

**BOARD STATEMENT**

This report outlines the Annual Sustainability Report<sup>1</sup> of Plato Capital Limited (“**Plato**” or the “**Company**”) for the financial year 1 January 2018 to 31 December 2018 (“**FY2018**”). There were no significant changes to the organisation’s structure and ownership during this reporting period.

The Board is pleased to demonstrate our commitment to create long-term sustainable value and business growth for all internal and external stakeholders. The Board having 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 the material ESG factors.

**STAKEHOLDERS ENGAGEMENT**

In building long-term business growth, it is essential to understand and be responsive to the stakeholders’ concerns or expectations of the Group. The table below summarises the potential sustainability issues and the mode of communication with each stakeholder.

<b>Stakeholders</b>	<b>Potential Issues</b>	<b>Mode of Communication</b>
Customers	<ul style="list-style-type: none"> <li>- Product and service quality</li> <li>- Leakage of customer data and private information</li> </ul>	<ul style="list-style-type: none"> <li>- Customer feedback surveys</li> <li>- Personal Data Protection Act (“<b>PDPA</b>”) policy in place to protect customer’s data and privacy</li> </ul>
Investors	<ul style="list-style-type: none"> <li>- Economic performance</li> </ul>	<ul style="list-style-type: none"> <li>- Announcement of financial results on the SGX</li> <li>- Reports on on-going or planned corporate actions as and when required</li> <li>- Annual General Meeting</li> </ul>
Management	<ul style="list-style-type: none"> <li>- Economic performance</li> </ul>	<ul style="list-style-type: none"> <li>- Budget and forecast with variance analysis provided during monthly exco meeting</li> <li>- Reports on on-going or planned corporate actions as and when required</li> <li>- Board Meeting</li> </ul>
Employees	<ul style="list-style-type: none"> <li>- Talent attraction and retention</li> <li>- Employees’ life-long learning</li> </ul>	<ul style="list-style-type: none"> <li>- Team building activities</li> <li>- Internal and external staff trainings</li> <li>- Performance review</li> </ul>
Community	<ul style="list-style-type: none"> <li>- Operations with implemented local communities, impact assessment and development program</li> </ul>	<ul style="list-style-type: none"> <li>- Company website</li> <li>- SGX announcement</li> <li>- Annual General Meeting</li> </ul>
Government and regulatory bodies	<ul style="list-style-type: none"> <li>- Compliance issues with laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>- Advice from professionals such as lawyer, external auditor, tax agent, etc.</li> </ul>

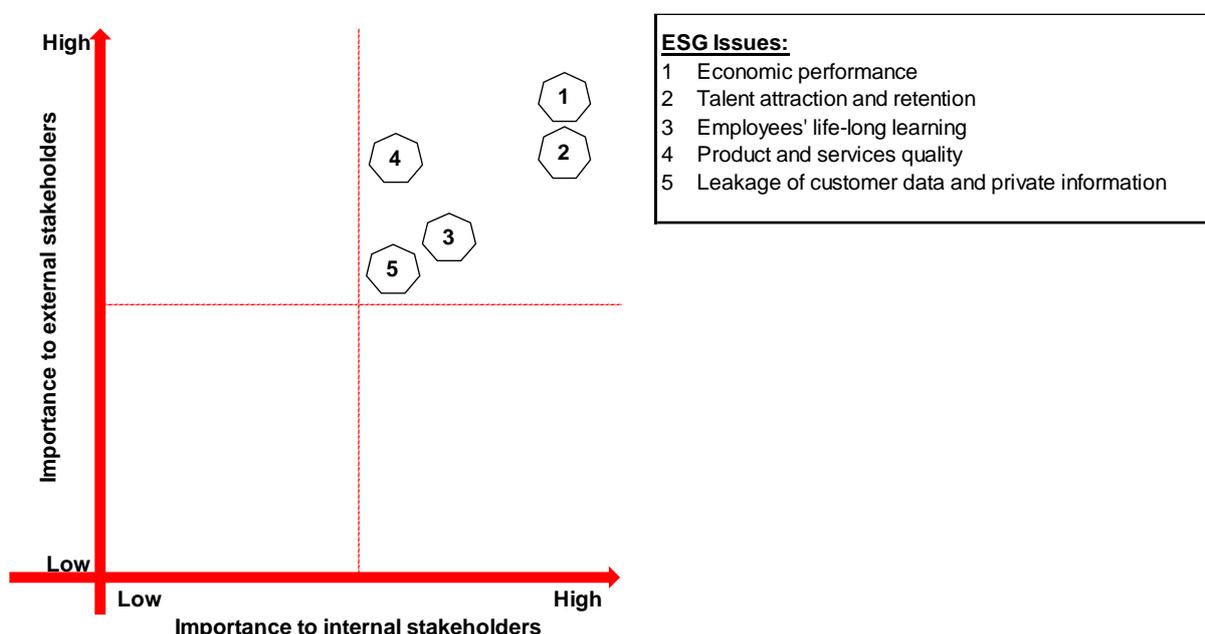
<sup>1</sup> For the purpose of this report, only the Group’s subsidiaries are included. The subsidiaries of the Group are principally engaged in provision of systems integration related activities and eCommerce systems and services, development and operation of hotel, provision of credit facilities, and investment holding.

