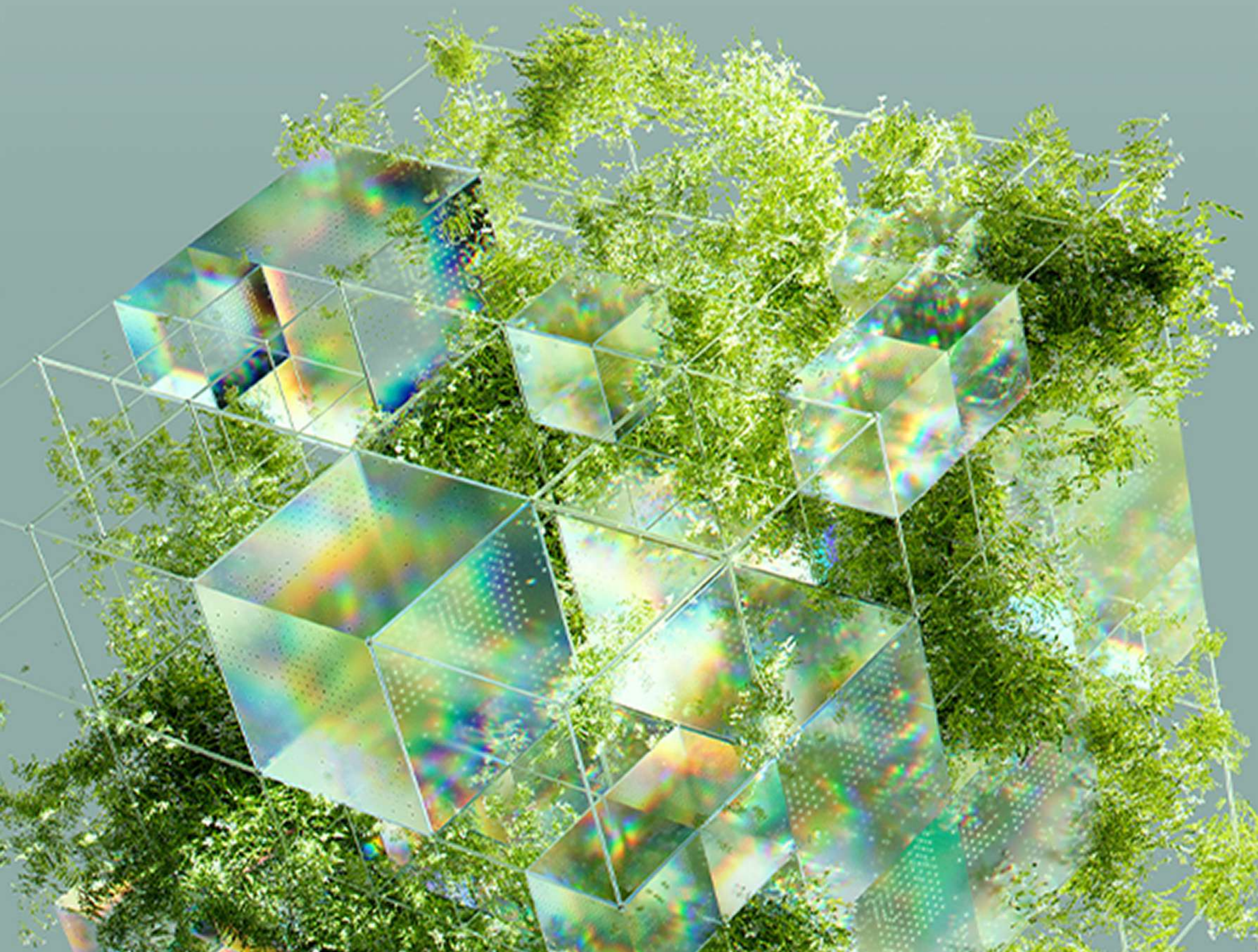




FJ BENJAMIN

CO. REG. NO. 197301125N

SUSTAINABILITY REPORT 2022



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This Sustainability Report has been prepared by F J Benjamin Holdings Ltd (the "Company") and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst.

This Sustainability Report has not been examined or approved by the SGX-ST and the SGX-ST 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 Ms. Goh Mei Xian, Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone: (65) 6636 4201.

STATEMENT FROM OUR BOARD

F J Benjamin Holdings Ltd (“F J Benjamin” or the “Company”, and together with its subsidiaries, the “Group”) is proud to present our Sustainability Report for the financial year ended 30 June (“FY”) 2022. This report is focused on the Group’s strategic efforts and continued commitment to Environmental, Social and Governance (“ESG”) factors to provide sustainable returns to our stakeholders.

The board of directors (the “Board” or “Directors”) and senior management (the “Management”) of the Company remain committed to establish and maintain an effective sustainability management framework, which is supported by underlying internal controls, risk management practices, and clear accountability and reporting processes. The Board evaluates and considers ESG risks and opportunities relevant to the Group during the formulation of overall business strategy, objectives and performance measurements.

The progressive easing of restrictions and the nationwide vaccination programme in FY2022 have helped to boost domestic consumer spending and lift the retail industry in Singapore. The subsequent decision by the Singapore government to further relax border measures in late April 2022 to allow fully vaccinated travellers to enter Singapore without the need to take a pre-departure COVID-19 test, was welcoming news to the industry generating positive sentiments towards business recovery.

Emerging from the COVID-19 pandemic, the shift in consumer shopping preferences on alternative platforms, including websites, mobile applications and the e-marketplace, beyond the traditional brick-and-mortar stores, allowed the Group to take full advantage of it through its existing omnichannel strategy, blending physical and online retail shopping experiences to fulfil customer purchases. In FY2022, our turnover from online channels accounted for approximately 6% of total sales in Singapore and approximately 3% in Malaysia. While still small, this channel will become an increasingly important part of the retail mix for the Group.

FY2022 also marked a return to profitability for the Group as we achieved an attributable net profit of \$2.9 million, reversing a net loss of \$10.9 million in the previous financial year. The improved performance came mainly in the second half of FY2022 with attributable net profit of \$4.3 million against an attributable net loss of \$7.2 million in the second half of FY2021. The second half of FY2022 also saw writebacks totalling \$1.5 million as we reversed impairments on investment and allowances for expected credit losses.

In this Sustainability Report for FY2022, as the Group remained cautiously optimistic that the strong consumer demand seen in the second half of FY2022 will be sustained, we are mindful that our business objectives have to be carried out sustainably with considerations to the community and environment. Working towards our commitment to the Singapore Green Plan 2030, the Group continues to refine its current strategies and adopt more environmentally friendly business practices such as 3R - reduce, reuse and recycle in its workplace.

The Board would like to thank all frontline teams for their relentless contributions and hard work to serve our customers during the COVID-19 pandemic. We would also like to thank our stakeholders for the continued contributions and commitment to our sustainability journey.

INTRODUCTION

ABOUT F J BENJAMIN

With a rich heritage dating back to 1959, F J Benjamin is an industry leader in brand building and management, and development of retail and distribution networks for international luxury and lifestyle brands across Southeast Asia. Headquartered in Singapore and listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“SGX-ST”) since 1996, the Company transferred its listing to the Catalist board of the SGX-ST on 2 March 2021. F J Benjamin has offices in four cities, manages over 20 iconic brands and operates 144 stores.

The Group employs 1,600 employees in Singapore, Malaysia and Indonesia (under its associate company) and runs three core businesses:

Luxury and Lifestyle Fashion Retailing and Distribution

F J Benjamin exclusively retails and distributes brands such as Babyzen, BeSafe, Cole Haan, EZPZ, Fauré Le Page, Guess, La Senza, Lancel, Marc Jacobs, Moby, Petunia Pickle Bottom, Pretty Ballerinas, Rebecca Minkoff, Sheridan and Superdry across various territories.

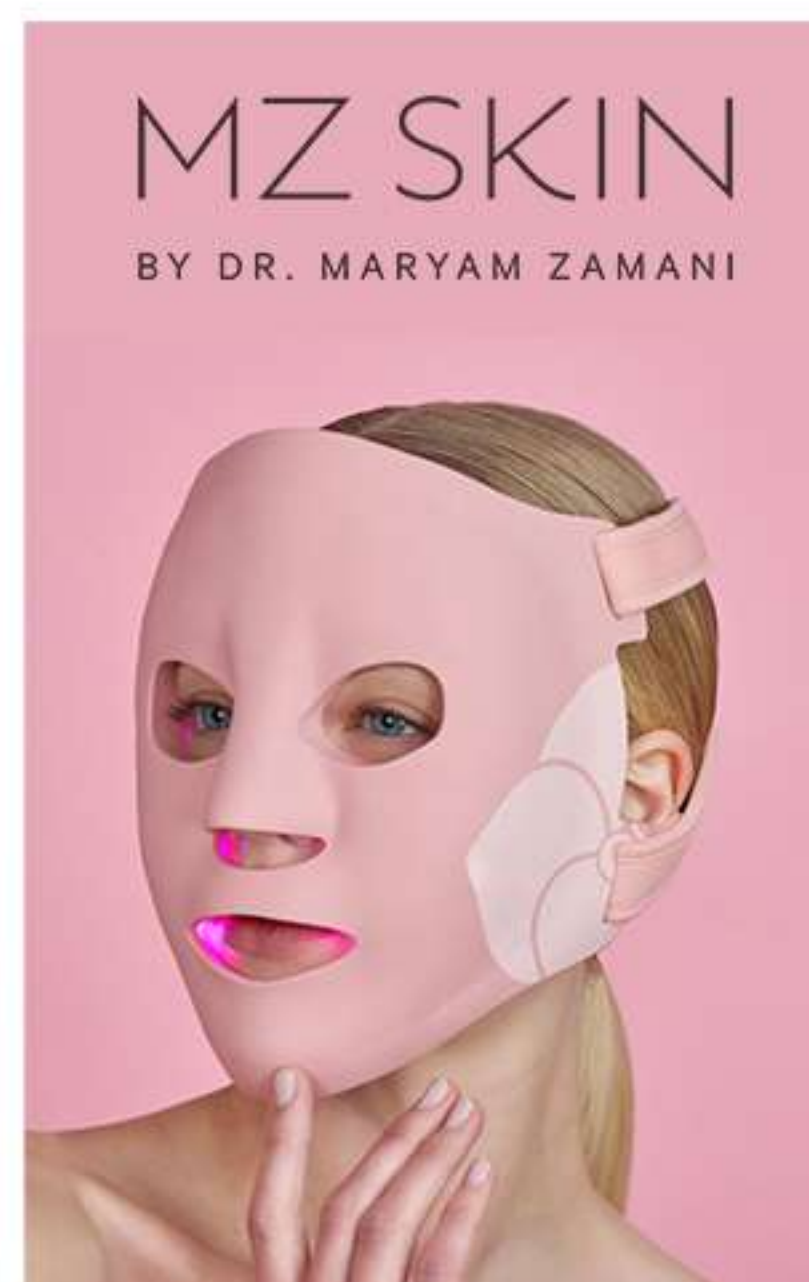
Timepiece Distribution

F J Benjamin exclusively distributes timepiece brands – Alpina, Casio (in Indonesia only), Frédérique Constant, Gc, Guess, Nautica and Victorinox Swiss Army across Southeast Asia.

