

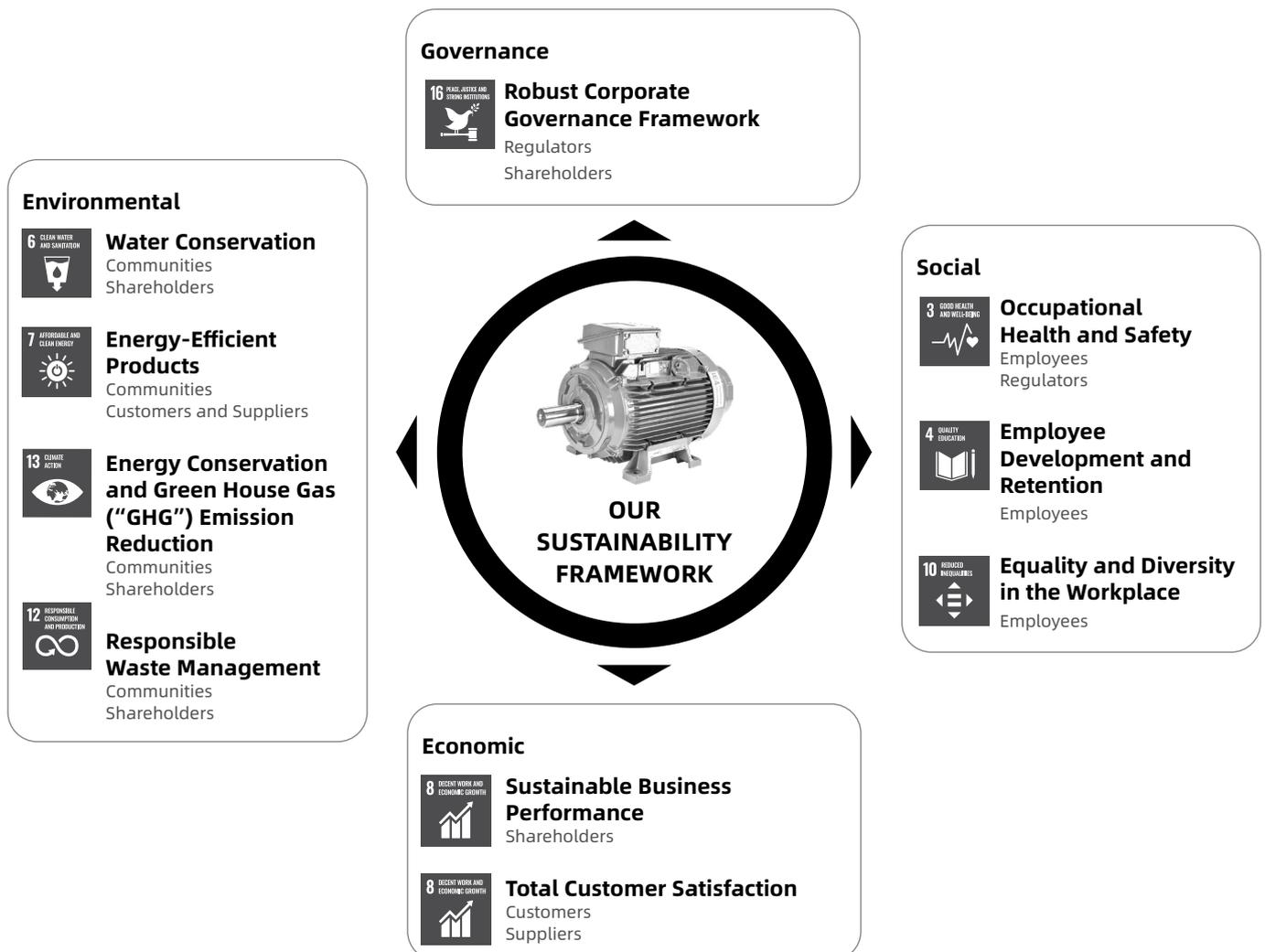
# Sustainability Report

## 1. BOARD STATEMENT

Brook Crompton Holdings Ltd. (“**BCH**” or the “**Company**”, and together with its subsidiaries, the “**Group**” or “**We**”) reaffirms its commitment to sustainability with the publication of this sustainability report (“**Report**”). For this Report, we provide insights into the way we do business, while highlighting our sustainability factors under the pillars of environmental, social, governance and economic performance (collectively referred to as “**Sustainability Factors**”).

We are committed to strike a balance between growth, profit, governance, environment, the development of our people and well-being of our communities to secure the long-term future of the Group. In line with our commitment, the Board, having considered sustainability issues as part of its strategic formulation, determined the material Sustainability Factors and overseen the management and monitoring of the material Sustainability Factors.

Our sustainability framework communicates our commitment towards supporting the United Nations’ Sustainable Development Goals (“**SDGs**”). We work closely with stakeholders in our value chain and their inputs are considered in driving our material Sustainability Factors towards the SDGs as follows:



# Sustainability Report

## 2. SUSTAINABILITY PERFORMANCE AT A GLANCE

A summary of our key sustainability performance in the financial year (“FY”) ended 31 December 2025 is as follows:

Sustainability Pillar	Sustainability Metric	Sustainability Performance	
		FY2025	FY2024
Economic	Product defect rate	0.17%	0.40%
	Revenue	S\$62 million	S\$62 million
	Profit for the financial year	S\$3 million	S\$2 million
	Dividend per share	2 cents	2 cents
Environmental	Percentage of products that attained efficiency level under relevant international standards	100%	100%
	Water consumption intensity (Cu M/ number of employees)	10	11
	Scope 2 greenhouse gas <sup>1</sup> emissions intensity (tonnes CO <sub>2</sub> e/ '000 square feet of operating space utilised)	1.06	1.18 <sup>2</sup>
Social	Number of workplace fatalities	-	-
	Number of high consequence work-related injuries <sup>3</sup>	-	-
	Number of reported incidents of unlawful discrimination <sup>4</sup> against employees	-	-
	Percentage of employees who received regular performance appraisals	100%	100%
	Average training hours per employee	8 hours	8 hours
	Employee turnover rate	16%	23%
Governance	Number of incidents of serious offence <sup>5</sup>	-	-
	Number of incidents of non-compliance with any applicable laws and regulations <sup>6</sup> that resulted in a significant fine or non-monetary sanction	-	-

1 The indirect GHG emissions from the consumption of electricity and gas heating purchased (Scope 2 GHG emissions) are calculated based on the applicable emission factors published by the relevant local authorities and an electricity supplier.

2 Comparative figure restated due to omission in prior year.

3 A high consequence work-related injury refers to an injury from which a worker cannot recover or cannot recover fully to pre-injury health status within six (6) months.

4 An incident of unlawful discrimination refers to an incident whereby the relevant authority has commenced investigation and resulted in a penalty to a company.

5 A serious offence is defined as one that involves fraud or dishonesty involving an amount not less than SGD 100,000 and is punishable by imprisonment for a term of not less than two (2) years, which is being or has been committed against a company by officers or employees of the company.

6 An incident of non-compliance that excludes fraud or dishonesty.

# Sustainability Report

## 3. OUR BUSINESS

### 3.1 Value Chain

We work closely with our suppliers in the distribution of electric motors to our customers through established sales channels. To meet our customers' needs, we offer customisation of electric motors and provide customer services to our customers through our network of service centres.



#### Our Suppliers

We source electric motors and components from our original equipment manufacturer ("OEM") suppliers.



#### Our Operations

We are involved in:

- Distribution of electric motors;
- Design and customisation of electric motors; and
- Post-sale customer care.



#### Our Customers

We sell to:

- Wholesalers;
- Retailers; and
- End users and OEMs.

Our key markets comprise customers based in the Asia Pacific, Continental Europe, North America and the United Kingdom ("UK") (collectively referred to as "Key Markets").

### 3.2 People

As at 31 December 2025, the Group has a total of 70 (FY2024: 74) full-time employees and 1 (FY2024: Nil) part-time<sup>7</sup> employee. The breakdown of employees by key operating location is as follows:

Country	Type of Employment		
	Full-time	Part-time	Total
Singapore	8	-	8
UK <sup>8</sup> and Continental Europe	41	1	42
United States of America and Canada	18	-	18
Australia	3	-	3
Total	70	1	71
Total (%)	99%	1%	100%

7 Part-time employee refers to individuals who are under a contract of service to work less than 35 hours a week. The number of part-time employees is not considered to be material as the Group is not reliant on part-time employees to support its operations and long-term sustainability. Accordingly, they are not considered in deriving the training hours, gender and age diversity, new hires rate, turnover rate, performance appraisal and parental leave metrics.

8 Employees in the UK comprise employees of Brook Crompton UK Limited and Brook Crompton Italy Branch.

# Sustainability Report

## 4. REPORTING PERIOD AND SCOPE

This Report covers the consolidated entities, as disclosed in our audited financial statements, for the financial year from 1 January to 31 December 2025 (“**FY2025**” or “**Reporting Period**”).

