



MEMIONTEC
Membrane Ionexchange Technology

(COMPANY REGISTRATION NO. 201305845W)

SUSTAINABLE SUPPLY WATER FOR LIFE



SUSTAINABILITY REPORT 2021

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This Sustainability Report has been prepared by Memiontec Holdings Ltd. (the "Company") and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst.

This Sustainability Report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Sustainability Report including the correctness of any of the statements or opinions made or reports contained in this Sustainability Report.

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SUSTAINABILITY REPORT

This is the first annual Sustainability Report for Memiontec Holdings Ltd. (the “Company” or “Memiontec”, together with its subsidiaries, the “Group”). This report details a yearly progress update of the Company’s commitments and performances on sustainability, with a focus on our material environmental, social and governance (“ESG”) topics. Combined with our Annual Report 2021 - Seizing Opportunities, the information in this report provides our stakeholders with a comprehensive view of the Company’s overall performance in the financial year ended 31 December 2021.

1. ABOUT MEMIONTEC

Memiontec’s vision is to be recognised globally as the leading one stop water technology total solutions provider for water management. Headquartered in Singapore, Memiontec has provided total solutions in water and wastewater treatment for over 20 years in Singapore, Indonesia and China. Using membrane, ion exchange, physical, chemical and biological processes and leveraging on our in-house design, engineering, fabrication and assembly capabilities, Memiontec develops compact, cost-effective, innovative and space-efficient water and wastewater treatment solutions for both municipalities and a wide variety of industries in Singapore, Indonesia and China.

1.1 OUR BUSINESS SEGMENTS

Memiontec has 4 main business segments harnessing opportunities across the entire water value chain, as follows:

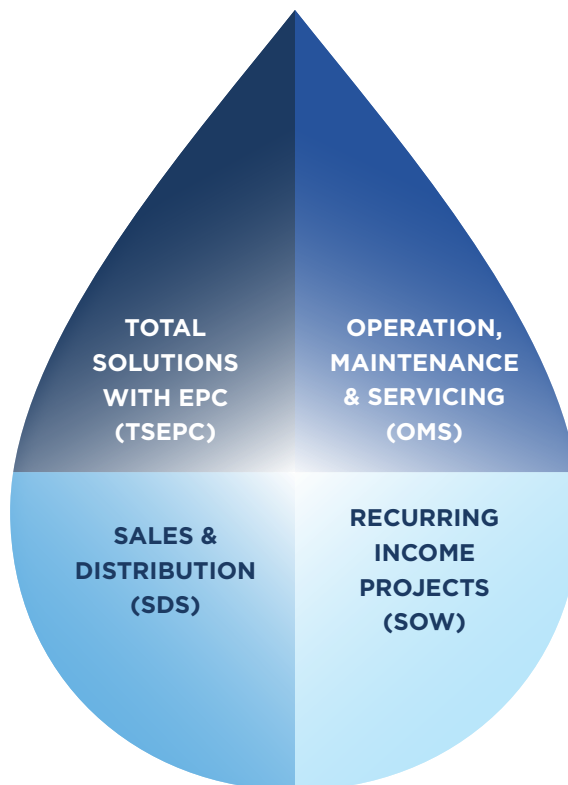
- Providing total solutions with engineering, procurement and construction (“TSEPC”) services for a wide variety of municipal and industrial applications;
- Offering a range of related services such as consultation, support, operations, maintenance and servicing (“OMS”) works in municipal and private sectors;
- Undertaking sales and distribution activities of systems and equipment (“SDS”); and
- Selling of water (“SOW”) as owner/co-owner of Build-Own-Operate-Transfer (“BOOT”) and Transfer-Own-Operate-Transfer (“TOOT”) projects for recurring income.

TSEPC of water treatment plants

- ✓ Water/wastewater treatment solutions
- ✓ Water recycling solution
- ✓ Seawater treatment and desalination solutions

SDS and Trading

- ✓ Modular water systems
- ✓ Water treatment equipment
- ✓ Chemicals and components



OMS of water treatment plants

- ✓ Ongoing services for water plants owned, built and existing PUB works
- ✓ Provision of technical support and consultation

SOW and Investments

- ✓ Owner/co-owner of BOOT/TOOT projects with long tenure water supply agreements
- ✓ Investment income from long-term services for concessionary projects

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1.2 OUR BUSINESS MODEL & SUSTAINABILITY

As a water company, sustainability has long been a core belief and commitment in our business. At Memiontec, we transform water with an end in mind for a better world and life.

As part of the value creation for our stakeholders and communities, we leverage on our core competencies to generate economic and social values by supporting municipals to develop water treatment plants to ensure water security around the regions. We also expanded into long-term investment in BOOT and TOOT projects to generate sustainable economic performance for our shareholders.

In the past, the technologies used in water treatment were conventional such as using a combination of coagulation, sedimentation, filtration and disinfection. With early adoption of membrane and ion-exchange as our technology and business offering, Memiontec has been active and staying ahead of the curve in promoting these technologies.

From present to the future, Memiontec is always at the forefront of these evolving trends as we continue to position ourselves to support national water supply agencies and the industries in various ways to embrace sustainability to achieve United Nation (“UN”) Sustainable Development Goals (“SDG”) for 6 Clean Water and Sanitation :

- Increase the sources of raw water;
- Participate in Public-Private-Partnerships (“PPPs”) to build more water infrastructure in emerging markets;
- Adopt newer technology to improve plant reliability and efficiencies in resource management and waste recycling;
- Implement digitalisation of water treatment process

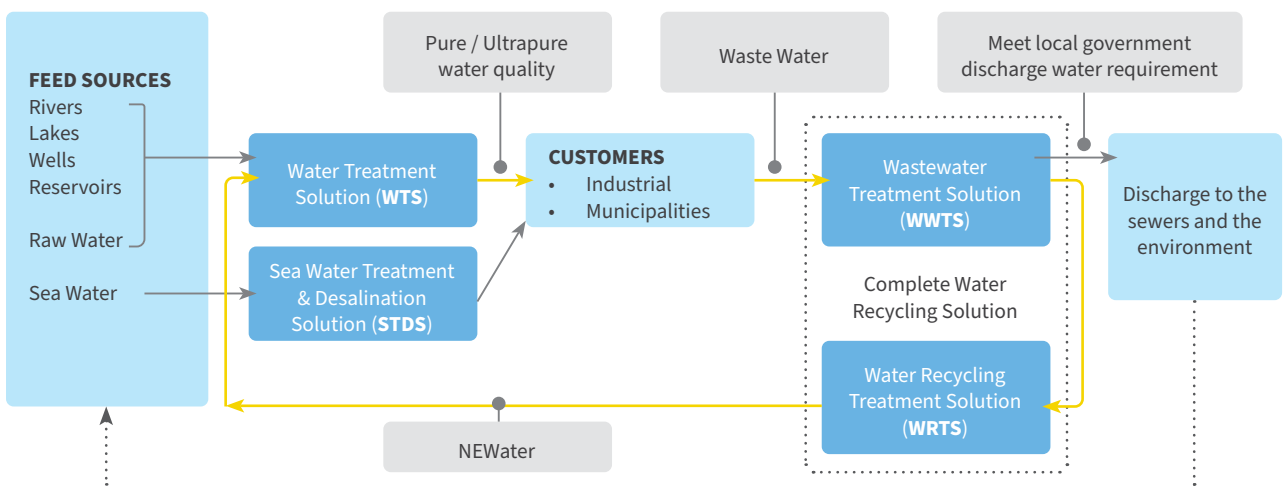
1.3 OUR VALUE CHAIN

Memiontec works extensively with various supply chain partners and downstream business partners.

Design and Engineering	Procurement	Build / Construction	Operations and Maintenance	Sales of Water
Tailored and customized solutions for our customers	Sourcing for high quality yet cost-effective materials and equipment	Effective execution of plant construction with adherence to safety	Regular maintenance and repair of plant to ensure smooth operations	Provision of safe and clean water for public and private uses

1.4 NEAR NET ZERO DISCHARGE

Being a one stop water technology total solutions provider, Memiontec came up with a Complete Water Recycling Solution. Water from feed sources such as rivers and reservoirs undergo our water treatment solutions (“WTS”) to supply safe and clean quality water customized to customer’s needs and requirement. Our Wastewater Treatment Solution (“WWTS”) is to treat municipalities and industrial wastewater to remove the contaminants and the treated effluent shall comply with the local governments’ requirement for lawful discharge. This effluent can be further treated through our tailored treatment solutions, Waste Recycling Treatment System (“WRTS”), to be used as an alternative source of raw water for recycling & reuse. The whole process repeats itself, thereby achieving near net zero discharge, hence reducing environment footprint and improve sustainability.



SUSTAINABILITY REPORT

2. SUSTAINABILITY REPORTING FRAMEWORK

Memiontec has prepared this report in accordance with the latest Global Reporting Initiative (“GRI”) Standards. We adopt the GRI Standards for sustainability reporting due to the framework’s international recognition and widespread use by organisations globally, as well as the broad range of ESG topics and stakeholders it covers. Using the GRI Standards allows us to articulate Memiontec’s material environmental and social impacts clearly. We have also adopted the Sustainability Accounting Standards Board (“SASB”) Standards, which offer industry-specific sustainability standards covering issues that are reasonably likely to be financially material. The SASB Standards for Engineering & Construction Services industry index can be found in Appendix D to this report.

This report is also prepared in accordance with Rules 711A and 711B of the Singapore Exchange Securities Trading Limited (“SGX”) Listing Manual Section B: Rules of Catalist (“Catalist Rules”) – Sustainability Reporting. In addition, we have integrated the UN SDGs into our reporting process to map our contributions to sustainable development.

2.1 Reporting Scope

- The report highlights Memiontec’s ESG performance from 1 January 2021 to 31 December 2021 (“FY2021”), covering the material ESG factors across the operations of the following key subsidiaries in the Group:

Key subsidiary	Country of operation
Memiontec Pte Ltd (“MPL”)	Singapore
PT Memiontec Indonesia (“PTMI”)	Indonesia
MIT Water Technology Chengdu Co. Ltd (“MITC”)	China

- On occasions where data is incomplete or unavailable, we have provided disclosure with supporting explanations and rationales where required.
- For comparison, we have included the historical data for financial year ended 31 December (“FY”) 2019 and 2020, unless stated otherwise. Our latest audited consolidated financial statements for FY2021 are available in Memiontec’s Annual Report 2021.

