

FORTIFYING STRONG

GOVERNANCE AND ETHICAL BUSINESS IN OUR JOURNEY TOWARDS SUSTAINABLE ECONOMIC GROWTH AND INNOVATION

BUSINESS AND OPERATIONAL INTEGRITY
AS AN EFFORT TO SOLIDIFY VICOM'S
REPUTATION AS A TRUSTED TESTING
AND INSPECTION SERVICE PROVIDER TO
OUR CUSTOMERS AND STAKEHOLDERS,
IT IS IMPERATIVE FOR VICOM TO
UPHOLD BUSINESS AND OPERATIONAL
INTEGRITY. VICOM ENFORCES STRINGENT
CORPORATE GOVERNANCE, BUSINESS,
AND OPERATIONAL INTEGRITY POLICIES
ACROSS OUR OPERATIONS TO ENSURE
ACCOUNTABILITY, ETHICAL BUSINESS
PRACTICES, RESPONSIBLE CORPORATE
GOVERNANCE AND RESPONSIBLE SUPPLY
CHAIN PARTNERSHIPS. THIS MITIGATES
CORPORATE GOVERNANCE RISKS WHILST
MAINTAINING HIGH STANDARDS OF
BUSINESS INTEGRITY.

FORTIFYING STRONG GOVERNANCE AND ETHICAL BUSINESS IN OUR JOURNEY TOWARDS SUSTAINABLE ECONOMIC GROWTH AND INNOVATION.

At the same time, we are mindful of the impacts we leave on the people, communities, and environments around us. Hence, to ensure that our footprint remains positive and sustainable, VICOM embeds environmental, social, and ethical governance considerations within our business development policies, plans and processes. We aim to safeguard integrity and accountability across our operations whilst enhancing our governance structures and practices, driving sustainable innovation, growth, and development in the long run.

CORPORATE GOVERNANCE

WHY IS IT MATERIAL?

A trusted and reputable business like VICOM is based on good corporate governance. We implement and rely on ethical conduct and management practices and policies to guide our strategic direction. Simultaneously, VICOM also invests in regular reviews and audits of our internal processes. Through the establishment of a corporate governance framework, VICOM is equipped with the capability to drive economic and sustainability growth whilst ensuring transparency and accountability to our stakeholders, ultimately reinforcing our brand, reputation, and customer trust.

HOW DO WE MANAGE THIS?

Standing firm in our belief of good corporate governance, VICOM adopts a governance structure which aims to:

- Dedicate unwavering attention to our customers' needs
- Make decisions based on long-term value creation as opposed to short-term gratification
- Ensure value creation whilst ensuring cost efficiencies
- Attract and retain talent
- Enable sustainability and growth within VICOM

At the same time, we strive to uphold high standards of professionalism, ethics, and integrity so as to build trust with our staff, customers, business partners, key stakeholders, and relevant authorities. VICOM encourages and enforces good corporate citizenry through staunch adherence to relevant guidelines and legislations such as SGX's and the Monetary Authority of Singapore ("MAS")'s Codes of Corporate Governance across our operations.

Additionally, as a prominent driving force behind VICOM's corporate governance, our Board of Directors (the "Board") executes its fundamental duties to oversee and advance our company's strategic, economic and sustainability perspectives. Some of these duties include oversight with due diligence whilst conducting ongoing reviews of the Group's performance. We schedule a minimum of four Board Meetings every year to discuss the results and performance, including sustainability performance, of the Group. Additionally, critical concerns are also raised to the Board during these meetings. Consequently, this helps ensure the proper conduct of VICOM's affairs whilst spurring growth. Please refer to pages 8–15 and 26–30 of our Annual Report for more information regarding Board matters competencies, roles, committees, and responsibilities.



MR TAN KIM SIEW



MR CHENG SIAK KIAN



MR SIM WING YEW



**MS JUNE SEAH
LEE KIANG**



**MR SOH CHUNG HIAN,
DANIEL**



**PROF SHIM
PHYAU WUI,
VICTOR**



MR JACKSON CHIA



MS TAN POH HONG



MS WONG YOKE WOON



PROF OOI BENG CHIN

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OUR BOARD OF DIRECTORS:

When making decisions, the Board members are obligated to act in good faith and exercise independent judgment, in the best interests of the company. Hence, when appointing Directors, VICOM looks for competent individuals who demonstrate a genuine interest in VICOM and our success whilst possessing trait inclinations toward integrity, business acumen, ethics, professionalism, shareholder focus, and sustainability enablement. We seek shareholder approval during the Annual General Meeting ("AGM") for new Directors appointed by the Board. Further details relating to the process of selection, appointment and re-appointment of directors can be found on pages 35–37 of our Annual Report for FY 2022.

