

# Disclosures - Sustainability Addendum

## 1. Protecting our Environment - Climate change

Indicator	Reference to Annual Report 2021	Description	Disclosure												
ECC38	Page 41	<p>Short term (up to 5 years) quantitative targets to reduce GHG emissions (which could include Scope 1 and / or Scope 2 and / or Scope 3):</p> <p>a) Unquantified, process targets</p> <p>b) Quantified targets (<i>Details of quantified targets will be recorded</i>)</p>	<p>As CTOS progresses in the sustainability journey, we will explore short-term quantitative carbon reduction targets. At present, we are looking towards:</p> <ul style="list-style-type: none"> <li>Reducing Scope 2 emissions by 15% by 2025, from 2022 levels.</li> <li>Having carbon offset for Scope 1 and 2 emissions gradually over the 5 years in operations only</li> <li>Reducing Scope 3 emissions by 15%, by 2030.</li> </ul> <p>We hope to firm up our climate related commitments in the near future.</p>												
ECC39	Page 41	<p>Long term (more than 5 years) quantitative targets to reduce GHG emissions (which could include Scope 1 and / or Scope 2 and / or Scope 3):</p> <p>a) Unquantified, process targets</p> <p>b) Quantified targets (<i>Details of quantified targets will be recorded</i>)</p>	<p>As CTOS progresses in the sustainability journey, we will explore long-term quantitative carbon reduction targets. At present, we are towards the direction of achieving Net Zero by 2050.</p>												
ECC14	Page 41	<p>Three years of total operational GHG emissions data (Scope 1 &amp; 2) is disclosed</p>	<p>As CTOS begins its journey towards addressing carbon footprint, the management has collectively set a quantitative carbon reduction target of achieving Carbon Neutrality for Scopes 1 and 2 in our operations.</p> <p>Total Scopes 1 and 2 emissions between 2019 and 2021 are as follows:</p> <table border="1"> <thead> <tr> <th>Total emissions</th> <th>2019</th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>Scope 1</td> <td>3.36</td> <td>1.30</td> <td>0.50</td> </tr> <tr> <td>Scope 2<sup>3</sup></td> <td>416.35</td> <td>396.37</td> <td>323.61</td> </tr> </tbody> </table> <p>In 2021, there was a reduction of 61.5% and 18.35% for Scope 1 and Scope 2, respectively. This is a direct result of remote working. We will continue enhancing these practices to further reduce these emissions</p>	Total emissions	2019	2020	2021	Scope 1	3.36	1.30	0.50	Scope 2 <sup>3</sup>	416.35	396.37	323.61
Total emissions	2019	2020	2021												
Scope 1	3.36	1.30	0.50												
Scope 2 <sup>3</sup>	416.35	396.37	323.61												
ECC43	Page 41	<p>Recognition of climate change:</p> <p>a) As a relevant risk and / or opportunity to the business</p> <p>b) Discloses time horizon (short / medium / long term) of risk / opportunity</p>	<p>Through our materiality assessment conducted in 2021, we have identified GHG emissions as a material ESG matter. We understand the risks that emissions pose and how it contributes to climate change. In light of this, we have committed to addressing these through a number of initiatives.</p> <p>By 2022, CTOS will implement customised ESG-related training programs for CTOS employees (e.g., training on the foundations of ESG, key frameworks and disclosures, ESG risk management,</p>												

			<p>operationalising ESG, GHG inventory and Global Reporting Institute (“GRI”) Standards.</p> <p>From 2023 onwards, CTOS:</p> <ul style="list-style-type: none"> <li>• Will develop GHG inventory for Scope 1 and Scope 2 GHG emissions.</li> <li>• Will develop and implement strategy and action plans for key ESG themes and material ESG matters. Baseline and targets will be established based on the defined Group-wide ESG metrics. For example, in relation to environmental management aspect:             <ul style="list-style-type: none"> <li>◦ CTOS will develop and include a Roadmap working towards achieving Net Zero impact.</li> </ul> </li> <li>• Plans to report environmental management performance to the Carbon Disclosure Project. CTOS will also be actively supporting the transition to a low-carbon economy by prioritising low-carbon technological and cryptography solutions and adopting more efficient technology, fuels and materials.</li> <li>• Will also consider introducing elements of Task Force on Climate-Related Financial Disclosures (“TCFD”) disclosures, metrics and targets and Science Based Targets initiative (“SBTi”) commitments and have a more holistic management of climate-related issues.</li> </ul> <p>In addition to our 3-year roadmap, we have developed a sustainability blueprint that will guide our sustainability efforts from 2022 to 2025 for us to realise our commitments towards integrating sustainability practices in our business moving forward.</p>
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## 2A. Empowering our people & SMEs - Human rights and community