## 5. REPORTING FRAMEWORK

This Report is prepared in accordance with 711A and 711B of the Listing Manual: Rules of Mainboard (“**Listing Rules**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). This Report is also prepared with reference to the Global Reporting Initiative (“**GRI**”) Standards for the Reporting Period. We use the GRI framework as it is an internationally recognised sustainability reporting standard that covers a comprehensive range of sustainability disclosures. The GRI content index can be found in pages 68 to 69.

As part of our continual efforts to align our sustainability reporting with relevant market standards, we mapped our sustainability efforts in accordance with the 2030 Agenda for Sustainable Development, which is adopted by all United Nations Member States in 2015 (“**UN Sustainability Agenda**”). The UN Sustainability Agenda provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDGs, which form an urgent call for action by all developed and developing countries in a global partnership.

Our climate-related disclosures are produced based on the 11 recommendations of Taskforce on Climate-related Financial Disclosures (“**TCFD**”). Following the publication of the International Sustainability Standards Board (“**ISSB**”) Standards - International Financial Reporting Standards (“**IFRS**”) S1 and IFRS S2, we conducted a gap analysis against our existing TCFD reporting and are in the process of aligning our climate-related disclosures to the ISSB Standards. We are guided by the phased approach described in Practice Note 7.6 Sustainability Reporting Guide of the SGX-ST in aligning our climate-related disclosures with the ISSB Standards.

We relied on internal data monitoring and verification to ensure accuracy of data and information for this Report. Internal review on the sustainability reporting process is incorporated as part of our internal audit review cycle. We will work towards external assurance for our future sustainability reports subject to market trends and regulatory requirements.

## 6. FEEDBACK

We welcome feedback from all stakeholders on this Report. You may send related questions, comments, suggestions or feedback to our investor relations email account: [mgt@brookcromptonholdings.com](mailto:mgt@brookcromptonholdings.com).

# Sustainability Report

## 7. STAKEHOLDER ENGAGEMENT

An important starting point in our sustainability journey is to identify our stakeholders and material Sustainability Factors relevant to our business. These include entities or individuals that have an interest that is affected or could be affected by our activities.

Through a stakeholder mapping exercise performed by the management, we identified key stakeholder groups which we prioritise our engagements with. These key stakeholders include communities, customers, employees, regulators, shareholders and suppliers.

The concerns of key stakeholders are considered when formulating corporate strategies. We adopt both formal and informal channels of communication to understand the needs of our key stakeholders and incorporate them in our corporate strategies to achieve mutually beneficial relationships.

The table below sets out how we engage our key stakeholders:

Key Stakeholder	Engagement Channel	Frequency of Engagement	Key Concerns Raised
Communities	Annual reports	Annually	<ul style="list-style-type: none"> <li>• Environmental protection</li> <li>• Corporate social responsibility</li> </ul>
	Investor relations email account	Ongoing	
Customers	• Face-to-face meetings	Ongoing	<ul style="list-style-type: none"> <li>• Product quality and reliability</li> <li>• Customer service standards</li> <li>• Product delivery</li> </ul>
	• Email communications		
	• Phone calls		
	• Teleconferences		
Employees	Employee evaluation sessions	Annually	<ul style="list-style-type: none"> <li>• Workplace health and safety</li> <li>• Equal employment opportunities</li> <li>• Job security</li> <li>• Remuneration and benefits</li> </ul>
	• Town hall meetings	Ongoing	
	• Virtual meetings		
	• Newsletters		
Regulators	Consultations and briefings organised by key regulatory bodies such as the SGX-ST	As and when required	<ul style="list-style-type: none"> <li>• Workplace health and safety</li> <li>• Compliance with laws and regulations</li> </ul>
Shareholders	Results announcements on SGXNET	Half-yearly	<ul style="list-style-type: none"> <li>• Sustainable business performance</li> <li>• Market valuation</li> <li>• Dividend payment</li> <li>• Corporate governance</li> </ul>
	• Company's website	Ongoing	
	• Investor relations email account		
	• Business publications		
	• Investor relations events		
	• Annual general meetings	Annually	
Suppliers	• Face-to-face meetings	Ongoing	<ul style="list-style-type: none"> <li>• Demand volatility</li> <li>• Timely payment</li> </ul>
	• Vendor conferences and events		
	Suppliers' evaluation and feedback sessions	Annually	

# Sustainability Report

## 8. POLICY, PRACTICE AND PERFORMANCE REPORTING

In line with our commitment to sustainability, a sustainability reporting policy (“**SR Policy**”) covering our sustainability strategies, sustainability governance structure, materiality assessment and processes in identifying and monitoring material Sustainability Factors, is put in place and serves as a point of reference in the conduct of our sustainability reporting. Under this SR Policy, we will continue to monitor, review and update our material Sustainability Factors from time to time, considering the feedback that we receive from our engagement with our stakeholders, organisational and external developments.

### 8.1 Sustainability Governance Structure

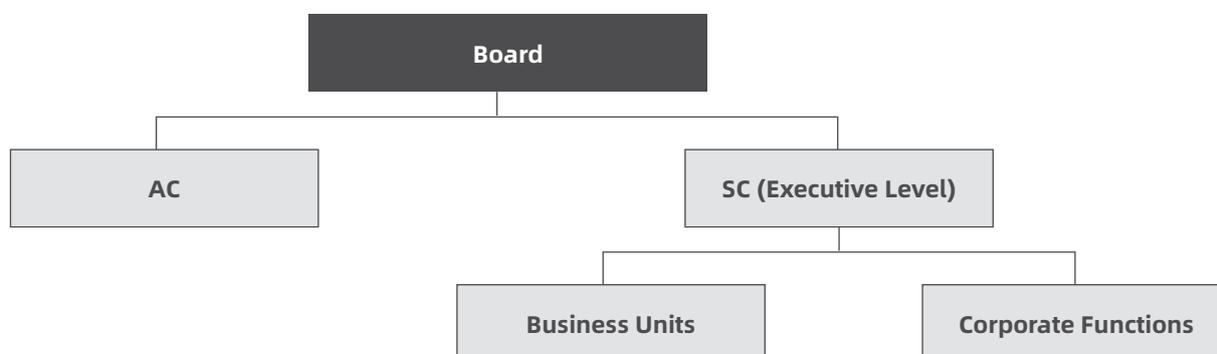
The Board is ultimately responsible for the oversight of the Group’s strategic direction on sustainability. It is supported by an executive level Sustainability Committee (“**SC**”) by virtue of delegation. Refer to the Corporate Governance Report of this Annual Report for detailed information on the Directors’ background and corporate governance approach.

Climate-related risks and opportunities are considered by the Board when reviewing and guiding the organisation’s sustainability strategy, risk management, business plans and performance objectives. Progress and performance against climate-related targets are monitored through internal tracking, reporting, and reviews. The Board engages with senior management to discuss sustainability performance, anticipate potential risks and opportunities, and provide strategic direction as needed. When evaluating action plans and new initiatives, the Board considers the organisation’s growth trajectory, regulatory developments, emerging trends, and climate-related risks and opportunities that may affect the long-term viability of the business.

The SC is led by the Chief Executive Officer (“**CEO**”) and assisted by the Group Financial Controller and General Manager, UK. The SC is further supported by representatives from key business units and corporate functions, as well as Heads from our different geographical operating locations. Besides the SC, the Board is also supported by the Audit Committee of the Company (“**AC**”) on specific sustainability matters that fall under its terms of reference (“**TOR**”).

Our sustainability governance structure and the responsibilities of component parties are detailed as follows:

Sustainability governance structure



# Sustainability Report

## TOR of component parties

Component Party	Member	TOR
Board	Board members	<ul style="list-style-type: none"> <li>• Determine material Sustainability Factors of the Group</li> <li>• Review and approve sustainability strategies, policies and targets (including materiality assessment process and outcome), and consider climate-related risks and opportunities during strategy formulation</li> <li>• Monitor implementation of sustainability strategies, policies and performance against targets</li> <li>• Oversee the identification and evaluation of climate-related risks and opportunities</li> <li>• Ensure the integration of sustainability and climate-related risks and opportunities within the Group's enterprise risk management ("ERM") framework</li> <li>• Review and approve sustainability reports</li> <li>• Evaluate the composition and competencies of the SC to support effective oversight of sustainability strategies, with consideration of climate-related risks and opportunities</li> </ul>
AC	AC members	<ul style="list-style-type: none"> <li>• Review the adequacy and effectiveness of the Group's internal controls and risk management systems</li> <li>• Oversee the conduct of assurance activities pertaining to the Group's sustainability reporting processes</li> </ul>
SC (Executive Level)	<ul style="list-style-type: none"> <li>• CEO</li> <li>• Group Financial Controller</li> <li>• General Manager, UK</li> </ul>	<ul style="list-style-type: none"> <li>• Develop sustainability strategies and policies, and consider climate-related risks and opportunities during strategy formulation</li> <li>• Ensure that the implementation of sustainability strategies is aligned across business segments</li> <li>• Evaluate overall sustainability risks and opportunities, with a focus on climate-related risks and opportunities</li> <li>• Perform materiality assessment</li> <li>• Monitor sustainability activities and performance against targets</li> <li>• Align the Group's practices with the organisation-wide sustainability agenda and strategies</li> <li>• Consolidate sustainability metrics to track sustainability impact on a group basis and for reporting purposes</li> <li>• Prepare sustainability reports</li> </ul>
Business Units/ Corporate Functions	Representatives from Finance, Human Resource, Procurement and Logistics business units and Heads from different geographical locations	<ul style="list-style-type: none"> <li>• Align practices at the operational level with the Group's sustainability agenda and strategies</li> <li>• Collect and compile sustainability metrics to track sustainability impact and for reporting purposes</li> </ul>

To enhance our Directors' knowledge of sustainability reporting and in line with the requirements of Listing Rule 720 (7) of the SGX-ST, we confirm that all our Directors have attended at least one (1) of the sustainability training courses approved by the Singapore Exchange Regulation.