Beauty, Health and Wellness Retailing and Distribution

F J Benjamin exclusively retails and distributes brands such as Dr. Barbara Sturm and MZ Skin as well as air purifier - Airfree in Singapore, Malaysia and Indonesia.

OUR BRANDS



ABOUT THIS REPORT

REPORTING SCOPE

This report covers the period of 1 July 2021 to 30 June 2022 (“FY2022”) on the Group’s significant operations in Singapore and Malaysia. The wholly owned subsidiaries are as follows:

Singapore

F J Benjamin (Singapore) Pte Ltd

Malaysia

F J Benjamin (M) Sdn. Bhd.

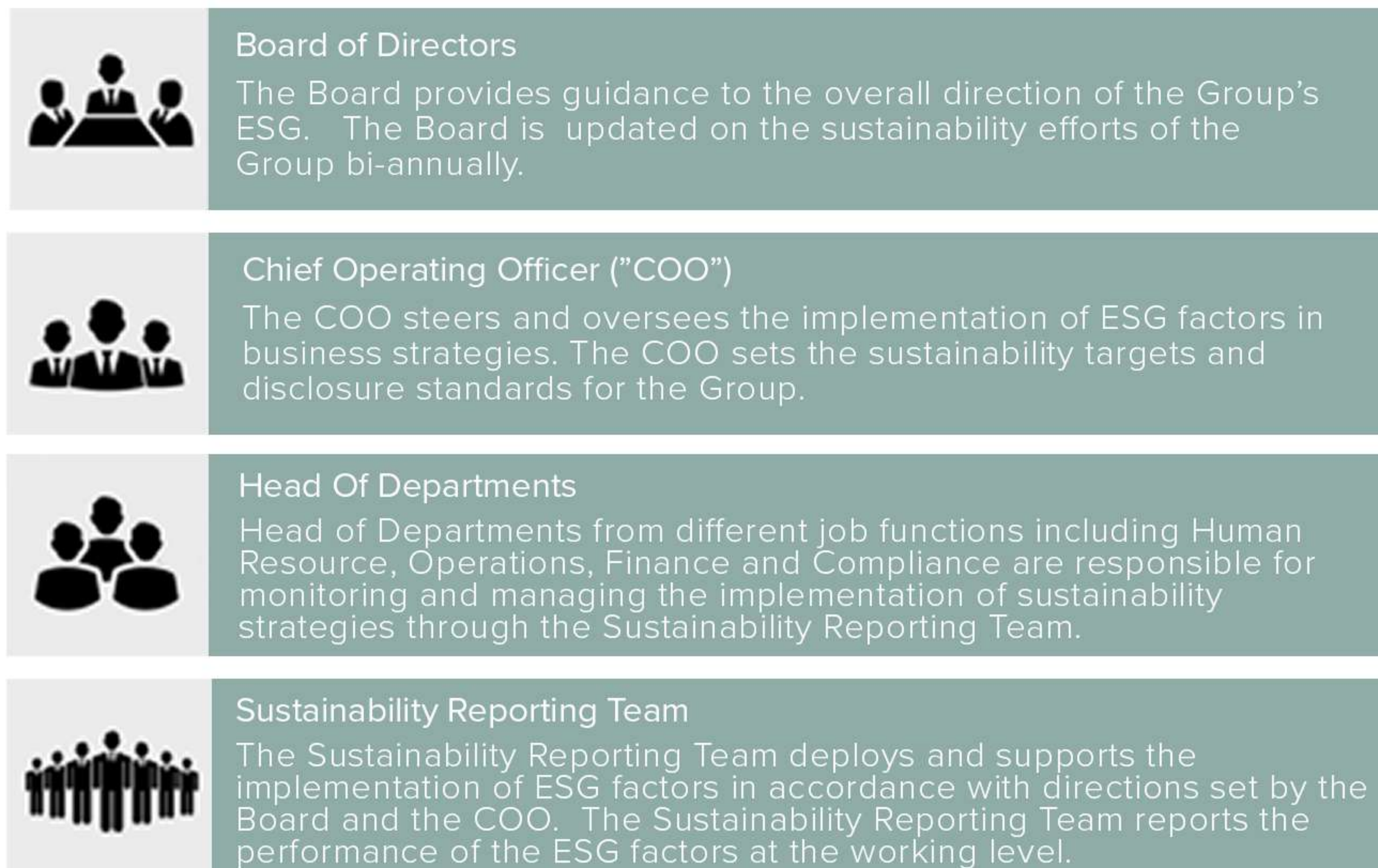
REPORTING STANDARD

The report has been prepared with reference to the Global Reporting Initiative (“GRI”) Standards: ‘Core’ option and the Sustainability Reporting Guide of Practice Note 7F of the SGX-ST. The GRI Standards were selected as they are a globally recognised and widely adopted framework for reporting on sustainability matters relevant to the Group’s industry and nature of business. This encourages a degree of consistency and comparability that makes disclosed information meaningful to the market and society.

In the process of preparation of this framework, the Group has taken into consideration the associated risks and opportunities relevant to the sustainability of our business. Issues on ESG are managed by the Group in order to build trust with all our stakeholders and to provide a sustainable positive effect to the Group’s business.

To achieve the positive effects, multiple working levels of the Group were involved, as illustrated in *Figure 1*:

Figure 1



ASSURANCE FOR REPORT

F J Benjamin has not sought external assurance for this report. We will consider doing so as our reporting journey matures over time.

REPORT CONTACT AND FEEDBACK

F J Benjamin welcomes feedback from all stakeholders on our sustainability report to improve our future reporting. For sustainability-related matters, you may reach out to info@fjbenjamin.com.

INTEGRATING SUSTAINABILITY INTO OUR BUSINESS

CORPORATE VALUES

BRAND

We constantly aspire to build and enrich each brand under our care, but always in cognizance of the highest quality standards that are consistent with the Brand's legacy and image. We aspire to maintain long-term relationships with our principals by demonstrating our commitment to our business partners.

SHAREHOLDER

We endeavor to enhance shareholder value over the long term.

ORGANISATION

We aspire to be the most distinctive and responsive organisation with the highest quality standards in all our undertakings. We lead by example whilst maintaining a strong sense of our identity, objectivity of thought and accountability of results in pursuit of excellence.

ENVIRONMENT

We continually strive for an environment of resilience through professionalism, commitment and sound business practices. We are proactive, resourceful and entrepreneurial. We aspire to continuously motivate ourselves and our desire to learn and progress in a competitive environment.

CUSTOMER

We endeavor to provide customer service excellence, extending beyond geography and product to enhance the entire shopping experience.

STAKEHOLDER ENGAGEMENT

Stakeholder engagement forms an integral part of F J Benjamin’s sustainability approach. As such, F J Benjamin aims to engage with its stakeholders on a regular basis through various channels and dialogues. This would enable F J Benjamin to better understand the impact that ESG factors will have on its business. The interest and key concern, engagement method and frequency of engagement for the respective stakeholders are illustrated in *Figure 2*.

Figure 2

STAKEHOLDERS	ENGAGEMENT PLATFORM	FREQUENCY	INTEREST & KEY CONCERN	GOALS & OUTCOMES
Shareholders	<ul style="list-style-type: none"> • Annual general meeting • Annual reports • SGX announcements • Media releases • Corporate website 	Annually Half yearly (results announcements) or when required (other announcements)	<ul style="list-style-type: none"> • Financial and operational sustainability • Good corporate governance • Accountability to ESG performance 	Provide updates on key developments in a timely manner through various engagement methods.
Government and Regulatory Bodies	<ul style="list-style-type: none"> • Annual reports • SGX announcements • Engage regulators through calls or meetings as required 	Annually Half yearly (results announcements) or when required (other announcements)	Compliance to relevant government policies, rules and regulations	Full compliance with all applicable environmental and social-economic regulations, including filing and respond to request for information as required.
Employees	<ul style="list-style-type: none"> • Annual performance appraisal • E-mail communication • Intranet portal • Internal meetings • In-house magazine publication 	Annually When required Quarterly	<ul style="list-style-type: none"> • Internal cohesiveness • Career growth • Training and development • Fair employment practices 	Tailored training programs, organising social events, bonding events and celebration of festive seasons to boost morale and promote inclusivity. Publication and circulation of in-house staff magazine to keep abreast of the Group’s activities and to promote staff togetherness.

STAKEHOLDER ENGAGEMENT

STAKEHOLDERS	ENGAGEMENT PLATFORM	FREQUENCY	INTEREST & KEY CONCERN	GOALS & OUTCOMES
Customers	<ul style="list-style-type: none"> • Corporate website • Customer loyalty programs • Social media 	Continuously	<ul style="list-style-type: none"> • Quality of products and customer service • Product launches and developments • Customer data privacy 	<p>Invest in our people to ensure that they are equipped to perform and meet customer expectations.</p> <p>Membership programs that rewards loyal customers.</p> <p>Compliance to data protection policies and training programs to allow employees to manage customer data.</p>
Suppliers / Brand Principals	<ul style="list-style-type: none"> • Meetings and dialogues • E-mail communications 	Continuously	<ul style="list-style-type: none"> • Long-term partnerships • Reliable supply chain • Sustainable business growth 	<p>Communication with suppliers on risk and enhancement of opportunities in ensuring products stay attractive to customers.</p> <p>Engagement with brand principals through:</p> <ul style="list-style-type: none"> • Monthly reporting on brand sales performance • Quarterly visits organised by brand principals • Conducting store walks and meetings • Attending networking sessions organised by brand principals
Environment	<ul style="list-style-type: none"> • Energy efficiency • Efficient paper usage 	Continuously	Reducing carbon footprint to the environment.	<p>Eliminating energy wastage and promoting efficient energy consumption.</p> <p>Encouraging practices of reducing paper consumption.</p>

MEMBERSHIP OF ASSOCIATION

The Group is a member of established business organisations as listed below:



Singapore Retailers Association



Singapore Institute of Directors



Singapore International Chamber of Commerce



Singapore Business Federation

These memberships provide a platform for employees to network and interact with peers, exchange business know-hows, and to keep current with the latest trends and developments. Such engagements present opportunities for the Group to enhance their abilities for sustainable growth.

