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VANTAGE

SUSTAINABILITY REPORT
2024

SMI Vantage Limited Sustainability Report FY2024

Contents

SMI Vantage Limited Sustainability Report FY2024

1. Board Statement

SMI Vantage Limited ("**SMI**", the "**Company**"), together with its subsidiaries (collectively known as the "**Group**" or "**We**"), reaffirm our commitment to sustainability with the publication of this sustainability report ("**Report**"). For this Report, we provide insights into the way we do business, while highlighting our material sustainability factors under the economic, environmental, social and governance pillars (collectively as "**Sustainability Factors**").

We are committed to strike a balance between growth, profit, governance, environment, the development of our people and well-being of our communities to secure the long-term future of the Group. In line with our commitment, the Board of Directors ("**Board**"), having considered sustainability issues as part of its strategic formulation, determined the material Sustainability Factors and overseen the management and monitoring of the material Sustainability Factors.

Our sustainability framework also communicates our commitment towards supporting the United Nations' Sustainable Development Goals ("**SDGs**") and is supported by our key stakeholders.

2. Sustainability Performance at a Glance

A summary of our key sustainability performance in financial year ("**FY**") 2024 is as follows:

Sustainability Pillar	Performance Indicator	Sustainability Performance	
		FY2024	FY2023
Economic	Economic value generated[1] (US$ million)	2.62	1.63
	Employee benefits expenses (US$ million)	1.45	1.03
	Tax paid to governments (US$ million)	0.03	0.11
	Payments to providers of capital[2] (US$ million)	0.40	0.33
	Operating costs[3] (US$ million)	2.90	1.13
Environmental	Water consumption intensity (Cu M/ US $'000)	0.001	0.001
	Total Greenhouse Gas ("**GHG**") emissions (tonnes CO_2e)	196	217
	GHG emissions intensity (tonnes CO_2e/ revenue US$'000)	0.07	0.12
Social	Number of workplace fatalities	-	-
	Number of high consequence work-related injuries[4]	-	-
	Number of recordable work-related injuries	-	-
	Number of recordable work-related ill-health cases[5]	-	-
	Number of reported incidents of unlawful discrimination against employees[6]	-	-
Governance	Number of incidents of serious offence[7]	-	-

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[1] Economic value generated includes revenue, other revenue and share of results of joint ventures, net of government grant.

[2] Payments to providers of capital include interest payments to providers of financing and dividends to ordinary shareholders (if any).

[3] Operating costs include cost of sales, selling and distribution costs, administrative expenses, other expenses, net of depreciation, impairment loss/(write-back) and write-off of property, plant and equipment, right-of-use asset and employee-related costs.

[4] A high-consequence work-related injury refers to one from which the worker cannot recover or cannot recover fully to pre-injury health status within six months.

[5] A work-related ill health cases refer to negative impacts on health arising from exposure to hazards at work.

[6] An unlawful discrimination refers to an incident whereby the relevant authority has commenced investigation and resulted in a penalty to a company.

[7] A serious offence is defined as one that involves fraud or dishonesty involving an amount not less than SGD 100,000 and is punishable by imprisonment for a term of not less than two years, which is being or has been committed against the company by officers or employees of the company.

3. Our Business

We are primarily involved in the following business segments of: (i) food and beverage ("**F&B**"); (ii) travel and domestic retail; (iii) digital mining; and (iv) specialised logistics.

F&B

Our Suppliers

We procure food ingredients and beverages from reliable suppliers.

Our Operations

Take-away
Our RoboChef machines prepare a range of meals based on programmed menu items for take-aways.

Restaurants
We cook a variety of dishes to serve our customers at our restaurants.

Retail Operations

We serve walk-in customers at our restaurants and customers ordering take-aways.

Travel and Domestic Retail

Our Suppliers

We work with international brands for products such as cosmetics, apparel and food.

Our Operations

We supply merchandise from international brands to the main duty-free retailer for Yangon International Airport ("**YIA**") in Myanmar.

Our Customers

We sell to one duty-free retailer and one domestic retailer.
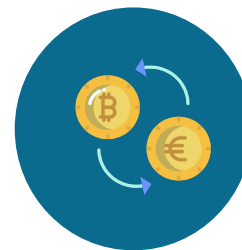
Digital Mining

Our Suppliers

We procure digital mining equipment such as rig miner machines and assets used in specialised digital mining facilities.

Our Operations

We operate digital mining machines in our containerised digital mining facility at East Malaysia by partnering with a third-party service provider.

Our Customers

We have no customers as we are self-miners.

Specialised Logistics

Our Premises

We lease a bonded warehouse in Singapore.

Our Operations

Our operations involve:
▪ Providing temperature and humidity-controlled wine storage facilities for our customers; and
▪ Providing logistics services to our customers.

Our Customers

Our customers are mainly alcoholic beverage distributors and hospitality outlets.

4. Reporting Period and Scope

This Report provides an overview of our sustainability performance for FY2024. It covers the following key operating entities within the Group which contributed 100% (FY2023: 100%) of the Group's total revenue for the financial year from 1 April 2023 to 31 March 2024 ("**Reporting Period**"):

S/N	Entity	Business Segment
1	SMI Retail Pte. Ltd.	Travel and domestic retail
2	SMIRS Myanmar Ltd	
3	SMI F&B Pte. Ltd.	F&B
4	SMI Food Concepts Ltd.	
5	SMI F&B MM Pte. Ltd.	
6	SMI CS Pte. Ltd.	Digital Mining
7	Provino Logistics Pte. Ltd.	Specialised logistics

5. Reporting Framework

This Report is prepared in accordance with Rules 711A and 711B of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and with reference to the Global Reporting Initiative ("**GRI**") Standards for the Reporting Period. We chose to report using the GRI

framework as it is an internationally recognised reporting standard that covers a comprehensive range of sustainability disclosures. The GRI content index can be found in Section 14 of this Report.

As part of our continual efforts to align our sustainability reporting with relevant market practices, we mapped our sustainability efforts to the 2030 Agenda for Sustainable Development which is adopted by all United Nations Member States in 2015 ("**UN Sustainability Agenda**"). The UN Sustainability Agenda provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. The 17 SDGs form an urgent call for action by all countries - developed and developing - in a global partnership. We incorporated the SDGs, where appropriate, as a supporting framework to shape and guide our sustainability strategy.

Our climate-related disclosures are produced based on the 11 recommendations of Task Force on Climate-related Financial Disclosures ("**TCFD**").

We relied on internal data monitoring and verification to ensure accuracy for this Report. Internal review on the sustainability reporting process has been incorporated as part of our internal audit review cycle and we will work towards external assurance for our future Reports.

