



# INDIGO STAR HOLDINGS LIMITED

(INCORPORATED IN THE CAYMAN ISLANDS WITH LIMITED LIABILITY)  
(STOCK CODE: 8373)

## Environmental, Social and Governance Report 2025



## OVERVIEW

In accordance with the requirements of The Stock Exchange of Hong Kong Limited (“**HKEx**”), listed companies are required to provide an Environmental, Social and Governance (“**ESG**”) Report (“**ESG Report**”). This ESG Report is compiled in accordance with the standards laid down in C2 Environmental, Social and Governance Reporting Code (the “**Reporting Code**”) of the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) of HKEx for the period from 1 January 2025 to 31 December 2025 (the “**Reporting Period**”).

Indigo Star Holdings Limited (the “**Company**”) is an investment holding company and through two of its main wholly owned subsidiaries, Interno Engineering (1996) Pte. Ltd. and Interno Construction Pte. Ltd. (“**Internos**” and together with the Company, the “**Group**”) principally engaged in the provision of structural reinforced and concrete works in buildings and civil engineering works in the Republic of Singapore (“**Singapore**”). Internos primarily acts as main contractors or subcontractors of major renown developers mainly engaged in formwork, steel reinforcement and concreting work of various contract sums and complexities. In addition, Internos undertake various other building construction works of various contract sums within its manpower and technical permits and contractor registration level. Internos also act as main contractors and subcontract some of the contract works to various subcontractors where necessary to meet market demands and client needs.

During the Reporting Period, the Group successfully secured an adequate number of contracts and does not anticipate any significant issues that would hinder its ability to maintain business operation. The essential ESG policies have remained consistent, with adjustments being implemented as needed to address operational needs or requirements. The key policies relevant to the topics addressed in this ESG Report are summarized below:

1. The Group remains registered as a General Building (B2) and Civil Engineering (C1) Contractor with the Building and Construction Authority of Singapore. The Group are dedicated to achieving success in the business endeavors, providing returns to the investors and supporters, ensuring a healthy and safe working environment for the employees, and contributing to sustainable development in both the communities The Group serve and within the own organization.
2. The Group aims to attain a higher level of contractor registration with the Building and Construction Authority of Singapore. This higher registration level entails stricter criteria in factors such as contract value, technical expertise, engineering competency, and safety records compared to the current level held by the Group. The board of directors (the “**Board**”) and the management team (the “**Management Team**”) of the Group are fully cognizant of this objective and are dedicated to its accomplishment.
3. The Board has approved the recent strategies and policies, which encompass the relevant environmental and social issues outlined in the Reporting Code. The Board through the Management Team has assigned various operational heads to implement these policies and strategies. Through the established and routine work channels, operational heads report directly to the Management Team which has the overall responsibility to ensure that the Board’s approved strategies and policies are carried out effectively.
4. The Management Team is responsible to examine and address all the environmental and social issues set out in the aspects and areas of the Reporting Code. They are obliged to explore, develop and review Key Performance Indicators (“**KPIs**”) as needed for future purposes and actions that align with the Group’s operational policy and business goals.

## **(I) Purpose**

The purpose of this ESG Report is to disclose the Group’s vision, policies and measures by establishing KPIs, and reporting on its performances with respect to environmental and social issues for internal assessment and management control, as well as for communication to the internal and external stakeholders.

## **(II) Scope of Report**

The administrative office in Hong Kong (the “**Hong Kong Office**” or “**Hong Kong**”) has minimal electricity consumption, and the water supply is provided through common amenities in the leased office space for the daily hygiene needs of the employees. As a result, the usage of water and electricity is considered insignificant. The Hong Kong Office generates negligible amounts of polluted water, hazardous and non-hazardous wastes. Therefore, this ESG Report only covers the operations and activities of the offices, the project construction sites and the employee dormitory in Singapore and the number of employees recorded in the Hong Kong Office, unless otherwise stated.

## **(III) Basis of Preparation**

This ESG Report is compiled in accordance with the Reporting Code outlined in Appendix C2 of the GEM Listing Rules and Guidance Governing the Listing of Securities on HKEx. The content of this report includes two main subject areas as outlined and required by the Reporting Code, being Area A – Environmental and Area B – Social and includes disclosure of climate change related issues which have or may impact the Group.

This ESG Report, which has been reviewed and approved by the Board reports the core business operations and activities of the Group and follows the principles of materiality, quantitative, balance and consistency to disclose relevant statistics and information. The ESG Report was compiled in compliance with the “comply or explain” provisions in the Reporting Code.

## **(IV) Corporate Goals and Visions**

The Group strives to be an environmentally friendly and socially responsible corporation. The Group operates in strict compliance to the principles of minimising the risks associated with the listed ESG areas and aspects stipulated in the Reporting Code, including but not limited to the compliance with legal and regulatory requirements, adherence to high ethical standards, minimizing negative impacts on the environment, improving the well-being of the employees, enhancing the relationship with the business parties, offering highest possible level of services to the clients, creating value to the stakeholders, and supporting the disadvantaged and growth of the community. It is also the view that environmental and social issues listed in the Reporting Code are significant considerations for the business planning and operations. As far as possible, The Group have integrated these environmental and social considerations into the business objectives, strategies and operational practices with the purpose of maximizing the interests of all stakeholders, economy, environment, society and corporate governance on a fine and fair balance.

## **GOVERNANCE STRUCTURE**

### **(I) Board's Oversight of ESG Issues**

The Board has a primary role in overseeing the Group's ESG issues. During the Year, the Board, the Management Team and the ESG responsible staff evaluated the impacts of ESG-related risks towards the operation and formulated ESG-related policies in dealing with relevant risks. The oversight of the Board ensures that the Management Team and the ESG responsible staff can have all the right tools and resources to oversee the ESG issues.

To demonstrate the Group's commitment to transparency and accountability, the Management Team and ESG responsible staff review and evaluate the Group's performance in respect of ESG issues and report to the Board regularly.

### **(II) Board's ESG Management Approach and Strategy for Material ESG-Related Issues**

To better understand the opinions and expectations of different stakeholders on the ESG issues, materiality assessment is conducted annually. The Group ensures various platforms, and channels of communication are used to reach, listen and respond to its key stakeholders. Through communication with the stakeholders, the Group is able to understand the expectations and concerns from its stakeholders. The feedbacks obtained allow the Group to make more informed decisions, and to better assess and manage the resulting impacts of the business decisions.

The Group has evaluated the materiality in ESG aspects through the following steps: (i) identification of ESG issues by the Group; (ii) key ESG areas prioritisation with stakeholder engagement; and (iii) validation and determining material ESG issues based on the results of communication with the stakeholders.

Taking these steps enhances the understanding of the expectations and concerns of the Group's stakeholders on various ESG issues, which enable the Board to plan the sustainable development direction to address material ESG-related issues in the future.

### **(III) Progress Review Made Against ESG-Related Goals and Targets**

ESG-related goals and targets have been set to provide a strategic direction in business operations, the progress is closely reviewed by the Group from time to time. Modification may be needed if the progress falls short of expectation or change of business operations.

The Group's sustainability target enables the Company to develop a realistic roadmap and focus on results of achieving the visions. The sustainability performance and progress made against the goals are reported to the Board for review at least annually.

## **REPORTING PRINCIPLES**

The report is centred on four principles:

**Materiality:** Stakeholder engagement and materiality assessment were conducted regularly to identify material ESG issues, and to ensure that these issues are addressed in the report.

Quantitative: Data presented in this report have been collected prudently. Please refer to the environmental and social performance data for standards and methodologies used for calculation of key performance indicators.

Balance: Both positive and negative sides of the performance have been presented in a transparent manner.

Consistency: Unless otherwise stated, the disclosures, data collection and calculation methods have remained consistent throughout the years to facilitate comparability over time.

## **REPORTING BOUNDARIES**

This Report has primarily highlighted the sustainability development and performance for the Year of the three environmental aspects and the eight social aspects and climate-related disclosures of the ESG Reporting Code.