MATERIALITY ASSESSMENT

In the first materiality assessment conducted in FY2018, the Group had identified two material matters and one additional reporting matter that were most material to its business as summarised in Figure 3 and Table 1. The Group has since assessed and reviewed the existing two material matters and one additional reporting matter annually to ensure their relevance to its business. In FY2022, the Group has determined the following material and additional ESG matters to still be relevant:

Figure 3

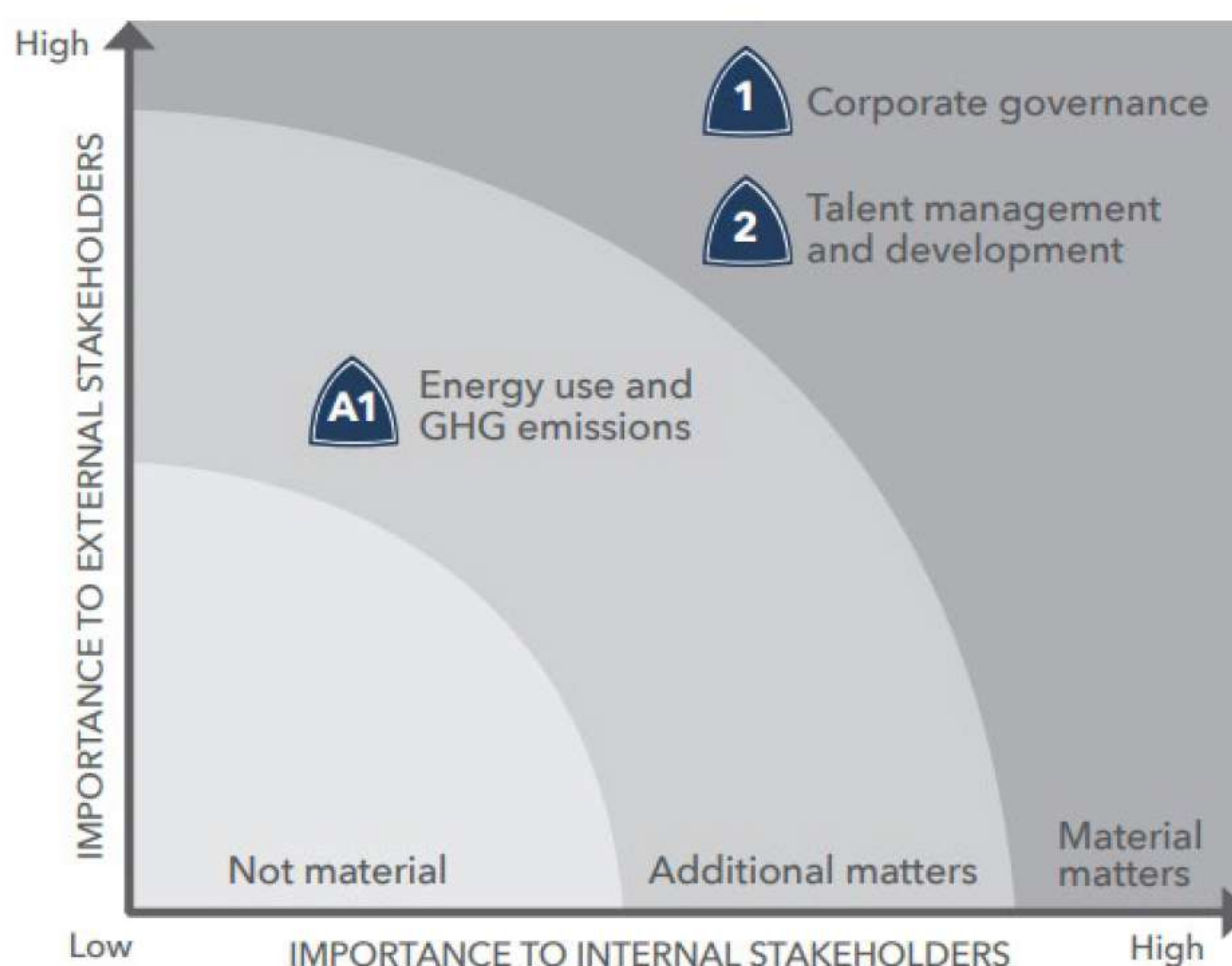


Table 1

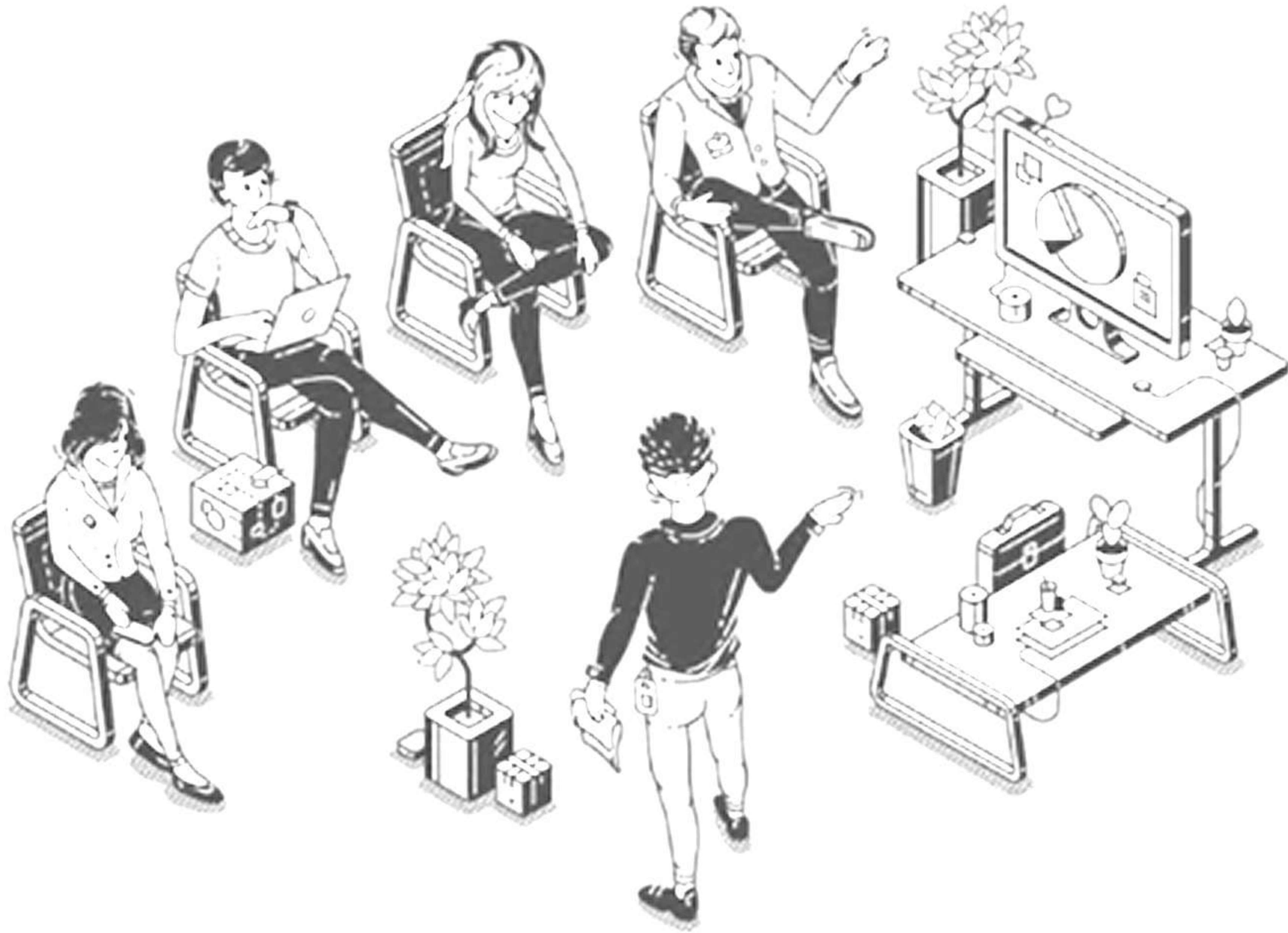
Pillars	Material Matters	Corresponding GRI Standards Topic
Our Governance	Corporate Governance	GRI 205: Anti-corruption GRI 307: Environmental Compliance GRI 419: Socioeconomic
Our People	Talent Management and Development	GRI 404: Training and Education
Pillars	Additional Matters	Corresponding GRI Standards Topic
Our Environment	Energy Use and Greenhouse Gas (GHG) Emissions	GRI 302: Energy GRI 305: Emission

OUR MATERIAL MATTERS AND TARGETS

In applying the GRI guidance to the material matters identified through the assessment, the Group has set targets and monitored the progress during FY2022, with the results as shown below:

Pillars	Material Matters	Immediate Targets	2020 Results	2021 Results	2022 Results
Our Governance	Anti-corruption	No confirmed incident of corruption or legal cases regarding corruption against the Group.	✓	✓	✓
	Socioeconomic Compliance	No confirmed instances of non-compliance cases with all applicable laws and regulations.	✓	✓	✓
	Personal Data Privacy	No confirmed instances or complaints on breaches of customer privacy or loss of customer data.	✓	✓	✓
Our People	Training and Education	Average of 35 hours for every permanent staff.	<i>Working towards target</i>		
	Non-discrimination	No confirmed instances of discrimination in the workplace.	✓	✓	✓
Our Environment	Environmental Compliance	No confirmed instances of non-compliance cases with all applicable laws and regulations.	✓	✓	✓

✓ Target met



TRAINING AND EDUCATION

As COVID-19 spreads to an ever-growing segment of the global population, the top priority of every organisation in this time of crisis should be on protecting the health of its talent, customers, vendors and other stakeholders. Countless organisations are demonstrating their commitment to slowing the spread of the virus by closing facilities (or parts of them) and deploying a remote working plan.

As the core mode of delivery of the training sessions at F J Benjamin involved face-to-face and role-playing arrangements, many training programmes were cancelled in compliance with the safe management measures issued by the governments in territories the Group operates in. Alternative approaches have been adopted such as online training courses, but limitations in the medium usage (e.g. access to laptops and small-sized classes) has posed further difficulties for some frontline staff to attend.

In spite of these challenges, we managed to extend training to some employees covering service-centric topics, product knowledge and work professionalism.

Emphasis was placed on on-the-job training that encourage productivity and efficiency through targeted and relevant learning content.

As F J Benjamin emerges from these challenging times, we aim to maintain our commitment towards our employees by providing access to training in accordance with our material targets, so as to equip our employees with the correct skillsets and knowledge whilst performing their work responsibilities effectively.

OUR VALUE CHAIN

The gradually improving COVID-19 pandemic situation has driven a renewed uptick in demand for consumer goods as the economy returns to some normalcy despite rising inflationary pressure. To meet the increase in demand, the ordering of inventory and logistic requirements should be planned carefully.

In the process of planning that involves a multitude of considerations and decisions, the Group maintains emphasis on its four core processes, from partnering with our brand principals up to the point a customer picks a product off the shelves at the stores.



Partnership with Brand Principals (Suppliers)

F J Benjamin offers an extensive range of products under its portfolio of brands within the international luxury and lifestyle market. We strive to establish stable and long-term relationships with our brand principals in delivering products that meet the demands of today's customers.

Stores and Contented Customers

Our stores are tailored to deliver unique and engaging experiences for our customers. In pursuing a sustainable business model, we are inching towards the integration of online and physical store experiences, whilst taking into consideration efficient use of energy. All in all, this creates greater value to our customers and profitability.



Nominated Forwarder

We work with trusted forwarders which promote the safe and efficient transportation of products to warehouses, thereby reducing carbon footprint and better workplace environment.



Optimal Storage Solutions

Favourable storage conditions preserve the quality of the products for our customers.

As an indication of the Group's commitment to constantly review our value chain core processes, we have outsourced to a logistic provider for Singapore in FY2022 that would better serve and meet our requirements in terms of work efficiency and environmental concerns.

OUR GOVERNANCE

The Group strives to enhance shareholder value by upholding high standards of corporate governance, integrity and accountability at all levels, underpinned by robust internal controls in monitoring compliance matters, code of ethics and risk management system.

