

SUSTAINABILITY REPORT 2023

From Promise To Progress



CONTENTS

INTRODUCTION

About The Report

Report Boundary, Disclosure Standards 03

About The Company

Legal Entities, Corporate Structure, Purpose & Vision 04

Product & Services, Awards & Recognition 05

Corporate Culture 07

STATEMENTS FROM THE TOP

Message from the Chairlady 08

Message from the Group CEO 09

SUSTAINABILITY STRATEGY

Sustainability Commitments and Journey 10

Stakeholder Engagement and Materiality Assessment 12

Progress on Sustainability, Contributions to the UNGC 10 Principles 14

CORPORATE GOVERNANCE

Board Governance 17

Progress on Governance 19

ENVIRONMENTAL PERFORMANCE

Greenhouse Gas (GHG) Emissions 25

Water Consumption 27

SOCIAL PERFORMANCE

Human Capital Performance 29

Nurturing the PACES Culture 34

Cultivating a Culture of Sustainability 37

Social Impact 38

CONTENT INDEX

GRI, SASB, SGX Core ESG Metrics 43

INDEPENDENT ASSURANCE STATEMENT

45

ABOUT THE REPORT

“I am delighted to present you the company’s first sustainability report. This report comes at a time where sustainability is a work in progress in the company’s Vision 2025 transformation journey. I hope it gives you a balanced view of the company’s ESG achievements and aspirations.”

Kevin W F Lee

Group Head, Sustainability
CGSI



This is the inaugural sustainability report for CGS International (covering legal entities CGS International Securities Pte. Ltd. and CGS International Securities Group Malaysia Sdn. Bhd.) which encompasses full year data for the fiscal year ended on 31 December 2023 (“2023” or “FY2023”). CGS International (CGSI)’s business operations are in ASEAN (Singapore, Malaysia, Indonesia, Thailand) and outside ASEAN (Hong Kong, Korea, United Kingdom, USA, Mauritius). Business operations with a small footprint and those not under CGSI’s full control (e.g. joint venture businesses in Vietnam) are not included in the report coverage.

This Report has been prepared with reference to the Global Reporting Initiative (“GRI”) Standards and is aligned to the Singapore Exchange (SGX) Core ESG Metrics. In preparation for future reporting aligned to the reporting standards issued by the International Sustainability Standards Board (“ISSB”), the report has included disclosures in accordance with the Sustainability Accounting Standards Board (“SASB”) for the ‘Investment Banking & Brokerage’ sector as well as on material topics pertaining to data security and customer privacy from the other SASB sectors.

This Report also serves as a Communication of Progress (“COP”) report as part of our commitment as a United Nations Global Compact (UNGC) member.

The GHG emissions data were prepared with reference to the GHG Protocol Corporate Standard. The reporting boundary is defined using the “operational control” approach.

The Group Chief Executive Officer and key members of the Group Management Committee, including the various country heads, have internally reviewed and endorsed this sustainability report.

This being CGSI’s inaugural sustainability report, there are no restatements of previously reported information to be made.

CGSI is also referred to as the ‘Company’ in this report.

REPORT ASSURANCE

DNV Business Assurance Singapore Pte Ltd was appointed to provide independent assurance on the report. The assurance statement can be found here. Disclosures pertaining to Anti-Bribery and Corruption were internally assured by CGSI’s Internal Audit Department.

FEEDBACK

We welcome all feedback and comments on this Report. Please kindly direct them to Group Sustainability at group.sust@cgsi.com

ABOUT THE COMPANY

Corporate Vision & Purpose

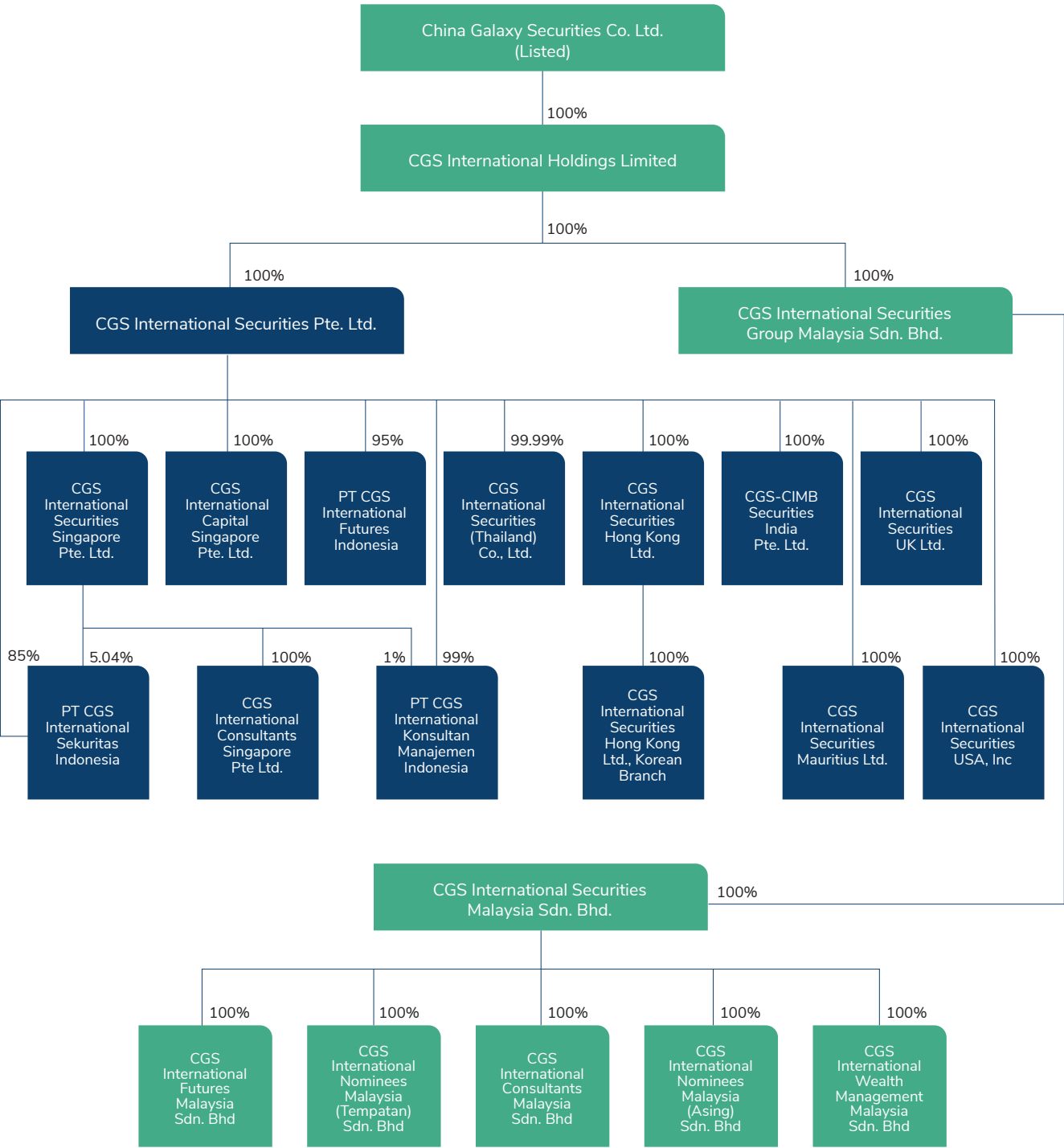
The Company aims to realise its vision to be a leading, world class investment bank in Asia. Empowering individuals and communities to make better investment decisions for a sustainable future is its long-term purpose.

Legal Name, Nature of Ownership and Legal Form

CGS International (covering legal entities CGS International Securities Pte. Ltd. and CGS International Securities Group Malaysia Sdn. Bhd) is an award-winning and market leading integrated financial services provider and ranked among the top investment houses in Asia. CGS International (CGSI) is a wholly owned entity of CGS International Holdings Limited since 29 December 2023. Prior to this, it was known as CGS-CIMB Securities International Pte. Ltd, a joint venture between China Galaxy Securities and CIMB Group Sdn Bhd. Business operations before and after the shareholder changes were unchanged.

Location of Headquarters & Countries of Operation

CGSI is headquartered in Singapore with a significant business footprint in ASEAN (primarily in Singapore, Malaysia, Indonesia and Thailand) as well as in USA, UK, Hong Kong, Korea, India and Mauritius. Its business network also extends to Vietnam, Philippines, Japan and Australia through joint venture partners in these countries.



Products and Services

Led by our customer-centric philosophy, we have built a comprehensive suite of products and services, including securities trading, wealth solutions, prime services, investment banking and asset management to suit the investment needs of our diverse clientele for retail, corporate and institutional clients¹.

Our **award-winning research team** provides one of the most comprehensive research coverages of **over 600 stocks, with another 2,500 from our research partners globally**, empowering clients with the data and insights to make the right investment decisions.



Equities Trading



Leveraged Products



Wealth Management



Equities Research



Investment Banking



Fixed Income



Shariah Compliant Investing



Structured Products



Prime Brokerage



Currency & Commodities



Margin Financing



ESG Product Incorporation

Since the Company became a member of the United Nations Global Impact in 2022, it has made incremental steps to incorporate ESG into its business. Currently, research reports of listed companies in ASEAN stock exchanges incorporate an analysis of the Company's ESG performance aimed at advising institutional investors, with ESG mandates, on their investing decisions. The Company also facilitated the listing of the CSOP CGS-CIMB FTSE Asia Pacific Low Carbon Index ETF on the SGX (Singapore Exchange), the largest equity ETF on the SGX by AUM on its initial listing in Q3 2022, marking a milestone commitment towards bringing more ESG themed products to the ASEAN region.

Through its business presence in Shariah-compliant financial markets in ASEAN, revenue from ethical/faith-based financial products & services has grown steadily in excess of S\$2 million in 2023.

¹ Businesses, products and services displayed are as of 31 December 2023.

Awards & Recognition

In 2023, we received several prestigious awards that highlighted our commitment to sustainability, excellence and innovation. These include:

ESG Awards

AsiaMoney Brokers Poll Awards 2023

1st Place - Best Brokerage for ESG Research (Singapore)
1st Place - Best Brokerage for ESG Research (Thailand)
2nd Place - Best Brokerage for ESG Research (Malaysia)
3rd Place - Best Brokerage for ESG Research (Indonesia)
Best Analyst for ESG (Singapore)

CSR Awards

Community Chest Awards 2023 (Singapore)

Charity Silver Award

People's Association Community Spirit (PACS) Awards 2023 (Singapore)

Merit Award

Human Resources Online HR Excellence Awards

Finalist in the Excellence in CSR Strategy

Finance Awards

Alpha Southeast Asia Best Financial Institution Awards 2023

Best Broker in Southeast Asia
Best Retail Broker in Malaysia
Best Institutional Broker in Singapore, Indonesia & Thailand

FinanceAsia Country Awards 2023

Best Broker in Singapore & Malaysia

HFM Asian Services Awards 2023

Best Boutique Prime Broker – Innovation, Singapore

Singapore Exchange (SGX) Industry Appreciation and Awards Night

Top 5 SGX-ST Members 2023

Asiamoney Brokers Poll 2023

Top 5 Brokerages in Asia
68 awards clinched including:
#1 Best Retail Brokerages in Singapore
#1 Best Domestic Brokerages for Sales in Malaysia
#1 Best International Brokerages for Sales in Thailand
#1 Best Regional Brokerages for sales trading in Regional

Corporate Awards

Singapore Retail Association's Excellent Service Awards (EXSA) 2023


5 Gold winners
2 Silver winners
1 Star winner for delivering exceptional customer service

Corporate Culture

Our corporate culture is anchored on our PACES (People-Oriented, Accountability, Collaboration, Excellence, Sustainability) core values that our employees subscribe to. Taken together with good board governance and an effective three lines of defence, a values-based corporate culture protects and generates long term value for the Company.

In 2023, the Company formalised the Diversity, Equity & Inclusion (DEI) Policy to strengthen the PACES core values as a commitment to embrace diversity while cognisant of the need to manage equity and inclusion. To better understand DEI issues within the organisation, the inaugural DEI Survey was launched in 2023 – a step forward towards a more inclusive and collaborative work culture in the future. The DEI Survey findings can be found under the Social Performance section of this report.

P




PEOPLE-ORIENTED

People are at the heart of what we do, and we are committed to creating value for our Employees, Customers, and Stakeholders.

- The Company is committed to creating a culture of Diversity, Equity and Inclusion, as well as continuous learning for our Employees.
- Employees strive to be advocates for every Customer by focusing on their investment goals.

A

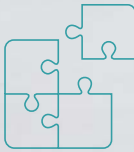


ACCOUNTABILITY

We are accountable to ourselves, our colleagues, and the community through our actions.

- The Company is committed to the goals and standards it sets for itself.
- The Company aims to foster a culture of trust at the workplace by demonstrating honesty, ethics and integrity in our daily interactions with one another.
- The Company recognises the impact of our actions on the Community and therefore strives to be responsible and transparent in the use of its resources.

C




COLLABORATION

We will harness the power of collaboration and work together as one CGS International family.

- The Company values collaboration as the key to creativity and excellence.
- Employees are committed to working cohesively as one CGS International Team to deliver best-in-class solutions to our clients.

E




EXCELLENCE

We will strive for continuous improvement and deliver excellence in our products and services.

- The Company aims to foster a culture of continuous innovation and creative solutioning, adopting a learning mindset towards every experience.
- The Company is committed to an unwavering focus on customer delight and client advocacy without compromise.

S



SUSTAINABILITY

We embed Sustainability into our business and operations, and are committed to making a positive impact on our communities.

- The Company is dedicated to shaping a sustainable future, and pledges to operate responsibly, prioritise green initiatives, champion diversity and contribute to the well-being of our employees, the community, and the environment.
- The Company fosters a culture of environmental stewardship, employee well-being, and community engagement to drive positive change for a healthier planet and society.

PACES

CORE VALUES



Message from the Chairlady



One of the most important projects that CGSI embarked on last year is sustainability. I am pleased that CGSI has started on its sustainable journey by outlining its 8 Sustainability Focus (BSF) areas through a 5-year execution roadmap. This complements the parent company's emphasis on ESG Management to ensure business needs are balanced with environment and societal needs through a solid foundation anchored on strong corporate governance and values.

We are positioning CGSI as the gateway to Asia, facilitating the flow of investments between China, ASEAN, and the rest of Asia. We take our role as the nexus for China-ASEAN relations seriously and have launched several initiatives to bridge the gap between China and ASEAN, including the much publicised and highly lauded China-ASEAN Business Leaders Summit held in March 2023. The internationalisation of Chinese enterprises presents bright opportunities for CGSI to facilitate the sustainable development of ASEAN through finance. Electric vehicles, renewables are fine examples of new areas of sustainable growth that Chinese businesses bring to ASEAN. This China-ASEAN economic wave is set to grow and CGSI is well placed to be a part of this sustainable growth story.

Glocalisation is a big part of CGSI's strategy. ASEAN is a highly diverse region and we believe that local teams are best able to navigate the intricacies of cultures, traditions, regulations and relationships within each market. Hence, we entrust local management to drive the local business, cultivate closer connections with customers and build robust business partnerships.

We see CGSI as more than just a leading financial services provider in Asia; We have a larger role to play, whether it is facilitating collaborations between China and ASEAN, or building more financially savvy communities and uplifting the lives of those in the markets we are present in. The Group has taken steps towards achieving these in the past year, and I would like to extend my appreciation to its management and employees for their contributions in building a CGSI that is not only stronger as a business, but also a catalyst for positive change. I look forward to a closer collaboration between CGSI and its parent company as we chart a brighter future ahead for all.

Mdm Chang Yu

Chairlady, CGSI

Message from the Group CEO

I am pleased to share CGS International's (CGSI) inaugural sustainability report, which sheds light on our ESG (Environmental, Social, and Governance) performance, and showcases our commitment to be a part of the growing community of financial institutions which advocate transparent sustainability disclosures.

