S Natural Cool Holdings Limited

ENERGISED FOR WIDER GROWTH SUSTAINABILITY REPORT FY 2018

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1 ABOUT THIS REPORT

Natural Cool Holdings Limited ("Natural Cool" or the "Company", and together with its subsidiaries, the "Group") are pleased to present the sustainability report covering the Group's sustainability efforts in the financial year ended 31 December 2018 ("FY2018"). This report is set out on a "comply or explain" basis in accordance with Rule 711B and Practice Note 7F of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited ("SGX-ST").

As one of the leading air-conditioning specialists in Singapore, we are motivated by the prospect of being a benchmark creator of sustainable value for our shareholders and customers. We are committed to applying best practices in sustainability reporting and transparency to our various stakeholders.

Reporting Scope and Period

This sustainability report provides an overview of Natural Cool's sustainability performance as well as its strategies and practices, while highlighting the economic, environmental, and social impact of the Company's activities and developments. Further information on corporate governance, which is part of our sustainability, can be found under the section of "Corporate Governance" on page 103 to 130 of the Group's FY2018 Annual Report which was published on the SGXNET on 11 April 2019.

To reaffirm our commitment towards sustainability, our sustainability report will be published no later than 31 May on an annual basis from our financial year ended 31 December. This report covers the Group's sustainability practice for FY2018 from 1 January 2018 to 31 December 2018.

Reporting Process

In each reporting cycle, Natural Cool's Sustainability Reporting Committee (the "SR Committee") reviews the content of the report to determine its relevance to our business as well as to ensure that the current and emerging material issues of significance pertaining to sustainability and the interests of our stakeholders are addressed. The SR Committee includes the Chief Executive Officer, Managing Director, Chief Investment Officer, and the management personnel of all our business functions.

GRI Guidelines

We would like to inform our stakeholders that we are benchmarking our sustainability efforts in accordance with the Global Reporting Initiative ("GRI") Standards.

The GRI Sustainability Reporting Guidelines provide a globally recognised framework for companies to measure and communicate their environmental, economic, social and governance performance. We have prepared our report in accordance with the GRI Standards - Core option.

Feedback

We value feedback from our stakeholders as it allows us to continually improve our sustainability policies, processes and performance. Kindly address all feedback to the SR Committee at *report.sr@natcool.com*. Your feedback is important to us so that we can improve on our future reporting.

2 STATEMENT FROM BOARD

At Natural Cool, we recognise the importance of creating long-term value for our stakeholders and believe that it can be achieved through sustainable business practices and our commitment to be a responsible corporate citizen.

The Board strives to align the Group's policies and practices with internationally recognised standards in the Environmental, Social and Governance ("ESG") themes, thus allowing us to achieve a balance between financial results, social engagement and environmental initiatives whilst ensuring the strategic growth of the Group.

The Group established an SR Committee under the guidance of the Board and conducted a formal materiality assessment to better manage non-financial risks such as environmental compliance, employment, employee health and safety and corporate governance. The SR Committee have identified four of the highest ranked material factors for reporting. The SR Committee reports directly to the Board, which has considered sustainability issues as part of its strategic formulation, determined the material Environmental, Social and Governance ("ESG") factors and overseen the management and monitoring of these factors.

With this sustainability report, which will be published annually, we would therefore like to reinforce our support and management of these newly prioritised matters through active engagement with senior management who will lead the Group's sustainability efforts.

Moving forward, we urge our stakeholders to share our commitment to sustainability and work towards a common goal of improving the economic, environmental and social wellbeing of the communities we operate in.

3 OVERVIEW OF THE GROUP

Corporate Profile

Natural Cool Holdings Limited was founded in 1989. The Group is an investment holding company that trades in air-conditioners, air-conditioning components, systems and units in Singapore, Malaysia and internationally.

Widely regarded as one of Singapore's leading air-conditioning and switchgear specialist, the Group is the first to integrate both the switchgear and air-conditioning business segments in the power management and temperature-control of both commercial and residential properties.

The Group currently operates primarily in the business of air-conditioning. The Group through its subsidiaries - Natural Cool Airconditioning & Engineering Pte Ltd offers consulting, implementation, repair and maintenance services for retail, commercial, government and industrial customers. The Group also has a trading department that provides air-conditioners, related accessories and professional services to customers.

