

OCEAN SKY

OCEAN SKY INTERNATIONAL LIMITED

2021
SUSTAINABILITY REPORT

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Sponsor Statement

The sustainability report has been prepared by Ocean Sky International Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor, UOB Kay Hian Private Limited (the “**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B:Rules of Catalist.

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 accuracy, completeness or correctness of any of the information, 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.

CORPORATE PROFILE

Ocean Sky International Limited (“**Ocean Sky**” or the “**Company**” and together with its subsidiaries, the “**Group**”) is a Catalist-listed construction and property company. The Group is engaged in the civil engineering, construction and related services business (“**Construction and Engineering Business**”), and the business of property development, investment and management (“**Property Business**”).

Construction and Engineering Business

Ocean Sky, through its wholly-owned subsidiary Ang Tong Seng Holdings Pte. Ltd., owns a 100% stake in two civil engineering and construction companies, namely Ang Tong Seng Brothers Enterprises Pte Ltd (“**ATSB**”) and Ang Tong Seng Construction Pte. Ltd. (“**ATSC**”), that operate primarily in Singapore.

Established in 1981, ATSB specialises in detailed and high-quality engineering services such as earthwork, roadwork, drainage work, basement work and structural works involving demolition and underground infrastructure as well as other general building works.

Registered with the Building and Construction Authority of Singapore, ATSB is currently classified under Grade C3 for General Building category and Grade C1 for Civil Engineering category.

To increase productivity and improve service delivery to customers, ATSC was established in 2018 to streamline the Group’s civil engineering operations through the wholesaling and leasing of construction-related machinery, equipment, materials and supplies.

Property Business

Ocean Sky continues to grow its property development and investment business in Singapore and the Asia Pacific region.

Property Development

Singapore

The Group, through its wholly-owned subsidiary Atlantic Sky Investment Pte. Ltd., successfully redeveloped a 999-year leasehold property spanning 456 square metres at 6 Nim Drive into a luxury detached house. The property was sold under a new signature brand of the Group’s property development business which continues to explore suitable property development opportunities in Singapore.

As part of Ocean Sky’s approach to develop synergistic partnerships, the Group’s wholly-owned subsidiary, Arctic Sky Investment Pte. Ltd., entered into a joint venture with Tiong Seng Holdings Limited and formed TSky Development Pte. Ltd. (“**TSky Development**”) in 2017 to enhance its presence in Singapore’s property development market.

TSky Development is currently redeveloping two freehold properties for sale:

- Sloane Residences – Located at 17 Balmoral Road in District 10, this 12-storey development is an exclusive collection of 52 stunning residences nestled in an impeccable neighbourhood of distinction.
- Cairnhill16 – Located at 16 Cairnhill Rise in District 9, this 15-storey luxury hilltop development with 39 exclusive units is nestled in a serene enclave that is a short walk to the heart of Orchard Road.

Cambodia

The Group's wholly-owned subsidiary, Pacific Sky Investment Pte. Ltd., together with its joint venture partners CIAC Investment Limited and Centra Properties Pte. Ltd., are developing a proposed 71-unit shophouse development project, Eco Garden Mall, on a freehold land area of approximately 9,185 square metres in Kandal Province. The sale of the first phase, comprising 28 completed units, is currently ongoing.

Property Investment

Australia

The Group's investment property in Melbourne, Australia's second largest city provides a source of recurring rental income.

541 Blackburn Road is a four-storey office building with a net lettable area ("NLA") of 3,628 square metres in Melbourne's Monash Technology precinct. Sitting on a freehold site area measuring 6,210 square metres, this investment property offers a 150-metre-long corner street frontage and has 157 on-site car parking lots.

BOARD STATEMENT

BOARD STATEMENT

We are pleased to present the annual Sustainability Report of Ocean Sky International Limited for our financial year ended 31 December 2021 (“**FY2021**”).

Sustainability is a part of the Group’s wider strategy to create long-term value for all its stakeholders. As such, the key material economic, environmental, social and governance (“**EESG**”) factors for the Group have been identified and cautiously reviewed by the Management. The data and information provided have not been verified by an independent third party. We have relied on internal data monitoring and verification to ensure accuracy of data and information. We may seek external assurance in the future.

The board of directors of the Group (the “**Board**”) oversees the management and monitoring of these factors and takes them into consideration in the determination of the Group’s strategic direction and policies.

REPORTING FRAMEWORK, PERIOD AND SCOPE

This report is prepared in compliance with the requirements of Rules 711A and 711B of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst (“**Catalist Rules**”), and with reference to Practice Note 7F: Sustainability Reporting Guide of the Catalyst Rules and the Global Reporting Initiative (“**GRI**”) Standards, Core option. We have chosen GRI as the sustainability reporting framework as it is internationally recognised and is widely adopted, enabling us to achieve a comprehensive and comparable disclosure of environmental, social and governance performance. This report highlights the EESG related initiatives carried throughout a 12-month period, from 1 January to 31 December 2021.

The Company’s sustainability report summarises the expectation from various stakeholders, general business environment that the Group is operating in and what the Group has done in order to ensure the sustainability of the Group over the years. Joint venture activities have been excluded as the operational control are run by different respective management teams.

