

Creating Value

Jardine Matheson is a diversified group with a strong focus on our core geographies of China and South East Asia. We have built a solid foundation of experience and expertise in the Asia region over more than 190 years, actively supporting our businesses and communities as they grow sustainably for the long term.

We create value by identifying opportunities through our longstanding networks and partnerships, and actively allocating capital – all while maintaining a robust balance sheet and stable dividend growth.

Enhancing Leadership and Entrepreneurialism

Our people are our greatest strength. We are committed to developing leaders with an entrepreneurial mindset, fostering a culture of innovation and balanced risk-taking. Through continuous learning and development, we provide opportunities for growth. Our commitment to inclusivity ensures that diverse perspectives are valued, creating an environment where our people can thrive and contribute their best.



CEO appointments

Having the right leadership in place – which includes a balance of drawing on our strong internal leadership bench as well as strategically sourcing outside talent – is critical to achieving our ambitions. We have recently made a number of important senior leadership appointments: Scott Price became Group Chief Executive at DFI Retail, Laurent Kleitman came in as Group Chief Executive at Mandarin Oriental, Michael Smith has joined as Chief Executive of Hongkong Land, and Elton Chan has been appointed Chief Executive of Jardine Pacific.



LearnFest 2023

The annual Jardines learning festival, LearnFest, took place in June 2023. This week-long event saw the active participation of over 50,000 colleagues from 15 companies across 30 countries. Sessions were conducted both online and in person, providing a diverse and engaging learning experience for all attendees.



Inclusion, Equity & Diversity ('IE&D')

Jardines has set five-year targets for IE&D, with each Group company establishing their own specific objectives. For executives and senior leadership, we aim to either achieve 50% female representation, improve representation by 50%, or maintain a representation of 50%. In addition, the Group is currently reviewing relevant policies and is fully committed to making necessary amendments to foster an inclusive workplace environment.

We focus on having the right leaders in place across our businesses and work closely with them on performance management to deliver on our key strategic priorities. We continuously raise the bar, setting high standards of governance and management for ourselves and our businesses.

In this section, we look at the progress Jardines has made in 2023 across our strategic priorities of: **Enhancing Leadership and Entrepreneurialism, Evolving our Portfolio, Driving Innovation and Operational Excellence, and Embedding Sustainability.**

Evolving our Portfolio

We are evolving our portfolio to remain relevant to the needs of Asian consumers. With a longstanding focus on the growing middle class and urbanisation, we have consistently positioned ourselves to capture the opportunities arising from these trends. We are strengthening our existing core businesses to ensure their continued competitiveness, including by increasing organic capex to fuel further growth and enable us to meet the demands of the dynamic markets in which we operate. We are also expanding our footprint into new high-growth industries which align with emerging consumer preferences.



Astra invests in nickel mining and processing

United Tractors, a subsidiary of Astra, has acquired 90% effective share ownership of PT Stargate Pasific Resources and PT Stargate Mineral Asia, and a 19.99% interest in Nickel Industries Limited, as part of its continued diversification away from coal mining.



JC&C strengthens strategic partnership with THACO

JC&C subscribed for US\$350 million of convertible bonds in THACO's recent private placement, providing JC&C with a secure path to increasing its shareholding in one of Vietnam's most dynamic unlisted companies.



Increasing investments in electric vehicles

The EV market in Asia is rapidly expanding, and our automotive businesses are seizing the opportunity to increase their market share in this growing segment. JC&C has formed a strategic partnership with Carro, a prominent technology-driven used car platform, while Cycle & Carriage Singapore has established a partnership with Great Wall Motor to become the distributor of its EVs in Singapore. Zung Fu has also been appointed as the distributor of smart's new generation electric models in Hong Kong.