Besides engaging in trading and supplying air-conditioners parts, Natural Cool is also involved in properties investment holding, manufacturing and trading of paint and basic chemicals. Natural Cool divested its Switchgear business segment in 2015.

Vision

Natural Cool strives to be considered as the preferred choice in building solutions.

Mission

Natural Cool enhances the strength and trust in our brand name through:

- Safe, Superior, Reliable Products and Services;
- Strategic Planning.

Employee Information

As of 31 December 2018, Natural Cool has a total of 356 (2017: 298) staff. Embracing strength in diversity, we employ from a wide age group and from both genders.

4 BUSINESS PHILOSOPHY AND VALUES

Fundamental Beliefs

Since Natural Cool offers products and services which are integral to the lives of many people, we are clearly aware that our actions impact the community and the environment. Therefore, we aspire to lead as good corporate citizens by participating in activities that we find meaningful to all our stakeholders, including our customers, business partners, principals and employees, and also to society.

Engaging the Community and our Employees

Natural Cool is committed towards supporting communities and charitable organisations where it operates and cultivating employees with compassion.

NEPAL PROJECT



In early 2017 our Audit Committee Chairperson Ms Lau Lee Hua represented Natural Cool and visited Nepal to explore the needs for reconstruction after a devastating earthquake struck in 2015. During the visit, a few schools and medical centres in remote mountainous areas were visited and assessed.

Based on the damage assessed and prioritising urgent needs, plans and budget were provided for the construction of a medical centre in remote Kichanas. Funds were raised and construction effort kicked off in late December 2017 with a group of Singaporeans working on the building foundation of this facility.

The 1,600 square feet medical centre will serve to benefit some 70,000 people in the mountain villages in Kichanas which is only accessible by off road vehicles. The building was completed in 2018 and includes one delivery room, two wards, medical store, treatment room, an office with a reception that can accommodate an ambulance driving in.

A Grand Opening Ceremony was held in December 2018 with a one day free medical check-up for the locals. Two doctors and five nurses served at the medical centre with the support of the local government, village heads, and four women committees, with medical supplies brought in by the volunteers.

Natural Cool, represented by Ms Lau, is proud to have participated in this project.

BLOOD DONATION CAMPAIGN 2018



On 23 November 2018, Natural Cool participated in a blood donation campaign for the first time in its history. During this drive, 17 bags of blood were collected. These would be used to save precious lives during accidents and emergencies and to sustain the lives of people with medical conditions.

BANK'S CHARITY EFFORTS SPREAD CHINESE NEW YEAR CHEER

We are once again, happy to partner with UOB in continuing to help those in under-privileged circumstances in our community.

Led by Mr Wee Ee Cheong, UOB's Deputy Chairman and Chief Executive Officer, our Chief Investment Officer, Mr Benjamin Choy and Executive Director of our Paint Division, Mr Lim Chiang Wei, joined close to 200 UOB employees and clients, in preparing 130 beneficiaries from the Society for the Physically Disabled ("SPD") charity to usher in the Chinese New Year on 24 January 2018.

SPD is a local charity which works with adults, youth and children with disabilities.

The team lent a hand to more than 40 people from SPD in stocking up on their Chinese New Year groceries, treats and household supplies from each person's wish list were bought at the FairPrice Xtra supermarket in Kallang Wave. They then moved to the SPD Tiong Bahru headquarters for festive feasting where Mr Wee gave out red packets and goodie bags containing cookies, coffee and pineapple tarts. Children were also given an additional treat of t-shirts and stationery.



Engaging our Customers and Contractors

We believe in building a strong community amongst our employees and providing our people a platform to recognize their efforts and contributions to Natural Cool. In FY2018, we have continued to facilitate the exchange of ideas and to recognize their contribution:

• No Horse Run (NHR) Breakfast

We continued to organise weekly NHR breakfast networking session every Friday to connect Air-conditioning manufacturer and/or suppliers and contractors. At these sessions, technical support staff representing our principals were available to give technical advice and receive feedback from contractor-customers regarding their Air-conditioning products and equipment.

• Annual Dinner and Dance (D&D)

We invited our customers and contractors to join in Natural Cool's Annual D&D to celebrate together the progressive growth of our business and build stronger relationships with them.