The information disclosed in this Sustainability Report, read together with the information in the annual report for FY2021 (“**2021 Annual Report**”), will provide the readers with a holistic view of the operations of our Group. We will strive to maintain and/or improve the standards of the various EESG factors reported where appropriate and practicable, in accordance with the business activities of the Group in the future.

FEEDBACK

We welcome feedback from our stakeholders with regards to our sustainability efforts as this enables us to consistently improve our policies, systems and results. Please send your comments and suggestions to enquiry@oceanskyintl.com.

ACCESS

No hard copies of this Sustainability Report have been printed as part of our efforts to promote environmental conservation. You may visit SGX website or our company website <https://www.oceanskyintl.com> for our Sustainability Report.

On behalf of the Board

Ang Boon Cheow Edward
Executive Chairman & Chief Executive Officer






31 May 2022

POLICY, PRACTICES AND PERFORMANCE REPORTING

STAKEHOLDERS ENGAGEMENT

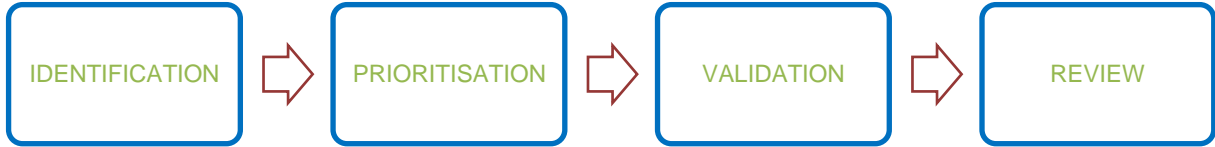
An important starting point in our sustainability journey is to identify our stakeholders and material factors relevant to our business. The interests and requirements of key stakeholders are also taken into account when formulating corporate strategies. These key stakeholders include, amongst others, shareholders, employees, customers, suppliers and authorities. We adopt both formal and informal channels of communication such as face-to-face meetings and supplier visits to understand the needs of key stakeholders and incorporate these into our corporate strategies to achieve mutually beneficial relationships.



Stakeholder	Engagement Platform	Frequency of Engagement	Key Concerns Raised
 Employees	Emails Meetings Performance appraisal Welfare & social events Training	Daily Monthly Annually Ad hoc Ad hoc	<ul style="list-style-type: none"> Workplace safety Worker's welfare Talent retention and career progression
 Customers	Email communications, phone calls Meetings Company website https://www.oceanskyintl.com	Daily Ad hoc Ad hoc	<ul style="list-style-type: none"> On time project completion Service quality Workplace safety Competitive prices
 Suppliers and Service Providers	Email communications, phone calls Meetings Site visits Trade events	Daily Ad hoc Ad hoc Ad hoc	<ul style="list-style-type: none"> Prompt payment Service quality
 Investors / Shareholders	Announcements via SGXNet, company website General meetings Annual report	Ad hoc / Half-Yearly Annually Annually	<ul style="list-style-type: none"> Compliance to rules and regulations Financial results Business updates
 Government and Regulators	Seminars conducted by regulators Relevant government association memberships Email communications	Ad hoc Ad hoc Ad hoc	<ul style="list-style-type: none"> Compliance to rules and regulations

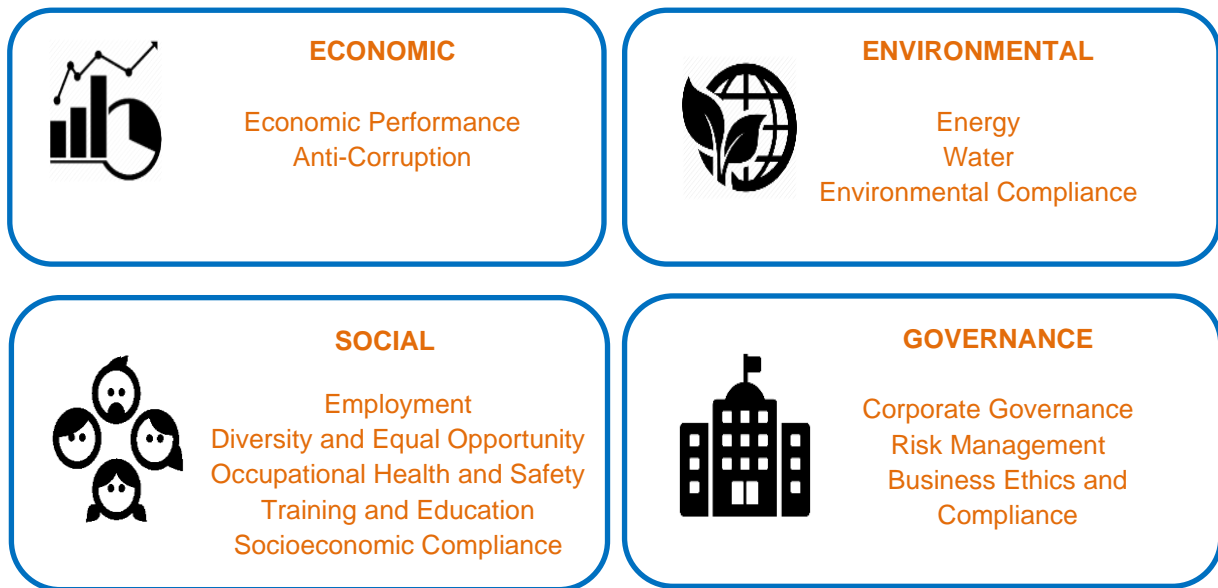
MATERIALITY ASSESSMENT

Our sustainability process begins with the identification of relevant factors. Relevant factors are then prioritised to identify material factors which are validated internally. The result of this process is a list of material factors disclosed in the Sustainability Report. Process of which is as shown below:



We have previously conducted a materiality assessment with the help of an external consultant to identify and determine the material EESG factors. EESG factors were identified and prioritised through internal workshops, peer reviews and social impact assessments at site level. Thereafter, materiality review is conducted every year by the Senior Management, incorporating inputs from the stakeholder engagements.

