

EMBRACING AND ENHANCING

# SUSTAINABLE TECHNOLOGY AND INNOVATION



Climate Change Adaptation and Mitigation



Climate-friendly Mobility



VICOM Climate Transition Plan

# EMBRACING AND ENHANCING SUSTAINABLE TECHNOLOGY AND INNOVATION



VICOM Inspector carrying out OBU installation in a car.

VICOM prioritises sustainable technologies and innovation to enhance service quality and efficiency while reducing our environmental footprint. Integrating low-impact solutions helps us keep pace with evolving regulations and meet growing customer demand for sustainable practices.

As a leading testing and inspection provider in Singapore, we embed sustainability and integrity across our operations, implement climate mobility solutions and integrate climate-mitigation measures into our strategy. In assessing CrROs and deploying systems that support low-carbon transitions, we aim to minimise our environmental impact. In this year's report, we have made a start in disclosing the current financial effects of climate-related risks and opportunities which are material to VICOM. Where practicable, we have also disclosed the anticipated financial effects. We will continue to expand and improve on our current and anticipated climate-related financial effects disclosures in the coming years.



## Sustainability Transition

Committing to adopt IFRS S2 as part of our sustainability transition by mapping climate risks, turning insights into targeted mitigation and adaptation actions, and integrating climate-friendly solutions across our operations.



VICOM Inspector overseeing an under carriage test.

## EMBRACING AND ENHANCING

**SUSTAINABLE TECHNOLOGY AND INNOVATION****Climate Change Adaptation and Mitigation**

**With climate change impacts becoming increasingly evident, VICOM is committed to building resilience within our businesses and assets while accelerating efforts to advance sustainability within and beyond our operations. We are strengthening our climate mitigation and adaptation measures through the identification and assessment of climate-related risks and opportunities.**

VICOM started aligning with the recommendations of the Task Force on Climate-Related Disclosures<sup>3</sup> ("TCFD") since 2022 and in October 2023, published our first standalone TCFD report. Our TCFD-aligned report gives stakeholders insight into how we identify and assess climate-related risks and opportunities, and how we build resilience through carbon reduction targets, renewable energy adoption and investment in a greener fleet. By transitioning our fleet to cleaner alternatives, we aim to materially reduce greenhouse gas ("GHG") emissions and minimise our climate impact. In our first climate risk assessment, we identified risks and opportunities through a screening exercise.

Notwithstanding any forthcoming acquisitions or business expansion, the parameters applied and the climate-related risks and opportunities identified, remain relevant, as they reflect our current operating model and geographic footprint. VICOM will continue to refine its climate risk profile and, as data availability improves, expand the identification and quantification of material climate-related risks and opportunities, including associated financial impacts, to inform strategy, capital allocation and business planning.

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We are integrating insights from the 2023 analysis into our forthcoming climate transition plan and enterprise risk management processes and will continue to assess climate-related risks and opportunities in line with IFRS S2. As our analysis matures, we will enhance disclosures on methodologies, assumptions and financial implications to support effective governance, strategic decision-making and risk management.

The table below summarises the parameters and scope of the risk and opportunity screening.

Table 1. Scope and parameters of climate-related risk and opportunity screening

PARAMETERS	SCOPE
Country	Singapore
Baseline Year	2022
Timeframe	Short-Term: up to 2030 Medium-Term: up to 2040 Long-Term: up to 2050
Scenarios Explored	1.5°C warming (NGFS Net-Zero by 2050, IEA NZE 2050 & RCP 2.6) > 3°C warming (NGFS Current Policies, IEA STEPS & RCP 8.5)
Risks	<p><b>Transition Risks</b></p> <ul style="list-style-type: none"> <li>Carbon Pricing</li> <li>Changing Customer Expectations</li> <li>Low Carbon Economy Transition Policies and Regulations</li> <li>Reputational Risks</li> <li>Technology Shifts</li> </ul> <p><b>Physical Risks</b></p> <ul style="list-style-type: none"> <li>Floods</li> <li>Heatwaves (Rising Mean Temperatures)</li> <li>Storms and Cyclones</li> <li>Wildfires</li> <li>Rising Sea Levels</li> <li>Droughts (Water Scarcity)</li> </ul>

## Overview of the Climate Scenario Analysis

VICOM’s risk and opportunity screening, along with the initial climate scenario analysis conducted in 2023 was based on a 2022 (the baseline year) baseline assessment of our business profile. Our scenario analysis reflects Singapore policy settings, including the carbon tax trajectory rising to S\$50–S\$80 per tCO<sub>2</sub>e by 2030 as per the National Climate Change Secretariat (“NCCS”), the Singapore Green Plan 2030 EV roadmap (e.g., ~60,000 EV charging points by 2030), and the National Environment Agency (“NEA”) emissions standards such as Worldwide Harmonised Light Vehicles Test Procedure (“WLTP”). Global policy pathways are drawn from NGFS (Net Zero by 2050/ Current Policies) and IEA (NZE 2050/STEPS) in our 1.5°C and >3°C scenarios.

