
SK tes
Leading the way to a
sustainable future
2023 Sustainability Report

Contents

A message from the Executive Chairman

2023 has been a remarkable year filled with opportunities to innovate and enhance our commitment to a sustainable future. The rise of Artificial Intelligence (AI), the continuous shift to cloud computing, and increasing cybersecurity incidents, overlaid with the ongoing battle against global temperature rises, has made us more resolute than ever about the role we need to play in contributing to a sustainable tomorrow.

The integration of TES into the SK ecoplant family has been transformative, enhancing our systems and processes, and helping our people to align with our vision, belief, passion, and purpose.

We are proud of the strides we continue to make in improving transparency in our reporting on labour, human rights, anti-corruption, and environmental impact through platforms like the UN Global Compact, CDP, and Ecovadis. Our 2023 report, developed in accordance with the GRI framework, reflects our unwavering commitment to these values.

Our mission to transform and repurpose one billion kilogrammes of assets by 2030 continues to progress well and there were several notable developments and achievements across the year. We increased what we processed for reuse from 3.6 million in 2022 to almost 6 million in 2023. We also adopted more renewable energy, increasing its significance to our energy usage by 116%, from 4.6% to 9.0%.

As energy use rises due to increased volumes, we will continue to increase our renewable energy use to reduce our greenhouse gas (GHG) emissions.

To progress our science-based target commitments, Scope 3 emissions have now been inventoried enabling the company to proceed to set science-based targets for all our direct and indirect emissions.

I am very heartened to see that we have retained more of our people, with staff turnover falling significantly from 35% in 2021 to 16% this year, attesting to the resilience and positive attitudes of our people and their belief in our business, and what we stand for.

In terms of capabilities, we are forging ahead with investment into lithium-ion battery recycling, with new plants expected to come online late 2024 and 2025 in Australia, Hungary and Thailand, helping improve the circular economy and closed loop outcomes for electric vehicle manufacturers and battery makers.

We believe in our strategy to **Protect, Preserve** and **Provide** for the needs of our people, community, investors and the planet; our future is inextricably linked to their success. Sustainability continues to be our guiding light, as we embrace its benefits and take responsibility for our impacts. We remain steadfast in our role as champions of the circular economy, and committed to the larger purpose of acting on global goals to lift people, planet, prosperity, peace and partnerships.

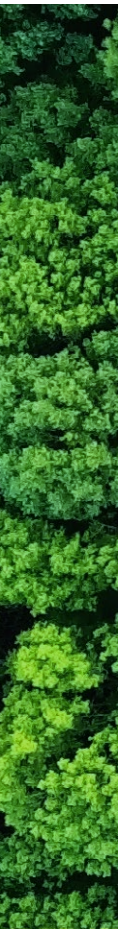
While much has been done, there is still a way to go in achieving our 17 Sustainable Impact Goals and to this end we will continue to engage with our value chain to champion circularity and human rights, support positive action on the climate crisis and contribute meaningfully to the UN global goals.

The 2023 report charts our progress during the year and sets in motion our plans for the future. We will keep travelling on this journey together.

Yours in sustainability,

Terence Ng
Executive Chairman and CEO | SK tes

Sustainability snapshot



19
Countries

37
Sites

77,107MT
Volumes recycled

17,629MT
Volumes reused

108,283CO_2e
Estimated avoided GHG emissions

GHG emissions:

Scope 1
1,588MT

Scope 2
4,677MT

Scope 3
41,921MT

76.94%
Recycling rate

17.59%
Reuse rate

10.91
Total Lost Time Incident Frequency Rate (TLTIFR)

18.38
Total Recordable Incident Frequency Rate (TRIFR)

0 High consequence injuries

0 Data breach incidents

2 breaches of code of conduct

92%
Leadership trained on ethics and code of conduct

37.25%
Women in leadership

10.32
Average training hours per staff

About this sustainability report

The 2023 Sustainability Report includes performance data for all 37 operational sites, reporting in accordance with the Global Reporting Initiative (GRI) framework and standards.

The scope of reporting excludes holding companies, partnerships, joint ventures, non-processing locations (offices) or operations outside of operational control, including those entities where the Company holds a minority interest. Acquisitions, mergers and disposal of entities, or parts of entities, are reported where there is, or has been in the previous reporting year, majority operational control held by the Company.

The Report covers the reporting period 1st January to 31st December 2023 which is in line with our financial reporting year for the following entities of TES-Envirocorp Private Limited.

1. TES-AMM (Singapore) Private Limited – Global Headquarters
2. TES-AMM Australia Pty Limited
3. TES-AMM (Cambodia) Co. Limited
4. TES-AMM (H.K) Limited
5. TES-AMM (Guangzhou) Company Limited
6. Shanghai TES-AMM Waste Products Recycle Company Limited
7. TES-AMM (Beijing) Co, Limited
8. TES-AMM (Suzhou) E-waste Solutions Co. Limited
9. TES-AMM (Malaysia) Sendirian Berhad
10. TES-AMM SAS
11. TES Sustainable Battery Solutions France
12. Integrations Et Services
13. TES-AMM Central Europe GmbH
14. PT TES-AMM Indonesia
15. TES-AMM Italia SRL
16. TES-AMM Japan K.K.
17. TES-AMM Philippines Inc
18. TES-AMM Espana Asset Recovery and Recycling SL
19. TES Total Environmental Solutions AB
20. TES-AMM (Taiwan) Co. Limited
21. Total Environmental Solutions Co. Limited
22. TES-AMM (Europe) Limited
23. TES UK Limited
24. TES Consumer Solutions Limited
25. TES USA Inc
26. TES-AMM (Vietnam) Company Limited
27. TES B Private Limited
28. TES Netherlands B.V

Re-statements of information

In 2023, a market-based methodology for electricity was adopted for electricity use instead of a location-based approach, allowing for more provider specific and accurate emissions calculations and reporting.

We have adjusted our emission factors for waste to recycle, and waste to incineration with energy recovery, to avoid double counting across different Scope 3 categories. Indeed, the DEFRA Emission Factor that we formerly used took into account emissions from preparation for recycling and transportation to recycling facility. The emissions produced by the recycling process itself are not included as they are accounted by the next user of the recycled content for new products. Therefore, we came to the conclusion that the emissions generated by the preparation for recycling are already included in our Scope 1 and 2 emissions, while the emissions of transportation to the recycling facility are accounted for under our Scope 3 Category 9. Consequently, our Scope 3 emissions for 2022 have been adjusted from 15,779 to 14,802 MT of CO_2e.

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Finally, the refrigerant gas R22 was removed from our GHG inventory as the GHG Protocol requires to account only for the 7 Kyoto Protocol gases, which don't include this gas type (R22 is only included in the Montreal Protocol). There was no consumption of R22 in 2022, hence Scope 1 emissions for the previous year remain unchanged.

Scope 3 categories, to complete the SK tes GHG Inventory, also included:

- **Category 1:** All relevant purchased Goods and Services (purchased water only in 2022)
- **Category 2:** Capital Goods
- **Category 3:** Fuel and Energy-related Activities
- **Category 6:** Business Travel
- **Category 7:** Employee Commuting
- **Category 15:** Investments

In the reporting year, there were several changes to ownership and operations of entities:

1. Closure of the SK tes Auckland site, and discontinuation of operations in New Zealand because of an electrical fire. The New Zealand entity will no longer be included in our reporting.
2. Divestment of SK tes South Korea to a minority interest company.
3. Reporting on operations of a new site in Las Vegas, USA.

It was incorrectly reported in last year's report that the SK tes Virginia site was utilising non-renewable energy in its operations. However, the site does in fact use 100% renewable energy and as a result, we have adjusted our Scope 2 emissions from 4819 to 4763 MT of CO_2e, to reflect this.

The factor used for converting Diesel GJ to litres was found inconsistent with the remaining factors sourced from UK BEIS 2022. To align sources, we have adjusted the factors which has resulted in a change in Scope 1 emissions from 1295 to 1289 MT CO_2e, and in a change in fuel consumption from 21869 to 21784 GJ.

External assurance

Our highest governance body, the Executive Committee (Exco), recognises the strategic importance of reporting our sustainability performance to our stakeholders.

To ensure balanced, accurate and fair representation of performance claims, the 2023 report has been assured and GHG emissions verified by Grant Thornton Audit LLP according to Standard on Sustainability Assurance Engagements (SSAE) 3000 (limited assurance).

Assurance statements can be found at:
www.sktes.com/sustainability

Our global footprint

Since our formation in 2005, we have grown to become the **global leader in sustainable technology lifecycle services.**

This is SK tes

Since our formation in 2005, we have grown to become the global leader in sustainable technology lifecycle services, with bespoke solutions that enable our clients to reduce, re-use and recycle electronic equipment and batteries. We deliver end-to-end value added solutions throughout the lifecycle of technology assets, in compliance with local and international data protection, security, environmental, and health and safety regulations and standards.

We take a compliant, secure, and sustainable approach to meeting the technology management needs of organisations all over the world. Our operations span 19 countries, including Taiwan and Hong Kong, and coupled with our partner network, we act locally in over 100 countries to deliver consistent services for corporations, hyper-scale cloud providers and technology manufacturers, providing real-time support, meeting local and international compliance regulations, and driving down emissions by avoiding long distance logistical movements.

Our operations span
19 countries

Our services

Managed deployment

- Deploy/decommission
- Configuration
- Asset tagging
- Imaging
- Logistics

Onsite data sanitisation and destruction

- Degaussing
- Data erasure
- Physical destruction

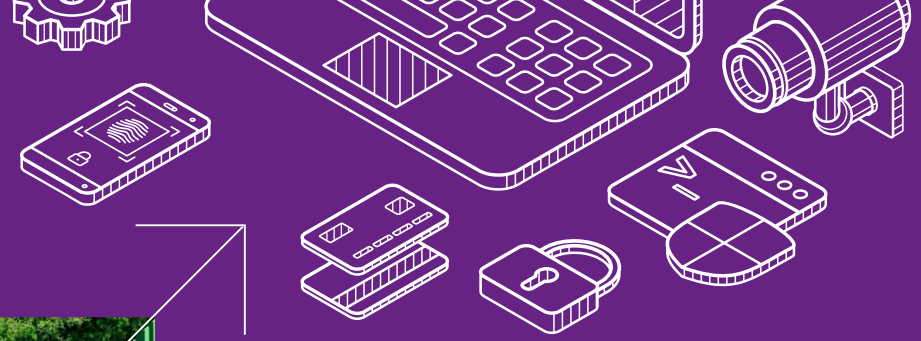
IT asset disposition

- Reverse logistics
- Testing & refurbishment
- Data sanitisation
- Parts management
- Resale

Recycling

- Battery recycling
- De-manufacture
- Commodity recovery
- Compliance
- Reporting

The value chain activities that deliver lifecycle services depend on established and approved relationships with a network of partners, reverse logistics vendors, recyclers, waste management companies and international buyers of used products and parts. These relationships are critical to achieving circular economy outcomes and ambitions as well as making progress on several UN Sustainable Development Goals (SDGs).



Protect

We are committed to protecting our customers' brand and intellectual property and privacy, and take various actions to ensure that all these aspects are safeguarded. This includes data and cybersecurity, responsible business operations and supply chain management, legal compliance, promoting diversity and inclusion, minimising environmental impact, and ensuring fair treatment of employees and suppliers.

2023 review: moving in the right direction

We launched
Engage hub
to share impactful information and knowledge on circular economy and sustainability topics.

We undertook
407
audits of SK tes sites

14%
year-on-year increase.

96.7%
of employees, and
92% of executives, completed anti-corruption training.

There were
no reported incidents
of bribery and corruption.

Governance and general disclosures

We are
100% owned entity

of SK ecoplant, South Korea's largest environmental services provider, and a portfolio company operating in the green segment of the larger SK Group.

SK tes has operated under the same governance structure since 2018, with operational responsibility delegated by the Board to an executive committee (Exco) chaired by the Executive Chairman/ CEO. Responsibilities include business performance, labour, ethics, health and safety and environmental issues. The Exco ultimately acts in the best interest of clients, shareholders, employees and other impacted stakeholders.

Highest
erning body

As the highest governing body, the Exco comprises C-level executives, the Executive Chairman and four of the seven board of directors.

The Board does not currently comprise independent and non-executive members. The Exco is instead made up of experienced executives from all our regions, who have considerable collective knowledge of the circular economy and sustainable development. Effectively, the Exco is the acting board of SK tes, with the executive authority to decide on vision, mission, strategy, risk and performance.

All C-suite are appointed to the Exco, primarily to ensure representation from all areas of the Company, and ensure executive involvement by the SK tes board.

Conflicts-of-interest across all levels of the organisation are managed through a conflict-of-interest declaration conducted annually for all employees, including company directors. Declarations cover situations such as: family members working within the organisation; connections with competitors, suppliers and political and public officers; outside employment; and various other interests. Tackling such issues falls under the purview of the Ethics and Compliance committee, which is headed by the Chairman and assisted by the Group Risk Management, Compliance, Human Rights and Audit Director (Compliance Director), who assesses the potential risk and exposure (scale, scope and likelihood) to conflict.

We acknowledge that further progress needs to be made to facilitate diversity of thought and opinion from different demographics and stakeholders. We will continue to work towards identifying suitably qualified executives from diverse backgrounds who can contribute to sustainable development and the Exco will continue to review the actions it can take to increase competencies in areas such as climate action, human rights, diversity and independence in the board.

Highest governing body

Executive Committee Composition

- **Executive Chairman and CEO**
  SK tes Board Director
- **Chief Strategy Officer**
  SK tes Board Director
- **Chief Financial Officer**
  SK tes Board Director
- **President - China**
  SK tes Board Director
- **Chief Commercial Officer**
- **Chief Operating Officer**
- **SK ecoplant representative**
  SK tes Board Director

Primary responsibility at the Board and Exco level for sustainable development is held by the Chief Strategy officer, who is the highest-level executive overseeing the Group sustainability function.

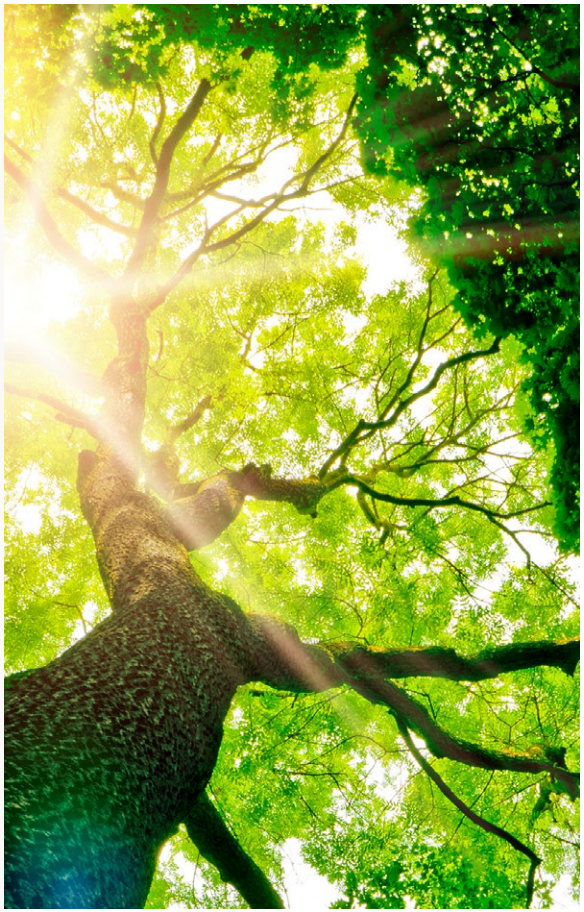
The Exco is additionally supported by the Ethics and Compliance committee, and the Sustainability Council, whose terms of reference include providing subject matter expertise, and recommendations and actions on areas such as reducing human rights impacts and addressing areas such as climate change risks and opportunities.

The Ethics and Compliance Council is chaired by the Executive Chairman and includes the Chief Financial Officer, Chief Operating Officer and Compliance Director, who is also the Council Secretary.

The Sustainability Council comprises business function heads from sales, finance, operations, human resources, regions, compliance, quality, environment, and health and safety, and is led by the Group Sustainability Director. The Sustainability Council's charter is to support the vision to be global sustainability leaders and deliver on the sustainability strategy to Protect, Preserve and Provide.

Through monthly and quarterly meetings, the Board, the Exco and supporting Councils effectively consider, decide and report on financial and non-financial (economy, environment and people) impacts on the organisation, in consultation with all impacted and potentially impacted stakeholders.

The Exco has acted to establish the sustainability department headed by the Group Sustainability Director in order to effectively identify, assess and manage material impacts on stakeholders and the organisation. Although SK tes is a privately controlled entity, Exco has mandated, reviewed and approved public reporting on our sustainability performance since 2018.



ESG agreement

siness principles

In 2022, the CEO signed an ESG management agreement centered on environment, social responsibility and transparent governance with SK ecoplant.

The agreement forms the basis for Exco and the CEO to cooperate through the constitution of an ESG Council to implement SK ecoplant's ESG business principles and code of conduct and achieve mutual and sustainable growth.

Business principles ascribed to are:

1. Establish sound governance
2. Pursue happy business management with all stakeholders
3. Comply with law and ethics
4. No compromise around corruption
5. Respect human rights
6. Lead a safety culture
7. Provide the best quality
8. Solve environmental problems through eco-friendly management activities
9. Work towards a low-carbon future
10. Fulfil environmental and social responsibilities for the local community and future generations

The ESG Council and its decision-making body, the ESG executive management committee, centres its activities in five sub-committees – Compliance, Human Rights, Safety, Quality and Environments and ESG. Its focus is on due diligence in these areas. As a subsidiary of SK ecoplant, SK tes has agreed to actively cooperate to:

- Establish ESG management strategies and management of goals and performance
- Compliance with legal and ethical norms and risk management
- Implementation of ESG due diligences and improvements tasks
- Disclosure on ESG management

Communication of critical concerns SK tes has established mechanisms for the communication of critical concerns, particularly through our internal Grievances and Whistleblowing Programme. Until 2023, a whistleblowing hotline remained the primary channel for concerns to be raised directly to the Ethics and Compliance Council. However, from 2024, the Company will expand channels to include email and phone communication directly to the Compliance and Risk Director.

On receiving a whistleblowing report, the Compliance Director will assess the situation, initiate an investigation if necessary and, depending on its severity, will escalate the matter to the Ethics and Compliance Council. Depending on the type of incident, lessons learnt will be shared through various channels such as the Human Rights Working Group, or incorporated into the Internal Audit plan to strengthen internal controls.

Grievances raised follow the same process, with reports directed to the Compliance Director for investigation and escalation as needed. Instead of sharing lessons learnt, the Compliance Director looks at improving policy positions in order to avoid future recurring incidents. Grievance cases are not shared because of potential moral hazards and confidentiality issue(s).

Strategy, policies and compliance

Our strategy to Protect, Preserve and Provide is managed through the pursuit of our 17 Sustainable Impact Goals (SIGs) and their corresponding targets/ indicators. Our Sustain values reflect our strategy and mission.

We have committed to the United Nations Global Compact and its ten principles covering labour, human rights, anti-bribery and corruption and environment.

Our Protect, Preserve and Provide strategy:

Protect	The privacy, brand, intellectual property, data, and trust of our customers.
Preserve	Our natural environment, and the use of scarce resources.
Provide	A safe, diverse and inclusive workplace and community for people to thrive.

Our SUSTAIN values:

Safety	We build safe environments, from both the physical and emotional perspectives.
Understanding	We demonstrate respect and empathy for others, building relationships which are mutually beneficial.
Service	We assist, empower and support each other and our customers.
Teamwork	We celebrate each other's value and recognise the power of working together.
Attitude	We focus on the positives, and the things that matter most.
Integrity	We always do the right thing and do what we say.
Never give up	We build resilience and perseverance by learning from success and failure.

Strategy, policies and compliance

Our strategic commitment

to responsible business conduct relies on the principles of the Responsible Business Alliance (RBA) and is further detailed in our internal Code of Conduct, and Supplier Code of Conduct (www.SKtes.com/en/policies). These commitments reflect our willingness to meet internationally recognised standards for human rights, environmental protection, and ethical business practices, and cover our internal operations, supply chain, business partners and downstream vendors.