Indicator	Reference to Annual Report 2021	Description	Disclosure
SHR21	Pages 38-39	<p>Public commitment to respect and support the protection of internationally proclaimed human rights:</p> <p>a) The company's commitment includes reference to international human rights instruments, including those contained within the International Bill of Human Rights</p> <p>b) The company has made a specific commitment to apply either the United Nations' Guiding Principles on Business and Human Rights or the Organisation for Economic Co-operation and Development's Guidelines for Multinational Enterprises</p>	<p>CTOS will apply principles of the Global Reporting Initiative (GRI), United Nations Global Compact (UNGC) and the United Nations Guiding Principles on Business and Human Rights into our business operations. In the future, we will explore aligning our human rights commitments to include reference to international human rights instruments, including those contained within the International Bill of Human Rights, such as but not limited to Convention on the Elimination of All Forms of Discrimination against Women, Convention on the Rights of the Child, Convention on the Rights of Persons with Disabilities etc.</p>
SHR16	Pages 38-39	<p>Mechanisms to facilitate employee engagement and involvement with charitable partners:</p> <p>a) Evidence of recognising volunteering</p> <p>b) Specific foundations, targets, structures set up</p>	<p>CTOS provides flexible working arrangements and are supportive of our employees engaging with and/or volunteering in charitable organisations. We provide leave for charitable commitments on a case by case basis. At a company-level, we are cognizant of the need to engage with charitable partners and as part of our 3-year roadmap, we target to design and implement our own bespoke Employee Volunteerism CSR Program in 2023. We will also establish targets to monitor and measure our progress in engaging our employees in charitable activities.</p>
SHR03	Nil	<p>Statement of principles or process by which community investments are made:</p> <p>a) Covering defined focus areas</p> <p>b) Community investment focus area(s) linked to the company's business strategy</p>	<p>Over the years, CTOS has invested in our community through carrying out consumer-related financial literacy educational programs. As a credit reporting agency, we feel that it is important to empower individuals with the tools, knowledge and skills to improve their financial well-being. People from all walks of life should be equipped to manage their credit health as the ability to make sound financial decisions is vital to our everyday lives, enabling us to provide for current and future financial needs. In 2023, as part of our 3-year sustainability roadmap, we will redefine focus areas of our community investments while linking community investment to our business strategy.</p>

SHR04	Page 36	<p>Policy addresses children's rights, other than child labour through:</p> <p>a) Evidence of support for children's rights in company operations or through programmes</p> <p>b) Policy or commitment statement on children's rights, such as commitment to the Children's Rights and Business Principles</p>	<p>CTOS is strictly against and opposed to child labour. We ensure strict compliance within our operations with Children's Rights as per the Child Act and the Children and Young Persons (Employment) Act. As we aim to apply principles of the Global Reporting Initiative (GRI), United Nations Global Compact (UNGC) and the United Nations Guiding Principles on Business and Human Rights in the future, we will also explore opportunities to support children's rights in our operations or programmes.</p>						
SHR05	Page 40	<p>Commitment to local employment and / or sourcing:</p> <p>a) Comment on local employment / sourcing</p> <p>b) Clear commitment</p>	<p>Diversity and Inclusion is identified as a material ESG matter to us. At CTOS, we prioritise the sourcing of local talents, taking into consideration the required skill sets and availability of such skill sets in the talent marketplace. As of 31 December 2021, our employee breakdown is as follows:</p> <table border="1" data-bbox="1005 1006 1429 1167"> <thead> <tr> <th>Category</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Malaysian</td> <td>451 (96.6%)</td> </tr> <tr> <td>Non-Malaysian</td> <td>16 (3.4%)</td> </tr> </tbody> </table>	Category	Total	Malaysian	451 (96.6%)	Non-Malaysian	16 (3.4%)
Category	Total								
Malaysian	451 (96.6%)								
Non-Malaysian	16 (3.4%)								
SHR15	Page 36-37	<p>Output / outcome of specific results, achievements or benefits of community investments:</p> <p>a) Non-quantified output / outcome</p> <p>b) Quantification of output / outcome</p>	<p>Over the years, CTOS has invested in our community through carrying out consumer-related financial literacy educational programs which has helped to raise public awareness on the importance of credit health for a better financial future.</p> <p>In 2021, free CTOS reports issued to consumers throughout 2021 include 2.8 million MyCTOS Basic Reports and more than 500,000 MyCTOS Score Reports. The number of CTOS self-check users has also increased to 1.72 million in December of 2021</p>						
SHR06	Page 36	<p>Addresses freedom of expression through:</p> <p>a) Having a statement / policy</p> <p>b) Being a member of a relevant industry initiative such as the Global Network Initiative</p>	<p>CTOS provides flexible working arrangements and are supportive of our employees engaging with and/or volunteering in charitable organisations. At a company-level, we are cognizant of the need to engage with charitable partners and as part of our 3-year roadmap, we target to design and implement our own bespoke Employee Volunteerism CSR Program in 2023. We will also establish targets to monitor and measure our progress in engaging our employees in charitable activities.</p>						
SHR17	Page 38-39	<p>Total amount of corporate or group donations / community investments made to registered not-for-profit organizations.</p>	<p>We understand our crucial role in nurturing a more inclusive community and our community engagement focuses on enhancing financial literacy through knowledge programs. We run year-round, integrated financial education programmes, both online and offline, to drive financial education and inclusion. We currently do not track the group investment made to registered not-for-profit organisations. In 2021, we recorded RM0 corporate or group donations/community investments made to registered not-for-profit organisations.</p>						