Taking VICOM’s existing decarbonisation measures (e.g. solar panel installations, EV transition plan and heat recycling) into consideration, we applied a ‘what if’ scenario for VICOM in our climate scenario analysis. The ‘what if’ scenario models the financial implication for VICOM if VICOM were affected by the carbon pricing scheme, providing a financial quantification of the additional impact of carbon taxes. Under this ‘what if’ scenario, a comparison between an ‘unmitigated’ option (i.e. no carbon reduction plan, business as usual, no mitigation measures) and a ‘mitigated’ option (i.e. considering VICOM’s current plan to reduce carbon emissions, mitigation measures applied) was explored. To determine the appropriate carbon prices for each scenario and time horizon, we referenced the IEA World Energy Outlook 2021<sup>4</sup>.

Scenarios incorporated and time horizons are aligned with the latest climate science practices, as well as the latest international agreement on climate change. Our 1.5°C scenario is aligned with the latest international agreement on climate change (Paris Agreement). This included different short (up to 2030), medium (up to 2040) and long-term (up to 2050) time frames, which corresponds with VICOM’s internal strategy and risk management planning and serve as a guide for setting of relevant targets and strategic decision making. Based on the defined time frames, we can effectively prioritise and select actions and strategies for managing key sustainability-related risks and opportunities that may arise in future time horizons.

4 IEA World Energy Outlook 2021, pg 329.

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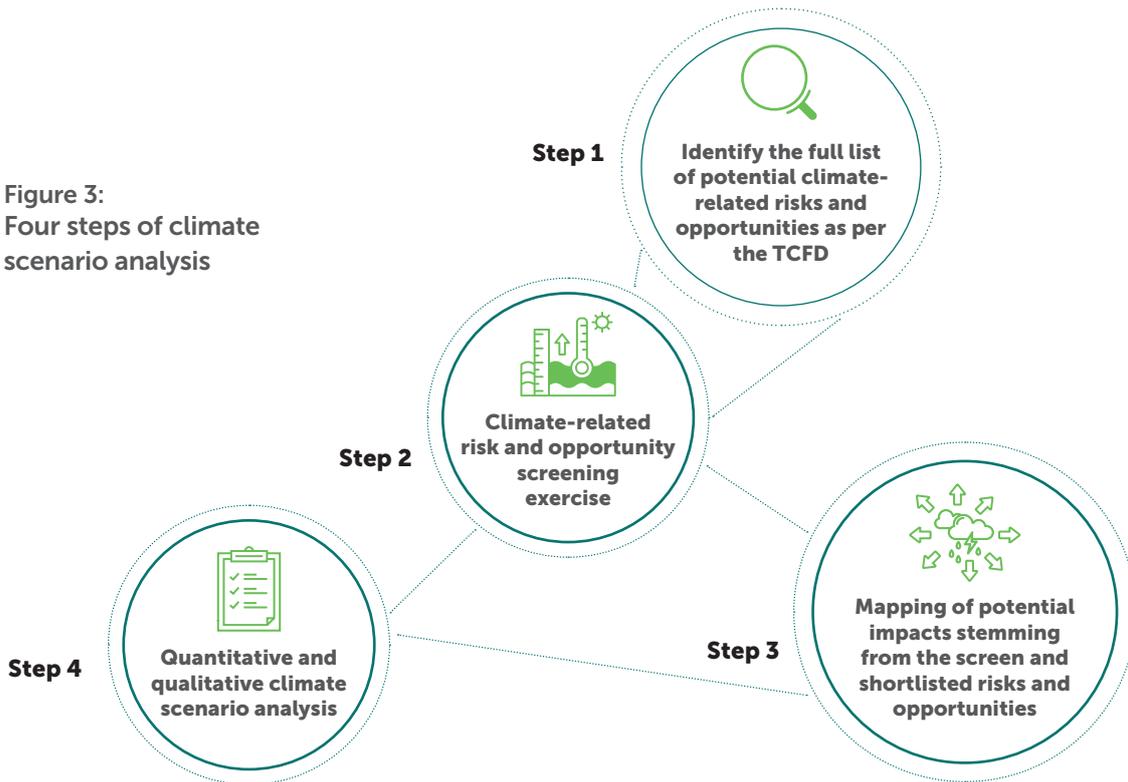
The detailed analysis was based on two scenarios, namely a 1.5°C warming scenario and a >3°C warming scenario. The orderly scenario (1.5°C scenario) assumes climate policies are introduced, and rapid decarbonisation is undertaken, whereas the hot house scenario (>3°C scenario) assumes that climate policies and action are limited and insufficient for the impacts of climate change. We selected these scenarios to reflect policy stringent vs policy limited futures relevant to Singapore operations and to test both transition and physical risk exposures across our asset base. The climate impacts are modelled for these two scenarios for all short, medium and long-term timeframes.