Disciplined capital recycling

In 2023, we sold our 28.22%-stake in Greatview Aseptic Packaging Company to Shandong Xinjufeng Technology Packaging, and the Group's UK Motors business to Lithia & Driveway, both as part of our ongoing focus on generating long-term value in our core growth markets in Asia. The sale of our 50%-stake in Jardine Aviation Services ('JASG') was completed in March 2024. This transaction will provide expanded development opportunities for employees and strengthens JASG's position in the global aviation sector.

Driving Innovation and Operational Excellence

Operating in highly dynamic markets means we must continuously adapt to remain competitive. Recognising the importance of digital transformation, our businesses have accelerated their adoption of digital ways of working to enhance operational efficiency and effectiveness, including through the use of AI in our day-to-day operations. We increased our investments in digital businesses and explored opportunities in digital adjacencies. Embracing new technologies has also allowed our businesses to create more touchpoints for consumers, providing enhanced experiences and fostering stronger connections.



Astra expands digital infrastructure

Astra set up a JV with Equinix to develop Indonesia's data centre infrastructure and support the digital needs of businesses. Astra also completed the acquisition of online classifieds firm OLX Indonesia, as part of strengthening its used-car ecosystem.



Enhancing our digital touchpoints

Our businesses are reaching customers in new and different ways. Astra launched *bank saqu*, a digital banking initiative dedicated to empowering 'solopreneurs' in Indonesia and attracted 100,000 new customers in less than a month after launch. In Hong Kong, leading lifestyle and virtual bank, *livi bank*, started banking services for Hong Kong SMEs.



Jardine Service Centre

Jardine Service Centre ('JSC') is an in-house shared service centre providing back-office support to the global business units of Jardines, through the administration of transactional and rule-based activities. The opening of JSC supports Jardines' ongoing commitment towards operational excellence and innovation.



Embracing Generative AI

In June 2023, Hack.Asia, Jardines' innovation hackathon, received an impressive 200+ Gen AI submissions across 12 business units. Building on this enthusiastic response, Jardines has successfully developed six proofs of concept across eight business units. We remain dedicated to supporting and nurturing innovation within our organisation.

Embedding Sustainability

We strongly believe that embedding sustainability is good business, and makes us and our communities stronger for the future. Our businesses have been at the forefront of climate action, making bold carbon reduction commitments and setting out detailed plans for reducing our carbon footprint. We recognise the collective impact that we can have and are actively sharing our learnings and best practices across the Group – fostering collaboration and accelerating progress towards a sustainable future. As a Group, we are committed to supporting our businesses and communities as they navigate a Just Transition towards a net-zero future. For more details, refer to the Sustainability section of the Annual Report.



SBTi commitments

Decarbonisation is a key focus of Jardines' sustainability strategy, and we have developed a framework to guide efforts towards transitioning to net-zero by 2050, with an initial nearer term focus on setting science-based Scope 1 and 2 carbon reduction targets for 2030. Hongkong Land, DFI Retail, Gammon and HACTL have achieved SBTi validation for their Scope 1 – 3 targets, and a number of our other businesses will be seeking validation in the coming year.



Biodiversity management

Jardines is committed to balancing business growth with social well-being and environmental sustainability. We aim to adopt industry-leading practices for biodiversity management, while building up expertise to understand our impact. We also continue to manage a range of specific environmental and biodiversity-related issues in our businesses. Further information on our approach to biodiversity will be provided in the Group's forthcoming Sustainability Report, which is expected to be published in May 2024.



MINDSET's long-term partnership with Mind HK

MINDSET has partnered Mind HK as a strategic partner since 2019, aiming to improve mental health access in Hong Kong. In 2023, we launched the iACT® Youth Wellbeing Practitioners programme in collaboration with Mind HK. This programme trains young individuals to provide low-intensity interventions for Hong Kong's youth with mild to moderate mental health issues, addressing the need for affordable services.



Improving access to education in Cambodia

TheACLEDA-Jardine Educational Foundation was set up in 2017 with funds from the sale of Jardines' interest in ACLEDA Bank in 2015. In 2023, three primary schools were completed, with over 360 children enrolled for classes. Since its establishment, 11 schools have been built.