

SUSTAINABILITY REPORT 2023



**FIT FOR THE FUTURE:
DELIVERING VALUE
TO OUR CUSTOMERS,
OUR EMPLOYEES AND
FOR OUR PLANET**

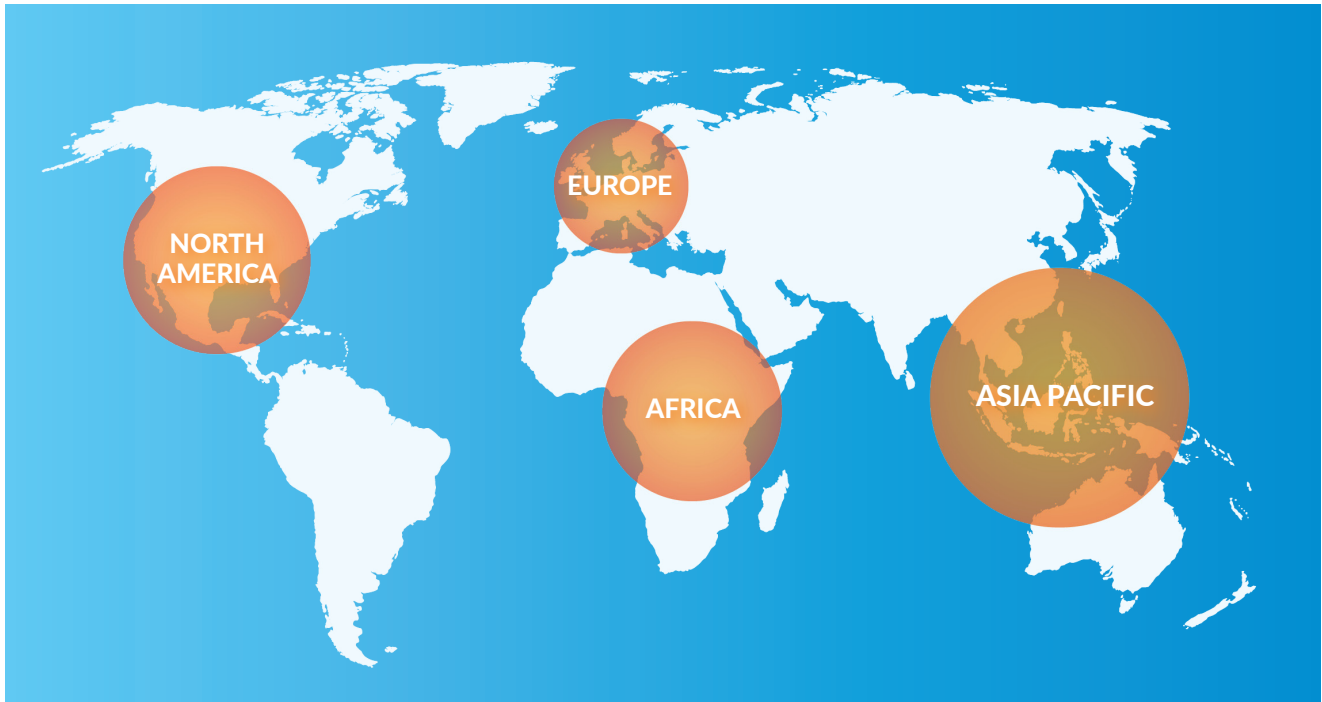
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ABOUT THE GROUP

Azeus Systems Holdings Limited (“Azeus”) is made up of a Group of companies, which are mainly known as IT solutions provider, with 32 years’ experience in successfully delivering IT solutions. The Company was founded by Massachusetts Institute of Technology (MIT) alumni, Mr Lee Wan Lik. Mr Lee is currently the Executive Chairman and Director and is also a Fellow of the British Computer Society and the Institution of Engineering and Technology.

Established in 1991, Azeus was public-listed on the Mainboard of the SGX-ST in October 2004 and has been regulated by the Listing Rules of SGX since then. The registered office of Azeus is in Bermuda, while its principal office in Hong Kong. Azeus is a global company that operates mainly in Europe, Asia, Middle East, Australia, North and South America, Africa, and the Caribbean.



Azeus is one of the first companies in Hong Kong to be appraised at the highest level (Level 5) of the CMMI-SW model in November 2003, placing the Group among the top 10% CMMI appraised companies in the world. The appraisal is an endorsement of the Group’s commitment towards developing software products with the highest quality and productivity to address its customer’s needs.

Azeus operates through two segments, IT Services and Azeus Product.

The IT Service segment includes designing and implementing a broad range of IT software and systems, as well as developing and integrating various software programmes of IT systems to fulfill the outsourcing needs of its customers. After sales services and supports such as maintenance and support systems services are also part of the Group’s services.

Azeus Product includes developing innovative technologies and solutions such as proprietary products known as “**AzeusCare**” – an enterprise level social care management system, “**Convene**” – an award-winning Board Portal; and “**ConveneAGM**” – a virtual or hybrid AGM provider.

ABOUT THE GROUP

In FY2023, Azeus launched the following products to adapt with the increasing needs of our client base:

“**Convene in Teams (CiT)**” - a Teams-based meeting solution that seamlessly integrates with Microsoft 365 for a better leadership meeting experience in Teams; “**Convene ESG**”- an end-to-end reporting software that digitises the Economic, Social and Governance (“ESG”) reporting journey of regulated companies to comply with the mandated local standards and global frameworks and “**Convene Records**” - a document management solution that automates the management of electronic records and documents, and facilitates information sharing in the organisation.

In all, the Group has a solid track record of completing over 250 IT projects to over 60 government departments and public authorities in Asia and Europe.

The Group’s established quality assurance systems, working methodologies and processes allow for a seamless integration of operations across multiple locations. Led by an experienced management team, supported by a core group of highly competent and skilled IT professionals, Azeus is committed to continuously engineer innovative IT solutions and deliver excellent IT services.

CORE MISSION AND VALUES

Azeus strive to provide sound technical consultancy and implementation services for complex IT systems while building a company that respects its employees.

To achieve the Company’s mission, Azeus strive:

- To position ourselves as a cost-effective market leader facilitating our customers to be competitive;
- To understand our customers’ needs and challenges precisely, so as to align our solutions to meet their needs;
- To respect our employees by believing in their creative talents, harnessing their sense of commitment and entrepreneurial flair, while providing an excellent environment for people to work in; and
- To leverage technology and industry knowledge in innovating best-in-breed solutions for our customers.

Azeus is committed to our clients in delivering quality services that have so far won their confidence. We believe that it is very important to demonstrate professionalism in all of our client engagements, especially to maintain open and honest communication in delivering services. We encourage and promote an environment of teamwork and collaboration among our people to grow and share the success of Azeus.

SUSTAINABILITY AGENDA

Azeus’ sustainability agenda is based on the Group’s comprehensive approach to integrate sustainability into all our business activities across the value chain, as defined under the Sustainability Governance section.

The Report covers the Group’s sustainability performance in terms of the material environmental, social and governance (“ESG”) factors identified by Azeus. The Group’s policies, practices, and performance as well as their targets relating to the ESG factors are detailed in this Report. This Report is uploaded and available on the websites of the SGX and Azeus at: <https://www.azeus.com/sustainability-report>.

IT CONSULTANCY SERVICES

Azeus offers clients with consultancy services in developing comprehensive business and technology strategies to ensure long-term business growth and success.



MAINTENANCE & SUPPORT SERVICES

Our extensive scope of maintenance and support services includes software upgrades, problem resolution and bug fixing, disaster recovery planning, disaster recover drill and system technical support.



OUR SERVICES AND PRODUCTS

With our core group of highly skilled and driven IT professionals, along with our world-class software engineering processes, Azeus develops a number of innovative technologies and solutions to help our customers' automate their organisations' existing operations.



A web-based document management solution with user configurable workflow management feature for keeping and tracking electronic records and documents. It provides functions for user to define the workflow of document exchange and approval process, and support the filing, retrieval, distribution, archiving and version control of all types of document (including multi-media files). Convene Records enables business to automate the management of electronic records and documents, and thus facilitate information sharing in the organisation.



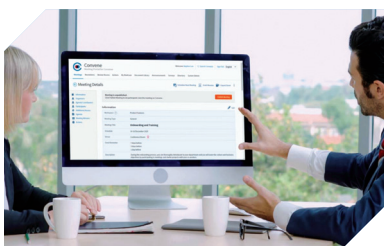
Enterprise level social care case management system, delivering full end to end support for vulnerable adults and children across the entire care lifecycle for UK Government clients.



A Teams-based meeting solution that seamlessly integrates with Microsoft 365 for a better leadership meeting experience in Teams. CiT supplements your Teams with a suite of tools to help you run better meetings within the platform



The award-winning Board Portal, trusted by boards and leadership of high-profile institutions in over 100 countries globally.



An end-to-end reporting software that digitises the Economic, Social and Governance ("ESG") reporting journey of regulated companies to comply with the mandated local standards and global frameworks.



Virtual or Hybrid AGM Provider, trusted by the top listed companies, membership associations and nonprofit organisations, transforming the landscape for shareholders and members' meetings.



ABOUT THIS REPORT

REPORTING BOUNDARY

Unless otherwise stated – and as before – this report includes only the entities of the Group, as listed below:

Name of subsidiaries	Country of business/ incorporation	Principal activities
Azeus Systems Limited	Hong Kong	Provision of IT services and selling software and cloud-based subscription services
Azeus UK Limited	United Kingdom	Provision of IT services and selling software and cloud-based subscription services
Azeus Systems Philippines Limited	Philippines	Software development

The list of entities included in Azeus's consolidated financial statements, but not covered by this sustainability report are:

Name of subsidiaries	Country of business/ incorporation	Principal activities
<u>Held by the Company</u>		
Azeus Systems Manila BVI Ltd.	British Virgin Islands	Investment holding
Convene SG Pte Ltd	Singapore	Provision of IT services and selling software and cloud based subscription services
Convene Pty Ltd	Australia	Selling software and cloud based subscription services
Convene Malaysia Sdn Bhd	Malaysia	Selling software and cloud based subscription services
Azeus Convene (BVI) Limited	British Virgin Islands	Investment holding
Convene, Inc	United States of America	Selling software and cloud based subscription services
Convene Brazil Ltda	Brazil	Selling software and cloud based subscription services
Convene Africa (Pty) Ltd	South Africa	Selling software and cloud based subscription services

ABOUT THIS REPORT

Name of subsidiaries	Country of business/ incorporation	Principal activities
Held by the subsidiaries		
Azeus Systems Philippines, Inc.	Philippines	Dormant
Azeus Systems Philippines Limited	Philippines	Software development
Azeus Systems (Dalian) Co., Ltd	People's Republic of China	Software development
Convene UK Limited	United Kingdom	Dormant
Convene Hong Kong Limited	Hong Kong	Dormant
Convene DWC LLC	Dubai	Selling software and cloud based subscription services
Convene India Private Limited	India	Selling software and cloud based subscription services
Convene (SAAS) Ireland	Ireland	Selling software and cloud based subscription services
Convene Sociedad Limitad	Spain	Selling software and cloud based subscription services
AzeusConvene Sdn Bhd	Malaysia	Software development

The Report focuses on the Group's key business operations as they are considered the most material in terms of the environmental impact of our business, if any. The operations in Hong Kong ("HK office") under Azeus Systems Limited ("Azeus HK"), the Philippines office ("Philippines office") under Azeus Systems Philippines Limited ("Azeus Philippines") and the United Kingdom ("UK office") under Azeus UK Limited ("Azeus UK") [collectively referred to as the "Group", unless otherwise stated], made up to approximately 80% of the turnover of the Azeus group of companies. Therefore, management deemed these entities to have material aspect to the Group's Sustainability Report.