For more information on the scenarios explored, refer to page 6 of our TCFD Inaugural Report 2023.

Both climate-related transition and physical risks and opportunities were considered in the screening analysis. The long list of potential climate-related risks and opportunities as per the TCFD was consulted and the shortlisted risks and opportunities mentioned in Table 1 are further explored below.

The full process of the climate scenario analysis can be summarised in four steps:

Figure 3: Four steps of climate scenario analysis



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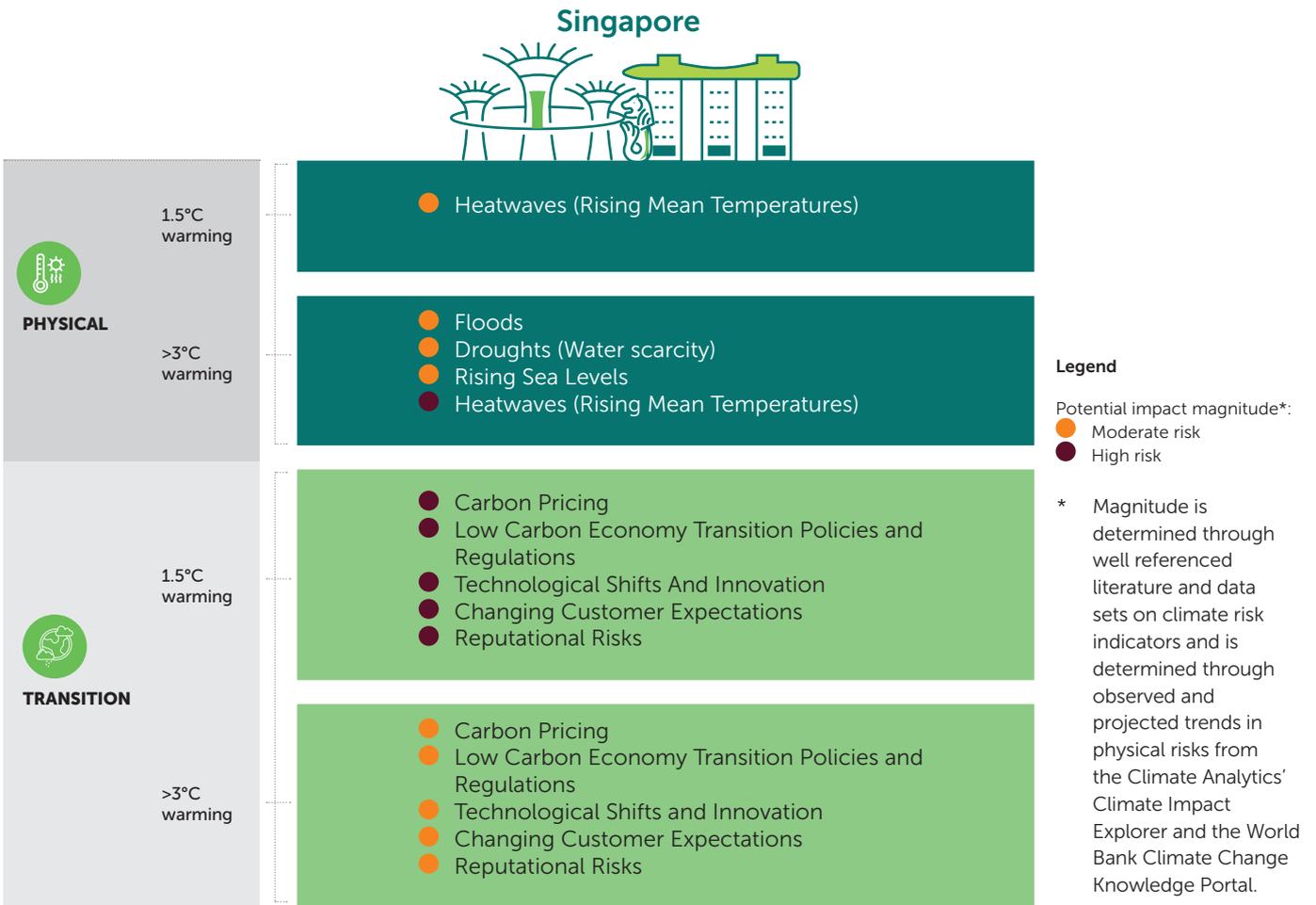
The following section captures a summary of Step 1 and 2 of the full process. For more information, kindly refer to VICOM’s TCFD Report 2023 (see [here](#)).