To determine if an EESG factor is material, we assessed its potential impact on the economy, environment and society and the influence on the various internal and external stakeholders of Ocean Sky. Applying the guidance from GRI, we have identified and maintained the following material EESG factors:



ECONOMIC

ECONOMIC PERFORMANCE

Ocean Sky firmly believes that focusing on financial sustainability is critical. The Company's basic principle is that long-term profitability and shareholder value is ensured by taking into account the interests of stakeholders, such as shareholders, employees, customers, suppliers and society as a whole.

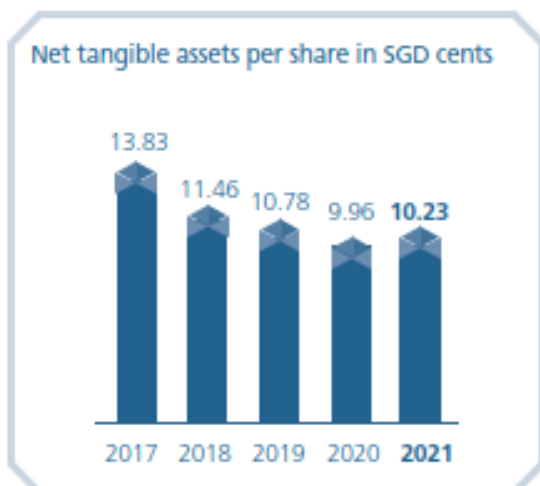
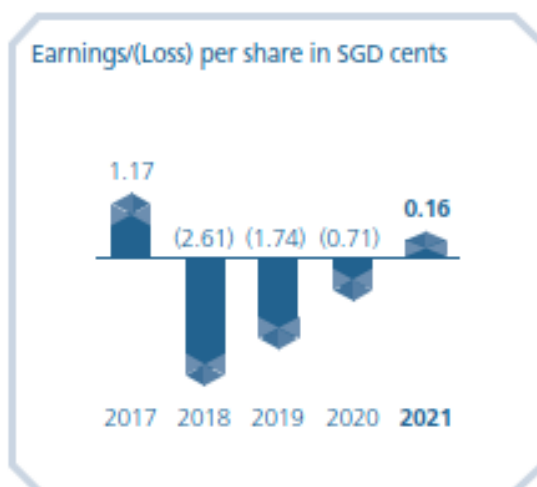
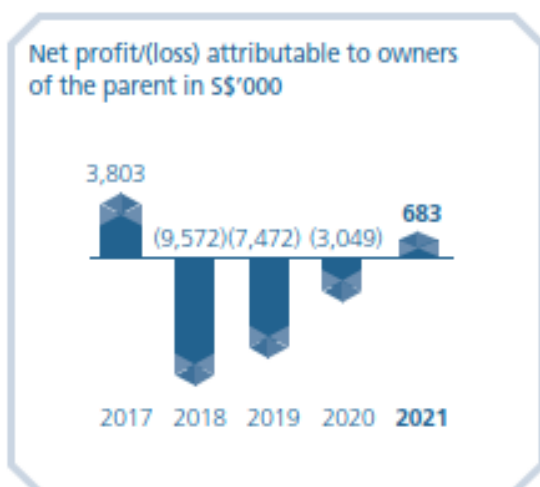
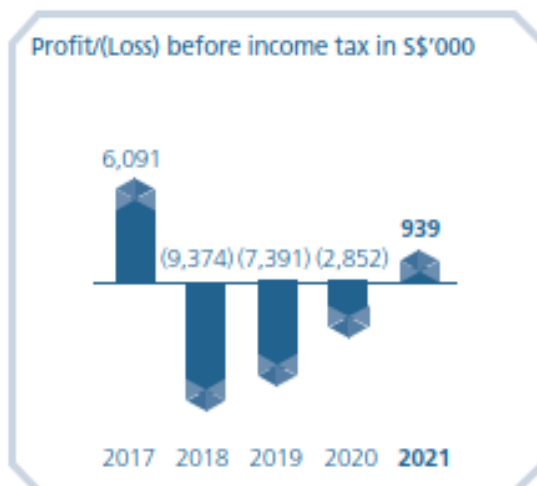
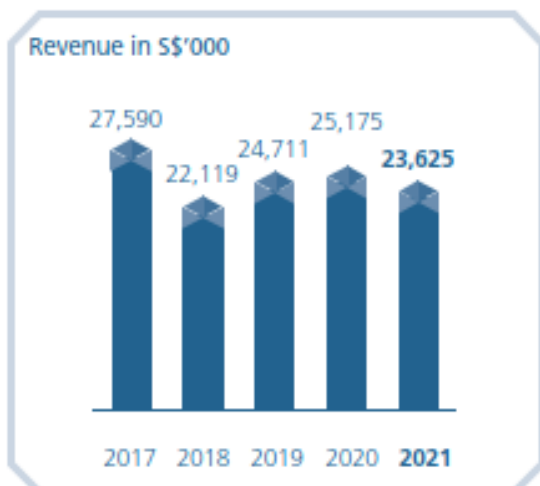
In 2021, COVID-19 continued to have an impact on economic activities in Singapore and on the construction industry. Several waves of the deadly Delta variant resulted in the reimposition of stringent COVID-19 measures including controls on quarantine, safe-distancing, and mobility. Border closures and travel restrictions which remained in place continued to disrupt the inflow of migrant workers, causing an ongoing shortage of manpower in the local construction industry. Fortunately, infections in workers' dormitories across Singapore appeared to have come under control.

