Aedge Group Limited

Sustainability Report

For the year ended 30 June 2023

This Sustainability Report has been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this Sustainability Report, including the correctness of any of the statements or opinions made or reports contained in this Sustainability Report.

The contact person for the Sponsor is Mr Lance Tan, Senior Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.

Table of Contents

1. Highlights 2
1.1 Message to stakeholders 2
1.2 ESG Performance Highlights 3
1.3 Scope of sustainability report 4
1.4 Reporting framework 4
1.5 Independent verification 4
1.6 Restatements 4
1.7 Progress on climate reporting 4
1.8 Sustainability contact 4

2. Sustainability strategy 5
2.1 Sustainability organisational structure 5
2.2 Sustainability strategy 6
2.3 Consulting our stakeholders 7
2.4 Sustainability materiality 8

3. Our performance 9
3.1 How we measure our performance 9
3.2 Business Resiliency 10
3.3 Environmental Protection 13
3.4 People Development 17
3.5 Workplace Safety 21

Appendix A: List of entities included in this report 23

Appendix B: Sustainability scorecard 24

Appendix C: GRI content index 26

Appendix D: TCFD recommendations content index 29

Appendix E: Methodologies and Data Boundaries 30

1. Highlights

1.1 Message to stakeholders

The Board of Directors (Board) is thrilled to unveil the Group's Sustainability Report, showcasing our dedication to making a positive societal impact through comprehensive solutions. As a Singapore-based multi-services provider, we take pride in delivering our services to a diverse clientele.

Simultaneously, we embrace the trust bestowed upon us by our customers and stakeholders, compelling us to operate sustainably. Balancing profit generation and customer expansion is vital, but it must harmonize with socially and environmentally conscious business decisions. The Board has considered sustainability issues in the Group's business and strategy, determined the material sustainability factors and overseen the management and monitoring of the material sustainability factors.

In the financial year (**FY**) 2023, we took significant steps to enhance our service quality by expanding our range of engineered shelters and shoring equipment, aimed at providing even better solutions for our valued clients.

Furthermore, we're excited to share our plans for the proposed acquisition of a property at 9 Tuas South Street 11. This strategic move serves two vital purposes: first, we intend to convert this property into a workers' dormitory, reflecting our commitment to the well-being of our workforce. Additionally, the property will facilitate our engineering expansion, bolstering our capacity to deliver outstanding services. We anticipate the completion of this acquisition by the end of October 2023, marking a pivotal milestone in our continuous efforts to innovate, grow, and better serve both our team members and clients.

Our growth trajectory and expanding customer reach coincide with our commitment to maintaining a sustainable business. We've laid the foundation for a responsible business model, highlighting sustainable decision-making, fostering robust relationships with business partners, and championing the prudent use of resources in our operations. Additionally, we actively engage with communities by generating employment opportunities, promoting learning, and addressing community challenges.

The forthcoming sections of this report highlight further initiatives the Group has undertaken to secure a sustainable business model, paving the way for a brighter future for both society and the environment. Together, we forge ahead on this meaningful journey.

Poh Soon Keng

Executive Chairman and

Chief Executive Officer

1.2 ESG Performance Highlights

7% reduction on carbon emission intensity
All our buses comply with Euro 6 emission standards and utilize AdblueTM to minimize Nitrogen Oxide (NOx) emissions.
100% of waste generated is disposed of via proper disposal channels

Zero corruption or bribery cases reported
Zero violation of the relevant laws and regulations
<5 customer complaints received



12 hours average training hours per employee
100% of the employee subject to regular performance evaluation

Supporting United Nations Sustainable Development Goals (UN SDGs)

In order to ensure that our sustainability efforts are comprehensive and effective, we have incorporated the core commitments for each of the key areas within our sustainability strategy. Our approach has been guided by the UN SDGs, which have provided a framework for us to align our objectives with broader global sustainability targets.

By integrating these commitments throughout our sustainability program, we aim to build a robust and impactful strategy that addresses the environmental, social, and economic challenges facing our organization and our stakeholders.

Goals	How we support
	The health and well-being of our workforce is the top priority. To this end, we have implemented a comprehensive set of policies and procedures that cover all aspects of workplace safety, from identifying hazards and assessing risks to preventing injuries and responding to emergencies. These policies and procedures are regularly reviewed and updated to ensure that they align with the latest industry standards and best practices. For our commitment, please refer to the "**Workplace Safety"** section.
	We are deeply committed to promoting decent work and economic growth, and this is reflected in our ongoing efforts to make a positive impact on the communities and economies in which we operate. Our approach includes fostering fair employment practices, investing in the development of our employees, and engaging with local stakeholders to support and facilitate local economic development. For our commitment, please refer to the **"People Development"** sections.
	We recognize the urgent need for climate action and are committed to reducing our greenhouse gas (**GHG**) emissions through a range of measures, including energy-efficient building design and sustainable operations practices. We regularly assess our GHG emissions and strive to continuously improve our environmental performance. Our efforts to reduce our carbon footprint reflect our commitment to addressing climate change and creating a more sustainable future for our business, our stakeholders, and the planet. For our commitment, please refer to the **"Environmental Protection"** section.

1.3 Scope of sustainability report

The scope of the report covers information on material sustainability aspects of Aedge Group Limited (**Aedge** or the "**Group**"), covering the engineering services, security and manpower services, and transport services from 1 July 2022 to 30 June 2023 unless otherwise specified. This should sufficiently address stakeholders' concerns about sustainability issues arising from the major business operations of the Group. Please refer to **Appendix A** for the organisational reporting boundaries.

1.4 Reporting framework

This report is prepared with reference to the Global Reporting Initiative (**GRI**) Standards as it provides a set of an extensive framework that is widely accepted as a global standard for sustainability reporting. It also considers the Sustainability Reporting Guide in Practice Note 7F of the Singapore Exchange Securities Trading Limited (**SGX-ST**) Listing Manual. In preparing our report, we applied the GRI's principles for defining report content and report quality by considering the Group's activities, impacts and substantive expectations and interests of its stakeholders. Please refer to **Appendix C** for the GRI content index.

1.5 Independent verification

The data and information provided within the report have not been verified by an independent third party. We have relied on internal data monitoring and verification to ensure accuracy. The reporting process is also subjected to internal review.

1.6 Restatements

No restatements were made from the previous report.

1.7 Progress on climate reporting

We are currently in the process of implementing mandatory climate reporting based on the recommendations of the Task Force on Climate-related Financial Disclosures (**TCFD**). We will continue to report on our progress in the following year and will align our disclosure with the TCFD recommendations for our sustainabilty report for FY2025. Please refer to **Appendix D** for the TCFD recommendations content index.

1.8 Sustainability contact

We welcome your views and feedback on our sustainability practices and reporting at info@aedge.com.sg.

2. Sustainability strategy

2.1 Sustainability organisational structure

Sustainability is a vital part of our corporate strategy for achieving long-term growth. The values we create for our people, the environment and society at large very much determine our financial performance. We developed a sustainability organisational structure to move things forward:



2.2 Sustainability strategy

Our sustainability strategy aims to create integrated values. Together with disciplined execution of our strategy and a commitment to doing business responsibly, we commit to delivering value to all our stakeholders through the following:



The sustainable strategy is underpinned by our comprehensive and extensive internal policies that cover the areas above.

- **Code of Corporate Governance and Code of Conduct** covers aspects of management of conflict of interest, anti-corruption, whistleblowing, sustainable development and operations and safeguarding of confidential information.
- **Vendor and Sub-contractor Selection and Assessment Policies**, covers aspects of vendor selection criteria, vendor performance evaluation and appraisal and sustainable sourcing.
- **Human Resources Policies**, covers aspects of the employee handbook, training and development, employee performance evaluations, rewards and penalties.
- **Occupational Health, Safety and Security (OHSS) Policies**, covers aspects of safety culture, safety training and development, rewards and penalties, safety inspections, incidence reporting, and emergency response procedures in the event of safety incidents.

