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MUN SIONG ENGINEERING LIMITED

SUSTAINABILITY REPORT 2024

**FUTURE
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Board Statement

Dear Stakeholders,

On behalf of the Mun Siong Engineering Limited's Board of Directors (the "**Board**"), we are pleased to present the Sustainability Report ("**SR**") for Mun Siong Engineering Limited ("**Mun Siong**" or the "**Company**"), together with its subsidiaries, for the financial period from 1 January to 31 December 2024 ("**FY2024**").

As a leading construction and integrated maintenance solutions provider in Asia and the USA, we are committed to embedding Environmental, Social, and Governance ("**ESG**") considerations into every aspect of our business to build a sustainable future. This report highlights our ongoing progress in reducing our environmental impact, advancing sustainable design, and positively contributing to our communities. We aim to present our sustainability reporting in a systematic way while encouraging the Board and the leadership team (or "**Management**" or "**Executive Committee**") to think deeply about the benefits and potential challenges to support and effectively implement measures towards achieving the targeted objectives.

For Mun Siong, sustainability is an ongoing process. Our water recycling efforts have resulted in a significant reduction in water consumption. We have also improved our data collections pertaining to sustainability with more detailed information and accuracy. We are also pleased to report continuous improvements in safety, with a further reduction in our Total Recordable Incident Rate ("**TRIR**") and the maintenance of a zero-fatality record. Moreover, in FY2024, we continue to uphold our commitment to ethical conduct, reporting no instances of corruption, fraud, environmental noncompliance, discrimination, human rights violations, or unlawful practices, maintaining the same high standards as in previous years.

The Board is fully committed to incorporating sustainability—comprising ESG factors—into the Company's and Group's operational strategies and long-term planning. To ensure effective oversight, the Board has established the Board Sustainability Committee ("**BSC**"), which focuses on guiding sustainability efforts and ensuring robust ESG reporting, including the adoption of the Task Force on Climate-related Financial Disclosures ("**TCFD**") framework.

The Board Sustainability Committee is chaired by our Executive Chairlady and includes a Non-Executive Directors, the Chief Executive Officer ("**CEO**"), and some members of the Executive Committee. This committee is responsible for identifying, evaluating, monitoring, and managing the Group's key ESG materiality issues, as well as implementing TCFD recommendations. The BSC reports directly to the Board, ensuring alignment and accountability in the Group's sustainability initiatives.

While proud of our progress, we remain dedicated to continuous improvements and maintain responsibility towards the planet and future generations. We believe that together we can create a resilient and sustainable future.

We sincerely thank all our stakeholders for their steadfast support and trust in our mission and values. Your belief in us has been pivotal to our achievements, and we look forward to advancing our sustainability journey together in the coming years.

Sincerely,

The Board of Directors

Mun Siong Engineering Limited



ABOUT THIS REPORT

Reporting Period and Scope

This is Mun Siong’s eighth annual Sustainability Report (“**SR**”), reinforcing our dedication to integrating sustainability into our operations. It encompasses the ESG initiatives and performance metrics related to our business activities in Singapore, Malaysia, Taiwan, and the USA for the period from 1 January to 31 December 2024 (“**FY2024**”). There are no significant changes in our business operations, supply chain, or key stakeholders’ relationships during the reporting period. All data, statistics, and information presented in this report pertain to the Group portfolio and employees within our Singapore, Malaysia, Taiwan, and USA operations, unless specifically stated otherwise. The following tables illustrate the entities included within the scope of this report.

Country	Company name
Singapore	Mun Siong Engineering Limited (“MSE”)
Malaysia	Pegasus Advance Engineering Sdn Bhd (“PAE”)
USA	Pegasus Industrial Midwest LLC (“PIM”)
Taiwan	Pegasus Advance Industrial Company Ltd (“PAI”)

Reporting Framework

This report has been prepared with reference to Global Reporting Initiatives (“**GRI**”) and is aligned with the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual-Sustainability Reporting Requirements (Rules 711A and 711B and Practice Note 7.6). The Group has selected the GRI Standards for reporting as it gives the stakeholders balanced, comparable, and meaningful disclosure information on the Group’s sustainability performance.

In line with SGX-ST reporting requirements, since FY2023, Mun Siong has also gradually adopted the recommendations of the Task Force on Climate-related Financial Disclosures Framework (“**TCFD**”) and we have integrated climate-related disclosures into the FY2024 report.

Data Assurance

While external assurance was not sought for this year's report, we conducted an internal audit review in FY2024 of our FY2023 Sustainability Report and our current sustainability reporting practices. Mun Siong outsourced the internal audit review to CLA Global TS Risk Advisory Pte Ltd ("**Internal Auditor**"), who reports directly to the Chairman of the Company's Audit Committee. Management is actively working on implementing the recommendations identified by the Internal Auditor during the review. We are also committed to progressively obtaining external assurance for our Scope 1 and Scope 2 emissions by FY2027, in alignment with the mandatory requirements set by SGX.

Feedback

We value stakeholder feedback to enhance our sustainability practices and reporting. For questions or comments, email us at information@mun-siong.com.

In accordance with our sustainability strategy, we will not be printing hard copies of this report or the Annual Report. Shareholders can access this report on the SGX website at www.sgx.com/securities/company-announcements and on Mun Siong's website at www.mun-siong.com. This Sustainability Report should be read in conjunction with Mun Siong's Annual Report 2024, which will be released on 15 April 2025, to obtain a comprehensive understanding of the Group's businesses and financial performance.

ABOUT MUN SIONG ENGINEERING LIMITED CORPORATE PROFILE

Mun Siong Group is guided by a capable Board that takes collective responsibility for the long-term success of the company. We offer a full range of mechanical, electrical, and instrumentation services to industries such as oil & gas, petrochemical, energy, chemical, and power generation. Our services include engineering, procurement, fabrication, construction, and maintenance for process plants, as well as specialised solutions and high-value products tailored to meet the distinct requirements of our clients.

As a trusted provider of integrated turnkey mechanical services, plant maintenance, and specialised solutions, Mun Siong Group places a strong emphasis on safety, operational efficiency, quality, and environmental sustainability. Founded in Singapore in 1969, the Group has grown to become a leading provider of construction and integrated maintenance services in Asia while steadily expanding its presence in the USA in the following areas:

- Engineering Design
- Plant Construction
- Ultrasonic Cleaning
- Industrial Fabrication
- Maintenance and Turnaround
- Specialised Services
- Electrical and Instrumentation

OUR PHILOSOPHY

Our belief remains the same since our founder—to deliver the best timely and safe competitive solutions. We believe that credibility is the essence of every business. Thus, we strive to fulfil our clients' requirements while adapting ourselves in different circumstances to deliver the best at all times.



OUR VISION

We are the preferred and most trusted turnkey solution provider to customers, colleagues, investors, business partners, and the communities where we work and live.

OUR MISSION

We dedicate ourselves to be the preferred service provider that thrives on cutting edge Technology, Safety, Quality and Competitive Solutions to achieve customer satisfaction.

OUR BUSINESS

Mun Siong Engineering was founded on April 30, 1969, and is headquartered in Singapore, with its principal address at 26 Gul Way, Singapore 629199. In addition to our Singapore operations, we also have facilities in Illinois (USA), Kaohsiung (Taiwan), and Johor (Malaysia).



MEMBERSHIP OF ASSOCIATIONS

Mun Siong is a registered contractor with the Building and Construction Authority (“**BCA**”) for “Mechanical Engineering” and “Specialist Builder (Structural Steelwork).” We are also licensed under the Energy Market Authority (“**EMA**”) for “Electrical Installation.”

Besides being an active industry participant, Mun Siong is also a corporate member of several key associations, including the Association of Process Industry (“**ASPRI**”), and the Singapore Electrical Contractors and Licensed Electrical Workers Association (“**SECA**”).

We take pride in holding certifications such as ISO 14001:2015, ISO 45001:2018, ISO 9001:2015, bizSAFE Level Star, ASME, and LowCarbonSG, underscoring our commitment to excellence in environmental management, occupational health and safety, quality, and sustainability. These certifications reflect our dedication to maintaining the highest industry standards across our operations. Additionally, as members of ASPRI and the Singapore Business Federation (“**SBF**”), we actively contribute to industry advancements and Singapore’s broader business community.

We also work with the following product principals and partners:

ACCREDITATIONS



ASSOCIATIONS



PRODUCT PRINCIPALS & PARTNERS:



SUPPLY CHAIN MANAGEMENT

At Mun Siong, we take a proactive and integrated approach to managing ESG materiality risks—supply chain management across our group of companies. We have established comprehensive policies and procedures that guide every aspect of procurement, from selecting and evaluating vendors to conducting regular assessments. Our suppliers are integral to our long-term success, and in today's volatile geopolitical and economic landscape, it is vital to maintain a stable and sustainable supply chain. Our suppliers, including contractors, are carefully selected based on track record, price, delivery, safety, and quality of work performed.

As a company and group, we are committed to fostering a responsible and sustainable supply chain, ensuring that all purchasing decisions align with our ethical standards and sustainability objectives. This approach helps us mitigate potential disruptions, allowing us to continue delivering exceptional quality and reliable services to our clients and partners.

