

# SUSTAINABILITY REPORT

## 1. BOARD STATEMENT

Our sustainability agenda is led by our Board of Directors, which oversees and ensures that we pursue our commercial objectives, and remains a responsible and sustainable organisation. Information on the Board, Corporate Governance Model, Board Committees and their Terms of Reference is available on pages 33 to 50 of the Annual Report.

We interact with a large number of stakeholders. We empower all our business and functional units to regularly engage with their respective stakeholders on their chosen platforms to ensure that key issues impacting our stakeholders are addressed in our practices and business strategies.

Whilst mindful of our profit oriented objective, we are committed to strike a balance between growth, profit, governance, environment, the development of our people and well-being of our communities to secure the long- term future of our business. This commitment is reflected in our sustainable business strategy and the material environmental, social, governance (“ESG”) factors which are shown in this Report.

## 2. INTRODUCTION

We are seeing the age of transformation and disruption. Unparalleled changes have been taking place in the way we communicate, and conduct business, which in turn changes the way we live.

Info-Communications Technology and digitalisation are key driving forces behind much of this change, and we believe that the future will have new changes and developments that will continue to transform the environment we operate in.

As we innovate and grow amidst this changing environment, we recognise that managing our impact on society and the environment is one of our key responsibilities. We would like our businesses to have a strong sense of responsibility to our stakeholders, beyond the pursuance of pure economic gains.

Our sustainability strategy is to focus on the development of our people. As a system integrator and solution provider, we believe that a diversified, capable and motivated workforce that offers differing, fresh, perspectives and ideas for our business is key to our sustainability.



# SUSTAINABILITY REPORT

### 3. VISION, MISSIONS AND CORE VALUES



Our vision and missions are driven by our core values and the path to sustainability is closely aligned with our vision, missions and core values as our sustainability factors and strategies will bring us to where we envision ourselves to be. Refer to Section 9 for more details on the alignment of our material sustainability factors with our vision, mission and core values.

### 4. REPORTING FRAMEWORK

This report has been prepared in accordance with the Global Reporting Initiative (“GRI”) Standards: Core option and published in pursuant to Singapore Exchange Securities Trading Limited (“SGX-ST”) listing rules 711 (A) and 711 (B). We have chosen to report using GRI Standards: Core option as it is an internationally recognized reporting framework.

### 5. REPORTING PERIOD AND COVERAGE

This reporting period is for our financial year ended 31 December 2018 (“FY2018”) and a report will be published annually thereafter.

This Report covers the Singapore and Malaysia operations which contributed approximately 64% (FY2017: 44%) of our total revenue for the reporting period. We target to increase the coverage of our Report to at least 75% of our total revenue by financial year ending 31 December 2020.

### 6. FEEDBACK

We welcome feedback from all stakeholders on this Report. You may send related questions, comments, suggestions or feedback to our investor relations email account: [corporate@nera.net](mailto:corporate@nera.net)

# SUSTAINABILITY REPORT

## 7. STAKEHOLDER ENGAGEMENT

Our efforts on sustainability are focused on creating sustainable value for our key stakeholders, which comprise communities, customers, employees, regulators, shareholders and vendors. Key stakeholders are determined for each material factor identified, based on the extent to which they can affect or are affected by our operations.

We actively engage our key stakeholders through the following channels:

S/N	KEY STAKEHOLDER	ENGAGEMENT CHANNEL
1	Community	We focus on continuous community engagement and has initiated various campaigns to help the communities.
2	Customer	Communications with customers are made through various channels such as meetings, events, email communications, phone calls and teleconferences.
3	Employee	Senior Management holds regular communication sessions with employees to obtain feedback and alignment of business goals across all levels of workforce. Such communication channels include emails, regular staff evaluation sessions and periodic town hall meetings conducted by Senior Management with employees.
4	Regulator	We participate in consultations and briefings organised by key regulatory bodies such as Singapore Stock Exchange so as to better understand the regulatory requirements and furnish feedback on proposed regulatory changes that impact our business.
5	Shareholder	We convey timely, full and credible information to shareholders through announcement on SGXNET, our website ( <a href="http://www.nera.net">http://www.nera.net</a> ), annual general meetings, annual reports, and other channels such as business publications and investors' relation events.
6	Vendor	We maintain a good relationship with vendors by establishing various communication platforms for all levels of personnel involved in each product, such as emails, meetings, events and regular vendor conferences. This serves to assist in areas such as information on vendor's strategic directions, new product launches and marketing focus.

