



SOUTHERN ALLIANCE MINING LTD.

(Company Registration No.: 201931423D)

(Incorporated in the Republic of Singapore on 19 September 2019)

COMMITTED TO SUSTAINABLE GROWTH

Sustainability Report 2021



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Southern Alliance Mining Ltd. (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**Exchange**") on 26 June 2020. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**").

This Sustainability Report has been reviewed by the Company's Sponsor. It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document. The Sponsor has also not drawn on any specific technical expertise in its review of this document.

The contact person for the Sponsor is Mr Shervyn Essex, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.

Board Statement

We are pleased to present the inaugural Sustainability Report (the “**Report**”) of Southern Alliance Mining Ltd. (“**SAM**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) for the financial year ended 31 July 2021 (“**FY2021**”).

2020 and 2021 were unprecedented years when the world experienced one of the most significant challenges to public health as COVID-19 raged through every country and household. The pandemic triggered the realignment of business priorities and strategies which also accelerated a significant number of emerging structural trends that will transform the global economic and operating environment. Furthermore, climate change became widely discussed as adverse and extreme weather conditions continued to pose a rising threat to the global climate.

Despite the challenging economic environment, we are pleased to report that the Group remained resilient and showcased superior adaptability as we recorded strong financial and operational performance for FY2021. With our vision firmly planted on respecting the people around us, and the environment we operate in, we focused on making real and sustainable

impact by transforming ourselves and improving our capabilities to adapt to the changing needs and environment.

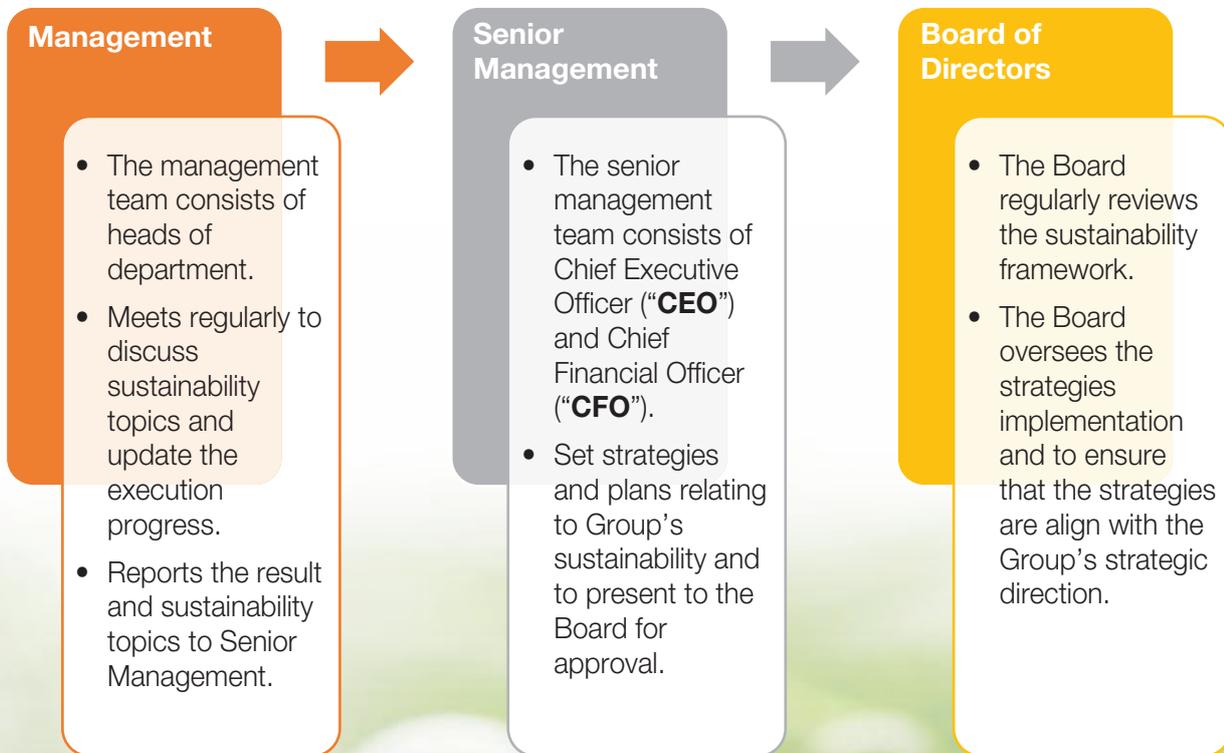
Sustainability is a part of the Group’s wider strategy to create long-term value for all its stakeholders. As such, the key material economic, environmental, social and governance (“**EESG**”) factors for the Group have been identified and cautiously reviewed by the management.