SHR25	Nil	<p>Human rights impact assessment and mitigation</p> <p>(1) The company proactively assesses its human rights impacts on an on-going basis, as part of core business processes</p> <p>(2) Disclosure of actions implemented for avoidance, prevention and mitigation of human rights issues</p>	<p>Aligned with CTOS current good practices, management remains committed to creating a work environment that protects all our stakeholders and employees' rights. In recognition of the ongoing evolution of the business environment, not only does CTOS ensure compliance with all the applicable laws and regulations, we will focus in assessing international human rights frameworks that are to be applied such as the UN Guiding Principles on Business and Human Rights.</p> <p>As such, we are in the midst of developing a human rights impact assessment and mitigation, applying principles of the Global Reporting Initiative (GRI), United Nations Global Compact (UNGC) and the United Nations Guiding Principles on Business and Human Rights. Once developed, we will proactively assess our human rights impact and work to disclose any actions taken to avoid, prevent and mitigate human rights issues.</p>
SHR27	Nil	<p>Disclosure of incidents of human rights violations</p> <p>(1) Incidents are disclosed, or the company states no incidents occurred in the reporting period</p> <p>(2) Incident responses or learnings are disclosed, or the company states no incidents occurred in the reporting period</p>	<p>In 2021, CTOS had no reported incidents relating to human rights violations</p>
SHR22	Nil	<p>Identification of salient human rights issues specific to the business:</p> <p>(1) Salient, industry or business-specific human rights issues are identified</p> <p>(2) Commitment to engage with stakeholders to identify these issues</p>	<p>Aligned with CTOS current good practices, management remains committed to creating a work environment that protects all our stakeholders and employees' rights. In recognition of the ongoing evolution of the business environment, not only does CTOS ensure compliance with all the applicable laws and regulations, we will focus in assessing international human rights frameworks that are to be applied such as the UN Guiding Principles on Business and Human Rights.</p> <p>As mentioned, we are looking to proactively assess our human rights impact and work to disclose any actions taken to avoid, prevent and mitigate human rights issues. Through the human rights impact assessment, we look towards identifying any salient human rights issues specific to our business and industry in the future. To do so, we are committed to engaging with our stakeholders to identify these issues.</p>



SHR23	Nil	<p>Oversight responsibility and resources to ensure respect for human rights:</p> <ul style="list-style-type: none"> <li>(1) Oversight responsibility assigned to member or committee of the Board</li> <li>(2) Day-to-day responsibilities and resources for relevant functions have been clearly allocated</li> </ul>	<p>We are committed to applying principles of the Global Reporting Initiative (GRI), United Nations Global Compact (UNGC) and the United Nations Guiding Principles on Business and Human Rights. We are in the midst of establishing oversight responsibility and resources to ensure respect for human rights. The Audit Risk Committee and Risk Management Committee currently have oversight responsibility of human rights issues. Day-to-day responsibilities lie with our Human Resources and respective Heads of Departments who oversee compliance with our Code of Business Conduct and Ethics.</p>
SHR24	Nil	<p>Embedding human rights commitments into corporate practice:</p> <ul style="list-style-type: none"> <li>(1) Human rights expectations are clearly communicated to all stakeholders, including business partners</li> <li>(2) All staff or specific staff/departments are trained on human rights policy</li> </ul>	<p>Currently we have communicated human rights expectation as part of our Code of Business Conduct to our staffs &amp; embedded human rights commitment as corporate practice. In near future, will explore best practices to communicate human rights expectations to our stakeholders, including business partners.</p> <p>As practice, human rights policy training is covered under Code of Conduct during onboarding training, which is applicable to all staff. Nevertheless, we will continuously look towards adding more human rights specific training to relevant staff and departments in the future.</p>
SHR11	Nil	<p>Stakeholder engagement on human rights issues:</p> <ul style="list-style-type: none"> <li>a) Evidence of consultation taking place</li> <li>b) Documented meetings OR reports of how results have been used</li> </ul>	<p>Aligned with CTOS current good practices, management remains committed to creating a work environment that protects all our stakeholders and employees' rights. In recognition of the ongoing evolution of the business environment, not only does CTOS ensure compliance with all the applicable laws and regulations, we will focus in assessing international human rights frameworks that are to be applied such as the UN Guiding Principles on Business and Human Rights.</p> <p>As such, we are exploring best practices to communicate human rights expectations to our stakeholders. We will work towards disclosing evidence of consultations, documented meetings and publish reports of how results have been used if applicable.</p>
SHR26	Nil	<p>Grievance mechanisms in place for individuals and communities impacted by business activities</p> <ul style="list-style-type: none"> <li>(1) Formal mechanisms cover human rights explicitly, guarantee confidentiality/anonymity, and are available to internal and external stakeholders</li> <li>(2) The company commits to remedy affected parties where it has been identified that it has caused or contributed to human rights impacts</li> </ul>	<p>We have currently established mechanisms such as <a href="#">CTOS' Whistleblowing Policy</a> as well as Human Resources' Open Door Policy which is available to both internal and external stakeholders. These policies provide a formal mechanism for any grievances to be raised, including human rights, while guaranteeing confidentiality/anonymity. We are committed to work with affected parties when/where human rights have been impacted to remedy the impacts caused or contributed.</p>

