



**AVI-TECH HOLDINGS LIMITED**



# ***ENHANCING OUR CORE***

SUSTAINABILITY REPORT 2022

# CONTENTS

1

ABOUT THIS REPORT

2

CHAIRMAN AND CEO  
MESSAGE

3

REPORTING SCOPE

4

MATERIALITY

9

POLICIES, PRACTICES  
AND PERFORMANCE

22

TARGETS

25

SUSTAINABILITY  
REPORTING  
FRAMEWORK

26

BOARD STATEMENT

27

GRI CONTENT  
INDEX

# ABOUT THIS REPORT



Avi-Tech Electronics Limited (which was renamed as Avi-Tech Electronics Pte. Ltd.) was incorporated in Singapore in 1981 and listed on the Mainboard of the Singapore Exchange Securities Trading Limited in 2007. Following the successful completion of our corporate restructuring exercise in December 2021, Avi-Tech Holdings Limited ("**Avi-Tech**" or the "**Group**") is our listed entity with Avi-Tech Electronics Pte. Ltd. as our wholly-owned subsidiary.

The Group's core business is in the provision of burn-in, manufacturing and printed circuit board assembly ("**PCBA**") and engineering services for the semiconductor, electronics, life sciences and other emerging industries. Our headquarters is in Singapore and we have market presence in Malaysia, Thailand, Vietnam, the Philippines, Taiwan, the People's Republic of China, Japan, the United States of America and Europe to support our global customers.

## **Restatements**

This is the Group's third sustainability report in respect of the financial year ended 30 June 2022 ("**FY2022**"). There are no restatements of figures or information disclosed in this Sustainability Report.

## **Availability**

This report is available on our website at <http://avitech.listedcompany.com/>

## **Feedback**

As your feedback is valuable to our continuous improvement, please send your questions, comments, suggestions or feedback to us at [ir@avi-tech.com.sg](mailto:ir@avi-tech.com.sg)



# CHAIRMAN AND CEO MESSAGE

With the worst of the COVID-19 pandemic behind us and the reopening of borders and economies, we have focused our efforts in regaining momentum in our business operations and sustainability journey. In FY2022, we continued to keep health and safety a priority in our business continuity plans as we gradually normalised our business operations. While strengthening our core capabilities has remained the foundation and impetus for continued value creation, enhancing our Environmental, Social and Governance (“ESG”) practices is equally crucial as it is the key to building resilience to withstand shocks, navigate disruptions and harness trends for continued long-term growth. A case in point is the energy crisis due to the Russia-Ukraine conflict which resulted in significant spikes in electricity prices for businesses.

In August 2021, the SGX proposed enhancements to transparency and accountability on sustainability issues in two consultation papers. Among these is a common set of 27 core ESG metrics which are reported on by issuers and we are pleased to note that we are reporting on core metrics which are applicable to us. We also continue to improve our sustainability efforts in line with our SGX Sustainability Reporting Company Scorecard findings.

As we continue our sustainability journey, our next priority is to provide climate-related disclosures based on recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”). Aligning with SGX’s roadmap to mitigate the effects of climate change and the transition to a lower-carbon economy, we have been actively reviewing and exploring emission reduction measures which will be published in our next sustainability report for FY2023.

We would like to thank our stakeholders for your continued contributions and commitment to our sustainability journey and we look forward to your continued support.

**Khor Thiam Beng**  
Non-Executive Chairman and  
Independent Director

**Lim Eng Hong**  
Chief Executive Officer and  
Executive Director



This report documents our ESG performance in Singapore and excludes overseas operations unless otherwise stated.

Our headquarters and production facility is in Singapore where we carry out our core business functions and activities. Our China subsidiary, which was established less than a year ago, provides sales and customer support functions. We will expand the scope of our reporting to include our overseas subsidiary in future reports.

The report should also be read in conjunction with Avi-Tech's Annual Report 2022.

## **Approach**

The content of this report takes into consideration the significance of material ESG topics, risks and opportunities, general sustainability trends and stakeholders' concerns and expectations. Data provided in this report has been mainly derived from our official records to ensure reasonable accuracy and consistency. We have used internationally accepted measurement units, where applicable, for presenting ESG data. Financial figures are in Singapore dollars unless stated otherwise.

We have adopted a phased implementation approach to our reporting, which will be conducted on an annual basis. In adopting a phased-approach to sustainability reporting, we will be introducing more quantitative and qualitative targets going forward.

## **Assurance**

We did not obtain external assurance for this sustainability report. We have relied on internal verification mechanisms to ensure the accuracy of information. Our ESG performance data is reported in good faith and to the best of our knowledge. ESG data is verified using internal mechanisms and checks. Financial statements included in our Annual Report, however, have been audited by independent auditors.

Going forward, we intend to seek external assurance in a phased approach, as external assurance becomes a reporting requirement.

# MATERIALITY



Our approach to sustainability centres on managing the ESG impacts of our business operations on our stakeholders. Our strategy is to manage our most significant sustainability impacts, risks and opportunities with the aim of creating long-term value for all our stakeholders.

## Stakeholder Engagement

Stakeholder engagement forms an integral part of our sustainability approach. Our stakeholders have an interest in our business and influence our operations, products and services, business approach and strategies. Our stakeholders have been identified as our customers, business partners and suppliers, shareholders, employees, government/regulatory agencies and the community.



We proactively engage with our stakeholders on a regular, continuing basis through various channels and means to gain insights into their expectations and concerns. We use these learnings to make informed management decisions in shaping our business policies and strategies so as to ensure sustainable business growth and value for all stakeholders.

How we engage with our diverse stakeholders, their expectations and concerns, and how we respond to them, are presented below.

Stakeholders	Stakeholders Expectations and Concerns	Engagement Channels	How We Respond and Address Concerns
Customers 	<ul style="list-style-type: none"> <li>Quality</li> <li>Fast turnaround</li> <li>Pricing</li> <li>Technical expertise</li> <li>Ethical practices</li> <li>Workplace health and safety</li> </ul>	<ul style="list-style-type: none"> <li>Regular dialogues, consultations and meetings</li> <li>Feedback and engagement sessions</li> <li>Project management committee meetings</li> </ul>	<ul style="list-style-type: none"> <li>Implementing and maintaining quality control standards certifications such as ISO 9001, ISO 14001 and ISO 13485</li> <li>Conducting regular training to build and improve skills</li> <li>Ensuring adherence to Workplace Health and Safety ("WHS") and Employee Health Safety ("EHS") policies</li> </ul>
Business Partners and Suppliers 	<ul style="list-style-type: none"> <li>Transparent and fair procurement and other business practices</li> <li>Compliance with terms and conditions of business contracts</li> </ul>	<ul style="list-style-type: none"> <li>Regular communication and feedback through meetings, emails and phone discussions</li> </ul>	<ul style="list-style-type: none"> <li>Communicating Avi-Tech's business policies</li> <li>Ensuring transparent business processes in the award of supply agreements</li> </ul>



# MATERIALITY



Stakeholders	Stakeholders Expectations and Concerns	Engagement Channels	How We Respond and Address Concerns
Shareholders 	<ul style="list-style-type: none"> <li>• Consistent dividends</li> <li>• Risk management when investing in new business</li> <li>• Transparency in business strategy and operations</li> <li>• Sustainable business growth</li> <li>• Long-term shareholder value</li> </ul>	<ul style="list-style-type: none"> <li>• IR website which is updated with annual reports, financial announcements and other material information posted on SGXNET</li> <li>• IR email alerts for investors to receive the latest news</li> <li>• Analysts' briefings/meetings to provide them with information to enable them to produce impartial and insightful reports for investors and the public at large</li> <li>• Participation in investor conferences and roadshows</li> <li>• Access to management through               <ul style="list-style-type: none"> <li>– Email</li> <li>– AGM</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Ensuring robust risk management and corporate governance</li> <li>• Providing relevant and prompt disclosure on the Group's financial announcements and corporate developments</li> <li>• Responding to investors' queries in a timely manner</li> <li>• Engagement opportunities through AGMs, emails, investor meetings, conferences and roadshows</li> </ul>
Employees 	<ul style="list-style-type: none"> <li>• Competitive remuneration</li> <li>• Staff welfare and benefits</li> <li>• Performance rewards</li> <li>• Career growth and advancement</li> <li>• Relevant training, professional and personal development</li> <li>• Safe working environment</li> <li>• Non-discriminatory practices</li> </ul>	<ul style="list-style-type: none"> <li>• Management-employee dialogue sessions</li> <li>• Internal announcements</li> <li>• Orientation sessions and on-boarding initiatives</li> <li>• Feedback channels</li> <li>• Performance appraisals</li> <li>• Exit interviews</li> </ul>	<ul style="list-style-type: none"> <li>• Conducting employee engagement to understand employees' satisfaction towards the Group and benefits</li> <li>• Maintaining employee feedback channels e.g., management dialogues, employee suggestion forms to improve environment and policies</li> <li>• Maintaining a talent management programme</li> <li>• Conducting ongoing training and development</li> <li>• Benchmarking salary with market rates</li> <li>• Implementing WHS Policy</li> <li>• Implementing fair employment policies and practices</li> </ul>



# MATERIALITY

Stakeholders	Stakeholders Expectations and Concerns	Engagement Channels	How We Respond and Address Concerns
Government/ Regulatory Agencies  	<ul style="list-style-type: none"> <li>Compliance with all laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Regulatory and governance licensing and filings</li> <li>Notices and meetings</li> <li>Seminars</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring regulatory and governance compliance</li> <li>Constantly updating policies and procedures based on notifications and advisories received through the relevant channels</li> <li>Attending seminars conducted by relevant agencies such as SGX, TAFEP, MOM and CPF Board to be updated on the schemes, regulations and guidelines that the government has provided for local companies</li> </ul>
Community  	<ul style="list-style-type: none"> <li>Social responsibility</li> </ul>	<ul style="list-style-type: none"> <li>Social outreach programmes and activities</li> </ul>	<ul style="list-style-type: none"> <li>Implementing CSR programmes and activities</li> <li>Contributing to charity organisations</li> <li>Encouraging employee volunteerism</li> </ul>

## Materiality Assessment

Our Sustainability Reporting Committee carried out a formal materiality process to review, identify and assess our most material sustainability issues based on their knowledge of respective business areas, potential impacts of the Group's business operations, insights from their day-to-day engagement with a range of stakeholders and common challenges facing the industry.

