

BENG SOON MACHINERY HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1987

2025

ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025

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ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025 (CONTINUED)

ABOUT THIS REPORT

Report Profile

Beng Soon Machinery Holdings Limited (hereafter, the “Company”, “we” or “us”) and its subsidiaries (collectively known as the “Group”) are pleased to present our Environmental, Social and Governance (“ESG”) Report. The content of this ESG Report herein focuses on providing an overview of the ESG performance of our major operations from 1 January 2025 to 31 December 2025 (the “Reporting Period” and “2025”).

The principal activity of the Group is demolition services. The Group is principally engaged in the demolition of various types of buildings and structures including power stations, chemical plants, high-rise commercial and residential properties, bridges and marine structures, and to a lesser extent, in the leasing and selling of machinery in the Republic of Singapore (“Singapore”) during the Reporting Period.

Reporting Scope

The ESG Report covers the overall environmental and social performances of the core businesses of the Group’s headquarters located in Singapore during the Reporting Period.

Reporting Framework

The ESG Report has been prepared in accordance with the requirements of the ESG Reporting Code (the “Code”) under Appendix C2 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The ESG Report complies with the ESG reporting principles of materiality, quantitative, balance and consistency. In preparing the ESG Report, we have adopted the international standards and emission factors specified in the guidance materials on ESG issued by the Stock Exchange for computing the relevant key performance indicators (“KPIs”), and there is no change from the previous year in the way the ESG Report has been prepared, unless otherwise stated. The application of materiality is detailed in the section headed “Materiality Assessment”.

The ESG Report provides an unbiased picture of the Group’s performance within the Reporting Period, avoiding selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the reader. The Group will maintain the consistency of the methodologies and key performance indicators of the Reporting Period and that of the future reporting period, to allow for meaningful comparisons over time.

The two ESG subject areas, namely environmental and social, are disclosed separately, highlighting the impacts of the operations of the Group in Singapore in the Reporting Period. In order to have a thorough performance review, we have compared the data in the Reporting Period to the data during the year ended 31 December 2024.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025 (CONTINUED)

Information and Feedback

For detailed information regarding the financial performance and corporate governance of the Group during the Reporting Period, please visit our official website (<http://www.bsm.com.sg>) and our annual report. Your opinion is highly valued, should you have any suggestions or comments, please email us at info@bsm.com.sg or post at our headquarters in Singapore.

Board Approval

The board of directors (the "Board") of the Group approved the ESG Report on 23 April 2026.

STAKEHOLDER ENGAGEMENT

As stakeholders play a crucial role in sustaining the success of our business, we make use of various communication channels to understand our stakeholders. The following table provides an overview of the Group's key stakeholders and various approaches adopted by the Group to communicate with different key stakeholders:

Stakeholders	Possible incidental issues	Communication and response
Stock Exchange	Compliance with the Listing Rules, publishing announcements in a timely and accurate manner.	Meetings, trainings, seminars, updating website and announcements.
Governments	Compliance with laws and regulations, social welfare, and prevention of tax evasion.	Interaction and visits, government inspections, tax returns and other information.
Suppliers	Payment schedule and supply stability.	Site visits.
Investors	Corporate governance system, business strategies and performance, and investment return.	Organisation and participation in general meetings, issuing financial reports or business updates for investors, press and analysts.
Media	Corporate governance, environmental protection, and human rights.	Issue newsletters on the Company's website.
Customers	Product/service quality, fair and reasonable pricing, value of service, protection for the labour force and work safety.	Site visits and after-sale services.
Employees	Rights and benefits, employee compensation, training and development, working hours and working environment.	Conducting team activities, training, interviews, and issuing staff manuals and internal memorandums.
Community	Community environment, employment and community development, and social welfare services.	Organising community activities, employee volunteering activities, community welfare services, sponsorship and donations.

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ESG Governance

The Group believes that prudent management of environmental and social issues is one of the key factors for long-term success in this rapidly changing world. To better understand the risks and opportunities for environmental protection, the Group closely conforms to the requirements and expectations of regulatory authorities through efficient operation management, well-established policies and procedures as well as setting higher standards of energy efficient measures and waste treatment. The Group believes that its expertise, capabilities and ownership patterns can be part of the solution to some of the challenges faced by the Group.

