



2021

SUSTAINABILITY REPORT

ACHIEVING
CARBON
NEUTRALITY
FOR YOU

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Sustainability Committee
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INTRODUCTION



THIS IS NEFIN GROUP'S FIRST IMPACT REPORT

All data covers the period up to December 2021, unless otherwise specified. This report is designed to reflect our sustainability ambitions and progress relating to our business operations in Mainland China, Hong Kong, Taiwan, Malaysia, Thailand, and Singapore. For questions about the report, please contact the Sustainability Committee at sustainability@nefinco.com.

About NEFIN GROUP

NEFIN Group is a premium green independent power producer offering bespoke carbon neutral technologies & financing solutions in Asia Pacific. NEFIN Group's different business segments are advisory and consultancy, technology deployment, project financing and asset management. We also conduct ESG consulting, energy audit, green financing and sustainability talks for external parties. NEFIN Group has delivered over 300MW of solar installations to date and is currently managing more than 40 operational projects.

Key Outcomes/Developments of 2021

As of 2021, NEFIN Group has already generated approximately 130 GWh across our portfolio of distributed solar photovoltaics ("PV") assets. We are actively involved in educating corporations and the public on the importance of renewable energy and carbon neutrality.

VISION & COMMITMENT

NEFIN Group continually strives to create a sustainable future for all stakeholders and the communities in which we operate. Our innovative solutions allow our partners to consume emission-free electricity and reduce their total energy consumption through our carbon neutrality solutions. NEFIN Group believes the future of the world is everyone’s responsibility and strives to redefine energy boundaries towards a sustainable future. Environmental, Social & Governance (“ESG”) principles are fundamental to NEFIN Group’s operations and help to guide the corporation’s direction in all our activities. We aim to be fully carbon neutral by 2030 or sooner.

NEFIN Group’s sustainability strategy uses an integrated and holistic approach in order to tackle the 3 pillars of sustainable development: environment, society and governance. Our approach consists of the identification and assessment of key sustainability matrices; executing strategic analysis and targeted improvement of operational and governance practices; and continuous evaluation through periodic reviews, updates and follow up actions.

At NEFIN Group, we have selected 8 of the United Nations’ 17 Sustainable Development Goals (“SDGs”) to prioritize as our main focus areas which help us to strike a balance between social, economic and environmental sustainability. These commitments and initiatives are supported and upheld by our Sustainability Committee, consisting of members representing various departments.



- Reduce environmental impact and ensure environmental sustainability
- Achieve a high standard of occupational safety and health
- Promote an environmental culture and awareness among our staff

CEO MESSAGE

NEFIN Group is pleased to present our inaugural sustainability report. With a robust corporate policy framework incorporating Environmental, Social, & Governance (ESG) principles as foundation, we believe the values of NEFIN Group are aligned with the wider community to help us achieve a more sustainable future. ESG principles are fundamental to NEFIN Group's operations and help guide our direction in all our activities, both internally and externally. We have set our goal to be fully carbon neutral by 2030 or sooner.



Glenn Lim
Chief Executive Officer


NEFIN Group has grown exponentially over recent years. Being a trusted partner of MNCs for carbon neutral technologies and financing solutions, NEFIN Group stands at the forefront being a green independent power producer ("IPP"). With the mission for "Achieving Carbon Neutrality for You", we are committed to the global climate goals set out in the Paris Agreement in 2021 and accelerate the decarbonisation efforts with our clients.

It has been a challenging year worldwide in 2021, as the pandemic intensified with yet another variant as many countries struggled with how to re-open and restore their economies. NEFIN Group, against all odds, strived to remain at the competitive edge by being resilient and innovative. I believe that the expansion of our business across the region has been underpinned by our commitment to offer high quality bespoke products and services.

Our innovative solutions allow our partners to consume emission-free electricity and reduce their total energy consumption through our carbon neutrality solutions. NEFIN Group believes the future of the world is everyone's responsibility and strives to redefine energy boundaries towards a sustainable future.

We continued to expand beyond our original three regional offices and 2021 was the year that NEFIN Group achieved a few milestones such as securing funding from AC Energy, an important strategic investor and joint venture partner, acquiring several large projects and important clients and setting up our sister regional headquarters in Singapore.

We have successfully increased our total contracted capacity in the APAC region to more than 300MWp including our first client in Singapore and Thailand beyond our familiar regions. All these are positive steps toward a zero-carbon planet.



NEFIN Group will continue to expand our business and operations to shape Asia Pacific's renewable energy environment. We aspire to establish meaningful, long-term partnerships and deliver relevant technologies and maximise returns for all our businesses and stakeholders.

Being at the helm of our sustainability committee, the management is committed to walk the talk with our clients. We formalised what sustainability means for NEFIN Group and set out a clear plan in support to the United Nations Sustainable Development Goals ("UNSDGs"), which we have identified SDGs 3, 4, 7, 9, 11, 12, 13 and 17 as our focus areas.

NEFIN Group has participated in various workshops and webinars to raise awareness and educate the public on the importance of carbon neutrality and the continued sustainability of our environment.

Ensuring the health and wellbeing of the people working in our operations is also important during these vulnerable times to facilitate the overall operations within the ecosystem. We focus on the development of our people as we recognise that our staff are the true assets of NEFIN Group.

We believe that collective action is the key to any sustainable change and that through partnership and collaboration, we can secure a healthier and greener world by embedding sustainability throughout our value chain.