**MATERIALITY ASSESSMENT**

This Sustainability Report has been guided and prepared by reference to the globally recognised Global Reporting Initiative (“GRI”) Standards, Rule 711B and Practice Note 7F of the Singapore Exchange Securities Trading Limited (“SGX”) Listing Manual Section B: Rules of Catalyst. The GRI Standards were chosen as GRI represents the global best practices for reporting on economic, environmental and social topics. Although the data and statistics disclosed in this report have not been assured by an independent external party, internal verification has been performed to ensure their accuracy.

As guided, a materiality assessment had been conducted by the management to determine and rank the significance of the Group’s ESG issues, identify strategic direction and set performance targets. From the above exercise, all potential material topics have been plotted in a materiality matrix as shown in Figure 1 based on their possible impact to the Group’s business, and against their importance to both internal and external stakeholders.

Figure 1: Materiality Matrix



**Material Aspects and Indicators**

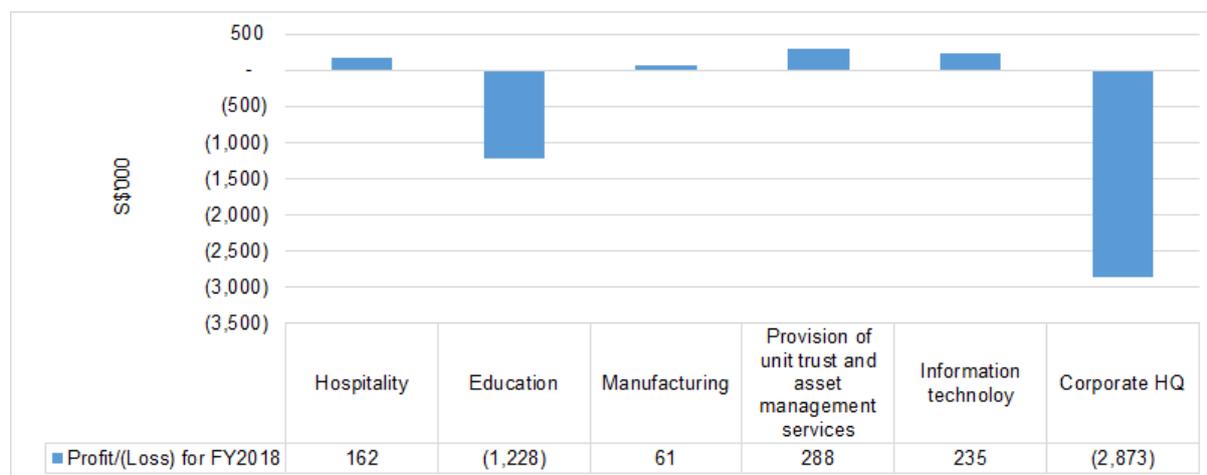
Category	ESG Factors	GRI reference	Where the Impact Occurs
Economic	Economic performance	201: Direct economic value generated and distributed	Within and outside the Group
People	Talent attraction and retention	401: Total number and rates of new employee hires and employee turnover by age group, gender and region	Within the Group
People	Employees’ life-long learning	404: Average hours of training per year per employee by gender, and by employee category	Within the Group
Marketplace	Product and services quality	102: Results of surveys measuring customer satisfaction	Outside the Group

Category	ESG Factors	GRI reference	Where the Impact Occurs
Marketplace	Leakage of customer data and private information	418: Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Outside the Group

**ECONOMIC**

**Financial Highlights**

Figure 2: Results for FY2018 (in S\$'000)



For more details on financial performance for FY2018, please refer to the chairman statement and the Group’s financial statements on pages 3 and 42 to 114 of the Company’s Annual Report 2018 despatched to shareholders of the Company on 26 March 2019, respectively.

