

The background of the entire page is a stylized graphic of a road or tunnel. It features a central perspective view with two large, glowing orange spheres at the top and bottom, representing the sun or moon. The road is defined by multiple layers of curved lines that create a sense of depth and movement. The color palette is dominated by warm oranges, reds, and purples, with black and white used for the road's lane markings and the logo.

STAMFORD *TYRES*

STAMFORD TYRES CORPORATION LIMITED

SUSTAINABILITY REPORT 2022

Contents

	Page
Board statement	1 - 2
Reporting framework	3
Reporting period and scope	3
Feedback	3
Our business	3
Stakeholder engagement	4
Policy, practice and performance reporting	5 - 6
Material factors	6 - 16
Supporting the UN Sustainable Development Goals	17 - 18
GRI content index	19 - 22

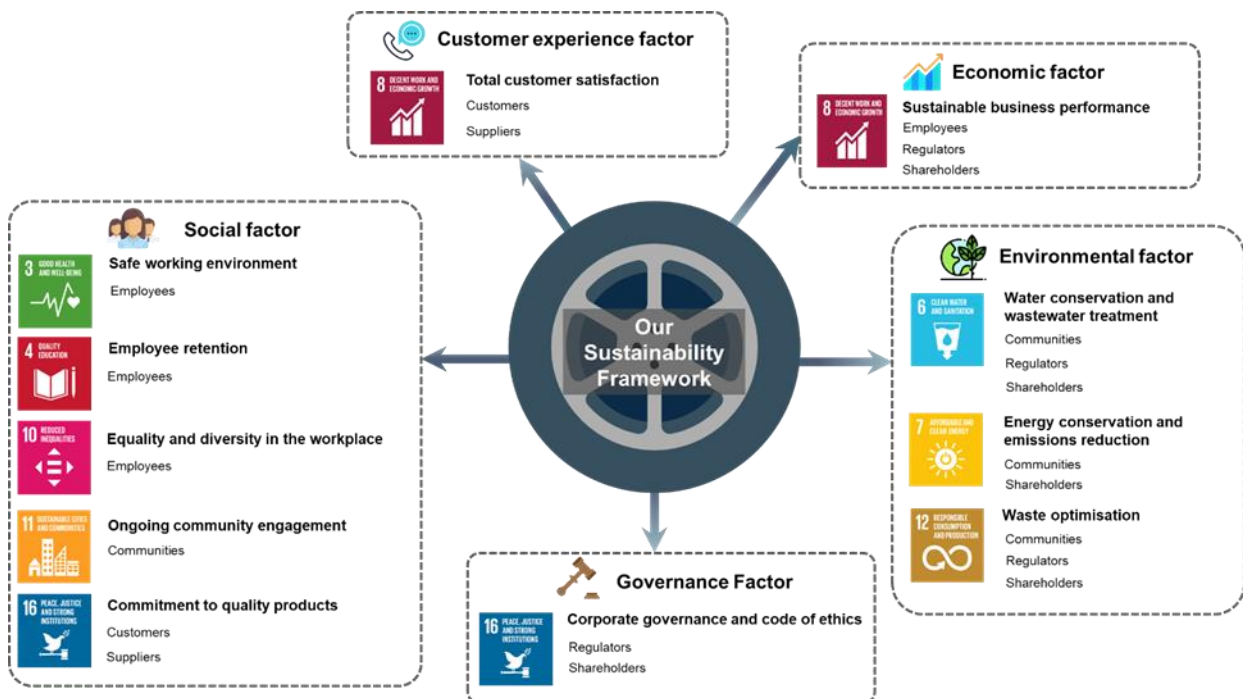
1. Board statement

We reaffirm our commitment to sustainability with the publication of our sustainability report (“Report”) guided by the Global Reporting Initiative (“GRI”) Standards: Core option. For this Report, we provide insights into the way we do business, while highlighting our environmental, social, governance factors, economic performance and customer experience (collectively as “Sustainability Factors”).

Whilst mindful of our overall profit-oriented objective, we are committed to strike a balance between growth, profit, governance, environment, the development of our people and well-being of our communities to secure the long-term future of Stamford Tyres Corporation Limited (the “Company”) and its subsidiaries (the “Group”). This commitment is reflected in our sustainable business strategy and the material Sustainability Factors which are shown in this Report.

A sustainability policy (“SR Policy”) covering our sustainability strategies, reporting structure, materiality assessment and processes in identifying and monitoring material Sustainability Factors has been established and serves as a point of reference in the conduct of our sustainability reporting. Under this SR Policy, we will continue to monitor, review and update our material Sustainability Factors from time to time, taking into account the feedback that we receive from our engagement with our stakeholders, organisational and external developments.

Our sustainability framework communicates our commitment towards supporting the United Nations’ Sustainable Development Goals (“SDGs” or “Global Goals”) and is primarily driven by the concerns of our key stakeholders. We work closely with stakeholders in our value chain and their inputs drive our sustainability focus on our material Sustainability Factors and the SDGs as follows:



FY2022 Sustainability Report – Stamford Tyres Corporation Limited

A summary of our key sustainability performance in FY2022 is as follows:

Sustainability factor	Performance indicator	Sustainability performance	
		FY2022	FY2021
Customer experience	Market presence	One of the largest independent tyre and wheel distributors in South East Asia	One of the largest independent tyre and wheel distributors in South East Asia
Economic	Taxation	S\$3.2 million	S\$2.0 million
	Salaries and employees' benefits	S\$22.0 million	S\$18.1 million
	Reinvestment via revenue reserve	S\$0.9 million	S\$1.1 million
	Dividend paid to shareholders	S\$3.0 million	S\$1.2 million
Environmental	Greenhouse gas ("GHG") emissions intensity (tonnes CO ₂ e/ revenue S\$'000)	0.0777	0.0680
	Percentage of aluminium chips recycled	88%	88%
	Water consumption rate (CuM/ revenue S\$'000)	0.8	0.8
	Percentage of wastewater treated by water treatment plant	100%	100%
Social	Number of safety related defect which resulted in an accident that caused injury to a customer	-	-
	Average training hour per full-time employee	4 hours	3 hours
	Turnover rate	16%	16%
	Number of reported incidents of unlawful discrimination ¹ against employees	-	-
	Number of workplace fatalities	-	-
	Number of high-consequence ² work-related injuries	-	-
	Number of recordable work-related injuries	15	9
Governance	Number of work-related ill health cases	-	-
	Number of complaints on serious offence ³	-	-

The global economic outlook remains challenging. To address the challenges arising from the uncertainties due to the Coronavirus disease 2019 ("COVID-19" or "Pandemic"), geo-political situations and intense market competition, the Group has deployed resources and implemented strategies to diversify our product offerings to adapt to the ongoing market changes. We will continue to focus on growing the sales of our key products, improving our sales productivity and upgrade value-added segments such as Stamford Tyres Mart retail chain and truck centres.

We believe that our pro-active business initiatives and operational track record will tide us through this challenging period and allow us to stay on course in our sustainability journey.

¹ Unlawful discrimination refers to an incident whereby the relevant authority has commenced investigation and resulted in a penalty to the Company.

² High-consequence work-related injuries refer to injuries from which the worker cannot recover or cannot recover fully to pre-injury health status within 6 months.