The strategy is also guided by external sources, including ISO9001, ISO 45001:2018, bizSAFE Level Star, Global Reporting Initiative Standards and Sustainability Reporting Guide in Practice Note 7F of the Singapore Exchange Listing Rules.

2.3 Consulting our stakeholders

We recognise the need to continuously develop our responsible business approach to address growing stakeholder expectations around our impact on the economy, environment and society. As such, we periodically consult with our stakeholders to determine the issues that are most relevant to them and Aedge.

The aspect boundaries 'within' the organisation are limited to Aedge and our subsidiaries, whereas the aspect boundaries 'outside' the organisation include our customers, employee, suppliers, investors and regulatory authorities (Governments, SGX, MOM, IRAS).

An overview of our approach and rationale is set out below (with stakeholders listed in alphabetical order), together with the feedback we have received.

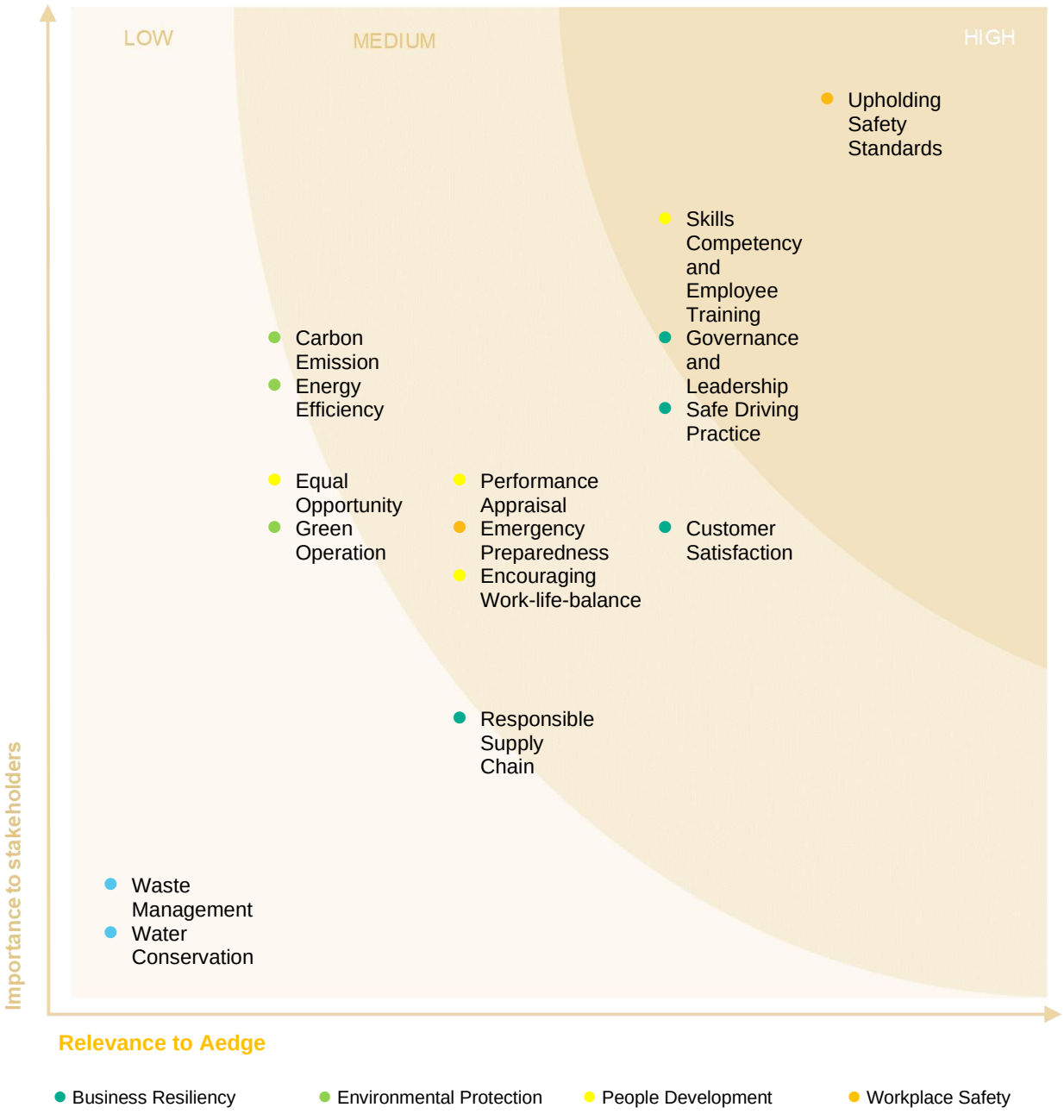
Stakeholders	How do we engage	How often do we engage	What you've told us
Customers	• Quality management system	• Perpetual	• High quality and reliability of our services • Timely response to customer complaints • Data protection and confidentiality
	• Project progress meeting and monitoring	• Monthly	
	• Customer feedback channels	• Ad-hoc	
Employees	• Performance appraisal	• Annual	• Employee safety and health • Training and development opportunities • Remunerations and welfares • Fair and competitive employment practices
	• Informal meetings and training	• Ad-hoc	
	• Feedback to supervisor	• Ad-hoc	
Government / regulatory authorities	• Government's guidelines and circulars	• Ad-hoc	• Compliance with laws and regulations • Safe working environment • Environmentally sustainable business practices
	• Correspondences through emails and letters	• Ad-hoc	
Investors	• Annual / Extraordinary General Meeting	• Annual / Ad-hoc	• Compliance with listing requirements • Timely and transparent reporting
	• Financial result announcements	• Bi-annual	
	• SGX announcements	• Ad-hoc	
	• Annual Report	• Annual	
Suppliers	• Supplier meetings	• Ad-hoc	• Fair and robust procurement system • Prompt payment cycles

2.4 Sustainability materiality

Based on the stakeholder engagement, we developed our sustainability materiality matrix containing material aspects which are aligned with our principal business and operational risks and formed our sustainability strategy which has shaped our approach to sustainability reporting, as illustrated in the diagram below.

In FY2023, our engagement efforts yielded valuable insights, leading us to identify a new significant material topics: Safe Driving Practices. We proactively took action to address these concerns, details of our initiatives and measures implemented to ensure their effective resolution are included below.

We will review and adjust the matrix each year, as the external and business context changes.



3. Our performance

3.1 How we measure our performance

Our sustainability strategy is embedded into the appropriate parts of our business, with dedicated teams for each focus area, and coordination by our relevant departmental managers.

We have also developed metrics to help us measure our progress, as indicated in our sustainability scorecard in **Appendix B**. Progress will be tracked in two key ways: measuring performance against metrics, and evaluating how well the programs have advanced, through a series of 'commitments'.

We have established key performance indicators for each of the four focus areas outlined in our sustainability strategy. Periodically, we plan to introduce new metrics and update targets to ensure alignment with our strategy. We track and review our sustainability programme with the Board of Directors at least once a year.

To ensure we have a robust sustainability programme in place, we have included the key commitments for each area above. The progress we have made against each key commitment is indicated using the symbols shown in the table below.

Symbol	Meaning
Ⓝ	The new commitment this year
○	Not started
◑	In progress
●	Complete
⟳	Ongoing commitment
🔁	Revised target

Please refer to **Appendix E** for the Methodologies and Data Boundaries.

3.2 Business Resiliency

Overview

Aedge is a Singapore-based multi-services provider, offering engineering, transport, security, and manpower solutions that are deeply integrated into the daily life of communities. We prioritize strong corporate governance, ensuring transparency, and ethical conduct in all operations. Our unwavering dedication to exceeding customer expectations and maintaining a responsible supply chain reinforces our commitment to providing high-quality services while safeguarding our business continuity. Embracing innovation and ethical practices, we are steadfast in our mission to drive positive change, ensuring a sustainable and resilient future for our stakeholders and the world we serve.