Policy commitments

require us to conduct due diligence to prevent adverse impacts and respect all internationally recognised human rights laws, covering essential areas such as child and forced labour, working hours, wages and benefits, humane treatment, non-discrimination, and freedom of association. In this way, we are actively protecting the needs and interests of vulnerable groups including women and children, individuals subjected to forced or child labour, migrant workers, individuals with disabilities, older employees and ethnic minorities.

Our code of conduct

is communicated to all employees through mandatory annual training (both online and in person), which incorporates best practices in ethical business behaviour. The training includes interactive modules and real-world case studies, as well as a final assessment. For external stakeholders, the principles and policies for ethical conduct are communicated through our website. In 2023, there were 2 separately reported cases involving harassment and misconduct which resulted in termination of a staff member, and additional skills coaching for another by management. Following such actions, site managements then conducted town hall style briefings to reinforce the Code of Conduct and encourage all workers to continue to speak out against any instances of code breaches.

Our employee handbook

serves as a reference for integrating policy commitments into everyday operations. Our operational procedures currently reflect these commitments through policies such as prohibiting salary deductions for all employees, including migrant workers, and ensuring all employees receive fair and decent wages, with limits on overtime to prevent overwork. With the recent onboarding of the Compliance Director, we seek to fully operationalise our policies in both our operations and value chain.

The responsibility

for implementing our policy commitments has been restructured to enhance efficiency and accountability. The Ethics and Compliance Council, which oversees adherence to these commitments plays a central role, while additional responsibilities are distributed across various departments to ensure that compliance is embedded in daily operations.

In 2024, we plan to set ESG targets specific to ethics and human rights that will be integrated into our overall performance metrics, influencing organisational goals and individual performance evaluations.

Strategy, policies and compliance

Embedding policy commitments

All our suppliers are required to sign our Supplier Code of Conduct and undergo due diligence. During the onboarding stage, we also carry out a screening process for all new suppliers, evaluating them against major international sanctions and reportings on adverse news, civil litigations, and environmental violations, human rights watch lists, and criteria for tax violations, fraud, bribery, anti-competition practices, and export violations. In 2024 we will extend this due diligence to include ongoing monitoring and introduce an audit programme to assess such business relationships and strengthen human rights policy commitments[1].

Remediation of negative impacts

The primary remediation process involves the Ethics and Compliance Council which, after identifying a negative impact, coordinates with general managers from each country to implement corrective actions. These actions can include investigations, personnel changes (such as the termination of contracts), and additional training. To prevent issues recurring, and promote continuous improvement in our practices, our remediation process incorporates a "lessons learned" approach, where findings from remediation activities are documented and communicated across the organisation through dedicated working groups.

Mechanisms for seeking advice and raising concerns

Our mechanisms for seeking advice and raising concerns are constantly evolving. In 2023, concerns were primarily raised through the whistleblowing programme, which allowed employees to report issues related to responsible business conduct. From 2024 we will enhance this support structure by channelling all concerns directly to our Compliance Director, to ensure there is confidentiality and anonymity for any employee who wishes to raise concerns or seek advice.

Compliance with laws and regulations

During 2023, we were fined S$600 for a single instance of non-compliance at our Singapore site. The fine resulted after the Singaporean National Environment Agency (NEA) detected we had exceeded the Heterotrophic Plate Count (HPC)* in the cooling tower water. The HPC, which measures the level of generally harmless bacteria, exceeded the regulatory threshold, indicating a decline in water quality. We immediately cleaned and treated the water, bringing HPC levels back within acceptable limits. Follow-up tests confirmed compliance, and no further issues were reported.

* The HPC test is a count of all carbon-consuming bacteria (majority harmless) in water. HPC test is not indicator of overall water safety, but is used to assess the water conditions that affect microbial growth in a cooling tower

Remuneration policies

The board of directors and senior executives, including C-suite and general managers are eligible for short- and long-term incentive bonuses. These are based primarily on financial achievement which is aligned with SK ecoplant's Key Performance Index (KPI) system.

Environmental KPIs related to absolute reductions in Scope 1 and 2, and intensity reductions in Scope 3 GHG emissions were established in 2023 for these executives, as well as for business unit leaders.

PROTECT SIG 5 [1] *Establish supplier code of conduct compliance programme covering 100% of key suppliers and partners by 2025.*

Memberships

In 2023, we took part in advocacy at the following industry associations and global bodies:

ASCDI | ABRI | ACOR AUSTRALIAN COUNCIL OF RECYCLING | CACE 中国循环经济协会 CHINA ASSOCIATION OF CIRCULAR ECONOMY | CPRA China Plastic Recycling Association of CRRA

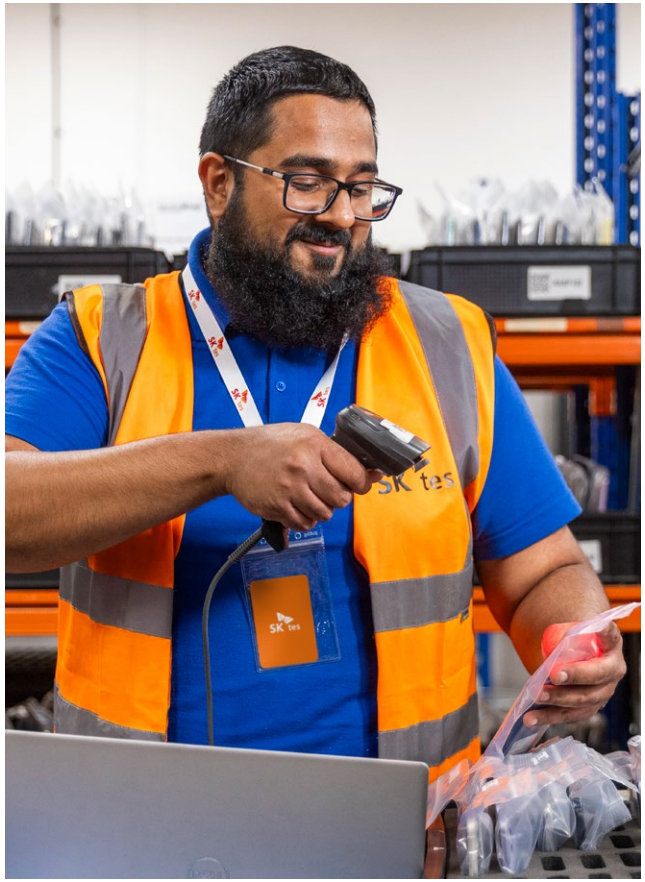
EUROPEAN BATTERY ALLIANCE EBA250 | FTI | GLOBAL BATTERY ALLIANCE | GRI COMMUNITY MEMBER | IAITAM

PaxOcean | REVERSE LOGISTICS ASSOCIATION | SIA 上海市通信制造业行业协会 | S·E·A 新沪商联合会 Shanghai Entrepreneur Association | 上海市循环经济协会 SHACE

苏州高新区、虎丘区环境保护产业协会 | CRRA | 苏州市安全生产管理协会 Suzhou Safety Production Management Association | TESTA | UNEDA | WMRAS Waste Management & Recycling Association of Singapore

Additionally, we were observers at the working groups and meetings of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.

BASEL CONVENTION



Stakeholder jement

Through the lens of Protect, Preserve, Provide, stakeholders have been identified that either influence, or are affected by, SK tes. We have adopted a consultative and inclusive approach to engaging with stakeholders when we deem there is a significant impact.

With the 2022 change in our ownership, the shareholder group is now solely the SK ecoplant board and CEO. However, we also consider the natural environment as a 'conceptual stakeholder' which guides the materiality of our environmental impacts.

Key stakeholders whom we continue to engage are:

Clients

These include corporations, technology manufacturing brands, automotive manufacturers, battery producers, cloud and data centre service providers and government.

Employees

A diverse workforce that includes remote employees across the world.

Investors/shareholders

SK ecoplant drive investment in the business.

Key suppliers and downstream vendors

Third party logistics and recyclers whom we work closely with in day-to-day operations.

Business partners

Strategic partnerships that expand our service network.

Approved asset buyers/agents

Pre-approved buyers of used assets.

Natural environment

The environmental domains globally and locally affected by our operations and influences, as represented by government and inter-governmental organisations, non-government organisations (NGOs), experts and researchers.

Other stakeholders who influence the actions we take towards achieving positive ESG impact include:

Government

We are responsible to local, state and national governments on matters such as: licensing, waste and right to repair laws and standards; product stewardship or extended producer responsibility regulation; and imports and exports of hazardous waste.

Industry groups, consultants, and associations

We engage with our sector and peers, as well as ICT and battery associations around the world, to exchange information and our knowledge up-to-date.

Compliance schemes

Producer responsibility scheme operators with whom we deliver collection and recycling services.

Certification bodies and auditors

Independent, third-party international standard bodies, certifiers and audit firms that assess quality, environment, health and safety, security, and responsible e-waste recycling practices.

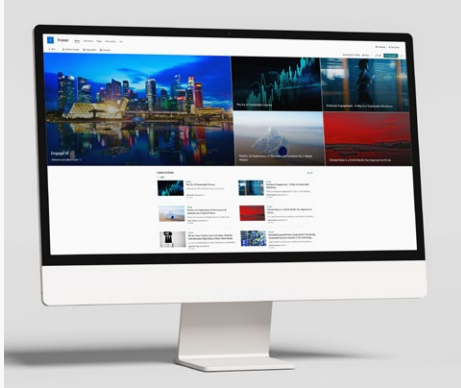
Local community

Schools and non-profit organisations that we connect with across many of the locations where we operate in.

Stakeholder engagement

Varying degrees of communication and engagement have been achieved across different stakeholders and is summarised are the table here.

In 2023, we launched our Engage hub to share impactful news, views, and interviews related to people and the planet across the business. From explainers to opinion pieces and updates on ESG developments, the site is bringing greater awareness of sustainability issues to employees. This is also benefiting staff retention, and enhancing the level of skill and knowledge retained in the business.



Stakeholder	Engagement and frequency
Clients	**1.** Business reviews (monthly/quarterly/annually) **2.** Tender invitations **3.** Audits (annual) **4.** Day to day programmes **5.** Sales and Marketing programmes – insight articles, resources, news stories, business newsletters
Employees	**1.** Annual employee engagement survey **2.** Engage quarterly sustainability newsletter **3.** Annual sustainability survey **4.** Annual performance review **5.** Annual Ethics, Business code of conduct and Sustainability training **6.** CEO Newsletters
Investors	**1.** Monthly executive committee meetings **2.** Board of Director meetings (quarterly/bi-annual) **3.** ESG Executive Management Committee (quarterly) **4.** Annual Sustainability Survey
Suppliers/downstream vendors	**1.** Onboarding and surveillance audit **2.** Annual Sustainability Survey
Business partners	**1.** Onboarding and surveillance audit **2.** Annual Sustainability Survey
Asset buyers/agents	Annual Sustainability Survey
Government	**1.** Regulatory compliance matters **2.** International Basel Convention Observers **3.** Review of legislation and policy
Industry groups	**1.** Attendance at industry association meetings **2.** Workshop/working groups on standards and policy
Compliance schemes	**1.** EHS compliance audits **2.** Business reviews (annual)

Material topics

The 2022 materiality assessment remains the basis of the selection of material impact topics.

Conducted every three years, the Assessment builds upon work started in 2019, introducing the voices of key internal and external stakeholders and classifying topics through the broad categorisations of Protect, Preserve and Provide. Topics have been calibrated for internal and external stakeholder materiality.

External perspectives

The shortlisting and ranking of topics was based on a review of over 30 client tenders and audit questionnaires, as well as open-ended interviews with business partners, buyers and downstream vendors.

Internal perspectives

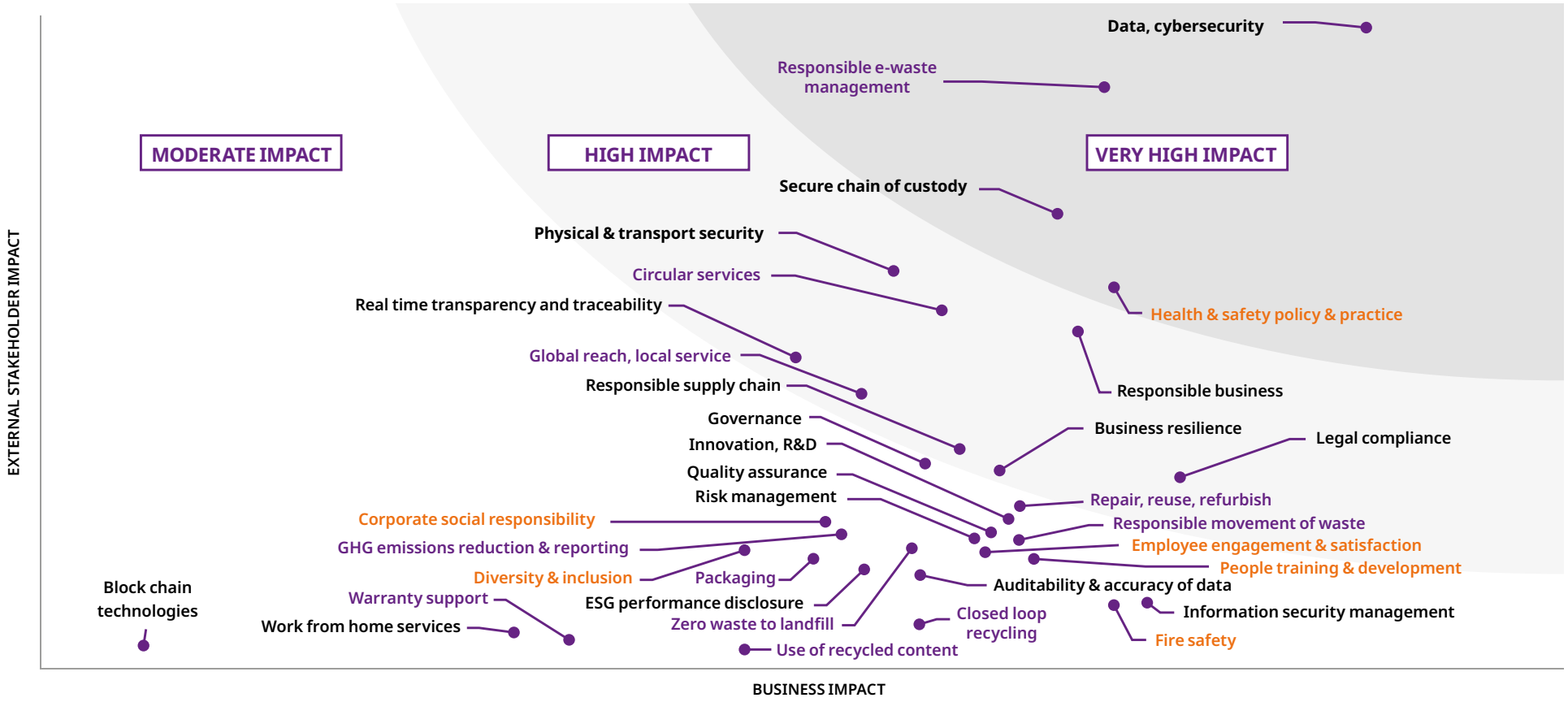
The report workgroup surveyed internal stakeholders including employees, investors, and SK tes management.

Topics that ranked highly with both external and internal stakeholders, taking into account severity, scope and irremediable character, were identified as 'very high impact' (VHI) or 'high impact' (HI), while topics of low rank were defined as of 'moderate impact' and excluded from current further action, except where deemed impactful and of strategic importance to SK tes by the highest governing body, Exco. The Exco has the ultimate responsibility to evaluate and decide on what is deemed impactful on the economy, environment and people from stakeholder engagement, feedback and recommendations from the Sustainability Council. Such impacts, good or bad, are considered carefully against broader business goals and strategies annually, as a minimum.

The outcome of this exercise was the creation of a list of 17 topics with accompanying goals and targets that we are focused on achieving in five years, starting in 2023. (See page 24).

2022 materiality assessment

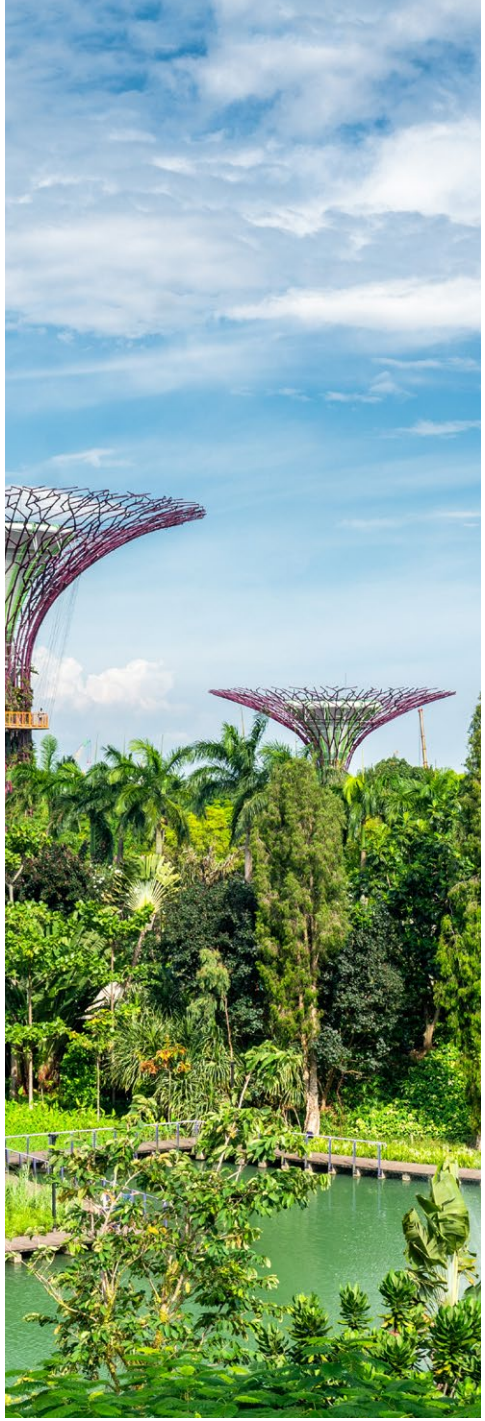
To further strengthen the 2022 assessment, a review will be conducted in 2024 to refine and closer inspect the negative and positive impacts, in order to more fully contextualise material topics, including through the lens of the newly defined stakeholder, the natural environment.



Sustainable Impact Goals

Our 17 Sustainable Impact Goals are designed to ensure the ongoing advancement of our Protect, Preserve, and Provide strategy and reduce any negative impact on stakeholders.

