GJ) while the overall Scope 1 and Scope 2 GHG emission was 4,821 tCO₂e (FY2022: 3,135 tCO₂e) and 1,772 tCO₂e (FY2022: 1,831 tCO₂e) respectively. The decrease in electricity consumption intensity ratio from electricity used is mainly due to decreased demand in FY2023 for a cement product line which consumes more electricity for special treatment and production.

Energy Consumption and GHG Emissions for Singapore and Malaysia operations

Business entity	Energy consumption from fuel use (GJ)		Energy consumption from electricity use (GJ)		Scope 1 GHG emissions (ktCO ₂ e)		Scope 2 GHG emissions (ktCO ₂ e)	
	FY2023	FY2022	FY2023	FY2022	FY2023	FY2022	FY2023	FY2022
Singapore operations								
Corporate Office	-	-	158	162	-	-	18	18
Top-Mix Concrete Plants ⁴	38,400	25,065	627	401	2,812	1,835	73	45
EnGro Corporation Limited (PDL Plant)	3,331	2,641	10,421	13,203	244	194	1,206	1,488
<i>Subtotal</i>	<i>41,731</i>	<i>27,706</i>	<i>11,206</i>	<i>13,766</i>	<i>3,056</i>	<i>2,029</i>	<i>1,297</i>	<i>1,551</i>
Malaysia operations								
Corporate Office	-	-	111	101	-	-	24	18
Top-Mix Concrete Plants ⁵	24,113	15,110	2,082	1,518	1,765	1,106	451	262
<i>Subtotal</i>	<i>24,113</i>	<i>15,110</i>	<i>2,193</i>	<i>1,619</i>	<i>1,765</i>	<i>1,106</i>	<i>475</i>	<i>280</i>
Total	65,844	42,816	13,399	15,385	4,821	3,135	1,772	1,831
Intensity ratio (consumption/production volume in kilotonnes)	26	25	5	9	2	2	1	1

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 World Benchmarking Alliance.

During the Reporting Period, we started tracking selected Scope 3 GHG emissions of our operations in Singapore as follows:

Category	Coverage	Unit of measurement	FY2023 ⁶
Category 1: Purchased goods and services	Potable water	tCO ₂ e	121
Category 6: Business travel	Air travel	tCO ₂ e	8
Category 7: Employee commuting	Transportation of employees between their homes and their worksites	tCO ₂ e	60

⁴ Top-Mix Concrete plants for Singapore operations include Changi, Tuas and Jurong Port plants.

⁵ Top-Mix Concrete plants for Malaysia operations include Tampoi, Tanjong Kupang, Melaka and Genting plants.

⁶ No comparative data is available as we have only started tracking Scope 3 emissions in FY2023. Scope 3 emissions were calculated using a mix of emission factors from "Life cycle assessment of water supply in Singapore – A water-scarce urban city with multiple water sources" and calculation tools comprising International Civil Aviation Organization Carbon Emissions Calculator and Carbon and Emissions Recording Tool.

ENVIRONMENTAL

WATER MANAGEMENT

Our Commitment

We are committed to improving the management of water use in our operations. Water is a precious resource and water management is important to ensure that we are consuming water responsibly and efficiently.

Our Approach

We rely on water resources primarily for batching of concrete and office environment. We mainly source our water supply from municipal water suppliers. Our water conservation initiatives include the following:

- Tracking and reviewing spending on water consumption regularly to control usage and corrective actions are taken when there are unusual consumption patterns and encourage staff to use water responsibly; and
- Excess water from rinsing trucks is pumped into water storage tanks to store with trapped rainwater as recycle water to use during concrete production.

Our Performance

Key statistics on water consumption during the Reporting Period are as follows:

Performance indicator	Unit of measurement	FY2023	FY2022
Water consumption (tap water)	m ³	112,685	84,301
Water consumption (NEWater)	m ³	39,129	22,409
Water consumption intensity	m ³ /production volume in kilotonnes	59	61

WASTE MANAGEMENT

Our Commitment

We believe that responsible waste management can help to preserve the environment in which we operate in. Accordingly, we are committed to improving the management of waste generated in our operations through contribution to a circular economy.

WASTE MANAGEMENT

Our Approach

Waste engine oil

Waste engine oil is mainly generated during the normal maintenance of trucks and machineries at our various production sites.

For materials that we are unable to recycle or reuse, they are disposed through a licensed third-party waste collector in accordance with standards and practices acceptable to the National Environment Agency of Singapore.

Wastewater

Wastewater is mainly generated by non-potable water used in concrete batching plant during the process of concrete batching, reclaimer system and washing slopes. The wastewater generated in our operations is pumped into water storage tanks to store with trapped rainwater as recycled water for usage in production.