ETHICS AND INTEGRITY

F J Benjamin achieves a high standard of corporate governance through our corporate governance framework that covers ethics and compliance. The Group has established a code of conduct and guidelines that are observed by officers and employees across the Group. The code of conduct and guidelines are issued to every new employee for their familiarisation of the expected standards and behaviour whilst performing their duties.

Corporate Code of Ethics

Our Corporate Code of Ethics serves to reinforce its value and instill in its culture, the duties and obligations of its employees within the organisation. The corporate values are summarised as follows:

Policies	Description
Whistleblowing Policy	<p>Our Whistleblowing Policy outlines the procedure to raise any cases of fraud, corruption, or other dishonest practices in the workplace. The Whistleblowing Policy encourages all stakeholders to disclose any matters pertaining to possible improprieties in the financial reporting or misconduct in the Group that they may be aware of, in good faith and without the fear of reprisal. Such reports, together with the background details, chronological order of events, reasons for concern and the identity of the alleged person involved, are reported directly to the Internal Auditor and Audit Committee for investigation.</p>
Employee Code of Conduct	<p>Our Employee Code of Conduct sets out the standard of conduct and performance for all employees. The Employee Code of Conduct emphasises key elements on:</p> <ul style="list-style-type: none"> • Honest and fair business practices • Confidentiality of information • Conflict of interest • Protection of company’s assets and resources • Fair employment and remuneration practices • Relationship building with customers, suppliers, and contractors • Financial accountability and controls • Responsibility to the community and environment • Personal conduct outside of work hours <p>F J Benjamin maintains a zero tolerance approach towards any violation of the Employee Code of Conduct. Any wrongdoings may result in disciplinary actions, which include reporting of matter to appropriate authorities, where necessary.</p>
Code of Conduct and Ethics for Directors	<p>Our Code of Conduct and Ethics for Directors serves to guide the Directors on the area of ethical risk and sets a framework where integrity and accountability, as well as ethical conduct expected from the Directors in the performance of their duties.</p>
Internal Code on Dealing in Securities	<p>Our Internal Code on Dealing in Securities sets out the implications of insider trading and provides guidance and internal regulation on dealing in the Group’s securities by its Directors and employees.</p>