The climate-related risk and opportunity screening included review of the full list of potential climate-related risks and opportunities as per the TCFD through qualitative desktop research. The exercise followed the scope presented in Table 1.

Climate-related transition risks arise from actions associated with a transition to a low-carbon economy, such as newly introduced climate policies and regulations, low-carbon technologies, carbon pricing, or changes in consumer preferences and market sentiment. Climate-related physical risks are those that arise from the physical impact of climate change, both chronic (impact over a period of time, such as temperature increase or sea level rise) and acute (impact by extreme events, such as floods, storms or wildfires).

The results of the screening exercise are outlined in Table 2 below, where we have identified the potential level of risk.

**Table 2:**  
Climate-related risk screening results<sup>5</sup>



<sup>5</sup> Table 2 only presents the shortlisted climate-related risks which are likely to have a potentially moderate or high impact on VICOM’s business operations and financials. Some of the physical and transition risks have not been presented in this table (for example storms and typhoons) as they were deemed to have a lower or negligible impact on VICOM’s operations in Singapore in the scoped timeframes and scenarios. The full list of identified shortlisted climate-related risks and opportunities and their accompanying potential impacts that are pertinent to VICOM can be found in pages 9-12 of VICOM’s TCFD Inaugural Report 2023.

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We identified the potential level of risk through a climate screening exercise, and shortlisted relevant climate-related risks that were deemed likely to have a moderate or high impact on our business operations and financials. This was supplemented with the application of a 5x5 risk matrix and heatmap. The shortlisting was based on qualitative desktop research, where we applied TCFD's categorisation of transition and physical climate risks. To inform the potential magnitude of impacts from the identified climate-related risks to VICOM, the screening exercise referenced available, appropriate, and credible literature such as the International Energy Agency ("IEA") World Energy Outlook<sup>6</sup>, Climate Analytics' Climate Impact Explorer<sup>7</sup> and the Network for Greening the Financial System ("NGFS")<sup>8</sup>, as well as the latest understanding of climate science from the IPCC Sixth Assessment Report<sup>9</sup>.

After the initial shortlisting enabled by the climate-related risk and opportunity screening exercise, we continued to explore the climate-related risks and opportunities in more detail and map the associated business and financial impact to the relevant risks and opportunities where data was available (step three and four). These steps are further explored in the next section.

The results from the scenario analysis subsequently aided in the formulation of action plans and responses to guide our climate-related strategies.

### Assessing Climate Resilience Through the Use of Climate-related Scenario Analysis

Based on the mapped risks, we were able to perform a more detailed quantitative climate scenario analysis to identify the potential financial exposure to climate-related risks and opportunities and strengthen our understanding of the expected financial impacts to the business as well as the business' resilience to the identified risks. It must be noted that the climate scenario analysis results for physical risks were determined on the assumption that no action was undertaken by VICOM to mitigate and adapt to the pertinent climate risks. The results also do not differentiate between business units.

Overall, in the assessment of both physical and transition risk, it was determined that some risks apply directly to VICOM as 'first-order' risks, and other risks have more indirect impact as 'second-order' risks. First-order risks are risks which directly affect VICOM's operations and assets. For instance, physical risks such as floods can cause damage to VICOM's property. On the other hand, second-order risks have a more indirect impact and are experienced by us through cost pass-through. For example, VICOM does not experience direct implications of carbon taxes, due to the nature of operations, however, the indirect impact of increasing carbon taxes may be felt, as the electricity prices continue to rise in the future. Carbon taxes do not currently have a direct impact on VICOM and

6 IEA, 2022, World Energy Outlook 2022. <https://www.iea.org/reports/world-energy-outlook-2022>

7 Climate Analytics, Climate impact explorer. <https://climate-impact-explorer.climateanalytics.org/>

8 NGFS, Scenarios Portal. <https://www.ngfs.net/ngfs-scenarios-portal/>

9 IPCC, Sixth Assessment Report, 2022. <https://www.ipcc.ch/assessment-report/ar6/>

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are therefore considered a second-order risk. Accordingly, transition risks arising from higher carbon prices are excluded from the projected proportion of overall direct financial impacts from climate risk. However, as this risk is relevant in the context of the transition to a lower-carbon economy, it is addressed separately through a dedicated "what-if" scenario.