Hazardous and non-hazardous waste

Key waste generated in our operations are as follows:

- Hazardous waste, which mainly includes waste engine oil from maintenance of trucks and machineries;
- Non-hazardous waste, which mainly includes the following:
 - Rejected or returned concrete; and
 - Concrete sludge or slurry residue

Hazardous and non-hazardous waste are collected and segregated at designated areas for handling by licensed waste collectors.

Our Performance

During the Reporting Period, 100% (FY2022: 100%) of wastewater generated from our operations was reused in our production.

Key statistics on waste generated in our operations are as follows:

Type of waste	Unit of measurement	FY2023	FY2022
Waste generated			
Waste engine oil	Litre	400	400
Concrete sludge and slurry residue	Tonnes	24,599	17,391

All hazardous and non-hazardous waste generated in our operations are disposed through a licensed third-party waste collector in FY2023 (FY2022: 100%). The increase in concrete sludge and slurry residue generated is mainly due to increased sales of concrete which contributed to a higher volume of concrete sludge generated.

ECONOMIC

ECONOMIC PERFORMANCE

Our Commitment

We are committed to provide value to various stakeholder groups through relevant and meaningful ways.

Our Approach

We strive to generate and distribute economic value by executing our business strategy, which includes staying abreast with market trends, maintaining a healthy balance sheet and strong cash flow, mitigating relevant business risks identified.

Our Performance

Further details of our economic performance can be found in the financial contents and audited financial statements of the annual report.



PRODUCT QUALITY, SERVICE QUALITY AND CUSTOMER SATISFACTION

Our Commitment

We are a leading provider of superior building materials, with 50 years of experience providing innovative, eco-friendly, and high-performance building materials to key projects in the region. Mindful of a dynamic and competitive business landscape, we aim to be a trusted, knowledgeable and reliable supplier of eco-friendly high-performance building materials. 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.

Our Approach

We have a stringent quality assurance system in place. All our products are manufactured according to industry standards and regular compliance reviews are conducted to ensure proper certification of compliance for our wide range of products.

We adopt a transparent approach to our product labelling and disclose the following information in our 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.

Our Performance

In FY2023, we received 16 customer complaints (FY2022: 26 customer complaints) in Singapore and Malaysia which mainly relate to product quality issues but they were all resolved amicably with our customers in a timely manner.

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

EMPLOYMENT

Our Commitment

EnGro ensures that each employee and worker are treated fairly.

Our Approach

Our Human Resources (“HR”) team established a set of HR Policies and Procedures which are applicable to all employees in our business units in Singapore and Malaysia. This ensures consistency of internal practices among business units so that we can remain competitive in the industry. The various policies and procedures cover grievance procedures, employee benefits, and governs our hiring and merit-based promotion policies. We provide competitive remuneration based on merit to our employees. Our managerial and non-managerial employees receive regular feedback on their performance and career development. None of our employees are covered by collective bargaining agreements. In line with our HR policies, we built 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.

SOCIAL

We offer various employee benefit programmes, covering each stage of employment from hiring to retirement. We fund or subsidise programmes and clubs that bring together our employees with shared interests to foster better workplace communication. Employee benefit programmes are developed in line with the needs of each operating location. Our leaves and benefits include 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	3 days of marriage leave
Family care leave	2 days of family care leave per year
Compassionate leave	Compassionate leave of up to 6 days a year
Dental benefits	Allowance of \$120 per year dental allowance
Maternity leave	Maternity leaves of up to 16 weeks
Paternity leave	2 weeks of paternity leave
Annual health screening	Employees who have worked for 3 years or more, in a component company of the Group and aged 40 years old and above, are provided with a \$250 annual health screening allowance once every 2 years.

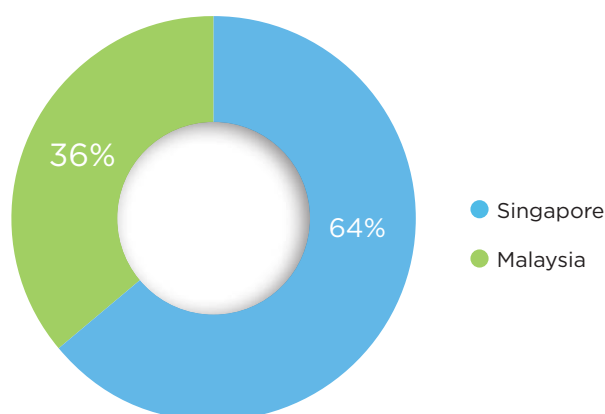
Both the permanent and temporary employees enjoyed equal safety policies and benefits.

Our Performance

Our total headcount⁷ in Singapore and Malaysia as of 31 December 2023 under permanent and temporary contracts are 247 and 3 respectively (FY2022: 195⁸ permanent employees, 14 temporary employees) and 99% (FY2022: 94%) of our employees are permanent employees.