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

## 8. POLICY, PRACTICE AND PERFORMANCE REPORTING

### 8.1 REPORTING POLICY

A sustainability policy ("SR Policy") covering our sustainability strategies, reporting structure, materiality assessment and processes in identifying and monitoring material ESG factors has been established and serves as a point of reference in the conduct of our sustainability reporting.

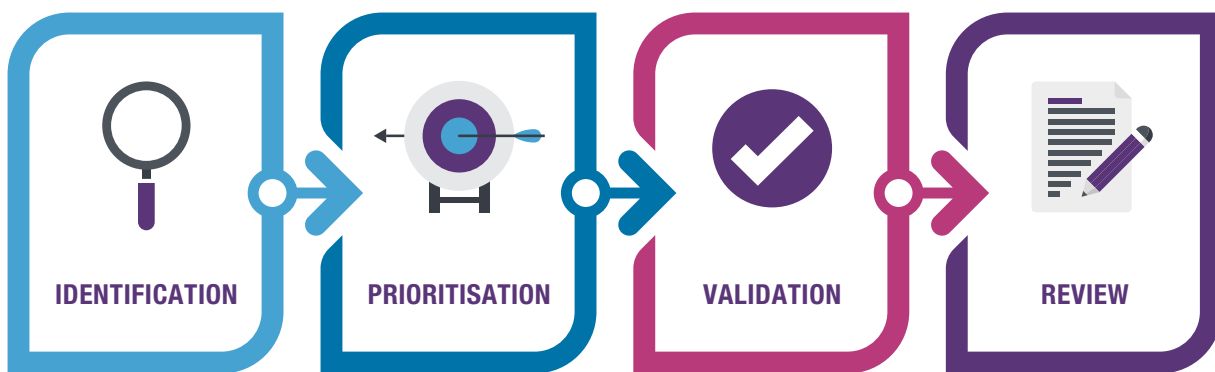
# SUSTAINABILITY REPORT

## 8.2 REPORTING STRUCTURE

Our sustainability strategy is developed and directed by Senior Management in consultation with the Board of Directors. Our sustainability committee (“SC”), which includes Senior Management executives, is led by the Chief Executive Officer (“CEO”). The CEO leads the SC in reporting to the Board as well as providing updates such as relevant proposals on our sustainability strategy and performance for the Board’s review and approval.

## 8.3 SUSTAINABILITY REPORTING PROCESSES

Our sustainability process begins with the identification of relevant factors. Relevant factors are then prioritised as material factors which are then validated. The end result of this process is a list of material factors disclosed in this sustainability report. Inter-relations are as shown in the chart below:



Identification of the material factors that are relevant to our business activities and data points for performance reporting

Prioritisation of the material factors and identification of key sustainability factors to be reported

Validation involves the verification of information and data gathered on material factors and to perform an assessment on the completeness of key sustainability factors to finalize the sustainability report content

Monitor, review and update our material factors from previous reporting period, taking into account the feedback received from engagement with stakeholders, organizational and external developments

## 8.4 MATERIALITY ASSESSMENT

Under our SR Policy, each sustainability factor is assigned a reporting priority that determines the actions required as illustrated in the table below:

REPORTING PRIORITY	DESCRIPTION	CRITERIA
I	High	Factors with high reporting priority are reported on in detail.
II	Medium	Factors with medium reporting priority are considered for inclusion in the Report. They may not be included in this Report if not material.
III	Low	Factors with low reporting priority may be reported to fulfil regulatory or other reporting requirements. They are not included in this Report if not material.

The reporting priority is supported by a material factor matrix which considers the level of concern to external stakeholders and potential impact on business.

# SUSTAINABILITY REPORT

## 8.5 PERFORMANCE TRACKING AND REPORTING

We track the progress of our material factors by identifying the relevant data points and measuring them. In addition, we set performance targets that are aligned with our strategy to ensure that we maintain the right course in our path to sustainability. We shall consistently enhance our performance-monitoring processes and improve our data capture systems.

