TOWER
CAPITAL
ASIA

Tower Capital Asia

Making a difference through investing in businesses, people, and a more sustainable future.

Responsible Investment Report 2026

Disclaimer

About the Report

Our Responsible Investment (RI) Report 2026 seeks to illustrate our commitment and efforts to investing responsibly in the last 2 years (CY 2024 to 2025). We highlight how we set strategic approach for sustainable growth through managing risks and optimising opportunities in the environmental, social and governance (ESG) aspects of running businesses in our firm and the portfolio companies that we invest in. We share impact that we have created in addition to financial returns in our journey towards success.

Disclaimer

This RI Report has been prepared by Tower Capital Asia (TCA) on a voluntary basis and is for information purposes only. Recipients should not treat the contents of this RI Report as advice of any kind or as a recommendation by TCA or any of its directors, officers, employees, shareholders, members, partners, consultants, agents or advisers.

This RI Report is not intended to be relied on for any investment decision and is not an offer to sell to any person, or a solicitation to any person to purchase or subscribe for, interests in any fund advised by TCA nor shall it (or any part of it) or the fact of its distribution, form the basis of, or be relied on in connection with any contract, arrangement or commitment whatsoever in any state or jurisdiction. This RI Report is not, and should not be assumed to be, complete or up-to-date and is based on matters as they existed as of the date of its preparation, and its contents remain subject to change. All statements of opinion and/or belief contained in this RI Report and all views expressed and all projections, forecasts or statements relating to expectations regarding future events or possible future performance represent TCA's own assessment and interpretation of information available to it as at the date of this RI Report (or as applicable such other date stated herein). No representation or warranty, express or implied, is made or given by or on behalf of TCA as to the completeness, accuracy or fairness of the information contained in this RI Report or the opinions expressed in it and no responsibility or liability is accepted by any of them for any such information, omission, or any opinion expressed. Where data is obtained directly from a portfolio company, this data may be inaccurate, and the collection of such data may be limited due to human errors and/ or rounding errors when processing the data. In these situations, the quality and/ or consistency will vary between portfolio companies based on potentially diverging approaches. ESG data collection and reporting practices are fast evolving areas and the selection of different measurement techniques can result in different measurements. Portfolio company data as self-reported and submitted via BoardRoom's ESG Access System, has been reviewed by TCA for quality. While discrepancies that were readily identifiable have been queried, the data has not undergone a third-party audit or formal assurance process.

Information is captured as at December 2025.

Contents

CEO's Message

Tower Capital Asia's Responsible Investment policy and Environmental, Social, and Governance (ESG) management approach are grounded in a core belief: that capital, deployed responsibly, has the power to create lasting value for businesses, communities, and society at large.

At the heart of our investment ethos is the conviction that investment decisions should benefit not just our investors, but also our portfolio companies, their stakeholders, and the broader communities in which we operate – both financially and socially.

Danny Koh
Founder and CEO,
Executive Director

OUR APPROACH TO ESG

We take a structured, three-stage approach to embedding ESG across our investment lifecycle:

Lay the Foundations
ESG due diligence is conducted on all target companies prior to investment. Following acquisition, material ESG topics and risk management priorities are addressed as part of our post-investment value creation planning, with ESG metrics – including GHG emissions and gender diversity – developed for quarterly reporting.

Build Capabilities
We engage quarterly with ESG champions within our portfolio companies – including COOs, CFOs, and CPOs – to review progress, share learnings, and drive continuous improvement. Topical training sessions covering areas such as cybersecurity, workplace fairness, and AI governance ensure that awareness and understanding remain current and relevant.

Shape Impact
Where opportunities arise, we work with our portfolio companies to leverage their business potential for positive environmental and social impact.

