



OPTIMIZING SUSTAINABLE CAPABILITIES

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BOARD STATEMENT



LIM YEW SI
Lead Independent Director

SIAH BOON HOCK (EDDIE)
Executive Director

LOW WENG FATT (JUSTIN)
Managing Director and CEO

CHEW MUN YEW
Independent Director

CHEW CHOY SENG (JOHN)
Independent Director

As we embark on the next phase of our journey at Chasen, we are committed to upholding our core values of sustainability and responsibility in every facet of our operations. The past year has presented us with significant uncertainty on many fronts. As an organization, we have taken steps to navigate these uncertainties and emerge into a new normalcy. We have continued to care for our people and community, and we have also accelerated our sustainability efforts, especially climate actions. I am delighted with the progress we are making, and I would like to take this opportunity to highlight some of our accomplishments.

Chasen is committed to sustainability and has made significant efforts to improve its environmental performance in line with international initiatives and the Singapore Green Plan 2030. We have expanded the organizational carbon footprint assessment to include Scope 3 emissions previously, which provides a solid foundation for our future strategic sustainability planning. Following what we have done in 2023, we continue to include Scope 3 emissions this year in a more detailed manner to optimize our management of energy and diesel consumption. As a logistics company, we are concerned about how we perform in such relevant fields. We have also included more trucks with AdBlue® to reduce harmful gases being released into the atmosphere. We have been practicing recycling and reusing materials in our operations throughout our Group, which has achieved considerable results this year.

As Chasen is committed to a greener future, we shall endeavor to include more subsidiaries in energy-wise developments. Two more subsidiaries in Singapore have come onboard in the utilization of renewable energy. Over the next two to three years, we hope to achieve at least 50% of our subsidiaries in using renewable energy. We shall promulgate green management practices by cascading green policies for the subsidiaries to adopt and practice and educating our drivers on better driving habits to conserve diesel usage.

With the new Chasen Logistics Hub, our energy efficiency and resource management will be largely improved. Our decision to optimize our logistics capabilities by transitioning to a more efficient integrated hub underscores our commitment to sustainable practices and operational excellence. By consolidating our operations into a more energy-efficient facility, we aim to reduce carbon emissions, streamline logistics processes, and optimizing overall resource efficiency.

Moreover, sustainability extends beyond environmental considerations for Chasen. We are equally focused on fostering a positive social impact within the communities where we operate. Our open and fair employment policy ensures that our employees are from diverse backgrounds. We engage our workforce and care for our people in various ways as we understand the importance of human capital to our organization's sustainable value creation. Our continued efforts have been rewarded with a stable pool of dedicated and experienced team in the logistics field, as well as a consistently low turnover rate.

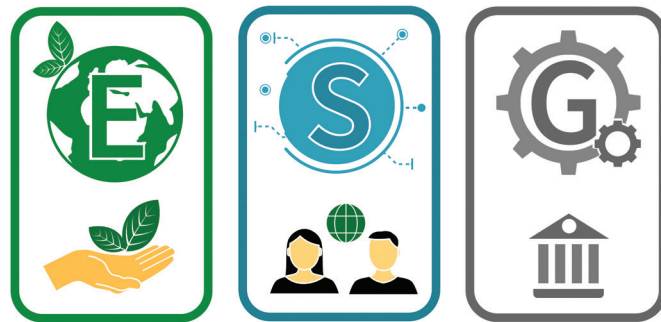
Chasen has beyond sustained stable business activities, diligently embraced prudent sustainable management in today's highly volatile environment, monitored our performance and improvements, and remained focused on strategies to enhance shareholders' value. We are well-positioned to respond to the market demand for sustainable products and services because of our proactive stance on sustainability. We believe that collaboration with and influence over our business partners along the value chain is essential to achieving our sustainability goals. We are committed to doing so in the near future. As we move forward, Chasen will continue to innovate, collaborate, and lead by example in pursuit of a more sustainable and resilient future.

On behalf of the Board

LOW WENG FATT
Managing Director & Chief Executive Officer

ABOUT THE COMPANY

Chasen Holdings Limited (the “Company” and together with its subsidiaries, the “Group”, or “Chasen”) is an investment holding company. Its Group businesses now extend further up the supply chain to include third party logistics, technical and engineering services in Singapore, Malaysia, Thailand, Vietnam, the People’s Republic of China, India and USA. The Group’s diversified revenue sources cover industries such as wafer fabrication, TFT display panel production, semiconductor, chip testing and assembly, solar panel installation, consumer electronics, telecommunications, marine, ordnance and construction sectors in the following business segments:



SPECIALIST RELOCATION

Providing specialist manpower equipped with specialized material handling tools, equipment and vehicles to relocate the machinery and equipment of our customers within their premises, from one location to another location within a country, or from one country to another. The Chasen Group acts as a strategic partner to its customers in the management of their global relocation needs through projects or maintenance contracts. The Group is equipped to handle very sensitive machinery and equipment in cleanroom and “raised floor” environment.

THIRD PARTY LOGISTICS

Including packing, packaging, trucking, distribution, freight forwarding, non-bonded and bonded warehousing (with in-house Customs clearance), cargo management and last mile services. We pack machinery and equipment to Original Equipment Manufacturer (“OEM”) specifications utilizing specialized packaging material before they are transported to their new locations. Our seamless cross-border trucking services are capable of delivering goods from Singapore through Peninsular Malaysia into Thailand, Myanmar and across Indo-China, Vietnam and into the People’s Republic of China. Most of our warehouses are air-conditioned and humidity-controlled, with floor load built for heavy equipment/machinery or racked for palletized goods storage.

TECHNICAL & ENGINEERING

Covering design, fabrication and installation of steel structures, mechanical and electrical installations including hook-up for production facilities, parts refurbishment, engineering and spares support, facilities management and maintenance, contract manufacturing, process engineering services, 4G & 5G telecommunications, ordnance, solar panel installation, scaffolding equipment and services and construction activities. The Group’s diversified revenue base and longstanding customer relationship provide a strong fundamental that would enable the Group to weather business cycles in specific industry. Its business model and growth strategy have positioned the Group to benefit from growth opportunities in the region and to increase the proportion of recurring income in Group revenue.

OUR VISION

We aspire to be a global specialist relocation services provider with resilient and sustainable supply chain capabilities and processes to support the semiconductor industry and equipment manufacturers.

OUR MISSION

To create a sustainable and innovative value chain among our specialist relocation vis-à-vis integrated logistics services in the movement of our customers’ machinery through our low environment impact turnkey capabilities.

OUR SHARED VALUES

	PROFIT-MINDEDNESS Recognizing and maximizing the effective use of resources as a whole.
	MANAGEMENT EXCELLENCE Art in achieving all stakeholders’ needs from outside-in to inside-out to achieve a competitive advantage.
	TEAMWORK To work with utmost co-operation to overcome and complete tasks promptly.
	INTEGRITY Possessing strong moral values and principles, honest and upright to differentiate between right and wrong and being responsible and consistent.
	RESPECT Positive feeling of esteem or deference for a person or other business unit.
	COMMITMENT Responsibility of individual / business unit to put in extra efforts in completion /achievement of common goals / tasks.

At Chasen, sustainability is of high importance to our business. Our annual publication focuses on the Group's sustainability strategies and practices while highlighting our activities and developments in economic, environmental, social, and governance aspects. It outlines our approach, priorities, performance review, highlights and targets on our crucial sustainability areas.

This Sustainability Report comprises the performance of our consolidated entities for the period of 1 April 2023 to 31 March 2024 ("FY2024"). The material issues and topics outlined have been kept same as the previous year in alignment with the decisions of the Board. The scope of all material issues disclosed in this report concerns the operations at the Group level and focus on what our group has achieved and aims to achieve in the future. Likewise, our corporate governance and sustainability approaches are described from the policies and practices set at the Group level.

REPORT FRAMEWORK

This Report has been prepared with reference to the GRI Standards and published pursuant to 711A and 711B of Singapore Exchange ("SGX") Listing Rules. We have chosen to report using the GRI Standards as it is an internationally recognized reporting framework. We have also included Task Force on Climate-related Financial Disclosures ("TCFD") recommendations to further address our sustainability effort. Guidelines of International Sustainability Standards Board are also taken into consideration to prepare our group ready for the new regulations of Singapore. The GRI content index and TCFD content index can be found in the Appendix.

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 was adopted by all United Nations Member States in 2015 ("UN Sustainability Agenda"). We have incorporated the SDG, 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 have relied on internal data monitoring and verification to ensure accuracy. The reporting process has gone through an internal review. We will work towards external assurance for our future sustainability reports.

REPORTING PERIOD AND SCOPE

This Sustainability Report comprises the performance of our consolidated business units ("BUS") in FY2024. The BUS covered in this report are as follows:

Singapore

- CLSG – Chasen Logistics Singapore
- DNKH - DNKH Logistics Pte Ltd
- LLS - Liten Logistics Services Pte Ltd
- GKH - Goh Kwang Heng Pte Ltd (services)
- GKF - Goh Kwang Heng Scaffolding Pte Ltd
- GTS - Global Technology Synergy Pte Ltd
- HLE - Hup Lian Engineering Pte Ltd
- PROMAX - REI Promax Technologies Pte Ltd
- TGE - Team Glass Engineering Pte Ltd

Malaysia

- CLSB - Chasen Logistics Sdn Bhd
- CZE - City Zone Express Sdn Bhd

Thailand

- CZET - City Zone Express Co., Ltd
- CZEW - City Zone Express Worldwide Co., Ltd

China

- HTC - Chasen (Chuzhou) Hi-Tech Machinery Services Pte Ltd
- HTS - Chasen (Shanghai) Hi-Tech Machinery Services Pte Ltd
- SZ PROMAX - Suzhou Promax Communication Technology Co., Ltd

Vietnam

- CTL - Chasen Transport Logistics Co., Ltd

USA

- C-USA - Chasen (USA), Inc

Report Contact and Feedback

At Chasen, we value your feedback on the content of this report and encourage you to contact us through the following channel:

CHASEN HOLDINGS LIMITED

6 Tuas Ave 20

Singapore 638820

Email: sustainability@chasen-logistics.com

ESG HIGHLIGHT FOR FY2024

Diagram 1 - ESG Highlight

Our Environmental Efforts		FY2024	FY2023	FY2022
Installation of photovoltaic (PV) panels	No. of panels	23,215	19,490	15,224
	For HDB blocks	93	130	180
	No. of panels	12,051	19,760	9,903
	For commercial buildings	13	16	8
Renewable energy consumption	Usage (kWh)	360,125	313,491	254,295
	Entities	CLSG, LLS, GTS, HLE, GKH & TGE	CLSG, HLE, GKH & TGE	CLSG
Electric vehicle	Electric Saloon Car	1	1	0
	Van	1	1	1
	Forklifts	41	41	41
	Trucks	11 (6 x Euro 5 & 5 x Euro 6 trucks)	3 (1 x Euro 5 & 2 x Euro 6 trucks)	0



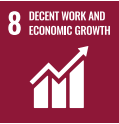





ALIGNMENT WITH INTERNATIONAL INITIATIVES (SDG)

We are committed to drive progress toward achieving the sustainable development goals (“SDGs”). All 17 inter-related goals represent an ambitious sustainability agenda by 2030.

We have chosen to focus on the following six SDGs to which we believe we can make meaningful contributions to, considering the markets in which we operate.

Diagram 2 - SDGs Table

SDGs	Alignment	Target	Target Date	Progress
	Chasen has reported its efforts for equality and recognizes the importance of involving employees from diverse backgrounds.	Improve the diversity of workforce	Medium Term	On Track
	Chasen not only pays attention to its own energy management and carbon footprint, but also helps to create a more sustainable environment by offering solar panel installation services. Chasen has been working towards the target of affordable and clean energy.	Increase the percentage of renewable energy in our overall energy mix	Short Term	On Track
		Expand the usage of renewable energy to different sites of our group	Short Term	On Track
		Monitor and manage Scope 3 emissions in a more strategic manner	Medium Term	On Track
		Introduce more electricity fleets or vehicles	Medium - Long Term	On Track
	Chasen has demonstrated a stable growth in its economic contribution and we are also concerned about the welfare and well-being of our employees. Chasen has paid attention to prevent occupational injuries and incidents and offered relevant health support.	Maintain a stable growth in economic contribution	Short Term	On Track
	As a company that offers specialized relocation logistics, transportation, and infrastructure services, Chasen has made efforts to build an environment that is safer and more secure.	Maintain zero fatality at the workplace	Short Term	On Track
		Reduce workplace incidents by 20%	Short Term	On Track
	Chasen pays attention to sustainable consumption and production during its operation and management. Recycling and reusing materials have been incorporated as an important process of Chasen, especially in the provision of logistics and integrated supply chain services.	Improve the amount of recycled and reused materials	Short Term	On Track
	In active response to address climate change, Chasen has expanded to report on Scope 3 emissions and kept improving its performance in electricity consumption and waste management. Chasen has also contributed in promoting developments in renewable energy by offering solar panel installation services.	Enhance energy efficiency	Medium - Long Term	On Track
		Engage with and influence suppliers to adopt climate-friendly practices	Medium - Long Term	On Track

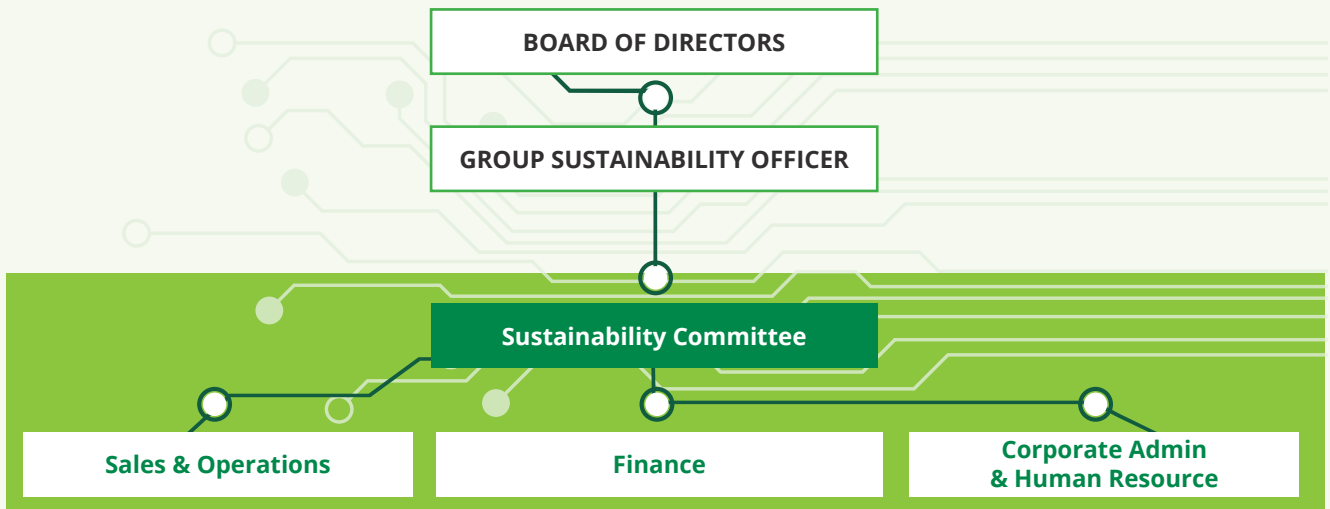
OUR SUSTAINABILITY APPROACH

GOVERNANCE STRUCTURE

The Board has overall responsibility for sustainability and integrates ESG matters in the formulation of Chasen’s strategy. The Board provides oversight on Chasen’s sustainability agenda and directs its efforts in managing material ESG matters and is guided by the objective to create long-term value by managing our business in a balanced and responsible way.

In the commitment to a sustainable future, Chasen has updated and renewed its governance structure with the Group Sustainability Officer (“**GSO**”) leading the management role on sustainability and a sustainability work group. All our directors have fulfilled the SGX mandatory requirement to attend sustainability training covering Environmental, Social and Governance Essentials on 15 June and 14 July 2022. The training provider is the Singapore Institute of Directors (“**SID**”).

Diagram 3 - Governance Structure



STAKEHOLDER ENGAGEMENT

We recognise our key stakeholders as those who impact our strategy the most or who are directly impacted by it. Customers contribute to Chasen's economic performance and offer us key opinions on the services and products we are expected to offer while our shareholders and the financial community support Chasen to make beneficial and effective strategies. Our employees are viewed as a cherished resource in Chasen's group and community. Suppliers play a main role in offering a stable supply chain and sustainable supplier environment. Chasen also attaches importance to Government and regulatory agencies to regulate the company's behaviour vis-à-vis media relationships also work as a way of monitor for the Chasen Group. In the following chart, we present the channels we used to engage our stakeholders.