There have been no changes from the previous reporting period in scope, boundary or measurement methods applied to this Report. The approach used for consolidating the information across all the entities within the reporting scope is consistent. There is no minority interests involved, and there is no mergers, acquisitions of entities during the year.

REPORTING PERIOD

The Report covers the financial year ended 31 March 2023 ("FY2023") and highlights the activities on the Group's business operations commencing from 1 April 2022 to 31 March 2023 unless otherwise stated. For selected performance indicators that have been historically tracked, we have included data from the past three years.

REPORTING STANDARDS

This Report is prepared in accordance with the SGX's Listing Rules 711A and 711B and the guidelines set out in Practice Note 7.6 of the SGX Sustainability Reporting Guide. We continue to align our commitment to sustainability reporting with reference to the internationally recognised framework and practices provided by the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines 2021.

A GRI Content Index and SGX Primary Component Index are included in the last section of this Report. Please refer to page 35 onwards for the SGX Primary Component Index and GRI Content Index.

ABOUT THIS REPORT

INTERNAL REVIEW AND EXTERNAL ASSURANCE

Azeus is bound by the SGX requirement 711B which states that issuer's sustainability reporting process must be subject to internal review. The issuer may additionally commission an independent external assurance on the sustainability report.

The Board of Azeus meets at least twice a year to review and deliberate on the key activities and business strategies of the Group, including reviewing and approving acquisitions and financial performance, and sustainability issues, such as the environmental and social factors, is also considered as part of its strategic formulation and review. Ad hoc meetings are held as and when circumstances require, such as to address significant transactions or issues. Where physical meetings are not possible, timely communication with members of the Board and Board Committees can be achieved through electronic means and circulation of written resolutions for approval by the Board or relevant Board Committees. The Company's Bye-Laws provides for Directors to participate in Board by means of teleconference, video-conferencing and visual equipment.

In line with the recent updates to sustainability reporting disclosures by the SGX, Azeus has engaged PricewaterhouseCoopers Risk Services Pte Ltd ("PwC Singapore" or "PwC") to conduct an internal audit review of specific procedures and relevant controls of our Sustainability Reporting process. For the reporting period 1 April 2022 to 31 March 2023, no external assurance was obtained for this Report.

WE VALUE YOUR FEEDBACK

We welcome feedback from all our stakeholders on our sustainability efforts to help us continuously improve our policies, practices and performance. Please send your queries or any suggestions on this Report to:

Address : 33rd Floor, Cambridge House, Taikoo Place, 979 King's Road,
Quarry Bay, Hong Kong
Tel : +(852) 2893 3673
Fax: +(852) 2574 4952
Website: www.azeus.com



BOARD STATEMENT

The Board is pleased to present our 6th Sustainability Report covering the financial year ended 31 March 2023.

The 2023 Sustainability Report continues to reflect the Group's performance, as well as the company's strategy and vision for the future. Like our past commitment, the Board has given attention to, and reviewed the Company's sustainability objective, targets, and progress, and continues to embark on our sustainability journey amidst the challenges faced in our society today. The Board has taken these factors into consideration when determining the Group's strategic direction and policies. At the time of reporting, the key material ESG factors for the Group have been identified and reviewed by the top management of the Group.

The Board recognises the importance of sustainability initiatives, supports sustainability development, and promotes Environmental, Social, and Governance (ESG) transparency and best practices. Like in the past, The Board actively sought to address sustainability issues for better risk management and long-term growth.

To support companies and organisations in meeting the evolving ESG reporting requirements, the Group has introduced "Convene ESG", a tool to digitalise and streamline ESG data management and reporting processes. We continue to invest in the development of the platform and ensure that we remain abreast and updated with developments in ESG reporting and assurance requirements. On top of that, to empower organisations in the adoption of ESG best practices, we are building synergies and collaboration with fellow ESG advocates, forging partnerships and alliances to create a holistic ecosystem of ESG services and solutions.

We truly believe that business can be operated sustainably and will strive to achieve the needs of the present—without compromising the ability of future generations to meet their needs. We look forward to aligning our sustainability efforts throughout the Group to drive continued business growth.

LEE WAN LIK
Executive Chairman
On behalf of the Board of Directors

MICHAEL YAP KIAM SIEW
Chief Executive Officer

SUSTAINABILITY GOVERNANCE

The Board and the Management of the Company are committed to maintain a high standard of corporate governance and transparency to protect the interests of the shareholders of the Company. Processes and procedures have been instituted and are being constantly reviewed and revised to ensure effective corporate governance. This includes taking sustainability issues into consideration as part of its strategic formulation, and continuously exploring ways to deal with areas of improvement in its sustainability agenda. The Board's close interaction with management ensures that Azeus' values, principles, and policies are consistently applied across the organisation. This will enable Azeus to optimize long-term value creation and fulfil its social responsibilities towards all our stakeholders.

Part of the Board's principal function is to consider sustainability issues, e.g., environmental, social, economic, and governance factors as part of its strategic formulation. The Group's sustainability objectives and strategies are developed, managed, and monitored by the representatives of each regional business function which is regularly supervised and monitored by the Board of Directors. The material ESG factors on economic, environmental, and social issues identified relevant to the Group are strategically reviewed and approved by the Board.

SUSTAINABILITY TRAINING FOR THE BOARD

Azeus Group complies with SGX's new requirement for Directors to undergo mandatory sustainability training. We are pleased to announce that all of our Board of Directors have attended the sustainability training courses prescribed by SGX.

SUSTAINABILITY RISKS AND OPPORTUNITIES

Sustainability is emerging as a source of competitive advantage and is seen as a crucial business practice that stakeholders see in a company. These days, while there are numerous issues that could constitute risks that threaten an organisation's sustainability, the act of attempting to solve such issues may lead to new business opportunities.

Azeus is committed to systematically assess and manage these risks and opportunities to identify the material ESG factors and ensures that a sound internal controls and a structured governance framework are in place to reduce the risk of these identified material ESG factors. Azeus recognises that risk management is vital for the Group's operational management and resource planning, for a sustainable corporate growth.

There are no significant changes to the previously reported list of sustainability-related risks and opportunities that impact the Group's material topics on operations and strategic planning. Further details on the identified risks and opportunities are discussed in the relevant sections of the material topics covered in this Report. Further details on the identified risks and opportunities are discussed in the relevant sections of the material topics covered in this Report.

STAKEHOLDER ENGAGEMENT

Key stakeholders and Approach to stakeholders engagement

Key stakeholders	Engagement approach	Frequency	Topics and concerns raised
Internal			
Employees	Presentations	On-going	Nurture and engage employees Provide a conducive and safe working environment Opportunities for career development
	Focus Groups		
	Meetings		
	Trainings		
	Performance Reviews		
	Social and charity events		
	Opinion box		
	E-mails		
Intrane			
External			
Shareholders/ Investors	Annual General Meeting	Annually	Good corporate governance practices Disseminate timely and material information
	Information website for investors and organisation newsletter	As required	
	Annual Report	Annually	
	Analyst briefing and roadshows	As required	
	Social Media	As required	
Customers	Websites	On-going and as required	Personalised and efficient client support Quality control and on-time delivery Latest features, innovations, and feedback to improve offerings
	Written reports		
	Presentations		
	Meetings		
	Trainings		
	Exhibitions		
	Global Customer Hotline		
Webinars			
Suppliers	Social Media	On-going	Quality of products and timely delivery Enforce efficient and timely payments
	Websites		
	Written Reports		
	Presentations		
	Meetings		
	Exhibitions		
	Hotline		
Automated Payment Systems			
Community	Community and charity events	On-going	Corporate social responsibility
	Social Media		
Government Institutions/ Regulators/ Associations	Consultation and dialogue	On-going	Compliance with laws and regulations Policy and standard setting (e.g., hybrid meetings in Singapore) Sponsoring and promoting digitalisation

The Board is primarily responsible for identifying key stakeholder groups. Our material stakeholders are parties who may be affected by the Group's activities or whose actions affect the ability of the Group to conduct its activities. For this reason, Azeus will strive to respond to these groups of identified stakeholders.

We adopt both formal and informal channels of communication to understand the needs of our key stakeholders and incorporate their feedback into the evolution of corporate strategies to achieve mutually beneficial relationships. Azeus' has held its AGM in hybrid form, where the meeting is held both physically and virtually through live webcast and live audio stream. The Group believes the best practice for shareholder meetings is that the experience for physical and virtual meetings should be the same, whereby people can fully interact with each other, ask questions, and vote in real-time.

Therefore, the channel of communication between Azeus and its stakeholders are transparent, hence making the identification of material topics effective from the dimension of its significance on Azeus economic, environmental, and social impact; and their influences on the respective stakeholders.

These key stakeholders include but are not limited to those identified above.

STAKEHOLDER ENGAGEMENT

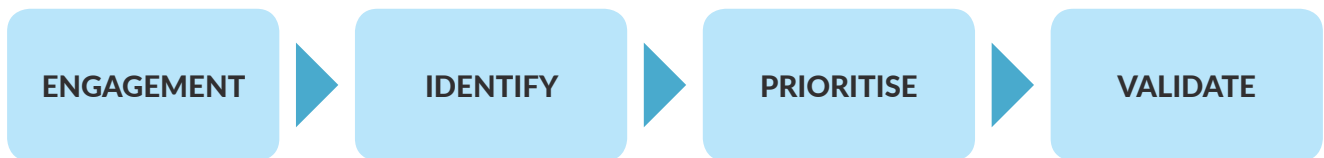
Material ESG Factors

Following regular internal and external engagement with our stakeholders throughout FY2023 (1 April 2022 to 31 March 2023), Azeus continues to assess and review the material ESG factors for the Group.