In our journey to strongly integrate sustainability initiatives within the Group, the Board regularly reviews the sustainability framework to ensure that we accurately identify the material EESG factors facing our business, monitor these material factors on an ongoing basis and manage them appropriately. We consider these factors as part and parcel of our long-term growth and sustainability in our strategy formulation and decision-making. This report plays an essential role in enhancing transparency, accountability and progress towards our sustainable growth. Our sustainability journey requires collaboration and continuous effort with our stakeholders to achieve greater sustainability in our operations.



The Board considers the Group's obligations to its shareholders and also the interests of its material stakeholders as the relationships with material stakeholders may have an impact on the Group's long-term sustainability. The Group maintains its website to communicate and engage with the stakeholders and keep stakeholders informed on the commitment made by the Group in fostering the creation of long-term value for the stakeholders and sustainable development of the global economy.

The role of each level of the structure are as follows:



On behalf of Board of Directors
Dato Sri' Pek Kok Sam
Chief Executive Officer and Executive Director
18 July 2022

About this Report

This report has been prepared with reference to the Global Reporting Initiative (“GRI”) Standards – Core option, and on a “comply or explain” basis in accordance with Rule 711B and Practice Note 7F of the Singapore Exchange Securities Trading Limited (“SGX-ST”) Section B: Rules of Catalist (“Catalist Rules”). Our Group has chosen the GRI framework as it is an internationally recognised reporting framework that covers a comprehensive range of sustainability disclosures. GRI reports help the Group abide by social and governmental laws and it allows stakeholders to fully understand the core sustainability values of the organisation. Additionally, it also provides the Group with a flexible and future-proof reporting structure, that is, the forward-looking and rigorous approach advocated by GRI ensures its process and topics can always remain up-to-date and relevant. Hence, GRI standards are the reporting framework that meets all needs for sustainability reporting.

This report covers the key EESG related initiatives carried out throughout a 12-month period, being FY2021. The Report summarises the expectation from various stakeholders, general business environment that the Group is operating in and what the Group has done in order to ensure the sustainability of the Group. The data, statistics and targets in this report are in relation to the Group’s entire operations in Malaysia. The Group adopts the precautionary principle to minimise negative effects of conducting its business whenever feasible.

We have relied on our internal source of information and verification mechanisms to ensure the accuracy of this report and no external assurance was obtained. To further ensure the accuracy of the data and information provided in this report, we will consider seeking an independent assurance review in future. We will strive to maintain and/or improve the standards of the various EESG factors reported where appropriate and practicable, in accordance with the business activities of the Group in the future.

FEEDBACK

We welcome feedback from our stakeholders with regards to our sustainability efforts as this enables us to consistently improve our policies, systems and results. Please send your comments and suggestions to general@saminingltd.com.

ACCESS

No hard copies of this Report have been printed as part of our efforts to promote environmental conservation. You may visit SGX website or our company website <https://southernallianceminig.com/> for our sustainability report.



Organisation Profile

Real Mining. Real People. Real Impact.



OUR VISION

Our Company is committed to a long-term business strategy that encourages constant improvement in operational practices in the discovery, development, and conversion of our mining resources. We strive to contribute our part in advocating responsible mining, with a careful and balanced approach in the pursuit of profit, promoting people's welfare, and preserving the planet for sustainable growth.



OUR MISSION

We, together with our people and our stakeholders, will give our best effort to realising the value of mining scarce resources responsibly through the industry's best practices, thereby creating value for our stakeholders while keeping in view the welfare of our community and our society.



OUR VALUES

Our business wouldn't be able to elevate itself to this present stage without the strong foundation of our core values, which are at the heart of our way of working through innovation, safety, care and respect.

Our Early Story

The journey of Southern Mining Alliance began with the incorporation of our subsidiary, Honest Sam Development Sdn. Bhd. (“**Honest Sam**”) on 5 April 2001 by our founder, Dato’ Sri Pek Kok Sam, in Malaysia. The principal activities of Honest Sam back then were primarily to undertake sub-contracting works as an operator for limestone mines in the states of Pahang and Perak, Malaysia.

Our credible track record and industry experience paved the way for the next stage of our business evolution. In 2008, we obtained the right to become the mining operator of the Chaah Mine (the “**Mine**”), an open mine pit located in Johor, Malaysia. The Mine has been our primary mining asset since 2008. The iron ore from the Mine has unique natural characteristics such as high specific gravity and viscosity, that makes it a highly sought-after raw material for pipe coating companies in the oil and gas industry’s subsea segment.

Following the development of the initial infrastructure at the Mine, the Group extracted the first iron ore from the Mine and completed the first sale of pipe coating material to Wasco Coatings Malaysia Sdn. Bhd. in the second half of 2008.

The production was focused on pipe coating material until 2013, while we gradually established our customer base in the iron ore concentrate market. In addition to the characteristics of high specific gravity and

viscosity, the iron ore from the Mine contains a low level of impurities, which allows us to produce high-grade iron ore concentrate of up to Fe grade of 65%.

Our Competitive Strength

Over the past 14 years, we established an efficient support infrastructure and facilities system, consisting of five fixed crushing plants, with the newest and largest plant still under construction, two lines of mobile crushers, and two beneficiation plants both capable of operating on 24-hour shifts.