Customer Privacy and Personal Data Protection Policy	<p>Our Customer Privacy and Personal Data Protection Policy aims to provide guidelines to comply with the prescribed standards to protect personal data of customers from breaches.</p>

SOCIOECONOMIC COMPLIANCE

The Group recognises that by engaging in socially responsible business practices and maintaining compliance with the applicable laws and regulations where it operates in, it builds a positive reputation which gives F J Benjamin an edge over its peers in terms of its offerings and recruitment of high-calibre candidates. These are pertinent factors which drive business performance and enable us to achieve our objectives and greater growth as a Group.

For any new regulatory requirements, relevant staff are provided opportunities to attend training and workshops to gain a better grasp of the compliance requirements. In addition, F J Benjamin works closely with accredited external auditors, its sponsor and its legal advisors to ensure that all regulatory requirements with the SGX-ST Listing Manual Section B: Rules of Catalist (“Catalist Rules”) and the various Singapore Financial Reporting Standards (International) are adhered to.

The Group did not identify any non-compliance with socioeconomic laws and regulations during FY2022. The Group targets to maintain no instances of non-compliance with socioeconomic laws and regulations in FY2023.

ANTI-CORRUPTION

The Employee Code of Conduct policy serves to further reinforce the Group’s values and instill in our people the duties and obligations of every employee, our shareholders, stakeholders and our customers. The Group has zero tolerance for corruption and takes a firm stand against corrupt practices. The Group has a well-defined Whistleblowing Policy that allows employees and other stakeholders to raise concern of any suspected wrongdoing. Further details on the Group’s Whistleblowing Policy are provided on pages 54 and 55 of our Annual Report for FY2022.

In FY2022, there were no reported cases of corruption. The Group targets to maintain no reported cases of corruption in FY2023.

PERSONAL DATA PRIVACY

The Group has a Customer Privacy and Personal Data Protection Policy that addresses the practices and standards as required in the Personal Data Protection Act 2012 of Singapore to protect customers’ privacy and personal data. The Group’s compliance with the standards is managed in the Group’s Enterprise Risk Management Framework and is reviewed by the Internal Auditor bi-annually.

In FY2022, there were no instances of complaints on breaches of customer privacy or loss of customer data. The Group targets to maintain no instances of complaints on breaches of customer privacy or loss of customer data in FY2023.

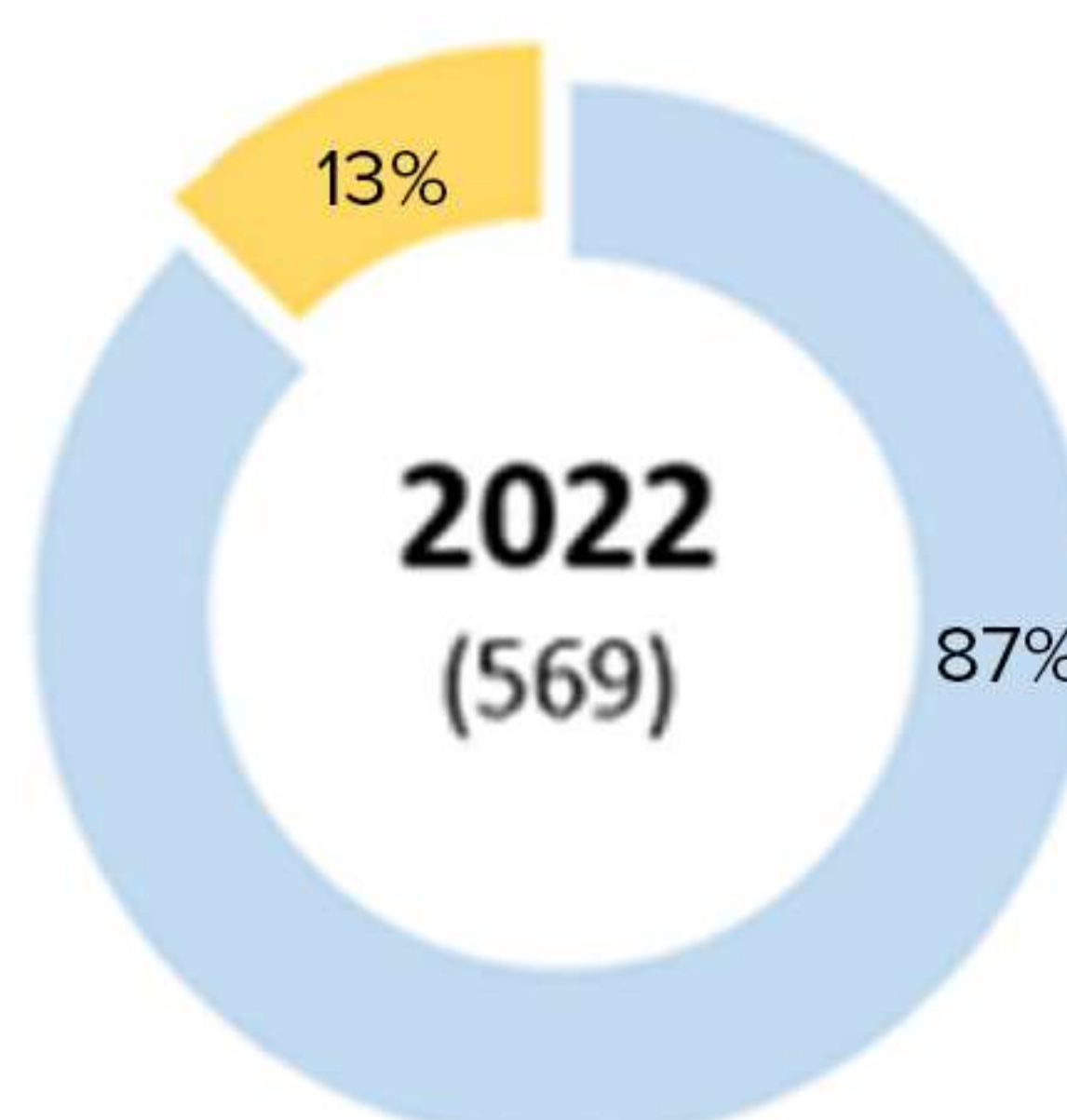
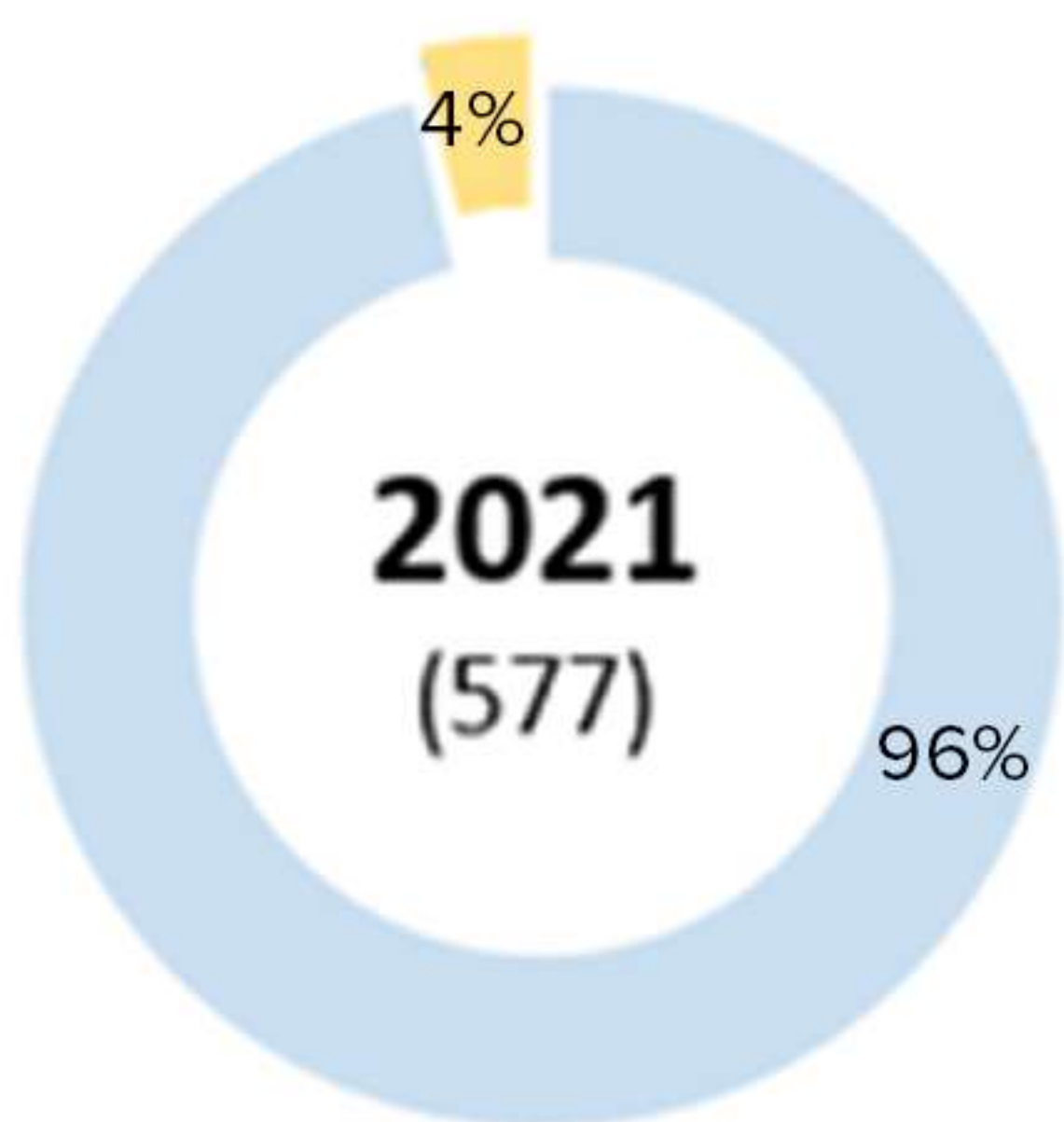
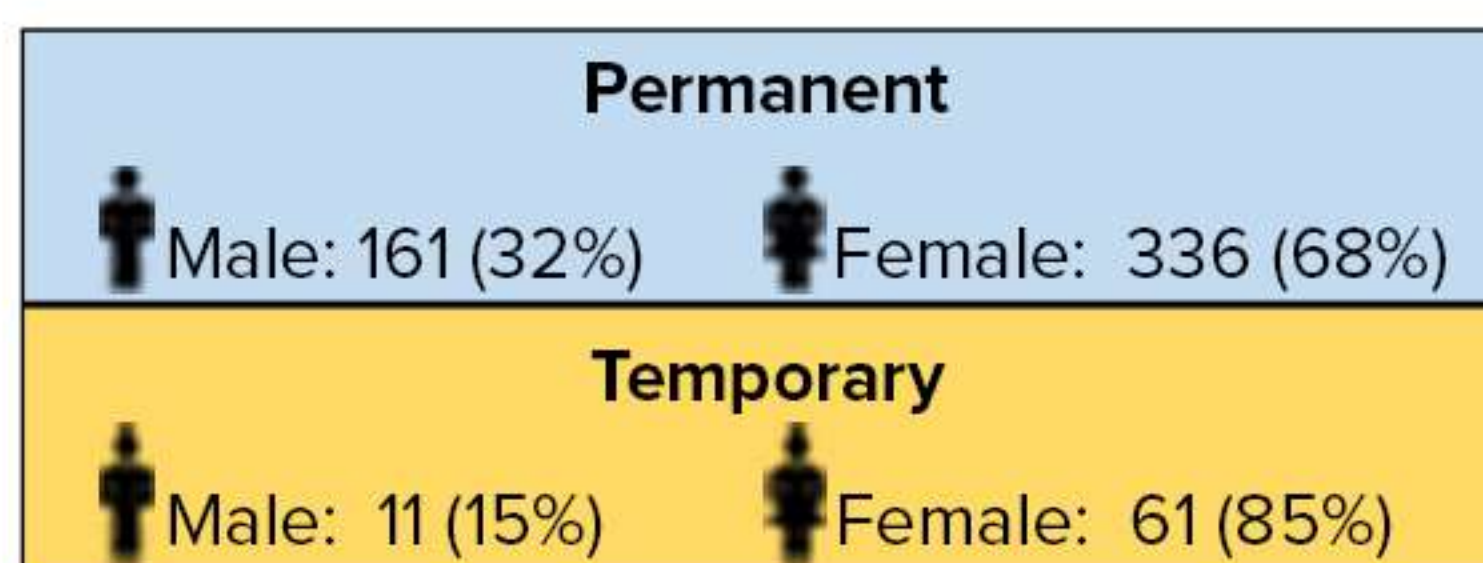
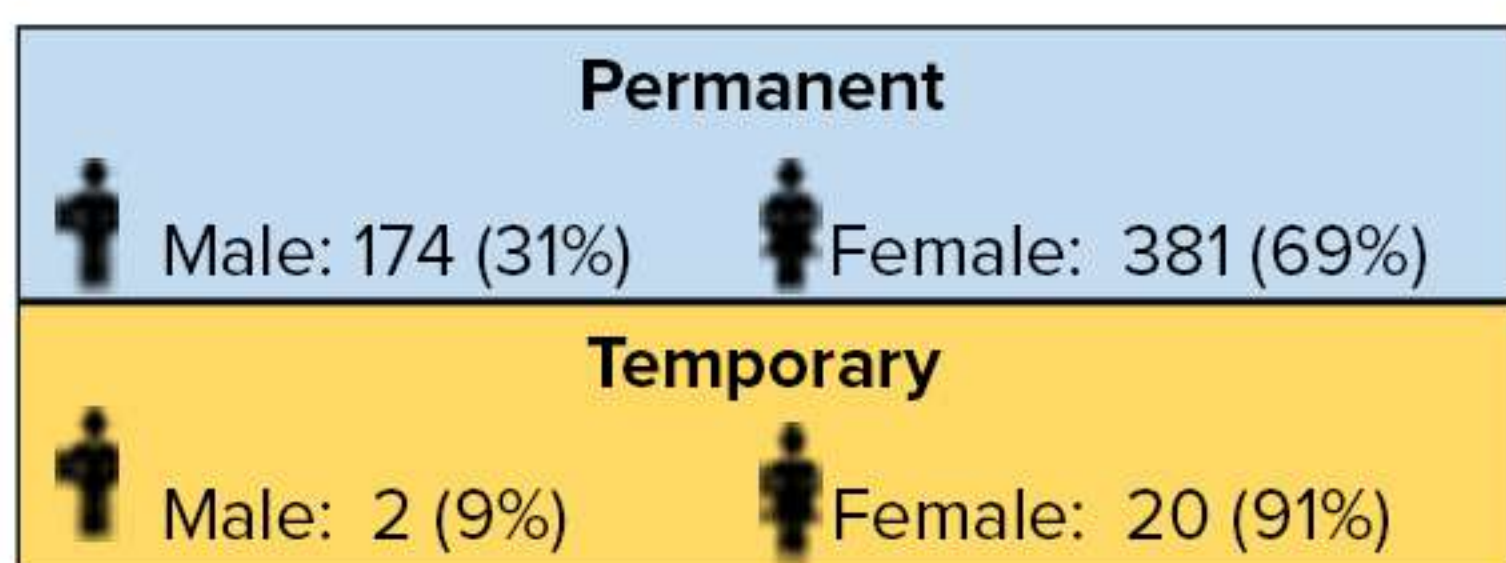
OUR PEOPLE