The Group recorded a revenue of S\$23.63 million for FY2021 compared with S\$25.18 million for the financial year ended 31 December 2020 ("FY2020"). Revenue from the Group's Construction and Engineering Business increased by S\$5.18 million to S\$22.10 million for FY2021 from S\$16.92 million for FY2020 due mainly to the gradual resumption of construction activities from the second half of FY2020 which continued through FY2021, after all construction works stopped as a result of circuit breaker restrictions imposed during the second quarter of FY2020.

Revenue from the Group's Property Business decreased by S\$6.72 million to S\$1.53 million for FY2021 from S\$8.25 million for FY2020 due to the absence of sale of development property and rental income in FY2021 from the Singapore investment property following its disposal in December 2020. This was partly offset by higher rental income arising from the Group's investment property in Melbourne as the acquisition was completed in March 2020.

Other income, comprising mainly government grants and interest income, decreased by S\$0.93 million to S\$0.86 million for FY2021 from S\$1.79 million for FY2020 due mainly to the lower Job Support Scheme ("JSS") payout and Foreign Worker Levy rebates provided by the Singapore Government during FY2021.

Amidst a challenging business environment, the Group successfully recorded its first net profit following three consecutive years of net losses, achieving a net profit of S\$0.68 million for FY2021 as compared to a net loss of S\$3.05 million for FY2020.



For detailed financial results, please refer to the following sections in our 2021 Annual Report:

- Financial highlights, pages 4 to 5;
- Operations review, pages 18 to 19; and
- Financial statements, pages 54 to 120.

ANTI-CORRUPTION

Ocean Sky does not tolerate any form of corruption. This has been made clear to all of our employees, suppliers and business partners.

Whistle-blowing policy

The Company has put in place a whistle-blowing framework whereby staff of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. The framework includes arrangements for independent investigation and appropriate follow-up of such matters.

To ensure independent investigation of such matters and for appropriate follow-up action, all whistle-blowing reports are addressed and sent to the Audit Committee Chairman. The whistle-blowing policy provides assurance that employees will be protected from reprisal within the limits of the law or victimization for whistle blowing in good faith and whose identity will remain confidential. A whistle-blower email address has been created for reporting suspected fraud, corruption, dishonest practices or other similar matters. Details of the whistle-blowing policy and arrangements have been made known to all staff. In addition, new staff is briefed on the policy during the orientation programme. The whistle-blowing policy and procedures are reviewed by the Audit Committee from time to time to ensure that they remain relevant. No whistle-blowing report was received during FY2021 (FY2020: Nil).

Our 2-year Performance

We have achieved the target we set last year. There were no incidents of corruption reported in FY2021.

FY2021	FY2020
No reported incidents of corruption. (Target met)	No reported incidents of corruption. (Target met)

FY2022 Target

We will continue to remind our staff regarding our anti-corruption policy and strive to ensure that there will be no incidents of corruption in the Group for the financial year ending 31 December 2022 (“FY2022”).

ENVIRONMENTAL

ENERGY AND WATER

The Group is fully aware of its responsibility for nurturing the environment and lessening negative environmental consequences at our worksites and the environment where we operate. We monitor our energy (both electricity and diesel) and water consumption at our workplaces to ensure that we use our resources economically, meaningfully and responsibly.

In the year 2016, Ang Tong Seng Brothers Enterprises Pte Ltd had been awarded the BCA Green and Gracious Builder (SMC) Award, in which they recently reclaimed hold of the Award in March 2022.

To achieve cost reduction and improve service delivery, ATSC fabricated the supplies of construction-related materials and undertook the maintenance of machinery to support ATSB projects.

Our 2-year Performance

Below are our performance indicators in FY2021 compared to FY2020:

	<u>2020</u>	<u>2021</u>
 Electricity consumption (kWh)	127,702	124,242
Diesel consumption (litres)	398,786	565,460
Water consumption (Cu M)	2,703	1,611

In FY2021, there was a decrease in the consumption of electricity and water by 2.7% and 40.4% respectively. The lower electricity consumption in FY2021 was primarily because part of our office premise was converted to temporary living quarters from June 2020 to March 2021 to house several of our stranded Malaysian workers. The consumption of water decreased for FY2021 as all issues and faults with our underground water pipes causing unnecessary leakage and over consumption in FY2020 had been resolved in December 2020.

For FY2021, there was a significant increase in the consumption of diesel by 41.8% due primarily to increased work activity following the gradual resumption of construction activities from the second half of FY2020 which continued through FY2021.

