



# Sustainability Report

Personal Directory -

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2022-23

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## **1.0 Introduction**

### **1.1 About Us**

Listed on the Catalist of the SGX-ST, Nippecraft Limited, is headquartered in Singapore and was founded in 1977.

Today, Nippecraft has grown from a stationery manufacturer to becoming a leading provider of innovative lifestyle stationery solutions. The key markets of the stationery business include the United Kingdom, Australia and Singapore.

The Group has three main consumer stationery brands: Collins, Debden and Jumble and Co. Collins, Debden and Jumble & Co are global brands, with Collins having more than 200 years of British heritage, Debden has about more than 40 years of history in Australia and New Zealand while Jumble & Co is the latest addition to the Group. We are proud of our heritage and always embrace sustainability as one of the priorities in our decision-making process for our business.

Collins, Debden and Jumble & Co are names that are synonymous with high-quality stationery products across the world. We are passionate about everything we do and strive to make the Collins, Debden and Jumble & Co brands the best that they can be based on our key principles:

- Quality;
- Creativity;
- Environmentally responsible;
- Innovation; and
- Investment in people.

For more information on Nippecraft, please visit our website at the following URL: <https://www.nippecraft.com.sg>.

## 1.2 Our Presence

Nippecraft Limited and its Subsidiaries

- Nippecraft Limited (HQ in Singapore)
- Collins Debden Pty Limited (Australia, Sydney)
- Collins Debden Limited (United Kingdom, Glasgow)
- Collins Debden USA, Inc. (USA, San Francisco)
- Collins Office Products International Ltd (Mauritius, Port Louis) (in liquidation)



## 1.3 About this Report

We are pleased to present Nippecraft's Sustainability Report for FY2022. Our reporting cycle is annually from 1 January 2022 to 31 December 2022. The most recent previous report for FY2021 was issued on 7 April 2022. The Sustainability Report for FY2022 has been prepared with reference to Global Reporting Initiatives (“**GRI**”) Standards 2021 as well as Catalyst Rules 711A and 711B and Practice Note 7F of the Catalyst Rules. We have chosen the GRI Standards as it is an internationally recognised reporting framework that covers a comprehensive range of sustainability disclosures and this allows for comparison with Nippecraft's peers. In addition, we have also partially adopted the Recommendations of the Task Force on Climate-related Financial Disclosure (“**TCFD**”) in developing voluntary and consistent climate-related financial risk disclosures.

We conducted a formal material assessment with internal stakeholders before the commencement of sustainability reporting, which led to the identification of sustainability matters most material to our business. These Economic, Environmental, Social and Government (“**EESG**”) matters have been reviewed and validated by our Management in FY2022.

The reporting scope covers our corporate office and stationery operations for Singapore, Australia, United Kingdom and United States of America for FY2022. Where applicable, past financial year's data have been included for comparison purposes. Pulp trading business is not discussed in this report as we are not directly involved in production but matching the demand from our customers and our suppliers.

We have engaged our internal auditors to perform an internal review of our sustainability reporting process. We have not sought external assurance on this report but will consider doing so as our reporting matures over time.

In our effort to meet the expectations of our stakeholders, we have taken steps to ensure the transparency and accountability of our global operations in accordance with the scope of our report. There is no restatement of information made from previous reporting period.

Our stakeholders' feedback is the key to defining our sustainability approach. We look forward to your continuing support and welcome any feedback. Please contact us at [sustainability@nippecraft.com.sg](mailto:sustainability@nippecraft.com.sg) for any feedback.



## 1.4 Organisation Profile

Name of organisation	Nippecraft Limited
HQ location	2 Venture Drive, #24-01 Vision Exchange, Singapore 608526.
Geography	Offices in Singapore, Australia, United Kingdom
Legal form	Publicly listed on the SGX-ST since 1994
Markets served	United Kingdom, Australia, Singapore, Indonesia, the United Arab Emirates, Hong Kong, Continental Europe and United States of America

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<b>Organisation scale</b>	Number of employees	: 54
	Number of key business units	: 4
	Revenue	: US\$ 129.7 million
	Total assets	: US\$ 63.8 million
	Total liabilities	: US\$ 33.7 million
	Total equity	: US\$ 30.1 million
	Cash and cash equivalents	: US\$ 16.9 million

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<b>Memberships and Associations</b>	Chamber of Commerce (United Kingdom)
	Forest Stewardship Council (“ <b>FSC</b> ”)
	Programme for the Endorsement of Forest Certification (“ <b>PEFC</b> ”)
	GS1 Singapore, United Kingdom and Australia
	Singapore National Employer Federation
	Singapore Business Federation
	Supplier Ethical Data Exchange (“ <b>SEDEX</b> ”)
	The BOSS Federation (United Kingdom)

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## 1.5 Direct economic value generated and distributed

Table 1: Direct Economic value generated and distributed in USD'000 for FY2022 and FY2021.

Stationery Business	Group	
	FY2022 (US\$'000)	FY2021 (US\$'000)
<b>Economic value generated</b>		
Revenue, Interest income, rental income and management fees	16,010	16,847
<b>Economic value distributed</b>		
<b>Operating costs</b>		
Cost of materials, product components and other operating costs	13,111	13,377
<b>Employee wages and benefits</b>		
Salaries and benefits	2,983	3,528
<b>Payment to providers of capital</b>		
Dividend and interest paid	—	—
<b>Payment to governments</b>		
Net income taxes paid	—	—
<b>Community investment</b>		
Voluntary donations to charity	7	8
<b>Economic value retained</b>		
Direct economic value generated less Economic value distributed	(91)	(66)

## 1.6 Financial assistance received from government

We have received the following grants from the respective governments that we operate in:

	FY2022	FY2021
	US\$'000	US\$'000
Singapore	7	151
United Kingdom	—	84
Australia	—	47
<b>Total</b>	<b>7</b>	<b>282</b>

## 2.0 Approach to Sustainability

### 2.1 Board's Statement

Please refer to the Non-Executive Chairman's Statement on Page 12 of this Annual Report.

### 2.2 Stakeholders' Engagement

The success that we enjoyed is built upon effective stakeholder engagement. We actively manage our relationship with stakeholders and always maintain close communication with them. Feedback received from stakeholders may greatly influence business performance. Our people engage with different stakeholder groups on a daily basis. We will strive to keep up with their evolving needs and proactively responds to the opinion and requests of our stakeholders. Our key approach to stakeholder engagement is detailed in Table 1 below:

Table 2: Material Stakeholders' Engagement

Key Stakeholders	Interest and Concerns	Communication Channels	Frequency	Our Response
Customers	Stock availability	Sales Team	Daily to annually	To sustain brand trust and loyalty through an unique brand experience to meet their needs and enjoyment
	Quality of product and service	Meetings and company visit		
	On time and in full delivery	Telecommunication and email		
	Convenience	Social media platform		To develop innovation and strive for high-quality products at competitive pricing
	Customer data and privacy protection	Marketing and labelling of product Survey, market research and focus group Whistleblowing policy		
Local Communities	Environmental protection Community engagement Corporate governance	Environmental, social and governance report	Daily to annually	To contribute to the development of the communities we operate in
		Participation in charitable activities organised by local communities		
		Social media platform		
		Whistleblowing policy		
Employees and trade union	Career development	Performance evaluation	Monthly to annually	To improve productivity
	Collective bargaining	Training and seminar		To reward performance with incentive
	Company recreation events	Townhall and department meetings		

