



THAKRAL
CORPORATION LTD

**INVESTING FOR
TOMORROW**

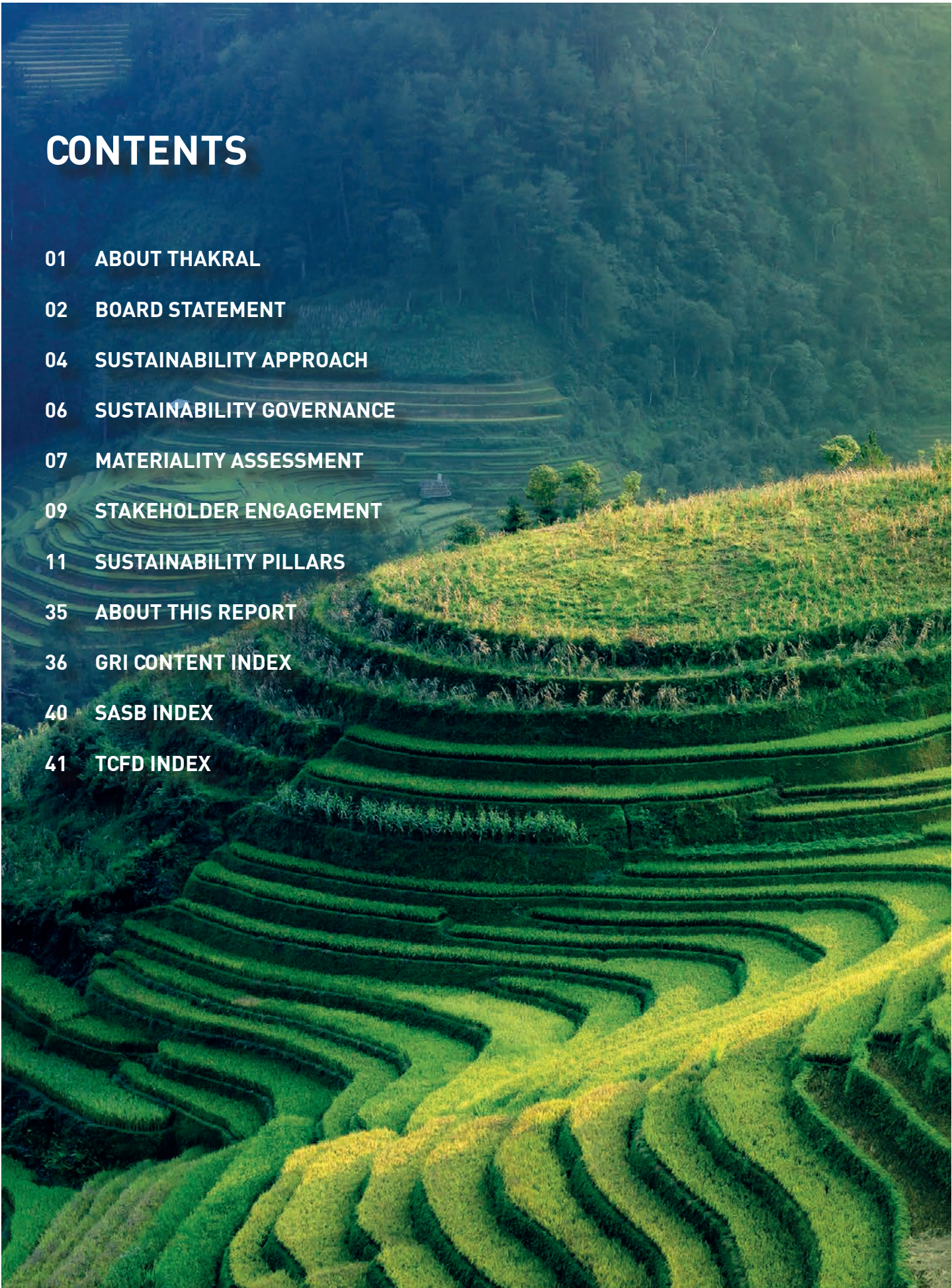
**DELIVERING
GENERATIONAL VALUE**

SUSTAINABILITY REPORT 2022



CONTENTS

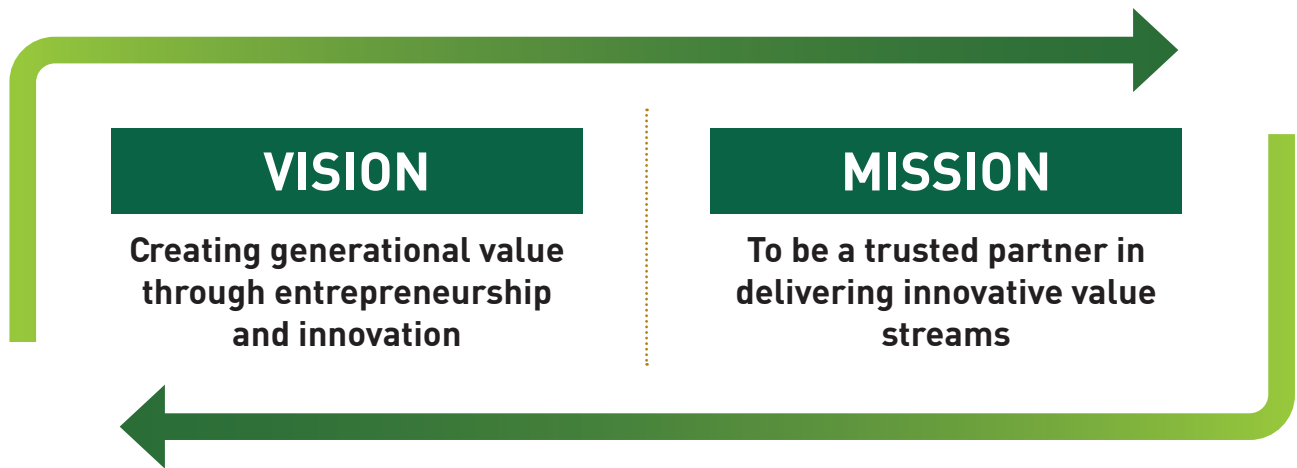
- 01 ABOUT THAKRAL
- 02 BOARD STATEMENT
- 04 SUSTAINABILITY APPROACH
- 06 SUSTAINABILITY GOVERNANCE
- 07 MATERIALITY ASSESSMENT
- 09 STAKEHOLDER ENGAGEMENT
- 11 SUSTAINABILITY PILLARS
- 35 ABOUT THIS REPORT
- 36 GRI CONTENT INDEX
- 40 SASB INDEX
- 41 TCFD INDEX



ABOUT THAKRAL

GRI 2-6

A trusted partner in creating generational value to deliver innovative value streams to our stakeholders.



Thakral Corporation Ltd (“Thakral” or the “Company”, together with its subsidiaries, the “Group”) is listed on the SGX Mainboard since December 1995. The Group’s core business comprises a growing investment portfolio in Australia, Japan and Singapore. Its investments in Australia include the development and management of over-50s lifestyle resorts under the GemLife brand, a joint venture with the Puljich family. Its Japanese investment portfolio comprises landmark commercial buildings in Osaka, the country’s second largest city.

The Group also invests in the management and marketing of leading beauty, fragrance and lifestyle brands in Asia, including an e-commerce retail platform for at-home beauty devices in China under a joint venture with UK-based CurrentBody.com Limited, a global leader in this space.

Additionally, the Group makes strategic investments, including as a cornerstone investor or participating in early funding, in new economy ventures which complement its existing business relationships and network as well as harness potential synergies and explore new business opportunities.



Investment




Lifestyle

Australia	Singapore	Japan	China-HK	India
<ul style="list-style-type: none"> GemLife over-50s lifestyle resorts 	<ul style="list-style-type: none"> Office property and headquarters 	<ul style="list-style-type: none"> Portfolio of commercial buildings 	<ul style="list-style-type: none"> Management and marketing of premium beauty, fragrance and lifestyle brands Operates e-commerce retail platform for at home beauty devices under CurrentBody.com 	<ul style="list-style-type: none"> DJI distributor

BOARD STATEMENT

GRI 2-14, 2-17, 2-22



We pride ourselves on being a trusted brand, building on our diverse portfolio and focusing on meaningful long-term collaborations and partnerships with a shared purpose. Our Board of Directors and management lead by example, emphasising the importance of integrity and accountability while guiding the business to continued success.

The Board of Directors (the “Board”) is pleased to present our sustainability report for the year ended 31 December 2022 (“FY2022”).

As detailed in our latest Annual Report and other announcements throughout the year, 2022 has been a transformative year on several fronts, with the Group moving forward in investing for tomorrow to create positive and sustainable value for all stakeholders in the long term.

We have benefitted from the growing movement and importance given to the Economic, Environmental, Social and Governance (“EESG”) factors globally, closely followed by greater clarity and alignment of the various reporting standards, thereby improving our internal institutionalised know-how in our sustainability journey. We have also tapped into the expertise of our newly appointed consultants to improve the quality of our sustainability reporting.

This is our sixth sustainability report and details how we have identified, managed, and measured the management of EESG matters material to the Group. This year, our sustainability report includes the recommendations set out by the Task Force on Climate-related Financial Disclosure (“TCFD”) which can be found under the *Collaborate* section.

An external auditing firm conducted a review of our sustainability report to confirm that the requirements of the Sustainability Reporting Guide set out in SGX Practice Note 7.6 were fully adhered to and to ensure the accuracy and reliability of the sustainability information disclosed in the report.

The Board is committed to embed sustainability into our business practices and ensure that our business activities

positively impact the environment and community. We recognise the importance of collaboration to enable efficient and effective impact on the environment. In this context, we are pleased to have made our maiden foray into impact investing by becoming a cornerstone investor in BillionBricks, a climate-tech venture that combines clean energy and large-scale affordable housing to create carbon-negative communities to combat climate change. More recently, we also invested in Climate Alpha, an AI-powered analytics platform which generates land and property value forecasts under multiple climate scenarios to drive future-proof real estate strategies.

This is part of the Group’s broader approach to capitalise on technology innovations and impact investing, and participate in this growing area to harness potential synergies and identify additional growth avenues.

These initiatives reflect our commitment to collaborate with partners in innovative sustainable solutions that create a positive impact on the environment as well as our dedication to make a difference in the communities in which we operate.

The Company is pleased to be conferred as the Winner of The Most Transparent Company Award (Consumer Discretionary) in the SIAS Investors’ Choice Awards 2022, which is a recognition of our ongoing commitment to a high level of transparency and good governance. The award in 2022 is also an improvement from our runner-up position in 2021. The principles of good governance and transparency have always been key pillars of our business. Building trust and providing confidence to our stakeholders coupled with sound business strategies have enabled us to develop a business that has proved resilient even during challenging times.

BOARD STATEMENT

The Board continues to maintain oversight of the management and monitoring of Thakral's material EESG factors. In FY2022, a reassessment of the material sustainability matters was conducted with key stakeholders and seven material topics were identified as material to the Group. The Board has been involved during all stages of the sustainability reporting process, from approval of material topics to endorsing of the finalised report.