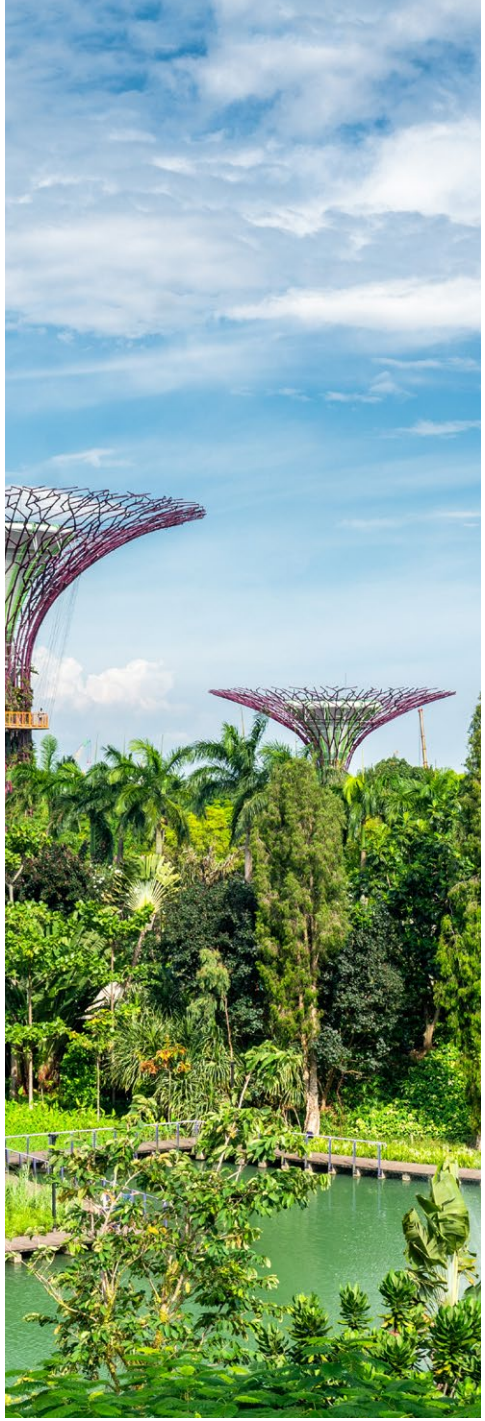
Material issues			Proposed goal	Indicator/target
PROTECT				
Goal 1	Protect	Data, cybersecurity	Zero data leakage incidents	0 incidents in the reporting year
Goal 2	Protect	Secure chain of custody	Zero loss of any client assets whilst in SK tes custody	0 incidents in the reporting year
	Protect	Physical & transport security		
Goal 3	Protect	Responsible business	100% of employees at all levels are informed and all leaders and executives[2] undergo ethics and governance training	a) Training and communications channels reach 100% of employees b) Minimum 95% of executives undertake ethics and governance training
Goal 4	Protect	Legal compliance	Effective internal audit program to ensure compliance to local, national and international regulations and conventions including emerging ESG related regulations	Minimum 95% of planned audits completed annually and corrective and preventative actions closed in a reasonable and timely manner
Goal 5	Protect	Responsible supply chain	Establish supplier code of conduct compliance programme covering identified key suppliers and partners	80% of key suppliers and partners covered under the programme by 2025
Goal 6	Protect	Business resilience	Implement a climate related risk management framework by 2024	Organisational risk framework approved and implemented
Goal 7	Protect	Real time transparency & traceability	Disclose downstream end disposal channels of products and materials by geographies	100% of sites reporting product and material end destinations



[2] executive refers to supervisors, administration, managers and senior managers

Sustainable Impact Goals

Material issues			Proposed goal	Indicator/target
PRESERVE				
Goal 8	Preserve	**Responsible e-waste management**	100% of IT and battery lifecycle management locations[3] to be ISO14001 certified	All sites certified by 2025
Goal 9	Preserve	**Circular services**	Identify and invest in higher use applications or lifecycle technologies for low value products and materials	Adopt minimum 2 new technologies or practices that reduce environmental impact and enhance commercial opportunities
Goal 10	Preserve	**Global reach, local service**	Expand facility and partner network to provide local low GHG emissions footprint services across key demand geographies	Minimum 3 new facilities or partner locations per year subject to business need
Goal 11	Preserve	**Zero waste to landfill**	Zero waste disposed to landfill by 2025[4]	All sites to achieve 0% waste to landfill and incineration without energy recovery
Goal 12	Preserve	**GHG emissions reduction & reporting**	Set science based target commitment for Scope 1, 2 and 3 emissions	a) 42% reduction in absolute scope 1 and 2 GHG emissions by 2030 from a 2023 baseline year* b) 51.6% reduction in material+ scope 3 GHG emissions per dollar of revenue generated from a 2023 baseline year* * a) and b) will be subject to SBTi validation + representing at least 67% of total scope 3 emissions
PROVIDE				
Goal 13	Provide	**Health & safety policy & practice**	Zero high consequence injury and fatality[5] cases	0 incidents in the reporting year
Goal 14	Provide	**Employee engagement and satisfaction**	Increase feedback and participation in employee engagement activities	Achieve 60% engagement survey participation rate annually
Goal 15	Provide	**People training & development**	Minimum of 16 hours of approved compliance and other training per employee per year	16 hrs training per employee per year
Goal 16	Provide	**Corporate social responsibility**	Each country to advance SDG 1 (No Poverty), SDG 4 (Quality Education), SDG 5 (Gender equality), 7 (Affordable and clean energy), 8 (decent work and economic growth), 9 (industry, innovation and infrastructure), 10 (Reduced inequalities), 12 (responsible consumption and production), 13 (climate action) or 17 (partnership for the Goals) initiative	Minimum 1 initiative per country per year
Goal 17	Provide	**Diversity & inclusion**	Achieve gender parity in management and senior management roles	50% women in management



[3] excludes managed deployment and professional services sites [4] a site is considered zero waste if <1% of its total waste is disposed to landfill or incineration without energy recovery in a 12 month period
[5] high consequence injury and fatality are defined as (a) fatalities as a result of work related injury or an (b) injury from which the worker cannot, does not, or is not expected to recovery fully to pre-injury health status within 6 months

Certifications

A key differentiator for SK tes is our commitment to best-in-class services that are based on international standards of quality, environment, health and safety and security. The table below highlights the standards in place at our 37 locations.

Our target is to ensure all our sites are certified to the ISO14001 environment management system by 2025[6].
With over 80% of our sites certified, action plans are in place to obtain certification at our remaining locations in France and Rotterdam.

Sites	Certifications				
	ISO 14001	ISO 45001	ISO 9001	R2v3	ISO 27001
1. Singapore (TES A-Benoi Sector)	✓	✓	✓	✓	✓
2. Singapore (TES C ITAD-Pioneer Place)	✓	✓	✓	✓	✓
3. Singapore SBS (TES B- Tuas West)	✓	✓	✓	✓	-
4. Malaysia (Johor)	✓	✓	✓	✓	-
5. Malaysia (Penang)	✓	✓	✓	-	-
6. Thailand (Bangkok)	✓	✓	✓	✓	✓
7. Vietnam (Hanoi)	✓	✓	✓	-	-
8. Vietnam (Ho Chi Minh City)	✓	✓	✓	✓	-
9. Philippines (Manila)	✓	✓	✓	✓	-
10. Indonesia (Jakarta)	✓	✓	✓	✓	-
11. Australia (Sydney)	✓	✓	✓	✓	-
12. Australia (Melbourne)	✓	✓	✓	✓	-
13. Australia (Brisbane)	✓	✓	✓	✓	-
14. China (Shanghai)	✓	✓	✓	✓	✓
15. China (Beijing)	✓	✓	✓	✓	-
16. China (Suzhou)	✓	✓	✓	-	-
17. China (Guangzhou)	✓	✓	✓	✓	-
18. Hong Kong (Yip Cheong Street, Fan Ling)	✓	✓	✓	✓	-
19. Hong Kong (On Lok Mun Street, Fan Ling)	✓	✓	✓	✓	-

Sites	Certifications				
	ISO 14001	ISO 45001	ISO 9001	R2v3	ISO 27001
20. Taiwan (Taipei)	✓	✓	✓	✓	-
21. Japan (Tokyo)	✓	✓	✓	✓	✓
22. Cambodia (Phnom Penh)	✓	✓	✓	-	-
23. United Kingdom (Cannock)	✓	✓	✓	✓	✓
24. United Kingdom (Irvine, Scotland)	✓	✓	✓	-	✓
25. Germany (Herten)	✓	✓	✓	✓	✓
26. Germany (Recklinghausen)	✓	✓	✓	✓	✓
27. France (Senonches)	✓	✓	✓	✓	✓
28. France (I&S, Paris)	-	-	-	-	-
29. France SBS (Grenoble)	-	-	-	-	-
30. Netherlands SBS (Rotterdam)	-	-	-	-	-
31. Spain (Madrid)	✓	✓	✓	✓	✓
32. Sweden (Jönköping)	✓	✓	✓	✓	✓
33. Italy (Milan)	✓	✓	✓	✓	✓
34. USA (Atlanta)	✓	✓	✓	✓	-
35. USA (Virginia)	✓	✓	✓	✓	-
36. USA (Seattle)	✓	✓	✓	✓	✓
37. USA (Las Vegas)	✓	✓	✓	✓	-

PROTECT SIG 8 *6. 100% of IT and battery lifecycle management locations[1] to be ISO14001 certified.*

Audits

During the year we conducted over 400 internal and external site audits, an increase of 14% on 2022.

Collectively they covered quality, the environment, health and safety, information security, labour, human rights and ethics, and attest to our strong commitment to demonstrating the highest standards of best practice expected at our facilities, and from our people.

Total client audits	**162**
Total certification body audits	**87**
Total Internal compliance audits	**95**
Total governmental audits	**63**
Total all types of audits	**407**

The audit programme is a sustainable impact goal we have set that is material to ensuring regulatory compliance locally, nationally and internationally[7].

PROTECT SIG 4 [7] *Effective internal audit programme to ensure compliance to local, national and international regulations and conventions including emerging ESG related regulations.*

Transparency and ability

To deliver our circular lifecycle services, we work closely with a range of business partners, downstream material recyclers, and buyers of used technology and equipment.

Business partners and recyclers are managed effectively through compliance programmes run by our international partner manager, at an equivalent standard to the R2 certification programme. This ensures that materials are processed in an environmentally responsible way, and in accordance with our supplier code of conduct.

Our buyers of used devices are also screened to ensure that trade does not occur with restricted parties linked to crime or terrorism and complies with our policy not to trade with countries that have been sanctioned. Many end user devices, such as laptops, mobiles, tablets and personal computers, are sold into developing countries where there is the greatest need for low-cost technology in order to access online services that support education, healthcare and banking. Through these relationships, we maximise our social impact and contribution to various SDGs including advancing quality education[8], ending poverty[9], gender equality[10], industry, innovation and infrastructure[11], whilst also contributing to environmental goals of responsible consumption and production[12] and climate action[13].

Due to the complexity of the downstream value chain, the end location where re-sold devices are actually used is not always clear. However, we consider that the social and environmental benefits these devices bring outweigh any negative risks associated with a lack of traceability. Efforts will, however, continue to be considered such as education programme engagements, as it is a stated goal for all sites to provide greater transparency and minimise any risk in the downstream chain.[14]

SDG 1.4	9. *End poverty in all its forms everywhere.*
SDG 4.1 SDG 4.6 SDG 4.7	8. *Increase the number of youths and adults who have relevant skills.*
SDG 5b	10. *Achieve gender equality and empower all women and girls.*
SDG 9c	11. *Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.*
SDG 12.5	12. *Ensure sustainable consumption and production patterns.*
SDG 13.2	13. *Take urgent action to combat climate change and its impacts.*
PROTECT SIG 7	14. *Disclose downstream end disposal channels of products and materials by geographies.*

Responsible sup

Introduced in July 2022, all suppliers must comply with our supplier code of conduct, which covers labour and human rights, health, safety, environmental and quality and ethics and integrity.

Currently, due diligence of compliance with the code is performed during the onboarding phase, with no on-going compliance monitoring programme in place. However, with the appointment of the Compliance Director, a monitoring programme will now be implemented to ensure suppliers continue to adhere to the code as they work with us.

Many of our suppliers are well established companies, and in relative terms, our spending is not often a large proportion of their revenue. This limits our ability to effectively encourage them to align with our compliance goals. However, beginning in 2024, we are introducing compliance requirements (in the form of audits) to business partners with whom we have services that are mutually critical to each other's processes[15].

PROTECT SIG 5 *[15]. Establish supplier code of conduct compliance programme covering 100% of key suppliers and partners by 2025.*

Ethics and governance training

In 2023, we made progress towards our goal of ensuring that 95% of employees and executives receive ethics and governance training[16], with 96.7% of employees and 92% of executives having completed anti-corruption training.

Although we have not yet reached full compliance, these results reflect our ongoing commitment to fostering a culture of integrity and ethical behaviour across all levels of the organisation.

The foundation of the training programme is our Code of Conduct, which serves as the guiding document for business integrity within our SUSTAIN framework of values. The training emphasises that integrity is a core commitment, and covers critical areas including employees' social and environmental safety, as well as expected conduct regarding gifts, travel, political contributions, and charitable donations. It also addresses issues such as corruption and bribery, money laundering and fraud, as well as conflicts of interest, especially in relation to political parties, interactions with suppliers and agents, trade sanctions, intellectual property and data security. As part of the training, all employees are required to declare any conflicts, ensuring responsibility and accountability in their professional activities. The declaration is an important step in identifying and managing potential conflicts, thereby safeguarding the integrity of our business.

PROTECT SIG 3

16. 100% of employees at all levels are informed and all leaders and executives undergo ethics and governance training.

Anti-corruption

We recognise the close link between human rights performance and corruption risks, and a thorough risk assessment will be conducted in 2024 to address risks in both these areas.

Our approach to corruption risk assessment is location- and job-specific. The Group identifies higher-risk countries based on their ranking in the Corruption Perceptions Index, with particular attention to operations in Asia, where risk is higher than other operating regions. We also recognise that certain roles within our organisation, such as personnel who regularly interact with government agencies and those involved in tender processes, may be more susceptible to corruption risks.

To mitigate this, we plan to strengthen our anti-corruption efforts in 2024, focusing on high-risk locations and roles with targeted training and communication that builds on our Code of Conduct training programme. This will include additional, location-specific training for employees in higher-risk positions to ensure they are equipped to navigate potential corruption challenges[17].

No incidents of bribery and corruption were reported in 2023. We continue to remain committed to maintaining the highest standards of integrity and will continue to refine our approach to anti-bribery and corruption practices as part of our broader commitment to ethical business practices[18].

PROTECT SIG 3 *[17] 100% of employees at all levels are informed and all leaders and executives undergo ethics and governance training.*

PROTECT SIG 5 *[18] Establish supplier code of conduct compliance programme covering 100% of key suppliers and partners by 2025.*

Risks and opportunities due to climate change

In 2023, as part of our commitment to establishing a climate-related risk management framework[19] and manage the rise of climate change, we carried out a comprehensive assessment to identify the risks and opportunities that could significantly impact our business.

We examined our exposure to a wide range of general and sector-specific factors and tested them under multiple emissions scenarios, and across different time horizons, to understand their potential impacts. Through this analysis, we identified risks and opportunities that are likely to have a high impact on our operations, revenue, or expenditure in the medium- and short-term. These are classified into physical, regulatory, market, reputation, and technology categories and will serve as the foundation for our climate risk management framework.

PROTECT SIG 6

[19] Implement a climate related risk management framework by 2024.

Physical risks

Physical climate risks were tested to analyse the possible annual percentage loss in asset value, under multiple time horizons: short (five years), medium (five-15 years), and long (15 years plus).

These risks were assessed under three Representative Concentration Pathways (RCPs), which are scenarios of GHG concentration trajectories adopted by the Intergovernmental Panel on Climate Change (IPCC):

RCP 8.5

Also called 'Business-as-usual' scenario, it assumes no significant changes in emissions policies and practices, leading to high GHG emissions and concentrations. It represents a future with continued increases in emissions due to high energy demand and reliance on fossil fuels, resulting in significant climate impacts.

RCP 4.5

This intermediate scenario assumes that global annual GHG emissions peak around 2040, then decline. It represents a stabilisation scenario where mitigation efforts are implemented, leading to moderate climate impacts.

RCP 2.6

This scenario assumes that global annual GHG emissions decline substantially over time. It represents a low emissions future with ambitious mitigation policies, resulting in the least climate impact among the scenarios and in Net Zero emissions by 2070.

The physical climate risk analysis across different regions highlighted significant variations in potential financial losses. For our headquarters, the business-as-usual scenario indicates substantial risks, with total annual losses ranging from 1.2% in the short term to 3.5% in the long term for the most affected sites, driven by temperature extremes and pluvial flooding (caused when urban storm water drainage systems or the ground cannot absorb rainfall).

In Europe, extreme temperatures represent the most impactful risk factor, followed by fluvial flooding (when rainfall causes rivers to exceed their capacity). The highest losses are expected under the business-as-usual scenario, with annual losses ranging from 1.4% in the short term, to up 3% in the long term.

For China, temperature extremes, tropical cyclones, and pluvial flooding represent the main risk factors. The business-as-usual scenario shows increasing risks from 1.4% to 2.7% in annual losses, while the intermediate and low emissions scenarios also reveal upward trends in potential losses, indicating growing vulnerabilities over time.

Our sites in South-East Asia are expected to be affected by extreme temperatures and water stress, with the most affected site showing that high emissions scenario increase annual losses from 1.6% to 5.3% over the three-time horizons.

These findings highlight the need to prepare risk mitigation strategies tailored to each region and site. The ongoing development of a comprehensive climate transition plan will support a low emissions scenario, aiming to manage financial impacts and significantly enhance resilience across all regions.

Regulatory risks

With the impact of increasing e-waste quantities, and a greater focus on the circular economy, we expect there to be changes in regulations impacting e-waste management and processing standards. For instance, upcoming right-to-repair and battery laws in Europe and the United States will impact waste management practices and demand higher outcome quality. Additionally, legislation affecting the transboundary movement of e-waste, both within Europe and under international agreements, introduces potential logistical delays and higher costs associated with compliance and transportation. Despite these challenges, we believe our experience and expertise in the e-waste management equip us to be able to navigate these regulatory changes effectively.

Other risks

Other risks we have identified include the falling value of recovered assets due to market trends. As technology becomes more portable, and older technology such as outdated software and hardware components lose their relevance, the market value of recovered assets decreases. Alongside this, rapid advancements in battery recycling technology could significantly alter current in-house recycling processes and business models. This could render existing technologies obsolete, requiring investment in new equipment and training, leading to temporary operational delays and increased costs.

Brand risks were also identified as highly impactful, particularly those associated with data breaches or non-compliance with environmental regulations. The heightened awareness of environmental issues means that customers and stakeholders are more vigilant about corporate responsibility, placing brands at risk if they fail to meet these expectations.

Opportunities

We also identified significant opportunities in the short- and medium-term for our industry. The increased demand for our circular economy services, particularly for lifecycle extension and responsible disposal of IT devices and batteries, presents a substantial growth area. Additionally, the opportunity to develop a new market segment, such as the second life for batteries, aligns with our sustainability goals and expected market needs. In the short- and medium-term, our focus on resource efficiency and brand positioning as a sustainability leader will strengthen our market presence and enhance our reputation. We are confident that our experience and proactive approach will enable us to navigate these challenges and seize these opportunities.

We are committed to managing climate-related risks and embrace opportunities to build a sustainable and resilient future. In 2024, we will focus on integrating our climate risk management framework within our overall risk strategy, in alignment with *SK tes SIG 6*, and submitting science-based targets for net zero emissions[20]. These initiatives support *SDG 13.2* (Climate Action) and *SDG 9.4* (Industry, Innovation, and Infrastructure), ensuring that our operations contribute positively to global climate goals.

Customer Privacy

The privacy of clients is paramount in the delivery of technology asset disposal services, and protecting the privacy, brand, intellectual property, data and trust of our customers is a key element of our sustainability strategy.

Data leakages and any loss of client assets are two targets managed and reported in our Sustainable Impact Goals[21]. Through effective governance, policies and work procedures we maintained a zero-incident record on breaches of customer privacy in 2023.