**PEOPLE**

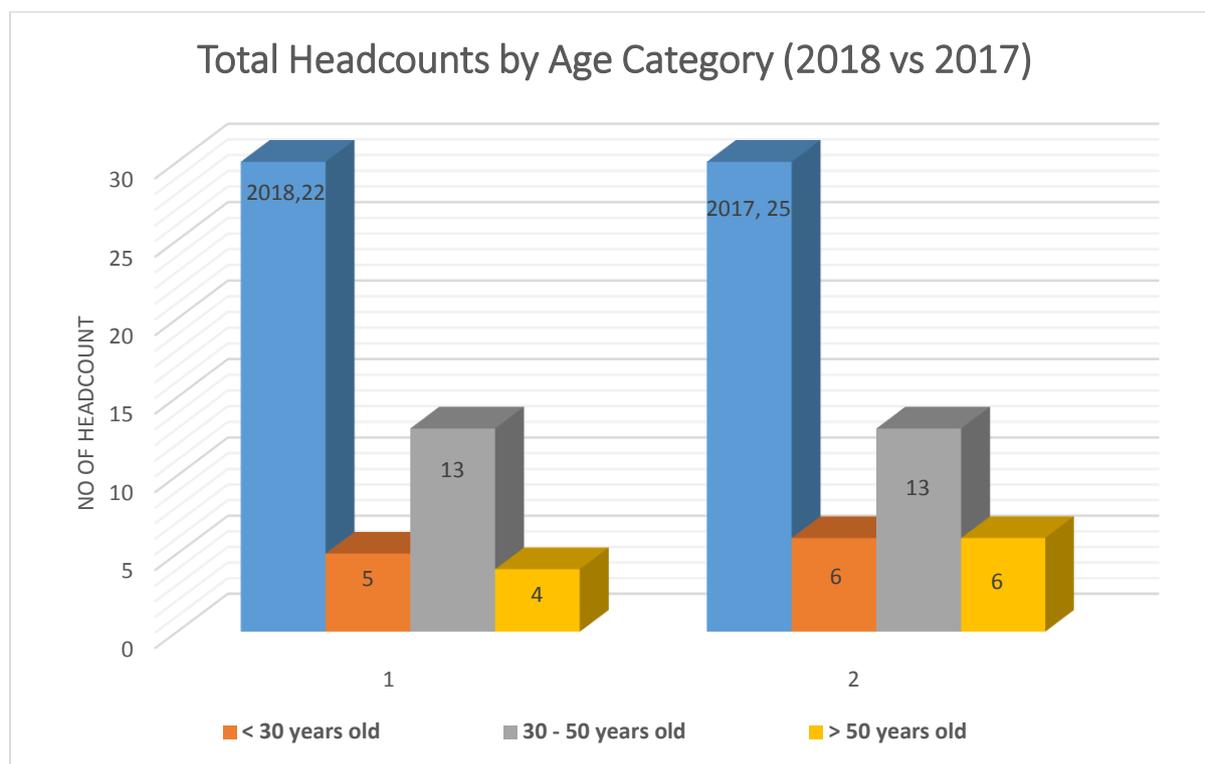
**Labour Practices**

Employee is the key driver of an organisation to ensure sustainable business growth. To achieve talent attraction and retention, the Group’s workforce practice and behaviour are to provide fair and equal opportunity based on qualification, skills and competency of employees. The Group is also committed to protect and respect human rights of employees in accordance with relevant laws and regulations as well as ensuring the employee safety and well-being.

Management continues to urge diversity workforce as seen through our employees’ demographics in Figure 3. As at the end of FY2018, the Group reported a total headcount of 22 people, of which 41% are male and 59% are female. The Group also encourage our employees to work beyond the statutory retirement age of 60.

Figure 3: Workforce Composition in FY2018

By Gender	Total Headcount	%	By Age Group	Total Headcount	%
Male	9	41%	< 30 years old	5	23%
Female	13	59%	30 – 50 years old	13	59%
<b>Total</b>	<b>22</b>	<b>100%</b>	> 50 years old	4	18%
			<b>Total</b>	<b>22</b>	<b>100%</b>



As the ratios for female employees (59%) and employees in the preferred category of 30-50 age group (59%) are considered appropriate for an organisation of our size, we would like to maintain 60% as the target for both category (female gender and 30-50 age group) for the next 2 years.

Management believes that the level of compensation is one of the key aspect to all employees. We open equal opportunity to all new hires regardless gender and age group. For existing employees, Management reviews the remuneration and staff benefits at least on an annual basis based on employee’s job performance and reference to the market rate aiming to create a productive and motivated workforce.

