



Environment · Electrification · Digitalization



SUSTAINABILITY REPORT

2022

04	About This Report	13	Stakeholder Engagement
05	Board Statement	14	Material Topics Identification
06	Chairman Statement	16	Supporting the United Nations Sustainable Development Goals
08	Our Business	16	FY2022 Targets and Performance at a Glance
09	Business Memberships	17	Our Highlights for FY2022
10	Business Certification	18	Economic & Governance
11	Our Sustainable Strategy	32	Environment
11	Reporting Principles	40	Social
12	Policy Commitment	56	GRI Content Index
12	Remediate Negative Impacts from our Operation Activities		

About This Report

BH Global Corporation Ltd (“**BH Global**” or the “**Company**” and, together with its subsidiaries, the “**Group**”) is proud to present its annual Sustainability Report for FY2022.

Sustainability is a part of the Group's wider strategy to create long-term value for all its stakeholders. The Group recognises the importance of environmental, social and governance (“**ESG**”) considerations in creating value for our business and our stakeholders. We adopt the principles of sustainability throughout our value chain and continue to build sustainable practices in every aspect of the Group's business in achieving high levels of integrity and excellence in its activities. The Board of Directors (the “**Board**”) oversees the management of these factors and takes them into consideration in determining the Group's strategic direction and policies.

In FY2021, the Sustainability team has conducted the stakeholder engagement survey to refresh the key concerns from our stakeholders which is as part of our business sustainability strategy.

This report aims to disclose our ESG performance that are considered most material to our Group's stakeholders, including shareholders, suppliers, customers, business partners, management, and employees. The objective of preparing this report is to inform our stakeholders of the initiatives and strategies related to sustainability on which we are currently working on.

Reporting Framework

This Report is prepared with reference to the Global Reporting Initiative (“**GRI**”) Standards and is aligned with the reporting requirements of the Singapore Exchange (“**SGX**”) Mainboard Rules 711A and 711B.

We applied 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 in our material topics.

Our sustainability report has been prepared and reported the information cited in this GRI content for the reporting period with reference to the GRI standards: 2021 revision.

We have also augmented our reporting framework by integrating the United Nations Sustainable Development Goals (“**UN SDGs**”) into our reporting process to map our contribution to global sustainable development.

Our climate-related disclosures are guided by the commendations of the Task Force on Climate-related Financial Disclosure (“**TCFD**”).

There are no significant changes from the previous reporting period in the material sustainability issues and boundaries list.

Reporting Scope And Period

This Sustainability Report presents the annual sustainability performance of the Group during the financial year 2022 from 1 January 2022 to 31 December 2022, with historical performance data included for comparison, where available.

This report is the sixth Sustainability Report issued and it provides an update on the performance and targets on sustainability as set out in the previous Sustainability Report for FY2021 issued on 29 April 2022.

The contents of this report emphasise BH Global's efforts towards global sustainability through the Singapore operations of our seven subsidiary businesses including:

- Beng Hui Marine Electrical Pte Ltd (“**BHM**”)
- SOPEX Innovations Pte Ltd (“**SOPEX**”)
- BOS Offshore & Marine Pte Ltd (“**BOS**”)
- Sea Forrest Engineering Pte Ltd (“**SFE**”)
- Sea Forrest Power Solutions Pte Ltd (“**SFP**”)
- Athena Dynamics Pte Ltd (“**ADPL**”)
- Omnisense Systems Pte Ltd (“**OMS**”)

This report shall be read together with the BH Global FY2022 Annual Report.

Report Accessibility

To reduce our environmental footprint, we shall not provide hard copies of this report.

The Report will be publicly accessible through the Company's website found at <https://www.bhglobal.com.sg/sustainability/>, as well on SGXNET.

Feedback

Feedback from the Company's stakeholders is imperative to our Group's continued improvement and growth. Please let us have your views and suggestions by contacting us at: SR@bhglobal.com.sg.

Independent Assurance

The data and information provided has been verified and reviewed by our internal auditor to ensure data consistency and accuracy. We are constantly monitoring and verifying the data internally to ensure the accuracy of the information we disclosed in this report.

The Group has chosen to leverage internal verification mechanisms to ensure data quality and accuracy within this report.

Hence, there is no external assurance has been conducted for this report.

Board Statement

BH Global's Board recognises the highest standards of professional performance, accountability, and transparency. The Board is committed to delivering long-term value for all stakeholders through good governance of economic, environmental, and social aspects of the business.

The Board, supported by the Sustainability Committee, has considered sustainability issues in its businesses and strategies, determined the material ESG topics and oversee the management and monitoring of these topics.

This Sustainability Report provides the details on how the Group manages the key ESG material topics to create positive values for our stakeholders and communities. The Board is responsible for reviewing the reported information, including the Company's material topics. The Board has reviewed and endorsed this Sustainability Report.

This represents our commitment and resolution in forging ahead towards “Building a Sustainable Future” for both the Group’s operations as well as the environment at large.



Chairman Statement

Dear shareholders,

On behalf of the Board of Directors, I would like to present to you the sustainability report of BH Global Corporation Limited (“BHG” or the “Group”) for the financial year ended 31 December 2022 (“FY2022”).

Sustainability At the Core

In FY2022, we have made significant efforts in progressing towards our goal of building a sustainable future. The Group has also stepped up and introduce have embraced technologies in relation to Environment, Digitalisation and Electrification, to contribute towards long-term sustainability in four key areas:

- Positive economic development of the Group’s businesses;
- Development of technologies and products with positive impact on the environment;
- Compliance towards corporate governance; and
- To be a good corporate citizen with social responsibility.

The Group is highlighting our progress towards the UN SDGs within the various diversified businesses. Among the 17 UN SDGs, we have identified eight goals to where we can contribute, and in which we have the largest impact. We hope to build trust and relevancy with the stakeholders through this identification exercise.

The Group aware of the latest changes in line with SGX Sustainability Reporting requirements, we are well realized of the change in regulations and keeps ourselves equipped with sustainability knowledge and catch up with the latest change, such as board diversity and climate-related disclosures.

The Group is trying our utmost effort to ensure that our long-term business strategies and policies are in line with the highest standard of sustainable practice.

Global Uncertainties Remain

From US-China trade tensions to the pandemic and Russia-Ukraine war, uncertainties that have affected the global economy in recent years have introduced a new normal for businesses worldwide. Global inflation has led to rising interest rate and higher expenses.

Shipping still faces challenges when it comes to driving the Green Sustainability transition – from reducing emissions and new Green regulatory requirements to the impact on businesses’ bottom line commercially. Increased open discussions between ship owners and charterers on Sustainability will enhance industry collaboration and accelerate environmental efforts.

Growing targeted cyber-attacks on critical infrastructure drives the message that it is crucial for transportation and shipping organisations to bolster their defences against increasingly widespread and disruptive sophisticated attacks.

An increase in capex spending in oil and gas as well as renewables, combined with a tighter supply of active tonnage, continues to point towards greater optimism for the offshore vessel market.

Strong Core and Improving Engineering

The Electrical & Technical Supply division has benefitted from the improvement in business activities in Marine & Offshore Industries with the resumption of shipyards operations in Singapore and the region. Other than cables, we see an increase in demand for our proprietary SOP (Save Our Planet) brand of marine & offshore Green LED lightings. We have continued to expand our series of SOPEX explosion proof technical lightings (“SOP Ex-Proof”) for applications in hazardous environments to include more designs, enhancing our position in complete lighting solutions for projects other than regular supplies.

The Integration Engineering Division has also benefitted from the recovering industry with an increase in revenue from delivery of projects secured in FY2021 by afloat repairs business and electric propulsion business.

Green Sustainability and Decarbonisation

The Maritime and Port Authority of Singapore (“MPA”) aims to encourage ambitious and concrete long-term strategies to build a sustainable Maritime Singapore through the Maritime Singapore Decarbonisation Blueprint: Working Towards 2050. The Blueprint will contribute to Singapore’s commitments under the United Nations’ 2030 Sustainable Development Agenda, Paris Agreement, and the Initial IMO Strategy on reduction of GHG emissions from ships and strengthening Singapore’s value proposition as a leading global hub port and international maritime centre.

By 2030, MPA aims to reduce absolute emissions from the domestic harbour craft fleet by 15% from 2021 levels, through the adoption of lower-carbon energy solutions such as blended biofuel, LNG, diesel-electric hybrid propulsion, and full-electric propulsion. While by 2050, MPA aims for the harbour craft fleet to halve 2030-level emissions by transitioning to full-electric propulsion and net zero fuels.

In FY2022, Integrated Engineering division business unit Sea Forrest Power Solutions Pte Ltd, was announced to be part of The Coastal Sustainability Alliance to decarbonise Singapore’s coastal delivery eco-system. The alliance will lead Singapore to transition the country’s current 1,600 low-tech harbour craft, used to deliver supplies from shore to ships parked in Singapore’s waters, to run on more environmental-friendly fuel and be more efficient as they are gradually phased out.

With prior history in delivering the first diesel-electric hybrid fast launch in Singapore, the Integration Engineering Unit sees value in their expertise in electrification and hybridisation for the local and regional markets. We will continue to invest in R&D to build up our technical competencies. We are working with various key partners to seize upcoming opportunities and to support the decarbonization initiatives in Singapore and regional countries.

Revitalisation on Development and Expansion

For the Infrared and Thermal Sensing Technology unit, the abrupt cessation of resources owing to US-China trade war delayed the expected launch of new Micro and Mini owing to lengthier product redesign and stabilization. OMS is restructuring their US sales channels through direct marketing to end users and OEM from its marketing office in Fort Lauderdale in Florida. The management is also actively engaging Middle East and European markets and strategically trimming down inventory holding to drive down costs.

The Cyber Security Unit sees increased successful delivery and implementation of its unique non-detection-based CDR (Content Disarmed & Reconstruction) technology. With its credentials and track record built up over the years, the Business Unit will continue to deliver disruptive cyber technologies and solutions to protect clients’ Information/Operation Technology networks against advanced persistent threats. The team is reaching out to regional and global markets.

Environmental – Electrification – Digitalisation

The Group will continue our transformation roadmap with focus on initiatives related to the themes of Environmental – Electrification – Digitalisation. This represents our commitment in forging ahead towards “Building a Sustainable Future” for both the Group’s operations as well as the environment at large.

Appreciation

On behalf of the Board, I would like to thank the support and contributions from all our staff, partners, vendors, shareholders, government agencies and all other stakeholders in making FY2022 a successful year for BH Global.

Vincent Lim Hui Eng

Executive Chairman and Chief Executive Officer

Our Business

Corporate Overview

Established in 1963 and listed on the Singapore Exchange Mainboard since September 2005, BH Global is an established Group providing solutions internationally through five key divisions:

Electrical and Technical Supply	Green LED Lighting	Integrated Engineering	Cyber Security	Infrared Thermal Sensing Technology
---------------------------------	--------------------	------------------------	----------------	-------------------------------------

The Group is focused on continual transformation through sustainable Environmental, Electrification and Digitalisation initiatives.

Global Operations

Headquartered at 8 Penjuru Lane, Singapore, BH Global manages businesses across Asia, the Middle East, Europe, and North America. Subsidiaries from BH Global have carefully analysed different markets across various continents to decide on stable and prosperous markets that will add the best value and growth to the business.

BH Global's diversification efforts aim to provide sustainability across all businesses. The Group continues to monitor new potential markets, while maintaining growth in current markets.



BHM is a one-stop marine and offshore electrical supplier to shipbuilding, ship repair, on-and- offshore and oil & gas industries worldwide. Boasting a total inventory hub, it ensures quality component integration with complete support solutions.



Incorporated in 2014 and joining the BH Global family in 2021, SFE specialises in providing engineering solutions to marine and offshore vessel owners. With our in-house developed project management system, we provide customers with a one-stop solution for service and maintenance, structural and piping fabrication, and procurement services.



BOS is a material stockist of Glass Reinforced Epoxy ("GRE") pipes for the region. GRE pipes have become increasingly sought after for marine scrubber and ballast water management system installations due to its anti-corrosion, light weight and long-lasting characteristics.



ADPL is a trusted consultant and distributor of IT and Operational Technology ("OT") cyber protection technologies by sourcing and bridging proven technologies to Singapore and the Asia Pacific region. Their specialities lie in critical information infra-structure and government agencies' protection and enterprise IT Operation management products and services.



Developed and manufactured by GL Lighting Holding Pte Ltd, SOPEX Innovations and SOP stays committed to using its leadership position in the LED market to drive technologies and innovations towards decarbonisation through retrofitting conventional lightings to green LED lights.

Established in 2020, SFP contributes to the sustainability efforts of the maritime industry through its Research and Development, and system integration of maritime electrification solutions. Electrification of vessels (Full Electric, Hybrid, Plug-In hybrids) is a key technology in decarbonisation for the maritime industry.



OMS is a leader in thermal night vision and mass fever screening systems. With expertise in vision systems, infrared thermography and advanced mechanical design, Omnisense Systems developed key products such as the Mass Fever Screen System ("MFSS") and Marine Night Vision cameras.



GL Lighting Holdings Ltd is a market leader in LED technologies. With over 22 years of experience and delivering over 600 projects internationally, GL Lighting Holdings is committed to fully using its leadership position in the LED market to drive technology and innovation towards new solutions to help address pressing concerns with the Environment.

Business Membership

BH Global is a member of several interest groups and trade associations at both national and international levels. As an active participant in diverse industries, BH Global has associations in various memberships where different subsidiaries within the Group take part based on their shared interests. The Group is also registered under the Carbon Pricing Leadership Coalition ("CPLC") and the Global Compact Network Singapore ("GCNS") to help boost their sustainability efforts.



As a part of the GCNS, BH Global has agreed to remain committed to The Ten Principles of the United Nations Global Compact ("UNGC"). The Group continues to uphold fundamental human rights for all by ensuring proper respect for human rights and non-discriminatory labour practices for all employees, clients, and suppliers alike. We do not tolerate any form of corruption and any form of slavery, human trafficking and forced labour. To ensure our position as a market leader in environmental initiatives, we will continue to promote greater environmental awareness through green initiatives.

Business Certification

BH Global upholds high standards of health and safety for our employees.

ISO Certification

To ensure that our performance is on par with industry standards, we have secured the ISO 9001, 14001, 22301, 45001 and 27001 certificates for our various subsidiaries.

	ISO 9001	ISO 14001	ISO 22301	ISO 45001	ISO 27001
	Quality Management System	Environmental Management System	Business Continuity Management System	Occupational Health and Safety Management System	Privacy Information Management System
Athena Dynamics Pte Ltd	✓	✓	✓	✓	✓
Beng Hui Marine Electrical Pte Ltd	✓	✓	✓	✓	
BOS Offshore & Marine Pte Ltd	✓	✓	✓	✓	
Sea Forrest Engineering Pte Ltd	✓			✓	
Sea Forrest Power Solutions Pte Ltd	✓			✓	
SOPEX Innovations Pte Ltd	✓	✓			
Omnisense Systems Pte Ltd	✓	✓	✓	✓	

bizSAFE

We have also been awarded with the bizSAFE star for ADPL, BHM, BOS, SFE, SFP and OMS. BizSAFE is a nationally recognised capability-building programme designed to help companies build workplace safety and health capabilities. The training consists of a five-step programme aimed at assisting companies in building up their Workplace Safety and Health capabilities and substantially improve safety and health standards at the workplace.