Through the scenario analysis, it was concluded that unmitigated climate risks result in potential additional financial impact for the respective year.

Among the quantified physical risks, costs of higher cooling spending due to rising temperatures appears to be the most significant<sup>10</sup> first-order risk in terms of potential additional financial impact under all timeframes and scenarios.

While potential carbon prices in the form of carbon taxes presently remain a second-order risk to VICOM, they may account for a large proportion of the additional financial costs in future. The impact from carbon tax has been modelled on a 'what if' scenario basis, i.e. if carbon taxes were applicable to VICOM, the potential impact was quantified.

Overall, under both the 1.5°C and >3°C scenarios, the additional costs incurred in the mitigated option are projected to be significantly lower than the additional costs in the unmitigated scenario across all three timeframes. Under the mitigated scenario, VICOM estimates the range of additional financial carbon costs increases to be 12% – 95% lower than the costs in an unmitigated scenario across all timeframes. This stems from lower projected Scope 1 and 2 emissions over the 2030, 2040 and 2050 timeframes when decarbonisation plans are in place.

As a result, this highlights the importance and benefits of planning and implementing decarbonisation strategies and solutions aimed at reducing VICOM's overall emissions. Simultaneously, this demonstrates our resilience to the second-order transition risk of increased carbon costs and highlights the firm's commitment to advancing climate mobility.

While climate science can more strongly support the quantification of climate risks, there are also business opportunities arising from the increased focus on the

changing climate. Through climate-related scenario analysis, we are better able to understand the transition opportunities VICOM can capitalise on in the future to adapt to and mitigate climate-related impacts. We identify, assess, prioritise and monitor climate-related opportunities through the same screening and scenario analysis process, and we use scenario outputs to inform opportunity sizing and timing (e.g., cleaner fleet transition, demand shifts etc.). Based on the climate scenario analysis last conducted in 2023, climate-related opportunities most pertinent to VICOM operations were identified as sustainable food systems and sustainable building materials. At the moment, the scale of these opportunities is difficult to quantify due to the lack of data. However, they may be quantified in the future when data around these opportunities becomes available. VICOM will conduct a refreshed climate-related scenario analysis as part of our ongoing enhancement of climate risks and opportunities assessment in the coming years.

In FY2025, there were no further changes to the processes used to identify, assess, prioritise and monitor climate-related risks in comparison to FY2024.

For more details on each quantified risk and opportunity, and their expected effect on VICOM's prospects, please refer to pages 14-18 of our full TCFD report (see [here](#)).

**Identifying the Climate-related Risks and Opportunities Within Our Value Chain**

In 2025, VICOM concluded an assessment of climate-related risks and opportunities across its entire value chain. This included a detailed mapping of key suppliers across all geographies, as well as an assessment of downstream supply chain impacts such as customers, resale and end-of-life disposal activities.

**Key findings include:**

- **Upstream:** VICOM's Tier 1 suppliers, including electricity providers, machinery and laboratory equipment manufacturers, chemicals and materials suppliers, and service providers, are exposed to low carbon transition policies and carbon pricing. These policies may raise electricity tariffs and embodied carbon costs, and these increases may be passed through to VICOM. Technology shifts toward lower carbon and more efficient solutions may increase supplier research, development and product costs.

<sup>10</sup> Risk impacts estimated based on our current inputs are considered majorly financially material if the financial impact is >5% of VICOM's 3-year average EBITDA (FY2020, 2021 and 2022).

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Key physical risks, including heatwaves and increased precipitation and flash flooding, could disrupt supplier facilities and logistics. These impacts could lead to higher cooling and maintenance needs and could also affect insurance availability and cost.

- **Downstream:** Physical climate risks, particularly flash flooding and storms, can damage client equipment and disrupt projects, which may delay revenue recognition for VICOM. At the same time, customer demand is expected to shift toward low-carbon services, including electric vehicle testing, sustainability-related testing, and food testing, which creates additional revenue opportunities. VICOM will continue to expand service offerings that align with low and zero carbon solutions to meet evolving customer and investor expectations.

Overall, while the value chain analysis allowed for better understanding of the risks and opportunities, the nature of such were broadly consistent in nature of the climate-related risks and opportunities identified in the 2023 climate scenario analysis.

## Managing Climate Risks and Capturing Opportunities

Understanding how climate change may affect our business through both physical and transition climate-related risks and opportunities allows VICOM to better prioritise mitigation actions and capture emerging opportunities. This approach helps reduce uncertainty across our operations and minimise potential adverse impacts.