Our Supplier Code of Conduct applies to all suppliers, their subsidiaries, and associates, outlining expectations for ethical practices, legal compliance, and health, safety, and environmental standards. Suppliers must understand and comply with this code, which is included as part of our purchase orders' terms and conditions. In FY2024, all new suppliers have confirmed their adherence to the Supplier Code of Conduct upon acknowledging the Purchase Order. Our supplier selection process prioritises a comprehensive evaluation, focusing on key criteria such as the suppliers' historical performance, competitive pricing, delivery reliability, safety standards, and product quality. Approved suppliers, listed on our Approved Vendor List ("**AVL**"), are chosen for meeting our quality and service standards imposed by the Group. We conduct ad-hoc site visits, especially for frequent suppliers, to assess their alignment with our ESG targets. Major suppliers are reviewed annually for Safety, Health, and Environmental ("**SHE**") performance and quality of goods and services. Suppliers failing to meet expectations are given time for corrective action; those who do not improve are removed from the AVL.

Our Supplier Code of Conduct has incorporated ESG criteria such as ethical business practices, social responsibility (e.g., labour rights, equality, health and safety), anti-bribery, anti-corruption, and environmental sustainability. These further strengthen our supplier assessment process.

OUR SUSTAINABILITY GOVERNANCE

Effectively managing sustainability-related risks continues to be a top priority for our Group, with these risks outlined on page 12 of this report. Our sustainability governance framework is structured to seamlessly integrate Environmental, Social, and Governance (ESG) considerations into Mun Siong's business strategy and daily operations. The framework engages the Board of Directors, our CEO, and select members of the Executive Committee, which includes senior management. By adopting this top-down approach, we ensure the commitment of our employees to uphold responsible and sustainable business practices across the company.



We adopt a proactive and precautionary approach to risk management, focused on minimizing potential environmental and societal impacts arising from our business activities. To reinforce our commitment to sustainability, all board members completed the mandatory Sustainability Program organized by the Institute of Singapore Chartered Accountants (ISCA) in FY2022. Additionally, they have attended sessions on the latest sustainability updates, including the new Sustainability Reporting requirements introduced by SGX RegCo in 2024.

The Board and its committees oversee the Group's sustainability strategy, with the Board Sustainability Committee ("**BSC**") assuming ultimate responsibility. Comprising at least three Board members and supported by a Secretary, the BSC ensures that sustainability principles are embedded across our operations.



The **Sustainability Reporting Executive Committee (SREC)** is responsible for integrating sustainability practices into the Group's daily operations, with a focus on enhancing community well-being and protecting the environment. Chaired by a member of the Board Sustainability Committee (BSC) and supported by the BSC Chairman, the SREC is composed of representatives from key functions within the organization and convenes quarterly.

The committee's key responsibilities include ensuring regulatory compliance, engaging stakeholders, and managing both legal and climate-related risks. It reports directly to the BSC, sets clear sustainability targets, oversees the implementation of the Environmental, Social, and Governance (ESG) strategy, monitors progress, develops communication strategies, and reviews sustainability reports.

The Sustainability Reporting Editorial Committee ("**SEC**") handles the preparation, review, and publication of Mun Siong's annual Sustainability Report. The Committee terms, structure, and memberships are regularly reviewed to stay relevant with evolving governance and legal requirements.

STAKEHOLDER ENGAGEMENT

Recognising that building long-lasting, positive, and mutually beneficial relationships is vital for sustainable growth, we actively seek feedback from our stakeholders on ESG-related matters through both formal and informal engagements. This effort helps us gain deeper insights into their perspectives, concerns, and interests. The following table outlines our key stakeholder groups, their primary concerns, and the various platforms we engage them on:

Stakeholders	Engagement Methods	Frequency of Engagement	Key Concerns	Organisation's response
Investors	<p>Engage with shareholders during Annual General Meetings to gather their feedback and insights.</p> <p>Disseminate important information to shareholders and investors through timely announcements on the SGX and Company's websites.</p> <p>Our corporate governance policies are listed in the Annual Report.</p>	<p>Via Annual General Meeting.</p> <p>Quarterly or bi-annual reporting.</p> <p>Material or sensitive information are announced immediately.</p>	<p>Create long-term shareholders value.</p> <p>Timely results announcement and issuance of Annual report.</p> <p>Business growth.</p> <p>Continuous improvement.</p> <p>Good corporate governance.</p>	<p>The company upholds top corporate governance standards is dedicated to providing provides stakeholders, including shareholders, with relevant information in a fair, timely, and transparent manner. It also values shareholder feedback and strives to address their concerns. For more details, refer to the Corporate Governance session in our Annual Report 2024.</p>
Employees	<p>Leadership team and department meetings with our employees to obtain feedback and raise topics of concerns and areas for improvement.</p> <p>Safety meeting to address workplace health and safety, training, and. Employees mental health. To foster culture of diversity and inclusion.</p> <p>Communication with the direct workforce during in-house training and toolbox meeting on their physical and mental wellbeing.</p>	<p>Weekly</p> <p>Monthly</p> <p>Regularly</p>	<p>Group financial, health and safety performance.</p> <p>Open communication and feedback opportunities.</p> <p>Employee well-being.</p> <p>Equal opportunity, inclusion, and diversity.</p>	<p>Monthly Senior Management meeting</p> <p>Weekly/ Monthly departmental meetings</p> <p>Monthly SHE Committee meeting</p> <p>Monthly Management Meeting</p> <p>Daily Toolbox meetings</p> <p>Regularly in-house training</p>

Stakeholders	Engagement Methods	Frequency of Engagement	Key Concerns	Organisation's response
Government	<p>Attend seminars and workshop organise by governments' agencies to keep up with the relevant regulatory requirements and compliance while mindful of human rights in countries where we operate.</p> <p>Engage and meet with representatives and leaders of various government agencies to provide and to obtain information and insights on policies that may affect our business operations.</p> <p>We work with local agencies in where we operate our business, to support responsible safety, social and environmental policies.</p>	Regular meetings with clients, interaction with government bodies to obtain updates on necessary requirements such as MOM, ESG, JTC etc.	<p>Compliance with all local governments' regulatory requirements.</p> <p>Compliance to Employment Act and labour relations.</p> <p>Compliance to local health guidance, advisories, and measures.</p>	No legal non-compliance incidents for FY2024.
Suppliers	<p>Communicate with suppliers on our safety, environmental and human rights practices.</p> <p>Communicate to suppliers on our updated Suppliers Code of Conduct.</p> <p>Periodic review on suppliers' conducts on anti-corruption due diligence in countries we operate our businesses in.</p>	Regularly	<p>Prompt payment</p> <p>Good business relationship</p> <p>Fair business practices</p>	Requested and received feedback from selected suppliers on key areas, including communication, response times, and overall interaction with the Group. The feedback covered aspects such as the clarity of requests, ease of contact, the quality of the business relationship, payment processes, and other relevant factors.

Stakeholders	Engagement Methods	Frequency of Engagement	Key Concerns	Organisation's response
Customers	<p>Collaborate with our customers to identify potential transformation and improvement solutions to sustainability issues.</p> <p>Train and encourage our operation team to keep open dialogue with our customers, to better understand their needs.</p> <p>Setting guidance and support to our marketing teams in responding to customer questions.</p>	<p>Regular meetings with client.</p> <p>Quarterly review meeting.</p>	<p>Service agreements</p> <p>Projects and Maintenance work quality</p> <p>Productivity performance</p> <p>Price</p> <p>Safety records</p>	<p>Maintenance contracts with clients.</p> <p>Regular interactions with clients on the on-going and upcoming project/ Maintenance works.</p> <p>Productivity improvement initiatives from senior management.</p> <p>Request and receive customer feedback for key areas such as Quality, SHE, Environmental commitments.</p> <p>Productivity, resource conservation, overall performance etc.</p>

MATERIALITY ASSESSMENT

The Sustainability Committees at Mun Siong, in collaboration with our stakeholders, assessed key ESG issues related to climate change and our business operations. Using the GRI's Oil & Gas Sector 2021 guidelines, we identified our material topics for the FY2024 Sustainability Report. These topics align with our core values of Safety, Quality, Customer Focus, Leadership, and Teamwork. The BSC together with the SREC has adopted a risk-based approach in determining the most relevant material ESG factors that will impact our Group of businesses. It identified potential material topics, which were then reviewed at various levels and ultimately approved by the Board. This materiality assessment included insights from our Board and Senior Management, along with feedback from both internal and external stakeholders. Consequently, we confirmed that the material topics identified in FY2023 remain relevant to our business and stakeholders for FY2024, with no significant differences. The process we followed to identify these material topics is outlined below:



Identify

ESG factors were shortlisted based on their relevance to MSE's business model, strategies, and operations.



Rate

Each of the identified ESG factors were evaluated based on its potential impact on the Group and the degree of stakeholder interest in the issue.



Prioritise

Management personnel sorted the topics on a materiality matrix based on their overall importance to our internal and external stakeholders.



Validate

ESG factors determined to be material to MSE's business and stakeholders were approved by the Board.

While the other material topics identified in FY2023 remain relevant to our business and stakeholders, we have replaced 'Environmental Compliance' with 'GRI 305: Emissions.' This change reflects the fact that environmental compliance is now encompassed within the general requirements of the GRI standards and is no longer considered a separate reporting topic. The Board recognizes the importance of emissions as a key aspect of our climate reporting and has decided to continue disclosing our emissions data.