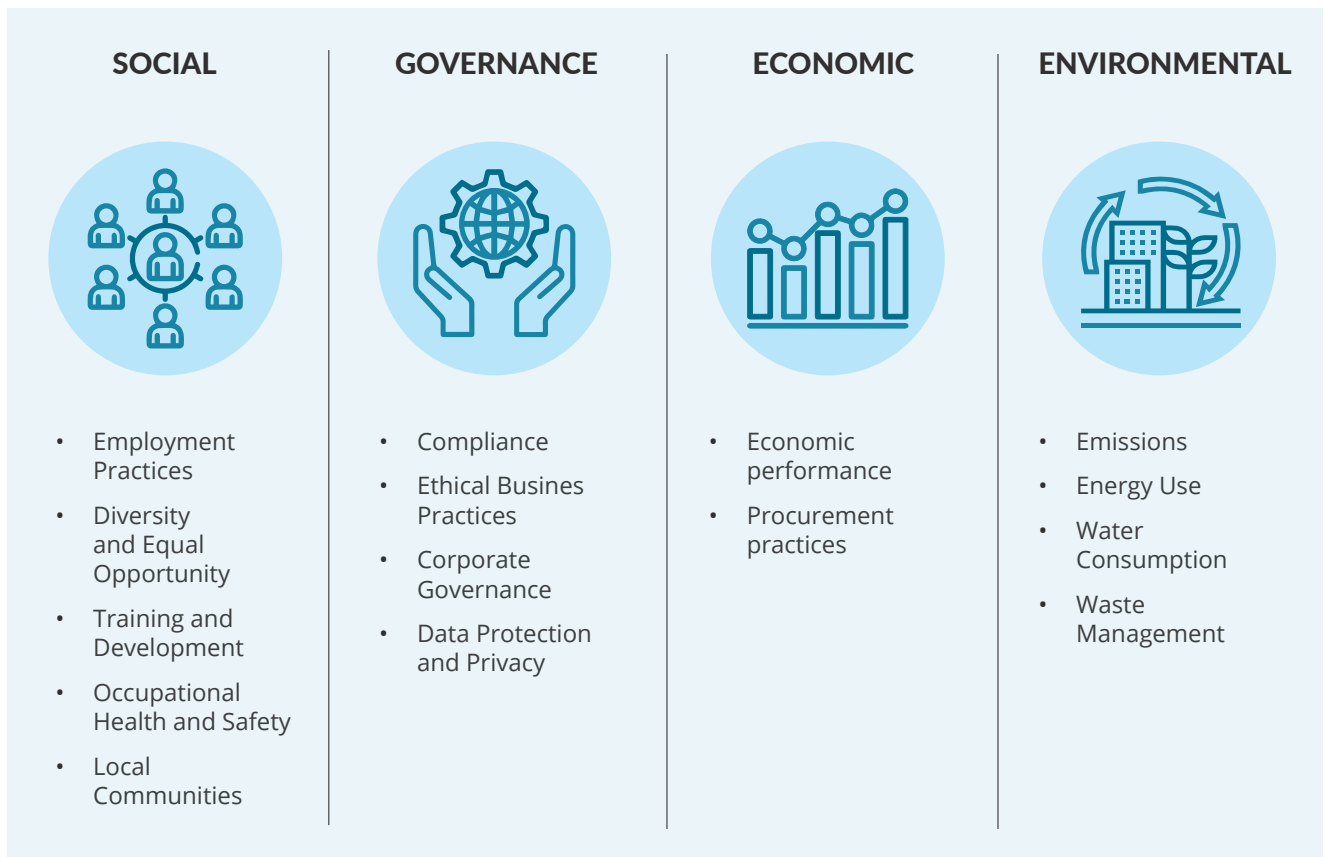
In FY2023 (1 April 2022 to 31 March 2023) the material ESG factors were reviewed for relevance and for any changes to the priorities and risks and opportunities that will impact on the business, operations, finance and the reputation of the Group and influence on our stakeholders. To determine if a sustainability issue is material, we assessed its potential impact on the economy, environment and society, and governance pillars of the Group as well as its influence on our stakeholders.

There have been no significant changes in Azeus' business and operations so material topics in the previous is also followed for this year.

Following the guidance from GRI Material topics, Azeus has applied the following methodology to identify and prioritise the topics for this Report.



By applying the above methodology and guidance from GRI, below are the identified material topics of Azeus:



The next section of our Report details the approach and performance data of the identified material topics. Azeus will continue to review and assess from time to time the relevance and priorities of each of the material aspects to better reflect Azeus' commitment and focus on sustainability in our business.

SUSTAINABILITY TARGETS AND PERFORMANCE

Our performance and policies in respective identified material topics will be discussed in the next sections of this report.



SOCIAL

As a responsible employer, Azeus is committed to promote a fair, diverse and safe working environment for its people while keeping in mind the local communities in places where we operate in.

Employment Practices

Our people are an integral part of our business for our long-term success. We believe in building a sustainable workforce with a focus on competitive compensation packages and a diverse, inclusive, safe, and healthy workplace. We work hard to motivate, develop, and retain our people. Hiring and retaining skilled IT professionals has been challenging in the IT industry as the industry has faced a shortage of skilled workers. With this in mind, we maintain robust policies on hiring IT personnel, who all go through the most stringent recruitment processes.

Based on our core values of “Collaboration and Teamwork” - we strive to create a work environment that is supportive and collaborative where our employees grow and feel valued.

Azeus also ensures good employment practices by complying with the local employment laws and regulations in the respective countries where the entities operate. Azeus also ensures its offices have in place employment policies and guidelines that address fair employment practices, including recruitment, employee compensation and the overall well-being of our employees.

In FY2023, Azeus does not have collective bargaining agreement with its employees.

Azeus’ target for FY2024 is to continue compliance with local employment laws and regulations in the regions we operate.

Employee Engagement

While COVID-19 cases declined in FY2023 compared to previous years, physical team building activities is still reduced to comply with safety measures put in place by the local government authorities in regions where Azeus operates. Partial return to office is allowed and physical activities to promote employee engagement are conducted such as team meet-ups, team building activities, and yearend party. These activities aim to strengthen collaboration and teamwork, especially for employees who have not met their colleagues as they are hired during the height of the pandemic.



SUSTAINABILITY TARGETS AND PERFORMANCE

To promote camaraderie in remote work arrangement, Azeus has continued to conduct some online events such as photo events for Mother's Day and Father's Day, virtual Dive Game, and Online "trick or treat" for employees' children.

As a tribute to all mothers / moms / mamas / mommas / nanays of Azeus, we are organizing a photography contest with the theme: **"TWINNING MOMENT"**

Share your best or most memorable twinning photo with your mom (can be doing the same activity together or twinning attire) photo with completing the phrase:

"The best lesson I learned from my mother is _____"

File Name Scheme: <jdelacruz_mom_entry01>.jpg

Prizes: Three (3) winners of theme-aligned pictures will receive a special prize to be selected by our guest judge.

Deadline of entries: **Thursday, 12 May 2022**
Announcement of winners: **Friday, 13 May 2022**



HAPPY FATHER'S DAY I LOVE DAD

Share a memorable photo with your Dad, doing activities together or simply posing, with a brief tribute to honor him!

File Name Scheme: <jdelacruz_dadme_entry01>.jpg

A guest judge will select 2 touching entries, and the owners shall receive pizzas to share with their families! :)

Deadline of entries: **Thursday, 23 May 2022**
Announcement of winners: **Friday, 24 May 2022**



Azeus Dice Game 2022: Attendance Confirmation

Our Virtual Dice Game this year will be held on 12 September 2022 (Monday), 6:00 PM onwards via Discord.

Kindly confirm your attendance to the party by filling out the attendance sheet at the link provided on or before 5:00 PM, 06 September 2022 (Tuesday).

Note: Failure to confirm before the set deadline means you will not attend.

Thank you.



Spooktacular Trick or Treat 2022 FOR KIDS!

NOVEMBER 4 (FRIDAY) - 6:00 PM

(Ages 12 years old and below; maximum of 3 kids per employee living in the same household, 60 pre-registered kids only)

ATTIRE FOR EMPLOYEES & CHILDREN: Halloween Costume (Encouraged but not required)

PRE-REGISTER YOUR KIDS ON OR BEFORE: November 2, 2022 (Kids 18+ create account to register)

Only pre-registered kids can join the activity!

SNACKS WORTH PHP 250*
*Includes of delivery charge, order for your kids and receive an OR with Azeus details

KIDDIE GAMES WITH PRIZES

BEST IN COSTUME CONTEST

PROGRAM FLOW

5:45 PM - 6:00 PM	Admission to Zoom
6:00 PM - 7:00 PM	Kiddie Games
7:00 PM Onwards	Best in Costume Awarding



SUSTAINABILITY TARGETS AND PERFORMANCE

Employee Grievance Mechanism

Our employee grievance process provides our employees with a formal avenue to raise their concerns on any complaints, difficulties or unlawful discrimination or harassment in confidence to the relevant HR directors in their local offices. Where such grievances may concern their normal line of supervision or management, an employee may approach the relevant Group employee. Employees also have the right to pursue complaints of discrimination to an industrial tribunal or the Fair Employment Tribunal under the anti-discrimination legislation in the country where the employees concerned are hired.

Overall Workforce Information

Since our inception in 1991, the Group has grown steadily. Currently, Azeus is employing over 400 employees across our global offices. The total workforce of the Group as of 31 March 2023 is 470, which is an increase of 123 employees from the previous corresponding year (FY2022) to augment our existing workforce to address the increasing business needs.

Employment Contract	FY2023	FY2022	FY2021
Permanent	403	334	317
Contract	67	13	19
Total	470	347	336

New Hire Rates

In FY2023, the Group continued to hire and increase its staff workforce. The breakdown of the new hires by gender and age is shown below:

New Hires (Gender)

Gender	FY2023 %	FY2022 %	FY2021 %
Male	58	54	52
Female	42	46	48

New Hires (Age)¹

Age	FY2023 %	FY2022 %	FY2021 %
< 30 years old	72	73	91
30 - 50 years old	25	24	7
> 50 years old	1	3	2

¹ Missing age refer to contractual employees. Date of birth and age are not required to be shared by contractual employees.

SUSTAINABILITY TARGETS AND PERFORMANCE

Diversity and Equal Opportunities

As a global company, the Azeus Group values diversity in our workforce. Our employees include people from different nationalities, gender, and age group. Besides, Azeus supports different working arrangements, from full time employees to part-timers, and employees on contractual basis. In Azeus, we believe that diversity in our workforce is crucial, and we have a duty as a corporation to support different working formats and cultural differences.

Azeus has an Equal Opportunities Policy which aims to eliminate any form of discrimination and harassment of any employee and employ a diverse workforce community. This Policy provides a strong commitment to equal opportunity, and in treating people with dignity and providing equal employment and advancement opportunities for all. Azeus does not tolerate any form of harassment and discrimination based on age, gender, race, sexuality, religion, and other forms of expression of one's identity.

The Policy is displayed at all our offices and disseminated to all employees and potential employees from the start of the recruitment process. It is important that the Policy is enforced and communicated.

The Board reviews the Policy and where required, takes necessary steps to identify areas of unintentional impact on groups in the workforce, as well as what appropriate corrective actions to take, including defining targets for future changes to take place.