Key Stakeholders	Interest and Concerns	Communication Channels	Frequency	Our Response
Employees and trade union (Continued)	Equal opportunities No discrimination Remunerations and benefits Staff appraisal Training and development Working environment Work safety Hybrid work arrangement	Townhall and department meetings Internal email Whistleblowing policy	Monthly to annually	To strengthen the relationships with our staff through communication and participation in building our work environment
Shareholders	Corporate governance Business strategies Financial performance Compliance to listing rules and the Companies Act 1967 Investment returns	Financial result announcement and annual report Circular Announcement General meeting Corporate website Whistleblowing policy	As and when required to annually	To improve profitability To develop new strategies and initiatives To create long-term sustainable value To create an atmosphere of trust via timely communication and provide relevant and reliable information To adhere to good corporate governance practices
Government and Regulators	Compliance with the local laws, regulations and listing rules Business integrity and ethics Contribution to economic and social development Corporate governance Environmental protection	Announcements and circular Financial report Government agency's electronic portal Participate in webinar, training and discussion.	As and when necessary to annually	To comply with the relevant statutes and regulations To support government and regulators' relevant initiatives



Key Stakeholders	Interest and Concerns	Communication Channels	Frequency	Our Response
Suppliers and Consultants	Cost of product and service	Email	Daily to annually	To collaborate, develop product and service quality
	Quality of product and service	Meeting		
	Fair selection process	Telecommunication		To achieve a sustainable business relationship with our suppliers
	Long-term business relationship	Service performance review		
	Payment schedule	Site visit and audit		
	Business integrity and ethics	Whistleblowing policy		

## 2.3 Materiality Assessment

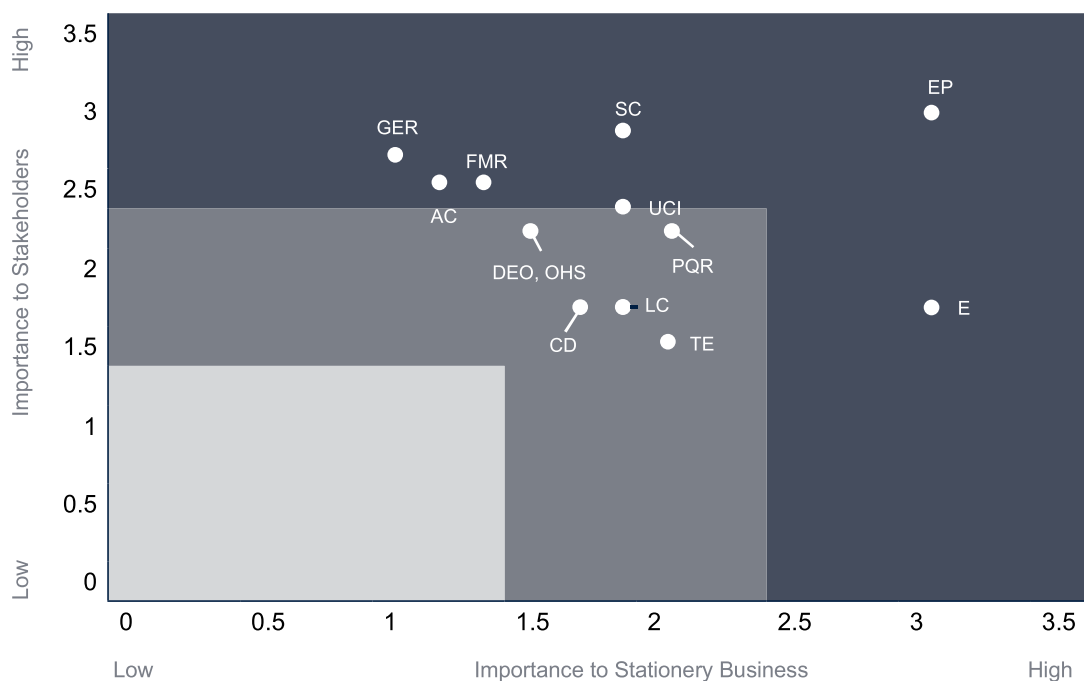
A materiality survey was conducted for FY2022 to reaffirm existing material EESG factors and at the same time, identify new material EESG factors and ranked them according to the significant impact to our business. Our management team met and discussed the material factors that may create a significant impact on our businesses. We review our material matters annually to ensure that it continued to be relevant for our future reporting periods.

Table 3: Four Steps Materiality Assessment Process

<b>1 Identification</b>	A list of EESG factors that is highly relevant to the Group business development strategy was consolidated through discussions with key management personnel across various stationery divisions.
<b>2 Prioritisation</b>	The identified EESG matters were evaluated and prioritised by representatives from the various stationery divisions; taking into consideration both internal and external stakeholders' perspectives. These EESG matters were subsequently aligned at the Corporate level for consistency across the Group stationery divisions.
<b>3 Validation</b>	The final list of material factors for FY2022 Sustainability Report was presented to the Board of Directors for their validation and approval.
<b>4 Review</b>	Material matters selected for reporting in FY2021 were reassessed to ensure their continued relevance to our operations in FY2022. We will continue to review our material factors on an annual basis.

In FY2022, Nippecraft has established appropriate and effective management policies for EESG issues and internal control and that the information disclosed complies with the requirements of the GRI Standard 2021. A materiality assessment exercise was conducted for FY2022 in accordance with the process described above. Incorporating inputs from our stakeholders, our material factors are ranked as follows:

*Chart 1: Nippecraft's Materiality Matrix*



#### Legend

EP	Economic performance
E	Employment
SC	Social-economic Compliance
UCI	Undeclared Conflict of Interests
PQR	Product Quality Risk
FMR	Financial Misstatement Risk
AC	Anti-corruption
GER	Governance and Enterprise Risk
DEO	Diversity and Equal Opportunity
OHS	Occupational Health and Safety
TE	Training and Education
LC	Local Communities
CD	Communicable Disease

#### Materiality

High importance
Importance
Low Importance

### 3.0 Economic

#### 3.1 Economic Performance

The scope of this report covers our stationery business operations in Singapore, the United Kingdom (“UK”), Australia and United States of America (“USA”), in which Nippecraft has an ownership interest of more than 50%. Pulp trading business is not discussed in this report as we are not directly involved in production but matching the demand from our customers and our suppliers.

Our Stationery business has ended FY2022 with a 5% decrease in revenue to US\$15.2 million and a segment loss of US\$0.3 million (FY2021: segment profit of US\$0.1 million) due an increase in distribution and marketing expenses that was offset by improved margins and decrease in administrative expenses during the year in review. Through proactive supply chain management, the Group was able to avoid any material supply disruption during the year.

Nippecraft will continue to hold a holistic view in generating long-term profitability and shareholders’ returns with a consideration of the interest of various stakeholders identified under the stakeholders’ engagement. For example, our classic diaries and notebooks are evolving to portray the personality, lifestyle and fashion-sense of the consumers. We will continue looking into improving our consumers’ experience by engaging them to gather feedback on their experience in using our products and to comment on our work in progress to keep up with the ever-changing consumer trends.

#### 3.2 Financial Misstatement Risk

In today’s world, financial misstatements are increasing due to decentralisation, outsourcing to third party vendors, evolving financial reporting requirements and new regulatory disclosures. In addition, we may try to do more with fewer resources.

Financial reporting consists of three major structures:

- People – those responsible for input, extraction, aggregation and analysing the financial information
- Processes – timeline that the financial information is obtained and reported; and
- Systems – which crunch the numbers into meaningful form

In order to mitigate the risk of financial misstatement, we ensure that following policies are in place for the three major structures:

- People
  - each role has a defined job description;
  - close alignment of skills with responsibilities;
  - focus on training in areas that may cause material financial misstatement;
  - financial reporting function is adequately staffed;
  - encourage two-way communications; and
  - yearly staff survey to determine morale.
- Process
  - standardisation of policies across the Group;
  - policies are integrated and automated in the processes;
  - centralisation of management reporting; and
  - process documentation.
- System
  - identify errors in a timely manner;
  - automation of manual processes;
  - automated, customised, integrated and accessible through a portal and/or an APP.