PROGRESS ON TARGETS

Material Topics	Future Targets			FY2024 Achievements
	Short-Term (within 1 year)	Medium-Term (2 to 4 years)	Long-Term (5 years and above)	
GRI 205: Anti-corruption 2016	Zero case of corruption and fraud incidents across all operations.			Zero cases of corruption and fraud incident.
GRI 302: Energy 2016	Ensure all the available lightings at HQ are replaced with LED.	We plan to utilise the solar energy generated from our facilities efficiently and to reduce the dependency on the national grids.	Study the feasibility to implement the solar installation and practices at all the Mun Siong Group of companies.	No reported incidents of noncompliance, improved detail of energy consumption disclosure.
GRI 303: Water and Effluents 2018	To replace with self-closing water taps for all the existing water outlet sources.	To implement measuring mechanism of consumed water at all Mun Siong group of companies.	Explore and implement new technology or method for specific business operations.	No reported incidents of noncompliance, improved detail of water consumption disclosure.
GRI 305: Emissions 2016	Ensure all the installed energy saving lightings are maintained and used responsibly	Encourage and adopt sustainable practices across all functions that could contribute to achieve lower emission.	Improve the emission intensity by fostering the culture of energy efficiency within the organisation.	No reported incidents of noncompliance, improved detail of emissions disclosure.
GRI 401: Employment 2016	Streamline the recruitment process to ensure shorter hiring timelines and better candidate matching.	Focus on skill development to increase workforce capabilities.	Ensure the workforce is highly skilled and including digital transformation and technological advancements.	Revised employment practices seek to improve employee retention and satisfaction.

Material Topics	Future Targets			FY2024 Achievements
	Short-Term (within 1 year)	Medium-Term (2 to 4 years)	Long-Term (5 years and above)	
GRI 403: Occupational Health and Safety 2018	Promoting the awareness on mental health and well-being to the workforce.	Achieve zero lost-time incidents through FY2027 while promoting the physical and mental well-being of the workforce across all workplaces.	Consistently sustain zero lost-time incident through to FY2030.	There were no fatalities or high-consequence work-related injuries, with only two recordable work-related injuries occurring during the period. The company achieved a Total Recordable Incident Rate (TRIR) of 0.14.
GRI 404: Training and Education 2016	<p>Immediate Enhancement of Key Skills and Compliance</p> <p>Addressing immediate skills gaps.</p> <p>Ensuring regulatory compliance.</p> <p>Equipping employees with core competencies for their roles to drive rapid performance improvements.</p>	<p>Development of Leadership and Specialised Skills for Organisational Growth</p> <p>Developing leadership capabilities.</p> <p>Enhancing specialised skills in emerging technologies.</p> <p>Preparing the workforce for more complex roles.</p> <p>Building a pipeline of future leaders and enhancing technical expertise to keep pace with industry advancements.</p>	<p>Cultivating a Highly Skilled, Agile Workforce for Sustainable Growth and Innovation</p> <p>Cultivating a workforce capable of meeting evolving business challenges.</p> <p>Supporting the company's growth into new markets.</p> <p>Driving innovation and productivity.</p> <p>Creating a culture of continuous learning.</p> <p>Ensuring that employees are equipped with the skills and knowledge required for the company's strategic expansion and transformation.</p>	There was a decrease of 0.82 training hours per employee compared to the average training hours in 2023.

Material Topics	Future Targets			FY2024 Achievements
	Short-Term (within 1 year)	Medium-Term (2 to 4 years)	Long-Term (5 years and above)	
GRI 405: Diversity and Equal Opportunity 2016	Define HR processes and set SMART goals/KPIs to ensure all capable employees have equal career advancement opportunities.	Formalise and implement clear indicators to evaluate and improve employee health and well-being.	To establish a clear career path and mentorship, facilitating equal advancement opportunities. Additionally, encourage high-potential employees to demonstrate their full abilities, supporting the group's business transformation and improvement.	No reports of discrimination, human rights violations, or unlawful practices.

TCFD RELATED DISCLOSURES

GOVERNANCE

Board's oversight of climate-related risks and opportunities.

The Board and its committees oversee Mun Siong Group's sustainability and climate change strategy, with ultimate responsibility resting with the Board. The BSC also oversees climate-related risks, opportunities, and initiatives that shape our climate mitigation and adaptation strategies, including our climate change scenario analysis and supply chain risk management study.

The BSC also offers strategic direction and oversight of the climate governance framework, making sure our efforts align with the Group's broader objectives. For further details, refer to the "Sustainability Governance" on page 6 of this report.

Management's role in assessing and managing climate-related risks and opportunities

The SREC provides the Board with biannual updates on the Group's ESG performance and initiatives. It also ensures effective communication of sustainability strategies, priorities, and targets to both internal and external stakeholders through engagement and formal disclosures. Additionally, the SREC closely monitors progress toward achieving climate-related targets.

The SREC also oversees the implementation of the sustainability plan, ensuring members have the necessary expertise. It is also responsible for drafting sustainability statements and establishing a robust governance framework with controls and processes for effective climate risk management. For FY2024, we have engaged an external consultant to assist us on this.

To support its sustainability efforts, the SREC develops a comprehensive work plan to ensure the allocation of adequate resources. The Board and Management receive biannual updates from both internal and external auditors to monitor progress and address any potential gaps. Additionally, they actively participate in seminars organized by the Singapore Exchange (SGX) and other relevant bodies to stay informed on the latest sustainability trends and updates.

A climate register is maintained and regularly reviewed, with immediate corrective actions implemented in response to sudden climate events. Climate risks and opportunities are seamlessly integrated into the organization's management strategies, including initiatives for sustainable sourcing and active employee engagement in the company's Environmental, Social, and Governance (ESG) journey.

STRATEGY

Climate-related issues are discussed in operational meetings to assess assumptions, objectives, and priorities. These considerations are integrated into the annual budgeting process, evaluating their financial impact on capital expenditure, cash flow, and debt financing. ESG time horizons align with financial planning: short-term (within 2 years), medium-term (3-5 years), and long-term (beyond 5 years). In the long term, we will gradually transition our vehicles to cleaner energy models.

The SREC is currently evaluating our value chain to identify activities that can reduce GHG emissions. Key initiatives include:

- Implementing energy-efficient practices
- Exploring the feasibility of installing solar panels to utilise renewable energy, and leverage Renewable Energy Certificates (“RECs”) generated
- Expanding sustainable practices across the Group
- Exploring new technologies for efficient natural resource usage
- Implementing responsible operational practices with regular monitoring

Through these efforts, we aim to enhance our sustainability performance while proactively addressing climate-related challenges.

In support of the Singapore Green Plan 2030, we actively participate in the LowCarbonSG capability-building programme, led by the Carbon Pricing Leadership Coalition (“CPLC”) Singapore, the decarbonisation arm of Global Compact Network Singapore (“GCNS”), and supported by the National Environment Agency and Enterprise Singapore.

CLIMATE-RELATED RISKS AND OPPORTUNITIES

Climate-related risks

Type of Risk	Name of Risk	Scope of Risk (by Sector or Geographical) and Timeframe	Description of Risk	Potential Impact	Risk Mitigation and Management
Physical - Acute	Increased severity of extreme weather events, such as cyclones, snowstorm, hurricanes, or floods.	By geography, short-medium-long term.	Climate change is leading to more frequent and intense extreme weather events, including heatwaves, droughts, floods, storms, snowstorms and wildfires. These changes disrupt normal weather patterns, making them less predictable and increasing the likelihood of significant deviations from historical norms. This translates to greater variability and unpredictability in day-to-day weather, as well as an increased risk of prolonged or unusual conditions.	<p>Operational Disruptions: Extreme weather can prevent us from sending / receiving equipment to/ from customers.</p> <p>Reduced Productivity: Extreme heat forces work stoppages for safety, reducing worker productivity.</p> <p>Employee Absenteeism: Snowstorms and floods can cause employee absences due to unsafe commutes.</p> <p>Increased Operating Costs: Supply chain disruptions lead to raw material delays, shortages, and price increases. Logistics costs may rise due to vehicle demand/shortages and unsafe road conditions</p> <p>Service Provision Issues: Thunderstorms and flooding prevent reaching client locations and providing services.</p> <p>Safety Concerns: Lightning during thunderstorms makes outdoor work unsafe.</p> <p>Project Delays: Severe flooding hinders delivery and collection of goods, delaying project work.</p> <p>Power Usage Restrictions: Increased power demand during extreme cold and heat waves may lead to government-imposed restrictions, preventing machine operation.</p>	To address these challenges, the company may be required to invest in additional equipment to ensure the safe clearance of snow and the continued movement of goods.
	Changes in precipitation patterns and extreme variability in weather patterns, Rising sea levels.	By geography, medium to long term.			The Group may need to invest in more climate-resilient infrastructure to better endure future extreme weather events. This could also lead to the write-off or early retirement of existing assets, such as property and equipment located in high-risk areas.
Physical - Chronic	Rising mean temperatures.	By geography, medium to long term.			The group may explore the need to equip employees with cooling vest and cooling devices that will become part of their PPEs to keep them cool during hot working environment, modify working hours, schedule break to allow workers to stay hydrated.

Type of Risk	Name of Risk	Scope of Risk (by Sector or Geographical) and Timeframe	Description of Risk	Potential Impact	Risk Mitigation and Management
Transition - Policy and Legal	Mandates on and regulation of existing products and services.	By sector, medium to long term.	Mandates and regulations on existing products and services increase costs, potentially leading to product obsolescence, reduced market share, and legal/reputational damage.	The company may incur asset impairments and early retirement of existing assets as a result of policy changes. Additionally, there may be a need to upskill our workforce and invest in capital expenditures for equipment that aligns with environmental standards.	The Group is adopting eco-friendly methods in delivering our services.
	Substitution of existing products and services with lower emissions options.	By sector, medium to long term.	There may be a need to phase out certain existing assets in the transition to a lower emission option to enhance resource efficiency.	The Group may need to invest in costly capital investments.	The Group will conduct business risk assessment to identify the risk and ascertain the emission impact. The Group will consider taking up applicable government grant if available. New technology must align with company business goals. Group will conduct thorough evaluation of the technology potential, ROI and analyse market competition.
	Costs to transition to lower emissions technology.	By sector, medium to long term.		Customers might reduce demand for certain products or services if these products or services do not meet their emission targets.	Reducing the risk of costs associated with transitioning to lower emissions technologies, Group will take phased implementation approach and will consider taking up applicable government grant if available.
Transition - Market	Changing customer behaviour.	By sector, medium to long term.	Changes in customer needs, such as the decision to decommission high emission plants or shifts in demand for their products.	This could lead to a reduction in the demand for our services or limit the areas we can service, ultimately resulting in a decline in revenue.	We will constantly engage and collaborate with our customers to understand their business needs and their intention to shift to a more sustainable initiative.
	Uncertainty in market signals Increased cost of raw materials.	By sector, medium to long term.	Sudden and unforeseen fluctuations in energy costs or increases in material prices required for adopting low-emission products may pose challenges.	We may be unable to pass these cost increases onto our customers due to fixed contract rates that are locked in for a minimum of three years.	As long as reasonably practical, we may sign long term fixed rate contracts with energy provider to minimise price fluctuation. We will actively source for suppliers to increase our pool of suppliers to ensure we will get a competitive price.