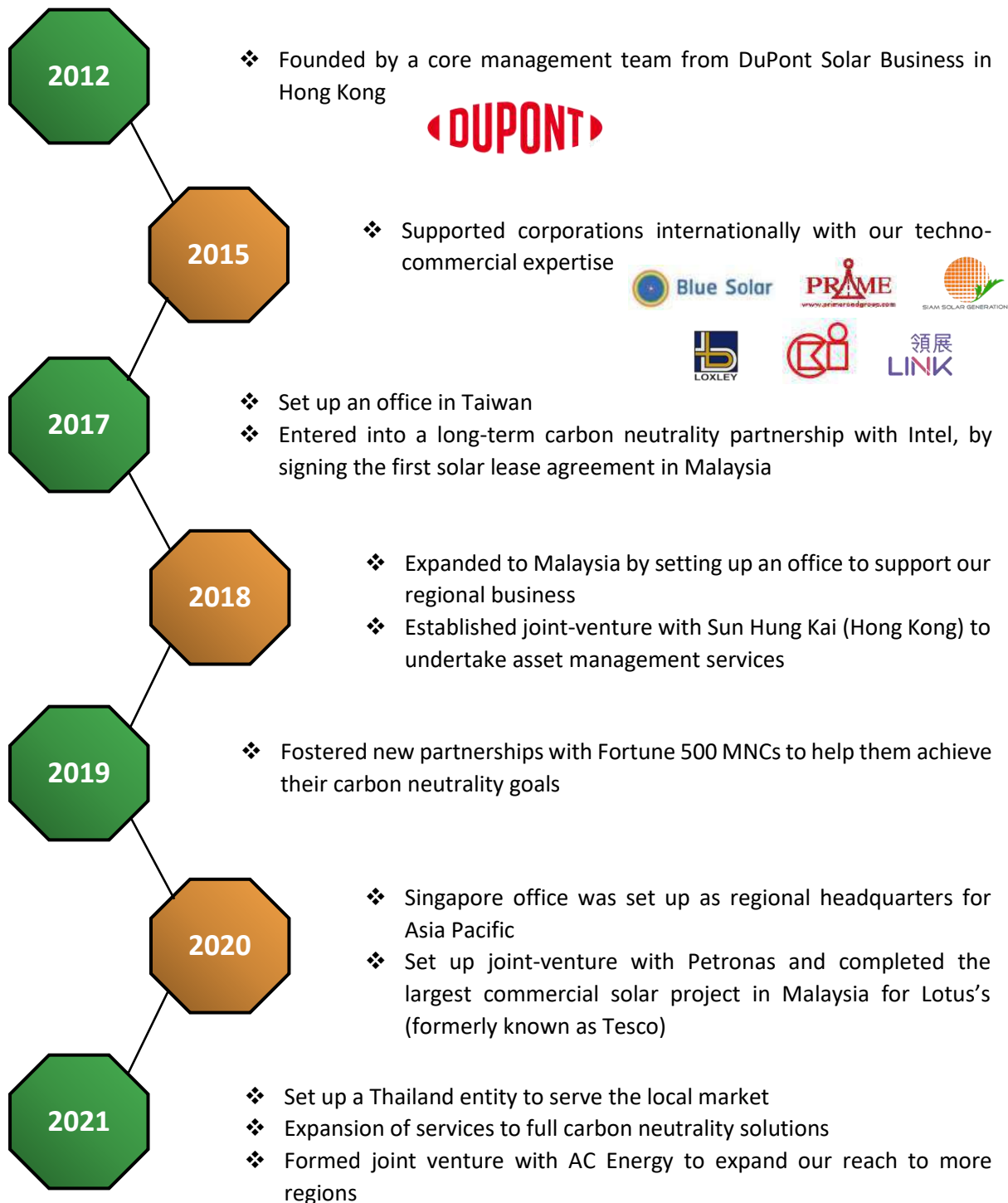
The scope of this report covers mainly our Hong Kong, Malaysia and Taiwan operations. We aim to expand the scope of reporting to include sites and operations in other regions to cover all sustainability topics in future reports.

I would like to thank our regional teams, clients, suppliers, investment partners and all other stakeholders for their continued support and contribution to NEFIN Group's sustainable growth and for taking lead in doing the right things toward minimising our carbon footprint not just on the present environment but for future generations as well.

ABOUT NEFIN GROUP

- CORPORATE MILESTONES
- COMPANY PROFILE
- IMPACT SUMMARY
- SUSTAINABILITY FRAMEWORK
- SUSTAINABILITY TARGETS

CORPORATE MILESTONES



COMPANY PROFILE

Core Management

NEFIN Group believes in investing in people and its leadership team, which includes professionals from reputable organisations across the globe, including DuPont, Allen & Overy, Macquerie Capital, SMBC, Morgan Stanley and Merrill Lynch.

Partnerships & Shareholders

The new joint venture with AC Energy allowed NEFIN Group to further expand its reach in APAC to Vietnam, Indonesia, Philippines and Australia. Other joint ventures with Hong Kong-based real estate developer, Sun Hung Kai Properties and the largest oil and gas company in Malaysia, Petronas, also helped NEFIN Group acquire several large projects.



Accreditation & Certification

NEFIN Group is honoured to be recognised and associated with the following organisations.



Government Incubated

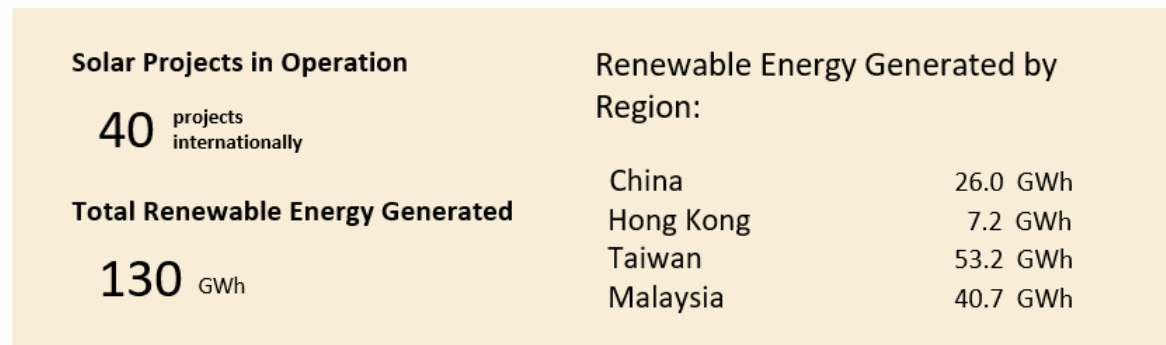
NEFIN Group's humble beginnings started in Hong Kong, incubated by the Hong Kong government at the Hong Kong Science and Technology Park.



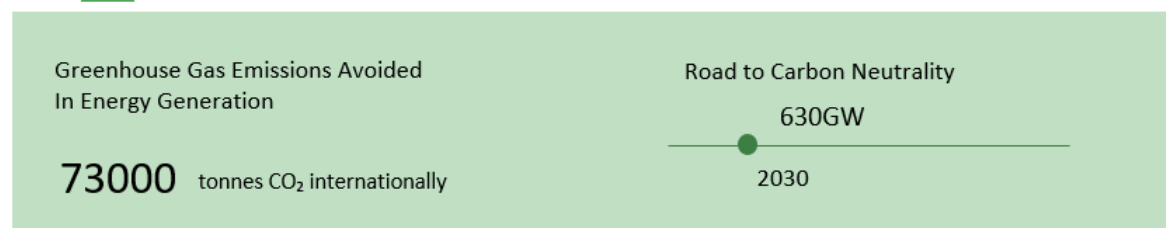
IMPACT SUMMARY

An overview of the impact in 2021.

SDG 7 AFFORDABLE & CLEAN ENERGY

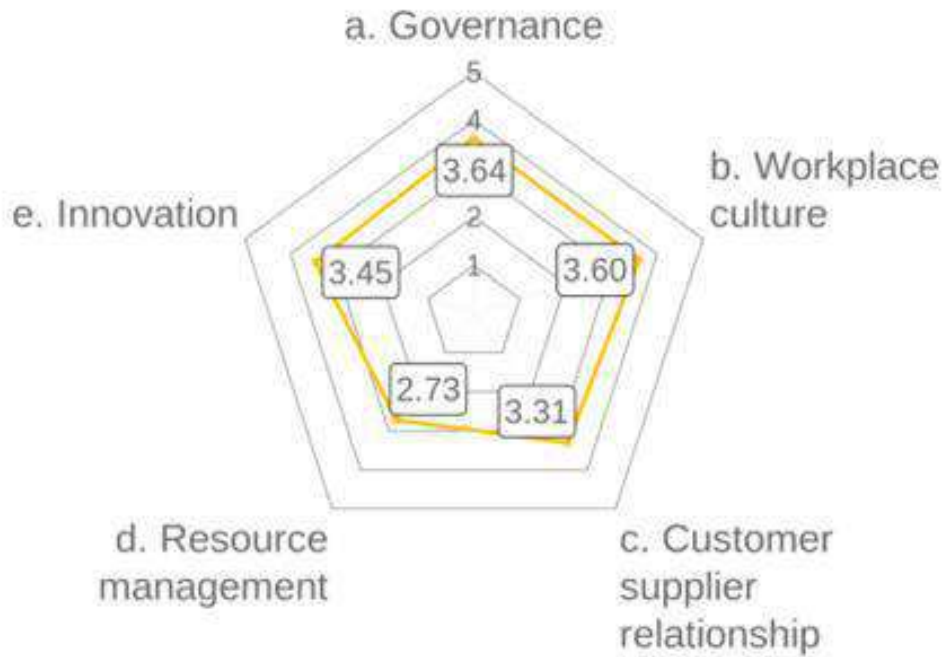


SDG 13 CLIMATE ACTION



SUSTAINABILITY FRAMEWORK

This is NEFIN Group’s sustainability roadmap to 2030, which includes the analysis of our strengths and weaknesses in areas of ESG.