The reduction in financial misstatement risk is similar to other business processes within the Group. As such, we will continue to place emphasis to improve people, process and system to reduce financial misstatement risk and at the same time, improve the efficiency and effectiveness of the financial reporting process.

## 4.0 Environment

In Nippecraft, we are conscious of our environmental footprint and have been working with our suppliers to reduce them. With the growing concern of climate change, it is imperative for us to focus on our effort in using sustainably sourced and recyclable materials in our products so that we can contribute to the global force to shift the tide of climate change. In the year 2022, “Whatever we do, Nature will always win” remained as our guiding principle in conducting our businesses. To-date, we have not been identified by any authorities for non-compliance with environmental laws and/or regulations.

### 4.1 Sustainable Raw Materials Sourcing

We have suppliers located globally. These suppliers supplied the bulk of our finished goods. We often update them about our consumers and governmental requirements so that they are prepared for the changing needs. Since 2019, we explored with our suppliers to further reduce the use of plastics for packaging. However, plastic packaging is still the most suitable for our premium product ranges such as Cosmopolitan and Legacy ranges, as there is currently no alternative in the marketplace that performs as effectively. The plastic packaging for these two ranges of products doubled up as display material to protect the products whilst they are on display on shelf in stores. We will continue to use paper packaging whenever we can and have adopted this for a majority of our products, which include the Associate, Rural Management, Student, Elite and Classic ranges. Moving forward, we will consciously attempt to minimise the use of plastic on our new products.

Pulp and paper are the key raw materials in our finished products. As we continue to embrace sustainable sourcing, we are committed to responsible forestry management. Nippecraft is both FSC and PEFC certified, we are committed to increasing the proportion of materials that are certified under the Chain-of-Custody programmes. In addition, most of our cover materials are either sourced from FSC or Registration, Evaluation, Authorisation and Restriction of Chemicals (“**REACH**”) accredited suppliers.

In addition to sustainable sourcing, we also adhere to high social and ethical standards along with our supply chain. Nippecraft is a member of SEDEX, a global organisation that helps companies manage an ethical supply chain. The SEDEX Members Ethical Trade Audit is one of the most widely used audit procedures in the world. It provides a globally-recognised way to assess responsible supply chain activities, including labour rights, health and safety, the environment and business ethics. Furthermore, we have been instrumental in our key vendors adopting the SEDEX standards. Together with our key vendors, whom are also SEDEX members, we are continuously committed to ethical sourcing & management of our supply chain.

Our materials have passed stringent checks by the customs of the importing markets and we perform ongoing reviews to ensure that we comply with respective market customs regulations. We also review the commodity codes on an ongoing basis to ensure we are using the correct codes and therefore pay the correct level of duty. Commodity codes are used to classify goods for import and export within the European Union (“**EU**”) or outside the EU. The classification aims to pay the right tax and duty and follow the respective regulations. We also continued to perform quality checks on our materials to ensure that there are no hazardous elements. For example, we ensure that our materials are non-hazardous through the use of materials which are REACH certified in particular, the materials used for our book covers. We practise ethical sourcing by using materials only from well-established suppliers who are compliant with environmental legislation and procedures.

The target set for FY2022 was not met due to different product mix. Certain orders were secured on price using Non FSC paper which was sustainably sourced but is not formally certified and therefore counted as non-renewable or non-certified material.

During the year, 1,487 (FY2021: 1,500) metric tonnes of materials were used to produce and pack our books sold.

#### *Performance and Targets*

Material Aspect	Target for FY2022	Performance for FY2022	Target FY2023
Material from sustainable sources (Raw materials that are FSC and PEFC certified)	88%	80%	80%
	Tonnage	Tonnage	Tonnage
Renewable material	1,360	1,190	1,072
Non-renewable material	185	297	268



## **4.2 Water and Effluents**

Water usage is limited to those usage by office employees in Singapore only. As for the overseas offices, the office leases include the usage of water. As such, the use of water and effluents are not identified as a material factor in our EESG material factors identification exercise. We are providing this disclosure for general information only.

## **4.3 Waste Management**

The manufacturing process for producing diaries, notebooks, journals and stationery will result in the generation of waste of raw materials used in the making of these books. Waste-related impacts could result in harm to human health and the environment if not handled and treated properly. Our manufacturing waste is not held in long term storage but is dealt with in a timely manner.

Ordinary solid waste includes paper, plastic, leather and packaging materials. There is also hazardous waste, such as glue, liquid pressure oil, developer, activated carbon, ink and sludge. Ordinary solid waste is passed to third party for recycling or comprehensive utilisation. As for hazardous waste, it is stored in a sealed container and placed in a temporary storage room waiting for disposal. A third-party vendor, whom is a qualified hazardous waste treatment handler, is entrusted to dispose hazardous waste appropriately.

Obsolete and unsold finished goods are disposed by third party recycling companies in Singapore, UK and Australia. Waste management is not identified as a material factor in our EESG material factors identification exercise. We are providing the above information for general information only.

## **4.4 Supplier Environmental Assessment**

Our Quality Control team performs regular site visits to our suppliers and check that they are indeed using sustainable materials. For all new suppliers, we perform rigorous due diligence checks before appointing them. The following reports will also be obtained from them:

4.4.1 ISO9001 Quality Management;

4.4.2 ISO14001 Environmental Management Certification;

4.4.3 FSC or PEFC;

4.4.4 SEDEX; and

4.4.5 Social Accountability (SA8000) or Occupational Health and Safety Assessment Series (OHSAS 18001).

Any existing or potential vendors who are unwilling or unable to provide the abovementioned reports will not be re-appointed or appointed as our vendor. Due to the pandemic, travel ban was imposed by most countries across their national borders. As we were unable to conduct physical site visits, we have issued to our vendors a set of self-audit questionnaire for the purpose of conducting a review across quality, social and environmental aspects of the manufacturing process. This set of self-audit questionnaire aimed to give us assurance that all our downstream suppliers have put in the necessary efforts to support ethical sourcing and management.

During the years when COVID-19 travel restrictive measure were in place, we have appointed independent third-party inspection services provider to conduct on-site quality checks to ensure that there were no compromises on quality and delivery. However, in FY2022, the factories refused access by our independent third-party inspection services provider to conduct on-site quality checks due to COVID-19 restrictions. Nevertheless, we have continued with our past practices of joint quality review and discussion with vendors through video conferencing and performed physical sample review. With the easing of the COVID-19 restrictive measures, we will revert to on-site product quality inspection and audit. Customers may also request for the SEDEX audit reports which we will promptly provide to them for them to understand how our supply chains are performing.

If the vendor did not perform to our requirements, the vendor will need to take the necessary corrective action to meet our requirements. We will verify that the correction actions are taken before we continue to place order vendor with the vendor.

## **4.5 Greener Products**

During the year, we have developed five product ranges that used recycled materials that will be launched in

FY2023. The five product ranges include the Essentials, Dream planners, Scandi, Veridian and BetterMe. For more details of the product range, please visit our online store.

#### **Performance and Targets**

<b>Material Aspect</b>	<b>Target for FY2022</b>	<b>Performance for FY2022</b>	<b>Target FY2023</b>
Product ranges using recycled materials	5	5	5
Percentage of recycled materials used in the finished products	70%	70%	70%

## **5.0 Social**

In FY2022, we saw 10% decrease in headcount to 54 employees. This was mainly due to the decrease of 15 full-time and 3 part-time employees due to resignation offset by the employment of 12 full-time employees. Short term casual and contract workers were not included in our reporting as they were employed to cover duties only when our employees are on parental or personal leave. Employee turnover rate has also increased from 22% to 32% (refer to Table 5).