Moreover, each year, the Board undergoes an independent formal annual assessment of its effectiveness, conducted by the Nominating and Remuneration Committee. The performance of each Board Committee and individual Directors, including ESG-related performance, are also assessed. The criteria used to determine overall performance includes, but are not limited to, the following:

- Growth of the Group
- Achieving a reasonable return for shareholders
- Preventing conflicts of interest and balancing the competing demands of the Group

For more information regarding Board Performance, please refer to page 37 of our Annual Report 2022.

As of 31 December 2022, the Board is chaired by an Independent and Non-Executive Director, Dr Tan Kim Siew (the "Chairman"). He is responsible for:

- Driving the strategic objectives and directions (which requires adequate emphasis on sustainability, innovation, and value creation) for VICOM by exercising enterprising leadership and guidance. Additionally, the Chairman has to ensure VICOM has sufficient human and financial resources available to attain these objectives.
- Aiding in the development of relevant risk management and control systems and Financial Authority Limits to protect company and stakeholder interests against potential risks and ensure a proper balance between VICOM's performance and risk appetite.
- Monitoring management performance and providing appropriate constructive criticisms.
- Determining VICOM's key stakeholders and ensuring their concerns are addressed in VICOM's strategies and management processes, whilst providing transparency and accountability to stakeholders
- Enforcing VICOM's values, standards, policies, and procedures, whilst fostering an ethical corporate culture.
- Ensuring environmental, social and governance considerations are considered when forming sustainability strategies.

Currently, the Board consists of nine Directors, with two thirds of members being Independent Directors, thereby emphasising the high level of independence present in VICOM's board. In addition, it is worth noting that our current board composition goes beyond the requirements of the Singapore Exchange Limited ("SGX") Listing Rules and MAS's Code, whereby Board Chairmen are not required to be independent, and Boards need only comprise of one third of independent Directors.

Supporting the Board in execution of its duties, VICOM created four Board Committees to aid the Board in their decision-making and daily endeavours. These include the following:

- Audit and Risk Committee ("ARC")
- The Nominating and Remuneration Committee ("NRC")
- The Sustainability Committee ("SC")
- The Technology Committee ("TC").

The NRC is tasked with the annual responsibility of reviewing and analysing the composition and size of VICOM's Board and Board Committees to ensure compliance with regulatory requirements whilst maintaining a diverse balance of expertise, skills, age, and gender. Furthermore, the NRC also makes decisions regarding remuneration and promotions for directors and senior management. To ensure fair remuneration, the NRC takes into consideration market trends and reports published by the Singapore Institute of Directors ("SID") and Straits Times Index ("STI"). More information pertaining to our remuneration policy and remuneration-related matters can be found on pages 37–42 of our Annual Report 2022.

VICOM understands the need for tripartism in the Board and thus ensures that the board has a composition deriving from the governmental, business and union sectors. This facilitates holistic decision-making through a consideration of varying viewpoints. For more information pertaining to our Corporate Governance, please refer to pages 31–33 our annual report for FY 2022.

Simultaneously, VICOM understands the importance of advancing the collective knowledge and skills of our Directors with regards to sustainable development. In 2022, VICOM's Directors attended the mandatory sustainability training under the Listed Entity Director Programme ("LED") on "Environmental, Social and Governance Essentials (Core)" conducted by the Singapore Institute of Directors ("SID"). This ensures that VICOM's Directors are able to develop their capabilities and remain up to date with evolving sustainability trends, developments, and imposable regulations.

FORTIFYING STRONG GOVERNANCE AND ETHICAL BUSINESS IN OUR JOURNEY TOWARDS SUSTAINABLE ECONOMIC GROWTH AND INNOVATION.

OUR PERFORMANCE

In FY 2022, VICOM's Board received zero communications of critical concerns.

| BOARD COMPOSITION | |
|---|-------|
| Percentage of independent non-executive director | 67% |
| Percentage of non-independent and non-executive director | 22% |
| Percentage of non-independent and executive director | 11% |
| BOARD DIVERSITY | |
| Women | 33.3% |
| Men | 66.7% |
| DIRECTORS' LENGTH OF SERVICE | |
| Served > 9 years | 11% |
| Served < 9 years | 89% |
| Management diversity | |
| Women | 23.2% |
| Men | 76.8% |
| GRI 2-16: COMMUNICATING CRITICAL CONCERNS | |
| Total number of critical concerns communicated to the highest governance body | 0 |

LOOKING FORWARD

For FY 2023 and beyond, VICOM has established the following targets:

- Ensure compliance with the board independence requirements as per SGX and MAS
- Maintain a minimum of 3 female representation on the Board.
- Achieve a minimum of 30% female representation in the Management Team⁴⁹ by 2030



49 "Management Team" is classified as Assistant Managers and Above. At the moment, we have achieved a 23% female representation in this regard.

FORTIFYING STRONG GOVERNANCE AND ETHICAL BUSINESS IN OUR JOURNEY TOWARDS SUSTAINABLE ECONOMIC GROWTH AND INNOVATION.