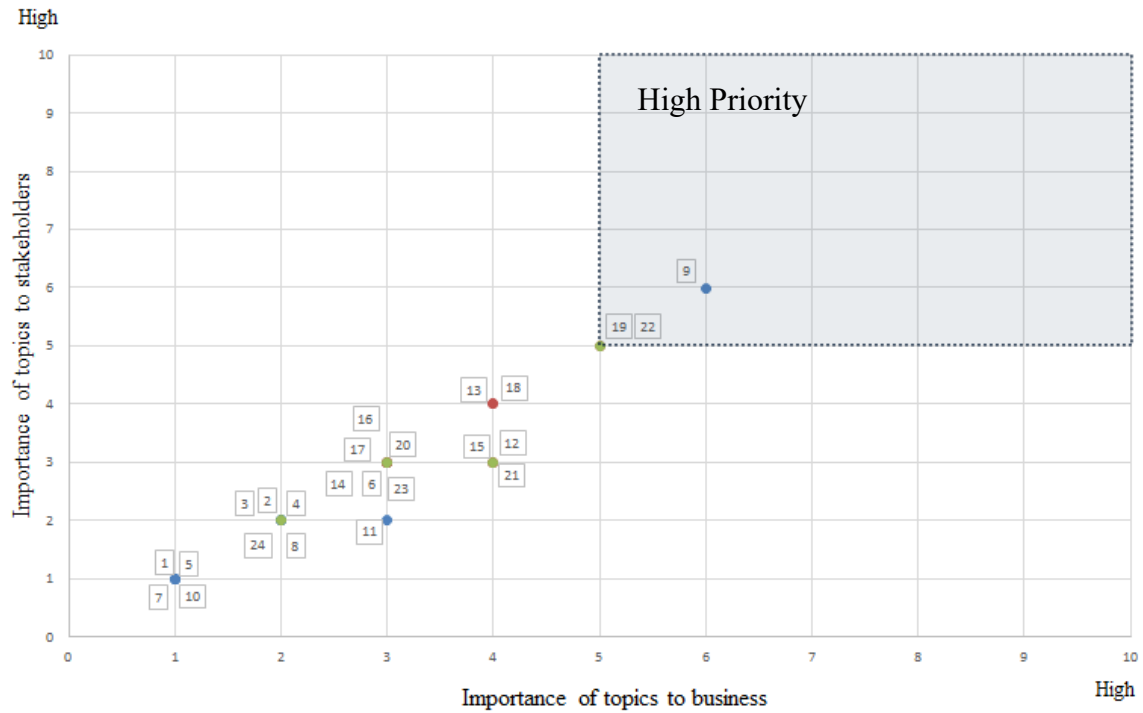
## **STAKEHOLDER ENGAGEMENT**

Stakeholder engagement plays a core role in the sustainability of the Group. The Group fully appreciates the needs to build both online and offline communication channels and to provide stakeholders with timely reports on strategic planning and performance of the Group in order to establish a continuing communication mechanism with the stakeholders. In addition, the Group consults the stakeholders on the recommendations and propositions to ensure its business practices can meet the expectations of the stakeholders.

In managing the priorities, the Group continues to ensure its operations comply with environmental and social responsibilities and obligations as required by the ESG Reporting Code, the laws and related regulations of Singapore, and the specific guides applicable to the buildings and civil engineering industry. The Group values stakeholders' opinions and actively works to address the concerns through established communication channels as listed below:

Stakeholders	Communication Channels
<b>Shareholders/Investors</b>	<ul style="list-style-type: none"> <li>· General meetings</li> <li>· Information published on websites of the Company and the HKEx</li> <li>· Direct emails or phone enquiries</li> <li>· Dispatched documents</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>· Direct meetings with the management executives</li> <li>· Emails</li> <li>· Annual and regular appraisal</li> <li>· Organized functions and activities for the employees</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>· Day-to-day communication through front line staff</li> <li>· Direct emails or phone enquiries</li> <li>· Official websites</li> </ul>
<b>Suppliers/Service providers/ Professional advisors</b>	<ul style="list-style-type: none"> <li>· Day-to-day communication through front line staff</li> <li>· Regular review of the signed arrangements by the management</li> </ul>
<b>Industry associations</b>	<ul style="list-style-type: none"> <li>· Participation in annual and regular meetings, conferences, events, etc.</li> </ul>

## ESG ISSUES MATERIALITY MATRIX



### Environmental issues

1. Greenhouse gas emissions
2. Energy consumption and resource management
3. Water resources management
4. Waste management
5. Use of packaging materials
6. Impact on the environment
7. Climate change

### Social issues

8. Community contribution
9. Occupational health and safety
10. Child labour
11. Forced and compulsory labour
12. Training and development
13. Salaries and employee benefits
14. Diversity and equal opportunity
15. Talent attraction and retention

### Operation issues

16. Anti-corruption and anti-money laundering
17. Supply chain management
18. Supplier evaluation and selection
19. Customer service and satisfaction
20. Customer privacy
21. Feedback and complaint handling
22. Product safety and quality
23. Intellectual property protection
24. Marketing

Through the Group's established management structure, process, policies and guidelines as aforementioned and described, the above ESG material areas and aspects have been strictly managed and monitored. A summary of these efforts is provided below:

## ENVIRONMENTAL, SOCIAL AREAS AND ASPECTS

### (A) ENVIRONMENTAL AREAS AND ASPECTS

Singapore has a stringent statutory control regime on the various matters which are covered by the ESG Report. The Group, in pursuit of sustainable business practices and higher level of contractor registration, implements initiatives to actively participate in, promote and uphold environmental protection and social responsibilities.

The Group takes on an active role to ensure a sustainable and environmentally friendly production and operating process by taking all practicable and possible measures to comply with the relevant national laws and regulations. The Group actively assumes social responsibilities to reduce pollution by setting reasonably practicable objectives. The Group translates this policy into achievable goals during the planning, design and production stages of its construction projects. The Group takes all measures to ensure that there is no breach of national legal requirements which are the minimum standard.

#### A1: Emissions

##### (i) Air Emissions and Greenhouse gases (“GHG”) Emission

The Group’s limited operational activities result in the generation of GHG, noise, waste and effluents. To minimise these impacts, the Group adopts industry standard measures and continuously explore practical means of mitigation in the operations. The Group continues to use relatively clean operating processes, steel reinforcement and concreting. However, insignificant amounts of emissions are inevitably generated from diesel fuel at the construction sites on a temporary or interim basis when city power supply is unavailable. Off the construction sites, the fleet of specialized trucks that use diesel fuel to transport construction materials to and from the construction sites is the sole source of direct hazardous and non-hazardous greenhouse gas emissions.

The Group has taken measures to minimize the adverse impacts on the environment, prevent pollution, and enhance efficiency in energy and other resources usage. The key measures for offices and construction sites are summarized below:

Offices:	Construction sites:
<ul style="list-style-type: none"><li>Switch off electrical appliances when they are not used or needed</li></ul>	<ul style="list-style-type: none"><li>Turn off the trucks, cranes and generators when they are not used or needed</li></ul>
<ul style="list-style-type: none"><li>Use electrical appliances and light bulbs with energy saving capabilities</li></ul>	<ul style="list-style-type: none"><li>Use electrical appliances and light bulbs with energy saving capabilities</li></ul>
<ul style="list-style-type: none"><li>Promote “Energy charter on Indoor Temperature” by maintaining an appropriate temperature to reduce energy consumption</li></ul>	<ul style="list-style-type: none"><li>Use solar energy whenever possible</li></ul>
<ul style="list-style-type: none"><li>Conduct regular energy consumption check</li></ul>	<ul style="list-style-type: none"><li>Conduct regular energy consumption check</li></ul>

The regulations governing the release of hazardous and non-hazardous air emission, effluent discharge and disposal of wastes from the construction sites to the environment is rigorously enforced at a national level. The site emissions and discharges are subject to constant and unannounced site inspections and surveillance of various government departments. The efficacy of control measures is subject to constant and virtually real time monitoring on site by using modern sophisticated equipment. Any adverse results or warning alarms will receive immediate attention of the site staff. Consequential reviews by different management levels to cope with areas warranting attention and action are undertaken in progress meetings. The Group's dedication and diligence in compliance results in no breach or offence spotted by the law enforcing departments on pollution control and emissions.