Our commitment to contribute to society and help those in need in the local community is evidenced through our engagement in several social and community causes. The Group supported various initiatives and programmes including the UOB Global Heartbeat Virtual Run/Walk 2022, the Malay Youth Literary Association and

Dementia Singapore. The Group is continuing to support for another 3 years towards sponsoring the North East Growth Fund, which provides milk and diaper support for children from low income families. The Group also made a one-off donation to support the flood victims in Malaysia.

As the Group navigates the business amid the current climate of geopolitical uncertainties and rising inflation, the Group remains nimble and agile.

With the strengths of our core businesses and robust strategic plans in place, we are optimistic for our future, creating sustainable value for our stakeholders by continuing to embed environmental, social and governance considerations in the core of our business.

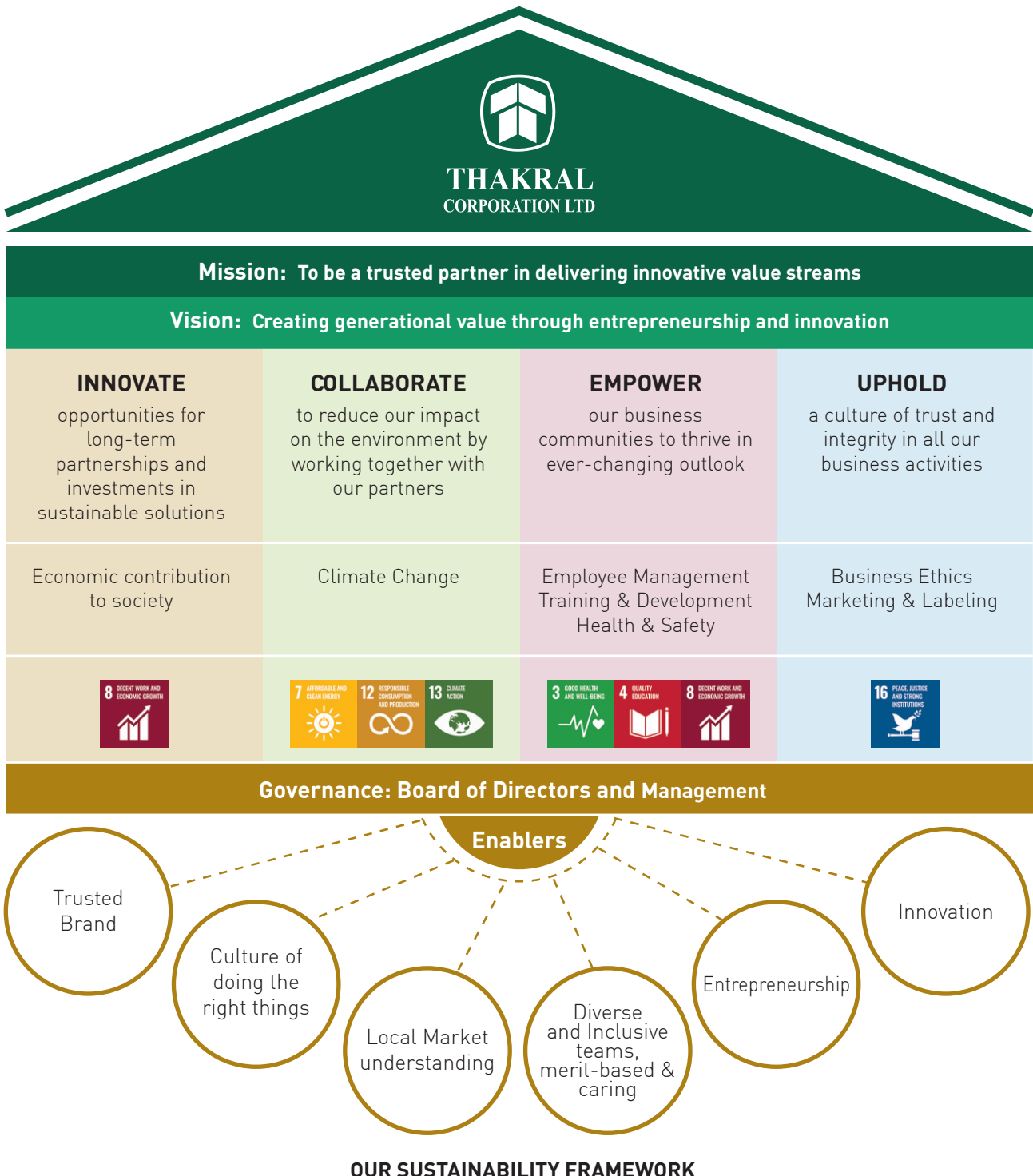


SIAS Investors' Choice Awards Presentation Ceremony 2022

SUSTAINABILITY APPROACH

Driving sustainability across our multi-generation business

The four core pillars (Innovate, Collaborate, Empower and Uphold) within our sustainability framework work towards our vision of creating generational value through entrepreneurship and innovation while keeping in line with our mission of being a trusted partner in delivering innovative value streams for our stakeholders.



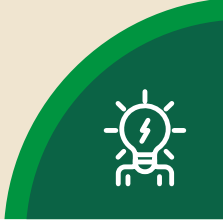



SUSTAINABILITY

APPROACH

Strong governance sets the sustainability structure in place and is integral in providing direction and guidance for the sustainability strategy. To refine our focus on specific EESG areas and outcomes, the Group conducted a materiality assessment focusing on short and long-term value. Along with our four core pillars, the Group identified seven EESG material topics, and then mapped to the respective United Nations Sustainable Developmental Goals (“SDGs”).

The six enablers as illustrated under our Sustainability Framework are our key tenets for the long-term success of our multi-generation business. We position ourselves as a trusted partner in delivering innovative value streams.

In addition, we are pleased to share our key achievement under each of our sustainability pillar in FY2022:

<p>INNOVATE</p> <p>Opportunities for long-term partnerships and investments in sustainable solutions</p> <p>KEY HIGHLIGHT 12.5% increase in dividend</p> 	<p>COLLABORATE</p> <p>To reduce our impact on environment by working together with our partners</p> <p>KEY HIGHLIGHT Maiden Foray into Impact Investing (BillionBricks)</p> 
<p>EMPOWER</p> <p>Our business communities to thrive in ever-changing outlook</p> <p>KEY HIGHLIGHT Merit Award People’s Association Community Spirit Awards 2022</p> 	<p>UPHOLD</p> <p>A culture of trust and integrity in all our business activities</p> <p>KEY HIGHLIGHT Winner Most Transparent Company Award (Consumer Discretionary) under the SIAS Investors’ Choice Awards 2022</p> 

OUR KEY ACHIEVEMENT

SUSTAINABILITY

GOVERNANCE

GRI 2-9, 2-12, 2-13, 2-14, 2-17

Strong governance sets a structure in place for the overall management of the sustainability approach as implemented across all business operations.

The Board provides the overall direction and guidance for the sustainability strategy, through identifying EESG matters that are material to Thakral's business and regularly reviewing risks and opportunities related to EESG. The Board, supported by the Independent Directors, oversees the management, monitoring and approval of the reported information of the EESG material matters including targets setting.

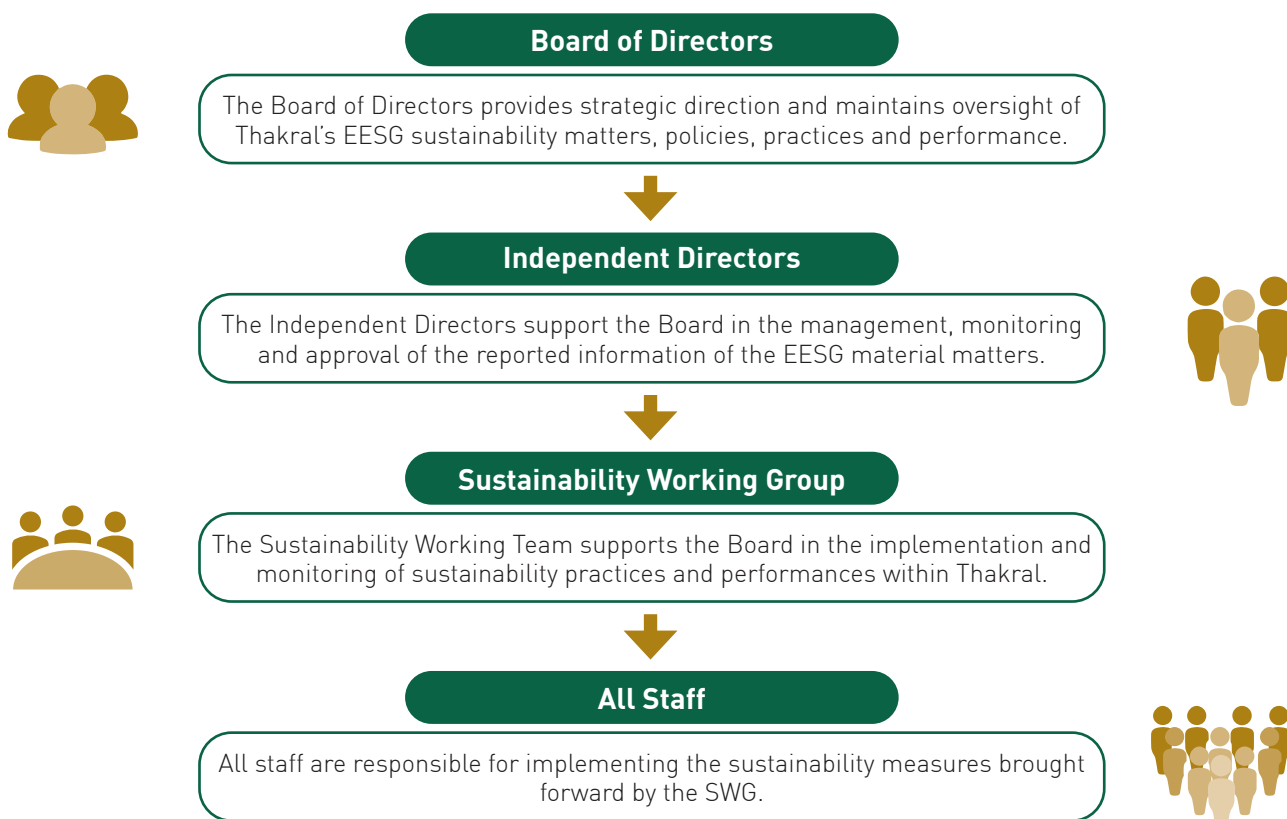
The Board has put in place a framework of prudent and effective controls to assess and manage risks, regularly reviews management performance and rigorously promotes best practice in corporate governance. The Board is working towards formalising policies for respective material EESG matters and setting short and medium term targets, which will be disclosed in future sustainability reports.