2.2 Reporting Principles

- The material ESG topics are identified through a materiality assessment process using the GRI Standards 2021, detailed in Section 4.5. By applying the GRI principles, we determined the material topics on which to report. Disclosures include policies, practices, performance, and targets for each of the identified material ESG factors.
- Report quality has been guided by the GRI principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability. Governance, environmental and social performance data is derived from our operations in Singapore, Indonesia and China, unless stated otherwise.
- All data presented in this report has been sourced from primary official records to ensure accuracy.
- We have used internationally accepted measurement units for all data to facilitate comparability.
- Financial figures are in Singapore dollars unless specified otherwise.

2.3 Exclusions

The ESG performances of other subsidiaries, joint ventures and operations of the Group have not been included in this report as they were considered not material due to insignificance of scale and operations. Performances of our suppliers and customers in our broad value chain are also excluded from this report as we do not have any operational control or access to their ESG data.

SUSTAINABILITY REPORT

2.4 Restatements

There was no restatement as this is Memiontec's first sustainability report.

2.5 External Assurance

We reviewed overall data collection process internally to ensure data quality and accuracy. We have not obtained external assurance for the sustainability information in this report.

2.6 Availability

This report is available for download as a PDF document on our corporate website at the URL www.memiontec.com as well as the SGX's website at the URL www.sgx.com/securities/company-announcements.

2.7 Feedback

We value and welcome all feedback from stakeholders as they are integral to the continuous improvement of our sustainability actions and reporting.

Questions or feedback on the content of this report can be sent to: irmr@memiontec.com.

3. BOARD STATEMENT

The board of directors of Memiontec (the "**Board**") upholds the highest standards of accountability and transparency. The Board, supported by the Senior Advisor to the Board and Chief Executive Officer of the Company, Audit Committee ("**AC**") and Sustainability Working Committee ("**SWC**"), considers sustainability issues in its corporate strategy and determines the material ESG factors and oversees the management of these factors. Sustainability factors have become increasingly important for Memiontec, as it aims to balance and optimize profitability, environmental protection, employee well-being, and the growth and prosperity of the communities in which it operates.

Our first sustainability report provides the information on how Memiontec identifies and manages its material ESG impacts, ultimately to create value for the Company's stakeholders. The Board has reviewed and endorsed this sustainability report.

At Memiontec, we firmly believe in transforming water for a better world and life. We are grateful to being part of building a sustainable future for the communities we serve. As a total solutions provider of water and wastewater treatment services, sustainability has long been intrinsic to our business where we endeavour to embed sustainability into our business strategy, risk management and governance processes. Beyond quality product and service delivery, our people and the Company are committed to transforming water vis-a-vis protecting the environment and enabling communities' greater access to safe and clean water through innovation and new technologies.

Climate change and its effects are accelerating in the recent years. As a result, the world's collective pursuit of low-carbon economy has increasingly become more prevalent and pronounced to mitigate the effect from climate change and global warming. Expectations from shareholders, regulators, financial institutions, investors and consumers on businesses' ESG performance has continued to grow in the recent years. We will continue to devote our time to strengthen the integration of sustainability components into our business by aligning our sustainability factors with organisational objectives.

Lastly, sustainability and value creation go hand in hand. In responding to the challenges of today and tomorrow, our approach to sustainability continues to evolve. The Board thanks its various stakeholders for being part of our sustainability journey towards responsible corporate citizenship and a sustainable future.

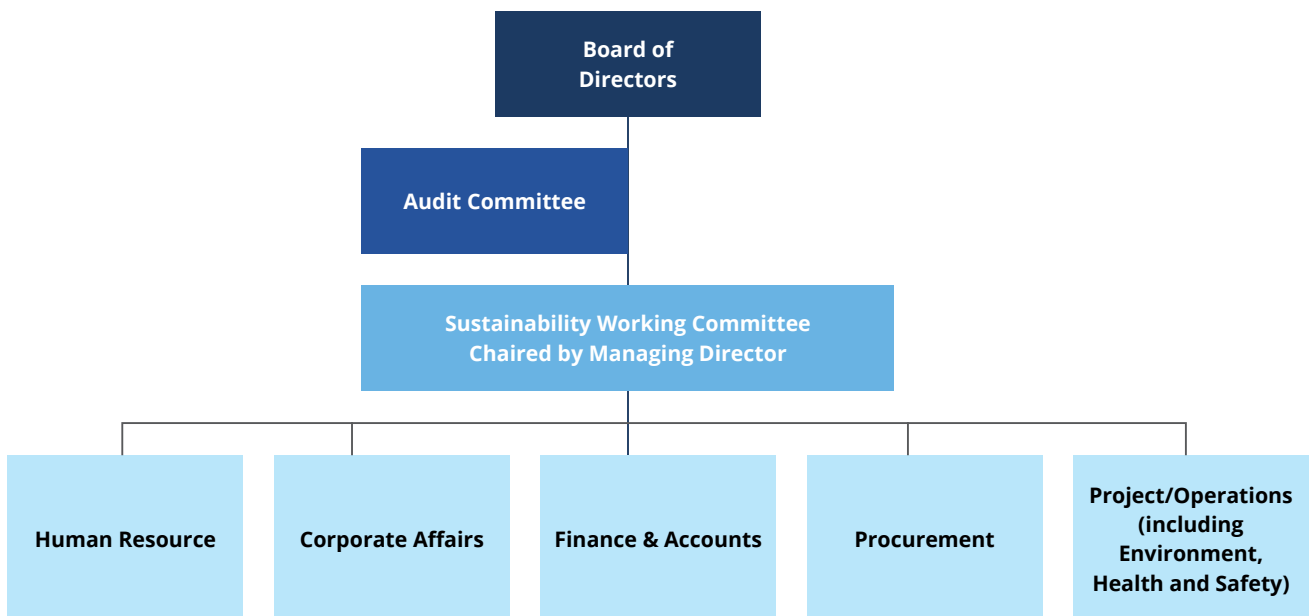
SUSTAINABILITY REPORT

4. OUR APPROACH

4.1 SUSTAINABILITY STRATEGY

Our sustainability strategy is in line with our core focus of our operations. It is to deliver safe and cost-effective solutions to our customers, whilst protecting the environment. We strive to keep up with various relevant developments and innovations in the water industry whilst creating value across our material ESG Topics. We do so by understanding our stakeholders’ expectations and being committed to upholding good corporate governance, reducing our negative environmental impacts and enhancing our positive impacts on the economy and our stakeholders.

4.2 SUSTAINABILITY GOVERNANCE



Our Board, together with the Senior Advisor to the Board, provides strategic oversight and direction for identifying, managing, and implementing material ESG factors, and considers ESG factors in the formulation of business strategy. The Board is responsible to review and approve the annual sustainability report of the Company. To keep abreast of the latest sustainable development trends and updates, all Board members have attended courses and training on ESG as at the time this report is published.

The SWC, chaired by the Managing Director of the Group and supported by the head of various departments as listed above, is responsible for ensuring that ESG factors and impacts are monitored and properly managed on an ongoing basis. SWC develops, manages, implements and monitors ESG strategy under the Board’s supervision to address material sustainability risks and opportunities to create value for all stakeholders.

Comprising representatives from various functions and departments across the Company, SWC provides regular updates to the Board about the performance against established indicators and targets under material topics. SWC oversees the preparation of sustainability reports.

The AC assesses the Group’s internal controls to ensure the accuracy and reliability of the sustainability information disclosed and evaluates the approaches towards metrics setting and ESG disclosure for sustainability reporting.

SUSTAINABILITY REPORT

4.3 SUSTAINABILITY RISKS AND OPPORTUNITIES

We have put in place enterprise risk management and internal control systems, including financial, operational, compliance and information technology controls, which are detailed in formal instructions, standard operating procedures and financial authority limits policies. To manage our exposure to risks that are associated with the conduct of the business, we have put in place an Enterprise Risk Management framework. Our Board and senior management regularly review the risks, industry trends and regulatory updates. Together with our materiality assessment following the GRI Standards, our listed key risks and challenges help us identify our key material topics on an ongoing basis.

Topics	Risks and Challenges	Opportunities
Innovations and technologies	To continuously keep up with various relevant developments and innovations in the water industry, and to meet ESG best practices	<ul style="list-style-type: none"> To build propriety know-hows such as remote monitoring, automation, to smart metering to drive both cost and operational efficiencies, which ultimately helps us to reduce our environmental impacts To adopt newer technology that consumes lesser energy & chemicals and generate less waste, leading to reduction of carbon footprint
Compliance with applicable laws and regulations pertaining to occupational health and safety, and the environment	To keep abreast and to ensure full compliance of the new laws and regulations applicable to the Company and the Group	<ul style="list-style-type: none"> To comply with applicable Quality, Environment, Health and Safety (“QEHS”) standards, legal and other requirements To continuously improve QEHS performance through monitoring and reviewing of the set objectives and targets
Climate change	To understand the policy, legal, and market changes in response to climate change	<ul style="list-style-type: none"> To start disclosing our sustainability strategies, targets and performances with our stakeholders Changing customers’ expectations and demands for more sustainable services and solutions To develop policies and procedures to reduce greenhouse gas emissions To provide communities a greater access to safe and clean water in line with the SDG 6 “Clean water and sanitation for all”
Talent management, including diversity consideration	To attract and retain experienced talent under the tight supply of engineers	<ul style="list-style-type: none"> To attract, retain and grow professionals who are passionate and share the same values and enthusiasm in growing the business To make more efforts to groom and train more young people into the business at the start of their careers through fair employment practices To create an inclusive culture in workplace that considers gender diversity to encourage positive outcomes

SUSTAINABILITY REPORT

4.4 STAKEHOLDER ENGAGEMENT

Our stakeholders comprise of individuals or groups who are affected by Memiontec’s activities or those who have the potential to impact or influence our performance. Understanding their expectations and engaging them on an ongoing basis allow us to determine our strategic priorities, evaluate our approach towards the stakeholders and make informed decisions on ESG material topics.