In FY2021, we maintained a 4.5-star rating from National Australian Built Environment Rating System (NABERS) by the Australian Government for our investment property in Melbourne, Australia. We have achieved the target we set last year.

FY2021	FY2020
Consumed lower energy and water consumption. (Target met)	Maintained our energy and water consumption. (Target met)
Maintained 4.5-star rating from NABERS. (Target met)	

FY2022 Target

We will continue to maintain or lower our energy and water consumption in FY2022. We will also target to maintain or improve the 4.5-star NABERS rating.

ENVIRONMENTAL COMPLIANCE

Similar to FY2020, there were no incidents of non-compliance with environmental-related laws and regulations resulting in significant fines or sanctions in FY2021.

To help the environment in our own little ways, we strive to continue the following initiatives:

- ✓ Only print when necessary and/or double-sided printing to reduce paper wastage
- ✓ re-using water for washing to reduce water wastage
- ✓ switching off lights and air-conditioners during lunch break
- ✓ recycling materials from one project to another where possible.

At the Group, we view compliance with relevant codes and regulations on environmental issues as mandatory.

Our 2-year Performance

There were no incidents of non-compliance with environmental-related laws and regulations resulting in significant fines or sanctions in FY2021.

FY2021	FY2020
No reported incidents of non-compliance with the relevant laws and regulations. (Target met)	No reported incidents of non-compliance with the relevant laws and regulations. (Target met)

FY2022 Target

We target to maintain zero reported incidents of non-compliance with the relevant laws and regulations in FY2022.

SOCIAL

EMPLOYMENT

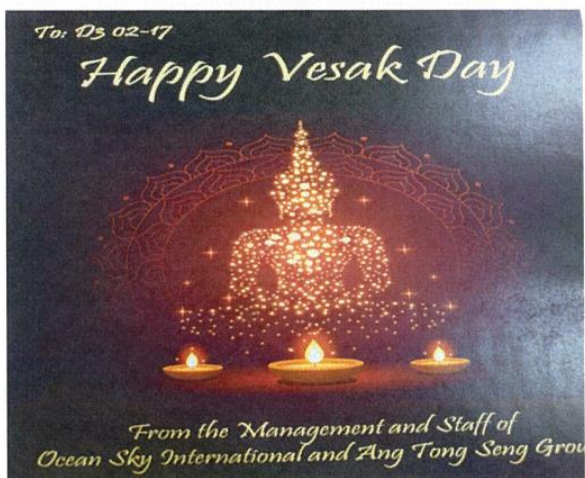
Every employee plays an essential role in our Group. We achieve success by promoting a collaborative work environment in which everyone is committed to achieve our corporate goals based on open and honest communications while showing care and support for each other. Our employees are the drivers of our business and we believe in creating a respectful, rewarding and safe working environment for our people. We support and respect the protection of internationally proclaimed human rights.

We respect human rights, support the elimination of all forms of forced and compulsory labour, especially child labour, and do not tolerate any discrimination in respect of employment and occupation.

We provide competitive remuneration based on merit to all our employees. Our employees are not covered by collective bargaining agreements.

The Group has a total of 178 (FY2020: 203) employees in FY2021 with 16% (FY2020: 16%) new recruitments and over 28% (FY2020: 31%) resignations. In FY2021, the resignations were mainly due to our workers preferred to return to their home countries to be reunited with their loved ones. We also had difficulties in recruiting foreign workers as international borders and travel were still controlled or restricted.

We enjoy celebrating key events and major festivals with our employees. However, due to Covid-19 pandemic, we only managed to celebrate Chinese New Year with our office and indirect staff while goodie bags consisting of dry foodstuff and beverages were distributed to the workers staying at the dormitories during Vesak Day in 2021. In addition, long service awardees were given cash rewards for their continuous support and contribution.



DIVERSITY AND EQUAL OPPORTUNITY

We do not discriminate employees according to their race, age, gender, religion, ethnicity, facial attractiveness, physical impairments, sexual preference, political viewpoints or nationality. We strive to achieve a fair proportion of diversity in terms of gender, age and nationality in our workforce. We aim to provide equal opportunities to all employees based on their individual skillset and competencies.

Our 2-year Performance

We have achieved the target we set last year. There were no cases of discrimination reported in FY2021.

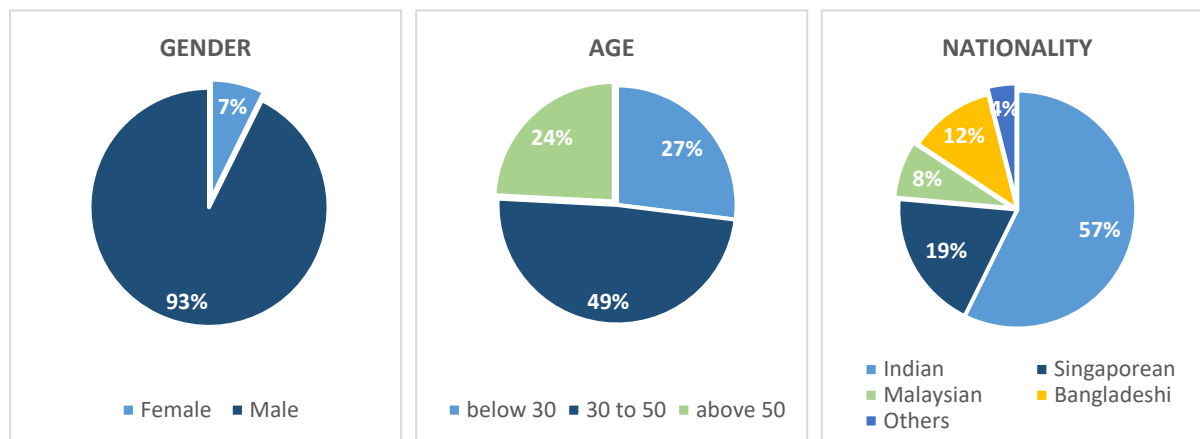
FY2021	FY2020
No cases of discrimination reported (Target met)	No cases of discrimination reported (Target met)