6. Feedback

We welcome feedback from all stakeholders on this Report. You may send related questions, comments, suggestions or feedback to our investor relations email account at enquiries@sin-mi.com.
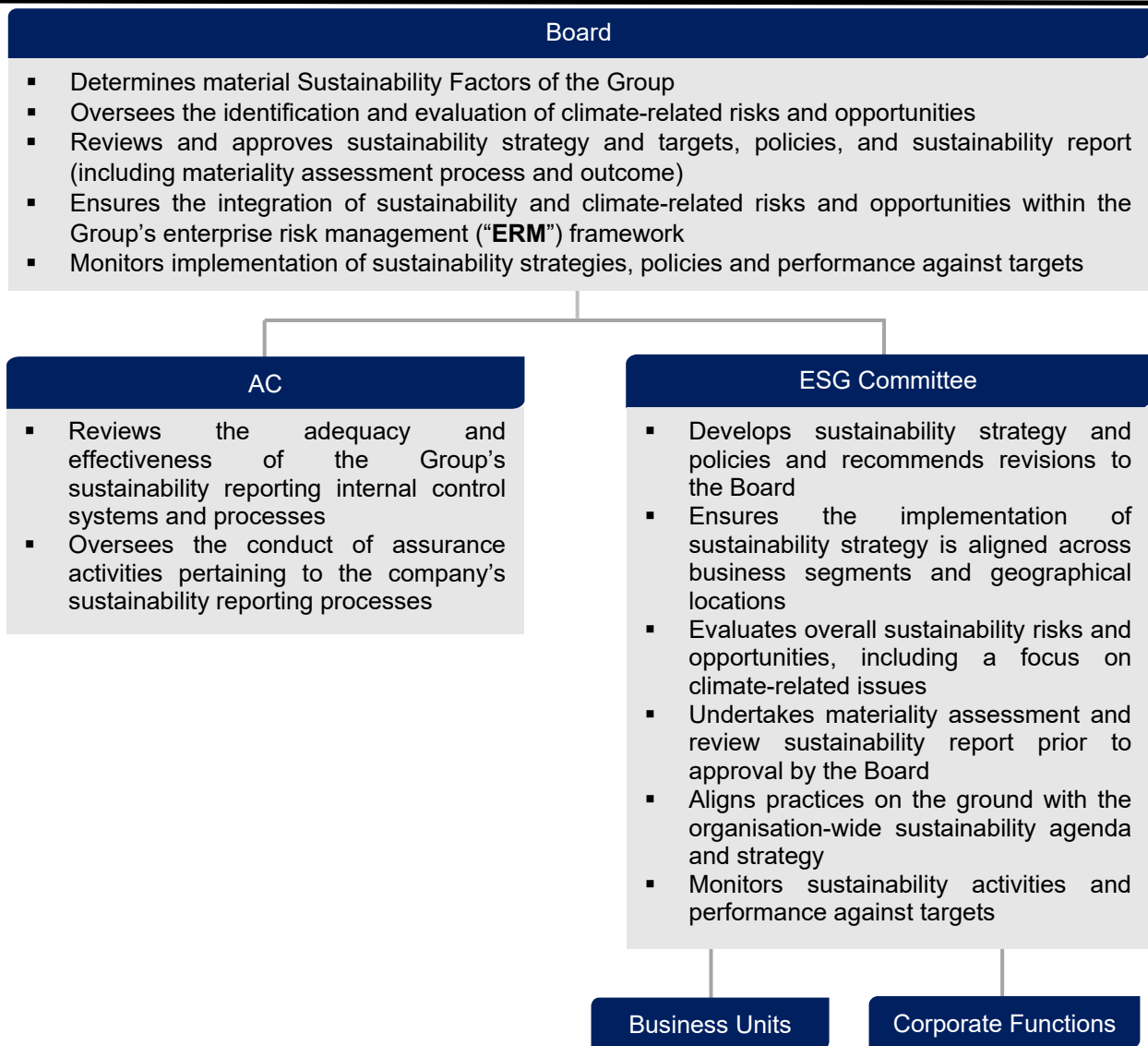
7. Sustainability Governance Structure

The Board is ultimately responsible for the strategic direction on sustainability including advising and supervising the development of sustainability strategy and performance target setting and is primarily supported by an Environmental, Social and Governance ("**ESG**") Committee by virtue of delegation. As part of our continual efforts to upgrade the knowledge of our directors on sustainability reporting and to meet the requirement of listing rule 720 (7) of SGX-ST, we confirm that all directors have attended one of the approved sustainability training courses.

Our ESG Committee, which includes both executive and non-executive members of the Board is led by the Chairman of our ESG Committee. It assists the Board with strategic management of the organisation's material Sustainability Factors and is tasked with the development of the sustainability strategy, undertaking of materiality assessment on sustainability-related impacts, monitoring of the implementation of sustainability initiatives and progress towards achieving performance targets. The ESG Committee is supported by managers of our business units and corporate functions for the day-to-day implementation of sustainability-related tasks and initiatives for this Report.

Beside the ESG Committee, the Board is supported by the Audit Committee ("**AC**") on specific sustainability matters under its terms of reference. Our sustainability governance structure is as follows:

Board
▪ Determines material Sustainability Factors of the Group
▪ Oversees the identification and evaluation of climate-related risks and opportunities
▪ Reviews and approves sustainability strategy and targets, policies, and sustainability report (including materiality assessment process and outcome)
▪ Ensures the integration of sustainability and climate-related risks and opportunities within the Group's enterprise risk management ("**ERM**") framework
▪ Monitors implementation of sustainability strategies, policies and performance against targets

AC	ESG Committee
▪ Reviews the adequacy and effectiveness of the Group's sustainability reporting internal control systems and processes ▪ Oversees the conduct of assurance activities pertaining to the company's sustainability reporting processes	▪ Develops sustainability strategy and policies and recommends revisions to the Board ▪ Ensures the implementation of sustainability strategy is aligned across business segments and geographical locations ▪ Evaluates overall sustainability risks and opportunities, including a focus on climate-related issues ▪ Undertakes materiality assessment and review sustainability report prior to approval by the Board ▪ Aligns practices on the ground with the organisation-wide sustainability agenda and strategy ▪ Monitors sustainability activities and performance against targets

Business Units	Corporate Functions

As we are still refining our sustainability related metric measuring, tracking and target setting mechanism, we will link key executives' remuneration to sustainability performance when the mechanism is more mature and stable.

8. Stakeholder Engagement

Through an internal stakeholder mapping exercise, we identified key stakeholder groups which we prioritise our engagements with. These include entities or individuals that have an effect on or are affected by the Group and its activities.

Our efforts on sustainability are focused on creating sustainable value for our key stakeholders, which comprise communities, customers, employees, regulators, shareholders and suppliers. As a Group, we actively engage our key stakeholders through both formal and informal communication channels.

We engage our key stakeholders through the following channels:

S/N	Stakeholder	Engagement Channel	Frequency of Engagement	Key Concern Raised
1	Communities	Sustainability report	Annually	▪ Responsible and ethical business practices ▪ Supporting the local community
2	Customer	▪ Customer feedback	Ad-hoc	▪ Food safety and quality

S/N	Stakeholder	Engagement Channel	Frequency of Engagement	Key Concern Raised
		▪ Email queries		▪ Customer service standards
3	Employees	Performance appraisals	Annually	▪ Employee safety and welfare
		Team bonding sessions	Ad-hoc	▪ Training and development opportunities
		Training		▪ Compensation and benefits
		Feedback sessions		▪ Fair and competitive employment
4	Regulators	Meetings, briefing, regular reporting	Ad-hoc	▪ Corporate governance
				▪ Sustainable business performance
				▪ Sustainability reporting
5	Shareholders	Annual report ("**AR**")	Annually	▪ Sustainable business performance
		Annual general meeting	Annually	▪ Political environment
		Results announcements	Bi-annually	▪ Compliance with laws and regulations
		SGX announcement	Ad-hoc	
		Company's website	Ongoing	
6	Suppliers	Vendor evaluation	Annually	▪ Order volatility
		Meetings with vendor	Ad-hoc	▪ Fair trading terms
				▪ Timely payment