³ A serious offence is defined as one that involves fraud or dishonesty amounting to not less than S\$100,000 and punishable by imprisonment for a term of not less than 2 years which is being or has been committed against the Company by its officers or employees.

2. Reporting framework

This Report has been prepared in accordance with the Global Reporting Initiative (“GRI”) Standards: Core option and Singapore Exchange Securities Trading Limited (“SGX-ST”) listing rules 711A and 711B. We have chosen to report using the GRI Standards: Core option as it is an internationally recognised reporting framework. The GRI content index can be found in section 10.

As part of our continual efforts to align our sustainability reporting with relevant market standards, we have mapped our sustainability efforts to the 2030 Agenda for Sustainable Development which is adopted by all United Nations Member States in 2015 (“UN Sustainability Agenda”). The UN Sustainability Agenda provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDGs, which form an urgent call for action by all countries - developed and developing - in a global partnership. We have incorporated the SDGs, where appropriate, as a supporting framework to shape and guide our sustainability strategy.

While we have not sought external assurance for this sustainability report, we relied on internal data monitoring and verification to ensure its accuracy. We will work towards external assurance for our future sustainability reports.

3. Reporting period and scope

This Report is applicable for our financial year from 1 May 2021 to 30 April 2022 (“FY2022” or “Reporting Period”) and a copy of which can be found in our corporate website <http://www.stamfordtyres.com>. A sustainability report will be published annually in accordance with our SR Policy.

This Report covers the key operating entities within the Group which contributed to approximately 98% (FY2021: 97%) of the Group’s total revenue for the Reporting Period.

4. Feedback

We welcome feedback from all stakeholders on this Report. You may send related questions, comments, suggestions or feedback to our investor relations email account: weisze@stamfordtyres.com or siti@stamfordtyres.com.

5. Our business



Key suppliers
Comprise mainly suppliers for major brands of tyre and contract manufacturers to produce tyres under our proprietary brands⁴ (collectively referred to as “Suppliers”)

- Wholesale and retail of tyres and wheels;
- Manufacture and sale of aluminium alloy wheels;
- Servicing of motor vehicles; and
- Retreading of tyres

Key customers
Comprise mainly retailers and sub-distributors (“Customers”)

⁴ For further details on our proprietary brands and alloy wheels, please refer to section 8.6.

6. Stakeholder engagement

Through an internal stakeholder mapping exercise, we have identified key stakeholder groups which we prioritise our engagements with. These include entities or individuals that have an interest that are affected or could be affected by our activities.

Our efforts on sustainability are focused on creating sustainable value for our key stakeholders, which comprise communities, customers, employees, regulators, shareholders and suppliers. Key stakeholders are determined for each material Sustainability Factor identified, based on the extent of which their interests are affected or could potentially be affected by our operations.

We actively engage our key stakeholders through the following channels:

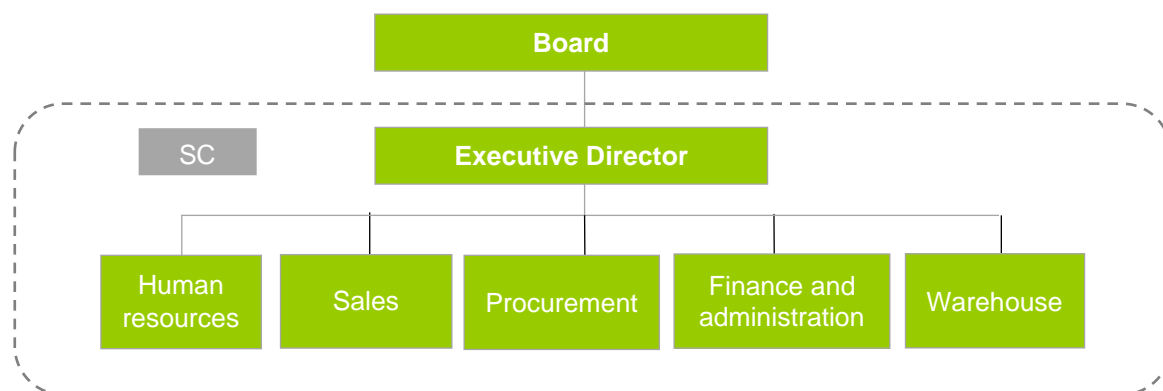
S/N	Key stakeholder	Engagement channel	Frequency of engagement	Key concern raised by stakeholder
1	Communities	Community campaigns	Regularly	<ul style="list-style-type: none"> ▪ Social inclusion ▪ Environmental initiatives
		Sustainability report	Annually	
2	Customers	<ul style="list-style-type: none"> ▪ Meetings and visits ▪ Calls ▪ Email communications 	Regularly	<ul style="list-style-type: none"> ▪ Customer service ▪ Product diversification ▪ Product quality and safety ▪ Product pricing
3	Employees	<ul style="list-style-type: none"> ▪ Meetings and talks held by the management ▪ Email communications 	Regularly	<ul style="list-style-type: none"> ▪ Equal employment opportunity ▪ Job security ▪ Remuneration and benefits ▪ Career development ▪ Workplace safety and health
		Staff evaluation sessions	Annually	
4	Regulators	Consultations and briefings organised by key regulatory bodies such as SGX-ST	As and when required	<ul style="list-style-type: none"> ▪ Corporate governance ▪ Workplace safety and health ▪ Regulatory development towards environmental goals
5	Shareholders	<ul style="list-style-type: none"> ▪ Annual report ▪ Sustainability report ▪ Annual general meeting 	Annually	<ul style="list-style-type: none"> ▪ Sustainable business performance ▪ Market valuation ▪ Dividend payment ▪ Corporate governance
		Result announcements	Half-yearly	
		Dedicated email account for investor relations	Ongoing	
6	Suppliers	Supplier evaluation	Annually	Demand volatility
		<ul style="list-style-type: none"> ▪ Meetings and visits ▪ Calls ▪ Email communications 	Regularly	

Through the above channels, we seek to understand the views of key stakeholders, communicate effectively with them and respond to their concerns.