The breakdown of employees by gender, age and position is listed below:

Employee (Gender)

Age	FY2023 %	FY2022 %	FY2021 %
Male	61	61	65
Female	39	39	35

Employee (Age)²

Age	FY2023 %	FY2022 %	FY2021 %
<30 years old	54	50	49
30-50 years old	42	46	47
>50 years old	3	4	4

Employee (Position)

Position	FY2023 %	FY2022 %	FY2021 %
Senior Management	2	3	4
Middle Management	16	22	37
Non-Management	82	75	59

² Missing age refer to contractual employees. Date of birth and age are not required to be shared by contractual employees.

SUSTAINABILITY TARGETS AND PERFORMANCE

The breakdown of the Management composition is set out below:

Management (Gender)

Gender	FY2023 %	FY2022 %	FY2021 %
Male	45	50	50
Female	55	50	50

Target and performance

Below summarises Azeus target and performances across current reporting period:

Topic	FY2023 Target	FY2023 Progress	FY2024 Target Actions
Diversity and Equal Opportunities	To continue to maintain and provide a diverse, gender-equal, and inclusive workplace.	Achieved - Azeus Group continuously provides a diverse, gender-equal, and inclusive workplace, while we manage to maintain a similar statistics as compared to FY2022.	Conduct Inclusion Awareness and Training.

Training and Development

The quality of our workforce drives the success of the Company's growth. We help our employees grow, develop, and reach their full potential by providing regular and relevant training programs to enhance knowledge and skills in order to better perform at work.

Our training framework is designed for all employment levels; and programs are developed based on the needs within the organisation via a Training Needs Assessment ("TNA"). The TNA working group comprises of the Azeus management team and the HR department. The team works to identify and analyses training needs based on organisational direction, employees and project needs. The training needs are evaluated annually. The Azeus Institute is set up to provide the identified training programmes.

The training programs offered by the Azeus Institute focused on the areas of personal development and general security awareness made available through the orientation programs, web programming and product testing courses. These are outlined and structured to aim to produce employees who can execute their roles in the organisation and in their specific teams. Furthermore, online training courses are made available to ensure it is accessible to everyone.

Performance evaluations on the training are conducted for improvement purposes at various levels, including posttrainings and follow-up training feedback surveys.

An overview of the training for FY2023 of the Group is as follows:

Training & Development	FY2023 (hours)	FY2022 (hours)	FY2021 (hours)
Total # of Training Hours	16,920	23,061	17,051

SUSTAINABILITY TARGETS AND PERFORMANCE

Training Hours Spent per Topic

Training & Development Topics	FY2023 (hours)	FY2022 (hours)	FY2021 (hours)
Technical Training	16,630	21,456	12,584
Management	262	1,536	654
Health & Safety	28	69	3,813

Target and performance

Below summarises Azeus target and performances across current reporting period:

Topic	FY2023 Target	FY2023 Progress	FY2024 Target Actions
Training and Development	<ul style="list-style-type: none"> - To conduct more leadership trainings to all leads/ managers. - To introduce self-development empowerment trainings for employee's skill enrichment. 	<ul style="list-style-type: none"> - Achieved - Management and technical training programs are conducted in FY2023. - Achieved - several staff availed accesses to online self-training courses related to their roles, to further their knowledge/ skills. 	<ul style="list-style-type: none"> - Roadmap and documentation for Career Progression, including required training for new middle management managers (e.g., Manager Development Programs).

Occupational Health and Safety

Health and Safety Policies and Practices

It is fundamental that our workplaces are free of health and safety hazards. We encourage individual responsibility and good practices towards health and safety at all levels in Azeus as preventive measures at all our offices. Occupational health risks are identified to be a core threat to Azeus.

Azeus has taken steps to implement stringent policies and guidelines to strengthen health and safety standards within the organisation and to comply with the relevant laws and regulations in this area. In FY2023, Azeus offices continues to observe local regulations relating to COVID-19 restrictions. COVID-19 cases are also regularly monitored to implement safety measures in the offices accordingly.

A Safety Committee is set up respectively by each of the offices in Hong Kong, the Philippines, and the UK to coordinate, implement and administer the safety and health programs for Azeus. The Safety Committee also conducts an annual risk assessment to identify potential workplace safety and health risks, and to take preventive measures against them. The Safety Committee reviews safety standards, systems and performances periodically and is responsible for implementing major decisions, policies and safety and health procedures.

Employees can report any health and safety incidents to the HR or Administration Departments.

In FY2023, Azeus offices has not recorded any work-related fatalities, incidents, and ill-health.

Hong Kong Office

The Health and Safety Policy for the Hong Kong office embraces healthy working conditions and aims to provide adequate control of risks arising from work activities. All the Management and the employees of Azeus Hong Kong must read and observe the Occupational and Health Ordinance under the laws of Hong Kong, in particular the Occupational Safety and Health (Display Screen Equipment) Regulations. The Group had previously identified prolonged use of display screen equipment as a major risk of occupational hazards and injuries in the HK office.

In FY2023, the Hong Kong office continues to implement measures to reduce the risk of COVID-19 infection in its offices.

SUSTAINABILITY TARGETS AND PERFORMANCE

Philippines Office

Azeus Philippines has established a Policy and Program of Safety and Health to protect employees from workplace injuries. As part of the Group’s mission of providing an excellent working environment, additional measures and efforts were taken to prepare the Philippines office from any unexpected emergencies that may require safe evacuation from the office.

Azeus Philippines continues to adapt to the COVID-19 situation. Due to the decline of cases, masks are no longer mandatory but still highly recommended. Constant health reminders are sent to employees working in the office as well.

In FY2023, Azeus Philippines has also started to implement mental health and well-being program provided by our partner provider “Mind You”. Employees can access professional counselling and therapy whenever they have concerns. As a third-party partner, confidentiality of cases is guaranteed to ensure that communicated concerns will not affect the workplace.

UK Office

Like any other safety policies, the Azeus UK office’s Health and Safety Policy aims to create a safe working environment for employees working alone and provides guidance on managing risks related to health and safety.

The Directors of Azeus UK have overall and final responsibility for health and safety of the UK office.

Target and performance

Over the years, the Group had no incidences of fatalities by work-related injury, high-consequence work-related injuries, recordable work-related injuries, fatalities caused by work-related ill-health, and recordable work-related ill-health.



Topic	FY2023 Target	FY2023 Progress	FY2024 Target Actions
Occupational Health and Safety	<ul style="list-style-type: none"> - Additional First Aiders will be sent for training; - Hiring of Company Nurse in FY2023 to improve the safety measures in workplace; - Providing staff with access to a mental health platform to connect them to professionals and psychologists when needed, with quarterly mental health webinars to help them cope with stress and changes through the pandemic especially. 	<ul style="list-style-type: none"> - Achieved - Health and safety team consisting of trained and certified Safety officers (Level 3), first aiders, and nurse. - Achieved - Mental health and well-being initiative is implemented provided by our healthcare partner “Mind You”. 	The Group will continue to strive to improve our Occupational Health and Safety management and maintain zero work-related injuries

SUSTAINABILITY TARGETS AND PERFORMANCE

Local Communities

Azeus is committed to go beyond our operations and extend our social responsibility to communities where we operate. We support various initiatives that we believe will contribute to and will build a stronger community.

Azeus continues to support local community initiatives. In FY2023, Azeus HK pledged donations to WWF Hong Kong and renewed its Corporate Membership for 2023-2024. Employees also participated in sustainability programs organised by WWF-Hong Kong.



Sustainable Lifestyle Bagel Making Workshop organised by WWF-Hong Kong on November 13, 2022

Limited on-site CSR activities were conducted due to COVID-19 restrictions but we are looking forward to support local community organisations and community service initiatives in the upcoming year.

Target and performance

Below summarises Azeus target and performances across current reporting period:

Topic	FY2023 Target	FY2023 Progress	FY2024 Target Actions
Local Communities	- Resumption of volunteering activities subject to COVID-19 developments.	- Achieved - Azeus HK has pledged donation and support activities of WWF-Hong Kong.	- To support meaningful causes by making donations to local communities - Participation in community service initiatives* *subject to COVID-19 restrictions



GOVERNANCE

Azeus aims to be a trusted organisation with the highest ethical standards that promotes integrity, accountability, transparency and strictly adheres to all applicable laws and regulations.

Compliance

Azeus has complied, in all material aspects, with applicable environmental rules and regulations, anti-competitive behaviour laws, and requirements on health and safety. For FY2023, there were no significant fines or non-monetary sanctions for any non-compliance with the aforementioned laws, regulations and requirements. There have also been no reported incidents of corruption during the reporting period (FY2022: NIL). Azeus aims to maintain zero incidents of corruption, and we regularly review our policies on whistleblowing and anti-corruption.

Ethical Business Practices

The Directors, officers and employees are required to observe and maintain high standards of integrity, as are in compliance with law and regulations and the Company's policies.

All our operations are managed under the applicable laws and regulations in each of the countries Azeus operate in. Our employees are expected to uphold all business transactions with integrity and avoid corruption in any form.

Target and performance

Below summarises Azeus target and performances across current reporting period:

Topic	FY2023 Target	FY2023 Progress	FY2024 Target Actions
Compliance and Ethical Business Practises	- Continue and maintain zero incidents of corruption reported.	- Achieved - No incidents of corruption reported.	- Maintain overall compliance record within the group and zero substantiated cases of corruption or other improprieties

Corporate Governance

The Directors and the Management of Azeus are committed to maintain high standards of good corporate governance and transparency to enhance and protect the interests of our shareholders and the performance of Azeus.

In October 2022, Azeus Executive Chairman, Mr. Lee Wan Lik and Chief Executive Officer Michael Yap Kiam Siew attended an ESG Summit organised by the Future Investment Initiative Institute (FII) in Saudi Arabia. This summit's theme focused on the "New Global Order" which is characterised by the dissolving distinction between physical and virtual world.

Guided by this, we are constantly reviewing the existing processes and procedures to ensure effective corporate governance. Details of Azeus' corporate governance activities are available in our Annual Report 2023. Please refer to pages 11 to 25 of our Annual Report, for details of our compliance to the Singapore Code of Corporate Governance.



Photo captured from Future Investment Initiative Institute 6th edition conference livestream

Governance Structure

Azeus strongly believe that strong corporate governance is key to a sustainable business. We have continued to comply with the Singapore Code of Corporate Governance, since our listing on SGX Mainboard. Please refer to the Corporate Governance Section of our Annual Report, for details of our compliance to the Singapore Code of Corporate Governance. In FY2024, we will continue to ensure compliance with the SGX requirements.

Anti-Corruption and Bribery

Azeus HK's Code of Conduct outlines business conduct and the ethical standards that employees are required to adhere to in their day-to-day work. The Code of Conduct is instilled in all new employees and stressed that anti-bribery laws prohibit the giving or taking of gifts or bribes, the making of facilitation payments or the giving or receiving of favours. All of the Azeus HK employees are expected to comply with this Code.