Through the above channels and interactions, we seek to identify relevant material issues, and thereby communicate effectively with our key stakeholders and respond to their concerns more effectively.
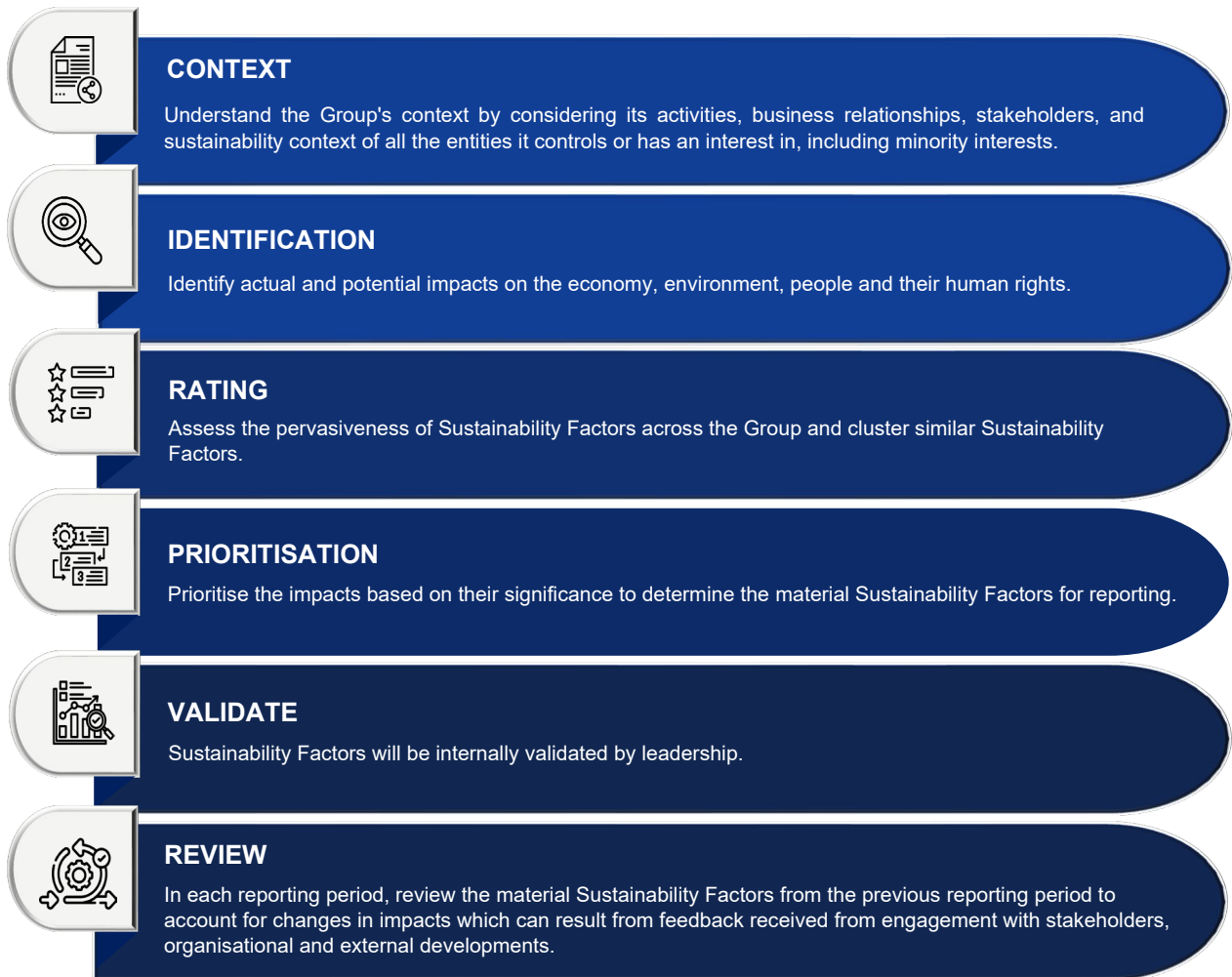
9. Policy, Practice, and Performance Reporting

Our sustainability reporting policy ("**SR Policy**") covers the sustainability processes in place to identify and monitor material Sustainability Factors and serves as a point of reference to how we conduct our sustainability reporting. Under this SR Policy, we will continue to monitor, review, and update our material Sustainability Factors from time to time, taking into account the feedback that we receive from our stakeholder engagement as well as organisational and external developments. A sustainability report is published annually in accordance with our SR Policy.

9.1 Sustainability Reporting Processes

Under our SR policy, our sustainability process begins with an understanding of the Group's context. This is followed by the ongoing identification and assessment of the Group's sustainability-related impacts. The most significant impacts are prioritised for reporting, and the result of this process is a list of material Sustainability Factors disclosed in this Report.

Processes involved are shown in the chart below:

CONTEXT

Understand the Group's context by considering its activities, business relationships, stakeholders, and sustainability context of all the entities it controls or has an interest in, including minority interests.

IDENTIFICATION

Identify actual and potential impacts on the economy, environment, people and their human rights.

RATING

Assess the pervasiveness of Sustainability Factors across the Group and cluster similar Sustainability Factors.

PRIORITISATION

Prioritise the impacts based on their significance to determine the material Sustainability Factors for reporting.

VALIDATE

Sustainability Factors will be internally validated by leadership.

REVIEW

In each reporting period, review the material Sustainability Factors from the previous reporting period to account for changes in impacts which can result from feedback received from engagement with stakeholders, organisational and external developments.

9.2 Materiality Assessment

In alignment with the GRI standards, we commit to undertake annual materiality assessment to ensure ongoing relevance and materiality of sustainability issues are addressed and disclosed within this Report. The scope of materiality assessment encompasses both positive and negative, actual and potential impacts that may arise, and are based on: (i) the likelihood of occurrence; and (ii) their significance on the economy, environment, social aspects and contribution to sustainable development.

9.3 Performance Tracking and Reporting

We track the progress of our material Sustainability Factors by identifying, monitoring and measuring the relevant data points. In addition, we set performance targets that are aligned with our business strategies to ensure that we remain focused in our path to sustainability. We aim to consistently enhance our performance-monitoring and data collection processes.

10. Material Sustainability Factors

In FY2024, a stakeholder engagement session and materiality assessment[8] were conducted to understand the concerns and expectations of our key stakeholders. Through this session and assessment, factors with significant impacts to the sustainability of our business were updated. In this Report, we reported on our progress in managing these factors and set related targets to improve our performance.

Presented below is a list of material Sustainability Factors applicable to the Group:

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[8] We engaged the stakeholder of employees for our materiality assessment performed.

S/N	Material Sustainability Factor	SDG	Stakeholder
Economic			
1	Customer Satisfaction	Decent work and economic growth	▪ Customers ▪ Suppliers
2	Sustainable Business Performance	Decent work and economic growth	▪ Employees ▪ Regulators ▪ Shareholders ▪ Suppliers
Environmental			
3	Water Conservation	Clean water and sanitation	▪ Communities ▪ Shareholders
4	Responsible Waste Management	Responsible consumption and production	▪ Communities ▪ Shareholders
5	Energy Conservation and GHG Emissions Reduction	Climate action	▪ Communities ▪ Shareholders
Social			
6	Employee Safety and Well-being	Good health and wellbeing	▪ Employees ▪ Regulators
7	Employee Training and Development	Quality education	▪ Employees
8	Diversity and Equality	Reduced inequalities	▪ Employees
Governance			
9	Robust Corporate Governance Framework	Peace, justice and strong institutions	▪ Regulators ▪ Shareholders

We update the material Sustainability Factors on an annual basis and when necessary to reflect changes in the Group's business operations, the environment, stakeholders' feedback and sustainability trends. The details of the material Sustainability Factors are presented as follows:

10.1 Customer Satisfaction

Our Commitment
We believe that ensuring customer satisfaction is key to our business sustainability and we are committed to building and retaining a loyal customer base by maximising our customers' experience.

