

Matex's Global Compact COP 2021

Time period

January 2021 – December 2021

Format

Standalone document – Basic COP Template

Differentiation Level

This COP qualifies for the Global Compact Active level

Self-assessment

Includes a CEO statement of continued support for the UN Global Compact and its ten principles

Description of actions or relevant policies related to Human Rights

Description of actions or relevant policies related to Labour

Description of actions or relevant policies related to Environment

Description of actions or relevant policies related to Anti-Corruption

Includes a measurement of outcomes

Statement of continued support by the Chief Executive Officer

Statement of the company's chief executive (CEO or equivalent) expressing continued support for the Global Compact and renewing the company's ongoing commitment to the initiative and its principles.

Dear Matex Stakeholders,

2021: Transcending New Horizons!

Following up from 2020, Matex continued to pivot towards an asset lighter strategy and increased its efforts to fuel new growth amid three core areas namely **Health and Well-Being, Environmental Solutions and Lifestyle Wear**. It had worked closely with its supply chain partners to evolve and recalibrate the group's range of products and services that will allow it to transcend and capitalize these new and emerging business horizons.

Working tirelessly behind the scenes with many brands, organizations and government bodies, we were thankful to be given these valuable opportunities to put our solutions to good use, contributing nationally and regionally with the excellent products our customers were able to develop, commercialize and roll out amid the pandemic!

Working closely in tandem with **ST Engineering** and the **Temasek Foundation** was one such sterling example to provide Singapore more than 5 million residents a more sustainable product, up to 7 months of potential use versus daily throw away disposable masks. The **MaskPure™ AIR+ Reusable Mask** provides proven protection for everyday use, with antimicrobial protection against 99.9% of viruses and bacteria, and more than 95% particulate filtration against PM2.5 and harmful particles.¹ This has led to more opportunities for Matex to reach other esteemed organisations like the **Changi Airport Group, SATS** and many others, to help these customers differentiate and be more sustainable too. Innovation plays an absolute crucial role in this aspect!

AKEMI HEIQ Viroblock² the leading brand of a regional powerhouse and household name for home textile was another clear example of this. Our distributed bio-based anti-viral solution was integrated in the brand's own range of differentiated products to help keep their consumers safer in the built environment with better living confidence and conditions.

Such is the versatility of our distributed innovations that they have helped our customers to leverage on leading sustainable technologies to stay ahead of their competition and continue to stay relevant and plugged in to the market needs.

¹ <https://stayprepared.sg/staymasked/reusable/maskpure/>

² <https://akemihome.com/viroblock/>

We were delighted to launch our e-commerce store in October 2021 <https://matex-sg.myshopify.com/> bringing a new milestone for the group in the B2C segment. This compliments and adds to more B2B opportunities. It is also a concerted effort on our part to go digital and to reach out to a wider target audience across more industries.

These and many other examples, along with Matex's continued efforts to raise its global profile and give back can be viewed in the main link below.

[Please visit: - http://www.matex.com.sg/en/news_2021](http://www.matex.com.sg/en/news_2021)

Megapro ECO® a Singapore Apex Corporate Sustainability award³ winning sustainable solution continued its deployment in the field of sustainability for textile and manufacturing across the fashion value chain, is a system which eliminates the need for salt in exhaust dyeing of cellulosic, which can potentially impact up to 50% of global demand for better lifestyle wear.

Salt used in dyeing is otherwise hard to recover and often ends up in waste streams with severe detrimental effects to the environment. For brands and mills who are committed to recycling their waste, they have found this a refreshing solution to their immediate problems. This is a meaningful environmental revolution which Matex continues to work closely with its global strategic brands, partners and customers to swiftly adopt in view of the pressing issues of climate change and to target the UN Sustainable Development Goals ("SDGs").

GOAL 3: Ensure healthy lives and promote well-being for all at all ages

GOAL 6: Ensure availability and sustainable management of water and sanitation for all

GOAL 11: Make cities and human settlements inclusive, safe, resilient and sustainable

GOAL 12: Ensure sustainable consumption and production patterns

The SDGs define global sustainable development priorities and aspirations for 2030 and seek to mobilise global efforts around a common set of goals and targets. The SDGs call for worldwide action among governments, businesses and civil society to end poverty and create a life of dignity and opportunity for all, within the boundaries of the planet.