We also have our whistle-blowing policy that serves to provide a platform to employees to report in good faith and in confidence, without fear of reprisals and concerns, about any improper conduct within the Group. During the year, the Group has not received any grievances on labour practices and human rights. The Group aims to maintain zero incidence of any grievances on labour practices and human rights in 2019.

**Training and Learning**

Enhancing the skills of an employee is important towards sustainability and growth of a business enterprise. Our approach to develop our talent is to build a strong culture of learning and continuously improving their skills through on-the-job and off-the-job training in achieving high job performance, skills enhancement as well as supporting their career development. The Group also encourages employees who wish to pursue continuous professional development to gain further qualifications. The Group is committed to provide equal opportunities and appropriate level of training and development to all employees within the organisation.

During the year, our employees had participated in a range of training courses, both internally and externally, relating to the enhancement of skills and knowledge for their current role in the organisation. These courses include accounting and information technology (“IT”) training and job specific training.

Figure 4: Average Hours of Training in FY2018

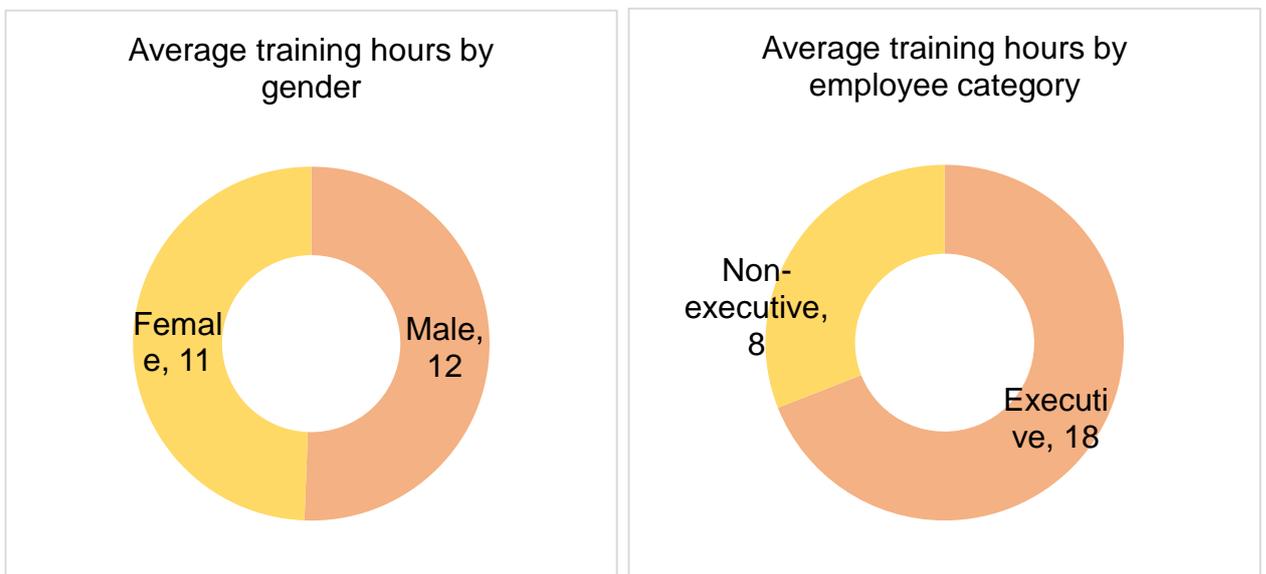


Figure 5: Average Training Hours by Gender Category

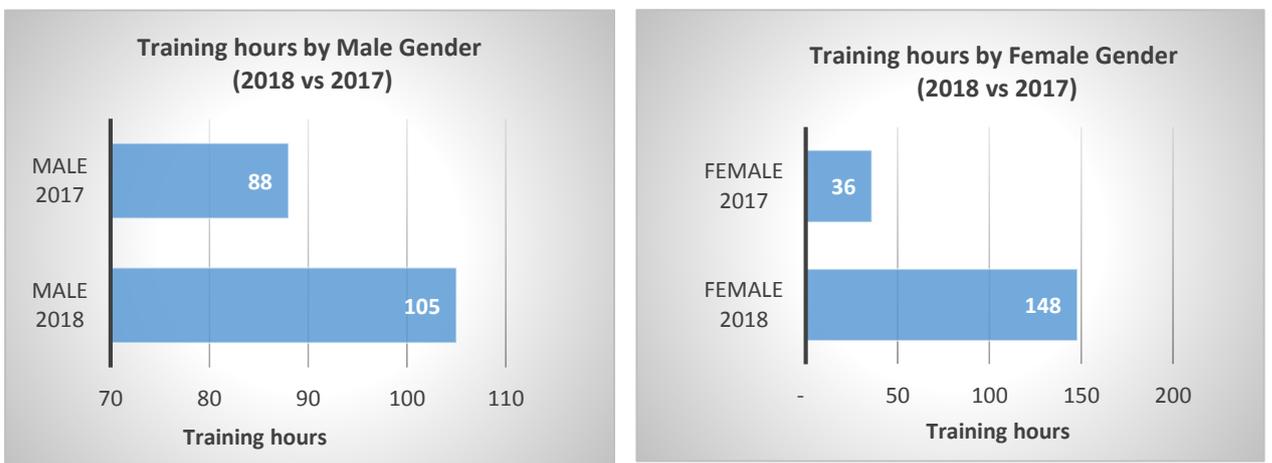


Figure 6: Total Training Hours In 2017 and 2018



Employee participation in training programmes have increased drastically in 2018 (253 hours) compared to 2017 (124 hours). This is illustrated in the above graph by gender category. The Group aims to maintain the number of employee training hours in 2019.

## MARKETPLACE

### Customer Satisfaction

The Group strives to raise customer satisfaction by offering good service to our customers and respond to their feedback promptly.

### Customer Privacy

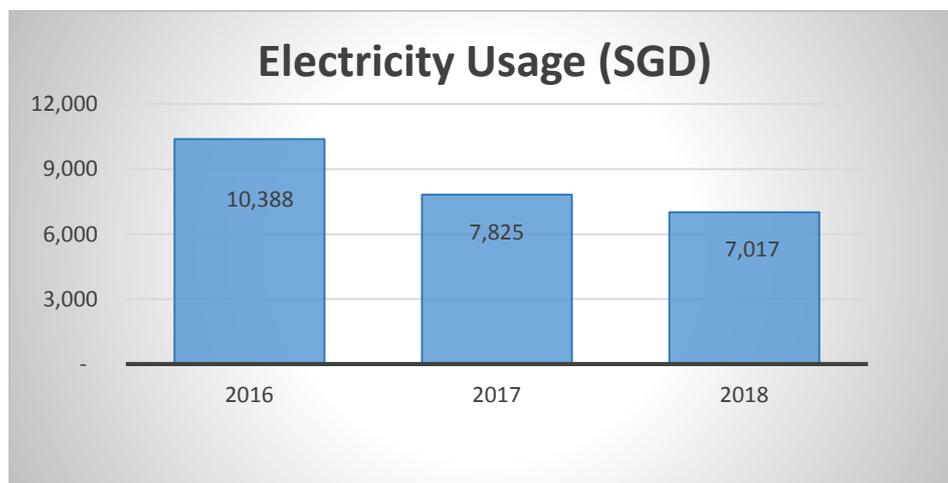