7. Policy, practice and performance reporting

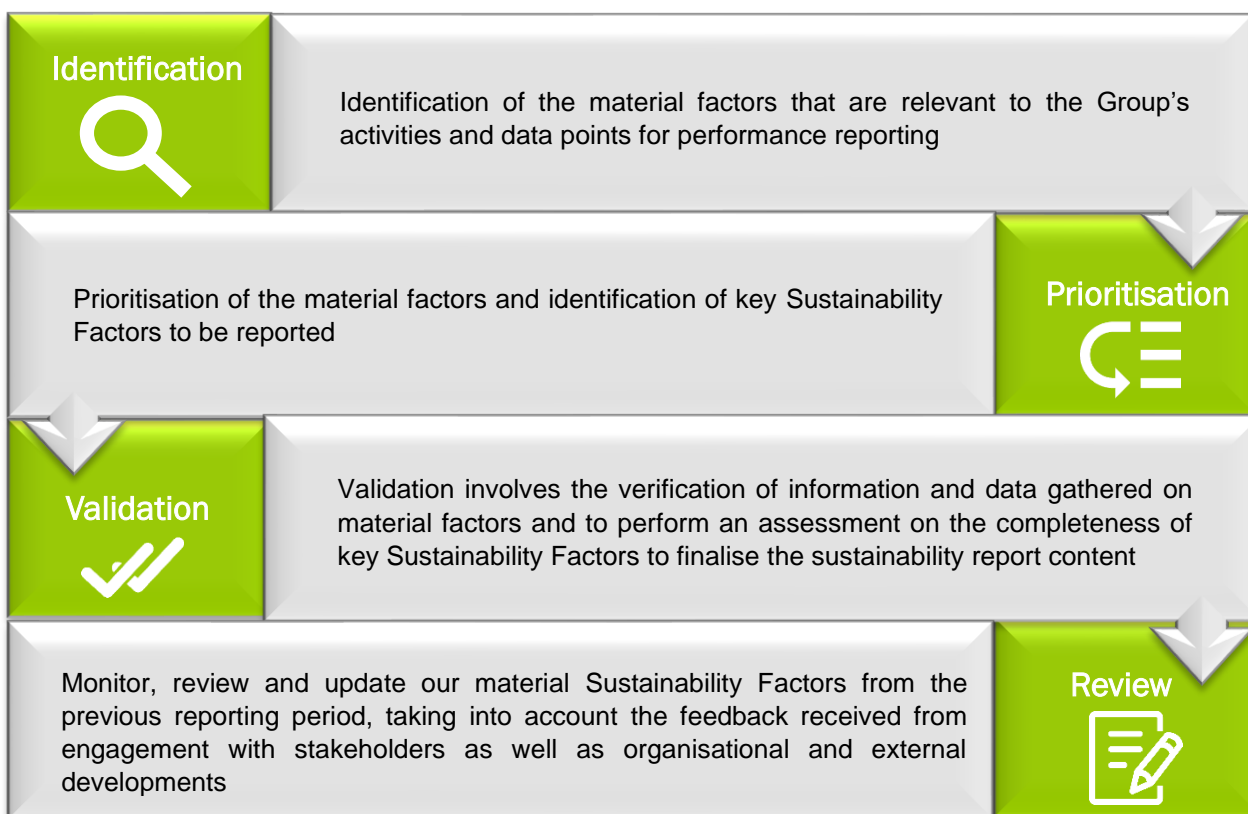
7.1 Reporting structure

Our sustainability strategy is developed and directed by the senior management in consultation with the Board. The Group’s Sustainability Committee (“SC”), which includes senior management executives and key managers from various functions, is led by the Executive Director (“ED”), and tasked to develop the sustainability strategy with consideration of climate-related issues, review its material impacts, consider stakeholder priorities and set goals and targets, as well as collect, verify, monitor and report performance data for this Report.



7.2 Sustainability reporting processes

Under our SR policy, our sustainability process begins with the identification of relevant factors. Relevant factors are then prioritised as material factors which are then validated. The end result of this process is a list of material Sustainability Factors disclosed in this Report. Processes involved are as shown in the chart below:



FY2022 Sustainability Report – Stamford Tyres Corporation Limited

7.3 Materiality assessment

The materiality assessment considers the likelihood of the occurrence of potential negative and positive impacts (“Likelihood of Impact”) and significance of impacts on the economy, environment, people and their human rights, which in turn can indicate its contribution to sustainable development (“Significance of Impact”).

7.4 Performance tracking and reporting

We track the progress of our material Sustainability Factors by identifying the relevant data points (i.e. the information source of the relevant factor) and measuring them. In addition, performance targets that are aligned with our strategy are set to ensure that we maintain the right course in our path to sustainability. We seek to constantly enhance our performance-monitoring processes and data capturing systems.

8. Material factors

In FY2022, a stakeholder engagement session and materiality assessment were conducted by the SC to understand the concerns and expectations of our stakeholders. Through this session and assessment, factors material to the sustainability of our business were updated. In this Report, we have also reported on our progress in managing these factors and set related targets to improve our performance.

Presented below are the material Sustainability Factors applicable to the Group:

List of material Sustainability Factors

S/N	Material Sustainability Factor	SDG	Key stakeholder
General disclosure			
1	Total customer satisfaction	Decent work and economic growth	<ul style="list-style-type: none">CustomersSuppliers
Economic			
2	Sustainable business performance	Decent work and economic growth	<ul style="list-style-type: none">EmployeesRegulatorsShareholders
Environmental			
3	Energy conservation and emissions reduction	Affordable and clean energy	<ul style="list-style-type: none">CommunitiesShareholders
4	Waste optimisation	Responsible consumption and production	<ul style="list-style-type: none">CommunitiesRegulatorsShareholders
5	Water conservation and wastewater treatment	Clean water and sanitation	<ul style="list-style-type: none">CommunitiesRegulatorsShareholders
Social			
6	Commitment to quality products	Peace justice and strong institutions	<ul style="list-style-type: none">CustomersSuppliers
7	Employee retention	Quality education	Employees
8	Equality and diversity in the workplace	Reduced inequalities	Employees
9	Safe working environment	Good health and well-being	Employees
10	Ongoing community engagement	Sustainable cities and communities	Communities
Governance			
11	Corporate governance and code of ethics	Peace justice and strong institutions	<ul style="list-style-type: none">RegulatorsShareholders

We will update the material Sustainability Factors on an annual basis to reflect changes in business operations, environment, stakeholders’ feedback and sustainability trends. The details of each material Sustainability Factor are presented as follows:

FY2022 Sustainability Report – Stamford Tyres Corporation Limited

8.1 Total customer satisfaction

Our strategies towards customer satisfaction are as follows:

Cultivate a long-term and sustainable relationship with our partners

With firm relationships established with our strategic partners, we are able to gain access to distribute a diverse range of products under the major brands of Falken, Dunlop, Continental and Maxam to meet our Customers' needs and requirements. In addition, our volume purchases allow us to secure competitive pricing which we can then offer our Customers with value-for-money products.

Adopt market standards for the quality and safety of our products

For products under our proprietary brands, they are manufactured by selected contract manufacturers ("CMS") located in Asia under internationally recognised quality standards. The adoption of such standards supports our ability to consistently provide products that meet our Customers' needs and expectations.

For product safety and consistency in quality, refer to section 8.6 for further details.

Maintain presence and proximity to our Customers

We are one of the largest independent tyre and wheel distributors in South East Asia with international distribution network that spans across Singapore, Malaysia, Thailand, Indonesia, Hong Kong, India, Australia, South Africa and Vietnam. Our extensive network brings us close to the markets we serve and more importantly, to our Customers.

Nurture a team of highly-trained and experienced employees

We are dependent on our highly-trained and experienced professional staff to serve our Customers on the products we distribute. Our strategy to establish a global footprint is driven by a core regional team of trained and experienced professional staff.

On our efforts to retain our valued staff, refer to section 8.7 for further details.

Target for FY2022	Performance in FY2022	Target for FY2023
Maintain or increase market presence subject to market conditions	We are one of the largest independent tyre and wheel distributors in South East Asia and there were no material changes in our market presence during the Reporting Period	Maintain or increase market presence subject to market conditions

8.2 Sustainable business performance

We believe in creating long-term economic value for shareholders by rewarding shareholders with consistent profits and dividend payments.

We are committed to provide value to various stakeholders through relevant and meaningful ways. In line with this commitment, value created in FY2022 is distributed as follows for a sustainable future:

- A total of S\$3.2 million (FY2021: S\$2.0 million) was allocated as tax to governments, contributing to the development of countries;
- Salaries and employees' benefits amounted to S\$22.0 million (FY2021: S\$18.1 million);
- A total of S\$0.9 million was reinvested via revenue reserve to fund future growth (FY2021: S\$1.1 million); and
- An aggregate amount of S\$3.0 million (FY2021: S\$1.2 million) was paid as dividend to reward our shareholders for their continued support.