# Sustainability Report

As we are still refining our sustainability related metric measuring, tracking and target setting mechanism, we will link the key executive's remuneration to sustainability performance when the mechanism is more mature and stable.

## 8.2 Sustainability Reporting Processes

Our sustainability process begins with an understanding of the Group's context. This is followed by the ongoing identification and assessment of the Group's sustainability-related impacts. The most significant impacts are prioritised for reporting, and the result of this process is a list of material Sustainability Factors disclosed in this Report.

Processes involved are as shown below:



### Context

Understand the Group's context by considering its activities, business relationships, stakeholders, and sustainability context of all the entities it controls or has an interest in, including minority interests



### Identification

Identify actual and potential impacts on the economy, environment, people and their human rights



### Rating

Assess the pervasiveness of Sustainability Factors across the Group and cluster similar Sustainability Factors.



### Prioritisation

Prioritise the impacts based on their significance to determine the key Sustainability Factors for reporting.



### Validate

Sustainability Factors are internally validated by the Board and SC.



### Review

In each reporting period, review the material Sustainability Factors from the previous reporting period to account for changes in impacts which can result from feedback received from engagement with stakeholders, organisational and external developments.

# Sustainability Report

## 8.3 Materiality Assessment

We constantly refine our management approach to adapt to the changing business landscape. The SC performs an annual materiality assessment to ensure that Sustainability Factors disclosed in our sustainability reports remain current, material, and relevant. From the assessment, we identify key areas that impact our ability to create value for our stakeholders.

Impacts, positive and negative, actual and potential, are assessed based on: (i) the likelihood of the occurrence of actual and potential negative and positive impacts; and (ii) their significance on the economy, environment, people and their human rights and contribution to sustainable development.

## 8.4 Performance Tracking and Reporting

We track the progress of our material Sustainability Factors by identifying, monitoring and measuring the relevant sustainability metrics. In addition, we set performance targets that are aligned with our business strategies to ensure that we remain focused in our path to sustainability. We constantly enhance our performance-monitoring processes and improve our data collection processes. A Report is published annually in accordance with our SR Policy.

## 9. MATERIAL SUSTAINABILITY FACTORS

In FY2025, a materiality assessment was conducted by the SC to update our material Sustainability Factors and this was followed by a stakeholder engagement session<sup>9</sup> to understand the concerns and expectations of our key stakeholders. In this Report, we also reported on our progress in managing these factors and set related targets to improve our sustainability performance.

We incorporated the SDGs from the UN Sustainability Agenda, as a supporting framework to shape and guide our sustainability strategy where appropriate. Below are the results showing how our material Sustainability Factors relate to these SDGs, along with a list of material Sustainability Factors applicable to the Group:

S/N	Material Sustainability Factor	SDG	Key Stakeholder	Our Effort
<b>Economic</b>				
1	Total customer satisfaction		<ul style="list-style-type: none"> <li>Customers</li> <li>Suppliers</li> </ul>	Maintain or improve the quality of our products as well as providing a comprehensive range of products to meet our customers' needs
2	Sustainable business performance		<ul style="list-style-type: none"> <li>Shareholders</li> </ul>	Contribute to economic growth through creating long-term economic value for our shareholders

<sup>9</sup> We engaged both internal and external stakeholders of customers, employees and suppliers for our materiality assessment.

# Sustainability Report

S/N	Material Sustainability Factor	SDG	Key Stakeholder	Our Effort
<b>Environmental</b>				
3	Water conservation		<ul style="list-style-type: none"> <li>• Communities</li> <li>• Shareholders</li> </ul>	Implement checks on water consumption and measures to reduce water wastage in our business operations
4	Energy-efficient products		<ul style="list-style-type: none"> <li>• Communities</li> <li>• Customers</li> <li>• Suppliers</li> </ul>	Continuously strive to offer energy-efficient products that comply with market-recognised international standards
5	Energy conservation and GHG emissions reduction		<ul style="list-style-type: none"> <li>• Communities</li> <li>• Shareholders</li> </ul>	Implement measures to reduce energy consumption to improve energy efficiency and reduce GHG emissions
6	Responsible waste management		<ul style="list-style-type: none"> <li>• Communities</li> <li>• Shareholders</li> </ul>	Minimise waste materials generated in our operations
<b>Social</b>				
7	Occupational health and safety		<ul style="list-style-type: none"> <li>• Employees</li> <li>• Regulators</li> </ul>	Adopt safety measures and procedures to avoid accidents that are preventable and in so doing, maintain the well-being and safety of our employees
8	Equality and diversity in the workplace		<ul style="list-style-type: none"> <li>• Employees</li> </ul>	Build a working environment in which employees can enjoy equal opportunities based on merits, regardless of age, gender, race or religion
9	Employee development and retention		<ul style="list-style-type: none"> <li>• Employees</li> </ul>	Invest in training, education and development of our people to maintain a quality workforce and build our business capabilities
<b>Governance</b>				
10	Robust corporate governance framework		<ul style="list-style-type: none"> <li>• Regulators</li> <li>• Shareholders</li> </ul>	Maintain a high standard of corporate governance to safeguard our shareholders' interests and maximise long-term shareholders' value

We will update our material Sustainability Factors on an annual basis to reflect changes in business operations, environment, stakeholders' feedback and sustainability trends. Based on the materiality assessment performed in FY2025, there are no changes to the material Sustainability Factors identified from the assessment performed in FY2024.

# Sustainability Report

The details of each material Sustainability Factor are presented as follows:

## 9.1 Total Customer Satisfaction

### Commitment

We are committed to provide value to our customers, meet their needs and expectation, as well as provide better customer experience.

### Approach

Our strategies towards customer satisfaction are as follows:

#### Offering reliable products of consistent quality

We aim to deliver the best to our customers by providing them with reliable products of consistent quality.

On product reliability, our products are certified under the following internationally recognised quality standards:

Standard/ certification	Area
IEC 60034-5	Demonstrate protection from particles and a good level of protection against water
ATEX certificate IEC Ex Certificate	Regulate product safety in explosive atmosphere
UL Certificate CSA Certificate	Regulate product safety in safe and explosive atmospheres
ISO 9001:2015	Specify requirements for quality management systems
ISO 14001:2015	Specify requirements for quality environmental management systems
ISO 45001:2018	Specify requirements for an occupational health and safety management system
Joint Supply Chain Accreditation Register ("JOSCAR") registered	Fulfilling the requirements for the full registration of JOSCAR and the required accreditation process will demonstrate an organisation's commitment and credentials within the defence sector

In keeping up with our commitment to product quality, we conduct regular on-site inspections of suppliers' manufacturing facilities to ensure that guidelines and customer specifications are adhered to. In addition, we track product defect levels diligently and this is measured by the amount of warranty claims made as a percentage of total purchases.

#### Offer a comprehensive product range that meets customers' needs

We offer a wide range of electric motors for operating in safe area segments, hazardous atmospheres and hostile environments to meet our customers' varied needs. Refer to our product applications disclosed in this Annual Report and a comprehensive list of our products at our corporate website: <https://www.brookcrompton.com/>

# Sustainability Report

## Maintain proximity and on-time delivery

Through our global network of sales offices and warehouses in the Key Markets, we can better serve our customers through:

- Customising our products to meet the requirements of our customers to build trust and confidence in our brand and products. With our extensive technical knowledge and experience, we can design bespoke products that meet individual customer's specifications; and
- Providing efficient and effective post-sale customer care services.

Our service centres are typically located alongside solution distribution centres in our Key Markets to bring us closer to our customers.

Over the years, we built a network of OEM suppliers that operate from locations near to our Key Markets to deliver products to our customers in a timely manner.

## Nurture a professional team of experienced employees

With over 110 years of technical and design expertise, our global footprint is driven by a core team of experienced professional employees that support our operations in the development and delivery of complex end-to-end turnkey solutions to our customers.