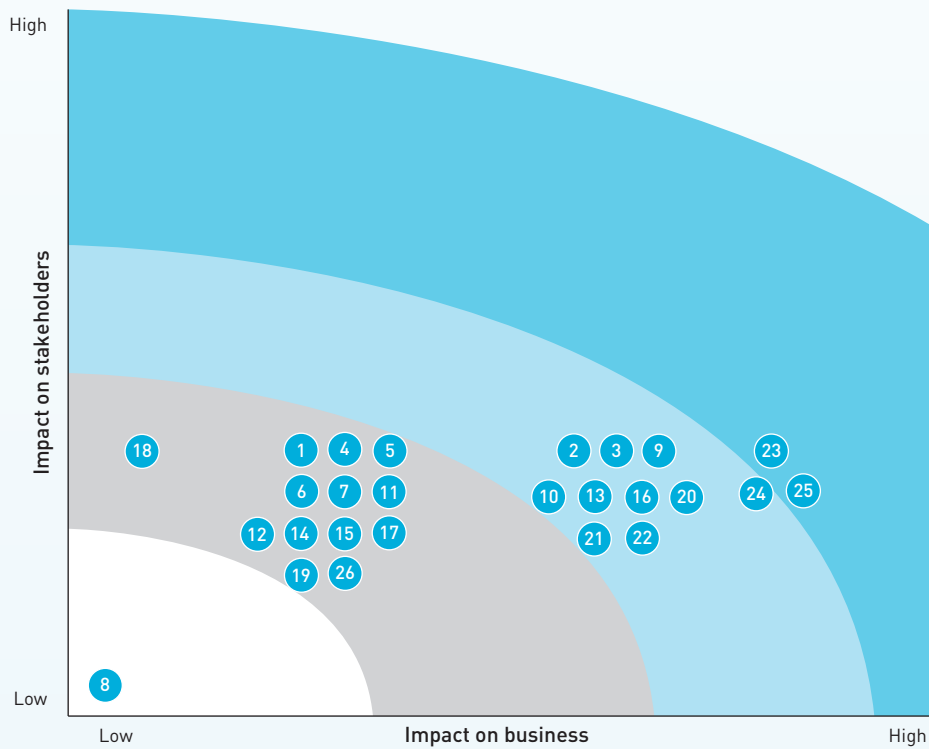
In order to carry out the Group's sustainability strategy from top to bottom, the Board of the Company has the ultimate responsibility for ensuring the effectiveness of the Group's environmental, social and governance policies. The Group has established a governance structure to enhance its management of ESG issues. The Group has established an ESG working group, which is composed of diversified members from different departments in order to tackle the ESG issue(s). The ESG Working Group contains 5 staff members, which include the Director, Procurement Manager, Accounting Manager, Accounting Executive and Human Resources Executive. The Board has overall responsibility for overseeing the Group's ESG-related risks and opportunities, establishing and adopting the ESG-related strategies and targets of the Group, reviewing the Group's performance annually against the ESG-related targets and revising the ESG-related strategies as appropriate if significant variance from the ESG-related target is identified.

ESG Governance Structure

Board	<ul style="list-style-type: none">• The Board is responsible for the overall decision-making, oversees the formulation, administration, and assessment of the ESG system.
ESG Working Group	<ul style="list-style-type: none">• The ESG Working Group is responsible for assisting the Board in managing and monitoring the ESG matters on a daily basis.
Functional Department	<ul style="list-style-type: none">• Functional department is responsible for the execution of implemented measures to achieve the set strategies and targets.

Materiality Assessment

The Group has identified ESG issues that may have a potential impact on its sustainable development from various sources, including issues identified and included in the Group’s previous ESG report and internal policies, and some reflected by industry trends, the areas of ESG concerns raised by the Group’s stakeholders as set out above, and the Sustainability Accounting Standards Board’s Materiality Map. Such ESG issues have been analysed with reference to an array of factors, including the Group’s overall strategy, development, goals and targets. The Group has conducted a materiality assessment to rate the identified ESG issues that are pertinent to its business and stakeholders, and their respective levels of impact. After analysing the results, with no acquisitions undertaken and no changes in our business scope during the Year, the Group concluded that there have been no significant changes in the main concerns of stakeholders and that the priority of ESG matters remains consistent with the previous reporting period. The Group has adopted relevant measures to cope with these factors, and therefore, the Group believes that these factors do not have a material impact on the financial and operational performance of the Group. The results of the materiality assessment on the identified ESG issues are set out in the table below:



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025 (CONTINUED)

ESG Issues

1	Emissions	14	Work Injuries
2	Greenhouse Gas Emissions	15	Development and Training
3	Hazardous Waste	16	Labour Standards
4	Non-Hazardous Waste	17	Supply Chain Management
5	Energy Consumption	18	Supplier Location
6	Water Consumption	19	Supplier Engagement
7	Water Sourcing	20	Product and Service Responsibility
8	Packaging Material Consumption	21	Product Recall
9	Environment & Natural Resources	22	Product and Service Related Complaints
10	Climate Change	23	Privacy Protection
11	Employment	24	Anti-corruption Awareness
12	Employee Turnover	25	Corruption Case
13	Health and Safety	26	Community Investment

THE GROUP AND THE ENVIRONMENT

Overview

The Group acknowledges that a healthy environment is crucial to the well-being of society, people and businesses. Our commitment to environmental stewardship and sustainability encompasses each of our businesses. We are dedicated to maintaining a low level of energy consumption and emission in every single step of our operations. We also strive to enhance operational efficiency and carry out measures to reduce the impacts of our daily operations on the environment. To present a comprehensive emission overview, we compared the emission figures and relevant intensities of the Reporting Period to the performance of the year ended 31 December 2024.