The team considered the Group's long-term business goals, aligned these with the sustainability strategies and examined sustainability reporting trends among local semiconductor, manufacturing and peer companies for benchmarking. For this report, we did not engage external stakeholders explicitly to elicit their views on the identified ESG factors. However, the internal stakeholders including the key management and personnel have used their experience and understanding of stakeholder expectations and concerns and engaged with respective stakeholders for feedback in prioritising material factors for reporting.

Pursuant to a phased implementation approach, the Group has set out in this report the qualitative targets and where available, the quantitative targets for the majority of the material ESG factors. We have collected data internally from the relevant business divisions covering the period under review. In the coming years, we will continue to refine our data collection and management system to provide information on our sustainability metrics and to enable us to measure and track performance on a yearly basis. The objective is to achieve our set targets for the material ESG factors and meet the key sustainability performance indicators progressively.





## Materiality Methodology

We have identified the material ESG factors using the GRI Standards for Sustainability Reporting which includes guidance for materiality analysis which were then prioritised with regards to their environmental, social and economic impact to Avi-Tech and our stakeholders.

We undertook the following steps to arrive at the list of material factors for reporting:

- Identification: We selected the ESG factors through an internal materiality analysis. We identified sustainability issues that reflect our business' impact on the environment, society and economy and their significance to our stakeholders.
- Prioritisation: We shortlisted the issues that represent the most significant environmental, social and economic impacts of our operations and prioritised the material topics through an in-depth analysis covering Avi-Tech's activities, locations, business partners and customers, engaging with relevant internal key executives of the various business divisions, reviewing the existing Group management system components, risk assessment and internal audit results as well as external commentaries on the semiconductor and wider electronics industries.
- Validation: We considered the significance of our material impacts to stakeholders and how they might influence the assessments and decisions of stakeholders.
- Review: We seek feedback from stakeholders on this report to review our material topics for the next reporting cycle.

## Our Material Topics and Boundaries

Arising from the exercise, the following are the materiality factors and their boundaries that are of priority to the Group's sustainability risks and opportunities and having the most impact on our stakeholders:

- Environment
- Customers
- People
- Community
- Economic Performance
- Governance and Risk Management

These are materiality factors which we have control of. There are other materiality factors that have an effect on our stakeholders, but are not within our control to manage or influence significantly. These include factors that occur within our value chain but which are outside of our control; for example, although materials used in our products may have an impact on the environment, we have little control over them as most are consigned to us by our customers or specified by our customers due to the stringent product specifications we have to adhere to.



# MATERIALITY

Presented below is a summary of our material topics and their boundaries:

Material Topics	Group's Involvement	Material for Business Division(s)
<b>Environment</b>		
Energy	Direct	• All
Waste Management	Direct	• All
Water and Effluents	Direct	• All
<b>Customers</b>		
Customer Standards Compliance	Direct and Indirect	• All
Legal and Socio-economic Compliance	Direct	• All
Intellectual Property, Data Protection and Customer Privacy	Direct	• All
<b>People</b>		
Hiring	Direct	• All
Diversity, Equal Opportunity and Non-discrimination	Direct	• All
Human Rights	Direct	• All
Anti-Bribery and Anti-Corruption	Direct	• All
Training and Development	Direct	• All
Performance Appraisal and Career Development	Direct	• All
Staff Welfare and Benefits	Direct	• All
Occupational Health and Safety	Direct and Indirect	• All
<b>Community</b>		
Local Communities	Direct	• All
<b>Economic Performance</b>		
Economic Performance	Direct and Indirect	• All
<b>Governance</b>		
Governance and Risk Management	Direct and Indirect	• All

# POLICIES, PRACTICES AND PERFORMANCE

## ENVIRONMENT

We are committed to our Environmental Policy of enhancing environmental performance through continual improvement in our environmental management system. Electricity and waste are our primary environmental impacts. Our office and production facility use power for lighting and air-conditioning and our Burn-In Services business division, in particular, utilises significant power for conducting Burn-In tests. We also generate waste, including water and effluents discharge, mostly from board manufacturing and system integration activities. Our environmental efforts are focused on energy efficiency, reducing and recycling waste, using resources efficiently and complying with local standards for waste, water and effluent discharge.

### Energy

We aim to operate responsibly within our business activities and to have a positive impact on the wider environment through the development of energy saving programmes. Avi-Tech's energy demand for our operations arises mainly from indirect energy which is electricity purchased from external suppliers.

We measure and monitor our energy consumption. In FY2022, our electricity consumption intensity was approximately 36.72 kWh/m<sup>2</sup>, with the main user of this energy being Burn-In Services, averaging 47% of total consumption. This is in comparison to approximately 37.73 kWh/m<sup>2</sup> consumed in FY2021 with Burn-In Services averaging 48% of total consumption in FY2021.

Some of the energy saving programmes we undertook/planned to undertake include:

- Chiller/CDA Overhaul and Replacement Programme
  - Routine PM on chiller, air-conditioning and local exhaust ventilation system
  - Replacement of R-22 (ozone-depleting substance) with R134/R407 refrigerant (ozone friendly)
  - Replacement of two scroll compressors
- Air-conditioning System Optimisation
  - Monthly maintenance to enhance energy efficiency
  - Installation of separate air-conditioning units to improve localised hot spots and reducing overall general cooling requirements
  - Regular PM performed on air-conditioning system and CDA system for performance optimisation
- HT/LT Transformer Optimisation
  - Preventive maintenance on HT/LT Installations performed

Other on-going energy saving initiatives included using energy efficient LED lighting in our office and production facility, optimising our air conditioning system through temperature control as well as our machines and equipment through regular maintenance. We also encourage our employees to minimise the use of non-essential lighting in the office and production floor, to switch off electrical appliances when not in use and to make efforts to conserve water and to recycle paper through awareness campaigns.

# POLICIES, PRACTICES AND PERFORMANCE

## Waste Management

Avi-Tech is mindful of the impact that our operations could have on the environment and have taken steps to monitor and control waste that are by-products of our operations. This is because we are committed to the long-term preservation of our environment and climate. Furthermore, we are certified to be compliant with the ISO 14001 environmental management standard.

We have in place a management system for both general and e-waste to ensure their proper handling, storage and disposal, as well as for minimising waste generation and optimising resources through reusing and recycling. All employees are to follow the waste collection, storage and disposal procedures and to ensure that general waste and industrial waste are separated accordingly. The business divisions' supervisors ensure that there are appropriate waste collection points and storage bins provided for waste separation and proper disposal. For chemical waste, by-product and e-waste disposal, we worked through authorised channels and engaged National Environment Agency ("NEA") licensed waste management contractors to collect and dispose of them. We also review any new materials, equipment or process changes, to identify waste generated and waste management methods in accordance with Environmental Aspect guidelines.

Waste management is particularly relevant for our board manufacturing and system integration activities. We have put in place a wastage monitoring system which tracks and sets targets to attain. A monthly data log is submitted which tracks the wastage for the month. To discourage wastage and inculcate a sense of responsibility towards materials requisitioned, a system has been put in place for the submission and tracking of all wastage. Employees have to explain or justify the reason for the wastage which has occurred. The entire monitoring and reporting system is reviewed with senior management at quarterly meetings. Strict control is also maintained over stock levels to minimise potential for write-offs which exacerbate wastage.

We also have an internal recycling programme to recycle, reduce and reuse our solder dross that allows us to recover pure solder from the solder dross. We utilise lead-free processes as much as possible to reduce any environmental impact by the possibility of any heavy metal pollution. In addition, we undertake recycling exercises with our customers, reusing high-cost components.

In addition, under our Supplier Code of Conduct, our major suppliers are required to comply with relevant environmental laws and regulations, obtain and maintain all required environmental permits (e.g., discharge monitoring), approvals and registrations, reduce pollution and minimise their use of resources (including water and energy) and their generation of solid waste and waste water. They are also required to identify and safely manage hazardous substances. This includes, *inter alia*, responsibly managing emissions into the air (including volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products) and minimising their greenhouse gas emissions; and adhering to all applicable laws, regulations and customer requirements regarding prohibition or restriction of specific substances in products and manufacturing, including labelling for recycling and disposal.

We are committed to complying with applicable environmental regulations. There were no incidents of non-compliance with environmental laws in the reported period.