As at 31 December 2023, most of our employees are based in Singapore with the following breakdown:

	Number of employees		Percentage	
	FY2023	FY2022	FY2023	FY2022
Singapore	159	139	64%	67%
Malaysia	91	70	36%	33%
Total	250	209	100%	100%



⁷ Figures for non-guaranteed hours employees constituted approximately 1% of the Group's headcount, which is deemed immaterial as a proportion of the Group's total headcount and thus excluded from the tabulation of human resource related metrics or social topics.

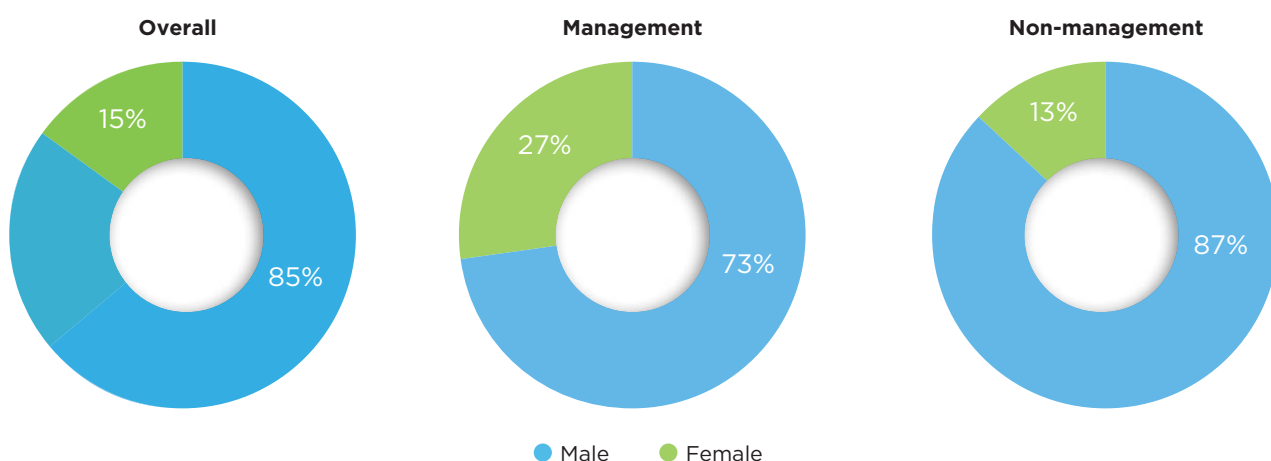
⁸ Figure restated as a correction. Consequentially, adjustments are made to other related HR metrics.

During the Reporting Period, we have no (FY2023: zero incidents) reported incidents of unlawful discrimination against employees.

Gender Diversity

Due to the nature of our business, our workforce consists of male employees predominantly. Key statistics on gender diversity of our employees are as follows:

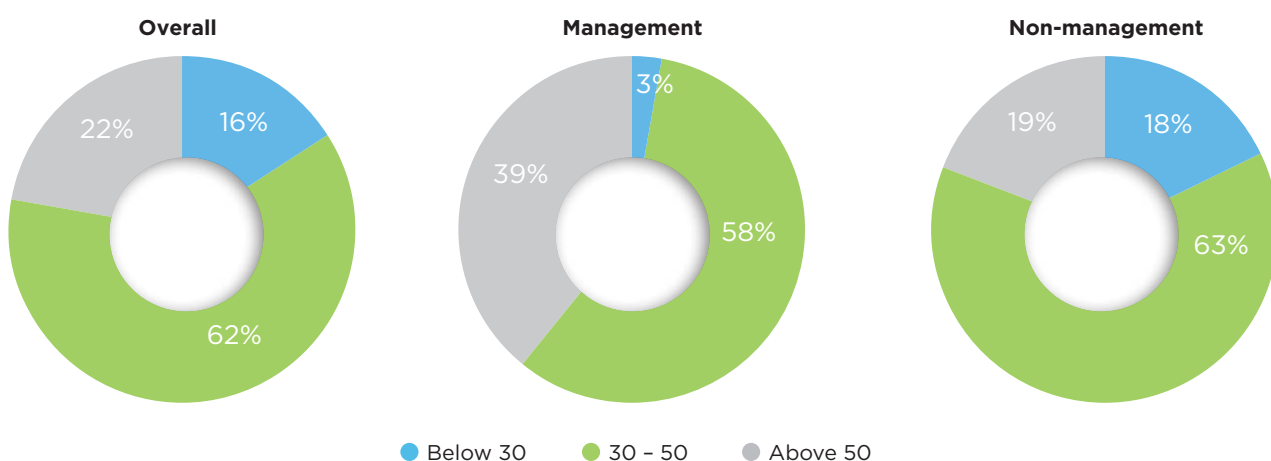
	FY2023		FY2022	
	Male	Female	Male	Female
Overall	85%	15%	83%	17%
Employee category				
Management	73%	27%	86%	14%
Non-management	87%	13%	82%	18%