During the Reporting Period, the Group fully complied with all applicable requirements as set up by the laws and regulations regarding air and greenhouse gas (“GHG”) emissions including but not limited to the “Environmental Public Health Act (Chapter 95)”, “Environmental Protection and Management Act (Chapter 94A)”, “Environmental Public Health (General Waste Collection) Regulations” and “Environmental Protection and Management (Control of Noise at Construction Sites) Regulations” of Singapore. As a result of the Group’s efforts on environmental management, the Group has obtained ISO 14001.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025 (CONTINUED)

Air Emissions

The usage of motor vehicles and equipment during the Group's daily operations is the major source of air pollutants, including nitrogen oxides ("NOx"), sulphur oxides ("SOx") and Particulate Matter ("PM"). Also, the diesel used for machinery generated air emissions. During the Reporting Period, we own 18 (2024: 18) motor vehicles and the air emissions data is as follows:

Year ended 31 December 2025	2025 ¹ Tonnes	2024 ² Tonnes
NOx emissions	74.88	58.36
SOx emissions	0.04	0.03
PM emissions	4.84	3.78

The Group experienced an increase in air emissions, primarily attributed to elevated diesel consumption across both operational machinery and vehicle fleet operations, with the higher volume of demolition projects undertaken, particularly those requiring heavy machinery such as excavators, breakers and crushers. In 2024, the Group set a target to maintain air emission levels within 90% to 120% of the baseline level, with a long-term objective of achieving a reduction where practicable. However, the Group did not achieve this target, as emissions exceeded the upper bound of the target range and were 28.56% higher than in 2024. To uphold the principles of sustainable development, the Group aims to reduce air emissions levels by 5% for the next reporting period, against the level of the baseline year that ended 31 December 2025. For fleet and machinery management, regular maintenance checks are performed for all the vehicles to enhance fuel consumption efficiency, ensure road safety and keep emissions at their minimum. The Group will also continue to monitor fuel consumption and has implemented measures such as regular preventive maintenance, optimisation of equipment utilisation, and operator training to enhance fuel efficiency.

¹ The vehicles used by the Group during the Reporting Period were comprised of 13 light goods vehicles and 5 heavy goods vehicles that consume diesel as the major fuel.

² Following an internal data review, the Group noted an inaccuracy in the air emissions data for the year ended 31 December 2024. The relevant disclosure has been restated to reflect the corrected information.

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Greenhouse Gas Emissions

GHG emissions generated from human activities are one of the significant drivers of global warming, which affects the lives of the present and future generations. Therefore, the Group is highly concerned about the importance of monitoring and mitigating the GHG emissions in our operations. The stationary combustion source (i.e. machinery and excavators) and mobile combustion source (i.e. motor vehicles) are the major activities that generate direct emissions from operations. Meanwhile, indirect GHG emissions are mainly caused by the consumption of purchased electricity within the Group. The statistics of GHG emissions recorded during the Reporting Period are detailed below.

Year ended 31 December 2025	2025 Tonnes CO ₂ e	2024 Tonnes CO ₂ e
Scope of GHG Emissions		
Scope 1 — Direct Emissions		
Stationary Combustion Source	6,148.61	4,736.47
Mobile Combustion Source	279.73	264.84
Scope 2 — Indirect Emissions		
Purchased Electricity ³	67.62	71.37
Scope 3 — Other Indirect Emissions		
Electricity used for freshwater processing	9.37	3.74
Business air travel	/	4.07
Total Emissions		
Total GHG emissions	6,505.33	5,080.49
Total GHG emissions intensity (Tonnes CO ₂ e/employee)	47.48	38.78

During the Reporting Period, the Group's GHG emissions intensity increased by 22.43% which did not achieve the target set in 2024. While GHG emissions showed an upward trend, primarily due to higher use of heavy machinery, with an increase in electricity consumption led by the greater deployment of machinery for carrying out projects successfully. For Scope 3 Emissions, the Group did not incur any business travel throughout the Reporting Period, as the Group's operations are primarily local and project-based. All project management, client meetings and coordination activities were conducted within the local operating area.

The Group has also increasingly adopted digital communication tools and remote coordination methods where appropriate, thereby reducing the need for travel. This approach aligns with the Group's commitment to minimising its environmental footprint, particularly in relation to transportation-related carbon emissions. The Group will continue to strive to reduce GHG emissions and also continue to explore the adoption of more energy-efficient machinery and alternative technologies where feasible, aiming to reduce GHG emissions intensity levels by 5% for the next reporting period, against the level of the baseline year ended 31 December 2025.

For the details of energy-efficient practices, please refer to the section "Energy Consumption" of this report.