Strengths	Opportunities
Strategy & Oversight	Sustainability Advocacy
Training & Development	Low-Carbon Operations
Value Chain Risk Management	Ethical & Green Sourcing
Sustainability Risk Management	Corporate Social Innovation

SUSTAINABILITY TARGETS

We are setting different timeframe targets to achieve our carbon neutrality goal.

Aspect	Timeframe		
	Short 2021-2023	Medium 2021-2025	Long 2021-2030
Understanding Business Sustainability			✓
Creating Purpose Statement	✓		
Establishing Sustainability Management Committee & Policies		✓	
Developing Sustainability Action Plan	✓		
Setting Sustainability Baseline w/ Metrics & Data	✓		
Formulating Sustainability Targets	✓		
Preparing Sustainability Disclosure			✓



IMPACT CONTRIBUTION

- GLOBAL
DECARBONISATION
EFFORT
- ENERGY
PRODUCTION IN
ASIA & PACIFIC
- GLOBAL ENERGY
LANDSCAPE
- NEFIN GROUP'S
STRATEGY
- CARBON
NEUTRALITY
- DEGREE OF IMPACT
- DIFFERENTIATION
- ROADMAP TO
NEUTRALITY

IMPACT CONTRIBUTION



In 2011, the global installed solar capacity was only around 70 GW.
 In 2021, the global installed solar capacity increased to around 773 GW.

GLOBAL DECARBONISATION EFFORT

The 2021 United Nations Climate Change Conference (COP26) was closed in November with the mutual agreement over the need for reaching global net zero GHG emissions as the key outcome. Global emissions are continuously increasing at present, and we are on the path to exceeding 1.5 degrees. To achieve global decarbonisation, there need to be a substantial number of renewable energy projects.

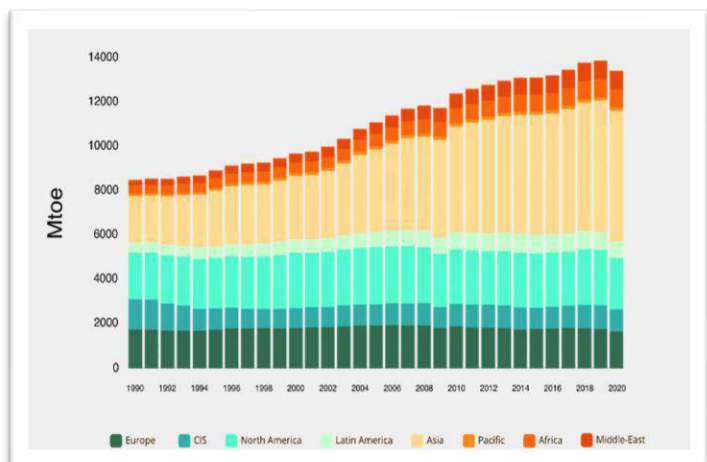
High cost and regulatory constraints were key challenges to the widespread adoption of solar power for commercial and industrial consumers. The tenfold increase in globally installed solar capacity in the past 10 years demonstrates the dedication to carbon neutrality.

ENERGY PRODUCTION IN ASIA & PACIFIC

According to the International Renewable Energy Agency, the Asia and Pacific regions account for more than half of global energy consumption, with a rising demand for more energy stemming from industrialisation and urbanisation. Of the energy consumed, around 85% of that consumption comes from fossil fuels. As these regions continue to grow, the transition from non-renewable energy to renewable energy will be a common problem that needs to be addressed.

TOTAL ENERGY CONSUMPTION

While global energy consumption increases year on year, the total energy consumption in Asia in particular is significantly higher. Hence, we want to do our part to help maximise the consumption of renewable energy in the Asia market.



NEFIN GROUP STRATEGY

As a trusted partner standing in the forefront of the renewable energy market, NEFIN Group provides land and facility owners with bespoke carbon neutral technologies and financing solutions in Asia Pacific. Solar PV systems and associated services from NEFIN Group provide corporations with the full spectrum of tools necessary to become more environmentally friendly and move into renewable energy. NEFIN Group offers the following list of carbon neutrality solutions as an IPP focusing on offsetting Scope 2 and Scope 3 carbon emissions:

- ❖ Energy Management - AI-powered Energy Management System
- ❖ Energy Efficiency - Energy Audits and LEED Gap Analysis
- ❖ HVAC & Lighting Retrofits & Refurbishment
- ❖ ESG Reporting
- ❖ Energy Management Gold Standard (EMGS) & Green Building Index (GBI) Certification
- ❖ On-Site/Off-Site Renewable Energy Installation
- ❖ O&M Services including Preventative Maintenance
- ❖ 24/7 Site Security & Supervision
- ❖ Performance Monitoring & Reporting
- ❖ Energy Storage Systems
- ❖ Renewable Energy Certificates

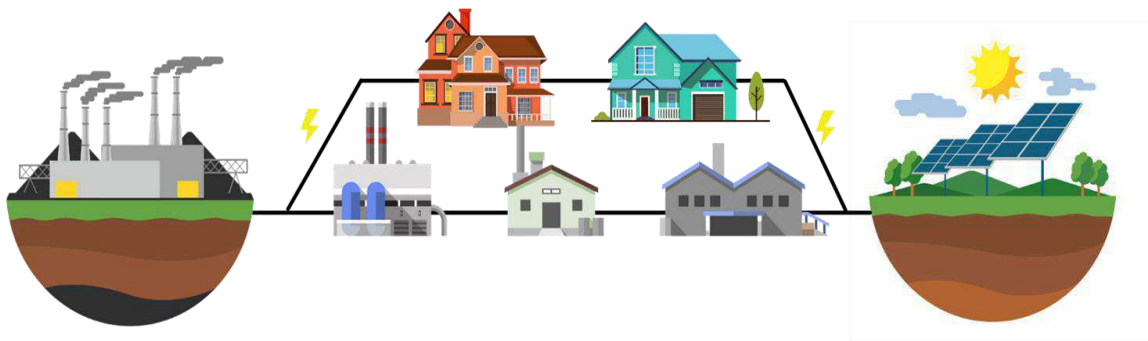




**COMMITTED TO
GLOBAL
SUSTAINABILITY
GOALS**

CARBON NEUTRALITY

For many regions in Asia, the local utility companies restrict the use of energy mix between renewable energy and traditional non-renewable sources. The generation in these regions, such as Hong Kong, improves and contributes to the renewable energy mix for Hong Kong utilities, supporting the energy transition efforts for all the users of electricity in those regions to clean energy. NEFIN Group has delivered over 300MW of solar installations to date and currently manages more than 40 operational projects, serving companies of all sizes throughout 13 regions including Mainland China, Hong Kong, Taiwan, Malaysia, Singapore and Thailand.