With these purposes in mind, we conducted stakeholder mapping exercise to identify our key stakeholders across the company’s value chain. This process was based on GRI’s key concepts and the approach to stakeholder engagement. The internal stakeholders, including the senior management, provided their insights based on their experience of engaging respective stakeholders and their understanding of stakeholder expectations in arriving at the list. We seek to ensure meaningful engagement with stakeholders through a wide range of ongoing communication channels.

Stakeholders	Method of Engagement	Stakeholder’s Expectations	Our Responses
Employees	<ul style="list-style-type: none"> Annual performance appraisals Staff orientation Festive celebrations Teambuilding activities Training & Coaching Safety moments 	<ul style="list-style-type: none"> Benefits and rewards Work-life balance No gender biasness Personal growth, learning and development Occupational health and safety (“OHS”) 	<ul style="list-style-type: none"> Improved employee welfare and benefits Robust OHS systems Fair employment and equal opportunities for career progression Strengthening capabilities through training and development Growing digital readiness
Customers	<ul style="list-style-type: none"> Regular meetings On-going communication via various channels (calls / messages / emails) Project progress periodic meetings Customer satisfaction survey Tenders Corporate website 	<ul style="list-style-type: none"> Meeting contractual specifications (quality, time and performance) Delivering quality plants to help customers fulfil their ESG targets Meeting strict safety standards at work 	<ul style="list-style-type: none"> Minimum ‘satisfactory’ feedback for completed projects from customers on Building and Construction Authority (“BCA”) portal Project completion within budget and time Striving to receive zero negative feedback Targeting zero liquidated damages
Government Agencies / Regulators	<ul style="list-style-type: none"> Government websites Regulation updates via training and seminars Correspondences 	<ul style="list-style-type: none"> Good corporate governance Compliance with applicable laws and regulations Ethics and integrity Anti-corruption 	<ul style="list-style-type: none"> Full compliance with Catalist Rules for transparent reporting Independent whistle-blowing platform for reportable incidents Targeting zero corruption incident

SUSTAINABILITY REPORT

Stakeholders	Method of Engagement	Stakeholder's Expectations	Our Responses
Shareholders and Investors	<ul style="list-style-type: none"> Corporate roadshow General meetings Annual reports SGXnet portal Press release Corporate website Designated Investor Relations Emails 	<ul style="list-style-type: none"> Transparent reporting of the financial information Sustainable financial performance that meets expectations Financial returns such as return on investments and dividends 	<ul style="list-style-type: none"> Corporate updates through corporate presentation and roadshows Full compliance with Catalyst Rules for transparent reporting Dividend payout
Suppliers	<ul style="list-style-type: none"> Regular meetings Project progress periodic meetings with key subcontractors Site visits Supplier evaluation Tenders Corporate website 	<ul style="list-style-type: none"> Smooth communication, dealing and delivery throughout Fair competition Anti-corruption Adherence to agreement terms Meeting timely payment obligations 	<ul style="list-style-type: none"> Performance monitoring and improve efficiency throughout supply chain Compliance with code of conduct, fair competition and anti-corruption Performing periodic supplier evaluation & update Approved Vendor List
Communities / Public	<ul style="list-style-type: none"> Corporate website Internship opportunities Local employment 	<ul style="list-style-type: none"> No negative environmental and social impacts Job opportunities 	<ul style="list-style-type: none"> Fair employment Compliance with health and safety, environment regulations Internship offers to students
Banks / Financiers	<ul style="list-style-type: none"> Corporate roadshow Regular meetings Annual reports SGXNet portal 	<ul style="list-style-type: none"> Transparent and truthful financial information Compliance with bank covenants Repayment obligations 	<ul style="list-style-type: none"> Compliance with bank covenants Meet repayment obligations
Business partners	<ul style="list-style-type: none"> Strategic business planning meetings with joint venture partners 	<ul style="list-style-type: none"> Plant operation management Financial management Marketing Strategy and Plan 	<ul style="list-style-type: none"> Improve business and investment performance Forge long-term bond

SUSTAINABILITY REPORT

4.5 MATERIALITY ASSESSMENT

Our materiality assessment has been conducted based on GRI’s guidance on the process to determine material topics, including understanding the organisation’s context, identifying actual and potential, negative and positive impacts on the economy, environment, and people, and assessing significance of these impacts. The internal stakeholders, including the senior management, provided their views and insights which informed the identification and assessment of the impacts. Subsequently, most significant impacts have been prioritised. All identified material topics have been reviewed and validated by our consultants.

Step 1	Step 2	Step 3	Step 4
Understand the organization’s context	Identify actual and potential impacts	Assess the significance of the impacts	Prioritize the most significant impacts for reporting

The assessment also took into consideration the GRI Reporting Principles, GRI topic-specific standards, and UN SDGs. The table below provides the list of material topics determined.

MATERIAL TOPICS		
Material Topics	Management Approach	Our Targets
ECONOMIC		
Economic Performance	<ul style="list-style-type: none"> To create economic value to our stakeholders sustainably 	<ul style="list-style-type: none"> To achieve budgeted net profits
Indirect Economic Impacts	<ul style="list-style-type: none"> To maximise our positive impact in the community through our projects, by providing access to safe and clean water and treating wastewater 	<ul style="list-style-type: none"> To execute or complete at least 3 TSEPC projects at municipal and industrial sectors
Procurement Practices	<ul style="list-style-type: none"> To contribute positively to the local economy To have in place a Supplier Code of Conduct 	<ul style="list-style-type: none"> To achieve at least 50% of procurement from local suppliers
ENVIRONMENT		
Greenhouse Gas Emissions	<ul style="list-style-type: none"> To reduce our carbon intensity through internationally recognised environmental management standards To have in place an Environmental and Climate Change Policy To have in place a QEHS Management System and Policy 	<ul style="list-style-type: none"> To keep GHG emissions intensity within 0.55 KgCO₂ per labour hour
Energy	<ul style="list-style-type: none"> To conserve energy through various energy saving initiatives To have in place an Environmental and Climate Change Policy To have in place a QEHS Management System and Policy 	<ul style="list-style-type: none"> To keep energy consumption intensity within 7.0 MJ per labour hour

SUSTAINABILITY REPORT

MATERIAL TOPICS		
Material Topics	Management Approach	Our Targets
Water and Effluents	<ul style="list-style-type: none"> To promote water conservation through continued communication and engagement with our stakeholders To have in place an Environmental and Climate Change Policy To have in place a QEHS Management System and Policy 	<ul style="list-style-type: none"> To keep water withdrawal within 2.50 ML
SOCIAL		
Employment	<ul style="list-style-type: none"> To attract and retain employees through merit-based and fair employment practices To have in place a Group Diversity and Inclusion Policy 	<ul style="list-style-type: none"> To achieve less than 35% turnover rate
Occupational Health and Safety	<ul style="list-style-type: none"> To provide a safe working environment To eliminate hazards and reduce occupational health and safety risks To prevent ill health and injury at workplace To have in place a QEHS Management System and Policy 	<ul style="list-style-type: none"> To maintain zero fatalities
Training and Education	<ul style="list-style-type: none"> To provide training programmes based on the needs of the individual employees To have in place a Training Course Procedures 	<ul style="list-style-type: none"> Average training hours of 8 hours per employee
Non-discrimination	<ul style="list-style-type: none"> To recruit, promote, reward, and provide career advancement and development opportunities without discrimination To have in place a Human Rights Policy 	<ul style="list-style-type: none"> To maintain zero incidents of discrimination
Customer Health and Safety	<ul style="list-style-type: none"> To fully comply with product health and safety regulations and codes To have in place a QEHS Management System and Policy To have in place a Supplier Code of Conduct 	<ul style="list-style-type: none"> To maintain zero incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of our products and services

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MATERIAL TOPICS		
Material Topics	Management Approach	Our Targets
GOVERNANCE		
Anti-corruption	<ul style="list-style-type: none"> To uphold the highest standards of professional conduct and accountability To have in place a Group Anti-bribery and Corruption Policy To have in place a Code of Business Conduct and Ethics To have in place a Whistleblowing Policy and Procedure 	<ul style="list-style-type: none"> To maintain zero incidents and public cases concerning corruption
Diversity	<ul style="list-style-type: none"> To embrace diversity at workplace in line with Singapore's Tripartite Guidelines To achieve board diversity in line with regulatory requirement To have in place a Board Diversity Policy To have in place a Group Diversity and Inclusion Policy 	<ul style="list-style-type: none"> To maintain the percentage of female employees between 20% - 35% to achieve a more balanced workforce in the office-based job categories
Regulatory compliance	<ul style="list-style-type: none"> To comply with all applicable laws and regulations To have in place a Environmental and Climate Change Policy To have in place a QEHS Management System and Policy 	<ul style="list-style-type: none"> To maintain zero incidents of non-compliance

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4.6 UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Endorsed by all 193 United Nations Member States in 2015, the 2030 Agenda and its Sustainable Development Goals focus global efforts and attention on 17 pressing issues. The private sector can play a critical role in providing practical solutions that can contribute to solving these challenges while also generating new business opportunities. Memiontec is committed to this meaningful pursuit of sustainable development. We have integrated the SDGs into our sustainability strategy and reporting process to reflect our contribution to sustainable development.

Contributing to the UN Sustainable Development Goals	
Material ESG Topics	SDGs Supported
Indirect Economic Impacts	  
Procurement Practices	
GHG Emissions	    
Energy	   
Water and Effluents	
Employment	  
Occupational Health and Safety	  
Training and Education	   
Non-discrimination	 
Local Communities	  
Customer Health and Safety	
Anti-corruption	
Diversity	 

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5. GOVERNANCE

At Memiontec, we believe that good corporate governance and transparency form a foundation of the company’s long-term sustainability. Memiontec upholds the highest standards of professional conduct and accountability, and we align our standard of corporate conduct with the guidance of the Singapore Code of Corporate Governance 2018. We are guided by key policies and processes that are applicable and communicated to all employees. Please refer to our Corporate Governance Report set out in our Annual Report 2021 for more details.