³ For Scope 2 GHG emission (indirect emission from consumption of purchased electricity), the emission factor used for calculation is from the Average Operating Margin Grid Emission Factor published by the Energy Market Authority of Singapore.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025 (CONTINUED)

Waste Management

During the Reporting Period, the Group fully complied with all applicable requirements as set up by the laws and regulations regarding the generation of hazardous waste and non-hazardous waste including but not limited to the “Environmental Protection and Management Act (Chapter 94A)” and the “Environmental Public Health (Chapter 95) Regulations” of Singapore. The environmental management system of our Group has been certified to be in compliance with the standard under ISO 14001:2015 since 2016.

During the Reporting Period, the Group has obtained a Certificate of Accreditation for conforming to all requirements of the Recycled Concrete Aggregate Suppliers Accreditation Scheme. The hazardous wastes of the Group are mainly asbestos. For non-hazardous waste, the major sources are general waste, wood waste and tree waste. The details of hazardous and non-hazardous wastes generated during the Reporting Period are as follows:

Year ended 31 December 2025	2025 Tonnes	2024 Tonnes
Hazardous and non-hazardous wastes		
Total hazardous waste	115.10	101.70
Total hazardous waste intensity (Tonnes/employee)	0.84	0.78
Total non-hazardous waste	3,507.16	2,364.84
Total non-hazardous waste intensity (Tonnes/employee)	25.60	18.05

During the Reporting Period, despite a slight increase in both the total hazardous waste and its intensity, the results remained within the target threshold and were therefore considered to have met the reduction targets set in 2024. However, operational dynamics in demolition projects and varying site conditions led to a significant increase in non-hazardous waste generation, both in total amount and intensity measures, resulting in a deviation from the 2024 target objectives. Given the project-dependent nature of our operations and variable customer requirements, waste generation patterns are inherently subject to fluctuation based on specific demolition activities undertaken during each reporting cycle.

Considering the difficulty in predicting the number and respective characteristics of future projects, we will strive to reduce the hazardous waste intensity by 5% of the level of the baseline year ended 31 December 2025 in the next reporting period. On the other hand, the Group continues to implement the reduction targets for non-hazardous waste such as the non-hazardous waste intensity to reduce by 5% of the level of the baseline year ended 31 December 2025 in the next reporting period, and constantly maximising recycling work during the course of demolition work based on the Building and Construction Authority of Singapore’s (“BCA”) demolition protocol.

In response to environmental protection, our environmental management system includes specific operational procedures covering various aspects of control including air pollution control, noise pollution control, waste management and resource conservation for our employees to observe. The Group strongly advocates the 4R principles of reduce, reuse, recycle and replace. As a demolition services provider, we provide removal of salvage materials services by collecting recyclable demolition waste such as ferrous metal, non-ferrous metal and recycled concrete aggregate. We have contracted a waste management company to recycle salvage materials including but not limited to tree waste, wood waste and rubber. The Group adheres to its commitment to engage approved waste collectors for the treatment or disposal of hazardous waste as our production of waste, particularly hazardous waste, greatly depends upon the number and specific requirements of our projects. The Group would also continue to prioritise proper waste management practices, including segregation, recycling and disposal in accordance with applicable regulations. Efforts are made to maximise the recycling of materials such as metals and concrete where practicable, to reduce landfill disposal.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025 (CONTINUED)

To reduce the general waste in our office, we encourage the reuse of office stationery and reduce the use of copier paper for administrative work. The following are the measures adopted during our daily operations:

- Double-sided printing is set as the default setting on computers, single-sided printing has to be manually selected;
- Any paper that has been used for single-sided printing, should be reused when there is no confidential information on the printed side of the paper; and
- Staff members are encouraged to circulate documents electronically such as by email or cloud storage services

Energy Consumption

The Group is concerned with energy consumption, which the diesel consumption for vehicles and machinery, as well as the electricity consumption, are the major sources of energy consumption for office operations. The following shows the details of energy consumption during the Reporting Period.

Year ended 31 December 2025	2025	2024
Energy Consumption	MWh	MWh
Direct energy consumption		
Diesel consumption for machinery	25,151.18	19,374.74
Diesel consumption for vehicles	1,117.17	1,057.44
Indirect energy consumption		
Electricity consumption	164.12	173.24
Total energy consumption	26,432.47	20,605.42
Energy consumption intensity (MWh/employee)	192.94	157.29

With an aim to reduce energy consumption and emissions, the Group has implemented various energy-saving measures in its offices and demolition sites, and encouraged our staff members to save electricity at the workplace. We inform our staff members to turn off the lights during lunch hours and after working hours. Moreover, the electrical appliances should be turned off when not in use. Written notices such as "Save Energy" are put on the walls at the workplace to remind our staff members to build a healthier environment.