Leadership and Governance

We have strengthened our commitment to accountability and transparency by upholding stringent standards in business ethics and corporate governance. These practices serve as crucial elements in fostering stronger trust with our stakeholders.

We firmly believe that strong corporate governance is predicated on effective leadership. The Board assumes overall responsibility for ensuring the implementation of sound corporate governance principles throughout all our operations. This entails the establishment of efficient risk management protocols and internal controls to address identified risks and ensure the seamless continuation of business activities.

Our Standard Operating Procedures (SOPs) serve as a comprehensive guide for corporate governance, outlining essential principles and practices. These SOPs are instrumental in communicating guidelines to our employees concerning their interactions with stakeholders.

The essential SOPs we have established to ensure strong corporate governance and adherence to ethical practices are as follows:

(a) Enterprise Risk Management
(b) Employee Handbook and Code of Conduct
(c) Anti-corruption and Bribery Policy
(d) Conflict of Interest Policy
(e) Whistleblowing Policy
(f) Personal Data Protection Policy
(g) Business Continuity Plan and Disaster Recovery Plan

In FY2023, we are pleased to report that we have no corruption or bribery incidents reported.

FY2023 Performance

26.5m
Revenue

0
Corruption / bribery case and non-compliance with local laws and regulations

3
Cases of customer complaints

100%
Purchases from local suppliers

Regulatory Compliance

To uphold a business environment that is fair, ethical, and efficient, we place a strong emphasis on strict compliance with local laws and regulations, including but not limited to the Prevention of Corruption Act, Personal Data Protection Act, Employment Act, Workplace Safety and Health Act, among others.

In FY2023, we are pleased to report that we remained fully compliant with all relevant laws and regulations. Looking ahead, we committed to maintaining zero violations.

Customer Satisfaction

Our core objective is to make meaningful contributions to society through the provision of high-quality services to our valued customers. To achieve this goal, we have implemented a robust Quality Management System (QMS) that adheres to the principles set forth in ISO9001:2015 (Quality Management System). This system is designed to ensure that our services consistently meet and exceed our customers' expectations. All aspects of our operations and the conduct of our employees are closely aligned with our QMS.

As part of our commitment to continuous improvement, we actively gather customer feedback through both formal and informal channels. We value our customers' opinions, and feedback is collected through various means, such as structured surveys and informal meetings. The collected feedback is then meticulously analyzed during our periodic management meetings, where we engage in thorough discussions to identify potential areas of improvement.

By leveraging customer feedback as a valuable resource, we can pinpoint areas that require corrective and preventive actions. This proactive approach enables us to refine our service quality continually, ensuring that our customers receive the highest level of satisfaction and that our services remain at the forefront of excellence.

In FY2023, we successfully reduced customer complaints from 4 to 3 as compared to FY2022. We strive to uphold our commitment to delivering exceptional services that contribute positively to our society and create lasting value for our customers and maintain customer complaints below 5 cases in a financial year.

Safe Driving Practices

We have implemented comprehensive Safe Driving Practices to ensure the well-being of our passengers, drivers, and the communities we serve. To manage driver fatigue, we prioritize adequate rest, set shift limits, encourage regular breaks, and provide training on recognizing signs of fatigue and stress. Handling emergencies is a top priority, and our drivers undergo rigorous training, follow clear communication protocols, and prioritize passenger safety during critical situations. Our driving protocols include regular vehicle maintenance, adherence to speed limits and road rules, defensive driving practices, and strict enforcement of seatbelt usage and alcohol/drug policies.

We place significant emphasis on safety performance, actively monitoring it through various metrics and conducting regular safety reviews. We take violations of safety protocols seriously and implement a proactive approach to address such issues. Any violation of safety standards is treated seriously, and drivers failing to meet safety criteria are issued warning letters and provided with additional training for improvement.

In FY2023, there was 1 driving offence related to our bus transportation services. The driving offence occurred due to a malfunctioning speed limiter in one of our buses, resulting in unintentional speed limit exceedance. To prevent similar incidents, we have introduced a comprehensive before-on-road checklist to ensure the proper functioning of safety equipment. We are committed to achieving zero driving offences.

Responsible Supply Chain

To achieve this goal of ensuring the seamless and uninterrupted delivery of our services to our valued customers, we have implemented a stringent and comprehensive evaluation process for our suppliers, to ensure that they meet our exacting standards.

Periodical evaluations are conducted to ascertain that the procurement of goods and services meets the highest levels of quality and reliability. In addition to scrutinizing the quality of products and services provided by our suppliers, we extend our evaluation to include an assessment of their overall business practices. One of the key factors we consider during the evaluation is the safety track record of our suppliers.

In FY2023, our effort in quality control led to a significant expansion in the percentage of suppliers undergoing regular evaluation from 5% to 16% of our total supplier base. In the future, we aspire to elevate the number of suppliers subjected to comprehensive periodic evaluations to 20% of our total supplier network.

In addition to maintaining a responsible supply chain, we prioritize sourcing locally to foster the positive impact of our business on the local society. Embracing localized supply chains allows us to establish closer relationships with our suppliers, ensuring better alignment of policies and values. This approach enables us to uphold high standards of quality and integrity in the procurement of goods and services for the Group, benefiting both our business and the local community.

In FY2023, we continued to source all our purchases from reliable local suppliers. We take pride in our commitment to maintaining 100% local sourcing of procurement, which reflects our dedication to supporting the local economy and building strong partnerships within our community.

Commitments: Business Resiliency

	FY2023 progress	FY2024 target
Regulatory Compliance	• Zero violations of the relevant laws and regulations. We have achieved our target for FY2023 by maintaining zero violations of relevant laws and regulations.	• Zero violations of the relevant laws and regulations
Customer Satisfaction	• 3 customer complaints from our customers in FY2023. We have achieved our target for FY2023 by maintaining customer complaints below 5 cases.	• < 3 customer complaints in a financial year
Responsible Supply Chain	• 16% of total suppliers are subject to the periodical evaluation. We have achieved our target for FY2023 by subjecting > 10% of our suppliers to the periodical evaluation. • 100% local sourcing of procurement. We have achieved our target for FY2023 by maintaining 100% local sourcing of procurement	• 20% of total suppliers subject to the periodical evaluation • 100% local sourcing of procurement
Safe Driving Practices	• 1 driving offence reported. • We implemented a before-on-road checklist to prevent such incidents from recurring.	• Zero driving offence

3.3 Environmental Protection

Overview

We are committed to environmental protection, focusing on reducing carbon emissions, preventing pollution, minimizing wastage, and optimizing resource usage. Our dedication to sustainability drives us to explore and adopt greener solutions in our daily operations. Through comprehensive policies, we effectively communicate our environmental commitment to all employees, fostering a collective effort towards environmental protection.

Climate Resilience and Action

The Group acknowledges the urgent challenge of climate change and is proactively developing policies to identify and mitigate climate-related risks, both in terms of physical and transition risks that may impact our operations. Our primary objective is to manage these risks sustainably, ensuring the long-term viability of our business.

We are committed to transparency and intend to align our disclosure with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, which will be included in our Sustainability Report for FY2025. Regular updates to stakeholders will showcase our dedication to addressing climate-related risks and maintaining sustainable practices.

We actively work to reduce carbon emissions in our daily operations, monitoring and reviewing our carbon footprint to identify areas for impactful solutions. Adhering to the Greenhouse Gas Protocol ensures consistent and accurate measurement of our emissions, with a "control method" accounting for 100% of emissions under our direct control.

Green Operation

Our operations generally have a low environmental impact, except for our transportation services. Nevertheless, we remain committed to adopting greener solutions and continuously strive to minimize the environmental footprint of our transportation services.

In our Transportation services, we have taken measures to reduce our ecological footprint. All our buses comply with Euro 6 emission standards and utilize AdblueTM to minimize Nitrogen Oxide (NOx) emissions. Moreover, we have implemented efficient bus route plans to further reduce emissions.