5.1 Anti-corruption

We are committed to conducting our business with integrity and honesty. In line with our commitment to anti-corruption, we have established a number of relevant policies, which apply to our Board, Management, employees, suppliers and stakeholders across our operations.

Code of Business Conduct and Ethics	Our Code of Business Conduct and Ethics details employees’ responsibilities on proper practices concerning bribery and corruption issues and provides a guidance on a wide range of issues relating to legal compliance, fair dealing, equal opportunities, human rights, workplace health and safety, conflicts of interest and ethical behaviours.
Group Anti-bribery and Corruption Policy	Our Group Anti-bribery and Corruption Policy sets out anti-bribery compliance framework, management systems and standards. It requires strict compliance with all applicable national and international laws, including all anti-bribery laws, company regulations and ISO 37001 Anti-Bribery Standards.
Supplier Code of Conduct	Under our Supplier Code of Conduct, suppliers must ensure they do not engage in any form of corruption, bribery, facilitation payments or fraud. Memiontec also prohibits anyone from engaging in bribery and corruption on our behalf.
Whistle Blowing Policy	Our Whistle Blowing Policy provides a framework to promote responsible and secured whistleblowing without fear of adverse consequences. The policy sets out procedures for a whistle blower to make a report to the Company on misconduct or wrongdoing relating to the Company and its officers in confidence and in good faith, without fear of reprisal, discrimination or adverse consequences. All our employees including full-time, part-time and contract employees, and third parties such as suppliers, customers, contractors and other stakeholders, may use the procedures set out in the policy to report any concern or complaint regarding reportable incidents for whistle blowing.

We are pleased to report the following for FY2021:

- (i) there were no confirmed incidents and public legal cases related to corruption;
- (ii) no employees at Memiontec have been dismissed or disciplined for corruption;
- (iii) no contracts with business partners were terminated or not renewed due to violations related to corruption; and
- (iv) no whistle blowing reports were received.

Our target is to maintain zero track record for the aforementioned four points.

5.2 Regulatory Compliance

Memiontec strives to operate in full compliance with all applicable economic, social and environmental laws in all our operations. During FY2021, there were no significant incidents of significant fines or non-monetary sanctions for non-compliance with laws or regulations. Our target is to maintain zero significant incidents of significant fines or non-monetary sanctions for non-compliance with laws or regulations. More information on our commitment to environmental compliance and customer health and safety compliance can be found in section 7.4 and section 8.7 of this report respectively.

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6. ECONOMIC

Material Topics and SDG Goals

- Indirect Economic Impacts
- Procurement Practices



Material Topic	FY2021 Target	FY2021 Performance	FY2022 Target
Economic performance	To achieve budgeted net profits	Net profits below budget	To achieve higher than 2021 budgeted net profits
Indirect Economic Impacts	To execute or complete at least 3 TSEPC projects at municipal and industrial sectors	Target met – Completed 4 TSEPC projects at municipal and industrial sectors	To execute or complete at least 3 TSEPC projects at municipal and industrial sectors
Procurement Practices	To achieve at least 50% of spending on local suppliers	Target met – 66% spending on local suppliers	To achieve at least 50% of spending on local suppliers

6.1 Economic Performance

Good economic performance and continued value creation for our stakeholders are essential to our business. They are also primary concerns for our investors and shareholders. Detailed disclosure of our financial performance is provided in the financial section of our Annual Report 2021.

The following is a summary of the direct economic value generated and distributed in FY2021 in comparison with previous years.

	Financial Year (S\$m)				
	Economic performance indicators	Payment to	FY2019	FY2020	FY2021
1	Revenue (economic value generated)	N/A	29.3	34.6	45.6
2	Cost of goods sold ¹	Suppliers	21.9	26.2	35.2
3	Profit before income tax	N/A	0.6	2.1	1.7
4	Total operating expenses ²	Other suppliers	2.1	2.0	1.9
5	Employee wages and benefits	Employees	4.9	5.5	6.6
6	Tax expenses	Government	0.3	0.4	0.5
7	Finance costs	Bankers	0.1	0.1	0.1
8	Dividends declared to shareholders	Shareholders	0.3	0.4	0.5
9	Total economic value distributed	Items 2 and 4 - 8	29.6	34.6	44.8

1 Excluding employee wages and benefits recorded under cost of goods sold.

2 Excluding depreciation expense and employee wages and benefits recorded under general and administrative expenses.

SUSTAINABILITY REPORT

6.2 Indirect Economic Impacts

With rising water-related issues across Asia, we remain committed to our direct involvement in developing of water treatment infrastructure investments and services for municipals around the region. Beyond creating job opportunities for each project we deliver, we aim to maximise our positive impact through our main businesses, which ultimately help to provide safe and clean water to the community.

Our key municipal water projects that are carried out in Singapore and Indonesia in FY2021 are listed below and included in our Annual Report 2021:

	Singapore Water Projects	Indonesia Water Projects
Completed TSEPC	<ul style="list-style-type: none"> Tuas South Desalination Plant (replacement of membrane filtration system) Jurong Water Reclamation Plant (replacement of membrane and SCADA¹ for membrane bioreactor) Kranji NEWater Factory (replacement of microfiltration membranes) 	Mandalika Water Supply Plant
Ongoing TSEPC	<ul style="list-style-type: none"> Mandai Zoo - Penguin Exhibit (animal life support system) Jurong Island Sewage Treatment Plants (replacement of mechanical equipment) Deep Tunnel Sewerage System Phase 2 (odour control and air jumper facilities) 	<ul style="list-style-type: none"> Palembang City Sewerage Project Pekan Baru Water Supply System Makassar Wastewater Treatment Plant Jambi Wastewater Treatment Plant
On-going BOOT / TOOT	Not applicable	<ul style="list-style-type: none"> Hutan Kota Water Supply Plant (Jakarta) Pekan Baru Water Supply Plant (Pekan Baru) Waduk Pluit Water Supply Plant (Jakarta)
Positive ESG impacts enjoyed by our TSEPC clients	<ul style="list-style-type: none"> (a) Support customers in achieving UN SDG Goal 6 <i>Clean Water and Sanitation</i>. (b) Reduce customers' carbon footprint through the use of new water treatment technology to lower greenhouse emission. For example: <ul style="list-style-type: none"> Using water treatment equipment with lower energy or lesser chemical consumption to improve operational efficiency. Explore water treatment process to reduce the volume of sludge generated as a by-product of the treatment process Evaluate ways to recycle wastes, including treated effluence for discharge to environment 	

1 SCADA : Supervisory Control and Data Acquisition

SUSTAINABILITY REPORT

6.3 Procurement Practices

Our economic impact occurs across our value chain as we work with a number of suppliers and contractors. Suppliers are selected based on a set of evaluation criteria including price, quality, delivery track record and financial stability of the company.

In FY2021, 62% of procurement were from suppliers local to that operation. Our target is to achieve at least 50% of spending on local suppliers.

	FY2019	FY2020	FY2021
% from local suppliers	76	73	62

We engage our suppliers through various channels including regular meetings, project progress meetings, site visits, supplier evaluation and corporate website. Memiontec is committed to being a fair client and strives to address the suppliers’ expectations through adherence to agreement terms and timely payment. At the same time, we outline our expectations on quality and delivery of the suppliers’ products and monitor their performance to improve efficiency in work processes throughout our supply chain. All of our suppliers and contractors must adhere to our requirements regarding quality, environment and health and safety standards, as well as the principles of our Code of Business Conduct and Ethics. Under our Supplier Code of Conduct, we expect our suppliers to abide by the principles we uphold including anti-bribery and corruption, fair competition, conflict of interest, and private and intellectual property. Our expectations also include respect for all human rights, including labour rights, throughout their business activities, prevention and management of health and safety risks associated with the activities, products and services, and minimising their impact on the environment. In line with our commitment to embed sustainability along our value chain, we aim to formalise inclusion of a comprehensive set of social and environmental related criteria in vendor screening and evaluation process for key vendors from FY2023.

6.4 Product and Service Quality

Operating in Asia’s water industry for more than 20 years, ensuring excellent product and service quality is amongst our top priorities. We have obtained ISO9001 for our operations in Singapore and Indonesia to ensure our commitment to quality is embedded across our operations. We strive to meet contractual specifications on quality, time, and performance and help our customers fulfil their own environmental targets through high quality products and strict safety standards at each project site.

To meet these objectives, we have ongoing communication with our customers via regular meetings, emails, telephone calls and corporate website. We also obtain customer satisfaction feedback to evaluate our performances.

Our targets are to achieve minimum “satisfactory” feedback from the customers on BCA portal for completed projects and to maintain zero liquidated damages. In FY2021, 100% of our customers for key projects completed in Singapore expressed ‘satisfactory’ or above “satisfactory” through the BCA portal. There was also no substantial liquidated damage claim made by our customer in our TSEPC projects.

SUSTAINABILITY REPORT

7. ENVIRONMENT

Material Topics and SDG Goals

- GHG Emissions
- Energy
- Water and Effluents



Environmental sustainability has always been core to our business of providing both safe and clean water as well as greater access to it, and therefore serves as a guiding principle for our products and services.

Both our TSEPC and OMS operating companies, MPL and PTMI, are ISO14001 certified. This means that we have put in place various environmental operation control procedures, which set out clear directions to ensure proper control measures across these companies. These procedures cover a wide range of environmental topics such as air pollution, chemical handling, waste management, vector control, noise pollution, chemical spillage, and ozone depletion.

We also understand that making a difference begins with communicating our values with our stakeholders. At Memiontec, recycling is strongly advocated. This is done through continuous promotion of 3R: Reduce, Reuse and Recycle amongst our employees.