## Water and Effluents

While we do not consume a significant amount of water for it to be a material issue, we are nonetheless mindful of the value of water as a precious resource in Singapore. We reviewed our water consumption on a monthly basis and focused on minimising water consumption in our business and operations through implementing initiatives which reduced water use such as promoting water-saving practices, adoption of water-efficient fittings and equipment and undertaking regular maintenance checks to ensure there were no water leakages from faulty pipe fittings or equipment.

# POLICIES, PRACTICES AND PERFORMANCE



For water pollution (trade effluent control), we ensured that any form of water and trade effluent discharged from our production processes was treated in accordance with the NEA guidelines. Furthermore, we sent treated trade effluent samples to a third-party test laboratory on a regular basis to certify that we had complied with the NEA Allowable Limits for Trade Effluent Discharge into Watercourse.

During the year, there were no incidents of non-compliance with water pollution regulations reported.

## CUSTOMERS

Maintaining our customers' trust depends on our strict adherence to their exacting technical, commercial and ethical requirements, and protection of both our own intellectual property and that of our customers and business partners, which is fundamental given the technologically innovative nature of our business and the need for full compliance with prevailing laws. Any breach of trust or of our legal obligations would have the potential to seriously compromise our business in terms of the loss of valuable commercial relationships and/or the undermining of our reputation.

To safeguard our business reputation and commercial relationships, we have implemented our Business Ethics Policy which covers the protection of intellectual property, privacy, fair business and competition, whistleblowing and protection against retaliation, management of conflict of interest and other misconduct such as bribery and corruption and a range of specific policies addressing issues such as responsible sourcing of minerals. In addition, the Group has issued policies on disclosure of information regarding business activities, structure, financial situation and performance which are to be disclosed in accordance with applicable regulations and prevailing industry practices. For example, Directors and all key personnel are not to deal in the Group's shares on short-term considerations, during blackout periods or when they are in possession of material unpublished/price-sensitive information which may breach the rules against insider trading.

### Customer Standards Compliance

As a supplier of total solutions for burn-in services, manufacturing and PCBA services, and engineering services to the semiconductor, electronics, life sciences and other emerging industries, we are subject to a significant body of technical, legal and quality control requirements defined by our customers. In many cases, our compliance with these requirements is included as a condition of contract with our customers, making our strict adherence essential. This is particularly the case with respect to the technical specifications and quality of our highly sophisticated products. Any slight variations in this respect are not only likely to render them valueless from the perspective of our customers, but also has the potential to undermine our customers' own products.

As such, we put a significant amount of effort into understanding our customers' extensive requirements and applying comprehensive management systems to ensure that these are fully met. These include, for example:

- an extensive set of operational quality control measures to which we strictly adhere;
- regular business reviews with our customers to understand their current and future capabilities and requirements; and
- our own ongoing auditing against the following management system standards
  - ISO 9001 (quality management system standard)
  - ISO 14001 (environmental management system standard)
  - ISO 13485 (quality management system for medical devices standard)

# POLICIES, PRACTICES AND PERFORMANCE

Similarly, our customers typically apply their own set of compliance measures to ensure that we are meeting their requirements. This includes auditing of, *inter alia*, our management systems, processes and facility specifications, testing processes and documentation, and materials and product traceability.

We evaluate customer satisfaction with the quality and specifications of our products on an ongoing basis, using a mixture of individual reviews, analysis of customer complaints and customer surveys.

In the financial year under review, there were no incidents of non-compliance with customer standards.

## Legal and Socio-Economic Compliance

As with all companies, it is incumbent on us to comply with the applicable laws of the countries in which we operate. This may require increased management if we extend our global presence into new jurisdictions. In this context, we seek professional assistance in the countries of our operations to ensure compliance with existing laws and regulations prevailing in those countries. We also regularly review the local legislation to keep our policies updated and our employees up to date with global compliance issues where appropriate.

In the financial year under review, we were not subject to any legal sanctions or fines for non-compliance with applicable laws.

## Intellectual Property, Data Protection and Customer Privacy

The protection of intellectual property is vital for any business focused on the creation of innovative and high-value technological solutions. Any failure in this regard could have profound consequences, for example, on the value of our customers' and business partners' inventions and products, as we necessarily access and work with customers' intellectual property and/or commercial and technological secrets. This requires a high degree of trust on the part of our customers, whose business we would lose should this trust be broken.

We ensure that all intellectual property is adequately safeguarded through the application of:

- related restrictive provisions in both our Business Ethics Policy and our contracts of employment;
- robust information technology systems to prevent data leakage; and
- access controls to specific project data for employees and third parties

In the financial year under review, we received no complaints relating to the misuse of customers' intellectual property, losses of customer data or breaches of customer privacy.

## PEOPLE

The nature of our business, which relies on the ongoing advancement of semiconductor technology, means we are highly reliant on our ability to recruit, retain and develop a high-quality work force, as well as leading management talent. Our people form the core of our organisation and our continued ability to recruit, retain and develop experienced personnel and managers, is particularly important given the keen competition for skills within the sector.

We take a holistic view towards both recruitment and retention that looks beyond the provision of competitive financial rewards. We also aim to deliver the kind of working environment, training and development opportunities and inclusive culture that allow our people to develop progressive, long-term careers with us.

# POLICIES, PRACTICES AND PERFORMANCE



## Employee Profile

We employed about 125 full-time staff as at the end of June 2022, and our workforce comprises of various races, nationalities, age groups, and gender. Permanent employees accounted for 93% of our workforce. The average age of our employees was approximately 46.22 years.

## Hiring

Our goal is to attract and retain the best talent. We offer equal opportunities for employment and progression within the Group based on merit. Our Human Resource policies and procedures provide for equal opportunities and fairness in employment decisions. We do not discriminate on the basis of race, colour, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership or marital status.

In FY2022, we recruited 18 new employees. Of the new hires, 10 were women, and 2 were less than 30 years of age. The remaining new hires were in the 30 to 60 age group.

## Diversity and Equal Opportunity and Non-discrimination

As a signatory to the Employers' Pledge of Fair Employment Practices with the Tripartite Alliance for Fair Employment Practices ("TAFEP"), we abide by the principles which stand for diversity and inclusion and are against discrimination of any kind. TAFEP is an alliance co-chaired by representing employer unions, the National Trade Union Congress and the government.

We are committed to employing and developing people who have the necessary skills, experience and values to excel in their relevant roles irrespective of their gender, ethnicity, religion, disability or any other non-work related or personal characteristic. Furthermore, we recognise the value a diverse workforce can potentially bring in terms of creativity, dynamism and perspectives. In this context, we aim to nurture a working culture characterised by mutual respect and non-discrimination.

Our workforce represents diverse age groups (see chart). We support the Singapore government's policy of rehiring retiring employees to keep them economically active. In FY2022, we rehired eight retiring employees.

The globalised nature of our sector means that we enjoy a fairly international workforce, many of whom work for us in locations away from their countries of birth. We are proud of our racially diverse workforce which includes at least seven nationalities.

Although it is a reality that the semiconductor sector performs relatively poorly in terms of gender diversity, our female workforce nonetheless comprises approximately 52% of the total workforce. Notwithstanding this, we will continue to focus on removing any invisible or structural considerations that may be limiting female engagement within the sector. Diversity in the Board requires more consideration as currently there is no female representation on our Board of Directors. The Board recognises the importance and value of gender diversity and will take into consideration the skill sets and experience, including gender diversity, for any future Board appointments.

We also respect our employees' right to freedom of association and collective bargaining.

In the financial year under review, we did not receive any reports of any alleged or actual cases of discrimination.

# POLICIES, PRACTICES AND PERFORMANCE

## Human Rights

Avi-Tech recognises the responsibility to respect and protect the rights of our employees and support internationally accepted human rights principles and regulations. We abide by our Labour and Human Rights Policy which advocates, *inter alia*, freely-chosen employment, child labour avoidance, compliance with local labour laws regarding working hours, wages and benefits, and humane treatment and non-discrimination of workers.

We did not receive any reports of incidents of labour and human rights violations, forced labour or child labour in the reporting period.

## Anti-Bribery and Corruption

We take a zero-tolerance approach towards bribery and corruption and are committed to acting with integrity in all our business dealings and relationships.

In this regard, we are subject to national anti-corruption laws, including the Prevention of Corruption Act 1960 of Singapore. Our commitment in this respect is set out in our Business Ethics Policy, which addresses, *inter alia*, bribery, facilitation payments and gifts, and hospitality. Our Business Ethics Policy which covers a Whistle-Blowing Programme, enables staff of the Group and any other persons to raise concerns, in confidence, about possible improprieties in financial reporting or other matters such as suspected fraud, corruption, and dishonest practices.

All new employees are trained in the Business Ethics Policy during the induction process, while all existing employees are provided with easy access to the Policy and Whistle-Blowing Programme. We communicate our zero-tolerance approach to corruption to all suppliers, sub-contractors and other service providers at the outset of our business relationship. Our Finance department oversees the implementation of appropriate controls and procedures to monitor and prevent inappropriate forms of payment across all our locations. This includes, for example, duplicate or overpayments, and payment requests to third parties not associated with underlying transactions.

Were we to identify any suspected cases, these would be subject to internal (or, if necessary, external) investigations. Any confirmed cases of employee breaches of our Policy would result in disciplinary actions (including potential termination) and/or referral to the relevant law enforcement authorities. Any confirmed cases involving our business partners would result in the review and potential termination of our business relations.