The Group has an approximate monthly production capacity of 60,000 tonnes of iron ore concentrates (not including pipe coating materials).

In 2013, Honest Sam was awarded an Excellence Certificate in Surface Mining Operation by the Mineral and Geoscience Department of Johor for demonstrating high commitment in using sound mining practices and carrying out operations in accordance with environmental standards. Our foresight to grow our customer base while building up infrastructure and facilities helped us foster a long-term and harmonious relationship with customers and ensuring market readiness.

These efforts led to a proven financial and operational track record, with a total 6.3 million tonnes of iron ore products and 0.3 million tonnes of tailings produced and sold from 2008 to 31 July 2021.

Our Business

The Group is principally involved in the business of exploration, mining, and processing of iron ore, gold and other precious metals for subsequent sale. To the date of this report, the Group produces:

Iron Ore Concentrate

Iron ore originates in nature itself. It can be found in the form of rocks and mixed with other elements. In fact, most of the Earth's major iron ore deposits are found in rocks that were formed more than 1.8 billion years ago.

Iron ore has turned into the world's most essential raw material that produces iron, which is then used to make steel. Various industrial processes involving modern technology are utilised to process iron ore into steel. Steel is

the most-used metal by both tonnage and end-market applications such as creating furniture, ships, and buildings. It is estimated that steel consumption globally can grow by 1% – 2% per annum, over the next 10 years.

Pipe Coating Materials

We supply pipe coating materials that are crushed iron ore to pipe coating companies. Due to the local unique geology, our crushed iron ore has a naturally high density.

The use of crushed iron ore for concrete coating of subsea pipelines is a cost-effective solution to increase the weight of pipelines to attain the required negative buoyancy. Negative buoyancy is necessary to subsea pipelines installation and to maintain its integrity.



SAM's Sustainability Approach

Our Sustainability Methodology



Stakeholders Engagement

SAM believes that an important starting point in our sustainability journey is to identify our stakeholders and material EESG factors relevant to our business. The interests and requirements of key stakeholders are also taken into account when formulating corporate strategies on sustainability. These key stakeholders include, but are not limited to, suppliers, employees, investors, and regulators.

We adopt both formal and informal channels of communication to understand the needs of key stakeholders and incorporate these into our corporate strategies to achieve mutually beneficial relationships.

Stakeholders	Engagement and Communication Channels	Frequency Engagement	Concern Areas	Addressing Expectations
Government and Regulators 	Continuous communication and timely reporting and information disclosure	On-going	Compliance with applicable laws, rules and regulations and obtaining all the required permits and licences. Taxes and royalties Safety workplace and wellbeing of workforce Environmental compliance	<ul style="list-style-type: none"> Compliance with relevant laws and regulations and participation in various industry and government forums for latest development and to voice our concerns, if any. Timely submissions and payments to the government. Site inspections and engagement with the relevant authorities. Site inspections and engagement with the relevant authorities and independent third party reporting from mining consultants and adherence to the Environmental Impact Assessment (EIA) requirements and Environmental Management Plan (EMP).

Materiality Assessment

Our sustainability process begins with the identification of relevant factors. Relevant factors are then prioritised to identify material factors which are validated internally. The end result of this process is a list of material factors disclosed in the Report. Process of which is as shown below:



The Group has conducted a materiality assessment during FY2021. A committee made up of representatives from all departments was formed to seek our internal stakeholders' feedback for prioritization of these topics. Such materiality review will be conducted every year, incorporating inputs gathered from stakeholders' engagements.

In order to determine if a factor is material, we assessed its potential impact on the economy, environment and society and its influence on the stakeholders. Applying the guidance from GRI, we have identified the following as our material factors:

**ECONOMIC**

Economic Performance
Procurement Practices
Anti-Corruption

**ENVIRONMENTAL**

Energy
Environmental Compliance

**SOCIAL**

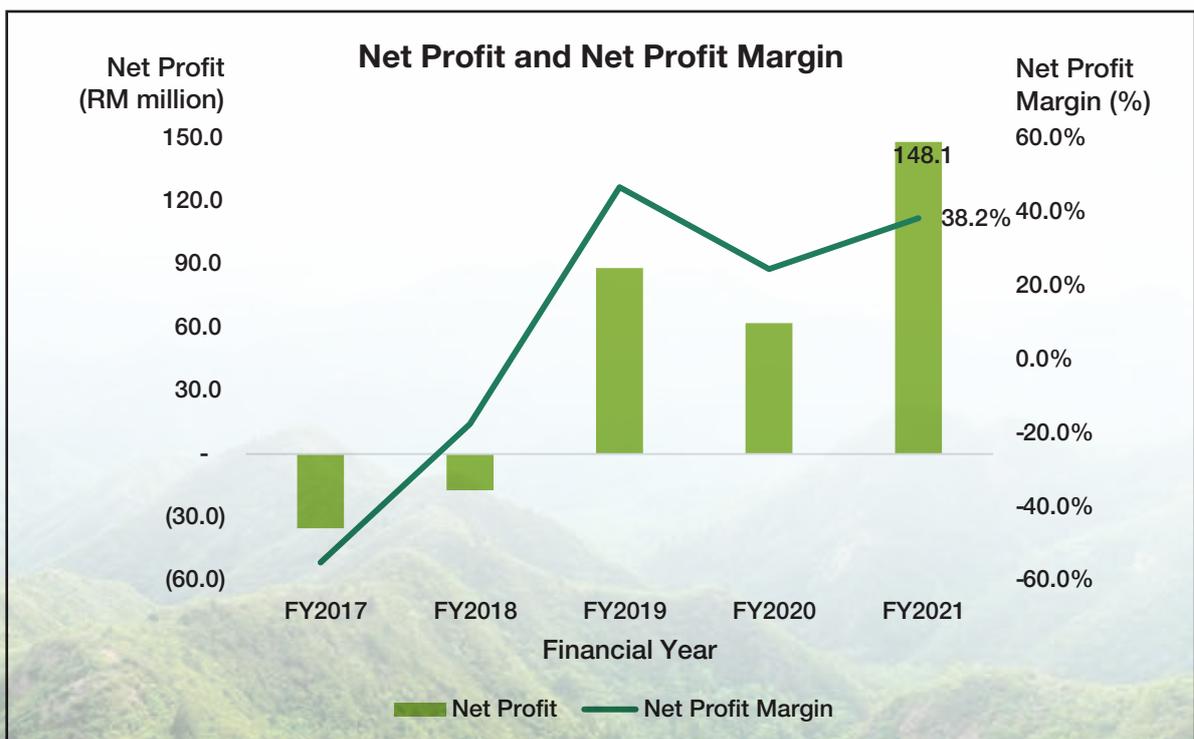
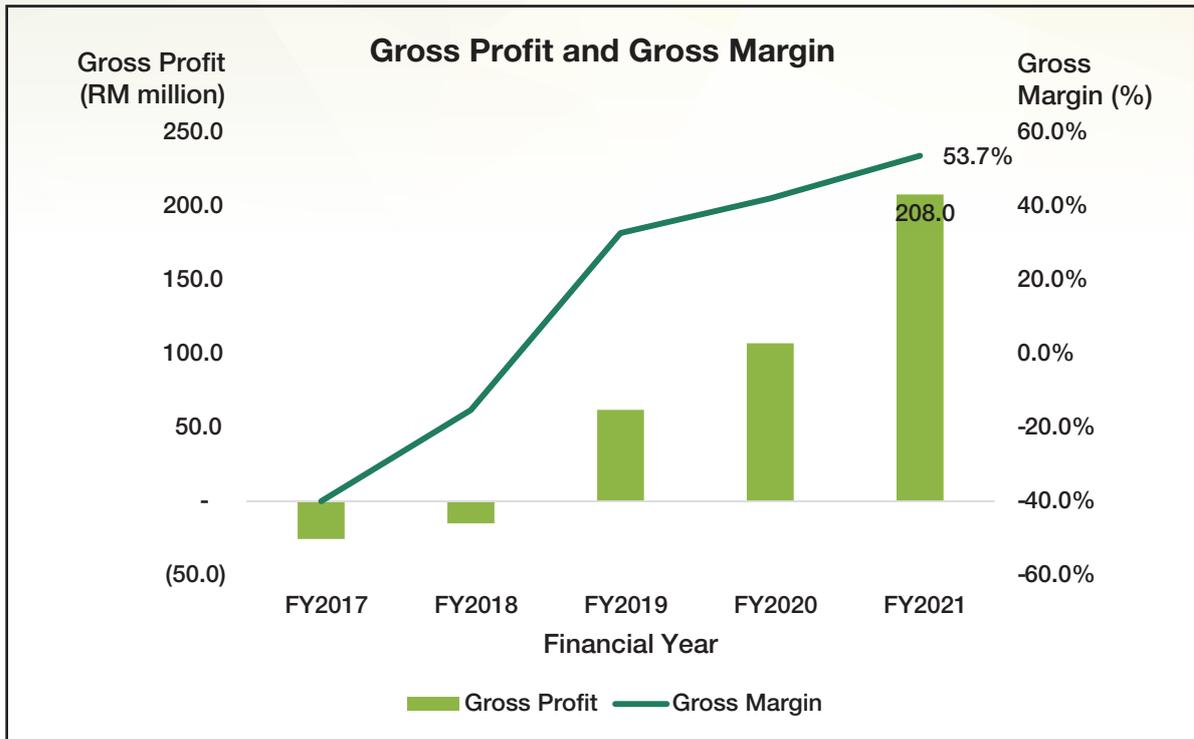
Diversity and Equal Opportunity
Occupational Health and Safety
Training and Education
Local Communities

**GOVERNANCE**

Corporate Governance
Risk Management
Business Ethics and Compliance

Economic

Financial Highlights



Economic Performance

FY2021 has been a record year for the Group as iron ore demand and iron ore prices reached record high levels and continued to remain at elevated levels given the ongoing infrastructure-led global economic recovery from the pandemic. Resilience, being the core of our business model, pushed us to further expand our exploration activities to capitalise on the industry super cycle.