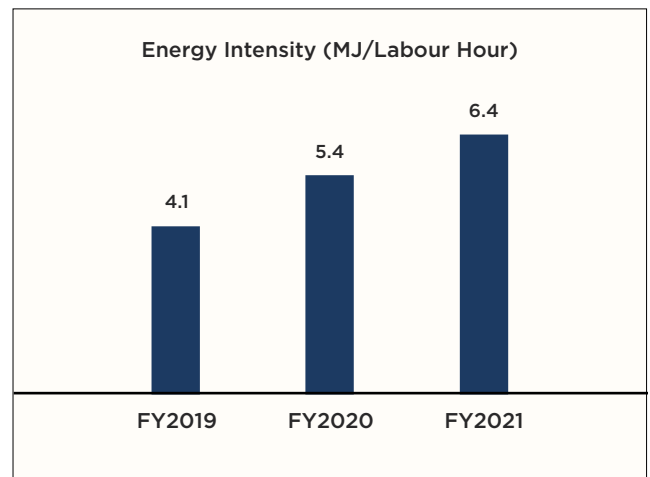
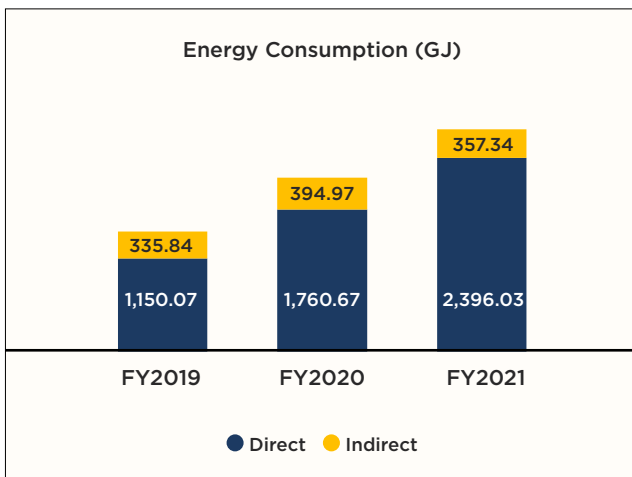
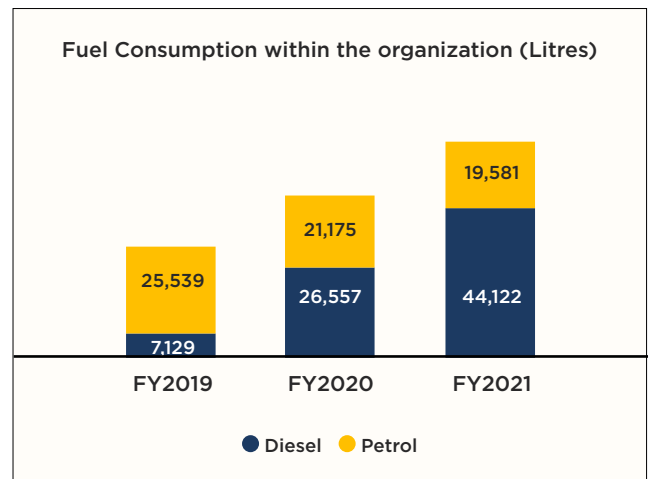
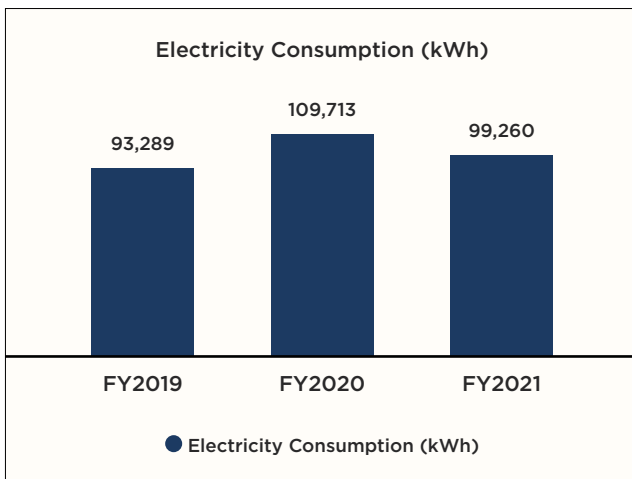
A general overview of our planned environmental targets are:

Material Topic		FY2021 Target	FY2021 Performance	FY2022 Target
Energy Consumption	Intensity (MJ per labour hour)	Below 7.0	6.4	Below 7.0
GHG Emissions	CO ₂ Intensity (kg per labour hour)	Below 0.55	0.51	Below 0.55
Water withdrawal	Withdrawal (ML)	Below 2.50	2.43	Below 2.50
Environmental compliance	Number of incidents	To maintain no incidents of environmental non-compliance	Target met – No incidents of non-compliance	To maintain zero incidents of environmental non-compliance

SUSTAINABILITY REPORT

7.1 Energy

In FY2021, our total electricity consumption was 99,260 kWh as compared with 109,713 kWh in the previous year. The total amount of diesel consumed was 44,122 litres, which represents the consumption from our company vehicles and generator set, while the total amount of petrol consumed was 19,581 litres from the company vehicles. As such, total energy consumption in our Singapore and Indonesia during FY2021 was 2,753.4 gigajoules (GJ). Energy intensity was 6.4 megajoules (MJ) per labour hour in FY2021 compared with 5.4 MJ per labour hour in FY2020, whereby labour hour does not include workers who are not employees but whose work and/or workplace is controlled by Memiontec. The increase in our energy consumption was due to a greater number of projects executed year on year. We evaluated various ways to improve our energy efficiency. For example, we explore turning to clean, renewable energy in 2022 by installing solar panels in some of our jointly-owned water treatment plants in Indonesia.



SUSTAINABILITY REPORT

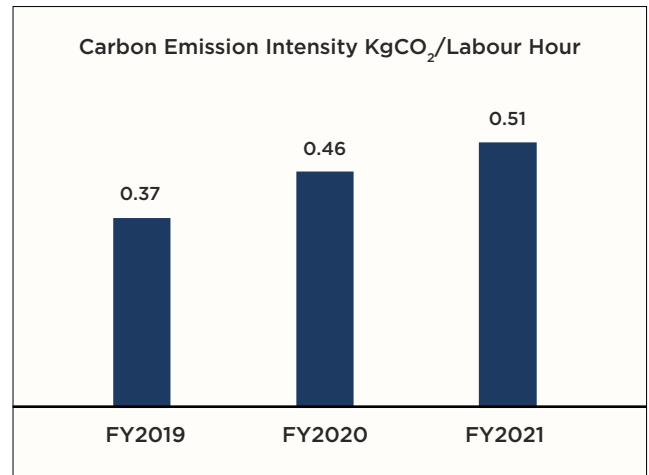
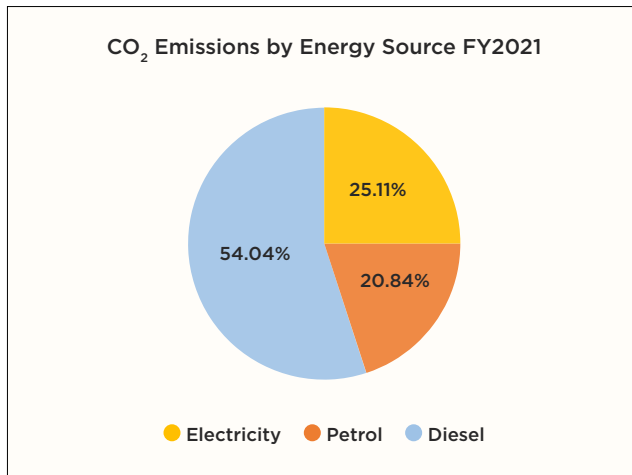
7.2 Emissions

Carbon emissions at Memiontec mainly come from our consumption of electricity and fuel consumption from motor vehicles and equipment. We use the globally recognised GHG Protocol guidelines to measure and disclose our carbon emissions, currently reporting Scope 1 and Scope 2² emissions that refer to fuel consumption and purchased electricity, respectively.

Carbon Emissions Summary ¹ (tCO ₂)			
	FY2019	FY2020	FY2021
Direct (Scope 1) GHG emissions			
Mobile Combustion	74.5	89.6	101.2
Stationary Combustion	3.9	30.5	62.2
Total Scope 1 GHG emissions	78.4	120.1	163.4
Energy indirect (Scope 2²) GHG emissions			
Purchased Electricity	55.0	64.0	54.8
Total Carbon Emissions	133.8	184.5	218.2

1 Data covers MPL and PTMI.

2 The GHG emission factors are from Energy Market Authority - Singapore Energy Statistics and Climate Transparency (2021 report - Indonesia).



7.3 Water

Our main usage of water is due to office and project site consumption, and the water is sourced from the local public utility. We continuously engage our stakeholders to advocate water conservation. Our water data are recorded from our subsidiaries in Singapore and Indonesia. During FY2021, our water withdrawal was 2.43 megalitre (ML).

	FY2019	FY2020	FY2021
Total (ML)	0.72	0.96	2.43

SUSTAINABILITY REPORT

7.4 Environmental compliance

Environmental compliance in water treatment development projects is regarded as very significant for ensuring sustainable development of a country. We are committed to comply with all applicable environmental laws and regulations. During FY2021, there were zero incidents of non-compliance with regulations concerning the environmental impacts across all our operations.