Becoming a signatory of the United Nations Global Compact in 2022 marked the official commencement of our sustainability journey. In 2023, we dedicated ourselves to laying the foundations by charting our sustainability course and setting tangible measures to advance our sustainability mission. We welcomed our first Group Head of Sustainability, established our eight Sustainability Focus (8SF) areas and devised a five-year roadmap under the sustainability pillar of our Vision 2025 strategy.

Acknowledging our role in climate action, we embarked on a detailed exercise to establish baselines for Scopes 1 and 2 Greenhouse Gas (GHG) emissions and kickstarted the complex planning process for Scope 3 GHG emissions. The upcoming years will focus on target setting for GHG emissions, managing climate risks, implementing governance mechanisms and developing a climate strategy to manage the company's emissions.

Leveraging our robust financial networks across ASEAN, CGSI aims to drive financial services towards sustainable development in the region. We aim to progressively incorporate ESG into our products and services across our businesses including investment banking, investment management and securities. In doing so, we hope to empower customers with greater opportunities to invest sustainably in the future.

People and culture are integral to our success story. In 2023, we formalised our DEI (Diversity, Equity & Inclusion) policy and included 'Sustainability' as one of our core values. We commit to nurturing an inclusive workforce and fostering a corporate culture which considers environment and societal needs. We also established the People First Fund (PFF) to enhance employee engagement, motivation, and commitment to the organisation. The PFF rewards employees who remain and strive for the company to see through the execution of Vision 2025.



In 2023, we launched the inaugural ASEAN Investment Challenge (AIC), a flagship youth programme to empower students with knowledge in sustainable investing and contribute to the building of strong capital markets in the future. We launched the AIC in close partnership with the 4 stock exchanges in ASEAN (Bursa Malaysia, Indonesia Stock Exchange, Singapore Exchange, Stock Exchange of Thailand) and over 500 Institutes of Higher Learning across Singapore, Malaysia, Indonesia and Thailand. More than 5,000 student participants received holistic classroom and hands-on experience of investing in ESG-related securities from investment experts. Beyond youths, our other financial literacy programmes also benefitted different segments of society across ASEAN such as the Gerkatin deaf community in Indonesia as well as the elderly in Singapore.

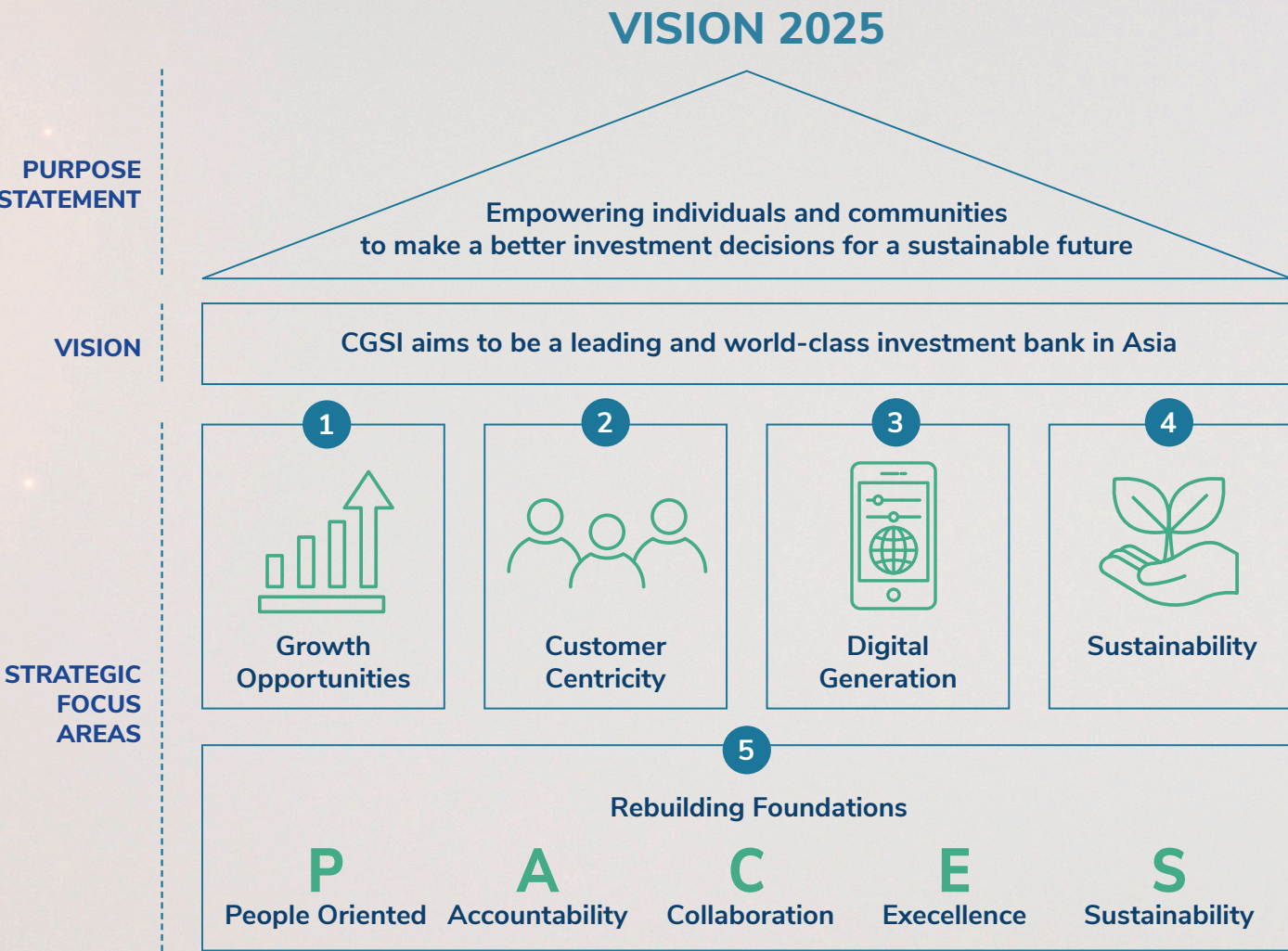
Incorporating sustainability in any organisation is a constant work in progress, with complex issues to be sorted out, trade-offs to be made and difficult decisions to be done. While our sustainability journey may pose its challenges, I am optimistic the Company will grow in strength, united on its path to greater sustainability.

Carol Fong
Group CEO, CGSI

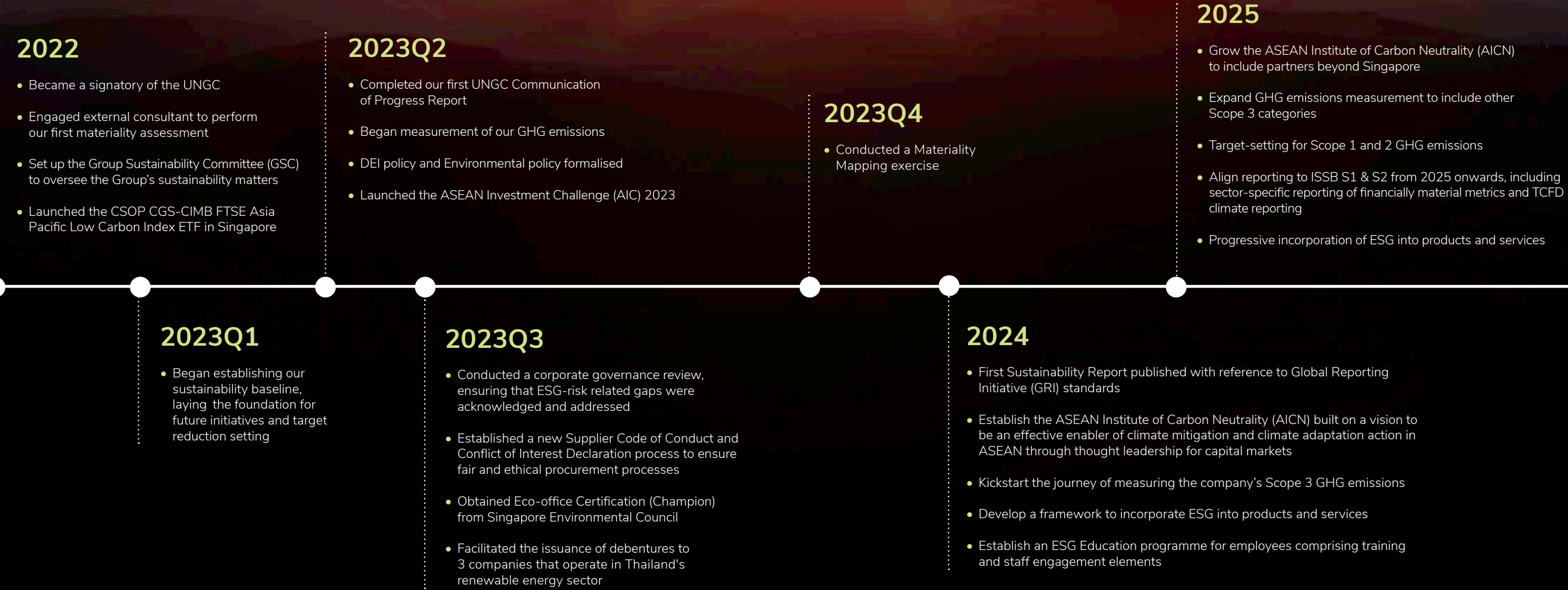
Sustainability Commitments & Journey

Sustainability is one of the strategic focus areas under the Company’s Vision 2025 to achieve its corporate goals of balancing profits with consideration to the environment and the society.

The Company’s sustainability strategy is played out through actions in 8 Sustainability Focus (8SF) areas that was identified through a materiality assessment exercise conducted in 2022. Details of our progress in achieving the desired outcomes of the 8SF is captured in the later part of this report section.



Our Sustainability Journey







Growing our Sustainability with our Stakeholders

CGSI understands its role as a corporate citizen in the culturally diverse ASEAN landscape and recognises its responsibility to do more on the sustainability front as it grows its business. With the myriad of environmental and social challenges the world is facing and especially in ASEAN, CGSI sees itself working in collaboration with governments, industry players, customers, civic society and other stakeholders to achieve impactful sustainability outcomes in the future.

Stakeholder engagement is essential to our organisation. Besides gathering inputs from stakeholders for the materiality assessment, we continually rely on stakeholder inputs to guide our future sustainability initiatives as well as to validate the success of existing ones. The table below captures the stakeholder inputs captured in 2023.

SUSTAINABILITY INPUTS FROM STAKEHOLDERS IN 2023

| STAKEHOLDERS | HOW WE ENGAGE | FREQUENCY | KEY ISSUES RAISED | OUR RESPONSE |
|--|--|--|--|--|
|  Employees | Townhall and dialogue sessions with Group CEO held at country level | Twice a year | Career development and training highlighted as 2 dimensions for improvement | Career Development & Training focus group discussions were held for 3 age groups of staff |
| | Corporate newsletter, sustainability newsletters | Bi-monthly, Monthly | | |
| | Employee engagement survey, DEI survey | Annually | DEI Survey 2023 Findings: Top 2 staff picks includes: 1) wanting to see more celebrations for DEI, and 2) rolling out Unconscious Bias Training (UBT) | HR dept exploring new resources to facilitate employee training for 2024 |
|  Regulators | Participation in regular engagement sessions with regulators, including consultation papers and industry exercises | Participated in 2 regulatory consultation papers and 2 industry exercises | Compliance with regulatory requirements for newly launched products and services Occurrence of significant issues or breaches (eg. Major IT disruptions, employee misconduct, significant risk events, etc) | Regular engagements with regulators to keep the firm aligned with an evolving regulatory landscape |
| | | | | |
|  Clients | Engagement at office branches | On-going | Trading platform Improvements | Incorporate customer feedback into future trading platform enhancements |
| | 24-hour call centres | | | |
| | Client events: Road shows, webinars etc | | Financial product knowledge, Trading platform features | Training via webinars/ in-person sessions |
|  Community | Net Promoter Score (NPS) Surveys (Retail Customers) | Annually | Slight dip in NPS score | NPS findings are shared with relevant business units to serve retail customers better in the future |
| | | | | |
| | Corporate Social Responsibility (CSR) events | Over 138 events held across Malaysia, Singapore, Indonesia & Thailand for around 260,000 beneficiaries | Institutions of Higher Learning (local universities and polytechnics) concerned about Financial Literacy awareness among the youth and the community Grassroot associations highlighted the growing need to educate the community on scam avoidance | The annual ASEAN Investment Challenge provides a holistic journey for youths to learn how to invest Financial literacy workshops benefited over 6000 participants in 2023 Conducted scam avoidance sessions in 2023 that benefited over 800 people in the heartlands |

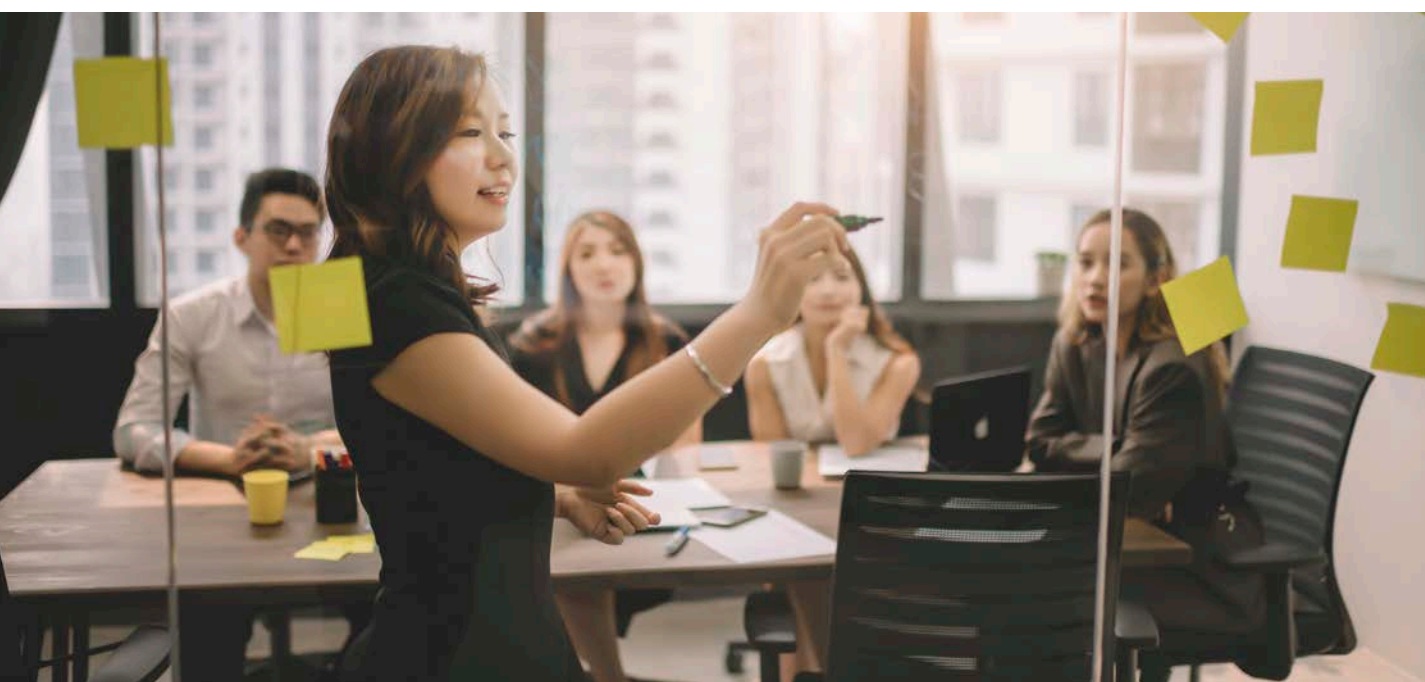
What is Material to the Company's Business

In 2022, we engaged an external consultant to assist in the scoping of material topics to CGSI's business activities. In 2023, CGSI performed a review of its current sustainability with a view of where it should focus on.