## 9. MATERIAL FACTORS

Our materiality assessment performed for FY2018 involved our Senior Management in identifying sustainability factors deemed material to our businesses and our stakeholders so as to allow us to channel our resources judiciously to create sustainability value for our stakeholders. Presented below are a list of key sustainability factors applicable to our business:

S/N	MATERIAL FACTOR	MISSION	KEY STAKEHOLDER	REPORTING PRIORITY
<b>GENERAL DISCLOSURE</b>				
1	Total customer satisfaction	Deliver best-in-class infocomm solutions	Customer	I
<b>SOCIAL</b>				
2	Inclusive workplace and talent development	Nurture our people	Employee	I
3	Occupational health and safety	Maintain a safe working environment	Employee	II
4	Ongoing community development	Social responsibility	Community	III
<b>ENVIRONMENTAL</b>				
5	Electricity and water conservation	Environmental responsibility	<ul style="list-style-type: none"> <li>• Community</li> <li>• Shareholder</li> </ul>	II
<b>ECONOMIC</b>				
6	Sustainable business performance	Maintain economic growth	Shareholder	I
7	Emphasis on code of ethics	Maintain economic growth	<ul style="list-style-type: none"> <li>• Shareholder</li> <li>• Regulator</li> </ul>	II
<b>GOVERNANCE</b>				
8	Robust corporate governance framework	Maintain economic growth	<ul style="list-style-type: none"> <li>• Shareholder</li> <li>• Regulator</li> </ul>	II

We will update the material factors on an annual basis to reflect changes in business operations, environment, stakeholder's feedback and sustainability trends. The details of each key sustainability factor are presented as follows:

### 9.1 TOTAL CUSTOMER SATISFACTION

Our clientele comprises service providers, enterprises, governments, transport and utilities companies that require infocomm solutions. In line with our mission to deliver best-in-class solutions that elevate business values for our clients, we are committed to customer satisfaction for our long-term sustainability through the following:

#### **MAINTAIN PRESENCE AND PROXIMITY TO WHOM WE SERVE**

Over the years, we have established an international operations in 16 countries across 4 different continents. This geographical spread brings us close to the markets we serve and more importantly, to the clients we serve. Refer to page 6 for our geographical presence.

# SUSTAINABILITY REPORT

## **NURTURE A TEAM OF HIGHLY TRAINED AND EXPERIENCED EMPLOYEES**

We are dependent on our highly trained and experienced teams to serve our clients by providing expertise in planning, designing, installation, commissioning and testing of solutions, inclusive of comprehensive post-sales service and support.

Our strategy to establish a best-in-class footprint is driven by a core regional team of qualified and experienced professional staff that supports our local operations in the development and delivery of complex end-to-end turnkey solutions to our clients.

For staff retention, refer to section 9.2 for further details.

## **CULTIVATE A LONG-TERM AND SUSTAINABLE RELATIONSHIP WITH OUR VENDORS**

Our solutions are built on hardware and software sourced from vendors. Such vendors include distributors and principals which we maintained long-term sustainable relationships with. We have in place a stringent process to select vendors that supply goods which meet our requirements on functionality, quality and safety. Upon acceptance, they are evaluated regularly to ensure that they continue to supply goods that meet our requirements.

With strategic vendors, we are able to gain access to a wider range of hardware and software for us to develop solutions that meet clients' requirements. In addition, our volume purchases allow us to secure competitive pricing through discounts, rebates or pricing support which we can then leverage on to provide our clients with value-for-money solutions.

## **BETTER SOLUTIONS THROUGH CONTINUOUS FEEDBACK AND BUILDING A KNOWLEDGE BASE**

We recognise the need to constantly develop new and better solutions that meet our clients' requirements. Our efforts on this front are as follows:

- Customer feedback collected from various touchpoints such as sales teams and annual customer satisfaction surveys is mined to gather valuable insights into current and future customer requirements. Insights gathered are discussed during regular management meetings to drive product and service improvements, enhance operational level and provide inputs for strategies.
- A centralised knowledge database is maintained to retain the cumulative and valuable knowledge gained from past projects such as designs, marketing strategies and lessons learned. The knowledge base serves multiple purposes of securing sales, developing solutions, customer support, employee training and employee on-boarding. The knowledge base is stored in a secured location and accessible to authorised personnel.

## **9.2 INCLUSIVE WORKPLACE AND TALENT DEVELOPMENT**

We have a workforce of 253 full-time employees for the Singapore and Malaysia operations as at 31 December 2018 (As at 31 December 2017: 267).

In line with our mission to inspire and nurture our people, we focus on employee retention and aim to provide a work environment for employees that fosters fairness, equity and respect for social and cultural diversity, regardless of their gender and age. Therefore, we are committed to the goals of effective talent management and equal opportunities in employment.

