



# SCALING NEW HEIGHTS

## SUSTAINABILITY REPORT 2022



ADVANCED SYSTEMS  
AUTOMATION LIMITED

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## 1. Board Statement

We are pleased to present our sixth Sustainability Report for the financial year ended 31 December 2022 (“FY2022”) that shows our approach towards sustainability over the year, as well as our practices and performance around relevant material factors.

Advanced Systems Automation Limited (“ASA” or the “Company”) is the world’s first total backend inline equipment solution which is used by semiconductor assembly processes globally. As we grow and expand our business, we will continue to commit ourselves to good sustainability practices as we believe it is vital to the success of our business.

Surrounded by high interest rates, credit crunch and instability in the global system, we expect to continue to face challenges in the immediate future as we continue our quest to pursue new acquisitions amidst the volatile regional business environment. With disruptions arising from climate change, we see greater value in the longer term by considering good sustainability practices on our business. We have assessed that the 15 material factors identified in FY2021 continue to play a relevant role in our business. These factors have helped shaped our sustainability strategy and set time-based targets which are managed and overseen by our Sustainability Steering Committee.

We seek to grow our role in sustainability and are confident that this will help enhance our quality of life while protecting our planet. We look forward to working with you and welcome you on our journey to sustainability.

## 2. About this Report

### 2.1. Reporting Scope and Period

This report, published annually, covers the company’s policies, practices, initiatives, performance, and goals in relation to material Environmental, Social and Governance (“ESG”) factors for the period of 1 January 2022 to 31 December 2022 and includes data and information from said period relating to ASA, its subsidiaries and their services and products.

For this scope of report, we have decided to focus on Emerald Precision Engineering (“Emerald”) as they produce the bulk of our products and services and is the most material entity to ASA.

No restatements were made from the previous report except (1) disclosure on GHG emissions on page 10 due to change in measurement methodologies from prior year; and (2) FY2021 total employee statistics on page 15.



## 2.2. Framework

This report is written in compliance with the requirements of SGX-ST Listing Rules 711A and 711B and has been prepared **with reference** to the Global Reporting Initiative (“GRI”) Standards. The GRI Standards were selected as it is an internationally recognised reporting framework that covers a comprehensive range of ESG disclosures. Further details can be found in the **GRI Content Index** provided at the end of this report.

Additionally, we are adopting a phased approach from FY2022 as we continue our efforts in managing climate related risks. This report includes ASA’s climate-related disclosures in accordance with the recommendation of the Task Force on Climate-related Financial Disclosures (“TCFD”) based on our efforts to date. Further details regarding the alignment of ASA’s climate-related disclosures with TCFD recommendations can be found in the **TCFD Content Index** on page 22 of this report.

We have reviewed SGX Core ESG Metrics and included the metrics relating to the material topics identified wherever relevant.

## 2.3. Feedback

For any enquires, comments or feedback regarding both our sustainability performance and inaugural sustainability report, please send them to [enquiries@asa.com.sg](mailto:enquiries@asa.com.sg).



### 3. Sustainability Governance

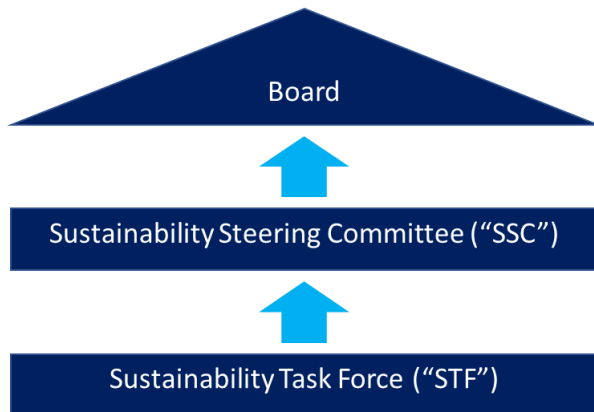
#### 3.1. Sustainability Strategy

ASA strives to continually deliver world-class services to our customers to help them optimise their resource utilisation. As such, it is important that sustainability is considered in our strategic decisions as expectations for sustainable development is growing.

#### 3.2. Sustainability Governance Structure

##### Board of Directors (the “Board”)

The Board oversees the sustainability performance of ASA, with support from the Sustainability Steering Committee (“SSC”). It monitors and evaluates sustainability performance against peer companies in order to improve performance and to identify areas of improvement. The Board also conducts reviews of the Company’s approach to sustainability from the identified gaps as compared to peer companies so that ASA will be in a better position to execute targeted actions to address the gaps.



##### Sustainability Steering Committee (“SSC”)

Our sustainability strategy is headed by our SSC. The SSC provides strong direction coupled with an effective sustainability governance framework to identify, assess and manage the ESG issues that are important to us and our stakeholders.

The SSC is led by the Chief Executive Officer and consists of senior management personnel. They provide advice and assistance to the Board in ensuring that policies and procedures related to ESG issues are aligned with ASA’s business strategy.

##### Sustainability Task Force (“STF”)

The SSC is supported by the STF, which is responsible for driving sustainability initiatives and programmes across ASA. STF comprises of management personnel involved in various divisions including Admin, Human Resource, Finance and Information Technology.



### 3.3. Stakeholder Engagement

We strongly believe that stakeholders are an integral part of our sustainability efforts, as such it is of utmost importance that we engage with our stakeholders to gain valuable insights and understand the ESG issues that they are most concerned with, to shape our sustainability strategy and grow our business sustainably. Our approach to stakeholder engagement is as follows:

Key Stakeholders	Key Topics of Concern	Mode of Engagement	Frequency of Engagement
Investors and Shareholders	<ul style="list-style-type: none"> <li>Business financial performance</li> <li>Operational efficiency</li> <li>Sustainable value of shareholding</li> <li>Return on investments</li> </ul>	Media releases	Ad-hoc
		SGX's announcements	Semi-Annually
		Annual general meeting ("AGM") for shareholders	Annually
		Annual report	Annually
		Website at <a href="https://www.asa.com.sg/">https://www.asa.com.sg/</a>	Ad-hoc
Employees	<ul style="list-style-type: none"> <li>Career development</li> <li>Teambuilding activities</li> <li>Training opportunities</li> <li>Developing an open workforce to engage staff</li> <li>Providing a safe and conducive environment</li> </ul>	Company handbook	Employees are briefed on the handbook during on boarding. Softcopy of handbook is available on a hard disk drive for employees when requested. An acknowledgement form is signed when employees read the handbook.
		New employee Orientation	First week of work
		Trainings	Ad-hoc by topic
		Whistle blowing policy	Ad-hoc. Whistle blower identities will be kept confidential.
Customers	<ul style="list-style-type: none"> <li>Quality products</li> <li>Value for money</li> <li>Good service</li> </ul>	Customer visits	Ad-hoc tour of premises for customers
		Factory visits by customers	Ad-hoc tour of factories for customers
		Participation in trade shows	Ad-hoc
		Customers' material safety compliance Requirements	Ad-hoc when informed by customer



Key Stakeholders	Key Topics of Concern	Mode of Engagement	Frequency of Engagement
Suppliers	<ul style="list-style-type: none"><li>• Tender shortlisting and award criteria</li><li>• Business financial performance</li></ul>	Supplier assessment	As and when products are received



## 4. Materiality Assessment
















Annually, the Board conducts an exercise, involving members of ASA’s senior management team, to review the relevance of ASA’s material factors in order to identify if there has been any shift in priorities among stakeholders and examine any emerging areas of concern.

The identification of material issues involved conducting research on global and local trends in our industry and material topics identified by our peers and industry best practices. The 15 material topics identified in FY2021 continue to be reflective of our business directions and remain our focus for FY2022.

We will continue to assess these material topics on regular basis to ensure their relevance and importance to our business.

### 4.1. Overview of Material Factors

For each material topic, table below shows the corresponding topic specific GRI standards and relevant United Nations Sustainable Development Goals (“UN SDGs”).

	Material Factors	Relevant Topic-specific GRI Standards	Relevant UN SDGs
Environmental	Energy and Emissions	<b>GRI 302:</b> Energy 2016 <b>GRI 305:</b> Emissions 2016	      
	Water and Effluents	<b>GRI 303:</b> Water and Effluents 2018	   
	Waste	<b>GRI 2-27:</b> Compliance with Laws and Regulations <b>GRI 306:</b> Waste 2020	 
Economic	Economic Performance	<b>GRI 201:</b> Economic Performance 2016	 



	Material Factors	Relevant Topic-specific GRI Standards	Relevant UN SDGs
Social	Talent Attraction and Retention	<b>GRI 401:</b> Employment 2016	 
	Diversity and Equal Opportunity	<b>GRI 405:</b> Diversity and Equal Opportunities 2016	  
	Training and Education	<b>GRI 404:</b> Training and Education 2016	 
	Occupational Health and Safety	<b>GRI 403:</b> Occupational Health and Safety 2018	  
	Customer Health and Safety	<b>GRI 416:</b> Customer Health and Safety 2016	
	Supplier Assessment	<b>GRI 414:</b> Supplier Social Assessment 2016	 
	Compliance with Laws and Regulations	<b>GRI 2-27:</b> Compliance with Laws and Regulations	
	Environmental Compliance		
	Cybersecurity	<b>GRI 418:</b> Customer Privacy 2016	
Governance	Anti-corruption	<b>GRI 205:</b> Anti-corruption 2016	
	Corporate Governance		



4.2. Environmental  
 4.2.1. Energy and Emissions

A large portion of our operation costs are attributed to electricity usage in the manufacturing process. This results in greenhouse gas (“GHG”) emissions (Scope 2 emissions). It is our belief that improving our energy and emissions performance will lead to benefits for our organisation by maximising usage of energy sources, reducing both consumption and cost.

We acknowledge our responsibility to reduce the environmental impacts of our business operations and commit to minimise our environmental footprints through sustainable practices and initiatives.

**Management Approach**

ASA places great emphasis on improving energy and emissions performance. Management encourages staff through regular reminders to conserve electricity consumption and shares the importance of environmental sustainability during the staff’s onboarding programme as well.

**Performance Data**

For FY2022, we achieved a reduction of our energy consumption and intensity by 11.4% beyond our target of 10% from the prior year mainly attributable to the reduction in night shift operations in FY2022 as compared to FY2021. In FY2021, for every MYR1,000 revenue about 41.67KWh was consumed. However, in FY2022, every MYR1,000 consumed 46.50KWh.

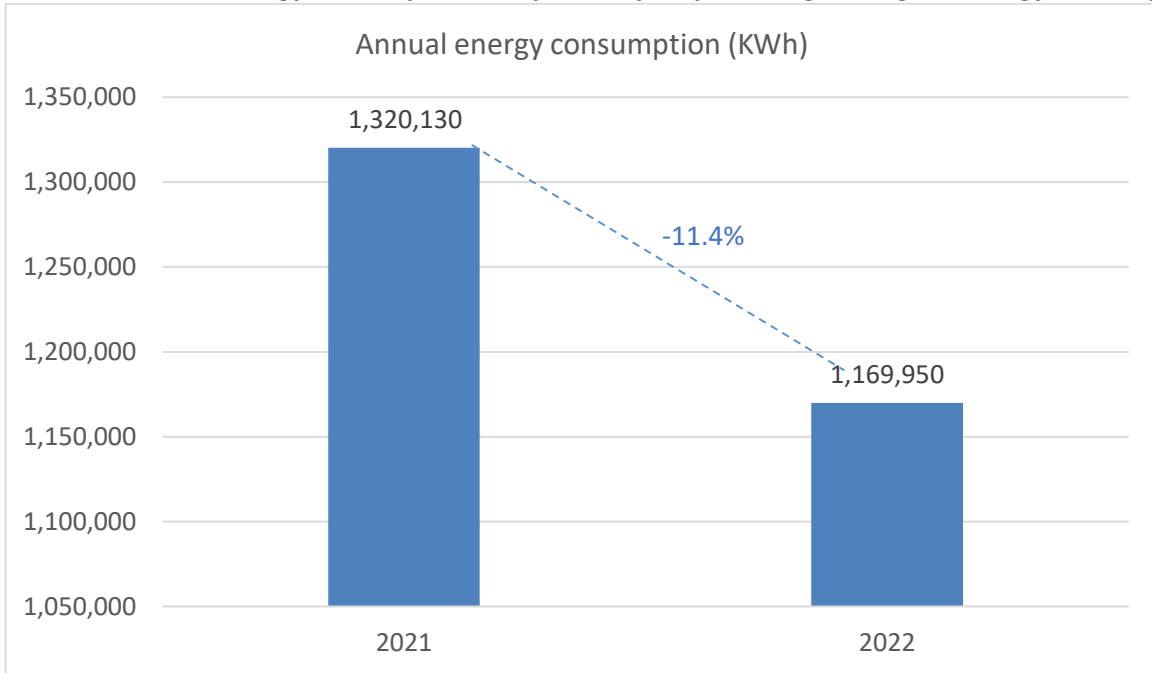
		Actual Performance		% Change from FY2021 to FY2022	FY2023 Target
		FY2021	FY2022		
Energy	Energy Consumption (KWh)	1,320,130	1,169,950	-11.4%	To maintain intensity within 10% of FY2022 levels
	Energy Intensity KWh/ m <sup>2</sup>	444	393	-11.4%	
Emissions <sup>1</sup>	GHG Emissions – Scope 2 (tCO <sub>2</sub> e)	851.22	754.38	-11.4%	
	GHG Emissions Intensity (tCO <sub>2</sub> e/ m <sup>2</sup> )	0.29	0.25	-11.4%	