In charting its future sustainability journey, CGSI conducted sustainability scans, looking at both internal and external factors, to identify areas it should focus on.

This was done in relation to how finance could be a business enabler of impactful sustainability outcomes and the future business priorities of the Company. The external sustainability scan looked at the global as well as ASEAN-specific drivers shaping sustainability. The internal sustainability scan drew on findings of the materiality assessment of CGSI in 2022 and the sustainability focus of CGSI's parent company.

The outcome of the external and internal sustainability scans resulted in the 8 Sustainability Focus (8SF) areas identified for CGSI. These focus areas ensure that we consider and integrate ESG topics and considerations in identifying risks and opportunities in our business operations, as well as to guide the Group's overall ESG strategy.



Prioritisation of Material Topics

Members from the Group Sustainability Committee as well as select stakeholders which included Head of Departments (HODs) and other business function heads underwent an exercise to arrive at the materiality matrix for the Company.

The exercise involved the prioritisation of the 8SF (8 Sustainability Focus areas) by ranking each of them against two impact dimensions to arrive at the materiality matrix shown in Chart 1:

Impact to Environment/Society

Considering the impact of business activities and interactions on the environment (natural capital), society (human and social capital) and economy (financial capital)

Impact on Entity/Business

Considering the impact of the environment/societies to the business performance of companies

MATERIALITY MATRIX

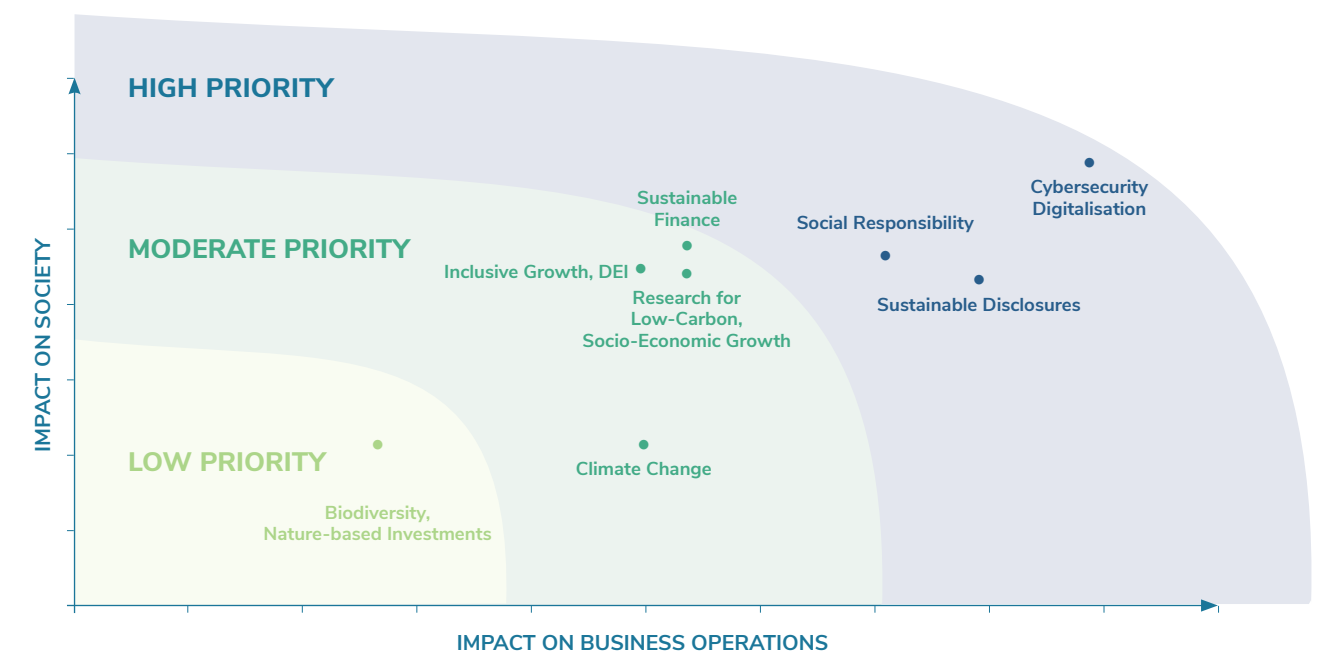


CHART 1 : CGSI'S MATERIALITY MATRIX

Sustainability Progress on the 8SF

(8 SUSTAINABILITY FOCUS AREAS)

The Company developed a roadmap to achieve desired outcomes for each of the 8SF over a five year period. Progress made in 2023 is captured in the table below.



1: Climate Change, Decarbonisation

| DESIRED OUTCOMES | PROGRESS IN FY2023 |
|---|---|
| GHG emission reductions from own business operations including financing and facilitated financing activities | Kickstarted measurement of Scope 1 & 2 as well as Scope 3 (Cat 1) GHG emissions. Reported figures can be found in the Environmental section of this report. Target setting will be done in future years |



2: Biodiversity, Nature-Based Investments

| DESIRED OUTCOMES | PROGRESS IN FY2023 |
|--|--|
| Biodiversity impact considerations in financing and facilitated financing activities, in particular for nature-based investments that deliver carbon avoidance/removal and biodiversity benefits | Work on biodiversity will start in future years. References to global standards or frameworks like the Task-Force for Nature-related Disclosures (TNFD) will be drawn upon |



3: Research for Low-Carbon, Socio-Economic Growth

| DESIRED OUTCOMES | PROGRESS IN FY2023 |
|---|--|
| Thought leadership and advisory backed by research in climate risks, climate mitigation, climate adaptation and climate resilience for sustainable growth | <p>Our customers benefit from CGSI's research in the ESG performance of over 650 listed companies across six markets in Asia.</p> <p>Anchored on our ESG research philosophy that investors generate alpha by investing in positive ESG momentum (rather than highly rated ESG achievers), our in-house research produces an 'ESG Summary' to inform investors on the ESG trends impacting the company, the ESG highlights of the sector that the company is in and what to watch out for in the future.</p> <p>In 2023, two research reports analysing utility companies in Malaysia in relation to the country's New Energy Transition Roadmap (NETR) was published in conjunction with CGSI's inaugural ESG & Sustainability conference in Malaysia.</p> <p>In the future, it is planned to incorporate greater ESG insights into research reports that delve into investment risks of climate change, biodiversity loss/degradation as well as social topics such as immigrant labour/modern slavery and the social implications of artificial intelligence.</p> |



4: Sustainable Finance

| DESIRED OUTCOMES | PROGRESS IN FY2023 |
|--|--|
| Opportunities for customers to invest in ESG products through education & integration of ESG in product and service offerings (including Shariah-compliant financial products) | <p>In 2023, the Investment Banking (IB) arm completed several deals (about S\$220 mil total in size) that contributed to regional economic development in ASEAN, including issuances of debentures to 3 companies in Thailand where the use of proceeds contributes to advancing the energy business involving a mix of renewable and non-renewable energies. Revenue with ESG* from underwriting and advisory services from IB activities amounted to about S\$260,000 in 2023.</p> <p>CGSI acted as the investment advisor for the CSOP CGS-CIMB FTSE Asia Pacific Low Carbon Index ETF of AUM valued at US\$ 15.89 million (as at last business day of 2023). Listed on the Singapore Exchange (SGX), this ETF provides opportunities for customers to invest into a diversified portfolio of companies with low-carbon characteristics.</p> <p>In 2023, the revenue from ethical/faith-based financial products sold registered in excess of S\$ 2.0 million</p> |

* where use of proceeds contributes to sustainable outcomes (wholly or partially)



5: Inclusive Growth

| DESIRED OUTCOMES | PROGRESS IN FY2023 |
|--|--|
| Business growth through innovation, supported by DEI (Diversity, Equity & Inclusion) practices and sustainability culture-building | <p>Established the DEI policy and conducted the Company's first DEI survey. Refer to page 31 of this report for details</p> <p>Our suite of financial products are inclusive with Shariah-compliant financial products that cater to the large Muslim population in Southeast Asia</p> |
| Product and service offerings that are inclusive | |



6: Sustainability Disclosures

| DESIRED OUTCOMES | PROGRESS IN FY2023 |
|--|---|
| Drive ESG performance internally while building trust & confidence with external stakeholders on the Company's long-term value proposition | <p>This inaugural sustainability report kickstarts the Company's sustainability disclosure journey. Future years report will include greater disclosures aligned to SASB² and TCFD³</p> |



7: Cybersecurity, Digitisation

| DESIRED OUTCOMES | PROGRESS IN FY2023 |
|---|---|
| Manage cybersecurity risks for business continuity as the Company digitises for business growth | <p>Refer to page 23 to understand how our Company manages cybersecurity risks</p> |



8: Social Responsibility

| DESIRED OUTCOMES | PROGRESS IN FY2023 |
|--|---|
| Build social capital (social license) while contributing to societies where the Company has a business presence in | <p>Gain an appreciation of the Company's CSR initiatives on page 38</p> |

² SASB (Sustainability Accounting & Standards Board)

³ TCFD (Task-Force on Climate-related Financial Closures)

Contributions to the Ten Principles of the United Nations Global Compact (UNGC)

As a signatory of the UNGC since February 2022, the Company is committed to the 10 Principles on human rights, labour rights, the environment and anti-corruption through the initiatives implemented across the 8SF (8 Sustainability Focus) areas. The table below captures our progress on the Principles in 2023.

| OUR CONTRIBUTION TO UNGC TEN PRINCIPLES | OUR PROGRESS FOR FY2023 | RELEVANT UNGC PRINCIPLES |
|--|---|---|
| Expanded our scope of focus beyond our organisational boundary, ensuring that our business partners and suppliers are aligned with our zero-tolerance approach to human and labour rights abuses, and corruption | Introduced a new Supplier Code of Conduct and Supplier Conflict of Interest Declaration form that governs the expectations of our suppliers' business activities, which was developed in heavy consideration of the UNGC Ten Principles. Suppliers are required to acknowledge this document during the procurement process | Principle 1 and 2: Businesses should support and respect the protection of internationally proclaimed human rights, and make sure they are not complicit in human rights abuses |
| | | Principle 4: The elimination of all forms of forced and compulsory labour |
| | | Principle 5: The effective abolition of child labour |
| | | Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery |

| OUR CONTRIBUTION TO UNGC TEN PRINCIPLES | OUR PROGRESS FOR FY2023 | RELEVANT UNGC PRINCIPLES |
|---|---|---|
| Supported the empowerment and representation of women in our workforce | <ul style="list-style-type: none">49% of our total workforce* are women (as of 31 December 2023)38% of our senior management** are women (as of 31 December 2023)Basic Salary Ratio of men to women is 1 : 0.94Introduced our DEI Policy | Principle 6: The elimination of discrimination in respect of employment and occupation |
| Embarked on a climate action journey to take accountability of our operational carbon footprint, and begin creating a corporate culture of sustainability and eco-consciousness | <ul style="list-style-type: none">Conducted an exercise to establish a sustainability data baseline, using FY2023 as a reference point for future reduction targetsConducted several events across our regional offices to encourage employees to become more eco-conscious, such as educational workshops and sustainability-themed events. | Principle 7: Businesses should support a precautionary approach to environmental challenges Principle 8: Undertake initiatives to promote greater environmental responsibility |
| Strengthened our anti-corruption risk assessment mechanism to prevent financial crimes | Reviewed the list of ABC (Anti-Bribery & Corruption) risk types and incorporated them into the Company's risk assessment framework | Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery |

* Refers to permanent employees
** The categorisation of senior management is in accordance with the definition of 'Executive Management' in the Equal Employment Opportunity Commission's Employer Information EEO-1 report Instruction Booklet

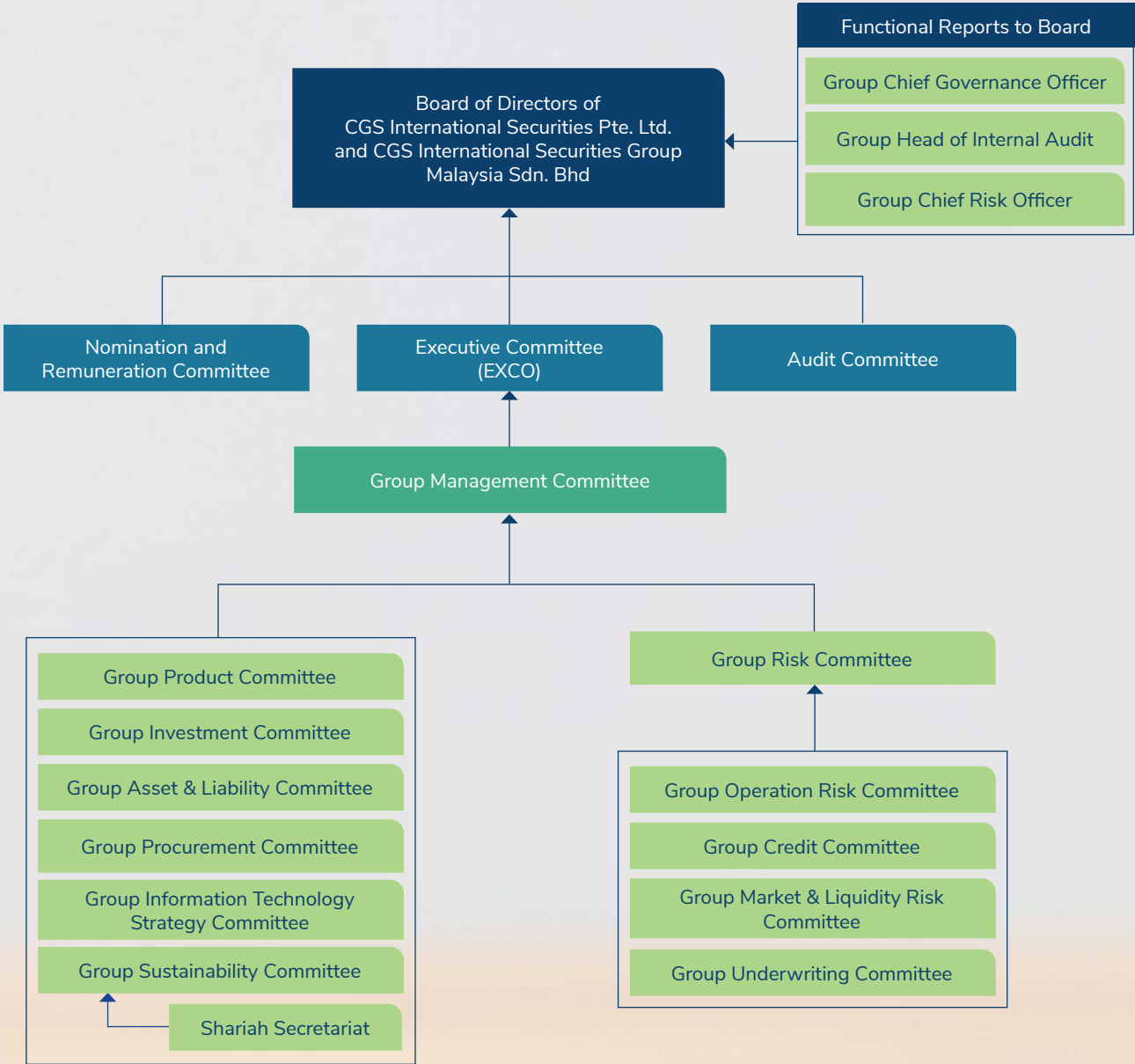
Board Governance

Guided by regulatory requirements and best practices, the Company has a proper system of governance structures, policies, and management frameworks to enable the business to function based on the principles of transparency, accountability, responsibility and integrity.