COMPLIANCE, ETHICAL CONDUCT, TRANSPARENCY & ACCOUNTABILITY

WHY IS IT MATERIAL?

For VICOM, the trust bestowed upon us by our stakeholders is something which we value and do not take for granted. As such, we comply with all relevant legislation, policies and codes whilst practising full transparency and accountability. In effect, we are able to maintain our reputation as a dependable company whilst enabling the highest standards of service to our customers.

HOW DO WE MANAGE THIS?

VICOM has a strict zero tolerance policy for unethical business conduct and has various policies and processes in place to convey our stance. Firstly, VICOM implements our Code of Business Conduct across all operations. This Code is disseminated to all of VICOM's subsidiaries, partners, and employees to impart to them a comprehensive guide to VICOM's business principles, practices, and policies. Policies highlighted within our Code of Conduct pertain to issues such as whistleblowing, conflict of interest, bribery, fraud, and integrity in account management.

Preventing potential conflict of interests, new hires and newly engaged suppliers are required to declare all conflicts of interest during their orientation. Subsequently, they are required to update their information relating to conflicts of interest on the Employee Self-Service Portal, annually. In the event of a potential conflict of interest, employees are required to inform their immediate supervisors and recuse themselves from any relating decision processes. The CEO of the Business Unit and Group Chief Human Resource Officer are also informed. Similarly, under the Code, Directors who have conflicting interests must immediately declare their interest at a meeting with all of our Directors. Alternatively, they may send a written notice to the Company containing the details of their interest in the matter and the actual or potential conflict. All conflicts of interest, such as conflicts relating to cross-board membership; cross-shareholding with suppliers and other stakeholders; existence of controlling shareholders; related parties, their relationships, transactions, and outstanding balances; are disclosed to stakeholders. Afterwards, Directors are expected to recuse themselves from participating in any discussions or decisions relating to the matter.

All of VICOM's employees are made aware of this Code via a mandatory process during their orientation. Additionally, we also reinforce the Code's importance twice a year to our current staff, ensuring a continuation of their compliance commitment.

As a part of our organisational conduct, the Whistleblowing Policy provides a system for our employees to raise issues regarding potential breaches of compliance, inappropriate behaviour, or unethical practices, whilst affording them protection against reprisal. It also provides a platform for staff to seek advice on how to implement organisational policies and practices for responsible business conduct. Under the policy, incidents may be reported to the Group Chief Internal Audit Officer ("GCIAO") and where the incident involves the GCIAO, the complaint may be made to the ARC Chairman. All cases are investigated and overseen by the ComfortDelGro Group Internal Audit Division and are dealt with thoroughly and swiftly. Subsequently, the results of the investigated issues are then reported to the ARC, the committee responsible for maintaining oversight whilst monitoring whistleblowing cases. Additionally, whistleblower identities are kept confidential to protect them from detrimental repercussions or treatment. This helps to deter non-compliance incidents through the possibility of disciplinary action. For more information on our Whistleblowing policy, please refer to Annex B.

As we bolster transparency, accountability, and compliance, VICOM undergoes regular internal audits by Internal Auditors ("IA") employing stringent criteria to ascertain regulatory compliance with international standards on an annual basis. In FY2022, our internal audit did not yield any major non-compliance issues or findings. In the same vein, we adopt the use of an electronic platform for our tendering processes. In doing so, tenders will have to follow strict rules and an electronic trail is created for closer monitoring, providing more transparency and accountability. Moreover, we take utmost care in ensuring the compliance of all tenders to VICOM's Anti-Bribery and Anti-Corruption policies, with any conflicts of interest swiftly mitigated.

Further safeguarding against corruption, VICOM imposes financial authority limits on all financial transactions. All financial requests require two approval signatures, with additional board or senior management approvals needed for transactions with higher value and risks of bribery.

Similarly, VICOM also established a robust Enterprise Risk Management ("ERM") to identify, control and mitigate key risks in our business operations, with guidance provided by an external consultant. This ERM framework covers all risks including regulatory compliance and unethical conduct such as fraud and corruption, thereby reinforcing VICOM's commitment to prevent potential compliance breaches and unethical behaviour.

FORTIFYING STRONG GOVERNANCE AND ETHICAL BUSINESS IN OUR JOURNEY TOWARDS SUSTAINABLE ECONOMIC GROWTH AND INNOVATION.

OUR PERFORMANCE

In FY 2022, VICOM experienced zero incidents of corruption, bribery, and anti-competitive behaviour, underscoring the efficacy of VICOM's existing ERM system in preventing such risks. Additionally, all of VICOM's employees received anti-corruption training this year.