FY2022 Target

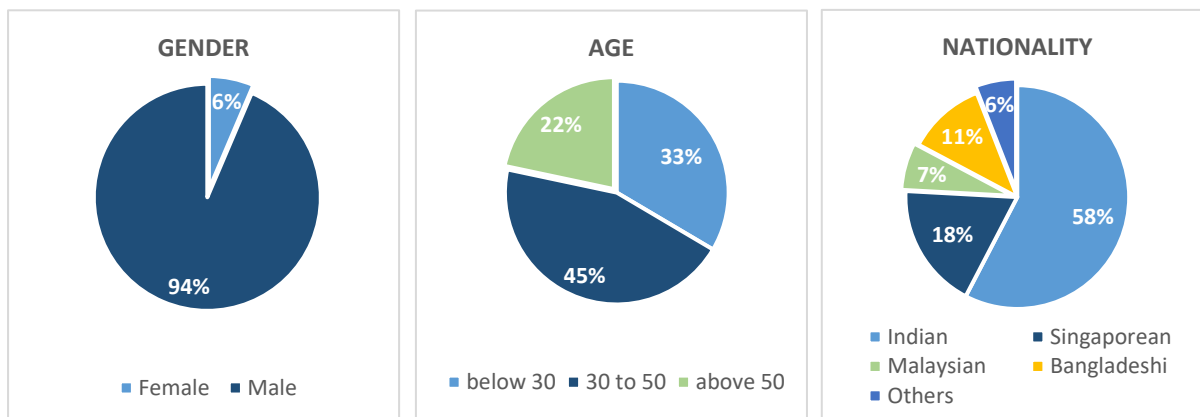
We will continue to ensure to be fair with our employees as well as no discrimination in our company throughout the years.

Our headcounts for FY2020 and FY2021 were distributed as follows.

2021



2020



OCCUPATIONAL HEALTH AND SAFETY

We are also committed to safeguarding our employees' health and safety against any potential workplace hazards. The focus on health and safety is important for Ocean Sky. It is not only a fundamental right for our workers to be able to work in a safe environment, but when our employees' wellness is attained, our productivity increases, and our best is given to our customers. By implementing job safety guidelines, we are committed to provide a hazard-free workplace to ensure the well-being of both our employees and environment.

Ocean Sky employs a variety of measures to ensure the health and safety of all our staff. Daily onsite work briefing, including risks assessments, required safety measures, designed personal safety protections, and most importantly, the spirit of teamwork, are strongly emphasised on each individual project site, by our designated competent safety coordinators. Lead safety coordinator and safety officers are always on random site checks to ensure safety compliances and put-up necessary discussions and comments to the respective teams, so as to further improve on the safety measures and well-being at the ongoing project. Weekly pest control is carried out to ensure all kinds of pests are removed from workplace to keep our employee safe and healthy. Safety notice boards are prominently positioned in our workplace to notify employees and visitors about what they need to do to keep out of harm's way. We also conduct evacuation drill to ensure staff respond appropriately in the event of an emergency.

We currently have the following certifications. Given that we value our employees' health and safety as a priority within our organisation, achieving these required certifications and implementing the framework of systems is vital to our organisation. The implementation of the framework has enabled us to systematically identify, reduce and mitigate risks involved in the operations within the Group.

Current Certification	Date issue	Expire date
ISO 9001:2015 (Quality Management System)	24-Jun-20	23-Jun-23
ISO 45001:2018 (Occupational Health and Safety Management System)	24-Jun-20	23-Jun-23
BizSafe Certificate Level 3 (Awarded to ATSC)	30-Oct-20	29-Oct-23
BizSafe Star Certificate (Awarded to ATSB)	25-May-21	23-Jun-23
Certificate of Commendation (commitment to WSH in building a safe and healthy work culture through CultureSAFE)	2-Sep-21	1-Sep-23

Our 2-year Performance

For FY2021, we did not achieve the target we had set out due to a single work-related accident. The accident took place in November 2021 at one of the work sites where one of our workers unfortunately suffered a foot contusion. The affected worker was taken to the hospital for treatment immediately and issued a Medical Certificate to rest at home for 14 days. In the following toolbox meeting, the incident was raised to remind workers to always be careful and prioritise safety, and for supervisors to always be alert and aware to respond to situations which seem amiss. To prevent such an incident from

happening again, several steps have been taken such as, conducting briefings before the start of each shift, reviewing of safe work procedures, and organising refresher training courses for every worker.