Matex continues to be a **Bluesign® System** International Partner, committed to support Bluesign's vision to manage inputs and responsible actions. The **Bluesign® System** unites the entire textile supply chain to jointly reduce its impact on people and the environment.

Matex's products are approved by **Intertek's Green Leaf Mark Environmental Certification**, which places strong emphasis on the ban of hazardous Azo Dyes and effects limits on extractable heavy metal content.

Matex is a regular member partner at **Ecological and Toxicological Association of Dyes and Organic Pigments Manufacturers ("ETAD")**. It was founded in 1974 as an international organisation of Responsible Companies. ETAD's Code of Ethics, which is based on the principles of responsible care, complies with all national and international chemical regulations. It bases its position on sound science, internal industrial know-how and constantly updated regulatory information.

Matex chaired the 5th China Operating Committee ("ChOC") of ETAD online to align common goals for safety and the environment. The committee focuses on local activities and collaborates with regulatory bodies on all legislation developments affecting the colorant industry.

Matex completed its LEVEL 3 on site audit and was awarded **OEKO-TEX® ECO PASSPORT Certificates**, which ensured its products meet the stringent statutory requirements. The **ECO PASSPORT** certification can be used as a credible proof for sustainable textiles and leather production for both brands and manufacturers. The chemicals certified in accordance with the **ECO PASSPORT** have been tested for the presence of harmful substances in critical concentrations as listed in the **ECO PASSPORT** standard. The certification also gives

³ http://matex.com.sg/en/news_2019/news_items/64

transparent proof that the treated articles meet the criteria for ecologically responsible textile manufacture.

Matex partnered ZDHC Gateway in its Roadmap to Zero Discharge of Hazardous Chemicals for a more circular economy approach and is committed to help find suitable solutions for its customers to repurpose, reduce, reuse and recycle their waste into valuable resources. As a ZDHC formulator, we will also focus on advancing the industry's standards, towards a safer chemical management platform which is in line with the goals of Matex and its stakeholders to improve the lives of billions with clean technologies.

Continuing our efforts as a responsible global corporate citizen, we actively champion a growing diverse range of programmes and initiatives to give back to society as part of our ongoing corporate social responsibility (“**CSR**”) initiatives. Some of these highlights in 2021 include:

- 1) Working closely with Chrisal S.E Asia to dispatch to various social enterprises, eldercare residences, homes, community centres, charities and religious organisations the benefits of our latest range of **Probiotic and Prebiotic Solutions**.

We sincerely hope to continue our best outreach to raise awareness on the need for better cleaning and hygiene solutions that can clean better, more efficiently, and reduce the built-up of antimicrobial resistance or AMR which has been quite ignored as a germophobic society we have now become. Having to thoroughly clean and deep clean with existing disinfectant solutions can inherently lead to more severe underlying problems later.

Restoring confidence, protecting the vulnerable and building growth resilience are strong and meaningful pillars to give back to these communities.

- 2) Releasing its **2021 Communication on Progress Report (“COP”)** on the UN Global Compact Website. We are constantly on the lookout for better ways to reduce our impact on the environment by lowering carbon emissions and improving energy efficiencies in our daily operations.
- 3) Continuing to pledge its commitment to Fair Employment Practices under the framework of **Tripartite Alliance for Fair & Progressive Employment Practices (“TAFEP”)** organised and endorsed by Ministry of Manpower of Singapore, National Trade Union Congress and Singapore National Employers Federation.
- 4) Working with Singapore University of Technology & Design (**SUTD**) DYNAMIC ASSEMBLIES LAB again in the Knit Color Relief installation using **Megafix ECO® Dyes at the 4th ART ENCOUNTERS @ MILLENIA WALK, SINGAPORE.**⁴

First launched during Singapore Art Week 2020, Art Encounters is a presentation series capturing the art-making process within repurposed shipping containers, designed to travel to unique sites around Singapore. Now in its fourth edition, Art Encounters arrives at Marina Central with an array of activities across the precinct focused on the diversity of textile art. It reflects on the relationship with nature and the distance between our ideals and actions.

The fabrics are knitted on a Shima Seiki computer numerical control (CNC) knitting machine and the complex colours are achieved by knitting discrete blue, yellow, black, grey and white yarns with **Matex's award winning Megafix ECO®** colors using algorithms developed in SUTD. The multi-layered photograph and the variable spirals are knitted using algorithms that carefully control the placement of the knitted loops to create morphing geometries and perspective tricks, while the vegetation is knitted using an algorithm that randomly introduces defects that the knitting machine tries to self-correct.