NEFIN Group has pioneered a zero-investment model for carbon neutrality solutions in the various regions that we operate in and has been actively supporting the growth of the distributed renewable energy market in Asia Pacific.

DEGREE OF IMPACT

Our stakeholders are located across the various regions in which we operate, and our projects have empowered a wide range of corporations with the ability to generate renewable energy. Serving clients from commercial and industrial leaders to institutional companies, NEFIN Group seeks to respond to the growing market demand for renewable energy and sustainability practices in the energy sector.

MAINLAND CHINA

Corporation A

This project is divided into two phases. With the completion of the first phase, 17,422 solar modules have been installed on available carparks and ground surfaces, approximately the size of 100,000 square metres in total. The first phase is expertly engineered to produce an estimated 7,700,000 kWh clean solar energy per annum and reduce carbon emissions by 8,000 tonnes.

Leveraging on the robust mounting structure, the ground-mounted solar panels can easily be redeployed to the rooftops of buildings in Corporation A in the future. The first phase was completed within five months, which is exceptionally short compared to industry standards. With the full system up and running, it will be able to generate an installed capacity of over 10,680,000 kWh, worth over a million-dollar saving for the corporation.



Corporation B



This collaboration involves the installation of 940 solar panels on the rooftop of the factory located in Shenzhen with a system capacity of 423kWp that is able to generate 524,846kWh of green energy yearly. This project helps the global manufacturer to reduce its global energy carbon footprint by approximately 70% through the use of renewable energy. As Corporation B looks toward achieving its renewable energy goal for 2025, the integration of additional solar panel systems across their plants will also allow them to facilitate their clients' ESG goals as the economy transits towards more sustainable modes of conducting business.

Corporation C

This car park integrated solar PV system is located at Corporation C's largest R&D facility in the Asia Pacific. This is first solar PV project in Shanghai, China, for the world's largest semiconductor. With carbon savings of an estimated 7,158 tonnes over the system's lifetime, NEFIN Group is proud to assist our client in their electricity savings and fulfilling their CSR.



HONG KONG Corporation D

This is the city's biggest producer of solar power to date with an installed capacity of over 1.8 MWp. Corporation D and NEFIN Group share the same commitment to sustainability and environmental protection.



With over a decade of industry-leading expertise in solar development, NEFIN Group installed a comprehensive suite of bespoke integrated solar energy systems at the location, which uses the latest solar PV innovations. The project was engineered with high safety and quality standards to withstand typhoons and salt corrosion.

The inverted V-shape design of the panels maximises electricity generation and minimises the impact of wind load. This design won the Role Model Award & Best Materials Award at the Hong Kong EMSD Solar PV System Installation Role Model Elections.

Corporation E

In Hong Kong, NEFIN Group has completed four projects for this client with the installation of solar PV systems at a capacity of almost 1,500 kWp by deploying more than 3,000 rooftop solar panels across their properties in 2021.



One of the projects was exceptionally complicated and involved a lot of coordination to lift the equipment to the rooftop as it is a high-rise with no unloading spaces around the building. Adding to the complications was the situation of strong winds near the sea. Against all odds, the project was completed and has been generating clean energy for the environment ever since.

Corporation F

NEFIN Group completed the first phase of the solar energy collaboration project with the installation of the solar panels on the hotel's rooftop. The solar PV system will collectively generate 10,400 kWh of clean energy per year, offsetting approximately 8,400 kg of carbon emissions yearly.

Corporation F is recognised for its high-quality accommodation and services and has a track record of contributing to environmental and socially responsible causes, ranging from food rescue to organising activities for the disabled.



Corporation G



Corporation G has been proactively seeking opportunities to efficiently curb its energy and carbon emissions as part of its holistic sustainability strategy across the supply chain. Its collaboration with NEFIN Group marks a key solar project in Hong Kong by installing 336 pieces of cutting-edge shingled modules together with leading monitoring and control systems on the rooftop of their corporate headquarters.

This system has a very high fire safety standard. They can be shut down locally or remotely when fault is detected. The energy generation data are sent to the cloud in NEFIN Group's monitoring centre daily to perform data analytics. The system is expected to produce an estimated 145,000 kWh per annum to the grid which will decrease approximately 95.8 tonnes of CO₂ per year. This is equivalent to planting 4,165 trees a year.

Corporation H

Corporation H in Hong Kong installed solar PV panels on their rooftop for the generation of solar energy to reduce carbon footprint. The solar PV panels will collectively generate 10,400kWh of clean energy per year, offsetting approximately 8,400kg of carbon emissions.



This client's curriculum aims to equip students with the skills and values needed for a sustainable and productive future. Green energy and solar panel design are part of their student-driven programmes on STEM (Science, Technology, Engineering and Math). With the installation of solar PV system in their campus, it provides a learning platform for the students.

Corporation I

The implementation of four holistic solar PV systems in the main campus of Corporation I, one of the established seminaries in Hong Kong, covers six rooftops in the campus.

The 316 solar PV panels installed can generate approximately 152,559 kWh yearly, offsetting 78 tonnes of CO₂ emission per year. The scale of this installation would be equivalent to planting 1,297 trees yearly.



Corporation J

This project adopts a dual-purpose solar panel system comprising of traditional rigid solar panels and flexible solar panels catered to fit different rooftop loading capacities.

The revolutionary solar panel system overcomes the space and loading constraints seen in most buildings while safeguarding building structures.



Covering the upper roofs and accessible roof of Corporation J, the solar power system is expected to generate power of 66,000 kWh per year, equivalent to offsetting 46,860 kg of CO₂ emission or driving an electric vehicle for 365,000 km.

An innovative approach was being used in this installation to cater to the different roof material. By directly fixing the flexible solar PV panels to the roof surface, wind-load and dead-load are significantly reduced, allowing for the full utilisation of the available structural loading of the roof and hence, maximising the overall solar plant capacity.

TAIWAN

Corporation K

NEFIN is proud to collaborate with Corporation K to install a solar PV system that covers an impressive area of more than 13,000 square metres over a warehouse in Taoyuan, Taiwan.



This rooftop project offers a solar capacity of more than 1,750 kW, with an average annual power generation of over 2 million kWh. It will help to reduce an average of 1,100 tonnes of carbon emissions yearly, which is equivalent to planting more than 110,000 trees. It is a significant milestone for our client in achieving its global emission reduction target. Our team accomplished such a complicated, state-of-the-art project in slightly over six months.

Corporation L

The rooftop solar PV system of Corporation L in Taoyuan, Taiwan was installed using corrugated metal sheets, with the support of fixtures. This installation method did not damage the roof surface and was able to reduce the chance of roof leakage. To deliver bespoke carbon neutrality solutions, NEFIN Group considers the long term development of our clients while contributing to the environment.

Corporation L is a professional company focusing on cranes and transporting equipment. In line with the global trend of carbon neutrality and sustainability, they decided to install a solar PV system with a 256 kW capacity for their business. This system is able to reduce approximately 160 tonnes of carbon emissions per year which is equivalent to planting 16,128 trees.