## 2B. Empowering our people & SMEs - Labour standards

Indicator	Reference to Annual Report 2021	Description	Disclosure
SLS03	Nil	In relation to non-discrimination, company: a) Addresses non-discrimination/equal opportunity in general disclosures b) Publishes a separate Policy/Principles/Code covering at least five of: i. Race ii. Religion iii. Gender iv. Age v. Sexual orientation vi. Disabilities vii. Nationality	At CTOS, we are an equal opportunity employer. Equal opportunity at CTOS means that we do not discriminate against race, age, sexual orientation, ethnicity, religion, nationality, gender or disability. Human Resources continuously review its practices to improve workforce diversity, equal opportunities, or reduce discrimination which covers all these aforementioned aspects.
SLS05	Page 36	Policy or statement supporting the right to freedom of association that: a) Refers only to compliance with local law on freedom of association b) Covers the respect for or support of the right to freedom of association	At CTOS, we comply with the Federal Constitution and other relevant labour laws with regards to freedom of association. Although CTOS does not restrict the right to freedom of association for its employees, employees shall not hold any position in a political party, in line with <a href="#">CTOS' Code of Business Conduct and Ethics (page 7 of the Code of Business Conduct and Ethics)</a> and <a href="#">Whistleblowing Policy</a> .  Note: <a href="#">All relevant documents for CTOS' policies are available here.</a>
SLS07	Nil	Policy / Principles / Code addressing the elimination of excessive working hours, which: a) Focuses on compliance with local law on working hours / overtime b) Focuses on specifically reducing excessive working hours	At CTOS, we comply with relevant labour laws on working hours / overtime and ensure fair labour standards within the Group. For example: CTOS has in place an overtime policy that applies to all employees beyond standard hours (as defined in the Employment Act 1955). CTOS further promotes work-life balance by implementing work automation, process improvement and resource planning to reduce excessive working hours.
SLS08	Nil	Policy or statement supporting the right to a minimum or living wage, which: a) Focuses on compliance with minimum wage b) Commits to exceed minimum wage / meet living wage	CTOS ensures fair labour standards within the Group.  For example: <ul style="list-style-type: none"> <li>• CTOS pays above minimum wage for all its employees (per the Minimum Wage Order 2020 which in 2022 was revised to the Minimum Wage Order 2022)</li> <li>• CTOS complies with minimum salary requirements except for interns (RM500 - RM800)</li> <li>• Temporary staff who undergo internship with CTOS receive allowance benchmarked against companies of similar size, background &amp; industry.</li> </ul> Moving forward, CTOS will commit to continue paying above minimum wage.