As a forward-thinking organisation, we see each employee as an individual with infinite potential, and encourage life-long learning and practice empowerment in decision making at all levels. We firmly believe that F J Benjamin will not be where it is today without the unique contribution of every employee.

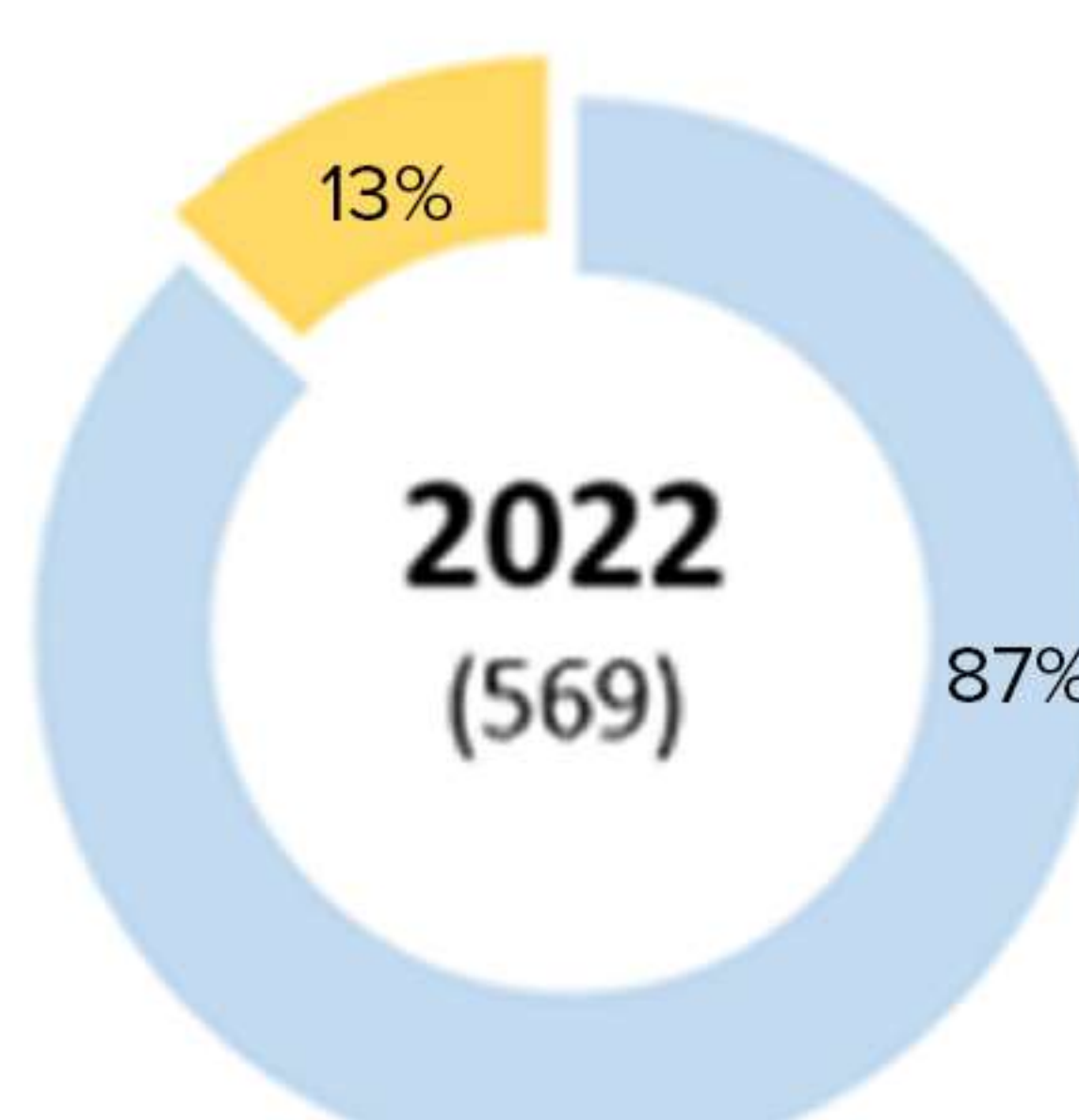
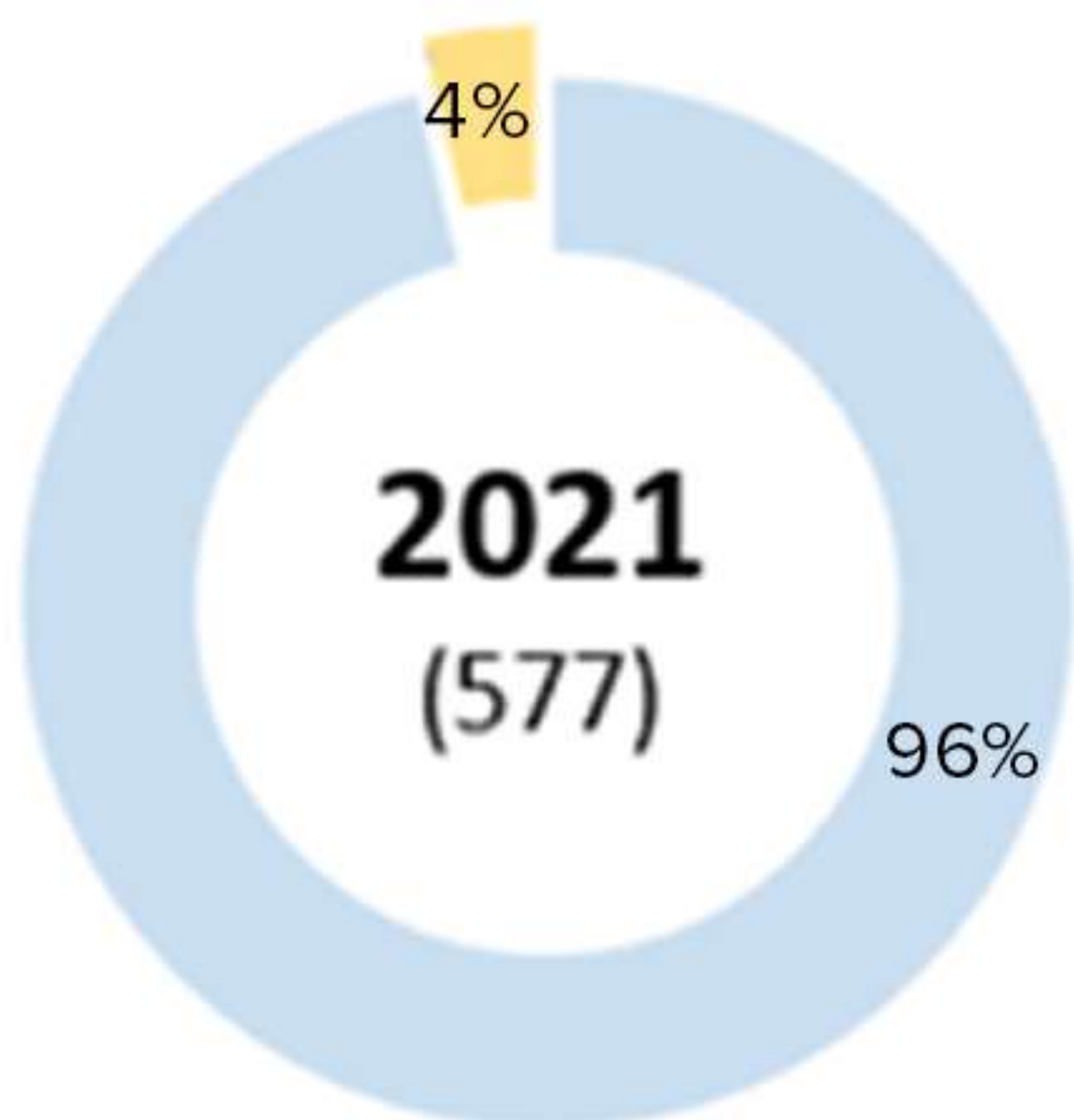
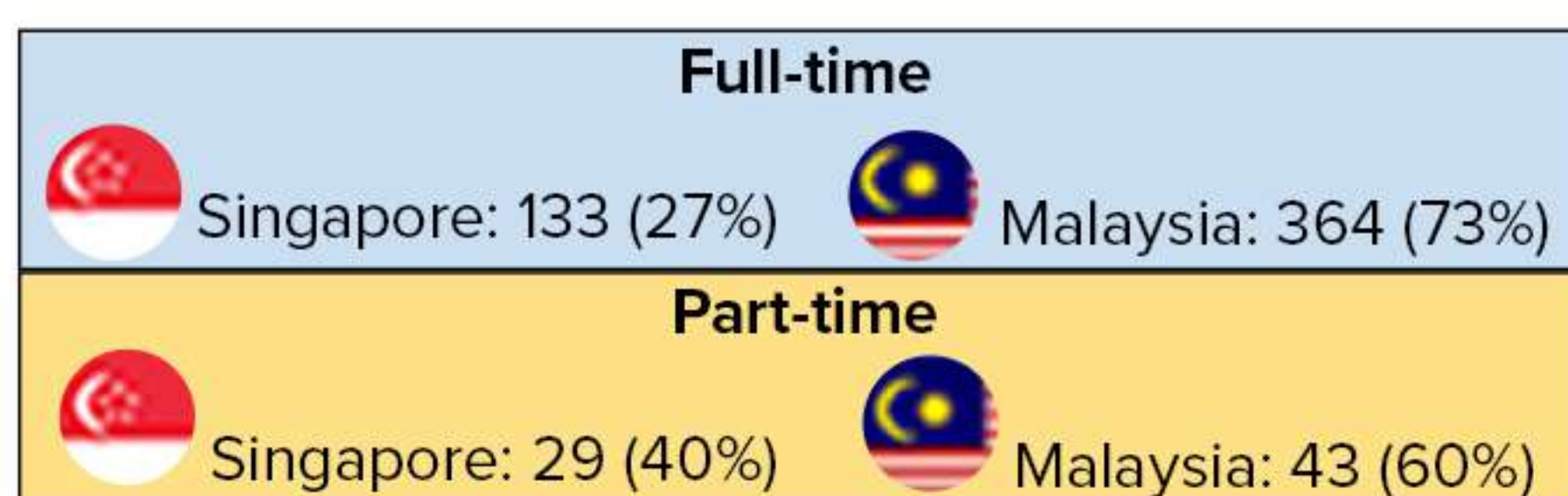
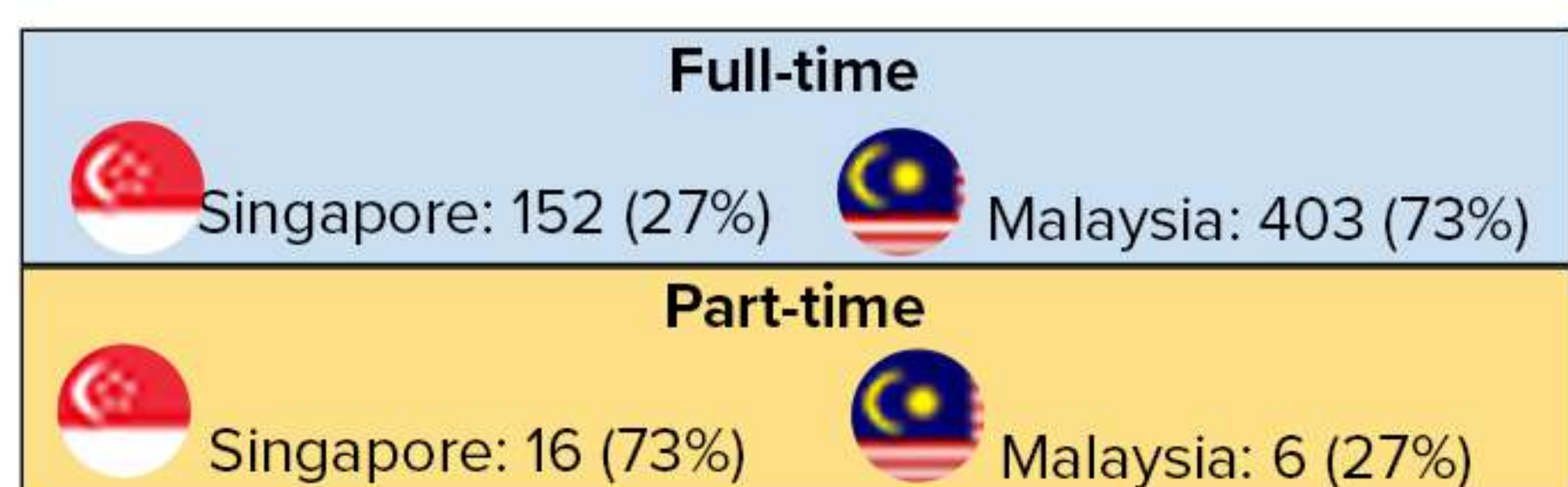


PROFILE OF OUR PEOPLE

As at 30 June 2022, there were 569 people working for F J Benjamin in Singapore and Malaysia, representing a mix of nationalities within Asia. This mix of nationalities helped build a culture that is centred around collaborations, sustainability and diversity. Our organisation consists of majority women with a 70:30 female-to-male ratio, out of which 87% are under permanent contracts and 13% are under temporary contracts with the Group.



■ Permanent Contract ■ Temporary Contract



■ Permanent Contract ■ Temporary Contract

Our workforce can be further categorised into frontline and backend staff. Due to the nature of our business, a large proportion (67%) of our employees fall under the frontline category who are responsible for carrying out day-to-day sales of brands under our Group. The remaining 33% of our employees comprise office executives and management personnel.



DIVERSITY AND EQUAL OPPORTUNITY

At F J Benjamin, the Group is committed to upholding fair employment practices and compliance with the respective local hiring regulations. As an organisation that respects and celebrates diversity regardless of race, religion, gender, age, nationality and marital status, the Group does not tolerate any form of discrimination. The Group strongly believes in the provision of equal opportunities in all aspects of employment, job assignment, compensation, discipline and access to benefits.

TALENT MANAGEMENT AND DEVELOPMENT

F J Benjamin’s growth is sustained by the people who work tirelessly to keep operations running smoothly from bringing the latest products to the stores to the delivery of valued services to our customers. Thus, we seek to ensure that our employees receive the necessary resources they need to reach their fullest potential professionally.

We grow only when our people grow. We pride ourselves in providing the necessary tools and creating possible realities for every individual to realise their potential. Store employees play a crucial role in our business, and we are committed in providing a safe and rewarding environment that enables both professional and personal development.

On-the-job training is implemented in stores whereby newly joined front-end employees will be buddied with a senior staff or supervisor at the store and are tested on their product knowledge using a checklist at the end of the training period. A significant amount of training is tailored to brand stipulated requirements and are conducted by the store operations and merchandising team to ensure that service standards and product knowledge of the front-end employees meet the expectations of the brand principals.

To attract new talents, internship programmes with leading tertiary institutions in Singapore were launched. In FY2022, two interns were converted to full-time employees at the end of their internship. To remain as a competitive employer of choice in the tight retail job market especially in post COVID-19, the Group has been revamping its remuneration packages for full-time and part-time retail employees that includes revision to the commission and incentive scheme.

An annual performance appraisal is mandated to identify and recognise any areas for development and to cater to specific needs. Appraisal results will thereafter be communicated and acknowledged by each employee.



Talent Recruitment

Talent scouting

- Using multiple channels to advertise for available positions
- Online search for talents
- Proactive scouting of talent through mystery shopping

Talent Screening

- Initial screening through phone interview by HR team
- In depth face-to-face interview with hiring manager for detailed assessment of suitability of candidate for a particular brand



Talent Training

Frontline Talent Development

- Product knowledge and training conducted by the brands and the HR team
- Buddy system for junior staff for mutual learning and guidance
- Testing of product knowledge post training period

Backend Talent Development

- Sending employees to ad-hoc structured courses
- On-the-job training
- Examination leave for employees who are pursuing courses privately



Talent Performance Review

Performance Review

- Yearly appraisal of staff is conducted one to two months prior to the close of the financial year
- HR manager works closely with stores and brand managers on a monthly basis to discuss, plan and follow-up on talent management matters such as the training needed

EMPLOYEE FEEDBACK AND COMMUNICATION

The Group maintains an active communication channel with employees via e-mails, internal meetings and the Company's intranet portal to disseminate information relating to employees and the Group's business activities. During the course of the COVID-19 pandemic, the Group constantly relayed safe management measures updates and protocol to employees to keep them abreast with the requirements.