Despite the implementation of the above measures, the Group has experienced an increase in energy consumption. During the Reporting Period, the Group's energy consumption intensity increased by 22.67%, which did not achieve the target. Primarily due to the higher volume of demolition projects undertaken. Given the project requirements, scale and site conditions may differ from year to year, the Group will continue to explore the adoption of energy-efficient equipment. The Group aims to continue to reduce energy consumption intensity levels by 5% for the next reporting period, against the level of the baseline year ended 31 December 2025.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025 (CONTINUED)

Water Usage

The Group has complied with the "Environmental Protection and Management Act (Chapter 94A)" of Singapore with an aim to prevent and control water pollution, protect and improve the environment and ensure the safety of drinking water. During the Reporting Period, we had no issue in sourcing water that was fit for purpose.

The Group treasures the preciousness of water resources. The Group is committed to achieving water conservation under the principle of saving, purifying and recycling:

- Any water wastage phenomenon is prohibited;
- Any water leakage, breakage or other potential damage to water pipes is regularly inspected and identified;
- Meter reading is checked constantly for revealing any hidden leakage phenomena; and
- Water-saving education and water-saving concepts are continuously promoted among our employees.

The Group acknowledges the importance of enhancing employees' awareness of water conservation initiatives and striving to reduce water consumption in the long term. In addition to the daily water usage by employees, a significant portion of water consumption arises from the need to spray water during demolition projects to mitigate dust, which represents a major source of water usage. During the Reporting Period, there was a substantial increase in water consumption intensity, which was mainly due to dust suppression during demolition activities, which is required to maintain air quality, comply with environmental and safety regulations, and minimise disturbance and public complaints. This demonstrates our commitment to sustainable practices and resource efficiency.

Looking ahead, the Group has set forth a water efficiency target for the next reporting period. This target aims to reduce water consumption intensity by 5% of the level of the baseline year ended 31 December 2025 in the next reporting period. During the Reporting Period, the water consumption data is shown as follows:

Year ended 31 December 2025	2025 m ³	2024 m ³
Water Consumption		
Water consumption	36,585.24	14,592.50
Water consumption intensity (m ³ /employee)	267.05	111.39

The Environment and Natural Resources

As a demolition services provider, apart from water used in our daily operation, there is no significant consumption of natural resources and therefore the Group's activities do not have any significant impact on the environment. Notwithstanding the aforementioned, the Group strives to enhance environmental sustainability and environmental awareness of its employees. We have adopted an environmental management system and policies certified to be in compliance with the standard under ISO 14001:2015 since 2016 including air pollution control, noise pollution control, waste management and resource conservation to protect the environment. We will continue to review our environmental policies and green practices from time to time.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025 (CONTINUED)

However, the use of heavy machinery and equipment inevitably generates noise pollution at the construction sites. Our Group is fully aware of the impact that our activities have on the environment and is committed to protecting our employees from excessive noise in their working environment. Measures taken by the Group to combat this include noise tests and controls, which are performed on a regular basis before construction work commences to ensure that the noise generated is within acceptable parameters in compliance with the “Environmental Protection and Management (Control of Noise at Construction Sites) Regulations” of Singapore.

Climate Change

The Group has considered the potential climate-related risks in respect of the recommendations of the Task Force on Climate-related Financial Disclosures, in which potential physical risks and transition risks from climate change may pose adverse financial impacts on the Group’s businesses. Acute physical risks can arise from extreme weather conditions such as storms while transition risks may result from changes in environmental-related regulations and increased negative stakeholder feedback(s). The summary of those physical risks and transition risks are as below:

Risk Type	Risks	Potential Financial Impact	Short (current Reporting Period)	Medium (one to three years)	Long (four to ten years)	Mitigation Strategy
Physical Risks	<ul style="list-style-type: none"> Extreme weather conditions such as flooding and typhoon 	<ul style="list-style-type: none"> Reduce revenue from business Disruption and suspension to the Group’s demolition activities 	✓			<ul style="list-style-type: none"> Maintaining a large customer base Support from prevailing market conditions, including limited availability of alternative demolition service providers and relatively high customer switching costs Establishing our offices in top-tier cities, with more developed infrastructure and stronger recovery capabilities Establishing an adverse weather condition policy
Transition Risks	<ul style="list-style-type: none"> Changes in environmental-related regulations Increased negative stakeholder feedback(s) 	<ul style="list-style-type: none"> Higher operating costs to adopt new practices Reputation risk 		✓	✓	<ul style="list-style-type: none"> Continuing to monitor the regulatory environment to ensure that the Group meets the expectations of regulatory authorities and complying with environmental-related laws and regulations. Creating communication channels for different stakeholder to express their opinion

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025 (CONTINUED)

THE GROUP AND THE SOCIETY

Employment

Our employees are recognised as the most valuable assets that drive the Group's business performance. During the Reporting Period, the Group strictly complied with all relevant employment laws and regulations, including but not limited to the "Employment Act", "Work Safety and Health Act", "Work Injury Compensation Act (Chapter 354)", and "Central Provident Fund Act (Chapter 36)" of Singapore. Employment of foreign workers is subject to all regulations and policies including but not limited to the "Immigration Act (Chapter 133)" and "Employment of Foreign Manpower Act (Chapter 91A)" of Singapore. In accordance with the aforementioned laws and regulations, the Group has established the "Human Resources and Payroll Policies and Procedures" to ensure employment protection with regard to compensation and termination, recruitment and promotion, working hours and rest periods, payroll and compensation, training programmes, staff insurance, and compliance with labour laws and relevant regulations to promote equal opportunity, diversity and anti-discrimination among employees.