## Improving our products through gathering continuous feedback

We recognise the need to constantly develop new and better products that meet our customers' requirements. Customer feedback is collected from various channels such as face-to-face meetings, email communications, phone calls and teleconferences. Feedback collected is analysed to gather valuable insights into current and future customer requirements. Insights gathered are discussed during regular management meetings to drive product improvements, enhance service level and provide inputs for strategies.

## **Performance**

During the Reporting Period, we recorded a product defect rate of 0.17% (FY2024: 0.40%). The decrease in product defect rate is mainly due to rectifications made to an electric motor model in the prior year, which arose from the purchase from a customer.

## **9.2 Sustainable Business Performance**

### **Commitment**

We are committed to creating long-term economic value for shareholders by rewarding shareholders with consistent profits whilst maintaining a healthy balance sheet.

### **Approach**

We strive to generate and distribute economic value by executing our business strategy, which includes staying abreast with market trends, maintaining a healthy balance sheet and strong cash flow, whilst mitigating relevant business risks identified.

# Sustainability Report

## Performance

For FY2025, the Group recorded a revenue of S\$62 million (FY2024: S\$62 million) and generated S\$3 million (FY2024: S\$2 million) of profit for the financial year. A final tax exempt one-tier dividend of 2 Singapore cents per ordinary share (FY2024: 2 Singapore cents per ordinary share) is proposed for FY2025.

Further details of our Group's economic performance can be found in the financial contents and audited financial statements of this Annual Report.

## 9.3 Water Conservation

### Commitment

Water is a limited resource and whilst we do not consume a significant amount of water in our operations, we are committed to the responsible usage of water resources through enhancing our water consumption efficiency.

### Approach

We rely on water resources largely for pantry and sanitation purposes. We mainly source our water supply from municipal water suppliers<sup>10</sup>. Key initiatives to reduce our water consumption are as follows:

- Placing notices within our premises to remind employees to save water;
- Turning off taps when not in use and repairing leaks promptly; and
- Tracking and reviewing spending on water consumption regularly to control usage and corrective actions are taken when there are unusual consumption patterns.

### Performance

Key statistics on water consumption during the Reporting Period are as follows:

Sustainability Metric	Unit of Measurement	FY2025	FY2024
Water consumption	Cu M	714	845
Water consumption intensity	Cu M/ total number of employees	10	11

## 9.4 Energy-Efficient Products

### Commitment

To ensure the sustainability of our business, we firmly believe in preserving the environment. We are committed to providing energy-efficient products that contribute to the reduction of environmental impacts.

<sup>10</sup> Disclosure on water drawn from water stress areas is not made as the Group does not contribute significantly to the ability of any of the country in which it operates in, to meet the human and ecological demand for water.

# Sustainability Report

## Approach

Efficiency level is a measurement of usable shaft power (output) over electric input power (input). We offer a range of energy-efficient motors that comply with market recognised international standards as follows:

Organisation	Efficiency Level	Region
IEC	<ul style="list-style-type: none"><li>• IE3 Premium Efficiency</li><li>• IE4 Super Premium Efficiency</li><li>• IE5 Ultra Premium Efficiency</li></ul>	<ul style="list-style-type: none"><li>• UK</li><li>• Asia Pacific</li><li>• Continental Europe</li><li>• North America</li></ul>
Nema	Premium Standards	North America

Typically, electric motor systems consume large amount of electrical energy with the related energy costs contributing a high proportion of total motor operating costs over the motor's lifetime. An improvement in efficiency could result in significant energy and cost savings, which will also reduce GHG emissions that cause climate change.

## Performance

During the Reporting Period, 100% of our products on offer comply with at least IE3 Premium and/or Premium Standards efficiency level (FY2024: 100%).

## 9.5 Energy Conservation and GHG Emissions Reduction

### Commitment

We acknowledge that our energy consumption and the resultant GHG emissions contribute to climate change. Accordingly, we are committed to reducing our carbon footprint whilst open to capitalise on opportunities that may arise as we transit to become a low-carbon organisation.

### Approach

We aim to reduce our environmental footprint and at the same time, establish operational resilience to deliver long-term and sustainable value to our stakeholders. We adopt a balanced approach in effectively managing and minimising the environmental impacts arising from our business operations.

To run our operations, we rely mainly on purchased electricity for operating equipment at our premises such as for lighting, office work and cooling, as well as purchased gas heating in the UK, which generate indirect GHG emissions (Scope 2<sup>11</sup>). We do not generate material direct GHG emissions (Scope 1<sup>12</sup>) from our operations and therefore, no separate disclosure is made on direct GHG emissions (Scope 1). Nonetheless, we will continue to monitor such emissions and to disclose in future, as and when applicable.

We track and monitor our Scope 2 and certain categories of Scope 3 GHG emissions closely and are developing mechanisms to track our other categories of Scope 3 GHG emissions, where relevant and practicable.

11 Scope 2 GHG emissions are indirect emissions that arise from the generation of purchased electricity and gas heating consumed by a reporting entity. Scope 2 GHG emissions are generated at the facilities where electricity and heat are produced.

12 Scope 1 GHG emissions occur from sources that are controlled by a reporting entity.

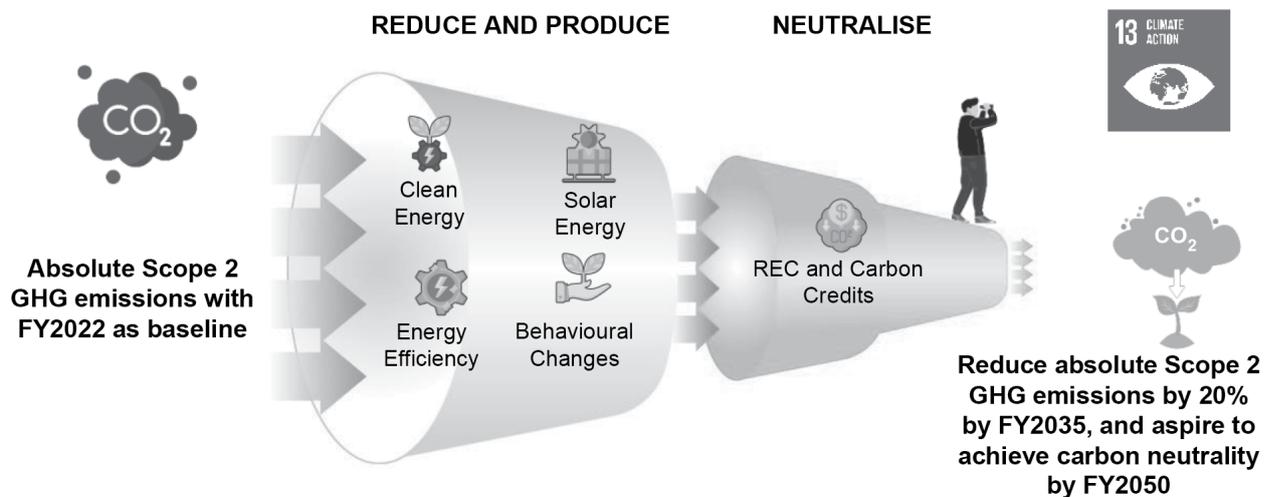
# Sustainability Report

We measure our GHG emissions in alignment with the GHG Protocol: A Corporate Accounting and Reporting Standard (2004). We adopted the operational control approach as a basis to determine GHG emissions data consolidation boundaries across our entities. This approach has been selected as it allows us to manage emissions from our operations where we have practical control to introduce relevant measures and implement operating policies. We have assessed that we have operational control over all reporting entities covered in this Report.

We developed a climate change transition plan and will refine and improve the plan as we progressively implement it, by considering changes in business operations, environment and market trends. Progress updates and performance will be provided in our future sustainability reports with assurance on the reporting process covered by an internal review.