5 APPROACH TO SUSTAINABILITY

Our Approach

Natural Cool has considered sustainability issues as part of the strategic formulation of the Group. We strive to create long-term values for our stakeholders. We have established a SR Committee. The SR Committee is headed by the Chief Executive Officer, Managing Director, Chief Investment Officer and comprises of all the senior management across different business units and functions to oversee the Group's practices are in line with its business philosophy and values, and ensure that these are integrated into our business operations and complement our goals. We also actively participate in initiatives in line with our sustainability approach.

Materiality Assessment

The materiality assessment forms part of our dialogue with our stakeholders. By communicating with them about key topics, we gain a better understanding of their different views and perspectives. This in turn enables us to actively address important issues and challenges and to report on them transparently.

Hence, the Group is committed to undertaking the materiality assessment regularly. We believe doing so will help us identify new trends, evolve our strategy accordingly and tailor our reporting to align it to the interests and needs of our business and our stakeholders.

Our Materiality Process

Natural Cool relies on our internal process to assist in the identification and prioritisation of issues that are most relevant and significant to the Group and its stakeholders. These issues are mostly linked to the Group's overall strategy and other major areas of corporate sustainability.

A discussion was then facilitated with the SR Committee members and thereafter, they evaluated each ESG factor based on the influence on stakeholder decisions and significance of environmental and social impact.

6 IDENTIFYING MATERIAL ESG FACTORS

The SR Committee has identified the following material ESG factors for FY2018. As we strive to improve our level of transparency and timely communication to all our stakeholders, we will be reviewing the significance of, and reporting other ESG factors in the following years.

- 1. Environmental Compliance
- 2. Employment

- 3. Occupational Health and Safety
- 4. Anti-Corruption

FOCUS	IMPACT TO STAKEHOLDERS	FY2018 PERFORMANCE	COMMITMENTS & TARGETS
Environmental Compliance	Non-compliance with National Environment Agency ("NEA")'s requirement to sell air-conditioners with Energy Labels that have an energy efficiency rating of 2 ticks and above will result in fines and disciplinary actions.	 Full compliance with NEA's requirement Air-conditioner models with an energy efficiency rating of 5 ticks accounted for close to 60% of the Aircon's total sales revenue 	 Full compliance with NEA's requirement Air-conditioner models with an energy efficiency rating of 5 ticks to account for more than 60% of the Aircon's total sales revenue
Employment	Fair and merit-based employment practices are important to our employees, investors, regulators, and community as they affect our ability to attract, retain, and develop local talents under the direct hire of the Group's offices and operations.	 Clear employee rights set out in an updated Staff Handbook have been made available to all employees Turnover rate was 38% (FY2017: 31%) which did not meet our targets set Training courses and programs relevant to individual's job scope are sponsored by the Group 	 Internal and external training courses relevant to the job scopes of office staff in compliance with statutory requirement As our industry is very competitive, we will continue to provide our employees opportunities to learn and grow in the forthcoming year and set a medium term target of a reduction in turnover rate by between 5%–10%. To introduce and promote flexible work arrangements by utilising Work-Life Grant by Singapore government. The group is in the midst of reviewing our flexible working arrangement and will provide details on further progress to come
Employee Health and Safety	Business continuity, workplace safety and how we innovate are amongst the highest concerns to our stakeholders.	 Zero accident resulting in fatality or serious injury reported Regular briefings and training courses on employee health and safety for employees in construction service line 	 Zero fatalities and workplace accidents across all business operations Regular briefings and training courses on employee health and safety for employees in construction service line in compliance with statutory requirement
Anti-CorruptionCorporate GovernanceRisk Management	Applies across the Group's business operations in Singapore and overseas. Compliance with legislation as well as national and international standards of corporate governance, anti-corruption, risk management, environmental, safety, product, and social responsibility. These are issues of interest to all our stakeholders.	 No incident of corruption and fraud No incident of whistle blowing Sound risk management and internal control system put in place by the Management 	 Zero-incident on corruption and fraud Continuous strengthening of the enterprise risk management Continuous strengthening of the internal control system

7 STAKEHOLDERS ENGAGEMENT

While we work on our sustainability efforts, we also aim to align our business interests with that of our stakeholders, which comprise those who are impacted by our businesses and operations. By assessing the significance and impact of their interest on the Group's business, we have singled out five key stakeholder groups.