There is no separate disclosure made on direct GHG emissions (Scope 1) but we will continue to monitor such emissions and to disclose in future, as and when applicable.

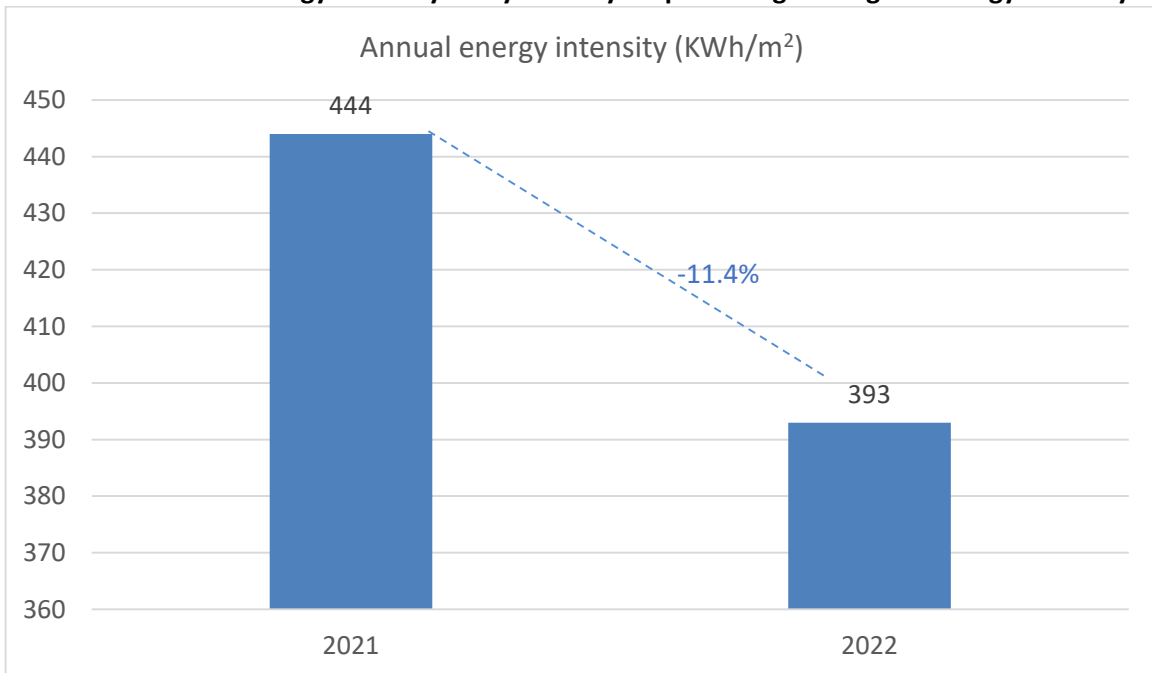
<sup>1</sup> Recalculated using latest available average operating margin for Peninsular Malaysia at 0.6448 tCO<sub>2</sub>e/MWh.



**Chart 1a: Annual energy consumption and year-on-year percentage change of energy consumption**



**Chart 1b: Annual energy intensity and year-on-year percentage change of energy intensity**



**Targets**

We will continue to explore greener and more efficient methods and target to maintain energy (electricity) and GHG emissions intensity within 10% of FY2022's levels.