Within the financial year, VICOM received a fine from LTA for non-compliance with inspection requirement specifications which resulted in total amount of SGD \$1,600 paid this year. In response to this, VICOM will continue to place effective measures through the refresher Technical Knowledge Examinations ("TKEs") and trainings to prevent future reoccurrences of such instances.

GRI 2-27

| INCIDENTS OF NON-COMPLIANCE WITH LAWS AND REGULATIONS | FY 2019 | FY 2021 | FY 2022 |
|--|---------|---------|---------|
| Incidents of non-compliance with standards requirement resulting in a suspension in a particular field | 1 | 0 | 0 |
| Number of instances fines were incurred | 0 | 4 | 1 |
| Number of instances non-monetary sanctions were incurred (if any) | 0 | 0 | 0 |
| Total number of fines for instances of non-compliance with laws and regulations that were paid during reporting period | 0 | 4 | 1 |
| Total monetary value of fines paid during reporting period (SGD) | 0 | \$6400 | \$1600 |

GRI 205-1: OPERATIONS ASSESSED FOR RISK RELATED TO CORRUPTION

| | |
|--|------|
| Total number of operations | All |
| Total operations assessed for risks relating to corruption | All |
| Percentage of operations assessed for risks relating to corruption | 100% |

GRI 205-2: COMMUNICATION AND TRAINING ABOUT ANTI-CORRUPTION POLICIES AND PROCEDURES

| | Absolute | Percentage |
|---|----------|------------|
| Total number of governance body members | 9 | 100% |
| Total number of governance body members that the organisation's anti-corruption policies and procedures have been communicated to | 9 | 100% |
| Total number of governance body members that have received training on anti-corruption | 9 | 100% |



Numerous accreditations and certifications in multi-disciplinary fields as a testament to VICOM's testing competency and integrity.

FORTIFYING STRONG GOVERNANCE AND ETHICAL BUSINESS IN OUR JOURNEY TOWARDS SUSTAINABLE ECONOMIC GROWTH AND INNOVATION.

GRI 205-2: COMMUNICATION AND TRAINING ABOUT ANTI-CORRUPTION POLICIES AND PROCEDURES

| | EXECUTIVES AND ABOVE | NON-EXECUTIVES |
|---|----------------------|----------------|
| Total number of employees in each employee category | 387 | 479 |
| Total number that the organisation's anti-corruption policies and procedures have been communicated to | 387 | 479 |
| Total percentage of employees that the organisation's anti-corruption policies and procedures have been communicated to | 100% | 100% |
| Total number of employees that received training on anti-corruption | 387 | 479 |
| Total percentage of employees that received training on anti-corruption | 100% | 100% |

GRI 205-2: COMMUNICATION AND TRAINING ABOUT ANTI-CORRUPTION POLICIES AND PROCEDURES

| | |
|---|------|
| Total number of business partners | 708 |
| Total number of business partners that the organisation anti-corruption policies and procedures have been communicated to | 708 |
| Total percentage of business partners that the organisation anti-corruption policies and procedures have been communicated to | 100% |

This year, VICOM and SETSCO also embarked on attaining the ISO37001:2016 Anti-Bribery Management ("ABMS") certification, a voluntary standard aimed at enhancing a company's anti-bribery compliance procedures.

LOOKING FORWARD

For FY 2023 and beyond, VICOM aims to attain the following targets:

- Maintain high standards of transparency, accountability, ethics, and integrity across our operations
- Maintain zero cases of non-compliance to anti-competitive behaviour, bribery, and corruption.



FORTIFYING STRONG GOVERNANCE AND ETHICAL BUSINESS IN OUR JOURNEY TOWARDS SUSTAINABLE ECONOMIC GROWTH AND INNOVATION.

RESPONSIBLE SUPPLY CHAIN & PARTNERSHIPS

WHY IS IT MATERIAL?

With growing scrutiny on an organisations' impact, VICOM is mindful of our environmental and social footprint across all our operations. For us, driving sustainability and social stewardship requires looking beyond our own operations to all facets of our business value chain. It is therefore imperative for us to ensure the highest levels of transparency and accountability across our supply chains, vendors, and external partners.

HOW DO WE MANAGE THIS?

We implement multiple practices and policies to ensure sustainability and transparency within our supply chain. Firstly, our digital procurement software, ComPASS, enables VICOM to engage with our suppliers directly, facilitating transparency via virtually recorded end-to-end decisions and processes. This also enhances accountability whilst driving sustainability through the reduction of paper use.

Additionally, all of VICOM's suppliers and tenderers are obligated to pledge their compliance with our Supplier Code of Conduct. Likewise, suppliers are required to adhere to all applicable laws and regulations including but not limited to antitrust, anti-competition, anti-



corruption, and anti-fraud policies. In line with this, VICOM also mandates an ESG assessment for all tenders over \$500,000 where suppliers are evaluated based on their ESG policies, achievements, and non-compliance disclosures. As a result, this drives a high level of integrity across our partners' and supply chain operations.