Corporation M

Corporation M, a professional flexible printed circuit (FPC) company, is committed to the implementation of environmental policies, fulfilling corporate social civic responsibilities, focusing on environmental sustainability, promoting water and energy conservation, carbon, waste water and waste reduction activities and continuing to contribute to environmental conservation.



In line with stringent Japanese safety standards, the installation of solar panels on the rooftops were carried out at their five sites in Taiwan. The solar PV system is expected to generate around 900MWh of green energy, allowing them to offset above 500 tonnes of CO2 emissions per year.

Corporation N

Safety, noise and fire risk management were key criteria during the bidding of this project. Not only did NEFIN Group satisfy these requirements, we also overcame engineering difficulties faced during the delivery of this 954kWp solar PV project. Waterproofing of the roof was carried out during construction to fulfil the client’s fire regulations.



MALAYSIA

Corporation O

Operations at Corporation O in Malaysia are harnessing solar energy from the 4.1 MW solar installation to help power six buildings across their Kulim and Penang campuses. This solar project, which began in 2020, contributes about 15% of Corporation O’s global on-site solar PV electric power capacity. This reduces CO2 emissions by around 3,800 tonnes.



The new solar farm panels in this Malaysia project cover an area equivalent to 900 parking spaces and more than 50,000 square feet on building rooftops. They are expected to generate about 6,000 MWh of electricity yearly. Solar sources partially replace the campus’ electricity demand during peak hours. This solar energy supply also helps to diversify and introduce renewable energy into the campus energy supply mix, which was predominantly powered by natural gas and coal sources.

Corporation P

Solar PV panels installed at 15 locations of Corporation P across the northern and central regions of Malaysia will collectively generate about 18 GWh of clean energy per year, thus reducing approximately 13,624 tonnes of carbon emissions into the atmosphere. The power generated from the solar PV panels can also light up as many as 104 Olympic-sized stadiums simultaneously or 804,905 three-bedroom homes for an entire year.



THAILAND

Corporation Q

Since their announcement of its carbon neutrality goal by 2025, Corporation Q has been very active in embracing sustainability measures wherever possible. The installation of 628 solar PV panels covering around 14,778 square feet of roof area on their plant in Malaysia and 1,008 solar panel on their plant in Thailand, displays their commitment toward producing renewable energy to offset their carbon footprint on the environment. Corporation Q targets to be at the forefront of this initiative in the countries where they have a presence in.

Due the global pandemic, our team encountered many unprecedented challenges throughout this project implementation phase. Different teams had to suspend work multiple times in order to comply with the regulations implemented by the local government.



Corporation R

This project covers an area of 7,000 square metres, helping Corporation R's manufacturing facility in Thailand to embrace clean energy and to achieve sustainability. This implementation supports our client's goal to minimise their environmental impact by reducing the usage of energy by 15%.

NEFIN Group is commissioned to design and build a total of 3,060 solar panels with a full capacity to generate 1,346.4 kWp. The system is estimated to produce a yearly output of 1,988,741 kWh, equivalent to reducing 1,566 tonnes of carbon emissions.



A current project in another location involves a rooftop installation of 1,266 solar panels with a total capacity of 563.37 kWp. This will generate 714,916.50 kWh of energy for the plant per year, resulting in financial savings of approximately USD 951,000 over the next 25 years for our client.

DIFFERENTIATION

In recognition and response to the key challenge of high cost constraints when considering solar implementation, NEFIN Group offers OPEX financing structures for clients so that they can adopt renewable energy more readily, without having the issue of managing cash flow or budgetary approval. We provide carbon neutrality roadmap planning for our clients to help them meet their carbon neutrality and renewable energy targets. Our covered technologies include on site and off site renewable energy installations, HVAC energy efficiency optimisation and renewable energy certificate procurement. NEFIN Group will finance the solutions and act as an asset manager and investor, allowing the client to enjoy the benefits without bearing risk or making any upfront investment.

GOING FORWARD



In an effort to contribute to the generation of renewable energy to meet regional and global decarbonisation goals, NEFIN Group aims to deliver 1,000 MW of green energy assets by 2025. We also recognise that energy generation through solar adoption is only one avenue. We are investing in other renewable energy assets and carbon neutrality solutions, including floating solar solutions, wind energy, improvements in solar energy storage, energy storage, energy efficiency of generation. With the development of other new and disruptive technologies, we also aim to develop financing structures for these new carbon neutrality solutions and other renewable energy investment (hydrogen, energy storage and energy efficiency).

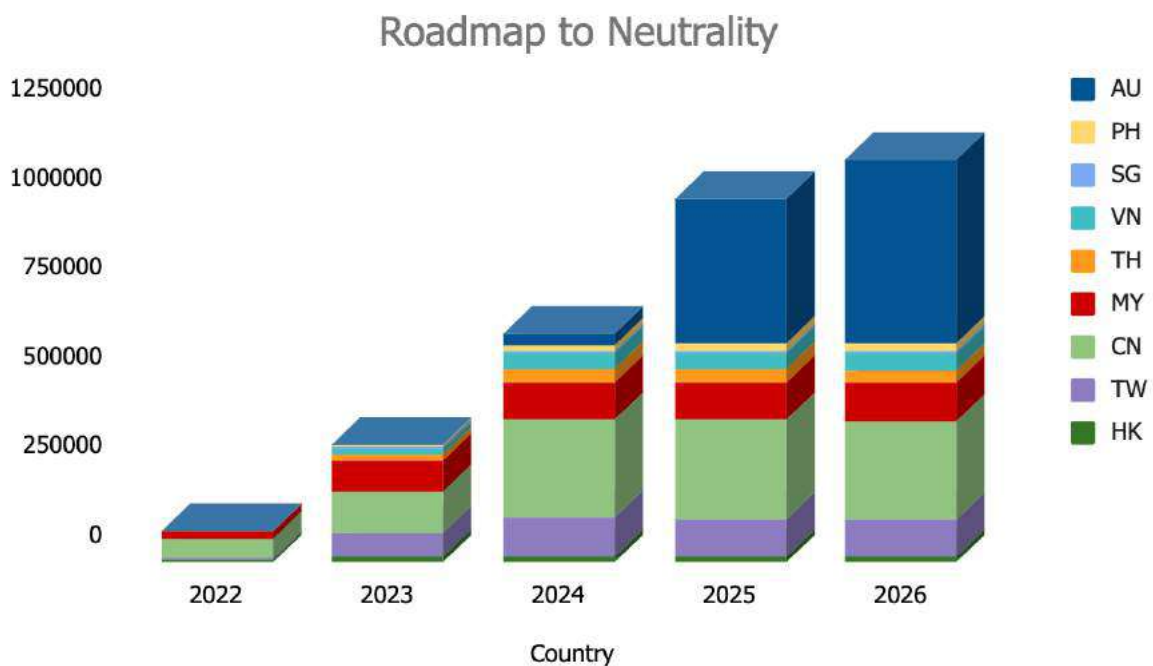


**BESPOKE
CARBON
NEUTRAL
TECHNOLOGIES
& FINANCING
SOLUTIONS**

ROADMAP TO NEUTRALITY

In the coming years, renewable energy generation will be key in achieving global carbon neutrality. NEFIN Group aims to create impact through its offerings and plans to expand generation to over 1 million MWh internationally to address the Asia Pacific market.