BizSAFE certifications are ranked from level 1 to 5, with the 5th level titled "bizSAFE Star". To obtain the bizSAFE star certification, business divisions are required to have the ISO 45001 certification issued by Certification Bodies recognised under Mutual Recognition Arrangement. BizSAFE Star certification is valid for 3 years from the date of approval. The expiry date is tagged to the organisation's ISO 45001 certification expiry date.

Having the additional bizSAFE certifications has provided BH Global with additional assurance for workplace health and safety practises, which provides more quality assurance and business efficiency for our clients and hence opens more business opportunities with various contractors and tenders.

Cybersecurity Services Provider License

In FY2022, ADPL was awarded a license from the Singapore Cybersecurity Services Regulation Office ("CSRO") to provide Managed Security Operations Centre ("SOC") Monitoring Service and Penetration Testing Service.

The CSRO Office administers licensing framework for the cybersecurity service provider ("CSP") under the Cybersecurity Act, aims to provide greater assurance of security and safety to consumers; improve the standards and standing of CSP; and address the information asymmetry between consumers and the CSP.



Our Sustainable Strategy

Mission



We embrace technology, adapt and transform to build a sustainable future.

Vision







We are positive, focused and committed to deliver values to all stakeholders.

Integrity and Discipline	Teamwork and Performance	Client Focused	Innovative	Learning and Development
We act with complete honesty and transparency, be responsible and accountable in all our dealings.	We are self-driven, cooperative, passionate and competent in achieving common organisational goals together with open communications.	We deliver total customer satisfaction with quality products, value added services and solutions.	We embrace change with innovative ideas and solutions to constantly improve productivity and efficiency in our daily work.	We continuously learn new skills and knowledge to develop our potential and be the leaders in our fields of expertise.

Reporting Principles

The reporting principles are the fundamental to achieving high-quality, sustainability reporting. BH Global applies the 8 reporting principles in accordance with GRI Standards 2021 version.

 Accuracy The information disclosed in this report is correct and sufficiently detailed to assess the organisation's impact.	 Balance The information is disclosed in an unbiased way and provides a fair representation of the organisation's negative and positive impacts.	 Clarity The information presented in this report is accessible and understandable.	 Comparability The Group is trying to select and compile the report information consistently to enable an analysis of changes in the organisation's impacts over time.
 Completeness The Group tries its best to provide sufficient information to enable the transparency of our effort in ESG topics.	 Sustainability Context The Group ensures that the information we disclosed in this report is about our business impacts with the context of sustainable development.	 Timeliness The Group review its ESG material topics on a regular basis to ensure that all the information declared in this report is updated.	 Verifiability The Group is responsible for gathering, recording, compiling and analysing the information in the way that the information has been reviewed and examined to ensure the quality and accuracy of the report.

Policy Commitment

BH Global has set up various policies across environment management, human resource management, and Occupational Health and Safety Management system in line with our ISO management and certification process.

We commit ourselves to all policies, including:

- Highest standards for our governance;
- Ensure fairness employment;
- Protect environment;
- Ensure the highest level of protection toward Occupational Health and Safety Management to our employees and contractors;

To ensure we can fulfil our roles as a responsible corporate citizen, we provide the utmost responsibility to our stakeholders as a group.

Please refer to our material topic sections for the policy and management approach.

All the above policies are well communicated to all employees within the Group, as well as our suppliers, contractors and key stakeholders.

Remediate Negative Impacts from our Operation Activities

While we are developing and ensuring business growth, some negative impacts, such as environmental impacts, cannot be avoided during our operation. However, the Group has set up relevant policies to ensure that all the foreseeable negative impacts and relevant risks are being identified and managed.

To ensure our long-term business strategy is sustainable, we will continue to seek opinions and advice from our stakeholders, ensure transparent and effective communication with all involved parties, and collect feedback to ensure that inclusive opinions are being included.

Stakeholder Engagement

Our stakeholders are people or entities that are directly or indirectly influenced by our business operations and outcomes, or who can significantly influence our businesses.

Stakeholder engagement is the key step in determining issues that are material to the company, giving insight into the perspectives of our stakeholders and what they deem important in the context of their relationship with the Company.

Feedback from our key stakeholders form a crucial part of our strategic and business planning, and is viewed as a valuable insight for the Group to improve its sustainability performance continuously.

Below are the definitions of our Internal and External stakeholders.

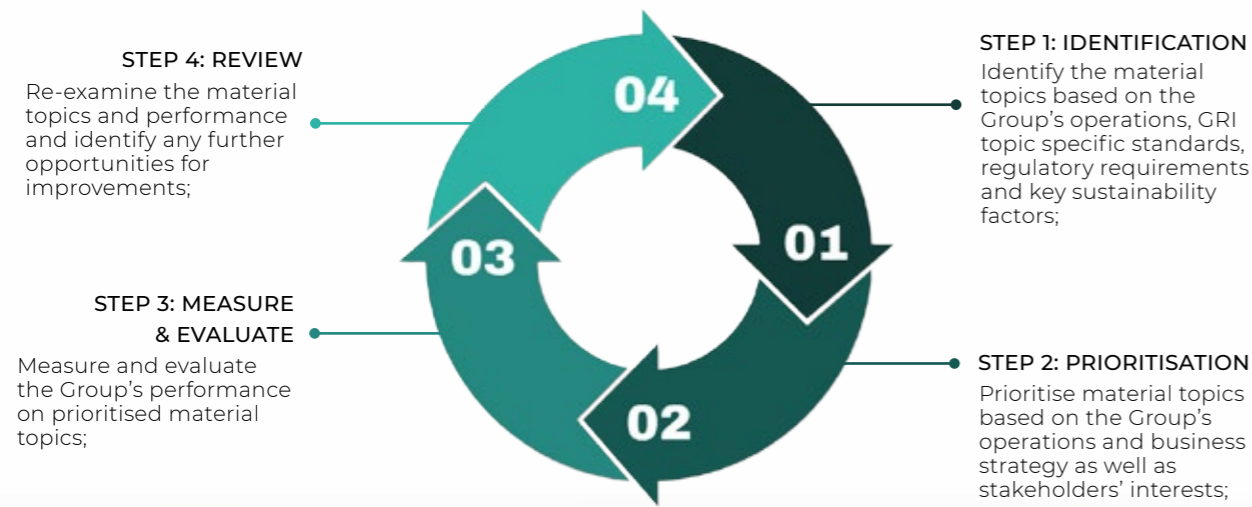
Internal Stakeholders	External Stakeholders
<ul style="list-style-type: none"> • Investors & Shareholders • Board of Directors • Managers • Employees 	<ul style="list-style-type: none"> • Business Partner • Customers • Government Agencies and Regulatory Authorities • Suppliers and Contractors

The engagement channel with our key stakeholders is outlined in the following table:

Key Stakeholder	Definition	Engagement Channel
Business Partners	Institutional investors, equity analysts, and Securities Investors Association of Singapore ("SIAS")	Annual General Meeting Half-and-full year financial results Announcements via SGXNET Disclosures of information on matters of material impact or significance through SGXNET and other information channels Update of important events and business developments through the corporate website and social media platforms such as LinkedIn and Facebook
Customers	Corporate, retail customers, general public.	Site visits & workshops Phone calls Email contacts Formal & informal meetings
Government Agencies and Regulatory Authorities	Ministry of Manpower ("MOM") National Environment Agency ("NEA") Ministry of Trade & Industry ("MTI") Maritime Port Authority ("MPA")	Participation in initiatives led by government agencies Annual service audits
Suppliers and Contractors	Delivery partners, international and local goods suppliers and contractors.	Site visits & workshops Phone calls Email contacts Formal & informal meetings
Internal Management and Employees	Full-time, contract and temporary workers include those of managerial level.	Regular dialogues Training programmes Work-related meetings and discussions

Material Topics Identification

The BH Global Sustainability Steering Committee re-evaluated the material topics from FY2022 and updated the list under our four-step process.



In FY2021, BH Global Management and our Sustainability Steering Committee worked with our Sustainability Consultants to conduct stakeholder survey and materiality assessment to identify the relevant ESG topics. In FY2022, the management reviewed the material topics and all the material topics were defined in FY2021 still remain material to the group.

The following tables reflect the interests from our key stakeholders.

Stakeholders	Business Partners	Customers	Government Agencies and Regulatory Authorities	Suppliers and Contractors	Internal Management and Employees
Interests	<ul style="list-style-type: none"> Anti-Corruption Measures Economic Performance Employee Training and Skill Development Occupational Health and Safety 	<ul style="list-style-type: none"> Anti-Corruption Measures Energy Saving and switch to Renewable Energy Cyber Security and Customer Data Privacy 	<ul style="list-style-type: none"> Anti-Corruption Measures Employee Training and Skill Development Occupational Health and Safety Economic Performance 	<ul style="list-style-type: none"> Anti-Corruption Measures Fair Employee Relationship Cyber Security and Customer Data Privacy Occupational Health and Safety 	<ul style="list-style-type: none"> Anti-Corruption Measures Fair Employee Relationship Employee Training and Skill Development Occupational Health and Safety

Based on the stakeholders' interests and the organisation's business strategy, we have identified and revalidated the material ESG topics. For the reporting year of FY2022, in accordance with the GRI principles, the following 8 material topics have been identified and presented as below:

	Material Factor	Stakeholder Group	FY2023 Target	Key Initiatives to be continued/implemented	Relevant SDGS
ECONOMIC & GOVERNANCE	Business Conduct Anti-Corruption Measure Anti-Competitive Behaviour GRI 205, 206	Business Partners Customers Government Agencies and Regulatory Authorities Suppliers and Contractors Management and Employees	Maintain zero cases of corruption within the organisation. Maintain zero cases of anti-competitive behaviour within the organisation	Upkeep of anti-corruption policy within the Group Continue educating employees on the anti-corruption policy Improve work processes on governance	8, 12
	Economic Performance GRI 201	Business Partners Government Agencies and Regulatory Authorities	Focus on businesses with high Return of Sales ("ROS") Focus more on sustainability initiatives	To be costs efficient and more competitive with innovative products and solutions Introducing and emphasising green initiatives to clients	8, 9, 12
ENVIRONMENT	Energy and Emissions GRI 302	Customers Internal Management and Employees	Maintain zero non-compliances with environmental laws Achieve overall reduction of energy usage by the group Provide customers with more opportunities for energy saving options	Implement annual reviews for environmental law impacts and compliance. Implement new facility upgrades to provide more energy savings. Continue with R&D on energy saving technologies in electrification Develop a climate committee Fully implement photovoltaic system	7, 9, 12, 13, 14
	Water GRI 303	Customers Internal Management and Employees	Achieve overall reduction of water usage by the group	Introduce more notices and training to encourage employees to reduce water usage.	13, 14
SOCIAL	Fair Employee Relationship GRI 401, 405, 406	Business Partners Suppliers and Contractors Internal Management and Employees	Maintain no negative comments from employees Regular dialogue with employees	Implement regular review of fair employee policies.	5
	Skill Development GRI 404	Business Partners Internal Management and Employees	Achieve average of 4.5 training hours per employee	Suggest and provide more training programmes for employees to attend	8
	Occupational Health and Safety GRI 403	Business Partners Government Agencies and Regulatory Authorities Suppliers and Contractors Internal Management and Employees	Maintain zero cases of workplace injuries and fatalities Maintain subsidiary compliance to ISO standards	Continue with annual review of ISO 45001 and bizSAFE materials Provide training and education for employees on workplace safety Adopt best industrial standards for workplace safety	3
Cyber Security and Customer Data privacy GRI 418	Customers Suppliers and Contractors	Maintain zero cases of data privacy compromises Continual improvement in cyber health practices and solutions	Provide proper education for employees on trending data privacy scams. Conduct tabletop exercises for employees to practise safe cyber habits	8, 9, 12	

Supporting the United Nations Sustainable Development Goals

The UN SDGs provides a shared roadmap for governments, private sectors, and civil societies to address the most pressing social and environmental issues faced by our society today.

In BH Global, we recognise the importance as a private organisation and shall play our part in supporting the 17 global goals and delivering our commitment in supporting the global agenda.

Based on our FY2022 Business Strategy goals, we have decided to focus on the following sustainable development goals as they align best with the direction we are working towards.



FY2022 Target and Performance at a Glance

Material Topics	Targets for FY2022	Performance for FY2022	Achieved? Yes/No	Targets for FY2023
Business Conduct GRI 205-3	Maintain 0 cases of corruption within the organisation Maintain 0 cases of anti-competitive behaviour within the organisation	0 Confirmed incidents of Corruption 0 Anti-competitive behaviour cases within the organisation.	Yes	0 Confirmed Incidents of Corruption
Company with Laws and Regulations GRI 2-27	0 Legal Cases Or Fines And Non-monetary Sanctions Against The Group 0 non-compliance cases on Environmental and Occupational Health and Safety Cases.	0 legal cases or fines and non-monetary sanctions against the Group	Yes	0 Legal Cases Or Fines And Non-monetary Sanctions Against The Group
Safe Working Environment GRI 403	0 major incident rate.	0 Major incident rate	Yes	0 Major incident rate
Staff Training and Evaluation GRI 404	Average minimum 7 Training Hours per Employee	2.7 average Training Hours per Employee ¹	No	Achieve minimum average of 4.5 Training Hours per Employee
Safe Working Environment GRI 403	0 Major incident rate.	0 Major incident rate	Yes	0 Major incident rate

Note: (1) The training hour in FY2022 is not being achieved because the Group has adopted the new methodology in calculating the training hour performance.

OUR HIGHLIGHTS FOR YEAR 2022

ECONOMIC



Revenue \$55.2 million
Gross Profits \$23.1 million

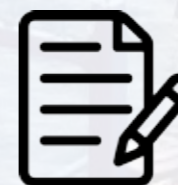


Maintained ISO Qualifications
9001, 14001, 23001,
45001, 27001



0 cases of non-compliance with laws and regulations

ENVIRONMENT



Emission recording for all subsidiaries



0 Cases of non compliance with environmental laws



Sea Forest Power Solutions is part of the Coastal Sustainability Alliance to revamp Singapore's coastal delivery system

SOCIAL



0 Cases of:

- Work hours lost
- Work Injuries and Fatalities
- Corruption



100% employees trained

ECONOMIC & GOVERNANCE

Key Material Topics	Key SDGs	Key GRI
Business Conduct Compliance with Law and Regulations Economic Performance	  	GRI 201 Economic Performance GRI 205 Anti-Corruption GRI 206 Anti-Competitive Behaviour

Our Governance

A well-defined corporate governance structure with ethical business conduct and process are essential to enhancing the Company's accountability and striving for long-term sustainability performance to maximise and protect shareholders' interest.

The Board is committed to upholding high standards of corporate governance practices throughout the Group that align with the Code of Corporate Governance 2018. The Board will ensure that there is compliance with the other relevant regulations, notices, circulars, and guidelines that may be issued by the Monetary Authority of Singapore and the SGX-ST.

The Board provides leadership, determines and sets the Group's corporate strategies and objectives, and ensures that the necessary financial and human resources are in place for the Company to meet its objectives.

19
Our Governance

20
Board Diversity

21
Corporate Sustainability Governance

21
Climate Committee

22
Business Conduct

22
Anti-Corruption Policy

22
Anti-Competitive Behaviour

23
Whistleblowing Policy

23
Conflict of Interest

23
Communication of Critical Concerns

24
Business Continuity Management

26
Compliance with Laws and Regulations

28
Economic Review and Performance

Board Diversity

The Board provides entrepreneurial leadership, oversees the business affairs and dealings of the Group. They determine and set the Group's corporate strategies and objectives and ensure that the necessary financial and human resources are in place for the Company to meet its objectives. The Board is responsible for decision-making on and overseeing the management of the organisation's impacts on the economy, environment, and people.