The Group's Sustainability Working Group ("SWG") is headed by our Chairman and comprises other management leaders, supported by the various unit heads. The SWG supports the Board and ensures that

all relevant EESG matters is incorporated into the overall business strategy and is responsible for managing, reviewing and reporting the policies, practices and performance of material EESG matters within Thakral's business. The SWG meets periodically to set objectives and targets and provide updates to the Board on the performance of material EESG matters.

Thakral's Board is headed by our Independent Non-Executive Chairman and Lead Independent Director, Mr. Natarajan Subramaniam. Board members possess a range of core competencies in accounting, finance, business management, industry and market knowledge that provide effective direction for the Group. Non-executive directors make up the majority of the Board. There is an appropriate level of independence on the Board, with independent directors constituting half of the Board.

In FY2022, in compliance with SGX's enhanced sustainability reporting rules that mandated sustainability training for all Board Directors from one of the eight prescribed training providers, all our directors attended the Environment, Social and Governance Essentials (Core) training conducted by the Singapore Institute of Directors.



SUSTAINABILITY GOVERNANCE STRUCTURE

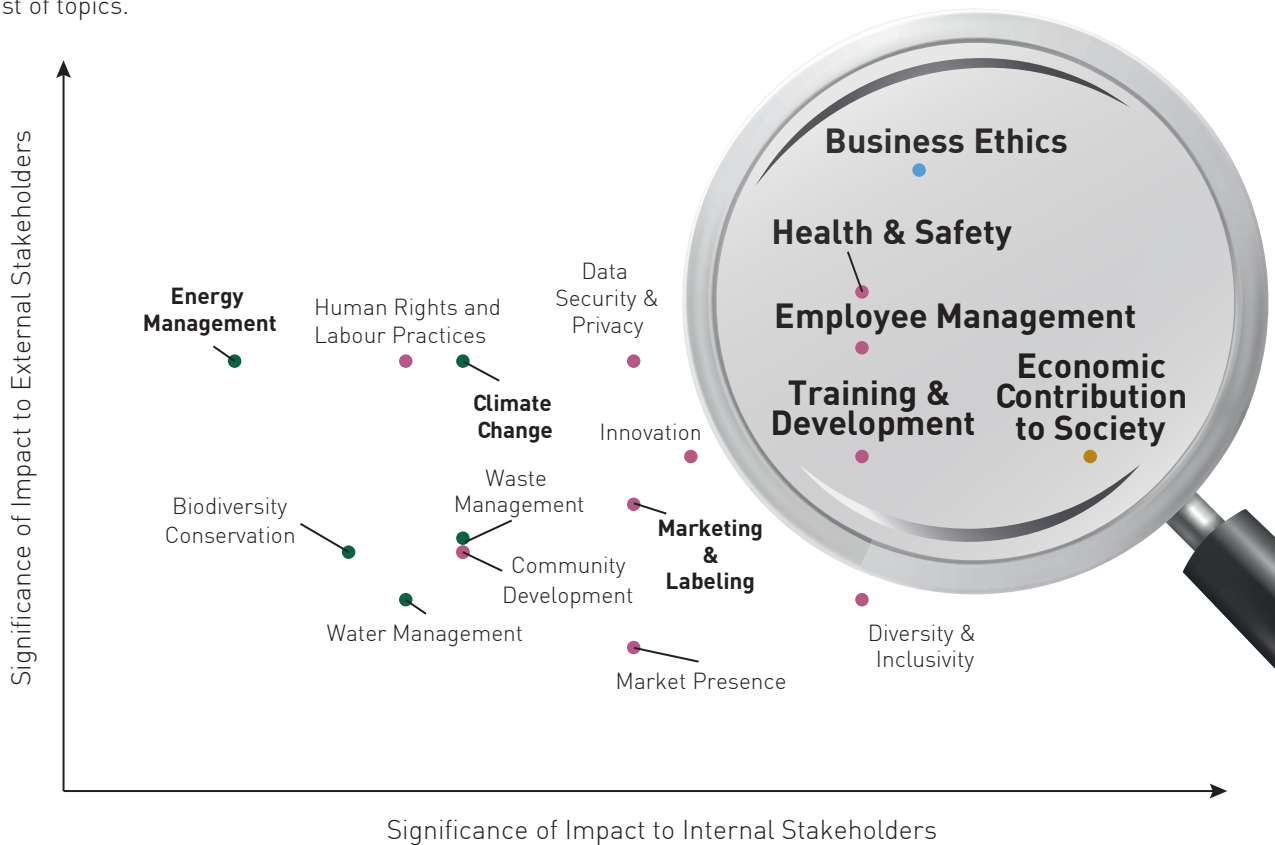
MATERIALITY ASSESSMENT

GRI 3-1, 3-2, 3-3

Sustainability materiality matters are defined as issues that have significant impact on the Group, our key stakeholders and our operating environment. As we strive for implementation of a sustainable eco-system, we expect to minimise any adverse effects that our operations and business may have on the EESG. Additionally, we conscientiously continue to evaluate the potential impact of external EESG factors on our business. Understanding our stakeholders' priorities and concerns will allow us to address the EESG topics that matter and strategise on how we can drive short and long-term value for our business.

To better understand our stakeholders' concerns that drive short and long-term value, we have identified, prioritised and validated relevant EESG matters material to our key stakeholders. Our materiality assessment is conducted on an annual basis to ensure alignment on sustainability matters relevant to our business stakeholders.

As part of our FY2022 materiality assessment, which commenced with a desktop review that included a peer benchmarking exercise followed by a review of relevant publications and industry trends, we identified a preliminary list of topics.



MATERIALITY MATRIX

Seventeen internal and external stakeholders were then surveyed to refine the preliminary list, based on the potential impact which the Group's activities could have on the environment and society, including communities in which it operates and its businesses. The findings from the assessment and stakeholder survey were plotted on a materiality matrix which categorised and prioritised the material topics, resulting in a list of seven matters.













The seven EESG material topics have been classified under our four core pillars:

- Innovate (Economic)
- Collaborate (Environment)
- Empower (Social)
- Uphold (Governance)

MATERIALITY ASSESSMENT

They are integrated into the Group’s strategies and will be used to drive and measure performance. The material matters have also been mapped to the relevant SDGs.

The Board has validated the seven EESG material topics identified and will continue to oversee the monitoring, management and relevance of the materiality matters.

Pillar	Materiality Matter	GRI Topic Disclosure	SASB Disclosures	Contribution to the SDGs
INNOVATE 	Economic Contribution	GRI 201 – Economic Performance		
COLLABORATE 	Climate Change	GRI 302 – Energy 2016	Energy Management in Retail & Distribution	  
		GRI 305 – Emissions 2016		
EMPOWER 	Employee Management	GRI 401 - Employment	Workforce Diversity & Inclusion	  
			Labour Practices	
	Training & Development	GRI 404 – Training & Development		
	Health & Safety	GRI 403 – Occupational Health & Safety		
UPHOLD 	Business Ethics	GRI 205: Anti-Corruption		
	Marketing & Labeling	GRI 417 – Marketing & Labeling	Product Sourcing Packaging & Marketing	





STAKEHOLDER ENGAGEMENT

GRI 2-6, 2-29




Thakral places a strong emphasis on building long-term relationships with our stakeholders to understand their key concerns and gather their feedback in a timely manner.

We have identified key stakeholder groups that are material to our business and operations. Through interactive communication channels, the Group can address these issues and provide appropriate responses to their concerns.

Our engagement approach is presented in the table below:

Stakeholder Group	Engagement Method	Frequency	Key Concerns	Our Approach
INVESTORS 	<ul style="list-style-type: none"> • General Meetings • Press Releases • Publications • Emails/Phone Enquires and Feedback 	<ul style="list-style-type: none"> • Annually • Half-yearly • Ad Hoc 	<ul style="list-style-type: none"> • Higher financial returns • Property management • Trends of premium beauty, fragrance and lifestyle categories • Quality half-yearly and ad hoc press releases • Relevant company announcements 	<ul style="list-style-type: none"> • By forging strong ties with our shareholders and investors by rewarding them with positive returns through systematic corporate governance practices. • By being transparent with our shareholders and investors through the publication of annual reports and sustainability reports on an annual basis. • By communicating with our shareholders and investors on a regular basis to address key concerns.
REGULATORS 	<ul style="list-style-type: none"> • Surveys • Electronic Communications • Regulatory Submissions 	<ul style="list-style-type: none"> • Annually • Half-yearly • Ad Hoc 	<ul style="list-style-type: none"> • High standards of corporate governance • Regulatory compliance 	<ul style="list-style-type: none"> • By ensuring the Group is in compliance with all relevant existing regulatory requirements.
CUSTOMERS 	<ul style="list-style-type: none"> • Customer Feedback • Management Summit • Trade Shows and Product Launches 	<ul style="list-style-type: none"> • Frequent and ongoing 	<ul style="list-style-type: none"> • Market presence of the brand • Customer health and safety • Security of properties 	<ul style="list-style-type: none"> • By ensuring customer satisfaction.
SUPPLIERS 	<ul style="list-style-type: none"> • Feedback via Email/Phone Call/Meetings 	<ul style="list-style-type: none"> • Frequent and ongoing 	<ul style="list-style-type: none"> • Procurement practices • Market practices • Customer health and safety 	<ul style="list-style-type: none"> • By forming longstanding relationships with suppliers through effective communication.

STAKEHOLDER ENGAGEMENT

Stakeholder Group	Engagement Method	Frequency	Key Concerns	Our Approach
EMPLOYEES 	<ul style="list-style-type: none"> • Performance Appraisal/ Training 	<ul style="list-style-type: none"> • Annually • Ad Hoc 	<ul style="list-style-type: none"> • Competency development • Performance management • Fair employment practices 	<ul style="list-style-type: none"> • By being committed to developing and supporting employees via relevant training programs.
COMMUNITY 	<ul style="list-style-type: none"> • Various Communications 	<ul style="list-style-type: none"> • Regular and ongoing • Ad Hoc 	<ul style="list-style-type: none"> • Eco-friendly development • Electricity consumption • Compliance with local requirements on environment 	<ul style="list-style-type: none"> • By being committed to enhancing the living standards and health of the local communities through incorporating sustainability measures in its business model and being more environmentally conscious. • By being committed to supporting worthy social and community causes for the environments it operates in to contribute back to society and helping those in need in the local community.
TOP MANAGEMENT 	<ul style="list-style-type: none"> • Board and its Sub-committees Meetings • Regular Discussions 	<ul style="list-style-type: none"> • Half-yearly/ Ad Hoc • Regular and ongoing 	<ul style="list-style-type: none"> • Economic performance • Indirect economic impacts 	<ul style="list-style-type: none"> • By being highly committed to delivering strong results and enhancing its business performance with sustainable business measures in place.

SUSTAINABILITY PILLARS

INNOVATE (ECONOMIC)

Opportunities for long-term partnerships and investments in sustainable solutions



We focus on collaborative long-term partnerships and investments in sustainable solutions to continuously deliver value to all our shareholders as well as our people, communities and the environment we operate in.