Azeus UK has also established its own Code of Conduct for all of its employees to comply and ensure that they perform their duties with integrity, commitment and professionalism. In addition, Azeus UK has in place the Anti-Bribery Policy as part of its commitment to maintain high standards of ethical and integrity in its business activities in the UK and overseas in accordance with the UK Bribery Act 2010. All employees of Azeus UK including contractors, sub-contractors, agents and subsidiaries of Azeus are expected to comply with the Policy.

The employees of Azeus Philippines are also guided by its Code of Conduct to perform their duties with integrity, commitment and professionalism. This Code of Conduct is in place amongst others, for the prevention of bribery, misuse of proprietary information, assets and resources or give rise to any potential conflict of interest by any of the Azeus Philippines employees. Additionally, the Internal Fraud Policy established by Azeus Philippines set out measures for the detection and prevention of fraud that might occur in its office. Internal controls such as proper inventory management and procurement practices as well as ensuring adequate signatories on bank transactions up to a certain limit provide safeguards to detect any irregular activity involving any Azeus Philippines' employee, regardless of position/title or length of service.

In FY2023, there has been no recorded incident of corruption within the Group. Any reported incidents will be viewed seriously and necessary action to be taken, as required.

Whistleblowing

The Company has put in place a whistleblowing policy which sets out the procedures for a whistleblower to make a report on misconduct or wrongdoing relating to the Company and its officers. The policy protects the identification of the whistleblower and ensures that the identity of the whistleblower is kept confidential to ensure the protection of the whistleblower against any detrimental and unfair treatment. The policy has been circulated to all employees for implementation. It has been put in place to encourage and provide a channel to employees and any other persons to report, in good faith and in confidence, concerns about possible fraud, improprieties, fraudulent activities or malpractices or other matters within the Group in a responsible and effective manner. The objective of such an arrangement is to ensure independent investigation of such matters and for appropriate follow-up action.

The Audit Committee has reviewed the whistleblowing policy that the Group has established and is responsible for the oversight and monitoring of whistleblowing.

The Company has arrangements and processes to facilitate independent investigation of such concerns and for appropriate follow-up action. Concerns may be raised either verbally or in writing, and any person receiving such concern raised should inform the Azeus Global HR Manager, and/or the Chairperson of the Audit Committee (contact details of whom are set out in the whistleblowing policy). The Audit Committee upon receipt of the complaints or allegations, determines if an investigation is necessary.

All whistleblowing reports will be handled confidentially, except as necessary or appropriate to conduct investigation and to take remedial action, in accordance with the applicable law and regulations. The identity of the whistleblower making the allegation will be kept confidential and confined to disclosures on a need-to-know basis to the AC, the investigating team, the Board of Directors of the Company and any party to whom the identity of the whistleblower is required to be disclosed by law.

In FY2023, there were no complaints nor concerns of issues received by the Audit Committee.

Data Protection and Privacy

Azeus operates under a comprehensive governance framework to ensure that quality software and services are delivered while maintaining a high level of security. An overall company security policy is in place that outlines the company's expectation of an employee's behaviour and conduct with regards to security.

This security policy has been approved by senior management and is available to all employees from a centralised (cloud) repository. In addition, this security policy is regularly reviewed by its respective document owner, any material changes will have to be further reviewed and approved by senior management before being published. In addition, our policies and procedures have been prepared with reference to the SOC-2 framework for Security and Availability and have been audited against these standards to ensure adherence and compliance to industry standards and best practices.

Regardless of the role, all employees are trained during their initial employment to ensure security awareness on topics including but not limited to security attacks, social engineering tactics, prevention and detection, and proper reporting procedures. A refresher training is conducted annually after. An established privacy policy is in place, governing all use of personal data that we may meet (either directly or indirectly) through the operation of our service. This is publicly available at the following URL: <https://www.azeusconvene.com/privacypolicy>.

All production data will always remain in the production environment – If testing data is required, simulated or fabricated data is used. In addition, a dedicated data processing team is in place to handle all data protection related matters. This team ensures that our processing activities follow established data laws and regulations (including GDPR). Where feasible and technically possible, data at rest is encrypted using AES-256 and data in transit is secured using HTTPS/TLS1.2.

A formal risk management process has been defined and approved by management that specifies a risk evaluation process based on identified threats and pre-specified tolerance. As part of this process, a formal risk assessment is performed annually to identify threats that could affect system security. Any identified threats are rated using the above management approved metrics. Risk mitigation strategies are then developed to address these risks directly.

Azeus is committed to protect all confidential information and minimise risks against cyber security risks to protect the confidential information of all stakeholders through constant monitoring of our IT systems. We are aware that any loss or breach of customer privacy can result in both financial and non-financial losses and lead to reputational damage.

Specific technical measures are detailed within our Information Security Management System (ISMS) and Information Security Standards Manual (ISSM). Training is divided into two halves:

1. Information security training (related to topics such as security awareness, social engineering, overall infosec compliance) is performed as part of our overall ISO-27001 management process.
2. Data privacy and protection training is performed and carried out annually by Azeus' data processing team. Topics for this training specifically relate to GDPR and data handling.

Mandatory compliance is required for the above as part of maintaining our ISO-27001 certification and ensuring we are GDPR compliant. Both training is conducted annually and participation is mandatory.

Due to the nature of information security and data protection, specific numerical targets and metrics surrounding these are not directly applicable. Instead, to ensure consistent improvements as well as overall compliance, annual external audits are undertaken and performed with an independent third party to ensure continued compliance. Feedback from the auditor is incorporated as necessary to ensure our controls remain robust.

SUSTAINABILITY TARGETS AND PERFORMANCE



ECONOMIC

Azeus strives to achieve sustainable economic excellence while embracing responsible business practices across our operations and supply chain.

Economic Performance

The overall economic performance and profitability of the Group is one of Azeus' core concerns. Many of our stakeholders, including our shareholders, investors, employees and suppliers, rely on our economic performance. We monitor our economic performance through our budgeting process. The budget is set annually, reviewed throughout the financial year to monitor whether targets are met and what actions can be taken to achieve the same. To evaluate our economic performance, internal and external audits are conducted on a regular basis.

In FY2023, Azeus has not received financial assistance from the government.

The following tables provide an overview of the economic performance of the business segments over the last 3 years:

Revenue (HK\$)	FY2023 HK\$'000	FY2022 HK\$'000	FY2021 HK\$'000
IT Services	77,568	78,209	64,871
Azeus Products	175,340	139,449	113,194
Other Income	1,033	326	1,006

From 1 April 2022 to 31 March 2023 the Group recorded a total revenue of HK\$252.9 million.

Showing signs of gradual increase each year, and in FY2023, Azeus' revenue has increased by 16.2% to total of HK\$252.9 million from HK\$217.7 million in FY2022. For more information on the Group's economic performance, please refer to the full year result announcement for FY2023, Section G on Review of Statement of Profit or Loss.

Statement of Economic Value Generated and Distributed

Economic Performance	FY2023 HK\$'000	FY2022 HK\$'000	FY2021 HK\$'000
Total Economic Value Generated (revenue)	253,941	217,984	179,071
Total Economic Value Distributed (operating costs, employee wages and benefits, payments to providers of capital, payments to government and community investments)	203,401	169,534	155,412
Economic Value Retained	50,540	48,450	23,659

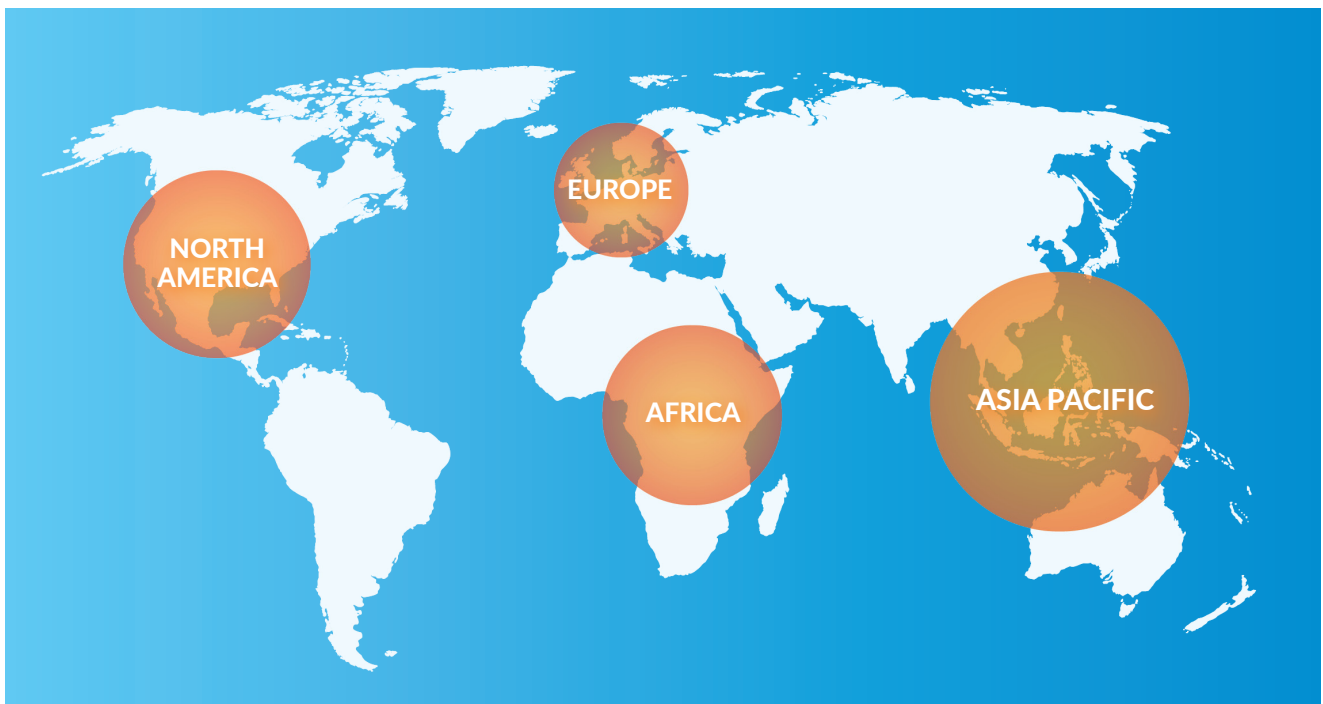
SUSTAINABILITY TARGETS AND PERFORMANCE

Customer Satisfaction

Our customers are the foundation of our business success. It is important for Azeus to build trust and exceed our customers' needs and expectations by delivering quality and on-time services. Our customer base is spread across Europe, Asia Pacific, America, Africa and the Middle East.

Azeus is a leading IT services provider with more than 30 years of experience in successfully delivering IT solutions. We have clients in Europe, Asia Pacific, America, Africa, and Middle East. Throughout the years, our sound model of integrated operations has enabled us to build an extensive track record of developing large and complex IT systems for the public and private sectors. Azeus has delivered 250 IT projects to over 60 government departments and public authorities in Asia and Europe. The software products we developed have also achieved an international customer base spanning over 100 countries in both the public and commercial sectors. As a result, we have gained extensive expertise and experience in software applications and products development, integration, and support and maintenance, as well as an unmatched specialization in the public sector.

