

THE STRAITS TIMES SCHOOL POCKET MONEY FUND
Environmental, Social & Governance (ESG) Policy

1. Introduction

This policy sets out the environmental, social and governance (“**ESG**”) principles adopted by the Fund (“**SPMF**”) in its operations, charitable activities and investments.

2. Environmental

SPMF will aim to ensure environmental sustainability and minimise the environmental impact from its operations and charitable activities by adopting the following principles:-

- a. **Waste Management.** Reducing, reusing and recycling the waste generated from our operations.
- b. **Resource Management.** Conserving resources and energy, minimising our carbon footprint in our operations, and improving our environmental efficiency, including avoiding unnecessary travelling and holding meetings remotely wherever possible.
- c. **Organisational Awareness.** Building awareness amongst its staff about the importance of resource conservation and environmental protection.
- d. **Green Procurement.** Conscious and preferential purchasing of sustainable and environmentally-friendly materials and resources for our operations and charitable activities wherever practicable.

3. Social

Social impact is at the core of SPMF’s mission, which is to ensure that no child, because of family or socio-economic circumstances, gets left behind in school. To achieve its mission, SPMF will drive positive social impact by adopting the following principles:-

- a. **Our Beneficiaries.** Our beneficiaries are at the heart of SPMF. In serving our beneficiaries, our charitable activities will be driven by the following objects:
 - i. as a primary object, provide financial support to children and youth from low-income families to pay for school-related expenses; and
 - ii. as a secondary object, support the social and educational development and youth in Singapore.
- b. **Our People.** SPMF’s social impact starts with the well-being of its people. SPMF will maintain a safe and collaborative workplace which places a high priority on the well-being, diversity and

inclusion amongst its staff. SPMF will encourage the pursuit of training and development opportunities for its staff, with a view to building the capacity and capabilities of SPMF.

- c. **Our Relationships.** SPMF will build strong and long-lasting relationships with a multitude of external stakeholders which are crucial to its operations and charitable activities:
- i. **Donors.** Donors are the lifeblood of SPMF. SPMF recognises the importance of strong donor recognition efforts to express our gratitude and reinforce the community's commitment to our cause.
 - ii. **Volunteers.** Volunteers (whether engaged directly or indirectly through our partners) help to drive our charitable activities and increase community engagement in our efforts. SPMF will endeavor to provide meaningful contribution opportunities for volunteers, where applicable, and demonstrate appreciation for their efforts so as to encourage social collaboration in achieving SPMF's objectives.
 - iii. **Partners.** External partners and organisations contribute significantly to the operations and charitable activities of SPMF. SPMF will build good relationships with other partners and organisations for operational and strategic synergies and benefits to aid in the attainment of its charitable objectives.
 - iv. **Community.** SPMF will engage and communicate its ESG activities to the community at large through social media and other appropriate platforms to generate awareness and support for SPMF, as well as to promote the understanding and furtherance by the general public of charitable purposes, deeds and issues.

4. Governance

Strong corporate governance is critical to safeguarding SPMF's stakeholders, beneficiaries, donors, staff and reputation. SPMF will safeguard its corporate governance by adopting the following principles:-

- a. **Regulatory Compliance.** Comply with all applicable laws, regulations and guidelines in its operations and charitable activities.
- b. **Ethical Standards.** Adopt high standards of business ethics, integrity, and honesty in its operations and charitable activities, without tolerance for corruption, bribery, money laundering, or internal misconduct.
- c. **Regulatory Engagement.** Engage with the regulators, authorities, auditors and other stakeholders in a transparent, accountable and co-operative manner.
- d. **Due Disclosures.** Ensure thorough and transparent disclosure of financial data and other relevant information in compliance with all applicable standards and requirements.

5. Investments

- a. SPMF recognises the importance of issues related to ESG in its investments. SPMF’s reputation may be adversely affected by any failure to manage or properly assess investment-related ESG issues.
- b. Accordingly, SPMF also takes into account ESG criteria in determining and assessing its investments from the perspective of ethical impact and sustainable practices, with a view to also creating positive and measurable social or environmental outcomes.
- c. These ESG criteria include the following factors:-

| Environment | Social & Governance |
|--|---|
| <ul style="list-style-type: none"> - Environmental management, policy, reporting and performance - Harmful or pollutive chemicals - Climate change and greenhouse gases - Mining and quarrying - Nuclear power - Sustainable timber - Pollution - Biodiversity | <ul style="list-style-type: none"> - Human rights - Labour standards and ethical supply chains - Tobacco - Alcohol - Gambling - Military - Pornography - Animal Testing |

- d. In managing the risks arising from investment-related ESG issues, SPMF will:-
 - i. assess the significance of the ESG criteria in its investment policy, and the impact of any breach of this ESG Policy on its image and reputation;
 - ii. take into account the possible effect on returns that an investee’s sound or poor management of ESG risks may have,
 - iii. consider if any proposed investment falls within any ESG-adverse industry or market (including those listed in paragraph 5.c above); and
 - iv. conduct reasonable diligence using public domain information to assess:-
 - 1. whether there are any ESG-adverse issues (including the issues set out in paragraph 5.c above) in relation to the proposed investee; and
 - 2. whether the investee discloses its ESG risk management processes, and (especially where ESG-adverse issues are present) the extent to which compliance is verified by a third party (where relevant).