Our Approach

F&B - Singapore
Automated Machinery with Cloud Based Cooking Solutions
In partnership with RoboChef AI Tech, we provide our customers with the latest innovation in the F&B industry by offering a range of menu items from different staples such as rice, pasta and noodle, with a separate plant-based menu items, that are 'Programmed to Perfection'.

Proactively Gather Customer Feedback for Improvements and Develop Strategies
We gather customer feedback via various touchpoints such as website and social media. Customer feedback gathered is analysed to gather insights on the customer's feedback, to drive product and service improvements.

F&B - Yangon
International Offerings at Strategic Locations
We are a franchisee of international F&B brands; 'Ippudo Ramen' and 'The Coffee Bean & Tea Leaf' and operate several outlets within the downtown area of Yangon.

Travel and Domestic Retail
Range of Products from International Brands
We supply travel and domestic retail merchandise to the main duty-free retailer at YIA and to a domestic retailer. Our industry knowledge and years of experience enable us to provide a range of products from International Brands to serve the travellers at stores in YIA and domestic malls.

Our Performance

We are tracking and monitoring the data relating to customer's feedback on social media platforms and shall disclosure our performance when the data has stabilised.

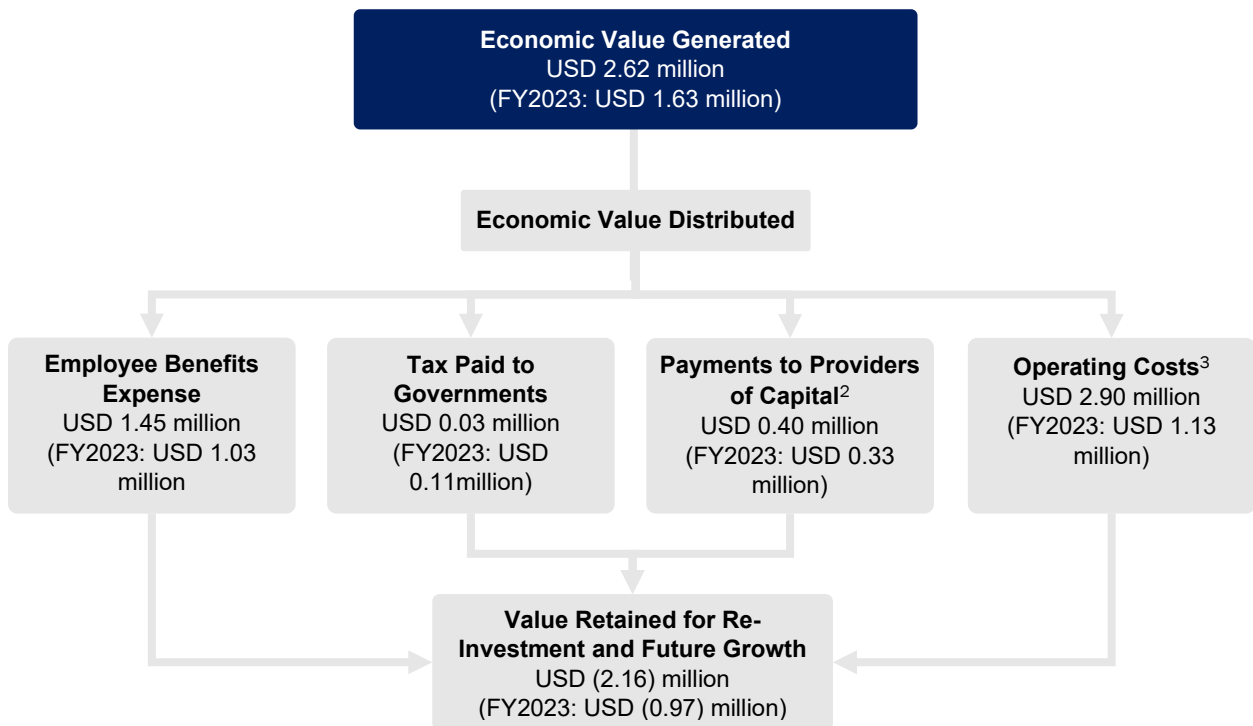## 10.2 Sustainable Business Performance

Our Commitment
We are committed to create long-term value for our stakeholders.

Our Approach
We generate and distribute economic value by executing our agreed business strategy with the Board of Directors. This strategy seeks to increase revenue, improve profitability and cashflow, and create long term growth for the organisation.

Our Performance
Economic value for FY2024 is distributed as follows:

Economic Value Generated
USD 2.62 million
(FY2023: USD 1.63 million)

Economic Value Distributed

Employee Benefits Expense	**Tax Paid to Governments**	**Payments to Providers of Capital**[2]	**Operating Costs**[3]
USD 1.45 million (FY2023: USD 1.03 million	USD 0.03 million (FY2023: USD 0.11million)	USD 0.40 million (FY2023: USD 0.33 million)	USD 2.90 million (FY2023: USD 1.13 million)

Value Retained for Re-Investment and Future Growth
USD (2.16) million
(FY2023: USD (0.97) million)

Further details of our economic performance can be found in the financial contents and audited financial statements of our AR for FY2024.

10.3 Water Conservation

Our Commitment
We are committed to the responsible usage of water resources.

Our Approach
Our water sources [9] are primarily derived from the Public Utilities Board, Singapore's National Water Agency and the Department of Water and Sanitation of Yangon City Development Committee.

We rely on water resources primarily for washing and cleaning during our kitchen operations and as an ingredient in our products. As part of water conservation efforts, we: (i) perform periodic inspections on faucets and pikes for leakages; and (ii) encourage our employees to use water responsibly. Water consumption trends are regularly tracked, analysed and corrective actions are taken when unusual

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[9] Disclosure on water drawn from water stress areas is not made as it is not applicable. The Group does not contribute significantly to the ability of any of the country in which it operates in, to meet the human and ecological demand for water.

consumption patterns are observed.

Our Performance

We utilise water resources for food preparation. Key statistics on water consumption during the Reporting Period are as follows:

Performance Indicator	Water Consumption (Cu M)		Water Consumption Intensity (Cu M/ US $'000)	
	FY2024	FY2023	FY2024	FY2023
Water	2,894	1,527	0.001	0.001

During the Reporting Period, our total water consumption increased due to an increase in F&B business operations. However, our water consumption intensity was consistent between FY2024 and FY2023. We shall continue to exercise prudence in our water usage by tracking its consumption, observe fluctuation patterns and take corrective actions if required.

10.4 Responsible Waste Management

Our Commitment

We are committed to improving the management of waste generated in our operations.

Our Approach

Waste generated from our operations include food and oil waste ("**General Waste**") for our F&B business segment.

Our menu items for our F&B business in Singapore are prepared based on precise food portioning and only upon receiving a customer's order. Accordingly, we are able to reduce General Waste to an amount deemed not material. Other measures implemented in our F&B business segment to minimise waste generated in our operations are as follows:

- A set of standard operational procedures is in place, which includes food portioning monitor and controls to minimise food wastage;
- Regular monitoring of inventory level and market demand to minimise overstocking of ingredients;
- For our F&B business segment, recyclable and reusable materials such as paper bags for take-away and porcelain jugs are utilised; and
- For online orders, disposable cutleries are provided only upon request by our customers, to further reduce single-used cutleries.

Our Performance

During the Reporting Period, there were zero reported incidents of significant fines or non-monetary sanctions for non-compliance with applicable environmental laws and regulations (FY2023: zero incident).

10.5 Energy Conservation and GHG Emissions Reduction

Our Commitment

We acknowledge that energy consumption and the resultant GHG emissions contribute to climate change. We are committed to efficient energy usage to minimise GHG emissions.