# SUSTAINABILITY REPORT

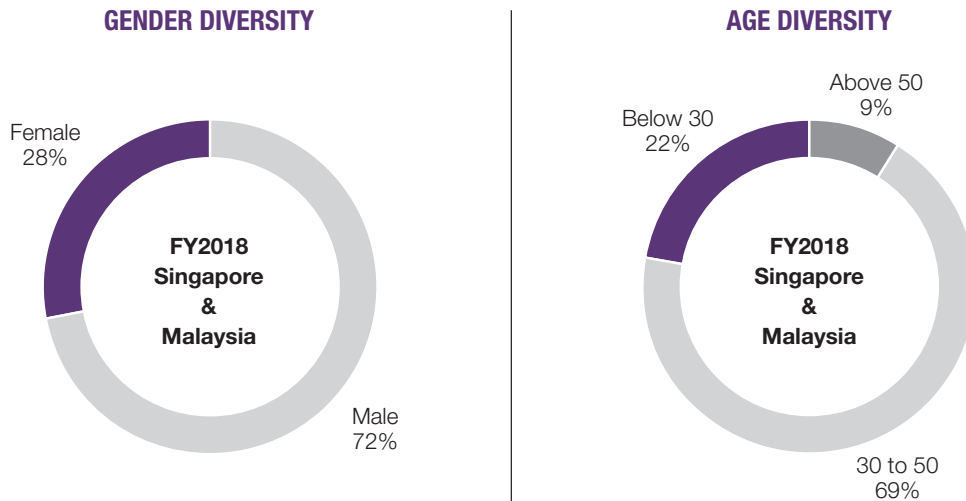
## Inclusive workplace

Our various cultures and inclusive values, where everyone is welcomed and treated equitably, not only augment but also enhance our customer commitment and ensure continuous improvement. The different perceptions, qualifications and experiences of our employees are of significance. It not only breed successful collaboration amongst the employees, but also serves to reinforce our concepts, ideas, results and vigorous solutions.

We value the diversity within our operations and have a comprehensive and all-encompassing working environment that drives each of us to actively participate in and contribute effectively to our success. In addition, it is stipulated in our employee handbook that decisions on recruitment, selection, promotion and transfer are made based on merits regardless of age, race, gender, religion, nationality, marital status, family responsibilities and physical disability. We will continue to adopt this approach towards our valued people.

On gender diversity, we make a conscientious effort to balance our male-to-female employee ratio by hiring individuals based on the right competencies and skillsets. As at 31 December 2018, the percentage of female to total full-time employees is 28% (As at 31 December 2017: 30%).

On age diversity, matured workers are valued for their experience, knowledge and skills. As at 31 December 2018, 9% (As at 31 December 2017: 8%) of our workforce is above 50 years old.