Age Diversity

Matured workers are valued in the Group for their experience, knowledge and skills. Key statistics on age diversity of our employees are as follows:

	FY2023			FY2022		
	Below 30	30 - 50	Above 50	Below 30	30 - 50	Above 50
Overall	16%	62%	22%	12%	68%	20%
Employee category						
Management	3%	58%	39%	3%	48%	49%
Non-management	18%	63%	19%	14%	69%	17%

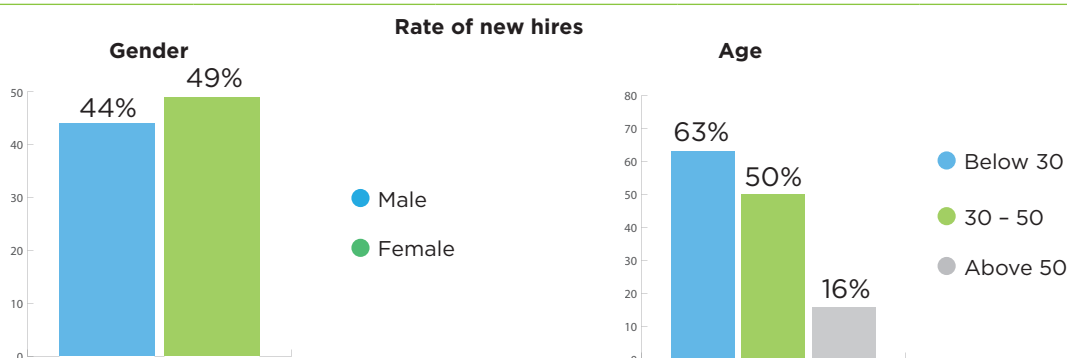


SOCIAL

New Hires

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

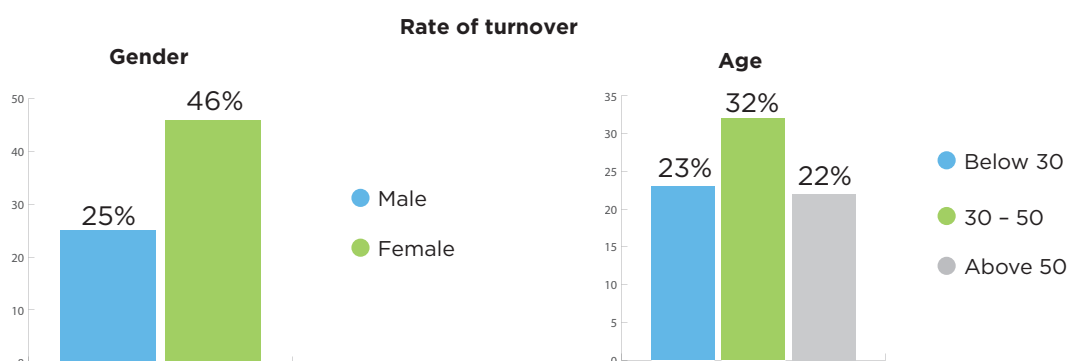
	FY2023		FY2022	
	Number of new hires	Rate of new hires	Number of new hires	Rate of new hires
Gender				
Male	93	44%	89	51%
Female	18	49%	14	39%
Age				
Below 30	25	63%	17	65%
30 to 50	77	50%	76	55%
Above 50	9	16%	10	23%
Overall	111	44%	103	49%



Turnover

Key statistics on turnover of our employees are as follows:

	FY2023		FY2022	
	Number of turnovers	Rate of turnover	Number of turnovers	Rate of turnover
Gender				
Male	53	25%	77	45%
Female	17	46%	13	36%
Age				
Below 30	9	23%	17	65%
30 to 50	49	32%	58	42%
Above 50	12	22%	15	34%
Overall turnover	70	28%	90	43%



The decrease in turnover rate is mainly due to revision of our compensation packages during the Reporting Period.

Parental Leave

Key statistics on maternity leave and paternity leave (collectively as “**Parental Leave**”) taken by eligible employees are as follows:

	FY2023		FY2022	
	Male	Female	Male	Female
Number of employees entitled to Parental Leave	NA ⁹	NA ⁹	2	NA ⁹
Number of employees who took Parental Leave	NA ⁹	NA ⁹	2	NA ⁹
Number of employees who returned to work after Parental Leave ended	NA ⁹	NA ⁹	2	NA ⁹
Return to work rate	NA ⁹	NA ⁹	100%	NA ⁹
Retention rate ¹⁰	100%	NA ¹¹	NA ¹¹	NA ¹¹

Performance Appraisal

In FY2023, 100% (FY2022: 100%) of the Group’s employee have received a regular performance and career development reviews.