As at 31 December 2023, the Board of CGSI (covering legal entities CGS International Securities Pte. Ltd. and CGS International Securities Group Malaysia Sdn. Bhd) comprises 5 members (1 chairperson, 2 executive and 2 non-executive directors), of which 60% are women. There are existing Board governance provisions under the Board Nomination and Remuneration Committee (BNRC) policy to address conflicts of interest, the performance evaluation and the training of Board members.

As CGSI navigates this period after the shareholder change on 29 December 2023, it is acknowledged that there are areas of governance that needs to be reviewed in future years. The Board currently does not comprise any independent directors. As we aspire to become a listed Company in the future, the Company will look into introducing independent directors to ensure the interests of minority shareholders are represented in the Board's decision-making process.

A strong governance structure requires clearly defined roles and responsibilities to be delegated across multiple parties. This helps to ensure accountability and effectiveness of the execution of governance-related initiatives. The Board is supported by 3 bodies, namely the Executive Committee, the Audit Committee and the Nomination & Remuneration Committee. Table 2 below outlines the responsibilities of these bodies.



CORPORATE STRUCTURE AS OF 31 DECEMBER 2023



| BOARD DELEGATED COMMITTEES | RESPONSIBILITIES |
|-------------------------------------|---|
| Executive Committee | <ul style="list-style-type: none">Monitors execution of the Company's strategic plans, operating and financial performance of all business units of the Company in accordance with the business plans, policies, procedures and budgets that have been approved by the BoardAssists in development of agendas for Board meetings including, but not limited to, review of M&A opportunities and to make recommendations to the BoardAssumes such other responsibilities as from time to time may be delegated by the Board |
| Audit Committee | <p>Help the Board of CGSI with its oversight responsibilities over CGSI Group of the companies in key areas including:</p> <ul style="list-style-type: none">Relevance and reliability of the Group's financial statementsThe effectiveness of the internal and external audit processesAssessment and appointment of external auditorsAssessment and appointment of internal auditorsThe effectiveness of the Group's internal control and risk managementWhistleblowing policies, processes and reportingInterested Person Transactions ("IPTs") and Related Party Transactions ("RPTs") |
| Nomination & Remuneration Committee | <ul style="list-style-type: none">Review structure, size and composition of Board and Board CommitteesReview the succession plan of Board members, Group CEO and senior management membersThe development of a transparent process for evaluating the performance of the Board, its Board Committees and directors, including assessing whether directors are able to commit enough time to discharge their responsibilities and the maximum number of company board representations which a director may holdThe appointment and removal of all directorsReview the training and development for Board of directorsReview the Company's talent management and remuneration framework and policies |

TABLE 2: RESPONSIBILITIES OF THE BOARD DELEGATED COMMITTEES

The Group Management Committee (GMC) provides management oversight over the Group's businesses on both strategic and operational matters. The Group Management Committee reports directly to the Executive Committee and is supported by the various business functional committees, including the Group Sustainability Committee.

The Group Governance Demerit Framework exists as an effective safeguard against undesired business conduct or dealings. The Group Governance Demerit Framework inculcates sound internal control and risk management practices, ensuring that employees are held accountable for governance issues related to Audit, Risk and Compliance matters by tying these issues to their individual performance appraisals.

Governance on Sustainability Matters

The Group Sustainability Committee (GSC) supports the GMC and the Board by reviewing the sustainability policies for the Group. It also assesses and makes recommendations on matters concerning the Group's sustainability, ESG risks and opportunities and highlights any related issues to the attention of the GMC or the Board.

The GSC is chaired by the Group CEO or Deputy Group CEO of CGSI and comprises Country CEOs (Singapore, Malaysia, Indonesia, Thailand) as well as Group Functional Heads (Sustainability, Strategy, Finance, Information Security & Data Governance, Marketing).

The GSC updates and tables sustainability related matters and issues for discussion to drive the Company's sustainability agenda at least four times yearly. In 2023, the following were achieved by the GSC team:

- (i) Developed the Sustainability Statement which articulates the 8 Sustainability Focus (8SF) areas of the Company. This was approved by the Board and subsequently communicated across the Company,
- (ii) Kickstarted a sustainability baseline to capture existing ESG practices, identify improvement areas and start an ESG measurement and reporting process which resulted in the disclosures captured in this first sustainability report.



| GROUP SUSTAINABILITY COMMITTEE MEETINGS IN 2023 | AVERAGE ATTENDANCE RATE | SIGNIFICANT ISSUES DISCUSSED IN 2023 |
|---|---|---|
| 4 | 100% (all GSC members as outlined in the Terms of Reference were present or represented by an alternate) | <div>1. GSC endorsed the Sustainability Statement (SS) covering the 8 sustainability focus areas for the company and the 5-year Sustainability Roadmap. The SS was subsequently endorsed by the Group Management Committee and the Board.</div> <div>2. GSC endorsed the Company's first Communication of Progress (COP) for submission to the United Nation Global Impact.</div> <div>3. GSC endorsed the newly developed Supplier Code of Conduct, the Conflict of Interest Declaration by Suppliers and the evaluation committee evaluation quotations/tender submitted by suppliers.</div> <div>4. The Diversity, Equity & Inclusion policy and the Environmental policy was endorsed by the GSC.</div> |

TABLE GSC-1: SIGNIFICANT ISSUES DISCUSSED DURING GROUP SUSTAINABILITY COMMITTEE MEETINGS

Progress on Governance

Compliance

The Company has an established compliance programme framework that is enshrined in the Group Compliance Policy. The framework aims to ensure compliance with relevant laws, regulations, rules, standards and associated codes of conduct.

The Chief Governance Officer, responsible for overseeing compliance within the Company and ensuring compliance with laws, regulatory requirements, policies, and procedures, is designated by and reports directly to the Board. All significant Compliance related issues, wider regulatory developments that may affect the operation of the Company and non-compliance issues are reported quarterly to the Board. He is the main liaison officer with regulators.

The Compliance function also oversees the Group's AML and CFT policies. The AML and CFT policies were revised in 2023 to ensure that the Company conducts its business in conformity with high ethical standards and guards itself against undertaking any business transaction that is or may relate to or may facilitate Money Laundering/Financing of Terrorism.

In 2023, there were no instances of non-compliance leading to fines/penalties or non-monetary sanctions. The Company takes a pro-active stance in managing compliance related issues by having regular engagements with the regulators to address potential breaches arising from day-to-day business

operations, build industry resilience against financial threats as well as in policy-making. For example, there were several engagements in 2023 with Malaysia Securities Commission (SC), Malaysia on a potential breach involving CFD transactions on Bursa Malaysia.

The year also saw regular engagement sessions with regulators, sharing insights and providing feedback on consultation papers published by regulators and self-regulatory bodies, to name a few:

- **Monetary Authority of Singapore (MAS) Consultation Paper on Revisions to Guidelines on Fair Dealing – Board and Senior Management Responsibilities for Delivering Fair Dealing Outcomes to Customers**
- **Securities Commission Malaysia Capital Market Cyber Simulation Exercise**
- **MAS Consultation Paper on Enhancing Safeguards for Proper Conduct of Digital Prospecting and Marketing Activities**



Corporate Risk Governance

The Company takes the 3 lines of defense approach to risk management, with the first line comprising the business owners, the second comprising our risk management oversight committees and the third comprising internal and external audits.

At the first line, business and process owners take on the role to identify their own risks, implement controls and execute actions to manage these risks. The first line of defense is managed via its in-house Risk Control Self-Assessment (RCSA). The biennial RCSA is organised by the Risk Management department where individual business unit or function are required to review their risk exposure against a universe of 30 risk types (ranging from financial to operational risks and ESG risks) and have controls to mitigate identified risks.

At the second line, oversight of our risk management mechanisms falls to the Group Risk Management Committee (GRC), which is chaired by the Group CEO and assisted by the Group Chief Risk Officer, Group Functional Heads (Risk Management, Governance, Credit Management, Information Security & Data Governance, and Finance) and Country CEOs (Singapore, Malaysia, Thailand, and Indonesia). The GRC holds at least four meetings annually to deliberate on matters pertaining to the Group's risk appetite, risk governance, risk culture, liquidity risk management, credit risk management and business continuity management. It is assisted by the Group Credit Committee, Group Market & Liquidity Risk Committee, Group Underwriting Committees and Group Operational Risk Committee (GORC).

In 2023, the GORC endorsed a total of 50 policies and procedures that arose from the RCSA review exercise. In the same year, the GORC also approved an ESG-related faith-based (i.e. Shariah) business line.

Lastly, our third line of defense is handled by our internal audit function. Internal audit serves an irreplaceable role as a checking mechanism for our corporate governance systems in place. Our Internal Audit Department reports directly to the Group Audit Committee, a committee of the Board of CGSI, with the responsibility to help the Board with its oversight responsibilities and their respective subsidiaries in key areas including:

- Relevance and reliability of the Group's financial statements
- The effectiveness of the internal and external audit processes
- Assessment and appointment of external and internal auditors
- The effectiveness of the Group's internal control and risk management
- Whistleblowing policies, procedures and reporting
- Interested Person Transactions and Related Party Transactions

To ensure that the controls in place to combat corporate risks are robust and remain relevant, our annual internal audit includes key audit focus items that consider governance and social risks.

With the Company measuring its GHG emissions from 2023, the internal audit of environmental risks will be progressively included from 2024 onwards. One (1) high-risk issue in relation to inadequate AML trade and transaction monitoring processes was picked up by internal audit in FY2022. This issue was closed on 27 June 2023 after the relevant party implemented improved controls to mitigate the risk. From the FY2023 audit, no issues pertaining to ESG risks were identified.

KEY GOVERNANCE AND SOCIAL AREAS COVERED BY ANNUAL INTERNAL AUDIT

| | | | | |
|--|---|---|--|---|
|  <div>Senior management oversight, escalation and reporting effectiveness</div> |  <div>Background check and AML/CFT screening on new employee</div> |  <div>Suspicious trades and transaction monitoring</div> |  <div>Reporting mechanisms for AML/CFT risk</div> | |
|  <div>Social aspect</div> |  <div>Procurement</div> |  <div>Outsourcing</div> |  <div>Acceptance and giving out of gifts</div> |  <div>Donation</div> |
|  <div>Entertainment expenses</div> |  <div>Adherence to regulatory and internal guidelines relating to AML/CFT and ABC policies</div> |  <div>Handling of customer complaints</div> |  <div>Handling of complaints via whistleblowing channel</div> | |

Whistleblowing Policy

The Group has a Whistleblowing Policy that sets out avenues for legitimate concerns to be objectively investigated and addressed. Individuals may raise, in good faith, concerns about illegal, unethical or questionable practices in confidence and without the risk of reprisal. Any disclosure of whistleblowing will be channeled directly to the Group Head of Internal Audit via a dedicated electronic mailbox found at whistleblow@cgsi.com, which only the Group Head of Internal Audit and an alternate from Internal Audit have access to. There were no reported concerns raised via the whistleblowing channel in 2023.

Handling of Concerns

For concerns raised via the whistleblowing channel, the Group Head of Internal Audit (in consultation with the Group Head of Human Resource) will decide whether an investigation or other course of action should be pursued. Should an investigation be conducted, the Group Head of Internal Audit will recommend to the Management the appropriate action(s) to be taken based on the outcome of the investigation. In the event the incident is associated with the Internal Audit Department, the Management will delegate the investigation to another party deemed appropriate to handle the matter for purposes of impartiality.



Financial Resilience & Business Continuity

Securities firms are subject to financial stress tests on an annual basis. These tests aim to ensure viability of investment portfolios under severe economic conditions. CGSI conducts stress tests that are beyond regulatory requirements to take into specific customised stress scenarios. In 2023, there were no significant issues from stress tests conducted for country businesses in Singapore, Malaysia, Indonesia and Thailand.

Business Continuity Management (BCM) is another regulatory requirement that is applicable to country businesses in Singapore, Malaysia, Indonesia and Thailand. BCM policies and procedures are reviewed every two years. Every year, a Business Continuity Planning (BCP) call-tree exercise is conducted to test the response timing of critical personnel to an adverse event.

In the 2023 call-tree activation exercise, all participating countries achieved a significantly high success rate as shown in the table below. There were no actual BCP events in 2023 that triggered the execution of the Company’s BCM mechanisms.

| COUNTRY | CALL TREE DATE | % SUCCESS RATE (Response within 1 hour of BCP event) |
|-----------|------------------|---|
| Singapore | 14 October 2023 | 100% |
| Malaysia | 8 September 2023 | 98% |
| Thailand | 2 November 2023 | 99% |
| Indonesia | 20 October 2023 | 92% |

Anti-Bribery and Corruption

The Company expects its employees to conduct themselves with utmost professionalism and integrity. It adopts a zero-tolerance stance on corruption and has instituted several measures to strengthen governance on Anti-Bribery and Corruption (ABC) aligned to the ABC policy.

The Company has embedded control measures throughout the organisation to manage ABC risks with oversight by the Risk Management Department. The table captures the multi-departmental effort in addressing ABC risks in the Company.

In 2023, there were no incidents of corruption found. Several improvements to ABC have been implemented, such as the development of 2 new procurement documents, the Supplier Code of Conduct and the Supplier Declaration of Conflict of Interest, which encompasses the ESG factors of our business partners as our domain of consideration.

Additionally, to comprehensively assess our entire scale of operations for corruption risk, we have included ABC risks as a key risk type to be included in our Risk Control Self-Assessment (RCSA) exercise, which is refreshed every 2 years. We found the integration of the RCSA and ABC risks to be very intuitive as both are based off the same foundational principle of having every department be the first line of defense against risk. Departments are required to internally evaluate the pertinence of ABC to their operations and to assess if controls are adequate to combat corruption and fraud.

A RCSA review was conducted in 2023. Departments across the organisation were required to refresh their individual risk registers to ensure relevance and validity of their risk self-assessments. The Risk Management Department also engaged the various stakeholders to educate and raise awareness on how ABC risks could manifest in their respective department activities. This helped to improve the overall understanding of ABC risks across the organisation and allow a more thorough assessment to be performed.

At present, only our Singapore office has undergone the RCSA Refresh to incorporate the ABC risks. The exercise will be introduced and implemented in 2024 for the rest of our offices. The details of the incorporation of ABC risks in RCSA refreshment exercise for other regional operations will be elaborate further in the next report.