⁴ http://matex.com.sg/en/news_2021/news_items/122

- 5) Invited by Global Compact Network Singapore (GCNS) to a special edition **Singapore Sustainability PodCast on "Building Better Businesses: Stories of Decisive Action"! Matex's Megapro® ECO: A Better Way To Dye!**

Together with MullenLowe Singapore, in the episode on [#sustainablefashion](#), we shared on how Matex weaved sustainability into its business operations through Megapro® ECO - its environmentally friendly textile dyeing process. The challenges faced while creating this sustainable textile-dyeing process system and how it was overcome and the impact Matex has driven thus far!

Listen now: <https://bit.ly/buildingbetterbusinesses>

- 6) Working with **Singapore Management University (SMU) | BFI@SMU |** to conduct a Masterclass titled: Innovation through Co-Creation⁵

Matex International Limited was invited to participate in [BFI@SMU](#) Masterclass with topic on 'Innovation through Co-Creation' as a live case study to explore into the challenges and strategies for innovating in family business.

Family businesses need to constantly innovate to build a lasting legacy. However, innovation is not the result of any individual genius, but a co-creative journey involving multiple stakeholders. As stewards to the family and the business, the next generation faces unique challenges as they orient to a new future while preserving their family roots.

The main speakers of the Masterclass were Professor Kenneth Goh (Academic Director, Business Families Institute, Singapore Management University, and Assistant Professor of Strategic Management, Lee Kong Chian School of Business) and Mr Dro Tan (Executive Director of Matex International Limited).

- 7) **Matex pioneers in "LowCarbon SG" by GCNS⁶**

In support of the Singapore Green Plan 2030, "LowCarbonSG" aims to demystify the decarbonisation process for businesses in their transition towards lower carbon operations and investments. The programme is meant to help businesses build the habit of measuring, tracking, and reporting their carbon footprint through capacity-building and recognition efforts.

"LowCarbonSG" is helmed by Carbon Pricing Leadership Coalition (CPLC) Singapore, the decarbonisation arm of Global Compact Network Singapore (GCNS), and supported by the National Environment Agency (NEA) and Enterprise Singapore (ESG)

And Matex is honoured to be a pioneer participant in this event.

- 8) **SDC 2021 Singapore Regional Heat**

Returning after a year's long pause due to the COVID 19 in 2020. We were delighted to resume our long-standing work with the local design and fashion schools in our 2021 edition of the Society of Dyers and Colourists (SDC) Singapore Regional Heat.

Amid more than 100 entries, Ms. Choi Nakyeong student from the Raffles Design Institute took first place at the Singapore heat of the International Design Competition

⁵ http://matex.com.sg/en/news_2021/news_items/117

⁶ <https://unglobalcompact.sg/lowcarbonsg>

with her winning piece inspired from the planet “Mercury” with her interesting take and unique colour combinations of the planet, based on this year’s “Colour and the Universe” theme. She then represented Singapore for the Online Grand Final in November 2021.

FUTURE OUTLOOK

When will the pandemic end? This straightforward question is clearly crucial for the economic and market outlook, yet the answers remain elusive and nuanced.

As the world prepares for a shift to an endemic situation from the current pandemic, inflation risk and supply chain cost pressures are expected to continue to linger and persist widely in the short to mid-term. At the recent world economic forum at the Davos Agenda, global leaders through a virtual series of sessions, continue to discuss on topics of equitable global vaccination, restoring trust in global trade to build future preparedness with technology cooperation in the fourth industrial revolution, accelerating and scaling up climate innovation. China's recent power supply shortages and its policy on zero COVID policies are of key concerns to the global economy's recovery and rebalancing growth amid potential tightening monetary policies.

With this as a backdrop, Matex continues to do its best to pivot into emerging industries like health and well-being, environmental solutions, lifestyle wear with sustainable products and solutions that can add value to help its customers, brands and stakeholders differentiate and innovate. As part of its own internal restructuring efforts to be more streamline and asset light, along with its aim for a more circular economy approach, it will put more efforts into strengthening its distribution channels, green product research and development and reduce manufacturing where possible.