Details of our economic performance can be found in the financial contents and audited financial statements of the Annual Report 2022. Our Annual Report 2022 is available as a downloadable PDF from our website at https://www.stamfordtyres.com/investor_ar.html.

FY2022 Sustainability Report – Stamford Tyres Corporation Limited

Target for FY2022	Performance in FY2022	Target for FY2023
Improve our financial performance subject to economic conditions whilst maintaining our dividend rate where practicable	Increase in revenue, net profit and dividend paid to shareholders in FY2022	Improve our financial performance subject to economic conditions whilst maintaining our dividend payout where practicable

8.3 Energy conservation and emissions reduction

We are committed to responsible usage of energy resources and emissions reduction to combat climate change.

Our operations consume energy mainly for the following purposes:

- Electricity for machineries used in the manufacturing of aluminium alloy wheels and equipment used in our offices;
- Liquefied petroleum gas (“LPG”) for machineries used in the manufacturing of aluminium alloy wheels, specifically for wheel casting; and
- Diesel fuel for operating generators in our wheel factory in Thailand (“Wheel Factory”) and operating motor vehicles such as trucks and forklifts.

We believe that a responsible usage of energy resources results in lesser carbon emissions and thus helps to preserve the environment. It also reduces our costs and enhances returns to shareholders. Key initiatives on this front are as follows:

- In April 2019, we entered into a Solar Power Purchase Agreement with Sembcorp Solar Singapore to install a solar photovoltaic system at our headquarters (“Solar Power Project”). Under this agreement, solar panels are installed on the rooftop of our headquarters to generate electricity. The solar panels also help to bring down the roof surface’s temperature and cool the facility. This project enabled us to generate clean energy and at the same time, reduced our utility cost. During the Reporting Period, we generated 2,699,400 kWh (FY2021: 2,671,790 kWh) of electricity from the installed solar panels. In FY2022, through electricity generated by our solar panels, we avoided 1,093.5 tonnes (FY2021: 1,081.8 tonnes) of GHG emissions. Refer to the table below for further details;



- A systematic maintenance program for operating equipment is in place to maintain energy efficiency; and
- Energy consumption is regularly tracked, analysed and corrective actions are taken when unusual consumption patterns are observed.

FY2022 Sustainability Report – Stamford Tyres Corporation Limited

Key statistics on energy consumption and GHG emissions during the Reporting Period are as follows:

Performance indicator	Unit of measurement	FY2022	FY2021
Energy consumption			
LPG consumption ⁵	kg	1,937,712	1,698,440
Diesel fuel consumption	litre	707,955	683,164
Purchased electricity consumption	kWh	14,031,787	11,830,217
Electricity generated by our solar panels	kWh	2,699,400	2,671,790
Energy consumption intensity			
LPG consumption intensity	kg/ revenue S\$'000	184.8	173.7
Diesel fuel consumption intensity	litre/ revenue S\$'000	3.8	3.6
Electricity consumption intensity	kWh/ revenue S\$'000	75.1	64.3
GHG emissions			
Direct GHG emissions (Scope 1 ⁶)	tonnes CO ₂ e	7,714.6	6,932.2
Indirect GHG emissions (Scope 2 ⁷)	tonnes CO ₂ e	7,902.4	6,658.6
GHG emissions avoided	tonnes CO ₂ e	(1,093.5)	(1,081.8)
Total GHG emissions	tonnes CO ₂ e	14,523.5	12,508.9
GHG emissions intensity	tonnes CO ₂ e/ revenue S\$'000	0.0777	0.0680

During the Reporting Period, GHG emissions intensity increased due to the increase in LPG consumption and electricity consumption, which is mainly due to the increase in business activities of our Wheel Factory.

Target for FY2022	Performance in FY2022	Target for FY2023
Maintain or reduce energy consumption rate	Increase in GHG emission intensity mainly due to the increase in business activities of our Wheel Factory	<ul style="list-style-type: none"> Reduce energy consumption intensity Reduce GHG emissions intensity

8.4 Waste optimisation

We are committed to environmental preservation through reuse and recycling to allow us to operate in a sustainable environment.

The main waste materials generated from our operations are the aluminium chips from wheel production. All aluminium chips from production are collected for outsourced recycling. During the Reporting Period, 88% (FY2021: 88%) of the 4,186,809 kg (FY2021: 3,566,023 kg) of aluminium chips generated from production is recycled. The increase in aluminium chips generated from production is mainly due to the increase in revenue of our Wheel Factory.

Aluminium chips



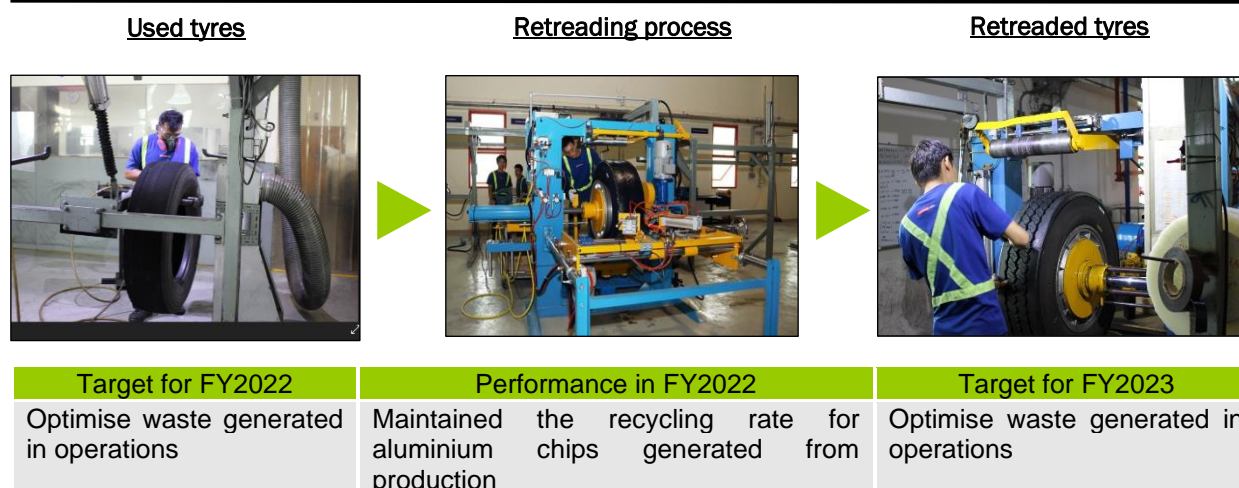
In addition, we are actively involved in recycling of used tyres through our retreading plants located in Singapore, Malaysia and Indonesia. The retreading plants serve to extend the life span of tyres, thus saving valuable natural resources used in the production of tyres. Whilst preserving the environment, we also ensure that all retreaded tyres are rigorously inspected to ensure quality and safety.

⁵ LPG is consumed mainly by our Wheel Factory.

⁶ GHG emissions from consumption of LPG and diesel fuel controlled by the Company (Scope 1) are calculated based on the emissions factors published by the Intergovernmental Panel on Climate Change

⁷ GHG emissions from electricity purchased by the Company (Scope 2) are calculated based on the emissions factors published by the relevant local authorities.