Our Approach

We aim to grow our operations taking into account the energy efficiency of the machines that we use and monitoring energy consumption and GHG emissions.

This year, we conducted a GHG emission profiling exercise for our Scope 1, 2 and 3 GHG emissions based on defined organisational boundaries. We track and monitor our Scope 1, 2 and certain categories of Scope 3 GHG emissions closely, where relevant and practicable. Progress updates will be provided in our sustainability reports with assurance on the reporting process covered by an internal review.

We track and review spending on energy consumption regularly to control usage and take corrective actions when unusual consumption patterns are observed. We continuously strive to improve our energy use and efficiency through the following initiatives and aspirations:

Lever	Key Initiative	Description
Maintain /Reduce	Maintain or reduce energy consumption through efficient machinery and equipment	Our initiatives on this front include: ■ Maintaining machinery and equipment in good working conditions to optimise energy efficiency; ■ Regular cleaning of filters for air-conditioning systems to reduce air flow resistance; ■ Utilise high energy efficient cold storages such as chillers and freezers; and ■ Adopt greener work practices such as switching off appliances when not in use and enabling power saving modes.
	Maintain or reduce energy consumption by introducing machines of higher terahash ("**TH**") per bitcoin ("**BTC**") mined	Our initiatives on this front include: ■ Our digital mining rigs are located in Sarawak, East Malaysia and powered by the state transmission grid, for which 75% of the electricity generated is from renewable hydropower energy; and ■ Improve mix of digital mining machines to increase those with higher TH per kWh.

We are committed to responsible usage of energy and GHG emissions reduction and through enhancing our energy usage efficiency and carbon reduction initiatives.

To run our operations in different countries, we rely on the following energy sources:
■ Town gas for cooking purposes; and
■ Electricity for our operations such as lighting, office equipment, air-conditioning, digital mining and kitchen operations.

Our Performance
Key statistics on our energy consumption and GHG emissions during the Reporting Period are as follows:

Performance Indicator	Unit of Measurement	FY2024	FY2023
Energy Consumption			
Town gas consumption[10]	gigajoules	75	77
Town gas consumption intensity	gigajoules /revenue US$'000	36	54
Electricity consumption[11]	gigajoules	740	1,200
Electricity consumption intensity	gigajoules / revenue US$'000	0.29	0.67
GHG Emissions			
Direct GHG emissions (Scope 1)	tonnes CO_2e	3	3
Indirect GHG emissions (Scope 2)	tonnes CO_2e	193	214
Total GHG emissions (Scope 1 and 2)	tonnes CO_2e	196	217
GHG emissions intensity	tonnes CO_2e/revenue US$'000	0.07	0.12

The reduction in total GHG emissions and intensity was mainly due to a temporary halt in our digital mining operations when the value of digital currency reduced significantly in FY2023. The total GHG emissions further reduced in FY2024 as our digital mining operations remained inactive for most of FY2024 before it was restarted nearing the end of the financial year. As the digital mining business segment is more energy intensive as compared to our other business segment, a reduction in electricity consumption resulted in a non-proportion reduction in GHG emissions intensity.

We started to track our Scope 3 GHG emissions arising from business travel (category 6) and employee commuting (category 7) as follows:

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[10] GHG emissions from consumption of town gas (Scope 1) are calculated based on the GHG Emissions Measurement and Reporting Guidelines published by the National Environment Agency.
[11] GHG emissions from electricity purchased (Scope 2) are calculated based on the average GHG emissions factors published by the relevant authorities.

Category		Coverage	Operation	Unit of Measurement	FY2024[12]
Category Business travel	6:	Air travel	Group	tonnes CO_2e	5
Category Employee commuting	7:	Transportation of employees between their homes and worksites	Singapore	tonnes CO_2e	5

10.6 Employee Safety and Well-Being

Our Commitment

The health and safety of our employees are of great importance to us, and we are committed to creating a workplace that allows employees to perform and develop in a safe and healthy environment.

Our Approach

Other key measures adopted to manage health and safety in our workplaces are as follows:
- A set of standards on safety at workplace is in place;
- Employees are briefed on safety procedures during orientation;
- First aid kit is placed at a strategic location for greater accessibility;
- An emergency response plan is in place for fire safety; and
- A health and safety officer is appointed.

Our Performance

Key statistics on our work-related injuries and ill health cases are as follows:

Performance Indicator	FY2024	FY2023
Number of workplace fatalities	-	-
Number of high-consequence work-related injuries[4]	-	-
Number of recordable work-related injuries	-	-
Number of recordable work-related ill health cases[5]	-	-

10.7 Employee Training and Development

Our Commitment

As our primary businesses involve the provision of services, human capital is important in our sustainability. Effective recruitment and talent attraction, without any bias and discrimination, are essential in building a strong and sustainable talent pipeline for the continued success of our business.

Our Approach

Benefits for our Employees

We work towards employee retention and provide benefits to our employees through the following efforts:
- Maintaining a comprehensive employee benefit structure which is in line with prevailing manpower regulations; and
- Providing medical insurance coverage for hospitalisation, specialist treatment and general practitioner consultation and medication for eligible employees.

Training and Development Programmes

Our training and development programmes focus on learning and personal development relating to job requirements. They include the following:
- Proper training for our employees during orientation;
- Structured career development programmes for eligible employees;
- Performance improvement plans for employees with knowledge gap;
- Sponsorship of professional development training and courses; and
- Education and courses necessary for employees to handle their respective job responsibilities such as food safety hygiene courses and training relating to updates in regulatory requirements.

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[12] Figures for FY2023 not available as not tracked previously.

We place a high priority on developing the talents of our employees, address their skill gaps and help them in achieving their career development goals. We regularly assess their training needs and review our existing training initiatives for continued relevance.

Performance Appraisal
To promote a high-performance culture, an employee performance appraisal programme is in place to ensure expectation setting conversations are conducted. We perform a year-end performance review for our employees, providing them with the opportunity to self-assess, provide feedback, and engage in competency discussions. We are also guided by our procedures and guidance on merit-based employee promotions, and salary revisions are subject to the Company's and individual's performance, to motivate our employees in seeking continuous self-improvement and personal development.

Parental Leave
We provide pro-family benefits to eligible confirmed employees which include wedding gifts, baby gifts, maternity and paternity leave.

Our Performance
Key statistics on new hires and turnover of full-time employees are as follows:

New Hires[13]

Performance Indicator	FY2024		FY2023	
	Number of New Hire	New Hire Rate	Number of New Hire	New Hire Rate
Overall	28	47%	15	31%
Gender				
Male	12	29%	2	6%
Female	16	89%	13	93%
Age				
Age under 30	9	22%	13	41%
Age 30 - 50	11	73%	2	14%
Age above 50	8	200%	-	-%

Turnover[14]

Performance Indicator	FY2024		FY2023	
	Number of Turnovers	Turnover Rate	Number of Turnovers	Turnover Rate
Overall	18	18%	5	10%
Gender				
Male	7	17%	1	3%
Female	11	61%	4	29%
Age				
Age under 30	6	15%	4	13%
Age 30 - 50	10	67%	1	7%
Age above 50	2	50%	-	-%

During the Reporting Period, the increase in our new hire and turnover rates were largely due to the commencement of our F&B – Singapore business segment, which typically experiences a higher employee turnover, and consequentially the new hire rate, as compared to our other business segments.

10.8 Diversity and Equality

Our Commitment
We continuously aim to provide and foster a fair and non-discriminatory working environment for all our employees that respects social and cultural diversity, regardless of gender, age and educational background.