**Table 4: Total employed staff  
As at 31 December**

	<b>Male</b>		<b>Female</b>		<b>Total</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Full-Time	20	23	33	32	53	55
Part-Time	–	1	1	4	1	5
Total	20	24	34	36	54	60

**Table 5: Total employed staff by region  
As at 31 December**

	<b>Australia</b>	<b>Singapore</b>	<b>United Kingdom</b>	<b>2022</b>	<b>2021</b>
Full-Time	12	27	14	53	55
Part-Time	-	-	1	4	5
Total	12	27	15	54	60

Note: Operations in USA are supported by employed staff in United Kingdom.

While our headcount decreased from 60 in FY2021 to 54 in FY2022, there were 12 new hires in FY2022 replacing those whom have resigned within the Group, as illustrated below:

**Table 6: Newly employed staff by Countries  
As at 31 December**

	<b>By Gender</b>		<b>2022</b>	<b>2021</b>
<b>By Countries</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Total</b>
Australia	4	3	7	4
Singapore	–	2	2	4
United Kingdom	–	3	3	4
<b>Total</b>	<b>4 (33%)</b>	<b>8 (67%)</b>	<b>12</b>	<b>12</b>

**Table 7: Employee Turnover**  
As at 31 December

By Countries	By Gender		2022	2021
	Male	Female	Total	Total
Australia	8	2	10	6
Singapore	–	2	2	6
Singapore (Restructuring)	–	–	–	4
United Kingdom	–	6	6	2
<b>Total</b>	<b>8 (44%)</b>	<b>10 (56%)</b>	<b>18</b>	<b>18</b>
<b>Employee Turnover rate</b>			<b>32%</b>	<b>29%</b>
<b>Employee Turnover rate (Excludes employee affected by Restructuring)</b>			<b>32%</b>	<b>22%</b>

As we are operating within both fast-moving consumer goods and commodity industries, people are our greatest asset that serve as an important point of contact between our customers and Nippecraft. It is a priority for us to equip them with the required skill sets so that they can be at their best at all times. This includes functions like customer service, sales, procurement, warehousing, quality assurance, product development, human resources, administration and finance. We hope to continue to improve their skills to meet the changing demands of the industries that we are operating in.

Nippecraft continues to commit to fair employment, elimination of discrimination and encouraging diversity amongst our workforce.

**Table 8: Age profiles of new hires**

FY2022 Age Profile of new hires	<30	30 to 50	>50
Number	4	7	1
In percentage	33%	59%	8%

FY2021 Age Profile of new hires			
Number	5	5	2
In percentage	42%	42%	16%

We continue to believe that Group's operations required a strong talent pool to make a positive impact. In FY2022, we believed that we have recruited the right candidates in catering to the needs of the Company.

#### **Performance and Targets**

Material Aspect	Target FY2022	Performance for FY2022	Perpetual Target
Recruiting and matching the right candidates for the job (successfully completed probation)	100%	100%	90%

## 5.1 Diversity and Equal Opportunity

We embrace diversity, and at the same time expect employees to be aligned with the Group's vision and strategic initiatives. The age of our staff ranges from the 20s to the 60s. Our staff consists of people coming from different nationalities and academic qualifications but we strive for fair treatment. We are committed to providing competitive remuneration and benefits to our employees.

The employees in our Group comprise of union and non-unionised members. In Singapore, a collective bargaining agreement between the Company and the Building Construction and Timber Industries Employees' Union (BATU) covers all our locally engaged employees other than staff holding managerial and confidential positions. Our employees in the UK and Australia are not unionised.

In FY2022, there were 7 senior management team members of which 2 were females. Two senior management team members were aged between 30 to 50 years old group while the rest are more than 50 years of age. Among the seven members, there were 1 Australian citizen and 3 British and Singapore citizens each.

The Board continues to believe that with existing gender equality in the senior management team, the Group can continue to expect diversity of ideas and innovative breakthroughs. Nippecraft will continue to ensure that gender equality is always our consideration on the boards of all our subsidiaries as well as the senior management team.

Employee Profile of the Group as at 31 December 2022 and 31 December 2021 are as follows:

**Table 9: Age profile of all employees**

<b>FY2022 Age Profile of all employees</b>	<b>&lt;30</b>	<b>30 to 50</b>	<b>&gt;50</b>
Number	5	31	18
In percentage	9%	58%	33%
<b>FY2021 Age Profile of all employees</b>			
Number	8	34	18
In percentage	13%	57%	30%

**Table 10: Academic profile of all employees**

<b>FY2022 Academic Profile of all employees</b>	<b>Below diploma</b>	<b>Diploma</b>	<b>Degree and above</b>
Number	12	12	30
In percentage	22%	22%	56%
<b>FY2021 Academic Profile of all employees</b>			
Number	12	17	31
In percentage	20%	28%	52%



**Table 11: Nationality profile of all employees**

<b>FY2022</b>						
<b>Nationality Profile</b>	<b>Australia</b>	<b>British</b>	<b>Chinese</b>	<b>Malaysian</b>	<b>Singaporean</b>	<b>Others</b>
Number	8	18*	3	7	16	2
In percentage	15%	33%	5%	13%	30%	4%

<b>FY2021</b>						
<b>Nationality Profile</b>	<b>Australia</b>	<b>British</b>	<b>Chinese</b>	<b>Malaysian</b>	<b>Singaporean</b>	<b>Others</b>
Number	11	20**	3	9	16	1
In percentage	18%	33%	5%	15%	27%	2%

Note:

\* Includes 1 part-time employees

\*\* Includes 5 part-time employees

All eligible male and female employees were entitled to parental leave in 2022. One female employee took parental leave and returned to work in the same year. This represents a return-to-work rate of 100%. The female employee that took parental leave returned to work in October 2022 and remained employed as at the date of this report. As the returned employee is employed less than 12 month, it is not practical to compute the retention rate.

## 5.2 Code of Conduct

The Group sets out the expected code of conduct in its employee handbook. During the year, the Group has updated the business ethics guidelines that are required to be adhered to in dealings with both customers and vendors. Nippecraft ensures compliance with labour and employment laws, including working hours. The Group does not discriminate against anyone because of age, gender, national origin, disability, religion, sexual orientation, marital or maternity status, union membership or political opinion, among others. An Equality and Diversity Policy has been established within the Group to show our commitment towards promoting equality and diversity and to ensure that individuals are treated fairly and valued as a member of a team. The Company recognises that it has clear obligations towards all employees to ensure they are treated fairly. There are channels to report any non-compliance in relation to discrimination through our whistleblowing system.

Nippecraft's Grievance Policy encourages employees to freely communicate with their immediate supervisor or human resource personnel. This is to ensure that problems are aired and resolved as quickly as possible. In the event that issue cannot be resolved at the operational level, it will be escalated to the next level of the organisational hierarchy. Code of conduct is not identified as a material factor in our materiality exercise, as it is considered as a norm in all the geographical regions that we operates in.

In both years 2022 and 2021, there was no known instance of discrimination or reported discrimination received.

### **Performance and Targets**

<b>Material Aspect</b>	<b>Target for FY2022</b>	<b>Performance for FY2022</b>	<b>Target FY2023</b>
Instance of discrimination	Zero tolerance of discrimination	No reported incident of discrimination	Zero tolerance of discrimination

### 5.3 Training and Education

Training in Nippecraft begins at the induction stage of our new hires. Our employees go through a host of internal coaching programmes including selling, customer service, procurement, inventory control, human resources and finance.

Nippecraft understands that staff training and development paves the way for the Group to progress into the future. One of our initiatives is to re-deploy our staff to assume new roles while leveraging on their expertise amidst the evolving business model that we operate in. Staff is encouraged to go for courses and seminars to upgrade themselves and improve their skills. We set-off into FY2022 with a training target of no less than 150 hours. At the end of FY2022, 181 (FY2021: 243 hours) training hours were provided to our employees across all functions.