SLS11	Page 40	<p>Policy supporting the community addressing:</p> <p>a) The employment of under-privileged groups, including those from deprived backgrounds, having poor social status and with no formal education or qualifications</p> <p>b) Youth unemployment initiatives, apprenticeships or graduate placements</p>	<p>As further detailed in <a href="#">page 5 of CTOS' Code of Business Conduct and Ethics</a>, 7.1.3 states that CTOS upholds and believes in ensuring diversity and equal employment opportunities for all applicants regardless of the race, ethnicity, religion, national origin, gender, age or disability. Further, as disclosed in <a href="#">page 40 of CTOS' 2021 Annual Report</a>, CTOS is an equal opportunity employer. CTOS and all of our subsidiaries do not discriminate against race, ethnicity, religion, nationality, gender or disability. This non-discriminatory approach is also reflected in our hiring policy, where under-privileged groups and those from deprived backgrounds are not discriminated against. All available positions are posted in broad reaching media / channels, with the English language used as the main language of communication for job postings.</p> <p>SPM holders (high-school graduates with experience) are considered for selective positions. Currently, we provide internships and fresh graduate programs which are open to all education institutions.</p>
SLS12	Page 30	<p>Company policy on labour standards is:</p> <p>a) Communicated globally to employees</p> <p>b) Translated into relevant languages</p>	<p>As part of our belief in protecting the wellbeing of our employees, labour policies are communicated to our employees via the employment letter. Our employees are also briefed during the onboarding process on the <a href="#">Group's Code of Business Conduct and Ethics</a>. Employees have also been advised to reach out to Human Resources if assistance or clarification is required. Moving forward, CTOS will establish relevant ESG policies, such as data trust and privacy, as well as employee and community welfare.</p> <p>At CTOS, the main language used for our daily communications is English and all employees are required to be able to read and write in English. As such all our labour policies and official documentation are only provided in English. During onboarding, labour policies and standards are communicated to employees in both English and Bahasa Malaysia. CTOS will consider translating the policy into other languages should the need arise in the future.</p>
SLS16	Page 40	<p>Companies have taken action to improve workforce diversity, equal opportunities, or reduce discrimination, including those based on:</p> <p>a) Race b) Religion c) Gender d) Age e) Sexual orientation f) Disabilities g) Nationality</p>	<p>Human Resource continuously review its practices to improve workforce diversity, equal opportunities, or reduce discrimination covering aspects such as race, religion, gender, age, sexual orientation, disabilities and nationality.</p> <p>As further detailed in page 5 of CTOS' <a href="#">Code of Business Conduct and Ethics</a>, 7.1.3 states that CTOS upholds and believes in ensuring diversity and equal employment opportunities for all applicants regardless of the race, ethnicity, religion, national origin, gender, age or disability. Further, as disclosed in page 40 of CTOS' 2021 Annual Report, CTOS is an equal opportunity employer. CTOS and all of our subsidiaries and do not discriminate against race, ethnicity, religion, nationality, gender or disability. We take workplace bullying very seriously. We provided all of our employees with access to a confidential reporting channel and a whistleblowing point of contact for harassment and hostility at the workplace. This is communicated and made readily available on our website for the accessibility of our employees.</p>



SLS21	Page 38-39	<p>In relation to instances of labour standards non-compliance, the company:</p> <p>a) Discloses the number of incidents but not how they dealt with them, or that no instances occurred</p> <p>b) Has disclosed specific action taken regarding non-compliance specifying the types of incidents, or that no instances occurred</p>	<p>In relation to instances of labor standards non-compliance, we have recorded zero (0) incidents in 2021.</p>						
SLS29	Page 30, 39	<p>Employee personal development training to enhance abilities to individual skills, including:</p> <p>a) Policy or commitment statement to provide employee personal development training</p> <p>b) Detailed description of the personal development training that is provided</p>	<p>At CTOS, we are committed to ensuring that all our employees are able to develop and progress in their career. As such, every employee has a personal development training plan and are encouraged to participate in training programs that are relevant to their roles. We have engaged our employees across various training and development policies / frameworks on learning, skills, development and, personal and career growth. Moving forward, we will continue working towards increasing these numbers and developing additional curriculum to improve and grow our talents.</p> <p>Further, as disclosed in <a href="#">page 39 of CTOS' 2021 Annual Report</a>, a culture of continuous learning also promotes high employee engagement. That is why at CTOS, we have a comprehensive learning &amp; development framework to ensure that all employees receive continuous, regular, and adequate training. Some examples of our learning and development work include refresher and onboarding training on company-wide policies, training in the areas of risk and technology development in order to build cybersecurity awareness, and also on-the-job competency training to cater to our employees' further development.</p>						
SLS30	Pages 38-39	<p>The company addresses bullying and / or harassment:</p> <p>a) Providing a confidential reporting channel or whistleblowing system</p> <p>b) Manager training on handling of reports or instances of bullying or harassment</p>	<p>The <a href="#">Code of Business Conduct and Ethics</a> emphasises CTOS' zero-tolerance over harassment, threat and violence. Additionally:</p> <ul style="list-style-type: none"> <li>• <a href="#">The whistleblowing email address is made available on the corporate website.</a></li> <li>• The internal audit function is responsible for managing any whistleblowing report received.</li> <li>• The internal audit function is trained on handling reports and instance of bullying or harassment</li> </ul>						
SLS24	Pages 38-39	Full time staff voluntary turnover rates	<p>CTOS tracks voluntary turnover rates as one of the ways in measuring the overall health and stability of the company. In 2021, the average attrition rate is 3.3%.</p>						
SLS25	Pages 38-39	Percentage of employees that are contractors or temporary staff	<p>The breakdown of percentage of employees that are contractors or temporary staff dated as of 31 December 2021:</p> <table border="1" data-bbox="1005 2372 1439 2530"> <thead> <tr> <th>Category</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Contract</td> <td>11 (2.4%)</td> </tr> <tr> <td>Permanent</td> <td>456 (97.6%)</td> </tr> </tbody> </table>	Category	Total	Contract	11 (2.4%)	Permanent	456 (97.6%)
Category	Total								
Contract	11 (2.4%)								
Permanent	456 (97.6%)								