SDG 9.4 *Retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes.*

SDG 13.2 *Integrate climate change measures into national policies, strategies and planning.*

PROTECT SIG 1 [21] *Zero data leakage incidents.*

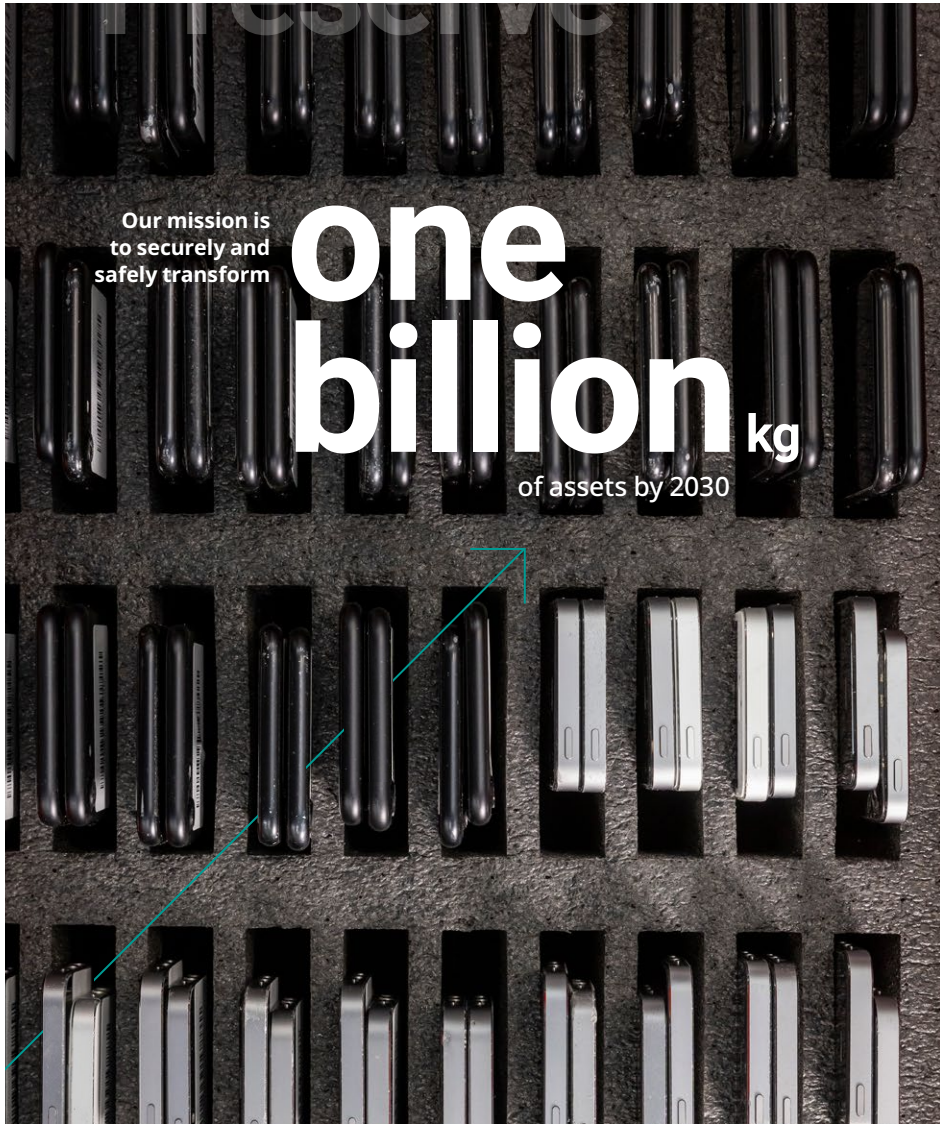
PROTECT SIG 2 [21] *Zero loss of any client assets whilst in SK tes custody.*

PROTECT SIG 6 *Implement a climate related risk management framework by 2024.*

PROTECT SIG 12 [20] *Set science based target commitment for Scope 1, 2 and 3 emissions.*

Preserve

By extending the life of assets, managing waste responsibly and ensuring that we are accountable for our own impacts on the environment, we are taking action to preserve our planet and its precious resources, for future generations.



SDG 12.4 *Achieve environmentally sound management of wastes.*
SDG 12.5 *Substantially reduce waste generation through reduction, recycling and reuse.*

2023 review: moving in the right direction

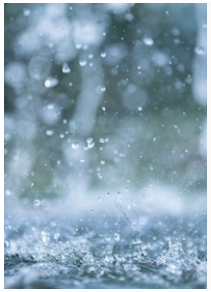
We processed more than **100 million** kilograms of assets

We undertook a comprehensive inventory of our **Scope 3** emissions

We increased our use of renewable energy by **116%**

Electric vans

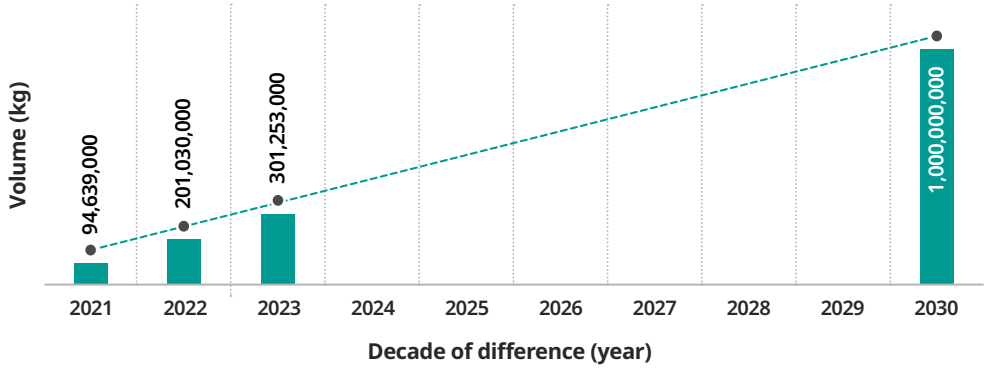
were trialled in Thailand



Rainwater harvesting

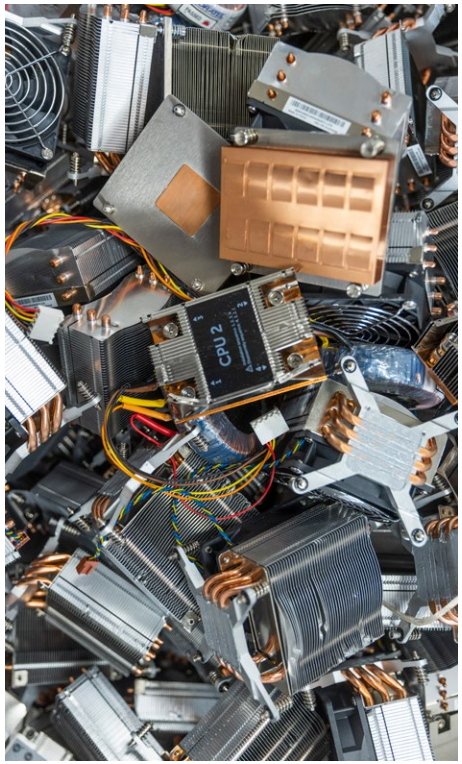
was introduced in Thailand, reducing the use of mains water

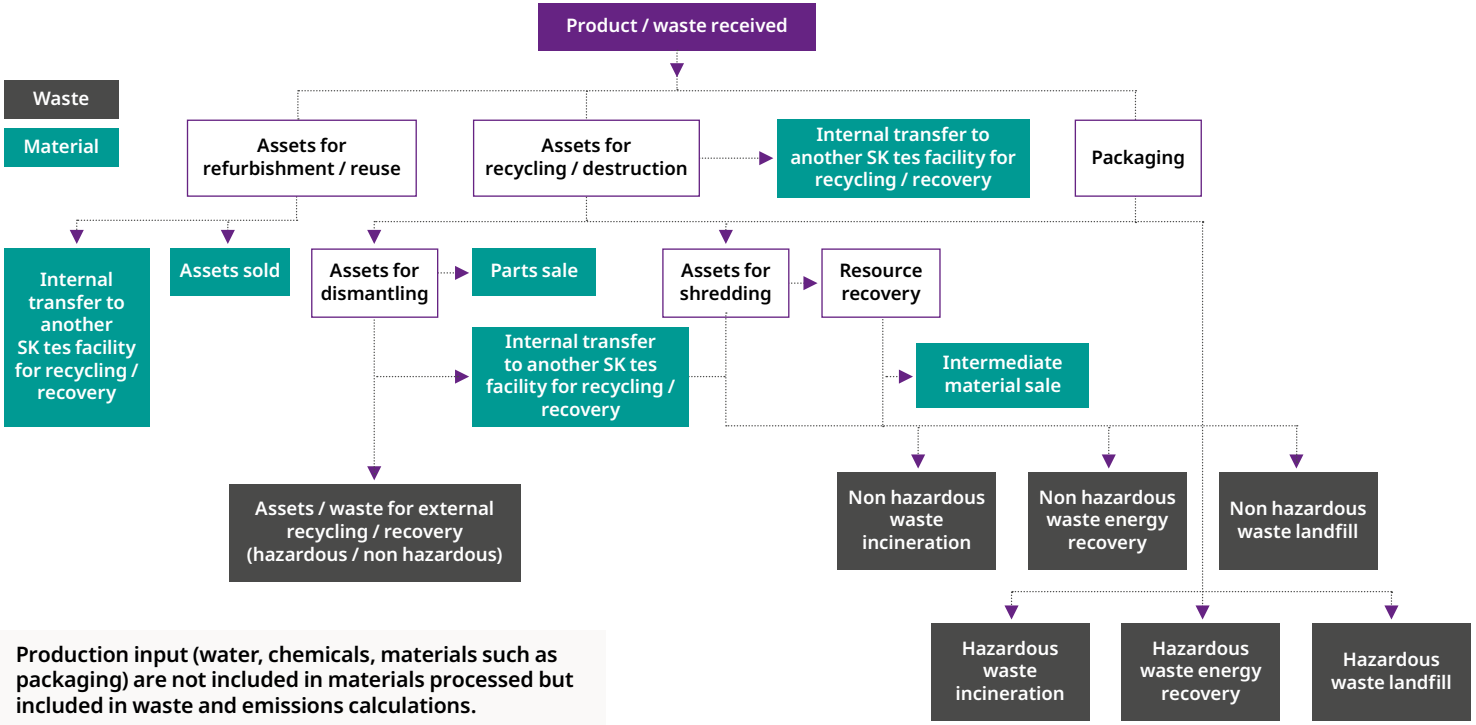
Progress towards our mission



Materials and wastes

Materials which are volumes of assets, or parts sold are considered to have zero emissions as they were not inputs to a manufacturing process. Emissions from processing these devices and parts are accounted as Scope 1 or 2.





Production input (water, chemicals, materials such as packaging) are not included in materials processed but included in waste and emissions calculations.

Calculations in ESG system

- Conversion of units to kg
- Calculation of the reuse, recycling recovery, and landfill/incineration rate

Volumes processed

What we sold, transferred, sent to external recycling/recovery excludes wastes from production inputs, intermediate processing activities and office waste which are not significant as very low in volume by weight.

Material volumes

What is received from technology asset disposal (refurbishment or reuse) programmes and sold as whole or as parts or base metals or other commodities that may go direct from SK tes into a manufacturing supply chain.

Waste volumes

What is sent for further downstream activities such as recycling, smelting, incineration, energy recovery or landfill.

Giving assets cond life

We are now engaging with clients and buyers to look at opportunities to reduce and reuse packaging, with these reduction initiatives incorporated into our sites' transition plans.

Materials that are accounted for as volumes of technology devices (and associated packaging) from clients processed for reuse constituting the predominant input volume.

The main device categories sold are:

Types of assets sold	Number of assets sold	Emissions avoided (tCO_2e) by reusing the assets*
Desktops and workstations	276,199	29,372
Laptops	586,768	35,490
Tablets	42,501	1,616
Monitors and televisions	322,927	8,696
Printer/Copier	137,066	481
Server/Blade/Tower	175,580	13,243
Smartphone	122,163	1,872
Network equipment	76,297	301
Audio/Video	641,342	12,762
Other main assets (Telephone, UPS, Cameras, etc)	134,005	108283
Total	**2,514,848**	**108,283**

* Estimated emissions avoided based on internal methodology and proprietary tool.

Reuse volumes by weight significantly dropped in 2023 primarily due to large numbers of desktops, monitors, refrigerators and washing machines which were reused in the previous year. These volumes were offset marginally by more laptop, tablet and server unit sales which were a lot lighter. For this reason, the proportion reused to overall metric tonnes processed correspondingly fell to 17.6% (33% in 2022).

In 2023, we used approximately S$4.35 million of plastic, cardboard and wood packaging to protect reused devices and ensure they can be delivered undamaged. This corresponds to a small fraction of the total materials we used and amounts to 3.5% of our total Scope 3 GHG emissions (1,469 tCO_2e).

To achieve a clearer picture of which of our sites are spending the most on packaging, we will undertake further analysis in 2024. We are now engaging with clients and buyers to look at opportunities to reduce and reuse packaging, with these reduction initiatives incorporated into our sites' transition plans.

As a circular technology service provider, we process electronic waste generated by our clients. We also generate a small amount of our own waste and we seek to achieve the highest levels of recovery possible. In 2023, the waste sent to landfill and incineration increased to 2,536 MT from 583 MT in 2022, while our reuse, recycling and recovery rate fell marginally as a result to 97.3%.

To address this, we have introduced training and incentivisation programmes at our operating sites to encourage business unit leaders to more stringently monitor the waste they generate, and consider specific reduction programmes and higher recovery disposal routes that will help us to meet our zero waste to landfill targets[22].

Technology disposition

PRESERVE SIG 11 [22] *Zero waste to landfill by 2025.*

Waste

Volumes of materials and wastes are accounted for at the point in which they leave our facilities and are defined as what we sold, transferred or sent to external recycling/recovery.

As sites develop their climate transition plans and tackle Scope 3 emissions, there will be a greater emphasis to reduce waste generation and improve recycling rates through more value added, higher recovery methods of disposal.

Emissions from waste volumes which are sent downstream for processes such as recycling, energy recovery, incineration or landfill are calculated using conversion factors from the UK Department of Business, Energy & Industrial Strategy (BEIS). Only emissions from recycling and waste to energy are excluded, while emissions from incineration and landfill are included in our Scope 3 inventory.

SDG 12.4 *By 2030, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment.*

Bringing innovation to circularity

Sustainable innovation exists in many forms and we continue to advance circular services by embracing new technologies and practices across a range of ground-breaking projects.

PRESERVE SIG 9 *Circular services.*

Project 1 IT redesign for greater efficiency

As part of our commitment to continuous improvement, 2023 saw the start of work on the redesign of parts of our IT infrastructure. By creating a new NextGen resource planning system, we can optimise the services we offer clients and help drive the global circular economy.

A project led by external consultants, involving teams from various departments is reviewing our processes to establish a redesigned, world-class infrastructure for client portals and systems for managing client relationships and pipelines. The new system will be connected to central enterprise resource planning (ERP) for processing and finance functions and to improve decision making and performance.

The project will deliver on nine strategic initiatives over the next two years:

1. Standardisation of service delivery processes to meet global and local client needs.
2. Adoption and propagation of best practices to maximise supply chain efficiency.
3. Establishment of a resilient execution platform to optimise productivity across core operations (ITAD, hyperscale, e-Waste and EV battery recycling).
4. Establishment of a professional service framework to organise the diverse value-added service streams effectively.
5. Enhancement of sales planning and execution capabilities to maximise value of recovered assets.
6. Integration of finance and operations to ensure data integrity for financial and operational transparency.
7. Actualisation of cost of goods and services for cost visibility and accurate tracking of total cost.
8. Implementation of global consolidation for improved strategic decision making and faster realisation of synergies within SK tes.
9. Establishment of global performance management system.

A new resilient execution platform will also help to optimise productivity across our core operations, while enhanced planning capabilities will maximise the value of recovered assets. The system will also support greater data integrity for financial and operational transparency, as well as improved cost tracking.

Bringing innovation to circularity

Project 2 Carbon calculator boost for client sustainability

A new carbon emissions calculator tool, or 'carbon-loop calculator', which is set to be launched in 2024 will provide clients with a new method for reporting their Scope 3 emissions, and the carbon saved from using our technology lifecycle services. The tool is especially aimed at clients who have made carbon neutral and ESG commitments.

The tool is based on specific product lifecycle analysis, as well as actual site level data on emissions, resource recovery, toxicity, energy, waste and transport and logistics. This differentiates the tool from other carbon calculators, which typically depend on general estimates of emissions.

Developed to ISO 14040,14044 and 14067 lifecycle assessment standards, and the GHG Protocol, the tool will use existing methodologies for calculating the carbon saved from e-recycling and reuse, and be verified and validated externally.

As well as offering clients additional assurance and credibility in their sustainability reporting, the calculator's reports will allow them to measure their progress against net zero and waste reduction goals, as well as their contributions to the UN SDGs.

SDG 7.a *Enhance cooperation and capacity building for recycling and reuse technologies.*
SDG 7.b *Expand infrastructure and technology energy services.*

Project 3 A low cost, low risk solution to recycling batteries

We have developed an innovative new way to strip batteries from electric vehicles (EVs), using a high-pressure liquid jet.

Dismantling EV batteries can be hazardous, with power tools or laser cutting equipment needed to separate modules and cells from battery packs which have been welded or glued together. Our new, low-cost technology significantly reduces the risk of fires caused by overheating, while increasing recycling rates.

The method uses no energy and tests have shown that the patented liquid doesn't react with battery compounds. The liquid is also part of a closed loop system, which helps to cut down any waste from the dismantling process.

A pilot is now being built at our Grenoble plant, as part of two European Union (EU) funded projects - ***MARBEL*** and ***BATTEREVERSE*** – and once proof of concept has been achieved, it will be introduced to all our battery recycling sites.

BATTEREVERSE is a research & innovation project funded by the European Commission's Horizon Europe programme that aims to build the next generation of battery reverse logistics.
www.battereverse.eu

MARBEL is a project to develop innovative and competitive lightweight batteries with the objective to accelerate the mass market take-up of electric and hybrid vehicles.
www.marbel-project.eu

Extending our global reach

To ensure that we can support client needs across the world, we have set a target to increase our global reach annually through the addition of new facilities and partner locations.

In 2023, we opened new sites in Singapore and Las Vegas, USA, as well as adding partner locations in India and New Zealand, following the closure of our own Auckland site due to an electrical fire. We have also identified new partners in Colombia and Mexico, strengthening our service capabilities in Latin America[23].

Together with our trusted partner network, SK tes offers coverage for our global clients across more than 100 countries.

PRESERVE SIG 10 [23] *Expand facility and partner network to provide local low GHG emissions footprint services across key demand geographies.*

How we use energy

Our total energy consumption in 2023 was 66,272 GJ, mainly due to the consumption of fuel at our facilities and by our vehicles, the purchase of electricity and heating, and the on-site generation of electricity through solar panels.

Diesel accounted for 45% of our fuel-related energy use. It was used to power company-owned trucks which transport electronic material, forklifts used in our facilities and, in a limited number of cases, back-up generators and company cars. Gasoline (petrol) is also used in some of our trucks and company cars, and propane in a small number of forklifts. In our European and American sites, natural gas remains the main source of heating, although our German facility in Herten purchases heating delivered through water pipelines which is partially generated with the combustion of biomass, resulting in a lower carbon footprint.

Fuel type	GJ
Diesel	11,227
Gasoline	8,768
Total gas	4,749
Total	**24,745**

PRESERVE SIG 12 [24, 25] *Set science based target commitment for Scope 1, 2 and 3 emissions.*

Our electricity and heating consumption also increased compared to previous years, with a total of 41,498 GJ either purchased or self-generated. However, in 2023, we achieved a significant milestone in our sustainability journey by increasing our renewable energy consumption by 116%, from 2,763 GJ in 2022 to 5,970 GJ. This substantial growth demonstrates our ongoing commitment to reducing GHG emissions and aligns with our sustainability impact goal[24].

Energy generated by on-site solar panel installations is also contributing to our renewable energy targets. Since the introduction of solar panels at our Benoi, Singapore, and Bangkok, Thailand, sites in 2022, we have worked towards decreasing our consumption of electricity from the grid. Renewable solar energy now accounts for 40% of electricity consumption at Benoi, and 54% in Bangkok.

While there are challenges assessing the suitability of each site for solar power, we are currently looking at all opportunities to reduce our indirect-source energy consumption, with the ultimate aim of transforming all sites to net-zero[25].

Both our Swedish facilities, and our site in Virginia, are committed to 100% renewable energy procurement. Our Virginia facility incorporates 100% Renewable Energy Certificates (RECs) into their energy strategy, while the Swedish facility obtaines electricity generated through renewable energy directly from the municipal provider. These ongoing initiatives highlight our long-term commitment to supporting and investing in clean energy solutions.