OUR PERFORMANCE

As of FY 2022, VICOM engages a total of 708 suppliers, with 81 suppliers (11.4%) being newly engaged. All of our new suppliers (100%) were screened using environmental and social criteria. Overall, we did not experience any cases of supplier non-compliance incidents of social or environmental nature.

GRI 308-2: NEGATIVE ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN AND ACTIONS TAKEN

| | |
|--|------|
| Percentage of new suppliers screened using environmental criteria | 100% |
| Number of suppliers identified to have significant actual/potential negative environmental impact | 0 |
| Significant actual/potential negative environmental impacts identified in the supply chain | 0 |
| Percentage of suppliers with significant actual/potential negative environmental impacts, with which improvements were agreed | 0 |
| Percentage of suppliers with significant actual/potential negative environmental impacts, with which relations were terminated | 0 |

GRI 414-2: NEGATIVE SOCIAL IMPACTS IN THE SUPPLY CHAIN AND ACTIONS TAKEN

| | |
|---|------|
| Percentage of new suppliers screened using social criteria | 100% |
| Number of suppliers identified to have significant actual/potential negative social impact | 0 |
| Significant actual/potential negative social impacts identified in the supply chain | 0 |
| Percentage of suppliers with significant actual/potential negative social impacts, with which improvements were agreed | 0 |
| Percentage of suppliers with significant actual/potential negative social impacts, with which relations were terminated | 0 |

LOOKING FORWARD

For FY 2023 and beyond, VICOM aims to achieve the following targets:

- Maintain zero incidents of social or environmental non-compliance across our supply chain
- Uphold accountability, transparency, and ethical business conduct

FORTIFYING STRONG GOVERNANCE AND ETHICAL BUSINESS IN OUR JOURNEY TOWARDS SUSTAINABLE ECONOMIC GROWTH AND INNOVATION.



TESTING INTEGRITY

WHY IS IT MATERIAL?

VICOM's clients rely on our testing and inspection services to make quality and safety decisions. As such, VICOM understands the gravity of providing reliable and trustworthy services. Upholding integrity thus forms a key pillar in safeguarding the quality of our services.

HOW DO WE MANAGE THIS?

VICOM endorses and ensures professional integrity in our business via a two-pronged approach. Primarily, we obtain professional third-party attestation by an independent body such as the Singapore Accreditation Council ("SAC") which employs qualified experts to accredit our services via rigid assessments of our technical competencies. Additionally, our established Code of Business Conduct further guides our staff in their dealings with both domestic and international clients. The Code is shared with our employees during orientation and is made readily available on our intranet. Further demonstrating our commitment of adherence to this code, we conduct a bi-annual exercises online to reinforce its importance. On the 6th of June this year, a Code of Integrity Pledge Card was distributed to staff across our operations for staff to sign and submit, alongside a photo of themselves. Similarly, on the 12th of December this year, staff were required to reacknowledge VICOM's Code of Business Conduct and redeclare their commitment to it via VICOM's internal portal. All of the above serve to reaffirm VICOM's strict compliance with all relevant integrity-related standards and regulatory requirements.

OUR PERFORMANCE

In FY2022, VICOM did not suffer any financial losses stemming from legal proceedings associated with professional integrity.

| INCIDENTS OF NON-COMPLIANCE RAISED BY 3RD PARTY ATTESTATION BODY | FY 2019 | FY 2021 | FY 2022 |
|--|---------|---------|---------|
| Incidents of non-compliance with standards requirement resulting in a suspension in a particular field | 1 | 0 | 0 |
| Incidents of non-compliance with standards resulting in a revocation in a particular field | 0 | 0 | 0 |
| Incidents of non-compliance with voluntary codes | 1 | 0 | 0 |

GRI 206-1: LEGAL ACTIONS FOR ANTI-COMPETITIVE BEHAVIOUR, ANTI-TRUST AND MONOPOLY PRACTICES

| | |
|---|---|
| Number of legal actions pending or completed during the reporting period regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation | 0 |
| Total amount of monetary losses as a result of legal proceedings associated with professional integrity (SV-PS-510a.2) | 0 |

LOOKING FORWARD

For FY 2023 and beyond, VICOM aims to achieve the following targets:

- Maintain zero cases of regulatory non-compliance resulting in suspension and revocation.
- Maintain a zero-tolerance policy for corruption and fraud.
- Maintain our testing standards and enforce integrity in our business operations and across all our stakeholders.

FORTIFYING STRONG GOVERNANCE AND ETHICAL BUSINESS IN OUR JOURNEY TOWARDS SUSTAINABLE ECONOMIC GROWTH AND INNOVATION.

CYBERSECURITY, DATA PRIVACY & SECURITY



WHY IS IT MATERIAL?