STAKEHOLDERS	IMPACT AND SIGNIFICANCE	KEY ISSUES	ENGAGEMENT PLATFORMS
Employees	Our employees are part of our human capital whose competencies and well-being are fundamental to the Group's operational effectiveness.	 Talent retention and attraction Employee safety and well-being Training and development opportunities Efforts to promote work-life balance Remuneration and benefits Employee welfare and well-being Employee volunteerism 	 Regular staff dialogue sessions Mobile chat groups Training programs and courses Safety briefings and courses Safety drills and site inspections Annual appreciation events and festival celebrations Volunteering and charitable events Whistle-blowing policy
Customers	Our promise is to maximize our customer satisfaction, understand our customers' needs and expectations and build long lasting relationships with our customers so that they are likely to purchase from us or engage our services again.	 Design and workmanship Customer satisfaction and experience Quality products and services Environmental conservation Communication 	 No Horse Run (NHR) Breakfast Annual appreciation events Natural Cool's company website Natural Cool's social media platforms, e.g. Facebook Feedback handling through email / phone calls
Shareholders and Investors	We strive to maximise shareholder returns, maintain good corporate governance, and improve levels of transparency through financial and sustainability reporting and timely communication.	 Financial stability Long-term growth plans Market diversification Geographical expansion Risk management Corporate governance Sustainability efforts 	 Half yearly financial results announcements Annual reports Annual General Meeting (AGM)
Business Partner	We work closely with partners, including suppliers and subcontractors, in our value chain to ensure that all our operations are carried out in line with industry leading practices and sustainability efforts.	 Quality assurance Certifications Supply chain management Occupational health Safety practices Personal Data Protection Act (PDPA) Compliance 	 Supplier's Code of Conduct Regular supplier visits / meetings Annual performance evaluation Safety briefings and courses PDPA compliance clauses specified in contracts
Community	We strive to be a responsible corporate citizen to the society, environment and the people around us.	• Doing our part as a responsible corporate citizen	 Volunteering and charitable events Annual Corporate Social Responsibility Programmes

Supply Chain Management

As a sustainable leading air-conditioning specialist, Natural Cool is committed to manage its supply chain across the whole life cycle of the project from its initiation and design development stages to subsequent construction and operation stages. This allows the Group to effectively manage its subcontractors, as well as diverse services, materials and equipment required to deliver large-scale projects in a complex supply chain environment.

For its trading business, Natural Cool carries a wide range of well-known international brands, including Mitsubishi Electric, Daikin, Panasonic, LG, Midea, Fujitsu, Toshiba, TCL, Samsung, Sharp and etc., with Mitsubishi Electric, Daikin and Panasonic accounting for more than 90% of the total sales.

In selecting its subcontractors for projects in Singapore, subcontractors are assessed under stringent criteria. These include track records, financial strength as well as commitments towards high quality, health and safety standards.

8 ENVIRONMENTAL

Natural Cool, strictly follows NEA's requirement to sell air-conditioners with Energy Labels that have an energy efficiency rating of 2 ticks and above. This is part of the Group's commitment to being an environment-friendly company.

Over the recent years, the Group's air-conditioner suppliers had been phasing out airconditioners using R-22¹ refrigerant since 1 September 2013 and bringing in new models using R-410A² and R-32³ refrigerant. By 2020, there will be no production or import of R-22 refrigerant into Singapore.

In addition, our sales consultants are committed to educating our contractor-customers to follow NEA's requirement. The Group also organizes and conducts regular technical trainings for our contractor customers supported by our principals.

We are also seeing more retail customers opting for air-conditioner models with more energy savings. Our principals are enhancing the awareness by promoting 5-tick air-conditioner models in various marketing platforms such as on bus and taxi advertisements, large LED billboards, POSB outlets, free-to-air television channels and etc.

For FY2018, air-conditioner models with an energy efficiency rating of 5 ticks accounted for 60% of the Group's total sales. With the Group's environmental initiatives and efforts, we can expect the ratio will further go up gradually over the years.



¹R-22 is a hydro-chlorofluorocarbon ("HCFC") which contributes to ozone depletion.

²R-410A is a hydro-fluorocarbon ("HFC") which does not contribute to ozone depletion. However, its global warming potential ("GWP") still remains an issue. R-410 releases approximately the same amount of greenhouse gas ("GHG") as R-22. ³R-32 is a HFC which does not contribute to ozone depletion and releases much lesser GHG compared to R-22 and R-410A.

9 SOCIAL

Our People, Our Community

At Natural Cool, we recognise that our success lies in our people. We are committed to developing our people through skills-building and leadership opportunities to unleash the potential in our future leaders.