The Board has overall responsibility for establishing and maintaining a framework of good corporate governance in the Group, including the risk management systems and internal control to safeguard shareholders' interests and the Group's assets.

The Company is responsible for ensuring the diversity of the board committee, which includes gender equality and the collective knowledge and skillset. The Board information is as below:

Total no. of Board Directors			5
Female	0 (0%)	Independent	3 (60%)
Male	5 (100%)	Non-Independent	2 (40%)

Name	Gender	Board of Directors
Mr Vincent Lim Hui Eng	Male	Executive Director and Chief Executive Officer
Mr Patrick Lim Hui Peng	Male	Executive Director and Chief Operating Officer
Mr Loh Weng Whye	Male	Non-Executive and Lead Independent Director
Mr Henry Tan Song Kok	Male	Non-Executive and Independent Director
Mr Winston Kwek Choon Lin	Male	Non-Executive and Independent Director

Due to our special industrial cluster involving, Marine and Offshore, Integrated Engineering, Green LED Lighting, Cyber Security, and Infrared Thermal Sensing Technologies industries, we are situated in predominantly male-dominated business sectors. BH Global will consider appointing female directors in our future planning to allow for more diverse and inclusive board opinions.

The current board composition provides a diversity of background, knowledge and experience to enable the Board to make decisions in the best interests of the Company as follows:

Core Competencies of the Board		
Accounting/Finance	Legal or Corporate governance	
Strategic Planning Experience	Business Management	
Relevant industry knowledge or experience	Customer-based experience or knowledge	Sustainability

All directors of the Group have also attended the mandated sustainability training as announced by Singapore Exchange RegCo (SGX) in March 2022.

Board Diversity Policy

As per requirements under the Singapore Exchange Listing Rules 710A, the Company is required to maintain a board diversity policy that addresses gender, skills and experience, and any other relevant aspects of diversity. The Board Diversity Policy sets out a framework to achieve adequate diversity on the Board of the Company.

An effective board requires directors that have the integrity, expertise, skill, time, and commitment to carry out their duties effectively. A well-balanced board with directors from diverse backgrounds can provide fresh perspectives to solve business issues, foster growth and create value for the Company, and enhance corporate governance.

A diverse board is less likely to suffer from 'groupthink' and may avoid conformity when limitations and biases are left unchecked. The Board is committed to the adoption of greater diversity as a strategic endeavour.

BH Global recognises and understands the benefits of a diverse board, and the view diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. All board appointments are made based on merit, in the context of the skills, experience, independence and knowledge which the Board requires to be effective. The Board is in view that gender is an important aspect of diversity and will ensure that female candidates are not excluded during the search for candidates for appointment to the board.

For more information on our Board of Directors and Board Diversity Policy, please refer to our Corporate Governance Report found in page 29 of our Annual Report FY2022.

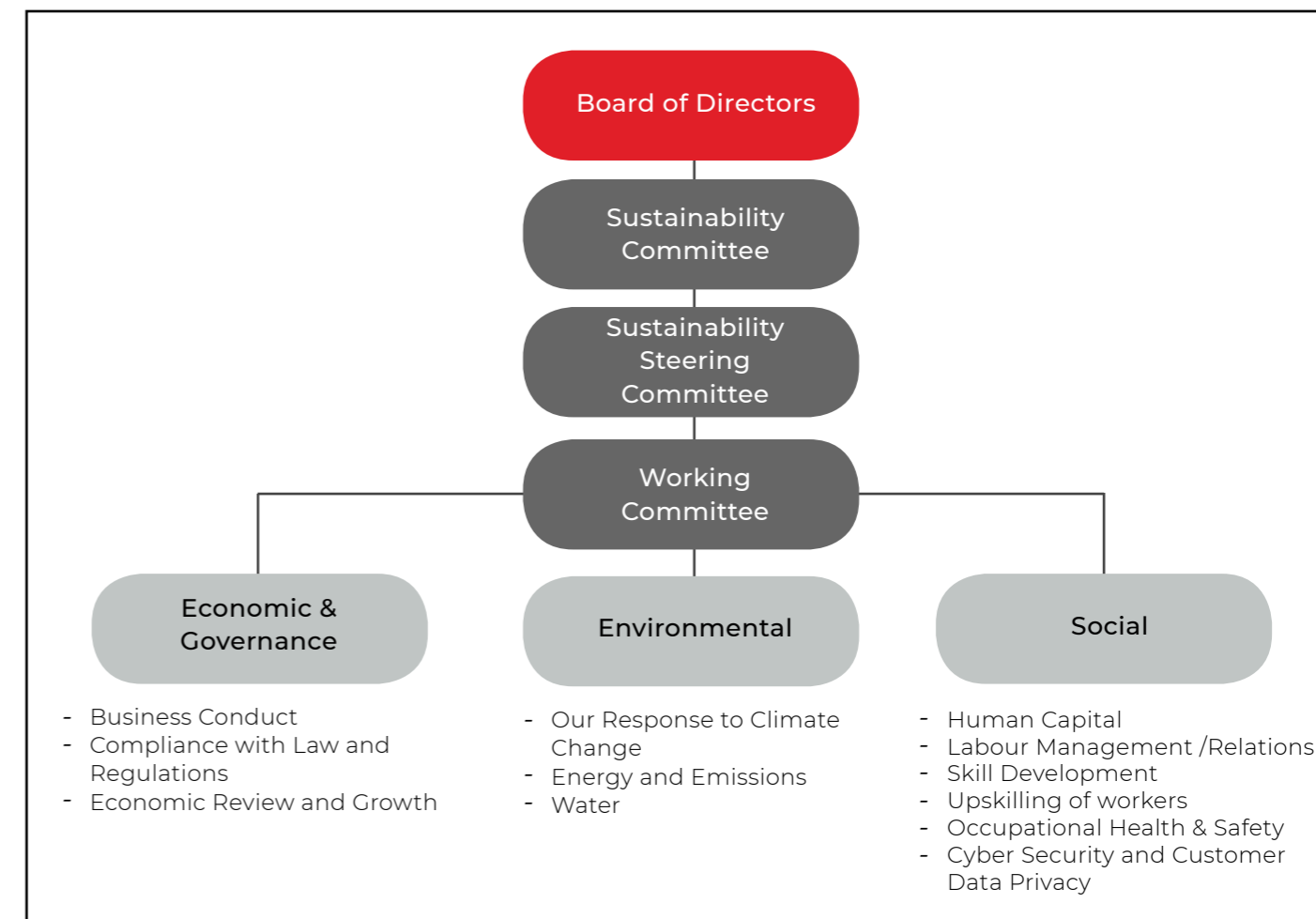
Corporate Sustainability Governance

The Group Sustainability Committee ("SC") comprises:

- Mr Vincent Lim Hui Eng (Chairman)
- Mr Patrick Lim Hui Peng (Member)
- Mr Keegan Chua Tze Wee (Member)

The SC was formed in 2016 and headed by the Executive Chairman and Chief Executive Officer. The SC's responsibilities, as set out in its written terms of reference approved by the Board, are in the Group's environmental, social and governance policies in line with Singapore Exchange's guidelines and regulations.

The SC has formed a Sustainability Governance Structure consisting of discipline-specific working groups, identifying possible material topics and reaching an agreement on the action plan for the reporting process.



The Sustainability Steering Committee, composed of the CEO, COO, CFO and subsidiary CEO and directors, provides guidance on the Group's sustainability strategies to all employees through the Sustainability Working Committee which is made of the manager level of each subsidiary. The Sustainability Steering Committee gathers and reviews feedback from all employees, before reporting the progress for delivering targets and plans to the Sustainability Committee.

The Board and SC will then evaluate the sustainability management performance of the Group and key material issues identified by stakeholders before endorsing the various targets and plans accordingly.

Climate Committee

BH Global does not feature a Climate Committee but is working towards developing the committee by early FY2023.

The Climate Committee shall provide guidance on the group's progress towards climate sustainability, monitor progress in reducing emissions and achieving carbon budgets and targets.

Business Conduct

Our core values at BH Global foster a culture where we are committed to conducting our business responsibly. We remain dedicated to upholding our business ethics and integrity to enforce a system where fraud, corruption and unethical actions are unacceptable.

Our Code of Business Conduct and Ethics is built on our commitment to ethical business conduct and regulatory compliance. We continue to work towards meeting client's requirements and government regulations regarding cybersecurity, data governance and protection and business continuity.

The Group has established corporate policies and internal controls that are applicable group wide as presented here:

- Code of Business Conduct
- Personal Code of Conduct
- Supplier Code of Conduct
- Anti-Corruption Policy
- Whistle Blowing Policy
- Conflict of interest Policy
- Securities Trading Policy

Anti-Corruption Policy

As of FY2022, BH Global is amid implementing policies relating to Anti-Corruption, Anti-Bribery and Confidentiality. Once implemented within the Group, a group-wide announcement will be made through email and training will be provided where necessary.

BH Global currently has a Code of Conduct and Ethics that is put in place by the Board to facilitate the desired organisational culture and to ensure proper accountability within the Group. Anti-bribery and corruption risks are assessed and alleviated within our risk register process which is applied across all seven of the Group's businesses.

We have assessed all our business operations and found that there are no risks related to corruption.

Employees are required to comply with the set policies and procedures covered in the Code of Conduct, which is briefed to all employees upon confirmation of employment and made available to access anytime.

Directors and employees are also kept updated on developments and changes to the applicable laws and regulations through regular training and communication.

In FY2022, the Board confirmed that there were no corruption investigations launched against the Group.

Our goal for FY2023 is to continue the good record of having no cases of corruption against the Group.

Anti-Competitive Behaviour

In FY2022, BH Global does not have an active Anti-Competitive and Anti-Bribery policies in place. However, there has been no reports of legal actions regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation in which the organisation has been identified as a participant.

As of FY2023, BH Global is currently developing our Anti-Competitive and Anti-Bribery policies and hopes to maintain the record of having no reports of legal actions regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation.

Whistleblowing Policy

Pursuant to the amended Rule 1207 (18A and 18B) of the Singapore Exchange Mainboard Rules (eff. 1 January 2022), the Management has put in place a whistleblowing policy and procedures fully endorsed by the Audit Committee ("AC") and approved by the Board, through which employees of the Company may raise concerns about possible improprieties in the matter of financial management and reporting, misconduct or wrongdoing relating to the Company.

A whistleblower may either submit their report to the Lead Independent Director via email at whistleblow@bhglobal.com.sg or call the hotline at +65 6210 8088 or mail the report in an envelope marked as "Private and Confidential" to the following address:

To: Lead Independent Director
c/o: BH Global Corporation Ltd
8 Penjuru Lane, Singapore 609189

The Company ensures that the identity of the whistleblower is kept confidential. The Whistleblowing Policy is intended to safeguard the whistleblower's identity, and therefore undertakes to treat all whistleblowing reports as confidential. All reports of violation or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct adequate investigation, or unless otherwise required by law. Every effort will be made to protect the whistleblower's identity.

The Company has designated an independent function to investigate whistleblowing reports made in good faith. The whistleblower may report to the Lead Independent Director when he or she has a reasonable belief that there is serious malpractice relating to any wrongful activities or wrongdoings. Where the implications involve the Board/AC members and/or Management, the Lead Independent Director will report directly to the Board Chairman.

Conflict of Interest

The Conflict of Interest Policy applies to the Board and all employees of the Group. Board members and all employees have an obligation to act in the best interest of the Group. Conflict of Interest may arise when an individual's personal or family interests and/or loyalties conflict with those of the Group.

The policy aims to protect both the Group and individuals involved from any appearance of impropriety. Board members and employees are required to declare their interest, and any gifts or hospitality received in connection with their role in the Group. A "Declaration of Interest" form is provided to help facilitate the process. To ensure effectiveness, the declaration form is refreshed annually and when any changes occur. Changes to any personal details of self and close family members are to be declared in a refreshed document.

Communication of Critical Concerns

The Group acknowledges the need to promote effective communication for effective prevention of and response to risks, high-concern issues, and crises. All stakeholders have the rights to report critical concerns involving major misconduct, conflict of interest, breach of code practices, etc.

Concerns from within the organisation are to be reported directly to managerial level employees or the HR department. Concerns from external parties may be directed to our whistleblowing channels, by phone, email or through postal mail. Concerns are then evaluated and brought up to higher governance bodies where necessary. All company policies are recorded on the Group's onboarding presentation deck, which is made available to all employees. New employees are trained to understand the various policies during the onboarding process.

In FY2022, there were no reported incidents of reported critical concerns that were communicated to the highest governance body.

Business Continuity Management

BH Global has developed a Business Continuity Plan for our subsidiaries in alignment with the ISO 22301:2019 Business Continuity Management Systems (“BCMS”) requirements in the event of an incident with adverse impact. The main objective is to ensure each subsidiary will be able to continue all identified prioritised activities at a measurable service level within the agreed Recovery Time Objectives (“RTO”) and Recovery Point Objectives (“RPO”) in the event of disruption, incident, crisis, or disaster.

Our Business Continuity Plan is led by the Group’s BCM Steering Committee (“BCMSC”) consisting of several members from Senior Management. The BCMSC manages the Group’s BCM managers and the BCM working committee. BCM coordinators under each subsidiary shall develop and coordinate BCM plans based on specific risk assessments pertaining to the individual company.

The BC plans for BH Global, and the subsidiary groups are formulated to cover 4 sets of activities in:

1. Pre-incident preparation.
2. Respond to an incident, emergency or disaster.
3. Recover and resume prioritised activities.
4. Restore and return all business operations to normalcy.

All BC Plans are duly signed, and original signed copy is maintained by Group BCM Manager. All supporting plans are also duly signed and maintained by the respective author. The BC plans define the roles and responsibilities of key personnel and criteria for disaster declaration, procedures for disaster notification and BC Plan activation. All crisis communications are handled by Corporate HR department. The BC Plan is reviewed and tested on a periodic basis.

The BCMSC has determined that all applicable subsidiaries’ business units are to participate in a Risk Assessment (“RA”) Exercise. RA questionnaires are developed to ensure a consistent approach in RA, which are then endorsed and signed off to acknowledge the finality of the data for analysis.