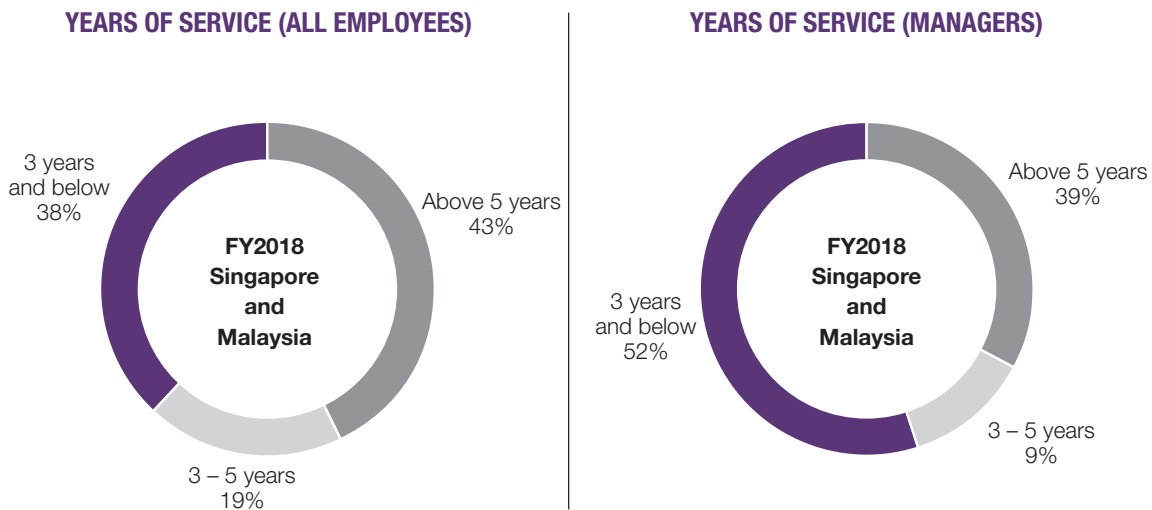
## Talent development

Effective employee training program is vital to the long-term success of any business. We have a set of training programs that caters to various types and levels of our employees. One of the key objectives of such programs is to develop our human capital base so that our employees can better perform their jobs, better serve our customers and also to raise productivity. We place a high priority on the competency development of our employees. Technical staff are encouraged to attain technical certifications relevant to their work whilst Management staff are also encouraged to attend Leadership Development courses and programs. During the reporting period, the average training expenditure per employee is \$634 (FY2017: \$500) and our certified professionals as at 31 December 2018 accounted for around 22% of total workforce (As at 31 December 2017: 19%).

# SUSTAINABILITY REPORT

We will continue to invest in training and development to enhance our competencies, that is, not limited to functional skills but also in areas such as leadership capabilities, to build a smooth succession pipe-lining and also a high performing and achieving team.

On an overall basis, we track this factor through the employee retention rate. As at 31 December 2018, approximately 62% (As at 31 December 2017: 61%) of the employees and 48% (As at 31 December 2017: 50%) of the managers have more than 3 years of service with us. The breakdown of employees by the years of service is as follows:



### 9.3 OCCUPATIONAL HEALTH AND SAFETY

A work environment that improves well-being of employees and allows them to work safely without fear of getting injured builds loyalty amongst employees and support the sustainability of our business. Accordingly, we place emphasis on creating a workplace that allows employees to perform and develop in a safe working environment.

Key measures adopted to manage health and safety in the workplace environment are as follows:

- A set of safety rules and regulations is in place
- Safety committees are in place and safety inspections are performed and reported regularly
- Briefings and talks on occupational safety are organised regularly
- Accidents are tracked and monitored regularly

We are OHSAS 18001, bizSAFE STAR and SafeContractor Accreditation certified and these certifications recognize our continuous efforts to incorporate safety as part of our business model.

We recorded zero (FY2017: zero) workplace fatality during the reporting period and 3 (FY2017: 3) non-fatal workplace injury<sup>1</sup> which resulted in 34 man-days lost (FY2017: 88 days). Lessons from the non-fatal workplace accidents are shared across business units to prevent recurrence and we will continuously work towards reducing both the occurrence and severity of workplace accidents.

<sup>1</sup> A workplace injury is defined as one whereby an employee is injured in a work accident resulting in (i) hospitalization of at least 24 hours and/or (ii) an issuance of a medical certificate of more than 3 days (need not be consecutive)



# SUSTAINABILITY REPORT

## 9.4 ONGOING COMMUNITY DEVELOPMENT

In line with our mission to give back to the Community, we strive to set a good example and encourage individuals and other corporates to embrace the spirit of giving. We recognise that the long-term success of our business is closely related with the health and prosperity of the community which we operate in. During the reporting period, were engaged in various initiatives to help the communities as follows:

### Bright Hill Evergreen Home



Bright Hill Evergreen Home is an accredited non-profit nursing home providing health care and shelter for the disadvantaged and aged sick regardless of race, language or religion, alleviating their hardships through holistic nursing and medical care.

Together with Kong Meng San Phor Kark See Monastery, we had fun together singing and dancing with the residents. It is heart-warming when the elderly clapped, sang along and smiled when the volunteers performed.

They were also touched with our presence and early Lunar New Year greetings with songs, mandarin oranges and red packets contributions.

### Willing Hearts Charity



A caring society is a compassionate one that cares for the less fortunate. In Willing Hearts, a non-affiliated charitable organisation, it prepares and distributes 5,000 meals daily to the elderly, disabled, low income families and children from single parent families island-wide.

Our efforts to do our part for the less fortunate is made possible through our company food donation drive. This enables Willing Hearts to prepare and distribute meals to the needy.

# SUSTAINABILITY REPORT

## Chen Su Lan Methodist Children's Home



Chen Su Lan Methodist Children's Home, a home that provides shelter, care and protection to boys and girls between the ages of 5 and 21 years old who come from low income, broken, dysfunctional or abusive families in Singapore.