Material Topic 1 - Economic Contribution to Society (GRI 3-3, 201-1)



FY2022 PERFORMANCE

Achieved a net profit of S\$26.6 million and total dividend increased by 12.5% to 4.5 cents (including a special interim dividend of 0.5 cent). Please refer to our Annual Report 2022 for a more detailed breakdown of our financial results.



PERPETUAL TARGETS

With an emphasis on net profit and IRR, the Group strives to deliver positive generational value to its stakeholders, including through sustainable dividends, career development opportunities and competitive remuneration to employees.

At Thakral, steady and sustainable growth is our key focus. The Group creates value through long-standing partnerships and is constantly seeking new opportunities to generate sustainable and high returns to our shareholders while distributing economic value to our human capital and communities. Our partnerships and investments focus on delivering transformative sustainable solutions.

The Group worked effectively and delivered exceptional performance in FY2022. We reported a set of steady profits on a stronger top-line in FY2022 with Group revenue of S\$160.4 million and net profit attributable to shareholders of S\$18.6 million. Employees' wages and benefits accounts for 15% of our Group revenue in FY2022. Please refer to our Annual Report 2022 for a more detailed breakdown of our financial results.

We have instilled a culture of giving back to the communities we operate in and those in need. As part of our economic value distributed, we give back to society through our community investments.

In FY2022, the Group contributed to several organisations and worked with several community programmes.

Our maiden foray into impact investing via BillionBricks offers us the opportunity to create positive value and widen our mileage and impact to the communities and the environment.

SUSTAINABILITY PILLARS

IMPACT INVESTING

BillionBricks

Aligning with the Group's effort in making a difference, we made our first investment in BillionBricks, a community of net-zero homes embedded in sustainable innovative technologies to reduce energy consumption without compromising on safety and quality.

The first community will cover at least 13 hectares of land, 1,000 homes and have 10 MW of electricity generation capacity through a utility-scale rooftop solar

facility on top of the housing development. This community alone can offset more than 7,000 tons of CO2 emissions annually. For the initial projects, the homeowners will receive the equivalent of more than 20% of their monthly amortizations in the form of cash backs and free power, increasing their ability to own their first homes. The first BillionBricks housing project is expected for completion by 2028 with a goal to develop an additional pipeline of 45,000 homes with a 450 MW solar generation capacity in the next five years.



A BillionBricks' Community Prototype: Pioneering Net-Zero Housing in the Philippines (Image Credit: BillionBricks)

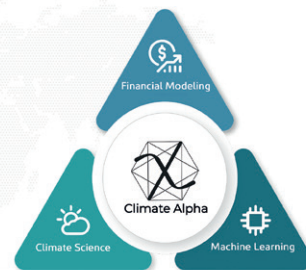
Climate Alpha

The Group has also invested in Climate Alpha, an AI-powered analytic platform that drives future-proof real estate strategies. It employs machine-learning techniques to combine hundreds of socioeconomic, demographic and market indicators with multiple climate scenarios to generate land and property value forecasts for every year through 2040. It has already generated risk-adjusted valuations for more than 200,000 buildings.



From mitigation to adaptation: Climate Alpha prices the future of geography

Climate Alpha is an AI-powered analytics platform that drives future-proof real estate strategies. It employs machine-learning techniques to combine hundreds of socioeconomic, demographic and market indicators with multiple climate scenarios to generate land and property value forecasts for every year through 2040.



Our latest new economy venture investment - Climate Alpha, an AI-powered real estate analytics platform

Companies can make use of the platform for analysing and managing risk, and look into mitigating climate-related risk.

SUSTAINABILITY PILLARS

EMPOWERING LOCAL COMMUNITIES

The Group strives to drive positive and meaningful change for local communities in the markets where we operate through participation in corporate social responsibility activities. We continue to focus on key areas of our social and community commitments – community care and engagement, health and safety, disadvantaged communities, and environmental impact.

Below are some of the social and community activities and updates that the Group has been involved in 2022.

Creating a Positive Impact and Building an Inclusive Society

Singapore

1. AWWA School @ Bedok

The Group believes in purpose-driven donations where we can make a difference and touch people's lives. The Group is grateful to be able to contribute to the establishment of the AWWA School @ Bedok and working towards building a more inclusive society.

In 2019, the Group had made a charitable donation to AWWA Ltd ("AWWA"), a Singapore-based social service agency delivering a wide range of programmes and services with a mission to empower the disadvantaged and maximise their potential to lead independent and dignified lives. Our donation of S\$100,000 went towards supporting the building of a second AWWA School ("AWWA School @ Bedok") to cater to 300 children with autism.

The Group is pleased to update that the construction of the AWWA School @ Bedok was completed and it has commenced operations on 4 January 2022. Its official opening ceremony was held on 6 October 2022. AWWA School provides special education to children with multiple disabilities and children with autism, aged 7 to 18, to maximise the potential for independence and improve the quality of life of students with special needs. The school also emphasises providing work experience and exposure to its students to give greater support to move on to the workplace thus increasing the chances of positive post-school outcomes for students and their families.

We aim to continue to make an impact on special needs children, in support of building a more inclusive society.

SUSTAINABILITY PILLARS

AWWA School @ Bedok
Opening Ceremony 06 October 2022
Guest of Honour:
President Halimah Yacob

AWWA
PEOPLE GIVING TO PEOPLE

DONOR WALL
We are honoured to recognise the following donors for their support. On behalf of our students, thank you for helping them in their learning journey.

\$100,000 and above
Thakral Corporation Ltd.

\$50,000 and above
United Overseas Bank Limited
Lau Ku Shang
Lee Fung International Pte. Ltd.

\$10,000 and above
Singapore Exchange Limited
BNP Paribas
Trans Point Agency Pte. Ltd.
SkyVenture VVT Singapore Pte. Ltd.
Salesforce.com Singapore Pte. Ltd.
Helen Shek
Deloitte & Touche LLP
Philip Yuen
Mohammad Shariq
BlackRock (Singapore) Limited
Ang Kian Chuan
Orthosports@Novena
Woh Hup (Private) Limited

Your donations will go to building a second AWWA School @ Bedok. To meet the growing need of support for children with autism in the coming years, AWWA will be opening a second school at Bedok in 2021. When operational, AWWA School @ Bedok will serve up to 300 students aged 7 to 18 years old, who will be supported by a conducive learning environment.

AWWA believes in synergy for success with concordant partners, and is grateful for the support from Thakral Corporation Ltd, which will go a long way in promoting social inclusion for students of various capabilities, through timely access to education that will help them participate fully as members of the community.

Thank you, **Thakral Corporation**, for making an impact on our children.

AWWA
PEOPLE GIVING TO PEOPLE

IMAGES CREDIT: AWWA

SUSTAINABILITY PILLARS

2. Community Programme: North East Growth Fund – Milk and Diaper Support



The Group renewed its support of the North East Growth Fund, which provides milk and diaper support for children up to 6 years old from low-income families residing within the North East district in Singapore for another three years. This helped the North East Growth Fund in ensuring that the basic growth needs of 125 children annually are not compromised. Since 2019, the Group supported 875 children through this initiative.

3. Community Donation to Dementia Singapore

The Group is also blessed to be able to contribute to supporting dementia patients and their caregivers towards building a more inclusive society through its donation to the Dementia Association in 2022.



SUSTAINABILITY PILLARS

Australia (Value Chain Highlight)

GemLife continues to be actively committed to having a positive social impact on the areas around its resorts, supporting the wider community through a range of social responsibility initiatives, including ongoing support of community arts, sports clubs and events. It has supported many national, state, and local organisations and events via sponsorships and fundraising initiatives since launching in late 2016, contributing well over A\$300,000 to date.

Following were some of the activities in 2022:

1. Sponsorship of Noosa Festival of Surfing, Queensland, March 2022



GemLife was a proud sponsor of the 2022 Noosa Festival of Surfing. The Seniors Division contingent made up a significant number of the surf competitors at the nine-day community event.

SUSTAINABILITY PILLARS

2. Australia's Biggest Morning Tea fundraising event across GemLife resorts, May to June 2022



GemLife is proud to have continued supporting the Cancer Council's annual Australia's Biggest Morning Tea fundraising event (to help fund research, prevention and support services for those affected by cancer) across its various resorts, raising more than A\$5,000. All proceeds went directly to the Cancer Council to fulfil its aim of a cancer-free future.

SUSTAINABILITY PILLARS

3. Spencey's Charity Corporate Golf Day, September 2022



GemLife is a proud sponsor for Spencey's Charity Corporate Golf Day. To aid the fight against dementia, the charity raised over A\$16,000 with almost 100 golfers taking part despite the rainy weather.

4. Drought Angels, October 2022

GemLife has participated in the Long Drive for Drought charity fundraiser in October 2022 by sponsoring GemLife Maroochy Quays Site Manager, Heath Johnstone in his bid to raise funds to aid disaster and drought-impacted communities across Queensland. Heath was so delighted with the sponsorship that he showcased the GemLife logo on his 1974 model 40-series Toyota Land Cruiser which will be one of 50 similar 4WD models set to embark on the 3,000 km drive throughout outback Queensland. Great effort for a great cause!



SUSTAINABILITY PILLARS

5. Woodend Neighbourhood House Christmas Food Bank, December 2022



GemLife Woodend Country Club transformed into a magical wonderland for the resort's annual Christmas Crafts Market. The festive event was a huge success as the resort's talented residents raised over A\$850 from the sales of their handmade art and craft items – from mosaics to Christmas cookies and cards, which were donated to the Woodend Neighbourhood House Christmas Food Bank appeal.

SUSTAINABILITY PILLARS

COLLABORATE (ENVIRONMENTAL)

To reduce our impact on the environment by working together with our partners



Rising global temperatures, extreme weather patterns and floodings are some of the challenges caused by a changing climate. The potential impact on businesses and communities we operate in can be catastrophic. As the countries we operate in have announced their national targets to significantly reduce greenhouse gas (“GHG”) emissions, the Group is collaborating with our partners to reduce our carbon footprint.

Material Topic 2 - Climate Change (GRI 3-3, 302-1, 302-3, 305-1, 305-2, 305-4, SASB CG-MR-130a.1)



FY2022 PERFORMANCE

Zero non-compliance incidents under environmental laws and regulations



PERPETUAL TARGETS

To reduce our environmental impacts by working together with our partners. The Group aims to maintain existing level of zero significant monetary and non-monetary sanctions record through the continual monitoring and adherence to environmental laws and regulations.

The Group recognises the impact our business activities can have on the environment and is committed to taking steps to reduce our environmental footprint and optimise our energy usage. Together with our partners, we are taking a phased approach to gradually reduce our energy consumption and carbon footprint. In addition, the Group takes a pro-active approach to integrate good environmental practices to ensure that our business is conducted in compliance with applicable environmental laws and regulations.