Diagram 4 - Stakeholder Engagement

Our Key Stakeholders	How We Engage Them	Frequency of Engagement	Key Topics
Customers	Informal feedbacks	Once every quarter	On our services, particularly on safety aspects.
Shareholders and financial community	Results briefing	Twice a year	Half yearly results as mandated by SGX
	Annual General Meeting	Once a year	Key business developments
	Emails and Tele-conferences	vis-à-vis Results Briefing	New business developments
Employees	Performance appraisals	Once a year	Employees' performance
	Internal Communication thorough emails and social media	Every month	New employee introduction, information on Covid-related updates and green practices recommended for adoption by all employees
Suppliers	Regular meetings	Once every quarter	Feedback on their products and services
	Emails and phone conversations	Every week	On pricing and orders
Government and Regulatory Agencies	Consultations	With ESG twice a year	Company's development and offshore expansion plans
	Discussions	vis-à-vis Consultations	Industry standards and guidelines
Media	Media Release	Once every quarter	New contracts/projects secured and quarterly results



OUR SUSTAINABILITY APPROACH

MATERIALITY ASSESSMENT

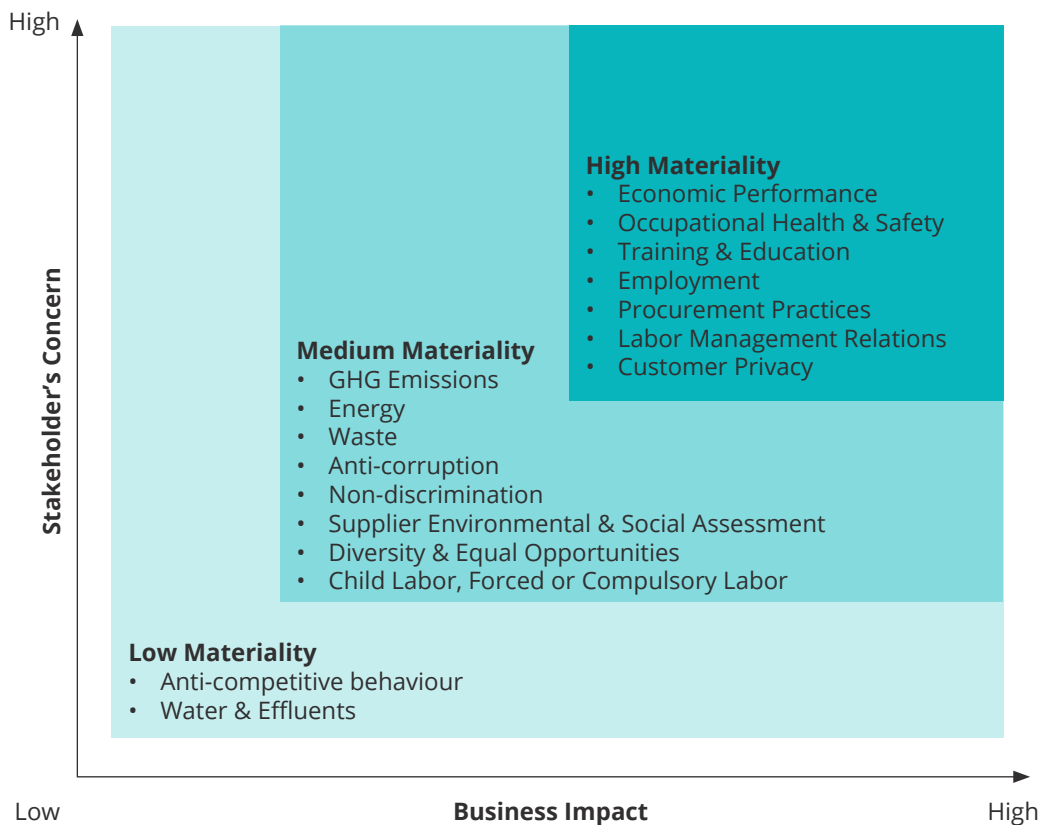
Materiality Assessment is essential in that it helps our group to understand the concerns and interests of both internal and external stakeholders. Conducting regular updates and re-assessments allows Chasen to zoom our efforts on focus areas and allocate our resources more efficiently.

Following the results based on formal surveys and informal interactions with our stakeholders, we reviewed the 17 material topics, which are still found to be important and meaningful to Chasen in terms of its operation and management. The 17 material topics are presented here systematically and comprehensively. As Chasen endeavors to strictly follow the processes of materiality assessment, we chose not to change the results from the previous year due to the economic fluctuations of different sites, time constraints, and relevant new activities, e.g., the construction of our new logistics hub. We intend to conduct another round of materiality assessment and renew our material topics in the next financial year.

There are four sustainability pillars, namely Economic, Governance, Environmental, and Social. Disclosures will be made under the four pillars and 17 topics, displaying what has been achieved and our future targets.

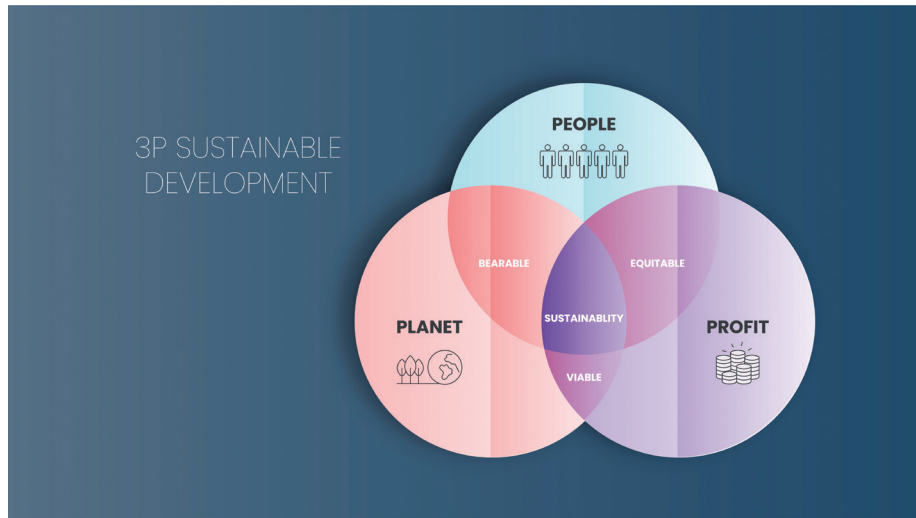
MATERIALITY MATRIX

Diagram 5 - Materiality Matrix



ECONOMIC CONTRIBUTION TO SOCIETY

Sustainability trends such as climate change, resource scarcity and demographic changes shape the competitive environment in which companies like Chasen operate by advancing long-term sustainability opportunities and recognizing risks. We, therefore, view our business performance beyond short-term gains and financial bottom line. Our conviction is to achieve a balanced triple 'P' (People, Profit, Planet) bottom-line for sustained growth for the organization and the communities we operate in.



ECONOMIC PERFORMANCE

The Group's operations are located in Singapore, Malaysia, Thailand, Vietnam, People's Republic of China ("PRC"), India, and United States of America ("USA").

In FY2024, the Group incurred a loss after tax of S\$6.6 million. This was primarily due to a non-recurring charge of S\$4.7 million, attributable to the demolition of our property at 18 Jalan Besut, Singapore, and a weakened business performance amid the challenging global business landscape, particularly in the PRC.

The main contributor to the remaining business loss was the Technical & Engineering segment's components and parts manufacturing unit in the PRC, which faced reduced demand due to economic conditions and changes in product mix, leading to sub-optimal plant utilization. However, our solar panel specialist installation unit continued to perform well, highlighting the potential in sustainable energy markets.

The Specialist Relocation segment was impacted by geopolitical factors and a slowdown in semiconductor demand. On the other hand, the Third Party Logistics segment demonstrated resilience, achieving strong performance in both its top and bottom lines despite economic adversity.

Cash and cash equivalents increased to S\$18.9 million as of 31 March 2024, up from S\$18.4 million as of 31 March 2023.

Although geopolitical issues pose challenges to the operation of Chasen, opportunities are also expected. We will work closely with our customers as they adjust their strategies and investments, and relocate to more favorable business locations, leveraging these shifts to our advantage. We will continue to manage our operations following our sustainability principles across different regions and actively response to potential risks resulting from international operations.

The Group is well positioned to remain committed to sharpening our competitive edge to become more agile, resilient and opportunistic. Having overcome the pandemic-infused challenges, our resilience has provided our workforce with the inspiration to simplify and execute the many complex and challenging tasks we have encountered.

For more information on Chasen's financial and business performance, please refer to the [FY2024 Annual Report](#).

Diagram 6 - Economic Performance

DESCRIPTION	FY2024	FY2023	FY2022
Total revenue (S\$'000)	95,700	164,035	165,194
Profit (loss) for the Financial Year (S\$'000)	-6,600	2,052	4,252
Earnings per share (cents per share)	-1.76	0.39	0.80

SUSTAINABILITY PILLARS

GOVERNANCE - RESPONSIBLE BUSINESS

LEGAL COMPLIANCE AND CORPORATE GOVERNANCE

Corporate governance and compliance have always been one of the top priorities for the Company. Being a public-listed company in Singapore, the decision-making process of the Company is strictly in line with legal and regulatory requirements and in compliance with the Code of Corporate Governance issued by the Monetary Authority of Singapore and the Singapore Companies Act (Chapter 50).

We adhered to all the legal and regulatory requirements in all the markets we operate in. The Company has not received any correspondence or notifications concerning any non-compliance of legal and regulatory requirements of any government or regulatory agencies in the financial year 2024. The Audit Committee received no whistle-blowing letters during the year.

ANTI-CORRUPTION

With a zero-tolerance policy on bribery and corruption, we have put effective monitoring and management control systems to detect bribery, fraud, or other malpractice activities right at the root. There was zero corruption case during the reporting period.

We have established the grievance mechanism and the whistle-blowing mechanism for employees and other concerned stakeholders such as customers and their families, suppliers, competitors, and contractors. A direct whistle-blowing channel has also been implemented to empower our employees to get immediate access to the Audit Committee. Our stakeholders can be assured that all reports or suspicions of potential breaches of our Employee Guidelines are practiced seriously by the Group.

ANTI-COMPETITION BEHAVIOR

There were zero cases of legal actions pending or completed during the reporting period regarding anti-competition behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant.

RISK MANAGEMENT

The Group acknowledges the importance of risk management and how business risks may adversely affect Chasen's business performance. While it is the Audit Committee's responsibility, as delegated by the Board of Directors, to oversee the effectiveness of our risk management and internal controls, the Audit Committee reviews, with the internal auditors, the internal audit plan, the scope and results of the internal audit including effectiveness of the internal audit process. It also reviews annually to ensure the adequacy and effectiveness of the internal audit process and monitors the implementation of Management's response to the internal audit finds to ensure that appropriate follow-up measures are taken.

We are aware of the complexities of analyzing climate risks and opportunities under various scenarios. We have made continuous endeavors in conducting Carbon Footprint

Assessments for all our business units in the previous years. We have expanded to include Scope 3 emissions previously to better equip our business with the ability to conduct and perform in accordance with new regulations. We continue to consider Scopes 1, 2 & 3 this year in our efforts to sustainability and incorporate the relevant performance into our climate-related strategies. In FY2024, we started to conduct scenario analysis following TCFD Recommendations, which is a crucial step of Chasen's sustainability strategic management. More responses to climate-related risk management are presented in the latter part; for more information on this, please refer to the Section "**Climate Risks and Opportunities**".

PROCUREMENT PRACTICES

In October 2021, Chasen Group has developed a Procurement Management Policy, which advocates purchase of recycled and other environmentally preferable products whenever practicable. The purpose is to ensure that the Chasen Group purchases products in a green and sustainable manner if the products meet the costs and performance requirements.

In Chasen's Procurement Management Policy, we emphasize the following points:

- Appropriate personnel should be assigned to fulfill the requirements of choosing more environmentally preferable products or services;
- It is necessary to research opportunities for procurement of recycled and other environmentally preferable products, and to communicate these to purchasing decision makers and purchasers for evaluation and purchase;
- Subsidiaries need to collect data on purchases of recycled and other environmentally preferable products;
- Recommendations for changes in procurement policy are welcomed;
- Chasen shall educate staff about the policy and listen to staff comments and suggestions.

Supplier Environmental & Social Assessment

We have secured a strong partnership with the suppliers for our three business segments. We believe in transparency in our supply chain and our approach is to engage with suppliers if we identify any concerns positively. Any non-compliance with local and international regulatory bodies' guidelines will result in us not embarking on or discontinuing the procurement and business relationship with them.

In the coming years, we aim to implement ESG due diligence procedures to ensure that our supply chain partners are also contributing to sustainable development.

Child Labor, Forced or Compulsory Labor

We actively engage our business partners and stakeholders regularly to keep them abreast of the developments of our businesses. In the coming years, we will expand the supplier engagement to cover the topic of human rights and uphold the 10 principles of the United Nations Global Combat.

There was no incident reported in FY2024.

CUSTOMER PRIVACY AND DATA PROTECTION

The nature of our business warrants a high level of security and confidentiality of our customers' data as well as the business transactions they have undertaken. We adhere strictly to the guidelines set by the Personal Data Protection Act ("PDPA") to leverage our data and serve our customers responsibly. We have been entrusted to ensure our proprietary IT system meets the highest standards for IT security.



SUSTAINABILITY PILLARS

ENVIRONMENT - CARING FOR OUR PLANET

CLIMATE RISKS AND OPPORTUNITIES

Chasen faces the same risks as other companies in the logistics sector, including environmental risks (e.g. contribution to climate change, depletion of resources), social risks (e.g. talent attraction and retention, competence management, safety), societal risks (e.g. relationships with local communities), reputation/image risk, business risks (e.g. evolving expectations from customers, business continuity), etc.

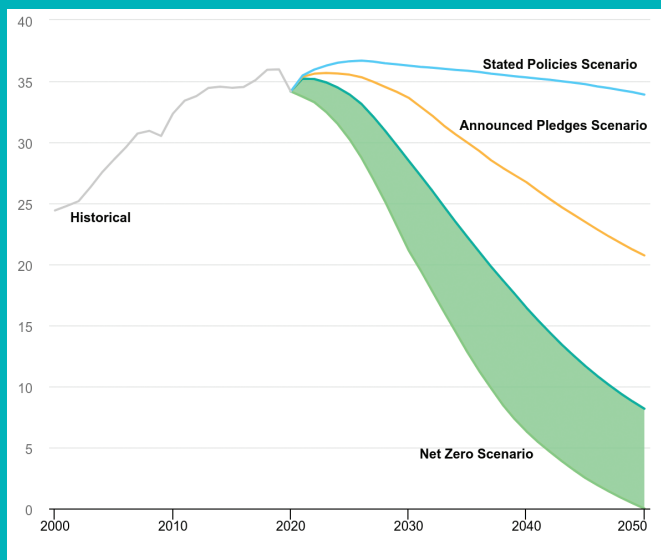
Chasen endeavor to manage these risks and turn them into opportunities (e.g., products diversification, promotion of clean energy) as far as possible, in particular by embedding sustainability into the company's day-to-day activities, as described in the different sections of this report.

In FY2024, Chasen started to conduct the scenario analysis following TCFD Recommendations, which establishes an important step to the overall strategic sustainable planning. According to Guidance on Scenario Analysis by Task Force on Climate-related Financial Disclosures, our group presents relevant scenario analysis in contribution to our strategy resilience. This is to broaden strategy thinking in a structured and analytical way, to identify risks and opportunities in response to various climate-related circumstances, and to explore alternative pathways of development.

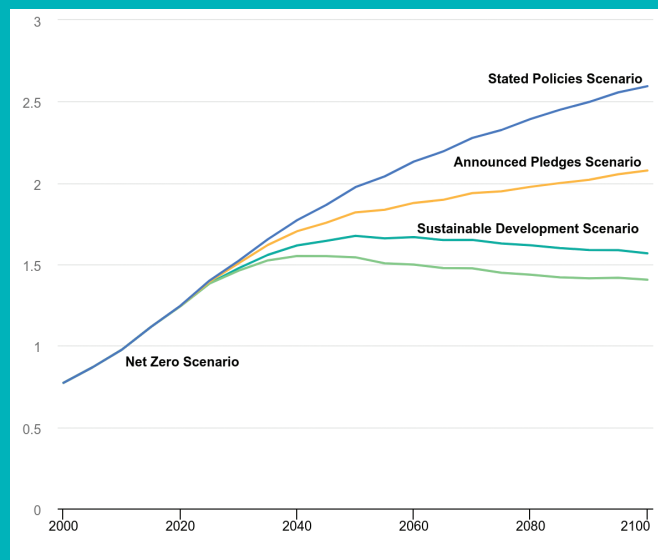
Scenario Analysis

As this is the first year of Chasen starting to include scenario analysis into the strategic solutions of our sustainability journey, we choose to use publicly available scenarios that are recognized by TCFD and follow up to design new scenarios for our own company in the new financial year. In this year's report, we choose the public scenarios of the International Energy Agency ("IEA") to implement our scenario analysis in a qualitative manner, with the aid of some quantitative indicators. This selection is also due to Chasen's special concern about energy mix in the future. The discussion tends to focus more on the Singapore business landscape and less on the cross-border ones; this shall be improved in the new financial year.

Following IEA's World Energy Model, we start with the Current Policies Scenario ("CPS"), Stated Policies Scenario ("SPS"), and Sustainable Development Scenario ("SDS"). These three scenarios are chosen because they help to disclose strategy resilience in different climate-related settings at different spectrums of temperature outcomes, including a 2°C lower condition. This stays in alignment with the recommendations that, irrespective of the number of scenarios selected, the company should still look at a low-carbon transition scenario. The overall climate-related performances of the two scenarios are shown in the following two graphs.



CO₂ emissions in the WEO-2021 scenarios, 2000-2050¹



Global median surface temperature rise in the WEO-2021 scenarios, 2000-2100²

¹ IEA (2021), CO₂ emissions in the WEO-2021 scenarios, 2000-2050, IEA, Paris <https://www.iea.org/data-and-statistics/charts/co2-emissions-in-the-weo-2021-scenarios-2000-2050>, Licence: CC BY 4.0

² IEA (2021), Global median surface temperature rise in the WEO-2021 scenarios, 2000-2100, IEA, Paris <https://www.iea.org/data-and-statistics/charts/global-median-surface-temperature-rise-in-the-weo-2021-scenarios-2000-2050>, Licence: CC BY 4.0

In the new financial year, apart from CPS and SDS, Chasen would also like to consider more diverse drivers to construct scenarios, to explore and report more scenarios analysis to improve our strategic resilience.