As part of VICOM's BCP, regular fire drill exercises are conducted to familiarise staff on safe and orderly evacuation procedures.

## Mitigation Through Operations

VICOM manages physical climate risks through established standard operating procedures and Business Continuity Plans ("BCPs"), which are designed to strengthen operational resilience against hazards such as flash floods and rising temperatures. These measures aim to minimise disruption to our operations, people, data, and physical assets.

### Physical risks

Our BCP framework covers alternative recovery sites, communication protocols, continuity of critical functions, employee and customer safety, and data recovery processes. Specific procedures are also in place to address flood-related power outages to protect staff and sustain operations. These plans are regularly reviewed, updated, and tested, with employees participating in drills and emergency response exercises to maintain preparedness for climate-related events.

From a financing perspective, VICOM's major considerations in addressing physical risks centre on ensuring adequate capital allocation for resilience-building measures, maintaining operational continuity, and safeguarding asset integrity. Investments in preparedness, recovery capabilities, and infrastructure resilience are funded through disciplined capital planning to reduce the potential financial impact of climate-related disruptions over the medium to long term.

### Transition risks

To mitigate transition risks, including potential exposure to carbon taxes and evolving regulatory expectations, VICOM is focused on progressively electrifying its operational fleet and improving resource efficiency across its premises to reduce greenhouse gas ("GHG") emissions. In FY2025, we remain on track to transition approximately half of our fleet to electric vehicles ("EVs") by 2030 and achieve a fully electrified fleet by 2040. Our emissions reduction pathway is modelled to align with our parent company's Science Based Targets initiative ("SBTi")-validated 1.5°C target and the goals of the Paris Agreement. Additionally, we have completed the installation of solar panels across all six premises and continue to implement energy-efficiency improvements such as LED lighting upgrades. Together, these initiatives support our Scope 1 and Scope 2 emissions targets and reflect our broader commitment to responsible stewardship of energy, fuel, and water resources.

About this  
Report

2025 in  
Review

Our Approach  
to Sustainability

**Embracing  
and Enhancing  
Sustainable  
Technology and  
Innovation**

Advancing  
Environmental  
Stewardship and  
Facilitating the  
Transition Towards  
Sustainability

Safeguarding the  
Health, Wellbeing  
and Safety of  
Our People,  
Communities and  
the Society

Upholding Strong  
Governance and  
Ethical Business  
in Our Journey  
Towards Sustainable  
Economic Growth  
and Innovation

Appendices

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# SUSTAINABLE TECHNOLOGY AND INNOVATION

VICOM prioritises fleet electrification and equipment renewal based on operational needs, safety considerations, and service reliability, while maintaining disciplined capital management and accounting practices. The useful lives and residual values of vehicles and equipment are reviewed annually, with any gains or losses on disposal recognised in accordance with our accounting policies. Our transition initiatives are funded primarily through operating cash flows.

## *Mitigation Through Investment in Sustainable Solutions*

We proactively manage climate and transition risks across our mobility and testing businesses through targeted investments and partnerships. As part of our efforts to support the transition to a low-carbon mobility ecosystem, we are expanding our EV-related capabilities and have commenced engagement on hybrid and EV battery state-of-health testing to meet the growing number of EVs on the road.

As demand for battery recycling increases, SETSCO has developed testing capabilities for extracted metals from end-of-life lithium-ion batteries, supporting Singapore's emerging battery recycling ecosystem. These initiatives enhance our operational readiness and resilience, while positioning us to capture climate-related opportunities.

We also continue to invest in capabilities that support the evolving mobility and vehicle testing landscape. Construction is underway for a new integrated testing centre at Jalan Papan, which is expected to be fully operational in the second quarter of 2026. This investment will support rising EV adoption while strengthening the resilience, capacity, and long-term relevance of our services.

## **Our Path Ahead**

As the economy transitions towards lower-carbon solutions, VICOM will continue to pursue opportunities aligned with our role in the testing and inspection industry. We will further refine our climate scenario analysis as data availability improves, strengthening our ability to assess, manage, and respond to climate-related risks and opportunities.

This process will consider VICOM's value chain, business model, and the current and anticipated financial effects of identified climate-related risks and opportunities, including the assumptions made and the measurement uncertainties involved. Progress will be monitored through KPIs aligned with our strategy and targets, including EV fleet share, Scope 1 to 3 emissions and emissions intensities, renewable electricity generated and purchased, and supplier engagement initiatives. We will also monitor site-level resilience and business continuity measures to address heat and flood-related risks identified through our climate scenario analysis.