FY2021	FY2020
1 reported incident of work-related accident (Target not met)	No reported incident of work-related accident (Target met)

FY2022 Target

We endeavour to maintain our certifications that we obtained and target to have zero reportable incident of work-related accident to the Ministry of Manpower in FY2022.

Covid-19 Control Measure

The Group has implemented Covid-19 control measures in accordance with those set by the Minister of Manpower such as work from home arrangement for office staff, segregation of the employees, restricting of physical meetings at the workplace and safe distancing. We also provided face mask to all our employees to ensure they are protected from Covid-19 virus. To strengthen the control of Covid-19, we implemented safe management system which the “SafeEntry” Visitor Management was used to record entries of all visitors. We appointed Safe Management officers to perform temperature taking and ensure everyone is checking in to the SafeEntry system before allowing them access to our premises. Apart from that, we also implemented health checks and safety protocols to handle potential Covid-19 cases. Employees are required to declare to HR immediately if they travel abroad, receive quarantine order, close contact with Covid-19 case and exhibit fever and flu like symptoms.

TRAINING AND EDUCATION

It is in the interest of Ocean Sky that career development programmes are set for individual employees on an on-going basis based on their individual needs and goals.

Course Title	Course Objective	Employee Category
Continuing Education & Training (CET) course in Reinforced Concrete Works	The need for continuously improving our workers' skill and their capability development	Site Supervisor Construction Worker
Continuing Education & Training (CET) course for coretrade supervisor (Structural)	The need for continuously improving our workers' skill and their capability development	Site Manager
Continuing Education & Training (CET) course in Construction Plant Operation	The need for continuously improving our workers' skill and their capability development	Excavator Operator
Registered Earthworks Supervisor course	To plan, prepare and manage earthworks activities safely to prevent damage to electricity cables.	Site Supervisor
Occupational First Aid course	To equip our worker with the relevant knowledge and skills in providing first aid using CPR & AED.	Site Foreman Site Supervisor
Perform Rigger and Signalman Tasks	Perform Rigger and Signalman Tasks	Construction Worker
Perform Work in Confined Space Operation	Enable to identify confined space hazards, comply with permit-to-work system and safe work procedures when working in confined space	Construction Worker
Supervise Safe Lifting Operation	To equip worker with necessary skills on lifting operation involving the use of any crane	Construction Worker

Course Title	Course Objective	Employee Category
Safe Management Officer Course For Construction	To equip SMOs and SDOs with the knowledge and skills to implement and coordinate a system of Safe Management Measures	Site Supervisor Construction Worker
Hydraulic Excavator Operation (As lifting Machine)	Provide training and hands-on operation in a range of excavation work processes. Equipping worker with knowledge & skills on the safe operation and basic maintenance of excavator	Excavator Operator
Financial Reporting Standards Virtual Workshop 2021	FRS update	Senior Finance Manager
Preparation of Interim Financial Statements	Area of focus under SFRS(I) 1-34 and key implications and practical considerations in preparing the interim financial statements arising from the changes in SGX Listing Rules	Senior Finance Manager

Our 2-year Performance

We have achieved the target we set last year. 20% (FY2020: 22%) of employees attended trainings in FY2021. A total of 27 training programmes were provided to our employees in FY2021 (FY2020: 38 programmes) averaging 2 days (FY2020: 1 day) per employee who attended.

FY2021	FY2020
Provided trainings to our employees for their development, 20% of our total employee attended the training. (Target met)	Provided trainings to our employees for their development, 22% of our total employee attended the training. (Target met)

FY2022 Target

We will continue to provide trainings to our employees for their development and will target at least 5% of our total employee to attend trainings annually.

SOCIOECONOMIC COMPLIANCE

We pride ourselves in having good corporate governance and observing compliance with applicable laws and regulations. The Group is committed to conduct the business with integrity and to safeguard the interest of all our stakeholders, both internal and external.

Our 2-year Performance

We have achieved the target we set last year to maintain zero incidence of significant fines or non-monetary sanctions for non-compliance with laws and regulation in FY2021.

FY2021	FY2020
No reported incidence of significant fines or non-monetary sanctions for non-compliance with laws and regulation. (Target met)	No reported incidence of significant fines or non-monetary sanctions for non-compliance with laws and regulation. (Target met)

FY2022 Target

We aim to maintain zero incidence of non-compliance to the applicable laws and regulations in FY2022.

GOVERNANCE

CORPORATE GOVERNANCE

The Board and the Management of Ocean Sky are committed to the best practices in corporate governance to ensure sustainability of the Group's operations. We believe that our constant drive for corporate excellence will allow us to establish a more transparent, accountable and equitable system, thereby increasing the value of the Company and its value to our shareholders. Please refer to the 2021 Annual Report pages 20 to 43 for details of the Group's Corporate Governance Report.

Our 2-year Performance

We have achieved the target we set last year. The Board confirms that, for FY2021, the Company has adhered to the principles of the Code, and the provisions of the Code (except where otherwise explained).

FY2021	FY2020
Continue adhere to the principles of the Code, and the provisions of the Code (except where otherwise explained). (Target met)	Continue adhere to the principles of the Code, and the provisions of the Code (except where otherwise explained). (Target met)

FY2022 Target

Ocean Sky will continue adhered to the principles of the Code, and the provisions of the Code and assess its needs and implement appropriate practices accordingly.

