

## ABOUT THIS REPORT

VICOM LIMITED (“VICOM”), A SUBSIDIARY OF COMFORTDELGRO CORPORATION LIMITED, IS PLEASED TO PRESENT OUR SECOND STANDALONE SUSTAINABILITY REPORT FOR 2022 WHICH DESCRIBES THE ORGANISATION’S SUSTAINABILITY JOURNEY, PROGRESS, AND PERFORMANCE ACROSS THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) PILLARS. THIS REPORT SERVES TO CONVEY VICOM’S SUSTAINABILITY AMBITIONS AND STRATEGY, WHILST UNDERLINING OUR COMMITMENT FOR SUSTAINABLE GROWTH AND TRANSITION.

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Publicly listed on the Singapore Stock Exchange since 1995, VICOM’s operations are headquartered in Singapore, with our operational reach extending to both Singapore and Malaysia. Our company consists of the following services: VICOM Inspection Centres, JIC Inspection Services, SETSCO Services (“SETSCO”), SETSCO Services (Malaysia) and SETSCO Consultancy International.

VICOM Inspection Centres and JIC Inspection Services are vehicle inspection companies based in Singapore with the goal of upholding the highest standards of road safety whilst limiting emissions. On the other hand, SETSCO and SETSCO Services Malaysia provide non-vehicular inspection and testing services for various industries within

Singapore, Malaysia, and other countries within the region. Similarly, SETSCO Consultancy International offers various technical consultancy services across several industries. This includes the provision of professional engineering, building material and repair works consultancy services amongst others.

As a leading Testing, Inspection, and Certification (“TIC”) provider, VICOM recognises the importance of establishing a climate-friendly environment and fostering a transition towards eco-friendly initiatives. Simultaneously, we also seek to mitigate ESG risks and reduce associated negative impacts whilst driving positive change and adding value within society. As depicted within this report, VICOM endorses and implements a variety of measures, initiatives, and activities to contribute

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to the sustainable transition and further our ESG efforts.

This report has been prepared in accordance with the latest Global Reporting Initiative (“GRI”) Sustainability Reporting Standards 2021. The GRI Content Index can be found on pages 70-76. This report is also aligned to the Sustainability Accounting Standards Board (“SASB”): Professional & Commercial Services. We incorporated these international sustainability standards within our report to enable the holistic tracking and reporting of VICOM’s management approaches, initiatives and key performance indicators whilst ensuring industry and geographic relevance. Likewise, they also guide VICOM in setting our ambitions and targets for our identified material topics to ensure the success and longevity of our sustainability journey.

This report also makes reference to the United Nations Sustainable Development Goals (“UN SDGs”). In addition, our Sustainability

Report meets all the sustainability reporting requirements mandated by the Singapore Stock Exchange (“SGX”) such as, but not limited to, the SGX Listing Rule 711 (A) and (B).

#### REPORTING SCOPE AND PERIOD

Published on 28 March 2023, this report encompasses our sustainability performance and relevant ESG considerations for the financial year 2022 (“FY2022”), from 1<sup>st</sup> January 2022 to 31<sup>st</sup> December 2022. This Sustainability Report supplements VICOM’s Annual Report 2022 reporting on the same period, which can be found on our corporate website <https://www.vicom.com.sg/>.

We established 2019 as the baseline year as this was the year before the COVID-19 pandemic, reflecting normalised business operations. This allows us to perform a more accurate comparison and analysis of our disclosed data across our material ESG topics as business activities return to pre-pandemic levels this year.

#### ASSURANCE

The Group Internal Audit team has performed an internal review to ensure compliance with the relevant policies, processes and internal controls pertaining to the data disclosed within the Sustainability Report for the financial year 2022. The audit recommendations through the internal review were taken into consideration during the development of this Sustainability Report. VICOM Group did not seek external assurance within this reporting cycle. However, we intend to do so in the future.

#### FEEDBACK

This report is available online and can be retrieved from our website at <https://www.vicom.com.sg/>.