Climate-related opportunities

Type of Opportunity	Name	Scope of opportunity (by Sector or Geographical) and Timeframe	Potential Impact	Management Approach
Energy Resource	Use of lower emission sources of energy, participation in carbon market.	By sector, short to medium term.	Potential utilities savings or additional revenue stream from installation of solar panels.	We will study the feasibility, availability and cost effectiveness of various lower emission sources beside solar energy, such as biofuel and electricity from low-carbon grid sources.

RESILIENCE OF THE ORGANISATION'S STRATEGY TAKING INTO CONSIDERATION DIFFERENT CLIMATE-RELATED SCENARIOS

Mun Siong is committed to climate resilience by setting environmental protection targets and aligning climate strategies with global benchmarks and industry best practices. Climate targets are regularly reviewed and adjusted to mitigate risks effectively. Key initiatives include:

- Headquarters relocation in Singapore, away from a waterfront area, to reduce flood risks and operational vulnerabilities.
- PAE location is above sea-level/ higher ground, we have lower climate related risk.
- Expansion into Chicago, a location deemed with lower climate-related risks, enhancing global resilience.
- Adoption of energy-efficient technologies and fostering a culture of energy conservation to reduce greenhouse gas emissions.

Our scenario analysis references climate-related scenarios that are aligned with the Paris Agreement, which aims to limit global warming to well below 2°C, preferably to 1.5°C compared to pre-industrial levels. We have selected:

- 1.5°C scenario, which assumes significant reductions in GHG emissions, helps us understand the benefits and opportunities associated with climate action including risks and enhanced operational efficiencies
- 3°C scenario, which reflects insufficient global efforts to reduce emissions, leading to more severe climate impacts. This scenario helps prepare for high-risk situations such as extreme weather, regulatory challenges, and operational disruptions, enabling the development of mitigation strategies to ensure business continuity.

Integrating scenario analysis into risk management enhances climate adaptability, ensuring resilient and competitive operations. Findings from the analysis will guide strategic planning and investments, reinforcing sustainability and long-term value creation for stakeholders.

The tables below detail the results of our scenario analysis for our climate-related risks and opportunities, including short-term and long-term implications of these scenarios:

Climate-related risks

Type of Risk	Name of Risk	Risk Management and Mitigation	
		1.5°C	3.0°C
Physical - Acute	Increased severity of extreme weather events, such as cyclones, snowstorm, hurricanes, or flood.	Our Malaysia yard has installed a drainage system to handle existing flood situation. Develop and regularly review measures against wind and flood. Invest in equipment to combat disasters, such as water pumps to address extreme weather calamities. Add extreme weather clauses to contracts.	We may need to expand our Malaysia yard's existing drainage system if the water level continues to rise due to continuous rainfall. Account for higher insurance premiums. Anticipate frequent disruptions in material or finished products within the supply chain. Build (upgrade) existing facilities to withstand extreme weather events.
Physical - Chronic	Changes in precipitation patterns and extreme variability in weather patterns. Rising sea levels.	Collaborate with customers to schedule work around weather risks like rain, snowstorms, or hurricanes. Continuously improve processes to enhance health and safety, boosting worker conditions and productivity. Explore alternative materials for Personal Protective Equipment (PPE) that can withstand extreme temperatures without compromising fire resistance. Implement regular rest periods to reduce heat stroke risks.	Invest in more automated equipment to maintain productivity levels in high or low temperature environments.
	Rising mean temperatures.		
Transition - Policy and Legal	Mandates on and regulation of existing products and services.	Stay updated with the latest laws and regulations, and refine measures to meet current legal requirements.	Gradually invest in property, plant, and equipment to meet legal standards. Comply with government and regulatory requirements to address climate change. Prepare for new taxes and payments due to updated energy standards and environmental regulations. Take proactive measures to avoid violations and higher fines by continuously monitoring and updating compliance protocols.
Transition - technology	Substitution of existing products and services with lower emissions options.	We will invest in worker training, automated tools, and staying updated on new technologies for environmentally sustainable services. Upgrading our workers' skills is essential as newer renewal energy plants may adopt different processes from fossil oil refineries. We may also need to invest in machines that withstand extreme weather conditions.	
	Costs to transition to lower emissions technology.		
Transition - markets	Changing customer behaviour.	We will improve our supply chain with efficient processes and customer-approved rates. Suppliers may be encouraged to adopt sustainable practices.	As newer plants use different processes, we need to upgrade our workers' skills. To maintain our pricing premium, we must brand ourselves as a preferred provider that promotes sustainable practices.
	Uncertainty in market signals.		

RISK MANAGEMENT

Processes for identifying and assessing climate-related risks

Climate-related risks are identified based on their potential financial impact and managed under our Enterprise Risk Management (“ERM”) system. The SREC plays a key role in identifying, assessing, and managing climate-related risks and opportunities.

To strengthen climate risk management, a climate risk register has been developed based on TCFD recommendations. The SREC reviews this register annually as part of the broader ERM review. Although the Group does not currently pay carbon tax, each identified risk is assessed by the SREC for its financial impact. Material financial implications are escalated to Management and, if needed, discussed at the Audit Committee and Board of Directors level.

Given the complexity of quantifying climate risks, we adopt a qualitative assessment approach, supplementing it with insights from our annual ERM register review. In line with best practices, we continue to follow TCFD recommendations to enhance transparency and resilience in our sustainability strategies.

Processes for managing climate-related risks

The Group recognises that climate risks have a direct impact on business operations. In addition to climate-related concerns, we proactively manage safety and operational risks linked to energy, water, and raw material supply. This is achieved through strict internal safety protocols, continuous training programs, and awareness initiatives, fostering a strong safety culture across the workforce. To enhance risk management efforts, we align with globally recognised ISO management system standards, ensuring a comprehensive and structured approach to addressing both operational and climate-related risks.

The Board of Directors is accountable for overseeing risk management across the Group, with strong internal controls in place to address key areas such as financial, operational, compliance, and IT risks. These controls are regularly reviewed through independent audits to ensure their effectiveness.

The SREC evaluates identified risks, assessing their significance and potential impact on the Group and its employees. The committee works to develop mitigation strategies for managing risks, including those beyond the Group’s control.

Sustainability and ESG considerations are integrated into the corporate culture, with employees actively participating in ESG initiatives. Existing policies and procedures also address climate-related risks as part of these efforts.

How processes for identifying, assessing, and managing climate-related risks are integrated into the organisation’s overall risk management.

The Group integrates climate risk into its ERM framework through an annual review aligned with TCFD recommendations. From FY2025, it will adopt the ISSB's IFRS Sustainability Disclosure Standards per SGX-ST regulations. Climate risks are managed within the ESG control framework, with internal auditors testing effectiveness. Third-party assurance has not yet started.

METRICS AND TARGETS

Metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

We monitor energy consumption and emissions to identify climate-related risks and ensure focused management strategies. Currently, our emissions reporting covers Scope 1 and Scope 2 emissions within our direct value chain. We are actively working on developing our capabilities for reporting Scope 3 emissions, which is why this report does not include any Scope 3 data.

Our performance is assessed using metrics such as emissions intensity as well as electricity and water consumption. To measure performance accurately, we gather data on electricity and fuel usage and calculate CO₂e emissions based on the relevant information. Emissions intensity is determined by dividing total energy consumption and emissions by the group's annual revenue. We analyse data from the past three years to identify trends and set benchmarks for future targets, ensuring our analysis aligns with the Group's overall performance.

These disclosed metrics form part of our scenario planning, and we are committed to enhancing them further as part of our sustainability roadmap.

Emissions and Targets

Please refer to the Emissions section in the report on page 23 for emissions data.

We are adopting energy-efficient practices, including solar panel installations and obtaining the corresponding RECs, with plans to expand across the Group. New resource-efficient technologies are also being explored.

Sustainability targets focus on energy, water, and emissions. Energy and emission targets are based on previous intensity data. Progress is measured against revenue, consumption, emissions, intensity, and man-hours, wherever applicable, ensuring responsible and monitored implementation. Please refer to the targets section on page 11 for more information.

ENERGY

Mun Siong recognizes the environmental and socio-economic impacts of its operations, especially in terms of energy consumption. In its commitment to enhancing sustainability, the company is currently evaluating its ongoing energy initiatives, including a solar installation project slated for commissioning in FY2025. A thorough feasibility assessment will be conducted to ensure the project's effectiveness before considering its potential expansion across the Group.

Oversight is managed by the BSC, SREC, and SEC. Energy consumption and sustainability efforts are monitored monthly. Key initiatives include :

- Energy efficiency awareness campaigns for employees
- HQ lighting replacement with LEDs
- Optimising solar energy usage across operations

Recognising the urgency of climate change and resource conservation, the company aims to minimise waste, conserve resources, and support the circular economy. Employees are encouraged to take an active role in environmental stewardship by improving operational efficiency, conserving water, reducing waste, and lowering emissions.