Notwithstanding pandemic-related disruptions such as the Movement Control Order (“**MCO**”) imposed by the Malaysian Government, the Group’s revenue increased 52.4% year-on-year (“**yoy**”) from RM254.2 million in the financial year ended 31 July 2020 (“**FY2020**”) to RM387.4 million in FY2021. This was mainly attributable to a higher average realised selling price (“**ARSP**”) achieved by the Group.

In FY2021, the Group reported a decrease in sales of crushed iron ore and iron ore tailings. Despite the fall in sales volume, the Group benefitted substantially due to the rise in ARSP. The ARSP of iron ore concentrate increased by 75.5% to reach RM626.42 per dried metric ton (“**DMT**”), whereas the ARSP of crushed iron ore and iron ore tailings increased by 4.9% to reach RM430.54 per metric ton (“**MT**”) and 37.7% to reach RM114.78 per DMT respectively.

Our Target for FY2022



Expectation for FY2022 has been included under the commentary section in FY2021 Financial Result Announcement. Please refer to Section 10, pages 24 to 25 in the FY2021 Financial Result Announcement for the known factors or events that might affect the Group in the next 12 months.

The strong momentum in iron ore prices led to an increase of 55.1% yoy in net cash generated from operating activities to reach RM173.1 million in FY2021. As at 31 July 2021, the Group also boasts of a strong balance sheet with cash and bank balances of RM281.1 million due to the healthy financial performance of the Group, and borrowings of only RM4.1 million. Net asset value per share stood at 74.82 Malaysian cents as at 31 July 2021, compared to 46.38 Malaysian cents as at 31 July 2020. Furthermore, basic and diluted earnings per share was 30.29 Malaysian cents for FY2021, compared to 12.77 Malaysian cents for FY2020.

Our strong financial position has also given us the opportunity to showcase our appreciation to our shareholders for their constant support and loyalty towards us. As a result, the Board of Directors has proposed a final dividend of 1.6 Singapore cents per share for FY2021, representing a pay-out of approximately 16.3% of the Group’s net profit after tax, which has been approved by shareholders of the Company at the annual general meeting held on 26 November 2021 and paid on 15 December 2021.

For detailed financial results, please refer to the following sections in our Annual Report 2021:

- Key financial highlights, page 9
- Financial and Operational review, pages 5 to 6
- Financial statements, pages 79 to 133.

Procurement Practices

We strive to make a positive impact on the lives of people who live in the areas where we have a presence. Whenever possible, we seek to support and promote local businesses and economic activities by engaging them as suppliers, subject to the supplier's capacity to deliver to the Group's specifications and on commercially acceptable term and conditions.

Apart from that, the Group is committed to be in strict compliance with the laws, responding positively to government policies, paying taxes in due course, and boosting local employment opportunities, thus making significant contribution to the local fiscal revenue.

During FY2021, SAM had targeted to ensure that at least 90% of our purchases are from local suppliers. We have achieved this target as SAM's local purchases amounted to 95.5% of our total purchases amounting to RM118.6 million for FY2021.

Our Target for FY2022



To maintain local procurement of at least 90% of total purchases.

Anti-Corruption

SAM does not tolerate corruption in any form and strives to conduct our business with utmost integrity and transparency. This has been made clear to all of the Group's Directors, officers, employees, suppliers and business partners. Our whistleblowing email was set up so that anyone who wants to report any issue on corruption can do so confidentially. Any report

of corruption will be escalated to the attention of the Audit Committee ("AC").

During FY2021, there were no reported incidents of corruption. We will continue to remind our staff regarding our anti-corruption policy and strive to ensure that there will be no incidents of corruption in the Group.

Whistleblowing Policy

The Group has implemented a whistleblowing policy. The policy aims to provide an avenue for employees and external parties to raise concerns about misconduct or improprieties in the Group and at the same time assure them that they will be protected from victimisation for whistleblowing in good faith. The Group has provided the email address for reporting suspected fraud, corruption, dishonest practices or other similar matters. Details of the whistle-blowing policy and arrangements have been made known to all staff.

The AC is satisfied that proper arrangements and procedures are in place to ensure independent investigation of such matters and for appropriate follow-up actions to be taken. We are happy to present that there were no whistleblowing cases in FY2021. Please refer to pages 46 to 48 of our Annual Report 2021 for the role of our AC and the conclusive statement for our whistleblowing report FY2021. We will continue to regularly review our whistleblowing and anti-corruption policies.