How we use energy

Energy use – breakdown by energy sources

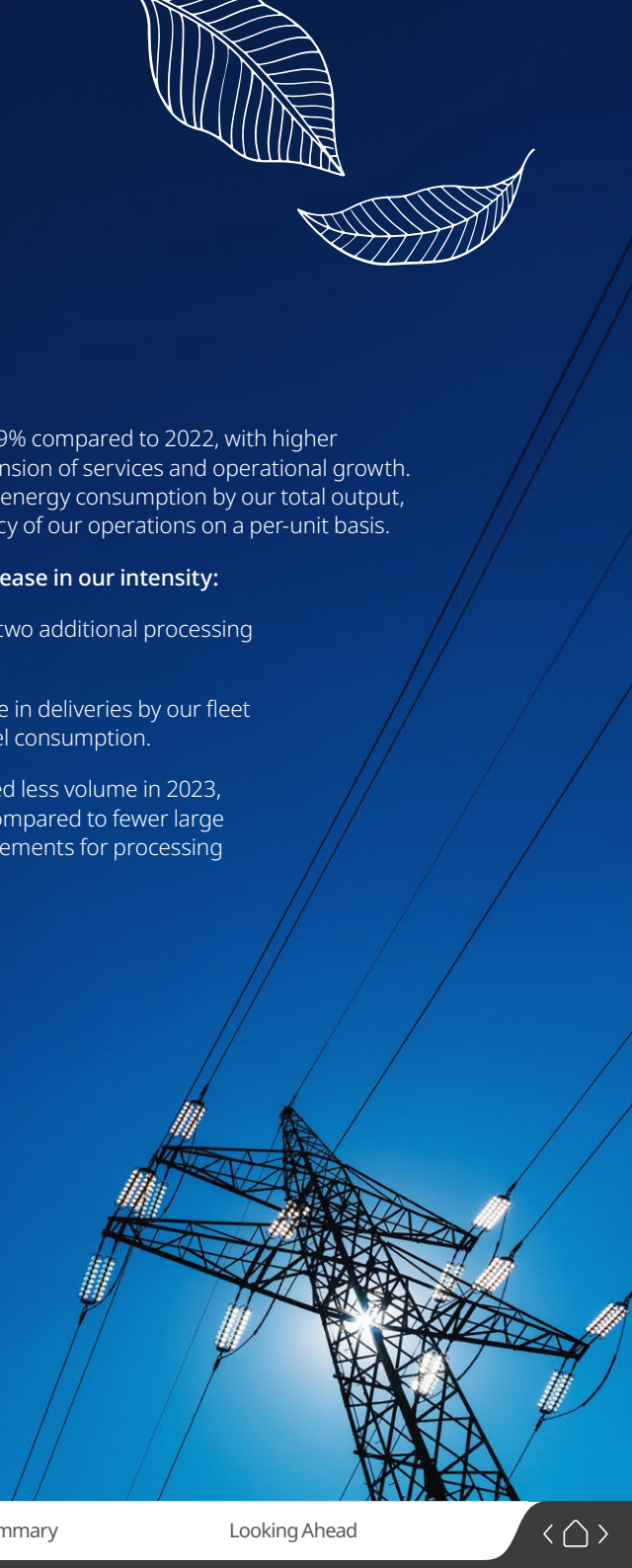
Energy source	Consumption (GJ)
Energy from Direct Source – fuel	24,745
Energy from Indirect Source – electricity from non-renewable source	34,979
Energy from Indirect Source – electricity from renewable source	1,717
Energy from Direct Source – electricity from renewable source	4,253
Energy from Indirect Source – heating from non-renewable source	2
Total Energy from Electricity and Heating	41,498
Total Energy Consumption	**66,243**

Energy intensity

In 2023, our energy intensity increased by 16.9% compared to 2022, with higher energy demands reflecting our ongoing expansion of services and operational growth. Energy intensity is calculated by dividing total energy consumption by our total output, allowing us to understand the energy efficiency of our operations on a per-unit basis.

Several factors have contributed to the increase in our intensity:

1. **Operational expansion** – the opening of two additional processing facilities in Singapore and Las Vegas, USA.
2. **Transportation and logistics** - an increase in deliveries by our fleet resulted in an increase of about 14% in fuel consumption.
3. **Asset processing** – although we processed less volume in 2023, we did handle more small components, compared to fewer large assets, leading to increased energy requirements for processing and handling.



How we use energy

Reductions in energy consumption

In 2023, we observed several changes in our energy consumption patterns:

Fuel consumption

Fuel consumption increased from 21,784 GJ to 24,745 GJ, a 10% increase largely due to the expansion of our logistics and distribution networks, which required additional vehicles and higher frequency of trips to meet the growing demand. To address this, we are piloting the introduction of electric vans in Thailand (see box) to learn more about their effectiveness and suitability for our logistics. If successful, the project will scale across the Group and help alleviate our dependence on fossil fuelled vehicles.

Electricity consumption

Our total indirect energy consumption increased by 8%, from 38,265 GJ to 41,498 GJ, which correlates with our expanded processing activities, where a higher number of assets required more energy-intensive processing. Air conditioning was also installed at our Cannock site in the UK, further contributing further to an increase in energy consumption. However, our share of renewable energy has drastically increased leading to a decrease in our indirect non-renewable electricity consumption compared to 2022.

Renewable energy usage

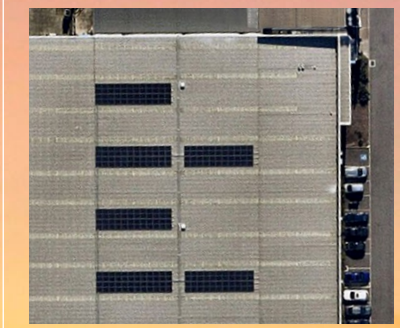
In 2023 we significantly increased our renewable energy usage from 2,763 GJ to 5,970 GJ, marking a 116% increase compared to 2022. This includes both self-generated RE from solar photovoltaic (PV) installations at our sites in Singapore, Bangkok, and Melbourne, as well as the purchase of renewable energy in Sweden and Virginia. This substantial rise in renewable energy consumption highlights our commitment to transitioning towards cleaner energy sources and reducing our carbon footprint[26 27 28].

SDG 7.2 [26] *Increase share of renewable energy.*
SDG 7.b [27] *Expand infrastructure and technology energy services.*

PRESERVE SIG 12 [28] *Set science based target commitment for Scope 1, 2 and 3 emissions.*

Spotlight Rooftop solar in Melbourne

Our efforts to expand renewable energy usage across our global operations included solar PV installation at our site in Melbourne. Comparing the monthly average before and after the PVs were installed, we recorded a 48.6% decrease in indirect non-RE electricity consumption during the Q4 of 2023.



Above: SK tes Melbourne site

Before PV avg	**12,841 GJ**
After PV avg	**6,603 GJ**
Avg difference	**6,238**
Increase/(Decrease)	**(49%)**

How we use energy

Spotlight Thailand goes electric

In 2023 we added two electric vans to our Thai operations to cater for local client collections.

The vehicles, which are planned as a replacement for existing gasoline vans can carry up to 1 MT and their 80km range makes them suitable for daily trips within the Bangkok area. They also help to meet our clients' requests for greener transportation options.

The estimated carbon savings are

24.6tCO_2e

SDG 7.2 *Increase share of renewable energy.*
SDG 7.b *Expand infrastructure and technology energy services.*

Water

Despite the fact that water use is only a small part of our operations – in 2023 we used 77,358m^3, mainly in chemical processes – we continue to recognise it as an important natural resource that must be managed sustainably.

For example, at our battery recycling facility in Tuas, Singapore, vapour recompression technology recirculates water, while the plant's chemical lines conserve water by reusing condensed water collected during processing, reducing the need to draw on public water supplies. Water consumption is thus minimised and primarily used for human consumption and sanitary purposes.

Rainwater harvesting is another example of sustainable practices around water and our Thai facility now consumes almost 5% less mains supplied water, corresponding to 93,000 litres and 35.15 kgCO_2e of avoided emissions.

As well as tracking our consumption, this year we also carried out an assessment to see which of our sites were in water-sensitive areas. Using the World Resource Institute's Aqueduct Water Risk Atlas, 56.41% of sites are in areas of medium-high, high and extremely high-water sensitivity. This information will help us to plan for any future actions to reduce the number of sites in these sensitive areas.

The emission factors from the UK Department of Business, Energy & Industrial Strategy (BEIS) are consistently applied across all sites to ensure uniformity. These figures are the sum of the emission factors for both water supply and water treatment, and based on the 100-year Global Warming Potential (GWP) of the gases involved.

Total group Scope 3

41,921 tCO_2e

% of total Scope 3 that is water

0.07%

Understanding our

Last year, we undertook a comprehensive inventory of all our Scopes of emissions, marking 2023 as our new baseline for reporting on GHG emissions. This baseline is particularly significant as it includes, for the first time, a full Scope 3 emissions assessment, capturing the broader environmental impact across our value chain.

Establishing 2023 as the baseline allows us to accurately track progress toward our Science-Based Targets initiative (SBTi) goals, which commit us to reducing emissions by 2030.

In line with the GHG Protocol Corporate Standard, we have developed a baseline recalculation policy to account for significant structural changes, such as mergers, acquisitions, or divestitures. This triggers a recalculation of our baseline in order to maintain the accuracy and consistency of our emissions tracking. Any significant changes beyond a 5% threshold would trigger a recalculation.

Direct GHG emissions in 2023 amounted to 1,588 MT of CO_2e, a year-on-year increase of 23%. The increase is attributable to additional logistics involved with collecting client assets, and the ongoing use of diesel and other fossil fuels. Emissions calculations were based on GWP100, a metric that looks at the global warming potential of greenhouse gases over 100 years, using emission factors provided UK BEIS. Sites contributing the highest Scope 1 emissions, which constituted 55% of our total were, in decreasing order: Recklinghausen, Seattle, Shanghai, Johor Bahru and Benoi Sector Singapore. Focused actions will be undertaken in 2024 to look at transitionary fuels such as biodiesel and a phased replacement of the existing fleet with electric vehicles.

Scope 1 Category	Emissions (tCO_2e)
Mobile emissions	1,289
Stationary emissions	242
Fugitive emissions	57
Process emissions	0
Total	**1,588**

Understanding our GHG emissions

Energy indirect GHG emissions (Scope 2) were also calculated based on GWP100, and showed we generated 4,677 MT of CO_2e in 2023, a decrease of 2% on previous year. This decline is despite increased electricity use from data-wiping and refurbishment activities which was countered by higher adoption of renewable energy. The sites contributing the most to Scope 2 emissions were: Shanghai (34%), Suzhou (12%), Singapore - Benoi Sector (10%) and Singapore - TES B (9%). The transition to renewable energy will be a critical consideration in the upcoming years, helping us to achieve our Scope 2 reduction ambitions.

In 2023, we moved from using a location-based approach to a market-based methodology to calculate the emissions from our electricity use. Consequently, 14 out of 37 sites have transitioned from a national or regional grid average to a supplier-specific, or residual mix emission factor. This shift aligns with our plans to more precisely quantify our emissions, as we increasingly integrate renewable energy sources into our energy mix.

By adopting a market-based methodology we will also better reflect our efforts in supporting cleaner energy solutions and demonstrate transparency in our emissions reporting.

Site location	Emission factor
Hong Kong	National average to supplier-based
Australia	Regional average to supplier-based for Sydney and Victoria, to residual mix factor for Queensland
France	National average to supplier-based
Germany	National average to residual mix factor for Recklinghausen, national average to supplier-based for Herten
UK	National average to supplier-based
Spain	National average to supplier-based
Sweden	National average to supplier-based (100% renewable energy from municipal supplier)
Netherlands	National average to supplier-based
USA Virginia	Regional average to supplier-based (100% renewable energy from provider retiring RECs on behalf of the facility)

For operating locations where supplier-specific emission factors (EFs) are not yet available, we have continued to employ a geographically sensitive approach. In the United States, to ensure consistent emissions reporting, we use EFs based on regional grid averages provided by the U.S. Environmental Protection Agency's Emissions & Generation Resource Integrated Database (eGRID). In Europe, we mostly use EFs provided by the suppliers or, when these are not available, we rely on residual mixes published by the Association of Issuing Bodies (AIB). In 2023, our UK sites (Cannock and Irvine) transitioned to supplier-based EFS, allowing us to discontinue using those supplied by UK BEIS. For our APAC locations, we largely use residual mixes for Australian sites; EFs published by government or local environmental agencies for most Asian sites; and as a last resort, in certain instances we relied on EFs provided by the International Energy Agency (IEA).

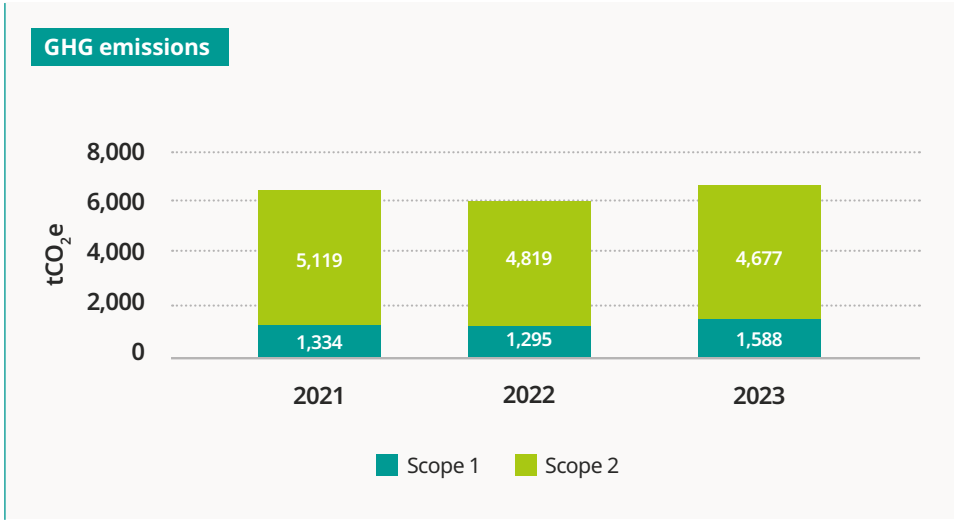
Understanding our GHG emissions

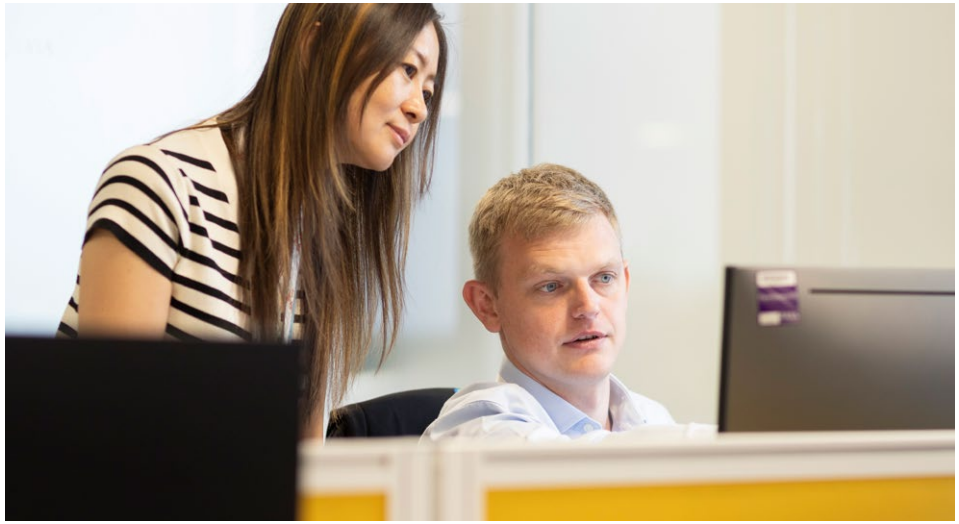
Table below: Comparison of Scope 2 emissions calculated with location-based approach against market-based approach.

Scope 2 Emissions	tCO_2e
Location-based Scope 2 emissions	4,738
Market-based Scope 2 emissions	4,677
Difference between market and location based emissions	61

For the first time this year, we are able to report on the different greenhouse gases that are included in our Scope 1 and 2 inventory, and generated by the consumption of fuel, electricity and refrigerants, in order to fully comply with the GHG Protocol Corporate Accounting and Reporting Standard.

GHG	Scope 1 (MT)	Scope 2 (MT)
CO_2	1,529	4,676
CH_4	2	0.1
N_2O	12	0.5
HFCs	44	0





Other indirect (Scope 3) GHG emissions

2023 is the first year in which we are reporting all our material categories of Scope 3, and their respective emissions:

	Scope 3 category	2022 tCO_2e	2023 tCO_2e
1	Purchased goods and services	30*	4,294
2	Capital goods		4,650
3	Fuel and energy related activities		1,417
4	Upstream transport and distribution	5946	20,105
5	Waste	613	1,203
6	Business travel		1,413
7	Employee commuting		2,615
8	Upstream leased assets	Not relevant for SK tes	
9	Downstream transport and distribution	8,213	5,865
10	Processing of sold products	Outside reporting boundary	
11	Use of sold products	Outside reporting boundary	
12	End of life treatment of sold products	Outside reporting boundary	
13	Downstream leased assets	Not relevant for SK tes	
14	Franchises	Not relevant for SK tes	
15	Investments**		358
	Total relevant scope 3 emissions	**14,802**	**41,921**

* Emissions from water consumption only
** Investments (where SK tes has minority shareholding and no operational control)

Beichen Advanced Recycling Technologies (Qingdao) Co Ltd
Shanghai TES-AMM Zhongyi New Energy Technologies Co Ltd
Jining City Yufeng Environmental Technologies Co Ltd
GenPlus Private Limited, Singapore
TES-AMM Korea Inc

Scope 3 emissions are calculated in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Standard.

The spend data method was used to calculate category 1 and 2 (above), using the US Environmentally Extended Input-Output (USEEIO) as EFs, with the only exception being water, for which activity data was collected.

Calculations for category 3 were performed using activity data related to fuel and electricity, and applying well-to-tank EFs for fuel from UK BEIS, and a combination of upstream, transportation and distribution EFs for electricity, provided by the IEA.

For emissions related to third-party logistics and employee travels - categories 4, 6, 7 and 9 - we used activity data based on the distance travelled, again linked to EFs from UK BEIS. Waste related emissions, category 5, were also based on activity data using the waste-type-specific method, in which each type of waste and waste stream has a specific EF from UK BEIS.

Emission for waste sent to recycling and waste-to-energy are outside our system boundaries, hence emission factors for these waste streams are equal to 0 $kgCO_2e$ within our inventory, assuming that emissions from these processes are attributed to the organisations using the recycled material, or the energy generated from the waste combustion, in accordance with the GHG Protocol. Emissions are accounted for waste sent for incineration or landfill using EFs derived from the UK BEIS.

Finally, for investment companies included in category 15, scope 1 and 2 data from these linked companies was used that only accounted for the percentage of ownership, using similar EFs as per our own scope 1 and 2 inventory. It is important to note that categories of Scope 3 emissions in 2022 are not comparable to 2023, as calculations did not account for all activities. For example, in 2022 for category 1, emissions from purchased goods and services, only water was included. Downstream activities for categories 10, 11 and 12 have been excluded from the final Scope 3 inventory based on the principle of relevance.

Aligning with the GHG Protocol, and reflecting the nature of our work as a circular service provider and electronic waste recycler, our influence over emissions during the technology device's use phase, or at the end of its second life is limited as these phases are primarily managed by the original manufacturers, who decide on the energy efficiency and potential for recyclability.

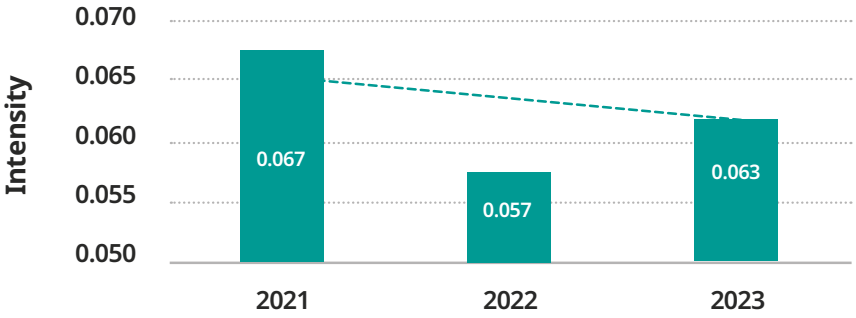
Our reduction efforts are therefore focused on categories that are in our control, such as our supply chain, waste management and transportation, which align with the GHG Protocol advocating that companies concentrate their reporting and reduction efforts in areas where they can have the most significant influence and impact. Technology device reuse and recycling can significantly reduce the GHG emissions in their lifecycle, while our primary activities also minimise the need for new product manufacturing and virgin material extraction.

Our Scope 3 inventory constitutes 87% of the total emissions generated by SK tes. In line with SBTi requirements to act on minimum 67% of Scope 3 emissions, our focus on reductions will centre on minimising waste, transportation and distribution activities and the purchase of goods and services, and capital goods.