To comply with project requirements of public sector organisations, we employ recognised methodologies, processes, and practices in the IT industry. Since 2003, Azeus has been appraised at the highest level (Level 5) of the Capability Maturity Model Integration (CMMI). As the de facto standard for assessing and improving software processes, CMMI accreditation at this level signifies high quality of products and services as well as successful delivery of our solutions in a methodical manner. CMMI also guarantees predictable quality and success that can be replicated every time.



SUSTAINABILITY TARGETS AND PERFORMANCE

Accreditations and Standards



CMMI DEV / 5 SM

CMMI@V2.0 / Exp. 2024-03-12 / Appraisal #52869

CMMI

Azeus work processes have been continuously assessed at the highest level (Level 5) under the Capability Maturity Model for Software (SW-CMM) model since 2002 and appraised at Level 5 under Capability Maturity Model Integration for Software Engineering (CMMI-SW) model since 2003. These models establish standards for assessing service quality of software development developed by the Carnegie Mellon Software Engineering Institute

ISO 27001

Since 2015, the UK office has been assessed and certified as meeting the ISO 27001 requirements for software development sales and first line of support. This recognises the efforts of safeguarding information security of the Group

ISO 14001:2015

Azeus is committed to protecting the environment. The HK office has been certified for complying with the requirements of ISO 14001:2015 for the provision of software consultancy, software development and system integration services.

We constantly gain positive feedback for our Azeus Convene products with more case studies reflecting industry's best practice in FY2023.

Our Global Customer Success team is currently stabilised to ensure that we provide unified and seamless support for all our clients worldwide. This has enabled us to prioritise customer satisfaction in all areas, including customer onboarding, training, providing contextualised support and offering industry best practice for Convene usage. Through this new initiative, we are improving customer retention, upselling, and cross-selling. Our strong belief in good service speaking for itself has led to an unprecedented number of referrals and testimonials. We are also gathering huge product insights through building stronger ties with our customers and listening to their critical inefficiencies in their daily workflow. These insights are developed with various internal teams to provide tailored product enhancement. The team is expanding its presence closer to clients worldwide every year.

Target and performance

Below summarises Azeus target and performances across current reporting period:

Topic	FY2023 Target	FY2023 Progress	FY2024 Target Actions
Customer Satisfaction	- To maintain a high retention and renewal rate.	- Achieved – Continued improvement in retention rate as compared to FY2022.	- Maintain high retention and renewal rate.

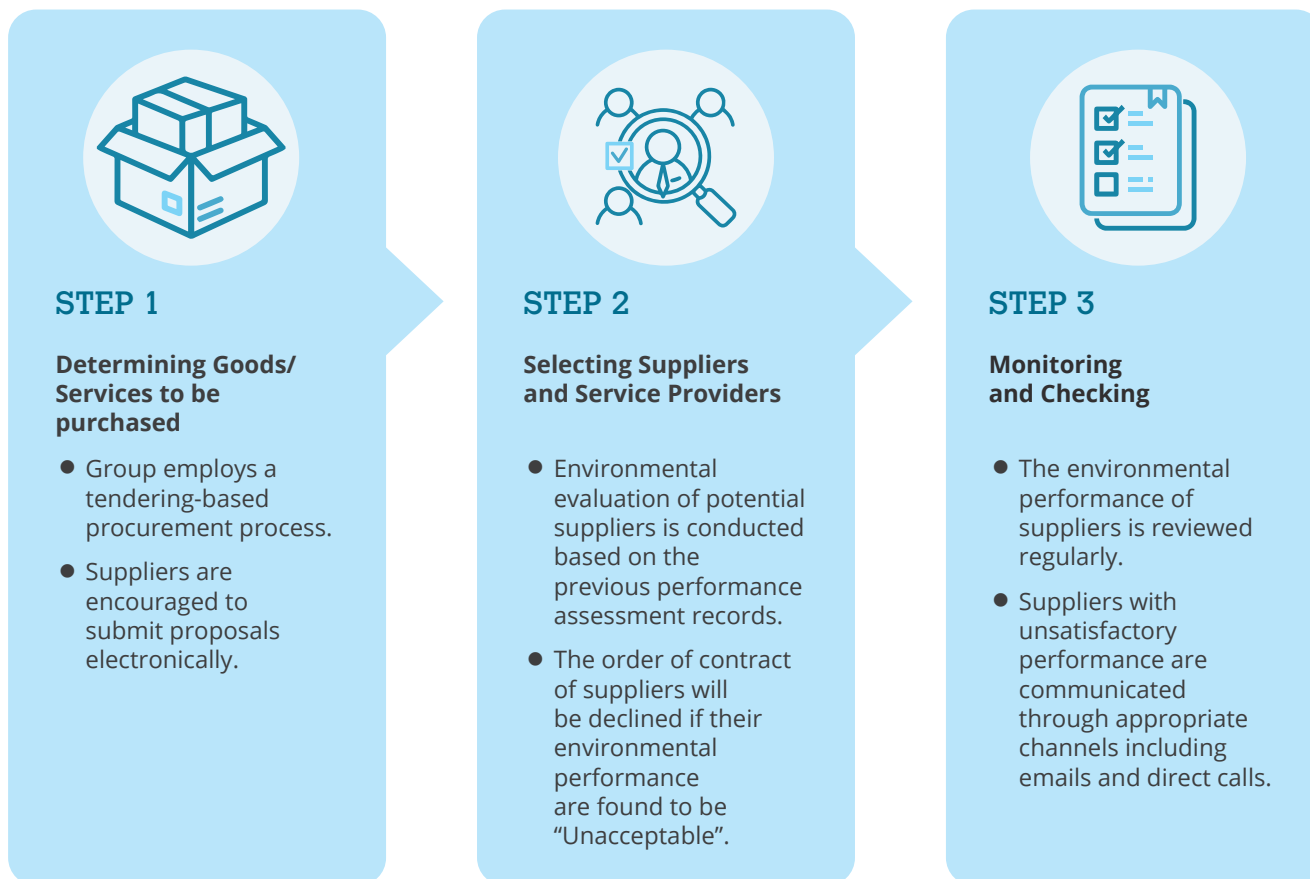
SUSTAINABILITY TARGETS AND PERFORMANCE

Procurement Practices

Proper management of procurement practices is vital for our business. We work with suppliers and vendors who share the Group's commitment in managing our risks throughout the lifecycle of our business operations.

The Sustainable Procurement Policy is a Group wide policy that encourages the purchase of all products and services that are manufactured, delivered, used and disposed of in an environmentally and socially responsible manner. The topics under this Policy are addressed during the induction training programmes for new employees and regularly reminded to the employees and suppliers when procuring goods and services. All suppliers must be notified of this Policy.

Azeus HK implemented the Instruction for Green Procurement practices that outlines the procurement process.



Target and performance

Below summarises Azeus target and performances across current reporting period:

Topic	FY2023 Target	FY2023 Progress	FY2024 Target Actions
Procurement Practices	<ul style="list-style-type: none"> - Continue to work with committed suppliers that adheres to our high standards for quality of products and service. - Evaluate suppliers' performance in terms of products and/or services provided. 	<ul style="list-style-type: none"> - Achieved - We continue to work with reputable suppliers who are committed to deliver according to our high standards for quality of products and service. - Achieved - There are no reported suppliers that are found to be in breach with local laws and regulations. 	<ul style="list-style-type: none"> - Continue implementation of supplier screening to include environmental criteria.



ENVIRONMENTAL

Azeus is committed to contribute to the global goals of minimising the environmental impact and ensure compliance with environmental legislations by efficiently using and conserving available resources across our business operations. We aim to continuously improve our environmental performance through application of international standards and best practices.

Azeus HK and Azeus UK have separate Azeus Environmental Policies for their offices to promote sound practices on environmental protection within all departments across their operations. Several environmental initiatives have been introduced in both offices addressing recycling, waste reduction, reduction of energy consumption and natural resources and reduction of carbon footprint. All employees and contractors of Azeus HK and Azeus UK are expected to comply with the Azeus Environmental Policy that is reviewed on an annual basis.

Azeus recognises that any change in climate such as extreme weather change in today's environment, may have an impact on the Group's ability to access resources and sustain operations. In order to mitigate environmental related risks that may impact Azeus, Azeus HK implemented the Environmental Management System (EMS) in 2018 to comply with the ISO 14001:2015 standards. The EMS is a systematic process developed to identify and address non-conformities, environmental accidents, and incidents through both corrective actions and preventive measures to minimise impact to the environment and the potential for recurrence. The EMS also handles enquiries, complaints (both internal and external) and nonconformities of the EMS. All practices to manage environmental impacts on office activities of Azeus HK are set out in the Environmental Instruction - Environmental Office Practices. As part of Azeus HK's commitment to the ISO 14001:2015 standards, all suppliers and contractors are required to observe the requirements under the Environmental Guidance Notes when dealing with the Group.

The Azeus Environmental Policy and the Azeus Environmental Guidance Notes for the HK office are published on our website, www.azeus.com.

The HK office provides routine environmental training programmes and materials for new employees as part of their onboarding orientation to encourage its employees to be mindful of the conversation efforts carried out by Azeus HK. Additional training will be arranged for the existing employees if there are any new or major changes made to the policies, regulations or guidelines. Our Environment Management Representative (EMR) based in the HK Office, monitors and evaluates the EMS to ensure that our employees, suppliers and contractors align their activities with these standards. The Environmental Management System Committee, is a working group set-up in the HK office to manage ISO 14001:2015 matters.

Climate Change Disclosure

Climate change is a global challenge that affects different sectors of society. Governments and businesses are starting to take action to address and setting targets to limit and manage its impact. Azeus supports the global efforts to mitigate climate change impact.

Azeus recognises the importance of aligning our business practices with the recommended climate change disclosures by the Task Force on Climate-related Financial Disclosures (TCFD). Through TCFD framework, companies can communicate to their stakeholders how climate change risks, impacts and opportunities are assessed, managed and identified within our operations.

SUSTAINABILITY TARGETS AND PERFORMANCE

Our operations and stakeholders might be exposed to physical (e.g., extreme weather events) and transition risks (e.g., enhanced emission-reporting obligations) which we would need to take into account in our business strategy. Azeus management team and board of directors regularly monitors and assess general sustainability risks and performance of the group. Formal policies and structure to assess, monitor and identify climate change risks and opportunities will be rolled-out in the following years.

For FY2023, Azeus has created a roadmap to align with TCFD recommendations for the following years:

FY2024	FY2025	FY2026
Governance - Board Oversight - Management Role	Strategy - Identification of Risks and Opportunities - There are no reported suppliers that are found to be in breach with local laws and regulations. Strategy - Identification and Management of Climate Change Risks - Institute Processes manage identified climate change risks - Integration of Risk Management to operations Metrics and Targets - Identify and disclose Metrics of Assessment - GHG Disclosure	Risk Management - Scenario Analysis - Metrics and Targets Set targets

Emissions

Greenhouse gas (“GHG”) emissions contribute to climate change. Azeus is committed to further reduce our emissions as part of our social responsibility to support global efforts on climate change.