Our volunteers put aside their time to organise, enjoy a magic show and to have lunch with the children, spreading our love and laughter to the children.

## Ronald McDonald House Charity Malaysia



Ronald McDonald House Charity Malaysia ("RMHC") is a non-profit children's charity organisation that serves to improve the health and well-being of under-privileged children and their family. RMHC Malaysia was established in February 1990 and in the last 26 years, it has positively impacted more than 20,000 children's lives in the areas of Health, Education and Welfare with funding in excess of RM 16 million.

## SUSTAINABILITY REPORT

We were invited to the Chinese New Year celebration hosted by RMHC. This event was intended to bring cheers and joy to the patients and their family in trying times. A total of 50 paediatric patients and their family were invited for this event, which was held at the compound of RMHC.

10 of our staff, led by our Deputy Country Manager of Malaysian operations, attended the event. We contributed goodie bags for the event, which comprised food and beverage items, drawing and colouring stationeries. In addition, we also donated 60 pieces of mattress protectors to RMHC.

The activities for this event included a birthday celebration for the kids whose birthdays fell in the months of January to March, games for the kids and parents, lion dance performance and goodie bag presentation.

### Pusat Jagaan Cahaya Kasih Bestari Orphanage Home



Pusat Jagaan Cahaya Kasih Bestari is a Muslim orphanage located in Shah Alam, Malaysia which was built in the year 2010.

During the reporting period, we visited the orphanage and contributed food and beverage items, toiletries, childcare items, electrical goods and cash donations amounting to RM 2,500.

Our visit gave love and care to the children and helped to lessen the burden faced by orphanage in their day-to-day management. At the same time, the visit also created awareness and instil the sense of care and responsibility for our staff who participated. Activities held during the visit included mini games, colouring contest and mingling sessions with the children.

# SUSTAINABILITY REPORT

## 9.5 ELECTRICITY AND WATER CONSERVATION

In line with our mission to be environmentally responsible, we are committed to responsible usage of electricity and water resources that helps to preserve the environment in which we operate in. It also reduces cost and enhances returns to our shareholders.

Key statistics on electricity and water consumption in our Singapore and Malaysia operations are as follows:

RESOURCE	UNIT OF MEASUREMENT	INTENSITY (CONSUMPTION PER EMPLOYEE)	
		FY2018	FY2017
Electricity	kWh	5,276	5,570
Water	cu M	9	12

Under our commitment to electricity and water conservation, various measures and initiatives are adopted such as:

- Switch on the chiller an hour later and turn off half-an hour earlier on working days
- Switch off the office lights in the common areas half-an hour earlier on working days and to switch off office lights during the lunch hour.
- Put up signage at light switches to remind staff to switch off the lights when not in use
- Use and deploy water efficient tap filters at all our taps in the building to cut down on water usage.

## 9.6 SUSTAINABLE BUSINESS PERFORMANCE

We believe in creating long-term economic value for shareholders by striking a balance between rewarding shareholders by way of consistent profits, dividend payments and maintaining a robust balance sheet with strong operating cash flows.

In FY2018, we recorded revenue of \$167.5 million (FY2017: \$194.1 million) and a net profit after tax of \$7.8 million (FY2017: \$7.8 million). For FY2018, an aggregate tax-exempt (one-tier) dividend of 2.5 cents (FY2017: 2.5 cents) per share was declared.

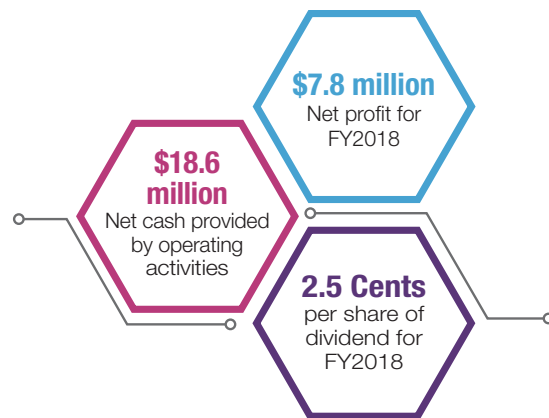
In FY2018, we generated \$18.6 million (FY2017: \$2.3 million) of net cash flow from operating activities with a cash and cash equivalent balance of \$21.5 million as at 31 December 2018 (As at 31 December 2017: \$20.6 million).