GHG emissions intensity

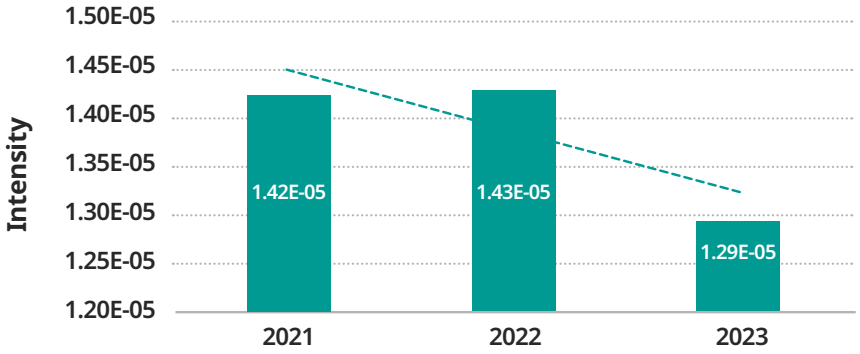
Scope 1 and 2 GHG emissions intensity per MT of materials processed was higher in 2023 over 2022 because of higher emissions and lower overall volumes in weight.

Scope 1 & 2 (tCO_2e)/MT of materials processed



Intensity of GHG emissions by revenue provides a different perspective, highlighting the change in the business to lower volume (weight) and higher revenue processing of technology devices.

Scope 1 + 2/S$ revenue



SDG 13.2 *Integrate climate change measures into national policies, strategies, and planning.*

PRESERVE SIG 12 [29] *Set science-based target net zero commitment for Scope 1, 2 and 3 emissions.*

Reductions in GHG emissions

Although direct and indirect GHG emissions increased in 2023, the company is aiming to set science-based targets in 2024 to align with the 1.5°C temperature increase scenario of the Paris Agreement.

Emissions for all scopes have been recorded and externally verified, paving the way for science-based target commitments to be validated and for work to begin developing site-specific climate transition plans. Some of the initiatives being considered include:

- Use of biofuels
- Electrification of forklift and vehicle fleet
- Replacement of air-conditioning systems utilising less energy intensive R32 refrigerant
- Rooftop solar panels
- Purchase of Renewable Energy Certificates and/or switch to renewable energy providers
- Installation of battery energy storage systems
- Improved insulation
- Reduced purchases of packaging materials
- Reduce waste generated (achieve zero waste to landfill)
- Use of electric trucks in third party logistics

The proposed near-term targets proposed our 17 sustainable impact goals are[29]:

42% reduction in absolute Scope 1 and 2 GHG emissions by 2030 from a 2023 baseline year*

51.6% reduction in material** Scope 3 GHG emissions per dollar revenue generated from a 2023 baseline year*

The Scope 3 intensity target proposed in 2022 has been reformulated to better align with our global business goals and reflect the progressive reduction in asset sizes due to technological progress. For this reason, we moved away from a physical intensity target, and plan to submit an economic intensity reduction target for our Scope 3 GHG Emissions, along with our Scope 1 and 2 absolute reduction target.

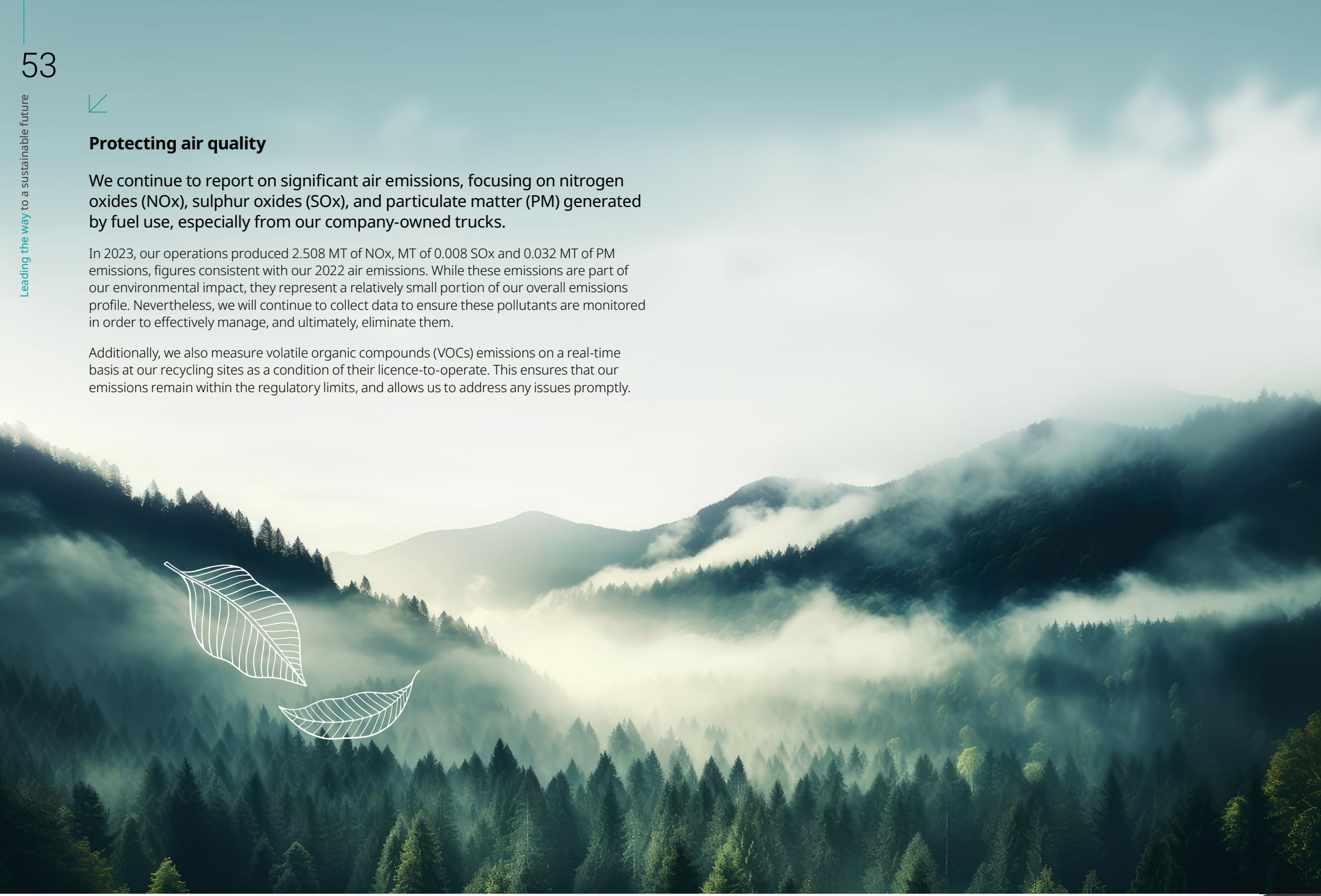
* Targets will be subject to SBTi validation ** Representing at least 67% of total Scope 3 emissions

Protecting air quality

We continue to report on significant air emissions, focusing on nitrogen oxides (NOx), sulphur oxides (SOx), and particulate matter (PM) generated by fuel use, especially from our company-owned trucks.

In 2023, our operations produced 2.508 MT of NOx, MT of 0.008 SOx and 0.032 MT of PM emissions, figures consistent with our 2022 air emissions. While these emissions are part of our environmental impact, they represent a relatively small portion of our overall emissions profile. Nevertheless, we will continue to collect data to ensure these pollutants are monitored in order to effectively manage, and ultimately, eliminate them.

Additionally, we also measure volatile organic compounds (VOCs) emissions on a real-time basis at our recycling sites as a condition of their licence-to-operate. This ensures that our emissions remain within the regulatory limits, and allows us to address any issues promptly.



Supplier environmental assessment

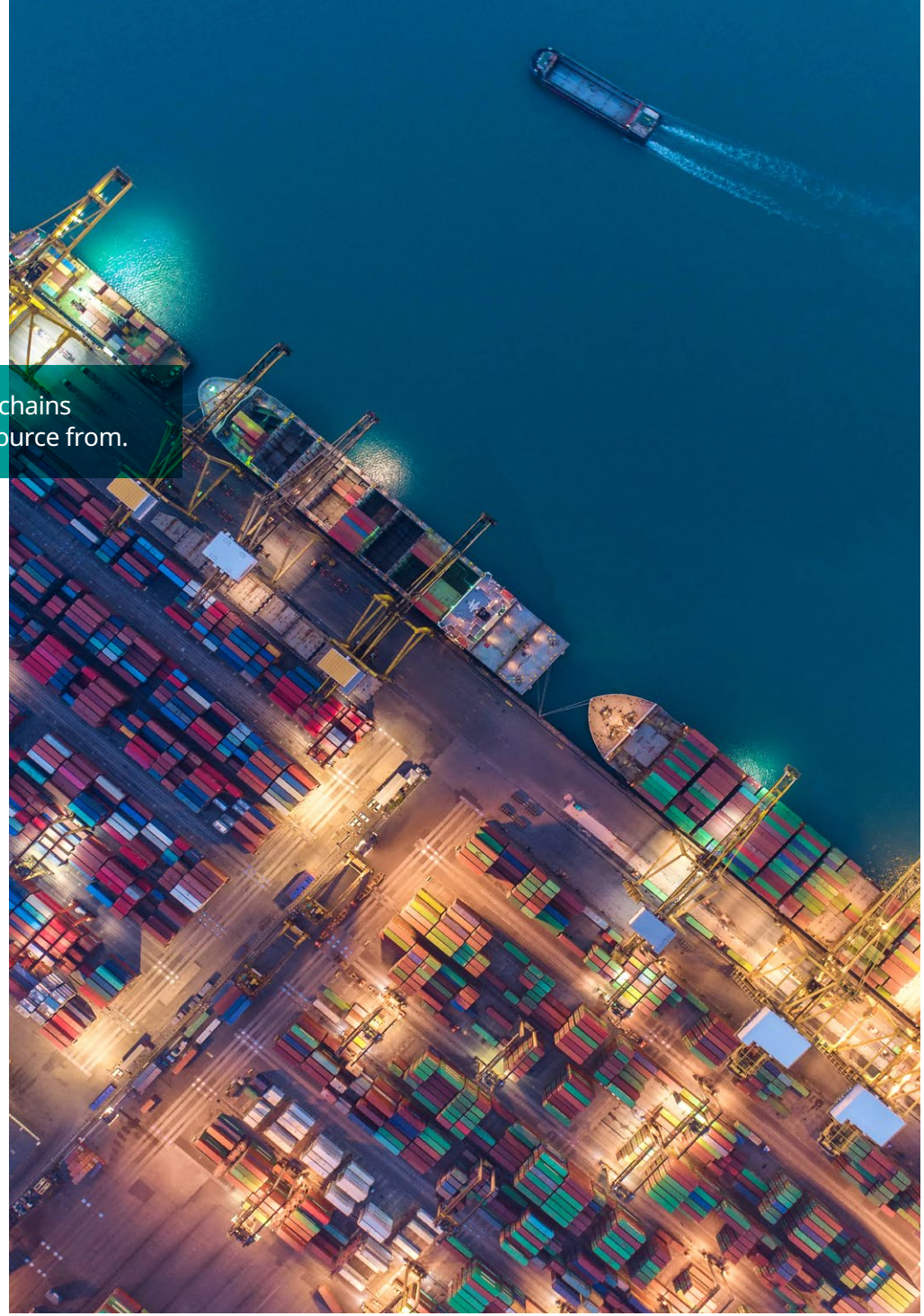
We understand the intrinsic link between sustainable supply chains and the well-being of the people and the environment they source from.

In 2023, for example, the spend on logistics and warehouse consumables was over
S$21.2 million globally.

Given that overall supplier spend locally has not been materially significant to individual suppliers, our ability to engage with them on an ongoing basis to influence and change behaviours toward more environmentally-friendly outcomes is limited. Instead, the emphasis is on suppliers to change and make a conscious strategic decision to environmental commitments. Despite this, where possible we will continue to engage and influence existing suppliers, encouraging them to commit to and report on progress they are making around climate action, reducing waste and other environmental initiatives.

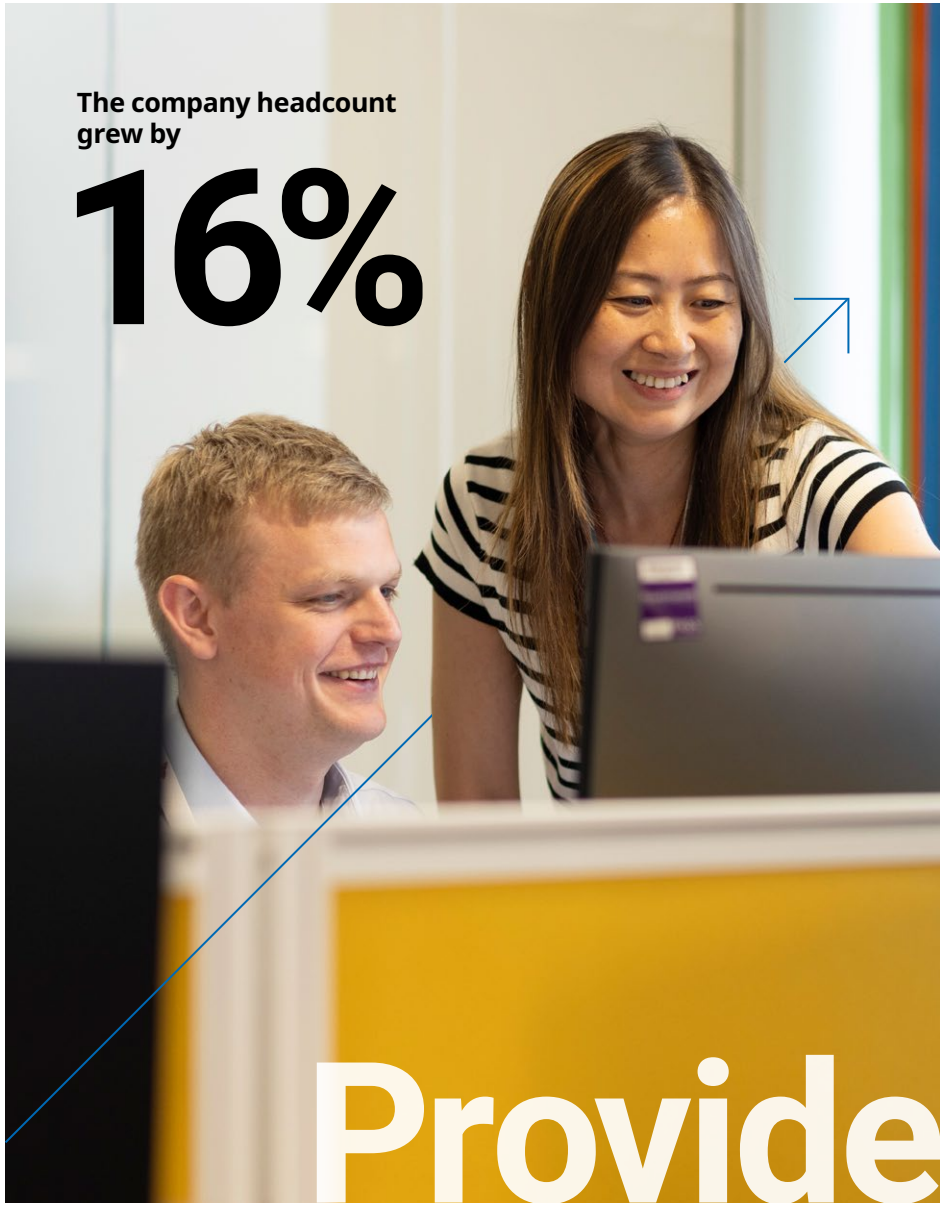
All suppliers are onboarded with due diligence conducted to ensure they agree to comply with our supplier code of conduct, which stipulates environmental, social responsibility and good governance responsibilities.

Our business partner network is exclusively managed by the international partner manager, and SK tes' compliance programme. Stringent assessments are carried out during the initial onboarding phase, to ensure adherence with our supplier code of conduct and service capability, with ongoing management ensuring that partners continue to remain compliant with our policies and procedures.



Provide

We are dedicated to creating a workplace and community that is safe, diverse, and inclusive, where everyone can flourish. We prioritise the safety of our employees, striving for zero injuries through our comprehensive health and safety management system, which is reinforced by ongoing training and a highly motivated workforce.



2023 review: moving in the right direction

Employee turnover dropped to

16%

from 35% in 2021

We appointed a new

Compliance, Risk Management and Human Rights Director

Our sustainability training programme, "Sustaining Tomorrow" reached

97%

of targeted employees

0

high-consequence injuries or fatalities

0

reported incidents of discrimination

We resold more than

5,800,000

refurbished assets, including laptops, tablets, and smartphones to local and international markets in need of affordable technology

Our people:

Ongoing business growth and investments in battery recycling capabilities, as well as the continued expansion of our ITAD operations have led to additional recruitment needs across all operational regions, with the company headcount growing by 16% from 2022.

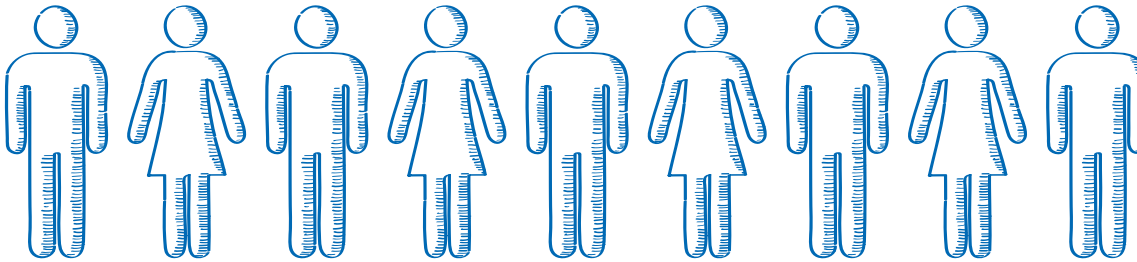
EMPLOYEES BY AGE	<30		30-50		>50		Total	
	2022	2023	2022	2023	2022	2023	2022	2023
Total employees	555	614	1,282	1,504	448	532	2,285	2,650
Permanent employees	471	549	1,219	1,427	422	498	2,112	2,474
Temporary employees	84	65	63	77	26	34	173	176
Full-time employees	540	599	1,264	1,483	442	522	2,246	2,604
Part-time employees	15	15	18	21	6	10	39	46
Workers (non-employees)	34	68	33	116	13	29	80	213

EMPLOYEES BY GENDER	Female		Male		Undisclosed		Total	
	2022	2023	2022	2023	2022	2023	2022	2023
Total employees	822	934	1,462	1,702	1	14	2,285	2,650
Permanent employees	784	902	1,327	1,558	1	14	2,112	2,474
Temporary employees	38	32	135	144	0	0	173	176
Full-time employees	799	911	1,446	1,679	1	14	2,246	2,604
Part-time employees	23	23	16	23	0	0	39	46
Workers (non-employees)	22	62	58	128	0	23	80	213

EMPLOYEES BY REGION	Asia-Pacific		Europe		US		Total	
	2022	2023	2022	2023	2022	2023	2022	2023
Total employees	1,546	1,708	588	635	151	307	2,285	2,650
Permanent employees	1,534	1,628	564	539	148	307	2,246	2,474
Temporary employees	12	80	24	96	3	0	39	176
Full-time employees	1,449	1,696	512	604	151	304	2,112	2,604
Part-time employees	97	12	76	31	0	3	173	46
Workers (non-employees)	25	79	45	48	10	86	80	213

Our people: a growing community

Consistently, across the different demographic classifications, we primarily promote permanent, full-time employment, which represents a commitment to job stability, boosted by benefits which include health insurance, retirement plans, and professional development opportunities. This approach is part of our effort to ensure that our employees remain engaged and committed to our vision, helping to reduce turnover and increase employee retention.



Approximately 64% of our employees are male, a figure consistent with the two previous reporting years. The gender disparity reflects the physical nature of e-waste management and ITAD work, which is an area historically dominated by men. However, we continue to work on strategies that will increase the representation of women in our company, such as more inclusive recruiting processes. We are particularly focused on enhancing female representation at the management level, and have set a target to achieve 50% women representation[30].