We also plan to introduce further improvements to the control measures to manage ABC risk in 2024. This includes implementing due diligence checks on the recipients of donations to improve our handling of donations and dealing with charitable organisations. As CSR is a significant feature of the Company's sustainability, we recognise that this is an area prone to fraud and corruption and will take the necessary steps to strengthen governance in this aspect.

| DEPARTMENT | ABC RISK MANAGEMENT RESPONSIBILITIES | EXISTING ABC PRACTICES |
|---------------------|--|---|
| Risk Management | Review ABC risks captured in the periodic RCSA exercises | Facilitate process owners to incorporate new ABC risks in businesses and functions in the RCSA Review ABC risk items on a periodic basis |
| Compliance | Ensure relevant department are kept abreast of updates on anti-corruption related rules and regulations | Cascade new or revised anti-corruption related rules and regulations to relevant departments for their attention |
| Finance | Implements financial controls, which are derived from the Group Delegated Authority, to prevent unauthorised transactions, conflicts of interest and fraudulent activities perpetrated by individuals with excessive authority or power within an organisation | Purchases of goods & services, expenditures, and waivers are subject to approvals by authorised personnel of the Company |
| Procurement | Ensure procurement process is conducted in a fair manner | Proper Request for Proposal (RFP) process in place whereby a tender evaluation committee has been established to ensure a fair procurement proces Instituted the Supplier Code of Conduct, and the Conflict of Interest Declaration for new onboarded suppliers* |
| Human Resource | Employee background checks Owner of the Group ABC policy | Background screening checks applied to all employees in accordance with local employment practices ABC policy limits the acceptance and giving of gifts up to a cap, and strictly prohibits facilitation payments and kickbacks |
| Internal Audit (IA) | Audit the effectiveness of control measure in managing ABC risk embedded in Procurement, Finance & Human Resource functions as mentioned above Owner of Group Whistleblowing policy | Perform review on the effectiveness of control measure in managing ABC risk periodically according to the annual audit plan approved by Group Audit Committee Employee can raise any suspected unethical activities via the whistleblowing channels to IA |

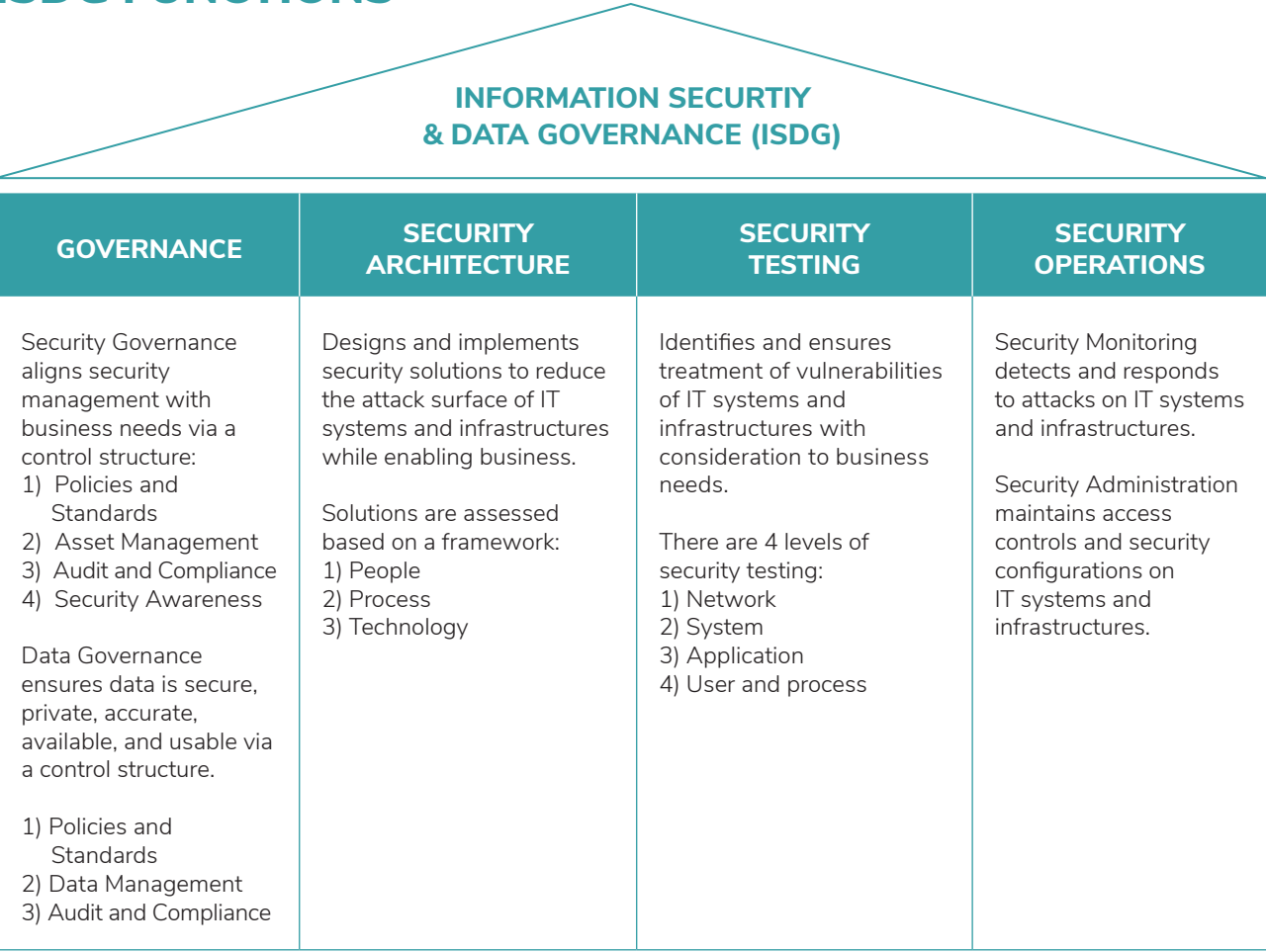
* This was implemented in Singapore in June 2023



Information Security & Data Governance (ISDG)

As the Company becomes increasingly digital, connected and data-driven to stay ahead of business competition and for operational efficiency, protecting data and ensuring proper data use and access are crucial for business resilience. The Company achieves these goals through the four aspects of Information Security & Data Governance (ISDG) covering **Governance, Security Architecture, Security Testing and Security Operations.**

ISDG FUNCTIONS



ISDG maintains a set of policies, standards, procedures and frameworks, which are published in the staff intranet for access by employees. The Group Head of ISDG is a member of the Group Risk Committee (chaired by the Group CEO) to assess ISDG risks.

Significant ISDG risks are discussed at the monthly Group Operational Risk Committee (GORC) meetings that is chaired by the Deputy CEO. There were no reported customer data breaches in 2023 that required attention. Further details are captured in the table below.

| SASB CODE | METRIC DESCRIPTION | 2021 | 2022 | 2023 |
|-------------------------------|---|---|------|------|
| Data Security TC-TL-230a.1 | Number of data breaches (this includes data breaches arising from internal & external stakeholders) | 0 | 0 | 0 |
| | Percentage involving personally identifiable information (PII)* | Over the past three years, there were isolated incidents of customer personal data breaches in Singapore which were internally assessed to have minimal material impact to both customer and the Company. The 'Personal Data Protection Commission (PDPC) was consulted in all such incidents and later determined them as non-reportable incidents that required no further action | | |
| | Number of customers affected | None that were assessed to be significant | | |
| Data Privacy TC-TL-220a.1 | Description of policies and practices relating to behavioural advertising and customer privacy | Practices relating to customer privacy adhere to each country's regulatory requirements on data collection, use, record, storage, transfer and the Company's Data Governance Policy which includes data classification and intra-group data transfer agreement | | |
| | | Note: Behavioural advertising is not relevant to the Company's business | | |
| TC-TL-220a.3 | Total amount of monetary losses as a result of legal proceedings associated with customer privacy | 0 | 0 | 0 |

* PII is any information connected to a specific individual that can be used to uncover that individual's identity

In 2023, ISDG rolled out several information security initiatives as below and is in process of setting up the Data Governance Committee (DGC), where directives are formalised, significant issues are discussed, initiatives are driven.

Information Security and Data Governance Initiatives implemented in 2023

Security Operations Centre (SOC) setup was completed for Malaysia, Indonesia, Singapore and Thailand offices. It enables these countries to monitor critical systems real time and sharing of mitigation and threats to improve security posture.

The **Security Incident Playbook** was compiled from input by various business and function departments in Singapore, based on a common set of incident scenarios. This provides consistent processes to manage most known type of incidents, reducing delays in reproducing or remembering process for repeating type of incidents.

Endpoint Detection and Response (EDR) implementation for Singapore servers was completed in 2023 to extend the continuous monitoring using behavioral analytics to automatically detect traces of suspicious behaviour.

| SASB CODE | METRIC DESCRIPTION | 2021 | 2022 | 2023 |
|-------------------------------|--|--|------|------|
| Data Security TC-TL-230a.2 | Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards. | Risk assessment on Singapore systems is performed by multiplying impact level of loss of data confidentiality, impact level of loss of data integrity and impact level of loss of data availability. The product maps to a Data Risk Rating which determines the priority and levels of security controls to be applied to protect the data. | | |
| | | Compromise of data could be reported by clients, users or vendors, detected by security monitoring, or informed by attackers or researchers, through emails, messages or phone calls. Response to data compromise is executed by corresponding departments according to the Incident Playbook. | | |
| | | Internal Audit performs or outsources audit on Singapore environment to ensure processes and systems are functioning properly to identify and to address data security risks. | | |

Security Awareness

ISDG runs annual online Security Awareness Training (SAT) across the Group, which saw a completion rate of 91% to 99% across all participating countries. Eight topics were covered in the training namely Social Engineering, Spotting Phishing Scams, Business Email Compromise, Insider Threats, Staffing and Cybersecurity, Passwords, Security and the Cloud, and Data Loss Prevention. All participants were required to pass a quiz to show their level of understanding of the materials presented.

Phishing Campaigns

Simulated phishing campaigns targeted at testing user’s defense against social engineering attacks are conducted at random times at least quarterly. The last test in 2023 concluded with 23.7% being phish-prone. Phish-prone participants are required to attend training to learn] how phishing works and how it can be prevented.

Management of Cyber-Related Attacks

The Security Information and Event Management solution is in place to receive log feeds from critical systems and devices, correlate and analyse them to detect potential or actual attacks. EDR and anti-virus (AV) complement with continuous monitoring at endpoints to expand visibility of attack patterns. SOC centralises all security monitoring and alerting so that attacks can be detected, escalated, tracked, contained or resolved through single platform.

Impact of Business Operations to the Environment

The environmental impact of the Company’s operations rests primarily on the resources consumed in offices, company-owned fleets to run business operations, on-site and off-site data servers as well as from finance-related business activities. Of all the environmental aspects, the one that is of material significance to the Company is GHG emissions and water consumption. The latter is not covered in this report due to lack of available and/or meaningful data at the time of reporting. GHG emissions were calculated in reference to the GHG Protocol Corporate Standard. The Company applies the ‘operational control’ approach to define the reporting boundary for GHG emissions.

In the 2023, the Company conducted an exercise to arrive at the list of categories of GHG emissions relevant to the organisation (Table 1) and developed a **3-Year roadmap** (Table 2) to progressively measure and report GHG emissions as well as set targets over the next few years. GHG emissions figures covered in this report is for business activities in Singapore, Malaysia, Indonesia, Thailand and Korea.

| RELEVANT GHG EMISSIONS CATEGORIES | |
|-----------------------------------|--|
| Scope 1 GHG Emissions | Company Vehicles – Mobile Combustion Sources |
| Scope 2 GHG Emissions | Purchased Energy |
| Scope 3 GHG Emissions | Purchased Goods & Services (Off-Site Data Servers) Business Travel Investments |

TABLE 1 : GHG EMISSIONS RELEVANT TO THE COMPANY

| ANNUAL REPORTING | | | | |
|-----------------------|--|-----------------|--|---------|
| SCOPE | GHG EMISSIONS CATEGORY | 2024 | 2025 | 2026 |
| 1 | Company Owned Vehicles | ● | ● | ● |
| 2 | Office Energy | ASEAN & Korea | ASEAN & Korea, Rest of World | |
| | On-Site Data Server Energy | ASEAN & Korea | ASEAN & Korea, Rest of World | |
| 3 | Purchased Goods & Services (Off-Site Data Servers) | ● | ● | ● |
| | Business Travel (Air/Land) | | ● | ● |
| | Investment (Financing) | | ● | ● |
| | Investment (Facilitated Finance) | | ● | ● |
| | Business Travel (Hotel Stay) | | | ● |
| GHG REDUCTION TARGETS | | | | |
| | | 2024/25 | 2025/26 | 2026/27 |
| | | Interim Targets | Concrete targets aligned to recognised climate standards | |

TABLE 2 : ROADMAP TO REPORT AND SET TARGETS ON GHG EMISSIONS

Much of the work done in 2023 revolved around building a strong foundation of data to reliably measure the Company's our Scope 1 and 2 emissions in accordance with the GHG protocol. Significant efforts were made internally to prepare ourselves for Scope 3 GHG reporting in future years, starting by measuring our Category 1 (Purchased Goods and Services) emissions arising from the use of 3rd party cloud-hosted data centres. Chart 2 summarises the 2023 GHG Emissions measured so far.

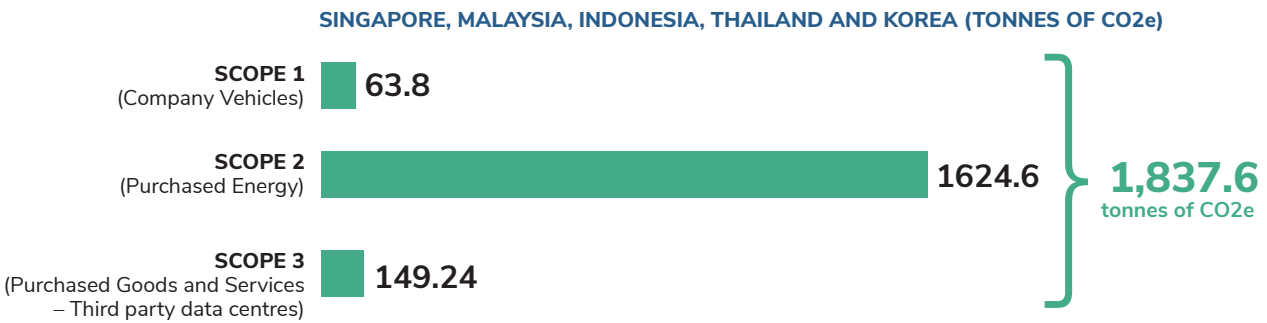


CHART 2 : 2023 GHG EMISSIONS

Additionally, finance-related GHG emissions was identified as a significant component of the Company's corporate carbon footprint. To this the Company will be taking guidance from the newly developed Partnership for Carbon Accounting Financials (PCAF) standard to measure and report on the Scope 3 GHG emissions. From preliminary assessments, it is envisaged that the availability of data required to quantify financed and facilitated GHG emissions will present significant disclosure challenges. More time will be needed to reconcile the Scope 3 GHG emissions.

Scope 1 Emissions

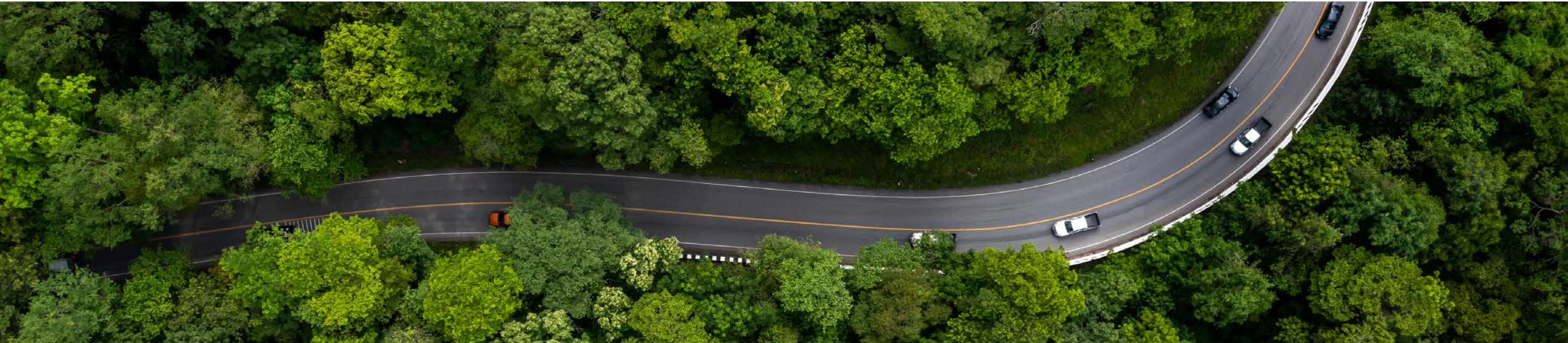
The Company has identified our Scope 1 emissions to wholly arise from mobile combustion sources in the use of our Company-owned fleet of vehicles.