NEFIN Group has the target of growing the amount of renewable generation more than 10 times in 10 years, starting in 2022 at 77,833 MWh.



*The projection above is in MWh



OPERATIONAL CONTRIBUTION

- OUR RESPONSIBILITY
- CLIMATE
- ENERGY
- GREENHOUSE GAS
- LAND
- WASTE
- SUPPLY CHAIN
- PEOPLE
- GOVERNANCE

OUR RESPONSIBILITY

We understand that the protection of the environment is a collective responsibility. Therefore, we are committed to working with our employees to contribute to environmental protection in our business activities and operations.

We are committed to:

- a. achieving a high standard of occupational safety and health
- b. reducing our environmental impact and ensuring environmental sustainability
- c. complying with all relevant and applicable environmental statutes, laws and regulations in force, as well as other voluntary commitments
- d. promoting an environmental culture and awareness among staff

We aim to collaborate with our suppliers to reduce product environmental impact footprints. We set expectations for them to encourage their participation in reducing their carbon emissions. NEFIN Group sources locally where possible to minimise the environmental life cycle impacts of our products and services. Other goals include reducing waste, recycling and continuous education for our employees to increase their awareness on the importance of carbon footprint reduction. We strive to maintain good governance and business ethics and practices in our day-to-day operations.





Operational Footprint

CLIMATE

<p>7 AFFORDABLE AND CLEAN ENERGY</p> 	<p>13 CLIMATE ACTION</p> 
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Impact level: Moderate

Goal: Carbon neutral by 2030 or earlier

Progress: ●●●

ENERGY

Sustainable consumption of energy is one of the main concerns in the renewable energy industry. We at NEFIN Group believe that we have a responsibility to minimise our carbon footprint and to encourage others to achieve new zero emissions for their activities and businesses too.

ENERGY CONSUMPTION

NEFIN Group's key sources of energy consumption are primarily from our facilities and transportation to and from project sites. As such, the amount of energy consumption of NEFIN Group is minimal at only 38,200 kWh¹. However, we are still seeking to improve our operations to minimise our energy consumption through energy efficiency measures and the adoption of renewable energy at our facilities. We believe that emerging technologies will be instrumental in this aspect and we have integrated IoT technologies to reduce electricity consumption at our facilities, as well as introduced and encouraged energy-saving practices in all our departments.



ENERGY CONSUMPTION BY TYPE

Electricity	38,200 kWh
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ENERGY CONSUMPTION BY ACTIVITY

Office management	38,200 kWh
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¹The energy mix varies depending on office region, which will have an effect on the Scope 2 GHG emissions.

GREENHOUSE GAS



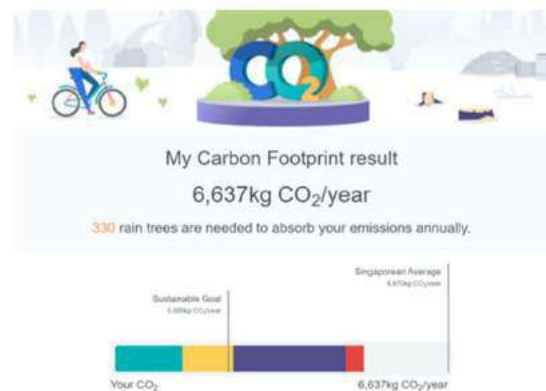
We aim to be carbon neutral by 2030 or sooner. GHG emissions produced during NEFIN Group’s operations are predominantly associated with Scope 2 GHG emissions in the form of electricity consumption as previously mentioned. NEFIN Group’s reliance on local power companies for energy generation across our locations means that some regions have limited availability of renewable energy sources. While this is a deciding factor for our current GHG emissions, we strive to improve our performance in this area.

NEFIN Group aims to be fully carbon neutral by 2030 or sooner.

Scope 3 GHG emissions review all other indirect emissions from sources that we do not own or control. The footprint from this scope includes emissions associated with procurement and staff activities, indirect waste and water. Our employees are all under the carbon tracking scheme in an effort to contribute to global goals. We are also aware of the GHG emissions that stem from our supply chain. We continue to work with suppliers to set renewable energy commitments.

EMPLOYEE CARBON FOOTPRINT TRACKING

In an effort to create greater awareness about the carbon footprint of our employees and to promote better GHG-related practices and mindset, we have implemented the Employee Carbon Footprint Tracking program. The program helps them to understand their yearly impact on the global carbon footprint, encouraging them to be more mindful of individual progress as well as providing them with an understanding of why actions toward GHG reduction are important.





Operational Footprint

LAND

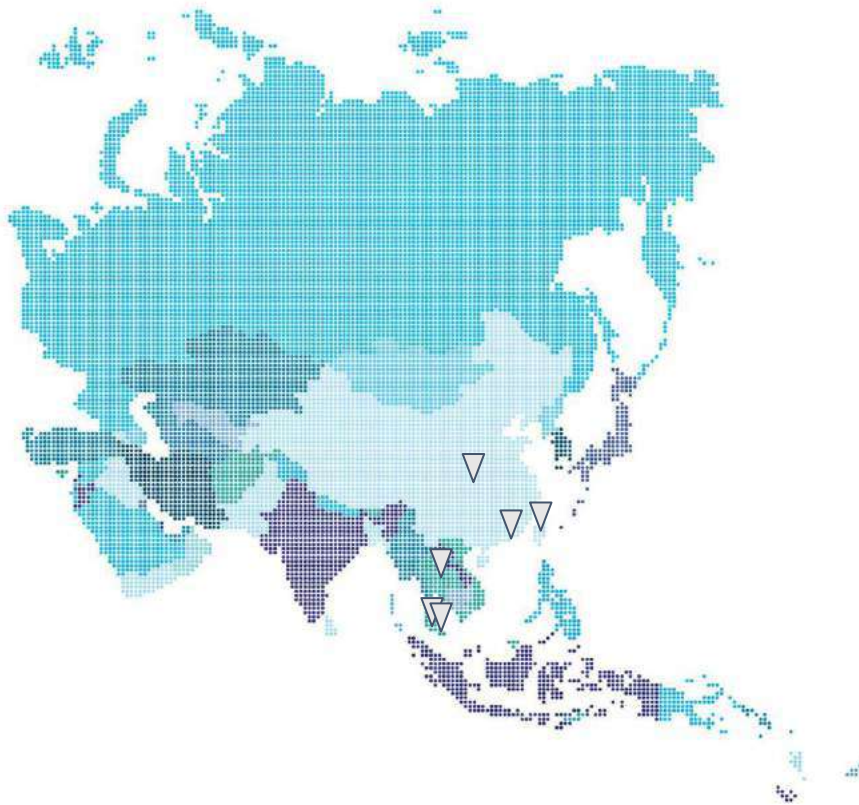


Impact level: Low

Goal: Continue to ensure no encroachment

Progress: ●●●

LAND



In the urban environment in which we conduct projects, large-scale solar farms are not a viable option for renewable energy generation for many of our clients. Keeping land scarcity in mind, it is even more important for us to ensure that we do not encroach on ecosystems or communities with our setup and operations. NEFIN Group therefore focuses on installing solar PV systems in industrialised areas or available pre-existing infrastructure within our clients' facilities such as rooftop, carpark, or open area.