As part of our dedication to developing our people, we strive to create an inclusive working environment where every employee is valued and individual performance recognized. We value the key role of diversity in developing a competent and efficient workforce adaptable to the changing business environment, and we have numerous programs, training courses and workshops aiming to strengthen our people's appreciation for diversity. Furthermore, we provide equal opportunities for all employees without discrimination.

As of 31 December 2018, Natural Cool has a total number of 356 (2017: 298) employees. Embracing diversity as crucial to developing a 21st century competent and resilient workforce, we recruit from all age groups and genders. Male employees are more than female ones as the construction and servicing teams are mainly formed by male staff due to the work nature while other functions have a balance of male and female staff.



New Hires

Natural Cool made 176 new hires in 2018 (2017: 122), at a hiring rate of 49% (2017: 41%). The new hires come from various age groups, whom 47% (2017: 35%) were below 30 years old, 6% were above 50 years old (2017: 16%), and the majority of the 47% were aged 30-50 years old (2017: 49%).



New Hire by Age Group



Resignations

Of the 137 employees that left our organisation in 2018 (2017 : 92), 48% were between 30-50 years old (2017 : 50%) and 42% were under 30 years old (2017 : 33%), with the remaining 10% being above 50 years old (2017 : 17%). Turnover by gender was geared at 73% for men (2017 : 83%) and 27% for women respectively (2017 : 17%).



In general, Natural Cool was able to maintain a strong and healthy workforce, with a balance between the turnover and retention rate. The change in employee numbers were mainly due to new hires to replace existing low-skilled positions. Employment for high-skilled positions remains stable, with organisational operations consistent and key management personnel unchanged.

Natural Cool aims to develop our talent pool and to ensure sustainable operations management. We aim to enhance the following measures in phases:

- · To empower employees through skills-based training and career development opportunities;
- To engage employees by conducting regular dialogue cum feedback sessions between employees and management
- To review employee remuneration and benefits every year by benchmarking with industry average; and

• To further enhance employee welfare, such as introducing and promoting flexible work arrangements by utilizing Work-Life Grant by Singapore government.

Benefits and Welfare

At Natural Cool, we value and recognise our people's contributions through rewards and benefits. In addition to the competitive remuneration offered, we extend our employees a set of attractive benefits including but not limited to:

ITEM	EMPLOYMENT BENEFITS	DESCRIPTIONS
1	Medical Benefits	Employees are reimbursed for medical consultations up to the claim amount.
2	Insurance	Under the Workplace Injury Compensation Act (WICA), all our employees are able to claim compensation for work-related injury. This accords them with some financial protection.
3	Performance and Variable Bonus	Employees are entitled to performance bonuses depending on the performance of the group. A variable bonus is also rewarded depending on individual performance.
4	Salary Increment	Salary increment amount determined based on bi-annual appraisals in January and July.
5	Annual Appreciation Events and Festival Celebrations	We organise a dinner-and-dance annually to celebrate and recognise the efforts of our employees. Embracing diversity and culture, we also celebrate important festivals as a company.

Being in an industry that is largely labour-intensive, we are dedicated to ensuring the health and safety of our people as one of our top priorities. We are in full compliance with the WICA introduced by the Ministry of Manpower and cover all employees with work injury compensation, and also extending worker medical insurance to our group of foreign workers.

In addition, we are constantly reviewing our employment policies and renumeration practices to ensure compliance with the updated employment laws, in order to keep up with the best industry practices to provide the optimal working conditions for our people.

Parental Leave

Natural Cool supports the Singapore government's pro-family legislation and adopts welfare practices to enhance this pro-family environment at the workplace. Eligible working mothers and fathers whose new-born child is a Singapore citizen are entitled to 16 weeks of maternity leave and 2 weeks of paternity leave respectively. Eligible working parents of at least one Singapore citizen child of under the age of seven years old are entitled to 6 days of paid childcare leave annually.

In 2018, Natural Cool has a 100% return to work rate. We have 3 female employees and 2 male employees who utilised their parental leave and resumed work thereafter.

The 3 female employees and 2 male employees who utilised their parental leave during 2018 remained as employees of Natural Cool during 2018. Natural Cool will continually enhance these pro-family practices and work towards building a conducive workplace for our working parents.

Creating a Healthy, Safe and Conducive Workplace

We believe that our people are our key assets, and we are dedicated to creating a safe and conducive workplace for our employees; workplace safety is a top priority for us. We take pride in ensuring that all our employees and contractors are competent and equipped to work safely and we also recognise and strive to fulfil our duty of care to provide a safe workplace for those who step into our premises.