WORDS OF APPRECIATION

Our deepest appreciation to our valued customers, business partners, associates and stakeholders for your kind support and understanding as we worked hand in hand through 2021, to create new opportunities collectively.

With your ever unwavering trust, support and confidence, we look forward to better sustainable growth and add value to improve **the lives of billions globally!**

To our dearest Matexians, thank you again all for your strong commitment, firm determination and sound work ethics. Let’s continue to stay alert, united and ready to scale.

We best tackle each challenge with safe, reliable and innovative solutions. We entrust our competent local teams to provide sustainable developments for the Group and the communities in which we operate.

We continue to monitor the impact that its business activities or actions may have on the environment and communities and recognizes the importance of healthy ecosystems and social equity. Operating at all times with integrity, trust and reliability, remains with the same vision to continue to manufacture and supply innovative and high-quality products in a manner that minimises impact on the environment.

We deem sustainability as a critical success factor for companies to ensure long-term value creation. The key material ESG factors for the Group have been identified and reviewed by the management of the Group. The board of the Company (the “Board”) oversees the management, monitors these factors and takes them into consideration when determining the Group’s strategic direction and policies.

We will continue to pursue good corporate governance and sustainable business practices that better fosters best practices, transparency, accountability and integrity for the long-term sustainability of our business and value creation for our stakeholders and communities.

Matex International Limited's unwaveringly reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we will further describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication, wherever possible.

This progress report covers the fiscal period of 1 January 2021 to 31 December 2021.

The information and data are reported in good faith as the Group continues to strengthen its data collection processes.

Wishing one and all a great new year ahead AGAIN!

Sincerely,
Dro Tan Guan Liang
Executive Director

Human Rights

Assessment, policy and goals

Description of the relevance of human rights for the company (i.e. human rights risk-assessment). Description of policies, public commitments and company goals on Human Rights.

COVID pandemics, digitalization, technological changes and changing family structures are redefining the way organizations have to engage their employees. Work from home and flexi-hours have become the norm as a result of the evolving pandemic.

The Group continues to pledge its full commitment to Fair Employment Practices under the framework of TAFEP (Tripartite Alliance for Fair & Progressive Employment Practices) organized and endorsed by Ministry of Manpower of Singapore, NTUC (National Trade Union Congress) and SNEF (Singapore National Employers Federation).

It recognises that it is important to provide a safe and conducive working environment for employees. The Group's standardized company-wide policy includes the maintenance of a comprehensive set of work safety management systems. These include procedures for operation of machinery, occupational health and safety practices, emergency rescue plans, environmental protection practices. Our operations have management systems that are following the ISO 14001 and OHSAS 18001:2007 standards.

For a fair and equitable employment, our recruitment and promotion criteria are based on merit and the performance of individuals, without discrimination of race, gender, age or religion.

In 2021, through our consultant from the SkillsFuture Mentor Programme we continue to improve our current OJT On the Job Training and Internship Policies. The Singapore Ministry for Trade and Industry (Industry) launched this programme for SMEs to tap on a pool of SkillsFuture Mentors to strengthen their learning and development (L&D) capabilities and build up their branding as employers of choice with attractive career development and growth opportunities. We encourage SkillFuture Credits issued by the government to be used by our fellow staff for life long learning skillsets.

Matex was able to develop the skills of their employees, deliver quality internships and eventually participate in the SkillsFuture Earn and Learn Programme. This has helped to enhance our systems and processes for L&D. As supervisors and managers play a key role in developing our people, the Mentor also provided guidance and coaching to help us improve our training delivery to the trainees.

In addition, Matex also continue to tap on the SkillsFuture Earn and Learn Programme which is a work-study programme designed to give fresh graduates from polytechnics and the Institute of Technical Education (ITE) a head-start in careers by matching them with a job related to their discipline of study. The SkillsFuture Earn and Learn Programme participants will undergo a 12 to 18 months structured training programme, depending on the sector and job requirements. At the end of the programme, they will receive an industry-recognised certification and skills-based wage increments subject to satisfactory job performance.

With the aim to continue to stay relevant and be inclusive, Matex continues to review and update its own Employee Handbook, which is in accordance with the Universal Declaration of Human Rights, details employees' rights and resources within the organization. Employees are invited to give suggestions and once adopted as Code of Conduct, comply to the handbook.

The Code includes guidelines related to professional ethics, best management practices as well as other clauses that aim to protect employees and external parties in the conduct of

daily operations.