As at 31 December 2025, the employee profiles by gender, age, employee category and geographical location are shown as follows:

As at 31 December	2025
Total workforce	137
Type of employment	Full time
By gender	
Male	126
Female	11
By age	
< 25	5
25–29	9
30–39	40
40–49	33
≥ 50	50
By employee category	
Management level	15
Middle level	78
Entry level	44
By geographical location	
Singapore	29
Other regions: Malaysia, India, Thailand, Myanmar & Bangladesh	108

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025 (CONTINUED)

During the Reporting Period, 13 employees left the employment of the Group. The employee turnover rate by gender, age and geographical location are shown as follows:

	2025
Employee Turnover Rate	
Overall	9.49%
By gender	
Male	9.52%
Female	9.09%
By age	
< 25	20.00%
25–29	11.11%
30–39	10.00%
40–49	3.03%
≥ 50	12.00%
By geographical location	
Singapore	10.34%
Other regions: Malaysia, India, Thailand, Myanmar & Bangladesh	9.26%

Compensation Package

The Group has established a fair and reasonable remuneration policy. Our employees are remunerated according to their qualifications, roles and responsibilities and discretionary bonuses may be offered depending on their performance, the profitability of the Group and market conditions. We sponsor our employees to receive relevant training courses in relation to occupational health and safety required by the BCA and the Ministry of Manpower of Singapore (“MOM”).

Our employees are enrolled in the Central Provident Fund Scheme of Singapore. They are entitled to all statutory holidays, leave and welfare as stipulated in the national and local laws and regulations, including but not limited to public holidays, sick leave and maternity leave. In addition, the Group believes that maintaining a good work-life balance is vital to the employees’ physical and mental health.

Our Group also maintains a self-owned dormitory in the same building as our head office as accommodation for some of our foreign workers.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025 (CONTINUED)

Equal Opportunity, Diversity and Anti-discrimination

The Group is committed to providing a diverse and inclusive workplace where all employees are treated with dignity and respect. All employees are assessed based on their ability, job performance and contribution, irrespective of their nationality, race, religion, disability, sexual orientation, political opinion, gender, age or family status. The Group reinforces the policies prohibiting bullying, discrimination and harassment.

Health and Safety

During the Reporting Period, the Group has complied with the "Employment Act", "Work Safety and Health Act" and "Work Injury Compensation Act (Chapter 354)" of Singapore and other relevant laws and regulations, which stipulate requirements to maintain safe production conditions and to protect the occupational health of employees. In order to strengthen the Group's occupational safety and improve working conditions, the Group developed the "Occupational health and safety policy" in compliance with the standard under OHSAS 18001. The Group also has a system for handling and recording workplace accidents to ensure all workplace accidents are properly reported and investigated. As a result of the Group's efforts on occupational health and safety management, the Group has obtained ISO 45001. The Group carries out health and safety risk assessments to identify potential hazards, which are conducted before the commencement of its work and regularly during the project execution stage.

Within the "Occupational health and safety policy", our safety department, comprises one safety manager, two safety and health coordinators and six safety supervisors, who are responsible for monitoring and implementing our health and safety policies, preparing safety reports, accident records and safety training records, conducting daily site safety meetings, handling incident reporting to the relevant authorities and carrying out safety reviews and inspections.

At the site level, our project management team (including the On-site Workplace Safety and Health Officer) is responsible for overseeing health and safety issues. Apart from one-hour routine daily safety briefings, machinery check-ups and maintenance for each working day, Safety Supervisors are allocated to our projects to implement our occupational health and safety policies and environmental compliance policies including conducting regular site inspections and reviews to ensure occupational health and safety.

The Group maintains safety track records, safety reports and accident statistics. The Group has installed appropriate safety equipment such as reflective vests and safety helmets for accident prevention. The Group sponsors its employees to receive relevant training courses including courses in relation to occupational health and safety, work quality and compulsory courses required by the BCA and the MOM. We also hold regular internal and external safety meetings and conduct briefings on occupational health and safety for all levels of site personnel.