SLS32	Pages 38-39	Percentage of global staff with a disability	We are committed to promote diversity and inclusion within our workforce in CTOS. Nevertheless, we did not have any employee (0%) with disabilities in 2021						
SLS33	Pages 38-39	Percentage of women in the global workforce	<p>The breakdown of percentage of women employees in the workforce dated as of 31 December 2021:</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Female</td> <td>253 (54.2%)</td> </tr> <tr> <td>Male</td> <td>214 (45.8%)</td> </tr> </tbody> </table>	Category	Total	Female	253 (54.2%)	Male	214 (45.8%)
Category	Total								
Female	253 (54.2%)								
Male	214 (45.8%)								
SLS26	Pages 38-39	<p>Amount of time spent on employee development training to enhance knowledge or individual skills:</p> <p>a) Total hours as a company, or</p> <p>b) Average hours per employee</p>	<p>Training hours for FY2021 are as follows:</p> <table border="1"> <thead> <tr> <th>Employee trained</th> <th>Training hours</th> <th>Average training hours per employee</th> </tr> </thead> <tbody> <tr> <td>467</td> <td>4,594</td> <td>9.8</td> </tr> </tbody> </table> <p>In addition, the Average Days per employee calculated is 1.23 days.</p> <p>As expressed in <a href="#">CTOS Annual Report 2021</a>, training includes cybersecurity training, credit management training, ESG training etc.</p>	Employee trained	Training hours	Average training hours per employee	467	4,594	9.8
Employee trained	Training hours	Average training hours per employee							
467	4,594	9.8							
SLS06	Page 36	<p>Policy or statement supporting the right to collective bargaining that:</p> <p>a) Refers only to compliance with local law on collective bargaining</p> <p>b) Covers the respect for or support of the right to collective bargaining</p>	<p>At CTOS, we comply with relevant labour laws with regards to collective bargaining (as defined in the Industrial Relations Act 1967), thus we respect the rights for non-executives, trade workers and/or general employees to participate or form trade unions provided for under the National Union of Commercial Workers (NUCW). We foster holistic engagement with our employees by listening and responding through employee satisfaction surveys and our whistleblowing platform.</p>						
SLS34	Nil	<p>In relation to equal pay for equal work, the company:</p> <p>1) Addresses the issue/states it complies with local laws in general disclosures</p> <p>2) Publishes a Policy/Principles/Code</p>	<p>At CTOS, we do not discriminate when it comes to employment or pay.</p> <p>We are committed to practicing equal employment opportunities for all employees based on merit, free from discrimination and providing non-discriminatory, fair employee wages and salary which includes equal pay for equal work.</p> <p>CTOS defines 'equal pay for work of equal value' as one that addresses a specific aspect of workplace discrimination, such as the undervaluation of work commonly done by socially disadvantaged and/or vulnerable groups, and does not tolerate discrimination based on any of these characteristics.</p> <p>While there are no specific provisions under the Employment Act 1955 which mandates 'equal remuneration for work of equal value' during the course of employment, moving forward, CTOS will continue to review our policies in line with the relevant labour laws accordingly.</p>						