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[13] New hire related statistics are computed based on the number of new hires over total employees by gender and age.
[14] Turnover related statistics are computed based on the number of turnovers over total employees by gender and age.

Our Approach

The Group adopted a board diversity policy, which recognises and embraces the benefits of diversity on the Board, and views diversity at the Board level as an important element in supporting the attainment of its strategic objectives.

To promote equal opportunity, a human resource policy is in place to ensure that employees are recruited based on merit and competency. We seek to create an inclusive environment for our employees, and we do not discriminate against gender, age or race. In line with our policy, our recruitment procedures do not request for gender or race, and information on age is requested only for legal purposes. To promote equal opportunities in the workplace, we provided opportunities for promising employees to attend relevant training programmes regardless of their background.

Our Performance

As at 31 March 2024, the Group's workforce consisted of 60 permanent full-time and 1 part-time employees (FY2023: 48 permanent full-time employees). Our employees are based in Singapore and Myanmar with the following breakdown:

Employment Type	Singapore	Myanmar	Total
Full-time	19	41	60
Part-time	1	-	1
Overall	20	41	61

Key statistics on demographics of our full-time employees are as follows:

Gender Diversity (%)

We view diversity at the Board level as an important element in supporting sustainable development and have 1 (FY2023: 1) female Non-Executive Director out of 6 (FY2023: 5) Directors or 17% (FY2023: 20%) female representation on the Board.

Key statistics on gender diversity of our full-time employees are as follows:

Performance Indicator	FY2024		FY2023	
	Male	Female	Male	Female
Overall	70%	30%	71%	29%
Employee category				
Management	50%	50%	33%	67%
Non-management	75%	25%	79%	21%

Age Diversity (%)

Key statistics on age diversity of our full-time employees are as follows:

Performance Indicator	FY2024			FY2023		
	Below 30	30 – 50	Above 50	Below 30	30 – 50	Above 50
Overall	69%	25%	6%	67%	27%	6%
Employee category						
Management	10%	80%	10%	11%	67%	22%
Non-management	80%	14%	6%	79%	18%	3%

For FY2024, we have zero reported incidents of unlawful discrimination against employees[6] (FY2023: zero incidents).

10.9 Robust Corporate Governance Framework

Our Commitment

We are committed to high standards of corporate governance as it is integral in ensuring sustainability of our business as well as safeguarding shareholders' interest and maximising long-term shareholder value.

Our Approach

We aligned our corporate governance and risk management approach with the Three Lines Model issued by the Institute of Internal Auditors ("**IIA**"). The Three Lines Model serves to identify structures and processes that best assist the achievement of organisational objectives and facilitate strong governance

and risk management. Under the Three Lines Model, the roles and responsibilities of governing body, management (first and second line roles), internal audit (third line roles) and the relationship among them are defined as follows:
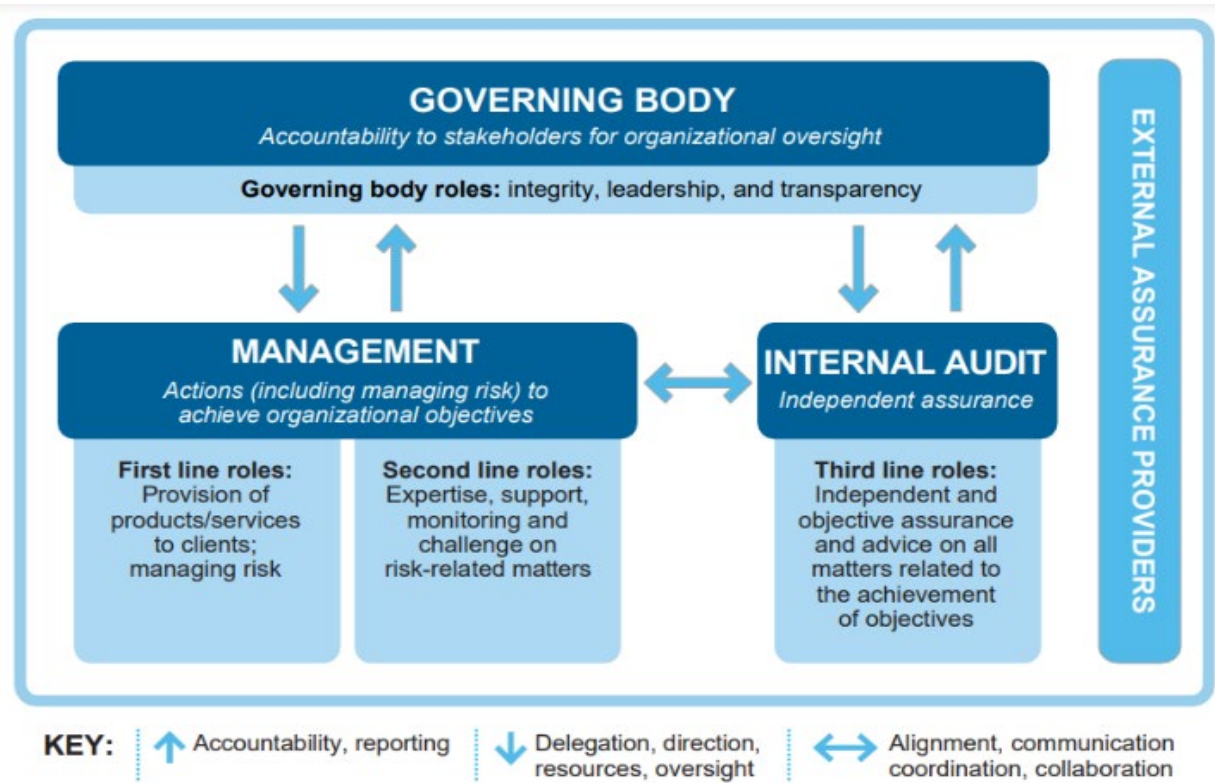
Source: Three Lines Model of the IIA

The Group adopted an ongoing process for identifying, evaluating and managing the significant risks faced by the Group. Separately, we have in place a whistleblowing policy to provide an avenue for employees and external parties to raise concerns about misconduct or improprieties in the Group through a dedicated whistleblowing channel established, and at the same time assure them that they will be protected from victimisation for whistleblowing in good faith.

Our Performance

During the Reporting Period, there were zero reported incidents of serious offence[7] (FY2023: zero incidents) and zero recorded incidents of non-compliance with laws and regulations for which fines and/or non-monetary sanctions were incurred (FY2023: zero incidents).