#### *Performance and Targets*

Material Aspect	Target for FY2022	Performance for FY2022	Target FY2023
Training and Education	150 hours	181 hours	150 hours
Average training and education per employee	2.5 hours	3.1 hours	2.8 hours

### 5.4 Occupational Health and Safety

The well-being and safety of our employees are paramount to us. We are committed to safeguarding our employees' health and safety against any potential occupational hazards. Yellow tapes demarcate areas that may cause potential fall or injury. All employees are encouraged to feedback immediately to the responsible departments shall they come across or identify any potential occupational hazards.

In year 2022, a fire drill was conducted in our Singapore office. At the end of the fire drill, our employees, were trained in using firefighting equipment such as fire extinguisher. In addition, two employees whom are members of our Company Emergency Response Team have undergone training and achieved proficiency in Cardiopulmonary resuscitation ("CPR") and the use of Automated External Defibrillator ("AED").

With the support of BATU, we have conducted a Mental Wellness seminar for our staff in Singapore in FY2022. As the response was good, we will run more wellness programs in FY2023.

In addition to occupational health and safety initiatives, we encouraged our employees to seek medical advisory as early as possible to seek treatment before the condition worsen. All our employees have access to non-occupational medical and healthcare services, such as outpatient, specialist and hospitalisation services. In Singapore, all our employees are covered under the company's health insurance for hospitalisation and medical reimbursement for outpatient services. As for United Kingdom and Australia, all employees are covered under the National Health Services and Medicare system respectively.

#### *Performance and Targets*

Material Aspect	Target for FY2022	Performance for FY2022	Target FY2023
Work-related injuries	Zero incident of workplace accident	Zero incident of workplace accident	Zero incident of workplace accident
Work-related ill health	—	Zero reported incident of work-related ill health	Zero reported incident of work-related ill health

### 5.5 Employee engagement

The Company recognised that employee engagement is the key in driving performance. When the employees are engaged, they will be passionately committed to achieving the best results or even outperformed against expectation. The Board and Management engaged our employees on an ad-hoc basis to demonstrate our appreciation for their performance. Feedback on work processes, regardless of whether constructive or not constructive are welcome. This provides a starting point for management to review the existing processes so that we can further improve our work processes to achieve higher productivity and better work-life balance. Over the years, we have recognised the contribution of our employees who have dedicate a major part their work lives to our Group.

All employees other than contract staff received periodic performance and careers development reviews. Key performance indicators are set so that performance can be benchmarked against the targets set at the end of the financial year. However, shall there is any indication of underperformance, the immediate supervisor will conduct an informal review with the employee to take remedial action to improve his or her performance. Employee engagement is not identified as a material factor in our EESG material factors identification exercise. We are providing this disclosure for general information only.

## 5.6 Local Communities

The UK office continued to make yearly donations to the British Heart Foundations to support research in heart diseases. In addition, our UK office had also donated to the local schools. Support is given to the Tasmanian Native Forest Protection Project with carbon offsets from the Kyoto range of diaries. In FY2022, the Group has achieved its target set-out in the Sustainability Report for FY2022.

Together with another 109 public listed companies and organisations, our Company had supported Securities Investors Associations (Singapore) by pledging to uphold good Corporate Governance and Sustainability practices. The following is the statement that we have supported:

As a Company, we are committed to upholding high standards of corporate governance to enhance stakeholder value, a sustainable future, making a lasting sustainable transition to a low carbon environment. We believe practicing good environmental, social and corporate governance standards are central to the health and stability of our financial markets and economy.

### *Performance and Targets*

Material Aspect	Target for FY2022	Performance for FY2022	Target FY2023
Supporting local community charity and not for profit activities	Supports at least two charity and/or not-for-profit events	Supported two charity events and one not-for-profit events	Supports at least two charity and/or not-for-profit events

## 5.7 Socio-Economic Compliance

We pride ourselves in having good corporate governance and observing compliance with applicable laws and regulations. The Group is committed to conduct the business with integrity and to safeguard the interest of all our stakeholders, both internal and external.

Similar to FY2021, we have achieved zero incident on non-compliance in FY2022.

### *Performance and Targets*

Material Aspect	Target for FY2022	Performance for FY2022	Target FY2023
Socio-economic Compliance	Zero tolerance of non-compliance	Zero incident of non-compliance	Zero tolerance of non-compliance

## 5.8 Communicable Diseases

While we continue to focus on sustaining our businesses during this challenging period, our employees' health and safety remain as our top priorities. Since April 2020, we had adopted the necessary measures in response to the COVID-19 for all our global operations.

With Singapore easing all COVID-19 related measures from 13 February 2023, all key geographical regions that we operate in have declared Covid-19 safe. However, we will continue to be vigilant in preventing the spread of any communicable diseases by adopting the necessary measures when required.

## 6.0 Governance

Our ability to integrate sustainable initiatives and processes remained the critical factor for our business continuity. Our Board is overall responsible for sustainability and integration of EESG factors in the formulation of our business strategy. Management will then set the sustainability direction for our business operations. This includes the target setting and execution of initiatives. Management will report the sustainability performance to the Board on an annual basis.

### 6.1 Minority Representation

As at the date of this report, our Board consists of five members of which three are independent directors. This will ensure that the interests of the minority shareholders are protected and that their voices will be heard.

### 6.2 Policies and Practices

Strong corporate governance and good business ethics provide foundation support for many successful organisations in the world. Nippecraft aligns itself to the industry's best practices and strives to meet stakeholders' expectation. As part of our corporate governance framework, a set of policies, such as the Code of Conduct (refer to 5.2 Code of Conduct) and Whistleblowing Policy, has been formulated to direct us on the right way to conduct business responsibly.

We strive to maintain the highest standard of accountability, fairness and integrity. Our employees are informed of their expected conduct during onboarding. We also encouraged them to raise any complaints or feedback regarding questionable accounting, audit matters, internal controls or any matter that breaches the Group policy, corruption and employee misconduct in accordance with our Whistleblowing Policy. Please refer to the Corporate Governance section for further information.

### 6.3 Enterprise Risk Management

Our Board recognised its responsibilities over the governance of risks and has set in place management procedures for ensuring a sound system of risk management and internal controls. These procedures include a structured Enterprise Risk Management (“ERM”) programme to Nippecraft and its subsidiaries, management reviews of key transactions, and the assistance of independent consultants such as external and internal auditors to review financial statements and internal controls covering key risk areas.

By identifying and managing risks through the ERM programme, we should be able to make more informed and collective decisions and benefit from a better balance between risk and reward. As part of the programme, Management will also have more structured review processes as new risks emerge to be aware of the potential impact from such new risks and to undertake meaningful measures to address them.

More information on our Corporate Governance can be found in the Corporate Governance Statement section.

#### *Performance and Targets*

Material Aspect	Target for FY2022	Performance for FY2022	Target FY2023
Perform risk assessment, compliance with Catalyst Rules, Code of Corporate Governance and the governing Statutes of the countries that we operated in.	Zero instance of non-compliance	Zero instance of non-compliance	Zero instance of non-compliance
Compliance of Code of Conduct	Maintain a high standard of ethical conduct and adopts a zero-tolerance approach to fraud and zero incident of corruption or similar misconduct	No known ethical misconduct, fraud, or corruption or money laundering or anti-competitive practices or similar misconduct reported	Maintain a high standard of ethical conduct and adopts a zero-tolerance approach to fraud and zero incident of corruption or money laundering or anti-competitive practices or similar misconduct



#### 6.4 Undeclared conflict of interest

In Nippecraft, we acknowledged that everyone has financial and personal relationship outside of their employment. Conflict of interest arises when one personal interest and employment duty overlap that result in an actual or perceived lack of independence in dealing with the stakeholder which involved the Group's assets.