We aim to maintain zero corruption and fraud incidents across Avi-Tech's core operations and ensure that we are not subject to any material legal sanctions or fines for non-compliance with applicable laws.

In the financial year under review, we did not receive any reports of any corruption risks or cases of suspected or actual corruption. There were also no whistle-blowing reports received in the financial year under review.





## Training and Development

Employee training and education is a crucial part of our personnel management. New employees attend an orientation programme to understand the organisation and its corporate and governance policies. Check-in sessions with management are also organised to facilitate employee engagement and culture building.

We develop our people according to their abilities and job specifications. For all production staff, twice yearly re-certification is conducted while management staff are encouraged to upgrade their skills through courses provided by external training providers such as Workforce Skills Qualification ("WSQ") and Integrated Assessment Pathway ("IAP").

Our employees have access to ongoing opportunities for learning new skills. We encourage our employees to gain new knowledge, experience and skills even if these lie outside their immediate job scope. As such, employees are able to request to be sent for relevant training programmes provided by external training providers.

## Performance Appraisal and Career Development

Through a performance management system, we enable our employees to meet their professional and personal development goals. Our performance management system covers all permanent employees.

As part of the process, managers hold discussions with their staff at the beginning of the year to establish goals and are encouraged to have ongoing discussions with their employees to review progress and to provide coaching and guidance. Yearly performance appraisals are conducted to encourage self-improvement and to reward hard work. Promotions are based on recommendations by supervisors according to performance and aptitude.

## Staff Welfare and Benefits

We offer competitive wages and the following benefits to all our employees including full-time staff members and contract employees:

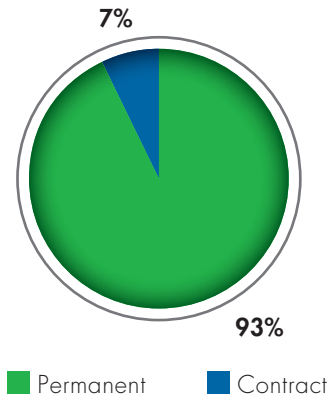
- Sick and hospitalisation leave
- Hospitalisation and surgical plans
- Dental benefits
- Term life insurance policy in the event of death, disability and critical illness (actual limits of coverage of these policies vary according to an employee's grade)
- Marriage/examination leave

Taking a proactive approach towards the health and well-being of our employees, we also organise health-related talks and checkups periodically to encourage employees to adopt healthy lifestyles and to take care of their health.