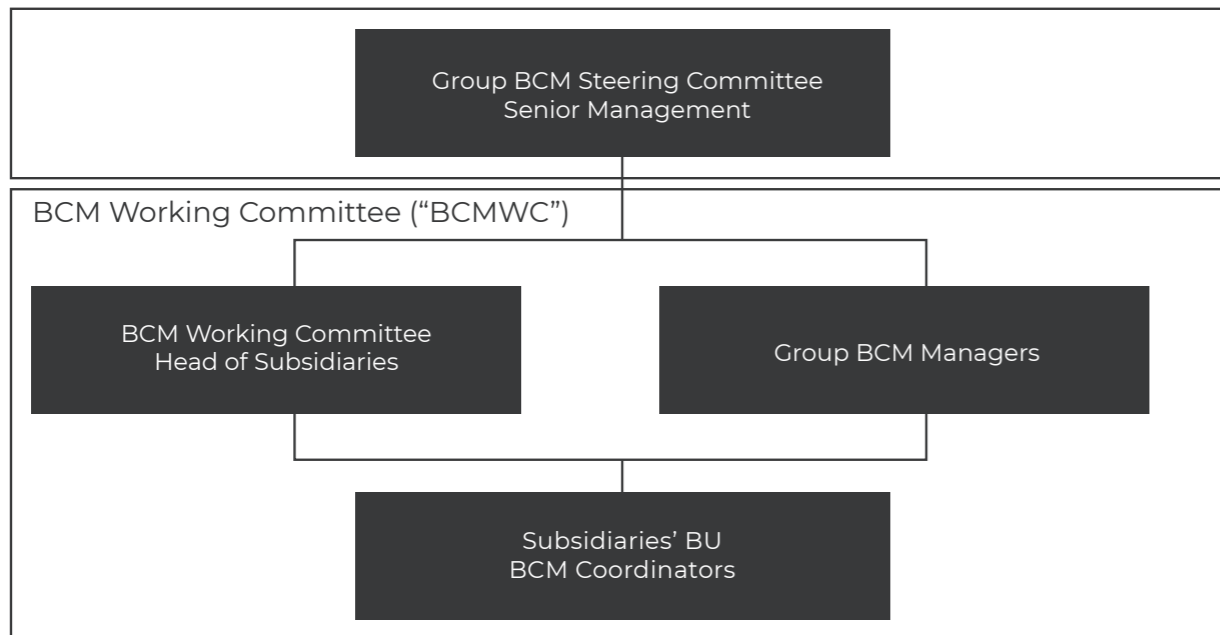
The Group’s BCM Managers maintain the original signed-off copy of the RA, where identified risks are ranked using probability and impact ratings. Appropriate risk treatment responses are identified while a list of potential disasters is established from list of identified risks. RA findings and recommended risk treatments are presented to the BCM Steering Committee for approval and risk treatment plans are implemented and monitored. The RA exercise is reviewed and performed on a periodic basis. For more information on our RA process, please refer to page 48 on Hazard Identification and Risk Assessment.

BH Global has also put in place an Emergency Response Plan (“ERP”) that will be activated in the case of a critical emergency event to maximise employee’s safety and minimise the impact on critical operations. Emergency Response Team Leaders and first aid officers are elected and provide training on how to lead the organisation through the series of steps to take during these events. The Group conducts an annual fire drill exercise as part of ERP training for the organisation. The fire drill exercise educates employees on evacuation procedures in the case of a fire emergency. Table-Top Exercises are also conducted with relevant personnel to keep them refreshed and updated on the Group’s ERP.

The Management has placed added emphasis on the importance of a comprehensive Business Continuity Plan to ensure that employees are well-prepared and that key operations and services to our customers are minimally disrupted.



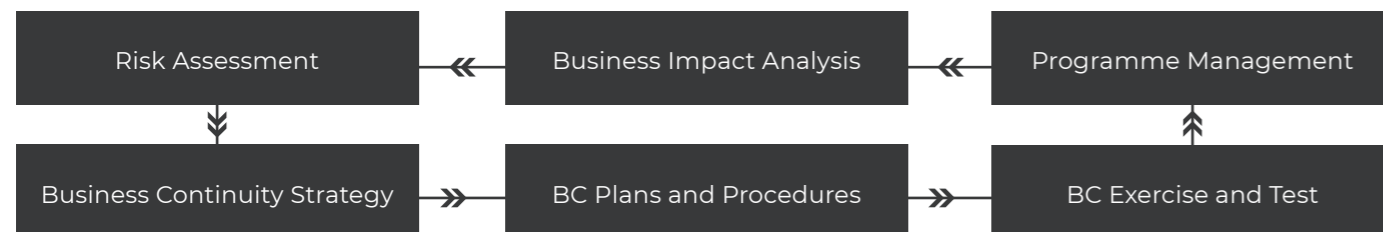
BCM Steering Committee



Each business division that is ISO 22301 certified (BHM, BOS, SFT, OMS, ADPL) also developed a BCM Plan Team Structure catered to the needs of each individual division.

BH Global’s Minimum Business Continuity Objectives (“MBCO”) are in accordance with the capabilities and the sector of which the Group has decided upon. On a broader scale, all subsidiaries will aim to resume prioritised activities within 3 days and provide priority services to their Top 5 to Top 20 customers (depending on the business division), by keeping in contact and providing updates to keep them informed of the latest situation.

BH Global’s BCMS framework consists of a six-step continuous cycle. Each subsidiary has defined its own BCMS scope to allow for the capability and capacity to ensure recovery and continuity in the provision of its products and services. This process helps to identify the potential risks and threats at physical sites which may cause disruption and adverse impacts to the critical services identified during the Business Impact Analysis.



Compliance with Laws and Regulation

In BH Global Group, we committed ourselves to complying with the laws and regulations we operate in.

The Board is committed to upholding high standards of corporate governance practices throughout the Group that is in line with the Code of Corporate Governance 2018. The Board will ensure that there is compliance with the other relevant regulations, notices, circulars, and guidelines that may be issued by the Monetary Authority of Singapore and the SGX-ST.

Our compliance guidelines and policy requirements are aligned with industry standards and requirements. Also, we focus on our community responsibilities as corporate citizens. We take these responsibilities in a serious way, including paying our fair share of taxes, corporate income taxes, and social contributions.

Our commitment to these responsibilities is also embodied in our corporate culture. Tax payments to the relevant authorities are in accordance with applicable anti-corruption laws and regulations.

The Company shall remain committed to comply with applicable acts, regulations below:

Governance

- Securities and Futures Act (Chapter 289)
- Code of Corporate Governance 2018

Environment

- Environmental Public Health Act (Chapter 95)
- Environmental Public Health Act (Chapter 95, Section 113) Burning of Joss Sticks and Candles Regulations
- Environmental Public Health Act (Chapter 95, Section 113) Toxic Industrial Waste Regulations
- Environmental Public Health Act (Chapter 95, Section 113) General Waste Collection Regulations
- Environmental Protection and Management Act (Chapter 94A)
- Environmental Protection and Management Act (Chapter 94A, Section 12(5) AND 77(1)) Vehicular Emissions Regulations
- Environmental Protection and Management Act (Chapter 94A, Section 77(1)) Trade Effluent Regulations
- Environmental Protection and Management Act (Chapter 94A, Section 14(1)) Prohibition on the Use of Open Fires Order
- Code of Practice on Pollution Control
- Code of Practice on Environmental Health
- Code of Practice for Environmental Control Officer
- Control of Vectors and Pesticides Acts (Chapter 59)

Social

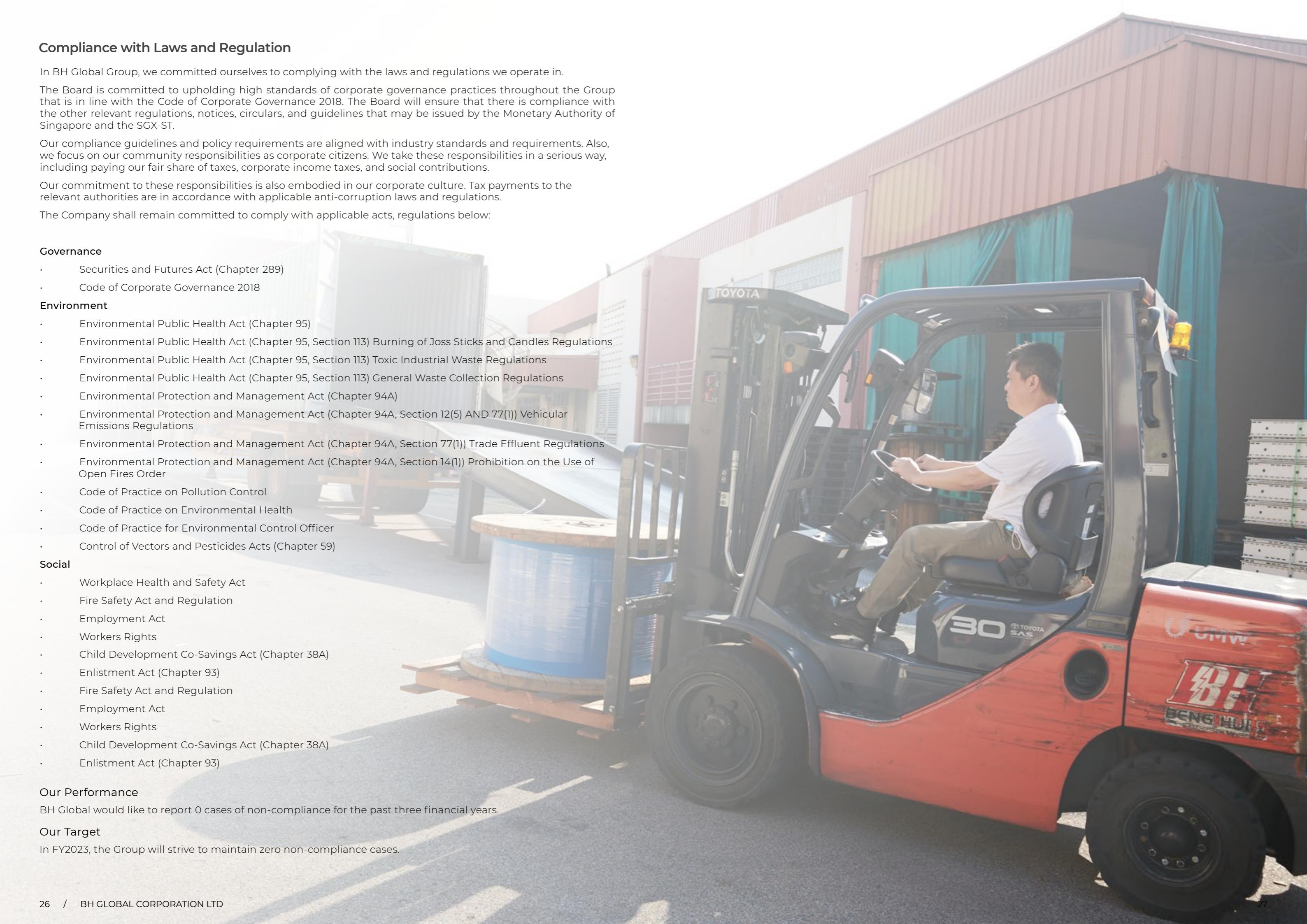
- Workplace Health and Safety Act
- Fire Safety Act and Regulation
- Employment Act
- Workers Rights
- Child Development Co-Savings Act (Chapter 38A)
- Enlistment Act (Chapter 93)
- Fire Safety Act and Regulation
- Employment Act
- Workers Rights
- Child Development Co-Savings Act (Chapter 38A)
- Enlistment Act (Chapter 93)

Our Performance

BH Global would like to report 0 cases of non-compliance for the past three financial years.

Our Target

In FY2023, the Group will strive to maintain zero non-compliance cases.



Economic Review and Growth

BH Global aims to create long-term economic growth while considering the environmental, social and safety aspects of the community and our people. In FY2022, the Group continued to invest in selective advanced technologies to further strengthen its business operations.

Group Performance Summary

The Group's revenue increased by 18% to S\$55.2 million in FY2022 mainly due to higher revenue contribution from the Electrical & Technical Supply and Integration Engineering Divisions.

The Group's gross profit increased by \$3.7 million, from \$19.4 million in FY2021 to \$23.1 million in FY2022, which is in line with the increase in turnover by \$8.3 million. Overall gross margin improved slightly from 41% in FY2021 to 42% in FY2022 mainly due to improved gross margin from Electrical and Technical Supply Division.

Other operating income in FY2022 declined by \$0.8 million as compared to FY2021. This was mainly due to the higher government grant income in FY2021.

For FY2022, selling & distribution expenses increased by \$4.2 million or 43%, mainly due to:

- Increase in personnel-related costs of \$1.5 million as a result of achieving performance targets by the Electrical and Technical Supply Division;
- Increase in the write down of inventories of \$1.9 million.

Administrative expenses increased by \$1.4 million or 21% for FY2022 mainly due to:

- Increase in personnel-related costs due to achieving performance targets by the Electrical and Technical Supply Division.

For FY2022, the Group registered a net profit of \$2.1 million compared to \$4.4 million in FY2021. This is mainly due to an increase in revenue offset by higher operating expenses in FY2022.

Our Value Chain - Segmental Overview



Electrical and Technical Supply

The Electrical and Technical Supply division accounted for 72% of the Group's turnover in FY2022. Revenue from the division increased by S\$5.2 million (15%) to S\$39.9 million in FY2022 as the industry continues to recover in the level of activities, with the resumption of operations by shipyards in Singapore and the region.



Green LED Lighting

The Green LED Lighting division is driven by the Group's associated company, GL Lighting Holding Pte Ltd ("GLH"), GLH reported a lower loss in FY2022 as compared to FY2021 due to higher delivery to customers in 2H2022.



Security Division

The Security Division comprises Infrared and Thermal Sensing Technology and Cyber Security businesses. Revenue from this division decreased by \$1.2 million (13%) in FY2022. This was mainly due to the drop in demand for its Mass Fever Screening Systems from the Infrared and Thermal Sensing Technology business of \$2.8 million in FY2022. On the other hand, the Cyber Security business registered an increase in revenue of \$0.6 million in FY2022, as a result of higher order from customers.



Integration Engineering

In FY2022, revenue for the Integration Engineering Division increased significantly from \$2.9 million to \$7.2 million mainly due to increased delivery of projects secured from FY2021 by afloat repairs and electric propulsion business.

For a more detailed breakdown of the Group's financial review for the past three years, to page 23 of our Annual Report FY2022, Operational and Financial Review.

Strengthen Business Operations

While the Pandemic Economy has seen to stabilize, we have seen an increase in the upcoming uncertainties in the form of the US-China trade tensions, Brexit, and war. These adversities will challenge the core foundation that the company is built upon. We will need to adapt our thinking and the way we operate through effective sustainability planning and integration, and demonstrate our resilience in the ever-changing economic, social, and environmental landscape.

The Group has businesses spanning across various stages of growth.

BHM continues to be a mature business with steady growth in terms of financial and market share. BHM understands that it is key to stay ahead and relevant amidst the fast-changing global market developments. BHM emphasizes training and upskilling our employees to increase the technical services provided to our customers. The Company encourages Digitalisation and Innovation and welcomes fresh perspectives. BHM is committed to providing Green Lighting solutions through their Environmental initiatives.



ADPL and OMS are in the growth and expansion phase and are constantly driven to achieve financial and growth targets. The rising cases of target Cyber Attacks on critical infrastructures has propelled ADPL's game-changing, disruptive IT & OT cyber protection technologies to develop and grow revenue sources. Whereas OMS is looking to expand into the middle eastern and European markets with their extensive experience and expertise in thermal vision systems and infrared thermography. OMS's brand equity has also enabled them to capitalise on growing prestige as an advanced mechanical designer and significant capabilities in the realm of highly integrated digital system designs.

The recovering Marine & Offshore Industries provided SFE and SFP potential sustainability opportunities- Electrification, Wireless Charging, Energy Storage, Renewable Energy and Afloat Repairs. SF is also taking an active role in Singapore's Coastal Sustainability Alliance by providing Electrification and Wireless charging technology for the fully electric and hybrid vessels.

The Group's directions of environment, electrification and digitalisation towards a sustainable economy is aligned with the Alliance's broad framework in these areas.

Our Future Plans

The Group's diversification strategy has greatly enhanced our adaptability and resilience as we transform ourselves into a technological company. Digitalisation has help us to innovate new means to build our foundation in creating a sustainable future for all.