We define the time horizon as follows: short-term risks of one to two years; medium-term risks of three to five years; and a long-term horizon at Chasen would be longer than five years. This will be flexible to adjustment in the new financial year as Chasen will endeavor to offer new scenarios and broaden the scope for strategic consideration.

Scenario 1 - CPS (Current Policies Scenario)

CPS is considered to reflect the business as usual scenario, or reference scenario, in which the world continues on its current trajectory. The scenario takes into account policies that are in place at the preceding year of publication without any additional government policy intervention.³ It's a baseline scenario that helps understand how a company might perform under current conditions without significant new policies or disruptions. Considering the current processing of Chasen under CPS, we may present the following statement:

1. Economic Environment

- **Assumption based on CPS:** The economic conditions of Singapore remain stable with moderate GDP growth, consistent inflation rates, and steady interest rates. There is no major challenge to financial operations and domestic businesses.
- **Impact on Chasen:** As Chasen operates in a stable economic environment, this is to support steady consumer spending and business investment. Sales growth is moderate but predictable. The revenue of Singapore subsidiaries will increase gradually.

2. Regulatory Environment

- **Assumption based on CPS:** Existing regulatory frameworks remain unchanged, with no major regulatory shifts impacting the industry.
- **Impact on Chasen:** New policies being actively discussed or into effect next year are not considered under CPS, therefore leaving the sustainability responsibility more of an internal task. The compliance requirements and operational constraints are predictable under CPS, allowing Chasen to focus on operational efficiency. For Chasen, we still hold onto our sustainable responsibility by moving into the new building in 2025, which will optimize energy consumption and resource efficiency. For example, the new logistics hub will be installed with solar panels.

3. Market Demand

- **Assumption based on CPS:** Consumer demand patterns remain steady with no significant shifts in consumer behavior or preferences.
- **Impact on Chasen:** Chasen experiences steady demand for our Specialist Relocation, 3PL and T&E services. Market growth is aligned with historical trends, and there are no sudden declines or spikes in demand due to uncertainties.

4. Competitive Landscape

- **Assumption based on CPS:** Competitors maintain their current market positions with no new entrants or disruptive innovations.
- **Impact on Chasen:** Chasen competes in a stable market environment where competitors' strategies and market shares remain consistent. Pricing pressures are moderate, and Chasen maintains its market position. Chasen will accordingly focus on the markets of its own, for example, the customers that need our Specialist Relocation, 3PL and T&E services. Focus is put on the improvement of quality and number of services in Singapore as well as the variety of the types of services that are to be offered in other places, like Malaysia and China.

5. Technological Advancements

- **Assumption based on CPS:** The technological progress continues at a gradual pace with no major breakthroughs or disruptions affecting the whole industry.
- **Impact on Chasen:** Chasen adopts incremental technological improvements to enhance operational efficiency and service offerings. For example, the new logistics hub that integrates various services, like the cleanroom facility for semiconductor equipment refurbishment, testing of components, equipment installation, and packaging services, into a multi-functional space. There are no sudden technological obsolescence issues to address.

6. Financial Performance

- **Assumption based on CPS:** Financial markets are stable with no significant fluctuations in exchange rates, commodity prices, or capital availability.
- **Impact on Chasen:** Chasen's financial performance remains stable and predictable. There are no unexpected financial challenges or constraints affecting liquidity or profitability.

³ TCFD (2020), Task Force on Climate-related Financial Disclosures Guidance on Scenario Analysis for Non-Financial Companies, <https://www.fsb.org/wp-content/uploads/P291020-3.pdf>

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7. Resource and Energy Efficiency

- **Assumption based on CPS:** CPS assumes moderate attention to the efficiency and management of resources and energy, therefore leaving the difficulty of access to green energy level up to the same as the baseline. Management is not pushed forward harshly by the external drivers but has to rely upon internal strategic thinking.
- **Impact on Chasen:** Chasen's resource and energy management maintain a gradual growth considering the internal policies that advocate reducing, recycling and reusing. Additional efforts demanded by the outside remain moderate and are less likely to be sped up.

Analysis

Under CPS, Chasen operates in a stable and predictable environment. While growth may be moderate, Chasen benefits from the absence of major disruptions or policy changes as well as the internal improvements. This scenario allows Chasen to focus on executing its current business strategy without the need for drastic adjustments, while it also tends to overlook some parts of the resource management due to less regulatory drivers.

This type of scenario analysis helps us to assess the resilience and performance of the company under current conditions, providing a baseline against which other scenarios, such as optimistic or pessimistic scenarios, can be compared for strategic planning purposes.

Scenario 2 - SPS (Stated Policies Scenario)

This scenario also formerly known as "New Policies Scenario," is effectively the mid-case scenario of the IEA scenarios. This scenario is designed to explore all policies enacted in the preceding year, plus the policies that have been firmly communicated or committed to by national authorities. The SPS assumes that there is a slow implementation of these policies, based on the IEA's assessment of the many political, institutional, and societal barriers that exist to a rapid transition.⁴ Considering the processing of Chasen under SPS, we may present the following statement:

1. Economic Environment

- **Assumption based on SPS:** The economic conditions of Singapore remain stable with GDP growth, together with a focus on productivity and innovation. There tend to be more opportunities for financial activities and domestic businesses.
- **Impact on Chasen:** As the main body of Chasen operates in a stable economic environment, this is to support steady consumer spending and business investment. Increases in revenue are expected.

2. Regulatory Environment

- **Assumption based on SPS:** Existing regulatory frameworks expand to include more requirements on sustainability performance. The regulations demand disclosures about Scope 3 emissions and implementations of TCFD recommendations. Such major regulatory shifts will impact the industry in a more sustainable way.
- **Impact on Chasen:** New policies being actively discussed or into effect next year are considered under SPS, therefore prioritizing the sustainability responsibility in Chasen's operations. The compliance requirements and operational constraints tend to be strict under SPS, which implies higher risks of violation actions and relevant negative results.

3. Market Demand

- **Assumption based on SPS:** Consumer demand patterns favor the products and services that are more sustainable. There may be considerable shifts in consumer behavior and preferences considering the policies in place or to be in place.
- **Impact on Chasen:** Chasen experiences steady demand for our Specialist Relocation, 3PL and T&E services, while the customers have increasing demands for sustainability performance. The satisfaction of stakeholders with Chasen's sustainability performance may account for the fluctuations in their demands. Additionally, whether Chasen could response to the climate challenges actively will also influence the market demand.

4. Competitive Landscape

- **Assumption based on SPS:** Competitors may pay more attention to strategic improvement in sustainability to compete for a higher share in the market.
- **Impact on Chasen:** Chasen needs to further improve our performance in sustainability and offer better results. Focus is put on both the quality of our services and the sustainability of our services to win a position in the market.

5. Technological Advancements

- **Assumption based on SPS:** The technological progress is expected to speed up and enhance productivity.
- **Impact on Chasen:** The Adoption of IoT and AI in logistics, digital platforms, and automation in technical services will optimize supply chain operations as well as sustainability monitoring. For example, in FY2024, Chasen has witnessed a decrease in diesel consumption, which is due to the systematic supervision at the Supplier Service Center on the diesel consumption of the drivers. With more data accurately recorded, it would be easier for Chasen to improve the management of consumption and emissions.

⁴ CFD (2020), Task Force on Climate-related Financial Disclosures Guidance on Scenario Analysis for Non-Financial Companies, <https://www.fsb.org/wp-content/uploads/P291020-3.pdf>

6. Financial Performance

- **Assumption based on SPS:** Financial markets expand along with more strict demands on sustainability. Fluctuations in exchange rates, commodity prices, or capital availability may happen due to regional or global cooperation.
- **Impact on Chasen:** Chasen's financial performance is subject to considerations about expanding service portfolio and regional presence, investment in technology, and reorganization of business due to the environment.

7. Resource and Energy Efficiency

- **Assumption based on SPS:** SPS assumes increasing attention to the efficiency and management of resources and energy. The energy mix shall be greener in alignment with the policies and regulatory standards.
- **Impact on Chasen:** Chasen's resource and energy management is driven forward by external requirements and internal needs. Additional efforts on sustainability will be made to optimize the resource and energy efficiency management of Chasen. For example, Chasen has achieved a CO₂ offset of 130.17 tons of CO₂-eq in Scope 2 of FY2024 emissions, which is credited to the renewable energy purchased from Vietnam via the SP Grid. Following the conditions of SPS, Chasen will continue to expand the usage of renewable energy and choose more green energy providers in different regions of our business.
- **Example Responding Action:** Alternative Waste Management - Chasen can respond actively under SPS by considering alternative waste management. For example, wood is one of major resources used by Chasen with more than 5.8 million kg of wood consumed in FY2024, and only 7% of the wood is recycled back for other purposes. The rest of wood waste is being sent to the landfill and this waste management method can further cause GHG emissions through transportation and methane released in the landfill. Among the subsidiaries, CTL (in Vietnam) uses the highest amount of wood, accounting for 96% of the total wood consumed.

Waste wood is biomass fuel that can be used to generate electricity and heat through combined heat and power (CHP) systems. This strategy not only offers a way to manage the waste with the lowest carbon footprint but also produces clean and renewable energy sources. Vietnam has been the primary source of wood chips imports by Japan and South Korea, and there might be a great opportunity for Chasen to integrate CHP system onsite or looking at opportunity to partner with company that can convert the waste wood into biomass fuel.

Analysis

Under SPS Chasen operates in a stable and growing environment. While growth tends to be considerable, Chasen needs to prepare for the challenges posed by policy changes and expansion of the market. Strategic investments in technology and regional partnerships are crucial to maintain competitive advantage and sustain growth amidst market pressures. It is worthwhile to include global landscape considerations under SPS as well. This scenario allows Chasen to focus not only on executing its current business strategy but also actively considering the need for drastic adjustments. Resources management will be of importance, as Chasen needs strategic thinking on innovation and service excellence to sustain a competitive edge.

This type of scenario analysis helps us to assess the resilience and performance of the company under the condition where more policies and requirements are put into place, providing hints on how Chasen should react in response to the new regulatory demands and the changing market for strategic planning purposes.

Scenario 3 - SDS (Sustainable Development Scenario)

SDS is the most ambitious of the three IEA scenarios toward a low-carbon future. This scenario is based around a sustainable development narrative, assuming the world is successful in achieving Sustainable Development Goals by 2030. The SDS holds the temperature rise to below 1.8°C with a 66% probability without reliance on global net-negative CO₂ emissions.⁵ Considering the processing of Chasen under SPS, we may present the following statement:

1. Economic Environment

- **Assumption based on SDS:** Emphasis on sustainable growth and green initiatives in Singapore is privileged and the economic growth benefits from sustainable development. The economic conditions of Singapore are characterized by GDP growth as well as sustainable and innovative development. There tend to be more opportunities for financial activities and cross-region cooperation.
- **Impact on Chasen:** As the main body of Chasen operates in a lively economic environment, this is to support steady consumer spending and business investment. Increases in revenue are expected.

2. Regulatory Environment

- **Assumption based on SDS:** Existing regulatory frameworks expand to include more ambitious goals and push the implementation of sustainability forward. The regulatory requirements demand distinctive endeavors throughout the short-term period to the long-term period. Scopes are therefore actively managed and the temperature rise is held to below 1.8°C with a 66% probability without reliance on global net-negative CO₂ emissions. The Sustainable Development Goals are achieved in 2030.

⁵ CFD (2020), Task Force on Climate-related Financial Disclosures Guidance on Scenario Analysis for Non-Financial Companies, <https://www.fsb.org/wp-content/uploads/P291020-3.pdf>

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- **Impact on Chasen:** In the short to medium term under SDS, Chasen needs to respond to the challenges of strict regulatory requirements appropriately. It would be urgent for Chasen to shift to greener technology and sustainable management. In the long term, Chasen would also benefit from sustainable development due to better energy management and affordable operating costs for transportation.

3. Market Demand

- **Assumption based on SDS:** Consumer demand patterns favor the products and services that are more sustainable. There may be considerable shifts in consumer behavior and preferences considering the policies in place.
- **Impact on Chasen:** Chasen experiences increasing demand for high-quality Specialist Relocation, 3PL and T&E services, while the clients have specific demands for sustainability performance. The satisfaction of stakeholders with Chasen's sustainability performance may account for the fluctuations in their demands. Whether Chasen could respond to the climate challenges actively will influence the market demand and whether Chasen could improve sustainability performance will be decisively important.

4. Competitive Landscape

- **Assumption based on SDS:** Competitors may pay more attention to strategic improvement in sustainability to compete for a higher share in the market.
- **Impact on Chasen:** Considering more players with excellent sustainability performance will enter the market under SDS, Chasen needs to further improve our performance in sustainability and offer better results. Focus is put on both the quality of our services and the sustainability of our services to win a position in the market.

5. Technological Advancements

- **Assumption based on SDS:** The technological progress is expected to speed up and enhance productivity. It is trendy to incorporate digitalization and automation in logistics operations.
- **Impact on Chasen:** The Adoption of IoT and AI in logistics, digital platforms, and automation in technical services will optimize supply chain operations as well as sustainability monitoring. Apart from automating the processes of logistics, for example, the actions on diesel tracking in FY2024 and the operation of the smart logistics hub in FY2025, Chasen also expands investments in IoT for tracking and efficiency.

6. Financial Performance

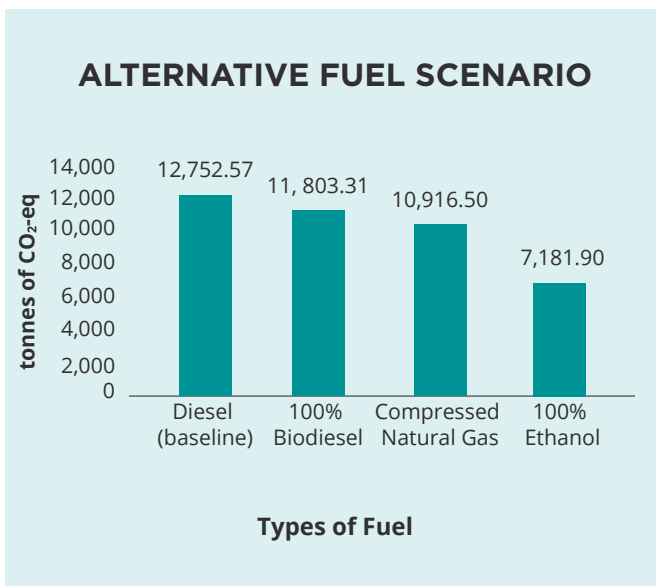
- **Assumption based on SDS:** Financial markets expand along with more strict demands on sustainability. Stable revenue growth is driven by the diverse service portfolio. Fluctuations in exchange rates, commodity prices, or capital availability may happen due to regional or global cooperation.
- **Impact on Chasen:** Chasen's financial performance is subject to considerations about expanding service portfolio and regional presence, investment in technology, and reorganization of business due to the environment. How Chasen responds to the sustainability-related actions is crucial.

7. Resource and Energy Efficiency

- **Assumption based on SDS:** SDS assumes increasing attention to the efficiency and management of resources and energy. The energy mix shall be greener in alignment with the policies and regulatory standards. The temperature rise is held to below 1.8°C with a 66% probability without reliance on global net-negative CO₂ emissions. The Sustainable Development Goals are achieved in 2030.
- **Impact on Chasen:** Chasen's resource and energy management is driven forward by external requirements and internal needs. Additional efforts on sustainability will be made to optimize the resource and energy efficiency management of Chasen. For example, Chasen has achieved a CO₂ offset of 130.17 tons of CO₂-eq in Scope 2 of FY2024 emissions, which is credited to the renewable energy purchased from Vietnam via the SP Grid. Following the conditions of SPS, Chasen will continue to expand the usage of renewable energy and choose more green energy providers in different regions of our business.
- **Example Responding Action:** Replacing diesel with alternative fuels - Biodiesel is an attractive alternative fuel to fossil diesel because it is non-toxic and biodegradable, which would be preferred under SDS. If Chasen is replacing diesel consumption to 100% biodiesel, 949 tonnes of CO₂-eq can be reduced. Malaysia is one of the countries that have been a crucial contributor for biodiesel production due to availability of resources such as palm oil plantation across the country. Malaysia recently started production of B20, which is a diesel mix consisting of 20% palm methyl ester and 80% fossil diesel. Chasen subsidiaries in Malaysia can utilize this opportunity to transition to alternative fuel. Detailed assessment is needed to make sure that this replacement is economically and technologically feasible in the long term.

Compressed Natural Gas (“CNG”) is a clean-burning alternative fuel, mainly composed of methane and can be used as fuel for various vehicles, including heavy-duty trucks. In addition, CNG engines require less maintenance and quieter than diesel engines. By replacing the total consumption of diesel by Chasen with CNG, around 14% carbon emissions can be reduced. However, adoption of this fuel can cause high upfront expenditure since it has different fuel storage and delivery systems. There is also limited refueling infrastructure and can affect route planning and operational efficiency.

Another alternative fuel that can be explored by Chasen is using ethanol. Currently, only Cass 8 trucks can run on 100% ethanol fuel without any additives, but new technology such as ClearFlame engine enables transition of heavy-duty truck diesel engines to operate on 100% renewable plant-based ethanol. Trucks equipped with ClearFlame’s engine can reduce carbon emissions significantly with low particulate matter and nitrogen oxide. The bar chart below shows that using 100% ethanol can reduce carbon emissions by 44% compared to diesel consumption.