It is noted that many marketing & sales activities such as roadshows and pop-events organised in Malaysia and Indonesia were possible reasons for the higher emissions registered by these two countries. For the Indonesia office, there was some challenge in achieving data completion for 2023, with high-quality information only being available for November and December. Nevertheless, we expect to be able to report a more accurate and complete picture of our Scope 1 in the coming years. Looking ahead, it is a priority for each country to develop a plan that identifies the possible measures to reduce GHG emissions either by reducing the amount of physical commuting or by switching to a more environmentally friendly alternatives for transport. Scope 1 emissions for FY2023 is summarised in the table below⁵.

| | MALAYSIA | SINGAPORE | THAILAND | INDONESIA | KOREA |
|--------------------------|----------|-----------|----------|---------------------------|---------------------------|
| Number of vehicles | 6 cars | 2 cars | 4 cars | No Company-owned vehicles | No Company-owned vehicles |
| Scope 1 Emissions/ tCO2e | 34.9 | 14.03 | 14.90 | N.A. | N.A. |

TABLE 3 : 2023 SCOPE 1 GHG EMISSIONS BY COUNTRY

⁵ Calculations have been performed using the "GHG Emissions From Transport or Mobile Sources" calculation tool from GHG Protocol found at <https://ghgprotocol.org/calculation-tools-and-guidance>.



Scope 2 Emissions

The Company continuously monitors electricity consumption across our regional offices to identify opportunities to enhance our energy efficiency. Our current reporting scope covers our main countries of operation in Malaysia, Singapore, Indonesia, Thailand and Korea.

The table below provides an overview of our physical operations across our countries of operation, including the number of main and branch offices and whether on-site data servers are located in the office, and their corresponding electricity consumption figures. Notably, Indonesia and Korea have data servers are located within their offices, which contribute to their total Scope 2 GHG emissions as compared to other offices which have their data needs met by third-party data centres.

Co-shared offices are not within our operational control. Moreover, co-shared offices comprise only 3% of total employees in the Company. GHG emissions from co-shared offices were excluded from the reporting boundary.

The Company is in the midst of working out plans to migrate on-site data servers to off-site cloud-based servers across ASEAN. This will have the effect of shifting GHG emissions from Scope 2 to 3. The net impact of any GHG emissions reduction plans will be clearer as soon as the on-site data server migration plans are established in future years.

| | MALAYSIA | SINGAPORE | THAILAND | INDONESIA | KOREA |
|---|----------|-----------|-----------|---------------------|--------------------|
| Number of Offices (main office & branch offices) | 30 | 1 | 17 | 13 | 1 |
| Headcount ⁸ as of 31 December 2023 | 572 | 495 | 568 | 208 | 23 |
| Energy consumption/kWh | 478,926 | 594,713 | 1,270,651 | 314,497* | 205,113 |
| Energy consumption intensity – kWh per person | 837.28 | 1,201.44 | 2,237.06 | 1,512.00 | 8,917.96 |
| Scope 2 emissions/tCO ₂ e | 373.6 | 247.88 | 667.22 | 251.60 ⁹ | 84.36 ⁹ |
| Scope 2 emissions intensity – tCO ₂ e per person | 0.65 | 0.49 | 1.17 | 0.90 | 3.52 |

Note : Figures in table above above excludes GHG emissions from co-shared offices.

TABLE 4 : 2023 SCOPE 2 GHG EMISSIONS BY COUNTRY

* Indonesia energy consumption figure only reflects data from main office
⁸ Headcount refers to permanent employees
⁹ Includes power consumption from data servers located on-site

Assessment of Water Consumption

While the Company does not consider water to be a material environmental topic to our operations, we recognise the importance of conserving resources and minimising wastage wherever possible. As many of the regional HQ offices do not have separate water meters in the buildings for individual tenants, the actual water consumption figure is not known because water use charges/fees are subsumed under rental charged by the landlord.

The Company aims to evaluate the possibility of measuring water consumption in the coming years by using estimates, proxies or other means of determination. Some of the offices situated in Thailand and Indonesia have been identified to be in water-stressed regions¹¹. These offices will be given higher priority in terms of water consumption measurement.

¹¹ Identification of water-stressed regions done via the World Resources Institute (WRI) Aqueduct Water Risk Atlas (<https://www.wri.org/applications/aqueduct/water-risk-atlas/>)

Singapore Eco-Office Certification



In 2023, our Singapore office received its Eco-Office Certification of “Champion” level from the Singapore Environment Council, which is the second highest tier achievable.

The certification is awarded to offices that have achieved excellent environmental performance and done well to spread the green message amongst employees. Under the Eco Office certification programme, corporates are rated against a list of criteria, some of which are office resource management initiatives aimed at minimising electricity and water consumption.

The Eco Office programme has been helpful in gathering electricity consumption data to calculate the Scope 2 GHG emissions. We plan to further cultivate an environmentally-conscious culture in our offices via various education pieces and activities, as well as obtain similar certifications in our other regional offices.

Scope 3 Emissions

The Company recognises the challenges of Scope 3 emissions measurement. Of the 15 categories of Scope 3 GHG emissions, Category 1 (Purchased Goods and Services), Category 6 (Business Travel) and Category 15 (Investments) have been identified to contribute to the Company’s overall Scope 3 GHG emissions. A preliminary assessment of the Company’s Scope 3 GHG emissions indicates that facilitated finance emissions (as compared to financed emissions) would be a major contributor of Scope 3 emissions. For this report, only Category 1 emissions arising from 3rd party data centres (off-site physical and cloud-based) are disclosed (Table 5 below). The 2024 plan is to start measuring Scope 3 emissions arising from business travel.

| | MALAYSIA ¹² | SINGAPORE ¹³ | THAILAND ¹⁴ | INDONESIA | KOREA |
|--|------------------------|-------------------------|------------------------|-----------|-------|
| Scope 3 Cat 1 emissions/tCO2e | 106.31 | 34.70 | N.A. | 0.05 | 8.18 |
| Scope 3 Cat 1 emissions intensity/tCO2e per person | 0.19 | 0.07 | N.A. | 0.18E-03 | 0.34 |

TABLE 5 : SCOPE 3 GHG EMISSIONS BY COUNTRY

¹² Emissions arising from 2 physical off-site data centres hosted by a third-party provider
¹³ Emissions arising from 3rd party cloud-based server.
Figures calculated using annual usage estimates provided by service provider.
¹⁴ Thailand office is not supported by a 3rd party data centre.



Human Capital Performance

The Company operates primarily in the ASEAN region that are culturally diverse. Product and services offered to customers are drawn from domain experts residing in business units and functional units that requires collaborative work across the region. The Company's employee attraction and retention strategy thus requires a holistic approach encompassing a myriad of human capital policies, practices, programmes and initiatives working together to motivate employees to 'Strive & Stay'.

Rooted on respect for each individual, the Company practices competency-based hiring that does not discriminate any gender, race, religion or ethnicity. Salary benchmarking and employee benefit schemes are conducted on an annual basis to ensure employees are remunerated fairly against the competitive talent landscape in the financial sector. This approach of attracting and retaining of talents in the Company ensures we have the right competencies to grow the organisation.

To ensure there is leadership bench strength, the Company conducts yearly succession planning for C-suites. Training gaps for critical staff are identified and closed to meet the demands of the C-suite roles in the future. Additionally, the Company is in the midst of organising cross border exchanges between its Southeast Asian offices, and its parent company in China. This is expected to actualise in 2024, where selected staff are expected to go on this exchange from 3-6 months.



The Company has also developed a **Green Harvesting programme**, which offers students internships in the Company. Through this programme, the Company aims to provide students the opportunity of exposure, gain hands-on experiences, as well as offer on-job training.

The Company has a DEI policy that emphasises respect for the individual, competency-hiring, equal Learning & Development (L&D) opportunities, fostering an inclusive organisation culture and a mechanism to address DEI issues. Our philosophy to DEI is one where we embrace the diversity that comes with the employees we on-board into the organisation. We also actively manage equity and inclusion throughout the employee lifecycle thereafter. Since 2023, the Company conducts a DEI survey aimed to drawing insights on how employees feel about the diversity, fair treatment, equal L&D opportunities and their sense of belonging to the organisation. We are working to disclose learning & development training hours in our next sustainability report.

The Company has a holistic performance management system that covers all permanent employees. Employee's performance is measured on individual contributions to specific Company-department goals as well as organisation-wide goals based on financial performance, corporate governance, corporate culture, personal attributes and contributions to sustainability. Training and development focus is embedded in the corporate-wide performance management system, where every permanent employee is required to indicate their training needs for monitoring by their immediate supervisor. An active PACES programme seeks to nurture and remind employees on the importance that corporate cultures plays in the organisation where regular initiatives are organised by a volunteer group of employees. Every year, employees that have demonstrated the PACES core values are nominated by fellow colleagues for an award that is presented by the CEO.

2123

Total Employees¹⁵
(as of 31 December 2023)

48%

Female of
Total Employees
(as of 31 December 2023)

EMPLOYEE TYPES BY GENDER



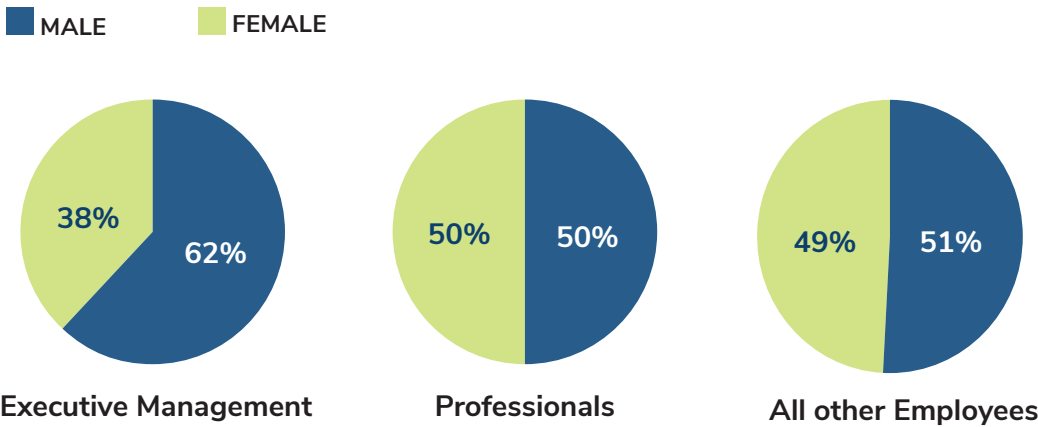
442

Non-Employees
("Non-Staff")¹⁹

0

Non-Guaranteed²⁰
Employee Hours

WORKFORCE (PERMANENT/FULL-TIME)
SPLIT BY EMPLOYEE CATEGORIES



Gender Pay

The basic salary* of women is marginally lower relative to men across the Company. This pay difference compares well with the World Economic Forum Wage Equality scores^, which validates the effectiveness of the fair and merit-based hiring practices of the Company where employees regardless of gender, race, religion or ethnicity are remunerated based on their competence and experience.

| | MALE | FEMALE |
|--|------|--------------|
| Company-wide (Singapore, Malaysia, Indonesia, Thailand) | 1.0 | 0.94 |
| World Economic Forum's Wage Equality for Similar Work (Singapore, Malaysia, Indonesia, Thailand) | 1.0 | 0.74 - 0.783 |

¹⁵ Total employees refers to the sum of permanent/full-time and temporary/contract workers across the Group.

¹⁶ Permanent employee categories aligns with the Employment Opportunity Commission's Employer Information EEO-1 report Instruction Booklet.

¹⁷ Total figures excludes staff figures from the UK, where gender data is not available.

¹⁸ Refers to workers with an employment contract with Company that do not enjoy the same benefits as Permanent employees.

¹⁹ Refers to remisers, volunteers or interns performing work for the organisation that do not enjoy the same benefits as Permanent employees.

²⁰ The Company does not employ persons under this employment category.

* Basic salary refers to the fixed, minimum amount paid to an employee for performing his or her duties.

^ Refers to the 'Wage Equality for Similar Work' scores for Malaysia (0.74), Indonesia (0.75), Singapore (0.783) and Thailand (0.74) from the World Economic Forum's Global Gender Gap Report 2023

Feeling the Pulse of Employees on Diversity, Equity & Inclusion (DEI)

The Company conducted its first DEI survey in November 2023 which garnered a 77% participation rate from employees across Singapore, Malaysia, Indonesia and Thailand.

The survey sought to find out how employees felt about diversity and fair treatment at the workplace, equal learning & opportunities and their sense of belonging to the organisation.

Participation
77%
of employees from Singapore, Malaysia, Indonesia and Thailand

DEI scores from a scale of 1(lowest) to 10 (highest)



Diversity

7.2

employees felt the organisation was diverse enough as a whole and that the local senior management in each country was diverse enough.



Equity

7.0

some countries fared better with regards to fair treatment and equal learning & development opportunities. This suggests some improvement would be needed on equity.



Inclusion

7.3

employees felt a sense of belonging to the organisation as a whole across all countries.

2024 DEI IMPROVEMENT AREAS

Two areas were ranked high by employees to improve equity and inclusion in the organisation. This was consistent throughout all countries that participated in the survey.

These will be the DEI focus for 2024:

1. Celebrate and acknowledge important cultural or DEI dates
2. Roll out Unconscious Bias Training (UBT)

WORKPLACE DISCRIMINATION & GRIEVANCES

There were no grievances raised by employees in 2023. This includes grievances relating to workplace discrimination.

The Company's grievance handling procedure is communicated to employees via our Staff Handbook. Employees are encouraged to channel their grievances to their direct supervisor first before escalating to the department head and then to the Human Resources department as last resort. Staff grievances will be handled as uniformly and fairly as possible via interviews that aim to arrive at an amicable and mutually satisfactory resolution of the complaint.



Employee Engagement Surveys

In 2023, the Company deployed a suite of methods to gauge the level of connectedness employees feel towards the organisation, namely:

- Collaboration Survey (CS)
- Employee Engagement Survey (EES)
- 360° Review

CS and the EES are components of the employee performance appraisal and thus tied to remuneration.



COLLABORATION SURVEY (CS)

The Collaboration Survey is so far applicable to Singapore only. Plans are underway to roll this out to other countries in subsequent years. In this survey, employees will rate colleagues from other departments against four criteria:

- 1) Quality of advice
- 2) Service standards
- 3) Professionalism
- 4) Receptiveness to feedback

Survey findings aim to provide feedback to each department to foster greater collaboration across the organisation over time.

EMPLOYEE ENGAGEMENT SURVEY (EES)

The 2023 EES saw an 88% participation rate of total employees across the globe. The EES seeks to measure employees sentiments on what initiatives the company is doing well in, and highlight which areas require more attention.

The EES findings also revealed that the company improved on five areas over the 2021 – 2023 period as shown on Chart 3. They are:

- 1) Career Development
- 2) Customer Focus
- 3) Employee Engagement
- 4) Training
- 5) Work Org & Efficiency

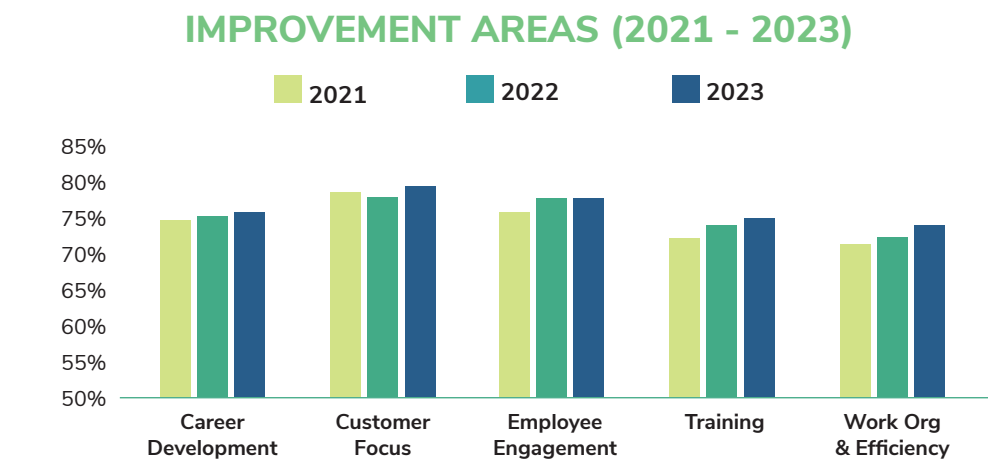
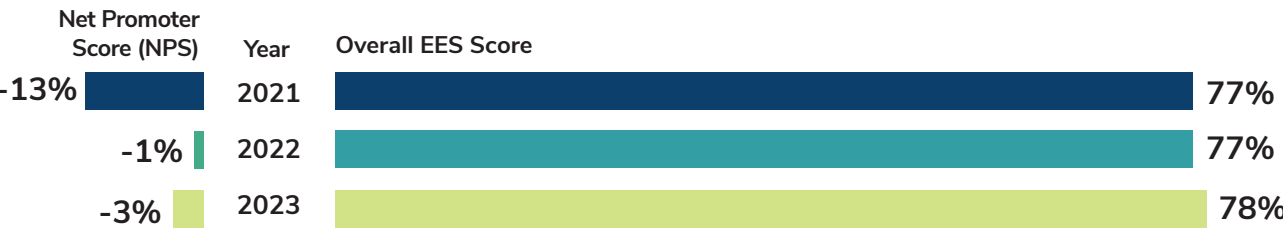


CHART 3 : IMPROVEMENT AREAS OVER 2021 -2023 PERIOD FROM EES FINDINGS



Also included in the EES is the **Net Promoter Scores (NPS)**. NPS scores also improved over the 2021 – 2023 period, an indication of the employees’ increased likelihood to recommend the company to others.