## Climate change transition plan

Our climate change transition plan steers us in our decarbonisation journey. Under this plan, we commit to reduce our absolute Scope 2 GHG emissions by 20% and by FY2035, and aspire to achieve carbon neutrality by FY2050, with FY2022 as our baseline. Our climate change transition plan is focused on three (3) strategic levers of reduce, produce and neutralise as follows:



# Sustainability Report

Details of our strategic levers adopted in our climate change transition plan are as follows:

Lever	Reduce	Produce	Neutralise
Focus area	<ul style="list-style-type: none"> <li>Energy efficiency               <ul style="list-style-type: none"> <li>Equipment</li> <li>Lighting</li> <li>Cooling</li> <li>Electric vehicles</li> </ul> </li> <li>Clean energy</li> <li>Behavioural changes</li> </ul>	Solar energy	<ul style="list-style-type: none"> <li>Renewable energy certificates (“REC”)</li> <li>Carbon credits</li> </ul>

Our action plans by lever and focus area are as follows:

Lever	Focus Area	Action Plan
Reduce	Energy efficiency - Equipment	We track and review spending on energy consumption regularly to control usage and corrective actions are taken when there are unusual consumption patterns. We switch to more efficient equipment wherever possible.
	Energy efficiency - Lighting	We switch to energy-efficient light-emitting diode lightings wherever possible and install light sensors.
	Energy efficiency - Cooling	We schedule regular maintenance and servicing work for our air-conditioning systems to ensure that there are running efficiently. Air-conditioning units which are not functioning are replaced with more efficient models.
	Energy efficiency - Electric vehicles	Our action plans on this front include: <ul style="list-style-type: none"> <li>For t chase fuel efficient vehicles or electric vehicles to reduce carbon footprint and save expenses for fuel.</li> </ul>
	Clean energy	For the UK and Italy, we purchase electricity from energy retailers that distribute electricity from renewable sources. For the remaining entities, we are constantly exploring opportunities to use clean and/or renewable energy available in the locations where we operate in.
	Behavioural changes	We constantly remind our employees on socially responsible habits at their workplaces such as adopting greener work ethics, switching off appliances if not in use and enabling power saving modes.
Produce	Solar energy	We are exploring the installation of solar panels on our premises to further reduce our GHG emissions where practicable.
Neutralise	<ul style="list-style-type: none"> <li>REC</li> <li>Carbon credits</li> </ul>	We plan to explore the use of REC and carbon credits to offset unavoidable residual GHG emissions when the relevant markets mature.

In the UK, we partnered with ‘Play it Green’ to plant 50 trees, so as to offset the carbon emissions of hosting an event. We aim to encourage our customers to plant trees and raise the awareness of carbon offsetting.

# Sustainability Report

## Performance

Key statistics on energy consumption and GHG emissions during the Reporting Period are as follows:

Sustainability Metric	Unit of Measurement	FY2025	FY2024
<b>Energy consumption</b>			
Electricity consumption	Gigajoules ("GJ")	1,953	1,955
Gas heating consumption	GJ	1,809	2,463
Total energy consumption	GJ	3,762	4,419
<b>Energy consumption intensity</b>			
Electricity consumption intensity	GJ/ '000 square feet of operating space utilised	11	11
Gas heating consumption intensity	GJ/ '000 square feet of operating space utilised	26	36
<b>GHG emissions</b>			
Indirect GHG emissions (Scope 2)	tonnes CO <sub>2</sub> e	256	293 <sup>2</sup>
GHG emissions intensity	tonnes CO <sub>2</sub> e/ '000 square feet of operating space utilised	1.06	1.18 <sup>2</sup>

The reduction in gas heating consumption during the Reporting Period was achieved through the use of more efficient equipment.

During the Reporting Period, we track selected categories of Scope 3 GHG emissions<sup>13</sup> for our main operations in the UK as follows:

Category	Coverage	Unit of Measurement	FY2025	FY2024
Category 6: Business travel	Air travel	tonnes CO <sub>2</sub> e	16	32
Category 7: Employee commuting	Transportation of employees between their homes and their worksites	tonnes CO <sub>2</sub> e	24	25

The decrease in air travel emissions is mainly due to lesser overseas travel during the Reporting Period.

<sup>13</sup> Scope 3 GHG emissions were calculated using Department for Energy Security and Net Zero of the United Kingdom emission factors, and the International Civil Aviation Organization Carbon Emissions Calculator.

# Sustainability Report

## 9.6 Responsible Waste Management

### Commitment

We recognise that environmental preservation through efficient waste management, such as reusing and recycling, allows us to operate in a sustainable environment. We are committed to minimise wastage in our operations so as to minimise the potential impact of our operations on the environment.

### Approach

We will continuously monitor waste generated from our operations and make the relevant waste-related disclosure where applicable.

### Performance

As most of our production and delivery processes are outsourced, waste generated from our operations is not material and with no hazardous waste produced. Accordingly, no disclosure on waste generated is made in this Report. We will continue to monitor our waste level and disclose in future, if applicable.

## 9.7 Occupational Health and Safety

### Commitment

In our daily operations, some of our employees have to handle heavy lifting equipment such as a forklift to transfer inventories at our warehouses and operate machinery to modify our motor products. Accordingly, we are committed to maintaining a safety-conscious culture amongst our employees.

### Approach

The measures implemented to manage health and safety at our workplaces are as follows:

- A set of safety rules and regulations is in place;
- A safety committee is in place and safety inspections are performed regularly by safety officers and reported to senior managers;
- All new employees are briefed on safety procedures during orientation; and
- Regularly track and monitor accidents at the workplace and corrective action plans are established to prevent recurrences of the accidents.

# Sustainability Report

## Performance

Key statistics on our work-related injuries and ill health cases are as follows:

Sustainability Metric	FY2025	FY2024
Number of workplace fatalities	-	-
Number of high consequence work-related injuries <sup>3</sup>	-	-
Number of recordable work-related injuries	-	1
Number of recordable work-related ill health cases	-	-

## 9.8 Equality and Diversity in the Workplace

### Commitment

To inspire and nurture our people, we are committed to the goals of diversity and equal opportunity in employment by providing a work environment for our employees that fosters fairness, equality and respect for social and cultural diversity, regardless of age, gender, race or religion.

### Approach

To promote equal opportunity, we implemented various human resource measures as follows:

- Assessment is performed regularly to evaluate the performance of employees, and their remuneration is adjusted where justifiable and based on merit;
- Recruitment advertisements do not state age, gender, race or religion as requirement; and
- Discrimination and harassment guidelines are in place to support our overall commitment to equal employment opportunity without discrimination.

### Performance

As at 31 December 2025, the Group has a total of 70 (FY2024: 74) full-time employees and 1 (FY2024: Nil) part-time employee.

#### Gender diversity (%)

We view gender diversity in the workplace as an essential element in supporting sustainable development. Key statistics on gender diversity of our employees are as follows:

Sustainability Metric	FY2025		FY2024	
	Male	Female	Male	Female
<b>Overall</b>	67%	33%	65%	35%
<b>Employee category</b>				
Management	50%	50%	47%	53%
Non-management	72%	28%	69%	31%

# Sustainability Report

## Age diversity (%)

We value mature workers for their experience, knowledge and skills. Key statistics on age diversity of our employees are as follows:

Sustainability Metric	FY2025			FY2024		
	Below 30	30 – 50	Above 50	Below 30	30 – 50	Above 50
<b>Overall</b>	11%	37%	52%	9%	45%	46%
<b>Employee category</b>						
Management	-%	44%	56%	-%	67%	33%
Non-management	15%	35%	50%	12%	39%	49%

During the Reporting Period, there were zero (FY2024: zero) reported incidents of unlawful discrimination<sup>4</sup> against employees.

## 9.9 Employee Development and Retention

### Commitment

We firmly believe that our success comes from continual investment in our employees. Our human resource strategy recognises the importance of social equity and the provision of equal opportunities in an environment that is safe and healthy for employees. We believe that a low turnover improves the sustainability of our operations and allows us to contribute positively to the development of social and human capital in a wider community.

### Approach

In line with our mission to inspire and nurture our people, we are committed to employee retention through the following efforts:

- Providing pro-family benefits to eligible employees which include maternity leave, paternity leave and childcare leave;
- Employees are engaged regularly via various channels such as performance appraisals which allow them to gain feedback on their career progress. This also encourages them to take self-initiated actions to improve their capabilities; and
- In-house and external training courses are organised regularly for employees to improve their professional skills. For example, a systematic training programme is maintained for our employees in Australia, North America and the UK to equip them with the needed product and service knowledge.

# Sustainability Report

## Performance

### Parental leave

Key statistics on maternity leave and paternity leave (collectively referred to as “**Parental Leave**”) taken by eligible employees are as follows:

Sustainability Metric	FY2025		FY2024	
	Male	Female	Male	Female
Number of employees entitled to Parental Leave	2	2	1	2
Number of employees who took Parental Leave	2	2	1	2
Number of employees who returned to work after Parental Leave ended	2	2	1	-
Return to work rate of employees who took Parental Leave	100%	100%	100%	-%
Retention rate of employees 12 months after they returned to work from Parental Leave <sup>14</sup>	100%	-%	-%	-%

### New hires<sup>15</sup>

During the Reporting Period, our overall hiring rate was 11% (FY2024: 22%). Key statistics on new employee hires are as follows:

Sustainability Metric	FY2025		FY2024	
	Number	Percentage	Number	Percentage
<b>Overall</b>	8	11%	16	22%
<b>Gender</b>				
Male	6	13%	7	15%
Female	2	9%	9	35%
<b>Age</b>				
Below 30	5	63%	3	43%
30 to 50	2	8%	10	30%
Above 50	1	3%	3	9%

<sup>14</sup> Retention rate is calculated based on employees who took Parental Leave in the preceding reporting period.

<sup>15</sup> New hire related statistics are calculated based on confirmed new hires over total full-time employees by gender and age.