#### 4.2.2. Water and Effluents

##### Management Approach

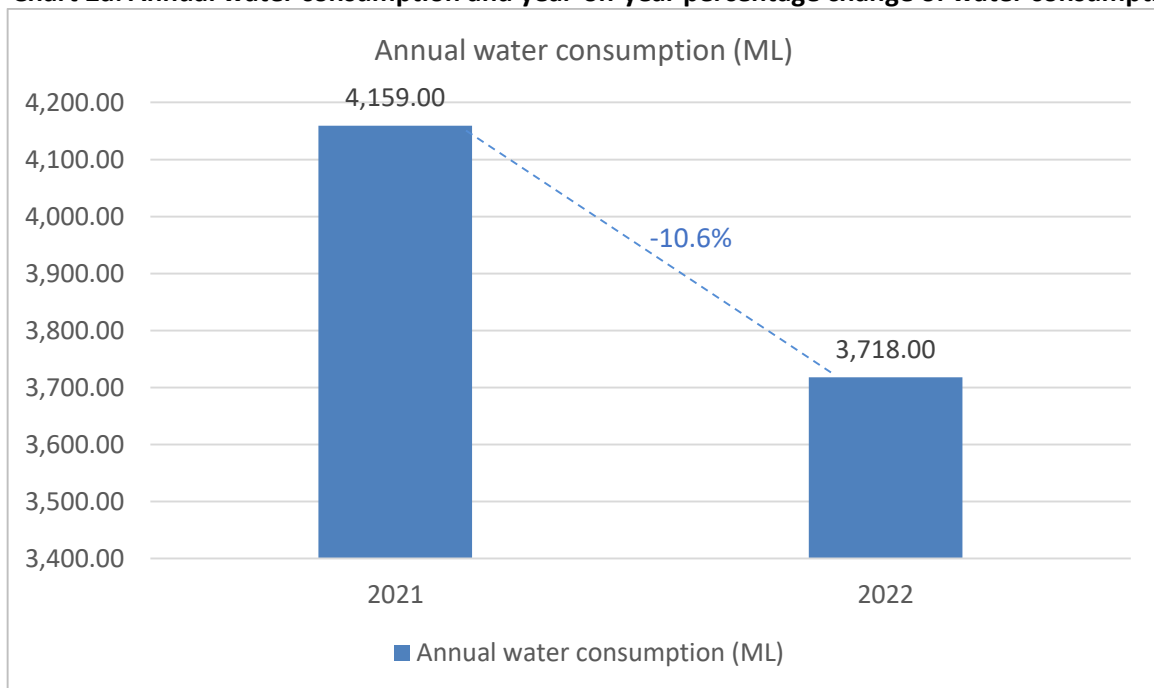
ASA is supportive of the international emphasis towards conserving water resources. ASA reduces its water consumption by decreasing its operational hours.

##### Performance Data

For FY2022, we achieved a reduction of our water consumption by 10.6% within our target of 10% from the prior year.

		Actual Performance		% Change from FY2021 to FY2022
		FY2021	FY2022	
<b>Water</b>	<b>Water Consumption (Megalitre ("ML"))</b>	4,159.00	3,718.00	-10.6%

**Chart 2a: Annual water consumption and year-on-year percentage change of water consumption**



##### Targets

We will continue to explore ways to conserve more water and keep the water consumption within 10% of FY2022's levels.



### 4.2.3. Waste

At ASA, we consider waste management a key issue as we observe a growing interest from our stakeholders and communities on how we manage waste generated from our business operations. We are aware that companies that incorrectly and irresponsibly dispose waste are accountable for their actions. More importantly, we recognize that any unregulated methods of disposal could result in severe pollution that has ramifications on the community, environment, and people's health.

#### **Management Approach**

ASA complies with all environmental regulations and goes beyond these legal statutes to better manage hazardous and non-hazardous waste for all our operations.

We ensure that our generated waste is processed through incineration, landfill or other disposal methods that adhere to local rules and regulations.

At ASA, we prohibit burning of waste within our premises. All general waste and toxic industrial waste are segregated and safely disposed of accordingly. We strive to recycle and possibly reuse most of the general waste generated. We ensure collection and storage of all waste oils is secured and label drums at designated areas to prevent any leaks or spills. All our waste oils and solid waste are sent to licensed third party contractors for safe disposal.

#### **Performance Data**

In FY2022, there were zero incidents of non-compliance with laws and regulations concerning waste management and disposal.

#### **Targets**

We endeavour to maintain zero incidents of non-compliance with laws and regulations concerning waste management and disposal.

## 4.3. Economic

### 4.3.1. Economic Performance

It is our belief that to deliver value for all our stakeholders, particularly our shareholders, we have to focus on maintaining a strong financial position by carrying out our operations in a responsible manner and building resilience throughout our business operations for long-term sustainable growth.

Our financial performance for FY2022 can be found in the Financial Highlights section and Audited Financial Statements of the Annual Report for FY2022, which will be released in due course.



#### 4.4. Social

##### 4.4.1. Talent Attraction and Retention

At ASA, we value and respect every individual in the organisation and strive to have an environment where all our employees feel like they are a part of the organisation. We are committed to provide equal and fair employment opportunities as we believe diversity is key to growth and innovation in our business.

#### Management Approach

We believe in a transparent talent acquisition system. We offer our employees a competitive compensation and a range of other benefits, such as health care coverage, parental leave and annual leave. We ensure that we recruit and retain the best talent.

#### Performance Data

For FY2022, ASA's turnover increased to 6.5% (FY2021: 4.1%) following the departure of 6 employees. ASA will continue to monitor the hiring and turnover rates to adapt to the changing labour conditions, while ensuring sufficient capacity to meet our business needs.

Year	FY2021	FY2022
<b>New employees hired, during the year</b>	0 (0%)	2 (2.2%)
By gender:		
▪ Female	0 (0%)	0 (0%)
▪ Male	0 (0%)	2 (100%)
By age		
▪ Below 30 years old	0 (0%)	1 (50%)
▪ Between 30 to 50 years old	0 (0%)	1 (50%)
▪ Above 50 years old	0 (0%)	0 (0%)

Year	FY2021	FY2022
<b>Employee turnover, during the year</b>	4 (4.1%)	6 (6.5%)
By gender:		
▪ Female	3 (75%)	0 (0%)
▪ Male	1 (25%)	6 (100%)
By age		
▪ Below 30 years old	1 (25%)	2 (33.3%)
▪ Between 30 to 50 years old	3 (75%)	4 (66.7%)
▪ Above 50 years old	0 (0%)	0 (0%)

#### Targets

For FY2023, ASA will continue to maintain or target a turnover rate lower than FY2022.



#### 4.4.2. Diversity and Equal Opportunities

##### Management Approach

ASA is constantly striving to maintain a nurturing environment where all employees feel valued and respected. Our human resource policies are holistic in nature and founded on the values of integrity and empathy. Within our human resource policy, the whistleblowing process is well-established which aids ASA to be transparent, promoting employee well-being and satisfaction.

The Group's Handbook and Terms and Conditions of Employment are aligned with these policies and aim to provide employees an inclusive environment. We do not discriminate during our recruitment process, and we ensure that fair practices of hiring are adopted for all the deserving candidates, including persons with disabilities, by offering remuneration as per market standards.