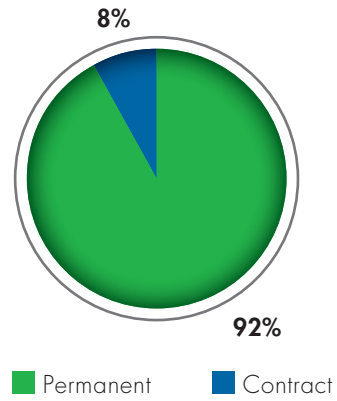
# POLICIES, PRACTICES AND PERFORMANCE

## Employee Overview

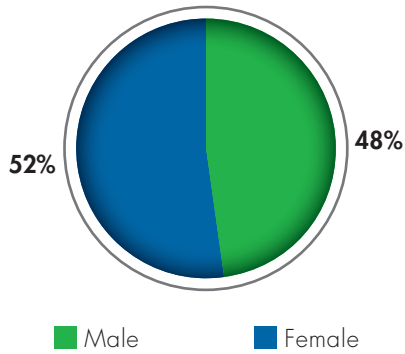
Employee by Employment Type FY2022



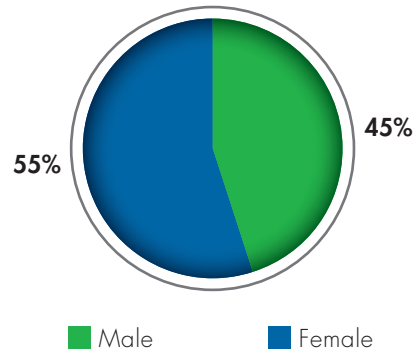
Employee by Employment Type FY2021



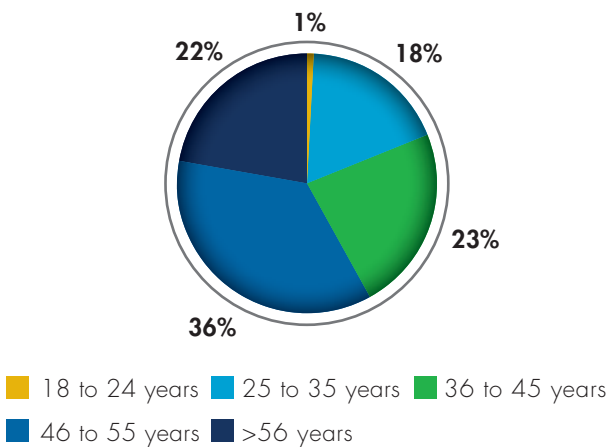
Gender Diversity FY2022



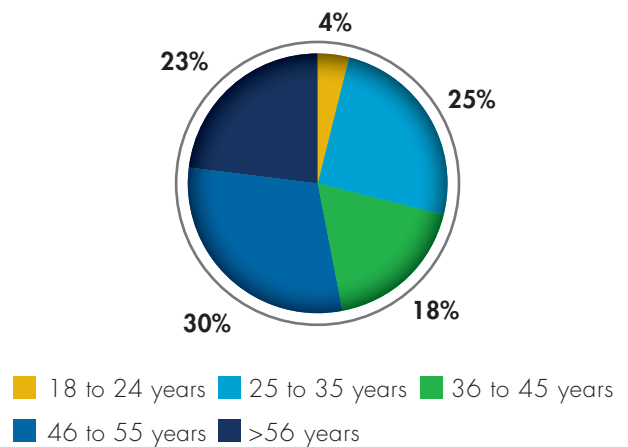
Gender Diversity FY2021



Age Diversity FY2022

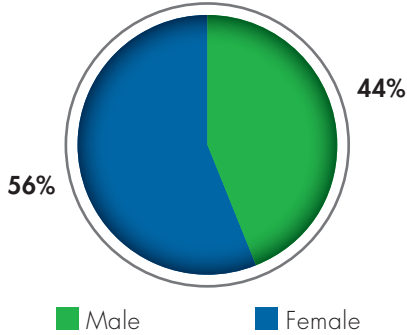


Age Diversity FY2021

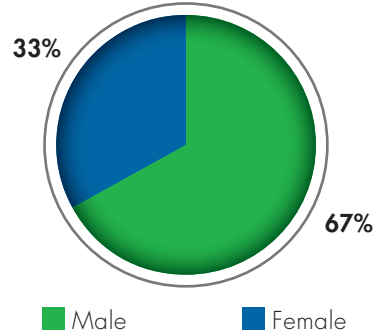


# POLICIES, PRACTICES AND PERFORMANCE

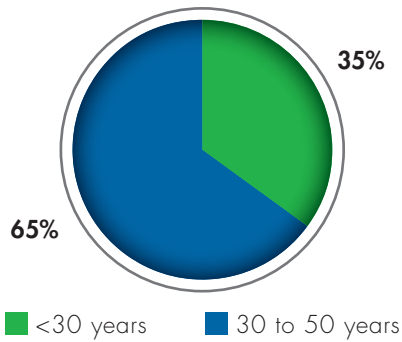
**New Hiring By Gender FY2022**



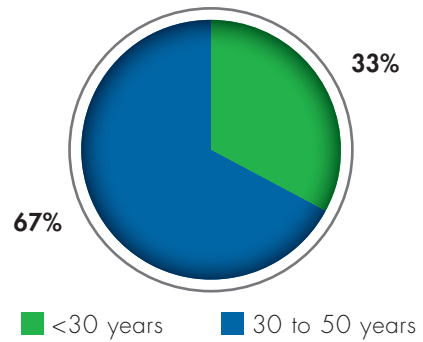
**New Hiring By Gender FY2021**



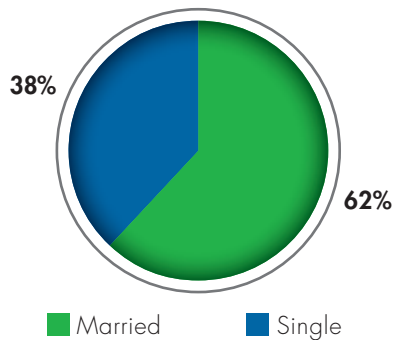
**New Hiring By Age FY2022**



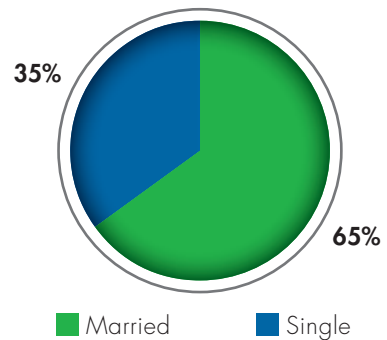
**New Hiring By Age FY2021**



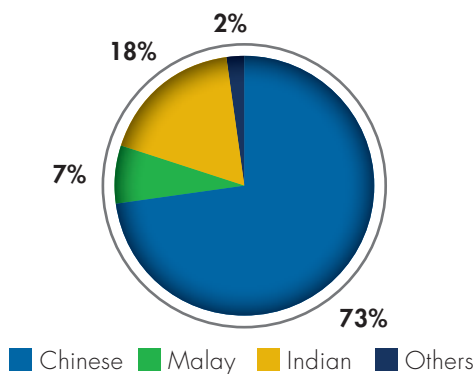
**Marital Status FY2022**



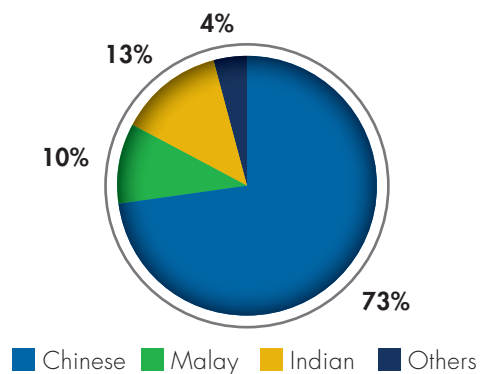
**Marital Status FY2021**



**Race FY2022**

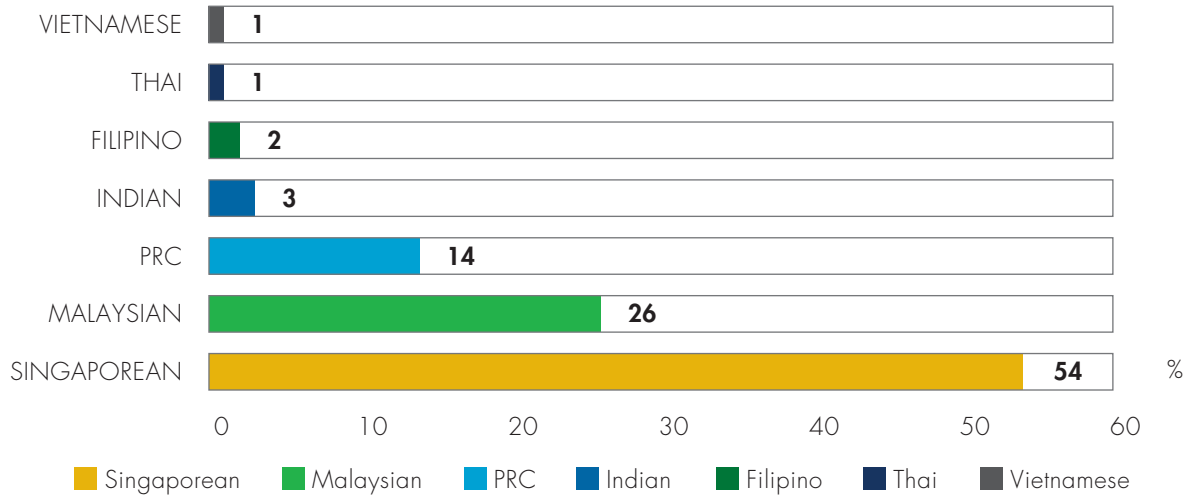


**Race FY2021**

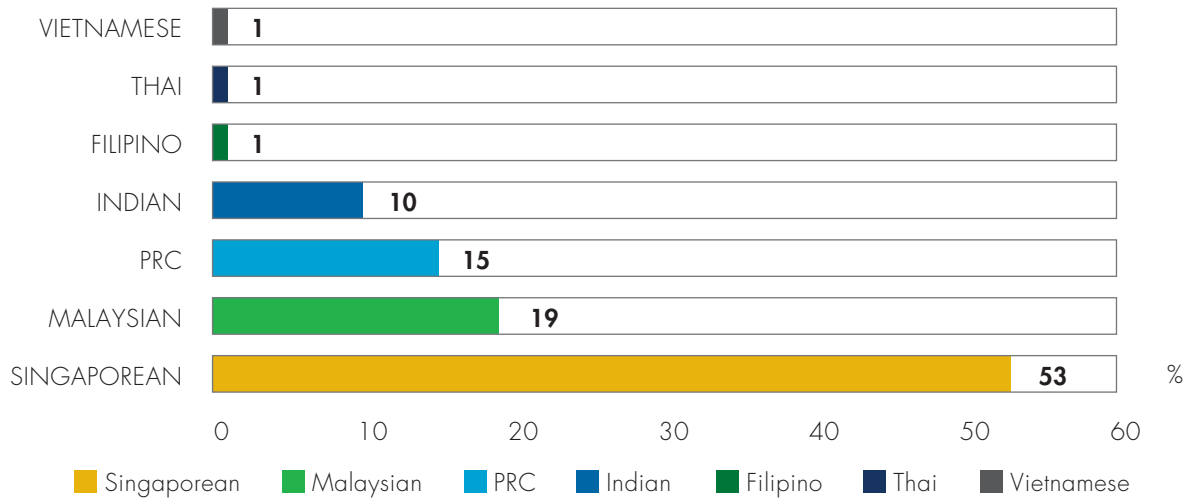


# POLICIES, PRACTICES AND PERFORMANCE

Nationality (%) FY2022



Nationality (%) FY2021



## Occupational Health and Safety

The health and safety of our employees is a top priority for Avi-Tech. In addition to minimising the incidence of work-related injury and illness, a safe and healthy work environment enhances the quality and consistency of products and services and promotes employee retention and morale.

Avi-Tech is committed to achieving Workplace Safety and Health (“**WSH**”) excellence through:

- Compliance with relevant WSH legislations and regulations as well as other requirements;
- Consistently establishing and maintaining WSH management performance;
- Operating and maintaining our facilities to prevent and minimise risks to the health and safety of our employees, sub-contractors and surrounding communities; and
- Ongoing communication of our WSH policy to all parties.

# POLICIES, PRACTICES AND PERFORMANCE

We have in place operational procedures for risk assessment and management, and the implementation of workplace safety measures covering occupational safety injury and illness, emergency preparedness, industrial hygiene and machine safeguarding. We also recognise that employee input and education is essential to identifying and solving health and safety issues in the workplace.

Our Environment Health and Safety ("EHS") and Fire Safety Committees which comprise staff from all relevant departments, under the counsel of a registered Workplace Safety and Health Officer, were set up to oversee the implementation of the WSH management plan with monthly reviews. Our Executive Management holds a quarterly review of the WSH performance report which covers a summary of complaints, industrial accidents and compliance for WSH and Environmental Inspection.

Below are the details of the WSH initiatives undertaken:

Initiatives Undertaken	Date Reviewed	Status	Comments/Outcome
EHS Guidelines for staff and external contractors established	10 January 2022	Completed	
WSH Risk Management Plan established	17 February 2021	Completed	
WSH Risk Assessment Record conducted	27 December 2021	Completed	a. Hazard/Risk Identification Assessment Worksheet was generated b. Total Activity-based Risk Identification: 44
Monthly Risk Assessment review during internal safety inspection and EHS Committee Meeting	24 June 2022	Completed	
Record of regulatory compliance of WSH identified risk	27 December 2021	Completed	c. Regulatory compliance of WSH identified risk generated d. Total activity reviewed: 44 e. Result on meeting all relevant legal requirements

## COMMUNITY

As a responsible corporate citizen, we aim to leave our footprint in a positive way, and we are committed to contributing to the local community in which we operate and to community development by supporting charities and not-for-profit organisations.

Since 2015, we have been a benefactor of Bright Vision Hospital, a 317-bed community hospital offering intermediate and long-term holistic care for about 1,500 new patients each year. Over the years, we have also raised funds for disaster relief including the 2020 Typhoon Ulysses disaster in the Philippines which caused severe flooding in the hometown of one of our employees.

# POLICIES, PRACTICES AND PERFORMANCE

## ECONOMIC PERFORMANCE

We are committed to creating sustainable value for our shareholders and stakeholders.

In the financial year under review, the Group recorded revenue growth following the gradual recovery in the global economy post COVID-19. Our profitability decreased due to the substantial increase in electricity costs as well as the absence of payouts from the government COVID-19 Job Support Scheme. Nevertheless, we remained profitable with profit contribution from all our business segments and continued to generate positive operating cash, maintained a healthy balance sheet and delivered dividends in spite of the challenging operating environment.

A summary of the economic value generated is presented here in line with the GRI Standards. For a detailed description of our financial performance, please refer to the Group Financial Review section of the Annual Report.

Economic Performance Indicators (\$'million)	FY2022	FY2021	FY2020	FY2019	FY2018
Revenue	30.8	29.3	29.4	33.6	35.7
Profit before income tax	3.7	4.2	7.0	5.7	5.7
Profit for the year	3.1	3.5	6.0	4.6	4.9
Staff and related cost	7.5	7.8	9.0	9.2	9.0
Dividends declared	3.0	3.4	4.3	3.6	5.3

## Financial Assistance from Government

In FY2021, we received financial assistance from the government of \$0.6 million under the COVID-19 Jobs Support Scheme ("JSS"). In FY2022, we did not receive JSS from the government.

## GOVERNANCE AND RISK MANAGEMENT

Our Board and Management are committed to continually enhancing shareholder value by maintaining high standards of corporate governance, professionalism, integrity and commitment at all levels, underpinned by strong internal controls and risk management systems.

Our corporate governance practices are set out in the section of the Group's annual report entitled "Corporate Governance Report", with specific references to the principles and provisions of the Code of Corporate Governance 2018 (the "Code"). We have materially complied with all the provisions set out in the Code. In areas where our practices vary from any of the provisions of the Code, we have in our Corporate Governance Report provided the reasons for the variation and explained how the practices we have adopted are consistent with the intent of the relevant principle, where appropriate.