11. Targets and Performance Highlights

To measure our ongoing sustainability performance and drive continuous improvement, we have developed a set of targets related to our material Sustainability Factors. Our progress against these targets is reviewed and reported on an annual basis with details as follows:

Legend	Progress Tracking
○○○	New target
●●●	Target achieved
●●○	On track to meet target
●○○	Not on track, requires review

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S/N	Material Sustainability Factor	Target[15]	Current Year Performance
Economic			
1	Customer Satisfaction	<u>Short-term</u> Complete setting up customer feedback channels and track relevant data	○○○ Not applicable as Customer Satisfaction is a new Sustainability Factor identified by the Group
2	Sustainable Business Performance	<u>Short term</u> Increase revenue and enhance profitability <u>Medium-term</u> Identify additional sources of working capital to improve cashflow	○○○ Not applicable as Sustainable Business Performance is a new Sustainability Factor identified by the Group
Environmental			
3	Water Conservation	<u>Ongoing and long-term</u> Maintain or reduce the water consumption intensity	○○○ Not applicable as Water Conservation is a new Sustainability Factor identified by the Group
4	Responsible Waste Management	<u>Short term</u> Initiate tracking of relevant waste-related data for our operations <u>Ongoing and long-term</u> Maintain zero reported incident of significant fines or non-monetary sanctions for non-compliance with applicable environmental laws and regulations	○○○ We set new relevant short term waste-related target ●●● Maintained zero reported incident of significant fines or non-monetary sanctions for non-compliance with applicable environmental laws and regulations
5	Energy Conservation and GHG Emissions Reduction	<u>Short term</u> Maintain or reduce Scope 1 and 2 GHG emissions intensity by FY2025 based on FY2023 baseline <u>Medium term</u> Maintain or reduce Scope 1 and 2 GHG emissions through introducing higher TH machines to improve energy consumption per BTC mined	●●● Scope 1 and 2 GHG emissions intensity decreased ○○○ We set new relevant medium term energy conservation and GHG emissions related target
Social			
6	Employee Safety and Well-Being	<u>Ongoing and long-term</u> Maintain zero work-related fatalities, work-related injuries, high consequence work-related injuries	●●● Maintained zero work-related fatalities, work-related injuries, high consequence work-related

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[15] Time horizons for target setting are (1) short-term: before FY2025; (2) medium-term: FY2025 – FY2035; (3) long-term: after FY2035; and (4) ongoing: continuous time horizon.

S/N	Material Sustainability Factor	Target[15]	Current Year Performance
		and recordable work-related ill health cases	injuries and recordable work-related ill health cases
7	Employee Training and Development	<u>Short term</u> To send employees on key training programs for the F&B teams <u>Ongoing and long-term</u> Maintain or improve turnover rate	●●● Sent F&B team for training ○○○ We set new relevant ongoing and long-term Employee Training and Development target
8	Diversity and Equality	<u>Ongoing and long term</u> Maintain zero reported incident of unlawful discrimination against employees	○○○ We set new relevant ongoing and long-term Diversity and Equality target
<u>Governance</u>			
9	Robust Corporate Governance Framework	<u>Ongoing and long-term target</u> ▪ Maintain zero incident of significant fines or non-monetary sanctions for non-compliance with applicable laws and regulations ▪ Maintain zero incident of serious offence	●●● ▪ Maintained zero incidents of significant fines or non-monetary sanctions for non-compliance with applicable laws and regulations ▪ Maintained zero incidents of serious offence

For certain material Sustainability Factors identified above, we are still in the process of setting the related medium and long-term targets as their historical data trends have yet to stabilise. We will disclose such targets in our future sustainability reports when the data trends have stabilised and subject to market trends.

12. Supporting the SDGs

The UN Sustainability Agenda provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDG, which form an urgent call for action by all countries – developed and developing – in a global partnership. We believe that everyone plays an important role in advancing sustainable development and in order to align our business objectives with the SDGs, we identified a number of SDGs which can contribute through our business practices, products and services. The SDGs that we focus on and the related Sustainability Factors are as follows:

SDG		Our Effort
3 GOOD HEALTH AND WELL-BEING	Ensure healthy lives and promote well-being for all at all ages	<u>Section 10.6 Employee Safety and Well-being</u> We implement measures to ensure that all our employees are working in a safe and secure environment.
6 CLEAN WATER AND SANITATION	Ensure availability and sustainable management of water and sanitation for all	<u>Section 10.3 Water Conservation</u> We implement checks and measures to reduce water wastage in our business operations, which in turn help us to work towards responsible usage of water.

SDG		Our Effort
7 AFFORDABLE AND CLEAN ENERGY	Ensure access to affordable, reliable, sustainable, and modern energy for all	**Section 10.5 Energy Conservation and GHG Emissions Reduction** We limit out-of-office hours aircon use and we ensure essential air travel only.
8 DECENT WORK AND ECONOMIC GROWTH	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	**Section 10.1 Customer Satisfaction** We will monitor customer feedback and seek to increase the level of positive feedback which we recognise will be important in building repeat customers which will lead to increased revenue and sustainable business growth. **Section 10.2 Sustainable Business Performance** We contribute to economic growth through creating long-term economic value for our stakeholders. **Section 10.7 Employee Training and Development** Maintaining a skilled and motivated workforce is important in contributing to the success of our business through identifying training opportunities, performance appraisals, etc.
10 REDUCED INEQUALITIES	Reduce inequality within and among countries	**Section 10.8 Diversity and Equality** We ensure equal opportunity for all regardless of gender and age by establishing various human resource related policies to facilitate this goal.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Ensure sustainable consumption and production patterns	**Section 10.4 Responsible Waste Management** We implement measures to reduce environmental impacts of waste that is generated from our business operations.
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective accountable and inclusive institutions at all levels	**Section 10.9 Robust Corporate Governance Framework** We maintain a high standard of corporate governance to safeguard our shareholders' interests and maximise long-term shareholder value.

13.   TCFD Disclosures

The Group acknowledges that our energy consumption and GHG emissions contribute to climate change impacts. In the journey towards the goal of net zero emissions, we play our part by reducing GHG emissions and adopting environmentally friendly practices in our own business and across value chain, while encouraging our employees to inculcate sustainable habits in their daily lives.

We are committed to support the recommendations by the TCFD and disclosed our climate-related financial disclosures in the following key areas as recommended by the TCFD:

TCFD Recommended Disclosure
Governance
a. Describe the Board's oversight of climate-related risks and opportunities.
The Board oversees the climate-related risks and opportunities and considers the climate-related risk and opportunities when setting the Group's strategic direction, policies and target setting.
b. Describe management's role in assessing and managing climate-related risks and opportunities.
The Chairman of our ESG Committee leads the ESG Committee in monitoring and managing our sustainability practices. The responsibility of the ESG Committee includes consideration of climate-related issues in the development of the Group's sustainability strategy and communicating this to the management team.   Refer to section '7 Sustainability Governance Structure' for further information.
Strategy
a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.   *b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.*
We recognise that climate change poses different types of risks to our business. The Group's assessment on potential implication of the above climate-related risks was undertaken based on the Network of Central Banks and Supervisors for Greening the Financial System ("**NGFS**") range of climate scenarios:

Scenario	Description
NGFS – Orderly	This scenario assume climate policies are introduced early and become gradually more stringent. Both physical and transition risks are relatively subdued through cohesive stringent climate policies and innovation.
NGFS – Hot house world	This scenario assumes that some climate policies are implemented in some jurisdictions, but global efforts are insufficient to halt significant global warming. Critical temperature thresholds are exceeded, leading to severe physical risks and irreversible impacts like sea-level rise. Only currently implemented policies are preserved, leading to high physical risks.

We selected NGFS orderly and hot house world scenarios for the purpose of our inaugural qualitative climate scenario analysis. The impact of the climate-related risks is analysed on group-wide activities in the short term (before FY2025), medium term (FY2025 – FY2035) and long term (After FY2035). Based on the above-mentioned scenarios, the climate-related risks and opportunities identified by the Group during a climate-related risk assessment exercise includes the following:

Climate-related Risk	Potential Impact	Mitigating Measures	Opportunity
Transition Risk			
Enhanced GHG emissions reporting and increase in regulatory costs	With rising concerns over the effects of climate change, key stakeholders such as the communities, customers, employees, regulators and shareholders may demand more climate-related information and detailed disclosure.	The mitigating actions outlined in this Report have been embraced by the Senior Management of the Group and will be communicated to all group members in the appropriate manner for actions that can be taken at the appropriate level.	We will seek to identify and source more energy efficient machines in several of our business areas.
Changes in customers preferences	With rising concerns over the effects of climate change, shifting consumer preferences for sustainable products that are less carbon intensive may arise especially amongst younger consumers. A failure to adapt to shifting consumer	We will continue to monitor consumer preferences in our F&B outlets and adapt when necessary.	We will monitor the main sources of our ingredients used in our F&B operations and aim to utilise degradable packaging, wherever possible.