For FY2022, BH Global is focusing on operational growth for its businesses with high ROS to allow the Group to improve our business quality and gradually transform ourselves into a technology-based organisation. We incorporate digital technologies in cross-functional projects and integrate physical infrastructure and services into the digital space. We believe that innovation will boost the productivity and efficiency of the Group and bring about quality and value enhancements to our products and services. BH Global also recognises the importance of refining our operations through increased governance and authorisation processes.

Initiatives by government officials such as the Singapore Maritime Decarbonisation Footprint, SG Green Plan 2030 and even the 2030 Paris Agreement have allowed the group to focus on sustainability initiatives to improve the Group's environmental sustainability and inspire other entities to do the same. BH Global Sustainable initiatives revolve around our business sections including but are not limited to Green LED retrofitting, Vessel Electrification, Green Energy storage and GRE piping solutions.



ENVIRONMENT

Key Material Topics	Key SDGs	Key GRI
Our Response to Climate Change Energy and Emissions Water	     	GRI 302 Energy GRI 303 Water and Effluents GRI 305 Emissions

34
Water Consumption

34
Our Response to Climate Change (“TCFD”) Energy and Emissions

39
Coastal Sustainability Alliance

Our Environment

BH Global is looking to do our part in reducing our carbon footprint through various company-wide initiatives. Most subsidiary groups under BH Global are ISO 14001, Environmental Management System (“EMS”) certified. The certification allows the Company to be recognised as a “Green-Partner” to clients. The certification also provides assurance to company management and employees as well as all our stakeholders that environmental impact is being measured, monitored and improved.

Under our ISO 14001 policy objectives, the Company shall work towards the following:

- Zero cases of land contamination
- 100% paper sent for recycling

Water Consumption

BH Global strives to reduce water consumption in our daily operations. The Company acknowledges the urgency and importance of saving water by setting annual water consumption reduction goals.

	FY2022 (Cu M)	FY2021 (Cu M)
Water Consumption at 8 Penjuru Lane	10,205.0	874.6
Water Consumption at 10 Penjuru Lane	1,154.3	1,456.3
Total	11,359.3	2,330.9

The Company is working towards the collection of data from FY2023 onwards.

Due to the significant increase in water consumption in 8 Penjuru Lane, BH Global has launched an official investigation at the premise and found an underground water pipe leakage. Repairs are set to be completed by the end of the first quarter of 2023. Additionally, BH Global Subsidiary Group, Sea Forrest Technologies has also relocated operations from 10 Penjuru Lane to 8 Penjuru Lane in mid FY2022. Their move might also have increased water usage in the 8 Penjuru Lane office and workshop. Water Consumption at 8 Penjuru Lane will be monitored upon completion of repairs.

Our targets for water consumption are made in accordance with projected company's growth. We hold ourselves to a high standard and are committed to gradually decreasing water consumption. Our target for FY2023 is to introduce more notices and training to encourage employees to reduce water usage.

Our Response to Climate Change (TCFD)

Climate change poses an enormous threat to the safety and wellbeing of our community and to the global economy. In FY2021 National budget, the Singapore government has announced that the carbon tax price will be increased from the current S\$5/tCO_{2e} to S\$25/tCO_{2e} in 2024 and 2025, and S\$45/tCO_{2e} in 2026 and 2027, to reach S\$50-80/tCO_{2e} by 2030 to achieve the climate ambition.

In Jan 2022, the Singapore Exchange has mandated climate reporting for selected sector to follow the guidelines provided by the Task Force on Climate-related Financial Disclosure. At BH Global, we understand that we are situated in energy intensive industry, with the increasing energy price and the challenge of the global supply chain, we must prepare ourselves for a sustainable future to stay competitive in the market. At the same time, we have an obligation to be a responsible corporate citizen to play our part in response to climate change.

Our Action

Coping with climate risk is key to the strategic development in our Group. This requires the company to re-examine our position and shape our business strategy to improve our knowledge and better equip ourselves of the green development of the Maritime, LED, Engineering, Infrared Thermal Sensing Technology and Cybersecurity industry, with the challenges brought by climate change.

Based on TCFD, BH Global Group has systematically started to conduct the relevant analysis to identify our climate change risks.

In line with TCFD reporting guidelines, the Group is preparing ourselves to evaluate our performance and disclosure with the following aspects:



Governance & Strategy

The Group is targeting setting up the Climate Risk Committee within FY2023 to set better the Group's overall strategy and respond toward the climate risks.

Climate Risk Management

The group evaluated our key operational activities and with the consideration of including the following two risk categories in our Risk Management in the future.

Physical Risk

Physical risks are associated with the physical impacts of climate change arising from extreme weather events due to changes in climate patterns.

The physical risk might affect the following operation activities within the Company's operation.

Risk	Risk Description	Type of Risk	Potential Impact
Physical Risk	Acute Risk Adverse Weather Event, such as flooding, storm etc	Physical Risks to Assets	Warehouse goods safety; Increase maintenance fee; Damage infrastructure and disrupt operations
		Supply Chain Disruptions	Effecting delivery of goods and services. For example, extreme weather events can disrupt shipping schedules or damage cargo, causing delays or losses.
		Occupational Health and Safety	Adverse weather might increase more road accidents and cause disruption on delivery and deliver the goods to customer on time.
Chronic Risk	Rising Sea Levels	Physical Risks to Assets	Employee occupational health and safety; Higher maintenance fee; Investment direction;
		Occupational Health and Safety	Employees working outdoors might suffer more occupational diseases
	Increase in Global Temperatures	Occupational Health and Safety	

Transitional Risk

Transitional Risk means transitioning to a lower-carbon economy may entail extensive policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed, and focus of these changes, transition risks may pose varying financial and reputational risk levels to organisations.

As our major business is focus on marine goods supply, so within the operation activities, the following transitional risks might be faced by the organisation in our short and long-term operations:

Risk	Risk Description	Type of Risk	Potential Impact
Transitional Risk	Increasing emission requirements by local laws (e.g. NEA, LTA)	Increasing regulations and standards	Increasing maintenance fee; Higher operating cost; Upgrading the infrastructures, e.g. vehicles;
	Carbon Tax		Higher operating cost
	Higher fuel cost		Higher operating cost
	Change in demand for products and services, such as the demand for sustainable shipping and renewable energy increases	Changes in demand for products and services	Lose market and customer share; Decreasing in service demand; Reputation lost;

With those risks being identified and assessed, the countermeasures will be discussed to prepare a better response to reduce the risk level as lower as possible.

Target and Matrix (Energy and Emissions)

In FY2022, we started to collect our Scope 1 and Scope 2 emission data in line with TCFD requirements. The information is disclosed below.

The Group has evaluated our daily operations and activities with the consideration of all our subsidiaries and assets we own, after evaluation, the Group has concluded the following emission calculation are material to the organisation:

- Scope 1 Emission-Vehicles: Fuel consumption converts into emission amount;
- Scope 2 Emission- Electricity usage in our operating premises: Electricity usage convert into the emission amount;

Scope 1 Emission - Fuel Consumption

We have a total of 11 Vehicle fleet for Beng Hui Marine Electrical, 1 for Omnisense systems and 1 for Sea Forrest Power Solutions.

In FY2022, the Company used a total of 38,431 litres of fuel, resulting in 102.758 tCO2e in Scope 1 emissions.

	Type of Fuel Used	Total No. of Vehicles	Vol. Used (liters)	CO2 Emissions (tCO2e)
FY2022	High Speed Diesel	13	38431.00	102.76
FY2021			37,944.63	104.10

Note: The convention factors are aligned with the Measurement and Reporting Guidelines developed by the National Environmental Agency (NEA), Singapore.

In the past diesel was bought wholesale from a vendor and drivers were instructed to fuel up their vehicles from our headquarters. Since July 2022, employees of BH Global have been instructed to purchase fuel directly from petrol kiosks. This has resulted in a decrease of fuel consumption when compared to fuel consumption during the same period in FY2021.

Scope 2 Emission - Energy Consumption

For FY2022, BH Global has used a total of 535,933.14 kWh of electricity across our corporate Office and Headquarters at 10 Penjuru Lane and 8 Penjuru Lane respectively. Our electricity consumption has resulted in a total of 232.3 tCO2e Scope 2 emissions.

	Electricity Consumption (kWh)	CO2 Emissions (tCO2e)
FY2022		
8 Penjuru Lane	178,745.75	77.30
10 Penjuru Lane	357,187.39	155.00
Total	535,933.14	232.30
FY2021		
8 Penjuru Lane	137,053.02	59.30
10 Penjuru Lane	318,151.34	138.00
Total	455,204.36	197.30

The Company is working towards the collection of data from FY2023 onwards.

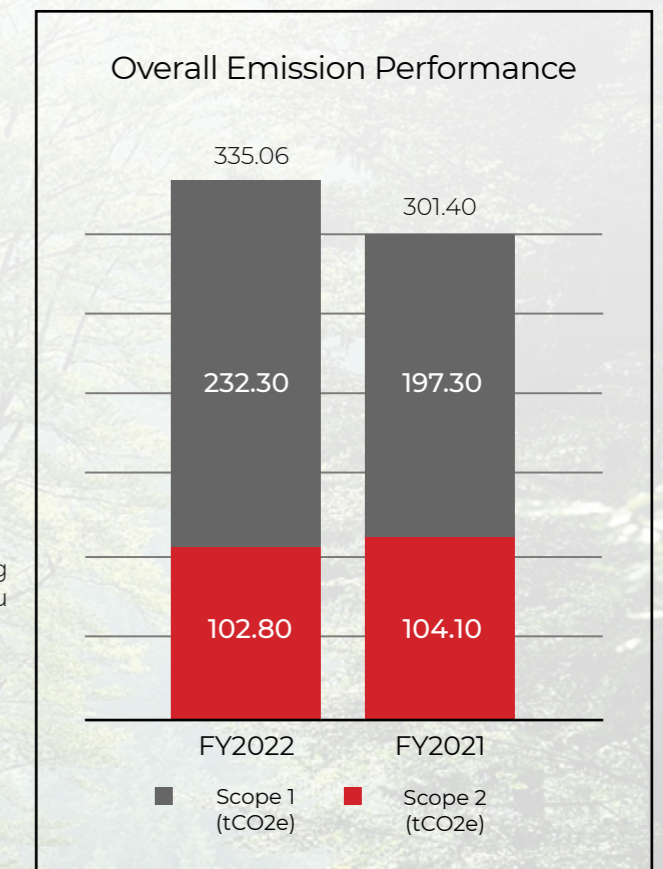
BH Global recognises the need to improve our sustainability programmes and create opportunities where the company can continue to commit to our responsibility in maintaining high standard for environmental management and protection.

Overall Performance

Emission Type	FY2022	FY2021
Scope 1 (tCO2e)	102.76	104.10
Scope 2 (tCO2e)	232.30	197.30
Total	335.06	301.40

Our Target

For FY2023, we are working towards fully implementing our photovoltaic system at our office located at 10 Penjuru Lane, and also to reduce our energy consumption rates.



Our Effort and Action in Response to Climate Change

LED Lighting Return of Investments (“ROI”) for Vessels

In line with the Group’s direction for the environment, BH Global has formed a strategic partnership with GL Lighting Holdings Pte Ltd which has more than 20 years of experience in the research and development, design and manufacture of technological advanced and innovative Green LED Lighting solutions and has more than 500 ODM and OEM projects for renowned international lighting companies. Together, we have developed SOPEX as a brand to drive Green LED technology and innovation towards innovative solutions to help address pressing concerns with the environment.

SOPEX has since contributed to various LED retrofitting projects such as the retrofitting of LED Lighting for vessels. SOPEX has completed more than 100 LED retrofit projects.

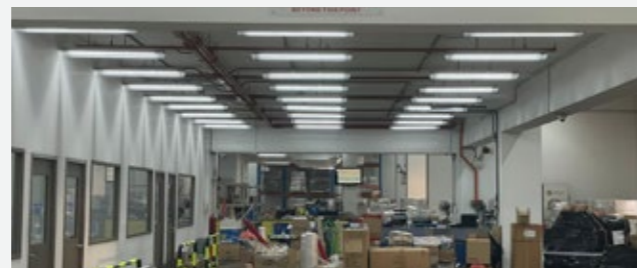
Making the switch to Green LED Lighting solutions can be daunting for many new users. Hence, SOPEX offers a complementary Lux (a unit of illumination) Calculation service for all clients for initial stages of planning/design up to completion of the installation or retrofit project. Along with the long service life of up to 100,000 hours, SOPEX provides extended warranties of 3 to 5 years to help ensure the products sold are guaranteed to work for its longest service life.

Holding itself to the highest standards, SOPEX conducts inspection reports on ROI for all clients, disclosing data about total costs of ownership and the cost savings from the reduction of consumables from conventional lighting. ROI from the installation of SOPEX LED lighting averages about 2 to 3 years, making it easy to entice conversion.

SOPEX is committed to meet the most stringent specification to replace conventional lights. Utilizing light performance curves, SOPEX can help to ensure the right applications are installed for maximum energy savings for the benefit of our environment.

The PAC Canopus retrofitted 44 1 Modular floodlights, 6 units slim watertight and 10 units pendant light. The total initial investment for the LED retrofit project is S\$17,779. Based on the consumable cost of S\$18,490, the PAC Canopus vessel has an ROI of just 0.4 years, annual savings of S\$41,678.24 on energy running cost and S\$1,131.79 on lighting consumables cost.

Project References



Warehouse LED Retrofit

SOPEX retrofitted several warehouses with SOP green LED Lights. One client has had 142 units of 400W Metal-Halide Highbay and 78 units of 4ft Weather-proof Fluorescent Luminaires with our SOP-Lite LED Highbay and 4ft LED Weather-proof luminaires. The retrofit has brought our client 25,296kWh annual energy savings and S\$8,165.46 annual energy cost savings.



PAC Canopus

Pacific Carriers Limited placed an order with SOPEX to retrofit the out-deck lights on the PAC Canopus general cargo vessel. The retrofit has seen 90% total energy savings of 107,529 kWh per year, and SGD41,678.24 in energy cost savings annually.

LED Annual Energy & Consumable Savings and ROI		
	Tradition Lamps (Outdoors)	LED Lamps (Outdoors)
Total Energy Consumption per year (kWh)	119,416	11,887
Energy Savings per year (kWh)	318,151.34	
CO2 Emissions per year (tCO2e)	111.601	11.11
CO2 Emission Reduction per year with LED (tCO2e)	100.5	
Energy Cost Savings per year*	S\$41,678.24	
Consumables (Traditional) Savings against LED lifespan	S\$1,131.79	
Total Initial Investment on LED	S\$17,779	

*Above calculation is based on energy cost S\$0.39 per kWh

Coastal Sustainability Alliance

On 14 March 2022, the Coastal Sustainability Alliance (“CSA”) was launched as a joint initiative by SFP, Kuok (Singapore) Limited Maritime Group, Agency for Science, Technology and Research, GenPlus Pte Ltd, Jurong Port Singapore, Technology Centre for Offshore and Marine, Singapore, and TES-AMM (Singapore) Pte Ltd to upgrade Singapore’s maritime ecosystem and accelerate the decarbonisation, electrification and advancement in energy-efficient logistics and engineering solutions.

With an estimated investment of about S\$20 million over the next 10 years, the Alliance will first focus on vessel electrification initiatives to decarbonise the coastal maritime industry. The CSA has plans to build a network of stationary and mobile electric chargers for these ships along the country’s coast and remodel used batteries from electric cars into modular packs for ships to prevent wastage. The vessel electrification trials may begin as early as 2024.