Analysis

Under SDS, Chasen operates in a growingly lively and sustainable environment. While growth tends to be considerable, Chasen needs to prepare for the challenges posed by policy changes and expansion of the market. Strategic investments in technology and regional partnerships are crucial to maintain competitive advantage and sustain growth amidst market pressures. Chasen needs to fully put sustainable strategies into action in various aspects, for example, replacing the current fossil diesel with biodiesel. Cross-broader factors should be addressed and subsidiaries in other countries should further follow the regulations. This scenario allows Chasen to focus more on the potential risks and opportunities under an occasion where sustainability is prioritized and SDGs are achieved.

This type of scenario analysis helps us to assess the resilience and performance of the company under the condition where ambitious sustainability goals are set and achieved, providing hints on how Chasen should improve in a smarter and greener environment for strategic planning purposes.

Overall, the three types of scenario analysis offer a glimpse into the strategic landscape of sustainability planning for Chasen. Chasen understands it has only looked at the IEA World Energy Model, and the company discloses this. It will include additional models in future periods to compare results. The current analysis focuses more on Singapore and less on other countries, which can also be improved in future analysis to have a more global and holistic view of risks and opportunities. By conducting scenario analysis, Chasen accomplishes another step on our sustainability journey.



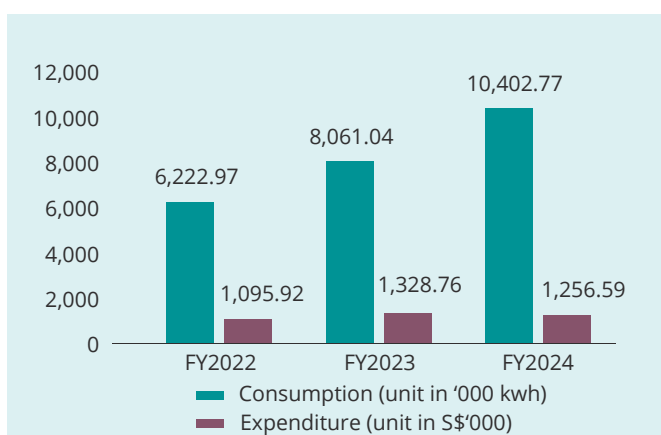
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ELECTRICITY CONSUMPTION

The electricity consumption has increased by 29.1% in FY2024 compared with FY2023, while the expenditure on electricity has decreased by 5.4%, which is due to a stronger exchange rate of SGD resulting in the expenditure decrease (in the overseas business units) despite the increase in their consumption.

While we take conscientious efforts to conserve electricity, we are currently reviewing our utilization pattern and will implement measures to reduce the consumption. For example, we send out emails periodically to remind employees to turn off the power switch of electrical appliances after use to save on phantom power consumption. Above all, we are continuously improving our energy conservation system across the regions.

Diagram 7 - Electricity Consumption

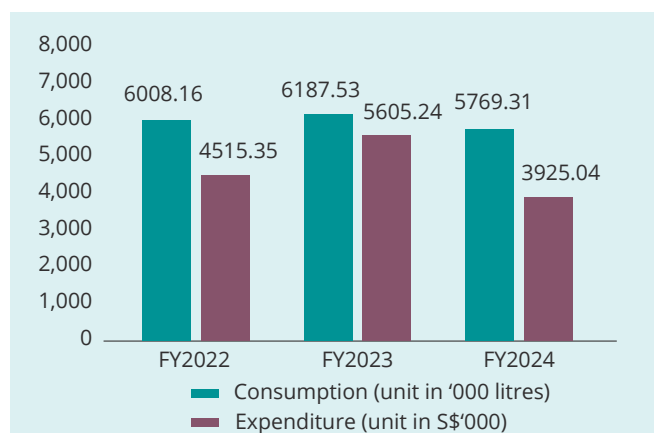


DIESEL CONSUMPTION

Since 2018, we have started acquiring electric forklifts in our efforts to cut down on diesel consumption and reduce our carbon emissions. Currently, we have 41 electric forklifts ranging from 2.5-ton to 16-ton that are deployed to our subsidiaries in Singapore, Malaysia, Vietnam and the PRC. We operate an electric saloon car and an electric van and shall continue to progressively replace the older petrol and diesel vehicles to electric or hybrid vehicles. In FY2024, we achieved a decrease of 6.8% in the quantity of diesel used and a decrease of 30.0% in the expenditure of diesel. The decrease is due to better systematic monitoring, as we have improved our systematic control by recording the diesel consumption of every driver at our Supplier Service Center.

Besides consideration for lowering carbon emissions, we have also replaced our older diesel trucks with better technology models to reduce the exhaust air pollutants. In FY2024, we purchase one Euro 6 and five Euro 5 prime movers that come with AdBlue® feature. As AdBlue® is a diesel exhaust fluid used in vehicles with Selective Catalytic Reduction (SCR) technology, it helps to reduce harmful gases being released into the atmosphere. We shall progressively see to the replacement of the older trucks with Euro 6 trucks in Singapore.

Diagram 8 - Diesel Consumption



GHG EMISSIONS

Chasen Group is committed to managing GHG emissions across all operations, which is not just an environmental responsibility but a core aspect of our corporate duty. As a leading player in the logistics industry, we recognize the environmental impact of our operations and are committed to addressing this challenge proactively. Our sustainability report highlights our focus on managing our carbon footprint as a crucial organizational priority and improving operational resilience and providing sustainable value for our stakeholders. We have implemented robust systems to meticulously track and manage our carbon footprint, ensuring accountability for our environmental impact.

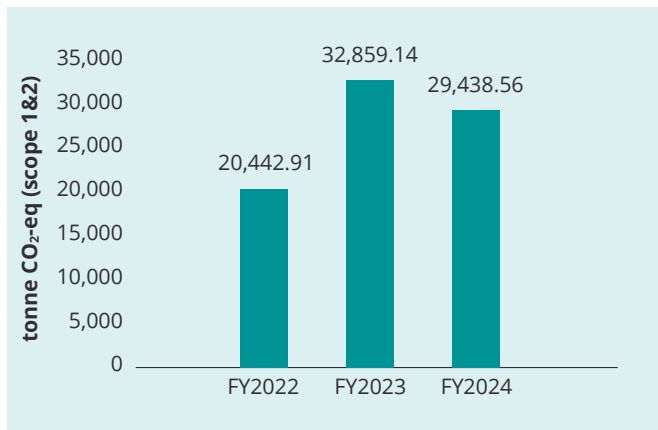
Our GHG emissions management strategy extends beyond our direct operations to encompass the entire supply chain carbon footprint. By collaborating closely with our suppliers and partners, we aim to foster a collective commitment to sustainability, emphasizing the reduction of emissions throughout the value chain. Engaging with our supply chain stakeholders, we strive to influence positive change and promote sustainable practices that align with our environmental goals. We diligently assess the carbon impact of our supply chain activities and actively seek opportunities to implement efficient and eco-friendly logistics solutions. Through these efforts, we reinforce our commitment to exceeding regulatory requirements and becoming a leader in GHG emissions management within the logistics industry.

To contribute to the global effort to reduce greenhouse gas emissions and combat climate change, we began measuring our carbon footprint in FY2022 for the entire Group. Initially, we tracked Scope 1 and Scope 2 GHG emissions based on the GHG Protocol. In FY2023, we expanded our efforts to include Scope 3 GHG emissions. This year, FY2024, we are continuing our comprehensive assessment of Scopes 1, 2, and 3 emissions. We were utilizing hybrid method (spend-based and activity-based) method to estimate the carbon emissions of Scope 3. Based on previous results, we can demonstrate Chasen's progress toward our net-zero goal and identify crucial factors for further improvement.

Total GHG Emissions Profile for FY2024

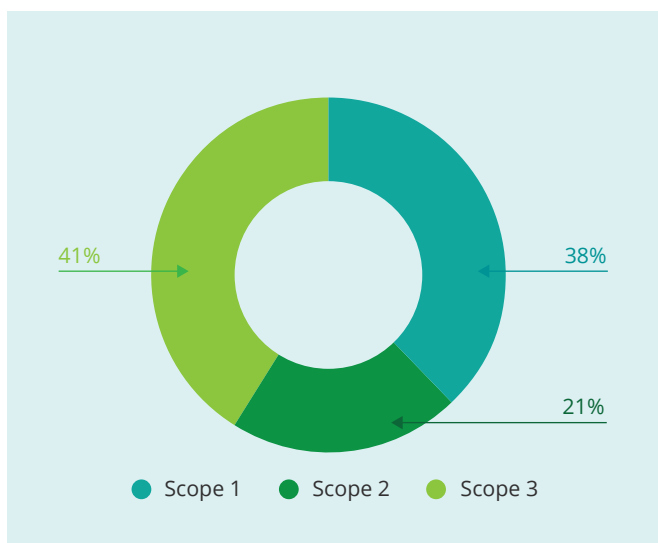
The Chasen Group's total GHG emissions for Scopes 1 and 2 for FY2024 were 29,438.56 tons of CO₂-eq, a 10% reduction compared to carbon footprint in the previous year (FY2023) but still 44% higher than the baseline (FY2022). This year, for Scope 1, we are only considering mobile combustion and fugitive emissions without the fuel combustion factor. This is because Chasen does not burn any fuel for energy consumption onsite, hence no emissions related to fuel combustion.

Diagram 9 - Scopes 1 & 2 GHG Emissions FY2022-FY2024



Meanwhile, Scope 3 assessment in FY2024 demonstrates a significant 58% reduction compared to Scope 3 in FY2023, with a total emission of 13,450 tons of CO₂-eq. The overall GHG emissions (Scopes 1, 2 and 3) are 42,888 tons of CO₂-eq. Diagram 10 below illustrates the scope breakdown where Scopes 1 and 2 accounted for 59% of the total carbon emissions while 41% was contributed by Scope 3. Overall, Chasen achieved 34% reduction in total GHG emissions in FY2024.

Diagram 10 - GHG Emissions by Scopes 1, 2 & 3

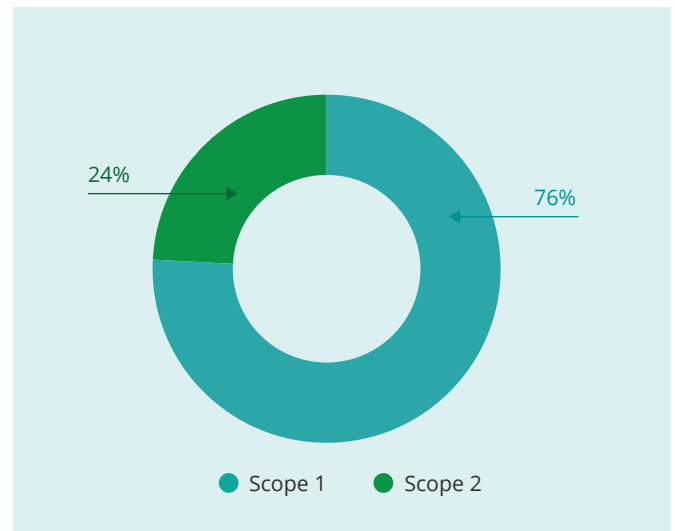


Scopes 1 & 2 Emissions

In FY2024, Chasen's Scope 1 emissions decreased by 19%, while Scope 2 emissions increased by 37% compared to the previous year, resulting in a total reduction of 3,420 tonnes of CO₂-eq from FY2023.

Diagram 11 below illustrates the contribution of total GHG emissions by Scopes 1 and 2. Scope 1, which includes mobile combustion and fugitive emissions, contributes to 76% of total emissions, with the remaining 24% attributed to Scope 2 - Purchased Electricity. Within Scope 1, mobile combustion accounts for 53% of the emissions, while the remaining 47% results from fugitive emissions due to potential leakage of refrigerants from air conditioners and fire extinguishers in Chasen's premises and vehicles.

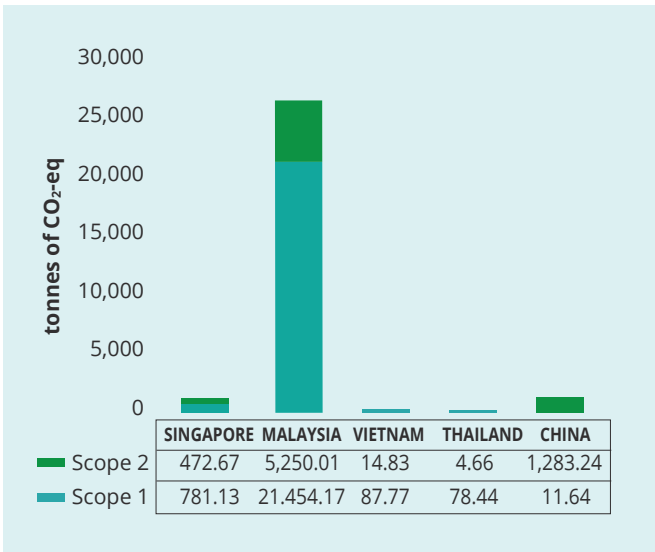
Diagram 11 - GHG Emissions by Scopes 1 & 2



Since Chasen's main service is logistics, the combustion of diesel is unavoidable, resulting in significant releases of carbon dioxide into the environment. Additionally, the use of air-conditioners in vehicles and warehouses can emit refrigerants such as nitrous oxide and hydrofluorocarbon (HFC) gases, which can be thousands of times more harmful than carbon dioxide. In this year's assessment, fugitive emissions were calculated based on the amount of pre-loaded materials available. The annual leakage rate is assumed to be average for fire extinguishers (4%) and air conditioners (3% or 15%, depending on the type of equipment) based on IPCC⁶ guidelines.

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Diagram 12 - Scopes 1 & 2 Emissions Breakdown by Locations

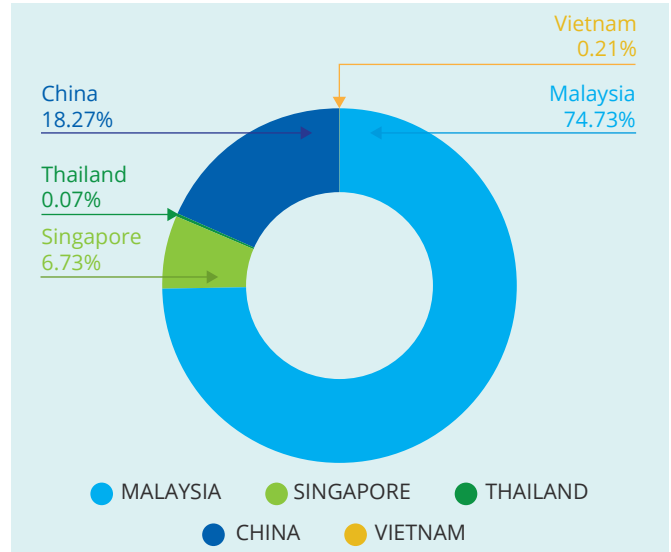


Based on Diagram 12, Malaysia has the largest transport fleet activities that accounted for 93.83% of carbon emissions from mobile combustion and 98.22% from fugitive emissions. In contrast, Singapore contributed to only 5.53% of mobile combustion and 0.78% of fugitive emissions. Scope 1 emissions from Singapore subsidiaries decreased by 46% from the previous year due to initiatives aimed at reducing Scope 1 emissions. With the adoption of the driver's personal automatic tag for the topping-up of diesel, the fuel usage is more controllable and trackable. In addition, with effort to reduce diesel consumption, Chasen deployed 41 electric forklifts across its subsidiaries in Singapore, Malaysia, Vietnam and China.

For Scope 2 emissions, a total of 10.40 GWh of purchased electricity was used to power offices, dormitories and warehouses across all subsidiaries, resulting in 7,025 tons of CO₂-eq emissions. The electricity consumption by Chasen this year is significantly higher than in previous reporting years, leading to an increase of 1,883 tons of CO₂-eq emitted.



Diagram 13 - Scope 2 Purchased Electricity Breakdown by Locations



Based on Diagram 13, the breakdown of Scope 2 emissions by locations, Malaysia is the largest contributor to Scope 2 emissions. In FY2024, Malaysia utilized extensive electricity source (6.92 GWh), emitting a total of 5,250 tons of CO₂-eq, which accounts for 74.73% of total Scope 2 emissions. The CZE-Malaysia subsidiary used up to 68,31709 kWh of purchased electricity, marking the highest electricity consumption among all Chasen subsidiaries. Given Malaysia's significant potential for on-site renewable energy sources such as solar energy, biomass fuel, and hydropower, it is crucial for Chasen to explore alternative sources to meet the electricity demand of CZE in Malaysia.

China is the second-highest contributor to Scope 2 emissions, accounting for 18.27%. Meanwhile, Singapore reported a 30% reduction in purchased electricity this year. This reduction resulted from the renewable energy purchased from FloEnergy by several Singapore subsidiaries, offsetting more than 20% of the Scope 2 GHG emissions.

Chasen has been transitioning to renewable energy since 2021. Several Singapore subsidiaries, including Chasen Logistics, Liten Logistics, and Hup Lian Engineering (shared with Goh Kwang Heng and GKH Scaffolding), subscribed to renewable energy from FloEnergy to replace purchased electricity. A total of 58,000 kWh of green energy was purchased, offsetting more than 130 tons of CO₂-eq emissions through electricity sourced from a few hydropower plants in Vietnam. In the future, Chasen plans to expand the use of renewable energy to other subsidiaries, such as those in Malaysia, Vietnam and the PRC, where renewable energy is more readily available.