Details of our economic performance can be found in the financial contents and audited financial statements of this Annual Report.

## 9.7 EMPHASIS ON CODE OF ETHICS

We are committed to carry out business with integrity by avoiding corruption in any form, including bribery, and complying with the local relevant regulatory requirements in wherever we operate in.

We have put in place a whistle blowing policy to provide a mechanism for employees to raise concerns through accessible confidential disclosure channels about possible improprieties in matters of financial reporting and others. An employee handbook is in place to provide guidance to employees about the benefits and reflect the culture of the business. In FY2018, there were no fraud incidents reported (FY2017: zero).



# SUSTAINABILITY REPORT

## 9.8 ROBUST CORPORATE GOVERNANCE FRAMEWORK

A high standard of corporate governance is integral in ensuring sustainability of our business as well as safeguarding shareholders' interest and maximizing long-term shareholder value.

We have put in place a risk management framework ("ERM framework"). We regularly assess and review our business and operational environment to better identify and manage emerging and strategic sustainability risks.

Our overall Singapore Governance and Transparency Index ("SGTI") score assessed by National University of Singapore Business School is 70 for FY2018 (FY2017: 55) which placed us within the top 25 (FY2017: 40) percentile of the public listed companies that were assessed.

You may refer to Corporate Governance Report of this Annual Report for details for our corporate governance practices.

## 10. TARGET SETTING

For our material factors identified, we have set qualitative targets for FY2019 as follows:

S/N	MATERIAL FACTOR	TARGET FOR FY2019
1	Total customer satisfaction	Improve financial performance
2	Inclusive workplace and talent development	Improve performance measures identified on staff retention
3	Occupational health and safety	Adhere to the market standards and best practices in operations
4	Ongoing community development	Initiate campaigns to help the communities
5	Electricity and water conservation	Reduce the energy and water consumption rate
6	Sustainable business performance	Improve our financial performance whilst maintaining our dividend rate where practicable
7	Emphasis on code of ethics	Maintain zero incident of fraud
8	Robust corporate governance framework	Improve our SGTI score

# SUSTAINABILITY REPORT

## 11 GRI CONTENT INDEX

GENERAL STANDARD DISCLOSURE		SECTION REFERENCE	PAGE
<b>ORGANISATION PROFILE</b>			
102-1	Name of the organization	Cover page	–
102-2	Activities, brands, products, and services	<ul style="list-style-type: none"> <li>• Business Segments</li> <li>• Sustainability Report &gt; Material Factors &gt; Total Customer Satisfaction</li> </ul>	13 – 14 19
102-3	Location of headquarters	Corporate Information	–
102-4	Location of operations	Geographical Presence	6
102-5	Ownership and legal form	<ul style="list-style-type: none"> <li>• Notes to the Financial Statement &gt; Corporate Information</li> <li>• Shareholdings Statistics</li> </ul>	74 143 – 144
102-6	Markets served	Geographical Presence	6
102-7	Scale of the organization	<ul style="list-style-type: none"> <li>• Financial Highlights</li> <li>• Sustainability Report &gt; Material Factors &gt; Inclusive Workplace and Talent Development</li> <li>• Balance Sheets</li> <li>• Consolidated Statement of Comprehensive Income</li> </ul>	12 19 – 21 70 71
102-8	Information on employees and other workers	Sustainability Report > Material Factors > Inclusive Workplace and Talent Development	19 – 21
102-9	Supply chain	Sustainability Report > Material Factors > Total Customer Satisfaction	19

# SUSTAINABILITY REPORT

GENERAL STANDARD DISCLOSURE		SECTION REFERENCE	PAGE
102-10	Significant changes to the organization and its supply chain	There was no significant changes to the organization and its supply chain during the reporting period	–
102-11	Precautionary Principle or approach	None	–
102-12	External initiatives	None	–
102-13	Membership of associations	None	–
<b>STRATEGY</b>			
102-14	Statement from senior decision-maker	Sustainability Report > Board Statement	15
<b>ETHICS AND INTEGRITY</b>			
102-16	Values, principles, standards, and norms of behaviour	<ul style="list-style-type: none"> <li>• Sustainability Report &gt; Vision, Missions and Core Values</li> <li>• Sustainability Report &gt; Material Factors &gt; Robust Corporate Governance Framework</li> <li>• Corporate Governance Report</li> </ul>	16 27 33 – 59
<b>GOVERNANCE</b>			
102-18	Governance structure of the organization	Corporate Governance Report	33 – 59
<b>STAKEHOLDER ENGAGEMENT</b>			
102-40	List of stakeholder groups	Sustainability Report > Stakeholder Engagement	17
102-41	Collective bargaining agreements	Not applicable as we are not a unionised company	–
102-42	Identifying and selecting stakeholders	Sustainability Report > Stakeholder Engagement	17
102-43	Approach to stakeholder engagement	Sustainability Report > Stakeholder Engagement	17