TRAINING AND EDUCATION

Our Commitment

We seek to hire and retain talent that can drive globalisation and innovation in our businesses with the ultimate goal of sustainable long-term growth. With this in mind, we follow a uniform policy for hiring, job placement and human resource development.

Our Approach

We established various programmes 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. Specialised training is provided for employees engaged in different types of work to enhance their knowledge and skillsets.

⁹ Not applicable as there was no employee entitled to Parental Leave in the Reporting Period.

¹⁰ Retention rate is calculated based on employees who took Parental Leave in the preceding reporting period.

¹¹ Not applicable as there was no employee who took Parental Leave in the preceding reporting period.

SOCIAL

Our Performance

Key statistics on training hours are as follows:

	FY2023	FY2022
Overall		
Total training hours	411	637
Average training hours per employee	1.6	2.9
Gender (Male)		
Total training hours	400	564
Average training hours per employee	1.9	3.1
Gender (Female)		
Total training hours	11	73
Average training hours per employee	0.3	2.0
Management		
Total training hours	6	41
Average training hours per employee	0.2	1.4
Non-management		
Total training hours	405	596
Average training hours per employee	1.9	3.1

The decrease in training hours is mainly due to resumption of face-to-face training in FY2022. As training programmes are conducted in cyclical patterns, higher training hours in FY2022 were followed by a reduction in training hours in FY2023.

OCCUPATIONAL HEALTH AND SAFETY

Our Commitment

We are committed to safeguard our employees' health and safety against any potential workplace hazards as it is a basic need for our employees to work in a safe environment.

Our Approach

Our Group functions and departments work hand in hand to support safety and health.

We established detailed rules and regulations regarding occupational safety and health. Management ensures that the Group complies with legal requirements for all safety and health matters and educate our employees to observe safety requirements at all times. Since 2012, our operations in Singapore have obtained OHSAS 18001 certification for Occupational Health and Safety Management Systems and the related sites have transitioned and certified to ISO 45001. At our manufacturing facilities, employees attend toolbox meetings regularly, where safety advisories and reminders are communicated to them. In addition, we are bizSAFE STAR certified by the Workplace Safety and Health Council of Singapore. Such a certification recognizes our continuous efforts to embed safety in our operations. Risk assessments are performed for the various work activities that our employees may be involved in, including working with toxic chemicals.

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

- Standard operating procedures are made available at all sites with safety rules embedded in work processes to ensure that safety rules are strictly and consistently observed;
- Regular in-house safety trainings are conducted and safety instructions are placed near various equipment and clearly visible for easy reference;
- Before commencing any work, supervisors or project managers must complete a hazard analysis or risk assessment of the work activities and submit to the designated managers for approval. This requirement is applicable to our employees as well as contractors. All accident cases are reported to the supervisors and plant managers and investigations are carried out to ensure corrective actions are identified and implemented;
- Respective divisional General Managers, who are part of the management team, will report directly to the CEO on health and safety matters for each site;
- Safety officers are deployed at our sites to educate and identify safety gaps and work towards closing all occupational health and safety gaps; and
- Supervisors are sent for safety trainings to upgrade their skills and to keep abreast of latest safety regulations.



Toolbox meeting at Top-Mix



Safety briefing at EnGro

SOCIAL

Our Performance

We encountered zero fatalities, zero high consequence work-related injuries, two (2) recordable work-related injuries and zero recordable work-related ill health cases in FY2023 (FY2022: zero fatalities, zero high consequence work-related injuries, zero recordable work-related injuries and zero recordable work-related ill health cases). The two (2) recordable work-related injuries relate to arm injury arising from being struck by moving objects, strained neck and backache arising from minor traffic accident. Lessons from the recordable work-related injuries are shared across business units to prevent recurrence and we will continuously work towards reducing both the occurrence and severity of recordable work-related injuries.

	FY2023		FY2022	
	Employee	Non-employee ¹²	Employee	Non-employee
Rate of fatalities by work-related injury	-	-	-	-
Rate of high consequence work-related injuries (excluding fatalities)	-	-	-	-
Rate of recordable work-related injuries ¹³ (excluding fatalities)	0.73	-	-	-

LOCAL COMMUNITIES

Our Commitment

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.

Our Approach

We work with various organisations to empower local communities.

¹² Workers who are not employees but whose work/workplace is controlled by the Group

¹³ Rates are calculated based on every 200,000 hours worked.