Our Target for FY2022



Maintain zero reported incidents of corruption, bribery case and whistleblowing.

Environmental

ENERGY

Energy consumption is inevitable in the daily operations of a mining company. The Group is fully aware of its responsibility for nurturing the environment and minimising negative environmental impact at our mining sites and the environment where we operate. We monitor our energy consumption (both electricity and diesel) at our workplaces to ensure that we use our resources economically, meaningfully and responsibly.

We use electricity and diesel for our mining sites and production facilities. Diesel fuel is mainly used for excavators, dump trucks, drilling machines, lorries and all the generator sets in our workplaces. We actively review our energy consumption levels to gain an insight into how the average fuel consumption intensity level for our mining operation can be further improved.

Below sets out our total energy indicators in FY2021.



	FY2021 ('000)
Electricity consumption (kilowatt/hour "kWh")	9,723*
Diesel and petrol consumption (litres)	12,563

* The data indicated is from March 2021 to July 2021 as we only started using electricity when the National Grid was completed in March 2021. Prior to that, we were using diesel.

Production to Energy Consumption ratio



	FY2021
Concentrate production to electricity consumption (Metric Ton/kWh "MT/kWh")	0.03**
Material extraction to Diesel consumption (MT/litre)	1.09

** Ratio calculated based on 5 months data (March 2021 to July 2021).

Our Target for FY2022



Subject to the quality of the run of mine, we target to achieve the production to energy consumption ratio of not less than 0.02MT concentrates per 1kW of electricity usage and the material extraction to diesel consumption ratio of not less than 1.00MT of materials (both ores and waste) extracted per litre of diesel usage.

ENVIRONMENTAL COMPLIANCE

At the Group, we strive to strictly adhere to compliance with relevant codes and regulations on environmental issues and view it as mandatory. The Group has also taken some initiatives which are designed to ensure compliance with the relevant laws and regulations and prevent environmental pollution and resource depletion with due diligence. For example, we have engaged a consultant to conduct environment monitoring checks on a quarterly basis for water quality, ambient noise and ambient air at our mining site.

We have compiled a list of relevant legal and other requirements that the Group needs to comply with the relevant laws include:

- National Land Code 1965
- Mineral Development Act, 1994 and regulations
- Mineral Enactment (Johor), 2003 and regulations
- Environment Quality Act, 1974 and regulations

We are pleased to share that there were no reported incidents of environmental non-compliance with the relevant regulations and no penalty imposed from local authorities during FY2021.

Our Target for FY2022



To maintain zero incidents of environmental non-compliance in FY2022.



Social

Our employees are the greatest asset of the Group. The resilience and adaptability showcased by them have enabled us to achieve success and growth and reach greater heights. It is important for us to maintain continuous employee development, provide competitive employee benefits and ensure fair and safe working conditions, so that we retain our staff and are positioned as an attractive organisation for new talent.

We respect human rights and support the elimination of all forms of forced and compulsory labour, especially child labour and do not tolerate any discrimination in respect of employment and occupation. We believe every employee should be treated equally regardless of race, sex, gender, national origin, native language, religion, age, marital status, citizenship and sexual orientation. We treat all job candidates as unique individuals as hiring people from multi-cultural backgrounds with variety of experiences could benefit the company in many ways. As for reward management, we strategize to create a high-performance culture and to reward high performing employees differently.

Diversity and Equal Opportunity

We offer workplace diversity and equal opportunities to our employees. For workplace diversity, we value everyone's differences. We learn from each other regardless of cultural background and bring those differences into the workplace to broaden experience and knowledge. For equal opportunities, all employees are treated equally and not disadvantaged by prejudices or bias. Our staff recruitment and annual appraisals are conducted based on performance, work attitude, cooperation with other staff and workers and efficiency and effectiveness of work.

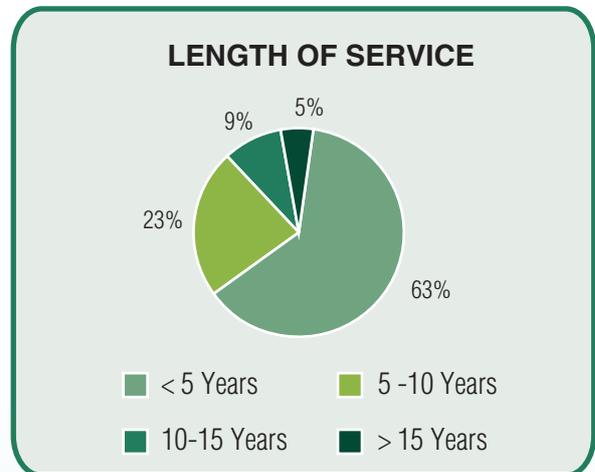
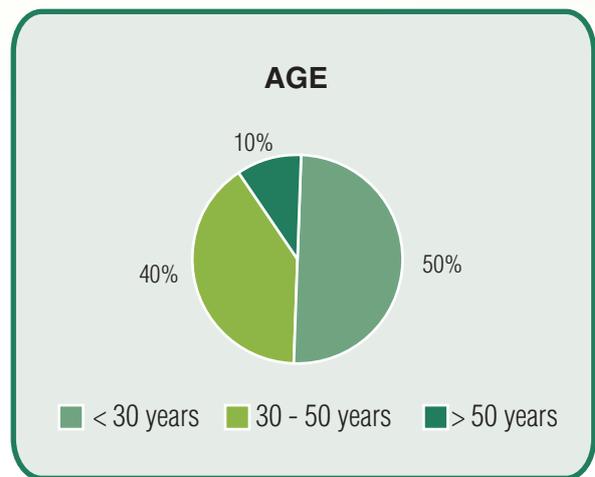
We strive to achieve a fair proportion of diversity in our workforce. During FY2021, there were no reported incidents of complaints on discrimination, and we will continue to ensure to be fair with our employees as well as no discrimination in our company throughout the years.