About Tower Capital Asia

2016
Founded

~US$900M*
Assets under management
** Numbers as at December 2025*

Investors
From SWFs, pension funds, financial institutions, large family offices

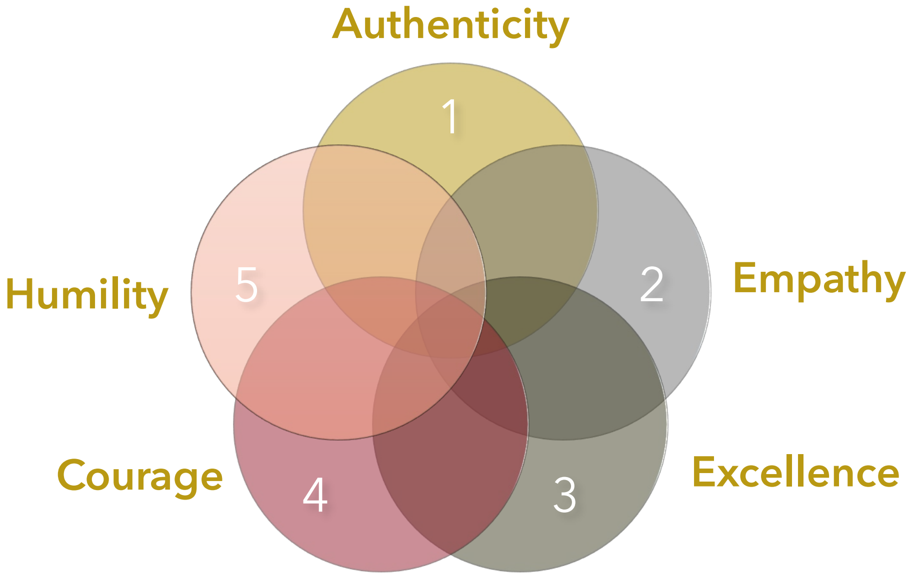
>25
Professionals

>US$2b
Track record of proprietary origination and deals

Our Mission

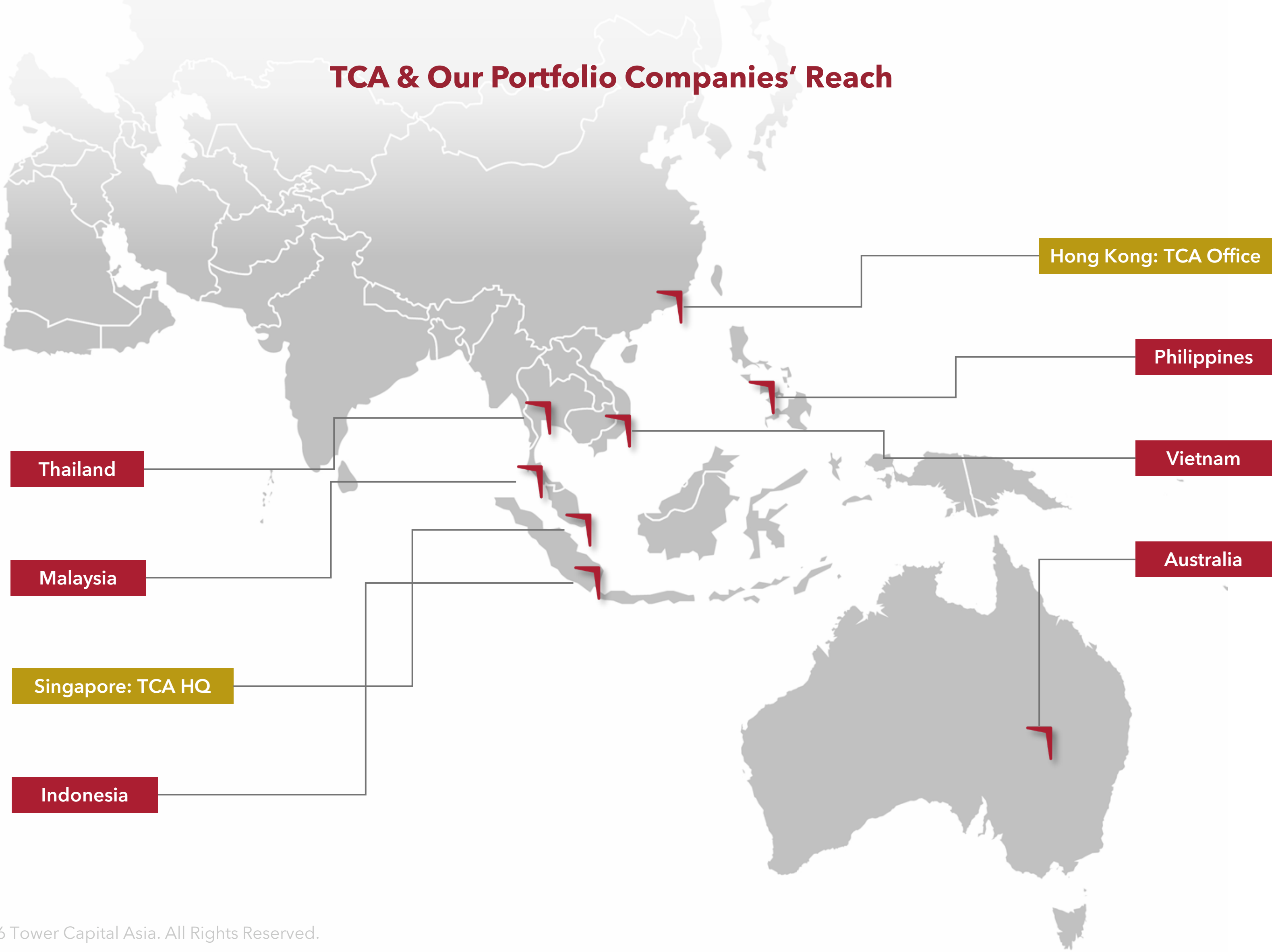
* *"Glocal" refers to "Global" and "Local".*

Our Values



ABOUT TOWER CAPITAL ASIA

Our Presence in Asia Pacific



Tower Capital Asia is a mid-market investor backing companies across Southeast Asia.

We believe in the power of active ownership – applying our investment and operational expertise to improve the financial, operational, and ESG performance of the companies we back. Many of our portfolio companies have limited dedicated ESG resources at the point of investment. Through our systematic approach, we build those capabilities over time and this report illustrates how.

ESG GOVERNANCE

Board & Management Oversight

Tower Capital Asia's Board and senior management play critical roles in shaping the firm's strategy and business direction. The Board was actively involved in developing the Responsible Investment (RI) policy and maintains ultimate oversight over it – reviewing it on a biennial basis to ensure it remains current with regulatory and market developments.

BOARD LEVEL

Policy & Oversight

The Board holds ultimate responsibility for the RI policy, ensuring it is regularly reviewed and updated in line with regulatory developments – most notably the MAS Environmental Risk Management Guidelines.

SENIOR MANAGEMENT LEVEL

Strategy & Implementation

The Chief Strategy and Corporate Officer (CSCO) chairs the ESG Committee, guiding strategy and policy level considerations and decision-making, to ensure effective implementation of the RI policy across investment processes and portfolio companies invested by TCA

DAY-TO-DAY

Deal Team | Sustainability & Community Team

The respective Deal Team for each portfolio company provides day-to-day ESG oversight with the company's management, working closely with the Sustainability and Community Team, to operationalise ESG initiatives, mitigate ESG risks and optimise opportunities.

The structure above reflects TCA's commitment to embedding ESG accountability at every level of the organisation.

ESG GOVERNANCE

Strategy & Implementation

TOWER CAPITAL ASIA

TCA ESG Committee

Comprises senior representatives from various teams in TCA, with the CSCO as the Chair. The Committee meets at least quarterly or as required to address ESG-related matters. The Committee is formed as a strategy and policy level decision-making body to guide the ESG efforts of TCA and its portfolio companies. It is supported by the Sustainability and Community team to ensure that ESG issues are effectively managed in TCA and portfolio companies to mitigate risks, create long-term value, and align with investor expectations and regulatory requirements.

Jeffrey, Chua
Chief Strategy and Corporate Officer

Jia Hui, Loh
Chief Operating Officer, Executive Director

Xuan Yong, Soh
Managing Director

Jonathan, Ng
Managing Director, *Value Creation*

Madeleine, Tan
Managing Director, *Human Capital*

Ling Ling, Ng
Managing Director, *Sustainability and Community*

Secretariat:
Shi Yu, Phua
Associate, *Sustainability and Community*

Responsible Investment Policies & Alignment to Global Guidelines

The **TCA Responsible Investment (RI) Policy** sets out our commitment to sustainability and defines how environmental, social, and governance (ESG) considerations are integrated across our investment process, from identifying risks to capturing opportunities.

Underlying our investment ethos is the belief that investment decisions should benefit not just investors, but portfolio companies, their stakeholders, and the broader community, both financially and socially.

As part of our responsible investing approach, we integrate ESG throughout our investment process, both pre- and post- investment.

Pre-Investment

Materiality Analysis & Due Diligence

- Determine **material topics and issues** to scope due diligence.
- Identify **ESG risks and opportunities**.