Our Performance

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

Rising Talents for the Future

EnGro has been providing six (6) 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’s Support to Ren Ci Hospital

Driven by the principal of serving the community with loving kindness and compassion, EnGro supported Ren Ci Hospital by donating to the Ren Ci Charity Golf Tournament 2023 in its fundraising drive to provide affordable medical and rehabilitative care services to less fortunate and low-income families.

EnGro’s Support to Lee Kuan Yew Centennial Fund

To commemorate and in memory of the 100th anniversary of Mr Lee Kuan Yew’s birth in 2023, the Lee Kuan Yew Centennial Fund was established. EnGro donated to the Lee Kuan Yew Centennial Fund to support education related initiatives to develop young leaders in Singapore.

Donation to Singapore Perspectives 2024 “Youth”

EnGro donated to the Institute of Policy Studies for its Singapore Perspectives flagship conference, which was first launched in 2000 to engage thinking Singaporeans in a lively debate on important issues and developing better solutions to policy challenges.

EnGro’ Support to Develop and Promote Local Chinese Culture

EnGro donated to the Singapore Chinese Cultural Centre, which provide accessible and high-quality programmes to the public, continuously for 3 years in a row since 2021. We are glad to play a part in supporting the Centre’s magnanimous efforts to promote and transmit Chinese Singaporean Culture for future generations.

Promote Equality and Fairness

In recognition of girls’ value and ability to change the world, EnGro donated to Girl Guides Singapore in developing their members’ strengths and skills to their fullest potential and becoming responsible citizens of the world.



TARGET AND PROGRESS

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

Legend: Progress tracking

- New target
- Target achieved
- On track to meet target
- Not on track, requires review

S/N	Sustainability Factor	Target ¹⁴	Progress
Governance			
1	Ethical business conduct and compliance	<u>Ongoing and long-term</u> Maintain zero case of corruption	●●●
Environmental			
2	Energy and GHG emissions management	<u>Short-term</u> Reduce Scope 2 GHG emissions intensity by FY2025, with FY2022 as our baseline	●●●
		<u>Medium-term</u> Reduce our absolute Scope 2 GHG emissions by 25% by FY2035, with FY2022 as our baseline	●●○ We developed a climate change transition plan and will refine and improve the plan as we progressively implement it, by considering changes in business operations, environment and market trends.
3	Water management	<u>Short-term</u> Maintain or reduce water consumption intensity	●●●
4	Waste management	<u>Ongoing and long-term</u> Maintain or improve percentage of hazardous waste handled by licensed waste collectors	●●●
Economic			
5	Economic performance	<u>Short-term</u> Maintain or improve economic value generated subject to market conditions	●●●

¹⁴ Time horizons for target setting are (1) short-term: before FY2025, (2) medium-term: FY2025 – FY2035, (3) long-term: after FY2035, (4) ongoing: continuous time horizon.





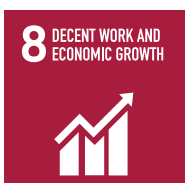
TARGET AND PROGRESS

S/N	Sustainability Factor	Target ¹⁴	Progress
Social			
6	Product quality, service quality and customer satisfaction	<u>Ongoing and long-term</u> Maintain zero case of product non-compliance with regulations concerning health and safety impacts of our products	●●●●
7	Employment	<u>Ongoing and long-term</u> Maintain zero incident of unlawful discrimination against employees	●●●●
8	Training and education	<u>Short-term</u> Maintain or improve training hours per employee	●●○○ We recorded a decrease in training hours mainly due to resumption of face-to-face training in FY2022. As training programmes are conducted in cyclical patterns, higher training hours in FY2022 were followed by a reduction in training hours in FY2023. We developed a training plan for FY2024 with the objective of meeting our employees' training needs.
Social			
9	Occupational health and safety	<u>Ongoing and long-term</u> Maintain zero workplace accident	●●○○ Two (2) minor work-related injuries reported in FY2023. Lessons from the work-related injuries were shared across business units to prevent recurrence and we will continuously work towards reducing both the occurrence and severity of workplace accidents
10	Local communities	<u>Ongoing and long-term</u> Initiate various campaigns to help the communities	●●●●





For certain key Sustainability Factors identified above, we are still in the process of setting the related medium and long-term targets as their historical data trends have yet to stabilize. We will disclose such targets in our future sustainability reports when the data trends have stabilized and subject to market trends.