8. OUR PEOPLE

Material Topics and SDG Goals

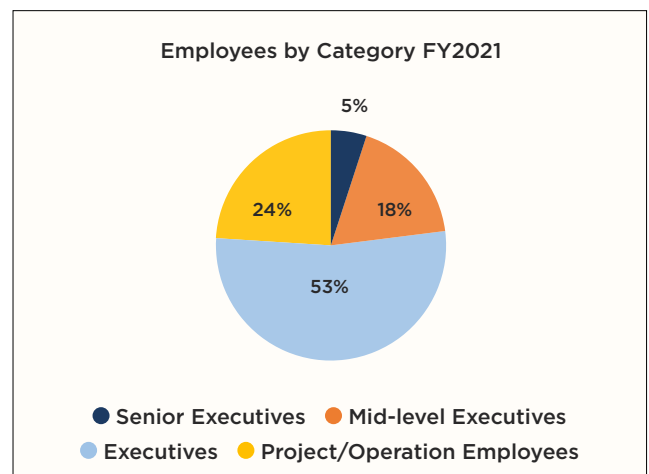
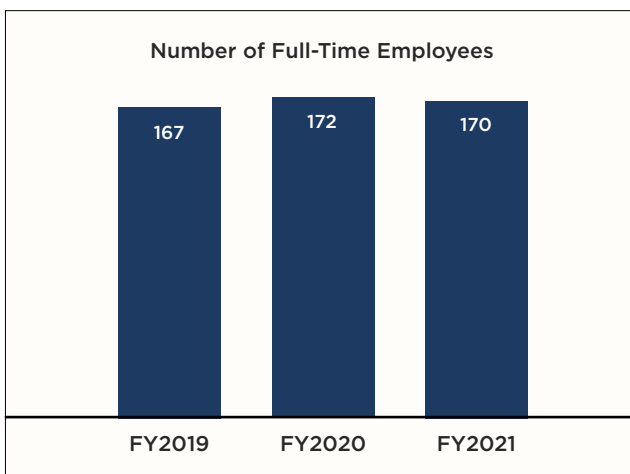
- Employment
- Occupational Health & Safety
- Training and education
- Non-discrimination



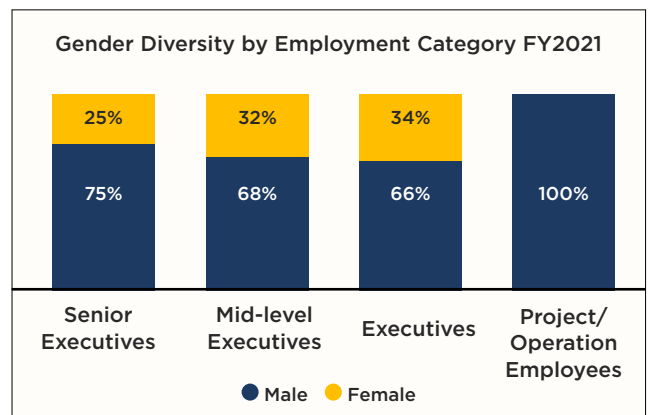
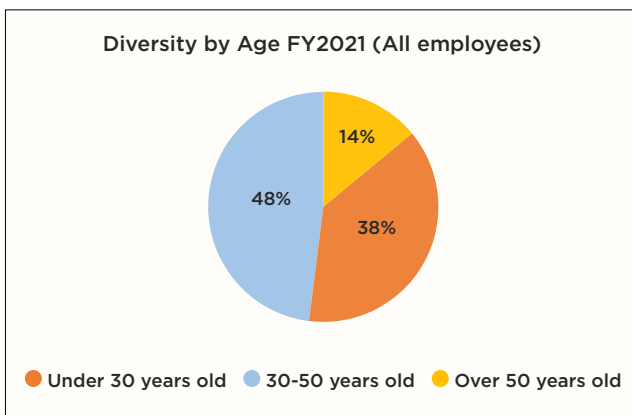
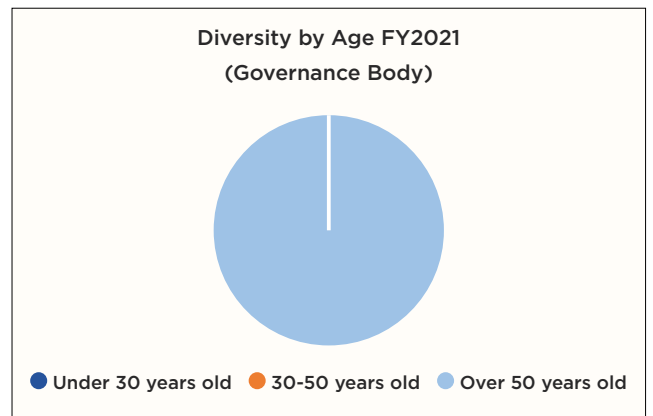
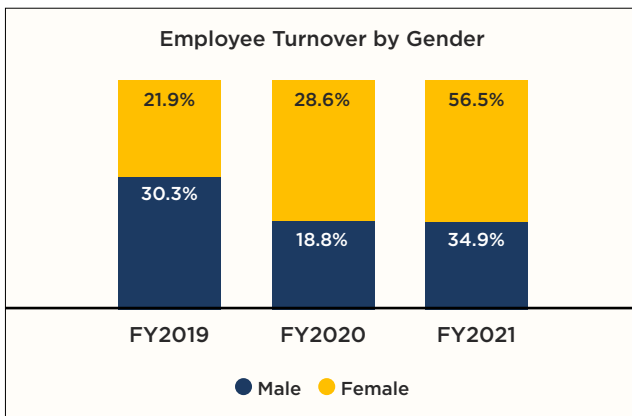
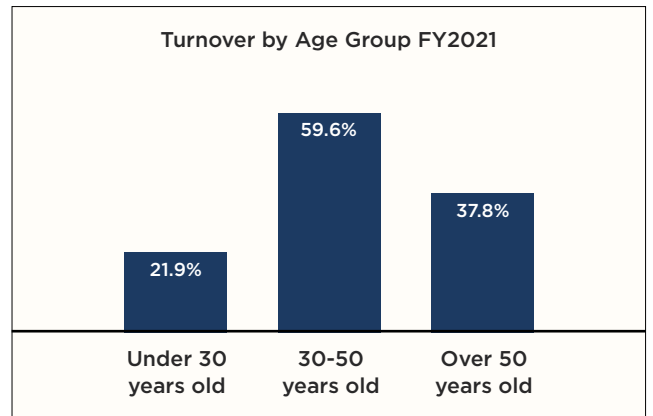
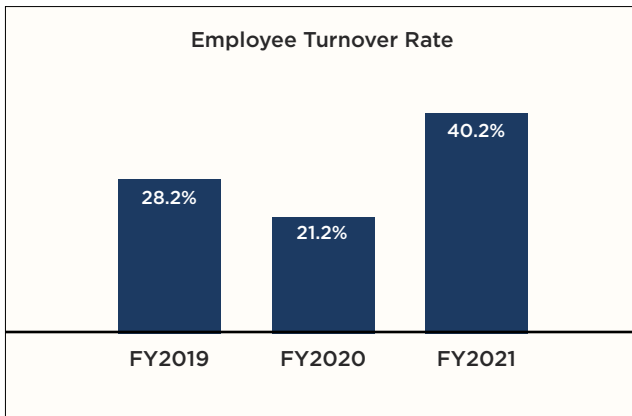
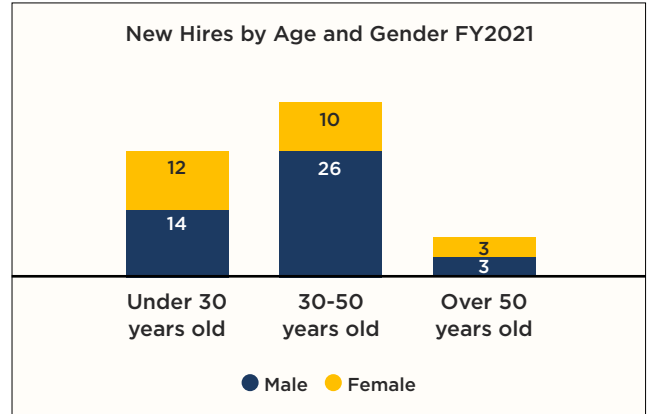
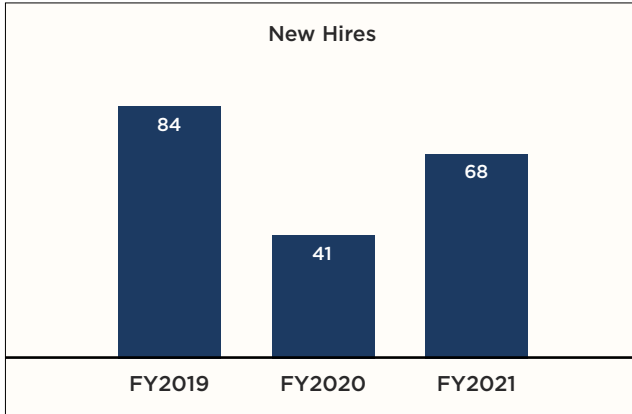
As at 31 December 2021, we employed a total of 171 employees, including full-time and part-time, across all our operations. There were 128 male employees and 43 female employees. There were 80 employees in Singapore, 79 employees in Indonesia and 12 employees in China respectively.

We respect our employees’ right to freedom of association and collective bargaining. During FY2021, we had no employees covered by collective bargaining agreements.

During the reporting period, there were outsourced workers, who were not our employees, but whose scope of work was controlled by Memiontec. They primarily performed tasks relating to installation works at our operations. We have not tracked the number of these outsourced workers and their occupational health and safety performance. We plan to measure and disclose the related data from our FY2023 report.



SUSTAINABILITY REPORT



SUSTAINABILITY REPORT

Our people are a core and critical part of our business. We endeavour to attract, retain, and inspire talent to grow with us and our business together. In addition to our search for professional managers, engineers, technicians (PMET) and executives who are experienced, we are also focused on seeking and training talented young professionals who are starting their career journey.

Our policy on human resource embraces diversity and emphasises on attracting and retaining employees through fair employment practices. It also promotes a safe and healthy working environment. The policy is translated into a wide range of initiatives, training programmes and benefits aimed at our employee's well-being.

Material Topic	FY2021 Target	FY2021 Performance	FY2022 Target
Employment	35% turnover rate	Target not met – 44% turnover rate	35% turnover rate
Non-discrimination	To maintain no incidents of discrimination	Target met – No incidents of discrimination	To maintain no incidents of discrimination
Women Empowerment and Gender Diversity	To maintain the percentage of female employees between 20% - 35% to achieve a more balanced workforce in the office-based job categories	Target met – Percentage of female employees : - Total global workforce – 25% - Senior management – 25% - Board – 17%	To maintain the percentage of female employees between 20% - 35% to achieve a more balanced workforce in the office-based job categories
Training and education	7 hours of training per employee	Target met – 7.5 hours of training per employee	8 hours of training per employee
Occupational Health and Safety	No fatalities	Target met – No fatalities	No fatalities
Customer Health and Safety	To maintain no incidents of non-compliance	Target met – No incidents of non-compliance	To maintain no incidents of non-compliance

8.1 Employment

The following tables provides an overview of our employment.