Additionally, diversity is a key focus of ASA Group and its importance is duly respected. We believe that diversity is crucial for consistent innovation and aim to achieve diversity in terms of both age and gender, as disclosed in the graphs below.

In February 2021, the Board had approved a diversity policy that codified the principles that the Nominating Committee, Board and the Company were using annually to assess that the existing attributes and core competencies of the Board are complementary and contributes to the efficacy of the Board.

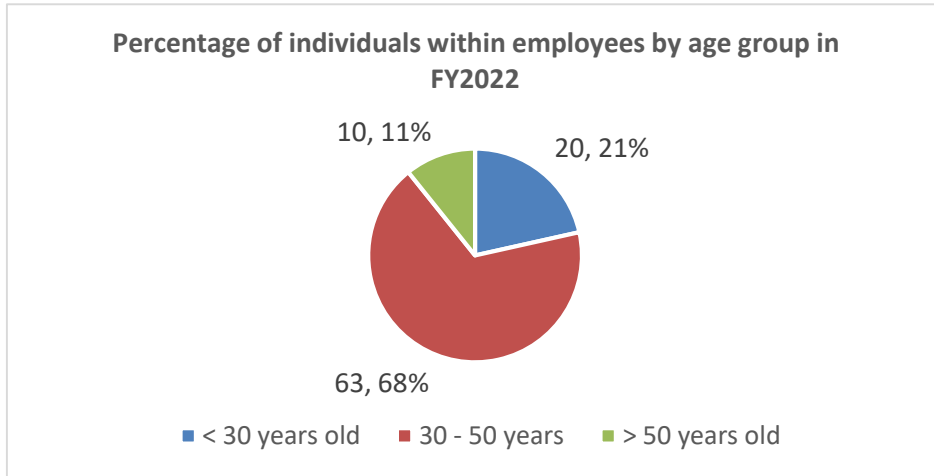
##### Performance Data

Year	FY2021 <sup>2</sup>	FY2022
<b>Total employees, by year end</b>	97	93
By gender:		
▪ Male	75 (77%)	71 (76%)
▪ Female	22 (23%)	22 (24%)
By age:		
▪ < 30 years old	24 (25%)	20 (21%)
▪ 30 - 50 years	65 (67%)	63 (68%)
▪ > 50 years old	8 (8%)	10 (11%)

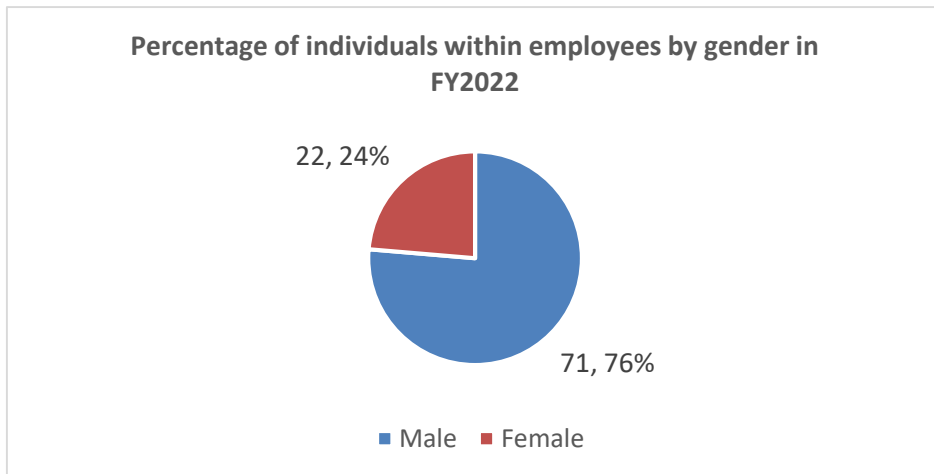
Year	2021		2022	
	Headcount	Percentage	Headcount	Percentage
<b>Within Board of Directors of ASA - by age group</b>				
< 30 years old	0	0%	0	0%
30 - 50 years old	0	0%	0	0%
> 50 years old	4	100%	4	100%
<b>Total</b>	4	100%	4	100%
<b>Within Board of Directors of ASA - by gender</b>				
Male	4	100%	4	100%
Female	0	0%	0	0%
<b>Total</b>	4	100%	4	100%

<sup>2</sup> Reinstated numbers for total employees, by year end for FY2021.

**Chart 3a. Percentage of individuals within the employees by age group**



**Chart 3b. Percentage of individuals within the employees by gender**



**Targets**

In FY2023, we aim to continue to provide fair and competitive remuneration based on merit.





#### 4.4.3. Training and Education

The key to ASA's success lies with its people, as such, we want to grow the right pool of talent who are kept abreast of the latest industry developments, future-ready and will be able to work together for the success of the organisation. We believe we can achieve that with the right combination of on-site and off-site training and education.

##### **Management Approach**

Our HR department assesses the current and future skills requirements for our business operations and design learning and development programmes to meet these requirements. These programmes are tailored to meet the needs of employees and enhance their personal and professional development. There are also special training programmes to groom promising individuals as part of our succession planning.

##### **Performance Data**

In FY2022, the total training hours provided to the staff was 304.7 hours, this equated to an average of 3.27 hours catered to each of our employees. We were thus able to meet our target in FY2022 of an average of 2 hours of training to our employees.

##### **Targets**

For FY2023, we will set our target to provide an average of 3 hours of training to our employees.

#### 4.4.4. Occupational Health and Safety

Keeping our employees safe is our top priority as we endeavour to provide a safe working environment for all employees. We remain committed to the health and safety and welfare of our employees and strive to be in adherence to global and industrial standards and guidelines while providing a safe and positive working environment to our employees.

##### **Management Approach**

ASA adopts safe work practices and have established standard operating procedures and conducts emergency response training to ensure that the risk of accidents, injuries, and exposure to health hazards are minimised for all employees and contractors. Employees and contractors are also required to follow the ASA safety handbook which outlines standard safety practices and requirements.

On-site inspections and regular maintenance are conducted to ensure that all equipment in ASA premises is safe for employees to work with. Emergency plans and procedures are provided on signage for employees and ASA building occupants to read in the case of an emergency.