During the Reporting Period, the Group has generated hazardous air emissions and non-hazardous GHG directly from vehicles and gaseous fuel consumption, for example, consumption of fuels by lorries transporting of workers to and for work, use of specialized trucks for lifting, shifting and transporting galvanize pipes and machinery and building construction materials between construction sites, mobile cranes and generator to supply power supply in construction sites. Direct hazardous air emissions includes sulphur oxides ("SOx"), nitrogen oxides ("NOx") and particulate matter ("PM") and non-hazardous GHG emission includes carbon dioxide ("CO<sub>2</sub>"). The use of electricity will also indirectly generate non-hazardous GHG emission of CO<sub>2</sub>.

Intensity comparison of the direct and indirect greenhouse gas emissions on a site basis may not be meaningful owing to the variations in site sizes, complexity of engineering requirements, site constraints, etc. The number of sites having comparable parameters is insufficient for meaningful intensity analysis.

The following table summarises the quantities of hazardous and non-hazardous air emissions during the Reporting Period with comparison with the last reporting period from 1 January 2024 to 31 December 2024 (the "**Last Reporting Period**"):

Gaseous emissions from the use of motor vehicles:

<b>Air emissions (Note 1)</b>	<b>Unit</b>	<b>2025</b>	<b>2024</b>
NOx	Tonnes	139.51	160.39
SOx	Tonnes	0.69	0.79
PM	Tonnes	0.01	0.09

Note 1: The emission factors used to calculate the NOx, SOx and PM are sourced from: the Hong Kong Environmental Protection Department's ("**EPD**") EMFAC-HK Vehicle Emission Calculation model and the United States Environmental Protection Agency's Vehicle Emission Modeling Software - MOBILE6.1; and the assumptions of 80% relative humidity, a temperature of 25 degrees Celsius, an average speed of 30kmh, and include running exhaust emissions only.

Reduction target of air emissions:

<b>Air emissions intensity</b>	<b>Reduction Target</b>	<b>Baseline Year</b>	<b>Status</b>
NO <sub>x</sub> emissions intensity	Reduce 5% by 2029	2024	In Progress
SO <sub>x</sub> emissions intensity	Reduce 5% by 2029	2024	In Progress
PM emissions intensity	Reduce 5% by 2029	2024	In Progress

The Group consumes electricity and diesel for the operation of its cleaning business. Upon consumption of electricity and combustion of diesel, GHG which is expressed in carbon dioxide equivalent (“CO<sub>2e</sub>”) is produced.

GHG emissions from operations:

<b>GHG emissions</b>	<b>Unit</b>	<b>2025</b>	<b>2024</b>
GHG emission (Scope 1)	Tonnes of CO <sub>2e</sub>	26.74	196.55
GHG emission (Scope 2)	Tonnes of CO <sub>2e</sub>	92.14*	111.36
GHG emission (Scope 3)	Tonnes of CO <sub>2e</sub>	10.66	26.81
Total	Tonnes of CO <sub>2e</sub>	129.54	334.72
Number of employee	Person	982	939
GHG intensity	Tonnes of CO <sub>2e</sub> / no. of employees	0.13	0.36

\*The emission factor of electricity consumed is sourced from the Energy Market Authority of Singapore in 2024. The figures are calculated in accordance with the “Reporting Guidance on Environmental KPIs”.

Scope 1: It represents mainly the diesel oil consumed by motor vehicles.

Scope 2: It represents mainly the electricity purchased from power suppliers in Singapore.

Scope 3: Other indirect GHG gas emissions include category #5 : waste generated on operations

Reduction target of GHG emissions:

<b>GHG emissions intensity</b>	<b>Reduction Target</b>	<b>Baseline Year</b>	<b>Status</b>
GHG emission intensity (Scope 1)	Reduce 5% by 2029	2024	In Progress
GHG emission intensity (Scope 2)	Reduce 5% by 2029	2024	In Progress

(ii) Hazardous and Non-hazardous Wastes Discharge and Disposal

Hazardous waste produced from operations:

<b>Hazardous Waste</b>	<b>Unit</b>	<b>2025</b>	<b>2024</b>
Hazardous waste produced	Tonnes	N/A	N/A
Intensity	Tonnes of wastes/ no. of employees	N/A	N/A

Note 1:Hazardous waste produced by the cleaning business is minimal. Therefore, no relevant figure is quantified.

Non-hazardous waste produced from operations:

<b>Non-hazardous waste</b> (Note 1)	<b>Unit</b>	<b>2025</b>	<b>2024</b>
Non-hazardou waste produced	Tonnes	476.91	147.75
Intensity	Tonnes of wastes/ no. of employees	0.49	0.16

Note 1:Non-hazardous waste including broom, mop and scrub brush which produced are immaterial and hence no relevant figure is disclosed.

Reduction target of hazardous and non-hazardous waste produced:

<b>Waste produced intensity</b>	<b>Reduction Target</b>	<b>Baseline Year</b>	<b>Status</b>
Hazardous waste produced intensity	N/A	N/A	N/A
Non-hazardous waste produced intensity	Reduce 5% by 2029	2024	In Progress

Other than construction wastes from the construction projects, which are generally low hazardous wastes, the Group operations do not generate any other hazardous waste.

Work practice and production systems are in place for all construction waste produced to be collected and disposed of by licensed contractors. During the Reporting Period, no adverse comments or irregularities have been reported from the internal and external control sources. With the exception of Internos, non-hazardous waste typical of general office nature is produced in all other group operations. Internos produce construction waste common to its industry peers which are dealt with and disposed of in the normal industry practice manner.

All non-hazardous wastes are taken care of by the local waste collector. Contemplations could be given to enhance recycling and reuse in the various processes and stages of production. As a guiding rule and principle, raw materials used by Internos are carefully estimated and calculated by competent and experienced professionals during the planning and design stages. Close supervision is exercised in the production stage to minimize unnecessary wastage and achieve cost saving.

Intensity comparison for this KPI on a site basis may not be meaningful owing to the variations in site sizes, complexity of engineering requirements, site constraints, etc. The number of sites having comparable parameters is too minimal for meaningful intensity analysis.

Apart from the construction sites, other operational activity of the Group only generate non-hazardous general wastes, such as used papers, stationery and packaging materials, office residuals, general rubbish and hygiene and living wastes by its employees. All these wastes are disposed to rubbish bins and stored in rubbish depots and are collected by the city urban waste services on a daily basis.

Same as the previous two years, the Group did not receive any complaints or warnings on its wastes disposal for the Reporting Period, and targets to achieve the same performance in the coming year.

### (iii) Noise Emission

The operations of the construction work do generate noises; however, they are all within national and local environmental acceptable limits. The emitted noises do not cause significant noise pollution to local residents. The Group has complied with all the national and local laws, rules and regulations to ensure noise emission is under strict control.

Same as the previous two years, the Group did not receive any complaints related to noise emission for the Reporting Period, and targets to achieve the same performance in the coming year.

#### (iv) Light Emission

The operations and activities of the Group do not generate and emit light pollution.

As in the previous two years, the Group did not receive any complaints related to light emissions for the Reporting Period, and targets to achieve the same performance in the coming year.

#### (v) Mitigation Measures on Emission and Results

As a responsible corporation, The Group are conscious of the effects the operations may have on the environment at all times and constantly strive to maximise energy efficiency and minimise waste. The main sources are emissions from vehicles and diesel generators. The equipment is rented from and maintained by reputable quality suppliers. Only equipment complying with the very stringent statutory emission standards is used. It is therefore pertinent to source a reliable equipment and site staff is vigilant on emissions from the generators. Furthermore, all the vehicles have been checked regularly on safety and air emissions from fuel combustion and have passed all the tests with valid warranties obtained.

Furthermore, The Group have incorporated environmentally friendly measures into the daily operations to reduce and prevent adverse impacts on the environment. The Group encourage economical and recycling use of resources to prevent resource wastage. The Group have implemented the following measures to prevent and to reduce the generation of air emissions and solid wastes disposal, as well as to save energy and resources and costs in the daily operations.

- Appoint responsible officers to regularly inspect the offices and operations to ensure power is turned off when works are not being carried out, and the use of natural ventilation to replace air-conditioning in allowable conditions;
- All levels of the Group are reminded of and educated on the importance of the 3-R guiding principle of reduce, reuse and recycle; and
- Implement a waste-classification system and the practice of recycling use of resources especially on printing papers.