Post-Investment

Active Stewardship

- Quarterly **ESG engagement sessions**

Metric Monitoring

- Quarterly **ESG data reporting** to TCA

Value Creation

- Targeted **ESG value creation opportunities**
- **ESG risk mitigation**

Community Engagement

- Encouraging **community engagement** among portfolio companies

Responsible Investment Policies & Alignment to Global Guidelines

Membership in Global Sustainability Frameworks:
TCA has been a UNPRI signatory since 2024 and actively participates in its industry groups. TCA has participated in voluntary UNPRI reporting in 2025 and will make its inaugural mandatory UNPRI reporting in 2026.

Alignment with global ESG frameworks:
ESG data monitoring metrics are aligned with international ESG frameworks such as GRI, SASB, TCFD, EDCI, and UNPRI. When implementing ESG within mid-market portfolio companies, we tailor our approach to the practicalities and contexts of our portfolio companies instead of adopting a one-size-fits-all model.

UN SUSTAINABLE DEVELOPMENT GOALS

TCA's Alignment Across 10 SDGS

SDG 2 (2.1): Zero Hunger: Supports community organisations that provide household necessities to low-income families in Singapore.

SDG 4 (4a): Quality Education: Supports the provision of quality education to children and provides a safe and inclusive learning environment.

SDG 5 (5.1): Gender Equality Supports gender equality and maintains a strict anti-discrimination stance across the portfolio.

SDG 8 (8.3, 8.7): Decent Work and Economic Growth: TCA and our portfolio companies strive for higher levels of economic productivity, innovation, and job creation through value creation efforts.

SDG 9 (9.3): Industry, Innovation & Infrastructure Increases SME access to financial services and integration into value chains and markets.

SDG 10 (10.3): Reduced Inequalities Ensures equal opportunity and reduced inequality of outcome through instituting anti-discrimination policies in portfolio companies.

SDG 12 (12.6): Responsible Production & Consumption Responsible production and consumption: Actively monitors sustainability reporting and metrics of portfolio companies.

SDG 13 (13.3): Climate Action Tracks GHG emissions portfolio-wide and conducts capacity building on climate risks and adaptation.

SDG 16 (16.5): Peace, Justice & Strong Institutions Embeds anti-bribery and anti-corruption policies within portfolio companies with active monitoring.

SDG 17 (17.3): Partnership for the Goals: Provides greater access to financial services and resources for portfolio companies.

ESG Materiality Map

TCA identifies material ESG topics for our firm and our portfolio companies, respectively. For TCA, the ESG Committee discusses and maps material ESG topics based on international frameworks (e.g., UNPRI, EDCI) and alignment to the priorities of regulators and investors (LPs) related to our investments. Such mapping is meant to guide our ESG stewardship attention and resources but is not meant to be static and will be periodically reviewed for relevance to our investment environment.

Our Material Topics

1
- Net Zero Target

3
- Board Oversight of Environmental Management
- Climate Risks & Opportunities
- Carbon Emissions

5
- Anti-Bribery & Anti-Corruption
- Data & Cyber Security
- Energy Consumption
- Workplace Safety

2
- Water Consumption
- Waste Reduction
- Employee Regional Footprint

4
- Renewable Energy Adoption
- Employee Turnover
- Employee Training & Development
- Board Independence
- Board Diversity
- Senior Management Diversity
- Employee Policy

6
- Employee Satisfaction
- New Hire Profile
- Board Policy & Strategy and Risk Management

7
- Community Impact

ESG Key Metric

TCA identifies key ESG metrics, taking reference from international frameworks, standards and best practices (e.g. UNPRI, ECDI, GRI). Our firm and our portfolio companies report these metrics on a quarterly basis to track progress.

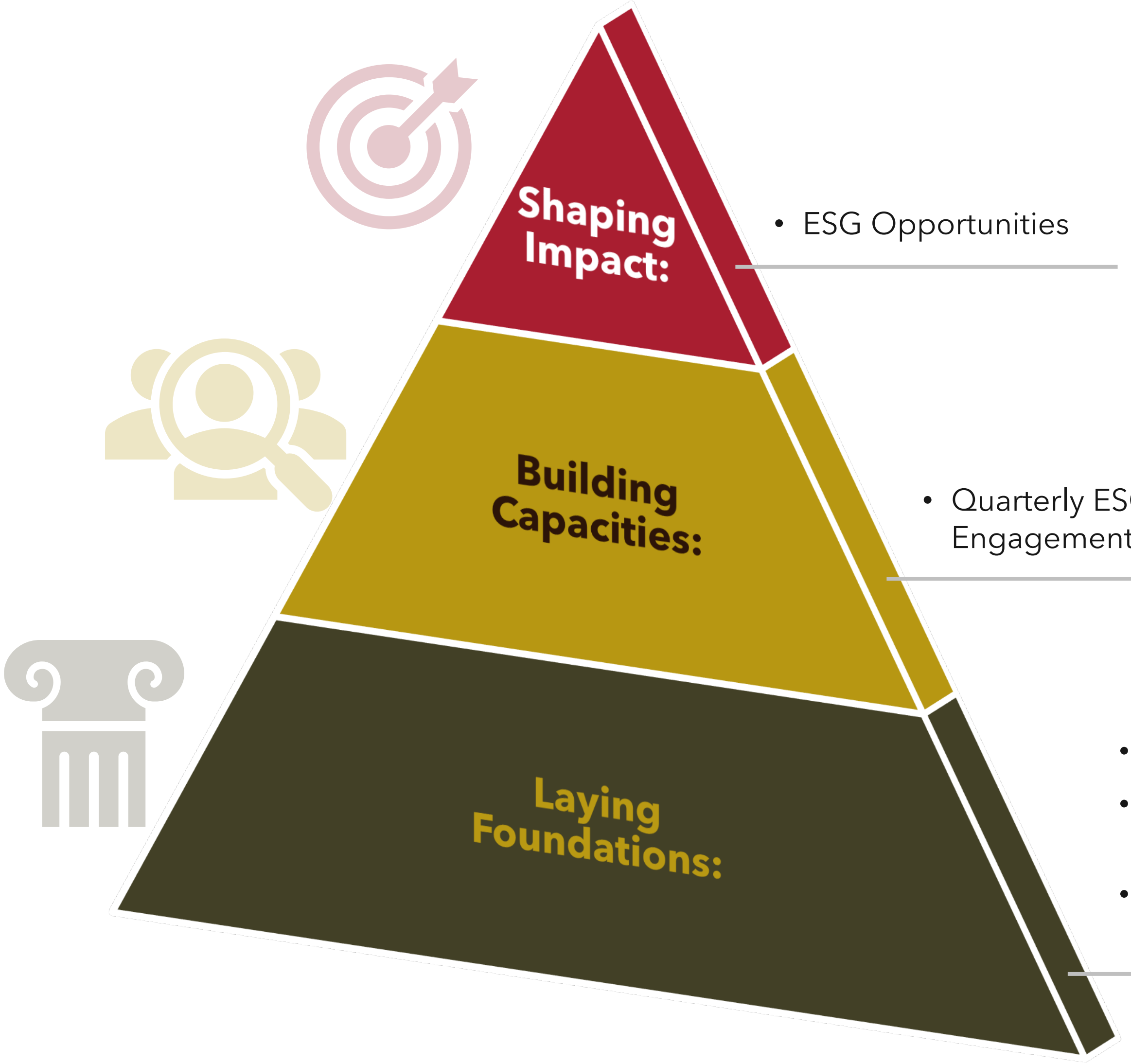
- Board Oversight of Environmental Management
- Carbon Emissions
- Climate Risks & Opportunities
- Energy Consumption
- Net Zero Target
- Renewable Energy Adoption
- Waste Reduction
- Water Consumption