# Sustainability Report

## Employee turnover<sup>16</sup>

During the Reporting Period, our overall turnover rate was 16% (FY2024: 23%). Key statistics on employee turnover are as follows:

Sustainability Metric	FY2025		FY2024	
	Number	Percentage	Number	Percentage
<b>Overall</b>	11	16%	17	23%
<b>Gender</b>				
Male	7	15%	13	27%
Female	4	17%	4	15%
<b>Age</b>				
Below 30	1	13%	4	57%
30 to 50	5	19%	5	15%
Above 50	5	14%	8	24%

Overall hiring and turnover rate decreased in FY2025 mainly due to market conditions that led a more stabilized workforce.

## Training and development

During the Reporting Period, our employees received 561 hours (FY2024: 614 hours) of training and each employee received an average of 8 hours of training (FY2024: 8 hours of training per employee).

Sustainability Metric	FY2025	FY2024
<b>Overall</b>		
Total training hours	561	614
Average training hours per employee	8	8
<b>Gender (Male)</b>		
Total training hours	311	392
Average training hours per employee	7	8
<b>Gender (Female)</b>		
Total training hours	250	222
Average training hours per employee	11	9

During the Reporting Period, the decrease in total training hours was mainly due to mandatory biannual training courses required at one of our operating locations in FY2024.

<sup>16</sup> Turnover related statistics are calculated based on turnover of confirmed employees over total full-time employees by gender and age.

# Sustainability Report

## Performance appraisals

During the Reporting Period, 100% (FY2024: 100%) of employees received regular performance appraisals.

Sustainability Metric	FY2025	FY2024
<b>Overall</b>	100%	100%
<b>Gender</b>		
Male	100%	100%
Female	100%	100%
<b>Employee category</b>		
Management	100%	100%
Non-management	100%	100%

## 9.10 Robust Corporate Governance Framework

### Commitment

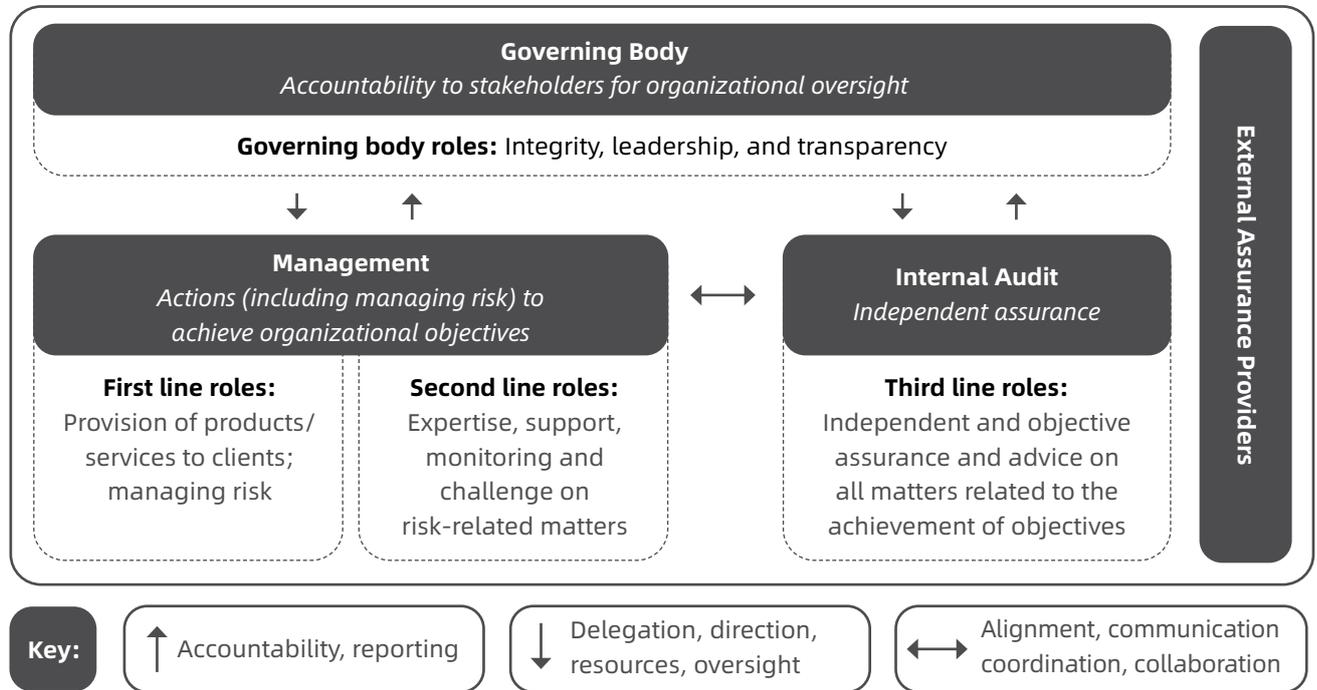
A high standard of corporate governance is integral in ensuring the sustainability of our business as well as safeguarding shareholders' interests and maximising long-term shareholders' value.

We are also committed to carry out business with integrity by avoiding corruption in any form, including bribery, and complying with the Prevention of Corruption Act of Singapore.

### Approach

We aligned our corporate governance and risk management approach with the Three Lines Model issued by the Institute of Internal Auditors ("IIA"). The Three Lines Model serves to identify structures and processes that best assist the achievement of organisational objectives and facilitate strong governance and risk management. Under the Three Lines Model, the roles and responsibilities of governing body, management (first- and second-line roles), internal audit (third-line roles) and the relationship among them are defined as follows:

# Sustainability Report



The IIA's Three Lines Model

Key initiatives taken by us on corporate governance include:

- An ERM framework is in place;
- Regular assessment and review of our Group's business and operational environment are performed to better identify and manage emerging and strategic sustainability risks;
- A whistleblowing policy is in place to provide a mechanism for employees to raise concerns through accessible and confidential disclosure channels on possible improprieties;
- A code of conduct is in place to provide guidance on business culture and corporate behaviour; and
- We seek to comply with the applicable laws and regulations including the Mainboard Rules of the SGX-ST, and those that are related to employment and corporate affairs.

You may refer to the Corporate Governance Report of this Annual Report for more information on our corporate governance practices.

# Sustainability Report

## Performance

During the Reporting Period, there were zero incidents (FY2024: zero incidents) of serious offence<sup>5</sup> and zero incidents (FY2024: zero incidents) of non-compliance with any applicable laws and regulations<sup>6</sup> that resulted in a significant fine or non-monetary sanction. Our overall Singapore Governance and Transparency Index score assessed by the National University of Singapore Business School is 71 for the year 2025. (Year 2024: 64).

## 10. TARGETS AND PROGRESS

To measure our ongoing sustainability performance and drive continuous improvement, we have developed a set of targets related to our material Sustainability Factors. Our progress against these targets is reviewed and reported on an annual basis with details as follows:

Legend: Progress tracking	
○○○	New target
●●●	Target achieved
●●○	On track to meet target
●○○	Not on track, requires review

S/N	Material Sustainability Factor	Target <sup>17</sup>	Current Year's Progress Against Progressive Target Set for FY2025 <sup>18</sup>
<b>Economic</b>			
1	Total customer satisfaction	<u>Short-term</u> <ul style="list-style-type: none"> <li>Maintain or improve market presence subject to market conditions</li> <li>Product defect rate maintained below 1%</li> </ul>	●●● We maintained market presence and a product defect rate below 1%.
2	Sustainable business performance	<u>Short-term</u> Maintain or improve our financial performance subject to economic conditions	●●● We maintained revenue at S\$62 million and our profit for the year increased to S\$3 million.
<b>Environmental</b>			
3	Water conservation	<u>Short-term</u> Maintain or reduce water consumption intensity	●●● We reduced our water consumption intensity to 10 Cu M/ total number of employees.
4	Energy-efficient products	<u>Short-term</u> Maintain all our products on offer to comply with at least IE3 Premium Efficiency and/or Premium Standards efficiency level	●●● We maintained all our products on offer to comply with at least IE3 Premium Efficiency and/or Premium Standards efficiency level.

17 Time horizons for target setting are (i) short-term: within five (5) years (until FY2029); (ii) medium-term: between five (5) to 20 years (FY2030 and FY2044); (iii) long-term: more than 20 years (FY2045 onwards); and (iv) ongoing: encompassing short, medium and long-term.