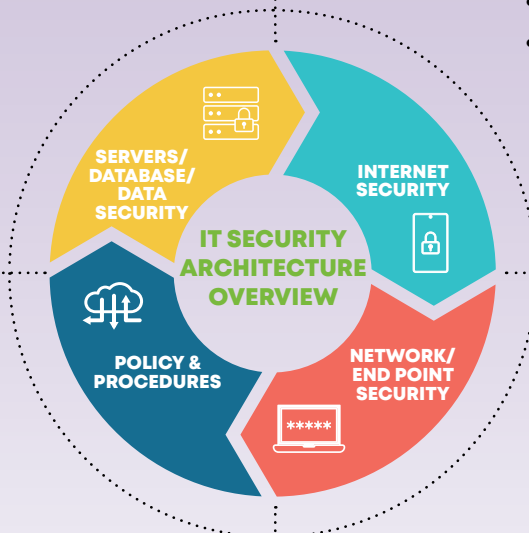
Businesses are demonstrating increased digitalisation of their processes and procedures. VICOM is no different. Hence, it is important for us to strengthen our defences against any cybersecurity, data privacy and security threats. As we collect the personal data of customers in the provision of our services, exercising the utmost care in storing and handling this information is paramount.

HOW DO WE MANAGE THIS?

Aimed at minimising risks associated with cybersecurity and data privacy, VICOM adopts several measures and implements trainings to bolster our cybersecurity defences. At the same time, we also enforce strict compliance with all relevant regulations. Our holistic approach to identify, assess, and address cyber security, data privacy and security risks whilst abiding all regulatory requirements is depicted as follows:

- Offsite Disk Backup
- Backup Servers
- Backup Lane PCs
- Database Encryption for sensitive data
- User Access Control

- VPN
- Web Servers: YOS Patching
- IPS/Firewall
- Anti-Spam Solutions
- Security Operations Centre
- Web Proxy Server



- CSIRP
- IT Policy
- BCP
- Cybersecurity Awareness training
- Server Hardening
- Tabletop Exercise

- CASB (Cloud Access Security Broker)
- Network Access Control
- End-point Protection System

FORTIFYING STRONG GOVERNANCE AND ETHICAL BUSINESS IN OUR JOURNEY TOWARDS SUSTAINABLE ECONOMIC GROWTH AND INNOVATION.



CYBERSECURITY

All VICOM employees are required to undertake annual formal cybersecurity awareness training, where they undergo role-playing and case study exercises aimed at enhancing their abilities to identify and deal with phishing emails. This training was last conducted in October 2022, with a 100% training completion rate.

In addition, bi-annual tests to ascertain our employees’ response to phishing emails are conducted by VICOM’s Information Technology (“IT”) department. During these tests, emails mimicking real phishing emails are created and disseminated by CDG Group’s IT team to users to assess the ability of our staff in deciphering whether the test email should be reported or not.

Similarly, to evaluate the level of readiness and preparedness of VICOM’s IT support team in handling a cybersecurity incident, we conducted a table-top exercise

on our Cyber Security Incident Response Plan (“CSIRP”) on 26 September 2022. The aim of this exercise was to generate discussions relating to the procedures of incident handling and mitigation amongst IT staff. Overall, it was a success as all members of the IT support team were found to be well-versed in their roles and fully equipped to carry out the correct procedures during breaches.

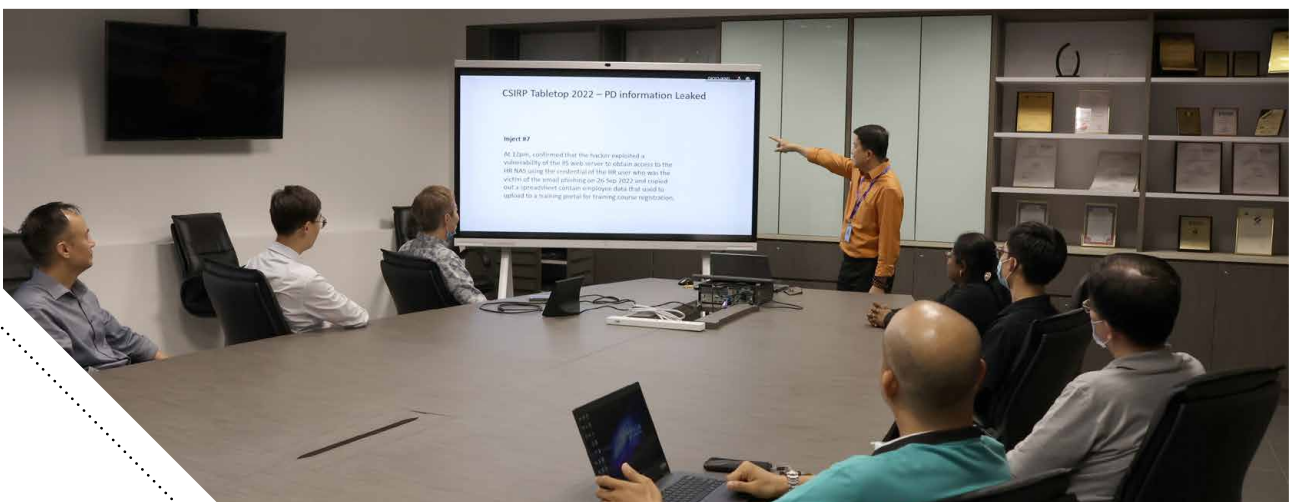
Through these exercises and training, VICOM is able to enhance our cybersecurity by identifying and upskilling employees who require refresher cybersecurity training and walkthroughs, thereby reducing the possibility of future infringements.