The use of non-employees and contractors, whose work is controlled by the company as a complement to our full-time employees, occurs in countries where we provide professional services, typically in project-type engagements for specific client programmes, or for specialised, on-site technical services work. The ebb and flow of non-employee manpower in our operations is directly proportional to activity levels. During periods of increased activity, we supplement our workforce via approved labour hire companies, which are compliant with all relevant labour regulations and the Responsible Business Alliance (RBA) code of conduct. Where foreign migrant workers are employed, we are fully aware of and follow the latter, utilising approved recruitment agencies and covering all fees to protect workers from exploitation.

Since 2021, employee turnover has dropped from **35%** to **16%**, reflecting our improved employee retention efforts. As part of our strategy to enhance employee engagement, we have implemented additional robust feedback mechanisms, including an annual engagement survey[31]. Insights gathered from the 2023 survey have been instrumental in refining our strategies and addressing employee concerns, ultimately contributing to a more satisfied and stable workforce.

Our hiring practices remained inclusive and focused on attracting diverse talent, ensuring that new hires align with our organisational values and contribute positively to our work environment. We continue to monitor turnover rates closely, analysing them by age group, gender, and region to identify areas for further improvement and to help maintain a balanced and motivated workforce.

PROVIDE SIG 14 [31] *Increase feedback and participation in employee engagement activities.*
PROVIDE SIG 17 [30] *Achieve gender parity in senior management roles.*

Human rights

bour practices

We strictly adhere to international human rights standards, including the ILO's Declaration on Fundamental Principles and Rights at Work.

At the end of 2023, we appointed a new Compliance, Risk Management and Human Right Director, to enhance our compliance with ethics and human rights across our organisation, supply chain and wider value chain. The appointment has led to the development of a revised and comprehensive human rights framework which incorporates a robust risk management system and provides a structured process for identifying, assessing, responding to and reporting on human rights issues such as child and involuntary labour, harassment and discrimination, diversity and inclusion, and the rights to freedom of association and collective bargaining.

In 2024, we will conduct a thorough human rights risk assessment to identify high-risk countries and outline the scope of ongoing assessments and corrective actions. This process will include an internal audit to ensure rigorous oversight. To facilitate effective communication of outcomes and remediation, the Compliance Director will establish a Human Rights Working Group to discuss, report on and issue instructions that drive human rights initiatives across the business. One-to-one sessions will take place between the Compliance Director and country representatives to discuss and coordinate the specifics and effective delivery of individual human rights instructions and/or assignments. An annual risk assessment will inform and shape our human rights strategy, driving the development of actionable plans and continuous improvements. Consultations, such as a human rights survey will be an important element of this process.

We oppose child labour in all our operations and supply chains. Our human rights framework includes stringent measures to prevent child labour, including planned and regular audits and collaborations with suppliers to ensure compliance. Any violations are addressed immediately, with appropriate corrective actions. We also apply a zero-tolerance approach to forced or compulsory labour within our operations and supply chain.

By adhering to RBA standards, we only use approved recruitment agencies, and our risk management system includes monitoring and audits to detect and address any instances of forced labour.

SDG 8.7 *Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking.*

Creating a diverse and inclusive workspace

In 2023, the percentage of women in leadership roles remained stable compared to 2022, with over 30 new women employed in management and senior management positions[32]. As a global company, our workforce comprises a diverse range of ethnicities, reflecting our commitment to diversity and inclusion. Moving forward, we plan to set annual recruitment targets for under-represented groups to further enhance diversity within our organisation.

Diversity is known to foster a more open-minded workplace, which enhances our ability to innovate and adapt. Beginning in 2024, where possible we will start tracking ethnicity in our ESG reporting system, while being mindful and respectful of employees' rights to privacy. This initiative aims to celebrate our diversity and enable continuous improvement with concrete data that can set the stage for more inclusive practices in the future.

We are committed to promoting a workplace free from discrimination and in 2023, no incidents of discrimination were reported. To further enhance our identification and prevention processes, our 2024 human rights risk assessment will actively include and incentivise the participation of representatives from vulnerable groups, including women, migrant workers, individuals with disabilities, older employees, and ethnic minorities. We will also set annual recruitment targets for these groups in some company locations, in order to build a workforce that is increasingly diverse and representative of the communities we serve.

SDG 5.5	*Ensure women's participation and equal opportunities for leadership at all levels.*
SDG 10.2 SDG 10.3	*Empower social, economic and political inclusion of all, ensure equal opportunity and reduce inequalities of outcome.*

PROVIDE SIG 17 [32] *Achieve gender parity in senior management roles.*

Championing freedom of association bargaining

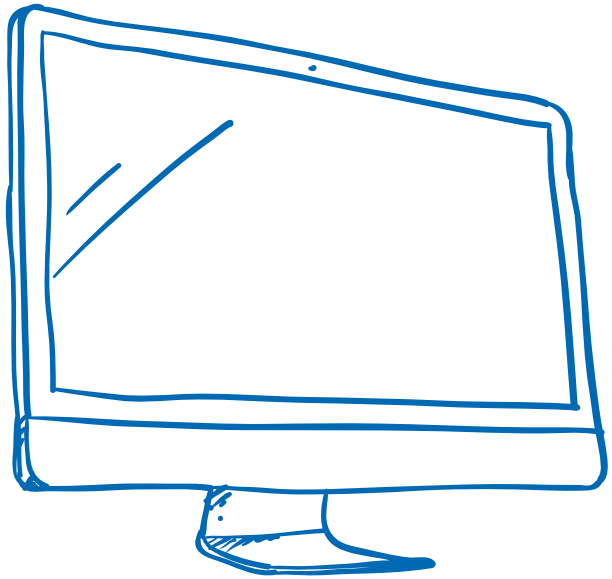
Our labour policy is clear that all employees have the right to collective bargaining and freedom of association.

We are informed of employees' political affiliation and associations with interest groups through the Annual Conflict of Interest declaration. This process is for monitoring purposes only and we do not object to participation in any such groups. We communicate our support and position on collective bargaining through our mandatory annual training. To date no employee has come forth to identify themselves as a union representative.

SDG 8.7 *Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking.*

SDG 8.8 *Protect labour rights and promote safe and secure working environments for all workers.*

Helping to bridge



We generate indirect economic impacts by providing affordable technology to underserved markets. By selling refurbished devices, we play a crucial role in bridging the digital divide, particularly in developing countries. In 2023, we sold more than six million refurbished assets, including laptops, tablets, and smartphones, to local and international markets in need of affordable technology.

Our efforts help to promote social and economic growth in underserved regions, while also advancing the circular economy. Refurbished devices, sold through both local and global e-commerce platforms offer a cost-effective alternative to new electronics, enabling lower-income communities to access the internet and online services, which can be transformative. In education, for instance, second life devices provide students and teachers with technology for digital learning, enhancing educational opportunities and raising living standards. In healthcare, technology aids improve outcomes by enabling users to access medical services. Additionally, low-cost mobile and end-user computing devices support access to financial services for the unbanked, limiting potential exploitation by unethical employers[33].

By making affordable technology accessible we are contributing to several SDGs, including Ending Poverty[34], Quality Education[35]. Gender Equality[36], Industry, Innovation and Infrastructure[37], Responsible consumption and production[38], Climate Action[39] and Partnerships for sustainable development[40].

The main device categories sold are desktop PCs and workstations, laptops, tablets, monitors, smartphones and TVs.

Based on the 2.5 million most common devices sold, the estimated GHG emissions saved from reuse amounted to more than 108,000 tCO_2e. This reduction in carbon emissions directly contributes to mitigating climate change[41].*

Climate change poses significant risks to economies worldwide, including increased costs from natural disasters, disruptions to agriculture and supply chains, and impacts on public health. By contributing to a reduced carbon footprint worldwide, SK tes helps mitigate these risks, promoting economic resilience and reducing the potential for climate-related economic losses. We further contribute to better health outcomes, particularly in vulnerable communities that are most affected by environmental degradation.

SDG 1.4	*34. Ensure that all men and women, in particular the poor and the vulnerable have access to appropriate new technology.*
SDG 4.4 SDG 4.6	*35. Increase the number of youths and adults who have relevant skills.*
SDG 5b	*36. Enhance the use of enabling technology to promote the empowerment of women.*
SDG 9c	*37. Significantly increase ICT and provide access to the internet in least developed countries.*
SDG 12.2 SDG 12.5 SDG 12.8	*38. Sustainable management of natural resources, information and awareness for sustainable development.*
SDG 13.2	*39. 41. Education on climate change.*
SDG 17.8	*40. Enhance used of ICT for capacity building for least developed countries.*
PROVIDE SIG 16	*33. Each country to advance an SDG1, SDG4, SDG5, SDG7, SDG8, SDG9, SDG10, SDG12, SDG13 or SDG17 initiative.*

* See page 38 for table of emissions avoided by devices resold.

Creating a healthy

Operating a health and safety workplace is part of a core commitment to our employees. The ISO45001:2018 Certification on Occupational Health and Safety management system is in place in 34 of our 37 sites, covering 98% of our workforce. The remaining sites in France and Rotterdam will be certified within the next two years. The system is part of our Integrated Management System, which incorporates quality management, environmental management and responsible recycling (R2 standard).

As well as an integral part of best practice, management systems are in place to ensure we conform with requirements to protect our employees when they are handling hazardous materials, both within our operations and at client locations. To ensure our system remains compliant and effective, we operate a review process for regulations and policies. The process is supported by our global procedure and governance network platform, which monitors regulatory changes and updates across all regions where we operate. When a regulatory change is identified, an internal review and gap analysis to assess its impact on our existing policies and procedures is carried out, followed by a legal applicability review to ensure that any necessary adjustments are made to maintain compliance with local, national, and international standards.

Creating a healthy, safe workplace

According to global procedures, and as part of our occupational health and safety management system, each operational location appoints a risk assessment team responsible for identifying work-related hazards and conducting relevant risk assessments. These teams receive training from certified providers, to ensure compliance with local legislation. Risk assessments are conducted periodically covering all routine and ad hoc activities, including post-incident or when corrective actions have been identified through audits. Each work activity carried out by our employees is analysed in detail to detect specific risks, and any identified hazards are evaluated based on the severity of their potential consequences, and the likelihood of their occurrence. These two factors determine the associated risk level, prioritising risks that require controls and mitigation efforts before any work commences. For high-risk hazards, controls are implemented until the risk is reduced to a tolerable level. Risk elimination or reduction is achieved through various practices such as implementing systems or processes that reduce direct exposure to hazards, communicating work instructions and safety procedures through training, and providing adequate personal protective equipment to employees.

Our incident reporting process is managed through an online reporting and tracking platform, which ensures that all Environmental, Health, and Safety (EHS) incidents and breaches of procedure are promptly documented. Personnel are required to immediately notify their immediate supervisor and relevant health and safety representatives. Once an incident is reported, the health and safety representative conducts a thorough investigation to identify the root cause and determine the necessary corrective actions. Incidents that are high severity are escalated, and senior management and stakeholders are notified. For any hazardous work activity conducted at a workplace or premise, a Permit-to-Work system is established prior to work starting, in order to safeguard the safety and health of SK tes personnel. Such activities include working in confined spaces or at heights; lifting work using cranes; hot work; work on machinery with rotating parts; and work which involves exposure to chemicals. To allow employees to remove themselves from dangerous situations, under the Permit-to-Work system, health and safety personnel have the authority to mandate a stop to work, even after a permit has been issued, if conditions are deemed unsafe. Workers who are at risk of exposure to hazardous substances are required, as part of our in-house OHS programme, to undergo pre-placement and ongoing regular medical surveillances, as per regulatory requirements. Additionally, non-occupational medical and healthcare services are guaranteed by the organisation through mandatory health insurance for all employees[42].

We continue to conduct regular health and safety training, which in 2023 accounted for

16% of the total training we conducted[43].

Health and safety training is carried out for all employees in our operations, with mandatory introductory training on health and safety procedures and best practices for all new hires. Additionally, specific training is assigned according to the type of work being carried out, and the nature of the materials being handled. This training falls under categories such as preventive actions, operational procedures and regulatory requirements. Health and safety training is also a channel through which important information on occupational health and safety is communicated to all employees, along with regular briefings from health and safety representatives and the head of the department. Employee and worker feedback, comments and concerns can be raised through various platforms such as direct, departmental or toolbox meetings, suggestion boxes or through human resources personnel.

For our suppliers and business partners, a due diligence process at the onboarding stage allows us to identify and mitigate any significant occupational health and safety risks that may be directly linked to our operations and value chain. Starting in 2024, we plan to enhance this approach with ongoing surveillance, ensuring that any emerging hazards or risks are effectively identified and addressed throughout the duration of our business relationships.

SDG 8.8

42. Protect labour rights and promote safe and secure working environments for all workers.

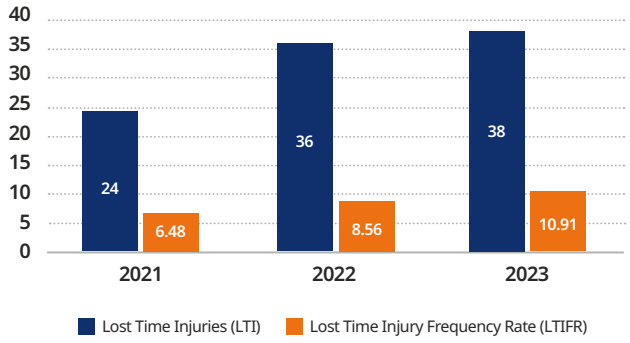
PROVIDE SIG 15

43. Minimum of 16 hours of approved compliance and other training per employee per year.

Work related

We have set a metric to maintain zero high-consequence injuries and fatalities[44] which supports SDG 3.9 and SDG 8.8. In 2023, we again maintained a zero-incident result. In addition to measuring high consequence injuries and fatalities, we also track and manage lost time incidents and recordable incidents.

Health & Safety Incidents and Accidents
(Lost Time Incidents)



Health & Safety Incidents and Accidents
(Recordable Incidents)

SDG 3.9 *Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination.*

SDG 8.8 *Protect labour rights and promote safe and secure working environments for all workers.*

PROVIDE SIG 13 [44] *Zero high consequence injury and fatality cases.*

Training

In 2023, the average training hours per employee was 10.3 hours, short of our 16-hour target[45]. This reduction reflects a loss of focus on training across our sites, which we aim to address in the upcoming year with local management.

Despite this, we expanded our sustainability training programme, "Sustaining Tomorrow", reaching 97% of targeted employees, demonstrating our continued commitment to integrating sustainability into our core operations. The programme features a deep dive on climate change, and covers a wide range of topics, including the importance of the interconnectedness of people, the environment, and the economy for long-term sustainability, and the concept of a SDGs. The course also highlights how each person can play a crucial role in shaping a sustainable future, with practical advice on the everyday actions they can take to support our Sustaining Tomorrow commitment.

SDG 4.4 **SDG 4.6** *Increase the number of youths and adults who have relevant skills.*

SDG 12.8 *Sustainable development information for all.*

SDG 13.3 *Education on climate change.*

PROVIDE SIG 15

[45] *Minimum of 16 hours of approved compliance and other training per employee per year.*

Local community ement

With electronic waste cited by the World Health Organisation as the fastest growing waste stream in the world, educating people on responsible electronics recycling is crucial.

For several years, in Singapore and China we have been supporting education programmes in schools and community groups to promote higher levels of environmentally sound management of e-waste.

Singapore has amongst the highest levels of technology adoption and e-waste generation in the world and as part of the National Environment Agency's annual "Clean & Green Singapore" campaign, we hosted tours of our facilities. Taking place over a series of weekends, they included activity-based learning on e-waste recycling for around 100 people.

In China, over the last 12 months, the SK tes team has continued to promote the circular economy to people from all walks of life and all ages, introducing them to the principles of circularity and the importance of minimising waste and making the most of previous and scarce resources.

An ongoing series of seminars, with on-site guided tours and interactive sessions were organised for over 800 people, and explained the journey that electronic waste takes from disposal to resource recovery and re-use. The sessions included workshops disassembling e-waste, allowing visitors to gain not only practical skills and knowledge on how to safely dismantle devices but also more about the importance of proper disposal and recovery of valuable materials from e-waste.

We also donated used technology to charities. Our plant in Shanghai, for instance, contributed over S$12,000 in assets to the Shanghai Computer Industry Association to support professional skill level assessment of the Association's employees. Future donations will also be used for skills training in remote areas, helping narrow the gap between local education levels and that of major cities[46].

SDG 1.4	*Ensure that all men and women, in particular the poor and the vulnerable have access to appropriate new technology.*
SDG 3.8	*Access to quality essential healthcare services.*
SDG 4.4 SDG 4.6	*Increase the number of youths and adults who have relevant skills.*
SDG 5b	*Enhance the use of enabling technology to promote the empowerment of women.*
SDG 9c	*Significantly increase ICT and provide access to the internet in least developed countries.*
SDG 12.2 SDG 12.8	*Sustainable management of natural resources, information and awareness for sustainable development.*
SDG 13.3	*Education on climate change.*
SDG 17.8	*Enhance the use of ICT for capacity building for least developed countries.*

PROVIDE SIG 16

[46] *Each country to advance one of the following SDG initiatives: 4 (Quality Education), 7 (Affordable and clean energy), 8 (Decent work and economic growth), 9 (Industry, innovation and infrastructure), 12 (Responsible consumption and production), 13 (Climate action) or 17 (Partnership for the goals).*

Summary of indicators

Our Company	2023	2022	2021
Company Facts and Figures			
Total number of employees[47] worldwide	2,863	2,365	1,970
Number of employees for scope of performance reporting	2,650	2,285	1,890
Permanent employees	2,474	-	-
Temporary employees	176	-	-
Non-guaranteed hour employees	213	-	-
Full-time employees	2,604	-	-
Part-time employees	46	-	-
Number of countries for scope of performance reporting	19	22	22
Operational sites	37	38	42

47. Employees are counted as headcount (include full- and part-time) instead of full time equivalent (FTE). Non employees (contractors) typically contracted by labour agencies to perform project type or onsite professional services

Summary of indicators

Ethics and Business Conduct	2023	2022	2021
Policies and Procedures			
Communication			
Number of senior leaders[48] that anti-corruption and other ethics policies and procedures have been communicated to	36	40	39
% of senior leaders[48] that anti-corruption and other ethics policies and procedures have been communicated to	100	100	100
Number of employees that anti-corruption and other ethics policies and procedures have been communicated to	2,150	1,320	963
% of employees that anti-corruption and other ethics policies and procedures have been communicated to	81.13%	57.77%	50.95%
Training			
Number of senior leaders[48] that received training on anti-corruption and other ethics policies and procedures	33	40	34
% of senior leaders[48] that received training on anti-corruption and other ethics policies and procedures	92%	100%	87.18%
Number of employees that received training on anti-corruption and other ethics policies and procedures[49]	2,080	1,300	880
% of employees that received training on anti-corruption and other ethics policies and procedures	96.74%	98.48%	91.38%
Ethics and Business Conduct Compliance			
Number of confirmed breaches of Code of Conduct	2	0	3
Number of confirmed incidents in which employees were disciplined or dismissed for breaches of Code of Conduct	2	3	3
Remuneration[50]			
Ratio of annual total compensation of the highest paid individual to the median annual total compensation for all employees	11.0	11.4	-
Ratio of the percentage increase in annual total compensation for the highest paid individual to the median annual total percentage increase for all employees	0.6	1	-

48. Senior leaders are C-level and individuals reporting into the CEO, heads of function, heads of business, regional head (>1 country), General Managers
49. Refers to all employees that completed training
50. Calculation based on total annual compensation of Singapore based employees. Group calculation was not possible due to lack of centralised HR system

Summary of indicators

Protecting the Environment	2023	2022	2021
Environmental Compliance			
Number of breaches of environmental laws and/or regulations	1	0	1
Total value of environmental fines received from breaches of laws and/or regulations (SGD)	600	0	~ 2,300
Number of unplanned environmental releases	0	0	8
Number of environmental complaints	0	0	0
Energy			
Total energy consumption (GJ)	66,243	60,134	59,973
Total energy consumption by type			
Electricity and heating (GJ)	41,498	38,265	38,881
% Electricity	63%	64%	65%
Fuel (GJ)	24,745	21,869	21,092
% Fuel	37%	36%	35%
Renewable energy (GJ)	5,970	2,763	-
Self-generated Renewable Energy (GJ)	4,253	1,632	1,141
Purchased Renewable Energy (GJ)	1,717	1,131	-
% Renewable Energy	9.0%	4.6%	1.90%
Energy Intensity (per MT of material processed)	0.661	0.565	0.634