The Company revisits this document on a progressive basis, to ensure that it follows the organization's growth path, reflects encountered experiences and issues and contains timely and accurate provisions for the protection of its stakeholders.

Working with new and upcoming promise talent, supporting local schools and institutes with internship and part work and study programmes are an important experimental change to develop the future team in the organization. Matex is placing good emphasis on these areas.

Amidst tighter labour markets and increases in cost, Matex understands the need for a supportive work environment to attract, retain and motivate talents who are looking beyond the pay package, but for greater work flexibility to fulfil both their work and family aspirations.

The group has pledged its commitment to implementing fair and merit-based employment practices being that it makes good business sense and is also the right thing to do.

Implementation

Description of concrete actions to implement Human Rights policies, address Human Rights risks and respond to Human Rights violations.

The Human Resources department is responsible for receiving employees' issues and suggestions to improve the overall quality of the work environment, while respecting privacy.

HR will then be committed to resolve the issues until they are resolved in conformity with the country's laws and Universal Human Rights principles. Further incentive systems are looked at to encourage more proactive and reward good ideas.

Matex, in its labor contract, maintains a culture of openness, honesty and transparency. Its staff are encouraged to discuss issues encountered in the work place so as to find adequate solutions and prevent similar situations from happening in the future.

Measurement of outcomes

Description of how the company monitors and evaluates performance.

Some indicators that were developed to monitor and evaluate to show performance were

- A) Increased Employee Productivity, KPI scores and company business growth
- B) Lower Absenteeism
- C) Lower Sick Leave
- D) Higher levels of engagement
- E) Higher retention of talent
- F) Increase ability to attract talent

To date, Matex has not encountered incidents of Human Rights violation, due to its senior management frequently reassessing the Company's policies and ensuring that its employees and stakeholders are treated fairly and equally helped by its in house IA and its external IA Internal Audit teams.

Matex also encourages its external partners to follow its steps and act ethically in the work place which contributes to a healthier business environment and fewer cases of violation.

We have a whistle blowing system in place and so far have not registered any complaints.

Labour

Assessment, policy and goals

Description of the relevance of labour rights for the company (i.e. labour rights-related risks and opportunities). Description of written policies, public commitments and company goals on labour rights.

Within the coming year, Matex aims to continue to incorporate and communicate in its compensation packages a wider range of employee's benefits and foster a greater sense of ownership within the organization and a common spirit of esprit de corps.

Maintaining the mind-set that People are our assets, capital and not cost.

Matex recognizes the importance to provide an organizational culture based on respect and trust. As a result, the Company benefits in terms of productivity and growth.

The Employee Handbook clearly states employee rights and responsibilities and their career path and benefits. At company gatherings, management takes the opportunity to further inculcate the importance of this aspect.

The Group continues to actively participate in internship programmes organised by various academic institutions. During the year, it also participated in The Skills Future Earn and Learn Programme, a work-learn programme that gives fresh graduates a head-start in careers related to their discipline of study. It provides them with more opportunities, after graduation, to build on the skills and knowledge they acquired in school, and better supports their transition into the workforce.

It also took part in the PCP Professional Conversion Programme endorsed by Workforce Singapore. PCP is a programme under the national Adapt and Grow initiative. This programme is suitable for mid-career switchers who are prepared to undergo On-Job Training (OJT) to transit into an industry that is new to them. PCP provides career growth support to mid-career Professionals, Managers, Executives and Technicians across many sectors. Upon successful programme completion, PCP participants will be awarded with accredited qualifications

By participating in such programmes, the Group is doing its part to support as an employer and hopes to provide a steady platform to train future value skilled employees for the industry which we are in.

Implementation

Description of concrete actions taken by the company to implement labour policies, address labour risks and respond to labour violations.

Matex has written guidelines to ensure that Labor Rights are respected and in case of violation, resolved with the best interest of the neglected

party at heart. Below are a few examples of implementation measures taken by the Company:

- Employees are aware of their rights and responsibilities; - Complaint/suggestion system is in place to allow effective communications between top management and the staff.

Measurement of outcomes

Description of how the company monitors and evaluates performance.

Matex encourages freedom of speech and diversity in the work place, having employees from different nationality, religious and educational backgrounds. Human Resources and senior management work hand in hand to ensure that all employees are given access to common resources and treated possibly as best, equally in the work place.