Furthermore, CDG Group’s IT department implements a feature for employees to report phishing emails and sends regular reminders on phishing emails to ensure continuous staff awareness of their risks.

Likewise, in the event of real cybersecurity breaches, VICOM has a thorough Breach Management Plan in place to mitigate the risks and consequences. This plan details cybersecurity responses ranging from containment to assessment and reporting.

DATA PRIVACY AND PROTECTION

Similarly, VICOM is committed to ensuring the highest standards of data privacy and protection for our staff and customers. VICOM strictly abides by Singapore’s Personal Data Protection Act (“PDPA”) and all other relevant regulations in our collection of personal data for various operational purposes. All relevant disclosures are provided and consent from all affected parties is always obtained prior to the collection, storage, or use of data. Additionally, VICOM will not retain data which we determine to no longer serve any legal or business purpose, ensuring total erasure in such scenarios. Likewise, the data retention period of training data is also capped at one year, furthering our accountability in responsible data management.



VICOM conducts various exercises to test its preparedness in handling cybersecurity incidents.

FORTIFYING STRONG GOVERNANCE AND ETHICAL BUSINESS IN OUR JOURNEY TOWARDS SUSTAINABLE ECONOMIC GROWTH AND INNOVATION.

Furthermore, all business-related work and networks can only be conducted and accessed via company-issued devices. This enhances the protection of client and company data whilst minimising the risk of confidential information leakage externally.

VICOM also implements its PDPA Compliance Policy, which is reviewed and updated every two-years or when PDPA regulatory amendments are made. Changes made to the policy are subsequently conveyed to all relevant stakeholders. Similarly, our IT department conducts an annual Data Protection Impact Assessment exercise to upgrade its data protection measures and policies where necessary.

Additionally, VICOM undergoes annual internal Data Protection Trustmark Certification (“DPTM”) audits on our processes to maintain and ensure strict compliance to our PDPA Policy. The last audit was conducted on 12 September 2022 with our Finance, Human Resources, Administration and Training departments. Three incidences of observations and zero non-conformities were found. These observations were dealt with swiftly upon identification.

The audit also concluded that our personal data policies and control measures remain relevant and are crucial in preventing and mitigating data breaches.

In preparation for the realisation of potential data privacy and protection threats, VICOM has established a Cyber Security Incident Response Plan (“CSIRP”) which is instantly activated in the event of a data breach. Should such situations occur, the Personal Data Protection Commission (“PDPC”) Singapore and affected individuals will be notified. VICOM also has a Data Protection Officer (“DPO”) who holds a Practitioner Certificate from the Personal Data Protection Commission (“PDPC”). Our DPO is equipped with the skills to utilise risk-based tools in the creation of an impenetrable data protection architecture for VICOM, thereby ensuring that our server data is secured.

As we incorporate the aforementioned policies, training, and measures, VICOM fully acknowledges our responsibility in lawful management of personal data and strives to ensure full confidentiality in our handling of personal data.

OUR PERFORMANCE

In FY 2022, we experienced zero significant breaches to our cybersecurity systems, data or the PDPA. Consequently, there were no incidents of socio-economic non-compliance.

| | |
|---|---|
| Total number of substantiated complaints received concerning breaches of customer privacy | 0 |
| Complaints received from outside parties and substantiated by the organisation | 0 |
| Complaints from regulatory bodies | 0 |
| Total number of identified leaks, thefts or losses of customer data | 0 |

SV-PS-230A.1, SV-PS-230A.2, SV-PS-230A.3

| | |
|--|---|
| Number of data breaches | 0 |
| Percentage of breaches involving customer’s business information (“CBI”) | 0 |
| Percentage of breaches involving personally identifiable information (“PII”) | 0 |
| Number of customers affected | 0 |

LOOKING FORWARD

For FY 2023 and beyond, VICOM aims to achieve the following targets:

- Maintain zero major cybersecurity breaches
- Continue to conduct internal audits to measure adherence to PDPA Policies
- Continuously solidify its cybersecurity, data protection and privacy measures

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INNOVATION & GROWTH

Innovation acts as a catalyst for economic growth as it offers potential new opportunities and ventures for VICOM. Through innovation, VICOM is able to refine and reinvent business processes, potentially resulting in lower operational costs and increased efficiency. In essence, this enables VICOM to thrive within its industry whilst meeting the changing demands of consumers and society.