By utilising the strengths of each alliance member, SFP will work closely with CSA to co-create viable business opportunities with local SMEs and start-ups to foster a sustainable green supply chain and maritime business ecosystem.

This is Singapore’s first collective effort to decarbonise the logistic supply chain from vessel redesign, infrastructure to a circular economy with reduced resource use and future-proofing the vessels with environmentally sustainable energy sources. The Alliance hopes to see a reduction of 50% in vessel carbon emissions and 20% in marine traffic by 2030.

In FY2022, SFP developed a marine hybrid system for one of our key customers. The Factory Acceptance Test (“FAT”) is conducted at SFP’s warehouse located at the BH Global Headquarters.



Source: Image from PaxOcean Holdings Pte Limited

SOCIAL

Key Material Topics	Key SDGs	Key GRI
Human Capital Labour / Management Relations Skill Development Upskilling of Workers Occupational Health & Safety Cyber and Customer Data privacy	    	GRI 401 Employment GRI 403 Occupational Health & Safety GRI 404 Training and Education GRI 405 Diversity and Equal Opportunity GRI 406 Non-discrimination GRI 418 Customer Privacy

- 42**
Human Capital

- 44**
Employee Benefits

- 46**
Management Relations

- 46**
Skill Development

- 48**
Occupational Health & Safety

- 54**
Cyber and Customer Data Protection



Human Capital

To regulate the Group's human capital management policies with required standards, we referenced Enterprise Singapore's general benchmarking guide and the Human Capital Diagnostic Tool for fair wages, employment conditions and employee turnover policies.

Employee Relationships

The Group's HR team is dedicated to creating balance between employers and employees by maintaining an environment that is conducive to the needs of each employee. Employees are encouraged to seek assistance from the HR team in the event of displeasures regarding the Group.

All the employees hired by the Company are protected by laws and employment practices as set by the Singapore Ministry of Manpower. The Group has put in place certain policies in the interest of protecting the overall wellbeing of the Group:

- Gambling Policy
- Whistleblowing Policy
- Workplace Safety & Health Policy
- Break Time Allocation

Our Performance

As of 31 December 2022, the Group has 168 full-time employees with 111 males and 57 females. The Group saw a younger mix in FY2022 with 21% of the employees below 30, 49% between 31-50 and 30% above 50.

The Group's male to female percentage ratio has increased from 65% to 70% in the past year as most new hires are in the Infrared and Thermal Sensing Technology business division.

As engineering is a traditionally male-dominated sector, the new hires for FY2022 are also predominantly male. Additionally, other than the engineering sector, the Group is also in businesses ranging from the Marine, Information Technology and Cyber Technology sectors which are also traditionally been dominated by the male gender.



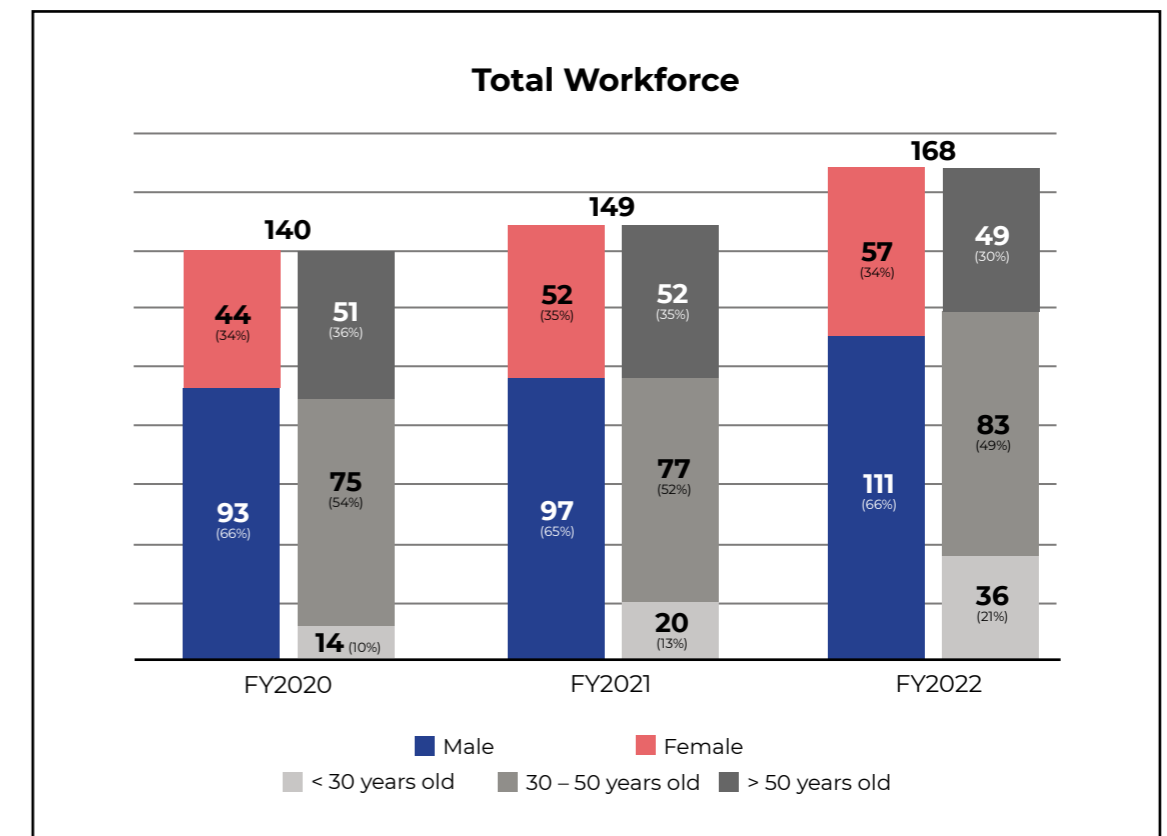
Total Employees	FY2022	FY2021	FY2020
Total	168	149	140

	New Hires	Employee Turnover
Total Number and Percentage of Employees, by Gender (FY2022)		
Male	50	46
Female	30	34

Total Number and Percentage of Employees, by Age (FY2022)		
< 30 Years Old	48	35
30 - 50 Years Old	26	27
> 50 Years Old	11	18

Total Number and Percentage of Employees, by Gender			
Gender	FY2022	FY2021	FY2020
Male	111 (66%)	97 (65%)	93 (66%)
Female	57 (34%)	52 (35%)	47 (34%)

Total Number and Percentage of Employees, by Gender			
Age	FY2022	FY2021	FY2020
< 30 years old	36 (21%)	20 (13%)	14 (10%)
30 - 50 years old	83 (49%)	77 (52%)	75 (54%)
> 50 years old	49 (30%)	52 (35%)	51 (36%)



Appointment and Duties Policy

Any acceptance of an offer of appointment must have the prior approval and authorisation of higher Management. Approval may be granted, when the appointment will not:

- Create a conflict of interest in the employee's existing substantive appointment
- Adversely affect the employee's performance in their existing substantive appointment
- Impose an unreasonable workload inconsistent with their continued health and safety

Employee Benefits

The Company provides the following benefits for our full-time employees:

- Work insurance
- Health care
- Various types of regulated leave
- Employee wellness programmes
- Annual performance-based incentives and bonuses

Part-time and temporary do not receive the same eligibility for employee benefits as full-time workers. Employee Benefits for Part-time and Temporary employees are set based on Singapore's MOM Rules and Regulations.

In FY2022, BH Global has 156 Permanent Employees, 4 Temporary Employees, 5 Interns and 3 Part Time Employees.

	Permanent	Temporary	Full Time	Part Time
Male	101	3	4	3
Female	55	1	1	0

Parental Leave

All Full-Time Employees of BH Global are entitled to parental leave according to the employment practices set by the Ministry of Manpower in Singapore. Employees are also entitled to discuss flexible leave with their respective management.

During FY2022, one female employee and zero male employee were entitled to parental leave. Of which, all entitled employees took parental leave. All employees have also returned to work after their parental leave ended and are still employed 12 months after their return to work. The Group boasts a 100% Return to Work rate and a 100% Retention rate.

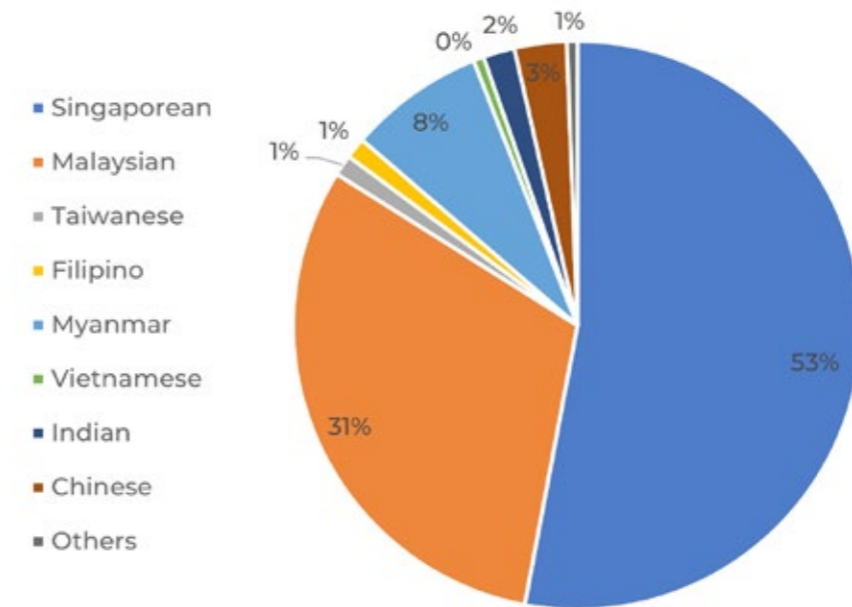
At BH Global, we ensure that measures are put in place to offer support to employees. The Group does not discriminate between employees and provides equal opportunities for career growth to all. The Group hopes to maintain our record of 100% Return to Work rate and a 100% Retention rate in FY2023.

Workplace Diversity

The Group promotes inclusivity and diversity within our work environment, helping to enhance the overall work experience and encourage an environment where employees can actively contribute their knowledge and abilities towards the development of the Group. BH Global believes that having a sustainable mindset towards our employees can help us build a future-ready workforce that is equipped with the necessary skillset to progress in the advancing society.

Most employees at BH Global are from the APAC region, with the majority coming from Singapore and Malaysia. All managerial staff are Singaporean.

Percentage of Employee's Nationality FY2022



In FY2022, 53% of our total workforce are Singaporean, 47% of our total workforce are from other Asia counties, out of this, Malaysia account for 31% of our entire workforce and followed by Myanmar, which account for 8% of our entire workplace.

The Group will not tolerate any practices that result in discrimination or harassment of any kind, including derogatory comments based on age, race, gender or ethnic characteristics and unwelcome sexual advances or comments. All levels of supervisors are responsible for monitoring and complying with the Company's policies and procedures for handling employee complaints concerning harassment or other forms of unlawful discrimination.

Fair Workplace Diversity

BH Global remains committed to compensating our employees fairly based on their job, skills and experience. The Company ensures the compensations, remunerations and benefits are aligned with legislation. Remuneration practices are regularly reviewed through relevant pay gap analysis and the Group is committed to removing any unfair discrimination in pay scales and practices.

The salaries we offer are predicated on the respective job description and are based on the Ministry of Manpower Salary Comparison Guide, which has fixed salary bands that are identical for men and women. Variable salary components that fall under performance-based compensation are target based. A performance management system governs this process.

Management Relations

Minimum notice periods provided for significant operational changes vary across the Company. Such operational changes include but are not limited to individual employment contracts, legislation, industry practices and other negotiated recognition agreements.

Industry practices include consultation processes and notice periods. The Company adheres to the applicable notice period.

Significant notice periods for group leadership positions are as follows: 6 months for group chief executive; 3 months for executive directors and divisional directors.

Skill Development

We continue to cultivate a learning environment for our employees, actively investing in their training and development programs. We organise in-house training programmes and send employees for external courses. These programmes aim to broaden employees' knowledge and skill sets, increasing their efficiency while engaging and sustaining a productive workforce. We encourage employees to continue upgrading their knowledge in various areas, such as finance, accounting, marketing, information technology, technical and operational fields. This helps the Group to achieve better productivity, spur organisational growth and achieve transformational change to build a more sustainable organisation.

BHM has also been awarded ITE Certified On-the-Job Training Centre ("COJTC") as of September 2020 for structured OJT and best practices, with one of our employees being certified as a trainer for the installation of LED lightings. This has helped improve our workforce's quality and develop our training blueprint.

Potential future leaders of the Group also went through programmes such as talent management workshops and leadership training to prepare them for management and leadership roles.

Our Performance

Total training hours for the Group in FY2022 decreased 59%, averaging 2.7 hours per employee in FY2022. In FY2021, the group introduced many COVID-19 related training and employees attended seminars targeting the business digitalisation process during the pandemic period. Additionally, in FY2021, the company introduced two new systems, an HR System and an operational system, which staff members attended training for.

In FY2022, there was no new operations system that was introduced to the group and there was no longer an urgent need for pandemic-related training, resulting in a decrease in the average training hours of employees.

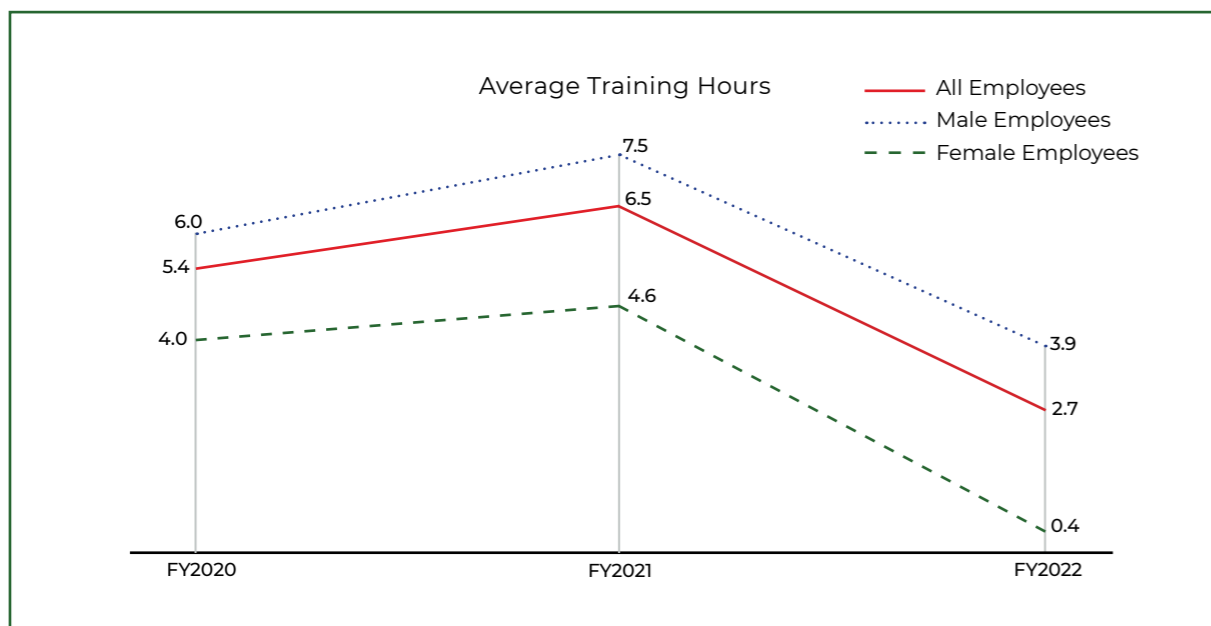
Additionally, the decrease in training hours for FY2022 is due to a new methodology used when calculating training hour performance for the Group. This new methodology has been introduced to ensure more accuracy when calculating the Group's overall training performance.