We strive to conduct our business with high standards of openness, integrity and accountability and act professionally, fairly and honestly in all our business dealings and relationships at all times. All business dealings should be transparently performed and accurately reflected in the Group's books and records. We ensure that the Group's zero tolerance policy towards all forms of fraud, bribery, corruption, extortion and embezzlement (covering promising, offering, giving or accepting any bribes) and unethical conduct, is strictly adhered to. Monitoring and enforcement procedures are implemented to ensure compliance with anti-corruption laws. To achieve a high standard of corporate governance for the operations of the Group, we have also implemented a Whistle-Blowing Policy. For more information on the Whistle-Blowing Policy, please refer to the Corporate Governance Report in the Annual Report.

# POLICIES, PRACTICES AND PERFORMANCE



Risk management is a critical component to our business success. We constantly strive to advance our risk management practices as an important component in all our business activities. This demonstrates our commitment to a high standard of corporate governance. The Group has put in place a risk management and internal control system in areas such as financial, operational, compliance and information technology controls. The principal aim of the internal control system is the management of business risks with a view to safeguarding shareholders' investments and the Group's assets.

The risk management and internal control system we have established is designed to manage, rather than eliminate, the risk of failure in achieving our goals and objectives. The Board wishes to state that the system of internal controls provides reasonable, but not absolute, assurance as to financial, operational, compliance and information technology risks. No such system can provide absolute assurance against the occurrence of material errors and other situations not currently within the contemplation or beyond the control of the Board. For more information on our risk management and internal control system, please refer to the Corporate Governance Report in the Annual Report.

## **Board and Audit and Risk Committee ("ARC")**

The Board of Directors has an overall responsibility to ensure that the Group has the capability and necessary resources to manage risks in new and existing businesses, and that business plans and strategies accord with the risk appetite that the Group undertakes to achieve its corporate objectives.

The responsibilities of the ARC include, *inter alia*, assisting the Board in carrying out its responsibility of overseeing and maintaining the Group's risk management framework and policies, including reviewing the Group's levels of risk tolerance and risk policies, and overseeing the management in the design, implementation and monitoring of the Group's risk management and internal control systems. For more information on the roles and responsibilities of our ARC, please refer to the Corporate Governance Report in the Annual Report.

## **Risk Governance and Internal Control ("RGIC") Framework**

The Board is responsible for risk governance, establishing risk management policies and tolerance strategies that set the appropriate tone and direction, and also overseeing the implementation of the risk management framework to ensure that risks are identified and managed. On an ongoing basis, the Board periodically monitors and assesses the adequacy of the risk management systems that it has put in place and the system of internal controls and ensures that management takes the appropriate steps to manage and mitigate risks.

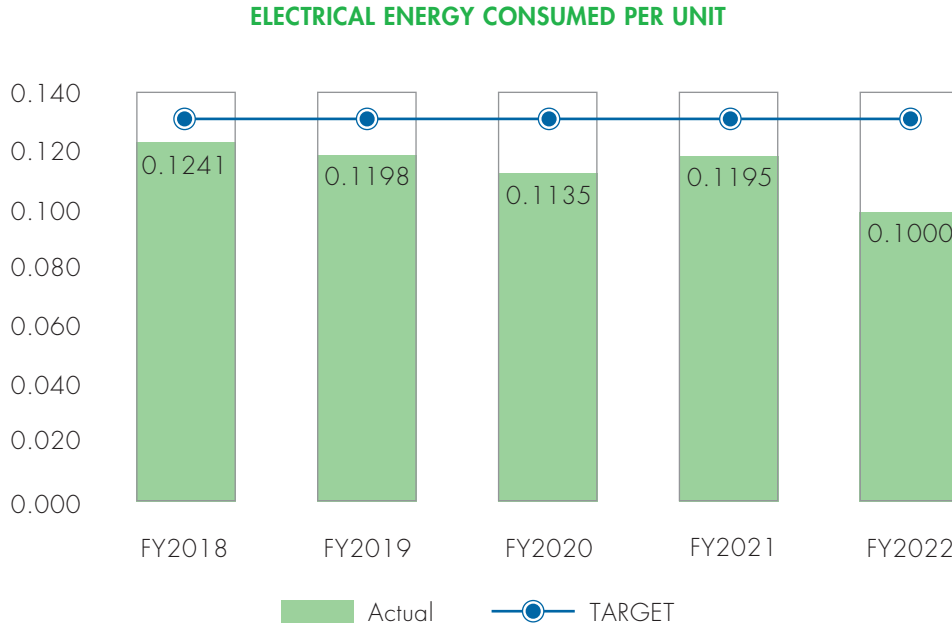
The Group's RGIC framework was developed to realise the value of risk management by providing an integrated enterprise-wide perspective of the risks involved in our businesses and institutionalising a systematic risk assessment methodology for the identification, assessment, management, reporting and monitoring of risks on a consistent and reliable basis. The RGIC Manual sets out, *inter alia*, the Board's approved Risk Appetite and Risk Tolerance Guidance, Authority and Risk Control Matrix, Key Control Activities and Key Reporting and Monitoring Activities to manage and mitigate risks.

Our RGIC framework is constantly refined, ensuring relevance in a dynamic operating environment. We keep abreast of the latest developments and best practices by participating in industry seminars and interacting with risk management practitioners. Continuous training is conducted to build risk awareness and competencies, and systems and tools are put in place to operationalise the risk management framework to support our RGIC framework.

As a Group, we take a balanced approach to risk management, recognising that not all risks can be eliminated. To optimise returns for the Group, we will only undertake appropriate and well-considered risks. For more information on risk management and internal controls, please refer to the Corporate Governance Report of the Annual Report.

# TARGETS

## Energy



For FY2022, we set our energy consumption target to be maintained at FY2021's level of 0.13 kWh per unit. With an energy consumption of approximately 0.1195 kWh per unit for FY2022, we exceeded our target goal of consuming no more than 0.13 kWh per unit. This was on account of our efforts to implement and drive energy saving projects to cut energy consumption, including employment of energy efficient facilities and process equipment, as well as improving utilisation rate and productivity through automation.

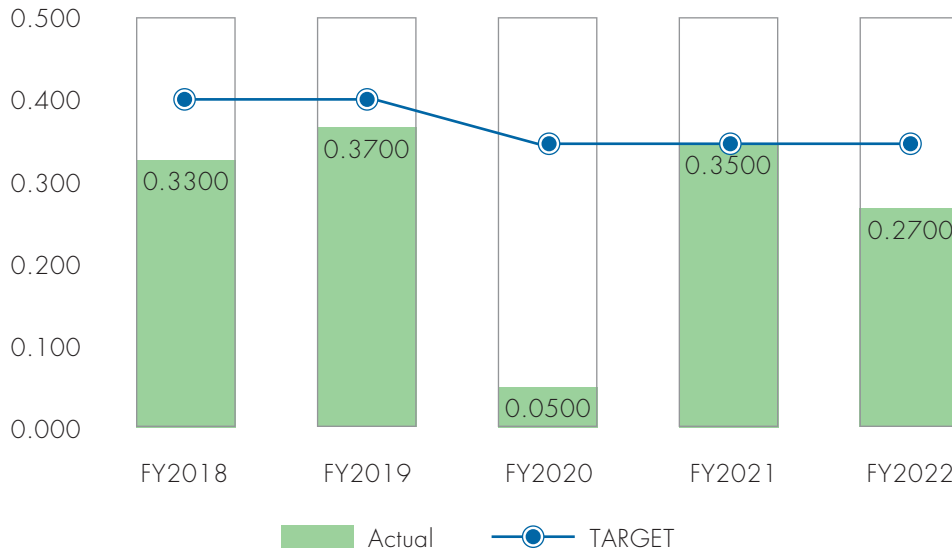
For FY2023, we will set a new energy consumption target of 0.12 kWh per unit.





## Waste Management

WASTE GENERATION (AS % OF REVENUE)



For FY2022, our waste generation target was to not exceed 0.35% of total revenue. We met our target for the year as waste generated as percentage of total revenue was approximately 0.27% of total revenue in spite of the challenges involved in the production of more complex and sophisticated burn-in boards for our Chinese customer. Some of the measures implemented included single shift operation and timer control installation to mitigate production resources and reduce waste.

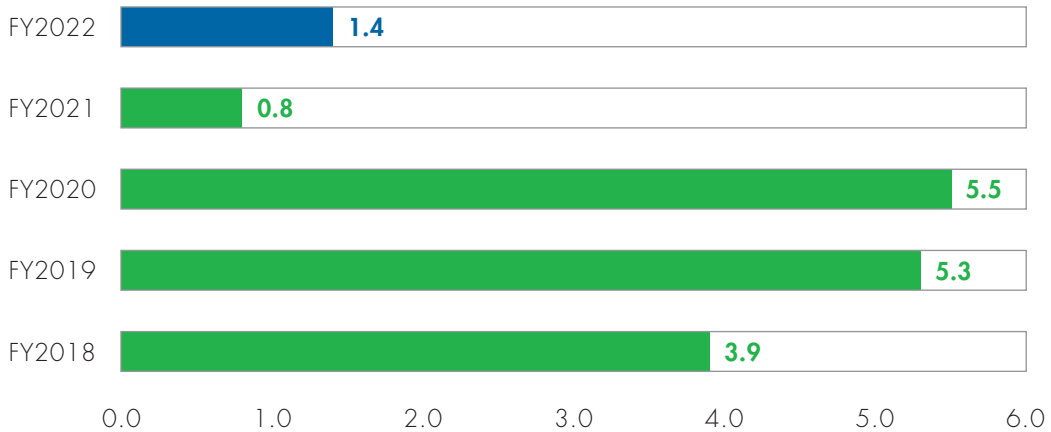
For FY2023, we aim to maintain our waste generation target of 0.35% of total revenue. We have not set a lower waste reduction target as we are currently working with new customers which have more complex product requirements. We anticipate that there is a possibility this will lead to more waste generated and it would be unrealistic to set a lower target for waste generation in FY2022.