Our Target for FY2022



To maintain zero complaints on discrimination.

In FY2021, the Group expanded its operations and recruited an additional 67 employees (representing 32% of the workforce). The Group ended the year with a total of 212 employees. Due to the nature of our industry, the ratio of female employees in the Group is relatively low. However, as a strong signal of the Group’s stance equal opportunities for all, 43% of the leadership roles in the organisation are held by women. Our workforce is distributed as follows:



To foster team spirit, the Group had scheduled a series of different activities and events for our employees such as team building activities, workshops etc. Unfortunately, these activities and events were cancelled due to the numerous Movement Control Orders (MCOs) imposed during the pandemic.

Employee health has become a key focus area for the Group and became even more important during the pandemic. In addition to the yearly blood screening program (47 blood tests + 5 cancer markers) we offered to all supervisory and above employees, we also offered all our employees to participate in the public-private partnership COVID-19 industrial immunisation (“**PIKAS**”) program organized by the Ministry of International Trade and Industry (“**MITI**”) of Malaysia.



Occupational Health And Safety

Our employees’ safety and health at the workplace is one of our top priorities, thus, we are committed to safeguarding our employees’ health and safety against any potential workplace hazards. The focus on health and safety is important for SAM to achieve outstanding performance. It is a fundamental right for our workers to be able to work in a safe environment. By doing so, not only is the health of our employees safeguarded, but our overall productivity also increases, enabling us to deliver superior quality products and services to our customers.

To ensure our employee’s safety and health at the workplace, SAM has set up a Safety & Health Committee (the “**Committee**”) which consists of a chairman, a secretary, employer representatives and also employee representatives. The Committee has developed safety policies, health & safety standards and rules as well as carrying out measures to improve the overall safety of workers.

Whenever work-related incidents happen in our workplace, the Committee representatives will collect comprehensive information of the incident and conduct a thorough walkthrough of the scene, together with victim and witnesses, if possible, to examine and understand how the incident occurred. Moreover, they would identify the cause of the incident so that controls can be put in place to prevent further occurrences. Trainings and briefings are provided regularly to our employees to educate them on potential health and safety risks they may face at the workplace so as to equip them with the knowledge to eliminate such risks.



In FY2021, there were no major work injury and zero fatal accidents at our workplace.

Our Target for FY2022



To maintain zero major injury and fatal accidents.

Training and Education

SAM has provided its employees with regular trainings to ensure that they upgrade their skillsets, continue to keep pace with the growth and developments of the Group, and develop professionally. Trainings are conducted to educate our employees about the Group's operation process at all our operation sites. Every year, an analysis will be conducted by respective head of departments and HR to identify the potential training areas to be provided.

Based on the total number of employees in the Group, the average training hours per employee for FY2021 was 3.4 hours. Lower in average training hours was mainly attributed to lesser training courses conducted pursuant to crowd management measures implemented by the Group in FY2021 to counter the widespread of Covid-19. We will continue to deploy our resources and offer training courses to continuously enhance safety and ensure competency of all our employees.

Our Target for FY2022



Provide at least an average of 4 training hours per employee.

Local Communities

While achieving business goals is important, SAM aims to make a positive impact and contribute to the society as well. We recognise that for long-term sustainability, we need to achieve a balance between being profit-driven and being a socially responsible corporate citizen. Over the years, the Group has sponsored and donated to various charitable organisations and clubs. In FY2021, the Group has contributed a total of RM317,054 in sponsorships and assistance for various community projects and assistance schemes, including Food Assistance Programs across Malaysia.

Our Target for FY2022



We strive to contribute to the community by supporting under privileged groups, to take greater participation in community development programs and creating more employment opportunities.