In our Security and Manpower services, we prioritize training our employees in eco-friendly practices and encourage them to be environmentally responsible.

In our Engineering services, we have implemented several green initiatives. This includes efficient scaffolding design to minimize material waste and proper management. Our energy-efficient HVAC and Refrigeration systems are designed to reduce energy consumption, and we utilize LED technology for our lighting systems.

1,069tCO_2e
Total carbon footprint

40tCO_2e
Carbon footprint per million revenue

371,386L
Total fuel usage

14,015L
Fuel usage per million revenue

80,512kWh
Total purchased electricity

3,038kWh
Purchased electricity per million revenue

100%
Waste disposed of via proper disposal channels

FY2023 Performance

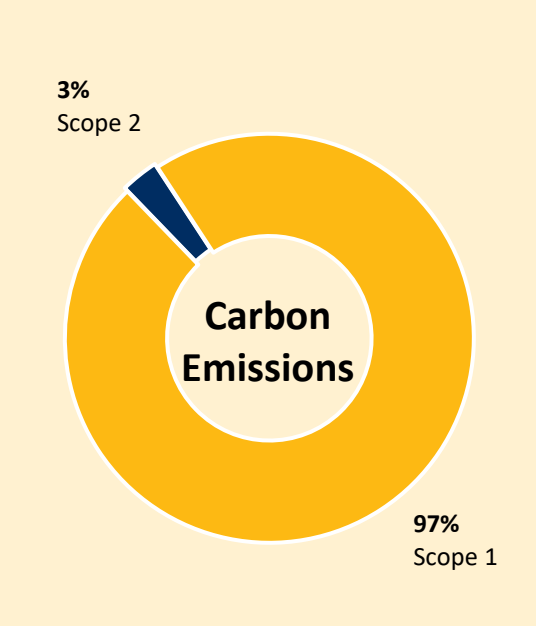
We ensure proper disposal and recycling of electrical equipment and waste, further minimizing our environmental impact.

Carbon Emission

Our carbon footprint includes:

- All fuels used directly by our companies (Scope 1 emissions)
- All purchased electricity used in our properties (Scope 2 emissions)

The main source of emissions is primarily the use of diesel in transportation services and engineering services, accounting for 97% of the total carbon emission of the Company. The rest of the emissions are due to purchased electricity used in our operations and activities.

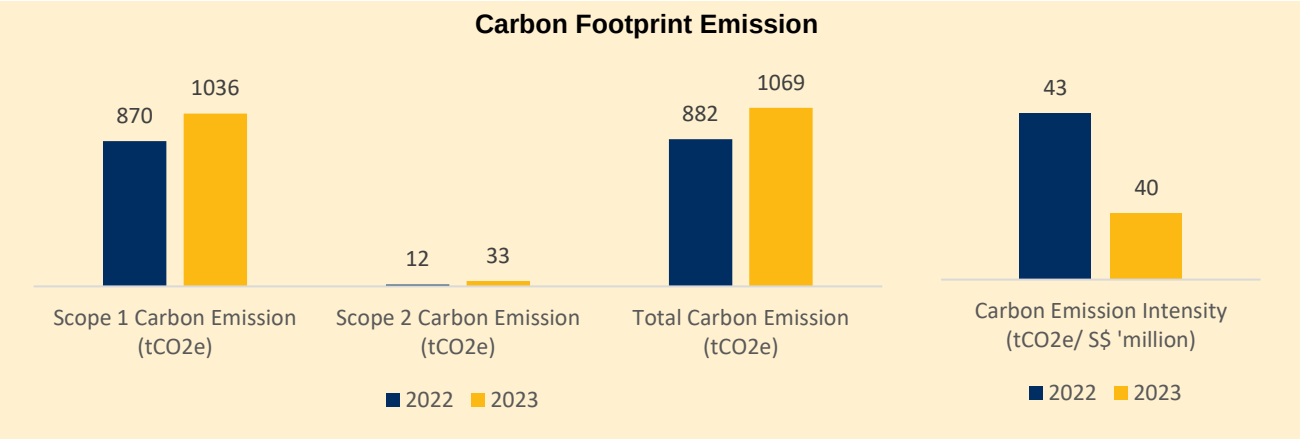


In FY2023, our total carbon emissions for the year amounted to 1,069 tonnes of carbon dioxide equivalent (tCO_2e). We achieved a 7% decrease in carbon emissions intensity, reducing it from 43 to 40 tCO_2e per million dollars (tCO_2e/$' million).

We were unable to achieve the target of reducing the carbon emissions generated from our operational activities to 820 tCO_2e in FY2023. This shortfall can be attributed to a significant rise in diesel usage within our engineering services during the year in line with the increase in revenue in this business segment. Furthermore, our transportation services prioritize ensuring passengers' safety and comfort while offering affordable options for their journeys. Consequently, in FY2023, we introduced discounted bus tickets for extended travel distances to help passengers reach their destinations conveniently and affordably. This initiative has led to a noteworthy trend where the increase in bus travel distance has outpaced the growth in revenue. Nevertheless, we have still successfully achieved the target of reducing carbon emission intensity to 40 tCO_2e/$' million set in the previous year. The reduction in our emissions intensity can be linked to the higher revenue generated by our manpower segment which inherently entail lower energy consumption.

Our goal is to further reduce 3% of our carbon emission intensity with FY2023 as the baseline. To achieve the target, we continue our employee training on sustainable practices and our careful planning of each job allocation to maximize resource utilisation. These include:

- Implementing efficient bus route plans.
- Setting reasonable air-conditioning temperatures.
- Avoiding engine idling when the bus is not in use.
- Conducting regular inspections to ensure optimal bus conditions.
- Promoting sustainable practices among our employees.



Fuel Efficiency

Fuel consumption (Scope 1) accounts for 97% of our total energy usage. As a multi-service provider, our transportation services significantly contribute to this energy consumption. To address this, we have committed to improving energy efficiency and reducing our carbon footprint.

We understand that efficient route planning can significantly impact fuel consumption and emissions. Through the implementation of advanced route optimization software, we aim to minimize unnecessary mileage and idling time. Additionally, we use real-time tracking systems like Google Maps function to make optimal route adjustments based on traffic conditions and other variables. This proactive approach not only improves energy efficiency but also enhances overall operational effectiveness.

In FY2023, our total fuel consumption amounted to 371,386 Litres (L). Our fuel consumption intensity decreased by 10% from 15,552 L per million dollars (L/ S$ 'million) in FY2022 to 14,015 L/ S$ 'million in FY2023. The decrease in emissions intensity is due to the increased revenue generated by our manpower segment, which inherently demands lower energy consumption.

Our goal is to reduce 3% of our fuel consumption intensity with FY2023 as the baseline.