To enhance energy efficiency, Mun Siong has implemented the Intelligent Touch Manager system, which :

- Automates Variable Refrigerant Volume (“**VRV**”) scheduling
- Adjusts temperatures in unoccupied rooms
- Uses an energy navigator tool to monitor usage and identify inefficiencies

Fuel Consumption - Type of Fuel (units)	Year	
	FY2024	FY2023
Diesel (litres)	477,536	376,808 ¹
Petrol (litres)	37,142	26,957 ²
Natural Gas (MMBtu)	2,223	2,593 ³

In FY2024, diesel and petrol consumption experienced an increase of 26.7% and 37.8% respectively. The increase was primarily due to the inclusion of energy usage across all entities in FY2024, as compared to the selective disclosure of average data consumption in FY2023.

Natural gas consumption showed a notable decline of 14.2%. This significant decrease is due to the efficient practices and the regular maintenance of the heating equipment performed at our PIM-US office and workplace.

¹Diesel consumption has been restated to include all entities in reporting scope

²Petrol consumption has been restated to include all entities in reporting scope

³Amount has been restated due to data collection error

Electricity Consumption	Year	
	FY2024	FY2023 ⁴
Electricity used (kWh)	681,883	628,225

In FY2024, MSE reduced electricity usage by 34.5% due to less maintenance work and a shift towards energy transition strategies. In contrast, PAE's usage more than doubled due to increased work volume and expansion into larger premises. PAI saw a 43.1% rise in consumption after relocating to an industrial-rated facility, while PIM experienced a 77.1% increase due to two major energy-intensive turnaround projects. Despite these increases, full energy-efficient practices have not yet been implemented, so further reductions are expected.

Moving forward, Mun Siong remains dedicated to expanding sustainability initiatives and optimising resource management. Our targets are stated on page 11 of this report.

EMISSIONS

Mun Siong is dedicated to effectively managing our emissions, improving sustainability performance, and bolstering corporate reputation. The company prioritises environmental protection and sustainable development by implementing emission control strategies across its operations, including:

- Promoting battery-operated tools to reduce fuel dependency
- Regular maintenance of vehicles and machinery to optimise efficiency
- No idling of vehicle's engine and diesel driven machineries
- Exploring new technologies to enhance emission reduction efforts

Fuel consumption and sustainability practices are monitored monthly, with workforce awareness campaigns reinforcing emission control initiatives.

Starting in FY2024, the Group has officially quantified its Greenhouse Gas (GHG) emissions across all operations, utilizing the Greenhouse Gas Protocol methodology. This marks the establishment of FY2024 as the baseline for monitoring and assessing progress in our emission management and reduction initiatives. Previously, GHG emissions were tracked as part of a pilot program, but now, the organization is committed to comprehensive, ongoing evaluation to drive continuous improvement in environmental sustainability.

⁴Electricity consumption has been restated to include all entities in reporting scope

The following tables illustrate the total GHG emissions produced by the Group for FY2024.

Scope 1 Emissions

Fuel Type	Emissions (tCO ₂ e)	
	FY2024	FY2023 ⁵
Diesel ⁶	1,394.9	1,102.4
Petrol ⁷	85.8	62.0
Natural Gas ⁸	118.6	138.2
Total	1,599.2	1,302.6

Our Scope 1 emissions primarily result from the consumption of diesel and natural gas in our operations. Overall, total scope 1 emissions increased by 22.8% from FY2023 to FY2024, in line with increased fuel consumption in FY2024.

Scope 2 Emissions

Emission Data	FY2024	FY2023 ⁹
Scope 2 emissions (tCO ₂ e) ¹⁰	267.5	245.2

Our Scope 2 emissions are attributable to our purchase of electricity from the national grid. Overall, the total Scope 2 emissions increased by 9.1%. Singapore's emissions decreased by 34.5%, in line with the reduction of electricity consumption as mentioned in the Energy section of this report. Despite an improvement in Singapore office's emissions, our other offices experienced an increase in emissions (Malaysia: 222.8% increase; Taiwan: 41.1% increase; and USA: 77.1% increase). These increases are in line with the increases in electricity consumption, as mentioned in the Energy section of this report.

For FY2024, our total emissions increased by 20.6% to 1,866.7 tCO₂e (FY2023: 1,547.8 tCO₂e). As our business expands across different countries, we anticipate further increases in both Scope 1 and Scope 2 emissions over the next two years.

⁵Emissions for FY2023 have been restated due to restatements in fuel consumption

⁶Emissions Factor of 2.925 kgCO₂e/L taken from the Greenhouse Gas Protocol Cross-sector Emission Factors Worksheet V2.0 at <https://ghgprotocol.org/calculation-tools-and-guidance>

⁷Emissions Factor of 2.301 kgCO₂e/L taken from the Greenhouse Gas Protocol Cross-sector Emission Factors Worksheet V2.0 at <https://ghgprotocol.org/calculation-tools-and-guidance>

⁸Emissions Factor of 53.321 kgCO₂e/mmBTU taken from the Greenhouse Gas Protocol Cross-sector Emission Factors Worksheet V2.0 at <https://ghgprotocol.org/calculation-tools-and-guidance>

⁹Scope 2 emissions for FY2023 have been restated due to restatements in electricity consumption

¹⁰Grid Emission Factor taken from <https://www.ema.gov.sg/resources/singapore-energy-statistics/chapter2>.

<https://meih.st.gov.my/documents/10620/cdddb88f-aaa5-4e1a-9557-e5f4d779906b>,

https://www.moeaea.gov.tw/ECW/English/content/Content.aspx?menu_id=24200, and <https://www.eia.gov/electricity/state/illinois/>

Emissions Intensity

Emission Data	FY2024	FY2023
Scope 1 and 2 emissions (tCO ₂ e)	1866.7	1547.8
Revenue (\$'million)	64.8	71.2
GHG emissions intensity (tCO ₂ e/\$'million)	28.8	21.7 ¹¹

The Group's Scope 1 and 2 emissions intensity for FY2024 was 28.8 tCO₂e/\$'million (FY2023: 21.7 tCO₂e/\$'million). To manage our emissions generation, we aim to keep our emission intensity constant over the years. As mentioned in the Energy section, emissions intensity increased in FY2024 due to the increase in work activities in both PIM and PAE resulting in higher energy consumption.

As FY2024 marks our inaugural year of comprehensive data collection, we are in the process of establishing a baseline for our emissions reduction targets. Our objective is to sustain consistent emission intensity over time.

WATER AND EFFLUENTS

Water sustainability is critical for ensuring clean water access, supporting agriculture, biodiversity, and human well-being. Many communities still face challenges in accessing clean water, highlighting the need for responsible water management. Effective water conservation reduces reliance on natural sources, lowers costs, and minimises environmental impact by decreasing water extraction and associated treatment and energy expenses.

Water sustainability is challenged by limited resources and urbanization, with climate change worsening water scarcity, affecting agriculture and human well-being. Water conservation helps alleviate pressure on natural sources, reduces treatment costs, and minimizes environmental impact. Efficient water use is crucial for ensuring future water supply and lowering infrastructure expenses.

Water consumption is recorded and monitored monthly, and workforce awareness campaigns promote conservation. As part of our commitment to sustainability, Mun Siong has implemented several water-saving initiatives :

- Awareness campaigns to encourage efficient water use
- Installation of water-saving faucets across office facilities
- A water recycling system to reuse water from hydro-jetting operations

In the U.S., a third-party service designed and installed a wastewater filtration and recycling system at our yard, which recycles water used in ultrasonic cleaning and high-pressure jetting. Both U.S. and Singapore operations have storage tanks for wastewater collection, which is handled by a third-party contractor for proper disposal and treatment.

¹¹ GHG emissions intensity has been recalculated due to recalculation of scope 1 and 2 emissions

Mun Siong prioritises efficient resource management, with a focus on water recycling and reuse. We plan to explore the feasibility of the following improvements:

- Installing additional water meters
- Increasing recycled water tank capacity
- Replacing existing taps with self-closing models

This year, we have increased our water-related disclosures to include water withdrawal and discharge to provide greater transparency and accountability regarding our water usage and management practices.

Interactions with water as a shared resource

PIM uses rainwater while the rest of the Group uses water supplied by public utilities for business purposes. Hydro-jetting, in addition to general use, requires water in MSE and PIM. The Group minimises its water-related impact through responsible use, reduction, and contamination prevention. Leak-preventing faucets have been installed in offices, and water conservation posters are displayed. A wastewater filtration and recycling system at our U.S. yard reuses water from ultrasonic cleaning and high-pressure water jetting.

Water withdrawal

In FY2024, the total water withdrawn across all listed companies was 5,244 m³. This represents a significant 44.3% decrease compared to FY2023, which can be attributed to recycling of water used for hydro jetting work activities and use of ultrasonic cleaning for heat exchanger bundles.

Water withdrawn (m ³)	FY2024	FY2023
	5,244.3	9,410.8

Water discharge

Wastewater collection and disposal are handled by third-party collectors authorised by local authorities. Both US and Singapore operations, which provide equipment cleaning services, use storage tanks to collect wastewater from equipment cleaning. This wastewater is then collected by a third-party contractor engaged by the company for wastewater management.

Water discharged (m ³)	FY2024	FY2023
	1081.7	1138.3 ¹²

No data is available for water discharge for PAE-MY and PAI-TW.

¹²No FY2023 data is available for PIM as we started tracking water discharge in FY2024.