SUPPORTING THE UN 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)
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Ensure healthy lives and promote well-being for all at all ages</p> <p><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.</p>
 <p>4 QUALITY EDUCATION</p>	<p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p> <p><u>Training and education</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.</p>
 <p>6 CLEAN WATER AND SANITATION</p>	<p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p> <p><u>Water management</u> We implement checks and measures to reduce water wastage, which in turn help us to work towards achieving sustainable management and efficient use of natural resources.</p>
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>Ensure access to affordable, reliable, sustainable and modern energy for all</p> <p><u>Energy and GHG emissions management</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.</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p> <p><u>Economic performance</u> We contribute to economic growth through creating long-term value for our stakeholder groups.</p>

SUPPORTING THE UN SUSTAINABLE DEVELOPMENT GOALS

SDG	Our effort (Sustainability Factor)	
	<p>Reduce inequality within and among countries</p>	<p><u>Employment</u> We ensure equal opportunity for all regardless of gender, age and educational background.</p>
	<p>Make cities and human settlements inclusive, safe, resilient and sustainable</p>	<p><u>Local communities</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.</p>
	<p>Ensure sustainable consumption and production patterns</p>	<p><u>Waste management</u> We implement measures to manage the associated environmental impacts from the generation and disposal of waste.</p>
	<p>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective accountable and inclusive institutions at all levels</p>	<p><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.</p>
		<p><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.</p>

SUPPORTING THE TCFD

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

Governance

a. Describe the board's oversight of climate-related risks and opportunities.

The Board oversees the management and monitoring of the sustainability matters of the Group, including climate-related risks and opportunities, and take them into consideration in the determination of the Group's strategic direction and policies.

b. Describe management's role in assessing and managing climate-related risks and opportunities.

The Sustainability Committee is responsible for the management and monitoring of our key Sustainability Factors, including working with the various business units to ensuring these are integrated in our day-to-day operations. Our sustainability performance is monitored against established targets, to be evaluated periodically to tighten our engagement with stakeholder groups to understand their expectations and concerns. Shortfalls are investigated and efforts are made to achieve the targets.

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.

The climate-related risks and opportunities identified by the Group during a climate-related risk assessment exercise includes the following:

- **Increased severity of extreme weather events** - Adverse changes in climate patterns such as rising temperatures and extreme weather events may disrupt supply chains and consequentially procurement delays. As a result, the Group may face adverse impacts on financial performance. Conversely, this risk presented an opportunity for the Group to review and assess its value chain;
- **Shifting consumer preferences for environmentally friendly products** - With rising concerns over the effects of climate change and demands for energy efficiency, consumers may demand for environmentally friendly products. The Group realises the opportunity to promote green cement products to customers. For further details, you may refer to the Energy and GHG Emissions Management factor; and
- **Enhanced emissions-reporting obligations** - With rising concerns over the effects of climate change, key stakeholder groups such as the regulators and shareholders are demanding climate-related information. Failure to comply with the relevant climate reporting requirements may lead to adverse impacts on the Group's reputation and financial performance. On the other hand, enhanced emissions reporting obligations raise climate awareness amongst our employees and with more defined job responsibilities and training, the Group will be in a better position to use energy resources responsibly and meet the rising needs and expectations of regulators and our shareholders on the environment.

SUPPORTING THE TCFD

The Group's assessment on potential implications of the above climate-related risks was undertaken based a range of climate scenarios using the Representative Concentration Pathway ("RCP") adopted by the Intergovernmental Panel on Climate Change ("IPCC").

Scenario	Description
IPCC RCP 2.6/1.5°C	This scenario is in line with Paris Agreement to limit global warming to below 2°C by 2100 as a result of efficiency enhancements and behaviour changes as key mitigation strategy
IPCC RCP 8.5/4°C	The "business-as-usual" scenario assumes that emissions continue to rise with significant increases in global temperatures, as no concerted efforts are made to reduce emissions

We selected 1.5°C and > 4°C warming scenarios for the purpose of our inaugural qualitative climate scenario analysis. The impact of the climate-related risks is analysed on group-wide activities in the short term (before FY2025), medium term (FY2025-FY2035) and long term (after FY2035) with details as follows:

Warming scenario 1: 1.5°C warming (RCP 2.6)

Risk	Potential impact		
	Short-term	Medium-term	Long-term
Key transition risk identified			
Shifting consumer preferences for environmentally friendly products	Low	Medium	Medium
Enhanced emissions-reporting obligations	Low	Medium	Medium
Key physical risk identified			
Increased severity of extreme weather events	Low	Low	Low

Warming scenario 2: > 4°C warming (RCP 8.5)

Risk	Potential impact		
	Short-term	Medium-term	Long-term
Key transition risk identified			
Shifting consumer preferences for environmentally friendly products	NA ¹⁵	NA ¹⁵	Low
Enhanced emissions-reporting obligations	NA ¹⁵	NA ¹⁵	Low
Key physical risk identified			
Increased severity of extreme weather events	NA ¹⁵	NA ¹⁵	High

In terms of our business strategy and financial planning based on the scenarios above, the Group will continue to formulate adaptation and mitigation plans and explore allocating investments 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.

¹⁵ Not applicable as this scenario is unlikely in the short and medium term.