To complement our commitment to work-health safety, we strive to build a workplace culture that promotes work-life balance and a healthy well-being. By placing importance in ensuring the safety and well-being of our employees, we are confident that employee satisfaction and engagement will increase, and lead to higher productivity and greater organisational performance.

Setting the Standards

As an industry leader, we take responsibility in setting "industry" best practices, and have been consistently enhancing and refining our health and work safety measures. Since 2012, we have achieved and maintained our OHSAS 18001 certification. We have also completed and attained the highest level in the bizSAFE, a five-step programme offered by the Workplace Safety and Health (WSH) Council that assists companies in building their WSH capacity and capabilities.



In addition, Natural Cool Airconditioning & Engineering Pte Ltd ("NCAE") has obtained Building and Construction Authority ("BCA") certificate of registration for workhead (ME01 – L6 and ME15 – L6) and ISO 9001:2015.

Total Workplace Safety and Health (Total WSH) at Construction Sites

As a result of having consistent and comprehensive safety infrastructure in placed as well as programmes to empower and engage our workers, we have kept our total number of fatalities and dangerous occurrences in 2018 to zero. The 5 injuries in 2018 that required medical attention were for workers who suffered burns, minor cuts and sprains. All injured employees were sent for medical treatment immediately, duly compensated and have returned to work. For each of these injuries reported, the safety officer will prepare an investigation report, consisting of mainly the details of accidents and a corrective action plan to raise their awareness and minimise the likelihood of similar accidents occurring again.

Holistic Skills Development Training

In-line with equipping our workers with safety knowledge and skills, we have developed a rigorous skills-training programme to ensure that each worker is capable of performing safely and optimally at the sites. A total of 133 workers at construction sites attended skills and safety training in 2018.

We keep ample documentation of training courses attended by each employee to track their skillsdevelopment progress and level of competency. Being a service provider providing a wide array of services, we have developed a comprehensive syllabus for each department, ensuring that each worker is extensively equipped with the safety awareness and skills.

Post-Incident Review and Enhancing Safety Precautions

We learn from past mistakes and strive to prevent similar incidents from repeating itself again. As part of our skills-training programme, we consistently schedule workplace health and safety briefings to review our safety practices with workers. For near-miss incidents, we promptly have a review briefing dedicated to analysing the situation and to remind our workers of the relevant safety measures and precautions, as well as the safety protocols in the event of incidents.

We also ensure each worker is well protected before the start of each assignment, through documenting on the Personal Protective Equipment (PPE) record to ensure that each worker is sufficiently equipped with protective gears for their related job-scope. We have also developed a list of protocols and precautions for workers dealing with toxic chemicals, to ensure their safety.

10 GOVERNANCE

Strengthening our Anti-corruption Policy

In line with our commitment to business integrity, we promote a fair and safe workplace through adopting industry leading practices to prevent corruption of any form, including bribery and extortion. All new employees of the Group are required to read through and acknowledge the staff handbook, which consists of code of conduct and business ethics during the conduct of business. The Group has zero tolerance towards corruption in any form.

Amongst these practices to uphold business integrity, the Group has established a whistle blowing policy which has been reviewed and endorsed by the Audit Committee and approved by the Board. To raise awareness and affirm our Group's strong stance and actions against corruption, Group's Whistle Blowing Policy and related procedures are published on the Group's website at *http://www.natcool.com/about/wblower.html* and apply to any employees, vendors, contractors, sub-contractors, customers, and any other parties whom the Group has a business relationship with.

Under the whistle blowing policy, employees and external parties are able to, in confidence, raise concerns about issues and misconduct requiring special investigation. A dedicated and secured e-mail address (*report.nch@natcool.com*) provides individuals anonymity in raising issues of contention to the Audit Committee directly.

There was no reported incidents relating to corruption in FY2018. We are periodically reviewing and enhancing our anti-corruption practices to uphold the best business environment in line with our values.