Matex also encourages its external partners to follow its steps and act ethically in the work place which contributes to a healthier business environment.

We have a whistle blowing system in place and so far have not registered any complaints.

Environment

Assessment, policy and goals

Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.

The Group is committed to sustainable environmental practices, which plays a critical role in preserving, protecting and improving the environment. It will nevertheless continue to seek for ways to improve its environmental protection capabilities.

Matex made good progress this year by partnering Okeotex, ETAD, Bluesign & ZDHC as a regular member to supports a common vision to work together for safer colorants!

The Group's products are approved by Bluesign, ZDHC, Okeotex, Ecopassport, Intertek's Green Leaf Mark Environmental Certification, which places strong emphasis on the ban of hazardous Azo Dyes and limits on extractable heavy metal content.

Targeting to be a world leader and a specialist in clean colour science technologies through its' dyestuffs and chemicals production. Matex has continue to promote its energy and water saving range of low temperature reactive dyestuffs under the Megapro RE brand name. The company typifies its growing commitment towards sustainability in the global textile industry further with Megapro CF a solution to T/C, CVC blends to increase significant savings and enhanced productivity.

Matex continued its efforts with Megapro® ECO, a system which eliminates the need for salt in exhaust dyeing. This is an environmental revolution and during the year, it commences marketing with its global strategic brands and business partners with the aim to become the first player in the industry to assist its customers to meet stringent environmental regulations and increase productivity and process cost multiple folds.

Matex is a manufacturer and formulator of quality specialty chemicals and dyes focused on sustainable, low-carbon and cleantech initiatives.

For 2021, a combined of the above efforts allows up to 80% of the plants waste to be recovered or reused with a target to push for zero discharge in the next 3 to 5 years as the pinnacle and its duty to be a leading example to its contemporaries and share the benefits with its global customers.

In addition to business activities being directly involved in fighting climate change, the

Company has continued its easy to adopt and simple guidelines to reduce energy consumption in the work place and raise awareness among its stakeholders, rewarding appropriately good ideas and best practises of workable schemes. Encouraging and motivating the inventors and stakeholders internally.

Further to that, the company makes a point to invest up to 10% of its revenues/funds into research and development for clean technologies with an aim to provide a world of innovative solutions and practical technologies in sustainable textile processing.

Implementation

Description of concrete actions to implement environmental policies, address environmental risks and respond to environmental incidents.

Matex's business solutions aim to find innovative ways to fight climate change and raise awareness among the population. and this is by actively participating at the seminars and competition as described earlier. In addition, energy saving and environment protection guidelines are mentioned in the Company's Webpage and Employee Handbook.

Matex's goal, continues to take improving steps to measure its carbon footprint from its day-to-day operations, business travel and events, on a continuous basis. In the coming year, Matex will also look out for right opportunities to partner like-minded, environmentally and global compact members to further efforts in saving and caring for the environment.

As a pioneer in the LOWCARBON SG programme as part of the Singapore Green Plan 2030, we envision the transition to a low carbon economy will be inevitable. By establishing, monitoring and reduce or reusing where possible these emissions can culminate in a better footprint for us and our stakeholders.

Measurement of outcomes

Description of how the company monitors and evaluates environmental performance.

Via setup guidelines and targets agreed within departments, Matex reviews these regularly, depending on subject matters, can be weekly, monthly and quarterly to measure the targets set against achieved. It also empowers key leaders to come up with creative ideas with its team to further improve on existing plans.

At the office, employees now apply the guidelines stipulated in the Employee Handbook and continuously seek new measures to limit their environmental footprint. Matex started a programme on carbon and water footprint measures internally with its IA team and hopes to utilise some of these information as part of its sustainable report to complement with its annual report in the near future.

More emphasis will be placed on WEC emissions through help from finance in its segregation of expenses attributing to these areas and by department to find ways to reduce waste and through the universal popular Kaizen system eliminate waste for increase bottom lines. These are plot into graphs and quick charts for trend analysis and actions to follow.

Matex also encourages its external partners to follow its steps and act ethically in the work place which contributes to a healthier business environment.

It continues to work on its prospects for ISO 14064 part 1 & 2 Green House Gas Management System and ISO 50001 Energy Management. Hopefully with the guiding principles of these processes, identify more ways to better monitor and evaluate our environmental impact as baseline and performance as guiding targets.