18 You may refer to the FY2024 Report for details on targets set for FY2025.

# Sustainability Report

S/N	Material Sustainability Factor	Target <sup>17</sup>	Current Year's Progress Against Progressive Target Set for FY2025 <sup>18</sup>
5	Energy conservation and GHG emissions reduction	<u>Short-term</u> Maintain or reduce GHG emissions intensity by FY 2025, with FY2022 as our baseline	●●● We reduced our GHG emissions intensity to 1.06 tonnes CO <sub>2</sub> e/ '000 square feet of operating space utilised.
		<u>Medium-term</u> Reduce our absolute Scope 2 GHG emissions by 20% by FY2035, with FY2022 as our baseline	●●○ We continued to reduce our absolute Scope 2 GHG emissions and is on track to meet our medium and long-term targets.
		<u>Long-term</u> Aspire to achieve carbon neutrality by FY2050	
6	Responsible waste management	<u>Short-term</u> Maintain an immaterial amount of waste generated and with no hazardous waste produced	●●● We maintained an immaterial amount of waste generated with no hazardous waste produced.
<b>Social</b>			
7	Occupational health and safety	<u>Ongoing and long-term</u> Maintain zero work-related injuries and ill-health cases	●●● We maintained zero work-related injuries and ill-health cases
8	Equality and diversity in the workplace	<u>Ongoing and long-term</u> Maintain zero reported incidents of unlawful discrimination against employees	●●● We maintained zero reported incidents of unlawful discrimination against employees.
9	Employee development and retention	<u>Ongoing and long-term</u> <ul style="list-style-type: none"> <li>Maintain proportion of employees who receive performance appraisals</li> <li>Maintain or improve average training hours per employees</li> </ul>	●●● <ul style="list-style-type: none"> <li>100% of employees received regular performance appraisals</li> <li>We maintained the average training hours per employee</li> </ul>
<b>Governance</b>			
10	Robust corporate governance framework	<u>Ongoing and long-term</u> <ul style="list-style-type: none"> <li>Maintain zero incidents of serious offence<sup>5</sup></li> <li>Maintain zero incidents of non-compliance with any applicable laws and regulations<sup>6</sup> that resulted in a significant fine or non-monetary sanction</li> </ul>	●●● We maintained zero incidents of serious offence and zero incidents of non-compliance with any applicable laws and regulations

# Sustainability Report

For the material Sustainability Factors identified in this Report, the Board and the SC have considered the relevance and usefulness of setting related targets in the short, medium and long-term horizons. As the historical data trends for certain material Sustainability Factors have yet to stabilise, we have not set the related medium and long-term targets. We will disclose such targets in our future sustainability reports when the data trends have stabilised and subject to market trends.

## 11. SUPPORTING THE TCFD

Our climate-related disclosures are produced based on the 11 recommendations of TCFD:

### Governance

*a. Describe the board's oversight of climate-related risks and opportunities.*

The Board oversees the management and monitoring of material Sustainability Factors and consider climate-related issues in determining the Group's strategic direction and policies on an annual basis.

*b. Describe management's role in assessing and managing climate-related risks and opportunities.*

Our sustainability strategy is developed and directed by the SC in consultation with the Board. The SC is led by the CEO and assisted by the Group Financial Controller and General Manager, UK. The SC is further supported by representatives from key business units and corporate functions, as well as Heads from our different geographical locations. The responsibilities of the SC include performing materiality assessment, considering stakeholders' priorities, setting targets, as well as collecting, monitoring and reporting of performance data.

### Strategy

*a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.*

*b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.*

# Sustainability Report

We recognise that climate change poses different types of risks to our business. The Group's assessment on the potential implications of the climate-related risks was undertaken based on the Network of Central Banks and Supervisors for Greening the Financial System ("NGFS") range of climate scenarios:

Scenario	Description
<u>Orderly</u> (Net zero 2050)	Reaching net-zero global CO <sub>2</sub> emissions by 2050 will require an ambitious transition across all sectors of the economy. Scenarios highlight the importance of decarbonising the electricity supply, increasing electricity use, improving energy efficiency, and developing new technologies to tackle hard-to-abate emissions. Transition risks to the economy could result from higher emissions costs and changes in business and consumer preferences, while physical risks would be minimised.
<u>Hot house world</u> (Current policies)	While many countries have started introducing climate policies, they remain insufficient to achieve official commitments and targets. If additional measures are not implemented, global temperature could rise 3 °C or more by 2100. This would likely lead to deteriorating living conditions in many parts of the world and result in irreversible impacts, such as sea-level rise. Physical risks to the economy could result from disruption to ecosystems, health, infrastructure and supply chains.

We selected NGFS' orderly and hot house world scenarios for the purpose of our qualitative climate scenario analysis. The impact of the climate-related risks is analysed on Group-wide activities in the short-term (within five (5) years, until FY2029), medium-term (between five (5) to 20 years, between FY2030 and FY2044) and long-term (more than 20 years, FY2045 onwards). Based on the above-mentioned scenarios, the climate-related risks and opportunities identified by the Group during a climate-related risk assessment exercise include the following:

# Sustainability Report

## Physical Risk

### Physical Risk 1: Increased Severity of Extreme Weather Events

<b>Description</b>	<p>Climate changes, such as rising temperatures and extreme weather events (such as floods and droughts), may disrupt the Group's supply chains and consequently cause procurement delays, which will in turn adversely affect its business performance.</p> <p>Additionally, increased heatwaves from global warming could raise cooling costs, reduce labour productivity and increase the spread of vector-borne diseases like dengue.</p> <p>We remain vigilant in monitoring the impact of climate change on our operations, mindful of the alarming estimated global cost of USD 16 million per hour<sup>19</sup> arising from climate-related damage.</p>			
<b>Financial Impact<sup>20</sup></b>	<b>Current effect (SGD)</b>	<b>Short-term</b>	<b>Medium-term</b>	<b>Long-term</b>
	<b>Scenario: Orderly</b>			
	NA <sup>21</sup>	○	○	○
	<b>Scenario: Hot house world</b>			
	NA <sup>21</sup>	●	●	●
<b>Mitigation Measure</b>	<p>We put in place a climate change transition plan to steer us on our decarbonisation journey.</p> <p>The increased severity of extreme weather events drove us to increase our operational efficiency.</p> <p>You may refer to section '9.5 Energy Conservation and GHG Emissions Reduction' for further information.</p>			
<b>Climate-related Opportunity</b>	<p>We may capitalise on opportunities available in improving our operational efficiency.</p> <p>The Group also realises the opportunity to review and assess our value chain to reduce operating costs</p>			

19 Source: <https://www.weforum.org/agenda/2023/10/climate-loss-and-damage-cost-16-million-per-hour/>

20 Significance of financial impact is determined based on the risk appetite established in accordance with the Group's ERM framework.

21 We are unable to estimate the current financial effect due to uncertainties in the inputs and assumptions resulting from the lack of available data, including information about climate outcomes and their effects on the Group. We will continue to monitor credible information to support our disclosures in this area.

# Sustainability Report

## Transition Risk

### Transition Risk 1: Enhanced GHG Emissions Reporting Obligations

**Description** With rising concerns over the effects of climate change, key stakeholders such as the regulators and shareholders are demanding climate-related information. Failure to comply with the relevant climate reporting requirements may lead to adverse impacts on the Group’s reputation and financial performance.

The enhanced obligations for GHG emissions reporting may result in increased costs due to the investment of manpower resource in more comprehensive data collection, analysis and reporting processes, greater involvement from management and additional costs for consultants and employee training.

Financial Impact	Short-term	Medium-term	Long-term
	<b>Scenario: Orderly</b>		
	○	○	○
<b>Scenario: Hot house world</b>			
	○	○	○

**Mitigation Measure** To strengthen our sustainability governance structure, we put in place a SC for managing and monitoring our material Sustainability Factors, including working with the various business units and corporate functions to ensure that these are integrated into our day-to-day operations.

In addition, we established TOR for component parties involved in the sustainability reporting process, for clarity and accountability purposes.

With the above, we will be in a better position to meet the changes in regulations and rising expectations of stakeholders on the environment.

**Climate-related Opportunity** The enhanced emissions reporting obligations and increase in regulatory costs will raise climate awareness among our employees.

With more defined job responsibilities and training, the Group will also be better positioned to use energy resources responsibly and adopt environmentally friendly practices.

#### Legend

- Minor
- Moderate
- Major

These climate-related risks and opportunities remain valid for the Group for the purposes of planning and decision making and will be updated periodically or where there is a major change in our business model.

Based on the scenarios above, we will continue to formulate adaptation and mitigation plans and allocate resources towards transitioning to low or net zero carbon operations, through optimal business strategy and effective planning. We strive to minimise the climate risks associated with our business and will seize opportunities such as expanding collaboration and partnership with key stakeholders to innovate and develop low carbon goods and services for the market.

# Sustainability Report

## Strategy

- c. *Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.*

The resilience of an organisation's strategy is dependent on its ability to adapt and thrive in the face of changing circumstances and emerging risks. The climate scenario analysis is crucial in providing insights on the potential extent of the climate-related risk exposure to our businesses as well as the potential opportunities.

Through our climate scenario analysis, we concluded that unmitigated climate risk increased severity of extreme weather events under the hot house world scenario may result in a major financial impact in the medium and long-term. Under the orderly scenario, the climate-related risks identified are not expected to result in significant financial impact in the short, medium or long-term. To address the risks and capitalise on opportunities associated with climate change, we will continuously build on our strategy to remain resilient as we progress in our sustainability journey.