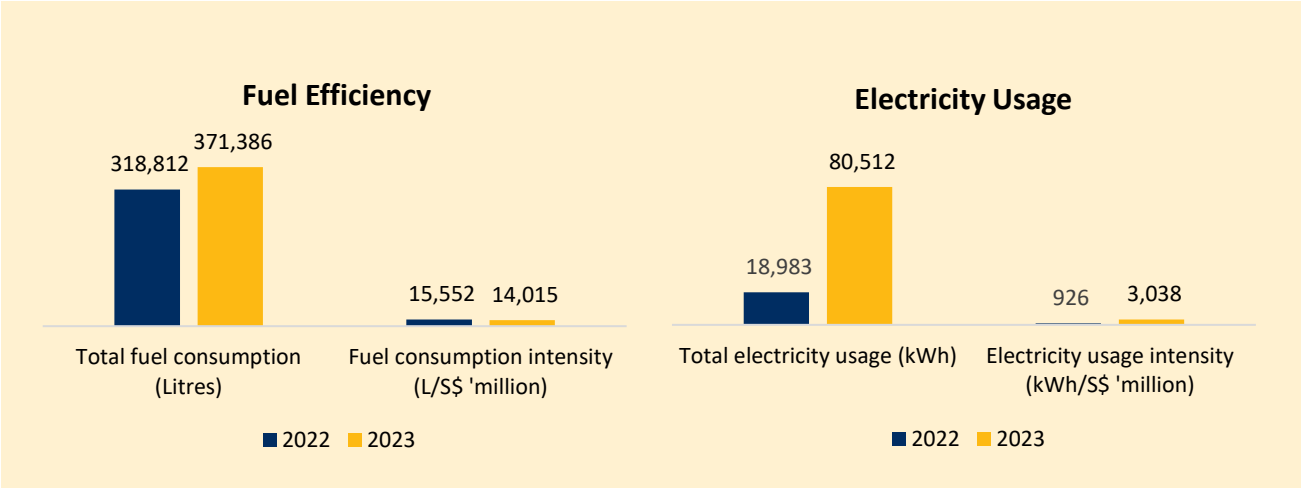
Electricity Usage

During FY2023, our electricity usage was derived from the regular operations of both the office and the dormitory provided for our workers. To address our energy consumption, we established comprehensive power management policies and procedures. These measures aimed to reduce electricity usage in both the office and dormitory, assess energy efficiency, increase the adoption of clean energy where feasible, set applicable targets to monitor consumption and encourage the practice of turning off electrical appliances when not in use. All employees diligently adhered to our energy-saving policy.

In FY2023, our total electricity usage amounted to 80,512 kWh. Our electricity usage intensity increased 228% from 926 kilowatts per million dollars (kWh/ S$ 'million) to 3,038 kWh/ S$ 'million compared to previous years. This upsurge can be attributed to the electricity used by the workers residing in the dormitory, which saw a substantial increase due to a rise in the foreign worker workforce after the pandemic.

As a result of not achieving our targets set in the previous year, we have reviewed and revised our goals for the upcoming financial year. Our new objective is to achieve a 3% reduction in electricity usage intensity with FY2023 as the baseline.

To fulfil our revised targets and achieve a 3% reduction in electricity usage intensity, we continue to strengthen our several best practices. These included continuing the company-wide LED lighting upgrade and actively involving our employees in energy conservation efforts.



Water Conservation

The primary source of our water consumption is domestic water use. To promote responsible water usage, we actively educate our employees about water conservation practices. Additionally, we have implemented water-saving equipment and conducted regular inspections to address any issues, such as fixing dripping taps promptly.

It's important to note that the water consumed in our operations is supplied by either our suppliers or customers. As a result, we do not directly monitor our water consumption.

We remain committed to encouraging water efficiency within our Company through ongoing education and proactive measures to minimize wastage.

Waste Management

Our engineering projects are conducted with a strong focus on sustainable waste management practices. Recognizing the importance of environmental responsibility, we prioritize the proper disposal of this scrap metal to minimize our impact on the environment. To achieve this, we have established strong partnerships with licensed waste collectors who specialize in handling and recycling scrap metal.

In FY2023, the Company does not generate any hazardous waste during the course of our business operations. For non-hazardous waste management, we continually maintained 100% proper disposal of the waste generated by the operation as we disposed of all 26 tonnes of scrap metal generated from our operations through the designated disposal channels.

We are committed to maintaining 100% of waste generated from our operations to be disposed of via proper disposal channels.

Commitments: Environmental Protection

	FY2023 progress	FY2024 target
Carbon Emission	• Our total carbon emission is 1,069 tCO_2e. We reduced our carbon emission intensity to 40 tCO_2e/ S$ 'million which represent a 7% decrease compare to previous year. We did not manage to reduce our total carbon emission to less than 820 tCO_2e as explained above.	• We have reviewed and revised our targets for the upcoming financial year with the new goal to further reduce 3% of our carbon emission intensity with FY2023 as our baseline.
Fuel Efficiency	• New commitment in FY2023, we have implemented various approaches to improve fuel efficiency but also enhance overall operational effectiveness. • Our total fuel consumption amounted to 371,386 L. Our fuel consumption intensity decreased by 10% from 15,552 L/ S$ 'million to 14,015 L/ S$ 'million compared to previous year.	• Reduce 3% of the total fuel consumption and fuel consumption intensity with FY2023 as the baseline.
Electricity Usage	• Our total electricity usage is 80,512 kWh. The total electricity usage increased by 228% and the electricity usage intensity increased to 3,038 kWh. This fall short to our targets we have for FY2023 as explained above.	• We have reviewed and revised our targets for the upcoming financial year with a new goal of achieving a 3% reduction in electricity usage intensity with FY2023 as the baseline.
Waste Management	• 100% of waste generated is disposed of via proper disposal channels	• 100% of waste generated is disposed of via proper disposal channels

3.4 People Development

Overview

At our company, we consider our employees to be our most valuable asset. We provide them with constructive working experience and actively contribute to local economic development.

Our comprehensive performance appraisal and training programs are aimed at helping employees sharpen their skills and advance in their careers.

We strongly uphold the principles of equal opportunity and non-discrimination, ensuring fair treatment in all aspects of employment, regardless of gender, race, marital status, pregnancy, disability, age, or family status.

FY2023 Performance

12
Training hours per employee

100%
Employees subject to regular performance appraisal

9%
Female representation in our total workforce

71
Resigned employee

Skills Competency and Employee Training

At our workplace, continuous learning is a core value that we emphasise. We have established a comprehensive Training Needs Analysis (TNA) program, which helps us identify opportunities for upgrading and enhancing the skills and knowledge of our employees. We utilize various channels, including informal performance reviews by line managers, annual performance appraisals, customer feedback, after-incident review programs, and mandatory training required by law, to identify specific training needs.

Training sessions are conducted using both in-house resources, such as on-the-job training and in-house training sessions, as well as external training providers. By engaging external providers, we ensure that our employees gain new insights and skills from diverse perspectives.

To maximize the effectiveness of our training, we meticulously tailor the learning outcomes and objectives to address the areas where improvement is most needed. This approach ensures that the training content aligns with the specific developmental needs of our employees, allowing them to grow and excel in their roles effectively. The following are some of the key training conducted in FY2023 to ensure and renew our employee awareness in various areas:

- Handle Security Incidents and Services
- Demonstrate and Apply Understanding of Cleaning Chemicals
- WSQ Perform Work at Height Course
- SEC Certification from BCA

In FY2023, we provided a total of 5,930 hours of training to our employees which represents a 57% increase in the total training hours provided to our employees compared to the previous year. Additionally, we have achieved beyond the targets of an average of 10 hours of training per employee set in the previous year, we provided an average of 12 training hours per employee and an average of 1 training hour to our female employees. We are committed to providing an average of 13 hours of training per employee to ensure that our workforce is equipped with sufficient foundational knowledge in terms of our safety and eco practices.

Performance Appraisal

At Aedge, we employ various performance appraisal methods to evaluate our employees' performance. These methods include the annual performance appraisal, probation confirmation review, and performance corrective review.

The annual performance appraisal and probation confirmation review primarily rely on quantifiable evaluation criteria to assess employee performance. On the other hand, the performance corrective review aims to pinpoint any areas of underperformance and develop necessary corrective actions based on feedback received. We actively gather performance information from multiple sources, such as line managers and employee feedback sessions, to comprehensively understand each employee's strengths and areas for development. This information is crucial in identifying training needs and creating tailored training programs to enhance employee skills and increase overall productivity.

In FY2023, we have achieved the target set for FY2023 of conducting regular performance evaluations for 100% of our employees in supporting the professional development of our employees, managing skills effectively, and fostering human capital growth. We are committed to upholding the practice of conducting regular performance evaluations for each and every one of our employees in the following years.