⁶ TCFD IPCC Good Practice Guidelines and Uncertainty Management in National Greenhouse Gas Inventories (2000)

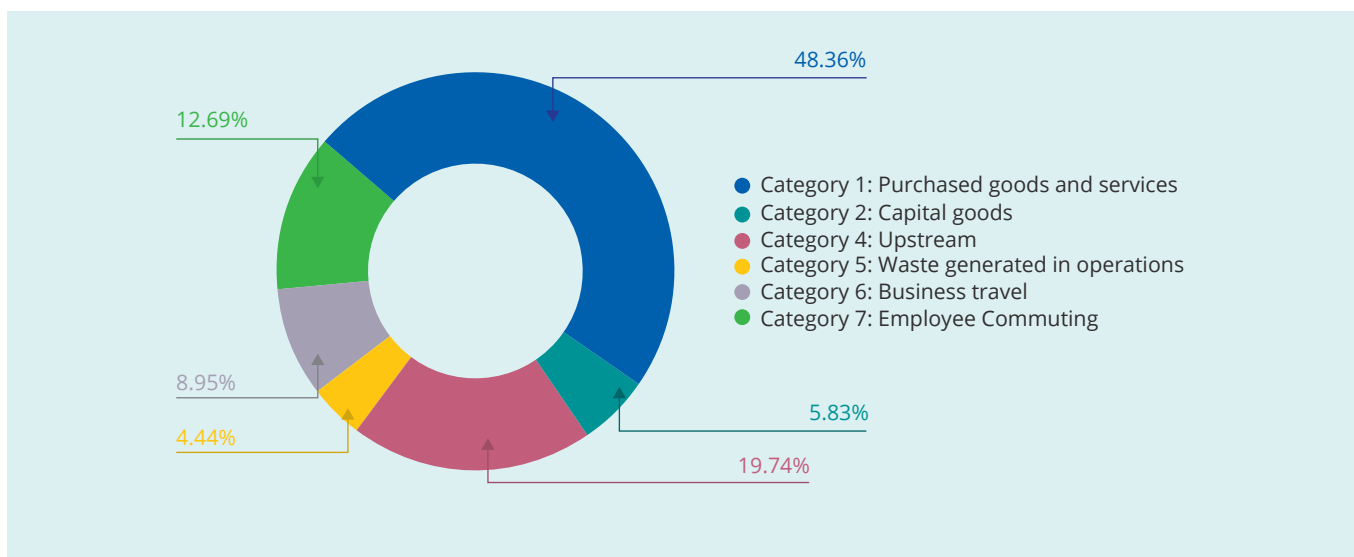
Scope 3 Emissions

FY2024 marks the second year of assessing Scope 3 indirect GHG emissions. After the initial screening, the assessment focused on several categories directly associated with Chasen's operations, which are Category 1, 2, 4, 5, 7, and 9. Chasen's Group-level Scope 3 emissions amounted to be 13,449 tons of CO₂-eq, a 58% decrease from FY2023 (32,075 tons of CO₂-eq).

The major contributor to Scope 3 emissions is Category 1: Purchased Goods and Services, which accounted for 48.36% of the total Scope 3 emissions. This was followed by Category 4: Upstream Transportation and Distribution (19.74%) and Category 7: Employee Commuting (12.69%). Category 6: Business Travel also contributed 8.95% of total Scope 3 emissions, calculated based on transportation and hotel expenditures for business travel.

The remaining contributions were Category 2: Capital Goods (5.83%) and Category 5: Waste Generated in Operations (4.44%). Despite the increased number of recyclable wastes, we recorded a 73% increase of GHG emissions in Category 5 and this can be explained by the emission factor used including estimation of methane released when mixed waste being sent to landfill. The lowest contributor was Category 9: Downstream Transportation and Distribution, with only 0.0015% emissions from the Vietnam subsidiary (CTL).

Diagram 14 - Scope 3 GHG Emissions Breakdown by Categories

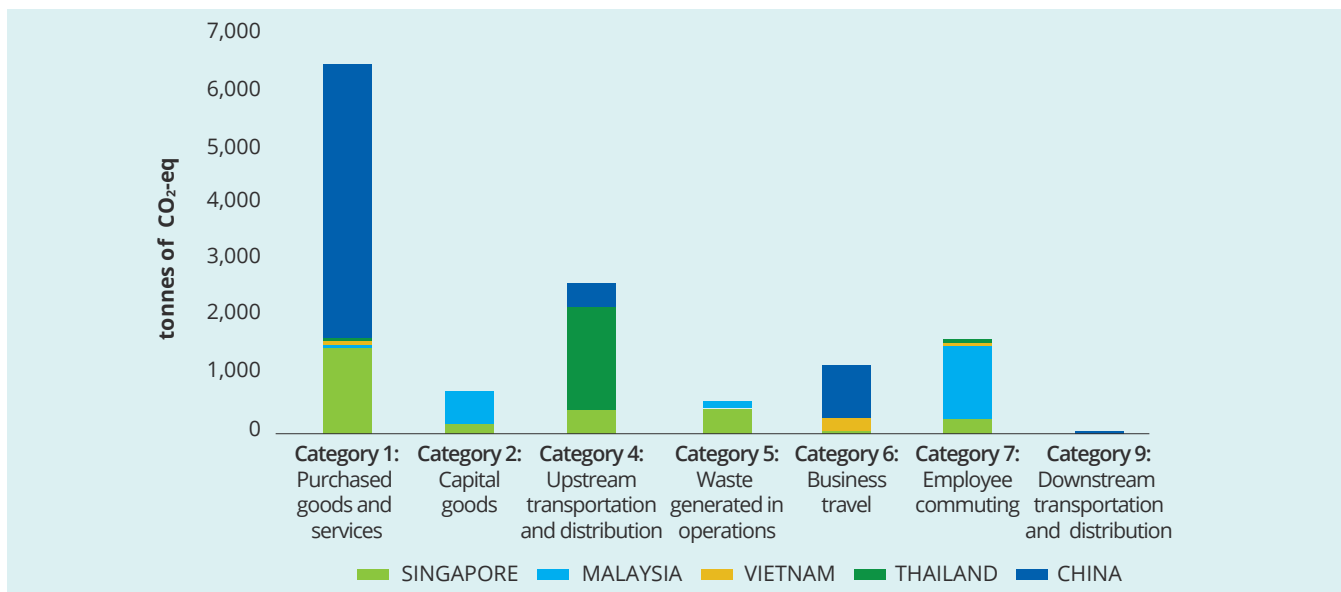


Similarly, the highest emissions in Scope 3 in previous year were contributed by Category 1: Purchased Goods and Services at 11,630 tonnes of CO₂-eq. However, in FY2024, Chasen reduced its Category 1 emissions by 44% with total of only 6,500 tons of CO₂-eq. This is attributed to the very minimal steel plates purchased by the usual Specialist Relocation subsidiaries and they have been reusing those steel plates purchased from previous years. In this category, we estimated the emission related to the purchase of water supplies, papers, wood and steel products and machinery. Similarly, the highest emissions in Scope 3 in previous year were contributed by Category 1: Purchased Goods and Services at 11,630 tonnes of CO₂-eq. However, in FY2024, Chasen reduced its Category 1 emissions by 44% with total of only 6,500 tons of CO₂-eq. This is attributed to the very minimal steel plates purchased by the usual Specialist Relocation subsidiaries and they have been reusing those steel plates purchased from previous years. In this category, we estimated the emission related to the purchase of water supplies, papers, wood and steel products and machinery supplies. China is the largest contributor to Category 1 emissions with total of 4,927 tons of CO₂-eq, mainly caused by PROMAX SZ's purchase of steel. Singapore is the second largest contributor with 1,456 tons of CO₂-eq due to the purchased of steel material for the production of the concrete anchor stumps by HLE that are used to hold down the solar panels installed on the roof-tops of buildings.

Category 4: Upstream transportation and distribution emitted a total of 2,654 tons of CO₂-eq, which is a 41% decrease from last year. Thailand is the major contributor to these Category 4 emissions with 1292 and 532 tons of CO₂-eq from CZET and CZEW subsidiaries respectively due to road freight transportation. Both subsidiaries offer forwarding transportation and logistics services.

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Diagram 15 - GHG Emissions in Scope 3 by Locations



For Category 7, a detailed calculation for employee commuting was conducted in this year’s assessment. This included recording information on transportation types used, average distance traveled, and the number of working days for employees to estimate their carbon footprint. The results show that overall employee commuting activity releases a total of 1,706 tons of CO₂-eq. Malaysian employees contribute the highest emissions in this category with a total of 1,343 tonnes of CO₂-eq (79%). This can be attributed to the large number of employees in the Malaysia-based subsidiaries and the fact that most employees commute to work using their own vehicles (motorcycles and cars) due to the non-availability of an efficient public transport system.

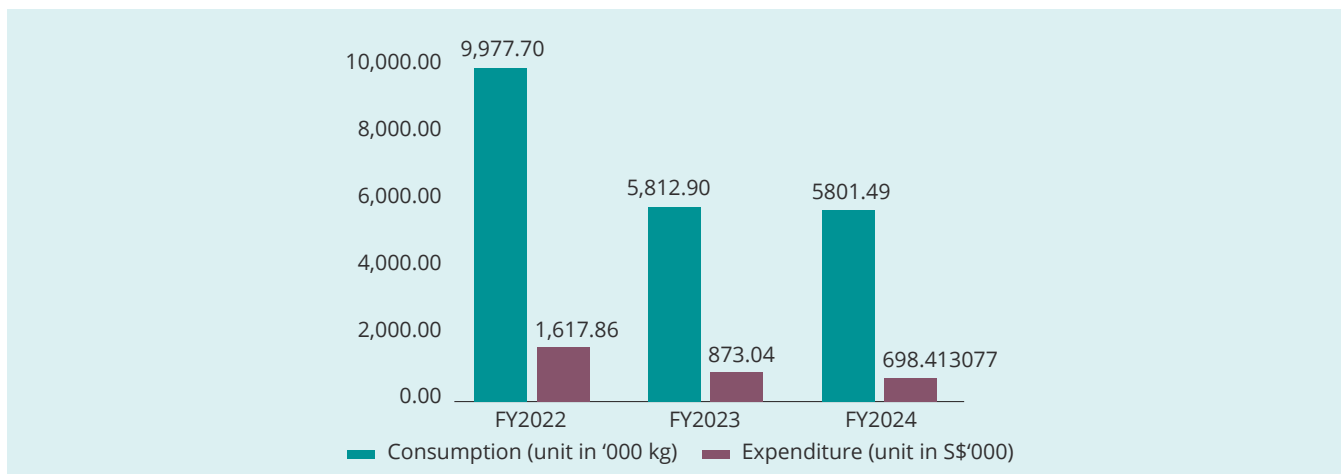
This year’s results show a significantly lower emission (76% reduction) in Category 2: Capital goods, because in comparison to FY2023, there is no new warehouse and electric cars that are being purchased in FY2024.

Overall, Scope 3 emissions reduced by 58% from FY2023, which is mainly attributed to the reduction in purchased good and services and capital goods. On top of that, Category 3: Fuel and energy related activities is not reported by any subsidiary in FY2024 since all of fuel and energy consumed during operations were accounted in Scope 1 and 2, and this is necessary to avoid double counting the GHG emissions.

WOOD CONSUMPTION

Following the notable decrease of approximately 41.7% in wood consumption from last year, we saw a decrease of 0.2% in wood consumption and a decrease of 20.0% in the expenditure of wood in FY2024. This is correlated with the client needs for the related business units in the fabrication of pallets and crates for exporting purposes. The primary source of consumption was contributed by the Vietnam-based subsidiary, CTL.

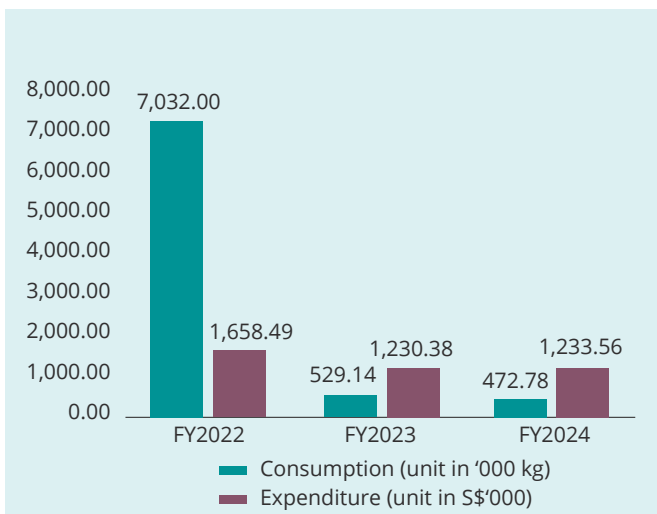
Diagram 16 - Wood Consumption



STEEL CONSUMPTION

There is a decrease of 10.7% in steel consumed in FY2024 compared to FY2023, which is due to wider application of recycling and reusing policies. As Chasen practices 'Reuse,' 'Recycle' and 'Reduce' methodology to make full use of the materials, we have also recycled 115,357kg of steel in FY2024, making a remarkable increase of 1134.2% compared to FY2023 (9,347kg). In FY2024, another three subsidiaries began to recycle steel compared with FY2023, contributing to the increase. Among all the sites of our group, HLE remains the main steel consumption source, GKH/GKF is the main contributor to steel recycling.

Diagram 17 - Steel Consumption



In FY2024, the overall waste recycled is 517,256.3kg, which includes plastics and rubber. There is a decrease of 6.8% in paper consumption but a notable large increase of 128.6% in the amount recycled, from 1,093.2kg in FY2023 to 2,498.6kg in FY2024. This was due to a greater awareness of the personnel in the Group's business units. There were several units in Singapore and overseas that had included non-useable cardboard as part of their recycling of paper products.

In the new financial year, we will be sourcing for cardboard from recycled pulp.

WASTE MANAGEMENT

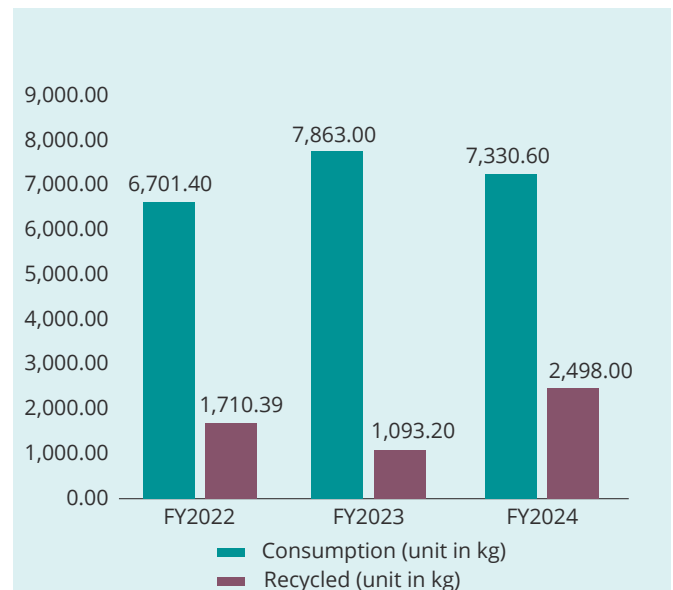
We have launched our Go-Green initiatives in 2021 across all our operations and Corporate Office. The implemented initiatives aim to encourage 'Reuse,' 'Recycle' and 'Reduce,' the 3R methodology in waste solutions. We reduce waste by reusing and recycling materials where possible; for example, reusing wood from crates and wooden pallets and selling waste metal to recycling companies. In FY2024, overall we have recycled 517,256.3kg waste, including plastic and rubber. Compared with the 110.0kg from FY2023, this year an additional 11 subsidiaries of Chasen contributed to waste recycling, making a significant improvement in this aspect.

PAPER USAGE

We practice the 3R methodology in using paper through the following ways:

- 'Reduce' the use of papers by sending to print on double sides of each piece of paper and print only when necessary.
- 'Reuse' the unused side of printed papers for non-confidential and draft documents. We plan to roll out the daily operations reports to be electronic and paperless where feasible.
- 'Recycle' the waste print paper by shredding and then sending to the paper recycle bins (which are subsequently send to the paper pulping mill).

Diagram 18 - Paper Consumption and Recycling



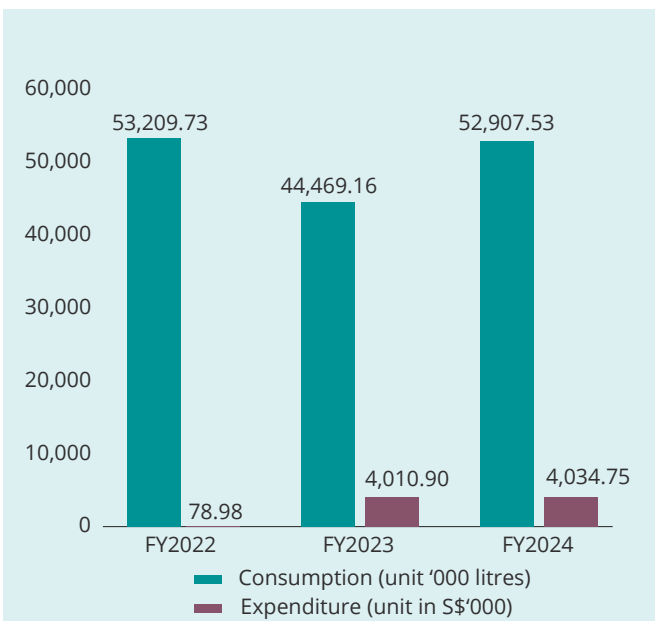
SUSTAINABILITY PILLARS

WATER CONSUMPTION

In FY2024, water consumption at the group level has shown a 19.0% increase compared with the consumption from FY2023 and the expenditure of water used presents an increase of 0.6%. This is mainly due to the increasing need at HLE for the fabrication of the concrete anchor stumps needed for the solar panel installation on the roof-tops of HDB blocks and commercial buildings.