Azeus has conducted a carbon assessment on its operations based on GHG protocol guidelines relevant in the respective jurisdictions. For consistency, Azeus will annually assess, record and disclose our GHG emissions in order to improve our emissions reduction targets.

The Groups’ total emissions are mainly associated with indirect emissions generated from purchased electricity and other indirect emissions that may include purchased town gas, methane generation at landfill due to disposal of paper waste, electricity used for fresh water and sewage by the Hong Kong government.

With the resumption of economic activities due to lesser restrictions related to COVID-19, employees also started to work back in offices and resume business travel. This resulted in an increase in total GHG emissions, especially scope 3. Activities accounted for scope 3 emissions include business travel, waste disposal, hotel stay, transmission and distribution of electricity used, employee commuting, and homeworker emissions.³

³ Homeworker emissions, hotel stay, employee commuting, and transmission and distribution of electricity are disclosed only by the UK Office due to availability of location-specific emission factors. The scope 2 emissions is based on estimated energy consumption per desk as provided by the landlord of the coworking space.

SUSTAINABILITY TARGETS AND PERFORMANCE

For FY2023, the total GHG emissions for Azeus is 254 tCO₂e with an intensity of 0.5 tCO₂e/head.



Our GHG emissions over the years for the offices in Hong Kong, Philippines and the UK are set out below:

Scope	FY2023	FY2022 ⁴	FY2021
Scope 1 & 2 GHG emissions	221	138	254
Scope 3 GHG emissions	33	-	1
Total GHG emissions (tCO₂e)	254	138	255

Measures to Reduce GHG Emissions

In FY2023, Azeus employees have started to resume working in offices and business travels. While there is an increase from the previous years, this is still lower than 2021 and pre-COVID 19 emissions. Aside from this, we have improved our collection of GHG emissions to account homemaker emissions, employee commuting, and transmission and distribution of electricity used in our UK office. Work-from-home arrangement is still an available option to reduce energy consumption in our offices.

Azeus has developed an ESG Reporting Software (Convene ESG) which we will use to collect GHG emissions for the coming years. The UK Office set a GHG reduction target of becoming a Carbon Neutral Business by 2030. Azeus UK has identified the four main sources of GHG emissions namely (1) Data Centres, (2) Conferences, Trade Events and Business Travel, (3) Office Space, (4) Commuting. Below are the action plans to achieve this target:

 <p>Data Centres - Procure Carbon Neutral Data Centres by 2030</p>	 <p>Conferences, Trade Events and Business Travel - Source all printed promotional materials from recycled materials - Public transport first policy</p>
 <p>Office Space - Move to a fully Net Zero workspace by 2030</p>	 <p>Commuting - Promote "Cycle-to-work" scheme in 2023</p>

⁴ The emissions for 2022 covers January-December 2022.

SUSTAINABILITY TARGETS AND PERFORMANCE

Opportunities in Green Application Technology



Convene - Board Portal

Convene is a secure, efficient, and user-friendly mobile app for iPad, Android, Mac devices and web. Access board papers and documents securely on your mobile device through Convene's tight integration with the centrally-managed Convene Web Portal. Collaborate with others in real-time wherever they are with just your mobile device.



ConveneAGM - E-AGM Solution

Azeus launched its brand new e-AGM product in April 2020, largely conceptualised around the need to drive advocacy for all shareholders to exercise their rights. This product strived to redefine how corporate entities hold AGMs – in a meaningful and engaging manner that is compliant with the current social distancing and safety restrictions, despite the challenges and constraints brought about by the pandemic.



Convene ESG - ESG Reporting Tool

In 2022, Azeus launched Convene ESG with the aim of helping reporting entities in simplifying their ESG journey while streamlining the process of collecting and reporting ESG data. This product serves as the single source of truth for all ESG reporting requirements by acting as a central repository for ESG data and disclosures, sustainability reporting frameworks and standards, and local regulatory requirements. By providing a centralised platform, Convene ESG empowers reporting entities to take full ownership of their ESG reporting and seamlessly integrate it into their day-to-day operations.

Target and performance

Topic	FY2023 Target	FY2023 Progress	FY2024 Target Actions
Emissions	- To monitor and review the outcomes of the energy efficiency initiatives put in place in the previous years and promote telecommuting.	- Achieved - Maintained emissions in pre-pandemic level. - Achieved - Improved coverage of GHG inventory.	- Support environmental activities promoting GHG reduction

SUSTAINABILITY TARGETS AND PERFORMANCE

Energy use

Azeus' energy consumption is mostly comprised of electricity usage from offices. In FY2023, the total energy consumption of Azeus for Hong Kong, Philippines, and United Kingdom operations is 1,123 GJ with an intensity of 2.5GJ/head.

Our energy consumption performance over the years is as follows:

REGION	FY2023	FY2022	FY2021
Hong Kong	221	224	236
Philippines	894	766	1,005
United Kingdom	-	14	15
Total Energy Consumption (GJ)	1,115⁵	1,004	1,256

Measures to Reduce Energy Consumption

We believe that investing our time towards energy efficiency will not only provide a positive influence on our environment but also help reduce our energy costs in the long-term.

To achieve our target for FY2024, Azeus continues to develop and implement new energy conservation initiatives for the Group.

We identified the new ways to improve energy consumption for the Philippines office. These initiatives include replacement of fluorescent lights with LED system throughout the Philippines office commencing from June 2019 and replacement of some office appliances to energy saving models.

Below is an overview of the various responsible energy conservation initiatives that Azeus has adopted:



Electrical appliances

- Switching off the idle office equipment (e.g. monitors, computers, printer and photocopiers) when they are not in use
- Setting appliances to energy saving mode, where possible



Air-conditioning

- Ensuring that external doors are closed to conserve internal heat/cold
- Switching off air-conditioning system after office hours
- Repair any leaks in the air ventilation system



Lighting

- Maximising the use of natural light
- Switching off office lights when not in use

⁵ For FY2023, UK office is on co-workspace office arrangement. In view of that, there is no energy consumption data available.

SUSTAINABILITY TARGETS AND PERFORMANCE

Target and performance

Below summarises Azeus target and performances across current reporting period:

Topic	FY2023 Target	FY2023 Progress	FY2024 Target Actions
Energy	<ul style="list-style-type: none"> - Continue energy saving initiatives in the offices - Continue awareness-raising for energy efficiency 	<ul style="list-style-type: none"> - Energy saving initiatives are continuously implemented in offices - Consistent energy consumption in the past years 	<ul style="list-style-type: none"> - Pursue energy reduction measures in our business activities by promoting energy-efficient practices

Water Consumption

In our previous Report, Azeus reported that the Group has undertaken a series of water reduction initiatives to manage the use of water in our building operations.

Examples of initiatives that the Group has implemented since the previous reporting years are:

- Regularly checking pipes and taps for leakage
- Repair immediately any pipe leakage detected
- Regularly monitoring water consumption
- Adopting water efficient appliances
- Placing signages at strategic locations in the offices to conserve water

Water is an essential component of our ecosystem. At Azeus, we take our responsibility towards managing and working towards reducing our water consumption across our operations seriously although our water consumption is relatively low as compared to other industries.

The table below sets out the raw water consumption of our key offices over the last and current reporting years:

REGION	FY2023	FY2022	FY2021
Hong Kong	37	52	72
Philippines	23	18	10
United Kingdom	-	34	47
Total Water Consumption (m3)	60⁶	104	129

⁶ For FY2023, UK office is on co-workspace office arrangement. In view of that, there is no water consumption data available.

SUSTAINABILITY TARGETS AND PERFORMANCE

Target and performance

Below summarises Azeus target and performances across current reporting period:

Topic	FY2023 Target	FY2023 Progress	FY2024 Target Actions
Water	<ul style="list-style-type: none"> - Schedule quarterly checking of water pipes to prevent pipe leakage, on top of the existing measures. - Ensure correctness of water billing with the building administrators. 	<ul style="list-style-type: none"> - Achieved - Continuous water efficiency initiatives in offices are in place 	<ul style="list-style-type: none"> - To continue promoting water conservation awareness among our employees.

Waste Management

Azeus is committed to reducing, reusing and recycling waste material generated by the Group.

The Azeus HK and the Azeus UK are guided by the Environmental Policy to apply waste minimisation principles; by reusing, recycling as well as ensuring proper disposal methods of waste material. The Group aims to minimise waste in its operations and office usage and work with only licensed and qualified contractors to treat and safely dispose the different types of waste. The Environment Instructions for Waste Management set out internal practices for the HK office to adopt on waste generation and management.

The EMR is delegated the authority to monitor our waste management practices are adhered to by the employees and contractors. The Administration Department of Azeus HK is responsible to take corrective actions on any non-compliance identified by the EMR.

The types of waste generated by Azeus and how they are handled are described below:

Type of Waste	Handling Method
General Waste	<ul style="list-style-type: none"> ● Solid wastes are segregated to general refuse, paper wastes, packaging wastes and metal wastes for recycling ● Personnel (for example, cleaning staff or contractor) are assigned to collect and transfer the waste to storage area
Chemical Waste	<ul style="list-style-type: none"> ● Licensed collectors are appointed to collect and dispose of uninter ruptible power supply (UPS) batteries. ● UPS batteries are stored in separated storage container
Regulated electrical equipment	<ul style="list-style-type: none"> ● Appropriate practices are adopted to collect the regulated electrical equipment, for example: <ul style="list-style-type: none"> - Selecting the available free removal services provided by suppliers - Delivering to community Green Stations - Delivering to E-Waste Collection Vehicle stations - Appointing Licensed Collector

SUSTAINABILITY TARGETS AND PERFORMANCE

Waste Generated

The tables below provide an overview of waste generated by our offices in Hong Kong:

Waste	FY2023	FY2022	FY2021
Hazardous	213	421	7
Non-Hazardous	586	853	525
Total Waste Generation (kg)	799	1,274	531

In FY2023, the waste generated in Hong Kong office is 37% less than the previous year. This is the same rate of waste generated in our offices before COVID-19 restrictions are implemented. The spike of waste generated in FY2022 is due to one-off housekeeping exercise to identify obsolete office equipment in Hong Kong. Azeus will continue to implement waste management initiatives in offices to minimise the amount of waste generated.