- Community Impact
- Employee Gender Profile
- Employee Policy
- Employee Regional Footprint
- Employee Satisfaction
- Employee Training & Development
- Employee Turnover
- New Hire Profile
- Workplace Safety

- Anti-Bribery & Anti-Corruption
- Board Diversity
- Board Independence
- Board Policy, Strategy & Risk Management
- Data & Cyber Security
- Senior Management Diversity

Building Strategic Approach in ESG Efforts

Systematic ESG Development, one portfolio company at a time for collective impact.



- ESG Opportunities

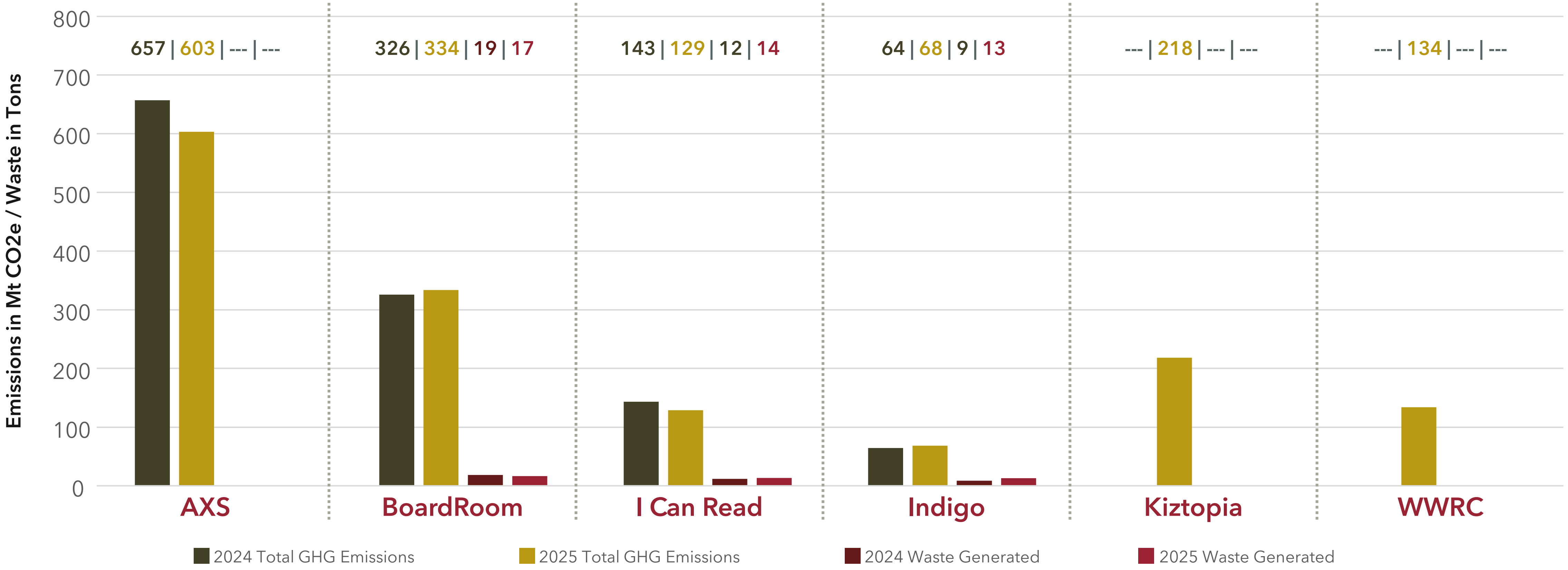
- Quarterly ESG Reporting, Engagement & Training

- ESG Due Diligence
- Determine ESG Material Topics & Metric
- ESG Risk Management & Incident Reporting

Portfolio GHG Emissions Overview

While TCA portfolio companies do not have material environmental risk exposures – GHG emission levels are relatively minimal – we build a culture and discipline of environmental protection across our portfolio. Most portfolio companies track and report Scope 1, 2 and 3 GHG emissions, waste generation and water consumption.

Environment Metrics across Portfolio Companies[1] – 2024 VS 2025



1. *Figures rounded to nearest number. Waste data available where indicated. Data for Kiztopia comprises Singapore operations from Q3 2025 onwards. Data for WWRC comprises Singapore operations from Q1 2025.*

TOWER CAPITAL ASIA

Driving Climate Mitigation Across the Portfolio

TCA's RI Policy is aligned with the **MAS Guidelines on Environmental Risk Management** for Asset Managers – managing ESG risks and contributing to positive environmental outcomes. TCA's current portfolio has **very low exposure** to industries associated with heavy greenhouse gas footprints.

Climate Mitigation Actions

01 Mitigation Measures

- Driving **digitisation** and **resource efficiency** strategies across portfolio companies
- Renewable energy adoption to **mitigate climate risks** – e.g. EVs for company cars and solar panel installation at WWRC Malaysia
- Promoting energy-efficient appliances and systems to **build a climate-friendly culture**

02 Capability Building

- Building capabilities to **track and monitor climate data**
- Developing **regional climate monitoring** capabilities, including in emerging markets
- **Quarterly engagement sessions** to introduce ESG best practices across the portfolio

03 Risk Management

- **Quarterly reporting** of emissions data to TCA, ensuring consistent oversight and accountability across all portfolio companies
- **Creating Awareness** on transition climate risks

Climate Mitigation Outcomes

TOTAL PORTFOLIO GHG CHANGE
2024 > 2025
Companies with full ESG data

▼ 4.73%

Breakdown by Company – 2024 to 2025

I Can Read	▼ 10.18%
AXS	▼ 8.10%
BoardRoom	▲ 2.29%
Indigo Education	▲ 6.24%

Includes portfolio companies managed by TCA in 2024 and 2025 with ESG data available.
Increases in BoardRoom and Indigo reflect business expansion rather than operational inefficiency.