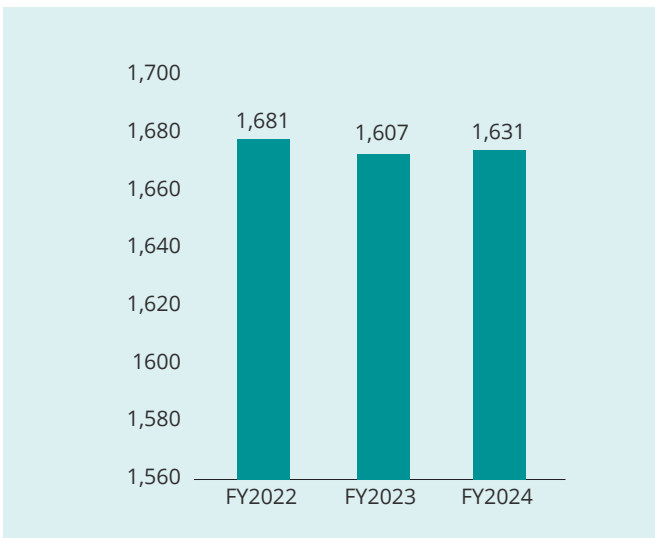
We shall continue to look at ways to recycle the used water without compromising on the level of cleanliness required by the vendors and customers.

Diagram 19 - Water Consumption



SOCIAL - CARING FOR OUR COMMUNITY

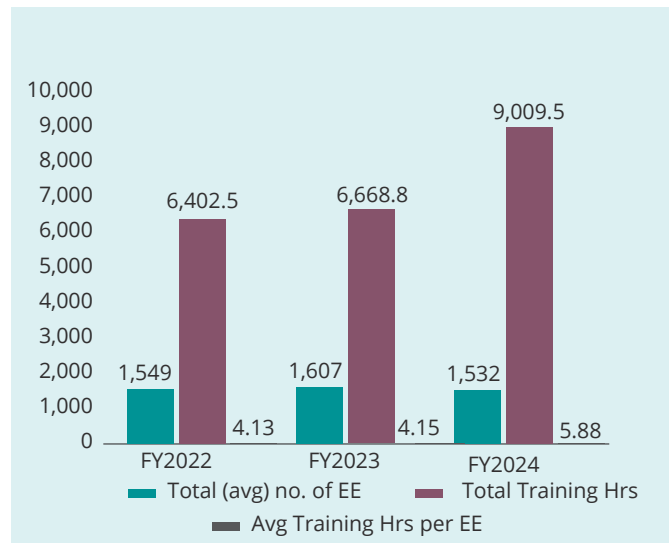
Diagram 20 - Total Staff Strength



TRAINING AND EDUCATION

We recognize our people as our most important asset. The group has implemented various schemes to take care of our employees' health and wellness, as well as training schemes to upgrade their skillset. To prepare our employees to work effectively as well as prepare them to be more future-ready, we have training plans including data analytics training in the pipeline to upskill our employees. We also sent our field operations movers for periodical skills upgrade relevant to their vocations.

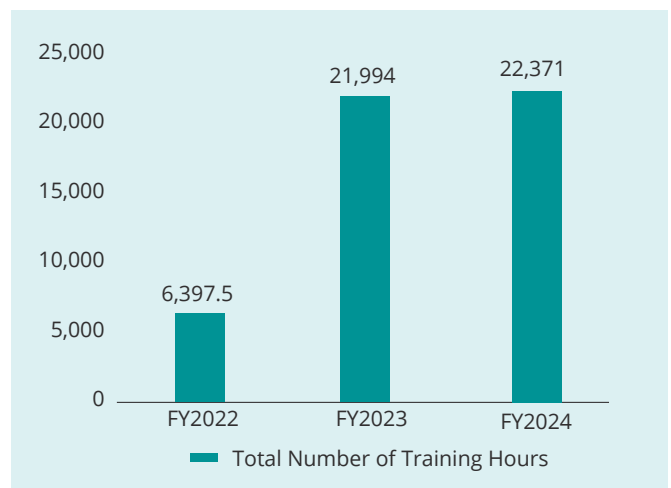
Diagram 21 - Training & Education



EHS Training

We strive to maintain a high commitment to training and development for our workforce. In FY2024, our total training hours have increased by 1.71% compared to FY2023, which is credited to our increasing attention on training activities. This performance aligns with the goals we set to raise the bar for EHS training and increase EHS training hours. The average EHS training hours is 7.33 hours for the employees who attended the EHS training. The subsidiary HLE reported the highest average EHS training hours of 17.5 hours this year.

Diagram 22 - EHS Training Hours



The total training time for other training, including both external training centres and in-house, amounted to 4096 hours this year.

We shall endeavor to increase the average number so that each employee will receive more training that is beneficial to their professional capacity, career improvement, and the operation of Chasen.

Diagram 23 - Target and Performance of Training and Education

Target for FY2023	Performance in FY2023	Target for FY2024	Performance in FY2024	Target for FY2025
Increase total and average training hours	Total EHS training hours was increased from 6397.50 to 21994	Increase total and average training hours	Total EHS training hours was increased from 21994 to 22371	Increase total and average training hours

SAFETY AND HEALTH IN THE WORKPLACE

Chasen is committed to adopting the highest standards of workplace safety and health (“**WSH**”) and environmental practices and inculcating the best practices in the group. We are guided by the steadfast commitment to our employees for a safe working environment where one can work and excel with total confidence. We uphold our Quality, Environmental, Health and Safety Policy to safeguard the health and safety of all stakeholders in the organization, especially our employees. Our current ISO45001 certification for health and safety was issued on 27th January last year and will be up for renewal on 26th January 2025.

The management team sets a strong foundation by providing clear direction within the value of an effective occupational health and safety management approach to foster risk-free and environmentally friendly premises. We are building environmental awareness and green practices and in FY2022, the Chasen Group reported zero fatalities. There were no reportable incidents that were recorded (FY2022: 4; FY2023: 2), and all of them were solved timely. We will continue to uphold our mandate to target zero injuries and fatalities amongst our workforces.

Diagram 24 - Target and Performance of Safety and Health in the Workplace

Target for FY2023	Performance in FY2023	Target for FY2024	Performance in FY2024	Target for FY2025
Zero fatalities amongst our workforce	Zero fatalities reported; incidents at workplace were largely reduced	Zero fatalities amongst our workforce; less incidents at workplace	Zero fatalities reported and zero incidents reported	Zero fatalities amongst our workforce and zero incidents at the workplace

Employment Practices

Our employment practices focus on maximizing the strength of our employees by providing equal opportunities based on credit and encourage our employees to develop strength through our comprehensive training and development program. We regularly review our employees’ competency and development to match their strengths to their job specifications effectively. Our performance-based reward scheme provides guidance and motivation to our employees to perform to their potential in alignment with the company’s objectives.

Our compensation and benefits policies are determined by guidelines proposed by our HR and approved by the Remuneration Committee of our Board. We proactively pursue and adopt best practices in HR management. In our Singapore headquarters, the Singapore Tripartite Alliance guides our HR practices for Fair and Progressive Employment Practices. The Singapore Tripartite Alliance comprises the Ministry of Manpower, Singapore National Employers Federation and National Trades Union Congress. The Tripartite Alliance has formulated guidelines on fair employment practice for adoption by Singapore employers, embracing the recruitment, training, treatment and reward of employees. Our HR team strive to share the best practices with overseas business entities and care for our employees. All our staff undergo annual performance reviews and receive periodic performance feedback from their superiors.

SUSTAINABILITY PILLARS

Diagram 25 - Years of Service (%)

Items	2022	2023	2024
Years of Service	(%)	(%)	(%)
Below 5 yrs	67.36	68.38	67.23
6 to 10 yrs	19.83	15.61	14.44
11 to 20 yrs	8.87	11.52	11.55
> 20 yrs	3.94	4.49	6.77

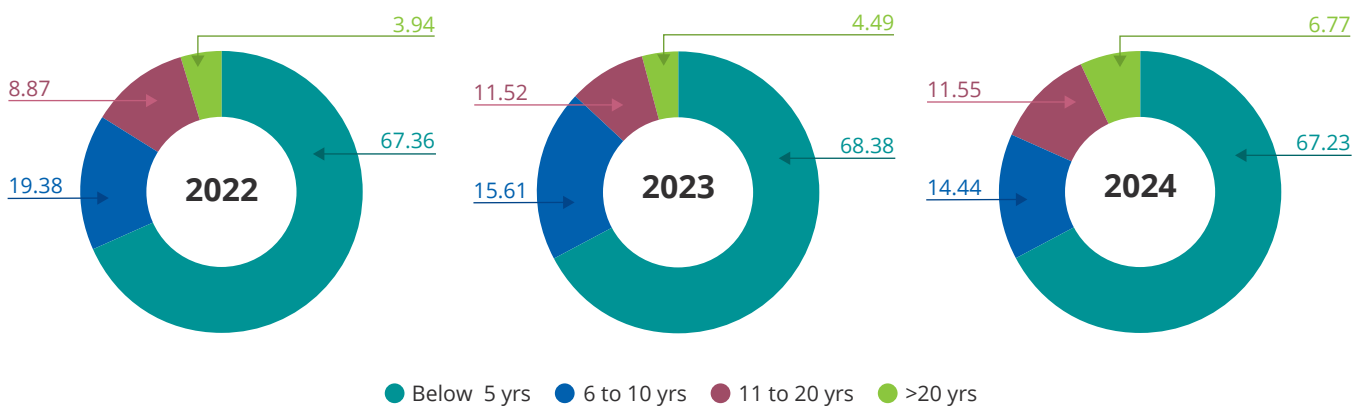
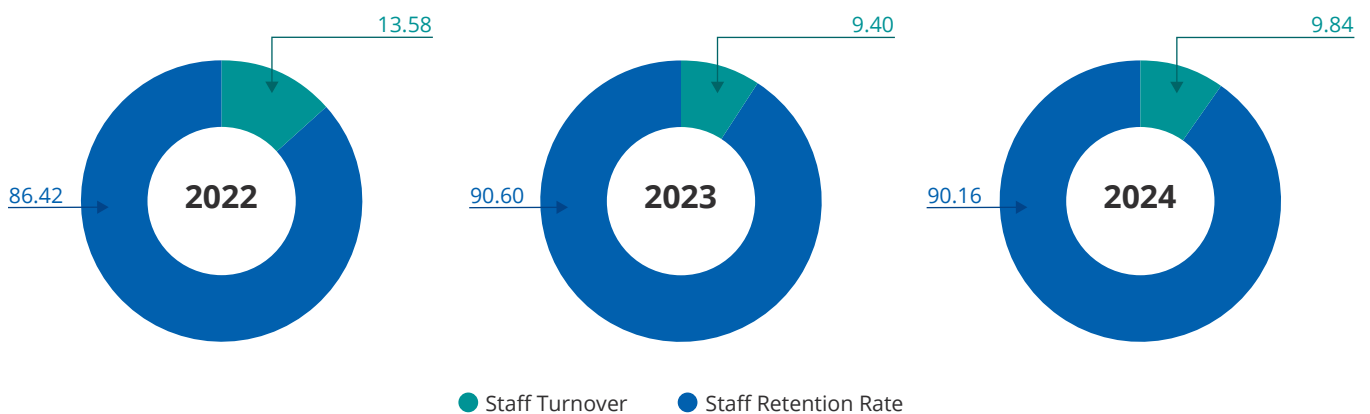


Diagram 26 - Staff Turnover and Retention (%)

Items	2022	2023	2024
Retention	%	%	%
Staff Turnover	13.58	9.40	9.84
Staff Retention Rate	86.42	90.60	90.16



Employees Wellness and Benefits

Our group pays attention to the wellness and benefits of our employees. In Singapore, we contribute to Central Provident Fund Scheme and provide medical benefits such as Hospitalization & Surgical Plan as well as Personal Accident insurance for all our employees. We provide maternity and paternity leave in accordance with the recommendations of the Ministry of Manpower of Singapore.

All non-managerial employees in Singapore are covered by the Employment Act (Chapter 91) of Singapore, which provides basic employment terms and working conditions, including contract requirements, remuneration, hours of work, overtime, rest days and annual leave entitlement. In addition to the statutory benefits outlined in the Employment Act, we provide beyond-compliance level benefits to our full-time employees. Examples of these benefits include vacation, marriage and compassionate leaves. The Company also gives out bursary awards to children of employees who are earning below S\$3000 for children starting Primary 1 and for children who have achieved above 70% in their final term results.

In addition, to promote work-life balance, we continued our flexible approach to work arrangements and rolled out programs to support our employees' health and wellness. To support our employees in their effort to pursue professional and personal excellence, we will continue our efforts in developing programs and initiatives to build an environment of efficiency, excellence, and flexibility.

Diagram 27 - Target and Performance of Employment Practices

Target for FY2023	Performance in FY2023	Target for FY2024	Performance in FY2024	Target for FY2025
Increase staff retention rate	Staff retention rate increased to 90.60% as compared to 86.42% in FY2022	Maintain an above 90% retention rate	Staff retention rate stayed above 90% (90.16%) in FY2024	Maintain an above 90% retention rate

NON-DISCRIMINATION

FAIR & OPEN EMPLOYMENT POLICY

Chasen maintains a fair and open employment policy through fair employment opportunities to both young and older workers above age 65 years old. Our workforce has a good balance in employee age distribution, with 20.7% under the 30-year-old group. There was zero case of discrimination reported in FY2024.

Over the past three years, our business growth has also largely contributed to the growing pool of younger talents. We are continuously recruiting talents, particularly younger talents, and grooming them through mentorship and on-the-job training programs. During recruitment, we have implemented a stringent shortlisting process to ensure we recruit candidates who share the same values as we do. We focus on retaining talents by providing appropriate and sustainable financial and non-financial incentives and learning and development opportunities. We offer equal opportunities for skills training and career development for all staff and this has contributed to a consistently high retention rate of over 85% throughout the last three years.

We have maintained a fair proportion of professional and management teams to lead and drive the business growth in our three business segments. With the systematic growth of our group, we will always focus on the retention of our pool of senior staff whose professional expertise and strong customer relationship has been critical in the sustainable success of our three different businesses.

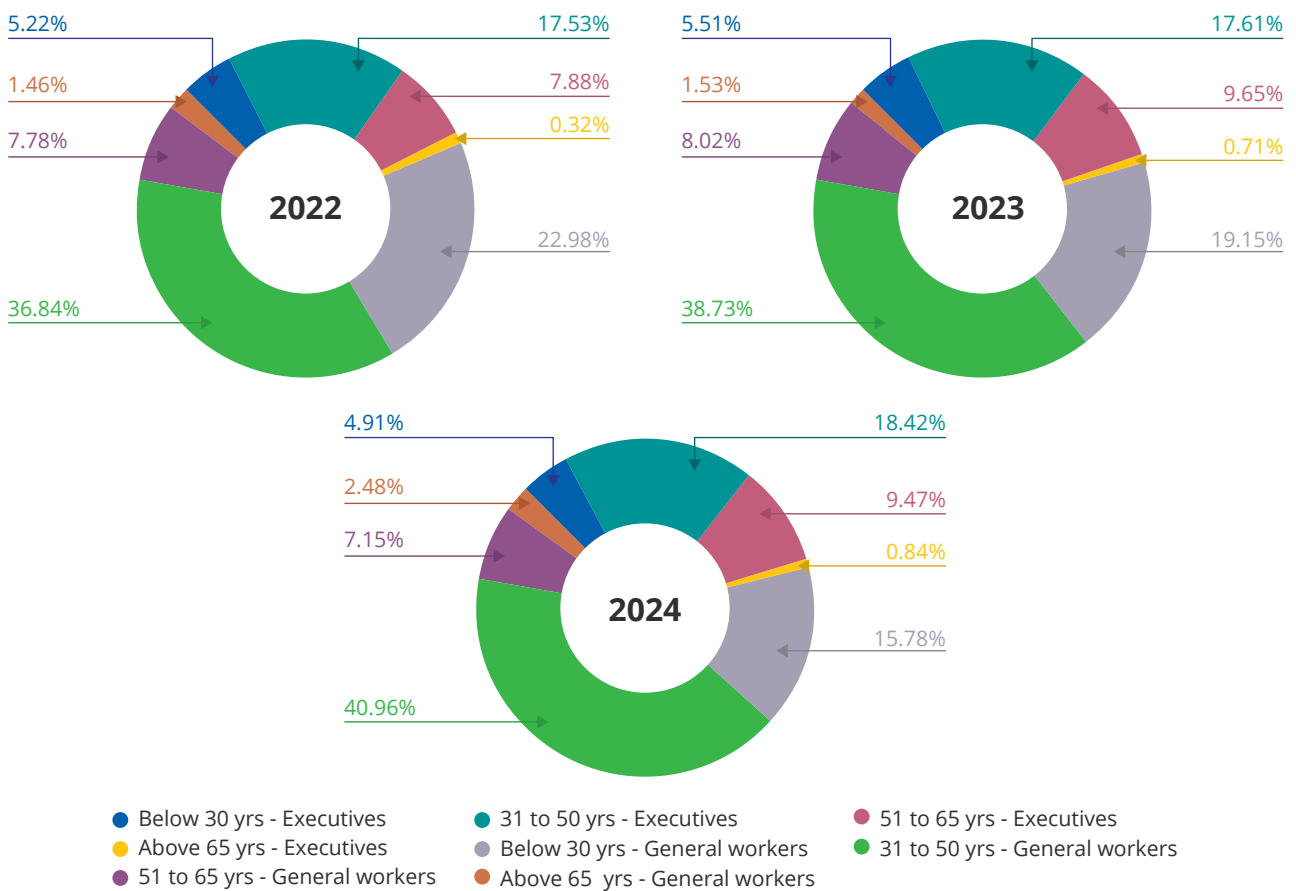
Age-based Diversity

Our strategy for recruitment and retention of talents includes cooperation with professional institutions, talent pool development and retention, and staff grievance mechanism.