As a result of our constant effort to promote health and safety, our Group has fulfilled the requirements to attain the bizSAFE Level Star. During the Reporting Period, there were no work-related fatalities, 1 work-related injury cases and 41 working days were lost. The Group continues to reflect on its existing safety policies and is committed to continuously adapting and improving its occupational safety measures as necessary. Also, the Group has strictly followed and complied with the regulations of the Singapore Government.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025 (CONTINUED)

During the Reporting Period, the number of deaths due to work injury, the number of reported injuries and the number of lost days due to work injury are shown as follows:

	2025	2024	2023
Number of deaths due to work injury	0	0	0
Number of reported injuries	1	0	0
Number of lost days due to work injury	41	0	0

Development and Training

The Group provides a series of training courses for our employees classified as orientation training, on-job training and specialised training, each of them caters for our employees' personal growth and job requirements. We provide a construction safety orientation course training and safety induction briefing to all foreign workers and new workers (including our subcontractors). On-job training would be provided to employees on various aspects including hazardous material transport driving, occupational first aid and machinery operation. We sponsor our employees to receive training courses in relation to work quality and compulsory courses required by the BCA and the MOM.

In particular, all of our factory employees are well-trained for their upcoming job nature and requirements as they are required to attend briefing sessions conducted by their seniors who explain the operation techniques and precaution measures to be taken. These daily briefings are crucial for preventing operation accidents, reducing unqualified products that lead to wastage and ensuring the quality of our final output to enhance customers' satisfaction.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025 (CONTINUED)

During the Reporting Period, we provided staff training for a total of 1,787.50 hours. The total percentage of employees trained is 47.45%, and the average hours of training per employee is 13.05 hours. Statistics related to development and training are detailed as follows:

Year ended 31 December	2025
Average hours of training per employee	
Overall	13.05
By gender	
Male	14.19
Female	0.00
By employment category	
Entry level	33.27
Middle level	2.53
Management level	8.40

Year ended 31 December	2025
Percentage of employees trained	
Overall	47.45%
By gender	
Male	100.00%
Female	0.00%
By employee category	
Entry level	90.77%
Middle level	6.15%
Management level	3.08%

Labour Standards

During the Reporting Period, we have complied with all relevant laws and regulations such as the "Employment Act", "Work Safety and Health Act" and "Work Injury Compensation Act (Chapter 354)" of Singapore. Employment of foreign workers is subject to all regulations and policies including but not limited to the "Immigration Act (Chapter 133)" and the "Employment of Foreign Manpower Act (Chapter 91A)" of Singapore.

The Group is well aware that child and forced labour violate fundamental human rights. Therefore, we prohibit all forms of child or forced labour. In order to prevent such occurrences, the responsible staff members perform detailed screening procedures during the staff recruitment process. Original identifying proof from each candidate will be collected and carefully scrutinised to verify the legitimacy of respective documents and ensure that their age meets the requirements stipulated in the "Employment Act" of Singapore. Also, the employment contract stipulates detailed requirements on remuneration, working hours, rest days and vacation, employee benefits, labour protection and labour condition, to eliminate force labour.

If any child and forced labour is discovered, the Group will terminate the contract of the relevant staff with immediate effect and investigate such incident(s) in order to prevent such incident(s) from occurring again.

During the Reporting Period, no case related to child or forced labour was found.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025 (CONTINUED)

Supply Chain Management

Our Group emphasises that responsible supply chain management is vital to our business. We can minimise our impact on the environment by selecting established and authorised suppliers. We also continuously monitor and review the performances of our suppliers, to ensure that the suppliers are performing in line with our business commitments and complying with relevant legal and regulatory requirements.

The Group maintains an approved supplier list and informs suppliers of the Group's expectations and requirements that the suppliers must abide by. Moreover, the Group conducts a regular review based on the quality of services, social and environmental responsibility and business ethics through face-to-face interviews, site visits, web browsing or perusal of their annual report. The quality of services and environmental preferability of products, social responsibility and business ethics are also the key criteria for the selection of suppliers. During the Reporting Period, the statistics related to suppliers are detailed as follows:

Geographical region	Number of supplier(s)
Singapore	280
Hong Kong	10
Japan	1
Total	291

Product and Service Responsibility

The Group aspires to improve its brand reputation by ensuring the quality of products and services. For our quality control over demolition services provision and the sale and leasing of machinery and equipment, we only use or sell our machinery and equipment and machinery parts manufactured by established brands, which are sourced from authorised dealers or machinery suppliers. We also have our own team of machinery and equipment operators and an in-house maintenance team responsible for regular checks and maintenance of our machinery and equipment. For any recall of sold products, we would investigate and perform checks to recall products to maintain our line of quality products and services. As a result of the continual efforts on quality management, the Group has obtained ISO 9001 since 2003.

The Group also recognises the importance of protecting and enforcing its intellectual property rights, and strictly complies with all the relevant laws and regulations, including but not limited to the "Patent Act", "Trade Marks Act" and "Copyright Act" of Singapore.

During the Reporting Period, there were no products sold or shipped subject to recalls for safety or health reasons.