Our Employees in FY2021								
	Singapore		Indonesia		China		Total	
	Male	Female	Male	Female	Male	Female	Male	Female
(a) Full-time / Part-time Employment:								
- Full-time employees	59	20	64	15	5	7	128	42
- Part-time employees	0	1	0	0	0	0	0	1
Total	59	21	64	15	5	7	128	43
(b) Permanent / Temporary / Fixed Term:								
- Permanent employees	58	20	32	9	5	7	95	36
- Temporary employees	1	0	0	0	0	0	1	0
- Fixed-term contract employees	0	1	32	6	0	0	32	7
Total	59	21	64	15	5	7	128	43

SUSTAINABILITY REPORT

During FY2021, Memiontec hired 68 new employees across all our operations whilst 69 employees left employment. Our overall turnover rate increased from 21.2% in FY2020 to 40.2% in FY2021. Turnover rate in our operations in Singapore, Indonesia and China was 55.3%, 10.9% and 107.7% respectively. The high turnover rate is mainly attributable to the relocation of staff back to their families due to the COVID-19 pandemic. Our target for FY2022 is to achieve less than 35% turnover rate.

Total number and rate of new hires by gender¹

Year	Total number of new hires by gender		New hire rate by gender	
	Male	Female	Male	Female
FY2021	43	25	33.3%	56.8%
FY2020	29	12	22.8%	28.6%
FY2019	65	19	59.6%	52.1%

Total number and rate of new hires by age group¹

Year	Total number of new hires by age group			New hire rate by age group		
	Under 30	30-50	Over 50	Under 30	30-50	Over 50
FY2021	26	36	6	33.6%	47.7%	32.4%
FY2020	15	20	6	21.1%	25.3%	30.8%
FY2019	41	37	6	71.3%	52.9%	33.3%

Total number and rate of new hires and rate by country in FY2021¹

Country	Total number of new hires number by country	New hire rate by country
Singapore	37	43.5%
Indonesia	19	25.9%
China	12	92.3%

Total number and rate of turnover by gender¹

Year	Total number of turnovers by gender		Turnover rate by gender	
	Male	Female	Male	Female
FY2021	45	24	34.9%	56.5%
FY2020	24	12	18.8%	28.6%
FY2019	33	8	30.3%	21.9%

SUSTAINABILITY REPORT

Total number and rate of turnover by age group¹

Year	Total number of turnovers by age group			Turnover rate by age group		
	Under 30	30-50	Over 50	Under 30	30-50	Over 50
FY2021	17	45	7	21.9%	59.6%	37.8%
FY2020	11	18	7	15.5%	22.8%	35.9%
FY2019	18	21	2	31.3%	30.0%	11.1%

Total number and rate of turnover and rate by country in FY2021¹

Country	Total number of turnovers by country	Turnover rate by country
Singapore	47	55.3%
Indonesia	8	10.9%
China	14	107.7%

¹ Permanent employees

8.2 Non-discrimination

Our Human Rights Policy defines our responsibility to ensure the highest respect for human rights and the Company's expectations of our employees. We understand the importance of and impact of human rights on our businesses, the communities in which we operate, and society at large. Memiontec respects the spirit of the United Nations Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and United Nations Guiding Principles on Business and Human Rights. Forced labour, child labour, harassment and discrimination are strictly prohibited at all our operations. We have established formal grievance mechanisms. In case of any violation of human rights, we undertake remediation, in line with our grievance handling processes.

We recruit, promote, reward, and provide career advancement and development opportunities without discrimination on the basis of age, race, gender, sexual orientation, religion, family or marital status. No incidents of discrimination have been reported during FY2021 and we aim to maintain zero incidents of discrimination for FY2022.

8.3 Diversity and Equal Opportunities

We endorse Singapore's Tripartite Guidelines and embrace diversity at workplace and believe that our different backgrounds, skills and knowledge collectively bring value to the table. We recognise our responsibility to make sure all employees are treated with respect regardless of their age, gender, ethnicity, religion, disability, economic status and other backgrounds. Our Group Diversity and Inclusion Policy is reflected in our Employee Code of Conduct. Our employee orientation programme ensures that our policies and principles are communicated to all employees. Our Board Diversity Policy defines the Nominating Committee ("NC")'s considerations of several key factors, such as professional experiences, business perspectives, industry discipline, gender, age, educational background, geographical background, skills, knowledge and other distinguishing qualities of the individual, that are important and needed to support robust and good decision-making at the Board level.

SUSTAINABILITY REPORT

8.4 Women Empowerment and Gender Diversity

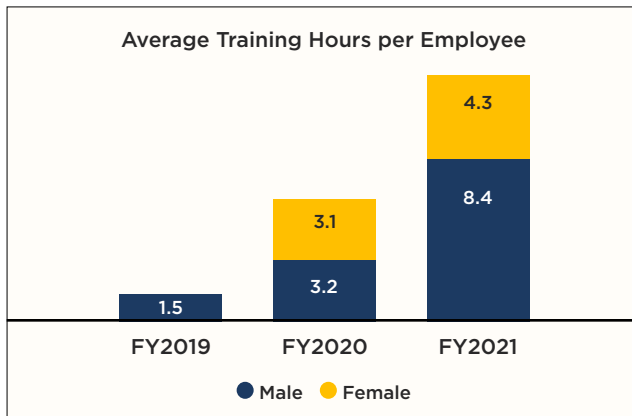
Excellence does not discriminate between genders and gender diversity is essential. Warranting fair representation of women in the workplace can have positive outcomes across the organisation (such as varied perspectives, improved collaboration, enhance productivity, etc).

As at 31 December 2021, female employees account for 25% of the total global workforce and 25% of the senior management consists of female employees. Our Board also consists of one (1) female member.

The ratio of female employees in the Group and our industry is relatively low due to the nature of our business. Excluding the project/operation category, we aim to maintain the percentage of female employees between 20% - 35% in the office-based job categories to achieve a more balanced workforce with a wider range of opinions. In FY2021, women employees made up 33% of total staff employed in office-based jobs.

8.5 Training and Education

We also provide training programmes on specific skill sets and needs of our employees. In FY2021, our employees in Singapore and Indonesia received a total of 1187.5 hours of training compared with 501 hours of training in the previous financial year. Average training hours per male and female employee in FY2021 were 8.4 and 4.3 hours per year respectively. During the same year, average training hours per senior executive, mid-level executive, executive and project/operation employee were 26.9, 4.0, 6.6 and 7.7 hours respectively. In FY2021, we provided average 7.5 hours of training per employee and covered a wide range of training topics covering health and safety, water treatment system and process. We aim to provide average training hours of 8 hours per employee in FY2022.



	Senior Executives	Mid-level Executives	Executives	Project/Operation Employees
FY2021	26.9	4.0	6.6	7.7
FY2020	0.0	2.9	0.1	9.4
FY2019	0.0	0.0	0.9	2.4

8.6 Occupational Health and Safety

With ISO45001 Occupational Health & Safety Management System in place, Memiontec has established a framework for accountability and responsiveness on occupational health and safety. Our Singapore operations also obtained bizSAFE STAR, which recognises that our OHS system identifies, manages and controls workplace risks or hazards in compliance with the Workplace Safety and Health Act and international standards such as ISO 45001.

In accordance with our QEHS Policy, we are committed to conduct our operations with consideration for employee health and safety, and the environment, as well as providing quality products and services to our customers. We ensure that documenting, implementing and maintaining the Occupational Health and Safety Management System meet the requirements of ISO 45001. At the same time, we strive to improvement our QEHS performance based on monitoring and review of set objectives and targets.

SUSTAINABILITY REPORT

Our commitment to health and safety is communicated to our stakeholders, including all the persons working for or on behalf of Memiontec. We provide training on QEHS awareness for all new employees and provide necessary occupational health and safety information, instructions and training to enable all colleagues in multiple languages to carry out their jobs competently and safely. Some of the training programmes on health and safety offered to our employees and outsourced workers during FY2021 includes:

- Manage Workplace Safety and Health in Construction Industry (Manager and Supervisor)
- Assess, Supervise and Perform Work in Confined Space Operation
- Managing Work-At-Height (Manager and Worker)
- Supervise Safe Lifting Operations (Supervisor, Rigger and Signalman)
- Operators in the workplace (Scissor Lift, Boom Lift, Forklift)
- Metal Scaffold Erection Course
- Apply Workplace Safety and Health in Process Plant

Our commitment to health and safety also extends to our customers and suppliers. We select competent contractors and monitor their performance to ensure related standards of occupational health and safety are met. We also communicate our commitment with people employed by contractors to make them aware of their individual occupational health and safety obligations. Suppliers are required to implement effective health and safety prevention and remediation policies and procedures which comply with industry, national and international standards as well as Memiontec’s health and safety requirements. This also includes taking reasonable steps to ensure all workers are protected against processes, substances and work methods which are unsafe.

Our health and safety performance indicators are provided below.

	FY2019	FY2020	FY2021
No of hours worked	359,784	401,136	431,824
Fatalities due to work-related injuries	0	0	0
Rate of fatalities due to work-related injuries	0	0	0
High-consequence (non-fatal) work-related injuries	0	0	0
Rate of high-consequence (non-fatal) work-related injuries	0	0	0
Recordable work-related injuries	1	0	1
Rate of recordable work-related injuries	0.56	0	0.46

Notes:

- (a) Data covers our key operations in Singapore and Indonesia based on 200,000 hours worked.
- (b) High-consequence work-related injury refers to those injury that results in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months.
- (c) Recordable work-related injury refers to death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness, or significant injury diagnosed by a licensed healthcare professional. The formula used to calculate rate of recordable work-related injuries is the number of recordable work-related injuries / number of hours worked x 200,000 hours.

8.7 Customer Health and Safety

Health and safety of our customers are our top priorities. To ensure that our products and services meet the highest health and safety standard, we work closely with our suppliers and contractors. Under our Supplier Code of Conduct, suppliers are required to provide their products and services in line with recognised and contractually agreed safety requirements and comply with the local laws. In the event that the standards we adopt differ from applicable laws or regulations, the supplier shall abide by the stricter requirements.

During FY2021, there were no incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services across all our operations and we aim to maintain zero incidents for FY2022.