The Group keeps the lines of communication open with the managers, and explicitly tell them that no piece of feedback is insignificant as they are often at the frontline, privy to both formal and informal employee feedback obtained from one-on-one session, in team meetings, and in water cooler conversations. Such conversations may reveal important findings on what is driving job satisfaction, retention, engagement and productivity on their teams and what is hindering it. An exit interview is essentially a last opportunity to collect employee's feedback on the primary reason for leaving.

Feedback received from employees on their working relationship with their direct supervisor, manager, compensation, benefits, team dynamics, growth opportunities and anything else allows the Group to address any lapses and work towards improving its employment policies.

The Group continues to publish and circulate a quarterly in-house publication that updates employees on the business activities carried out by the brands across the two countries in which the Group operates, i.e. Malaysia and Singapore. The publication is distributed digitally to every employee to promote a sense of togetherness between the two countries. This quarterly publication also includes introductory write ups of new employees from each country.

WORKPLACE SAFETY AND HEALTH

As the COVID-19 pandemic continues to evolve towards a "new normal", the Group recognises the need for new ways of working which accelerated the adoption of flexible work arrangements, whereby employees remain productive even when they are not physically on-site. In FY2022, the Group adopted a 20% work from home arrangement for office administrative staff with staggered work hours being arranged for all the employees who require to work in office. The Group continues to observe safe management measures recommended by the government agencies at our retail outlets and office to safeguard the well-being of our customers and employees. Provision of face masks, hand-sanitizers and ART test kits are made available to our employees.

MENTAL HEALTH

The effects of the COVID-19 pandemic have caused a massive change to our daily lives, changes that have happened rapidly and abruptly. This sudden need to cope with a "new normal" has impacted the mental health of many people needing to make adjustments to their lifestyle and this can come with a wide range of emotions. The Group recognises and have proactively taken measures to address these concerns amongst our employees. Feedback was obtained prior to the implementation of hybrid working models and understanding the general challenges employees face while working from home. Through these sessions, the Group was able to introduce appropriate working schedules that enable employees to maintain their physical and mental well-being.

OUR ENVIRONMENT

With Singapore's commitment to the United Nation's 2030 Sustainable Development Agenda and Paris Agreement, the Singapore Green Plan 2030 mobilises the entire nation to advance national agenda on sustainable development. Organisations are encouraged to adopt environmentally friendly business practices to move towards the national objective of achieving long-term net zero emissions to build a sustainable future.

Following the call, the Group has reiterated its continual commitment to the reduction in our environmental footprint by incorporating good environmental habits in our business practices.

REDUCING PAPER CONSUMPTION IN OFFICE

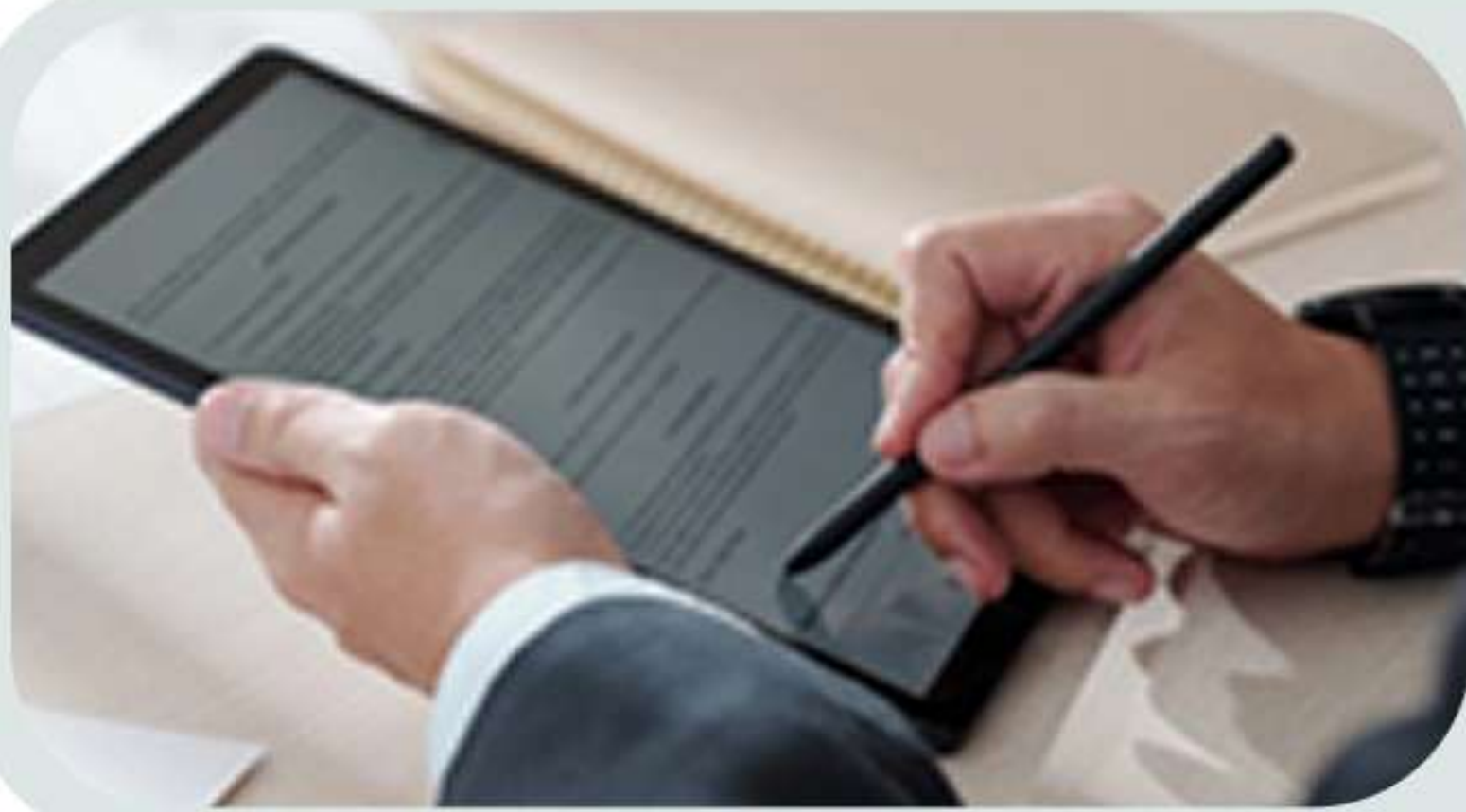
Offices produce significant quantities of waste such as paper which provide great potential for waste minimisation and recycling. The Group recognises this and has taken the stand to reduce the consumption of paper in the office by introducing the following initiatives:



Thinking before printing and using double-sided printing option when required.



Encouraging the use of digital documents to replace printed handouts in meetings.



Opting for paperless billing and online payment option where possible.



Storing common information such as Staff Handbook, Policies and Manuals, forms, claims electronically.



Using technology to share documents and information in a secured manner and taking notes digitally.

REDUCING THE USE OF CARRIER BAGS AT RETAIL

In-line with the Zero Waste Nation initiative by the Ministry of Sustainability and the Environment (“MSE”) and the National Environment Agency (“NEA”) of Singapore, F J Benjamin has in FY2022 begun encouraging customers to bring their own bags and reduce the use of carrier bags by requiring a minimum charge for providing it. The initiative has been effective and the Group intends to continue encouraging customers to cultivate green consumption habits that promotes recycling and safeguarding of the planet’s resources.

ENERGY AND GHG EMISSIONS

F J Benjamin continues to recognise the importance of managing our operational energy usage. We understand that our actions have a direct impact on environmental issues such as climate change. As such, we take all feasible steps to ensure that energy is not wasted in the course of our business.

At F J Benjamin, our primary environmental footprint stems from electricity used from lighting and air-conditioning to run our retail stores, warehouses and offices. In addition to updating our infrastructure, we recognise the importance of inculcating an environmentally-conscious attitude in our employees.

Consequently, F J Benjamin has implemented several initiatives in office:



Replacing lighting with energy saving bulbs and LED on displays and ceilings.

Internal monitoring of electrical usage by switching off lights and air-conditioning at unoccupied area in office or during lunch.