Diversity and Equal Opportunity

Our commitment to fair human resource practices enables us to attract a diverse and talented workforce. As a demonstration of this commitment, we have signed the Employer's Pledge of Fair Employment Practices organized by the Tripartite Alliance for Fair & Progressive Employment Practices (**TAFEP**) and abide by their Tripartite Guidelines on Fair Employment Practices. Our policies strictly enforce fair and non-discriminative human resource practices, which are followed by all our employees.

Our comprehensive recruitment policies encompass every stage of the hiring process, from job description to job offer, ensuring that candidates are selected based on objective evaluation criteria. Regular remuneration reviews are conducted to ensure that salaries remain competitive within the current job market and industry standards. Additionally, promotions are based on employees' performance and suitability, fostering a meritocratic environment.

We recognize the valuable contributions that our female employees bring to our organization, particularly in support functions at all levels. In FY 2023, our female representation within our workforce has decreased from 12% to 9%. We did not meet our target of increasing the representation of women to 15% of our total workforce set last year mainly due to the nature of our industry, which involve engineering, transport, security, and manpower solution, which are generally male dominated. We have revised our target and steadfast in our commitment to increase the representation of women to 10% of our total workforce.

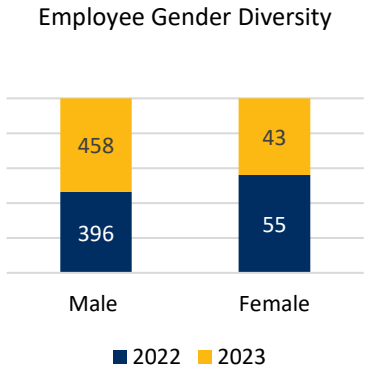
Attraction and Retention

Our commitment to fair human resource practices enables us to attract a diverse and talented workforce. As a demonstration of this commitment, we have signed the Employer's Pledge of Fair Employment Practices organized by the TAFEP and abide by their Tripartite Guidelines on Fair Employment Practices. Our policies strictly enforce fair and non-discriminative human resource practices, which are followed by all our employees.

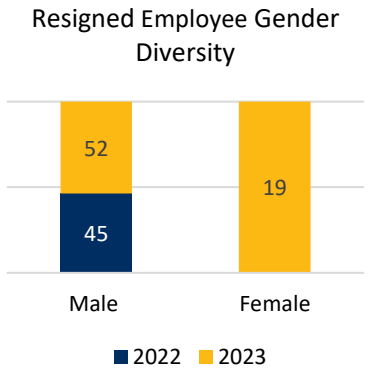
The Company offers competitive remuneration packages and welfare and benefits to attract and retain talents, such as performance incentives, reimbursement of medical expenses, annual leaves, allowances and more. The opportunities of annual bonuses, increments and promotions are provided to employees based on the result of their annual performance appraisals.

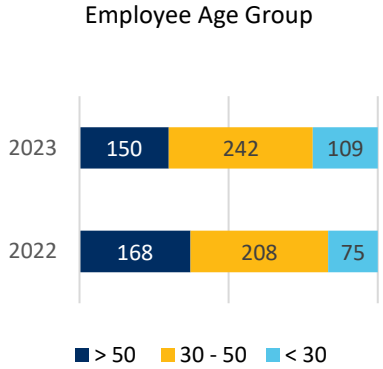
In view of the economic recovery from the pandemic, the Group has also increased its pace of recruitment. In FY2023, the Group hired a total of 63 new employees. Due to the nature of the company industry, about 81% of our new hire employees are male. On the other hand, there are 71 employees who resigned and the majority of them are male employees consisting of 73% of the resigned employees.

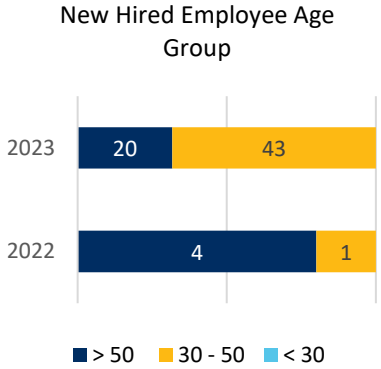
The majority of our workforce has the age between 30 to 50 years old. About 68% of our new hires and 27% of the resigned employees are aged between 30 to 50 years old.

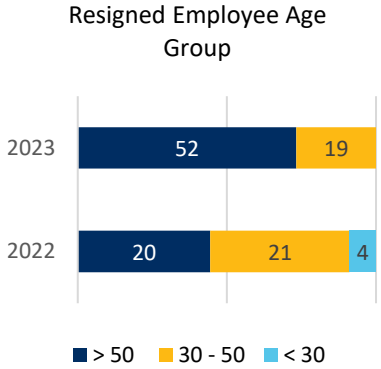












Encouraging work-life-balance

To promote a healthy work-life balance for our employees, we organize a variety of engaging activities throughout the year. These activities, such as the annual Chinese New Year Lunch and the annual Christmas Function, provide opportunities for relaxation, team-building, and talent exploration, fostering a positive attitude both at work and in personal life.

Moreover, in response to the challenges posed by the pandemic, we have implemented a work-from-home arrangement for some employees based on the nature of their work. This measure is designed to prevent employee burnout and ensure a conducive work environment during these challenging times.

Commitments: People Development

	FY2023 progress	FY2024 target
Skills Competency and Training	• 12 training hours per employee. We have achieved beyond our targets set for FY2023. • We have provided a total of 5,930 hours to our employees.	• 13 hours of training per employee
Performance Appraisal	• 100% of the employees subject to regular performance evaluation. We have achieved our target for FY2023 by maintaining all our employees subject to regular performance evaluations set in the previous year.	• 100% of the employees subject to regular performance evaluation
Diversity and Equal Opportunity	• Reduced to 9% female representation in the total workforce. We were unable to achieve the target of increasing the representation of women to 15% of our total workforce mainly due to the nature of our industry being generally male-dominated. We have revised our target and are steadfast in our commitment to increase the representation of women to 10% of our total workforce.	• 10% female representation in the total workforce

3.5 Workplace Safety

Overview

Ensuring safety remains our top priority, and we consistently emphasize the significance of work safety in every aspect of our operations. A crucial factor in enhancing workplace safety is the development of a robust safety culture embraced by all our employees.

Upholding Safety Standards

Our unwavering commitment to safety remains at the forefront of all our endeavours. We prioritize the well-being of our employees, collaborators, and anyone impacted by our operations above all else. To uphold this commitment, we have established a comprehensive Occupational Health and Safety Management System (OHSS) and a corresponding policy.

Our OHSS framework serves as a guiding force for our employees, outlining safe working practices in alignment with national and international safety regulations, standards, and guidelines. This includes compliance with both the bizSAFE and ISO 45001:2018 requirements, ensuring that our safety protocols meet the highest industry standards.

In FY2023, we have 1 work-related accident. This incident was due to an unforeseen mishap which happened to one of our foreign worker when installing solar panels at a job site. The worker's long hair became entangled in the drill bit they were operating, resulting in a minor injury.

In response, our engineering team has taken decisive action by implementing enhanced workplace safety measures, including the introduction of proper hair guidelines.

Promoting Workplace Safety Awareness

We firmly believe that fostering a culture of safety is paramount in our pursuit of workplace safety excellence. To that end, we conduct regular internal and external workplace safety training sessions for employees whose work entails exposure to safety hazards.

These training programs are thoughtfully designed to elevate safety awareness among our workforce. Key topics covered include working at height, safe lifting operations, handling chemicals, and defensive driving. By empowering our employees with essential safety knowledge and skills, we strive to create a safer and more secure working environment.

In FY2023, we had one work-related incident during the installation of solar panels. It involved an employee whose long hair got entangled while working. Our emergency response team acted swiftly, and the employee has fully recovered without lasting injuries. In response, we've introduced strict hair safety guidelines, particularly when using machinery.