# TARGETS

## Training and Development

Average Hours of Training Per Employee



For FY2022, our average training hours per employee was approximately 1.43 hours, which is an increase of approximately 78.6% from the average training hours per employee in FY2021 amidst the Covid-19 pandemic. The training expenditure per employee was approximately \$3,510 per person (or 0.1% of total revenue).

We are targeting to achieve a 100% increase in average training hours per employee and to maintain an average of at least 10 training hours per employee by the end of FY2023.

## Occupational Health and Safety

For FY2022, we achieved our target of zero cases of WSH complaints and industrial accidents, and over 90% compliance for WSH and Environmental Inspection. We also recorded no cases of accidents and work-related ill health.

For FY2023, we have set the following goals:

Objectives	Goal
Workplace Safety and Health Complaint	0 Cases
Industrial Accident	0 Cases
% compliance for WSH and Environmental Inspection	>90%

# SUSTAINABILITY REPORTING FRAMEWORK

This report has been prepared to comply with the Singapore Exchange Securities Trading Limited's ("SGX-ST") Listing Manual Rules 711A and 711B and the SGX-ST Sustainability Reporting Rules.

The 2016 Global Reporting Initiative ("GRI") standards: Core option, has been selected as the sustainability reporting framework as it is an internationally recognised framework that enables an organisation to publicly disclose its most significant impacts on the economy, environment and people, and organisational management of these impacts. We utilise this reporting framework as the standards contain disclosures that allow us to report relevant information about our impacts consistently and credibly. Its global comparability and quality of reported information support users of this report to make informed assessments and decisions about our impact on and contribution to sustainable development.

The GRI Standards are regularly updated, and the latest GRI Standards 2021 comes into effect on/after 1 January 2023. In February 2019, the Global Sustainability Standards Board (GSSB) approved the GRI Sector Program to improve clarity and consistency in sustainability reporting. The aim of the Sector Program is to develop GRI Sector Standards for 40 to 45 high-impact sectors. We intend to progressively adopt the latest Standards and to incorporate elements of the relevant Sector Standards when they are available in due course so as to report according to best practices.

# BOARD STATEMENT

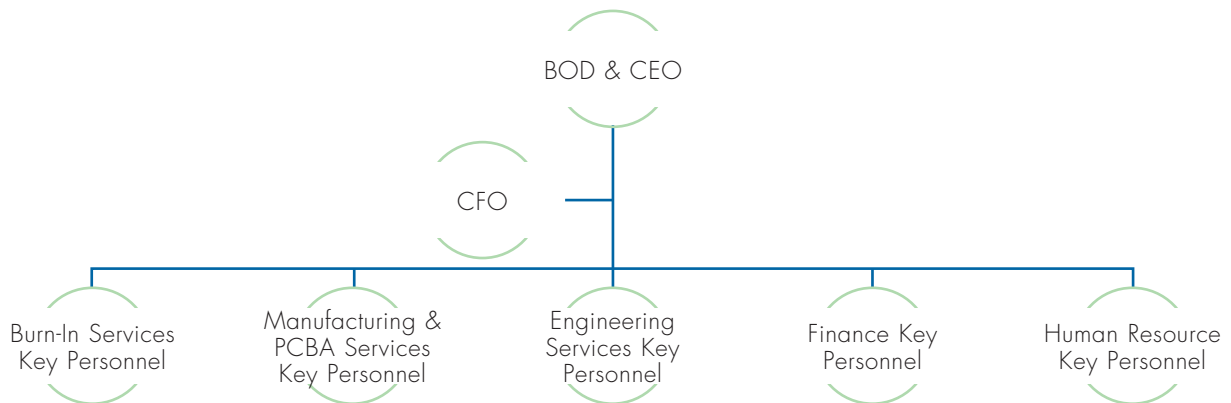
Avi-Tech Holdings Limited's Board of Directors (the "**Board**") has the ultimate responsibility for directing the management in the development of its sustainability strategy including determining the material ESG factors, its due compliance with the SGX-ST guidelines on corporate governance and sustainability reporting, and the Group's response to the attendant risks and opportunities.

The Board oversees the Sustainability Reporting Committee in formulating and implementing sustainability strategies including the following:

- Identifying, reviewing and assessing the various ESG factors
- Collecting ESG performance data from the various business divisions
- Setting performance targets, where applicable
- Developing, managing and supervising the execution of the sustainability action plan

## Reporting Process

The Sustainability Reporting Committee, headed by the Group's Chief Financial Officer, consists of key personnel from the various business divisions as well as from the Finance and Human Resource departments. The Sustainability Reporting Committee reports and provides updates on Avi-Tech's sustainability initiatives and implementation at least once a year to the Board which has overall responsibility for managing and monitoring the material ESG factors and their performance.





'In accordance' – Core		
GRI Standard	Disclosure	Page Number(s) and/or URL(s)
<b>GRI 101: Foundation 2016</b> (GRI 101 does not include any standards)		
<b>General Disclosures</b>		
<b>GRI102:</b> General Disclosures 2016	<b>Organisational Profile</b>	
	102-1 Name of the organisation	Annual Report 2022 – page 1 Sustainability Report 2022 – page 1
	102-2 Activities, brands, products, and services	Annual Report 2022 – page 2, 86, 124 Sustainability Report 2022 – page 1
	102-3 Location of headquarters	Annual Report 2022 – page 1 Sustainability Report 2022 – page 1, 3
	102-4 Location of operations	Annual Report 2022 – page 1 Sustainability Report 2022 – page 1, 3
	102-5 Ownership and legal form	Annual Report 2022 – page 1, 128-129 Sustainability Report 2022 – page 1
	102-6 Markets served	Annual Report 2022 – page 1 Sustainability Report 2022 – page 1
	102-7 Scale of the organisation	Annual Report 2022 – page 1, 18 Sustainability Report 2022 – page 13
	102-8 Information on employees and other workers	Sustainability Report 2022 – page 13, 13-18
	102-9 Supply chain	Not applicable as supply are consigned to us by our customers or specified by our customers due to the stringent product specifications we have to adhere to

# GRI CONTENT INDEX

102-10 Significant changes to the organisation and its supply chain	None
102-11 Precautionary Principle or approach	Annual Report 2022 – page 52-56 Sustainability Report 2022 – page 11-12, 18, 20-21
102-12 External initiatives	Sustainability Report 2022– page 3, 9-12, 18-19
<b>Strategy</b>	
102-14 Statement from senior decision-maker	Annual Report 2022 – page 6-8 Sustainability Report 2022 – page 2, 26
<b>Ethics and Integrity</b>	
102-16 Values, principles, standards, and norms of behaviour	Annual Report 2022 – page 25-72 Sustainability Report 2022 – page 26, 9-21
102-17 Mechanism for advice and concerns about ethics	Annual Report 2022 – page 61-62 Sustainability Report 2022 – page 11, 14-20
<b>Governance</b>	
102-18 Governance structure	Annual Report 2022 – page 25-72 Sustainability Report 2022 – page 26, 20-21
102-19 Delegating authority	Annual Report 2022 – Page 25-72 Sustainability Report 2022 – page 26
102-20 Executive-level responsibility for economic, environmental, and social topics	Sustainability Report 2022 – page 26
102-21 Consulting stakeholders on economic, environmental, and social topics	Sustainability Report 2022 – page 26, 4-6
102-22 Composition of the highest governance body and its committees	Annual Report 2022 – page 25-72
102-23 Chair of the highest governance body	Annual Report 2022 – page 25-72
102-24 Nominating and selecting the highest governance body	Annual Report 2022 – page 25-72
102-25 Conflicts of interest	Annual Report 2022 – page 25-72



102-26 Role of highest governance body in setting purpose, values and strategy	Annual Report 2022 – page 25-72 Sustainability Report 2022 – page 26
102-27 Collective knowledge of highest governance body	Annual Report 2022 – page 25-72
102-28 Evaluating the highest governance body's performance	Annual Report 2022 – page 25-72
102-29 Identifying and managing economic, environmental, and social impacts	Annual Report 2022 – page 70-71 Sustainability Report 2022 – page 4-8
102-30 Effectiveness of risk management processes	Annual Report 2022 – page 25-72 Sustainability Report 2022 – page 4-8
102-31 Review of economic, environmental, and social topics	Sustainability Report 2022 – page 6-8
102-32 Highest governance body's role in sustainability reporting	Sustainability Report 2022 – page 26
<b>Stakeholder Engagement</b>	
102-40 List of stakeholder groups	Sustainability Report 2022 – page 4-6
102-41 Collective bargaining agreements	Sustainability Report 2022 – page 14
102-42 Identifying and selecting stakeholders	Sustainability Report 2022 – page 4-6
102-43 Approach to stakeholder engagement	Sustainability Report 2022 – page 4-6
102-44 Key topics and concerns raised	Sustainability Report 2022 – page 4-6
<b>Reporting Practice</b>	
102-45 Entities included in the consolidated financial statements	Annual Report 2022 – page 113
102-46 Defining report content and topic boundaries	Sustainability Report 2022 – page 1, 3, 4-8
102-47 List of material topics	Sustainability Report 2022 – page 7-8
102-48 Restatements of information	Sustainability Report 2022 – page 1