# SUSTAINABILITY REPORT

GENERAL STANDARD DISCLOSURE		SECTION REFERENCE	PAGE
102-44	Key topics and concerns raised	<ul style="list-style-type: none"> <li>• Sustainability Report &gt; Stakeholder Engagement</li> <li>• Sustainability Report &gt; Material Factors &gt; Total Customer Satisfaction</li> </ul>	17 19
<b>REPORTING PRACTICE</b>			
102-45	Entities included in the consolidated financial statements	Notes to the Financial Statement > Investments in Subsidiaries	103 – 106
102-46	Defining report content and topic Boundaries	Sustainability Report > Sustainability Reporting Processes	18
102-47	List of material topics	Sustainability Report > Material Factors	19
102-48	Restatements of information	None	–
102-49	Changes in reporting	Sustainability factors added: <ul style="list-style-type: none"> <li>• Total Customer Satisfaction</li> <li>• Emphasis on Code of Ethics</li> </ul>	19 26
102-50	Reporting period	Sustainability Report > Reporting Period and Coverage	16
102-51	Date of most recent report	Annual Report 2017 > Sustainability Report	–
102-52	Reporting cycle	Sustainability Report > Reporting Period and Coverage	16
102-53	Contact point for questions regarding the report	Sustainability Report > Feedback	16



# SUSTAINABILITY REPORT

GENERAL STANDARD DISCLOSURE		SECTION REFERENCE	PAGE
102-54	Claims of reporting in accordance with the GRI Standards and GRI content index	<ul style="list-style-type: none"> <li>• Sustainability Report &gt; Reporting Framework</li> <li>• Sustainability Report &gt; GRI Content Index</li> </ul>	16 28 – 32
102-55	GRI content index	Sustainability Report > GRI Content Index	28 – 32
102-56	External assurance	We may seek external assurance in the future	–
<b>MANAGEMENT APPROACH</b>			
103-1	Explanation of the material topic and its Boundary	Sustainability Report > Material Factors	19
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>• Sustainability Report &gt; Board Statement</li> <li>• Sustainability Report &gt; Policy, Practice and Performance Reporting</li> <li>• Sustainability Report &gt; Material Factors</li> </ul>	15 17 – 19 19 – 27
103-3	Evaluation of management approach	Sustainability Report > Material Factors	19 – 27
<b>CATEGORY: ECONOMIC</b>			
201-1	Direct economic value generated and distributed	<ul style="list-style-type: none"> <li>• Financial Highlights</li> <li>• Sustainability Report &gt; Material Factors &gt; Sustainable Business Performance</li> <li>• Balance Sheets</li> <li>• Consolidated Statement of Comprehensive Income</li> </ul>	12 26 70 71
205-3	Confirmed incidents of corruption and actions taken	Sustainability Report > Material Factors > Emphasis on Code of Ethics	26

# SUSTAINABILITY REPORT

GENERAL STANDARD DISCLOSURE		SECTION REFERENCE	PAGE
<b>CATEGORY: ENVIRONMENTAL</b>			
302-3	Energy intensity	Sustainability Report > Material Factors > Electricity and Water Conservation	26
303-5	Water consumption	Sustainability Report > Material Factors > Electricity and Water Conservation	26
<b>CATEGORY: SOCIAL</b>			
403-9	Work-related injuries	Sustainability Report > Material Factors > Occupational Health and Safety	22
404-1	Average expenditure of training per year per employee	Sustainability Report > Material Factors > Inclusive Workplace and Talent Development	20 – 22
405-1	Diversity of governance bodies and employees	Sustainability Report > Material Factors > Inclusive Workplace and Talent Development	20 – 22
413-1	Operations with local community engagement, impact assessments, and development programs	Sustainability Report > Material Factors > Ongoing Community Development	23 – 25