We have a whistle blowing system in place and so far have not registered any complaints.

Anti-Corruption

Assessment, policy and goals

Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment). Description of policies, public commitments and company goals on anti-corruption.

Matex's headquarter continues to be located in Singapore. As a public listed company it tends to face a higher need to uphold transparency and corporate governance. In order to avoid such violations, the Company holds a strict zero-tolerance policy for corruption and bribery.

The Employee Handbook, available to all employees, contains the Company policy and protocol to follow in the incidence of corruption and bribery violation. In case staff is confronted to situations where corruption and bribery are likely to take place, the Company's protocol provides guidance on how to react and report this type of violation. To ensure the independence of the Board of Directors (BOD), transparency in the BOD operations as well as to safeguard stakeholders' interest and maximizing their long-term values, the Group continuously updates and improves the company's policies and procedures.

Regulatory compliance is of importance for business continuity. It also serves to foster trust among stakeholders. Just as a positive reputation is likely to encourage stakeholders to maintain and deepen relationships, the converse can ultimately undermine the financial performance of the Group.

As a responsible corporate citizen, the Group will continue to observe all regulatory requirements within the Group.

Implementation

Description of concrete actions to implement anti-corruption policies, address anti-corruption risks and respond to incidents.

The selection of business partners and opportunities is done through a competitive bidding process, based on transparency and fairness, as to encourage market competitiveness and avoid corruption. Additionally, the Company works with an online platform where employees' work and responsibilities can be tracked, allowing senior management to closely monitor projects and the way business is conducted with external parties.

Matex also encourages its external partners to follow its steps and act ethically in the work place which contributes to a healthier business environment.

For the financial year ended 31 December 2021, the company has generally adhered to the framework as set out in the Singapore Corporate Governance Code 2012 issued on 2 May 2012.

Measurement of outcomes

Description of how the company monitors and evaluates anti-corruption performance.

As a result of the Company's policy, all employees are made aware of consequences related to corruption and bribery violations. Senior management ensures as best that junior and mid-level employees are best trained and an open system allows transparency to best reduce possibilities of such undesirable incidents occurring.

We are committed to maintaining the high standards of our corporate governance.

We have a whistle blowing system in place and so far have not registered any complaints.

Below table summarised the information on communications the Group has with the different group of stakeholders.

Stakeholders	Topics concerned	Communication channels	Frequency per year
Customers	<ul style="list-style-type: none"> Production quality and Improvements; Operation in compliance with applicable law and regulations; Customer support; Financial performance 	<ul style="list-style-type: none"> Customer visits or meetings; Industry exhibitions; Quarterly or half yearly business review; Customer service hotline and email 	<ul style="list-style-type: none"> As required Yearly Quarterly or half year As required
Employees	<ul style="list-style-type: none"> Communication and engagement; Career development and welfare; Working environment condition; Training 	<ul style="list-style-type: none"> Social events with employees, internal announcement and emails; Regular management meeting with staff; Regular review with department heads; 	<ul style="list-style-type: none"> As required As required As required
Shareholders	<ul style="list-style-type: none"> Return on investment; Operation in compliance with applicable law and regulations 	<ul style="list-style-type: none"> Half yearly and annual financial results announcement; Sustainability report 	<ul style="list-style-type: none"> Bi-yearly Yearly
Investors	<ul style="list-style-type: none"> Strategic plans; Operation in compliance with applicable law and regulations 	<ul style="list-style-type: none"> Regular meeting with investors; Sustainability report 	<ul style="list-style-type: none"> As required Yearly
Suppliers	<ul style="list-style-type: none"> Supplier quality performance; Supplier sustainability in business; Operation in compliance with applicable law and regulations 	<ul style="list-style-type: none"> Regular meeting with suppliers; Key suppliers audit; Sustainability report 	<ul style="list-style-type: none"> As required Yearly Yearly
Government and regulators	<ul style="list-style-type: none"> Operation in compliance with applicable law and regulations 	<ul style="list-style-type: none"> Regular compliance update and submission 	<ul style="list-style-type: none"> Yearly
Communities	<ul style="list-style-type: none"> Environmental protection; Community activities involvement; Support to society organisations; Operation in compliance with applicable law and regulations 	<ul style="list-style-type: none"> Participation in community activities; Communication through phones and emails; Sustainability report 	<ul style="list-style-type: none"> On-going As required Yearly