##### **Performance Data**

We were able to achieve our target with zero reported workplace fatalities and zero major accidents among our employees in FY2022.

##### **Targets**

Our FY2023 goal is to continue to maintain zero workplace fatalities and high-consequence work-related injuries.



#### 4.4.5. Customer Health and Safety

##### **Management Approach**

ASA firmly believes that a customer-centric culture is what drives success. At ASA's core, we place emphasis on building trust and loyalty with our customers by being attentive to their demands and responsive. ASA also does quality assurance checks particularly with customers' health and safety in mind as we deliver heavy machinery that could be potential safety hazards. By placing customers at the fore-front, we allow our customers to experience quality products and a safe experience with us.

##### **Performance Data**

In FY2022, we had zero incidents of non-compliance concerning the health and safety impacts of our products and services.

##### **Targets**

Our FY2023 goal is to maintain zero incidents of non-compliance concerning the health and safety impacts of our products and services.

#### 4.4.6. Supplier Assessment

Our suppliers form an integral part of our value chain as they contribute to our sustainability goals and business success. As such, where we source our materials from affects our reputation and our contribution to be a sustainable organisation.

##### **Management Approach**

The suppliers who work with us are required to abide by our values and standards and conduct their business in an ethical, legal and sustainable manner in addition to meeting the requirements of relevant laws and regulations.

##### **Performance Data**

In FY2022, there were no incidents of non-compliance with the relevant laws and regulations arising from our suppliers.

##### **Targets**

For FY2023, we will continue to monitor our suppliers to achieve zero non-compliance with the relevant laws and regulations.



#### 4.4.7. Compliance with Laws and Regulations

Compliance with the applicable laws and regulations forms one of the most important pillars for sustainable growth and is an essential component of corporate governance in any organisation. Our reputation is what it is today because we strive to comply with relevant laws. We ensure that all our employees adhere to company's values to act with integrity and conduct business in accordance with the highest ethical standards. We constantly keep ourselves abreast with changes in the evolving regulatory landscape.

##### **Management Approach**

ASA constantly keeps abreast with changes in the evolving regulatory landscape. We ensure that all our employees adhere to company's values to act with integrity and conduct business in accordance with the highest ethical standards.

##### **Performance Data**

There were zero incidents of non-compliance with relevant laws and regulations resulting in significant fines and/or non-momentary sanctions in FY2022, as such, the FY2022 target was met.

##### **Targets**

We aim to maintain zero incidents of non-compliance with relevant laws and regulations that results in significant fines and / or non-momentary sanctions in FY2023.

#### 4.4.8. Environmental Compliance

ASA strives for full legal and regulatory compliance, which includes not only socioeconomic regulations, but also environmental laws.

##### **Management Approach**

ASA is committed towards providing quality service in a manner that minimises potential impact on the environment. We keep ourselves updated with any new regulations on environmental compliance which is applicable to our business, so that we identify and manage our regulatory risks beforehand.

##### **Performance Data**

There were zero incidents of non-compliance with relevant environmental laws and regulations resulting in significant fines and/or non-momentary sanctions in FY2022, as such, the FY2022 target was met.

##### **Targets**

We aim to maintain zero incidents of non-compliance with relevant environmental laws and regulations that results in significant fines and/or non-momentary sanctions for FY2023.



#### 4.4.9. Cybersecurity

Cybersecurity is a key emerging threat in Singapore, as such, we strive to ensure our defences against such breaches is sufficient in order to protect the Group's and our stakeholders' interests.

##### **Management Approach**

Cybersecurity at ASA is handled by ASTI's IT department. The department has in place an Active Antivirus Server to protect all of ASA's clients' PCs and servers. They also conduct an annual health check for IT Infrastructure including Servers and Devices (Firewall, VPN Device and Wireless Router). During this session, the IT department will update the relevant firmware and related important patches. Such updates and checks will reduce the risk of ASA being a target of cybercrime, and it will serve to enhance the overall security in ASA's computers and network.

In ASA, users are made to reset their password annually to reduce the possibility of their account being accessed by unauthorised people who may know their password.

Other controls put in place include data access rights to particular data folders in the data server only being assigned to authorised users. In addition, a firewall is set up and constantly updated. There is also daily back-up in place to ensure that in any event of breaches, we can easily restore the data from our backup tape. We continue to tap on the expertise of third parties who possess the relevant capabilities to detect possible virus and malware. Access to server is limited to selected employees with the appropriate authority.

##### **Performance Data**

There were zero incidents of cybersecurity breaches in FY2022.

##### **Targets**

We continue to target for zero cybersecurity breaches in FY2023.

#### 4.5. Governance

##### 4.5.1. Anti-corruption

In ASA, we have zero tolerance towards bribery and corruption which leads to dishonest business practices such as conflict of interests, accepting gifts, insider information etc.

##### **Management Approach**

Our employees are required to adhere to the Code of Conduct and policies on corruption within the Group. Information on the Code of Conduct, which includes ethical requirements and information on the whistle-blowing policy, is provided to all employees. During the employees' orientation, all employees go through a mandatory induction programme, where they are briefed on the Code of Conduct, which includes information on workplace ethics and the whistle-blowing policy.

We encourage our employees to raise their concerns regarding suspected fraud, corruption, dishonest



practices or other similar matters in a very secured and responsible manner. Any suspicious practices or inappropriate activities in the workplace are reported immediately by our workforce to the Head of Human Resources (“HR”) and/or any member of the Executive Committee in a fair, respectful and timely manner. We take disciplinary action on the employee who is found guilty of fraud, dishonesty or criminal conduct.

### **Performance Data**

There are no corruption cases and no incidents pertaining to whistleblowing in FY2022, as such the target for FY2022 was met.

### **Targets**

We aim to maintain zero cases of corruption for FY2023.

## 4.5.2. Corporate Governance

We strive to maintain a high standard of corporate governance to ensure transparency and accountability at all levels of our company. The Company views the adherence of such corporate governance standards as key to protecting and enhancing value for our stakeholders. We recognise that good corporate governance processes are essential for enhancing corporate sustainability. To promote ethical behaviour, employees are always required to adhere to the Group’s policies and procedures. Our corporate governance practices are set out in the Corporate Governance Report of the Annual Report for FY2022, which will be released in due course.