ECONOMIC GROWTH & NEW OPPORTUNITIES

WHY IS IT MATERIAL?

Economic growth is essential for VICOM to further our sustainability ambitions and ensure positive impacts whilst maintaining a competitive edge. At the same time, it also enables our company to stay relevant within the industry, benefitting our shareholders, employees, and stakeholders. Thus, VICOM strives to identify new opportunities whilst undertaking new ventures to generate sustainable economic growth and development.

HOW DO WE MANAGE THIS?

VICOM seeks to enhance our growth through the diversification of our service portfolio and revenue streams. As such, we embark on the adoption of novel technologies, innovation, advanced techniques, and methodologies to seek new business opportunities and customers.

OUR PERFORMANCE

In FY 2022, VICOM generated a total revenue of SGD \$108.3 million, a 7.3% increase from FY 2021, as economies gradually recover from the pandemic. For more information on our financial performance, please refer to our Annual Report, pages 6–7.

LOOKING FORWARD

For FY 2023 and beyond, VICOM aims to continue exploring new opportunities to expand VICOM's testing and operational capabilities for economic growth and to enhance competitiveness.



FORTIFYING STRONG GOVERNANCE AND ETHICAL BUSINESS IN OUR JOURNEY TOWARDS SUSTAINABLE ECONOMIC GROWTH AND INNOVATION.

INVESTMENT & INNOVATION IN SERVICES & OPERATIONS

WHY IS IT MATERIAL?

In order to thrive in a rapidly changing world, it is essential for businesses to adapt their strategies to keep pace with technological developments and evolving consumer trends. Thus, it is crucial for VICOM to leverage on innovation and investments in potential high growth areas to meet the changing demands of society whilst ensuring value creation for the company and associated stakeholders. As we transition our enterprise towards sustainable growth, VICOM endeavours to expand our testing regimes, capabilities, and services, thereby anchoring our position as a leader within the industry.

HOW DO WE MANAGE THIS?

VICOM prioritises our efforts in building capabilities pertaining to sustainable food services and building systems. We critically and holistically assess new potential investments and innovations, considering factors such as upcoming consumer and global trends, their applicability to the market, cost-benefit analysis, and growth potential amongst other things.

SUSTAINABLE FOOD SYSTEMS

VICOM is in the midst of diversifying our portfolio to include sustainable food system services within our operational scope. This entails the provision of audit services to urban farms in certifying sustainable food production. As this is a new venture for VICOM, we are currently developing the necessary expertise, familiarising ourselves with the processes and acquiring relevant certifications such as the SS661 Specification for clean and green urban farming processes from regulatory bodies. Sustainable food systems have led to the proliferation of alternative protein sources. Leveraging existing food testing capability, VICOM supports the food manufacturers and developers in testing alternative protein sources to ascertain the nutritional values and safety profile of these products. Through these endeavours, VICOM seeks to

create an additional revenue stream for the business whilst enhancing food quality and security within Singapore. In doing so, VICOM hopes to advance Singapore's sustainability transition whilst ensuring public safety.

SUSTAINABLE BUILDING SYSTEMS

Sector trends encompass the shift away from reliance on concrete toward increased utilisation of steel, low carbon, and recyclable building materials such as lightweight strong polymers. Consequently, demands for such construction materials testing have surged. Fostering the eco-friendly substitution of building materials, VICOM is thus ramping up its capabilities to provide testing in this field.

We have also incorporated the use of drone technology to support our inspection of buildings and building exteriors, thereby enhancing public safety. This methodology and inspection service has been approved by BCA and is employed for buildings that are over 20 years old.



FORTIFYING STRONG GOVERNANCE AND ETHICAL BUSINESS IN OUR JOURNEY TOWARDS SUSTAINABLE ECONOMIC GROWTH AND INNOVATION.



Furthering foster sustainability transition within Singapore, VICOM provides a solar panel certification service to ensure solar panels installed by users are fire resistant and effective. As of now, we have provided this service for Roof-Mounted Photovoltaic solar panels and are looking to extend this to Wall-Mounted Photovoltaic solar panels. As a result, VICOM remains optimistic in our contributions to facilitate sustainable practices within Singapore through our various testing and certification services.

OUR PERFORMANCE

In January 2022, VICOM established a Technology Committee to aid the Board in implementing its group-wide digital strategy and related execution plans of leveraging innovation and technology in catalysing VICOM's sustainability transition and economic growth.

LOOKING FORWARD

In FY 2023 and beyond, VICOM aims to continue exploring new ways to refine and reinvent our service offerings through innovative solutions and ventures.