### 3A. Effectively Managing Compliance & Risks - Anti-corruption

Indicator	Reference to Annual Report 2021	Description	Disclosure
GAC04	Nil	Due diligence of new business partners addresses corruption by: <ul style="list-style-type: none"> <li>a) Covering elements / types of corruption including bribery</li> <li>b) Covering anti-corruption comprehensively</li> </ul>	Due diligence activities for new business partners are in place, and will be further enhanced in 2023 to provide more focus on anti-corruption elements.
GAC05	Pages 30 & 36	Confidential or anonymous whistle-blowing mechanism for staff covers: <ul style="list-style-type: none"> <li>a) Elements / types of corruption including bribery</li> <li>b) Anti-corruption comprehensively</li> </ul>	The whistleblowing mechanism for staff is detailed in the whistleblowing policy, which is available on the corporate website. CTOS will continuously review this policy and communicate any changes with relevant parties, to be in line with good practices.
GAC07	Pages 30 & 36	Communication of anti-corruption policy to all employees covers: <ul style="list-style-type: none"> <li>a) Elements / types of corruption including bribery</li> <li>b) Anti-corruption comprehensively</li> </ul>	In addressing the area of interest “Anti-corruption” for our employees, CTOS regularly communicates our anti-corruption and bribery policies to our employees via email.  Additionally, CTOS takes a zero tolerance approach on all compliance and business ethics breaches, as guided by our <a href="#">Anti-Bribery and Corruption Policy</a> , <a href="#">Whistleblowing Policy</a> and the <a href="#">Code of Business Conduct and Ethics</a> . As such, all policies and their subtopics are communicated to our employees as part of the onboarding process during their recruitment.
GAC08	Page 39	Training for staff on the anti-corruption policy covers: <ul style="list-style-type: none"> <li>a) Elements / types of corruption including bribery</li> <li>b) Anti-corruption comprehensively</li> </ul>	At onboarding training, all employees are required to acknowledge our ABAC (anti-bribery anti-corruption) policy, which covers conflict of interests, gifts, entertainment and hospitality, sponsorships and donations; political contributions; facilitation payments and money laundering.  From 2022 onwards, we will conduct mandatory awareness programmes on the Code of Business Conduct and Ethics, with the key focus of increasing the awareness and familiarity of the whistleblowing mechanism and channels within the organisation. ABAC awareness trainings will also be carried out for all employees annually.

GAC13	Page 36	<p>Disclosure of number of staff disciplined or dismissed due to non-compliance with anti-corruption policy / policies:</p> <ul style="list-style-type: none"> <li>- Current year</li> <li>- Staff disciplined (Number)</li> </ul>	<p>At CTOS, we take compliance towards anti-corruption policies seriously. In 2021, there was no non-compliance with anti-corruption policies, and as such, we recorded zero dismissals and zero staff disciplined.</p>
GAC14	Page 36	<p>Disclosure of cost of fines, penalties or settlements in relation to corruption</p> <ul style="list-style-type: none"> <li>- Current year</li> <li>- Currency</li> </ul>	<p>At CTOS, we take compliance towards anti-corruption policies seriously. In 2021, we recorded zero fines, penalties and / or settlements (RM0) relating to corruption.</p>
GAC10	Nil	<p>Procedures are in place to address corruption in operations that are assessed to be 'high risk' covering:</p> <ul style="list-style-type: none"> <li>a) Elements / types of corruption including bribery</li> <li>b) Anti-corruption comprehensively</li> <li>b) Being a member of a relevant industry initiative such as the Global Network Initiative</li> </ul>	<p>Responsible parties are assigned with action plans to address risk areas, including any elements / types of corruption including bribery. These are being reported at the Risk Management Committee meetings.</p>

### 3B. Effectively Managing Compliance & Risks - Corporate Governance

Indicator	Reference to Annual Report 2021	Description	Disclosure
GCG01	Page 17 - 23	<p>Separate Non-Executive Chair and CEO</p> <p>a) Separate Non-Executive Chair and CEO, where Chair is not independent OR their independence is not declared</p>	<p>As detailed in our annual report, the positions of Chairman and Chief Executive Officer (“CEO”) are held by different individuals. In CTOS, the roles of the Chairman and the Chief Executive Officer are separated with a clear division of responsibilities. As at 31 December 2021, the positions of Chairman and GCEO are held by two different: our chairman is Tan Sri Izzudin bin Dali, an Independent Non-Executive Chairman; our Chief Executive Officer (“CEO”) is Mr Erick Hamburger.</p>
GCG27	Page 28	<p>Remuneration for senior executives / management included in the company’s remuneration disclosures:</p> <p>a) Includes long-term incentives or mechanisms</p> <p>b) Incorporates ESG performance</p>	<p>In 2021, CTOS took into consideration the Malaysian Code on Corporate Governance (MCCG) 2021 recommendation on the incorporation of Environmental, Social and Governance (ESG) risks, opportunities and KPI’s and was assessing on how this can be applied to senior executives. In 2022, GCEO &amp; Head of Corporate Strategic &amp; Planning remuneration has incorporated ESG performance. From 2023 onwards, remuneration based on key performance indicators for remaining senior executives will be extended to incorporate ESG performance as well.</p>
GCG19	Pages 190 - 191	<p>Annual General Meeting (“AGM”):</p> <p>Number of days between the date of notice and date of meeting</p>	<p>As highlighted in our <a href="#">Annual Report</a>, CTOS will be having our first AGM upon listing in 2022.</p> <p>The first AGM was conducted on 27 May 2022, and the AGM notice was issued on 29 April 2022 i.e., 28 days before the AGM. (page 190 and 191 of the 2021 Annual Report)</p>
GCG21	Page 47-55	<p>Shareholders have the right to vote on executive remuneration:</p> <p>a) Evidence of shareholders voting in the AGM</p> <p>b) The right to vote annually is explicitly covered in a company policy</p>	<p>As detailed in <a href="#">CTOS’ constitution, paragraph 93 Remuneration of Directors: (2) Subject to Clause 84, the fees of the Directors and any benefits payable to Directors shall be subject to annual shareholders’ approval at a General meeting. Evidence of voting is available in the 2021 AGM Meeting Minutes, page 5 (paragraph 8 and 9) and page 12.</a></p>
GCG22	Pages 42-55	<p>Shareholders have the right to vote on Director appointments and dismissals:</p> <p>a) Evidence of shareholders voting in the AGM</p> <p>b) The right to vote annually for election / re-election of all directors is explicitly covered in a company policy</p>	<p>In CTOS, it is company policy that shareholders have the right to vote on Director appointments and dismissals on an annual basis during our AGM. <a href="#">The company’s constitution provides for the right to vote for appointment (Paragraph 91) / re-appointment (Paragraph 76(c)) / removal (Paragraph 91) of a Director.</a> During our recent AGM, shareholders voted on re-election as evidenced in paragraph 6 and 7 of our meeting minutes, <a href="#">evidence of voting is in our meeting minutes on page 12.</a></p>