The efficacy of control measures is subject to constant and virtually real time monitoring on site by using modern sophisticated equipment. Any adverse results or warning alarms will receive immediate attention of the site staff. Consequential reviews by different management levels to cope with areas warranting attention and action are undertaken in progress meetings. The Group's dedication and diligence in compliance results without breach or offence spotted by the law enforcing departments on pollution control and emissions.

### *Compliance with relevant laws and regulations*

During the Reporting Period, the Group fully comply with all the national and environmental laws, rules and regulations and instructed standards and there have been no complaints or breaches recorded by law enforcing departments.

No fines or non-monetary sanctions for non-compliance had been incurred during the Year.

### **A2: Use of Resources**

The Group has yet to consolidate an overall policy on the efficient use of resources (energy, water and other raw materials) though the Group has good experience in achieving this objective. The Group adopts and implements the 3-R principle – to reduce, reuse and recycle as far as possible in promoting and achieving efficient use of energy, water and other raw materials. Full measures are in force with recognizable results and industry awards.

All levels of the Group are mindful of the importance of energy saving and its implications to the society and the planet. Measures are integrated into the production needs and goals. Educational programs and instructions are at present the main driving force in this aspect in the Group.

Same as the last two years, the Group did not find any abnormal or excessive uses of resources which were all within the internal control targets. The Group is confident that The Group continue to have maintain this level of standard in the coming years.

#### *(i) Water consumption*

The Group relies totally on city water supply for production and general use for all its operations and activities. City water supply is also the only source for both office and dormitory and The Group do not have any problem on sourcing of the water needs.

The Group encourage the staff and workers to efficiently use fresh water as it is one of the most important scarce resources. The Group have requested the staff and workers to regularly inspect the facilities to ensure they are in good conditions and that all the water taps have been turned off when they are not in use, and to check and to immediately remediate any water leakage.

#### *(ii) Paper and Packaging Materials and Use of Other Resources*

There are minimal packaging materials involved in the construction sites of Internos, whereby finished products are building construction items. In other operations of the Group, packaging materials for finished products do not pose a significant impact on the operation. In sourcing the packaging materials in the other operations, the Group adopts the view that it must be fit for purpose in the first place and meet with the specification. Non-toxicity and environmental friendliness are the keen concern.

These issues are under the constant attention and review of the various end users of the Group.

Plywood is identified as the most common natural resource used by the construction operation for formwork. For cost and environmental resource saving purposes, The Group recycle and reuse plywood for different projects until they are not suitable for further use. The Group will then dispose of them as waste to specialized waste collectors.

In today's complex construction industry context, it is inevitable to use paper due to the nature of works, whereby The Group need to print drawings, details, etc., for site supervision purposes. In addition, daily hardcopies of documents need to be kept on site, such as daily toolbox meeting records, inspection forms, progress reports and claims, etc. The Company keeps a record of reams of papers used. For cost saving and environmental protection purposes, the Company has encouraged the employees to replace and reduce the use of paper by electronic means.

(iii) *Direct and Indirect Energy Consumption*

The Group relies on city electricity supply which is the only and direct source for general use in office and dormitory. The Group enjoys its constant source and reliable supply. In situations where city electricity supply is not readily available to construction sites, Internos will rely on diesel generators for power supply to meet operational needs. This operation mode is in line with common industry practice in Singapore.

<b>Resources consumed</b>	<b>Unit</b>	<b>2025</b>	<b>2024</b>
<b>Energy consumption</b>			
Purchased electricity consumed	kWh	229,196	265,789
Fuel consumed (Note 1)	kWh	106,626	776,748
Total energy consumption	kWh	335,822	1,042,537
Energy consumption intensity	kWh / no. of employees	341.98	1,110.26
Water consumption	M <sup>3</sup>	13,045	12,545
Water consumption intensity	M <sup>3</sup> / no. of employees	13.28	13.36
Packaging materials (Note 2)	Boxes	N/A	N/A
Packaging materials consumption intensity	Boxes / no. of employees	N/A	N/A

Note 1: The conversion factor used to convert data in other units to kWh is sourced from the Energy Statistics Manual issued by the International Energy Agency.

Note 2: Packaging materials consumption by the cleaning business is minimal. Therefore, no relevant figure is quantified.

Reduction target of resources consumption:

<b>Resources consumed</b>	<b>Reduction Target</b>	<b>Baseline Year</b>	<b>Status</b>
Energy consumption intensity	Reduce 5% by 2029	2024	In Progress

### **A3: The Environment and Natural Resources**

Electricity and diesel, fresh water, paper and plywood are considered to be the key elements affecting natural resources. The Group and each construction project site manager have a clear recognition of this. In conjunction with the measures to reduce, reuse and recycle, the Group and each construction site managers are constantly on the alert to look for ways and means to accomplish the 3-R achievable goals. In addition, the Group and each construction project manager are clearly driven by the cost-saving incentive to reduce resource consumption.

All waste water from the construction sites is considered to have a negative impact (though the amount and nature are insignificant) on the environment. It is the policies and site requirements of Internos to ensure that all waste water is treated to meet the required discharge standard before discharge. The stringent government control and heavy penalty are another driving force for diligence in compliance by the Group and Internos. Other business of the Group does not produce waste water of significant impact to the environment in the operations. Waste water from offices is discharged into the building plumbing system and government drainage system. Indirect greenhouse gas of CO<sub>2</sub> and direct gases of CO<sub>2</sub>, SO<sub>x</sub>, NO<sub>x</sub> and PM emissions from diesel generators and trucks during operation are also considered to have an impact on the environment as far as all the Group operations are concerned. Reduction (especially for efficient and smart uses), reuse and recycling measures, where appropriate and practicable, are the main approaches which The Group would consider to implement in all companies' operations and integrate with the production goals and policies. The Group has complied with all the national and local environmental laws, rules and regulations, and industry standards during the Reporting Period.

### **RESPONDING TO CLIMATE CHANGE**

The Group recognises the importance of climate change and has been committed to enhancing its climate resilience, adhering to a sustainable development strategy, actively promoting low-carbon operations and green innovation, and continuously optimising resource utilisation and reducing its carbon footprint.

Climate change has increased the severity and frequency of global extreme weather events. In addition to the resulting increase in physical risks, governments worldwide have strengthened climate regulatory measures and promoted technological innovation to address the challenges. The Group faces transition risks brought about by the adjustment process to a low-carbon economy, such as policy shifts, market trends, and technology development, which may not only cause asset value fluctuations but also impact the supply chain, operational efficiency, and market demand, thereby affecting the enterprise's overall operating and financial conditions. Although climate change poses risks to enterprise operations, development opportunities also exist. The Group will create long-term value for the enterprise and achieve sustainable development by optimising its climate change measures and adjusting operational strategies.

The Group focuses on the opportunities and challenges brought by climate change to the enterprise and will continue to disclose climate-related information. Based on the disclosure frameworks of Task Force on Climate-related Financial Disclosures (“TCFD”) and the International Sustainability Standards Board (“ISSB”), the Group has established a climate change management system covering four aspects: governance, strategy, risk management, and metrics and targets, and has integrated climate change response policies and measures into daily operations.

## **Governance**

The Group views responding to climate change as an essential element of sustainable development. To strengthen the governance of climate change issues, the Group continues to enhance its ESG governance framework, establishing a three-tier governance structure of supervision, management and execution. This structure incorporates climate change-related matters into the operations and responsibilities of all departments within the Group. Under the Board’s supervision and Management Team’s leadership, an efficient corporate culture is established to manage climate-related risks and grasp relevant opportunities.

The Board and Management Team possess sufficient knowledge of climate-related risks to address the impact of climate change on the Group, and will continuously enhance the awareness of ESG responsible staff regarding climate change and risk contingency plans.

The Board is responsible for overseeing climate-related strategies, targets, and material issues, as well as climate-related risks and opportunities. Under the Board's supervision, Management Team is responsible for identifying, assessing, and managing climate-related risks and opportunities, continuously tracking the implementation progress of metrics and targets, and reporting regularly to the Board to assist it in monitoring significant climate-related risks and material climate change matters.