FY2022 Sustainability Report – Stamford Tyres Corporation Limited



8.5 Water conservation and wastewater treatment

We recognise the importance to effectively manage water consumption as valuable water resources may be depleted and pollution may occur if we do not manage water consumption and wastewater treatment properly. Accordingly, we are committed to minimise water consumption and manage wastewater quality.

Water is consumed for office use, Wheel Factory and retreading operations with a substantial amount consumed by the Wheel Factory. Water consumed by our Wheel Factory is used for cooling and washing purposes during manufacturing processes such as in cooling towers, for heat treatment quenching baths, casting hydraulic systems, as machining coolant, for painting pre-treatment and basic washing of wheels before paint application.

Key statistics on water consumption and wastewater generated from our wheel manufacturing processes during the Reporting Period are as follows:

a. Water conservation

Resource	Water consumption (Cu M)		Water consumption rate (Cu M/ revenue S\$'000)	
	FY2022	FY2021	FY2022 Unit/ S\$'000	FY2021 Unit/ S\$'000
Water	152,552.4	138,267.5	0.8	0.8

Water conservation measures adopted by our operations include the following:

- Water consumption trends are regularly tracked, analysed and corrective actions are taken when unusual consumption patterns are observed; and
- A systematic maintenance program is implemented for operating equipment to maintain water efficiency for our Wheel Factory.

FY2022 Sustainability Report – Stamford Tyres Corporation Limited

b. Wastewater treatment (Wheel Factory)

Wastewater comprises coolant oil and paint sludge which are generated from the following wheel manufacturing processes:

Description	Source
Coolant oil	Generated from the machining process, which is a mixture of oil, coolant chemical and water
Paint sludge	Generated from the painting process, which is a mixture of water, paint chemical, thinner, and other particles captured by the water curtains inside the painting booths

During the Reporting Period, the Wheel Factory generated 22,927 tonnes (FY2021: 19,765 tonnes) of wastewater. The increase in wastewater generated is mainly due to the increase in revenue of our Wheel Factory.

Measures taken to manage water quality include ensuring that wastewater is processed by our own water treatment plants before it is released into the waterways and conducting sampling checks to inspect water quality. During the Reporting Period, 100% (FY2021: 100%) of wastewater generated from our Wheel Factory is treated by our own water treatment plant.

Target for FY2022	Performance in FY2022	Target for FY2023
<ul style="list-style-type: none"> Maintain or reduce water consumption Achieve 100% wastewater treatment for the Wheel Factory 	<ul style="list-style-type: none"> No material changes in water consumption intensity 100% of wastewater generated from our Wheel Factory is treated by our own water treatment plant 	<ul style="list-style-type: none"> Maintain or reduce water consumption intensity Achieve 100% wastewater treatment for the Wheel Factory

8.6 Commitment to quality products

Our brands



We are committed to deliver the best to our Customers by providing them with quality and safe products for our long-term business sustainability. Our proprietary brands comprise:

- Sumo Firenza and Sumo Tire brands for tyres which are produced by our CMS; and
- Stamford Sport Wheels, or SSW brand, for alloy wheels which are designed, manufactured and tested in our Wheel Factory.

The key measures on quality and safety are as follows:

a. Adoption of market standards on product quality and safety

To maintain product quality and safety, our Suppliers and Wheel Factory are certified under internationally recognised quality standards with the following details:

FY2022 Sustainability Report – Stamford Tyres Corporation Limited

Production line	Brand	Key standards adopted	Certification Center
CMS	Sumo Firenza, Sumo Tire	ECE certification	TUV Rheinland, TUV SUD
Wheel factory	SSW	IATF 16949:2016	TUV Rheinland
		ISO 9001: 2015	TUV Rheinland
		VIA/JWL	Japanese Vehicle Inspection Association / Japan Light Alloy Automotive Wheel Testing Council
		SNI Marking Product Certificate	Center for Material and Technical Product, Product Certification Body B4T LSPRO Bandung, Indonesia
		GOST	Euro-Asian Council & CIS for Standardisation, Metrology and Certification (“EASC”)
		ABE (KBA/TUV Germany)	TUV Rheinland Kraftfahrt GmbH
		ECE certification	TUV Rheinland

b. Robust quality control processes

To uphold a high standard on product quality and safety, we implemented the following operational measures:

- A manufacturing management policy is in place for compliance with the production standards;
- A procurement policy is in place to ensure that procurement teams work closely with Suppliers to comply with our requirements;
- Strategic suppliers are regularly evaluated through measures such as annual assessments, sampling tests and visits to Suppliers’ premises; and
- The production lines are supported by a team of experienced engineers and designers to provide quality assurance for the products.

During the Reporting Period, there is no safety related defect which resulted in an accident that caused injury to a customer (FY2021: none).

Target for FY2022	Performance in FY2022	Target for FY2023
Maintain zero safety related defect which resulted in accident and caused injury to customer	Maintained zero safety related defect which resulted in accident and caused injury to customer	Maintain zero safety related defect which resulted in accident and caused injury to customer

8.7 Employee retention

The continual success of our business relies on a team of professional, skilled and experienced staff and managers. We are committed to employee retention through the following efforts:

a. Performance based rewards

We recognise that employees are key to sustainability and therefore aims to reward capable and dedicated employees. Under our performance share plan for managerial level employees, rewards in the form of shares are granted to key employees to align their interests with that of the Group. The share plan is subject to review and approval by an independent Remuneration Committee and the Board of Directors.

b. Systematic internal human resource processes

Human resource processes related to employee retention includes:

- An employee handbook is in place to provide guidance on employee benefits and disseminate corporate culture;
- Employees are engaged regularly via various channels such as an appraisal exercise which allows employees to gain feedback on their career progress; and
- In-house and external training courses are organised regularly for employees to improve their professional skills and productivity, equip sales staff with the necessary product and service knowledge, guide Wheel Factory staff on factory operations and safety. During the Reporting Period, our full-time employees receive an average of 4 hours (FY2021: 3 hours) per full-time employee.

FY2022 Sustainability Report – Stamford Tyres Corporation Limited

We believe that a low turnover improves the sustainability of operations and allows us to contribute positively to the development of social and human capital in a wider community. As at 30 April 2022, our turnover rate⁸ for full-time employees is 16% (FY2021: 16%).

Target for FY2022	Performance in FY2022	Target for FY2023
Maintain or improve employee retention rate subject to market conditions	Maintained turnover rate for full-time employees	Maintain or improve employee retention rate subject to market conditions

8.8 Equality and diversity in the workplace

We are committed to the goals of diversity and equal opportunity in employment by providing a work environment for our employees that fosters fairness, equality and respect for social and cultural diversity, regardless of their gender, age and educational background. The total number of full-time employees⁹ and part-time employees¹⁰ (“Workforce”) within the Group as at 30 April 2022 is 845 (FY2021: 838). The breakdown of the Workforce by employment type is as follows:

Employment type	Number of employees		Percentage of Workforce	
	FY2022	FY2021	FY2022	FY2021
Full-time	841	838	99%	100%
Part-time	4	-	1%	-
Workforce	845	838	100%	100%

The number of part-time employees is considered to be not material given that the Group is not reliant on part-time employees to support its operations and long-term sustainability.