Water consumption

Water consumption is represented by water withdrawn and not discharged or otherwise released as wastewater. As a result of the lower water withdrawal rates in FY2024, our water consumption rates have decreased correspondingly.

Water consumption (m ³)	FY2024	FY2023 ¹³
		4,162.6

EMPLOYMENT

Employees are key to the Group's success and long-term sustainability. Mun Siong is committed to continuous professional development to foster a work environment where employees feel valued, empowered, and motivated to contribute. Prioritising well-being and hybrid work arrangements post-pandemic, the company remains adaptable to industry challenges while ensuring a supportive and productive workplace. Established employment policies and procedures ensure stability and compliance.

Staffing challenges have impacted company performance, prompting revised employment practices to improve retention and satisfaction. Although workforce fluctuations remain typical in the industry, established employment policies and procedures ensure stability and compliance.

The Group prioritises inclusive recruitment, career development, and employee well-being to mitigate workforce challenges. Measurable sustainability targets are being implemented along with:

- Career progression opportunities and mentorship programs
- A diverse and inclusive workforce
- Employee development initiatives to enhance skills and job satisfaction
- A respectful and fair workplace culture
- Sustainability initiatives to reduce environmental impact



¹³Water consumption for FY2023 has been restated to reflect actual consumption data instead of the average that was previously disclosed.



As part of our local recruitment efforts, we hosted an educational tour of our workshop for a group of undergraduate students from Singapore Polytechnic. The tour aimed to provide them with an in-depth understanding of our operations, offering a behind-the-scenes look at the nature of our work. By exposing them to the industry and its opportunities, we hope to ignite their interest in pursuing a career in our field after graduation.

Our objective is not only to raise awareness about the importance of environmental stewardship but also to inspire the next generation of professionals who could one day join our company and contribute to its growth. We believe that this initiative will help students gain a deeper understanding of our industry while encouraging them to explore exciting career paths in a company that values both innovation and community.



Our Taiwan office organised a meaningful community service initiative, bringing together our team to participate in a 'Clean the Mountain' event. This initiative aimed to raise environmental awareness and contribute to the preservation of nature. By collaborating with local government authorities, our staff actively participated in cleaning and maintaining the local mountain area. This event reflects our commitment to giving back to the community and supporting sustainability efforts.

Further details on our employee numbers are as follows:

Year	Female	Male
FY2024	72	955
FY2023	81	1148

EMPLOYMENT

New Employee Hires and Employee Turnover

The following tables show the new employee hires and employee turnover figures in FY2024 and FY2023.

		FY2024		FY2023	
New employee hires					
Total Number & Rate of new employee hires	Number	263		209	
	Rate ¹⁴	25.6%		17.0%	
By Gender	Female	38	3.7%	48	3.9%
	Male	225	21.9%	161	13.1%
By Age Group	<30	81	7.9%	68	5.5%
	30-50	161	15.7%	115	9.4%
	>50	21	2.0%	26	2.1%
Employee turnover					
Total number and rate of employee turnover	Number	435		338	
	Rate ¹⁵	42.4%		27.5%	
By Gender	Female	44	4.3%	40	3.3%
	Male	391	38.1%	298	24.2%
By Age Group	<30	73	7.1%	81	6.6%
	30-50	311	30.3%	226	18.4%
	>50	51	5.0%	31	2.5%

In FY2024, new employee hires increased by 25.8%, with a 39.8% rise in male hires, while female hires 20.8% decrease. This growth was particularly strong in the 30-50 age group, where hires increased by 40.0%. However, this increase in hiring was accompanied by a significant rise in employee turnover, which surged by 28.7% overall. Turnover was especially high among employees aged 30-50, with a 37.6% increase, and among male employees, who saw a 31.2% increase in turnover compared to a 10.0% increase for females.

¹⁴New hire rate = total number of new hires/total number of employees

¹⁵Turnover rate = total number of resignees/total number of employees

The employee turnover rate was determined to be 19.07% instead of 20.90% disclosed in SR2022

In Singapore, while migrant workers will continue to play a vital role in our workforce in the near term, we are focused on increasing the number of local Singaporean employees at Mun Siong. Additionally, we are committed to improving gender diversity within our workforce, with the proportion of female employees increasing from 6.6% in FY2023 to 7.0% in FY2024. Moving forward, we will continue our focus on fostering an inclusive and supportive environment for all employees, ensuring equal opportunities and eliminating any potential for discrimination related to gender, marital status, and pregnancy or parenting responsibilities.

Employee Benefits

Our company is committed to sustainability by fully complying with local government and regulatory requirements concerning employee benefits. We prioritise the well-being of our workforce by ensuring that all benefits programs, including healthcare, paid leave, insurance plans, and other essential employee protections, meet or exceed the legal standards set forth by local authorities. By adhering to these regulations, we not only foster a positive and supportive work environment but also contribute to the long-term sustainability of the business and community. This commitment to legal compliance reflects our core values of fairness, responsibility, and respect for employees, helping to create a more stable and equitable future for all.



Labour Day: Sports games followed by a buffet lunch.

By organizing a sports day followed by a buffet lunch on Labour Day, to promote health, wellness, and team spirit while also emphasizing our commitment to the well-being and satisfaction of our employees. We firmly believe that a happy, engaged workforce leads to increased productivity and a more positive work environment. Events like these are just one of the many ways we show our appreciation for the dedication and hard work of our team.

OCCUPATIONAL HEALTH & SAFETY

Mun Siong prioritises health, safety, and risk prevention, recognising that employee well-being is essential to our success. Maintaining high safety standards requires constant vigilance and adherence to best practices.

Poor safety and health records can result in financial losses, reputational damage, and missed business opportunities, while also posing risks to community safety. As a service provider in the energy sector, strong safety, health, and environment (“SHE”) performance is a pre-requisite for working with our business partners. While operational risks exist, they are actively managed to meet client expectations and industry standards.

Mun Siong is committed to effective SHE practices through a comprehensive risk management system. Our safety plan includes:

- Risk assessments and safe work procedures
- Training and inspections
- Health programmes and emergency preparedness
- Incident investigations and corrective actions

The CIT (Care, Intervene & Thanks) programme encourages proactive intervention in unsafe situations. SHE performance is reviewed monthly with regular audits and follow-ups. Progress is tracked using key indicators, including injuries, near misses, and CIT participation.



Gathering after Project Completion

We proudly recognise and celebrate the outstanding success and safe completion of our project. We recognise the dedication, hard work, and commitment to safety have been truly exceptional. We commend the efforts in ensuring the project was executed flawlessly. This achievement is a testament to our work crew's skill, teamwork, and unwavering focus on excellence.

SHE Management System

All our companies in the Group maintain robust SHE Management Systems, ensuring comprehensive compliance with safety, health, and environmental regulations. In alignment with the expectations of key business partners in specific regions, both MSE and PAI have successfully achieved ISO 45001:2018 certification for their SHE Management Systems.

These systems are fully aligned with local legal requirements, industry standards, and best practices, and are designed to foster a safe and healthy work environment. The scope of these systems encompasses all employees and workplaces, covering diverse operations such as project management, engineering, procurement, construction, maintenance, and a wide range of industrial services across the process and construction industries.

The safety audit was carried out by auditors from Service Excellence and Compliance department for Singapore operations on the effective implementation of post incident corrective and preventive actions. There were no significant findings, and all audit findings were closed in FY2024 and reported to the Board.

Hazard Identification, Risk Assessment, and Incident Investigation

Mun Siong has a structured risk management system to identify, assess, and mitigate risks across all activities. This system includes:

- Hazard identification and evaluation
- Risk management matrix and control measures
- Residual risk assessment and assigned responsibilities
- Regular reviews (typically every three years)

Risk assessments are conducted, reviewed, and approved by trained personnel, who maintain their competency through internal incident investigation workshops and specialized training for risk assessment leaders. These assessments are updated periodically, following incidents, or when work methods change. An independent Risk Management audit has conferred MSE with BizSAFE STAR status which is issued by WSH Council.

A near-miss reporting process encourages employees to report hazards without fear of reprisal, supported by the CIT programme. Employees are empowered to "Stop Work" if conditions are unsafe, with no negative consequences.

All incidents are subject to comprehensive investigation to identify root causes and implement preventive measures. An investigation team performs root cause analysis, verifies corrective actions, and presents findings during SHE Committee meetings. To enhance safety awareness, we implement the following:

- Daily toolbox talks and refresher courses
- Consequence management for safety lapses (including warnings or disciplinary actions)
- Monthly management reviews of safety procedures
- Set annual health and safety targets and track performance monthly



Safety awareness training for the employees at site

Employee Health and Well-being

At Mun Siong, we prioritise employee health and well-being through a structured Occupational Health Programme that includes:

- Regular noise monitoring and audiometric examinations for employees exposed to high noise levels
- Hearing conservation and respiratory protection training
- Statutory medical examinations in compliance with local regulations
- Weekly mental well-being workshops provided by SNEF
- Annual World Mental Health Month observance, featuring sessions on resilience, sleep management, emotional regulation, stress management, and mindfulness
- Nutrition workshops promoting healthy habits and lifestyle choices
- Health 365 app recommendations to encourage work-life balance
- Briefings on working safely in hot weather conditions

Worker representatives play a key role in risk assessment processes, contributing to:

- Training programme development
- Safety-related meetings and change management
- Incident investigations

They also participate in monthly Safety and Health Committee meetings, attended by SHE personnel, supervisors, managers, and directors. These meetings cover:

- Incident statistics and near-miss reviews
- Consequence management and CIT analysis
- Workplace safety and health updates
- Environmental and health awareness
- safety sharing and open discussions
- Injury Prevention