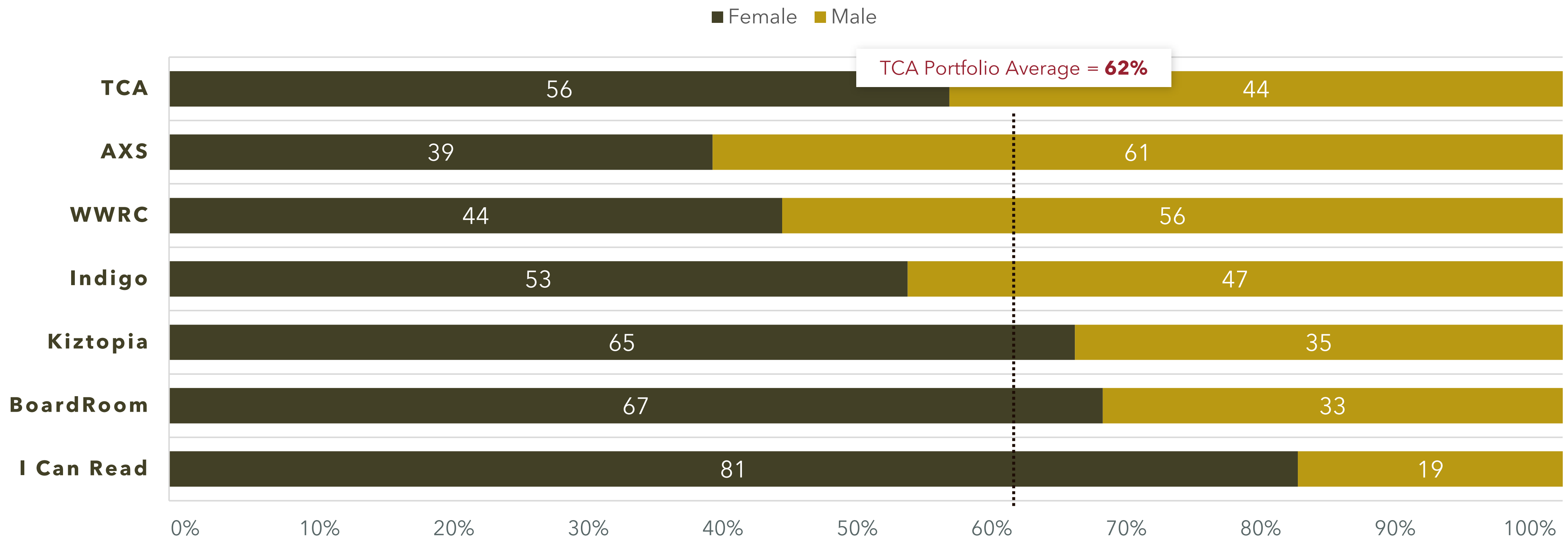
TOWER CAPITAL ASIA

Gender Diversity & Inclusive Growth

Gender Diversity Across TCA Portfolio

Across TCA portfolio companies, **TCA builds a culture of merit-based equal opportunities and leads by example**.
Pre-investment, gender diversity due diligence questions are asked to understand the practices of target companies.

Gender Profile Across TCA Portfolio Companies (%)



SOCIAL > GENDER DIVERSITY

Gender Diversity & Inclusive Growth

4 out of 7 (57%) TCA portfolio companies are led by female CEOs

Angeline Aw
BoardRoom

Chan Huang Yee
I Can Read

Jeffrey Goh
AXS

Isaac Lim
Indigo

Poh Khim Hong
PTC

Teoh Weng Chai
WWRC

Heidi Tian
Kiztopia

Gender Equality Outcomes in Management Team (%)

Majority of TCA portfolio companies **outperform the national average (36%)** for women representation in management teams*

* Proportion of women in senior management in mid-market businesses in Singapore in 2026, according to Grant Thornton (Women in Business 2026 | Grant Thornton Singapore)

Strategic Donation & Volunteerism

TOWER CAPITAL ASIA

TCA-Team Aligned Causes + Strategic Relations

&

Social Impact Framework

Causes that most resonate with TCA Team

TCA team was surveyed in 2022 on the top community causes that each resonate with. The top 3 causes with **highest collective interests** (families, youths, seniors) were identified to focus CSR donations and volunteerism efforts of our firm.

Giving with Intention & Impact

Sustainability and Community Team has developed a **social impact framework** for the firm's major giving to drive clear purpose and impact, on top of:

- Conducting **due diligence** on potential charities & leadership
- Supporting **programmes** & enabling **pilots** that benefit the community, especially the underprivileged, through transforming lives, expanding capacities and inspiring creation.

TCA's Giving in 2025

Community Chest

Focus on the Family
FamChamps Junior

Suncare SG
Children, Youth & Family Resilience

Brighton Connection
Youth Career Launchpad

Alpha · Assisi Hospice · Chen Su Lan Methodist Children's Home · DukeNUS Medical School · Food From The Heart · salt&light · SG Enable · SHE · Singapore Symphony Orchestra

TOWER CAPITAL ASIA

Theory of Change and the Social Impact Framework

TCA Social Impact Framework

The TCA Social Impact Framework shapes the way that TCA engages with the social service organisations that we support as well as the wider community that we operate in.

A Theory of Change articulates **how and why** an organisation or project can work to **address a social issue** effectively. Subsequently, a **social impact framework** can be built to identify desired **outcomes and impact**, and detail causal pathways that link **activities** to **outputs** and ultimately outcomes.

Social Impact Framework Example

This Social Impact example was developed with Suncare SG, which TCA donates to.