The EES score is in line with the Financial Institution (FI) benchmark[^]. This demonstrates that the Company is doing what is right so far in these areas and should keep doing so to see better results in future years.

360° REVIEW

The 360° Review is applicable for C-suites and their direct reports - otherwise known as the management team. The management team members rate each other via a survey against 5 criteria:

- 1) Self-awareness
- 2) Drive for results
- 3) Leadership
- 4) Communication
- 5) Teamwork

Survey results are discussed between each management team members and the Group CEO. To illicit more candid responses, the 360° Review is not tied to remuneration.

Staff Turnover

The Company registered an overall 19.1% resignation rate across the Group (Singapore, Malaysia, Indonesia, Thailand) in 2023. This is higher than the 2022 turnover rate and the benchmark 14.5% staff turnover rate*. Staff turnover in Malaysia was a significant contributor to the higher resignation rate in 2023.

The Company did not suffer significant business disruption in 2023 despite the slightly elevated staff turnover numbers as new hires (across genders) exceeded resignees for the year.

| | MALE | FEMALE | OTHERS | TOTAL |
|----------------|------|--------|--------|-------|
| 2023 Resignees | 216 | 187 | 3 | 406 |
| 2023 New Hires | 221 | 214 | 2 | 437 |

[^]This benchmark is derived from EngageRocket’s universe of financial institutions. EngageRocket is an employee engagement platform widely used by global companies to gather employee insights of an organisation.
* Benchmark figures are derived from WTW (Willis Towers Watson)

Celebrating DEI in the workplace

When engaging employees, the Company pays close attention to including diverse voices, and ensuring staff feel safe and a part of the community. On top of various formal policies, the Company also organises staff-focused initiatives.

SINGAPORE

The Singapore office celebrates DEI by recognising the significance of culturally celebrated holidays. Employees are given **early release from work on the eve of festivities celebrated by the dominant racial and religious groups in Singapore**. These festivities are: Chinese New Year, Hari Raya Puasa, Deepavali, and Christmas.

MALAYSIA

In 2023, Malaysia’s Marketing & Communications team employed a differently-abled graphic designer to work on the Company’s socials and internal communication. In preparation of their role as mentor to the differently-abled staff, the assigned supervisor and buddy attended a **job coaching workshop by Yayasan Gamuda Enabling Academy**, a non-profit organisation that aims to prepare people with autism for gainful and sustainable employment.

INDONESIA

In celebration of the 78th Independence Day of the Republic of Indonesia, CGSI Indonesia participated in a **staff-organised national costume competition** to celebrate Independence Day.

The competition featured a fashion show with employees parading various traditional Indonesian ethnic wear.



Nurturing the PACES Culture

Our people are our biggest asset and the cornerstone of our success. Meaningful values that drive a vibrant corporate culture and an engaged workforce help build a dynamic and positive workplace, and our PACES core values define who we are as a firm.



To drive the PACES culture, PACES Ambassadors are nominated in countries with the highest concentration of employees, namely Malaysia, Indonesia, Singapore and Thailand (MIST). The PACES Ambassadors partner with the HR Department to organise initiatives to recognise and celebrate the PACES core values. Progressively, these values are communicated to all employees at a Group level and to all new joiners routinely through on-boarding communications and Group Corporate Orientation sessions.

To ensure these values are incorporated into all aspects of the Company, the management employs multiple communication channels, to improve the visibility of the values to all employees. The PACES core values are consistently cited in Group CEO and Country CEO messages to staff, regularly mentioned in company townhalls and communicated via the company intranet.

“PACES are the fundamental values that shape our culture, behavior, and decision-making. PACES reminds my colleagues and I that we share bigger purposes and priorities in every action. It helps guide us to perform work, or even trivial tasks, with a people-oriented mindset, accountability, good collaboration, excellence, and a thought of sustainability. Thailand's CEO also joined us in the annual recognition in December to show his appreciation to all the hardworking staff, and emphasise the importance of PACES to everyone.”

Parichart Parnpiamkiat
Thailand PACES Ambassador 2023



“Promoting PACES within our Company is integral to fostering a positive and thriving work environment. It serves as a compass to guide our interactions, emphasising the significance of teamwork, responsibility, and continuous improvement. Personally, PACES embodies a commitment to shared values and a collective pursuit of excellence. With the support from the management, the PACES team organised events and talks to promote a safe and inclusive workplace, ultimately contributing to heightened employee engagement and overall organisational success.”

Phan Thi Minh Chau
Singapore PACES Ambassador 2023





SINGAPORE

The PACES team **invited various social enterprises to our space**, and create opportunities for the organisations and our employees to interact actively.

Through this, we provide social enterprises a platform to raise awareness, and use this opportunity to mobilise our staff to support various social causes, ultimately to highlight the importance of sustainable and collective development.

IN 2023, OUR STAFF SUPPORTED THESE CAUSES:

- The differently-abled (Project Dignity Singapore)
- Food waste, safety, and security (MoNo SG)
- Women-owned businesses (Her Rise Above)
- Nature conservation (Nature Society (Singapore))

The PACES team organises events through the year for the benefit of staff. They focus on the PACES core values, which celebrates our employees and encouraging camaraderie amongst peers.



Indonesia

Indonesia's PACES team organises **weekly fitness activities which includes Yoga, Zumba and badminton**. In August, a **firm-wide futsal competition** was organised in Jakarta. The match fixings saw five teams of seven battle it out on the grass, and the winning teams took home prizes and vouchers. Through sports, the PACES team aims to improve camaraderie amongst staff, as well as to encourage healthier habits through regular movement.



THAILAND

From October to December of 2023, the Thailand office organised a **steps challenge** for staff, aimed to improve employee's health and wellness, as well as to encourage teamwork across and within departments. In all, there were 15 teams (120 participants in total) who signed up and by the time the challenge ended in December, staff clocked in 40,078 kilometers (KM) collectively.

The team also organised a **"Run with me free KMx2"** special, where participants could walk/run together to clock in twice the amount of distance during the course of the event. The challenge ended with awarding 22 winners.

As a bonus, encouraging staff to walk more also reduces carbon emissions.



MALAYSIA

In the spirit of **Deepavali celebrations**, staff from Malaysia came together to draw and shape a beautiful kolam/rangoli, displayed at the office lobby.

In celebration of the festival of lights, the staff were also treated to a luncheon. Colleagues wore colourful attire and many Indian staff also donned traditional cultural wear, adding vibrancy to the event. During the lunch, the management also took the opportunity to award staff who had exhibited the firm's PACES core values.

SOUTH KOREA

FOR THE YOUTHS

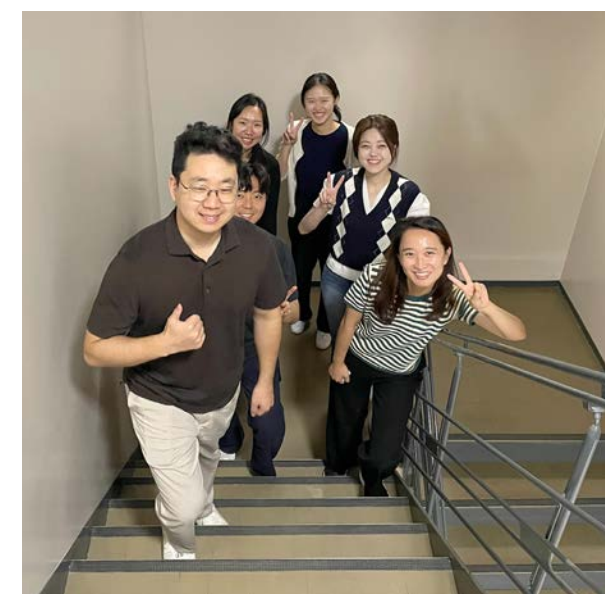
In September 2023, the South Korea office participated in **Happy People Cooperation's 'Making Safety Umbrellas for Children' project**. Happy People is a non-governmental organisation (NGO) founded with the aim to relieve suffering and help people who are in need through donations.

The staff in the South Korea office were guided on how to make the umbrellas by the NGO volunteers. The umbrellas were made of transparent material, and as an additional safety feature for the beneficiaries, bi-coloured reflectors were included. This added feature ensured that the umbrellas were brighter and more visible to pedestrians and drivers, which could help prevent traffic accidents.

The umbrellas made were passed on to the NGO, who then delivered to the Community Children's Care Centre and children living in the Group Home.

FOR THE ENVIRONMENT

Apart from the charity services, CGI's office in Korea also encourages staff to **reduce GHG Emissions by using the stairs** instead of using the elevators.



Cultivating a Culture of Sustainability

Apart from engaging staff through PACES, we also deploy other channels to encourage sustainable behaviour amongst staff.

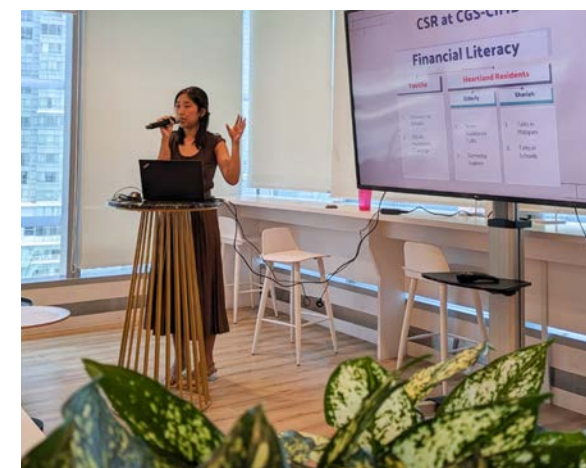
REGULAR COMMUNICATION THROUGH SUSTAINABILITY NEWSLETTERS



SINGAPORE'S MONTHLY NEWSLETTER



THAILAND'S POST-EVENT ESG NEWSLETTER



LUNCH TALK

In August 2023, the Company hosted its first lunch talk for our staff, aimed to educate staff on concepts and issues surrounding Sustainability. The session was hosted physically in the office in Singapore and attended virtually by employees across Malaysia, Indonesia and Thailand. To further its impact as an organisation, we purchased lunch bentos for staff who attended physically from Project Dignity, a social enterprise which focuses on gainful employment for the differently-abled.



GREEN EVENT POLICY

Apart from organising celebrations that raise awareness on select environmental issues, the Company has also developed a Green Events Policy to inform staff-organised events. This ensures that its staff are involved in our journey to reducing emissions. The Policy acts as an event checklist to provide feasible suggestions to reduce unnecessary wastage during events. Some examples include re-purposing decorations, confirming participants' attendance in advance to reduce overordering of food, and choosing a green venue.

This policy is also available on our staff intranet.





Social Impact



2023 CSR Achievements

(Singapore, Malaysia, Indonesia, Thailand)



93%

CSR EXPENSES*

Contributed to the United Nations Sustainable Development Goals (SDG) 4 (Education), 8 (Decent Work and Economic Growth) and 13 (Climate Action)



143

CSR Initiatives Organised



560

Employee Volunteer Hours**



260,000

INDIVIDUALS

Benefitted from CSR initiatives

* Excludes Donations

** Volunteer hours here only reflects Singapore's figures.
There are plans for volunteer figures in other countries to be disclosed in our future Sustainability Reports.

Staff volunteers have found meaning and purposes through participation in the Company's CSR initiatives.



SINGAPORE

“Engaging in the financial literacy campaign as part of the Dementia Support Programme was a profound experience. The initiative aims to not only empower the Persons Living with Dementia (PLWDs) with basic financial understanding but also highlights the key points to look out for in scam prevention. It lays the foundation to spread awareness of the broader societal responsibility to address diverse needs.

Although the campaign is in its early stages, the potential to enhance the PLWDs financial understanding and overall well-being is immense. As the initiative evolves, more thoughtful planning and adaptation will be crucial to ensure its effectiveness and lasting impact.”

Tan Hoong Chun
Risk Management



INDONESIA

“I take part in company-organised CSR activities because I want to be able to spread kindness and positivity to those who need it, do good for our natural environment and also our office environment. It is a privilege to share with our less fortunate brothers and sisters. Hopefully, more colleagues can be moved to be more active in CSR activities.”

Rendy Yudistira
Inhouse Sales



UN SDG 4 Leveraging our Strengths to Deliver Financial Literacy Outcomes

The Company's flagship financial literacy programme, the ASEAN Investment Challenge (AIC), aims to empower students in Malaysia, Indonesia, Singapore and Thailand (MIST) with knowledge in sustainable investing and contribute to the building of strong capital markets. Close to 5,000 students across 500 Institutes of Higher Learning signed up for AIC 2023.

The eight-month challenge saw participants receive holistic classroom and hands-on experience of investing in ESG-related securities and risk management from investment and finance experts. The top student from each country moved on to the final presentation before a group of esteemed judges in Singapore. Winners of the local and regional challenge received a total cash prize of S\$75,000. Included in the judging criteria were risk management, incorporation of ESG factors and presentation skills.





“Joining the AIC really opened my eyes to the world of investing and showed me that it is possible for me to take charge of my financial future. CGS International gave us the knowledge and the tools to develop investment skills which we would not have received from our classrooms. I am very grateful for this opportunity and will try to use these skills to improve my life as well as to help others.”

Muhammad Zulfakar Aiman Bin Zulkarnain
AIC 2023 Winner

The region also saw local financial literacy initiatives organised in various countries.

SINGAPORE

In Singapore, the Company organised a myriad of financial literacy programmes tailored to different segments of society. About 6,000 individuals benefitted from these programmes:



PROTECTING THE WEALTH OF THE ELDERLY FROM ONLINE SCAMS

In 2023, we organised nine scam avoidance education sessions attended by around 800 elderly residents in various districts in Singapore. These sessions were organised in collaboration with the People's Association and National Crime Prevention Centre (NCPC).



SHARING OF SUSTAINABILITY PRACTICES WITH EDUCATIONAL INSTITUTIONS

In 2023, the Company welcomed lecturers from three polytechnics in Singapore for an industry attachment lasting between 2 weeks to 2 months, depending on the partnering institution's requirement. During the attachment period, lecturers gained insights on the Company's sustainability challenges and practices to help them incorporate real-world sustainability issues into the teaching materials.

MALAYSIA

In Malaysia, the Company signed **Memorandums of Understanding with 4 Universities to provide trading labs** for their students. These labs provide simulated trading with access to delayed feed market data and analytical tools to encourage practical learning in trading and investment strategies.

As a bonus, this collaboration with the universities created more visibility, which might have led to increase registrations for ASEAN Investment Challenge 2023.