GCG26	Pages 42-55	<p>Disclosure of voting results:</p> <p>a) In a limited manner</p> <p>b) In a detailed manner</p>	<p><a href="#">The voting results for the first AGM held on 27 May 2022 are available on CTOS' corporate website.</a></p>
GCG50	Nil	<p>Percentage of women on the Executive committee or equivalent.</p>	<p>The percentage are as follows dated as of 31 December 2021 :</p> <ul style="list-style-type: none"> <li>• Nomination and Remuneration Committee: 1 out of 3 (33.%)</li> <li>• Board Investment Committee: 1 out of 3 (33.%)</li> <li>• Audit and Risk Committee: 2 out of 3 (66.6%)</li> </ul>
GCG40	Pages 42-55	<p>Claw-back or malus provision exists for remuneration:</p> <p>a) Applies to CEO</p> <p>b) Applies to CEO and to one or more senior executives</p>	<p>Claw-back and / or malus provision is currently not part of CTOS' plan. CTOS practices competitive remuneration packages aligned with local laws and regulations.</p>
GCG47	Page 50	<p>There is a fully non-executive Remuneration Committee with:</p> <p>a) At least half independent members</p> <p>b) All independent members</p>	<p>As reported in <a href="#">page 50 of CTOS' 2021 Annual Report</a>, Nomination &amp; Remuneration Committee comprises:</p> <p>i. Lynette Yeow Su-Yin Chairperson - Independent Non-Executive Director</p> <p>ii. Dato' Noorazman Bin Abd Aziz Member - Independent Non-Executive Director</p> <p>iii. Loh Kok Leong Member – Non-Independent Non-Executive Director and Mr. Wong Pau Min - Alternate Director to Mr. Loh Kok Leong</p>
GCG48	Pages 50 - 52	<p>In relation to executive remuneration, the company discloses:</p> <p>b) A detailed process for setting remuneration</p>	<p>As detailed in the <a href="#">annual report</a>, the Group has established the following policies:</p> <ol style="list-style-type: none"> <li>1. <a href="#">a Remuneration Policy for Directors; and</a></li> <li>2. a Senior Management Remuneration and Assessment Framework</li> </ol> <p>Both policies and remuneration framework aim to attract and retain the services of talented and well-qualified Directors and Senior Management staff (covers Group Chief Executive Officer "GCEO" and any personnel designated with "chief" title) in line with the long-term business strategies of the Group.</p> <p>For the Directors, the remuneration policies and practices appropriately reflect the different roles and responsibilities of Non-Executive Directors, Executive Directors and Senior Management. These policies and practices are periodically reviewed by the NRC and its continued relevance periodically including salaries, benefits-in-kind, other emoluments and annual performance bonus in detail, ensuring the</p>

			<p>remuneration is attractive to retain and able to motivate them to run the Group.</p> <p>The NRC is responsible for reviewing and recommending the remuneration package for the Executive Directors, GCEO and Senior Management to the Board; whilst the Board has overall responsibility to approve the remuneration for these positions. Any revisions to the framework as recommended by the NRC will be submitted to the Board for consideration and approval. Both the policies are available on CTOS Digital's website.</p>
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