## **Strategy**

Based on its business types and operations, combined with industry development directions and stakeholder concerns, the Group conducts risk identification and analysis from multiple perspectives, and studies relevant response strategies to mitigate the short, medium and long-term adverse impacts of climate change on business and finance. The potential risks posed by climate change can be divided into physical risks and transition risks. Extreme weather poses acute and chronic physical risks; acute physical risks include typhoons and rainstorms and floods while chronic physical risks include global warming and changes in rainfall patterns. Transition risks are primarily caused by changes in policy and legal and technology risks.

## Potential impacts of physical risks on the Group and mitigation measures

Risk category	Description of risk	The potential business/ financial impact of relevant risk	Time horizon	Mitigation measures
Typhoon	Infrastructure and facilities damaged by typhoons	<ul style="list-style-type: none"> <li>• Typhoons may damage infrastructure, cause interruptions to product delivery or services, and incur additional equipment maintenance and replacement costs, as well as endanger employee health and safety</li> <li>• If the frequency and severity of typhoons increase, it will lead to higher infrastructure and equipment maintenance costs, and certain production capacities may require time to restore</li> </ul>	Short, Medium, Long	<ul style="list-style-type: none"> <li>• Formulate extreme weather contingency plans and purchase insurance</li> <li>• Continuously monitor geographical and climate information, and improve typhoon early warning and contingency plans</li> </ul>

## Potential impacts of physical risks on the Group and mitigation measures

Risk category	Description of risk	The potential business/ financial impact of relevant risk	Time horizon	Mitigation measures
Rainstorms and floods	Overflow of rivers and streams, floods caused by extreme rainfall	<ul style="list-style-type: none"> <li>• Sustained rainstorms may bring disasters such as floods, causing damage to infrastructure and interrupting product delivery or services, thereby increasing operating costs</li> <li>• The probability of property and asset damage increases, leading to a decline in asset value</li> <li>• Increase in capital expenditure for installing flood control equipments</li> </ul>	Short, Medium, Long	<ul style="list-style-type: none"> <li>• Formulate extreme weather contingency plans and purchase insurance</li> <li>• Office and construction sites selection should avoid areas prone to rainstorms or river flooding</li> <li>• Continuously monitor geographical and climate information, improve contingency plans for rainstorms and floods, and strengthen emergency and safety drills, equipment and facility protection, and employee safety protection</li> </ul>

## Potential impacts of physical risks on the Group and mitigation measures

Risk category	Description of risk	The potential business/ financial impact of relevant risk	Time horizon	Mitigation measures
Global warming	Prolonged periods of high temperatures and high humidity	<ul style="list-style-type: none"> <li>• Sustained high temperatures will increase cooling demand, putting pressure on air conditioning in offices and construction sites. The failure rate of cooling equipment may rise, bringing additional maintenance and increased equipment expenditure costs</li> <li>• Reduced productivity led to increase labor costs</li> <li>• Increase health risks for employees</li> </ul>	Medium, Long	<ul style="list-style-type: none"> <li>• Formulate contingency plans for high-temperature weather, and equip with heatstroke prevention and sun protection equipment and medicines</li> <li>• Offices and construction sites can minimise operational interference by optimising cooling systems and improving ventilation facilities</li> </ul>
Changes in rainfall patterns	Long-term shifts in rainfall patterns caused by temperature changes	<ul style="list-style-type: none"> <li>• Fluctuations in water resources may require increased infrastructure spending to optimize water storage and efficiency, increasing capital expenditures</li> <li>• Increased operating costs to provide alternative water sources in areas with declining rainfall</li> </ul>	Medium, Long	<ul style="list-style-type: none"> <li>• Optimise water use efficiency in construction to reduce water waste</li> <li>• Explore water recovery and reuse technologies to maintain construction operations</li> </ul>

## Potential impacts of transition risks on the Group and mitigation measures

Risk category	Description of risk	The potential business/ financial impact of relevant risk	Time horizon	Mitigation measures
Policy and Legal	Stricter regulations on carbon emissions globally and regionally, and stricter regulations on energy efficiency	<ul style="list-style-type: none"> <li>• Increased demand to optimise operational efficiency to reduce resource consumption and material use</li> <li>• Increased capital expenditures to install more energy-efficient facilities and carry out green transformations to meet regulatory requirements</li> <li>• Increased litigation risks arising from failure to comply with stricter regulatory requirements</li> </ul>	Short, Medium, Long	<ul style="list-style-type: none"> <li>• Actively communicate with industry associations and regulatory bodies, and optimise operations to meet industry standards</li> <li>• Implement climate and environmental regulatory requirements, increase investment in energy conservation and carbon reduction, and promote the implementation of energy-saving projects</li> <li>• Continuously monitor changes in policies and regulations to ensure business activities comply with local laws and regulations</li> </ul>

## Potential impacts of transition risks on the Group and mitigation measures

Risk category	Description of risk	The potential business/ financial impact of relevant risk	Time horizon	Mitigation measures
Technology	Facing technological improvements for transitioning to low-carbon systems	<ul style="list-style-type: none"> <li>• Sustainable or automated technologies may lead to increased operating costs</li> <li>• Reducing carbon emissions requires introducing and applying green technologies, which requires significant resource investment in R&amp;D and promotion, with uncertain outcomes</li> <li>• Need to invest in more environmentally friendly production technologies and equipment, increasing capital expenditures, which may affect daily business operations during the transition process</li> </ul>	Short, Medium, Long	<ul style="list-style-type: none"> <li>• Increase R&amp;D and investment in low-carbon technologies, and collaborate with research institutions to jointly develop new technologies</li> <li>• Increase investment in sustainable materials, processes, and environmental technologies to meet consumer demand for environmentally friendly products</li> <li>• Regularly allocate and reserve budgets for production facilities, and phase transition to low-carbon technologies through energy-saving projects and plans based on cost-effectiveness</li> </ul>

## Opportunities brought by climate change to the enterprise

Opportunity category	Description of opportunities	Potential benefits of relevant opportunity on business and/or financial	Time horizon	Opportunity initiative management
Resource Efficiency	Environmentally friendly practices can streamline operations and reduce waste	<ul style="list-style-type: none"> <li>• Reducing energy consumption and waste disposal can save costs</li> <li>• Improving resource utilization and efficiency can generate higher profit margins</li> </ul>	Medium, Long	<ul style="list-style-type: none"> <li>• Leverage green operational concepts to minimise waste generation in operations and promote the recycling of resources</li> <li>• Invest in systems and equipment that reduce energy consumption and improve efficiency</li> </ul>
Energy Sources	Sources of low-emission energy	<ul style="list-style-type: none"> <li>• Transitioning to renewable and low-carbon energy to replace traditional fossil fuels can reduce energy expenditures and increase resilience to energy supply in the long-term</li> <li>• Clean energy is expected to have more policy support in the future and can avoid future carbon emission trading costs</li> </ul>	Medium, Long	<ul style="list-style-type: none"> <li>• Consider adopting clean energy to increase the proportion of renewable energy use, and reduce GHG emissions generated by construction sites and office operations</li> </ul>

## Risk Management

We continuously focus on the sustainable development of the enterprise, utilising scenario analysis to assess the risks and opportunities brought by climate change, enabling us to promptly identify issues and implement effective response measures. Climate scenario analysis is a forward-looking assessment method that helps enterprises identify potential climate risks and opportunities by simulating future evolutionary paths under different economic development models and energy use scenarios. This method provides a scientific basis for our decision-making, assists in formulating effective climate response plans, and enhances the enterprise's resilience to climate change. For physical risk assessment, we refer to the Intergovernmental Panel on Climate Change (“IPCC”) and select Representative Concentration Pathway (“RCP”) 2.6 and 8.5 as baseline scenarios. Under the RCP 2.6 scenario, it assumes that governments, industry chains, and all sectors of society can drive fundamental changes in production and consumption models through comprehensive measures such as legislative constraints and global carbon pricing, significantly reducing GHG emissions and ultimately limiting global temperature rise to within 1.5°C. Under the RCP 8.5 scenario, governments, industry chains, and relevant institutions fail to implement sufficient and effective policies and measures, leading to a continuous rise in GHG emissions, resulting in global average temperatures rising by over 4°C or more by 2100.