The offices in Malaysia also ventured into a **pilot student ambassador programme with a local University, UiTM Segamat**. This programme aims to build a community of potential traders through a 6-month programme, where 50 students will be provided corporate exposure to the capital markets, learn from our inhouse dealers and research analysts on trading knowledge and have exclusive invitations to CGSI's webinars.



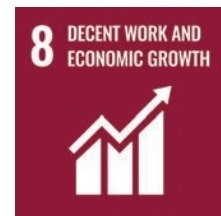
INDONESIA

In Indonesia, the company held a **3-series investment educational event themed "Everyone Can Learn to Invest for the Future"**. This event was organised together with the Youth Sector DPP GERKATIN (Movement for the Welfare of the Indonesian Deaf Community).

The event aims to provide comprehensive financial literacy in the capital market sector to GERKATIN members, so that persons of the deaf community

can improve their financial knowledge. This also encourages the increase in the number of young investors, who may in turn contribute to the capital market in Indonesia.

The event featured multiple speakers such as Santi Setyaningsih (Deaf Activist, Deaf Content Creator), Putri Santoso (Co-Founder of Kopi Tuli), Bagja Wiranandhika Prawira (Co-Founder of Silang.id), and Aji Kurniawan (Retail Research Analyst CGSI Indonesia).



UN SDG 8 Providing Work for Youths & Persons with Disabilities

THAILAND

HIRING THE DIFFERENTLY ABLED

Since October 2022, the Thailand office has hired a **full-time employee with autism** in Marketing Department who works on administration tasks to support investment consultants in the marketing team.

Together with Siam Sindhorn (the office building where the Thai office is located), Thailand's office **employed 10 massagists with vision impairment** from the Foundation of Employment Promotion of The Blind. Five are full-time massagists, and another five are part-time.

These massagists are engaged in the monthly **"Office Syndrome Therapy" event** for employees and external clients. Besides promoting equitable work in our office, it helps the massagists generate a stable income. Our Thailand office hosted 11 of the monthly Office Syndrome Therapy events in 2023, which saw over 1,100 participants. It generated THB 55,000 of monthly income for the full-time massagists and THB 6,700 of monthly income for the foundation.



“ I would like to express my gratitude to CGSI for this opportunity to perform massage therapy to relax our clients and promote better health. Also, I appreciate the focus on providing equitable work for people with disabilities.”

Nu-Pien Nankasi

Foundation of Employment Promotion of The Blind

“ Thank you CGSI for this opportunity to provide our service to your employees and clients. I can earn more incomes to support my family and society. I'm so proud and happy to do my best for this programme. ”

Sombat Sriyan

Foundation of Employment Promotion of The Blind

MALAYSIA

INCLUSIVE HIRING

In 2023, Malaysia's Marketing & Communications team **employed a differently-abled graphic designer**, who works on the Company's socials and internal communications. In preparation of their role as mentor to the differently-abled staff, the assigned supervisor and buddy attended **a job coach workshop by Yayasan Gamuda Enabling Academy**, a non-profit organisation that aims to prepare people with autism for gainful and sustainable employment. The workshop was attended by the Marketing & Communications team members and representatives from Sustainability and Human Resource departments.



“ Aaron is dedicated and reliable in his work. He always ensures his work is completed within the deadline given to him. He is also a very resourceful individual; one key example was he optimised the free online software and adapted it to complete his artwork in Powerpoint during his early weeks when he was faced with limited design software.”

Hasif Zainal

Assistant Vice President
Marketing & Communications
Aaron's supervisor



UN SDG 13 Elevating Climate Awareness and Action



INDONESIA

In October 2023, CGS Indonesia partnered with Seasoldier, an Indonesia NGO focused on Climate Action, to inaugurate **“Trashboom Project – River Stories”**. The event was held at the downstream area of the Cisadane River Tangerang, which was managed by a local NGO, which owns land that supports sustainable programmes.

The project benefits nature and the surrounding community in terms of knowledge-building on climate change mitigation and adaptation. It also reduces the risk of river flooding incidents.

As an extension of the Trashboom Project, the Indonesian team also provided **River Waste Management Training** to almost 50 people, including the community who lived around the Cisadane riverbank, and students from a University located near the river.



THAILAND

Our offices in Thailand **planted 100 trees with the Bangkok Metropolitan Administration (BMA)**, in Bangkok's Central Business District, known as the Pathumwan District. This aligns with BMA governor's goals of planting “1 million trees in Bangkok”.

The trees were planted on Wireless Road, Pathumwan District, where the office building is located.

The increase of greenery along a road with relatively heavy traffic was highly strategic, as it helps reduce dust pollution (PM2.5) while absorbing atmospheric carbon dioxide over the congested road in urban Bangkok.



“ ‘Plant the City Green’ is another project that will mitigate the impact of climate change on the urban population. As a volunteer, I am glad to be a part of this collective mission to make a positive impact on the environment, increasing green spaces and reducing air pollution in the city.”

Pirintira Pisuiththanakan
Trading, Thailand



“ Thank you CGSI for this positive and impactful initiative to give back to community and for this opportunity to play a part in climate action, removing CO2 from the atmosphere and reducing PM 2.5, which is a significant concern in Thailand.”

Janejira Suaydee
Marketing & Communications, Thailand

Content Index

GRI Content Index

This report has reported the information cited in this Global Reporting Initiative (GRI) Content Index for the period of 1 January 2023 to 31 December 2023 with reference to the GRI Standards.

| GRI INDICATOR | CONTENT OF DISCLOSURE | PAGE |
|---------------------------------|---|-------|
| GENERAL DISCLOSURES | | |
| GRI 2: General Disclosures 2021 | | |
| 2-1 | Organisational Details | 4 |
| 2-2 | Entities included in organisation’s sustainability reporting | 4 |
| 2-3 | Reporting period, frequency and contact point | 3 |
| 2-5 | External Assurance | 45 |
| 2-6 | Activities, value chain and other business relationships | 4-5 |
| 2-7 | Employees | 30 |
| 2-8 | Workers who are not employees | 30 |
| 2-9 | Governance structure and composition | 17-18 |
| 2-10 | Nomination and selection of the highest governance body | 17-18 |
| 2-11 | Chair of the highest governance body | 17-18 |
| 2-12 | Role of the highest governance body in overseeing the management of impacts | 18 |
| 2-13 | Delegation of responsibility for managing impacts | 18 |
| 2-14 | Role of the highest governance body in sustainability reporting | 18 |
| 2-15 | Conflicts of interest | 18 |
| 2-16 | Communication of critical concerns | 18 |
| 2-18 | Evaluation of the performance of the highest governance body | 18 |
| 2-19 | Remuneration policies | 18 |
| 2-20 | Process to determine remuneration | 18 |
| 2-22 | Statement on sustainable development strategy | 8 |

| GRI INDICATOR | CONTENT OF DISCLOSURE | PAGE |
|---|--|--------------------|
| 2-23 | Policy commitments | 16-18 |
| 2-24 | Embedding policy commitments | 16-18 |
| 2-25 | Processes to remediate negative impact | 31 |
| 2-26 | Mechanisms for seeking advice and raising concerns | 21 |
| 2-27 | Compliance with laws and regulations | 19 |
| 2-29 | Approach to stakeholder engagement | 12 |
| 2-30 | Collective bargaining agreements | See footnote below |
| 3-1 | Process to determine material topics | 13 |
| 3-2 | List of material topics | 14-15 |
| ENVIRONMENTAL | | |
| GRI 305: Emissions 2016 | | |
| 3-3 | Management of material topic | 25-26 |
| 305-1 | Direct (Scope 1) GHG emissions | 26 |
| 305-2 | Energy indirect (Scope 2) GHG emissions | 27 |
| 305-3 | Other indirect (Scope 3) GHG emissions | 28 |
| 305-4 | GHG emissions intensity | 26-28 |
| 305-5 | Reduction of GHG emissions | 26-28 |
| SOCIAL | | |
| GRI 401: Employment 2016 | | |
| 3-3 | Management of material topics | 29 |
| 401-1 | New employee hires and employee | 33 |
| GRI 405: Diversity and Equal Opportunity 2016 | | |
| 3-3 | Management of material topics | 29 |
| 405-1 | Diversity of governance bodies and employees | 17, 30 |
| 405-2 | Ratio of basic salary and remuneration of women to men | 30 |
| GRI 406: Non-discrimination 2016 | | |
| 3-3 | Management of material topics | 31 |
| 406-1 | Incidents of discrimination and corrective actions taken | 31 |
| GRI 418: Customer Privacy | | |
| 3-3 | Management of material topics | 23 |
| 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | 23 |

* CGSI does not belong to any trade union and has no collective bargaining agreements

SGX Core ESG Metrics

Table below captures the metrics that are material to the Company. Several metrics were omitted due to lack of available information.

| TOPIC | SGX CORE ESG METRIC | PAGE |
|---------------------------|--|-------|
| GHG emissions | Absolute emissions of Scope 1-3 | 26 |
| | Emission intensities of Scope 1-3 | 26-28 |
| Energy consumption | Total energy consumption | 27 |
| | Energy consumption intensity | 27 |
| Gender diversity | Current employees by gender | 30 |
| | New hires and turnover by gender | 33 |
| Employment | Total turnover | 33 |
| | Totan number of employees | 30 |
| Board composition | Board independence | 17 |
| | Women on the board | 17 |
| Management diversity | Women in the management team | 30 |
| Ethical behaviour | Anti-corruption disclosures | 22 |
| | Anti-corruption training for employees | 22 |
| Alignment with Frameworks | Alignment with frameworks and disclosure practices | 3 |
| Assurance | Assurance of sustainability report | 45 |

SASB Standards Investment Banking & Brokerage

Table below captures the sustainability disclosure topics and metrics from SASB Standards.

| TOPIC | METRIC | CODE | PAGE |
|--|---|--------------|------|
| Employee Diversity & Inclusion | Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees | FN-IB-330a.1 | 30 |
| | | | |
| Incorporation of Environmental, Social and Governance Factors in Investment Banking & Brokerage Activities | Revenue from (1) underwriting, (2) advisory and (3) securitisation transactions incorporating integration of environmental, social and governance (ESG) factors, by industry | FN-IB-410a.1 | 15 |
| | (1) Number and (2) total value of investments and loans incorporating integration of environmental, social and governance (ESG) factors, by industry | FN-IB-410a.2 | 15 |
| | Description of approach to incorporation of environmental, social and governance (ESG) factors in investment banking | FN-IB-410a.3 | 15 |
| Business Ethics | Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice or other related financial industry laws or regulations | FN-IB-510a.1 | 19 |
| | Description of whistleblower policies and procedures | FN-IB-510a.2 | 21 |

Independent Assurance Statement



Independent Assurance Statement

[DNV-2024-ASR-C688466]

DNV Business Assurance Singapore Pte. Ltd. ('DNV') has been commissioned by CGS International Securities Singapore Pte. Ltd (hereafter referred to as 'CGSI' or 'the Company') to undertake an independent assurance of selected indicators disclosed in Company's Sustainability Report 2023 (hereafter referred as 'Report') for the year ended 31st December 2023.

Assurance approach

This assurance engagement has been carried out in accordance with DNV's VeriSustain protocol, V6.0, which is based on our professional experience and international assurance best practice including the International Standard on Assurance Engagements (ISAE) 3000 revised – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited and reasonable assurance.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029:2019 – Conformity assessment, whose general principles are requirements for validation and verification bodies. Accordingly, DNV maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We performed the activities applying a limited level of assurance for a selection of indicators, as described in the following sections.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less detailed than, those undertaken during a reasonable assurance engagement, so the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our conclusion, so that the risk of this conclusion being in error is reduced, but not reduced completely.

We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on CGSI website for the current reporting period.

Reporting criteria for selected information

The selected information has been prepared by CGSI with reference to ("Reporting Criteria"):

- the GRI Standards



Responsibilities of the Directors of CGSI and of the assurance providers

The Management of CGSI has sole responsibility for:

- Preparing and presenting the selected information;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the selected Information that is free from material misstatements;
- Measuring and reporting the selected information.

DNV's responsibility is to plan and perform the work to obtain assurance about whether the selected information has been prepared with reference to the reporting requirements and to report to CGSI in the form of an independent assurance conclusion, based on the work performed and the evidence obtained.

Our statement represents our independent opinion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Assurance Statement.

Scope of assurance

The scope of our engagement includes the following disclosures ('Selected information'):

| S. No. | GRI Indicator | Subject matter |
|--------|---------------|---|
| 1 | GRI 305-1 | Scope 1 GHG Emissions |
| 2 | GRI 305-2 | Scope 2 GHG Emissions |
| 3 | GRI 305-3 | Scope 3 GHG Emissions (Cat 1: Purchase Goods & Services) – Cloud Services from Off-site Data Centres only |
| 4 | GRI 401-1 | New employee hires and employee turnover |
| 5 | GRI 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees |
| 6 | GRI 405-1 | Diversity of governance bodies and employees |
| 7 | GRI 405-2 | Ratio of basic salary and remuneration of women to men |
| 8 | GRI 406 | Non-discrimination |
| 9 | GRI 418 | Customer Privacy |

- Whether the selected ESG performance indicators are presented in all material respects, with reference to the reporting criteria.

Our competence, independence and quality control

DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. We have no other contract with CGSI.

Our multi-disciplinary team consisted of professionals with a combination of sustainability assurance experiences.

Independent Assurance Statement



Inherent limitations

DNV’s assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and are free from material misstatements. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected.

The engagement excludes the sustainability management, performance, and reporting practices of the Company’s suppliers, contractors, and any third parties mentioned in the Report. We did not interview external stakeholders as part of this assurance engagement. We did not review financial disclosures and data as they are not within the scope of our assurance engagement.

The assessment is limited to data and information in scope within the defined reporting period. Any data outside this period is not considered within the scope of assurance.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Basis of our conclusions

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of CGSI. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company’s business and its key stakeholders. Our limited assurance procedures included, but were not limited to, the following activities:

- Review of the non-financial sustainability-related disclosures in this Report;
- Desk review of selected sustainability parameters for sampled entities, and discussed findings and resolved with the Group Sustainability division;
- Conducted interviews with data owners from CGSI to understand the key processes and controls for reporting business units’ performance data;
- Carried out physical site visit at the CGSI’s headquarter to review the processes and systems for preparing site level sustainability data and implementation of sustainability strategy;
- Review of supporting evidence for key claims and data disclosed in the Report. Our verification processes were prioritised based on risk-based approach, i.e., relevance of identified material aspects and sustainability context of the business; and
- Review of the processes for gathering and consolidating the performance data and, for a sample, checking the data consolidation at site and corporate levels.



Our conclusions

Limited Level of Assurance

On the basis of the work undertaken, nothing came to our attention to suggest that the Selected Information as described in ‘Scope of assurance’ is not fairly stated and has not been prepared, in all material respects, with reference to the Reporting Criteria specified in this Statement.

For and on behalf of DNV Business Assurance Singapore Pte. Ltd.
Singapore, 10th May 2024

| | | |
|--|---|--|
| <div><div><div>Gangwar, Vishal</div><div>Digitally signed by Gangwar, Vishal Date: 2024.05.10 11:39:27 +08'00'</div></div><div>Vishal Gangwar Lead Verifier Supply Chain and Product Assurance</div></div> | <div><div><div>Goh, Wee Hong</div><div>Digitally signed by Goh, Wee Hong Date: 2024.05.10 17:23:27 +08'00'</div></div><div>Wee Hong Goh Area Manager – South East Asia Supply Chain and Product Assurance</div></div> | <div><div><div>Kim, Jae Hee</div><div>Digitally signed by Kim, Jae Hee Date: 2024.05.10 18:31:30 +09'00'</div></div><div>Jae Hee Kim Assurance Reviewer Supply Chain and Product Assurance</div></div> |
|--|---|--|

DNV Business Assurance Singapore Pte. Ltd. is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnv.com