In terms of employee skills profile, we have maintained a fair proportion of professional and management team to lead and drive the business growth in our three business segments.

Diagram 28 - Age Profile

Items	2022	2023	2024
Age Profile of EE	(%)	(%)	(%)
Executive above			
Below 30 yrs	5.22	5.51	4.91
31 to 50 yrs	17.53	17.61	18.42
51 to 65 yrs	7.88	9.65	9.47
Above 65 yrs	0.32	0.71	0.84
Workers (General)			
Below 30 yrs	22.98	19.15	15.78
31 to 50 yrs	36.84	38.73	40.96
51 to 65 yrs	7.78	8.02	7.15
Above 65 yrs	1.46	1.53	2.48



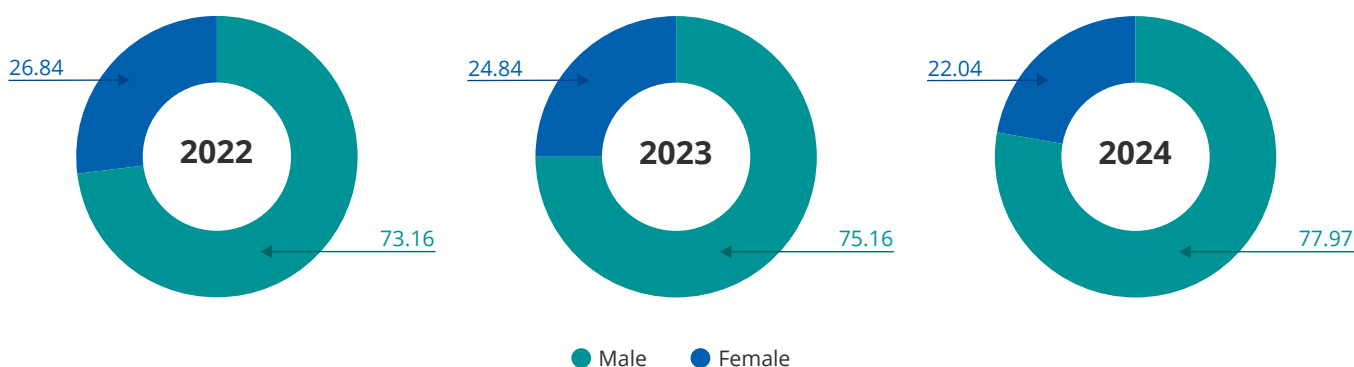
SUSTAINABILITY PILLARS

Gender-based Diversity

Chasen recognizes the importance of gender equality when employing people. Due to the nature of our business, there are considerably more male employees than female employees.

Diagram 29 - Gender Profile

Items	2022	2023	2024
Gender Ratio	(%)	(%)	(%)
Male	73.16	75.16	77.97
Female	26.84	24.84	22.04

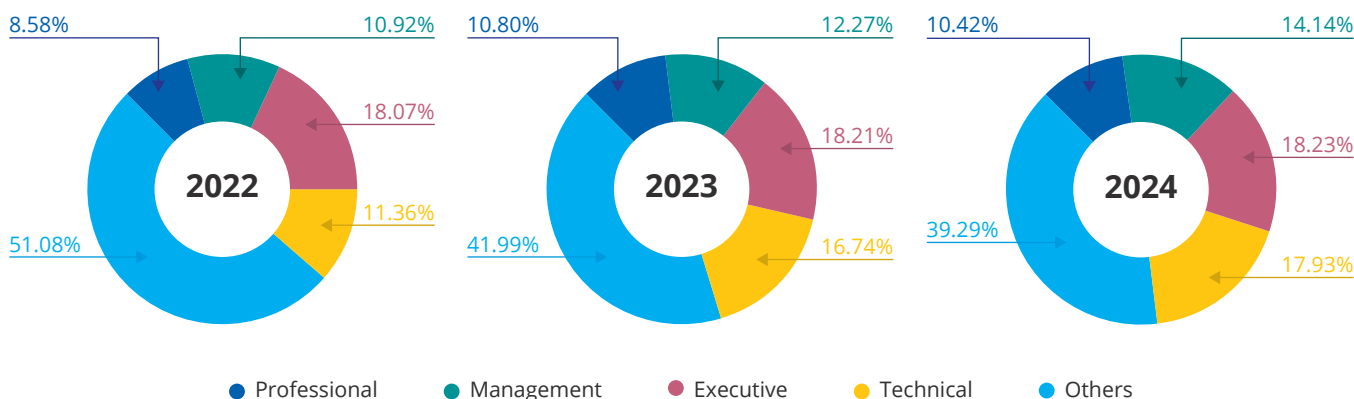


Skills-based Diversity

Our business is highly dependent on senior experienced staff who have been in the logistics business. Through the organic growth of complementary businesses over the years, we have also strengthened the retention of our pool of senior staff whose professional expertise and strong customer relationship has been critical in the sustainable success of our business.

Diagram 30 - PMET Classification

Items	2022	2023	2024
PMET Classification (%)			
Professional	8.58	10.80	10.42
Management	10.92	12.27	14.14
Executive	18.07	18.21	18.23
Technical	11.36	16.74	17.93
Others	51.08	41.99	39.29

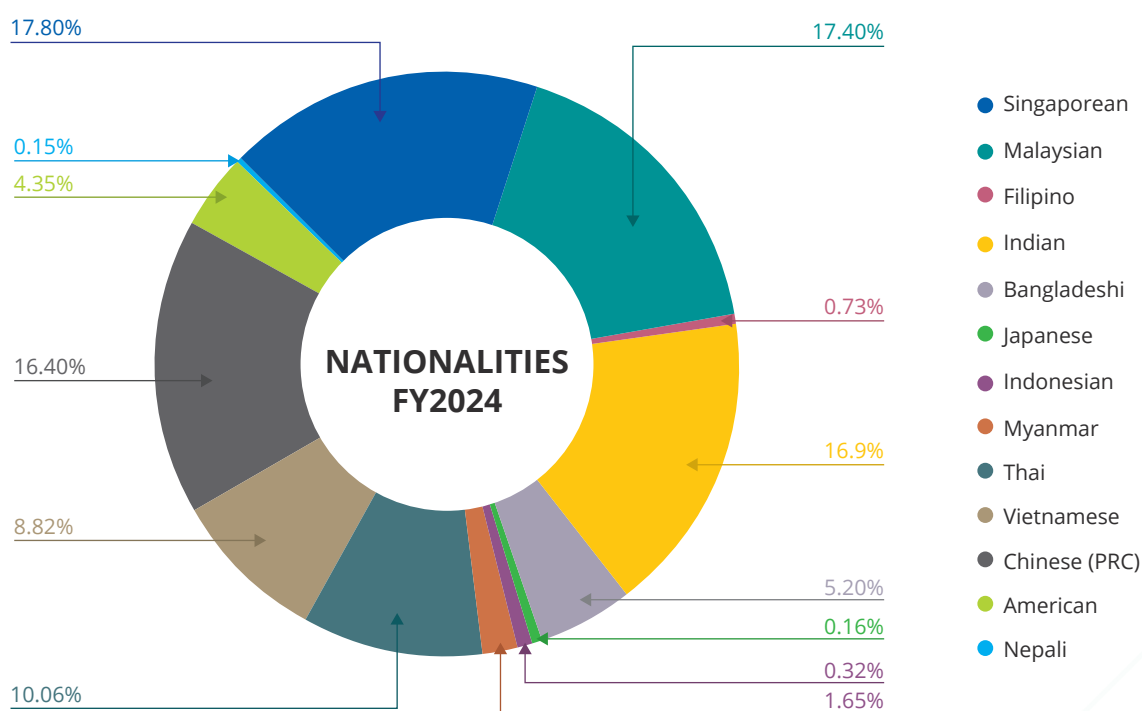


SUSTAINABILITY PILLARS

Nationality-based Diversity

Diagram 31 - Nationality Profile

Nationalities	FY2022	FY2023	FY2024
Singaporean	19.10	19.00	17.80
Malaysian	19.13	17.64	17.40
Filipino	0.81	0.83	0.73
Indian	10.93	16.51	16.95
Bangladeshi	8.43	5.54	5.20
Japanese	0.12	0.12	0.16
Indonesian	0.09	0.30	0.32
Myanmar	1.31	2.40	1.65
Thai	11.26	10.59	10.06
Vietnamese	5.30	5.00	8.82
Chinese (PRC)	18.21	17.45	16.40
American	5.06	4.47	4.35
Nepal	0.17	0.16	0.15



LABOR MANAGEMENT RELATIONS

It is important to have effective communication between management and employees, so that employees are more engaged with the organization, and have a more positive attitude towards their work and loyalty to Chasen. They are provided with frequent management updates and an adequate notice period regarding operational changes.

We often engage our employees in the following ways:

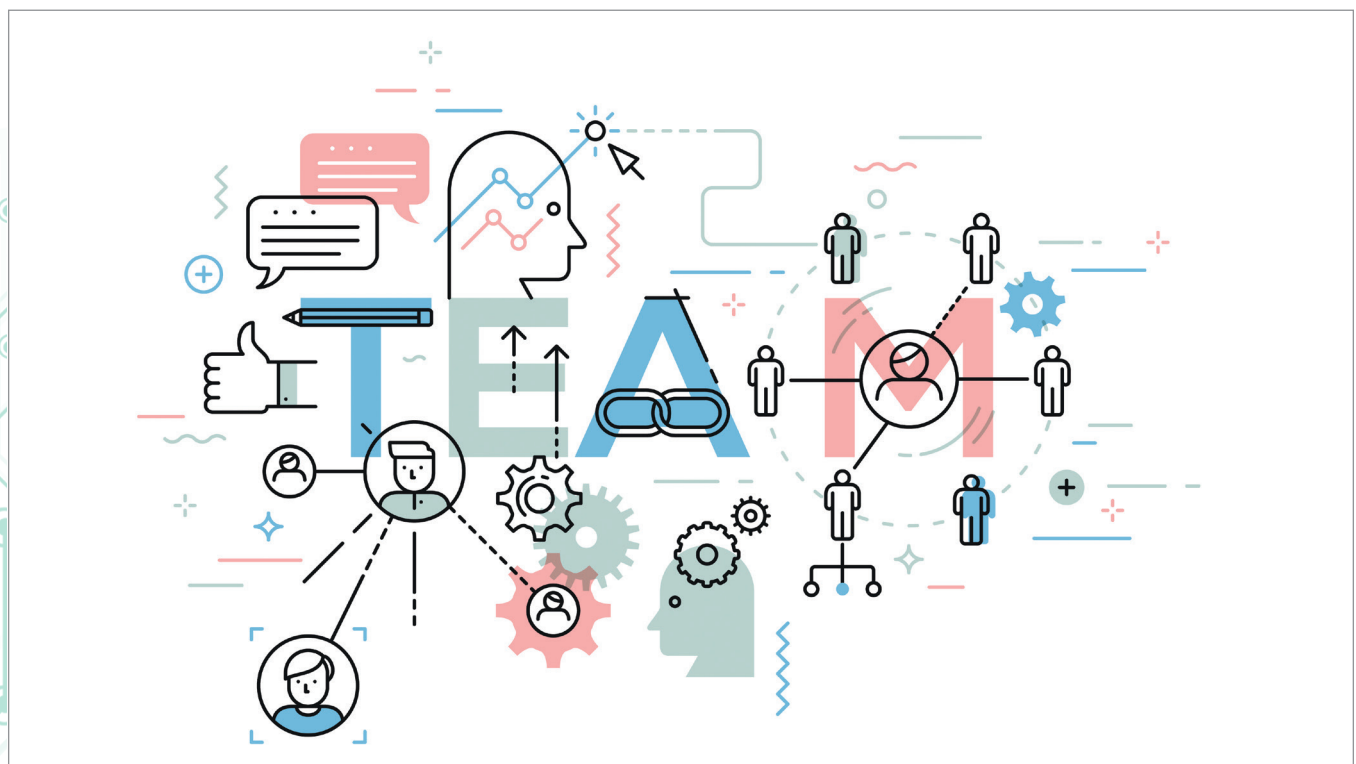
- **Monthly Meetings**
Monthly meetings with the management team are held to discuss operations reviews.
- **Quarterly Meetings**
Management conducts quarterly meetings for the Board of Directors to discuss on business development and finance.
- **Informal Small Group Meetings**
Meetings are often held by management to listen to and understand our employees' concerns and grievances.

We currently do not conduct formal employee feedback surveys, but our employees are encouraged to report any grievances to their line manager and/or to the Human Resource Department. The grievance procedures are stated in our employment policy handbook, and the mechanism makes sure that the grievance process is clear and unobstructed. Any grievance against a subordinate, co-worker, supervisor, or manager should be addressed speedily starting at the lowest possible management level. If the grievance is serious and needs immediate attention, the employee may escalate the issue directly to HR, the General Manager or the Director.

The anonymous whistle-blower system is moreover an additional channel for reporting any misconduct or other issues.

Diagram 32 - Target and Performance of Labor Management Relations

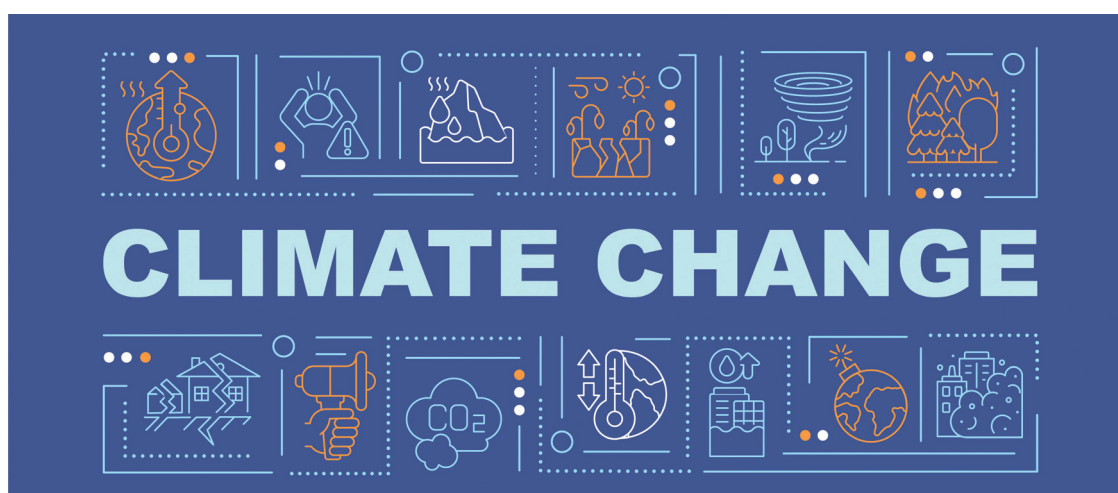
Performance in FY2023	Target for FY2024	Performance in FY2024	Target for FY2025
Employees are engaged through various channels and feedbacks are addressed timely	Improve employee engagement and solve employee grievances efficiently	Employee are engaged through various channels and feedbacks are addressed timely	Improve employee engagement and solve employee grievances more efficiently