<b>Risk category</b>	<b>Description of risk</b>	<b>Climate scenario</b>	<b>Probability of occurrence</b>	<b>Impact severity</b>	<b>Impact duration</b>
Typhoon	Infrastructure and facilities damaged by typhoons	RCP2.6	Medium	Medium	Short, Medium, Long
		RCP8.5	High	Medium	Short, Medium, Long
Rainstorms and floods	Overflow of rivers and streams	RCP2.6	Medium	Medium	Short, Medium, Long
		RCP8.5	High	Medium-High	Short, Medium, Long
Global warming	Prolonged periods of high temperature	RCP2.6	Medium	Medium-High	Long
		RCP8.5	High	High	Long
Changes in Rainfall Patterns	Long-term shifts in rainfall patterns	RCP2.6	Medium	Medium	Long
		RCP8.5	High	Medium	Long

For transition risk assessment, we adopt the International Energy Agency (“IEA”)’s “Net Zero Emissions by 2050 Scenario” (“NZE 2050”) and the “Stated Policies Scenario” (“IEA SPS”) as the baseline analysis framework. The NZE 2050 scenario simulates a rapid decarbonization pathway adopted by the international community to achieve the 1.5°C control target, expecting the global energy system to reach net-zero emissions by 2050. The IEA SPS scenario considers only the impact of specific policies currently implemented or announced by governments, expecting the global average temperature rise to far exceed the 1.5°C control target.

<b>Risk category</b>	<b>Description of risk</b>	<b>Climate scenario</b>	<b>Probability of occurrence</b>	<b>Impact severity</b>	<b>Impact duration</b>
Policy and Legal	Regulations tending to be stricter	NZE 2050	High	Medium-High	Short, Medium
		IEA SPS	Medium	Low	Medium, Long
Technology	Technological improvements for transitioning to low-carbon systems	NZE 2050	Medium	Medium-High	Medium, Long
		IEA SPS	Medium	Medium	Medium, Long

The Group regularly identifies, analyses, assesses, and addresses climate-related risks that may affect business operations and financial performance, and conducts constant management and supervision to maintain resilience and sustainable development capabilities in response to climate change. To conduct more effective management targeting climate-related risks, we have established a mechanism for identifying and overseeing climate-related risks, forming a climate risk management process of “Identify risks - Assess impacts - Formulate strategies - Supervise and improve”.

<b>Risk procedures</b>	<b>Specific details</b>
Identify risks	<ul style="list-style-type: none"> <li>Identify physical and transition risks that may impact business operations and financial status by collecting and analyzing climate risk-related information, such as actual climate change conditions, updates to policies and regulations, and market trends</li> </ul>
Assess impacts	<ul style="list-style-type: none"> <li>Based on the concerns of internal and external stakeholders, combined with industry practices and own operational status, analyse the potential impact of various climate-related risks on key areas of business operations, and prioritise them to allocate resources more effectively and rationally</li> </ul>

Risk procedures	Specific details
Formulate strategies	<ul style="list-style-type: none"> <li>• Based on assessment results, formulate targeted response plans for different categories of risks, integrate corporate culture and business development to form climate response strategies. Incorporate climate risk management and response measures into daily operations, and rehearse response arrangements during disasters through simulated scenarios to ensure employees can respond effectively to emergencies</li> </ul>
Supervise and improve	<ul style="list-style-type: none"> <li>• Establish a dynamic monitoring mechanism to regularly review changes in climate risks and the execution of climate strategies to ensure the effective implementation of response measures</li> <li>• Regularly collect feedback and understand the regulatory requirements of operating locations, and continuously optimize risk management processes to enhance climate adaptability and resilience against climate change</li> </ul>

## Metrics and Targets

The Group has the strategic “Dual Carbon” target of achieving carbon peaking by 2030 and carbon neutrality by 2050. The Group realises that the key to long-term enterprise development lies in maintaining foresight and operational resilience while addressing climate change. We annually conduct comprehensive statistical analysis of GHG emissions and energy consumption to provide a scientific basis for green development, and consider our own business development and climate change trends to assess the risks and opportunities brought by climate change, thereby formulating short-term, medium-term and long-term carbon reduction strategies and targets.

The Group has actively launched energy conservation and emission reduction initiatives to reduce energy and resource consumption during office and operational processes, thereby reducing GHG emissions and waste generation. We continuously monitor various indicators related to climate risks, including direct GHG emissions (Scope 1), indirect GHG emissions (Scope 2), and other indirect GHG emissions (Scope 3), to provide actual data support for addressing climate change. The Group will continuously assess and monitor GHG emissions within its business value chain and optimise relevant data statistics and analysis to ensure compliance with regulatory and disclosure requirements

We have disclosed short-term, medium-term and long-term climate-related risks and opportunities. Regarding the amount and percentage of assets or business activities vulnerable to climate-related risks, as well as those aligned with climate-related opportunities, we do not currently have relevant quantitative data, but we will continue to refine our reporting content.

If regions globally continue to strengthen regulations on corporate carbon emissions, future carbon pricing or carbon taxes may increase indirect costs. We have not currently applied internal carbon pricing in decision-making, but we will continue to monitor changes in carbon pricing policies across operating regions. Furthermore, the Group has not offset emissions by purchasing carbon credits, but will continue to assess whether there is a need to purchase carbon credits in the future.

The Group has established a sound management remuneration system will consider linking sustainability metrics with management performance.

Based on business materiality and industry practices, the Group discloses relevant emissions, GHG emissions, and resource usage, but has not adopted industry-based metrics related to business models and activities as our quantitative metrics. Although our targets are not derived from cross-industry metrics and industry-based metrics, we will regularly review the effectiveness of our climate change response measures based on scientific data and update our response strategies, thereby continuously strengthening our resilience to climate change.

## **(B) SOCIAL AREAS AND ASPECTS**

### **B1: Employment**

The Group has established and implemented policies, standards and guidelines that emphasize the protection of labour welfare and compliance with national laws and standards. They cover, but are not limited to, appointment and termination, working hour and rest day, paid leave and statutory holiday, compensation and dismissal, health and general safety and other benefits and welfare. They are clearly stated in the Group's employee handbook (the "**Employee Handbook**") and can be summarised as follows:

- (i) The Employee Handbook contains the whole range of various national labour laws, guidelines, codes of practice and safety standards applicable to the Group's operations and business which are considered to have significant impact to the Group.
- (ii) Compliance of the statutory requirements is the minimum standard of the Group and to be observed at all levels.
- (iii) The Group ensures that policies and regulations covering a comprehensive range of employment protection and benefits are in place and being observed at all levels.
- (iv) The Group recognises that staff are an important asset to its success and sustainability and commits to providing fairness to all staff on recruitment, promotion, compensation and benefits; promoting a harmonious and respectful workplace.
- (v) All employments are entered into with proper and standardized contracts in writing between the respective staff and the Group. The human resources department is responsible for ensuring statutory obligations of the Group are fulfilled and complied with in a timely manner.
- (vi) To ensure a fair and rational human resources structure, the Group has established job qualifications and requirements specific to each job position in the construction site projects or within the Group. They are taken as criteria for recruitment, promotion and transfer. The recruitment and decision-making process involve both the relevant operational levels and the human resources department.

- (vii) In accordance with the requirements of the national laws of Singapore, the Group provides and maintains statutory benefits to all qualified staff, no matter whether they are introduced or otherwise, including but not limited to Central Provident Fund, medical and work injury insurance and compensation and statutory holidays.
- (viii) Employee remunerations are determined with reference to the prevailing market level and in line with the competency, qualification, skills and experience. Salary is paid to the employee bank account within the prescribed agreed period at the end of the wage period. In exceptional cases, salary will only be paid in cash to employees.
- (ix) The Group opens up opportunities for employees to move on in the vertical and horizontal career path. The composition of the Group's employees is normal and no anomalies in gender and age are found.