We have digitised some of our processes resulting in lower paper usage. Meeting materials and routine reports to the Board have been digitalised for access through a secure Board portal since the end of 2017. We have also streamlined the payment processes to further reduce paper usage during the year.

In FY2022, to better understand our environmental footprint, we started tracking and reporting our energy consumption and Scope 1 and 2 GHG emissions. This will help us to better measure our progress on a yearly basis and explore opportunities to reduce our energy and GHG emissions.

SUSTAINABILITY PILLARS

Our total energy consumption in FY2022 was 5.67 TJ, with purchased electricity accounting for 94% of the total energy consumption. The energy consumption and emissions of our properties are mainly from the building consumption. The energy consumption at our Japan properties includes the common areas of the properties and our Japan office. Our primary source of energy consumption in the Chinese and Hong Kong markets arises from offices and warehouse.

The charts below illustrate our energy consumption and carbon emission in FY2022¹:

FY2022 Energy Consumption	China	Hong Kong	Japan
Fuel Consumption (TJ)	0.20	0.043	0.105
Purchased electricity (kWh)	27,906	95,526	1,352,933
Energy intensity (TJ/m ²)	0.00042	0.00027	0.00035

FY2022 Carbon Emission	China	Hong Kong	Japan
Scope 1 emission (kg CO ₂ e) ²	14.13	3.28	6.18
Scope 2 emission (kgCO ₂ e) ³	22,103.99	67,823.46	630,196.19
Total emission intensity (kgCO ₂ e/m ²)	22.18	47.10	44.50

OUR JAPAN PROPERTIES

As part of our on-going effort to reduce our energy consumption and carbon footprint in Japan, installation of energy-efficient air-conditioning system and LED lighting will be undertaken during renovation of properties where circumstances permit.

During FY2022, we have installed energy-efficient air conditioning systems and LED lighting and replaced an elevator during renovation at two commercial buildings.



Renovation works including change of elevator and energy efficient air-cons & LED lighting

¹ GHG emissions are reported in line with the guidance from the GHG Protocol Corporate Accounting and Reporting Standard. The operational control approach is applied.

² Direct (Scope 1) GHG emissions are calculated using emission factors and global warming potential rates from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories and the IPCC Fifth Assessment Report.

³ A location-based method is adopted for the calculation of energy indirect (Scope 2) GHG emissions. Grid emission factors used are obtained from authoritative release data from all regions of operation.

SUSTAINABILITY PILLARS

VALUE CHAIN HIGHLIGHTS

In 2022, GemLife Australia established a formal framework for their long-term commitment to sustainable practices in working towards achieving a net-positive impact. GemLife is highly conscious of the environmental impact and has a formal framework built around best practices in the pillars of our environment, our communities, our people, and our business. The strategy is centred on practical applications and solutions with a focus on energy mitigation and include water management, waste reduction and recycling, biodiversity management, 'future proofing' of projects, as well as actively supporting physical and mental health of homeowners and employees.

GemLife's over-50s lifestyle resorts are designed to offer residents high quality liveable units that are both attractive and environmentally friendly. Every GemLife home and clubhouse is fitted with solar panels with central, community installed batteries to operate renewable energy virtual power plants.

GemLife's flagship Gold Coast development was recently recognised for being environmentally sustainable, receiving the certification under the Urban Development Institute of Australia's EnviroDevelopment program.



GemLife Gold Coast

CLIMATE RISK ASSESSMENT (TCFD)

In December 2021, the Singapore Exchange Regulation ("SGX RegCo") made an announcement stipulating that all issuers must provide climate reporting on a "comply or explain" basis within their sustainability reports in a phased approach. The Group has set out to meet the requirements of SGX RegCo ahead of time, adopting the TCFD recommendations for the first time in this year's sustainability report.

The following section demonstrates the Group's approach to managing climate-related risks that may impact our business, with close reference to the four primary pillars of TCFD. The Group adopts a phased approach towards climate reporting, as recommended by SGX.

SUSTAINABILITY PILLARS

Key Components of TCFD Recommendations	Thakral's Response
<p>Governance</p> <p>a) Describe the board's oversight of climate-related risks and opportunities.</p> <p>b) Describe management's role in assessing and managing climate-related risks and opportunities.</p>	<ul style="list-style-type: none"> • Board provides oversight for climate-related risks and opportunities. Sustainability and climate-related performance will be reviewed and updated at least once a year. The Board and Management will ensure evaluation of the actual and potential impact of climate-related risks and opportunities on Thakral's strategies, business plans and properties. • The management is to design, implement, and monitor internal controls and risk management systems, develop tools and metrics to monitor exposures to environmental risk. The management will take responsibility for identifying, assessing, mitigating, monitoring, and reporting such environmental risks to the Board. • Please refer to pages 4 to 5 on "Sustainability Approach" for more information.
<p>Strategy</p> <p>a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.</p> <p>b) Describe the impact of climate related risks and opportunities on the organisation's businesses, strategy, and financial planning.</p> <p>c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<ul style="list-style-type: none"> • The Board has identified and initiated the process to assess the impact of climate-related risks and aims to integrate environmental risk management into Risk Management Policy to ensure that environmental risks are considered and appropriately managed. • The Management has also conducted a high-level qualitative assessment of climate-related transition and physical risks for all its properties, considering short-term, medium-term to 2030 and long-term to 2050. We will continue to fine tune our strategy in keeping our business resilient against the climate risks. Please refer to page 25 for more information on the climate-related risks identified and assessed impact under different scenarios.
<p>Risk Management</p> <p>a) Describe the organisation's processes for identifying and assessing climate-related risks.</p> <p>b) Describe the organisation's processes for managing climate-related risks.</p> <p>c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.</p>	<ul style="list-style-type: none"> • The Board will introduce a set of Environmental Risk Management guidelines into its existing Risk Management Policy to introduce process and systems to identify, monitor, assess and manage the potential and actual impact of environmental risk. • The Board will introduce training to upskill in environmental and climate-related risk management. • By conducting a qualitative risk assessment, we have identified the potential risks that could impact the Group. We are exploring suitable mitigation measures which will be implemented in the upcoming year and look into further refining these risks through quantitative analysis. • Please refer to page 25 for more information on the Group's climate-related risks identification and assessment.

SUSTAINABILITY PILLARS

Key Components of TCFD Recommendations	Thakral's Response
<p>Metrics and Targets</p> <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>b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p> <p>c) Describe the targets used by the organisation to manage climate related risks and opportunities and performance against targets.</p>	<ul style="list-style-type: none"> Climate-related and environmental metrics such as energy consumption and intensity, Scope 1 and Scope 2 GHG emissions are disclosed in this sustainability report. Please refer to pages 20-21 for more information on the Group's target for "Climate Change". Moving forward, the Group is also exploring longer-term targets of environmental risk and opportunities.

As our first year climate-related reporting, we have conducted qualitative environmental risk assessment and scenario analysis exercise to identify and assess the potential impacts. We plan to incorporate quantitative scenario analysis, including short, medium, and long-term time horizons, in future disclosures. Our phased approach is in line with SGX and enables us to ensure that existing disclosures are robust and relevant to our business before progressing with additional enhancements.

The potential impact includes:

- Transition risks⁴, under a Net Zero scenario, and a Business-as-usual (BAU) scenario
- Physical risks⁵, under a RCP 2.6 (1.5°C) and RCP 8.5 (4°C)

The Net Zero scenario assumes that the global mean temperature increases by the year 2100 from pre-industrial levels would be 1.5°C or less and will attract higher transition risks arising from the regulatory, market, and technological changes in a lower-carbon and more environmentally-sustainable economy. We have assumed that physical risks would be insignificant in a Net Zero scenario.

The BAU scenario assumes that global mean temperature increases by the year 2100 would be more than 4°C, with higher physical risks arising from changes in the physical environment and climate. The physical risk exposure of our assets adopts the RCP 8.5 pathway⁶ from Intergovernmental Panel on Climate Change (IPCC).

The identified transition and physical risks were assessed for the following time horizons:

- Short-term: Within the next 5 years (by 2025)
- Medium-term: Within the next 6 to 10 years (by 2030)
- Long-term: Within the next 30 to 40 years (by 2050)

⁴ Transition risks arise from the process of shifts towards a low-carbon economy, and can include regulatory changes, disruptive technological developments, and shifts in consumer and investor preferences.

⁵ Physical risks arise from the impact of weather events and long-term or widespread environmental changes and can include increased severity of extreme weather events such as floods, and rising mean temperatures, sea levels, and weather patterns.

⁶ Intergovernmental Panel on Climate Change (IPCC) Fifth and Sixth Assessment Reports set. Representative Concentration Pathway (RCP) 8.5 is a greenhouse gas concentration trajectory by the IPCC that assumes that emissions continue to rise throughout the 21st century.

SUSTAINABILITY PILLARS

Risk Type	Description	Examples of Possible Impacts
Transition Risk		
Regulatory and policy	The risk of loss resulting from failure to comply with laws, regulations, contracts or court decisions relating to the impacts of climate change.	Mandatory climate-related disclosures (and stricter sustainability reporting requirements) would result in additional cost as regulated companies create and maintain processes for carbon emission monitoring. Capital financing may be affected by non-compliance disclosure of GHG emissions if a company's collection and management of basic data and information is not timely and robust.
Reputational	The risk of damage to an organisation's image and brand as a result of its actions or perceived inaction on climate-related issues.	<p>Failure to meet increasing stakeholder expectations in relation to climate change and emissions reduction, reporting disclosures obligations, green packaging may lead to adverse reputational impacts, resulting in difficulties securing investment capital, insurance and approvals, affecting talent retention and attraction, and leading to potential shareholder divestment.</p> <p>Reports where performance does not meet stakeholder expectations could worsen investor confidence and cause reductions in company valuations.</p>
Market	The risk of financial loss resulting from market changes.	<p>Less desirable properties in locations vulnerable to climate change may lead to reduced occupier/tenant demand, reduction in customer base, and reduced asset value.</p> <p>Inability to meet or keep up with market expectation for green technology may result in losing competitive edge.</p>
Technology	The risk of obsolescence or increased operational cost resulting from the failure to adopt new technologies or business practices that address the impacts of climate change.	<p>Failure to implement new technologies that have the potential to address energy/emissions/water/waste demands in the operations may lead to loss in market share and stranded assets.</p> <p>For example, in e-commerce business, logistic is a crucial portion, failure to use the green transportation in China may lead to loss in market share, damage of company's reputation and affect business partnership.</p>
Physical Risk		
Acute	Extreme weather such as flooding, fire index caused property damage and business disruption	Flooding events lead to damaged properties and disruption of the use of facilities. Fire events in Australia lead to damaged properties and disruption of the use of facilities.
Chronic	Long-term, persistent impacts of climate change on an organisation's assets, operations, and supply chains.	Extreme weather and rising temperature lead to higher cost of refurbishments and expense of up-front countermeasures and property insurance premium.