SUPPORTING THE TCFD

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. The climate scenario analysis is crucial in providing insights on the potential extent of the climate-related risk exposure to our businesses as well as the potential opportunities.

Through our climate scenario analysis, we concluded that unmitigated climate risks (under warming scenario > 4°C warming) may result in a severe financial impact in the long-term. Under the warming scenario 1.5, the vast majority of the impact will be attributable to transition risks from the enhanced emissions-reporting obligations and shifting consumer preferences for environmentally friendly products. To address the risks and capitalise on opportunities associated with climate change, we will continuously build on our strategy to remain resilient as we progress in 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.

The Group's climate related risks and opportunities are identified and assessed during the climate-related risk assessment exercise. We also manage our climate-related risks by monitoring the trend of climate-related performance indicators. We will integrate the climate-related risks into our risk management framework in the future.

Metrics and Targets

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 monitor, measure and report our environmental performance such as energy consumption and GHG emissions in its sustainability reports. Monitoring and reporting these data and metrics enable the Group to identify areas of material climate-related risks and be more focused in its 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, Scope 2 and selected Scope 3 GHG emissions in this Report and set climate-related targets such as those related to energy and GHG. Our disclosure on indirect Scope 3 emissions includes purchased goods and services (category 1), business travel (category 6) and employee commuting (category 7) in FY2023. We will continue to monitor our emissions and expand our disclosure of our Scope 3 GHG emissions wherever applicable and practicable.

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 energy consumption and GHG emissions. For further details, please refer to pages 26 to 27.

GRI CONTENT INDEX

Statement of use	EnGro Corporation Limited has reported in accordance with the GRI Standards for the period 1 January 2023 to 31 December 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI Standard	Disclosure	Location/Page reference and Omissions
General Disclosures		
GRI 2: General Disclosures 2021	2-1 Organisational details	01 of SR 23 67 of AR 23 87 – 88 of AR 23 137 – 138 of AR 23
	2-2 Entities included in the organisation's sustainability reporting	04 of SR 23
	2-3 Reporting period, frequency and contact point	04 of SR 23 08 of SR 23
	2-4 Restatements of information	18 of SR 23
	2-5 External assurance	04 of SR 23
	2-6 Activities, value chain and other business relationships	01 of SR 23 13 of AR 23 108 of AR 23
	2-7 Employees	18 – 19 of SR 23
	2-8 Workers who are not employees	We have approximately 15 workers who are not employees as at 31 December 2023. They are mainly mixer truck drivers for handling deliveries of RMC and site workers for concrete production.
	2-9 Governance structure and composition	05 – 06 of SR 23 21 – 29 of AR 23 44 of AR 23
	2-10 Nomination and selection of the highest governance body	05 – 06 of SR 23 30 – 32 of AR 23
	2-11 Chair of the highest governance body	05 – 06 of SR 23 29 – 30 of AR 23
	2-12 Role of the highest governance body in overseeing the management of impacts	05 – 06 of SR 23
	2-13 Delegation of responsibility for managing impacts	05 – 06 of SR 23
	2-14 Role of the highest governance body in sustainability reporting	05 – 06 of SR 23
	2-15 Conflicts of interest	26 of AR 23
	2-16 Communication of critical concerns	09 of SR 23 38 of AR 23
	2-17 Collective knowledge of the highest governance body	06 of SR 23 26 – 27 of AR 23
	2-18 Evaluation of the performance of the highest governance body	33 of AR 23
	2-19 Remuneration policies	33 – 36 of AR 23
	2-20 Process to determine remuneration	33 – 36 of AR 23

GRI CONTENT INDEX

GRI Standard	Disclosure	Location/Page reference and Omissions
General Disclosures		
	2-21 Annual total compensation ratio	Information is not provided due to confidentiality constraints.
	2-22 Statement on sustainable development strategy	02 of SR 23 04 – 05 of AR 23
	2-23 Policy commitments	09 of SR 23 28 – 32 of SR 23
	2-24 Embedding policy commitments	09 of SR 23 28 – 32 of SR 23
	2-25 Processes to remediate negative impacts	09 of SR 23 38 of AR 23
	2-26 Mechanisms for seeking advice and raising concerns	09 of SR 23 38 of AR 23
	2-27 Compliance with laws and regulations	09 of SR 23 17 of SR 23 19 of SR 23
	2-28 Membership associations	None
	2-29 Approach to stakeholder engagement	06 of SR 23
	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	07 – 08 of SR 23
	3-2 List of material topics	08 – 25 of SR 23 Sustainability Factors added: -Water Management (14 of SR 23) -Waste Management (14 - 15 of SR 23)
Economic Performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	16 of SR 23 26 – 27 of SR 23
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	16 of SR 23 08 – 09 of AR 23 61 – 66 of AR 23
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