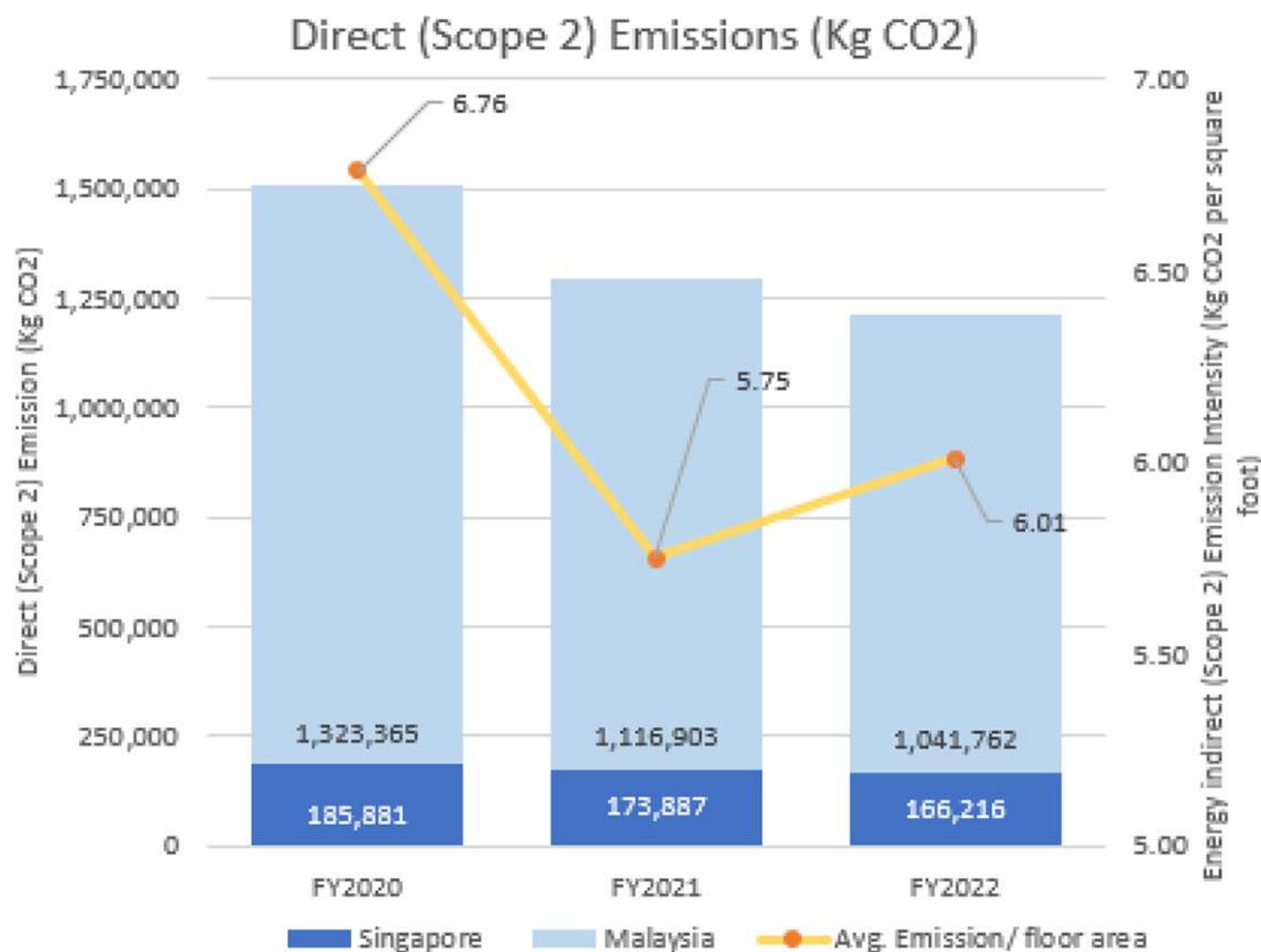
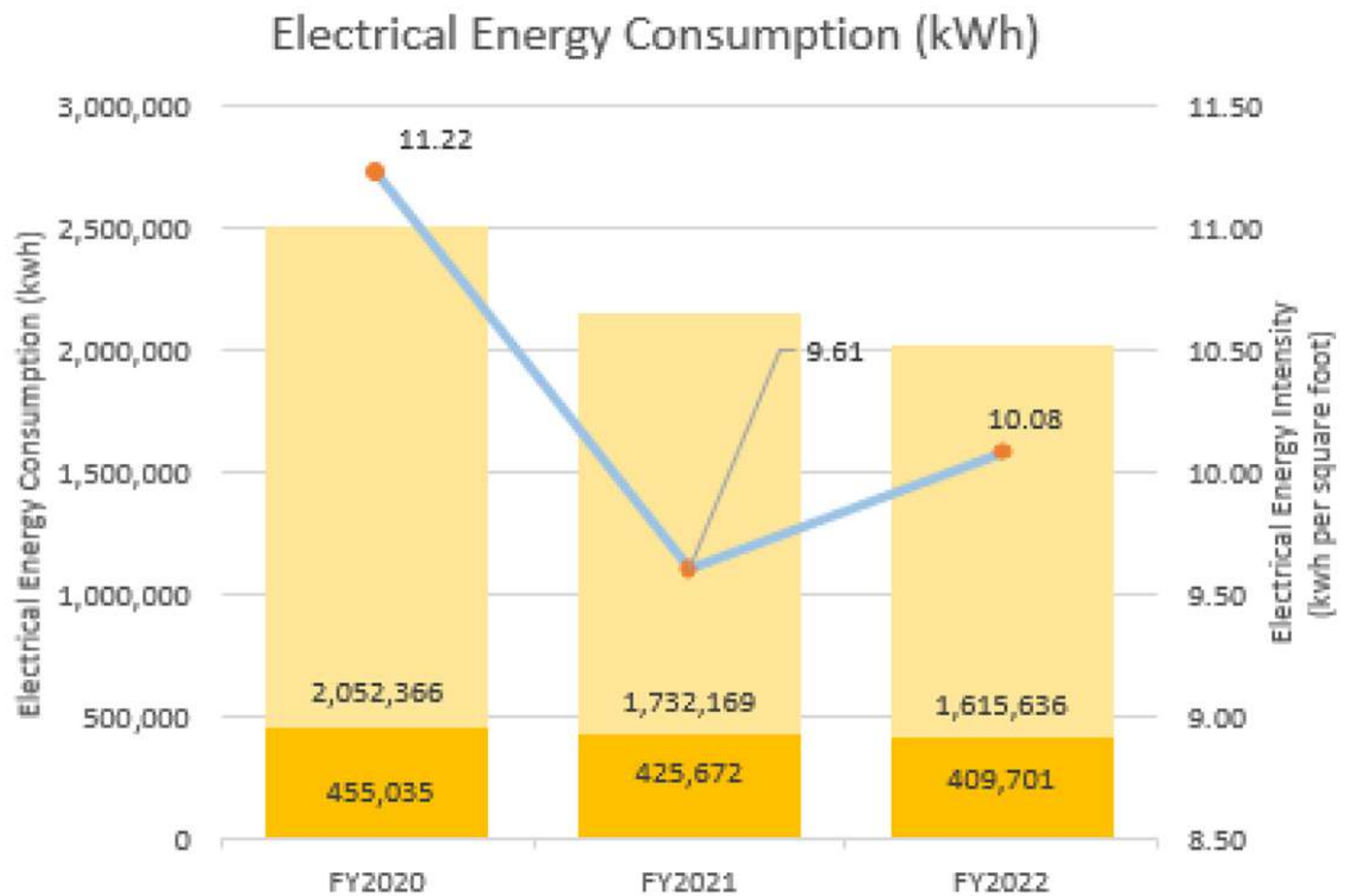
Setting the correct temperature of air-conditioners in office to save electricity.

Encourage the use of digital meeting methods where possible to minimise the need to travel.



PERFORMANCE

In FY2022, the Group's total electrical consumption totalled 2,025,337 kWh, producing 1,207,978 Kg CO₂ (scope 2) emissions. This is a 6% decrease in electrical consumption as compared to the previous reporting year. The 5% increment to 10.08 kWh per square foot in FY2022 was contributed by the resumption of normal store operating hours.



ENVIRONMENTAL COMPLIANCE

The Group did not identify any non-compliance with environmental laws and regulations during FY2022. The Group targets to maintain no instances of non-compliance with environmental laws and regulations in FY2023.

APPENDIX

This section explains the calculation boundaries, methodologies and assumptions used in the computation of F J Benjamin's GHG emissions.

Reporting Scope and Period

F J Benjamin adopts the Operational Control Approach, as outlined in the GHG Protocol Corporate Standard, and is used to determine organisational boundaries. This attributes accountability for 100% of the GHG emissions from operations over which the organisation has control.

Data for energy and GHG emissions consumption from the following reporting periods have been included in the Sustainability Report for FY2022:

- FY2021: 1 July 2020 to 30 June 2021
- FY2022: 1 July 2021 to 30 June 2022

Energy and Carbon Intensity

Electricity consumption covers usage at our offices, warehouses and stores in Singapore and Malaysia. Intensity metrics are calculated relative to effective Gross Floor Area (GFA), expressed as kWh/sq m.

GHG Emissions

Scope 2 emissions are calculated from the consumption of grid electricity in Singapore and Malaysia, expressed in tonnes of CO₂.

Emission Factors

Scope 2: Emission factors for the calculation of electricity consumption taken from the Energy Market Authority (EMA) for Singapore (0.4057 kg CO₂/KWh) and the Institute of Global Environmental Strategies (IGES) for Malaysia (0.6448 kg CO₂/KWh).

GRI CONTENT INDEX

GRI Standards Disclosure Reference	Description	Section of Report / Reasons for omission	Page Reference
GRI 102: General Disclosures 2016			
Organisational Profile			
102-1	Name of the organisation	Introduction	4
102-2	Activities, brands, products, and services	Introduction	4
102-3	Location of headquarters	Introduction	4
102-4	Location of operations	Introduction	4
102-5	Ownership and legal form	Introduction	4
102-6	Markets served	Introduction	4
102-7	Scale of the organisation	Introduction	4
102-8	Information on employees and other workers	Our People	17
102-9	Supply chain	Our Value Chain	13
102-10	Significant changes to the organisation and its supply chain	Introduction	4
102-11	Precautionary Principle or approach	Our Governance	14
102-12	External initiatives	Not applicable	-
102-13	Membership of associations	Membership of Associations	10
Strategy			
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Ethics and integrity			
102-16	Values, principles, standards, and norms of behaviour	Ethics and Integrity	14
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102-18	Governance structure	Our Governance	14

GRI Standards Disclosure Reference	Description	Section of Report / Reasons for omission	Page Reference
Stakeholder Engagement			
102-40	List of stakeholder groups	Stakeholder Engagement	8-9
102-41	Collective bargaining agreements	Not applicable	-
102-42	Identifying and selecting stakeholders	Stakeholder Engagement	8-9
102-43	Approach to stakeholder engagement	Stakeholder Engagement	8-9
102-44	Key topics and concerns raised	Stakeholder Engagement	8-9
Reporting Practice			
102-45	Entities included in the consolidated financial statements	About this Report	6
102-46	Defining report content and topic Boundaries	Materiality Assessment	10
102-47	List of material topics	Materiality Assessment	10
102-48	Restatements of information	No restatements of information	-
102-49	Changes in reporting	No changes in reporting	-
102-50	Reporting period	About this Report	6
102-51	Date of most recent report	F J Benjamin Sustainability Report for FY2021 issued on 30 November 2021	-
102-52	Reporting cycle	Annually	-
102-53	Contact point for questions regarding the report	About this Report	6
102-54	Claims of reporting in accordance with the GRI Standards	About this Report	6
102-55	GRI content index	GRI Content Index	27-30
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GRI 103: Management Approach 2016			
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103-2	The management approach and its components	Our Governance: Ethics and Integrity	14-15
103-3	Evaluation of the management approach	Our Governance: Ethics and Integrity	14-15
GRI 205: Anti-Corruption 2016			
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205-3	Confirmed incidents of corruption and actions taken	Our Governance: Anti-Corruption	16
GRI 307: Environmental Compliance 2016			
307-1	Non-compliance with environmental laws and regulations	Our Environment: Environmental Compliance	25
GRI 419: Socioeconomic Compliance 2016			
419-1	Non-compliance with laws and regulations in the social and economic area	Our Governance: Ethics and Integrity	14
		Our Governance: Socioeconomic Compliance	16
Training Management and Development			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Materiality Assessment	10
103-2	The management approach and its components	Our People: Talent Management and Development	19-20
103-3	Evaluation of the management approach	Our People: Talent Management and Development	19-20
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	Average hours for training for shop employees in FY2022 was not met due to the COVID-19 pandemic which disrupted operations.	

GRI Standards Disclosure Reference	Description	Section of Report / Reasons for omission	Page Reference
404-3	Percentage of employees receiving regular performance and career development reviews	Our People: Talent Management and Development Our People: Employee Feedback and Communication	19-21
Energy Use and GHG Emission			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Materiality Assessment	10
103-2	The management approach and its components	Our Environment: Energy and GHG Emissions Our Environment: Performance	24-25
103-3	Evaluation of the management approach	Our Environment: Energy and GHG Emissions Our Environment: Performance	24-25
GRI 302: Energy 2016			
302-1	Energy consumption within the organisation	Our Environment: Energy and GHG Emissions Our Environment: Performance	24-25
302-3	Energy intensity	Our Environment: Energy and GHG Emissions Our Environment: Performance	25-25
GRI 305: Emission 2016			
305-2	Energy indirect (Scope 2) GHG emissions	Our Environment: Energy and GHG Emissions Our Environment: Performance	24-25
305-4	GHG emissions intensity	Our Environment: Energy and GHG Emissions Our Environment: Performance	24-25