SUSTAINABILITY PILLARS

EMPOWER (SOCIAL)

Our business communities to thrive in ever-changing outlook



Our people-centric culture is essential to the long-term success of the business. By working collaboratively with a shared purpose, we empower our people with the support they need to continue to thrive in an ever-changing landscape.

Material Topic 3 - Employee Management (GRI 2-7, 3-3, 401-1, SASB CG-MR-330a.1, SASB CG-MR-330a.2)



FY2022 PERFORMANCE

The total employee number increased by 6% from last year with total turnover rate at 33% and new hire rate at 38%.



PERPETUAL TARGETS

The Group aims to achieve a stable and engaged workforce through fair and equitable remuneration in recognition of their value and contribution to the Group.

To create an inclusive working environment where our employees feel safe and valued by providing fair and equal opportunities regardless of race, age, gender, religion, nationality or other relevant factors.

We believe that our employees are critical to the long-term growth of our business. With our commitment to provide a nurturing, inclusive and safe working environment with continual opportunities for development, we strive to maintain high productivity and retention rates.

We take pride in our people-centric culture creating a safe, respectful and caring work setting. Thakral cultivates a positive working environment with a commitment to fair employment practices and only hire based on relevant objective factors. Any form of discrimination based on colour, race, religion, political inclination and any other type of distinguishing characteristics is not tolerated. Inclusivity and diversity encourage an exchange of different perspectives and ideas driving innovation and cultural awareness. By fostering a culture of respect and understanding with respect to our employees, we promote a positive work experience and environment.

The Group is guided by relevant local labour laws and regulations in the respective jurisdictions it operates in

and all employees receive statutory benefits. Insurance and medical benefits are also provided to all employees. Coverage may differ taking into consideration local employment requirements and standard practices. Additional employee centric benefits are customised as part of employees' remuneration package.

There were no monetary losses as a result of legal proceedings associated with employment discrimination during the reporting year.

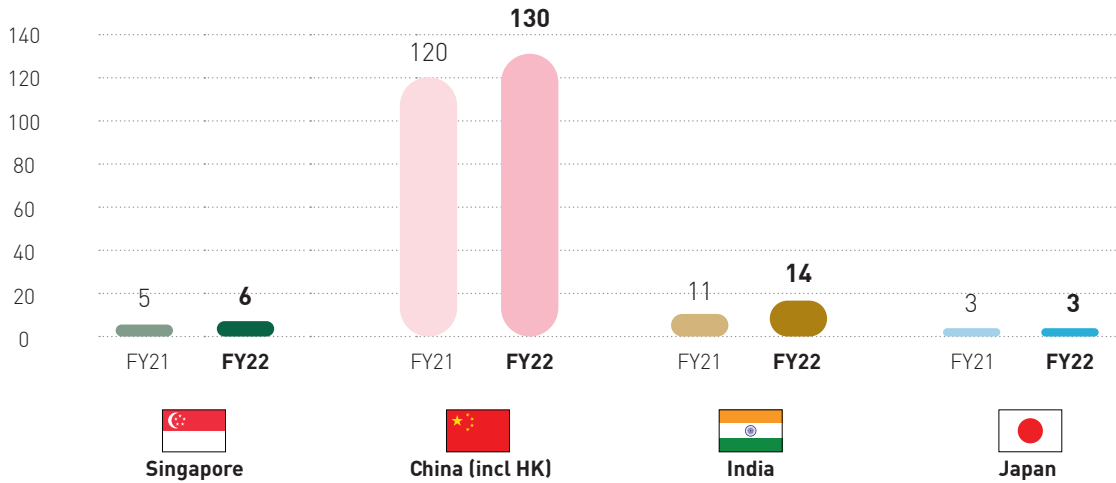
Employee retention is key in the Group's continuing growth and expansion of our business operations. In FY2022, our workforce comprises of 147 permanent employees and 6 temporary employees, including five employees with non-guaranteed hours and a part-time employee. We strive to maintain a diversified team, and currently have 46% male and 54% female employees. The management team is considered ethnically diverse, encompassing Chinese, Indian and Caucasian members. Demographics of our people, including the management team⁷ are set out in the following pages.

⁷ The composition of management based on gender and ethnicity is calculated by dividing the number of individuals in a particular category by the total number of management employees as of 31 December 2022, and expressed as a percentage.

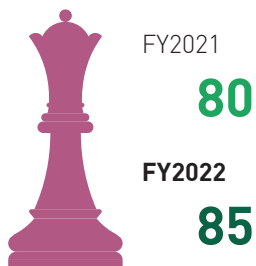
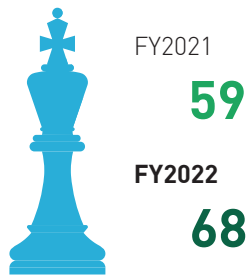
SUSTAINABILITY PILLARS

OUR PEOPLE

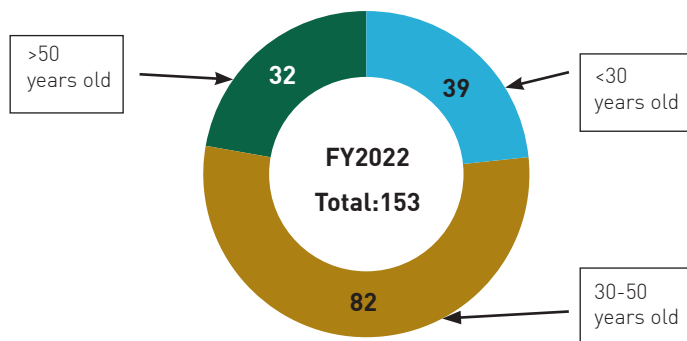
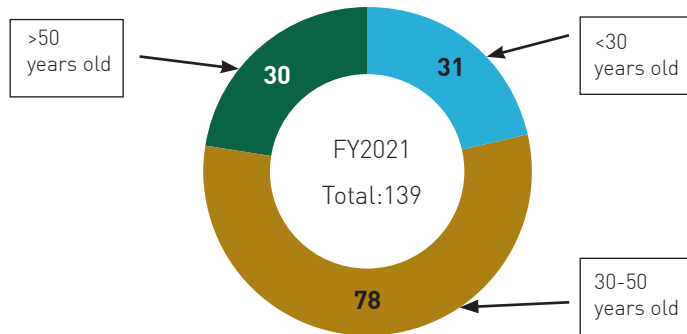
By Nationality



By Gender

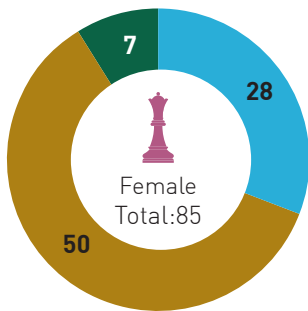
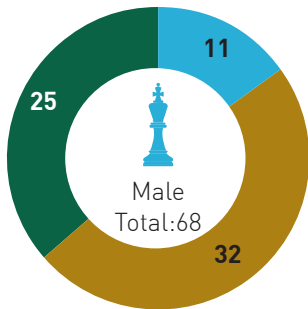


By Age



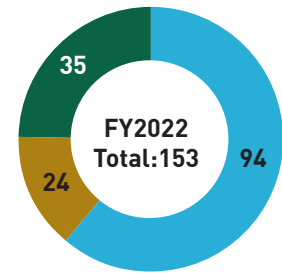
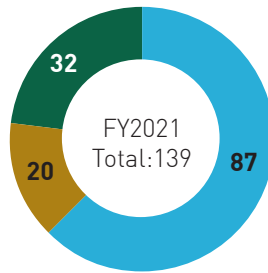
SUSTAINABILITY PILLARS

By Age and Gender in 2022



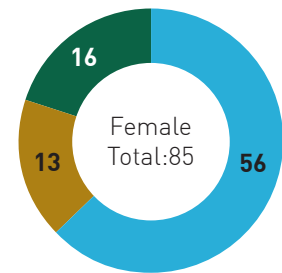
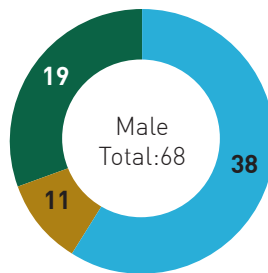
- <30 years old
- 30-50 years old
- >50 years old

By Seniority



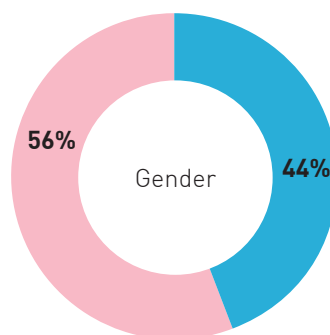
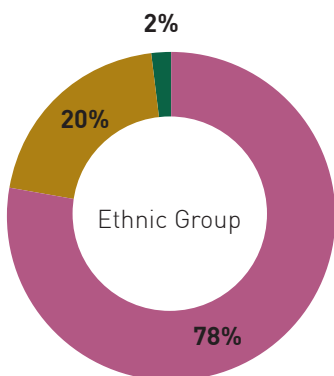
- Middle management to senior management
- Executive
- Non-executive