# GRI CONTENT INDEX

	102-49 Changes in reporting	Sustainability Report 2022 – page 1
	102-50 Reporting period	Sustainability Report 2022 – page 1
	102-51 Date of most recent report	Sustainability Report 2022 – page 1
	102-52 Reporting cycle	Sustainability Report 2022 – page 1
	102-53 Contact point for questions regarding the report	Annual Report 2022 – Page 70 Sustainability Report 2022 – page 1
	102-54 Claims of reporting in accordance with the GRI Standards	Annual Report 2022 – Page 70 Sustainability Report 2022 – page 7, 25
	102-55 GRI content index	Sustainability Report 2022 – page 27-35
	102-56 External assurance	Sustainability Report 2022 – page 3
<b>Material Topics</b>		
<b>Economic</b>		
<b>GRI 103:</b> Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Sustainability Report 2022 – page 6-8
	103-2 The management approach and its components	Sustainability Report 2022 – page 6-8
	103-3 Evaluation of the management approach	Sustainability Report 2022 – page 6-8
<b>GRI 201:</b> Economic Performance 2016	201-1 Direct economic value generated and distributed	Annual Report 2022 – page 120-123 Sustainability Report 2022 – page 20
	201-4 Financial assistance received from the government	Sustainability Report 2022 – page 20





Anti-corruption		
<b>GRI 103:</b> Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Sustainability Report 2022 – page 6-8
	103-2 The management approach and its components	Sustainability Report 2022 – page 6-8
	103-3 Evaluation of the management approach	Sustainability Report 2022 – page 6-8
<b>GRI 205:</b> Anti-Corruption 2016	205-2 Communications and training about anti-corruption policies and procedures	Annual Report 2022 – Page 61-62 Sustainability Report 2022 – page 14
	205-3 Confirmed incidents of corruption and actions taken	Annual Report 2022 – Page 61-62 Sustainability Report 2022 – page 14
Environment		
Energy		
<b>GRI 103:</b> Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Sustainability Report 2022 – page 6-8
	103-2 The management approach and its components	Sustainability Report 2022 – page 6-8
	103-3 Evaluation of the management approach	Sustainability Report 2022 – page 6-9, 22
<b>GRI 302:</b> Energy 2016	302-1 Energy consumption within the organisation	Sustainability Report 2022 – page 9
	302-4 Reduction of energy consumption	Sustainability Report 2022 – page 9
Effluents and Waste		
<b>GRI 103:</b> Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Sustainability Report 2022 – page 6-8
	103-2 The management approach and its components	Sustainability Report 2022 – page 6-8, 10
	103-3 Evaluation of the management approach	Sustainability Report 2022 – page 10, 23

# GRI CONTENT INDEX

<b>GRI 303:</b> Water and Effluents 2018	303-1 Interactions with water as a shared resource	Sustainability Report 2022 – page 10-11
	303-2 Management of water discharge-related impacts	Sustainability Report 2022– page 10-11
	303-5 Water consumption	Sustainability Report 2022 – page 10-11
<b>GRI 306:</b> Effluents and Waste 2016	306-1 Water discharge by quality and destination	Sustainability Report 2022 – page 10-11
	306-2 Waste by type and disposal method	Sustainability Report 2022 – page 10-11
<b>Environmental Compliance</b>		
<b>GRI 103:</b> Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Sustainability Report 2022 – page 6-8
	103-2 The management approach and its components	Sustainability Report 2022 – page 6-8
	103-3 Evaluation of the management approach	Sustainability Report 2022 – page 10-11
<b>GRI 307:</b> Environmental Compliance 2016	GRI 307-1 Non-compliance with environmental laws and regulations	Sustainability Report 2022 – page 10-11
<b>Employment</b>		
<b>GRI 103:</b> Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Sustainability Report 2022 – page 6-8
	103-2 The management approach and its components	Sustainability Report 2022 – page 12
	103-3 Evaluation of the management approach	Sustainability Report 2022 – page 12
<b>GRI 401:</b> Employment 2016	401-1 New employee hires and employee turnover	Sustainability Report 2022 – page 13, 17
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability Report 2022 – page 15
<b>Occupational Health and Safety</b>		
<b>GRI 103:</b> Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Sustainability Report 2022 – page 6-8
	103-2 The management approach and its components	Sustainability Report 2022 – page 18-19
	103-3 Evaluation of the management approach	Sustainability Report 2022 – page 24

<b>GRI 403:</b> Occupational Health and Safety 2016	403-1 Occupational health and safety management system	Sustainability Report 2022 – page 18-19
	403-2 Hazard identification, risk assessment, and incident investigation	Sustainability Report 2022 – page 18-19
	403-4 Worker participation, consultation, and communication on occupational health and safety	Sustainability Report 2022 – page 18-19
	403-5 Worker training on occupational health and safety	Sustainability Report 2022 – page 18-19
	403-6 Promotion of worker health	Sustainability Report 2022 – page 15
	403-8 Workers covered by an occupational health and safety management system	Sustainability Report 2022 – page 18-19
	403-9 Work related injuries	Sustainability Report 2022 – page 24
<b>Training and Education</b>		
<b>GRI 103:</b> Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Sustainability Report 2022 – page 6-8
	103-2 The management approach and its components	Sustainability Report 2022 – page 12, 15
	103-3 Evaluation of the management approach	Sustainability Report 2022 – page 24
<b>GRI 404:</b> Training and Education 2016	404-1 Average hours of training per year per employee	Sustainability Report 2022 – page 24
	404-2 Programs for upgrading employee skills and transition assistance programs	Annual Report 2022 – Page 18 Sustainability Report 2022 – page 15
	404-3 Percentage of employees receiving regular performance and career development reviews	Sustainability Report 2022 – page 15
<b>Diversity and Equal Opportunity</b>		
<b>GRI 103:</b> Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Sustainability Report 2022 – page 6-8
	103-2 The management approach and its components	Sustainability Report 2022 – page 13
	103-3 Evaluation of the management approach	Sustainability Report 2022 – page 16-18
<b>GRI 405:</b> Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Annual Report 2022 – page 31-35 Sustainability Report 2022 – page 13, 16-18

# GRI CONTENT INDEX

<b>Non-discrimination</b>		
<b>GRI 103:</b> Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Sustainability Report 2022 – page 6-8
	103-2 The management approach and its components	Sustainability Report 2022 – page 13
	103-3 Evaluation of the management approach	Sustainability Report 2022 – page 13, 16-18
<b>GRI 406:</b> Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Sustainability Report 2022 – page 113
<b>Freedom of Association and Collective Bargaining</b>		
<b>GRI 103:</b> Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Sustainability Report 2022 – page 6-8
	103-2 The management approach and its components	Sustainability Report 2022 – page 13
	103-3 Evaluation of the management approach	Sustainability Report 2022 – page 13
<b>GRI 407:</b> Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Sustainability Report 2022 – page 13
<b>Child Labour</b>		
<b>GRI 103:</b> Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Sustainability Report 2022 – page 6-8
	103-2 The management approach and its components	Sustainability Report 2022 – page 14
	103-3 Evaluation of the management approach	Sustainability Report 2022 – page 14
<b>GRI 408:</b> Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	Sustainability Report 2022 – page 14
<b>Forced or Compulsory Labour</b>		
<b>GRI 103:</b> Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Sustainability Report 2022 – page 6-8
	103-2 The management approach and its components	Sustainability Report 2022 – page 14
	103-3 Evaluation of the management approach	Sustainability Report 2022 – page 14



<b>GRI 408:</b> Forced or Compulsory Labour 2016	408-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Sustainability Report 2022 – page 14
<b>Local Communities</b>		
<b>GRI 103:</b> Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Sustainability Report 2022 – page 6-8
	103-2 The management approach and its components	Sustainability Report 2022 – page 19
	103-3 Evaluation of the management approach	Sustainability Report 2022 – page 19
<b>GRI 413:</b> Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Annual Report 2022 – page 18, 72 Sustainability Report 2022 – page 19
<b>Customer Privacy</b>		
<b>GRI 103:</b> Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Sustainability Report 2022 – page 6-8
	103-2 The management approach and its components	Sustainability Report 2022 – page 11-12
	103-3 Evaluation of the management approach	Sustainability Report 2022 – page 11-12
<b>GRI 418:</b> Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainability Report 2022 – page 11-12
<b>Socio-economic Compliance</b>		
<b>GRI 103:</b> Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Sustainability Report 2022 – page 6-8
	103-2 The management approach and its components	Sustainability Report 2022 – page 12
	103-3 Evaluation of the management approach	Sustainability Report 2022 – page 12
<b>GRI 419:</b> Socio-economic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	Sustainability Report 2022 – page 12





**AVI-TECH HOLDINGS LIMITED**

Company Registration No. 202002889W  
19A Serangoon North Avenue 5  
Singapore 554859