CASE STUDY: SUNCARE SG
Supporting the well-being of children and youth

	INPUT	ACTIVITY	OUTPUT	OUTCOME (IMMEDIATE)	OUTCOME (3-5 YEARS)	IMPACT (LONG TERM)
QUALITATIVE	• Donation funding to Suncare SG	• Coordinate & deliver structured after-school programmes aligned to the CARE model • Outreach to underserved children and families • Needs analysis to inform appropriate interventions	• Structured programmes delivered • Underserved children enrolled • Families engaged through outreach • Needs assessments completed	• Children regularly attend and participate in sessions • Children feel emotionally safe and supported • Children able to identify and express basic emotions	• Sustained confidence and positive self-identity • Improved emotional awareness and regulation • Greater resilience when facing challenges	• Improved long-term emotional well-being and psychosocial health • Better equipped to navigate life transitions and relationships • Stronger, more resilient families and communities
QUANTITATIVE	• $100,000 donation • Funding period: 1 year	• Programme sessions coordinated • Outreach activities conducted • Needs assessments conducted	• Unique beneficiaries: 200 • Programme hours: 1,000 hrs • Evaluation responses: 1,500	• 70% feel more comfortable expressing thoughts, feelings, and emotions • 70% can recognise and describe emotions and healthy coping strategies • 70% feel capable of handling challenges	• 60% show increased willingness to speak up and participate • 60% demonstrate improved self-regulation • 60% show improved decision-making	• Children remain engaged in education and positive pathways • Sustained improvements in emotional regulation scores over time • Retention in programmes over multiple years

Community Engagements

Xuan Yong receiving, on behalf of TCA, a token of appreciation from Community Chest presented by President Tharman Shanmugaratnam, with Zhulkarnain Abdul Rahim (Minister of State, Social & Family Development) and Anita Fam (President, NCSS).

TCA team and portfolio companies' partners volunteer together annually for meaningful social and environmental causes like care bags packing for low-income families and tree-planting.

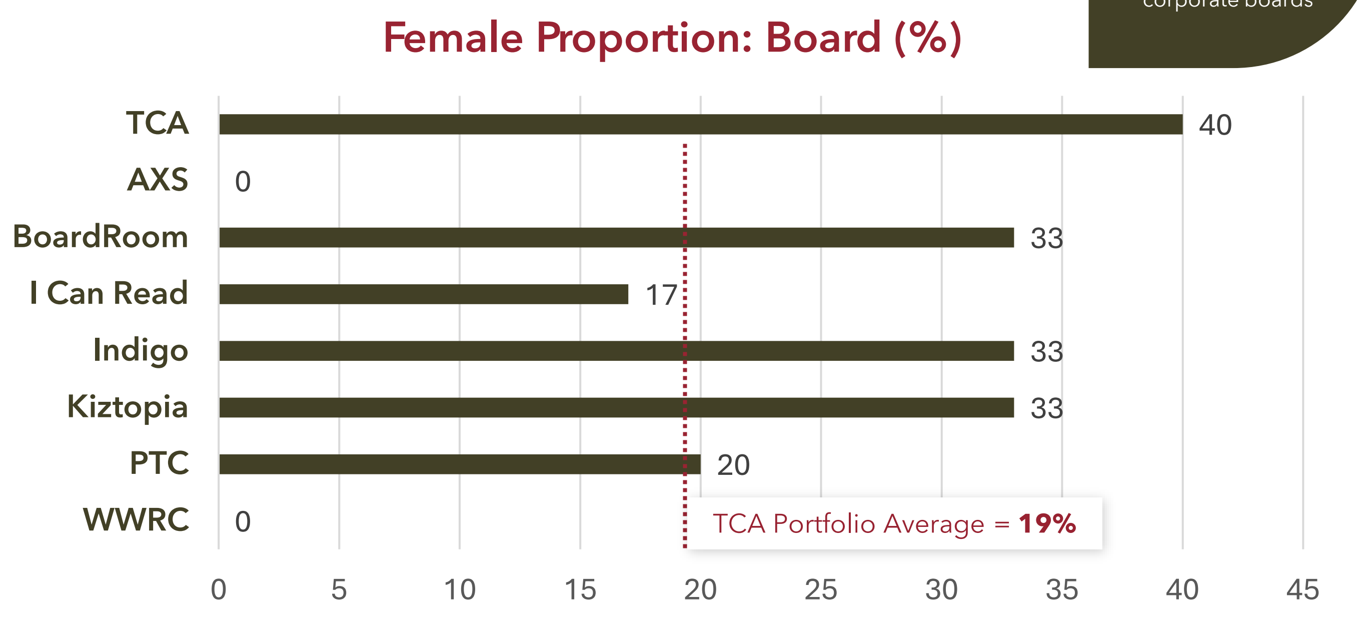
GOVERNANCE

Building a Culture of Good Governance

TCA works with portfolio companies to ensure policies, awareness and training in key governance topics for risk management. Where there are new developments, (e.g. AI), the topic is discussed and training is provided to evolve good policies & practices. To date, topics covered include:

- Board Diversity
- Anti-Bribery & Corruption
- Cybersecurity
- AI Governance

Majority of TCA portfolio companies **outperform the national average (18.3%)** for female representation on corporate boards*



Promoting Robust Governance within Portfolio Companies

Pre-Investment:

Governance risks are assessed as part of the due diligence process. Where material governance risks are identified, mitigation measures are developed and integrated as part of the value creation plan for execution post-investment.

Post-Investment:

TCA Sustainability & Community Team works closely with the Deal Team and Value Creation Team to implement the ESG recommendations identified during the due diligence process. These recommendations include the development and implementation of key governance policies (e.g. anti-bribery and anti-corruption policies, cybersecurity policies), which TCA facilitates alongside the management team.

TOWER CAPITAL ASIA

Proactive Quarterly ESG Engagement with Portfolio Companies

TCA works closely with portfolio companies to actively manage material ESG risks and opportunities through regular quarterly ESG engagement sessions. External ESG experts are invited to provide workshops and talks on topical areas. Through these sessions, TCA builds portfolio company capacity towards effective ESG risk and opportunity management – and on an ad-hoc basis, engages directly with individual companies on company-specific ESG initiatives.