On gender diversity, we view diversity on the Board level as an essential element in supporting sustainable development with two (FY2021: two) female Board members or 40% (FY2021: 33%) female representation on the Board. The percentage of female to full-time employees is 26% (FY2021: 26%) and about 33% (FY2021: 38%) of managers are females as at 30 April 2022.

On age diversity, matured workers are valued for their experience, knowledge and skills. As at 30 April 2022, 18% (FY2021: 20%) of full-time employees is above 50 years old.

On diversity in educational background, we seek to create an inclusive environment for our employees from different educational background. The distribution of full-time employees by educational level is as follows:

Education qualification	FY2022	FY2021
Tertiary	29%	28%
Non-tertiary	71%	72%
Total	100%	100%

During the Reporting Period, we have no (FY2021: zero) reported incident of unlawful discrimination against employees.

To promote equal opportunity, we have implemented various human resource measures as follows:

- Human resource policy and employee handbook are in place to recruit and promote employees based on merit and competency;
- Staff assessment is performed regularly to evaluate the performance of staff and provide staff with a sense of self-awareness to undertake training that will improve their skills and abilities; and

⁸ Turnover rate is calculated by dividing the total number of leavers by the total number of employees from entities covered.

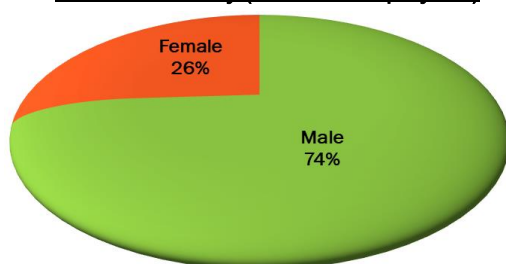
⁹ Full-time employees refer to individuals who work up to 44 hours a week, which is the number of contractual working hours defined in the Employment Act.

¹⁰ Part-time employees refer to individuals who is under a contract of service to work less than 35 hours a week.

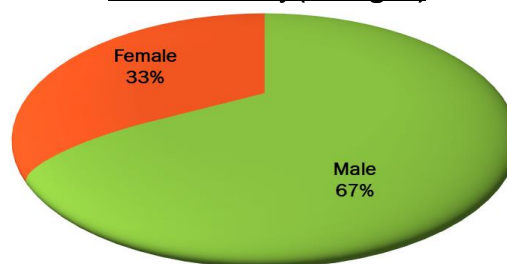
FY2022 Sustainability Report – Stamford Tyres Corporation Limited

- Staff recruitment advertisements do not state age, race, gender or religion preferences as requirement.

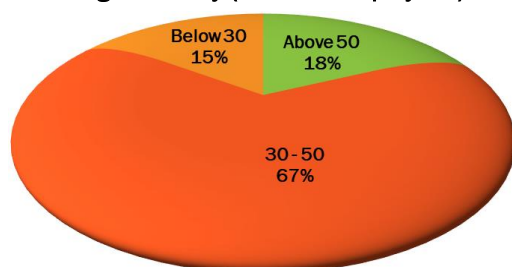
Gender diversity (full-time employees)



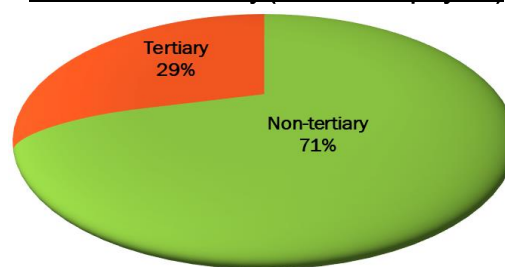
Gender diversity (managers)



Age diversity (full time employees)



Educational diversity (full-time employees)



Target for FY2022			Performance in FY2022			Target for FY2023		
Maintain	zero	reported	Maintained	zero	reported	Maintain	zero	reported
incident	of	unlawful	unlawful	discrimination	incident	incident	of	unlawful
discrimination		against	employees	against	against	discrimination		against
employees						employees		employees

8.9 Safe working environment

In the Group’s daily operations, the workers are required to handle heavy lifting equipment such as forklifts to transfer inventories. For the Wheel Factory, workers also operate in a high temperature environment with the use of chemicals such as paints. Given the nature of activities and operating environment, we are committed to maintain a safety-conscious culture amongst our employees.

The measures implemented to manage health and safety in the workplace environment are as follows:

- A set of safety rules and regulations is in place;
- A safety committee is in place and safety inspections are performed regularly by safety officers and reported to senior managers;
- All new employees are briefed on safety procedures during orientation;
- Regularly track and monitor accidents at the workplace and corrective action plans are established to prevent recurrences of the accidents; and
- A dedicated first-aid room is maintained at the Wheel Factory to provide immediate and effective medical treatment to workers or others who sustain injuries at the location.



First aid room in our Wheel Factory

During the Reporting Period, we recorded no (FY2021: zero) workplace fatalities, no (FY2021: zero) high-consequence work-related injuries, 15 (FY2021: 9) recordable work-related injuries and no (FY2021: zero) work-related ill health cases during the Reporting Period. The workplace accidents are mainly associated with finger, hand and leg injuries. We will continuously work towards reducing both the occurrence and severity of workplace accidents.

To protect our employees and minimise the risk of transmission of COVID-19, we adhere to the guidelines and measures passed by the local COVID-19 laws and regulations. These measures include work from home arrangements and the implementation of safe distancing measures in the office.

FY2022 Sustainability Report – Stamford Tyres Corporation Limited

Target for FY2022	Performance in FY2022	Target for FY2023
Reduce the number of workplace accidents	Increase in the number of recordable work-related injuries and will continuously work towards reducing both the occurrence and severity of workplace accidents	Reduce the number of work-related injuries

8.10 Ongoing community engagement

We recognise that the long-term success of our business is closely related to the health and prosperity of the communities that we operate in. Accordingly, we strive to constantly contribute to the community. During the Reporting Period, the following campaigns are initiated to help the community:

Singapore Red Cross (“SRC”)

Under an arrangement made with SRC, we have supported the servicing and change of tyres of 18 vehicles since August 2018. The vehicles typically make over 12,000 life-saving trips a year and are deployed all over Singapore. The estimated retail cost of savings for SRC is approximately SGD 15,000 per year. We are proud to partake in the noble mission of SRC.



Photo courtesy: Singapore Red Cross

Malaysia International Search & Rescue (“MISAR”)

In May 2021, our Malaysian subsidiary sponsored tyres for MISAR. The tyres are used in MISAR’s Emergency Response Team for land ambulance services, medical evacuation, medical standby services and selected nursing services. MISAR is a non-governmental organisation that serves in search and rescue missions, relief and emergency response to save lives and anyone in need.



Rumah Victory Elderly Home (“Rumah Victory”)

In October 2021, our Malaysian subsidiary donated daily needs products such as healthcare products, canned food, personal hygiene and cleaning products to Rumah Victory. In addition, in October 2021 and April 2022, we sponsored tyres for the elderly home’s motor vehicle.



Rumah Victory is a non-profit organisation which aspires to provide community services and new hope for those who are misguided and in need. It was established in 2005 to provide a shelter for old folks who are abandoned, lonely, homeless and in need.



FY2022 Sustainability Report – Stamford Tyres Corporation Limited

COVID-19 Community Isolation (“CI”)

As part of our corporate social responsibility activity in Thailand, in August 2021, our Thailand subsidiary provided food and water to the Covid-19 CI in Saiyai Nonthaburi, for individuals with COVID-19 that experience no to mild symptoms can opt to undergo isolation in a CI facility.