Overall Training Performance

Training Hours	FY2022	FY2021	FY2020
Average training hours per employee	2.7	6.5	5.4
Target	4.5	5.5	4.0

Training Hours by Gender

Training Hours	FY2022	FY2021	FY2020
Male	3.9	7.5	6.0
Female	4.0	4.6	0.4



Global Ready Talent Programme

BH Global also accepts interns under the Global Ready Talent Programme, where the Group trains young Singaporeans to deepen in-market knowledge and groom talents with the skills to help the business expand locally and in overseas markets. Over the years, the Group has accepted interns from various polytechnics in Singapore and offered full-time positions to suitable candidates after the completion of their diploma.

Training Programme

For the coming FY2023, BH Global plans to increase investment in upskilling employees by introducing additional training courses for senior management employees and increasing the total overall number of training hours completed by the Group. Eventually, the Group hopes to be able to allocate specific training courses, like sustainable skill development and green energy-related courses, to better meet employees' needs.

Some examples of training courses offered to employees are as follows:

- Internal Audit Training for ISO
- bizSAFE Level 1 Course
- Apply Workplace Safety and Health in Shipyard
- Apply Work Safety and Health in Metal Work
- Develop a Risk Management Implementation Plan

In FY2023, the Human Resource committee is arranging for additional internal and external courses such as:

- Internal
 - o In-house annual ISO/awareness training
 - o Product Awareness Training
- External
 - o First Aid Course
 - o Workplace Safety and Health in Shipyard

Employee Evaluation

There is an annual performance evaluation where all employees will participate in a cross-evaluation with their in-charge supervisors or the relevant management as an opportunity for a discussion regarding work performance, to identify their strengths and weaknesses for the required job scope, offer feedback for future improvement, and to set performance targets.

Our Target

The Group plans to achieve an average of 4.5 training hours per employee for FY2023. To achieve this goal, the Group shall track the total training hours undertaken by employees of the Group every quarter.

The Group will monitor the training hours undertaken by male and female employees to ensure equal opportunities for both genders and to consciously source for and provide more relevant training opportunities to female employees.

In FY2023, the Group continue to ensure that all our employees will participate in the cross-evaluation programmes to ensure 100% of our employee's performance are being evaluated for future improvement.

Occupational Health & Safety

OHS Policies and Guidelines

We review our Occupational Health and Safety (“OHS”) policies yearly, consulting our staff members and incorporating additional rules to help further enforce the high standards that we have across the entire organisation. Because of our diversified fields, all workers working under the corporate building or onsite will be under the same stringent health and safety protocols and training to lower the risk of accidents.

With continual vigilance from staff members and Key Management alike, BH Global has achieved bizSAFE Star for ADPL, BHM, BOS, SFE, SFP and OMS. We have also managed to maintain our ISO 45001 for Occupational Health and Safety Management for ADPL, BHM, BOS, SFE and OMS. We will continue implementing and upgrading the various OHS policies to ensure everyone’s safety is kept at the highest level.

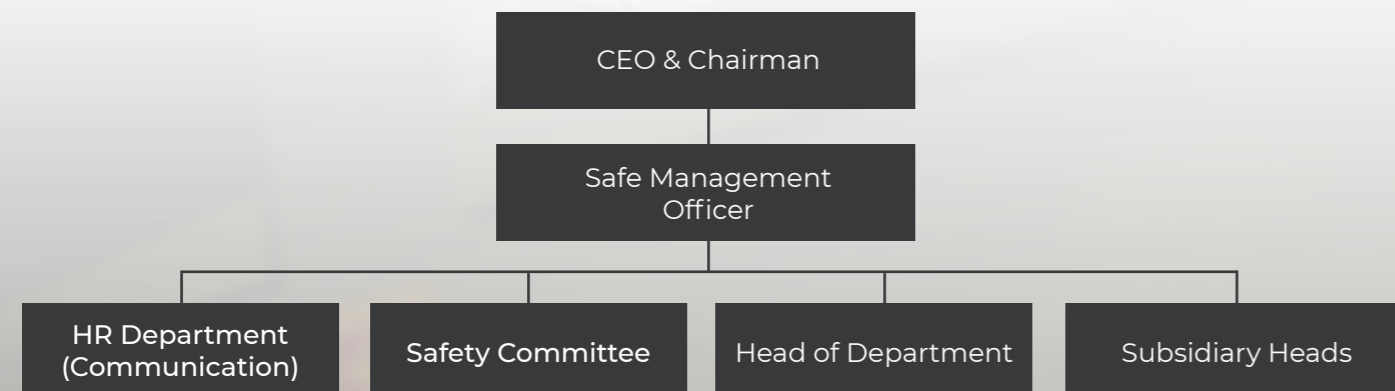
OHS Committee and Hierarchy

Our OHS committee was created in accordance with ISO 45001:2018 guidelines and is spearheaded by CEO and Chairman, Mr Vincent Lim, who is assigned authority for the successful implementation and improvement of the OHS system in the Group.

Our Safe Management Officer oversees the effective coverage and running of the OHS procedures with a thorough system control consisting of Preventive Control, Risk Management, Training and Communication. All individual steps within the OHS policies are managed by departmental heads such as the Human Resource Department, Safety Committee, Head of Departments and Subsidiary Heads.

Departmental heads will gather feedback from employees during OHS-related trainings, briefings, and activities, which will be internally discussed and improved upon in the following years.

Safe Management Committee



Hazard Identification and Risk Assessment

Risk identification and assessment is a crucial plank within our OHS processes to establish, implement and maintain procedures to identify and manage hazards, evaluate risks, and control risks leading to a risk register and OHS Management Programme. The Risk Assessment (“RA”) procedure applies to the RA Team consisting of Senior Management, functional representatives, contractors, and subcontractors, when necessary. The RA Team leader attends a Risk Management course by a MOM-approved Training Provider or equivalent to enhance proficiency and competence in these risk management areas.

Senior Management ensures that all RA are conducted, and risk control measures are implemented before any work commences. They also ensure that contractors and subcontractors have taken reasonably practicable measures to eliminate and reduce the risks of their work. Senior Management or their appointed manager(s) need to certify that risk control measures are implemented without delay, communicating the risk and means, endorsing and approving the RA conducted, monitoring effectiveness of control measures and ensuring compliance to legal requirements and to satisfy OHS concerns.

The RA Team is responsible for determining the boundaries of RA and identifying the hazards, assessing, and controlling the risks for each work activity or trade. The RA Team also oversees the assessment of the hazards and risks for each new or planned development, new or modified activity, product and service, either by themselves or through submissions by suppliers. For work conducted by suppliers, the RA Team shall review the submissions.

The Safety Committee Team is responsible for monitoring and controlling hazards arising from products, and to ensure compliance to law and permits and to satisfy OHS concerns.

While planning the various RA exercises, the RA team shall establish and maintain procedures for the ongoing identification of health and safety hazards, assessing health and safety risks and implementing necessary control measures. The scope of the RA includes:

- Routine and non-routine activities
- Site activities of all personnel having access to the workplace (including subcontractors and visitors)
- Infrastructure, material, and equipment at the workplace, whether provided by the organisation or others.

Our RA are developed for all routine and non-routine processes and are reviewed once every three years, or when there are any incidents, near misses or dangerous occurrences, significant change in work processes or activities, or new information on Workplace Health and Safety (“WHS”) risks made known. Based on feedback from employees and workers regarding new activities, the RA team will update the assessment and maintain it in the OHS Planner. The RA Team shall determine new activities/processes of its own, its suppliers and visitors in terms of OHS inputs that are dangerous, hazardous, toxic, and poisonous or radioactive.



The Group will ensure all activities in the workplace are assessed in the RA and that the results of these assessments and the effects of these controls are considered when setting its health and safety objectives.

For each identified hazard, the RA Team shall determine the consequence (possible accident/ ill-health and persons-at-risk) and the existing hazard control measure, if any. Based on the tables below, they shall determine the severity of the accident or ill-health and the likelihood of occurrence of each accident or ill-health.

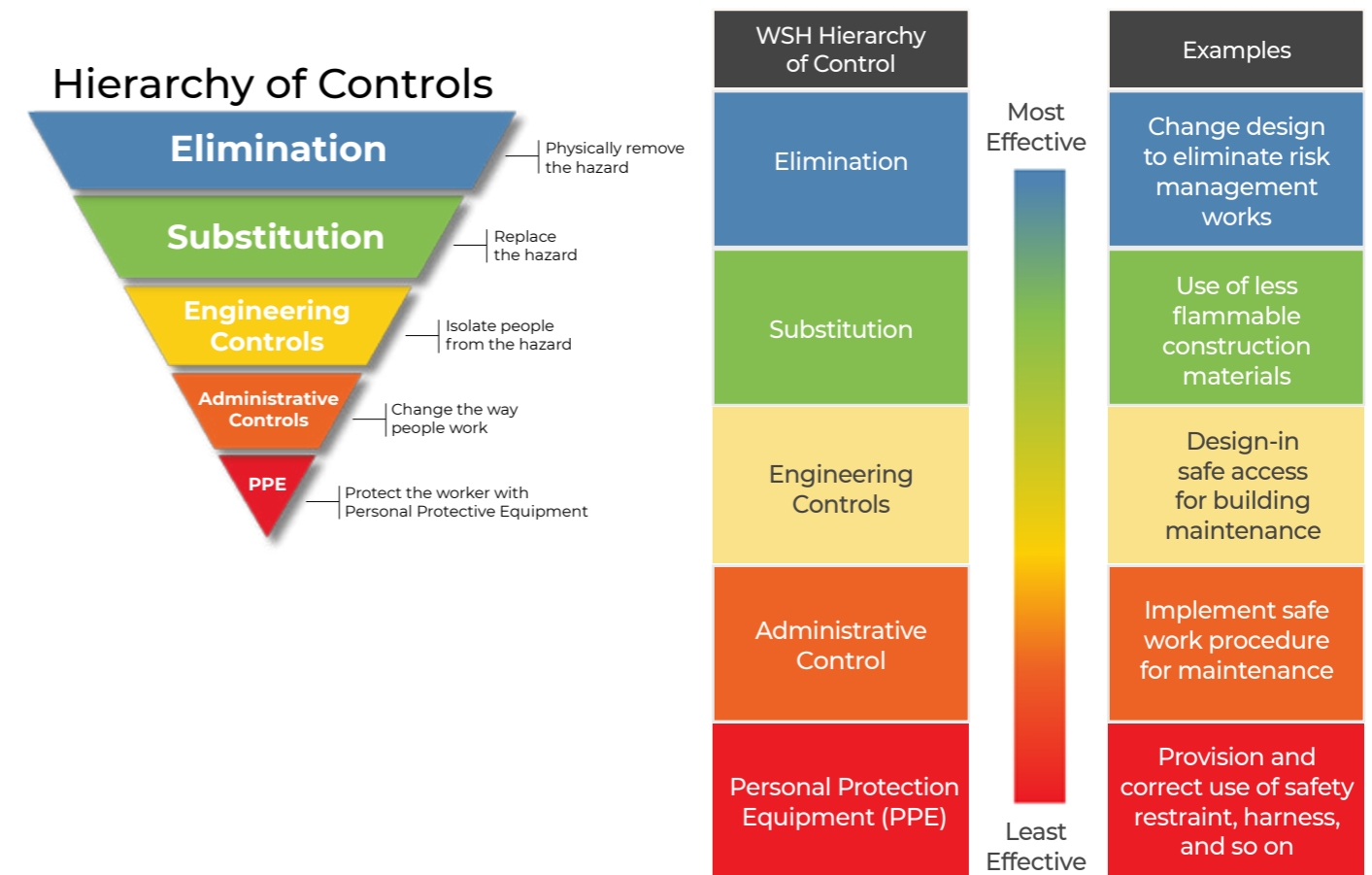
Scoring Guidelines for Severity		
Level	Severity	Description
5	Catastrophic	Fatal, fatal diseases or multiple injuries
4	Major	Serious injury or life-threatening occupational disease (Includes amputations, major fractures, multiple injuries, deafness, occupational cancer, acute poisoning)
3	Moderate	Injury requiring medical treatment or ill-health leading to disability (includes lacerations, burns, sprains, minor fractures, dermatitis, deafness, work-related upper limb disorders)
2	Minor	Injuries or ill health requiring first aid only (includes minor cuts and bruises, irritation, ill health with temporary discomfort)
1	Negligible	Not likely to cause injury or ill health

Scoring Guidelines for Likelihood		
Level	Severity	Description
1	Rare	Not expected to occur but still possible injuries
2	Remote	Not likely to occur under normal circumstances
3	Occasional	Possible or known to occur
4	Frequent	Common occurrence
5	Almost Certain	Continual or repeating experience

Taking into consideration the existing hazard control measure(s), the RA Team shall estimate the likelihood of occurrence of each accident or ill-health. The RA Team will then refer to the 5x5 risk matrix and assign the risk level for each hazard by suggesting appropriate risk control measures for those final rankings ranked as High, Significant, Medium, or Low following the hierarchy of control.

Evaluation Criteria for Determination of Risk Level					
Likelihood \ Severity	Rare [1]	Remote [2]	Occasional [3]	Frequent [4]	Almost Certain [5]
Negligible [1]	Low [1]	Low [2]	Low [3]	Low [4]	Medium [5]
Minor [2]	Low [2]	Low [4]	Medium [6]	Medium [8]	Significant [10]
Moderate [3]	Low [3]	Medium [6]	Medium [9]	Significant [12]	High [15]
Major [4]	Low [4]	Medium [8]	Significant [12]	High [16]	High [20]
Catastrophic [5]	Medium [5]	Significant [10]	High [15]	High [20]	High [25]

Hierarchy of Control is applied as part of the risk management approach: Elimination, Substitution, Engineering Controls, Administrative control, and Provision of Personal Protective Equipment ("PPE").



The control of hazards and reduction of risks can be accomplished by following the WHS Hierarchy of Control. These control measures are not usually mutually exclusive. It may be more effective to use multiple control measures.

OHS Training

All employees are briefed on the Group's BCM planning during the onboarding process and relevant employees are enrolled into ISO awareness training which takes place annually in the months of February and March. Employees who have participated in the ISO training before are also required to attend the briefing to get an annual refresher along with information on additional updates. Occupational First Aid Courses are also assigned to the First Aid team on site, to provide any emergency first aid in the case of an accident.

All Head of Departments are to suggest any suitable training programmes that can improve the skill sets of their employees. Such OHS related training programmes include but are not limited to:

- Safety (Ship Supplier Safety)
- Risk Management Planning
- Forklift Operator Training
- Perform Rigger and Signalman Tasks

Promotion of Workers Health

With universal healthcare and wellbeing as a concerned target under UN SDGs, BH Global hopes to achieve it by providing access to quality essential healthcare service for all employees. The Group respects the privacy of our employees and information provided from the medical consultation to our Human Resource department for audit purposes shall be kept confidential and only made available to the appropriate authority. BH Global will not use workers' participation in health services and programmes, or the health data derived therefrom as a criterion for our decision regarding employment or engagement of the employees.

Employees are reimbursed up to the prescribed limits for the medical consultation fees for visits to general practitioners, government polyclinics or traditional Chinese Medical Treatments for normal sickness. Employees are also entitled to dental care and medical claims for any treatment including specialist treatments.