By Seniority and Gender in 2022



- Middle management to senior management
- Executive
- Non-executive

Management By Ethnic Group and Gender in 2022



- Male
- Female
- Chinese
- Indian
- Others

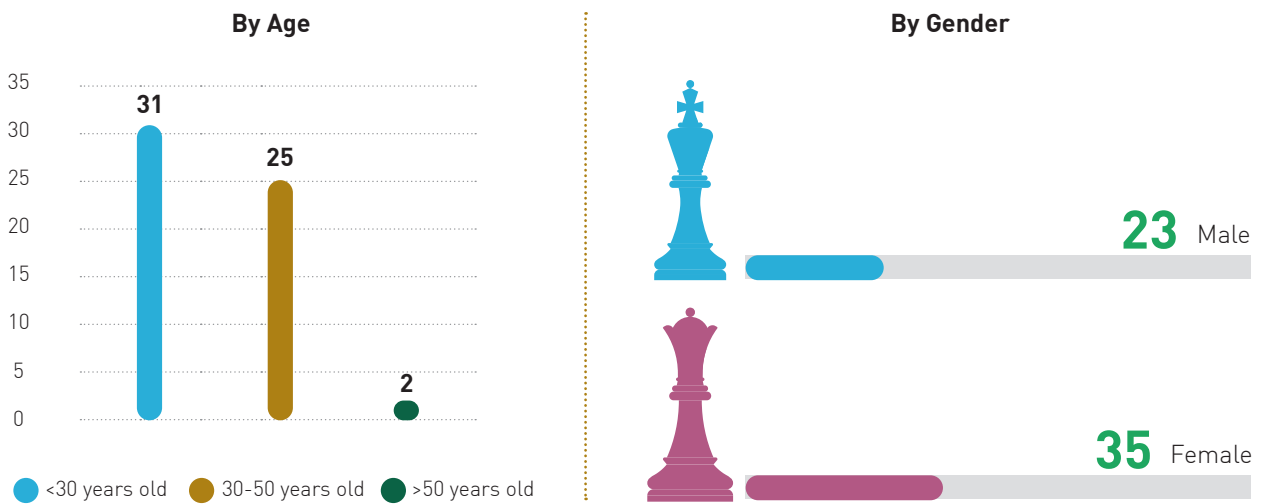
SUSTAINABILITY

PILLARS

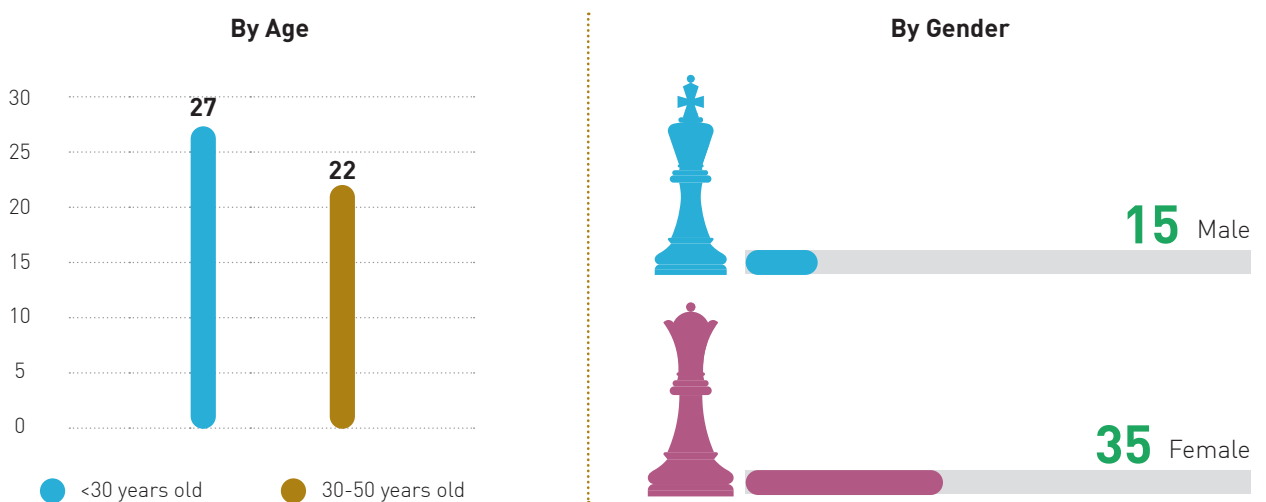
The Group aims to provide job security and stability for our employees. Our turnover rate for the current year is 33%, largely been influenced by the high turnover among our beauty advisors, common in the beauty retail industry. We are addressing this through several measures, including training and career development, team building and compensation reviews.

Turnover and new hire rate categorised by age and by gender are illustrated in charts below:

NEW HIRE RATE IN 2022: 38%⁸



TURNOVER RATE IN 2022: 33%⁹



⁸ New hires are defined as employees who joined the organisation during the financial year. The new hire rate is represented as the number of new hires over the number of employees as of 31 December 2022 and expressed as a percentage.

⁹ Turnovers are defined as employees who left the organisation during the financial year. The turnover rate is represented as the number of turnovers over the number of employees as of 31 December 2022 and expressed as a percentage.

SUSTAINABILITY PILLARS

Material Topic 4 - Training & Development (GRI 3-3, 404-1, 404-2, 404-3)



FY2022 PERFORMANCE

.....
This year, we have an average of 15.9¹⁰ training hours per employee.



PERPETUAL TARGETS

.....
The Group aims to grow and develop a dynamic and future-adaptive workforce.

A skillful and productive workforce is critical to support continued growth at Thakral. Learning and training development are essential to increase the efficiency and productivity of our employees to perform at optimal levels. Investing in our employees and providing continuous learning opportunities allows them to stay current on industry trends and grow in their personal capacity.

The Group has several in-house training programmes that focus on developing our employees' specific skillsets. New employees attend an orientation programme to understand the Group's core values and internal processes. In China, our onboarding process consists of a 12-week programme to ensure new employees seamlessly settle in and adapt to the new environment and culture.

To ensure reliable and correct information is communicated to our customers, all our sales staff undergo product knowledge and information training to better understand the features and usage of the product.

As part of our career development plan, we encourage our employees across all levels to develop their technical knowledge and enhance their soft skills through attending information sessions, seminars and external training courses. In FY2022, we provided a total of 1,901 hours of training. Furthermore, selected staff attended sustainability training organised by various organisations, including sustainability training providers such as Paia Consulting, CSRWorks and Global Compact Network Singapore to develop and enhance their knowledge and awareness of sustainability. In China and Hong Kong, our "Rising Potentials Career Planning" is an 18-24-month programme designed for several strong performers. We establish a clear career pathway with specific training, coaching and senior management mentoring to facilitate their development.

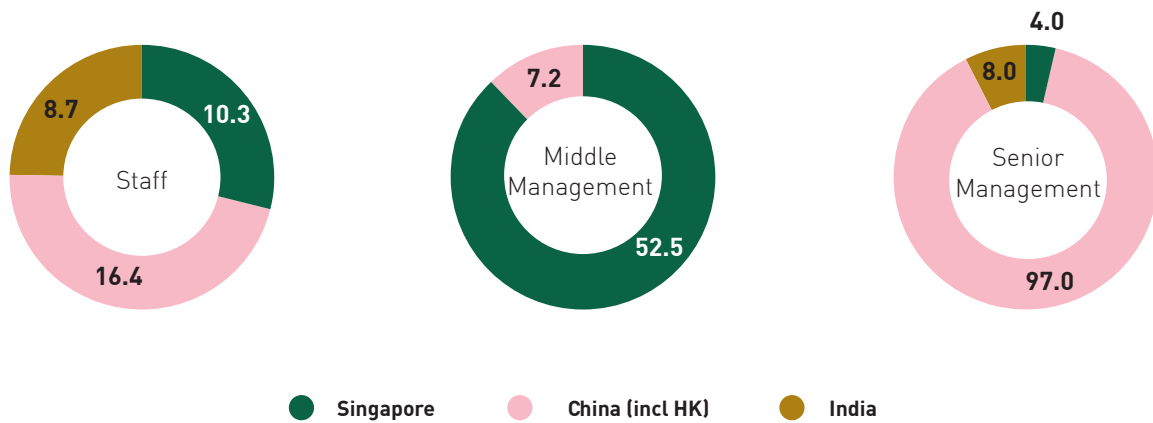
The Group has started to implement a performance and career development evaluation system, and is working towards expanding this to an increasing number of employees to grow their capabilities and plan a career path in line with their personal and the Company's goals and aspirations.

¹⁰ The average training hours for a specific group is calculated by dividing the total number of training hours for that group by the total number of employees in that group. The result is then expressed as a percentage.

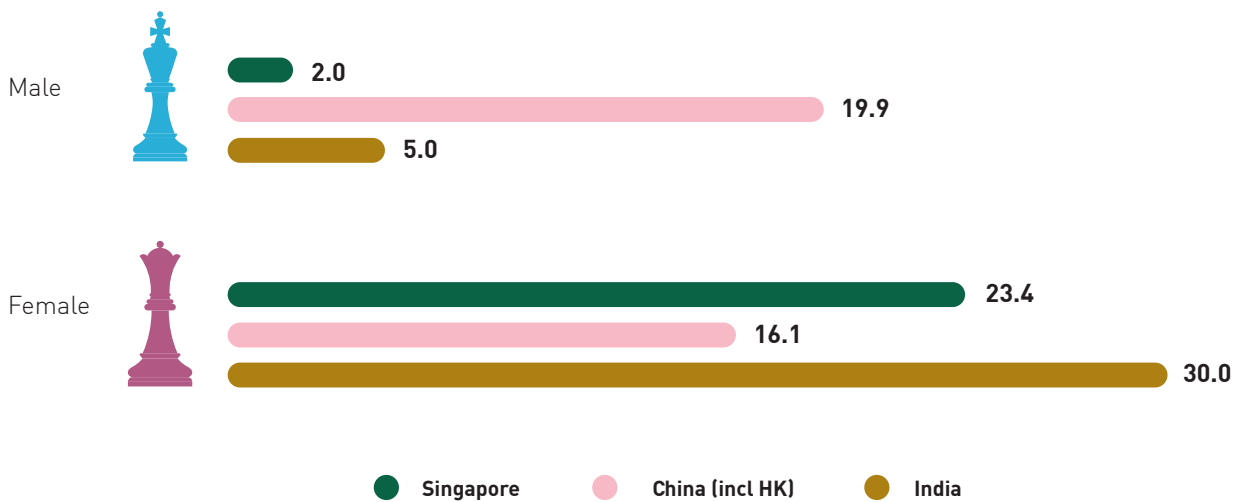
SUSTAINABILITY PILLARS

AVERAGE TRAINING HOURS IN 2022

By Employee Category



By Employee Gender



SUSTAINABILITY PILLARS

Material Topic 5 - Health & Safety (GRI 3-3, 403-9, 403-10)



FY2022 PERFORMANCE

In FY2022, there were no reported cases of work-related injuries or fatalities and work-related ill health in the Group.



PERPETUAL TARGETS

The Group aims to provide a safe and positive working environment and employee-centric benefits towards supporting their well-being.

A safe and positive working environment is a top priority at Thakral. It is our responsibility to protect the health and wellbeing of our employees and provide a safe working environment that is free of occupational hazards. Our health and safety approach applies across all levels of the Group and complies with applicable local occupational work environment regulations (OHS) in the jurisdiction where they are located.

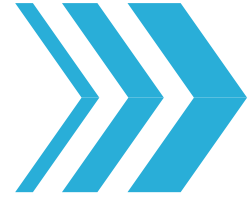
In case of any mishaps or hazards, employees are instructed to report to the senior manager in charge. Currently, the process to monitor and report on any hazards, accidents and injuries is through verbal communication.

The Group continues to reinforce a culture of responsible, safe working practices to ensure risk of occupational hazards and mishaps can be mitigated.

SUSTAINABILITY PILLARS

UPHOLD (GOVERNANCE)

A culture of trust and integrity in all our business activities



As a trusted brand, integrity and responsibility are integral to the continued growth of our business.

Material Topic 6 - Business Ethics (GRI 3-3, 2-16, 2-17, 2-25, 2-26, 2-27, 205-3)



FY2022 PERFORMANCE

In FY2022, the Group reported zero confirmed incidents of corruption



PERPETUAL TARGETS

The Group is committed to continually enhancing shareholder value and safeguard the interest of all stakeholders through sound corporate governance. We continue to be guided by the principles of good governance and transparency, coupled with sound business strategies to create a resilient business to continue enhancing value to our stakeholders.

Good governance and ethical conduct are important foundations for our business. Non-compliance can lead to financial loss, disruption of business operations and the possibility of penalties. As a trusted partner and brand, any breach of business ethics will not only harm the Group's reputation and integrity but also affect the confidence in our business partnerships.