TCFD Recommended Disclosure			
	preferences may adversely affect customer satisfaction, demand of our existing product offerings and the Group's financial performance.		
Physical Risk			
Increased severity of extreme weather events	Adverse changes in climate patterns such as rising temperatures and extreme weather events (such as floods and droughts) may disrupt supply chains and consequentially lead to procurement delays and general price increases when vendors pass on regulatory costs such as carbon tax to the Group. As a result, the Group may face adverse impacts on its financial performance.	We are dependent for most of our supplies for F&B locally but will monitor availability.	We will continue to monitor the effects of climate-related risk, and make appropriate disclosures in our future sustainability reports.

Warming scenario 1: Orderly

Climate-Related Risk and Opportunity	Significance of Financial Impact[16]		
	Short Term	Medium Term	Long Term
Key transition risk identified			
Enhanced GHG emissions reporting obligations	🟢	🟢	🟢
Changes in customer preference	🟢	🟢	🟢
Key physical risk identified			
Increased severity extreme weather events	🟢	🟢	🟢

Warming scenario 2: Hot house world

Climate-Related Risk and Opportunity	Significance of Financial Impact		
	Short Term	Medium Term	Long Term
Key transition risk identified			
Enhanced GHG emissions reporting obligations	🟢	🟢	🟢
Changes in customer preference	🟢	🟢	🟢
Key physical risk identified			
Increased severity extreme weather events	🟢	🟡	🟡

Legend

🟢 Minor 🟡 Moderate 🔴 Major

In terms of our business strategy and financial planning based on the scenarios above, we will continue to formulate adaptation and mitigation plans.

c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Climate-related change can lead to higher food input costs which would have economic impact if these cannot be passed on to consumers. We do not expect this would uniquely impact our business but all F&B related businesses but could lead to a consumer behavioural change. We believe the likelihood of this in the short term is very small but could emerge in the medium to long term. Climate change which could impact the hydropower in Sarawak, the main source of energy for our digital mining machines, could impact us on the economics of digital mining but this may be mitigated by BTC price increases related to this being a scarce digital/financial resource.

Risk Management

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[16] Significance of financial impact is determined based on the risk appetite established in accordance with the Group's climate scenario assessment.

TCFD Recommended Disclosure

a. *Describe the organization's processes for identifying and assessing climate-related risks.*

b. *Describe the organization's processes for managing climate-related risks.*

c. *Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management*

As noted above, we will monitor food pricing and availability inputs, and have the flexibility to modify our menus accordingly.

Climate-related risk management is covered under our ERM framework whereby potential climate-related risks are identified, assessed, monitored and managed. Under this framework, the Board, particularly the ESG committee is responsible for identifying the relevant climate-related risk exposures and discussing with the management team appropriate responses to mitigate negative impact on the Group's business objectives. Climate-related risks and opportunities, along with their treatment plans, are reviewed and updated during the ERM assessment exercise and are subsequently presented to the AC along with other key enterprise-wide risks. The Group's climate related risks and opportunities are identified and assessed during the climate-related risk assessment exercise.

Metrics and Targets

Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

Our environmental performance, including energy consumption and GHG emissions, are tracked, measured, and its related metrics are disclosed in our sustainability report. The monitoring and reporting of these metrics assist us in identifying areas with material climate-related risks.

Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions and the related risks.

To support the climate change agenda, we disclosed our Scope 1, 2 and certain categories of Scope 3 GHG emissions in the Report and set climate related target such as those related to GHG emissions, water and waste management. Our disclosure on indirect Scope 3 GHG emissions in this Report includes business travel (category 6) and employee commuting (category 7). We aim to disclose other relevant categories of Scope 3 GHG emissions in the future, where applicable and practicable.

c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

As a commitment towards mitigating climate change, we set climate-related targets related to GHG emissions, water and waste management. For further details, please refer to section '11 Targets and Performance Highlights' for climate-related targets set.

14. GRI content index

Statement of Use	SMI Vantage Limited reported the information cited in the GRI content index for the period from 1 April 2023 to 31 March 2024 with reference to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Location
General Disclosure		
GRI 2: General Disclosures 2021	2-1 Organisational details	AR 1-2, AR 38
	2-2 Entities included in the organisation's sustainability reporting	4
	2-3 Reporting period, frequency and contact point	4-5
	2-4 Restatements of information	None
	2-5 External assurance	4-5
	2-6 Activities, value chain and other business relationships	3-4
	2-7 Employees	14-15
	2-8 Workers who are not employees	We do not have workers who are not employees in FY2024.
	2-9 Governance structure and composition	AR 1, AR 5-6 and 5-6
	2-10 Nomination and selection of the highest governance body	AR 18-20
	2-11 Chair of the highest governance body	AR 5, AR 17
	2-12 Role of the highest governance body in overseeing the management of impacts	AR 1, AR 5-6, AR 18 and 5-6
	2-13 Delegation of responsibility for managing impacts	5-6
	2-14 Role of the highest governance body in sustainability reporting	5-6
	2-15 Conflicts of interest	AR 9
	2-16 Communication of critical concerns	AR 28-30, 16
	2-17 Collective knowledge of the highest governance body	5-6
	2-18 Evaluation of the performance of the highest governance body	AR 21
	2-19 Remuneration policies	AR 22 -25
	2-20 Process to determine remuneration	AR 22 -25
	2-21 Annual total compensation ratio	Information is not provided due to confidentiality constraints.
	2-22 Statement on sustainable development strategy	2
	2-23 Policy commitments	4-8, 15-16
	2-24 Embedding policy commitments	4-8, 15-16
	2-25 Processes to remediate negative impacts	AR 30
	2-26 Mechanisms for seeking advice and raising concerns	AR 30
	2-27 Compliance with laws and regulations	4-8, 15-16
	2-28 Membership associations	None
	2-29 Approach to stakeholder engagement	6-8
	2-30 Collective bargaining agreements	As at 31 March 2024, none of our full-time employees in our workforce are covered by collective bargaining agreements.
Material Topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	6-8
	3-2 List of material topics	9
	3-3 Management of material topics	9-16
Sustainable Business Performance		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	10

GRI Standard	Disclosure	Location
	201-2 Financial implications and other risks and opportunities due to climate change	20-21
	201-3 Defined benefit plan obligations and other retirement plans	AR 25
	201-4 Financial assistance received from government	AR 88
Robust Corporate Governance Framework		
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	15-16
Energy Conservation and GHG Emissions Reduction		
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	11-13
	302-2 Energy consumption outside of the organization	11-13
	302-3 Energy intensity	11-13
	302-4 Reduction of energy consumption	11-13
	302-5 Reductions in energy requirements of products and services	11-13
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	11-13
	305-2 Energy indirect (Scope 2) GHG emissions	11-13
	305-3 Other indirect (Scope 3) GHG emissions	11-13
	305-4 GHG emissions intensity	11-13
	305-5 Reduction of GHG emissions	11-13
Water Conservation		
GRI 303: Water and Effluents 2018	303-5 Water consumption	10-11
Responsible Waste Management		
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	11
Employee Training and Development		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	13-14
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	13-14
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	13-14
	404-2 Programs for upgrading employee skills and transition assistance programs	13-14
Employee Safety and Well-being		
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	13
	403-10 Work-related ill health	13
Diversity and Equality		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	14-15
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	14-15