Food Assistance Program in Kuantan, Pahang State
Food Assistance Program in Kelantan State



Food Assistance Program in Kampung Haji Kamisan & Sime Darby Ladang Chaah

Governance

Corporate Governance

The Board and the Management of the Group are committed to the best practices in corporate governance to ensure sustainability of the Group's operations. We believe that our constant drive for excellence in corporate governance will allow us to establish a more transparent, accountable and equitable system, thereby increasing the value of the Company and its value to our shareholders. Please refer to the 2021 Annual Report, pages 17 to 58 for the Group's Corporate Governance Report.

Throughout FY2021, we complied with the Code of Corporate Governance 2018 and we will continue to comply with the Code of Corporate Governance 2018 and to meet the requirements expected by stakeholders.

Our Target for FY2022



Continue to comply with the Code of Corporate Governance 2018 and meet all requirements that are expected of us by our stakeholders in FY2022.

Risk Management

The Board acknowledges its responsibility for the governance of risk and ensuring that the Management maintains a sound system of risk management and internal controls to safeguard the interest of shareholders and the Group's assets.

Matters related to risks are referred to the AC. The Board, with the support of the AC, is responsible for the overall governance of the risk management of the Company, establishing risk management policies and tolerance strategies that set the direction for the Group and overseeing the implementation of risk management framework to ensure that risks are identified and managed. For detailed disclosure on Risk Management, please refer to the "Risk Management and Internal Controls" and the "Summary of Audit Committee and Risk Management Activities" on pages 44 to 46 and page 50 of our Annual Report 2021.

Our Target for FY2022



Conduct annual review of risk management and internal control systems to ensure that all relevant risks are identified, communicated and managed on a timely basis.

Business Ethics And Compliance

All of our staff are reminded time and again of the importance of upholding the highest standards when it comes to business ethics. The Group regularly updates relevant staff with development in international and local regulations. There were no significant fines or non-monetary sanctions for non-compliance with laws and regulations in FY2021.

Our Target for FY2022



Maintain zero incidents of corruption or legal compliance issue.

GRI Standards Content Index

GRI Standard	Disclosure	Reference / Description
GRI 101: Foundation 2016		
GENERAL DISCLOSURE		
GRI 102: General Disclosures	102-1	Name of organisation Southern Alliance Mining Ltd.
	102-2	Activities, brands, products and services Annual report 2021 (AR) page 10
	102-3	Location of headquarters Malaysia
	102-4	Location of operations Malaysia
	102-5	Ownership and legal form AR page 85
	102-6	Markets served AR page 10
	102-7	Scale of the organisation AR pages 5 and 10
	102-8	Information on employees and other workers SR pages 16 and 17
	102-9	Supply chain SR page 13 AR pages 5 to 7
	102-10	Significant changes to the organisation and its supply chain None
	102-11	Precautionary Principle or approach SR pages 3 and 23
	102-12	External initiatives None
	102-13	Membership of associations None
	102-14	Statement from senior decision maker SR pages 1 to 2
	102-16	Values, principles, standards and norms of behaviour SR page 4 and pages 7 to 9
	102-18	Governance structure AR pages 17 to 58
	102-40	List of stakeholder groups SR pages 7 to 9 AR page 54
	102-41	Collective bargaining agreements None
	102-42	Identifying and selecting stakeholders SR pages 7 to 9
	102-43	Approach to stakeholder engagement SR pages 7 to 9 AR page 54
	102-44	Key topics and concerns raised SR pages 8 to 9
	102-45	Entities included in the consolidated financial statements AR page 11 and 117
	102-46	Defining report content and topic boundaries SR pages 9 to 10
	102-47	List of material topics SR page 10
	102-48	Restatement of information Not applicable as this is the first reporting cycle

GRI Standard	Disclosure	Reference / Description	
	102-49	Changes in reporting	Not applicable as this is the first reporting cycle
	102-50	Reporting period	SR pages 1 to 2
	102-51	Date of most recent previous report	Not applicable as this is the first reporting cycle
	102-52	Reporting cycle	Annually
	102-53	Contact point for questions about the report	SR page 3
	102-54	Claims if reporting in accordance with the GRI Standards	SR page 3
	102-55	GRI content index	SR pages 24 to 25
	102-56	External Assurance	No external assurance has been sought. We may seek external assurance in the future.
MATERIAL TOPICS			
GRI 201: Economic performance	201-1	Direct economic value generated and distributed	SR page 12
GRI 204: Procurement Practice	204-1	Proportion of spending on local suppliers	SR page 13
GRI 205: Anti-corruption	205-1	Operations assessed for risks related to corruption	SR page 13
GRI 302: Energy	302-1	Energy consumption within the organization	SR page 14
GRI 307: Environmental compliance	307-1	Non-compliance with environmental laws and regulations	SR page 15
GRI 403: Occupational Health and Safety	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	SR pages 18 to 19
GRI 404: Training and Education	404-1	Average hours of training per year per employee	SR page 20
GRI 405: Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	SR pages 16 to 18
GRI 413: Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	SR page 20
GRI 419: Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	SR pages 15, 22 and 23



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