Share Your Kindness Campaign

In July 2021, our South Africa subsidiary collaborates with Point S Group and contributes to the sponsorship of food hampers and donation of blankets using a portion of sales of Falken tyres within Point S stores located nationwide. This campaign aims to help the communities in need, in which the recipients of the food hampers and blankets include Magda’s Soup Kitchen in Paarl, Westpark Special Needs school in Durban as well as the Laerskool Danie Malan in Pretoria North, Gauteng.



Target for FY2022	Performance in FY2022	Target for FY2023
Initiate various campaigns to help the communities	Initiated various campaigns to help the communities	Initiate various campaigns to help the communities

8.11 Corporate governance and code of ethics

We are committed to high standards of corporate governance and believe that a high standard of corporate governance is integral in ensuring sustainability of our business, as well as safeguarding shareholders’ interests and maximising long-term shareholder’s value.

An employee handbook is in place to provide guidance to our employees on areas such as conduct in workplace, business conduct, confidentiality of information and conflict of interest. In line with our commitment to maintain a robust corporate governance framework, we have implemented a whistle blowing policy to provide a mechanism for employees to raise concerns through accessible confidential disclosure channels about possible improprieties in matters of financial reporting and others.

Our overall SGTI score assessed by National University of Singapore Business School is 88 for year 2022 (Year 2021: 74). In FY2022, no complaint on serious offences is reported (FY2021: none).

The Board and Management firmly believe that the success of our quest for good governance lies in putting in place an effective framework of risk management and internal controls that is aligned with market standards and best practices. Refer to the Corporate Governance Report of the Annual Report 2022 for details for our corporate governance practices.

Target for FY2022	Performance in FY2022	Target for FY2023
<ul style="list-style-type: none"> ▪ Maintain or improve our SGTI score ▪ Maintain zero incident of complaint on serious offences 	<ul style="list-style-type: none"> ▪ Improvement in SGTI score ▪ Maintained zero incident of complaint of serious offence 	Maintain zero incident of complaint on serious offences

9. Supporting the UN Sustainable Development Goals

We have incorporated the SDGs under the 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, where appropriate, as a supporting framework to shape and guide our sustainability strategy. The results shown below are how our Sustainability Factors relate to these SDGs:

SDG	Our effort
 <p>Ensure healthy lives and promote well-being for all at all ages</p>	<p><u>Section 8.9 Safe working environment</u> We implement measures to ensure a safe and secure working environment for our employees.</p>
 <p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>	<p><u>Section 8.7 Employee retention</u> We help our employees to upgrade their professional skills by investing in training, education and development of our people to also enhance our business competencies.</p>
 <p>Ensure availability and sustainable management of water and sanitation for all</p>	<p><u>Section 8.5 Water conservation and wastewater treatment</u> We implement checks and measures to reduce water wastage and manage the quality of wastewater generated from our business operations, which in turn help us to work towards achieving sustainable management and efficient use of natural resources.</p>
 <p>Ensure access to affordable, reliable, sustainable and modern energy for all</p>	<p><u>Section 8.3 Energy conservation and emissions reduction</u> We install a solar photovoltaic system at our headquarters and implement measures to reduce our energy consumption rate as responsible usage of energy resources results in lesser carbon emissions and thus helps to preserve the environment. It also helps us to reduce costs incurred to support our business operations.</p>
 <p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<p><u>Section 8.1 Total customer satisfaction</u> We place heavy emphasis on customer satisfaction as we understand that maintaining a high level of customer satisfaction is essential to the continued success of our business. This in turn helps to contribute to economic growth as well as protection and creation of jobs.</p> <p><u>Section 8.2 Sustainable business performance</u> We contribute to economic growth through creating long-term value for our stakeholders.</p>
 <p>Reduce inequality within and among countries</p>	<p><u>Section 8.8 Equality and diversity in the workplace</u> We ensure equal opportunity for all employees regardless of age, gender and educational background.</p>

FY2022 Sustainability Report – Stamford Tyres Corporation Limited

SDG	Our effort
 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> <p>Make cities and human settlements inclusive, safe, resilient and sustainable</p>	<p><u>Section 8.10 Ongoing community engagement</u> We initiate various campaigns to give back to the communities we operate in and promote sustainable communities</p>
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> <p>Ensure sustainable consumption and production patterns</p>	<p><u>Section 8.4 Waste optimisation</u> We implement measures to help prevent and reduce waste that is generated from our business operations.</p>
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> <p>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	<p><u>Section 8.6 Commitment to quality products</u> We ensure compliance to market standards with regards to the quality and safety of our products as such factors also help us to maintain the continued success of our business and promote effective and accountable institutions.</p> <p><u>Section 8.11 Corporate governance and code of ethics</u> We maintain a high standard of corporate governance to safeguard our shareholder’s interest and maximise long-term shareholder value and carry out business with integrity by avoiding corruption in any form.</p>

10. GRI Content Index

GRI standard & disclosure title		Section reference	Page
Organisational profile			
102-1	Name of the organisation	Sustainability Report 2022 (“SR 22”) > Cover page	-
102-2	Activities, brands, products, and services	<ul style="list-style-type: none"> ▪ SR 22 > Material Factors > Total Customer Satisfaction ▪ Annual Report 2022 (“AR 22”) > Corporate Information ▪ AR 22 > Our Products ▪ AR 22 > Notes to the Financial Statements > Corporation Information ▪ AR 22 > Notes to the Financial Statements > Segment Information ▪ AR 22 > Notes to the Financial Statements > Subsidiary, Associated and Joint Venture Companies 	<p>7</p> <p>1 of AR 22</p> <p>11 of AR 22</p> <p>67 of AR 22</p> <p>126 - 129 of AR 22</p> <p>129 - 133 of AR 22</p>
102-3	Location of headquarters	<ul style="list-style-type: none"> ▪ AR 22 > Corporate Information ▪ AR 22 > Notes to the Financial Statements > Corporation Information 	<p>1 of AR 22</p> <p>67 of AR 22</p>
102-4	Location of operations	<ul style="list-style-type: none"> ▪ SR 22 > Material Factors > Total Customer Satisfaction ▪ AR 22 > Our Presence ▪ AR 22 > Notes to the Financial Statements > Segment Information 	<p>7</p> <p>12 - 13 of AR 22</p> <p>126 - 129 of AR 22</p>
102-5	Ownership and legal form	<ul style="list-style-type: none"> ▪ AR 22 > Notes to the Financial Statements > Corporation Information ▪ AR 22 > Notes to the Financial Statements > Subsidiary, Associated and Joint Venture Companies ▪ AR 22 > Statistics of Shareholdings 	<p>67 of AR 22</p> <p>129 - 133 of AR 22</p> <p>136 of AR 22</p>
102-6	Markets served	<ul style="list-style-type: none"> ▪ SR 22 > Material Factors > Total Customer Satisfaction ▪ AR 22 > Our Presence 	<p>7</p> <p>12 - 13 of AR 22</p>
102-7	Scale of the organisation	<ul style="list-style-type: none"> ▪ SR 22 > Material Factors > Sustainable Business Performance ▪ SR 22 > Material Factors > Equality and Diversity in the Workplace ▪ AR 22 > Our Products ▪ AR 22 > Financial and Operations Review ▪ AR 22 > Financial Highlights ▪ AR 22 > Consolidated Income Statement ▪ AR 22 > Consolidated Statement of Comprehensive Income ▪ AR 22 > Balance Sheets 	<p>7 - 8</p> <p>13 - 14</p> <p>11 of AR 22</p> <p>14 - 18 of AR 22</p> <p>19 of AR 22</p> <p>60 of AR 22</p> <p>61 of AR 22</p> <p>62 of AR 22</p>
102-8	Information on employees and other workers	SR 22 > Material Factors > Equality and Diversity in the Workplace	13 - 14
102-9	Supply chain	<ul style="list-style-type: none"> ▪ SR 22 > Our Business ▪ AR 22 > Corporate Information 	<p>3</p> <p>1 of AR 22</p>