The Group is committed to ensure the customer's personal data are kept confidentiality in compliance with the PDPA. We highly respect personal data privacy and will not disclose these data without consent unless it is required by law.

The Group aims for zero complaint and there were no reported complaint concerning breaches or leakage of customer privacy data during the year.

## ENVIRONMENT

Getting a greener workplace can minimise negative environmental and social impacts. The Group encourages the employees to turn off lights when not using them, energy-saving settings for computers and other devices and make sure to shut them down when leave for the day. The Group also promotes eco-friendly practices in workplace such as using recycled paper, and also reusable office supplies such as refillable pens, reusable cartridge, rechargeable batteries, etc. The Group has set a target of 10% reduction in electricity usage from SGD7,017 spent in 2018.

Figure 7: Electricity Usage Analysis



## CORPORATE GOVERNANCE

The Group is committed to sustainable growth by integrating strong corporate governance and risk management practices, as outlined in our Corporate Governance Report, on pages 4 to 31 of the Annual Report, with reference to the principles of the Code of Corporate Governance 2012 (“**2012 Code**”) and the disclosure guide developed by the Singapore Exchange Securities Trading Limited in January 2015. On 6 August 2018, the Monetary Authority of Singapore issued a revised Code of Corporate Governance 2018 (“**2018 Code**”) and the accompanying Practice Guidance. The 2018 Code supersedes and replaces the 2012 Code and will apply to Annual Reports covering financial years commencing 1 January 2019. The Group will review and set out the corporate governance practices in place to comply with the 2018 Code for its next Annual Report for the financial year ending 31 December 2019.

*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”) in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalyst.*

*This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Ms Keng Yeng Pheng, Director, Continuing Sponsorship (Mailing address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).*