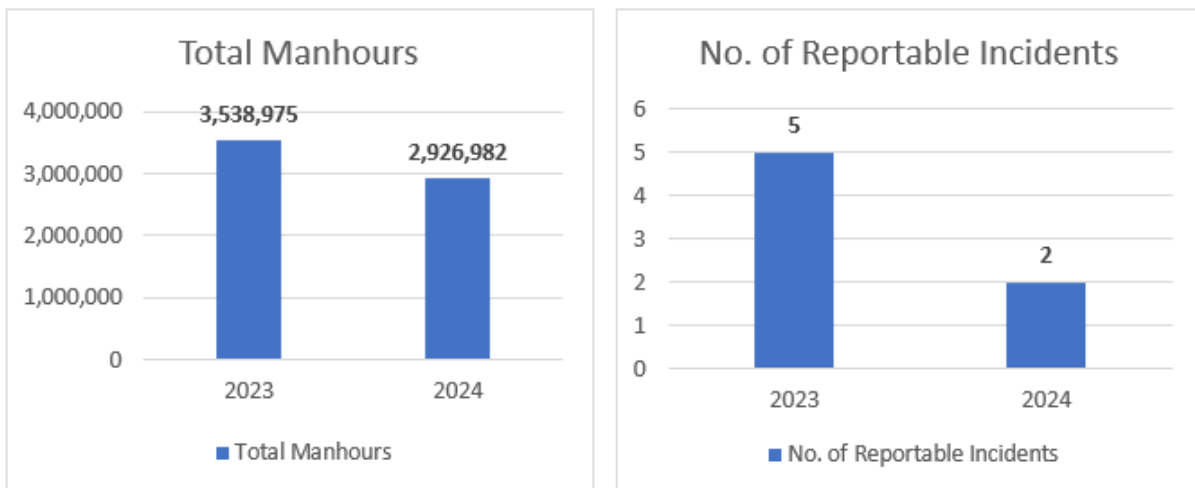
To enhance workplace safety, we promote a strong SHE cultures through:

- Regular SHE awareness sessions with top-management support
- Engagement in SHE-related initiatives
- Preventative measures to mitigate occupational health risks

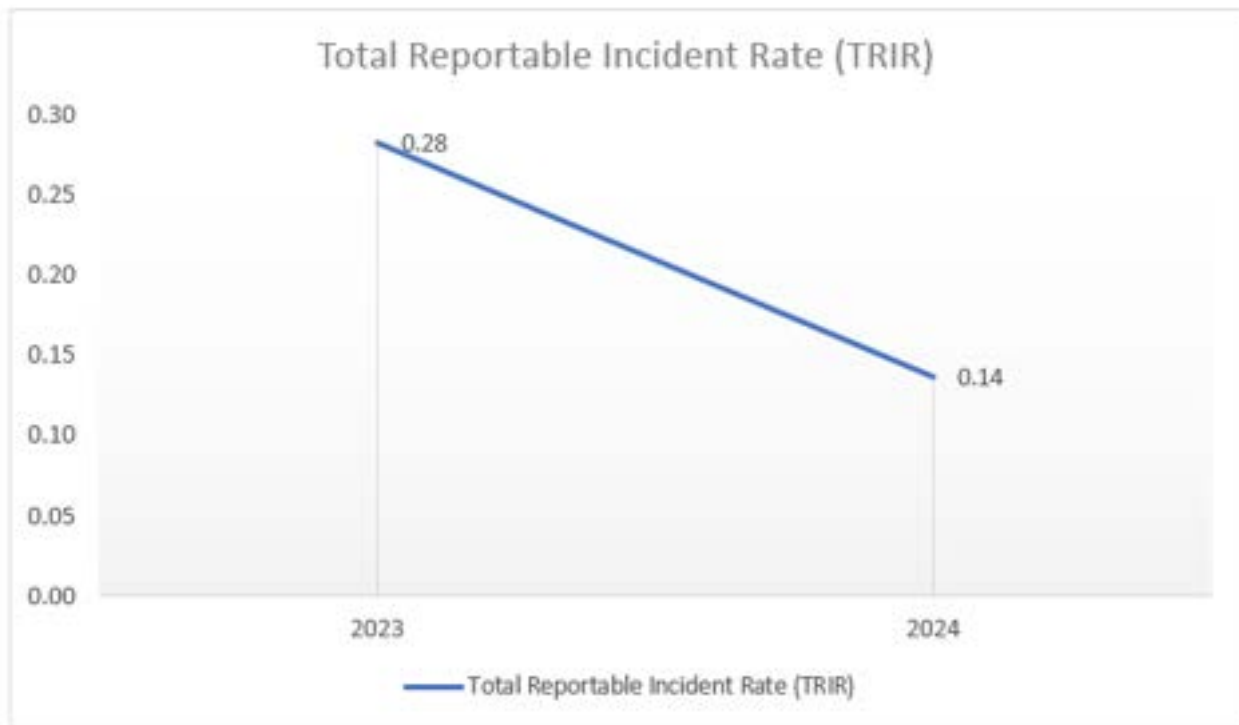
We are committed to maintaining low incident rates through proactive safety engagement. In FY2024:

- Total Recordable Incident Rate (“**TRIR**”)¹⁶ achieved was 0.14 (FY2023: 0.28)
- Two recordable work-related injuries from a Process Safety Event (Exposure to pressure wave)
- Zero fatalities or high-consequence work-related injuries

To achieve our zero-incident target, we continue to enhance site engagement and SHE awareness, reinforcing a safety-first mindset across all operations. The following charts detail the various indicators we monitor relating to SHE:



¹⁶TRIR = No. of Reportable Incidents x 200,000 / Total Manhours



Worker training on occupational health and safety

New employees undergo internal safety induction training. To ensure employees are well-equipped for their tasks, craft-based safety training is tailored to specific roles and critical activities, which covers:

- Company SHE policies
- Basic safety rules
- Fire safety and emergency procedures
- Personal Protective Equipment ("PPE") usage
- Incident reporting mechanisms

We have also implemented dedicated vehicle and forklift safety training, covering:

- Defensive driving
- Banksman safety awareness
- Forklift operator safety awareness

Additionally, incident investigation workshops equip employees with the necessary skills to conduct thorough incident investigations. A rigging and lifting safety campaign was also conducted at a client site to reinforce industry-specific best practices.

The Company adheres to local industry training requirements as evaluated by the Ministry of Manpower (“**MOM**”) or its equivalent in the respective country. Additionally, specific skills and qualifications are assessed according to client and site requirements, ensuring our workforce consistently meets the highest industry standards.



Conduct Safety and Health related trainings to our work crew in Malaysia



Holding Safety campaign to bring awareness to the work crew

TRAINING AND EDUCATION

Mun Siong focuses on upskilling, multiskilling, and fostering a high-performance culture to boost employee development and retention. Significant investments in structured training programmes and SkillsFuture initiatives prepare employees for a competitive landscape while aligning career growth with company goals. Strategic resource allocation is key to balancing costs and benefits. While training drives productivity and growth, managing employee turnover remains a top priority.

Training effectiveness is measured through key performance indicators, participation rates, and employee feedback, ensuring continuous improvement. In response to the rising demand for Workplace Safety and Workforce Skills Qualifications (WSQ) training, Mun Siong offers in-house initiatives to enhance skills and expertise.

As a Certified On-the-Job Training Centre (COJTC) in Singapore, Mun Siong is committed to workforce development by continuously equipping employees with the latest skills and technologies to thrive in an increasingly fast-paced and advanced work environment. The company is also reviewing the enhanced Process Sector's R1 Framework, introduced by the Singapore Ministry of Manpower, which will take effect on 1 January 2026.

Training hours

We ensure strong compliance by offering in-house programmes such as Code of Conduct training, which familiarises employees with our policies. These programmes are designed to foster skill-building and expertise and keep employees up to date with industry trends. This approach not only enhances performance but also prepares employees for career growth and new challenges.

In FY2024, there was a disparity in training hours between male and female employees, reflecting the predominance of a male workforce. While fewer female employees participated in training, their average training hours were comparable to those of male employees.

Overall, the Group's investment in training decreased slightly in FY2024, with total training hours dropping by 21.0% and average training hours per employee falling by 5.5%. However, this decline masks notable variations within the workforce. Female employees, in particular, saw a 4.4% increase in total training hours and a significant 17.5% increase in average hours per employee. In contrast, male employees experienced a 21.8% decrease in total training hours and a 6.0% decrease in average hours per employee.

TRAINING AND EDUCATION

Category	FY2024			FY2023		
	Total Training Hours	Headcount (FTE)	Average Training Hours	Total Training Hours	Headcount (FTE)	Average Training Hours
By Gender						
Female	567	72	7.9	543	81	6.7
Male	13,869	955	14.5	17,740	1,148	15.5



Pre-Turnaround Safety Awareness Training

TRAINING AND EDUCATION



Pre-Turnaround Knowledge Sharing

DIVERSITY AND EQUAL OPPORTUNITY

Commitment to Diversity and Inclusion

Although Singapore has made strides in promoting diversity and inclusion, several challenges remain concerning vulnerable groups such as low-skilled foreign workers and women in leadership positions. Rapid economic changes may further exacerbate these existing disparities.

Mun Siong employs low-skilled foreign workers and provides training for them to become skilled workers. Mun Siong also has women in leadership positions, and equal opportunities are provided to them.

The Group is committed to minimising workforce challenges through:

- An employment policy integrated into HR processes, including informal inspections, mental health check-ins, and developing Employee Assistance Programmes.
- Gathering feedback through various channels to measure employee health, well-being, and work-life balance.
- Fostering an inclusive workplace built on fairness, respect, and equal opportunities, regardless of background, promoting a culture of understanding and recognising diversity's contribution to innovation.