Summary of indicators

Greenhouse Gas Emissions in (MT) of CO_2 equivalent emitted	2023	2022	2021
Scope 1 CO_2 equivalent (MT)	1,588	1,289	1,334
Scope 2 CO_2 equivalent (MT)	4,677	4,763	5,119
Scope 3 CO_2 equivalent (MT)	41,921	14,802	-
Emission Intensity (tCO_2 equivalent per MT of volume, Scope 1 and 2 included)	0.063	0.057	0.067
Other significant emissions in (MT) of CO_2 equivalent emitted			
Nitrogen Oxides (NOx) (MT)	2.508	2.738	-
Sulphur Oxides (SOx) (MT)	0.008	0.006	-
Particulate matter (PM) (MT)	0.032	0.036	-

Summary of indicators

Electronic Material Management	2023	2022	2021
Total volume of electronic materials processed (MT)	100,223	106,391	94,639
Total volume of electronic material recycled (MT)	77,107	67,741	83,599
Total volume of electronic material reused (MT)	17,629	35,285	7,895
Total volume of electronic material sent to incineration with energy recovery (MT)	2,819	2,366	2,896
Total volume of electronic material sent to incineration without energy recovery (MT)	132	416	-
Total volume of electronic material sent to landfill (MT)	2,536	583	-
Total volume of electronic material sent to landfill or incineration (MT)	2,668	999	249
Total volume of electronic material reused (units)[51]	5,897,499	3,676,112	4,182,232
Management of materials			
% Recycled	76.94%	63.67%	88.34%
% Reused	17.59%	33.17%	8.34%
% Incineration with energy recovery	2.81%	2.22%	3.06%
% Landfill + Incineration without energy recovery	2.66%	0.94%	0.26%
Hazardous Waste			
Total volume of hazardous waste processed (MT)	1,942	3,602	-
Total volume of hazardous waste recycled (MT)	1,938	2,715	-
Total volume of hazardous waste sent to incineration with energy recovery (MT)	721	669	-
Total volume of hazardous waste sent to landfill or incineration (MT)	297	218	-
% of hazardous waste on total volume of electronic materials processed	1.94%	3.39%	-

[51] figures do not include number of parts, accessories and peripherals reused

Summary of indicators

Our People	2023	2022	2021
Employment[52] and Diversity			
Total number of employees (as at 31/12)	2,650	2,285	1,890
Total permanent employees	2,474	2,112	1,746
Total temporary or non-guaranteed employees	176	173	144
Total full-time employees	2,604	2,246	1,858
Total part time employees	46	39	32
Total workers who are not employees	213	80	80
Workforce by Gender[53] (as at 31/12)			
% Males	64.23%	63.98%	65.71%
% Females	35.25%	35.97%	34.29%
% Men leaders in the company	62.75%	61.33%	70.41%
Number of women leaders in the company	111	85	50
% Women leaders in the company	37.25%	37.78%	29.56%
Workforce by age			
% < 30 years old	23.17%	24.29%	22.86%
% 30-50 years old	56.75%	56.11%	56.88%
% > 50 years old	20.08%	19.61%	20.26%

[52] Information provided is based on all employee types including full-time, part-time instead of full time equivalents
[53] 11 employees identify as not specified in 2023, and 1 in 2022

Summary of indicators

	2023	2022	2021
Recruitment and Redundancy			
Number of employees recruited	814	883	943
Rate of new employees recruited	30.72%	38.64%	49.89%
Rate of new employees recruited by age			
% < 30 years old	39.31%	42.92%	44.75%
% 30-50 years old	49.02%	47.57%	41.99%
% > 50 years old	11.67%	9.51%	13.26%
Rate of new employees recruited by gender[54]			
% Males	66.22%	68.06%	69.35%
% Females	30.84%	31.71%	30.65%
Number of employee turnover	428	524	665
Rate of employee turnover	16.15%	22.93%	35.19%
Rate of employee turnover by age			
% < 30 years old	41.59%	40.65%	43.01%
% 30-50 years old	46.26%	47.52%	44.66%
% > 50 years old	12.15%	11.83%	12.33%
Rate of employee turnover by gender			
% Males	15.57%	26.74%	34.00%
% Females	14.24%	16.06%	20.44%

[54] 11 employees identify as not specified in 2023, and 1 in 2022

Summary of indicators

	2023	2022	2021
Training and Development			
Number of hours of training for employees	27,339	38,129	26,829
Average hours of training per employee	10.32	16.7	14.2
Average hours of training per male employee	10.03	16.30	-
Average hours of training per female employee	10.98	17.31	-
Average hours of training per employee by age			
< 30 years old	11.07	14.47	17.4
30-50 years old	11.12	17.03	14.1
> 50 years old	7.17	18.44	11
Health and Safety			
Number of hours worked	3,482,591	4,204,617	3,701,410
Fatalities (# of cases)	0	0	
High consequence injuries[55] (# of cases)	0	0	-
Total number of work-related ill health	0	0	
Total number of work-related lost-time incidents (LTI)	38	36	24
Lost-time incident rate – LTIR (per 1,000,000 hours worked)	10.91	8.56	6.48
Total number of work-related recordable incidents (TRI)	64	56	40
Total recordable incident rate – TRIR (per 1,000,000 hours worked)	18.38	13.32	10.81
Labour Rights			
Collective bargaining agreements	0	0	0

[55] Injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months

SASB waste management indicators

SASB Specific Indicators

Code	Indicator	2023	2022	2021
IF-WM-110b.1	Total amount of fleet fuel consumption (GJ)	18,695	15,172	12,281
IF-WM-110b.1	Percentage of natural gas consumption	17%	29%	24%
IF-WM-110b.1	Percentage of renewable fuel consumption	0	0	0
IF-WM-110b.2	Percentage of alternative fuel vehicles in fleet	0	0	0
IF-WM-110a.1	Scope 1 emissions	1,588	1,295	1,334
IF-WM-110a.1	Scope 1 emissions-limiting regulations	0	0	0
IF-WM-110a.1	Scope 1 emissions-reporting regulations	0	0	0
IF-WM-110a.2	Total landfill gas generated	0	0	0
IF-WM-110a.2	Percentage of flared landfill gas	0	0	0
IF-WM-110a.2	Percentage of landfill gas used for energy	NA	NA	NA
IF-WM-120a.2	No. of facilities in or near areas of dense population	31	NA	NA
IF-WM-120a.1	NOx emissions	2.508	2.738	NA
IF-WM-120a.1	SOx emissions	0.008	0.006	NA
IF-WM-120a.1	VOCs emissions	49.56	24.44	42.62
IF-WM-120a.1	Hazardous Air Pollutants (HAPs) emissions	NA	NA	NA
IF-WM-420a.4	Amount of collected electronic waste	82,594	71,106	86,744
IF-WM-420a.4	Rate of recovered electronic waste through recycling	93.4%	95.3%	96.4%
IF-WM-420a.3	Amount of material composted	0	0	0
IF-WM-420a.2	Percentage of customers receiving recycling service_municipal	0	0	0
IF-WM-420a.2	Percentage of customers receiving recycling service_commercial	100	100	100
IF-WM-420a.2	Percentage of customers receiving recycling service_industrial	0	0	0

SASB waste management indicators

SASB Specific Indicators

Code	Indicator	2023	2022	2021
IF-WM-420a.2	Percentage of customers receiving recycling service_residential	0	0	0
IF-WM-420a.2	Percentage of customers receiving composting service_municipal	0	0	0
IF-WM-420a.2	Percentage of customers receiving composting service_commercial	0	0	0
IF-WM-420a.2	Percentage of customers receiving composting service_industrial	0	0	0
IF-WM-420a.2	Percentage of customers receiving composting service_residential	0	0	0
IF-WM-150a.1	Percentage of Total Toxic Release Inventory (TRI) released to water	NA	NA	NA
IF-WM-150a.2	No. of corrective actions implemented for landfill releases	NA	NA	NA
IF-WM-310a.1	Percentage of active workforce employed under collective agreements	0%	0%	0%
IF-WM-310a.2	No. of work stoppages	0	0	0
IF-WM-310a.2	No. of total days idle	0	0	0
IF-WM-320a.1	Total Recordable Incident Rate (TRIR) - employees	3.76	2.66	2.16
IF-WM-320a.1	Total Recordable Incident Rate (TRIR) - Permanent employees (per 200,000 hours worked)	3.35	2.38	NA
IF-WM-320a.1	Total Recordable Incident Rate (TRIR) - Non-permanent employees	0.41	0.29	NA
IF-WM-320a.1	Total Near Miss Frequency Rate (NMFR) - employees	11	13	59
IF-WM-320a.1	Total Near Miss Frequency Rate (NMFR) - Permanent employees	NA	NA	NA
IF-WM-320a.1	Total Near Miss Frequency Rate (NMFR) - Non-permanent employees	NA	NA	NA
IF-WM-320a.1	Rate of work-related fatalities - employees	0	0	0
IF-WM-320a.1	Rate of work-related fatalities - Permanent employees	0	0	0
IF-WM-320a.1	Rate of work-related fatalities - non-permanent employees	0	0	0
IF-WM-320a.3	No. of road accidents and incidents	16	6	NA
IF-WM-000.A	No. of customers by category_municipal	0	0	0

SASB waste management indicators

SASB Specific Indicators

Code	Indicator	2023	2022	2021
IF-WM-000.A	No. of customers by category_commercial	NA	NA	NA
IF-WM-000.A	No. of customers by category_industrial	0	0	0
IF-WM-000.A	No. of customers by category_residential	0	0	0
IF-WM-000.A	No. of customers by category_other	0	0	0
IF-WM-000.B	Vehicle fleet size	79	NA	NA
IF-WM-000.C	No. of facilities_Landfills	0	0	0
IF-WM-000.C	No. of facilities_Transfer Stations	0	0	0
IF-WM-000.C	No. of facilities_Recycling Centres	37	38	42
IF-WM-000.C	No. of facilities_Incineration Plants	0	0	0
IF-WM-000.C	No. of facilities_Others	0	0	0
IF-WM-000.D	Total amount of materials managed, by customer category_municipal	0	0	0
IF-WM-000.D	Total amount of materials managed, by customer category_commercial	100,223	106,391	94,639
IF-WM-000.D	Total amount of materials managed, by customer category_industrial	0	0	0
IF-WM-000.D	Total amount of materials managed, by customer category_residential	0	0	0
IF-WM-000.D	Total amount of materials managed, by customer category_other	0	0	0

Progress on SK tes' 17 Sustainable Impact goals

Sustainable Impact Goal				Page
Goal 1	Protect	Data, cybersecurity	Zero data leakage incidents	34
Goal 2	Protect	Secure chain of custody	Zero loss of any client assets whilst in SK tes custody	34
	Protect	Physical & transport security		
Goal 3	Protect	Responsible business	100% of employees at all levels are informed and all leaders and executives[2] undergo ethics and governance training	30, 31
Goal 4	Protect	Legal compliance	Effective internal audit programme to ensure compliance to local, national and international regulations and conventions including emerging ESG related regulations	27
Goal 5	Protect	Responsible supply chain	Establish supplier code of conduct compliance programme covering identified key suppliers and partners	18, 29, 31
Goal 6	Protect	Business resilience	Implement a climate related risk management framework by 2024	32, 34
Goal 7	Protect	Real time transparency & traceability	Disclose downstream end disposal channels of products and materials by geographies	28
Goal 8	Preserve	Responsible e-waste management	100% of IT and battery lifecycle management locations[51] to be ISO14001 certified	26
Goal 9	Preserve	Circular services	Identify and invest in higher use applications or lifecycle technologies for low value products and materials	40
Goal 10	Preserve	Global reach, local service	Expand facility and partner network to provide local low GHG emissions footprint services across key demand geographies	42
Goal 11	Preserve	Zero waste to landfill	Zero waste disposed to landfill by 2025	38
Goal 12	Preserve	GHG emissions reduction & reporting	Set science based target commitment for Scope 1, 2 and 3 emissions	34, 43, 45, 52
Goal 13	Provide	Health & safety policy & practice	Zero high consequence injury and fatality cases	65
Goal 14	Provide	Employee engagement and satisfaction	Increase feedback and participation in employee engagement activities	58
Goal 15	Provide	People training & development	Minimum of 16 hours of approved compliance and other training per employee per year	64, 66
Goal 16	Provide	Corporate social responsibility	Each country to advance SDG 1 (No Poverty), SDG 4 (Quality Education), SDG 5 (Gender equality), 7 (Affordable and clean energy), 8 (decent work and economic growth), 9 (industry, innovation and infrastructure), 10 (Reduced inequalities), 12 (responsible consumption and production), 13 (climate action) or 17 (partnership for the Goals) initiative	62, 67
Goal 17	Provide	Diversity & inclusion	Achieve gender parity in management and senior management roles	58, 60

GRI content index

Statement of use - TES-AMM Singapore Pte Ltd has reported the information cited in this GRI content index for the period 1st January 2023 to 31st December 2023 in accordance to the GRI Standards.

GRI 1 used - GRI 1: Foundation 2021

GRI 2: General Disclosures 2021

Disclosure	Page
2-1 Organisational details	85
2-2 Entities included in the organisation's sustainability reporting	5
2-3 Reporting period, frequency and contact point	5, 85
2-4 Restatements of information	6
2-5 External assurance	7
2-6 Activities, value chain and other business relationships	9
2-7 Employees	57, 73
2-8 Workers who are not employees	57, 68
2-9 Governance structure and composition	12
2-10 Nomination and selection of the highest governance body	13
2-11 Chair of the highest governance body	13
2-12 Role of the highest governance body in overseeing the management of impacts	14, 20, 22
2-13 Delegation of responsibility for managing impacts	14
2-14 Role of the highest governance body in sustainability reporting	14
2-15 Conflicts of interest	13

Disclosure	Page
2-16 Communication of critical concerns	15
2-17 Collective knowledge of the highest governance body	13
2-18 Evaluation of the performance of the highest governance body	22
2-19 Remuneration policies	18
2-20 Process to determine remuneration	18
2-21 Annual total compensation ratio	69
2-22 Statement on sustainable development strategy	3
2-23 Policy commitments	17
2-24 Embedding policy commitments	18
2-25 Processes to remediate negative impacts	18
2-26 Mechanisms for seeking advice and raising concerns	18
2-27 Compliance with laws and regulations	18
2-28 Membership associations	19
2-29 Approach to stakeholder engagement	20, 21
2-30 Collective bargaining agreements	75

GRI content index

GRI 3: Material Topics 2021

Disclosure	Page
3-1 Process to determine material topics	22
3-2 List of material topics	22
3-3 Management of material topics	22

GRI 201: Economic Performance 2016

Disclosure	Page
201-2 Financial implications and other risks and opportunities due to climate change	32

GRI 203: Indirect Economic Impacts 2016

Disclosure	Page
203-2 Significant indirect economic impacts due to climate change	62

GRI 205: Anti-corruption 2016

Disclosure	Page
205-1 Operations assessed for risks related to corruption	31
205-2 Communication and training about anti-corruption policies and procedures	30, 31
205-3 Confirmed incidents of corruption and actions taken	31

GRI 301: Materials 2016

Disclosure	Page
301-1 Materials used by weight or volume	38
301-2 Recycled input materials used	38
301-3 Reclaimed products and their packaging materials	38

GRI 302: Energy 2016

Disclosure	Page
302-1 Energy consumption within the organisation	44
302-2 Energy consumption outside of the organisation	-*
302-3 Energy intensity	44
302-4 Reduction of energy consumption	45
302-5 Reductions in energy requirements of products and services	-*

GRI 303: Water and Effluents 2018

Disclosure	Page
303-1 Interactions with water as a shared resource	47
303-2 Management of water discharge-related impacts	-*
303-3 Water withdrawal	-*
303-4 Water discharge	-*
303-5 Water consumption	47

* Not applicable or material

GRI content index

GRI 305: Emissions 2016

Disclosure	Page
305-1 Direct (Scope 1) GHG emissions	48,50
305-2 Energy indirect (Scope 2) GHG emissions	49,50
305-3 Other indirect (Scope 3) GHG emissions	51
305-4 GHG emissions intensity	52, 71
305-5 Reduction of GHG emissions	52
305-6 Emissions of ozone-depleting substances (ODS)	-*
305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	53

GRI 306: Waste 2020

Disclosure	Page
306-1 Waste generation and significant waste-related impacts	38
306-2 Management of significant waste-related impacts	38
306-3 Waste generated	72
306-4 Waste diverted from disposal	72
306-5 Waste directed to disposal	72

GRI 308: Supplier Environmental Assessment 2016

Disclosure	Page
308-1 New suppliers that were screened using environmental criteria	54
308-2 Negative environmental impacts in the supply chain and actions taken	54

GRI 401: Employment 2016

Disclosure	Page
401-1 New employee hires and employee turnover	57, 58, 74
401-2 Benefits provided to full-time employees that are not provided to temporary or part time employees	57

GRI 403: Occupational Health and Safety 2018

Disclosure	Page
403-1 Occupational health and safety management system	63
403-2 Hazard identification, risk assessment, and incident investigation	64
403-3 Occupational health services	64
403-4 Worker participation, consultation, and communication on occupational health and safety	64
403-5 Worker training on occupational health and safety	64
403-6 Promotion of worker health	64
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	64
403-8 Workers covered by an occupational health and safety management system	63
403-9 Work-related injuries	65, 75
403-10 Work-related ill health	75

* Information unavailable

GRI content index

GRI 404: Training and Education 2016

Disclosure	Page
404-1 Average hours of training per year per employee	66, 75
404-2 Programmes for upgrading employee skills and transition assistance programmes	66
404-3 Percentage of employees receiving regular performance and career development reviews	-*

GRI 405: Diversity and Equal Opportunity 2016

Disclosure	Page
405-1 Diversity of governance bodies and employees	60
405-2 Ratio of basic salary and remuneration of women to men	-*

GRI 406: Non-discrimination 2016

Disclosure	Page
406-1 Incidents of discrimination and corrective actions taken	60

GRI 407: Freedom of Association and Collective Bargaining 2016

Disclosure	Page
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	61

GRI 408: Child Labour 2016

Disclosure	Page
408-1 Operations and suppliers at significant risk for incidents of child labour	59

GRI 409: Forced or Compulsory Labour 2016

Disclosure	Page
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	59

GRI 413: Local Communities 2016

Disclosure	Page
413-1 Operations with local community engagement, impact assessments, and development programmes	67

GRI 414: Supplier Social Assessment 2016

Disclosure	Page
414-1 New suppliers that were screened using social criteria	18
414-2 Negative social impacts in the supply chain and actions taken	18

GRI 418: Customer Privacy 2016

Disclosure	Page
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	34

* Information unavailable

Looking ahead

The last year has been one of continued progress, following the merger of TES into the SK ecoplant family. It has also been one of achievement and there is a sense of anticipation and expectation that more is still to come.

Creativity and Innovation remain central to so much of what we do to support the global circular economy, and 2024 will see more fruits of our labour in IT asset disposal and lithium-ion battery recycling.

We will also be setting our science-based targets around climate, boosted by our growing use of renewable energy, and measurements of our scope 3 baseline emissions. Our new carbon loop calculator will also be available to our clients, helping them to more accurately report their carbon footprint and avoided emissions.

People will, of course, remain central to our business and achieving our sustainability strategy to Protect, Preserve and Provide, and we will continue to foster a safe, diverse and inclusive place to work, where we retain the best talent and people thrive.

Taking this people side of our business out into communities remains a priority too, as we support efforts to bridge the digital divide by providing under-served communities with re-purposed IT equipment which can make a real difference to their lives.

Get in touch

If you would like to get in touch on the contents of this report please contact: **sustainability@SKtes.com**

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In 2023, SK tes operated in 19 countries in:
Australia, Cambodia, China, France, Germany, Hong Kong (SAR), Indonesia, Italy, Japan, Malaysia, Netherlands, Philippines, Singapore, Spain, Sweden, Taiwan (PRC), Thailand, United Kingdom, Scotland, United States of America and Vietnam.

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