FY2022 Sustainability Report – Stamford Tyres Corporation Limited

GRI standard & disclosure title		Section reference	Page
Organisational profile			
102-10	Significant changes to the organisation and its supply chain	There were no significant changes to the organisation and its supply chain during the Reporting Period	-
102-11	Precautionary Principle or approach	None	-
102-12	External initiatives	SR 22 > Supporting the UN Sustainable Development Goals	17 - 18
102-13	Membership of associations	None	-
Strategy			
102-14	Statement from senior decision-maker	SR 22 > Board Statement	1 - 2
Ethics and integrity			
102-16	Values, principles, standards, and norms of behaviour	AR 22 > Corporate Governance Report	21 - 52 of AR 22
Governance			
102-18	Governance structure	<ul style="list-style-type: none"> ▪ SR 22 > Policy, Practice and Performance Reporting > Reporting Structure ▪ SR 22 > Material Factors > Corporate Governance and Code of Ethics ▪ AR 22 > Corporate Governance Report 	<p>5</p> <p>16</p> <p>21 - 52 of AR 22</p>
Stakeholder Engagement			
102-40	List of stakeholder groups	SR 22 > Stakeholder Engagement	4
102-41	Collective bargaining agreements	None of our employees are covered by collective bargaining agreements	-
102-42	Identifying and selecting stakeholders	SR 22 > Stakeholder Engagement	4
102-43	Approach to stakeholder engagement	SR 22 > Stakeholder Engagement	4
102-44	Key topics and concerns raised	<ul style="list-style-type: none"> ▪ SR 22 > Stakeholder Engagement ▪ SR 22 > Material Factors > Total Customer Satisfaction 	<p>4</p> <p>7</p>
Reporting practice			
102-45	Entities included in the consolidated financial statements	AR 22 > Notes to Financial Statements > Subsidiary, Associated and Joint Venture Companies	129 - 133 of AR 22
102-46	Defining report content and topic Boundaries	SR 22 > Policy, Practice and Performance Reporting > Sustainability Reporting Processes	5
102-47	List of material topics	SR 22 > Material Factors	6 - 16
102-48	Restatements of information	None	-
102-49	Changes in reporting	None	-
102-50	Reporting period	SR 22 > Reporting Period and Scope	3
102-51	Date of most recent report	Sustainability Report 2021	-
102-52	Reporting cycle	SR 22 > Reporting Period and Scope	3
102-53	Contact point for questions regarding the report	SR 22 > Feedback	3

FY2022 Sustainability Report – Stamford Tyres Corporation Limited

GRI standard & disclosure title		Section reference	Page
Reporting practice			
102-54	Claims of reporting in accordance with the GRI Standards	<ul style="list-style-type: none"> ▪ SR 22 > Reporting Framework ▪ SR 22 > GRI Content Index 	3 19 - 22
102-55	GRI content index	SR 22 > GRI Content Index	19 - 22
102-56	External assurance	SR 22 > Reporting Framework	3
Management approach			
103-1	Explanation of the material topic and its Boundary	SR 22 > Material Factors	6 - 16
103-2	The management approach and its components	<ul style="list-style-type: none"> ▪ SR 22 > Board Statement ▪ SR 22 > Policy, Practice and Performance Reporting ▪ SR 22 > Material Factors 	1 - 2 5 - 6 6 - 16
103-3	Evaluation of the management approach	SR 22 > Material Factors	6 - 16
Category: Economic			
201-1	Direct economic value generated and distributed	<ul style="list-style-type: none"> ▪ SR 22 > Material Factors > Sustainable Business Performance ▪ AR 22 > Financial and Operations Review ▪ AR 22 > Financial Highlights ▪ AR 22 > Consolidated Income Statement ▪ AR 22 > Consolidated Statement of Comprehensive Income ▪ AR 22 > Balance Sheets 	7 - 8 14 - 18 of AR 22 19 of AR 22 60 of AR 22 61 of AR 22 62 of AR 22
205-3	Confirmed incidents of corruption and actions taken	SR 22 > Material Factors > Corporate Governance and Code of Ethics	16
Category: Environmental			
302-1	Energy consumption within the organisation	SR 22 > Material Factors > Energy Conservation and Emissions Reduction	8 - 9
302-3	Energy intensity	SR 22 > Material Factors > Energy Conservation and Emissions Reduction	8 - 9
303-4	Water discharge	SR 22 > Material Factors > Water Conservation and Wastewater Treatment	10 - 11
303-5	Water consumption	SR 22 > Material Factors > Water Conservation and Wastewater Treatment	10 - 11
305-1	Direct (Scope 1) GHG emissions	SR 22 > Material Factors > Energy Conservation and Emissions Reduction	8 - 9
305-2	Energy indirect (Scope 2) GHG emissions	SR 22 > Material Factors > Energy Conservation and Emissions Reduction	8 - 9
305-4	GHG emissions intensity	SR 22 > Material Factors > Energy Conservation and Emissions Reduction	8 - 9
305-5	Reduction of GHG emissions	SR 22 > Material Factors > Energy Conservation and Emissions Reduction	8 - 9
306-2	Management of significant waste-related impacts	SR 22 > Material Factors > Energy Conservation and Emissions Reduction	8 - 9
306-3	Waste generated	SR 22 > Material Factors > Waste Optimisation	9 - 10
306-4	Waste diverted from disposal	SR 22 > Material Factors > Waste Optimisation	9 - 10

FY2022 Sustainability Report – Stamford Tyres Corporation Limited

GRI standard & disclosure title		Section reference	Page
Category: Social			
401-1	New employee hires and employee turnover	SR 22 > Material Factors > Employee Retention	12 - 13
403-9	Work-related injuries	SR 22 > Material Factors > Safe Working Environment	14 - 15
403-10	Work-related ill health	SR 22 > Material Factors > Safe Working Environment	14 - 15
404-1	Average hours of training per year per employee	SR 22 > Material Factors > Employee Retention	12 - 13
404-2	Programs for upgrading employee skills and transition assistance programs	SR 22 > Material Factors > Employee Retention	12 - 13
405-1	Diversity of governance bodies and employees	SR 22 > Material Factors > Equality and Diversity in the Workplace	13 - 14
406-1	Incidents of discrimination and corrective actions taken	SR 22 > Material Factors > Equality and Diversity in the Workplace	13 - 14
413-1	Operations with local community engagement, impact assessments, and development programs	SR 22 > Material Factors > Ongoing Community Engagement	15 - 16
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	SR 22 > Material Factors > Commitment to Quality Products	11 - 12