To mitigate the risk of undeclared conflict of interest, we have the following policies in place:

- All directors and employees were informed during induction that the person should not place himself or herself in positions where their own interests could conflict with those of the Company or any of the Company's customers. If a conflict-of-interest situation exists, whether in fact or in apparent, the person concerned should disclose it to their immediate superior and escalate to the higher management for clarification; and
- The Group Chief Financial Officer (or equivalent person) will obtain signed letters of confirmation from key management personnel, Controlling Shareholders and the Directors on a periodic basis (of not more than half year) with respect to their interest in any transactions with the Group.

When a declared conflict of interest situation arises, it may be managed as follows:

- Engage a third party to oversee the relevant activity;
- Remove the person's involvement in the matter;
- Surrender private interest that created the conflict of interest to the Company; and
- The person shall resign or transfer from the position if there is no solution to the conflict.

The existence of a conflict of interest may not necessarily imply that the employee or the group of employees have acted or implied wrong-doing. Conflict of interest itself is not a criminal act. However, if conflict of interest relationship remained unchecked and not properly managed it may lead to other acts such as other premeditated acts such concealment of relationships, financial gains, and falsification of documents, which may be criminal. Therefore, we need to adopt the best practices to avoid and managing them to reduce the consequence of not managing it properly.

## 7.0 Climate-related Financial Disclosures

On 15 December 2021, the Singapore Exchange Regulation (the “**SGX RegCo**”) announced that all issuers must provide climate reporting on a “comply or explain” basis in their sustainability reports from FY2022 onwards. For agriculture, food and forest products sector, climate reporting based on the recommendations of the Task Force on Climate-related Financial Disclosures (“**TCFD**”) framework will become mandatory from FY2023 onwards.

To address the international concerns on climate change, we have adopted the Recommendations of the TCFD. The Recommendations of the TCFD aimed to develop consistent climate-related financial risk disclosures.

This report follows the TCFD structure which are presented in the following diagram:

Chart 2: Core Elements of Recommended Climate-Related Financial Disclosures



### 7.1 TCFD Pillar: Governance

#### 7.1.1 Board's oversight of climate-related risks and opportunities

With effect from financial year 2022, the Board set the general direction of the Group's sustainability and climate-related strategy, and the decision-making process. It meets at least once a year to discuss sustainability and climate-related issues that affect the Group's operations, review the progress and performance of the Group's climate commitments and strategy and approves the disclosures in the Annual Report, Sustainability and Climate-related disclosures and metrics. The Board is supported by the Audit Committee (“**AC**”) which is tasked to ensure compliance of the sustainability and climate-related aspects and government laws and regulations. The Eco Project Committee (the “**EPC**”) comprises of the Executive Directors and Key management personnel, including representatives from our overseas subsidiaries was set-up in year 2022. The EPC reports to the AC. When sustainability and climate-related goals are set, EPC will ensure that all business activities and processes are aligned to the sustainability goals. The EPC is tasked to identify, assess, monitor, and report on climate-related issues and strategies to the AC.

The Board comprises of directors from a variety range of industries, geographies and expertise and skills. Board members are selected based on their individual unique perspective on our business. This criterion discounted the risk of “Group think” and ensure that we have a rounded view of issues such as climate-related risks and opportunities which is crucial to our business.

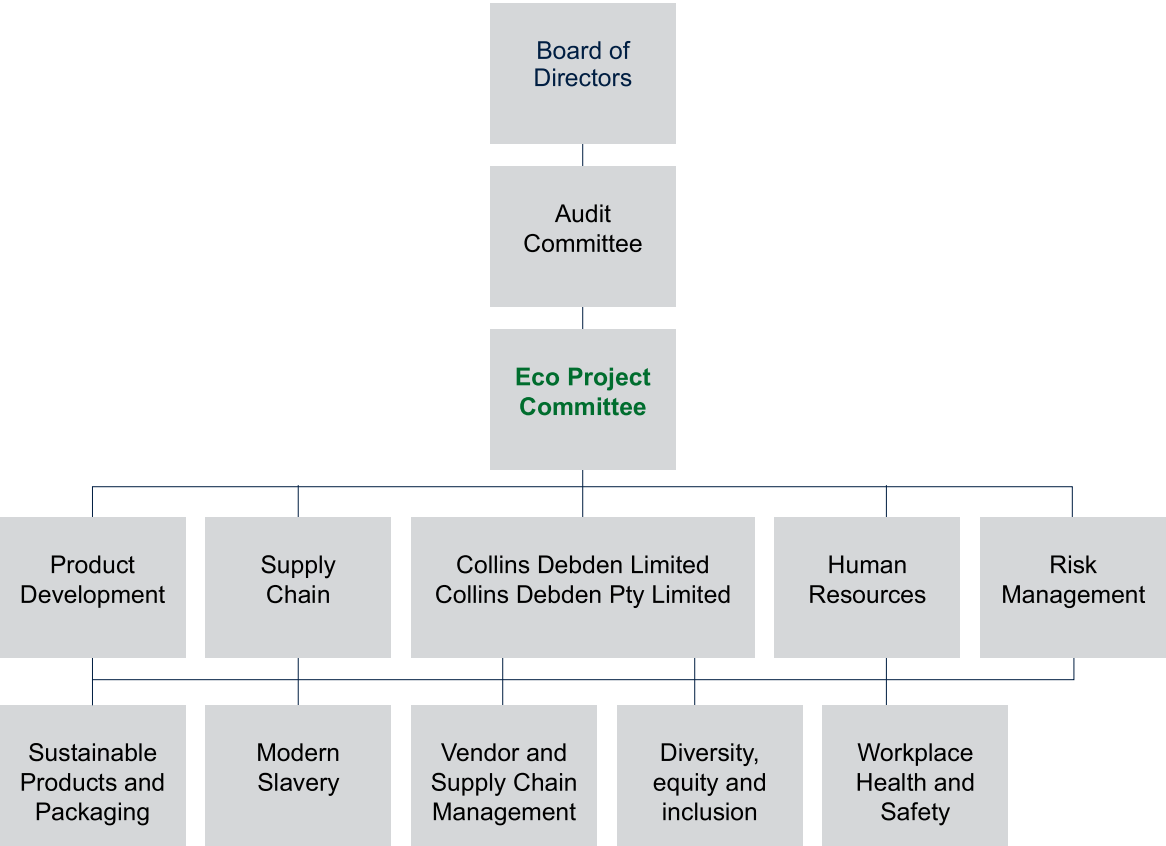
All Board members have attended formal training in sustainability organised by accredited parties by the Singapore Exchange. The composition and experience of the Board can be found on pages 14 to 16 of this report.

7.1.2 Management’s role in assessing and managing climate-related risks and opportunities

The EPC comprises of all C-level executives and functional heads, plans, reviews and approves Nippecraft’s Sustainability and Climate-related strategy and other ESG decisions across Singapore, Australia and United Kingdom operations.

The EPC reviews key climate risks that includes emerging risks, mitigation plans and progress against targets and makes recommendations to the Board through the AC. The EPC also reviews the Group’s progress to ensure that it is aligned to the TCFD framework and disclosures.

Chart 3: Eco Project Committee



A summary of sustainability and climate-related governance is detailed in Table 13 that described the roles, responsibility and meeting frequency for each governance and management structure.