As firm believers of continuous growth and improvement, VICOM welcomes feedback on our Sustainability Report. Kindly reach out to Zaidee Bakee, our Risk and Sustainability Officer, at [zaidee@vicom.com.sg](mailto:zaidee@vicom.com.sg).

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## RESTATEMENT OF INFORMATION

We have restated past years' environmental data (i.e. emissions, water, fuel, and electricity consumption) within this Sustainability Report due to an improvement in our data collection methodologies. The effect of the restatements are as follows:

- Our 2019 Scope 1 GHG emissions are 0.39% higher when compared to the level of emissions previously reported while our Scope 2 GHG emissions are 52.96% lower when compared to the level of emissions previously reported.
- Our 2021 Scope 1 GHG emissions are 3.92% higher when compared to the level of emissions previously reported while our Scope 2 GHG emissions are 44.28% lower when compared to the level of emissions previously reported.
- Our data on water withdrawn in 2019 and 2021 are 31.24% lower and 1.52% higher respectively when compared to the figures previously reported

- In 2021, our total waste generated is 5.85% higher, waste directed to disposal is 0.71% lower, and waste diverted from disposal, excluding client samples, is 11.52% lower, when compared to the figures previously reported.

We have also restated the data regarding the number of recordable and high-consequence work-related injuries for FY2019 and FY2021 due to an improvement in our data collection methodology and revision in number of hours worked. The effect of the restatements are as follows:

- Our 2019 rate of recordable and high-consequence injuries are 4 and 2 respectively in comparison to the previous reported 0
- Our 2021 rate of recordable work-related injuries is 6.03% higher in comparison to the previously reported data. The rate of high-consequence work-related injuries has been amended to 0 in comparison to the previously reported 0.10

Likewise, for FY 2021, the total number of training hours provided to employees, average number of training hours per employee and number of employees receiving regular performance and career development reviews have been revised and restated. This is due to a change in our data collection methodology which now excludes subcontracted staff from the total number of employees. This is because subcontracted staff are not employed by VICOM. Please refer to the material topic section "Our Employee Training, Upskilling & Development" below, for further details.

Additionally, the percentages of new employee hires and employee turnover in FY 2019 and FY 2021 have been revised and restated. This is due to a restatement of our total employee numbers earlier arising from an improvement in our data collection methodology. For more information, please refer to the material topic section "Talent Attraction, Retention & Job Opportunity Creation" below.

## **BUSINESS ACTIVITIES**

VICOM is Singapore's leading provider in inspection and technical testing services. A pioneer in vehicle inspection, we were incorporated in 1981 and publicly listed on Singapore's stock exchange in 1995. In 2002, VICOM bought over SETSCO and expanded to provide a comprehensive range of inspection and testing services in a number of fields including mechanical, biochemical, civil engineering and non-destructive testing. This includes testing, calibration, inspection, consultancy, and training services for aerospace, marine and offshore, biotechnology, oil and petrochemical, building construction and electronics manufacturing industries. In addition, SETSCO also provides quality assurance testing and evaluation of building materials, structural and chemical analysis, food and microbiological analysis, environmental monitoring, amongst others.

As means of executing our services, VICOM and our subsidiaries procure a wide range of goods or services from various businesses, companies, corporations, persons, and entities, including their employees, agents, and representatives (hereinafter collectively referred to as "suppliers"). VICOM requires and expects our suppliers to operate in accordance with the principles of VICOM's Supplier Code of Conduct ("Code") and in full compliance with all applicable laws and regulations.

This year, VICOM generated a total of SGD \$108.3 million in revenue from its business and we also did not experience any significant changes to our business activities, sectors, value chain, and other business relationships when compared to our previous reporting period in FY 2021.

## **MEMBERSHIP OF ASSOCIATIONS**

VICOM is affiliated with the following memberships:

- Singapore Accreditation Council ("SAC")
- Association of Aerospace Industries (Singapore) ("AAIS")
- Singapore Business Federation ("SBF")
- Singapore Environment Council ("SEC")