E Environment S Social G Governance

8	6+	9+	100%
Quarterly engagement sessions held across 2024–2025	External expert organisations engaged, incl. PwC, Anthesis, CultureAmp	Broad range ESG topics covered, Incl. Environmental Risks, Fair Employee Practices, AI Governance, Sustainable Finance	Portfolio companies participating in ESG engagement programme

2024

Q1
Climate Change Risks & Opportunities
Anthesis
Briefed portfolio companies on climate risks, mitigation strategies, and emerging opportunities to enhance climate resilience.
E – Environment

Q2
HR Best Practices
CultureAmp
Shared HR best practices to drive higher employee satisfaction, greater productivity, and improved retention across portfolio companies.
S – Social

Q3
RI Policy Update + MAS EnRM Guidelines
PwC
Updated TCA's RI Policy for MAS Environmental Risk Management Guidelines alignment, and shared implications for portfolio companies.
E + G

Q4
Sustainable Finance + Cybersecurity Risk
Sustainable Finance Providers
Introduced sustainable financing instruments for SMEs and reinforced cybersecurity best practices including phishing, incident management, and network security.
E + G

2025

Q1
2025 ESG Landscape + Portfolio 2024 Review
PwC + ICR + BoardRoom
Shared upcoming regulatory trends in Singapore and invited ICR and BoardRoom to present their 2024 ESG highlights, successes, and challenges.
E + S + G

Q2
Portfolio Company 2024 ESG Review
Indigo + AXS + TCA ESG Team
Indigo and AXS shared 2024 ESG highlights and challenges. TCA conducted a cross-portfolio review reinforcing consistent ESG data monitoring.
E + S + G

Q3
Workplace Fairness Act
SG Enable · Standard Chartered · Eden Strategy
Panel discussion with HR experts to prepare portfolio companies for implementation of Singapore's Workplace Fairness Act.
S – Social

Q4
AI Governance
External AI Governance Experts
Panel on responsible AI integration – covering competency building, governance policies, and the opportunities and risks of AI in business workflows.
G – Governance

Engagements with ESG Champions in Portfolio Companies

ESG Champions Group

AI Governance

Workplace Fairness

Case Studies

From Portfolio Companies

AXS

AI Transformation Approach
Governance & Process

TOWER CAPITAL ASIA

As a leading integrated bill payment and collection services provider in Singapore and expanding into Southeast Asia, AXS kept itself at the forefront of technological development to enable over 1 million individuals and organisations to pay and collect bills and financial transactions efficiently daily. While the AI boom yielded many opportunities to enhance operations and customers' experience for AXS, its board and management took a responsible and systematic approach to Agentic AI adoption to prevent fragmentation and unexpected risks while spurring usage since second half of 2025.

AXS' AI adoption roadmap combines top-down governance with bottom-up execution. The Enterprise AI Governance & Use Policy is deliberately designed to establish central structures, standards, and guardrails upfront through a centralised, risk-based governance model led by a cross functional AI Governance Committee (AIGC), while enabling teams to execute and innovate responsibly within those boundaries. The policy defines clear accountability by requiring each AI system to have a named System Owner and sets out graduated approval and oversight requirements based on the risk profile of each use case, with higher risk and autonomous AI systems subject to formal committee review. At the same time, it is designed to encourage controlled experimentation through a safe exploration approach, allowing teams to explore AI capabilities using non confidential or synthetic data under defined controls.

Where use cases involve personally identifiable information (PII) or sensitive customer data, the policy intentionally defaults implementation to internal solutions developed or governed by AXS' internal AI Lab and enterprise platforms, ensuring tighter control over data handling, security, and compliance. Customer data confidentiality is therefore protected by design through data minimisation requirements, restrictions on public or unapproved AI tools, prioritisation of enterprise grade platforms with data protection assurances, mandatory human oversight, and clear third-party risk expectations—ensuring responsible AI enablement while preserving innovation momentum and agility.

AXS

AI TRANSFORMATION INITIATIVE

1 Week Intensive Workshop

15	70+	136
BUs	**Participants**	**Use Cases**
Cross-Functional Teams	Engaged Attendees	Identified Opportunities

STREAMLINED TO

71
PRIORITY USE CASES
Selected from 136 identified opportunities

KEY AREAS
- Efficiency
- Innovation
- Customer Experience

SELECTION PROCESS
- ☑ Reviewed
- ☑ Prioritized
- ☑ Aligned

FOCUSED RESULTS
- Top Use Cases Identified

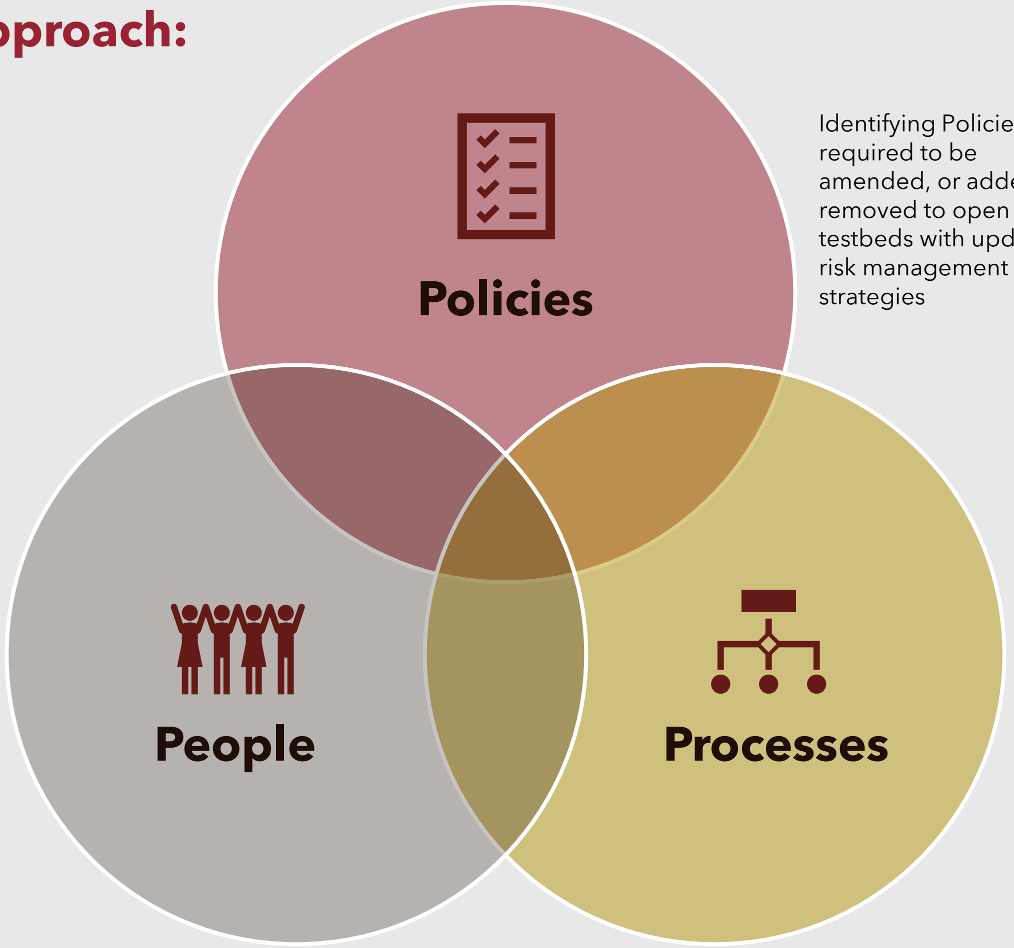
IMPACTFUL OUTCOMES
- Action Plans Developed