NEFIN Group currently operates in 13 regions with over 30 subsidiary companies and 4 physical offices in Hong Kong, Malaysia, Singapore and Taiwan where we lease the space instead of owning a property. Our project locations include Mainland China, Hong Kong, Taiwan, Malaysia, Singapore and Thailand.



Operational Footprint

WASTE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

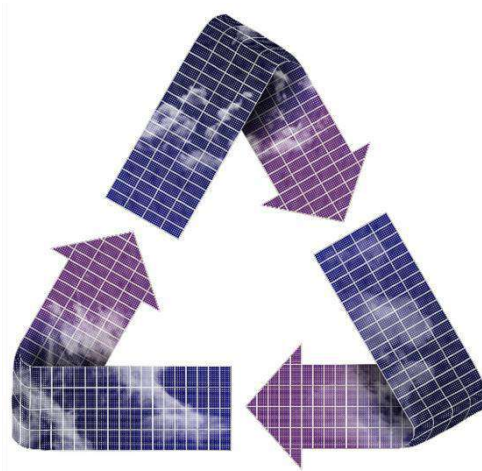
Impact level: Low

Goal: Further promote end-of-life recyclability

Progress: ●●●

WASTE

Waste produced by NEFIN Group's operations is mostly from office activities. This includes office necessities such as paper usage, ink cartridge disposal, disposable utensils, mail and tissue paper. We are working to keep waste from our operations to a minimum and run our operations and supply chain efficiently and contribute to a circular economy. We have a waste management programme to reduce, reuse and recycle our waste for each office.



The solar panels that are used for our projects have a lifespan of over two decades. We at NEFIN Group recognise that end-of-life solar panels can be recycled and reused with further treatment. Solar panels can be recycled at the end of their lifespan to contribute to building materials. Fortunately, over 90% of the waste is technically repurposable. Alternatively, aside from specific component recycling, solar panels can be refurbished for use in smaller projects not connected to the Grid. Many components of a solar panel can be recycled – glass-recycling is common, as well as other materials such as the frame, copper wire and plastic junction box. NEFIN Group engages third parties to ensure that our waste from all areas of operations is treated in a proper and professional manner.



Operational Footprint
SUPPLY CHAIN

<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>13 CLIMATE ACTION</p>	<p>17 PARTNERSHIPS FOR THE GOALS</p>
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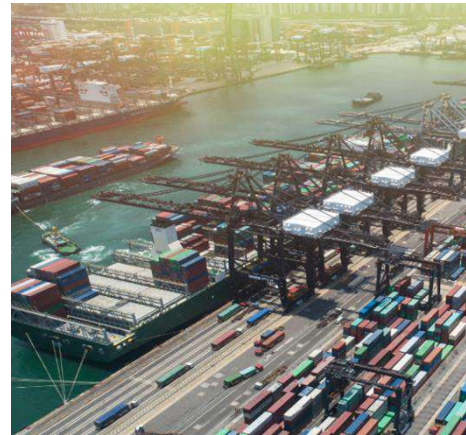
Impact level: Moderate

Goal: Incorporate sustainability requirements into procurement activities across the whole procurement process

Progress: ●●●

SUPPLY CHAIN

The main areas of our procurement revolve around the materials and equipment used in our solar projects including solar panels, inverters, mounting structures and electrical wiring/cables. NEFIN Group largely sources for OEM-finished products and recognises the importance and impact of supply chain management and governance concerning ESG. As such, we have implemented the following policies to reduce the negative footprint of our supply chain and minimise the overall carbon emission:



- (1) Sustainability Procurement Policy
- (2) Code of Business Conduct and Ethics

NEFIN Group requires our supplier to complete a sustainability questionnaire. This enables us to effectively evaluate, manage and communicate our sustainability procurement policies ensuring that our suppliers' activities are undertaken in a manner aligned with NEFIN Group's corporate values. Our policies focus on the following areas: no child/slave labour, reasonable health and safety, environmental sustainability values and fair business integrity and ethics.

Our team of SEA are working closely with NEFIN on the impact we can contribute to the global sustainability goals. Green ethics are being adopted during our project implementation as that is critical to the overall supply chain ecosystem.

Sam Zheng
Regional Sales Director - Asia-Pacific
Longi Solar Technology Co., Ltd

JinkoSolar vision is to revolutionize our energy mix & take responsibility to ensure a sustainable future. We are glad to work with NEFIN towards the contribution of global sustainability goals, both companies are doing our part to reduce the company carbon footprint and also within the value chain.

Anita Li
General Manager
JinkoSolar APAC

Vita
Project Manager
HM systems Limited

Solar project's implementation is still very "GREEN" in HONG KONG area, being an EPC partner of NEFIN helps our solar project implementation from an intermediate local standard to global premium standard. Through NEFIN, our team consciously ascertain that green practices are carried out to reduce the company's overall carbon footprint and also within the value chain.

Terry Wei
Sales Manager
SolarEdge Technologies

Working with NEFIN helps our company become more aware of the sustainability policies. These green practices are the key to reducing the overall carbon footprint in the company, the value chain, and community during our business relationship.



Operational Footprint

PEOPLE

<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	<p>13 CLIMATE ACTION</p> 	<p>17 PARTNERSHIPS FOR THE GOALS</p> 
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Impact level: Moderate

Goal: Achieve a high standard of occupational safety and health

Progress: ●●●

PEOPLE



At NEFIN Group, we recognise that the human capital element is not only exceedingly essential to our sustainability initiatives, but also to our overall operational success. Major hazards in our operations stem from installation and maintenance activities. This includes construction site work, lifting activities, electrical hazards, and more. Therefore, we strive to take care of our employees and safeguard their health and safety.

NEFIN Group is dedicated to achieving zero incidents in our operations as well as promoting wellbeing in the workplace. We conduct health and safety training on site and off site for employees to mitigate any potential risks. Additional guidance is readily available and provided for the safety of our employees and our partners. Safety management is a priority and it is therefore important to ensure that we strive to create and maintain a safe workplace for both our partners and for our staff. We are pleased to report zero work-related injuries or deaths. There were also no incidents of non-compliance with applicable environmental laws and regulations in 2021. We strive to maintain this position.

In recognition that certain procedures of our operations are outsourced, we have stringently implemented guidelines to ensure our partners are not only in compliance with all requirements on human rights, discrimination and global labor standards, but also stress that they should provide the living wage (at a minimum) to their employees and contractors as well.

To encourage and promote physical activity in our workplace, NEFIN Group's various offices routinely organise group events to improve physical wellbeing through fitness initiatives. For example, in Hong Kong, employees are encouraged to work out together to shape their bodies and minds through Fitness sessions, or to participate in activities held by charitable organisations. In Malaysia, the team also supports one another towards achieving a healthy body and mind through organising Fitness Friday activities.



SHARING & TRAINING

To enhance the capacities of our staff, partners, and other stakeholders, we have conducted sustainability sharing and training sessions throughout the year. Empowering our people with the ability to understand and the skills needed to contribute towards sustainable development and practices is essential for NEFIN Group to progress.

NEFIN Group presenting at the 2021 HK Sustainability Symposium, a lively discussion on renewable trends, ESG as a whole, sustainable financing, and how these topics play a part in the sustainable ecosystem.