This inclusivity is central to our human rights strategy and is reinforced through transparent recruitment and promotion processes, team-building activities, and company outings that promote engagement, wellness, and a strong sense of belonging.

Workforce Composition and Leadership

Our leadership team reflects the diversity of our workforce. Currently, 55% of our senior management team comprises local employees, while the remaining 45% is equally split between Singapore permanent residents and international talents. This diverse mix brings a wide range of perspectives and expertise to our decision-making processes, strengthening our organisation.

By focusing on diversity, employee development, and a supportive work culture, Mun Siong is committed to creating an environment where employees feel valued, respected, and empowered to achieve their full potential.

	FY2024			FY2023		
By Gender	Board of Directors	Management	Employees	Board of Directors	Management	Employees
Male	4	43	911	3	43	1,104
Female	2	4	67	2	3	77
By Age Group						
Below 30 years old	0	1	197	0	1	237
30 - 50 years old	1	29	682	1	30	829
Above 50 years old	5	17	99	4	15	115
Total number	6	47	978	5	46	1181



Anti-Corruption

Mun Siong upholds ethical operations and legal compliance, adhering to Corporate Governance Code 2018. Robust financial controls and anti-corruption measures ensure accountability, prevent irregular transactions, and foster investor confidence.

We enforce a zero-tolerance policy on bribery, corruption, anti-trust behaviour, and human rights violations. Employees comply with our Mun Siong employees Code of Conduct and reinforce by annual training. Dedicated teams oversee compliance through audits, policy enforcement, and continuous process refinement. Key initiatives include whistleblower mechanisms, supplier due diligence, and leadership commitment to integrity. Effectiveness is tracked via audits, whistleblower reports, and employee engagement, with regular stakeholder input driving ongoing improvements.

Please refer to pages 13 of our Annual Report 2024 for the Corporate Governance Report, with reference to the principles and provisions of the revised Code of Corporate Governance and the accompanied practice guidance.

We are pleased to report no confirmed corruption incidents in FY2024.

Communication and training about anti-corruption policies and procedures

All permanent employees have been informed about the anti-corruption policies and procedures. The table below shows details of the anti-corruption training conducted for FY2024. Due to many employees being on home leave, not all could participate in the training. We aim to cover the maximum number of employees by FY2025.

Company	Board members	Employees
MS Group	6	1027

Anti-corruption policies are also communicated to suppliers, subcontractors, and business partners.

Code of Conduct and Business Ethics

Unethical behaviour poses financial, legal, and reputational risks. To uphold integrity, all employees must follow the Code of Conduct and Business Ethics (“CCBE”), which sets clear ethical standards. Annual mandatory training ensures compliance, with new hires introduced to the CCBD during orientation and all staff completing yearly refresher courses. The CCBE enforces fair, respectful, and ethical conduct, with strict disciplinary measures for violations. It covers workplace behaviour, business ethics, asset protection, confidentiality, and conflicts of interest.

Commitment to Human Rights

We uphold high ethical standards and legal compliance, with zero tolerance for bribery, corruption, antitrust violations, and human rights abuses. Mun Siong prohibits child labour, forced labour, and human trafficking in all operations. The Group forbids child or forced labour in any activity. In FY2024, as in previous years, no discrimination or human rights violations were reported.

Whistleblowing Policy

We provide a confidential whistleblowing mechanism for employees, stakeholders, and business partners to report suspected fraud or non-compliance without fear of retaliation. Our Whistleblowing Policy offers a secure channel for reporting issues such as financial misconduct, employee violations, illegal activities, and other unethical behaviour.

Reports can be submitted to <https://www.mun-siong.com/investors/#w-policy> which are directed to the Audit Committee Chairman, who also serves as the Lead Independent Director. The Chairman reviews all reports, ensures thorough investigations, and takes appropriate action, including disciplinary measures when necessary. For serious offences or criminal activities, the Board, based on the Audit Committee's recommendation, may engage external legal advisors or report the matter to relevant authorities.

The Group's Whistleblowing Policy is regularly reviewed, updated, and accessible on our internal platform. No cases were reported under the whistleblowing program during the financial year under review.

Conflict of Interest Policy

Key management personnel submit conflict of interest declarations, and the Board has a framework for identifying and managing potential conflicts.

Employees and directors are to disclose any uncertain interests to the Board, management, or their supervisor and abstain from related discussions and decisions.

KPI	FY2023	FY2024	FY2025 Target
Employees receive training on code of conduct including bribery and corruption	87.1% ¹⁷	95.1 %	100%
Confirmed incidents of corruption across all operations	Zero	Zero	Zero



¹⁷FY2023 data have been restated due to recalculation of the actual percentage of completion

GRI CONTENT INDEX

Statement Of Use	Mun Siong Engineering Limited has reported with reference to the GRI Standards for the period starting 1 January to 31 December 2024.
GRI 1 Used	GRI 1: Foundation 2021

GRI Standard	Disclosure		Page No.
GRI 2: General Disclosures 2021	2-1	Organisational details	03, 04
	2-2	Entities included in the organisation's sustainability reporting	02
	2-3	Reporting period, frequency and contact point	02, 03
	2-4	Restatements of information	21, 22, 23, 24, 26, 28, 43
	2-5	External assurance	03
	2-6	Activities, value chain and other business relationships	05, 06
	2-7	Employees	40
	2-8	Workers who are not employees	NA
	2-9	Government structure and composition	06
	2-10	Governance structure and composition	06, 07
	2-11	Nomination and selection of the highest governance body	01, 06
	2-12	Role of the highest governance body in overseeing the management of impacts	01, 06
	2-13	Delegation of responsibility for managing impacts	06, 07
	2-14	Role of the highest governance body in sustainability reporting	01, 06, 07
	2-15	Conflicts of interest	43
	2-16	Communication of critical concerns	41, 42, 43
	2-17	Collective knowledge of the highest governance body	01, 14

GRI CONTENT INDEX

GRI Standard	Disclosure		Page No.
	2-18	Evaluation of the performance of the highest governance body	01, 10, 11
	2-19	Remuneration policies	Refer AR2024
	2-20	Process to determine remuneration	AR – Remuneration Committee
	2-21	Annual total compensation ratio	Confidentiality constraints
	2-22	Statement on sustainable development strategy	01, 12, 14, 18
	2-23	Policy commitments	41, 42, 43
	2-24	Embedding policy commitments	01, 41, 42, 43
	2-25	Processes to remediate negative impacts	7, 17, 21
	2-26	Mechanisms for seeking advice and raising concerns	03, 42
	2-27	Compliance with laws and regulations	07, 09
	2-28	Membership of associations	05
	2-29	Approach to stakeholder engagement	08, 09
	2-30	Collective bargaining agreements	NIL

GRI 3: Material Topics 2021	Materiality Assessment		
	3-1	Process to determine material topics	10
	3-2	List of material topics	11, 12, 13

GRI 205: Anti-corruption 2016	Anti-Corruption		
	3-3	Management of material topic	10, 11
	205-2	Communication and training about anti-corruption policies and procedures	43
	205-3	Confirmed incidents of corruption and actions taken	41, 43

GRI CONTENT INDEX

GRI Standard	Disclosure		Page No.
GRI 302: Energy 2016	Energy		
	3-3	Management of material topics	10, 11
	302-1	Energy consumption within the organisation	21
GRI 303: Water and Effluents 2018	Water and Effluents		
	3-3	Management of material topics	10, 11
	303-1	Interactions with water as shared resource	24
	303-2	Management of water discharge-related impacts	25
	303-3	Water withdrawal	25
	303-4	Water discharge	25
	303-5	Water consumption	25, 26
GRI 305: Emissions 2016	Emissions		
	3-3	Management of material topics	10, 11
	305-1	Direct (Scope 1) GHG emissions	23
	305-2	Energy indirect (Scope 2) GHG emissions	23
	305-4	GHG emissions intensity	24
GRI 401: Employment 2016	Employment		
	3-3	Management of material topics	10, 11
	401-1	New employee hires and employee turnover	28
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	29
GRI 404: Training and Education 2016	Training and Education		
	3-3	Management of material topics	10, 11
	404-1	Average hours of training per year per employee	37

GRI CONTENT INDEX

GRI Standard	Disclosure		Page No.
GRI 403: Occupational Health and Safety 2018	Occupational Health and Safety		
	3-3	Management of material topics	10, 11
	403-1	Occupational health and safety management system	31
	403-2	Hazard identification, risk assessment, and incident investigation	31
	403-3	Occupational health services	32
	403-4	Worker participation, consultation, and communication on occupational health and safety	31, 32, 33, 34, 35
	403-5	Worker training on occupational health and safety	34
	403-6	Promotion of worker health	32
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	33
	403-8	Workers covered by an occupational health and safety management system	32
	403-9	Work-related injuries	33
403-10	Work-related ill health	33	
GRI 405: Diversity and Equal Opportunity 2016	Diversity and Equal Opportunity		
	3-3	Management of material topics	10, 11
	405-1	Diversity of governance bodies and employees	39

TCFD CONTENT INDEX

Disclosure Focus Area	Recommended Disclosure	Page*
Governance		
Disclose the organisation's governance around climate-related risks and opportunities.	a. Describe the board's oversight of climate-related risks and opportunities.	13
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	14
	b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	
	c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	17
Risk Management		
Disclose how the organisation identifies, assesses, and manages climate-related risks.	a. Describe the organisation's processes for identifying and assessing climate-related risks.	19
	b. Describe the organisation's processes for managing climate-related risks.	
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	
Metrics and Targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	20
	b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	
	c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	

*Remarks / reasons for omission