FY2023 Performance

0
Fatalities

0
High-consequence injuries

1
Recordable injuries

0
Recordable work-related ill health cases

0
Regulatory and compliance incidents relevant to work safety

Emergency Preparedness

While our primary focus is on preventing safety incidents, we understand the importance of being prepared to handle emergencies effectively. This readiness extends to potential accidents, fires, and even terrorist attacks. Our goal is to minimize the impact and casualties in the event of any safety incidents that may occur within our work environment.

Establishing a Multi-Department Emergency Response Team: To ensure a swift and coordinated response to emergencies, we have formed a multi-department emergency response team, headed by our Chief Operating Officer (COO). Each team member's roles and responsibilities are clearly defined to ensure seamless collaboration during crisis situations. This setup allows us to address emergencies comprehensively and effectively.

Comprehensive Emergency Preparedness and Response Plans: In anticipation of various scenarios, we have developed comprehensive emergency preparedness and response plans. These plans outline the step-by-step procedures for different emergency situations, enabling our response team to make informed decisions based on pre-defined protocols. Our focus is on ensuring a systematic and organized approach to handling emergencies.

Testing and Improving Emergency Response Plans: To validate the effectiveness of our emergency response plans, we conduct annual emergency drills. These drills serve as practical exercises to assess the adequacy of our plans and identify areas for continuous improvement. By simulating real-life scenarios, we can better evaluate our readiness and make necessary adjustments to enhance our emergency response capabilities.

Commitment to Safety and Preparedness: Our commitment to safety and emergency preparedness remains resolute. We strive to maintain a vigilant and proactive stance to prevent incidents while simultaneously ensuring that our employees are well-prepared to respond effectively to any emergency that may arise. By prioritizing safety and preparedness, we aim to safeguard the well-being of our workforce and stakeholders, minimizing potential risks and optimizing our overall response to emergencies.

Commitments: Workplace Safety

Upholding Safety Standards

FY2023 progress

- We have achieved our target for FY2023 by maintaining zero fatalities, high-consequence injuries, recordable work-related ill health cases and regulatory and compliance incidents relevant to workplace safety. However, we were unable to achieve the target of maintaining zero recordable injuries. Our team has implemented a stringent workplace protocol to prevent reoccurrence.

FY2024 target

- Zero fatalities
- Zero high-consequence injuries
- Zero recordable injuries
- Zero recordable work-related ill health cases
- Zero regulatory and compliance incidents relevant to workplace safety

Appendix A: List of entities included in this report

Company name	Principal activities	Principal place of business
Aedge Holdings Pte. Ltd.	Provision of transport and cleaning services	Singapore
Aedge Technologies Pte. Ltd.	Provision of engineering services	Singapore
Aedge Services Pte. Ltd.	Provision of security and manpower services	Singapore
Subsidiary of Aedge Technologies Pte. Ltd.		
SAE Resources and Technologies Pte. Ltd.	Provision of engineering services; sales of scaffolding and insulation equipment	Singapore
Subsidiaries of Aedge Services Pte. Ltd.		
Aedge Global Resources Pte. Ltd.	Provision of manpower services	Singapore

Appendix B: Sustainability scorecard

Results

Performance indicators	Units	FY2022	FY2023
Revenue	S$ million	20.5	26.5

Governance

Performance indicators	Units	FY2022	FY2023
Independent Directors	Number (%)	3 (60%)	3 (60%)
Female on the Board of Directors	Number (%)	0 (0%)	0 (0%)
Female in Senior Management	Number (%)	10 (28%)	10 (28%)
Whistleblowing complaints	Number (%)	0 (0%)	0 (0%)
Confirmed incidents of corruption	Number (%)	0 (0%)	0 (0%)
Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Number (%)	0 (0%)	0 (0%)
Employees that received anti-corruption training	Number (%)	0 (0%)	0 (0%)

Business Resiliency

Performance indicators	Units	FY2022	FY2023
Violations of the relevant laws and regulations	Number	0	0
Customer complaints	Number	4	3
Driving offence	Number	-[1]	1[1]
Suppliers subject to the periodical evaluation	Number (%)	13 (5%)	39 (16%)
Total purchase from local suppliers	S$ million (%)	4.5 (100%)	3.5 (100%)

Environmental Protection

Performance indicators	Units	FY2022	FY2023
Carbon footprint	tCO_2e	882	1,069
Carbon footprint intensity	tCO_2e/ S$ million	43	40
Fuel usage	Litres	318,812	371,386
Fuel usage intensity	Litres/ S$ million	15,552	14,015
Electricity usage	kWh	18,983	80,512
Electricity usage intensity	kWh / S$ million	926	3,038
Water consumption	Litres	-[2]	-[2]
Water consumption intensity	Litres / S$ million	-[2]	-[2]
Non-hazardous waste	Tonnes	20	26
% waste disposed of via proper disposal channels	%	100	100

[1] New metrics introduced in FY2023.

[2] Water consumed by our operation is supplied by our suppliers or customers. Hence, we do not monitor water consumption.

People Development

Performance indicators	Units	FY2022	FY2023
Female employee	Number (%)	55 (12%)	43 (9%)
New female employee	Number (%)	1 (20%)	12 (19%)
Female employee turnover	Number (%)	0 (0%)	19 (27%)
Current employee by age group			
• Above 50	Number (%)	168 (37%)	150 (30%)
• 30-50	Number (%)	208 (46%)	242 (48%)
• Below 30	Number (%)	75 (17%)	109 (22%)
New employee by age group			
• Above 50	Number (%)	4 (80%)	20 (32%)
• 30-50	Number (%)	1 (20%)	43 (68%)
• Below 30	Number (%)	0 (0%)	0 (0%)
Employee turnover by age group			
• Above 50	Number (%)	20 (44%)	52 (73%)
• 30-50	Number (%)	21 (47%)	19 (27%)
• Below 30	Number (%)	4 (9%)	0 (0%)
Employee turnover	Number (%)	45(10%)	71 (14%)
Total number of employees	Number	451	501
Total training hours	Hours	3,784	5,930
Average training hours per employee	Hours	8	12
Average training hours per female employee	Hours	0	1
Employees subject to regular performance appraisal	%	99	100

Workplace Safety

Performance indicators	Units	FY2022	FY2023
Fatalities in workplace	Number	0	0
High-consequence injuries in workplace	Number	0	0
Recordable injuries in workplace	Number	0	1
Recordable work-related ill health cases in workplace	Number	0	0
Regulatory and compliance incidents relevant to workplace safety	Number	0	0

Appendix C: GRI content index

GRI Standards Content Index

The GRI Content Index references the Aedge Group Limited Sustainability Report 2023 (SR), and the Annual Report 2023 (AR).

Disclosure number		Disclosure title	Reference and remarks
GRI 2: General disclosures			
Organisational profile	2-1	Organizational details	• AR: Corporate Profile
	2-2	Entities included in the organization's sustainability reporting	• SR: Appendix A - List of entities included in this report
	2-3	Reporting period, frequency and contact point	• SR: Highlights
	2-4	Restatements of information	• SR: Highlights
	2-5	External assurance	• No external assurance
Activities and workers	2-6	Activities, value chain and other business relationships	• SR: Our Performance
	2-7	Employees	• SR: Sustainability Strategy
	2-8	Workers who are not employees	• Not applicable
Governance	2-9	Governance structure and composition	• AR: Report on Corporate Governance
	2-10	Nomination and selection of the highest governance body	• AR: Report on Corporate Governance
	2-11	Chair of the highest governance body	• AR: Report on Corporate Governance
	2-12	Role of the highest governance body in overseeing the management of impacts	• AR: Report on Corporate Governance
	2-13	Delegation of responsibility for managing impacts	• AR: Report on Corporate Governance
	2-14	Role of the highest governance body in sustainability reporting	• SR: Sustainability StrategyStrategy
	2-15	Conflicts of interest	• AR: Report on Corporate Governance
	2-16	Communication of critical concerns	• AR: Report on Corporate Governance
	2-17	Collective knowledge of the highest governance body	• AR: Report on Corporate Governance
	2-18	Evaluation of the performance of the highest governance body	• AR: Report on Corporate Governance
	2-19	Remuneration policies	• AR: Report on Corporate Governance
	2-20	Process to determine remuneration	• AR: Report on Corporate Governance
	2-21	Annual total compensation ratio	• This disclosure is withheld due to competitive business confidentiality.
Strategy, policies and practices	2-22	Statement on sustainable development strategy	• SR: Sustainability Strategy
	2-23	Policy commitments	• SR: Sustainability Strategy
	2-24	Embedding policy commitments	• SR: Sustainability Materiality
	2-25	Processes to remediate negative impacts	• SR:Our performance