**Table 13: Sustainability and climate-related governance**

<b>Governance/ Management Structure</b>	<b>Climate-related roles and responsibilities</b>	<b>Meeting and reporting frequency</b>
Board of Directors	Set the general direction of the Group's sustainability and climate-related strategy, and the decision-making process.	Once a year on ESG matters
Audit Committee	Review key climate risks, mitigation plans and progress against targets and recommendation from EPC.	Once to twice a year
Chief Executive Officer	CEO, a Board member, and Chairperson of the Eco Project Committee, is responsible for making climate-specific recommendations to the Board, related to disclosures, performance, risks and strategy.	Participate in meetings with AC, Board and EPC.
Eco Project Committee	<p>EPC, comprises of C-level executives and Head of Functions, plans, reviews, and approves the climate-related strategy and other ESG decisions and investments across our operations in Singapore, Australia, and United Kingdom.</p> <p>Each Committee member is supported by their respective team members from Singapore, Australia, and United Kingdom such as Finance, Supply Chain, Human Resources.</p> <p>It undertakes climate-related scenario analysis, risk, and materiality assessment in alignment with the TCFD framework.</p>	Monthly to quarterly

## 7.2 TCFD Pillar: Strategy

Nippecraft aims to create long term sustainable value for all our stakeholders. Our key objectives are to attract, develop and retain our employees. We want to connect, enrich and satisfy our customers and local community that we served through innovative sustainable products which creates a positive impact on our Earth.

### 7.2.1 Climate-related risks and opportunities the organisation has identified over the short, medium, and long term

Climate change is a medium to long-term risk for which it is difficult to quantify the impact on Nippecraft's activities. We understand that the important role that we act upon in minimising the environmental footprint of our operations and sustainable production through the efficient use of resources. As one of the oldest heritage brands, Collins, together with Nippecraft, aim to create sustainable value for all our stakeholders. Our objective is to attract, develop, and keep our people. In addition, through innovation, connect and improve the lives of our customers and community. Ultimately, creating a positive impact on our environment.

We are committed to minimise our carbon footprint in our business operations to meet our carbon reduction targets. Our products mainly consist of Pulp and Paper. Pulp and Paper are renewable and recyclable and are the most recycled materials globally. On the packaging of our stationery products, plastic remains the preferred material. Nevertheless, we will continue in exploring opportunities to reduce the use of plastic.

#### 7.2.1.1 Physical Risks

As reversal of climate change is not likely to be immediate, we expect climate change to worsen in the years ahead. Nippecraft Group's primary business are paper products. Paper products can be easily damaged by extreme weather such heavy rain that result in severe flood and also high environmental temperature that leads to bush fire.

### 7.2.2 Impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning

The wide swing in temperature will also gear towards an increase in energy consumption and other related costs that associated with our business which inevitably drive up our business costs. Over the years, the Group has mitigated higher energy consumption and adopted energy-saving measures such as downsizing our corporate and overseas offices and outsourced our overseas warehousing and transportation/delivery needs to third party logistic service provider to reap economies of scale. In Singapore, we have also used LED lights, which consumed less energy, in our warehouse. This strategy has enabled the Group in reducing our carbon footprint over the years.

On the opportunity front, we realised that there is a shift towards our customer bases in gearing toward buying stationery products that are produced using recycled materials. In year 2022, we have created 5 product ranges that are made up of recycled materials to meet the demand of this group of customers. The Group will continue to incorporate sustainable elements into our business when the opportunities arise. In addition, all government the geographical regions that we operate in, the local governments have pledged to be carbon neutral before year 2050. We anticipate that sustainability-related stationery products are growing and is expected to grow at a faster pace than the last ten years.

### 7.2.3 Resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including 2 degree Celsius or lower scenario

We believed that scenario analysis is an important and useful in creating a strategic plan to reduce climate-related risk. The following is a list of climate-related scenarios and our strategy in neutralising the impact to our business:

Climate-related Scenarios	Our strategy/counter measures
Flooding of assets	Sufficient insurance coverage on our assets
Increase in temperature	Warehouses and offices are not located near forested area to avoid bush fire
Increase environmental regulations	Comply with environmental regulations and ensure supplies are purchased from sustainable sources, wherever possible
Increase in carbon taxes	Use more energy efficient equipment and lighting to reduce the burden of carbon taxes

## 7.3 TCFD: Pillar: Risk Management

### 7.3.1 Organisation's process for identifying and assessing climate-related risks

Since we commenced on Sustainability Reporting for the financial year ended 31 December 2018, Nippecraft started conducting material assessment annually to determine the key EESG issues that are important to our stakeholders. Climate change was not flagged out as a priority as our finished goods are approximately 80% sustainably sourced and recyclable. Nevertheless, we will continue to do the necessary to slow down climate change for our generation and beyond.

We adopted both top-down and bottom-up risks review from all segments and functions of our businesses that enable us to identify and prioritise all material risks. All stakeholders are welcome to discuss and feedback on any material risks at any convenient time, that may arise from time to time. The identified risks will be managed under the Company's Enterprise Risk Management Framework. This process allows the Group to understand the importance of risk management at work. The two-way communication process will also allow the Group to work towards a more effective risk management.

Stakeholders and member of the public may send their suggestions and/or feedback to the following email address: [sustainability@nippecraft.com.sg](mailto:sustainability@nippecraft.com.sg).

### 7.3.2 Organisation's processes for managing climate-related risks

While the Board is responsible for the governance of risks across the Group and ensures that Management maintain a sound system of risk management and internal controls in relations to climate-related risks. The EPC is tasked through the AC to oversee the Group's risks and management framework and policies, highlight significant issues for discussion with the Board to keep them fully informed and on a timely basis. The Board consists of 60% independent and non-executive directors, including the Chairman. The EPC monitors the Group risks and regulatory status on a half yearly basis.

The Paris Agreement and Singapore Green Plan 2030 have recognised that climate change is a global challenge and that we need to position ourselves to achieve long-term net zero emissions aspiration as soon as possible. As a global company, we view climate change as a business risk. Climate change has result in fluctuation of temperature and is likely to contribute to higher energy consumption and business costs for our operations. In addition, regulatory transition risks such as higher emission standard, support for forestry conservation, carbon tax and water tariffs will also increase our business costs. The Group does not provide cars to its' Directors and employees. Employees are reminded consciously to switch-off lights when the office is not in use. We proactively manage rising Environmental, Social and Governance pressures on climate change.

### 7.3.3 Processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management

In 2009, Nippecraft has its supply chain audited by FSC and in 2018, concurrently audited by PEFC.

We have identified several emission factors used such as business air travel, commuting to and from work, and electricity consumption in our offices and warehouses. Electricity consumption is identified as the largest Scope 2 indirect emissions within our Group. To optimise energy management, for those areas that are cooled by split air-conditioner units, it is recommended to keep the temperature at 25 degree Celsius. On business air travel, employees are recommended to consider the use of other form of communication tools such as video conferencing as an alternate to face-to-face meeting. However, we recognised that there may be certain situations that face-to-face meeting is likely to achieve the outcome that we want. Our company do not provide transportation to our directors and employees to and from work. We encouraged the employees of our Group to use public transport such as the Mass Rapid Transit (or equivalent in the respective geographical region we operate), public buses, taxi and private-hired vehicles.

You may obtain more information in the section 2.3: Material Assessment of this Sustainability Report.



## 7.4 TCFD Pillar: Metrics and Targets

### 7.4.1 Metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risks management process

Globally and locally, more businesses are pivoting towards sustainable practices as greater demand grows from customers, investors and other stakeholders. In September 2022, Singapore announced new ambitions to reach net-zero emissions by 2050, and during Budget 2022, to raise the carbon tax from \$5 per tonne of emissions to between \$50 and \$80 by 2030.

