

Climate change

Climate change has vastly impacted life on Earth. The world is already witnessing abrupt climate events, extreme weather patterns that are altering the course of humanity. We recognise these emerging risks that pose a threat to our business and are actively working towards mitigating these risks and adapting to climate change. We continuously identify and assess the climate risks and their impact on our business operations.

Discussions around climate change at the Board level

The nature of our business, our operations and those of our extended supply chain have significant impact on the environment. Our Board acknowledges the importance of addressing the impact of climate change. We have devised policies, processes and procedures to identify, assess and mitigate these risks while identifying opportunities to make the business more resilient.

The Board reviews and monitors the Company's practices towards fulfilling its recently adopted ESG objectives. A common member between the Risk Management Committee and the Stakeholder Relationship Committee

ensures that the twin impact of ESG is addressed in an integrated manner. The Stakeholder Relationship Committee has been empowered by the Board to guide and monitor ESG initiatives of the company. The One Link Team is also responsible for implementing the ESG objectives of the Company, including mitigating the risk of climate change on our operations.

We use the principle of materiality to review strategic priorities and determine the significant ESG topics for our Company. These topics are identified by regular and focused engagements with the relevant stakeholders. The key topics identified are validated annually and assessed on relative importance. These are integrated with the risk management framework of the Company.

Formulating a climate action strategy

In line with our ESG approach and strategy, we have identified key focus areas with respect to emission reduction and energy conservation. These areas include interventions at the product design stage, efficient and optimised operation, maximising usage of renewable energy and efficiently managing our waste. Our approach and details on initiatives around these interventions have been provided subsequently in Natural Capital section.

Managing risks strategically

Doing business inherently involves managing risk. Risk management is an essential element of our corporate governance and strategy setting process. We continuously strive to foster a high awareness of business risks and internal control to guide our action towards fulfilling the strategy and vision of the Company.

During the coming year, we plan to assess and evaluate risks related to climate change as part of the review cycle, post which they will be discussed by the management and the Board. We endeavour to continually sharpen our risk management systems and processes in line with a rapidly changing business environment.

Climate risks are discussed and evaluated in various forums and initiatives, including:

- a. Risk Management Council
- b. Policy Advocacy & Engagement
- c. Business Continuity Planning
- d. Strategy Setting

Way forward

We plan to include the climate risk assessment methodology and assess the risks and opportunities we may face in 2030 as a medium-term time frame for risks and opportunities to emerge and for them to be addressed as part of our business cycles. We will look to expand this to include both shorter and longer time scales.

We are committed to maintaining an optimal balance between People, Planet and Profit objectives.

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