Disclosure number		Disclosure title	Reference and remarks
	2-26	Mechanisms for seeking advice and raising concerns	• SR: Sustainability Strategy
	2-27	Compliance with laws and regulations	• SR: Sustainability Strategy
	2-28	Membership associations	• SR: Sustainability Materiality
Stakeholder engagement	2-29	Approach to stakeholder engagement	• SR: Sustainability Strategy
GRI 3: Material topics			
Disclosures on material topics	3-1	Process to determine material topics	• SR: Sustainability Materiality
	3-2	List of material topics	• SR: Sustainability Materiality
	3-3	Management of material topics	• SR: Sustainability Materiality
GRI 200: Economic disclosures (applicable sections only)			
Economic performance	201-1	Direct economic value generated and distributed	• AR: Financial Highlights
Market presence	202-2	Proportion of senior management hired from local community	• Our senior management is 100% hired from the local community
Procurement practices	204-1	Proportion of spending on local suppliers	• 100% of our business expenditure in Singapore is on locally-registered companies.
Anti-corruption	205-1	Operations assessed for risks related to corruption	• AR: Report on Corporate Governance
	205-2	Communication and training about anti-corruption policies and procedures	• AR: Report on Corporate Governance
	205-3	Confirmed incidents of corruption and actions taken	• There is no incidences of corruption.
Anti-competitive behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	• There is no legal actions for anti-competition.
GRI 300: Environment disclosures (applicable sections only)			
Energy	302-1	Energy consumption within the organisation	• SR: Our Performance
	302-4	Reduction of energy consumption	• SR: Our Performance
Water	303-3	Water withdrawal	• SR: Our Performance
	303-4	Water discharge	• SR: Our Performance
	303-5	Water consumption	• SR: Our Performance
Emissions	305-1	Direct (Scope 1) GHG emissions	• SR: Our Performance
	305-2	Energy indirect (Scope 2) GHG emissions	• SR: Our Performance

Disclosure number		Disclosure title	Page reference and remarks
GRI 400: Social disclosures (applicable sections only)			
Employment	401-1	New employee hires and employee turnover	• SR: Our Performance
Occupational health and safety	403-1	Occupational health and safety management system	• SR: Our Performance
	403-2	Hazard identification, risk assessment, and incident investigation	• SR: Our Performance
	403-3	Occupational health	• SR: Our Performance
	403-4	Worker participation, consultation, and communication on occupational health and safety	• SR: Our Performance
	403-5	Worker training on occupational health and safety	• SR: Our Performance
	403-6	Promotion of worker health	• SR: Our Performance
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	• SR: Our Performance
	403-9	Work-related injuries	• SR: Our Performance
	403-10	Work-related ill health	• SR: Our Performance
Training and education	404-1	Average hours of training per year per employee	• SR: Our Performance
	404-2	Programs for upgrading employee skills and transition assistance programs	• SR: Our Performance
	404-3	Percentage of employees receiving regular performance and career development reviews	• SR: Our Performance
Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	• SR: Our Performance
	405-2	Ratio of basic salary and remuneration of women to men	• Workers' remuneration are ascertained based on work experience and academic qualifications. Individual work performance and not on any gender consideration.
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	• There is no incidents of discrimination.
Child labor	408-1	Operations and suppliers at significant risk for incidents of child labor	• Child labour is strictly prohibited.
Forced or compulsory labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	• Forced and compulsory labour is strictly prohibited.
Customer privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	• SR: Our Performance

Appendix D: TCFD recommendations content index

TCFD Recommendations Content Index

The TCFD Recommendation Content Index indicates our current implementation status for climate reporting.

TCFD Thematic Areas	Recommended Disclosures	Reference and Remarks
1. Governance		
Disclose the organisation's governance around climate-related risks and opportunities	(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	The Group is currently in the process of establishing governance mechanisms to address climate-related risks and opportunities, which includes defining roles and responsibilities for both the board and management.
2. Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material	(a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term (b) Describe the impact of climate-related risks and opportunities on the organisation's business, strategy, and financial planning (c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	The Group is currently in the process of developing a climate risk management framework to identify and assess climate-related risks and opportunities.
3. Risk Management		
Disclose how the organisation identifies, assesses, and manages climate-related risks	(a) Describe the organisation's processes for identifying and assessing climate-related risks (b) Describe the organisation's processes for managing climate-related risks (c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	The Group is currently in the process of developing a climate risk management framework to identify and assess climate-related risks and opportunities.
4. Metrics and Targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	(a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process (b) Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks (c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	The Group has disclosed Scope 1 and Scope 2 GHG emissions since financial year 2022. The Group plan to include Scope 3 GHG emissions and other relevant metrics in the future For our scope 1 and scope 2 carbon footprint, please refer to "Environmental Protection".

Appendix E: Methodologies and Data Boundaries

This section details key definitions, methodologies and data boundaries applied to Aedge Group Limited Sustainability Report, as we endeavor to elevate transparency and facilitate comparability of our data disclosed. These definitions and methodologies are adapted with reference to the GRI Standards Glossary 2021, Reporting Recommendations and Guidance set out in the respective GRI disclosures and various authoritative intergovernmental instruments.

Carbon Emissions

In the scope of this reporting, scope 1 emissions are emission are generated from the consumption of fuels for our operations. The emission factor used for calculating carbon emission is obtained from **International Carbon Bank & Exchange**. Carbon emissions are expressed in tonnes of carbon dioxide equivalent (tCO_2e).

The scope of this reporting, scope 2 emissions are emissions that result from the generation of purchased or acquired electricity, by the Group. The Grid Emission Factor (**GEF**) used for calculating carbon emissions is obtained from the **UNEP Guidelines for Calculating GHG Emissions**. Carbon emissions are expressed in tCO_2e.

Carbon Emissions Intensity

This is the ratio of carbon emissions relative to the manhours engaged by the Group. Carbon emissions intensity is expressed in tonnes of carbon dioxide equivalent per million dollars (tCO_2e/S$ million).

Energy Consumption

Energy consumed results from purchased electricity and diesel consumed by the operations of the Group. Energy consumed is expressed in kilowatt-hours (kWh).

Energy Consumption Intensity

This is the ratio of energy consumed relative to the manhours engaged by the Group. Energy consumption intensity is expressed in kilowatt per million dollar(kWh/ S$ million).

New Hires and Turnover

New hires are defined as new employees who have joined the Group during the financial year.

Turnover is defined as all employees who have left the Group voluntarily, or due to dismissal, retirement or death in service during the financial year.

The new hires/turnover rate is the total number of new hires/employee turnovers in the financial year, relative to the total number of new hires/resignees recorded at financial year-end.

The new hires/turnover rate by age group is the total number of new hires/employee turnovers for each age group in the financial year, relative to the total number of new hires/resignees recorded at financial year-end.

New hires/turnover rate by gender is the total number of female/male new hires/employee turnovers for each gender in the financial year, relative to the total number of new hires/resignees recorded as at financial year-end.

Training hours

Average training hours per employee is the total number of training hours provided to employees, relative to the total number of employees recorded as of financial year-end.

Average training hours per female/male employee is the total number of training hours provided to female/male employees, relative to the total number of female/male employees recorded as of financial year-end.

Local supplier

Organization or person that provides a product or service to the reporting organization and that is based in the same geographic market as the reporting organization.