AI Transformation Approach
Governance & Process cont'd

Oversight is vested in a cross functional AI Governance Committee (AIGC), comprising representatives from business, technology, security, and risk functions, to ensure that AI decisions are evaluated holistically from technical, ethical, regulatory, and business perspectives. Business aligned AI System Owners are designated to retain day to day accountability, while technology, security, and risk teams provide independent assurance and controls.

This structure is intentionally selected to centralise decision making and risk ownership for higher impact AI use cases, while allowing lower risk use cases and experimentation to proceed efficiently within defined guardrails—ensuring consistent governance, timely decision making, and alignment with regulatory expectations without constraining innovation.

The 3-P approach:



Identifying Policies required to be amended, or added, or removed to open testbeds with updated risk management strategies

Engaging People across all business and functional lines to harness interests, talents, and cross-functional synergies to equip and adopt AI

Surfacing Processes with potential to gain efficiency

I CAN READ

Integrating Operational Efficacy with Environmental & Social Strategies

TOWER CAPITAL ASIA

What started as organising ESG efforts by ICR's management, involving ICR's employees in HI-PO* team, triggered a series of innovations that the company is benefitting from in both operations and employees' development.

Despite a low total greenhouse gas (GHG) emission, ICR management committed to building an environmentally responsible culture when TCA started more structured ESG efforts in 2022. ICR management began with small energy-saving campaigns around reminding and recognising small actions that mattered – like switching off the lights after classes, optimising class size through smart scheduling to minimise air-con usage. They also deliberately explored ways to reduce paper use, starting with more sustainable paper sources and using lower weightage paper.

By 2025, this has built momentum into initiatives like digitalisation of communication with parents through an innovative ICR Connect app, instead of the usual printed communication. To garner buy-in from parents, ICR focuses on the change management process, partnering with parents to listen to their feedback and implementing new processes to support the transition, including WhatsApp-based communications. Internally, management works closely with the IT team to closely track ICR Connect app adoption, which reached 60% by December 2025 (and 69% by March 2026).

ICR management also upgraded the teaching content and empowered teachers with environmental consciousness, rolling out initiatives like working with the curriculum team to balance out e-resource and physical copy resources and increasing use of digital materials to improve accessibility and reduce paper usage. For example, using e-copy of SOP instead of printing materials with more than 100 pages. By tagging and integrating e-resources into ICR's teaching and operational processes, printed book and worksheet pages were reduced by 18% and paper usage per student decreased by 22%, based on average pages per student in 2025 compared to 2024. These initiatives demonstrated ICR's continued commitment to environmentally responsible practices, while maintaining educational quality and accessibility.

On the social pillar, employees' training & capability building has been the focus. ICR achieved a total of 4,200 training hours for employees in 2025 (vs 3,721 in 2024). From the Hi-Po programme, the Convergence Project was birthed. This initiative strengthens the capabilities of 31 of ICR's Centre Managers, Teachers-in-Charge, Senior Teachers, and emerging talents through training modules like Speak to Lead, The Inner Shift, The Art of Persuasive Consultation, Problem Solving with over 1240 man-hours invested , empowering them to collectively own ICR centres' outcomes to achieve overall business growth.

Employees trained through the Hi-Po programme and Convergence Project are further building a monthly lunch-time training session accessible to all employees through virtual mode across all centres. The attrition rate in ICR reduced to 21.9% (July 2024 – June 2025) compared to 27.4% (July 2022 – June 2023) and overall education industry attrition of 30%-40%**.

By integrating ESG strategies into business operations and employees' development, ICR has achieved progress not only in sustainability but also in innovations.

Footnotes:
* *High Potential Programmes- targeting ICR C-1 employees with 3 key employees identified in 2024 with external one-on-one coaching; stretched projects; senior management mentoring invested over 18 months.*
** *https://www.award.co/blog/employee-turnover-rates*

Sustainability Efforts that Expanded Product Offerings for Customers

As a specialty chemical distribution business in Southeast Asia, TCA and WWRC management jointly identified the opportunity to contribute to the supply chain of its customers with more sustainable products. This was done on top of laying foundational ESG risk management policies and monitoring of key ESG metrics.

Working collaboratively with the TCA Sustainability and Community team, WWRC management in Singapore headquarters pursued deep-dive research and discoveries of sustainable products with technical advice provided by WWRC's network of 6 Senior Technical Service Managers & Chemists in 4 Application Laboratories across Malaysia and Indonesia.

WWRC has begun to engage key customers on sustainability innovation and improvement journeys, to harness business opportunities for more sustainable products that are:

- Made from more energy-efficient processes; and/or
- Have ingredients with more bio-based components and/or recyclable potential; and/or
- For applications that are more likely to minimise Volatile Organic Compounds (VOC) or harm to the environment.

For example, with one of its long-time key customers, WWRC was invited to engage beyond the operational procurement teams to also present specialty chemical solutions to the customer's global sustainability team to offer advice and sourcing of more sustainable solutions for the customer from its network of principals/ suppliers. To strengthen WWRC's environmental management systems (EMS) across the key countries where WWRC operates in, the management undertook efforts for ISO14001 certifications to improve their environmental performance and ensure compliance with regulations. The management is also investing efforts to achieve better Ecovadis recognitions across its operations.

In meeting customers' growing interests in sustainable products, WWRC focuses on helping them meet environmental regulatory requirements and industry guidelines, all as part of WWRC's commitment and responsibility towards customers' trust. WWRC also proactively reduces its operational greenhouse gas (GHG) emissions and energy consumption by installing solar panels in key facilities. By 2025, they have installed 174 solar panels in their main offices which produces close to 95,000kWh of annual renewable electricity. WWRC also adopts electric or hybrid models as first-choice-company vehicles in countries where infrastructure supports it.

TOWER
CAPITAL
ASIA

Let’s connect.

towercapitalasia.com