Declaration Of Work Related Injuries and Hours Lost

For the past three financial years from FY2020 to FY2022, there were no reported cases of workplace injuries or fatalities recorded.

Total Hours worked		
FY2022	FY2021	FY2020
372,708.0 Hours	330,556.5 Hours	310,590.0 Hours

BH Global aims to continue our efforts to maintain this clean record and prioritise our employees' OHS needs.

COVID-19 Measures and Policies

The Ministry of Manpower has further eased COVID-19 measures in FY2022. Our Crisis Management Team ("CMT") keeps up to date with advisories and updates on the COVID-19 pandemic. To maintain the health and safety of our workers, the CMT has continued to enforce several COVID-19 Safety policies to be strictly followed by all employees of BH Global including:

- Allowing employees to Work from Home ("WFH") when showing COVID-19 symptoms or when feeling unwell
- 99% of employees are fully vaccinated as of January 2022 and are permitted to return to the office as of 15 January 2022.

In the event where an employee is found to be tested positive with the COVID-19 virus, or display virus-like symptoms, colleagues/team members ought to immediately contact the person-in-charge of the epidemic and pandemic response team and submit a collated list of colleagues/team members who worked together with the individual affected to allow for the epidemic and pandemic response team to proceed on the next step and conduct a thorough follow up. The Company shall continue to be vigilant against the spread of COVID-19, and adapt our policies to align with new rules and regulations.



Recreational Activity Room

The Group realises the importance of health, safety, and wellness as a whole and tries to improve our employees' physical and mental health. It is important for our employees to have an area where they can de-stress and return to their tasks with a fresher mind. Our employees are entitled to use the company gym, pool table and karaoke rooms during their leisure time. Employees are expected to self-monitor and not misuse the facilities during regulated working hours. The Group believes that employees can manage their time well and know their responsibilities as a responsible employee.

In line with the purpose to provide a space where our employees can participate in activities that can promote teamwork and mental well-being amongst employees, the recreational room has been used to host our HAPPY Hour gathering, where employees gather for food and drinks and bond with employees from other departments.

The Company has also kickstarted our Let's Get Physical Programme. The programme aims to improve the overall wellness of our employees. Pilates was chosen as the first sport, and a second survey has been sent out in December 2022, to collect feedback for the second sport. The programme is carried out once a week by a licensed practitioner and a new sport will be selected every 3 months.

A Lunchtime Talk by UOB Workplace Banking was also held at our recreational room. The talk revolves around ergonomics and preventing work-related injuries. Participants were taught correct workplace ergonomic habits to stay healthy at work.

BH Global hopes to continue organising activities on a larger scale and promote a healthy working environment to all employees.



Cyber and Customer Data Privacy

3PS Approach

ADPL has adopted the industry business framework of People, Process and Technology, and adapted it to one that has been shaped by current times. The 3PS Foundation, People, Process, Platform and Situation, plays an instrumental role in ensuring security of our networks.

Our People go through an onboarding process by the HR department on the rules of cyber security. To ensure ongoing cyber awareness education that can keep up with strengthening cyber security threats, advisory emails on real phishing emails received are showcased to all employees as examples, notifying them of the disguises that scammers and hackers put on.

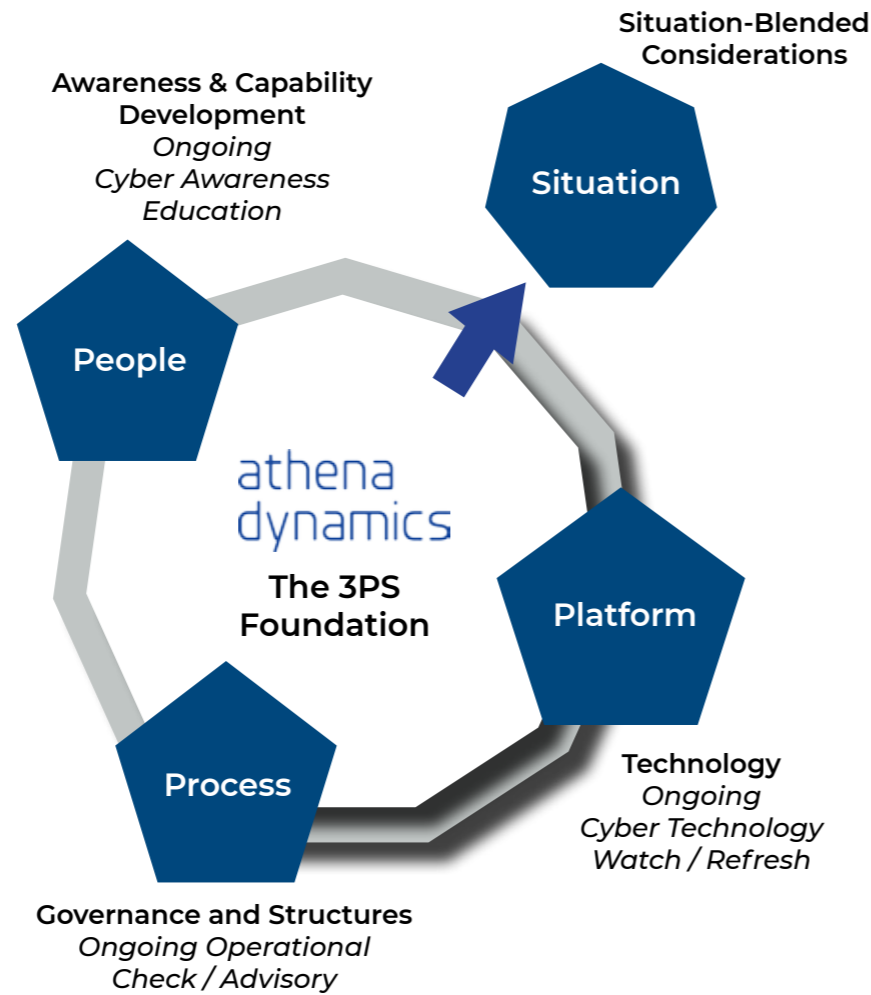
Our Process involves upgrading ourselves to be recognised on a global standard. ADPL has been ISO 27001:2015 certified since last year, and the Group continues to maintain strong compliances towards various governmental, statutory, and regulatory agencies.

Our Platform refers to the protection technologies that we deployed, especially the unconventional forms of technologies such as the detection-less Content Disarm and Reconstruction (“CDR”) process to ensure sanitisation of emails and files in the system. Alongside that, ADPL has been constantly refreshing the baseline protection systems, like our firewall and wireless Wi-Fi access points to minimise the existence of Common Vulnerabilities and Exposures (“CVEs”). Alongside the above, a new Network Detection and Response (“NDR”) system will be deployed by Q1,2023. This addition will significantly improve overall security detection and response capabilities by monitoring internal network activities, correlating existing security events, applying AI and behaviour analysis, all aided by global threat intelligence.

The S refers to **Our Situation**. This part of our strategy was developed when COVID-19 was first declared as a worldwide pandemic back in FY2020. COVID-19 has seen the world adapt into a digitalised age faster than previously forecasted. This sudden increase in adoption of online networks and platforms also led to a rapid increase in cyber security threats such as hackers, scammers and information phishing. ADPL has recognised that different dimensions of different situations can result in different cyber security needs.

In view of today's advanced threat landscape, the Group consistently upholds the security posture through protective innovation tools like automatic vulnerability assessment and penetration testing. Continual sustainable growth of the Company will eventually expose our systems to new threats and vulnerabilities, hence requiring a strong means of mitigating these threats. The repetitive nature of the 3PS foundation allows the system to become self-sustaining. As employees progress alongside the growth of the Group, new and emerging threats are identified at every stage, ensuring a high level of regulatory compliance and cyber risk mitigation via this constant refresh of technologies and growth.

In FY2020, the Group implemented an application code review tool that does not require source code, checking the vulnerability of the applications when the source code is not available. A detection-less sanitisation filter that cleanses files from external devices and emails was also deployed, starting from ADPL in FY2021. These tools helped to prevent, sanitise, and protect our IT infrastructure and confidential business information.



Data Privacy

Data Privacy is of utmost importance to the Group, even more so as the Group shifts towards digitalisation. With a growing society, digital information collection has increased in size but has also grown to be more complex. Under the Personal Data Protection Act (“PDPA”) 2012, it is the Group's priority to safeguard the personal data that the Group has been entrusted. We have appointed a Data Protection officer and developed a PDPA policy within the Group to maintain the trust that is placed in us. The Group is also in compliance with the Cybersecurity Act 2018, the Computer Misuse Act (Cap. 50A), the Copyright Act (Cap.62) and the Official Secrets Act (Cap. 213).

In FY2022, there was no significant case of non-compliance within the various businesses. The Group takes the responsibility of protecting the data of our customers, employees, and businesses seriously. In the case of a non-compliance reporting, inspection and enforcement actions will be carried out to mitigate the risks and concerns formed.

Website security

In FY2022, there were no major hacking attempts made on all websites belonging to the Company. We have since made use of external services such as Cloudflare as an extra layer of protection for our network and customer's data.



GRI Content Index

Statement

BH Global has reported the information cited in this GRI content index for the period 1 January 2022 to 31 December 2022 with reference to the GRI Standards.

GRI Foundation 2021 Revision have been used.

Disclosure Reference	Disclosure Title	Header	Page Reference & Remarks
General Disclosures			
2-1	Organizational details	About This Report	Pg. 4
2-2	Entities included in the organization's sustainability reporting	About This Report	Pg. 4
2-3	Reporting period, frequency and contact point	About This Report	Pg. 4
2-4	Restatements of information	Nil	Nil
2-5	External assurance	About This Report	Pg. 4
2-6	Activities, value chain and other business relationships	Our Value Chain - Segmental Overview Business Segments	Pg. 29 Annual Report 2022 Pg. 4
2-7	Employees	Human Capital	Pg. 42
2-8	Workers who are not Employee	Employee Relationships	Pg. 42
2-9	Governance structure and composition	Board Matters	Annual Report 2023 Pg. 30
2-10	Nomination and selection of the highest governance body	Board Membership	Annual Report 2023 Pg. 33
2-11	Chair of the highest governance body	Board Composition and Guidance	Annual Report 2023 Pg. 31
2-12	Role of the highest governance body in overseeing the management of impacts	Chairman and Chief Executive Officer	Annual Report 2023 Pg. 33
2-13	Delegation of responsibility for managing impacts	Corporate Sustainability Governance	Pg. 21
2-14	Role of the highest governance body in sustainability reporting	Corporate Sustainability Governance	Pg. 21
2-15	Conflicts of interest	Conflict of Interest	Pg. 23
2-16	Communication of critical concerns	Communication of Critical Concerns	Pg. 23
2-17	Collective knowledge of the highest governance body	Board Diversity	Pg. 20
2-18	Evaluation of the performance of the highest governance body	Board Performance	Annual Report 2023 Pg. 34
2-19	Remuneration policies	Remuneration Matters	Annual Report 2023 Pg. 35
2-20	Process to determine remuneration	Remuneration Matters	Annual Report 2023 Pg. 35
2-21	Annual total compensation ratio	Level and Mix of Remuneration	Annual Report 2023 Pg. 35
2-22	Statement on sustainable development strategy	Chairman Statement (AR) Chairman Statement (SR)	Annual Report 2023 Pg. 16 Pg. 6
2-23	Policy commitments	Business Conduct	Pg. 22

GRI Content Index (cont'd)

Disclosure Reference	Disclosure Title	Header	Page Reference & Remarks
2-24	Embedding policy commitments	Business Conduct	Pg. 22
2-25	Processes to remediate negative impacts	Remediate Negative Impacts from our Operation Activities	Pg. 12
2-26	Mechanisms for seeking advice and raising concerns	Whistleblowing Policy (AR) Whistleblowing Policy (SR)	Annual Report 2023 Pg. 41 Pg. 23
2-27	Compliance with laws and regulations	Compliance with Laws and Regulation	Pg. 26
2-28	Membership associations	Business Membership	Pg. 9
2-29	Approach to stakeholder engagement	Stakeholder Engagement	Pg. 13
2-30	Collective bargaining agreements	Nil	Nil
Material Topics			
3-1	Process to determine material topics	Material Topics Identification	Pg. 14
3-2	List of material topics	Material Topics Identification	Pg. 14
3-3	Management of material topics	Material Topics Identification	Pg. 14
Topic Specific GRI Standard Disclosures			
Economic Performance			
201-1	Direct economic value generated and distributed	Group Performance Summary	Pg. 28
201-2	Financial implications and other risks and opportunities due to climate change	Strengthen Business Operations	Pg. 30
Anti-Corruption			
205-1	Operations assessed for risks related to corruption	Anti-Corruption Policy	Pg. 22
205-2	Communication and training about anti-corruption policies and procedures	Anti-Corruption Policy	Pg. 22
205-3	Confirmed incidents of corruption and actions taken	Anti-Corruption Policy	Pg. 22
Anti-Competitive Behavior			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Anti-Competitive Behaviour	Pg. 22
Energy			
302-1	Energy consumption within the organization	Scope 1 Emission - Fuel Consumption Scope 2 Emission - Energy Consumption	Pg. 36 Pg. 37
302-5	Reductions in energy requirements of products and services	LED Lighting Return of Investments ("ROI") for Vessels Policy	Pg. 38
Water and Effluents			
303-5	Water Consumption	Water Consumption	Pg. 34
Emissions			
305-1	Direct (Scope 1) GHG emissions	Scope 1 Emission - Fuel Consumption	Pg. 36
305-2	Energy indirect (Scope 2) GHG emissions	Scope 2 Emission - Energy Consumption	Pg. 37

GRI Content Index (cont'd)

Disclosure Reference	Disclosure Title	Header	Page Reference & Remarks
Employment			
401-1	New employee hires and employee turnover	Employee Relationships	Pg. 42
401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	Appointment and Duties Policy	Pg. 44
401-3	Parental leave	Parental Leave	Pg. 44
Occupational Health and Safety			
403-1	Occupational health and safety management system	OHS Committee and Hierarchy	Pg. 48
403-2	Hazard identification, risk assessment, and incident investigation	Hazard Identification and Risk Assessment	Pg. 49
403-3	Occupational health services	Promotion of Workers Health	Pg. 51
403-4	Worker participation, consultation, and communication on occupational health and safety	OHS Committee and Hierarchy	Pg. 48
403-5	Worker training on occupational health and safety	OHS Training	Pg. 51
403-6	Promotion of worker health	Promotion of Workers Health	Pg. 51
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Hazard Identification and Risk Assessment	Pg. 49
403-8	Workers covered by an occupational health and safety management system	Hazard Identification and Risk Assessment	Pg. 49
403-9	Work-related injuries	Declaration of Work Related Injuries and Hours Lost	Pg. 52
403-10	Work-related ill health	Declaration of Work Related Injuries and Hours Lost	Pg. 52
Training and Education			
404-1	Average hours of training per year per employee	Skill Development	Pg. 46
404-2	Programs for upgrading employee skills and transition assistance programs	Skill Development	Pg. 46
404-3	Percentage of employees receiving regular performance and career development reviews	Skill Development	Pg. 46
Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	Workplace Diversity	Pg. 45
Non-discrimination			
406-1	Incidents of discrimination and corrective actions taken	Workplace Diversity	Pg. 45
Customer Privacy			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy	Pg. 54



BH GLOBAL CORPORATION LTD
 8 Penjuru Lane, Singapore 609189
 Tel: +65 6291 4444 Fax: +65 6291 5777
 Email: sales@bhglobal.com.sg
 www.bhglobal.com.sg