Target and performance

Below summarises Azeus target and performances across current reporting period:

Topic	FY2023 Target	FY2023 Progress	FY2024 Target Actions
Waste	-To continue waste segregation and reduce the waste level as a Group by 20%.	- Achieved - Waste generated in Hong Kong Office in FY2023 is 37% less than the waste generated in FY2022	- Regularly monitor waste generated in office and continue waste reduction initiatives

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SGX 5 Primary Components Index

SGX Number	SGX Primary Component	Disclosed in this Report	References
SGX: 27 Core ESG Metrics: Certifications			
SGX27Core-Gov-4	List all Relevant Certifications for the organisation	✓	Page 25
710A: Board Diversity Policy			
SGX710A-5	Reference to Board Diversity Policy (in Annual Reports)	✓	Annual Report page 15
711B: Internal Review/External Assurance			
SGX711B3-3	Internal Review/External Assurance	✓	Page 7
711B: Primary Component Exclusion			
SGX711B2-2	Primary Component Exclusion	✓	Not Applicable
711B: Primary Components			
SGX711B1-1a	Material environmental, social and governance factors	✓	Page 11
SGX711B1-1aa	TCFD climate-related disclosures	✓	Azeus has created a roadmap to align with TCFD recommendations (Page 28)
SGX711B1-1b	Policies, Practices and Performance	✓	Page 12
SGX711B1-1c	Targets	✓	Pages: 16, 17, 18, 19, 20, 22, 25, 26, 30, 32, 33, 34
SGX711B1-1d	Sustainability Reporting Framework	✓	Page 6
SGX711B1-1e	Board statement and associated governance structure for sustainability practices	✓	Page 8

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GRI Content Index

Statement of use	Azeus Systems Holdings Limited has reported the information cited in this GRI content index for the period 01 April 2022 to 31 March 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Number	Disclosure	Disclosed in this Report	References
GRI 2: General Disclosures 2021 - The organisation and its reporting practices			
GRI2-1	Organisational details	✓	Page 1
GRI2-2	Entities included in the organisation's sustainability reporting	✓	Page 3
GRI2-3	Reporting period, frequency and contact point	✓	Page 3
GRI2-4	Restatements of information	✓	No information has been restated in this report
GRI2-5	External assurance	✓	Page 5
GRI 2: General Disclosures 2021 - Activities and workers			
GRI2-6	Activities, value chain and other business relationships	✓	Page 1
GRI2-7	Employees	✓	Page 12
GRI2-8	Workers who are not employees	✓	Page 14
GRI 2: General Disclosures 2021 - Governance			
GRI2-9	Governance structure and composition	✓	Annual Report 2023 (Corporate Governance Report)
GRI2-10	Nomination and selection of the highest governance body	✓	Annual Report 2023 (Corporate Governance Report)
GRI2-11	Chair of the highest governance body	✓	Annual Report 2023 (Corporate Governance Report)

CONTENT INDEX

GRI Number	Disclosure	Disclosed in this Report	References
GRI2-12	Role of the highest governance body in overseeing the management of impacts	✓	Annual Report 2023 (Corporate Governance Report)
GRI2-13	Delegation of responsibility for managing impacts	✓	Annual Report 2023 (Corporate Governance Report)
GRI2-14	Role of the highest governance body in sustainability reporting	✓	Annual Report 2023 (Corporate Governance Report)
GRI2-15	Conflicts of interest	✓	Annual Report 2023 (Corporate Governance Report)
GRI2-16	Communication of critical concerns	✓	Annual Report 2023 (Corporate Governance Report)
GRI2-17	Collective knowledge of the highest governance body	✓	Annual Report 2023 (Corporate Governance Report)
GRI2-18	Evaluation of the performance of the highest governance body	✓	Annual Report 2023 (Corporate Governance Report)
GRI2-19	Remuneration policies	✓	Annual Report 2023 (Corporate Governance Report)
GRI2-20	Process to determine remuneration	✓	Annual Report 2023 (Corporate Governance Report)
GRI2-21	Annual total compensation ratio	✓	Annual Report 2023 (Corporate Governance Report)
GRI 2: General Disclosures 2021 - Strategy, policies and practices			
GRI2-22	Statement on sustainable development strategy	✓	Page 8
GRI2-23	Policy commitments	-	Azeus is considering to develop policy commitments aligned with international conventions
GRI2-24	Embedding policy commitments	-	Azeus is considering to develop policy commitments aligned with international conventions

CONTENT INDEX

GRI Number	Disclosure	Disclosed in this Report	References
GRI2-25	Processes to remediate negative impacts	-	Azeus has not identified any negative impact to its stakeholders
GRI2-26	Mechanisms for seeking advice and raising concerns	✓	Page 21
GRI2-27	Compliance with laws and regulations	✓	Page 20
GRI2-28	Membership associations	✓	Azeus is not a member of any industry or trade associations
GRI 2: General Disclosures 2021 - Stakeholder engagement			
GRI2-29	Approach to stakeholder engagement	✓	Page 10
GRI2-30	Collective bargaining agreements	-	Azeus is currently not party to any collective bargaining agreements
GRI 3: Material Topics 2021			
GRI3-1	Process to determine material topics	✓	Page 11
GRI3-2	List of material topics	✓	Page 11
GRI3-3	Management of material topics	✓	Page 11
GRI 201: Economic Performance 2016			
GRI3-3	Management of material topics	✓	Page 23
GRI201-1	Direct economic value generated and distributed	✓	Page 23
GRI201-2	Financial implications and other risks and opportunities due to climate change	-	Azeus laid out the roadmap to align with TCFD disclosures and will identify climate change risks and opportunities
GRI201-3	Defined benefit plan obligations and other retirement plans	✓	Annual Report 2023 page 72
GRI201-4	Financial assistance received from government	-	Azeus has not received any financial assistance from government

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GRI Number	Disclosure	Disclosed in this Report	References
GRI 204: Procurement Practices 2016			
GRI3-3	Management of material topics	✓	Page 6
GRI204-1	Proportion of spending on local suppliers	-	Azeus will account spending on local suppliers in the next reporting years
GRI 205: Anti-corruption 2016			
GRI3-3	Management of material topics	✓	Page 21
GRI205-1	Operations assessed for risks related to corruption	-	Azeus aims to maintain zero incidents of corruption, and we regularly review our policies on whistleblowing and anti-corruption.
GRI205-2	Communication and training about anti-corruption policies and procedures	✓	Page 21
GRI205-3	Confirmed incidents of corruption and actions taken	✓	Page 21
GRI 302: Energy 2016			
GRI3-3	Management of material topics	✓	Page 31
GRI302-1	Energy consumption within the organisation	✓	Page 31
GRI302-2	Energy consumption outside of the organisation	-	Not applicable for Azeus business activities and operations
GRI302-3	Energy intensity	✓	Page 31
GRI302-4	Reduction of energy consumption	✓	Page 31
GRI302-5	Reduction in energy requirements of products and services	-	Not applicable for Azeus business activities and operations

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GRI Number	Disclosure	Disclosed in this Report	References
GRI 303: Water and Effluents 2018			
GRI3-3	Management of material topics	✓	Page 32
GRI303-1	Interactions with water as a shared resource	✓	Page 32
GRI303-2	Management of water discharge-related impacts	-	Not applicable as Azeus sources all of its water consumed from municipal supply
GRI303-3	Water withdrawal	-	Not applicable as Azeus sources all of its water consumed from municipal supply
GRI303-4	Water discharge	-	Not applicable for Azeus' business activities
GRI303-5	Water consumption	✓	Page 32
GRI 305: Emissions 2016			
GRI3-3	Management of material topics	✓	Page 28
GRI305-1	Direct (Scope 1) GHG emissions	✓	Page 29
GRI305-2	Energy indirect (Scope 2) GHG emissions	✓	Page 29
GRI305-3	Other indirect (Scope 3) GHG emissions	✓	Page 29
GRI305-4	GHG emissions intensity	✓	Page 29
GRI305-5	Reduction of GHG emissions	✓	Page 29
GRI305-6	Emissions of ozone-depleting substances (ODS)	-	Not applicable for Azeus business activities and operations
GRI305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	-	Not applicable for Azeus business activities and operations

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GRI Number	Disclosure	Disclosed in this Report	References
GRI 306: Waste 2020			
GRI3-3	Management of material topics	✓	Page 33
GRI306-1	Waste generation and significant waste-related impacts	✓	Page 34
GRI306-2	Management of significant waste-related impacts	✓	Page 34
GRI306-3	Waste generated	✓	Page 34
GRI306-4	Waste diverted from disposal	✓	Page 34
GRI306-5	Waste directed to disposal	✓	Page 34
GRI 308: Supplier Environmental Assessment 2016			
GRI3-3	Management of material topics	✓	Page 26
GRI308-1	New suppliers that were screened using environmental criteria	✓	Page 26
GRI308-2	Negative environmental impacts in the supply chain and actions taken	✓	Page 26
GRI 401: Employment 2016			
GRI3-3	Management of material topics	✓	Page 12
GRI401-1	New employee hires and employee turnover	✓	Page 14
GRI401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	✓	Page 12
GRI401-3	Parental leave	✓	Page 12
GRI 402: Labor/Management Relations 2016			
GRI3-3	Management of material topics	✓	Page 17
GRI402-1	Minimum notice periods regarding operational changes	✓	Page 17

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GRI Number	Disclosure	Disclosed in this Report	References
GRI 403: Occupational Health and Safety 2018			
GRI3-3	Management of material topics	✓	Page 17
GRI403-1	Occupational health and safety management system	✓	Page 17
GRI403-2	Hazard identification, risk assessment, and incident investigation	✓	Page 17
GRI403-3	Occupational health services	✓	Page 17
GRI403-4	Worker participation, consultation, and communication on occupational health and safety	✓	Page 17
GRI403-5	Worker training on occupational health and safety	✓	Page 17
GRI403-6	Promotion of worker health	✓	Page 17
GRI403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	✓	Page 17
GRI403-8	Workers covered by an occupational health and safety management system	✓	Page 17
GRI403-9	Work-related injuries	✓	Page 17
GRI403-10	Work-related ill health	✓	Page 17

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GRI Number	Disclosure	Disclosed in this Report	References
GRI 404: Training and Education 2016			
GRI3-3	Management of material topics	√	Page 16
GRI404-1	Average hours of training per year per employee	√	Page 16
GRI404-2	Programs for upgrading employee skills and transition assistance programs	√	Page 16
GRI404-3	Percentage of employees receiving regular performance and career development reviews	√	Page 16
GRI 405: Diversity and Equal Opportunity 2016			
GRI3-3	Management of material topics	√	Page 15
GRI405-1	Diversity of governance bodies and employees	√	Page 15
GRI405-2	Ratio of basic salary and remuneration of women to men	-	Data not available
GRI 406: Non-discrimination 2016			
GRI3-3	Management of material topics	√	Page 15
GRI406-1	Incidents of discrimination and corrective actions taken	√	Page 15
GRI 418: Customer Privacy 2016			
GRI3-3	Management of material topics	√	Page 22
GRI418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	√	Page 22



33/F, Cambridge House,
Taikoo Place, 979 King's Road,
Quarry Bay, Hong Kong

Tel: +(852) 2893 3673
Fax: +(852) 2574 4952
Website: www.azeus.com

Incorporated in Bermuda on 10 May 2004
Registration Number: 35312