RISK MANAGEMENT

The Board is committed to ensuring that the Group has an effective and practical enterprise risk management framework in place to safeguard Shareholders' interests, and the sustainability of the Group as well as provide a basis to make informed decisions having regard to the risk exposure and risk appetite of the Group. For detailed disclosure on our risk management, please refer to pages 32 to 37 of our 2021 Annual Report.

Our 2-year Performance

We have achieved the target we set last year to perform risk assessment annually and ensure compliance on disclosures in accordance with the Singapore Exchange Securities Trading Limited requirements.

FY2021	FY2020
Performed risk assessment and ensured compliance on disclosures in accordance with the Singapore Exchange Securities Trading Limited requirements. (Target met)	Performed risk assessment and ensured compliance on disclosures in accordance with the Singapore Exchange Securities Trading Limited requirements. (Target met)

FY2022 Target

We aim to perform risk assessment annually and ensure compliance on disclosures in accordance with the Singapore Exchange Securities Trading Limited requirements.

BUSINESS ETHICS AND COMPLIANCE

All of our staff are reminded of the importance of upholding the highest standards when it comes to business ethics. The Group regularly updates relevant staff with development in international and local regulations. We have achieved the target we set last year. There was no (FY2020: Nil) non-compliance to laws and regulations as reported under Socio-economic compliance above in FY2021. We will continue to aim for zero incidents of non-compliance in the following years.

Our 2-year Performance

We have achieved the target we set last year. There were no significant fines or non-monetary sanctions for non-compliance with laws and regulations in FY2021.

FY2021	FY2020
Maintained its record of complying with laws and regulations to avoid incurring any significant fines or face any non-monetary sanctions. (Target met)	Maintained its record of complying with laws and regulations to avoid incurring any significant fines or face any non-monetary sanctions. (Target met)

FY2022 Target

We aim to maintain zero incidence of non-compliance to the applicable laws and regulations in FY2022.

GRI STANDARDS CONTENT INDEX

GRI Standard	Disclosure	Reference / Description	
GRI 101: Foundation 2016			
GENERAL DISCLOSURE			
GRI 102: General Disclosures	102-1	Name of organisation	Ocean Sky International Limited
	102-2	Activities, brands, products and services	Sustainability Report ("SR") pages 1 to 2
	102-3	Location of headquarters	2021 Annual Report page 3
	102-4	Location of operations	SR pages 1 to 2
	102-5	Ownership and legal form	2021 Annual Report pages 3, 59, 121 to 122
	102-6	Markets served	SR pages 1 to 2
	102-7	Scale of the organisation	SR pages 1, 2, 12 to 13
	102-8	Information on employees and other workers	SR pages 12 to 13
	102-9	Supply chain	With regard to managing our supply chain, Ocean Sky has a process in place for selecting our suppliers by checking on their industry reputation, track record, and Health, Safety and Environment (HSE) standards. We make it a priority to engage our potential and current suppliers through frequent reviews and feedback to ensure they have the right capabilities and adequate resources to support the Group's projects and activities.
	102-10	Significant changes to the organisation and its supply chain	None
	102-11	Precautionary Principle or approach	Ocean Sky supports the intent of the Precautionary Principle, but has not expressed a specific commitment.
	102-12	External initiatives	None
	102-13	Membership of associations	BCA and SBF
	102-14	Statement from senior decision maker	SR pages 3 to 4
	102-16	Values, principles, standards and norms of behaviour	SR pages 17 to 18
	102-18	Governance structure	SR pages 17 to 18
	102-40	List of stakeholder groups	SR page 5
	102-41	Collective bargaining agreements	None
	102-42	Identifying and selecting stakeholders	SR page 5
	102-43	Approach to stakeholder engagement	SR page 5
	102-44	Key topics and concerns raised	SR page 5
	102-45	Entities included in the consolidated financial statements	2021 Annual Report pages 88 to 89
	102-46	Defining report content and topic boundaries	SR page 3
	102-47	List of material topics	SR page 6
	102-48	Restatement of information	None
	102-49	Changes in reporting	None
	102-50	Reporting period	SR page 3
	102-51	Date of most recent previous report	31 May 2021
	102-52	Reporting cycle	Annually
	102-53	Contact point for questions about the report	SR page 4
102-54	Claims if reporting in accordance with the GRI Standards	SR page 3	
102-55	GRI content index	SR pages 19 to 20	
102-56	External Assurance	SR page 3	
MATERIAL TOPICS			
GRI 201: Economic performance	201-1	Direct economic value generated and distributed	SR pages 7 to 8
GRI 205: Anti-corruption	205-1	Operations assessed for risks related to corruption	SR page 9
GRI 302: Energy	302-1	Energy consumption within the organization	SR pages 10 to 11

GRI 303: Water	303-1	Water withdrawal by source	SR pages 10 to 11
GRI 307: Environmental compliance	307-1	Non-compliance with environmental laws and regulations	SR page 11
GRI 401: Employment	401-1	New employee hires and employee turnover	SR page 12
GRI 403: Occupational health and safety	403-2	Types of injury and rates of injury, occupational diseases, lost	SR pages 14 to 15
GRI 404: Training and Education	404-1	Average hours of training per year per employee	SR pages 15 to 16
GRI 405: Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	SR page 13
GRI 419: Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	SR page 16

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