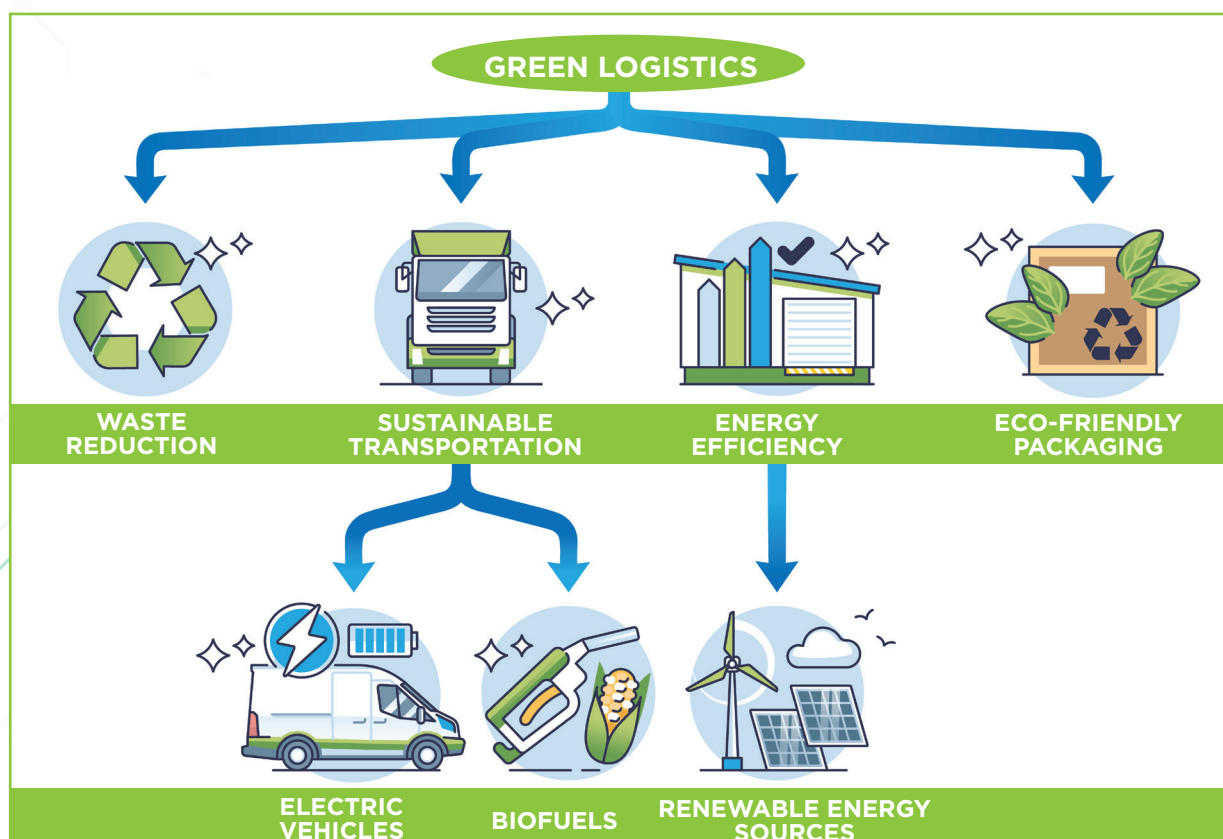
TYPE OF RISKS AND OPPORTUNITIES	CONSIDERATIONS UNDER CURRENT POLICIES SCENARIO (CPS)
Climate-Related Risks	
Transition Risks	
Policy and Legal	Policy actions around climate change remain gradual and moderate and therefore pose fewer risks of legal violations on sustainability.
Technology	Under the circumstances of CPS, technology development is not massively advanced and Chasen is less likely to suffer from tech-related operational inefficiency. Chasen will continue to offer relocation services, logistics services, and solar panel implementation services in the short term, and reorganize the operations of our group, if necessary, in the medium to long term.
Market	The changes in the market and patterns of customer preferences are minor under CPS. Therefore, Chasen is less likely to suffer from relevant risks in the market in the short to medium term.
Reputation	Chasen will still be concerned about the reputational risks under CPS, which may include emergency news and management of public relationships. These reputational risks may tend to revolve around the operational and managerial challenges of the Chasen group. It is still an emphasized responsibility to build trust between us and the clients.
Physical Risks	
Acute	Under CPS, climate problems may remain unsolved in the long term, for example, higher CO ₂ emissions and higher temperature conditions. Accordingly, acute physical risks resulting from floods, tsunamis, and other extreme weather events in the regions of Chasen's business activities may pose a problem to Chasen's supply chain management or provision of our transportation services.
Chronic	Long-term chronic risks under CPS may include higher costs of transportation as well as maintenance of fleets and vehicles due to the rising mean temperature and the rising sea level.
Climate-Related Opportunities	
Resource Efficiency	Apart from moving into more effective housing in the short-term period of Chasen's development, resource efficiency should still be focused by Chasen under CPS. To improve the resource efficiency will be an integrated strategy for the operation. For example, the decrease in energy consumed per unit of output may positively influence the financial performance of Chasen.
Energy Source	Considering CPS poses fewer compulsory legal forces on sustainability performance, there would be fewer opportunities that are related to energy sources. However, considering the nature of the services that Chasen provides, energy sources that are more effective may help to reduce costs and improve operational performance in transportation.
Products and Services	The service of solar panel implementation may still benefit Chasen under CPS considering its efficiency in energy management.
Markets	Under the CPS, Chasen may emphasize the quality of the products and services that it provides to ensure a position in the market.
Resilience	Considering the frequency of climate challenges posed by CPS in the long term, resilience in the supply chain may benefit Chasen even under some extreme climate conditions. In the latter phase of CPS, where climate problems are not that proactively addressed, the resilient management of the supply chain over different regions could offer Chasen new opportunities.

TYPE OF RISKS AND OPPORTUNITIES	CONSIDERATIONS UNDER STATED POLICIES SCENARIO (SPS)
Climate-Related Risks	
Transition Risks	
Policy and Legal	Policy actions around climate change tend to be stricter under SPS and make it more attention-worthy to manage the potential risks of legal violation against sustainability.
Technology	Under the circumstances of SPS, technology development is advanced in Singapore and other regions of operations, so there may exist risks of technology-related operational inefficiency. Chasen needs to make efforts to improve the intelligence, automation, and supervision of the logistics and transportation tech and system in our group.
Market	Market and patterns of customer preferences tend to favour products and services that are more sustainable. SPS demands Chasen to present better sustainability performance to improve our competitive edge. Overlooking this may result in a loss of the share of Chasen in the medium term.
Reputation	Chasen needs to be concerned about the reputational risks under SPS, which may include releasing emergency news and management of public relationships. These reputational risks may tend to revolve around the sustainability management and managerial challenges of the Chasen group. It is an emphasized responsibility to build trust between us and the clients, which will be of influence on Chasen's development in the long term.
Physical Risks	
Acute	Under SPS, climate problems are actively addressed from short-term period to long-term period. Acute physical risks resulting from extreme climate weather conditions are less likely to occur. However, considering the coverage of different sites of Chasen's supply chain, there still exist risks of transport difficulties, supply chain interruptions, damage to property and assets in high-risk locations.
Chronic	Long-term chronic risks under SPS may include reduced revenues from lower sales or output and potential increasing costs of non-renewable energy if the company fails to incorporate sustainability into the overall management.
Climate-Related Opportunities	
Resource Efficiency	Considering the focus of SPS on new policies and regulations, Chasen can benefit from resource efficiency management by using more efficient modes of transport when providing services, using of recycling to reduce the consumption and expenditure. Chasen may also have the opportunity of an increased value of fixed assets, like the new building Chasen Logistics Hub that has actively involved high-efficiency technology and sustainable resource management.
Energy Source	Considering SPS poses more compulsory legal forces on sustainability performance, there would also be more opportunities, including participating in carbon market and use of supportive policy incentives. Based on the nature of Chasen's business, it is also possible that the company benefits from reduced exposure to future fossil fuel price increases, returns on investment in low-emission technology, and reduced exposure to GHG emissions and thus less sensitivity to changes in cost of carbon.
Products and Services	The service of solar panel implementation may develop or expand due to its low-emission nature under SPS. Chasen may also have the opportunities of increased revenue through demand for lower emissions products and services, if the company improve the sustainable edge in the market in medium to long term.
Markets	Under the SPS, Chasen may have access to new markets and gain increased revenues in new and emerging markets, on the condition that Chasen successfully incorporates sustainability into the management system.
Resilience	Given that Chasen has a supply chain that covers various sites, it would be especially beneficial if Chasen could seize the opportunity of Increased reliability of the supply chain and ability to operate under various conditions in the medium to long term. Under SPS where sustainability polices are actively placed, Chasen can also benefit from Increased market valuation through resilience planning, including infrastructure, land, and buildings.

TYPE OF RISKS AND OPPORTUNITIES	CONSIDERATIONS UNDER SUSTAINABLE DEVELOPMENT SCENARIO (SDS)
Climate-Related Risks	
Transition Risks	
Policy and Legal	Policy actions around climate change are strict under SPS and make it more attention-worthy to manage the potential risks of legal violation against sustainability.
Technology	Under the circumstances of SDS, technology development is advanced in Singapore and other regions of operations, so there may exist risks of technology-related operational inefficiency. There are also risks of substitution of existing products and services with lower emissions options, thus leading to potential financial impacts of capital investments in technology development and costs to adopt or deploy new practices in the processes of logistics and transportation.
Market	Market and patterns of customer preferences favour products and services that are more sustainable. Under SDS, there may exist the risks of re-pricing from fossil fuel reserves abruptly, and the regulated environment demands Chasen to present better sustainability performance to improve our competitive edge. Overlooking this may result in a loss of the share or a decrease in revenue of Chasen in the medium to long term.
Reputation	Chasen needs to be concerned about the reputational risks under SDS, especially the potential risks of stigmatization of sector, which may result reduction in capital availability and revenue due to the negative impacts. Such reputational risks are urgent under SDS as the environment tends to marginalize the less sustainable business activities. Chasen group needs to be additionally aware of these.
Physical Risks	
Acute	Under SDS, climate problems are actively addressed from short-term period to long-term period. Acute physical risks resulting from extreme climate weather conditions are less likely to occur in the long term. However, considering the coverage of different sites of Chasen's supply chain, there still exist risks of transport difficulties, supply chain interruptions, damage to property and assets in high-risk locations; these risks are obvious especially in the short-term period to medium-term period under SDS.
Chronic	Long-term chronic risks under SDS may include reduced revenues from lower sales or output and potential increasing costs of non-renewable energy if the company fails to incorporate sustainability into the overall management. There are also risks of increased operating costs, for example, inadequate supply for fossil fuel plants.
Climate-Related Opportunities	
Resource Efficiency	Considering the strong drivers of SDS towards sustainability, Chasen can benefit from resource efficiency management by using more efficient energy source or modes of transport when providing services, using of recycling to reduce the consumption and expenditure. Chasen may also have the opportunity of an increased value of fixed assets, like the Logistics Hub of Chasen put into use in FY2025. It is also possible for Chasen under SDS to benefit from workforce management and planning, for example, improved health and safety resulting in lower costs.



TYPE OF RISKS AND OPPORTUNITIES	CONSIDERATIONS UNDER SUSTAINABLE DEVELOPMENT SCENARIO (SDS)
Climate-Related Risks	
Transition Risks	
Energy Source	Considering SDS poses compulsory legal forces on sustainability performance and achieves Sustainable Development Goals, there would also be more sustainable opportunities, including participating in carbon market and use of supportive policy incentives. Based on the nature of Chasen’s business, it is also possible that the company benefits from reduced exposure to future fossil fuel price increases, returns on investment in low-emission technology, and reduced exposure to GHG emissions and thus less sensitivity to changes in cost of carbon. Reputational benefits resulting in increased demand for services are also expected.
Products and Services	The service of solar panel implementation may develop or expand due to its low-emission nature under SDS. If the company improve the sustainable edge in the market in medium to long term, Chasen may also have the opportunities of increased revenue through demand for lower emissions products and services, better competitive position to reflect shifting consumer preferences, resulting in increased revenues.
Markets	On the condition that Chasen successfully incorporates sustainability into the management system, under the SDS, Chasen can have access to new markets and gain increased revenues in new and emerging markets, increased diversification of financial assets.
Resilience	Given that Chasen has a supply chain that covers various sites, it would be especially beneficial if Chasen could seize the opportunity of Increased reliability of the supply chain and ability to operate under various conditions in the medium to long term. Under SPS where sustainability polices are actively placed, Chasen can also benefit from increased market valuation through resilience planning, including infrastructure, land, and buildings. There can also be opportunities of increased revenue through new products and services related to ensuring resiliency.



ANNEX I

SCOPES 1, 2, & 3 EMISSIONS

Breakdown

Table A-1: Scope 1: Mobile emissions by location (unit in tonnes of CO₂-eq)

Location	GHG Emissions (tonnes of CO ₂ eq/year)
China	3.76
Malaysia	11965.47
Singapore	705.64
Thailand	0
Vietnam	77.70
Grand Total	12,752.57

Table A-2: Scope 1: Fugitive emissions by locations (unit in tonnes of CO₂-eq)

Location	GHG Emissions (tonnes of CO ₂ eq/year)
China	7.88
Malaysia	9,488.70
Singapore	75.50
Thailand	78.44
Vietnam	10.07
Grand Total	9,660.59

Table A-3: Scope 2: Purchased electricity by locations (unit in tonnes of CO₂-eq) and total electricity consumption (unit in kWh)

Location	GHG Emissions (tonnes of CO ₂ eq/year)	Electricity consumption (kWh)
Malaysia	5,250.01	6,926,130.90
Singapore	472.67	1,134,055.00
Thailand	4.66	10,277.00
China	1,283.24	2,303,849.00
Vietnam	14.83	28,456.00
Grand Total	7,025.41	10,402,767.90

Table A-4: GHG emissions and percentage breakdown by categories for Scope 3 emissions

Scope 3 Categories	GHG Emissions (tonnes of CO ₂ eq/year)	Percentage (%)
Category 1: Purchased goods and services	6,504.47	48.361%
Category 2: Capital goods	783.47	5.825%
Category 4: Upstream transportation and distribution	2,654.65	19.737%
Category 5: Waste generated in operations	597.22	4.440%
Category 6: Business travel	1,203.45	8.948%
Category 7: Employee commuting	1,706.42	8.948%
Category 9: Downstream transportation and distribution	0.13	0.001%
Grand Total	13,449.80	

ANNEX II

GRI CONTENT INDEX

Statement of Use	Chasen Holdings Limited has reported the information cited in this GRI content index for the period 01 April 2023 to 31 March 2024 with reference to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021

GRI Standard	Disclosure		Page Number
GRI 2: General Disclosures 2021	2-1	Organisational details	2
	2-2	Entities included in the organisation's sustainability reporting	3
	2-3	Reporting period, frequency and contact point	3
	2-4	Restatements of information	3
	2-5	External assurance	3
	2-6	Activities, value chain and other business relationships	6-7
	2-7	Employees	25-29
	2-8	Workers who are not employees	25
	2-9	Governance structure and composition	6
	2-10	Nomination and selection of the highest governance body	6-7
	2-11	Chair of the highest governance body	6
	2-12	Role of the highest governance body in overseeing the management of impacts	6
	2-13	Delegation of responsibility for managing impacts	6, 10
	2-14	Role of the highest governance body in sustainability reporting	6, 10, 12
	2-15	Conflicts of interest	10
	2-16	Communication of critical concerns	7
	2-17	Collective knowledge of the highest governance body	7
	2-18	Evaluation of the performance of the highest governance body	7
	2-19	Remuneration policies	25, 27
	2-20	Process to determine remuneration	-
	2-21	Annual total compensation ratio	-
	2-22	Statement on sustainable development strategy	1, 2, 4, 5
	2-23	Policy commitments	1, 2, 10, 12
	2-24	Embedding policy commitments	10, 12, 17
	2-25	Processes to remediate negative impacts	10, 11, 27, 31
	2-26	Mechanisms for seeking advice and raising concerns	7, 31
	2-27	Compliance with laws and regulations	6
	2-28	Membership associations	7
	2-29	Approach to stakeholder engagement	7
	2-30	Collective bargaining agreements	-
GRI 3: Material Topics 2021	3-1	Process to determine material topics	8
	3-2	List of material topics	8
	3-3	Management of material topics	8

ANNEX II

GRI CONTENT INDEX

GRI Standard	Disclosure		Page Number
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	18-20
	302-3	Energy intensity	19
	302-4	Reduction of energy consumption	18, 19
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	19, 20
	305-2	Energy indirect (Scope 2) GHG emissions	19, 20
	305-4	GHG emissions intensity	19
GRI 306: Waste 2020	306-4	Waste diverted from disposal	23
GRI 401: Employment 2016	401-1	New employee hires and employee	26
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	27
GRI 403: Occupational Health and Safety 2018	403-9	Work-related injuries	25
	403-10	Work-related ill health	25
GRI 404: Training and Education 2016	404-3	Percentage of employees receiving regular performance and career development reviews	25, 31
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	27-30
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	27

ANNEX III

TCFD CONTENT INDEX

TCFD Recommendations		Company Approach	Page Number
Governance			
Disclose the organization's governance around climate-related risks and opportunities.	<ul style="list-style-type: none"> a. Describe the board's oversight of climate-related risks and opportunities. b. Describe management's role in assessing and managing climate-related risks and opportunities. 	<p>As the Board advises and oversees the development of our sustainability strategy and performance targets, we operate under a sustainability governance structure, which is spearheaded by the Sustainability Committee.</p> <p>The Sustainability Committee is responsible for reviewing our sustainability progress, take suggestions from scenario analysis, discussing and coordinating on how the Group can better implement sustainability initiatives and contribute to sustainability efforts.</p>	10,12,17
Strategy			
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	<ul style="list-style-type: none"> a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. 	We highlight possible environmental impacts in the disclosures of diesel and electricity consumption and GHG emissions. We also include potential climate-related risks and expected implementation in the TCFD table.	6,7,12,18
Risk Management			
Disclose how the organization identifies, assesses, and manages climate-related risks.	<ul style="list-style-type: none"> a. Describe the organization's processes for identifying and assessing climate-related risks. b. Describe the organization's processes for managing climate-related risks. c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management. 	<p>We engage our stakeholders when identifying and assessing material topics we should take notice of, among which include energy conservation and emission reduction. Climate-related risks are involved in the discussion of managing environmental impacts.</p> <p>We are at the initial stage of systematically managing the climate-related risks, and the result will inform the integration of sustainable risks and opportunities into the Company's overall risk management framework.</p>	10,12-17

ANNEX III

TCFD CONTENT INDEX

TCFD Recommendations		Company Approach	Page Number
Metrics and Targets			
<p>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</p>	<p>a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <p>b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.</p> <p>c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p>	<p>We display how materiality assessment is done and material topics are decided and illustrate how our risk management system operate under the sustainability governance structure.</p> <p>We disclose Scope 1 and Scope 2 and have expanded the scope to include Scope 3 emissions.</p>	<p>8,10,19-22</p>

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