The Group is committed to ensure our business is conducted in a fair, accountable and transparent manner while upholding the highest standards of ethical conduct. We exercise integrity and honesty in our business interactions and do not tolerate corruption. We ensure full compliance to applicable local laws and regulations. Robust effective, accountable and transparent processes have been developed to strengthen the Group's resilience to any potential breaches of conduct.

Our efforts in pursuing a high level of transparency and good governance have been recognised at the SIAS Investor's Choice Awards 2022 as the Winner of Most Transparent Company Award (Consumer Discretionary).

The Group has developed key policies including the Code of Conduct and Ethics and the Whistle-blowing Policy. The Board leads by example, setting the appropriate tone-from-the-top and ensuring proper accountability within the Group.

SUSTAINABILITY PILLARS

Code of Conduct and Ethics

The Group's Code of Conduct and Ethics policy set out the guiding principles and desired behaviour with which the Group's officers and employees are expected to operate and embraces the business practices and standards of behaviour that support the Group's commitment to fair, honest and ethical business conduct.

Whistle-blowing Policy

Our whistle-blowing policy provides our employees with an anonymous channel to report any suspected non-compliance activities.

Material Topic 7 – Marketing & Labeling (GRI 3-3, 417-1, 417-2, SASB CG-MR-410a.2, SASB CG-MR-410a.3)



FY2022 PERFORMANCE

In FY2022, the Group reported zero incidents of non-compliance with product and service information and labelling.



PERPETUAL TARGETS

The Group aims to be a trusted partner for brands, customers and consumers in the beauty, fragrance and lifestyle space. The Group aims to maintain zero incidents of non-compliance concerning product and service information and labelling.

The Group is committed to ensuring that the products we distribute and the services we offer do not harm our customers' wellbeing and safety. We ensure the products have the correct labelling with adequate instructions and component composition to guide our customers. Delivering accurate and clear marketing information is also important for our customers to make informed purchases. Our product labelling and service information are in compliance with relevant local law and regulations. Given that the products we distribute consist of chemicals, we store them according to their designated storage methods and abide by the regulations for 'Handling Dangerous Goods'. While we have limited control over the packaging of the products we distribute, we make an effort to explore avenues to reduce packaging whenever feasible. We are currently exploring the implementation of the Reduce, Reuse and Recycle initiative at our warehouses to achieve this objective.

In our Australia business, training of sales staff is ongoing to ensure that the delivery of information to potential purchasers is correct with resources available to offer support and guidance where specific information is required. Our beauty and fragrance business in China and Hong Kong include product labelling on perfumes and skin care products with specific information on product ingredients and 'Use By' dates. The products in our India business require proper labelling of product information.

ABOUT THIS REPORT

Reporting Scope

GRI 2-1, 2-2, 2-3, 2-4

The Group has adopted a phased approach in our sustainability reporting journey. On an annual reporting cycle, this is our sixth sustainability report. This report covers our sustainability approach, initiatives and performance for our key EESG topics for the period from 1 January 2022 to 31 December 2022.

All information relates to the Group unless otherwise stated¹¹. This Sustainability Report should be read together with the financial information detailed in our Annual Report 2022.

Reporting Standard

GRI 2-4, 2-5

This report has been prepared in reference to the Global Reporting Initiative ("GRI") Standards 2021. The GRI standards was selected as it is the most widely adopted global standard for reporting on environmental, social and governance topics. From FY2022 onwards, Thakral has also adopted the Financial Stability Board's TCFD recommendations. This report also meets the requirements of the SGX-ST Listing Rules (711A and 711B) as well as the Sustainability Reporting Guide set out in the Practice Note 7.6. This report is also in reference to the Sustainability Accounting Standards Board ("SASB") standards.

As we progress in our sustainability journey, our first climate risk assessment was conducted in January 2023 aligning with the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"). More details can be found under the Collaborate Pillar.

External assurance has not been sought for this report, but we have completed an internal review for our sustainability report to fulfil the requirements of the Sustainability Reporting Guide set out in SGX-ST's Practice Note 7.6 to ensure the accuracy and reliability of the sustainability information disclosed in the report. The primary objective of the internal review is to evaluate the existing sustainability reporting process including the governance structure, supported by adequate and robust internal controls and the risk management process.

Feedback

GRI 2-3

We welcome any questions and feedback from our stakeholders, being an integral to our sustainability journey. Please send your questions or comments to enquiries@thakralcorp.com.sg.

Date: 28 April 2023

Our key entities

Thakral Japan Properties Pte Ltd

TJP Pte Ltd

Thakral Umeda Properties Pte Ltd

Thakral Realty (S) Pte Ltd

Thakral China Ltd

Thakral Beauty (Shanghai) Ltd

Thakral Corporation (HK) Limited

Thakral Brothers Ltd

Singapore Sourcing & Technology Pvt Ltd

Thakral Capital Holdings Pte Ltd

¹¹ This sustainability report reporting scope covers our business in Singapore, China/Hong Kong, Japan, Australia and India. For more information, please refer to our Annual Report 2022: https://www.thakralcorp.com/sites/default/files/2023-04/Thakral_AR2022_1.pdf

GRI

CONTENT INDEX

GRI 2021 Standards	Description	Section of Report / Reasons for Omission	Page Reference
GRI 2 (2021) General Disclosures			
1. The organisation and its reporting practices			
2-1	Organisational details	About this report	35
2-2	Entities included in the organization's sustainability reporting		
2-3	Reporting period, frequency and contact point		
2-4	Restatements of information	No restatements of information have been made in Sustainability Report 2022	NA
2-5	External assurance	Not sought for Sustainability Report 2022	NA
2. Activities and workers			
2-6	Activities, value chain and other business relationships	Stakeholder Engagement	1, 9-10
2-7	Employees	Employee Management	26-29
2-8	Workers who are not employees	We are looking to progressively report the disclosure when such capabilities are available	NA
3. Governance			
2-9	Governance structure and composition	Sustainability Governance	6
2-10	Nomination and selection of the highest governance body	Annual Report 2022	Annual Report pages: 46-50
2-11	Chair of the highest governance body		Annual Report pages: 51-54
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Governance	6
2-13	Delegation of responsibility for managing impacts		
2-14	Role of the highest governance body in sustainability reporting	Board Statement Sustainability Governance	2-3, 6

GRI

CONTENT INDEX

GRI 2021 Standards	Description	Section of Report / Reasons for Omission	Page Reference
2-15	Conflicts of interest	Annual Report 2022	Annual Report page: 45
2-16	Communication of critical concerns	Business Ethics	33-34
2-17	Collective knowledge of the highest governance body	Board Statement Sustainability Governance Business Ethics	2-3, 6, 33-34
2-18	Evaluation of the performance of the highest governance body	Annual Report 2022	Annual Report page: 54
2-19	Remuneration policies		Annual Report pages: 54-60
2-20	Process to determine remuneration		Annual Report pages: 54-60
2-21	Annual total compensation ratio	This disclosure is omitted due to confidentiality constraints	NA
4. Strategy, policies and practices			
2-22	Statement on sustainable development strategy	Board Statement Sustainability Governance	2-3, 6
2-23	Policy commitments	Sustainability Governance	6
2-24	Embedding policy commitments		
2-25	Processes to remediate negative impacts	Business Ethics	33-34
2-26	Mechanisms for seeking advice and raising concerns		
2-27	Compliance with laws and regulations		
2-28	Membership associations	Not applicable to Thakral	NA
5. Stakeholder engagement			
2-29	Approach to stakeholder engagement	Stakeholder Engagement	9-10
2-30	Collective bargaining agreements	There are no collective bargaining agreements in place.	NA

GRI

CONTENT INDEX

GRI 2021 Standards	Description	Section of Report / Reasons for Omission	Page Reference
Material Topic: Economic Performance			
GRI 3 (2021): Material Topics			
3-1	Process to determine material topics	Material Assessment	7-8
3-2	List of material topics		
3-3	Management of material topics		
GRI 201 (2016): Economic performance			
201-1	Direct economic value generated and distributed	Economic Contribution to Society	11
		Annual Report 2022	Annual Report pages: 82-155
Material Topic: Business Ethics			
GRI 205 (2016) Business Ethics			
205-3	Confirmed incidents of corruption and actions taken	Business Ethics	33-34
Material Topic: Energy and Climate Change			
GRI 302 (2016): Energy			
302-1	Energy consumption within the organisation	Climate Change	20-22
302-3	Energy intensity		
GRI 305 (2016): Emissions			
305-1	Direct (Scope 1) GHG emissions	Climate Change	20-22
305-2	Energy indirect (Scope 2) GHG emissions		
305-4	GHG emissions intensity		

GRI

CONTENT INDEX

GRI 2021 Standards	Description	Section of Report / Reasons for Omission	Page Reference
Material Topic: Employee Engagement and Talent Management			
GRI 401 (2016): Employment			
401-1	New employee hires and employee turnover	Employee Management	29
404-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		26
GRI 403 (2018): Occupational Health & Safety			
403-9	Work-related injuries	Health & Safety	32
403-10	Work-related ill health		
GRI 404 (2016): Training and Development			
404-1	Average hours of training per year per employee	Training & Development	30-31
404-2	Programmes for upgrading employee skills and transition assistance programmes		
404-3	Percentage of employees receiving regular performance and career development reviews		
GRI 417 (2016): Marketing & Labeling			
417-1	Requirements for product and service information and labeling	Marketing & Labeling	34
417-2	Incidents of non-compliance concerning product and service information and labeling		

SASB INDEX

Topics	Criteria	Location
Energy Management in Retail & Distribution	CG-MR-130a.1. (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Climate Change pages: 20-21
Labor Practices	CG-MR-310a.3. Total amount of monetary losses as a result of legal proceedings associated with labor law violations	Business Ethics pages: 33-34
Workforce Diversity & Inclusion	CG-MR-330a.1. Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	Employee Management page: 28
	CG-MR-330a.2. Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	Business Ethics pages: 33-34
Product Sourcing, Packaging & Marketing	CG-MR-410a.2. Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Marketing & Labeling page: 34
	CG-MR-410a.3. Discussion of strategies to reduce the environmental impact of packaging	

TCFD INDEX

TCFD Pillar	TCFD Recommendations	Thakral's response
Governance	<ul style="list-style-type: none"> Board oversight Management's role 	Climate Risk Assessment (TCFD) pages: 22-25
Strategy	<ul style="list-style-type: none"> Climate-related risks and opportunities Impact on the organisation's business, strategy and financial planning Resilience of the organisation's strategy 	
Risk Management	<ul style="list-style-type: none"> Risk identification and assessment processes Risk management process Integration in overall risk management 	
Metrics and Targets	<ul style="list-style-type: none"> Climate-related metrics in line with strategy and risk management process Scope 1,2,3 GHG metrics and the related risks Climate-related targets and performance against targets 	



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