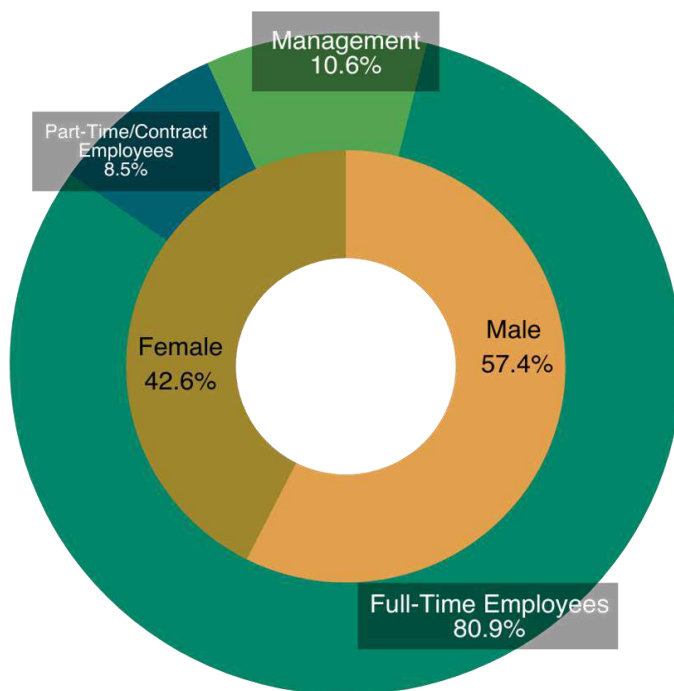
In this lecture, NEFIN Group discussed the benefits of ESG integration by using the carbon neutrality approach that stakeholders can embrace along with Hong Kong's Feed-in Tariff Scheme.

Singapore 2021 Solar Market Outlook & Opportunities discussion held by EQ Magazine.



PEOPLE KEY PERFORMANCE METRICS

We are committed to develop our employees’ capabilities to ensure that their career paths are aligned with NEFIN Group’s business plans and objectives. We conduct regular performance and career development review and this gives our employees an opportunity to provide their feedback and suggestions. We target to provide more trainings and development opportunities to our employees based on their needs and career progression.



We have a diversified management team, which comprises members with various forms of expertise and these profiles are complementary to NEFIN Group’s strategic plans.

EMPLOYEES BY EMPLOYMENT TYPE	
Total Number of Employees	47
Management	5
Full-time Employees	38
Part-time/Contract Employees	4
EMPLOYEES BY GENDER	
Total Number of Employees	47
Number of Male Employees	27
Number of Female Employees	20
WORKPLACE INCIDENTS	
Total Work-related Injuries	0
Total Work-related Fatalities	0
Total Lost Time	0
TRAINING	
Total Number of Hours	260



Operational Footprint

GOVERNANCE



Impact level: Moderate

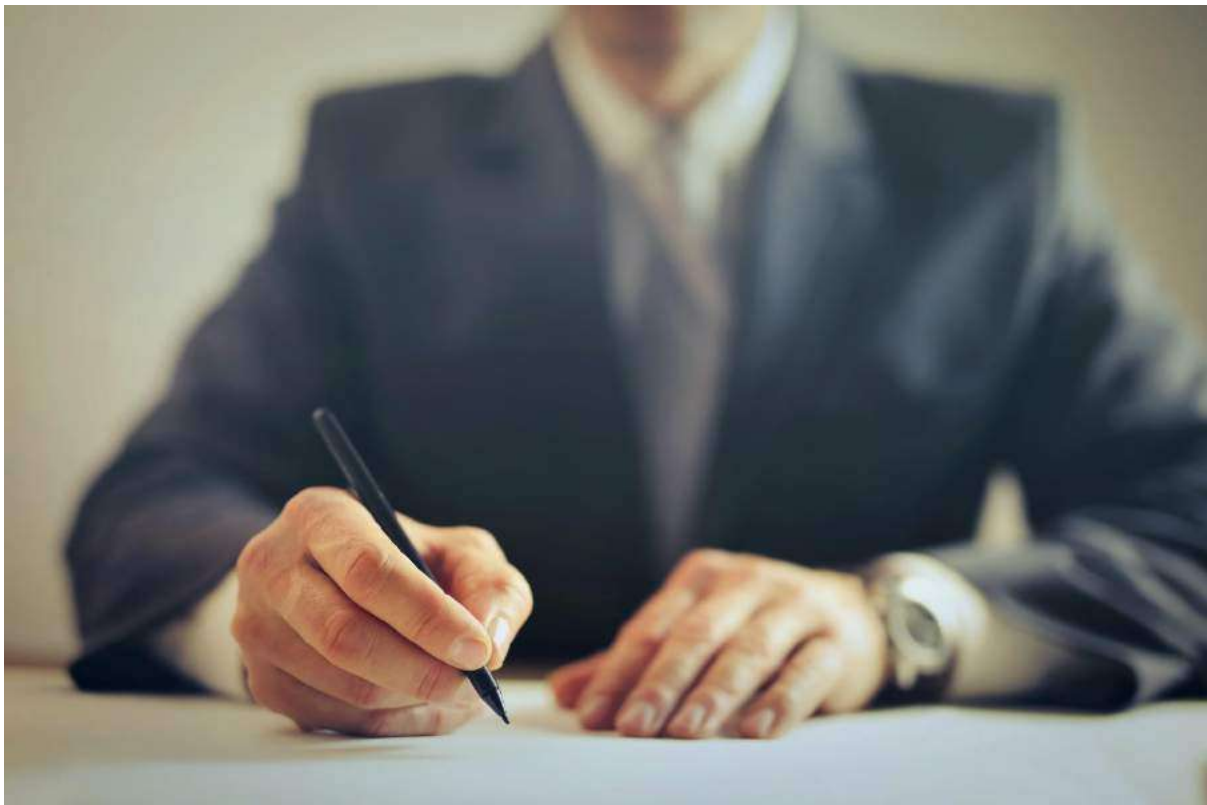
Goal: Achieve a high standard of business ethics, good governance and drive sustainability.

Progress: ● ● ●

GOVERNANCE

In an effort to be transparent and improve our green practices, NEFIN Group strives to continue to achieve good governance and business ethics, both essential to conducting a sustainable business. The sustainability committee is dedicated to ensure that NEFIN Group's growth will comply with the necessary governance and ethics. As such, we have taken all measures and implementations toward appropriate policies to ensure that we are an ethical business and are in compliance with legal matters from anti-bribery laws to taxation laws, and more.

NEFIN Group will continue to monitor, manage, improve our performance and report material risks and topic areas in the future.



SUSTAINABILITY ACTION PLAN

The information contained in this report is derived from the action plans that we have set in place to track the progression of our sustainability journey.

NEFIN Group will continue to act on the necessary green practices and integrate the SDG goals in our planning to embrace the larger community and contribute in any way we can.

Aspect	Specific Action	Timeframe	Est. Business Benefit
Strategy & Oversight	Establish Sustainability committee and meet regularly	Ongoing	Evaluate the sustainability policies regularly to match the business trend
Ethical & Green Sourcing	Launch green procurement policy and audit before supplier selection	1 month	Ensure the suppliers are green and ethical
Low-Carbon Operations	Create more RECs from business operation	Ongoing	Enhance our brand image of being experts of carbon neutrality
Corporate Social Innovation	Collaborate with institutions to provide training on carbon neutrality and renewable energy	1 session per quarter (1 hour)	Maintain Corporate Social Responsibility

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