## Risk Management

- a. *Describe the organisation's processes for identifying and assessing climate-related risks.*
- b. *Describe the organisation's processes for managing climate-related risks.*
- c. *Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.*

Climate-related risk management is covered under our ERM framework whereby potential climate-related risks are identified, assessed, monitored and managed. Business units and functions are responsible for identifying and documenting their relevant climate-related risk exposures that might hinder their progress towards contributing to the Group's business objectives. These risks and opportunities, along with their treatment plans, are reviewed and updated during the annual ERM exercise and presented to the AC and the Board along with other key enterprise-wide risks. Climate-related risks are also monitored based on the trend of climate-related sustainability metrics.

## Metrics and Targets

- a. *Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.*

We track, measure and report on our environmental performance, including energy consumption, GHG emissions, water and waste management and disclose related metrics in this Report. Monitoring and reporting these metrics help us in identifying areas with material climate-related risks and enable us to be more targeted in our efforts.

# Sustainability Report

- b. *Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks.*

To support the climate change agenda, we disclosed our Scope 2 and selected categories of Scope 3 GHG emissions in this Report and set climate-related targets such as those related to energy consumption, GHG emissions, water and waste management. As we do not generate material direct GHG emissions (Scope 1) from our operations, no separate disclosure is made accordingly. Nonetheless, we will continue to monitor such emissions and to disclose them in future, as and when applicable.

Our disclosure on indirect Scope 3 GHG emissions in this Report includes business travel (category 6) and employee commuting (category 7) in FY2025.

- c. *Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.*

As a commitment towards mitigating climate change, we have set climate-related targets related to energy consumption, GHG emissions, water and waste management. For further details, refer to section 10 Targets and Progress.

# Sustainability Report

## APPENDIX 1 GRI CONTENT INDEX

<b>Statement of use</b>	Brook Crompton Holdings Ltd. has reported the information cited in the GRI content index for the period from 1 January to 31 December 2025 with reference to the GRI Standards.
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standard(S)</b>	None

<b>GRI standard</b>	<b>Disclosure</b>	<b>Location</b>
GRI 2: General Disclosures 2021	2-1 Organisational details	1, 3, 12, 38, 86, 138-139
	2-2 Entities included in the organisation's sustainability reporting	39
	2-3 Reporting period, frequency and contact point	39, 44
	2-4 Restatements of information	37
	2-5 External assurance	39
	2-6 Activities, value chain and other business relationships	10-11, 38
	2-7 Employees	38, 53-58
	2-8 Workers who are not employees	None
	2-9 Governance structure and composition	8, 13-17, 41-42
	2-10 Nomination and selection of the highest governance body	21-23
	2-11 Chair of the highest governance body	8, 17-20
	2-12 Role of the highest governance body in overseeing the management of impacts	41-42
	2-13 Delegation of responsibility for managing impacts	13-17, 41-42
	2-14 Role of the highest governance body in sustainability reporting	41-42
	2-15 Conflicts of interest	13-17
	2-16 Communication of critical concerns	29-31, 33-34, 58-60
	2-17 Collective knowledge of the highest governance body	13-17, 41-42
	2-18 Evaluation of the performance of the highest governance body	23
	2-19 Remuneration policies	24-27
	2-20 Process to determine remuneration	24-27
	2-21 Annual total compensation ratio	Information is not provided due to confidentiality constraints.
	2-22 Statement on sustainable development strategy	4-7, 36
	2-23 Policy commitments	41, 58-60
	2-24 Embedding policy commitments	41, 58-60
	2-25 Processes to remediate negative impacts	29-31, 58-60
	2-26 Mechanisms for seeking advice and raising concerns	29-31, 58-60
	2-27 Compliance with laws and regulations	58-60
	2-28 Membership associations	None
	2-29 Approach to stakeholder engagement	40
	2-30 Collective bargaining agreements	As at 31 December 2025, 100% of our bargainable employees in Italy are covered by collective bargaining agreements.

# Sustainability Report

<b>GRI standard</b>	<b>Disclosure</b>	<b>Location</b>
GRI 3: Material Topics 2021	3-1 Process to determine material topics	41-45
	3-2 List of material topics	44-45
	3-3 Management of material topics	46-60
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	47-48
	201-2 Financial implications and other risks and opportunities due to climate change	62-66
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	58-60
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	49-52
	302-3 Energy intensity	49-52
	302-4 Reduction of energy consumption	49-52
	302-5 Reductions in energy requirement of products and services	49-52
GRI 303: Water and Effluents 2018	303-5 Water consumption	48
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	49
	305-2 Energy indirect (Scope 2) GHG emissions	49-52
	305-3 Other direct (Scope 3) GHG emissions	49-52
	305-4 GHG emissions intensity	49-52
	305-5 Reduction of GHG emissions	49-52
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	53
	306-2 Management of significant waste-related impacts	53
	306-3 Waste generated	53
	306-4 Waste diverted from disposal	53
	306-5 Waste directed to disposal	53
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	56-57
	401-3 Parental leave	56
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	53-54
	403-10 Work-related ill health	53-54
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	57
	404-2 Programmes for upgrading employee skills and transition assistance programmes	55-58
	404-3 Percentage of employees receiving regular performance and career development reviews	58
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	54-55
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	54-55

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## APPENDIX 2 INDUSTRY-BASED GUIDANCE ON IMPLEMENTING CLIMATE-RELATED DISCLOSURE METRICS

The sustainability disclosure metrics are based on the IFRS Sustainability Disclosure Standard Industry-Based Guidance for implementing climate-related disclosure (Volume B50 - Industrial Machinery and Goods) for the distribution of electric motors business segment. The details are as follows:

**Table 1. Sustainability Disclosure Topics and Metrics**

Topic	Code	Metric	FY2025 Response
Energy Management	RT-IG-130a.1	Total energy consumed	Our total energy consumed was 3,762 GJ in FY2025. For further details, please refer to section 9.5.
		Percentage grid electricity	Our electricity consumption was 100% drawn from the electricity grid in FY2025.
		Percentage renewable	The renewable percentage was 23% in FY2025.
Fuel Economy and Emissions in Use-phase	RT-IG-410a.1	Sales-weighted fleet fuel efficiency for medium-and heavy-duty vehicles	Not applicable for our business as we distribute electric motors.
	RT-IG-410a.2	Sales-weighted fuel efficiency for non-road equipment	
	RT-IG-410a.3	Sales-weighted fuel efficiency for stationary generators	
	RT-IG-410a.4	Sales-weighted emissions of nitrogen oxides (“ <b>Nox</b> ”) and Particular matter (“ <b>PM</b> ”) for: <ul style="list-style-type: none"> <li>• Marine diesel engines</li> <li>• Locomotive diesel engines</li> <li>• On-road medium- and heavy-duty engines</li> <li>• Other non-road diesel engines</li> </ul>	

**Table 2. Activity Metrics**

Code	Activity Metric	FY2025 Response
RT-IG-000.A	Number of units produced by product category	Not applicable as we distribute electric motors.
RT-IG-000.B	Number of employees	The total number of employees as at 31 December 2025 is 71.

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## APPENDIX 3 KEY ASSUMPTIONS

The key assumptions reflect the current market conditions, regulatory landscapes and stakeholder expectations. Details of the scopes and assumptions for our scenario analysis and climate change transition plan are as follows:

Disclosure	Assumption
Climate change transition plan	<p>Our climate change transition plan, including levers and detailed action plans, assumed certain future events, trends, plans, expectations and objectives relating to the Group's business operations, in setting our targets. It is also prepared based on the current operating environment, which includes policies and plans undertaken by governments and other stakeholders.</p> <p>Accordingly, these assumptions are subjected to inherent uncertainties including (but not limited to) changes in regulatory requirements, progress in technological developments, stakeholders' action and reaction, and other external factors that are beyond the Group's control.</p> <p>As such, our climate change transition plan may be reviewed and updated over time to reflect evolving circumstances and availability of new information.</p>
Scenario analysis	<ul style="list-style-type: none"> <li>• In assessing the potential implications of climate-related risks based on NGFS range of climate scenarios, we also considered alternate range of climate scenarios from the International Energy Agency and the Representative Framework, and made various assumptions adopted in such frameworks.</li> <li>• The scenario analysis performed is dependent on the said assumptions under the NGFS range of scenarios. Key assumptions are as follows:               <ul style="list-style-type: none"> <li>(i) Orderly (Net Zero 2050): Assumes that ambitious climate policies and technological shifts are introduced immediately and forcefully impact the economy.</li> <li>(ii) Hot House World (Current Policies): Assumes that only currently implemented policies are preserved, leading to high physical risks. Emissions grow leading to about 3 °C. Investments allocation and energy mix do not change.</li> </ul> </li> <li>• Constant growth is assumed when assessing the financial and environmental impact.</li> <li>• The scenario analysis includes a modelling process, which is constantly changing as the operating environment evolves, and contains uncertainties and limitations that are commonly associated with scenario analysis.</li> </ul>