Distribution of work force classified by different categories as follows:

<b>Social Performance</b>	<b>Unit</b>	<b>2025</b>	<b>2024</b>
<b><u>By Gender</u></b>			
Male	Person	917 (93%)	875 (93%)
Female	Person	65 (7%)	64 (7%)
<b>Total</b>	<b>Person</b>	<b>982 (100%)</b>	<b>939 (100%)</b>
<b><u>By Employment Type</u></b>			
Full time	Person	982 (100%)	939 (100%)
<b>Total</b>	<b>Person</b>	<b>982 (100%)</b>	<b>939 (100%)</b>
<b><u>By Age Group</u></b>			
Under 30 years old	Person	240 (24%)	307 (33%)
31 - 50 years old	Person	572 (58%)	482 (52%)
Over 50 years old	Person	170 (18%)	150 (15%)
<b>Total</b>	<b>Person</b>	<b>982 (100%)</b>	<b>939 (100%)</b>
<b><u>By Geographical Region</u></b>			
Singapore	Person	982 (100%)	939 (100%)
Hong Kong	Person	-	-
<b>Total</b>	<b>Person</b>	<b>982 (100%)</b>	<b>939 (100%)</b>
<b><u>By Employment Role</u></b>			
General Staff	Person	69 (7%)	171 (18%)
Operational Staff	Person	878 (90%)	736 (78%)
Managerial Staff	Person	35 (3%)	32 (4%)
<b>Total</b>	<b>Person</b>	<b>982 (100%)</b>	<b>939 (100%)</b>

For the 2025 Reporting Period, 99 of the Group’s employees left voluntarily for career development. A breakdown of the turnover rates by gender and age is stipulated below:

Employee turnover rate:	2025	2024
<b><u>By Gender</u></b> <i>(Note 1)</i>		
Male	10.25%	25.60%
Female	7.69%	12.50%
<b><u>By Age Group</u></b> <i>(Note 1)</i>		
Under 30 years old	14.58%	36.81%
31 - 50 years old	8.92%	21.37%
Over 50 years old	7.65%	-
<b><u>By Geographical Region</u></b> <i>(Note 1)</i>		
Singapore	10.08%	24.71%

Note 1: The employee turnover rate is calculated based on the number of employees who left employment in specified category during the Reporting Period divided by total number of employees as at the end of the financial year in specified category.

#### *Compliance with relevant laws and regulations*

The Group being a reputable and honest employer with full integrity maintains a policy of strict compliance with all employment laws and requirements. The human resources department is responsible for this compliance through its recruitment process at the source and ensure that all established benefits, welfare and employment terms are carried out correctly and fairly. No breach of labour laws or labour disputes were recorded both internally and externally during the Reporting Period.

#### **B2 : Health and Safety**

The Group at all times provides a safe working environment to prevent staff and workers from injuries and accidents, and adopts an “employee-oriented” human resources policies which aim to provide a happy, harmonious, safe and healthy working environment to minimise the risk of any occupational hazards. Work safety rules and policies have been implemented, which are in all material aspects in compliance with all the relevant laws, rules and regulations relating to safety and health requirements of Singapore and Hong Kong including the Work Safety and Health Act (“**WSHA**”) and Work Injury Compensation Act (“**WICA**”) (Cap 354) of Singapore, and Occupational Safety And Health Ordinance (“**OSHO**”) (Cap 509) and Employees Compensation Ordinance (“**ECO**”) (Chapter 282 of the Laws of Hong Kong) of Hong Kong. The Group has assigned safety officers to regularly inspect and to alert employees to take precautionary measures to ensure that the workplace is safe.

In accordance and in compliance with the statutory requirements of Singapore, the Group has maintained group hospitalisation, surgical and outpatient policies for all the internal employees and outsourced employees employed by the Group in Singapore as stipulated by the Ministry of Manpower of Singapore. In Hong Kong, the Group maintains employee compensation insurance that includes work injury for the employees in Hong Kong under regulatory requirements. These policies and insurance compensation cover all qualified employees to protect the safety and health against occupational hazards, accidents and sickness.

The Employee Handbook sets out general safety policies and procedures. Operation manuals for the respective plants and production operations contain safety rules and regulations for safe operations. All employees are required to strictly observe the health and safety policies, instructions and guidance and to follow the same at work and to place safety as the priority over production. Managers and supervisors are responsible for enforcing the safety policies, rules and practices.

The Group has also equipped the offices and sites with adequate equipment and facilities to ensure safety and convenience to the staff and workers.

#### *Compliance with relevant laws and regulations*

Compliance with the relevant statutory provision of the law is the topmost priority in the business goals. The Group has provided necessary insurance for all qualified employees, foreign or local staff in accordance with the statutory requirements.

For the past three years including the reporting year, the Group reported no serious work-related injuries or death incidents, and there were only a few minor work injuries which were unavoidable based on the nature and circumstances of the works. As there were only minor injuries, no lost days were reported during the Reporting Period. The Group is proud of its no death and low number of accidental work-related injuries which is the result of the strict on-site safety and health measures, practices and management.

The Group provides the construction sites with all the required safety equipment and facilities and has passed all the governmental safety inspections. In case of accidents, regardless of its nature of being minor or serious, employees are required to notify the superiors immediately in accordance with internal rules, who will take appropriate measures to ensure safety is not being compromised.

Internal rules require all injuries or accidents to be promptly reported and properly dealt with in accordance with the national laws. Parallel remedial or compensatory actions arising from safety and health issues or work injuries are required to be taken immediately where necessary as stipulated by the internal rules.

The Group did not have any record on any claim disputes regarding compensation or work-related injury investigation by the government officials in the Reporting Period.

## **B3 : Development and Training**

### **Employee Development and Training**

The Group recognizes the value and contribution of the employees and is committed to investing in staff training and development.

It is the policy of the Group to provide the required level of training in terms of skills and job knowledge, plant operation and production know-hows to employees, local or foreign, at various levels so that they are able to perform the job duties in a competent and capable manner without risk to the health and safety or damage to plants and operations.

Policies are in place for on-the-job training to ensure that tacit knowledge and skills are provided in a timely and appropriate manner to meet production and staff needs. Employees are encouraged to engage in self-development by taking external training programs and seminars. The Group may sponsor the cost, in part or as a whole, of such training programs.

For foreign workers, it is the policy of the Group to comply with the stipulated safety training requirements by attending recognized external training providers before employment and internal induction training and tool-box talks are mandatory for all site workers.

A training record detailing the types of programs offered and sponsored has been established and kept as a KPIs for the management to review regularly in response to improving the performance and efficiency of employees.

During the Reporting Period, Internos provided training courses to the existing and new employees across all levels for the purposes of improving the working skills and most importantly, the safety knowledge.

Below is the breakdown stating the percentages of employees trained during the Reporting Period by gender and operation role:

	<b>2025</b>	<b>2024</b>
<b>Percentage of employees trained</b> <i>(Note 1)</i>	46.64%	67.09%
<b>Percentage of employees trained by gender</b> <i>(Note 2)</i>		
Male	49.95%	71.77%
Female	-	3.13%
<b>Percentage of employees trained by employment category</b> <i>(Note 2)</i>		
Managerial staff	8.57%	31.25%
Operational staff	51.82%	82.74%
General staff	-	6.43%

Note 1: It is calculated by dividing the number of employees who took part in training by the number of employee as at the end of the financial year.

Note 2: It is calculated by dividing the number of employees trained in specified category by the total number of employees trained in specified category.

The average training hours per employee grouped by gender and employee category in the Year are as follows:

	<b>2025</b>	<b>2024</b>
<b>Average training hours per employee</b> <i>(Note 1)</i>	4.77	11.28
<b>Average training hours per employee by gender</b> <i>(Note 2)</i>		
Male	10.22	11.27
Female	-	12.00
<b>Average training hours per employee by employment category</b> <i>(Note 2)</i>		
Managerial staff	37.33	9.20
Operational staff	10.04	11.37
General staff	-	8.00

Note 1: It is calculated by dividing the total number of training hours by the total number of employees as at the end of the financial year.

Note 2: It is calculated by dividing the total number of training hours for specified category by the number of employees as at the end of the financial year in specified category.

#### **B4 : Labour Standards**

The Group adopts the national statutory standard as its minimum labour standard on labour protection and welfare. The Group is committed to ensuring its full compliance. In addition, the Group adopts a serious view and attaches great importance to the compliance of statutory duties and obligations as an employer.