GRI CONTENT INDEX

CATEGORY	DISCLOSURE	DESCRIPTION	PAGE REFERENCE AND REMARKS
GRI 102: General Disclosures	102-1 *	Name of the Organization	Cover Page of Annual Report FY2018
	102-2 *	Activities, Brands, Products, and Services	Pages 10 to 12 and 89 of Annual Report FY2018
	102-3 *	Location of Headquarters	Page 20 of Annual Report FY2018
	102-4 *	Location of Operations	Page 92 of Annual Report FY2018
	102-5 *	Ownership and Legal Form	Page 3 of Annual Report FY2018
	102-6 *	Markets Served	Pages 10 to 12 and 89 of Annual Report FY2018
	102-7 *	Scale of the Organization	Our People, Our Community (Page 12 to 16)
	102-8 *	Information on Employees and Other Workers	Our People, Our Community (Page 12 to 16)
	102-9 *	Supply Chain	Supply Chain Management (Page 10)
	102-10*	Significant changes to the Organization and its Supply Chain	None
	102-11 *	Precautionary Principle or Approach	Approach to Sustainability (Page 7)
	102-12 *	External Initiatives	Engaging the Community and our Employees (Page 4 to 5) Engaging our Customers and Contractors (Page 6)
	102-13 *	Membership of Associations	None
GRI 102: Strategy	102-14 *	Statement from Senior Decision-Maker	Statement from Board (Page 2)
GRI 102: Ethics and Integrity	102-16 *	Values, Principles, Standards, and norms of Behaviour	Business Philosophy and Values (Page 4)

CATEGORY	DISCLOSURE	DESCRIPTION	PAGE REFERENCE AND REMARKS
GRI 102: Governance	102-18 *	Governance Structure	Our Approach (Page 7)
GRI 102: Stakeholder Engagement	102-40 *	List of Stakeholder Groups	Stakeholder Engagement (Page 9)
	102-41 *	Collective Bargaining Agreements	None
	102-42 *	Identifying and Selecting Stakeholders	Stakeholder Engagement (Page 9)
	102-43 *	Approach to Stakeholder Engagement	Stakeholder Engagement (Page 9)
	102-44 *	Key Topics and Concerns Raised	Stakeholder Engagement (Page 9)
GRI 102: Reporting Practice	102-45 *	Entities included in the Consolidated Financial Statements	Page 3 of Annual Report
	102-46*	Defining Report Content and Topic Boundaries	About this Report (Page 1)
	102-47 *	List of Material Topics	Material ESG Factors (Page 8)
	102-48 *	Restatements of Information	There is no restatement of information.
	102-49 *	Changes in Reporting	There is no changes in reporting.
	102-50 *	Reporting Period	FY2018 (1 January 2018 - 31 December 2018)
	102-51 *	Date of most Recent Report	FY2017 (1 January 2017 - 31 December 2017)
	102-52 *	Reporting Cycle	Annual
	102-53 *	Contact point for Questions regarding the Report	Feedback (Page 1)
	102-54 *	Claims of reporting in accordance with the GRI Standards	Core options (33 items)
	102-55 *	GRI Content Index	GRI Content Index (Page 18 to 20)
	102-56 *	External Assurance	None

CATEGORY	DISCLOSURE	DESCRIPTION	PAGE REFERENCE AND REMARKS
GRI 205: Anti- Corruption	DMA	Disclosure of Management Approach	Strengthening our Anti-Corruption Policy (Page 17)
	205-1	Operations Assessed for Risks related to Corruption	Strengthening our Anti-Corruption Policy (Page 17)
	205-2	Communication and Training about Anti- Corruption Policies and Procedures	Strengthening our Anti-Corruption Policy (Page 17)
	205-3	Confirmed Incidents of Corruption and Actions taken	Strengthening our Anti-Corruption Policy (Page 17)
GRI 307: Environmental Compliance	DMA	Disclosure of Management Approach	Environmental (Page 11)
	307-1	Non-compliance with environmental laws and regulations	Environmental (Page 11)
GRI 401: Employment	DMA	Disclosure of Management Approach	Our People, Our Community (Page 12 to 16)
	401-1	New Employee Hires and Employee Turnover	New Hires (Page 12) Resignations (Page 13)
	401-2	Benefits provided to Full- Time Employees that are not provided to Temporary or Part-Time Employees	Benefits and Welfare (Page 14)
	401-3	Parental Leave	Parental Leave (Page 14)
GRI 301: Occupational Health and Safety	DMA	Disclosure of Management Approach	Creating a Healthy, Safe and Conducive Workplace (Page 15 to 16)
	403-2	Types of injury and rate of injury	Total Workplace Safety and Health (Total WSH) at Construction Sites (Page 15 and 16)