Complaints Handling Procedures

Customers' opinions and feedback help to drive continuous improvement of the Group and are vital to our pursuit of excellence. Various communication channels (e.g. via website and email) have been established, aiming to better address customers' concerns.

The Group makes every effort to promptly investigate and resolve all disputes and complaints lodged by customers. Upon the receipt of a complaint, the responsible person will investigate the matter and appropriate action will be taken in a timely manner.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025 (CONTINUED)

During the Reporting Period, we did not receive any material complaint or request for any kind of compensation from our customers due to quality issues in relation to services provided by us or work performed by our subcontractors.

Protection of Customers' Data

The Group makes a vast effort in protecting the privacy of its customers, partners and employees during the collection, process and use of personal data. The Group adheres to the relevant regulations, such as the "Personal Data Protection Act" of Singapore to ensure that its customers' personal data is securely kept and processed only for the purpose for which it has been collected.

During the Reporting Period, the Group was not aware of any incidents of non-compliance with relevant regulations and codes concerning health and safety, advertising, labelling and privacy matters relating to the provision of the Group's products and services. Simultaneously, the Group received no complaint or litigation due to violation of any national or regional laws and regulations in relation to the provision of commercial services.

Anti-corruption

The Group is committed to conducting its businesses with integrity and high ethical standards. We have strictly complied with all relevant laws and regulations relating to bribery, extortion, fraud and money laundering, including but not limited to, the "Prevention of Corruption Act" and "Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act" of Singapore.

Our Group prohibits all forms of bribery and corruption and ensures our anti-corruption policy is clearly communicated to all our employees. We have an independent internal audit function, which supervises, evaluates and reviews our internal control systems to detect conflicts of interest. No employees are permitted to solicit or accept any advantage for themselves directly or indirectly. Directors and staff should avoid any conflicts of interest, where their private interest conflicts with the Group's interest.

The Group has provided anti-corruption training to the Directors and staff from time to time to ensure all staff have complied with the code of conduct and prohibit any bribery, extortion, fraud and money laundering in relation to the Group. The Group closely monitors regulatory developments and will arrange relevant training for the Directors and staff, where necessary.

During the Reporting Period, no corruption case was noted or reported.

Community Investment

The Group is well aware of the responsibilities we owe to the community at large. During the Reporting Period, the Group did not engage in community investments. In recognition of our social duty as a good corporate citizen, we endeavour to give back to society and continue to explore different opportunities to incorporate environmental and social elements into our operations and investment decisions. We also encourage employees to take part in community services to foster sustainable harmony in our society.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025 (CONTINUED)

Stock Exchange ESG Reporting Code Index

Related Sections	Aspects	Remarks
ESG Governance	Part D 19	
Overview	A1 General disclosure	
Air Emissions	KPI A1.1	
	KPI A1.5	
Greenhouse Gas Emissions	KPI A1.5	
	Part D 28	
	Part D 29	
Waste Management	KPI A1.3	
	KPI A1.4	
	KPI A1.5	
	KPI A1.6	
Energy Consumption	KPI A1.5	
	A2 General Disclosure	
	KPI A2.1	
	KPI A2.3	
Water Usage	A2 General Disclosure	
	KPI A2.2	
	KPI A2.4	
The Environment and Natural Resources	A3 General Disclosure	
	KPI A3.1	
Climate Change	Part D.30	
	Part D 31	
Employment	B1 General Disclosure	
	KPI B1.1	
	KPI B1.2	
Compensation Package	B1 General Disclosure	
Equal Opportunity, Diversity and Anti-discrimination	B1 General Disclosure	
Health and Safety	B2 General Disclosure	
	KPI B2.1	
	KPI B2.2	
	KPI B2.3	
Development and Training	B3 General Disclosure	
	KPI B3.1	
	KPI B3.2	
Labour Standards	B4 General Disclosure	
	KPI B4.1	
	KPI B4.2	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025 (CONTINUED)

Related Sections	Aspects	Remarks
Supply Chain Management	B3 General Disclosure KPI B5.1 KPI B5.2 KPI B5.3 KPI B5.4	
Product and Service Responsibility	KPI B6.1 KPI B6.2 KPI B6.3 KPI B6.4 KPI B6.5	
Complaints Handling Procedures	B6 General Disclosures	
Protection of Customers' Data	B6 General Disclosures	
Anti-corruption	B7 General Disclosure KPI B7.1 KPI B7.1 KPI B7.3	
Community Investment	B8 General Disclosure KPI B8.1 KPI B8.2 KPI A2.5	Not Applicable
	Part D (II) Strategy	No packaging materials used
	Part D (III) Risk Management	The Group will review the internal information and disclose at the proper time to ensure transparency and compliance.
	Part D 32	
	Part D 33	
	Part D 34	
	Part D 35	
	Part D 36	
	Part D 37	
	Part D 38	
	Part D 39	
	Part D 40	
	Part D41	