The employment of child labour, illegal workers and forced labour is strictly prohibited through the recruitment and employment process. The Human Resources department has been solely authorized to perform this statutory duty and is being oversighted by the senior management with constant reviews regularly.

All job applicants are required to submit the credentials such as academic qualifications, professional skill certificates, references and identity card for verification and record purpose during recruitment.

During the Reporting Period, no case of any child labour or forced labour employment was reported or detected. For the coming year, The Group will continue maintain the zero tolerance to forced and child labour.

#### *Compliance with relevant laws and regulations*

The Group strictly adheres to the national laws on labour protection to ensure employee health, safety and welfare during the employment. The Group also pays wages and salaries, benefits, compensation payments and insurance on time within the prescribed period.

The Group has fulfilled all of its obligations towards staff and no disputes or litigations on labour matters were reported for the Reporting Period.

## **B5 : Supply Chain Management**

The Group has its purchase policies implemented on its ISO system and opens its purchase matters to all suppliers on a fair and equitable manner. All purchase transactions are open and transparent. They are subject to the scrutiny of internal supervisions at different levels depending on its contract value and significance and to the overall scrutiny of external independent audit.

The purchases in the usual course of business are concluded with reputable and reliable local suppliers as much as possible so as to reduce the carbon footprint.

All purchases of the construction projects in principle follow the established prevailing trade practices and industry norms by inviting a number of tenderers depending on the contract value, time and amount involved and other technical or time constraints. They are executed and documented in accordance with the internal rules which predominantly attach importance to its fit for purpose, safety and reliability. Many contract specifications ask for green materials or environmentally friendly provisions which The Group are obliged to comply. Other considerations are price competitiveness, availability and reputation of the suppliers.

Suppliers are chosen based on the continuous ability to guarantee satisfactory product quantity and quality, reasonable price and timely delivery, and new suppliers are required to provide relevant certifications/documents and track records.

The Group is well aware that quality and standard of the incoming construction materials are crucial and instrumental to the end product quality and the performance rating. The Group ensures that specification stipulation policy and verification procedures as stipulated by the contracts are closely followed and where necessary complemented by prevailing trade practices or third-party consultant advice. This policy and approach have been strictly applied where applicable in the procurement or tender process.

Incoming key construction materials include but not limited to plywood, timber, steel products (pipe, rod, wire, etc.), cement, machines, electric and hand tools, polythene sheet and poly foam, etc., are delivered on site and subject to the own quality assurance supervisory checks in addition to normal project management quality assurance. As far as the warranty and permit terms in project contracts allow, the Group may impose a condition in the procurement documents to reserve the right to inspect and examine raw materials before purchase or delivery.

During the Reporting Period, the Group purchased materials significant and crucial to its construction project 100% from domestic reputable suppliers with existing sources as far as practicable.

The Group does not foresee its source of supplies to be a potential threat to the construction project operations.

During the Year, the number of suppliers categorised by geographical regions are as follows:

<b>Social KPI</b>	<b>2025</b>	<b>2024</b>
Singapore	98	140
China	3	3
Indonesia	1	1
Malaysia	2	2

## **B6 : Product Responsibility**

### (i) Product Quality

The Group's end products are finished building or construction parts which are subject to stringent government control and independent consultant supervision and inspection during the planning, design and construction stages. Most of the risks regarding defaulted end products (whether on health and safety issues or deviation from specifications) are detected in a timely manner. Such risks are reasonably minimized by the existing industry checking practices and the internal supervision plans.

#### *Compliance with relevant laws and regulations*

The Group is committed to providing high quality end products as The Group realize that the quality and consistency of the products are critical to the ability to maintain the professionalism and to expand market shares. Great importance is attached to the safety standard of the products. Internos maintain close contact with the business peers in the trade to keep abreast of the latest building construction technology and knowledge.

To enhance safety and quality of the products and staff safety, the Group has acquired and obtained various certifications and recognitions in various areas like safety, quality management, and environmental management including ISO 9001-2015 Quality Management System, ISO 14001:2015 Environmental Management System and ISO 45001:2018 Occupational Health and Safety Management System. BizSAFE STAR Certificate recognizes that Group's Workplace Safety and Health Management System (WSHMS) identifies, manages and controls workplace risks or hazards in compliance with the Workplace Safety and Health (WSH) Act and international standards such as ISO 45001. Also, manuals, policies and procedures are in place to ensure that all customer complaints or concerns are addressed at the appropriate levels and in a timely manner.

Over the last 5 years the Group continuously received the following awards especially in relation to safety and quality from both private and public sector clients:

Samsung C & T Corporation:

- Best HSE Conscious Subcontractor Award

Penta Ocean/Bachy Soletance JV:

- 2 Million Hours LTI Free Celebration Award
- 3 Million Hours LTI Free Celebration Award

- 5 Million Hours LTI Free Celebration Award
- 9 Million Hours LTI Free Celebration Award in the Reporting Period

Land Transport Authority of Singapore:

- Subcontractor Safety Recognition

Lum Chang Building Contractors Pte Ltd:

- 300,000 Accident-free Manhours
- Best Subcontractor 2025

Obayashi Singapore Private Limited:

- Ehs Excellence Award

In order to ensure quality outcomes and to reduce any undesirable effect of any contract signed, and to achieve continual improvement, the managing director/general manager and department heads have to consider the external and internal issues and understand the needs and expectation of interest parties to determine the risks and opportunities to evaluate the potential impact on the conformity and quality of the products/services and design of the environmental system actively.

During the Reporting Period, the Group did not have quality claims nor complaints on the products and services which had an adverse impact to the business.

#### (ii) Intellectual Property Rights

Given the nature of the works, intellectual property rights are not a significant issue to the Group, nevertheless, the Group observes and respects all intellectual property rights by purchasing original computer software for usage in offices and work sites.

#### (iii) Privacy

The Group's construction contracting business does generate private, confidential and sensitive information of the principals and the projects such as design, costs and commercial terms of contracts. The Group also have confidential information on the business partners, sub-contractors and employees. These types of information are extremely sensitive and important, and pursuant to law, The Group have to cautiously keep and safeguard them.

### *Compliance with relevant laws and regulations*

The Group is fully aware of the obligation, and has taken measures to ensure safe keeping of the information. The leakage and loss of the information to outsiders come mainly from two sources – internal negligence and theft, and external theft through hacking of the information system. For the former, the Group has cautioned the employees not to access without approvals and/or to leak and to handle confidential information carefully. Legal actions will be taken on any violation. For the latter, to act against external theft, the Group has authorized the IT Department to continuously monitor, maintain and update hardware, software and security systems to prevent hacking attacks at any times. No privacy information leakage was reported during the Reporting Period.

### **B7 : Anti-corruption**

The Group is well aware of the importance of honesty, integrity and fairness in its operations and has in place an anti-corruption policy. Employees at all levels are constantly reminded in meetings and documents, such as the Employee Handbook, on corruption, conflict of interest and giving and taking of interests.

### *Compliance with relevant laws and regulations*

Staff are required to declare any conflicts of interest in the execution of the roles. Through formulating these rules and guidance, the Group encourages all employees to discharge the duties with integrity and comply with the relevant national anti-bribery laws and regulations.

Transactions in large monetary sums are processed through bank transactions which require authorized signatories and approval of the appropriate levels depending on the amount involved.

Check and balance systems are in place in the Group for money transaction activities and are considered effective and adequate. The report of the independent external auditor has no adverse comment on this aspect. Money laundering should not be the concern and there were no enquiries or concerns from the government or banking officials.

During the Reporting Period, the Group recorded no bribery, corruption charges or laundering enquiries.

### **B8 : Community Investment**

The Company fully understands the social obligations and the need for giving back to the society. The Company has and will continue to provide a large number of employment opportunities to the unskilled and semi-skilled workers of the Asian developing countries and provide training to them so that they can build a decent life thereafter. The Company has organized birthday parties, lunches and dinners frequently in appreciation and honour of the employees. Through the day-to-day contact with various government officials and industry leaders, the Company will continue to explore and examine what and how the Company can contribute more to the local community and society. The Company is committed to developing more community and society investment opportunities in the development plans.