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## Climate-Friendly Mobility



**Under the Green Plan 2030, Singapore targets all vehicles running on cleaner energy by 2040. With NEVC driving the shift from ICE to EVs, VICOM supports the transition through EV and EVCS testing and inspection, reinforcing our role in climate friendly mobility.**

### Our Initiatives

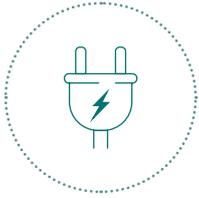
Singapore's EV roadmap targets 60,000 charging points by 2030. EV adoption is driving demand for testing, and in 2025 our inspectors obtained certifications and completed in-house training to conduct EV inspections, reinforcing our role in climate-friendly mobility.

Through SETSCO's partnership with EVCS manufacturers, we have built extensive EVCS testing, inspection and maintenance capabilities, completing over 1,500 inspections in 2025. Our services now span EVCS testing and commissioning, periodic inspections and maintenance, corrective maintenance and technical support.

To support our sustainability journey and align with the Green Plan, we regularly engage in open dialogues and reviews to explore innovative solutions and technologies. Transitioning to cleaner energy remains a key priority.

In FY2025, VICOM added an additional EV to our fleet, advancing our goal to progressively transition half of our existing fleet of ICE vehicles to EVs by 2030 and achieve full conversion by 2040. Our fleet underpins site-based testing,

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**SETSCO has built extensive EVCS testing, inspection and maintenance capabilities.**



To ensure safety, the EV Charging Station is regularly inspected by SETSCO.

inspection and certification. As the business grows, mobility needs will rise, making fleet decarbonisation critical to reducing the environmental impact of our core operations.

Aligned with our parent company, CDG, we have a vehicle transition plan to phase out ICE vehicles and replace them with electric, hybrid-electric and hydrogen vehicles by 2040. The emissions reduction pathway within this plan forms the basis of VICOM's carbon reduction targets and is modelled to align with CDG's Science Based Targets Initiative ("SBTi") 1.5°C aligned targets. CDG's SBTi targets were validated and approved by SBTi in June 2022. VICOM's carbon reduction targets are not validated by SBTi, but the carbon reduction targets set are aligned with a 1.5°C pathway under the Paris Agreement.

For the financial year ended 31 December 2025, an additional EV was added as part of our fleet of vehicles that enables our operations teams to carry out site-based testing, inspections and certifications. We are also expected to deploy financial resources to expand our EV fleet in FY2026.

### Our Performance

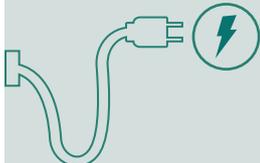
As of FY2025, VICOM has a fleet of over 65 vehicles across our operations in Singapore and Malaysia and over half of them are compliant with the Euro V and are above emission standards. In FY2025, an additional EV was purchased to join VICOM's existing fleet of EVs.

### Our Path Ahead

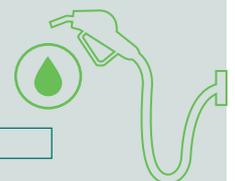
We will progressively transition half of our ICE fleet to EVs by 2030, targeting a fully green fleet by 2040. In parallel, we aim to lead climate-friendly mobility by innovating and optimising operations to use resources more efficiently and reduce emissions.

Supporting these ambitions, the following section outlines the foundational climate transition planning steps taken in FY2025 and provides an early view of our approach, ahead of further detail in our inaugural standalone Climate Transition Plan once published.

### Internal Combustion Engine (Diesel & Petrol)



### Electric Vehicles



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## VICOM Climate Transition Plan



### Summarising our Climate Transition Plan

VICOM's Climate Transition Plan (CTP) sets out how it will decarbonise its operations, strengthen climate governance and respond to climate-related risks and opportunities as Singapore advances towards a low-carbon, climate-resilient economy. As a provider of Testing, Inspection and Certification (TIC) services, VICOM's transition pathway is shaped not only by its own operational footprint, but also by its role in supporting customers and regulators in emerging areas such as electric vehicle and electric vehicle charging station testing and inspection. In FY2025, VICOM began developing its inaugural Climate Transition Plan (CTP), informed by the Transition Plan Taskforce (TPT) Disclosure Framework<sup>11</sup> and evolving regulatory expectations in Singapore.

This section of the Sustainability Report provides a high-level overview of the key building blocks of VICOM's emerging CTP, together with details of selected areas most relevant to effective transition planning delivery, as informed by the TPT Disclosure Framework.