### 7.4.2 Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (“GHG”) emissions, and the related risks

Nippecraft has started measuring GHG emissions (scope 1, 2 and 3) in accordance to GHG Protocol. The GHG emissions summary of the last three years are as follows:

Environmental - GHG emissions	Unit	2020	2021	2022
Direct GHG emissions (Scope 1) – Petrol consumption <sup>1</sup>	Tonnes <i>tCO<sub>2</sub>e</i>	22	17	10
Energy indirect GHG emissions (Scope 2) – Electricity consumption	Tonnes <i>tCO<sub>2</sub>e</i>	40	41	41
Other indirect GHG emissions (Scope 3) – Business trips	Tonnes <i>tCO<sub>2</sub>e</i>	5	9	24
Total	Tonnes <i>tCO<sub>2</sub>e</i>	67	67	75
GHG emission intensity	Tonnes <i>tCO<sub>2</sub>e/</i> <i>Revenue</i> <i>(US\$'000)</i>	0.005	0.004	0.005

Note:

- <sup>1</sup> Petrol consumption refers to petrol consumed for business purposes which are paid or reimbursed by the Group.
- <sup>2</sup> Electricity consumption refers to electricity consumed for our overseas offices and warehouses in Singapore owned by the Group. It excludes electricity consumption by tenants, vendors and third-warehouses.
- <sup>3</sup> Business trips refers to business trips taken by the Group employees and vendors that are reimbursed by the Group.

### 7.4.3 Targets used by the organisation to manage climate-related risks and opportunities and performance against targets

A target of 20% reduction in Scope 2 of the GHG emissions by financial year ended 31 December 2025, compared to 31 December 2022 is set. As for Scope 1 and Scope 3, we are not setting any targets but are mindful to communicate with using telecommunication channels with our stakeholders rather than driving or flying over to their offices for meetings.

Universal Standard Disclosure		Reference /Page
<b>GRI 2: General Disclosures 2021</b>		
<b>1.</b>	<b>The organization and its reporting practices</b>	
2-1	Organisational details	1.1 – 1.4 /54-56
2-2	Entities included in the organisation's sustainability reporting	1.3 /55
2-3	Reporting period, frequency and contact point	1.3 /55
2-4	Restatements of information	None
2-5	External assurance	No external assurance obtained
<b>2.</b>	<b>Activities and workers</b>	
2-6	Activities, value chain and other business relationships	5.0 /65
2-7	Employees	5.0 /65
2-8	Workers who are not employees	5.0 /65
<b>3.</b>	<b>Governance</b>	
2-9	Governance and Structure and composition	CG framework & 7.1 /18 & 73
2-10	Nomination and selection of the highest governance body	CG framework /18
2-11	Chair of the highest governance body	CG framework /18
2-12	Role of the highest governance body in overseeing the management impacts	CG framework /18
2-13	Delegation of responsibility for managing impact	7.1.2 /74
2-14	Role of the highest governance body in sustainability reporting	7.1.2 /74
2-15	Conflicts of interest	6.4 /72
2-16	Communication of critical concerns	Whistleblowing Channels /38 Managing Stakeholders Relationships /41
2-17	Collective knowledge of the highest governance body	Directors' duties, induction, training and development /20
2-18	Evaluation of the performance of the highest governance body	Board Performance /28
2-19	Remuneration policies	Procedures for developing for developing remuneration policies /29
2-20	Process to determine remuneration	RC to consider and ensure all aspects of remuneration are fair /30
2-21	Annual total compensation ratio	4:1 (CEO total compensation to median annual total compensation for Nippecraft Group, excluding CEO)
<b>4.</b>	<b>Strategy, policies and practices</b>	
2-22	Statement on sustainability development strategy	Non-Executive Chairman Statement /12
2-23	Policy commitments	1.1 /54
2-24	Embedding policy commitments	4.0, 5.0, 6.0 & 7.0 / 63, 65, 71 & 73
2-25	Processes to remediate negative impacts	Engagement with shareholders /40 Engagement with stakeholders /41 Whistleblowing Channels /38

Universal Standard Disclosure		Reference /Page
2-26	Mechanisms for seeking advice and raising concerns	Engagement with shareholders /40
2-27	Compliance with laws and regulations	6.0 /71
2-28	Membership associations	1.4 /56
<b>5. Stakeholder Engagement</b>		
2-29	Approach to stakeholder engagement	2.2 /58
2-30	Collective bargaining agreements	5.1 /67
<b>GRI 3: Material Topics 2021</b>		
3-1	Process to determine material topics	2.3 /60
3-2	List of material topics	2.3 /60
3-3	Management of material topics	2.3, 3.0 - 7.0 /60, 62, 63, 65, 71 & 73
<b>GRI 201: Economic Performance</b>		
201-1	Direct economic value generated and distributed	1.5 /57
201-4	Financial assistance received from government	1.6 /57
<b>Category: Environmental</b>		
<b>GRI 301: Materials</b>		
301-1	Material used by weight or volume	4.1 /63
301-2	Recycled input materials used	4.1 /63
<b>GRI 302: Energy</b>		
302-1	Energy consumption within the organization	7.4.2 /78
302-4	Reduction of energy consumption	7.4.3 /78
<b>GRI 303: Water and Effluents</b>		
303-2	Management of water discharged-related impact	4.2 /64
303-3	Water withdrawal	4.2 /64
303-4	Water discharge	4.2 /64
303-5	Water consumption	4.2 /64
<b>GRI 306: Waste</b>		
306-1	Waster generation and significant waste-related impacts	4.3 /64
306-2	Management of significant waste-related impacts	4.3 /64
306-3	Waste generated	4.3 /64
306-4	Waste diverted from disposal	4.3 /64

Universal Standard Disclosure		Reference /Page
<b>RI 308: Supplier Environmental Assessment</b>		
308-1	New suppliers that were screened using environmental criteria	4.4 /64
308-2	Negative environmental impacts in the supply chain and actions taken	4.4 /64
<b>GRI 401: Employment</b>		
401-1	New employee hires and employee turnover	5.0 /65
401-3	Parental leave	5.1 /67
<b>GRI 403: Occupational Health and Safety</b>		
403-1	Occupational health and safety management system	5.4 /69
403-2	Hazard identification, risk assessment, and incident investigation	5.4 /69
403-3	Occupational health services	5.4 /69
403-4	Worker participation, consultation, and communication on occupational health and safety	5.4 /69
403-5	Worker training on occupational health and safety	5.4 /69
403-6	Promotion of worker health	5.4, 5.8 /69, 70
403-7	Prevention and mitigation of occupational health and safety impact directly linked by business relationships	5.4 /69
403-8	Workers covered by an occupational health and safety management system	5.4 /69
403-9	Work-related injuries	5.4 /69
403-10	Work-related ill health	5.4 /69
<b>GRI 404: Training and Education</b>		
404-1	Average hours of training per year per employee	5.3 /69
404-2	Programs for upgrading employee skills and transition assistance programs	5.3 /69
404-3	Percentage of employees receiving regular performance and career Development reviews	5.5 /69
<b>GRI 405: Diversity and Equal Opportunity</b>		
405-1	Diversity of governance bodies and employees	5.1 /67
<b>GRI 413: Local Communities</b>		
413-1	Operations with local community engagement, impact assessments, and development programs	5.6 /70
<b>GRI 414: Supplier Social Assessment</b>		
414-1	New suppliers that were screened using social criteria	4.4 /64
<b>GRI 419: Socio-Economic Compliance</b>		
419-1	Non-compliance with laws and regulations in the social and economic area	5.7 /70

## The TCFD recommendations on Climate-related Financial Disclosures

Recommended disclosures				Reference /page
Governance	Disclose the organisation's governance around climate-related risks and opportunities	(a)	Describe the board's oversight of climate-related risks and opportunities.	7.0 /73
		(b)	Describe management's role in assessing and managing climate-related risks and opportunities.	7.1 /73
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	(a)	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	7.2.1 /76
		(b)	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	7.2.2 /76
		(c)	Resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including 2 degree Celsius or lower scenario.	7.2.3 /76
Risk Management	Disclose how the organization identifies, assesses, and manage climate-related risks.	(a)	Describe the organisational's processes for identifying and assessing climate-related risks.	7.3.1 /77
		(b)	Describe the organisational's processes for managing climate-related risks.	7.3.2 /77
		(c)	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	7.3.3 /77
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	(a)	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	7.4.1 /78
		(b)	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	7.4.2 /78
		(c)	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	7.4.3 /78