### **Management Approach**

We perform periodic review of our overall corporate governance in order to progressively strengthen our structure and practices. From the start of FY2022, the SSC have been providing annual updates to the Board on our initiatives to enhance our existing corporate governance practices.

We continue to recognize the need for us to revisit our existing practices including board composition, board diversity, independence, interested persons transactions and conflict of interests and improve on our corporate governance practices and disclosures. Any deviation from the recommended guidelines under the Code of Corporate Governance will be disclosed in our Annual Report.

### **Performance Data**

There are no incidents of non-compliance with relevant laws and regulations relating to corporate governance issues in FY2022, as such the target for FY2022 was met.

### **Targets**

We will continue to work on our corporate governance practices and strive for zero incidents of non-compliance with relevant laws and regulations relating to corporate governance matters for FY2023.



## 5. TCFD Content Index

Our climate-related disclosure based on the 4 pillars of the Task Force on Climate-related Financial Disclosures (“TCFD”) is set out below:

TCFD Disclosure	Page Reference
<b>Governance</b>	
<p>a) Describe the board’s oversight of climate-related risks and opportunities.</p>	<p>ASA recognises that an effective corporate governance culture is critical to ASA’s performance and reputation. The Board and management are aware of the importance of sustainability and climate-related issues in ASA’s business operations. ASA adopts a three-layered approach for sustainability and climate-related issues, as outlined below.</p> <p>The Board oversees the sustainability performance of ASA, with support from the Sustainability Steering Committee (“SSC”). The Board also conducts reviews of the Company’s approach to sustainability from the identified gaps as compared to peer companies so that ASA will be in a better position to execute targeted actions to address the gaps. It considers sustainability matters including the oversight of climate-related risks and opportunities as it reviews the strategic plans for the Group in the longer term. On an annual basis, the Board and management reviews the performance of the in-scope entity against the targets set.</p> <p>The Board equips itself with the knowledge on sustainability issues by undergoing training as prescribed by the SGX-ST, demonstrating its commitment to incorporating sustainability and climate-related issues to ASA’s strategy.</p>
<p>b) Describe management’s role in assessing and managing climate-related risks and opportunities.</p>	<p>The SSC is led by the Chief Executive Officer and consists of senior management personnel. They provide advice and assistance to the Board in ensuring that policies and procedures related to ESG issues are aligned with ASA’s business strategy.</p>
<b>Strategy</b>	
<p>a) Describe the climate-related risks and opportunities the organization has</p>	<p>ASA adopts a phased approach to managing climate-related risks and opportunities.</p> <p>Annually, the Board together with management</p>



TCFD Disclosure		Page Reference
identified over the short, medium and long term.	<p>reviews the relevance of ASA’s identified material factors to identify any shift in priorities amongst stakeholders and examine any emerging areas of concern. As part of the review, performance against the targets set is also reviewed.</p> <p>Detailed analysis of climate-related risks and opportunities impacting the organization over the short, medium and longer term and climate-related scenario analysis will be conducted in due course.</p> <p>For FY2023, ASA continues to search for viable business acquisitions and considers climate-related risks and opportunities wherever applicable.</p>	
b) Describe the impact of climate-related risks and opportunities on the organisation’s businesses, strategy and financial planning.		
c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.		
Risk Management		
a) Describe the organisation’s processes for identifying and assessing climate-related risks.	<p>The Board, with the assistance from the Audit Committee (“AC”), is responsible for determining nature and extent of the significant risks which the Group is willing to take in achieving its strategic objectives by ensuring that the Group has put in place internal controls systems to manage its significant business risks, so as to safeguard Shareholders’ interests and the Company’s assets.</p> <p>The AC is responsible for overseeing the Group’s risk management framework and policies, as well as assessing the level of adequacy and effectiveness of the Group’s risk management and internal controls systems, including financial, operating, compliance and information technology controls, and risk management policies and systems established by the management. In relation to the risk management function, the AC is guided by the following terms of reference which assist the Board to:</p> <ul style="list-style-type: none"> <li>• Determine the Group’s levels of risk tolerance and risk policies;</li> <li>• Oversee the management in the formulation, update and maintenance of an adequate and effective risk management framework in addressing material risks including material financial, operational, compliance and information technology risks;</li> <li>• Make the necessary recommendation to the Board such that an opinion regarding the adequacy and effectiveness of the risk</li> </ul>	Refer to Corporate Governance Report for details on AC’s roles and responsibilities.
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.		



TCFD Disclosure		Page Reference
	<p>management and internal control systems can be made by the Board in the annual report in accordance to the Catalist Rules and the Code of Corporate Governance (2018);</p> <ul style="list-style-type: none"> <li>• Review the Group’s risk profile (including climate-related risks where applicable) regularly; and</li> <li>• Review any material breaches of risk appetite/tolerances/limits and the adequacy of any proposed action if necessary.</li> </ul> <p>Climate-related risks are considered as part of ASA’s enterprise risk management program.</p>	
<b>Metrics and Targets</b>		
<p>a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.</p>	<p>ASA recognizes that electricity consumption forms a significant portion of its operational costs and the Group reports on the following metrics:</p> <ul style="list-style-type: none"> <li>• Energy consumption and intensity</li> <li>• Scope 2 emissions and intensity</li> </ul> <p>Water is another resource that ASA relies on as part of its operations and the Group reports on the total water consumption for the year.</p>	<p>Energy and Emissions Pages 10 and 11</p> <p>Water and Effluents Page 12</p>
<p>b) Disclose Scope 1, Scope 2 and if appropriate Scope 3 greenhouse gas (“GHG”) emissions and the related risks</p>	<p>ASA also reports on its non-compliances with laws and regulations concerning waste management/ disposal.</p>	<p>Waste Page 13</p>
<p>c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.</p>	<p>ASA has set the following targets for the in-scope entity and performance against these targets are reviewed at least once annually.</p> <ul style="list-style-type: none"> <li>• Maintain energy intensity and GHG emissions intensity within 10% of prior year levels.</li> <li>• Maintain water consumption within 10% of prior year levels.</li> <li>• Zero incidents of non-compliance with laws and regulations concerning waste management / disposal.</li> </ul>	