Table 3 – An overview of VICOM's CTP

TRANSITION PLAN COMPONENT	CURRENT STATUS
Foundations	<ul style="list-style-type: none"> <li>• Our Scope 1 and Scope 2 emissions reduction targets</li> <li>• Transitioning towards cleaner vehicle procurement and sustainable technologies or innovations</li> <li>• Understanding our climate related impacts and dependencies to inform necessary mitigation strategies</li> <li>• Continually refining the assumptions underpinning our transition pathway and role as an enabler of climate-related practices</li> </ul>
Implementation Strategy	<p>Actions underway to deliver the transition including:</p> <ul style="list-style-type: none"> <li>• Progressive electrification of VICOM's own vehicle fleet</li> <li>• Delivering operational efficiency measures such energy optimisation and conservation initiatives</li> <li>• Onsite renewable energy deployment through solar photovoltaic (PV) installations</li> <li>• Expansion of EV-related testing, inspection and certification services</li> <li>• Workforce upskilling to support operational changes</li> </ul>
Engagement Strategy	<p>To enable delivery of the transition plan, VICOM engages:</p> <ul style="list-style-type: none"> <li>• Suppliers to manage climate risks and readiness across the value chain</li> <li>• Regulators to support national climate initiatives and align with fleet transition, infrastructure and safety requirements</li> <li>• Industry bodies and research partners to share knowledge and build low-carbon capabilities</li> </ul>
Metrics and Targets	<p>The targets and indicators used to track progress including:</p> <ul style="list-style-type: none"> <li>• Interim absolute Scope 1 and Scope 2 emissions reduction targets from a 2022 baseline</li> <li>• Interim energy reduction targets from a 2022 baseline</li> <li>• Increasing cleaner-energy fleet transition with an interim target in 2030 and end goal target of an entirely green fleet by 2040</li> </ul>
Governance	<p>Embedding oversight and accountability for the transition planning process within existing sustainability governance structures.</p>

11 The TPT Disclosure Framework is now maintained by the IFRS Foundation and hosted on the [IFRS Sustainability Knowledge Hub](#).

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**SUSTAINABLE TECHNOLOGY AND INNOVATION****Transition plan highlights and approach****1. Operational Decarbonisation**

VICOM's transition plan focuses on decarbonising its own operations while enabling emissions reductions across the wider economy through its services. Key actions underway include fleet electrification, energy efficiency and conservation, and renewable energy deployment. Together, these measures translate VICOM's climate ambition into practical operational changes while managing potential transition-related impacts such as increased electricity demand from EV adoption.

**2. Products, Services and Climate-Enabled Growth**

As a testing, inspections and certifications service provider, VICOM recognises its role as an enabler, helping business adopt sustainable practices and comply with sustainability standards. The shift toward vehicle electrification and cleaner technologies is already shifting demand for VICOM's services, creating both risks and opportunities.

Key developments include expanding EV and EV charging infrastructure services, as well as battery testing and analysis capabilities, to support the safe adoption of EVs and effective battery lifecycle management.

**3. Value chain and Stakeholder-enabled Decarbonisation**

VICOM recognises that it cannot deliver its climate transition in isolation and therefore relies on coordinated action across its value chain and broader stakeholder ecosystem. VICOM supports this through several actions: it communicates its expectations to suppliers, engages regularly with regulators and policymakers to keep pace with evolving standards and support national initiatives, and partners with industry bodies and research institutions to strengthen knowledge-sharing, build capabilities, and align with emerging low-carbon requirements.

**4. Culture, Governance and Capability**

Effective delivery of VICOM's CTP depends not only on strong governance and clear accountability, but also on an enabling organisational culture that empowers employees to translate climate ambitions into day-to-day actions and decisions. VICOM strengthens employee engagement and capabilities through its Eco-Ambassador Committee, internal ESG communications and targeted training programmes, helping to embed sustainability into day-to-day operations and decision-making.

**5. Managing Transition-related Impacts**

The climate transition is reshaping VICOM's operations and service planning as vehicle electrification and cleaner technologies raise new regulatory, customer and workforce requirements. In response, VICOM is strengthening its workforce and operational capabilities to maintain service quality, safety and compliance. A key focus is workforce adaptation, with rising demand for EV inspections, high-voltage systems testing and charging infrastructure assurance requiring specialised technical expertise. To meet these needs, VICOM has expanded certifications, in-house training and capability-building for inspectors in electric vehicle inspections, EV charging station testing, and battery health and failure analysis. These efforts help ensure employees are equipped to operate safely and effectively in a low-carbon environment, while reinforcing VICOM's role in supporting climate-friendly mobility.