## 6. GRI Content Index

<b>Statement of use</b>	ASA has reported the information cited in this GRI content index for the period 1 January 2022 to 31 December 2022 with reference to the GRI Standards.
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standard(s)</b>	Not applicable as a GRI sector standard is not available for our industry

<b>GRI STANDARD</b>	<b>DISCLOSURE</b>	<b>LOCATION</b>
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	Reporting Scope and Period, Page 3
	2-2 Entities included in the organization's sustainability reporting	
	2-3 Reporting period, frequency and contact point	<ul style="list-style-type: none"> <li>Reporting Scope and Period, Page 3</li> <li>Feedback, Page 4</li> </ul>
	2-4 Restatements of information	<ul style="list-style-type: none"> <li>GHG emissions for FY2021 has been restated with latest available national grid emission factor of Peninsular Malaysia, Page 10.</li> <li>Employee statistics for FY2021 has been updated, Page 15.</li> </ul>
	2-5 External assurance	The Group has not sought external assurance for FY2022 and may consider it for future periods.
	2-6 Activities, value chain and other business relationships	Reporting Scope and Period, Page 3
	2-7 Employees	Social, Page 14
	2-8 Workers who are not employees	Not applicable.
	2-9 Governance structure and composition	<ul style="list-style-type: none"> <li>Sustainability Governance Structure, Page 5</li> <li>Refer to Corporate Governance Report for details on the group's overall governance structure.</li> </ul>
	2-10 Nomination and selection of the highest governance body	Refer to Corporate Governance Report in the Annual Report for details.
	2-11 Chair of the highest governance body	Refer to Corporate Governance Report in the Annual Report for details.
	2-12 Role of the highest governance body in overseeing the management of impacts	Refer to Corporate Governance Report in the Annual Report for details.
	2-13 Delegation of responsibility for managing impacts	Refer to Corporate Governance Report for details.
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance Structure, Page 5



GRI STANDARD	DISCLOSURE	LOCATION
	2-15 Conflicts of interest	Refer to Corporate Governance Report in the Annual Report for details.
	2-16 Communication of critical concerns	Refer to Corporate Governance Report in the Annual Report for details.
	2-17 Collective knowledge of the highest governance body	In FY2022, the Board attended a sustainability training program as prescribed by the SGX-ST.
	2-18 Evaluation of the performance of the highest governance body	Refer to Corporate Governance Report in the Annual Report for details.
	2-19 Remuneration policies	Refer to Corporate Governance Report in the Annual Report for details.
	2-20 Process to determine remuneration	Refer to Corporate Governance Report in the Annual Report for details.
	2-21 Annual total compensation ratio	Refer to Corporate Governance Report in the Annual Report for details.
	2-22 Statement on sustainable development strategy	Sustainability Governance Structure, Page 5
	2-23 Policy commitments	<ul style="list-style-type: none"> <li>• Board Statement, Page 3</li> <li>• About this Report, Pages 3-4</li> </ul>
	2-24 Embedding policy commitments	<ul style="list-style-type: none"> <li>• Sustainability Governance, Pages 5-6</li> <li>• Materiality Assessment, Pages 8-9</li> </ul>
	2-25 Processes to remediate negative impacts	<ul style="list-style-type: none"> <li>• Governance, Pages 20-21</li> <li>• Refer to Corporate Governance Report in the Annual Report for details.</li> </ul>
	2-26 Mechanisms for seeking advice and raising concerns	<ul style="list-style-type: none"> <li>• Governance, Pages 20-21</li> <li>• Stakeholder Engagement, Pages 6-7</li> <li>• Diversity and Equal Opportunities, Page 15</li> </ul>
	2-27 Compliance with laws and regulations	<ul style="list-style-type: none"> <li>• Waste, Page 13</li> <li>• Compliance with Laws and Regulations, Page 19</li> <li>• Environmental Compliance, Page 19</li> </ul>
	2-28 Membership associations	Not applicable as the Group is currently not involved in any membership of associations.
	2-29 Approach to stakeholder engagement	Stakeholder Engagement, Pages 6-7
2-30 Collective bargaining agreements	Not applicable as none of the Group's employees are involved in any union organisations.	
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	Materiality Assessment, Pages 8-9
	3-2 List of material topics	



GRI STANDARD	DISCLOSURE	LOCATION
	3-3 Management of material topics	
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	Economic, Page 13
<b>GRI 205: Anti-corruption 2016</b>	205-3 Confirmed incidents of corruption and actions taken	Anti-corruption, Pages 20-21
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	Energy and Emissions, Pages 10-11
	302-3 Energy intensity	
<b>GRI 303: Water and Effluents 2018</b>	303-5 Water consumption	Water and Effluents, Page 12
<b>GRI 305: Emissions 2016</b>	305-2 Energy indirect (Scope 2) GHG emissions	Energy and Emissions, Pages 10-11
	305-4 GHG emissions intensity	
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	Talent Attraction and Retention, Page 14
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Talent Attraction and Retention, Page 14
<b>GRI 403: Occupational Health and Safety 2018</b>	403-5 Worker training on occupational health and safety	Occupational Health and Safety, Page 17
	403-8 Workers covered by an occupational health and safety management system	
	403-9 Work-related injuries	
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	Training and Education, Page 17
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	Diversity and Equal Opportunities, Page 15
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1 New suppliers that were screened using social criteria	Supplier Assessment, Page 18
<b>GRI 416: Customer Health and Safety 2016</b>	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Customer Health and Safety, Page 18
<b>GRI 418: Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cybersecurity, Page 20



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*This Sustainability Report has been reviewed by the Company's sponsor, SAC Capital Private Limited ("Sponsor").*

*This Sustainability Report has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this Sustainability Report, including the correctness of any of the statements or opinions made, or reports contained in this Sustainability Report.*

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