SUSTAINABILITY REPORT

8.8 COVID-19

To protect our employees’ health and safety, we have implemented stringent COVID-19 measures in line with the local regulations in all our operations, including foreign workers stay at dormitories. Some of our practices included body temperature monitoring, virtual meetings, mask wearing, social distancing and working from home. We also regularly communicated these measures and directions with our employees in multiple languages to ensure effective implementation.

9. OUR COMMUNITY

Material Topic	Target	FY2021 Performance	FY2022 Target
Local communities	To participate in at least 1 local community engagement event	Target met – Participated in 2 local community engagement event	To participate at least 1 local community engagement event

Material Topics and SDG Goals

- Local communities



We believe that thriving business needs thriving and supportive community. Beyond providing access to safe and clean water, we are committed to create positive impacts in the communities in which we operate.

In FY2021, our Singapore operations implemented some local community engagement activities. These included our support for the ESG Reporting Challenge jointly organised by RSM Singapore and Singapore University of Social Sciences (SUSS). The competition provided a platform for SUSS undergraduates to learn more about ESG reporting and to widen their horizons beyond what was taught in the classroom and apply the concepts taught in a real-world context. Memiontec contributed to the event as one of the judging panels. In the same year, we also provided internships for 7 students in our Singapore operations.

During the pandemic period, we had to postpone our social and volunteering activities to ensure the health and safety of our employee and communities. Moving forward, we will continue to encourage our employees to participate in various volunteering activities to engage and contribute to our communities.

APPENDIX A - ESG PERFORMANCE HIGHLIGHTS

ESG PERFORMANCE			
ESG FACTORS	FY2019	FY2020	FY2021
ENVIRONMENTAL			
CO ₂ emissions (t) ¹	133.8	184.5	218.2
Carbon emission intensity (kgCO ₂ per labour hour) ¹	0.37	0.46	0.51
Energy intensity (MJ per labour hour) ¹	4.1	5.4	6.4
Electricity used (kWh) ¹	93,289	109,713	99,260
Water withdrawal (ML) ¹	0.72	0.96	2.43
SOCIAL			
Employees			
Number of full-time employees	167	172	170
New hires	84	41	68
Average training hours per employee ¹	1.1	3.2	7.5
Employee turnover rate	28.2%	21.2%	40.2%
Fatalities	0	0	0
Suppliers			
Share of local suppliers as % of total purchase value	76	73	62
FINANCIALS (S\$'m)			
Revenue	29.3	34.6	45.6
Cost of goods sold	21.9	26.2	35.2
Profit before income tax	0.6	2.1	1.7
Total operating expenses	2.1	2.0	1.9
Employee wages and benefits	4.9	5.5	6.6
Tax expenses	0.3	0.4	0.5
Finance costs	0.1	0.1	0.1
Dividends declared to shareholders	0.3	0.4	0.5
Total economic value distributed	29.6	34.6	44.8

1 Data covers MPL and PTMI.

APPENDIX B - ASSOCIATION, MEMBERSHIPS & CERTIFICATIONS

Associations and Memberships:

We participate in industry organisations focusing on issues that are material to the business and to our stakeholders. Our participation allows us to keep abreast with industry developments and network with our industry peers. Our key memberships include:

- Singapore Water Association (**SWA**)
- Singapore Business Federation (**SBF**)

Internationally Recognised Certifications:

	ISO 9001	ISO 14001	ISO 18001	ISO45001
Memiontec Pte Ltd	√	√		√
PT Memiontec Indonesia	√	√	√	



APPENDIX C - GRI CONTENT INDEX

Statement of Use	Memiontec Holdings Ltd. has reported in accordance with the GRI Standards for the period from 1st January 2021 to 31st December 2021.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable as a GRI sector standard is not available for our industry

GRI Standard	Disclosure	Location
GRI 2: GENERAL DISCLOSURES 2021		
Organisational Details and Reporting Practices		
GRI 2-1	Organizational details	Section 1 – About Memiontec
GRI 2-2	Entities included in the organization’s sustainability reporting	Section 2 – Sustainability Reporting Framework
GRI 2-3	Reporting period, frequency and contact point	Section 2 – Sustainability Reporting Framework
GRI 2-4	Restatements of information	Section 2 – Sustainability Reporting Framework
GRI 2-5	External assurance	Section 2 – Sustainability Reporting Framework
Activities and Workers		
GRI 2-6	Activities, value chain and other business relationships	Section 1 – About Memiontec
GRI 2-7	Employees	Section 8 – Our People
GRI 2-8	Workers who are not employees	Section 8 – Our People
Governance		
GRI 2-9	Governance structure and composition	Annual Report 2021 – Pg 20-22, 26-32 Section 4.2 – Sustainability Governance
GRI 2-10	Nomination and selection of the highest governance body	Annual Report 2021 – Pg 30, 33-35
GRI 2-11	Chair of the highest governance body	Annual Report 2021 – Pg 20, 32
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	Annual Report 2021 – Pg 20-22, 26, 40-45
GRI 2-13	Delegation of responsibility for managing impacts	Annual Report 2021 – Pg 20-22, 28
GRI 2-14	Role of the highest governance body in sustainability reporting	Section 4.2 – Sustainability Governance
GRI 2-15	Conflicts of interest	Annual Report 2021 – Pg 26, 31 Section 5 – Governance
GRI 2-16	Communication of critical concerns	Section 5.1 – Anti-corruption
GRI 2-17	Collective knowledge of the highest governance body	Section 4.2 – Sustainability Governance
GRI 2-18	Evaluation of the performance of the highest governance body	Annual Report 2021 – Pg 36
GRI 2-19	Remuneration policies	Annual Report 2021 – Pg 38
GRI 2-20	Process to determine remuneration	Annual Report 2021 – Pg 38
GRI 2-21	Annual total compensation ratio	Not disclosed due to confidentiality
Strategies, Policies and Practices		
GRI 2-22	Statement on sustainable development strategy	Section 3 - Board Statement
GRI 2-23	Policy commitments	Section 4.6 United Nations Sustainable Development Goals Section 5 – Governance

APPENDIX C - GRI CONTENT INDEX

GRI Standard	Disclosure	Location
GRI 2: GENERAL DISCLOSURES 2021		
GRI 2-24	Embedding policy commitments	Section 4.6 United Nations Sustainable Development Goals Section 5 – Governance Section 8 – Our People
GRI 2-25	Processes to remediate negative impacts	Section 8.2 - Non-discrimination
GRI 2-26	Mechanisms for seeking advice and raising concerns	Section 5.1 – Anti-corruption
GRI 2-27	Compliance with laws and regulations	Section 4.3 – Sustainability Risks and Opportunities Section 5 – Governance Section 7.4 – Environmental compliance Section 8.6 – Occupational Health and Safety Section 8.7 – Customer Health and Safety
GRI 2-28	Membership associations	Appendix B
Stakeholder Engagement		
GRI 2-29	Approach to stakeholder engagement	Section 4.4 – Stakeholder Engagement
GRI 2-30	Collective bargaining agreements	Section 8 – Our People
Material Topics		
GRI 3-1	Process to determine material topics	Section 4.5 – Materiality Assessment
GRI 3-2	List of material topics	Section 4.5 – Materiality Assessment
ECONOMIC TOPICS		
Economic Performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.5 – Materiality Assessment Section 6.1 – Economic Performance
GRI 201: Economic Performance	Direct economic value generated and distributed	Section 6.1 – Economic Performance
Indirect Economic Impacts		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.5 – Materiality Assessment Section 6.2 – Indirect Economic Impacts
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Section 6.2 – Indirect Economic Impacts
Procurement Practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.5 – Materiality Assessment Section 6.3 – Procurement Practises
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Section 6.3 – Procurement Practises Appendix A

APPENDIX C - GRI CONTENT INDEX

GRI Standard	Disclosure	Location
GRI 2: GENERAL DISCLOSURES 2021		
Anti-Corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.5 – Materiality Assessment Section 5.1 – Anti-corruption
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Section 5.1 – Anti-corruption
	205-3 Confirmed incidents of corruption and actions taken	Section 5.1 – Anti-corruption
ENVIRONMENTAL TOPICS		
Energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.5 – Materiality Assessment Section 7 – Environment
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Section 7.1 – Energy
	302-3 Energy intensity	Section 7.1 – Energy Appendix A
Water		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.5 – Materiality Assessment Section 7.3 – Water
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	Section 7.3 – Water Appendix A
Emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.5 – Materiality Assessment Section 7.2 – Emissions
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Section 7.2 – Emissions
	305-2 Energy indirect (Scope 2) GHG emissions	Section 7.2 – Emissions
	305-4 GHG emission intensity	Section 7.2 – Emissions Appendix A
SOCIAL TOPICS		
Employment		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.5 – Materiality Assessment Section 8 – Our People
GRI 401: Employment 2016	401-1 New Employee hires and employee turnover	Section 8.1 – Employment Appendix A
Occupational Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.5 – Materiality Assessment Section 8.6 – Occupational Health and Safety

APPENDIX C - GRI CONTENT INDEX

GRI Standard	Disclosure	Location
GRI 2: GENERAL DISCLOSURES 2021		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Section 8.6 – Occupational Health and Safety
	403-5 Worker training on occupational health and safety	Section 8.6 – Occupational Health and Safety
	403-9 Work-related injuries	Section 8.6 – Occupational Health and Safety Appendix A
Training and Education		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.5 – Materiality Assessment Section 8.7 – Training and Education
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Section 8.7 – Training and Education
Diversity and Equal Opportunities		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.5 – Materiality Assessment Section 8.3 – Diversity and Equal Opportunities Section 8.4 – Women Empowerment and Gender Diversity
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Section 8 - Our People
Non-Discrimination		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.5 – Materiality Assessment Section 8.2 – Non-discrimination
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Section 8.2 – Non-discrimination
Local Communities		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.5 – Materiality Assessment Section 9 – Local Community
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Section 9 – Local Community
Customer Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 9 – Local Community Section 8.7 – Customer Health and Safety
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Section 8.7 – Customer Health and Safety

APPENDIX D - SASB ENGINEERING & CONSTRUCTION DISCLOSURE INDEX

Sustainability Disclosure Topics & Accounting Metrics

Topic	Accounting Metric	Unit of Measure	Code	2019	2020	2021
Environmental Impacts of Project Development	Number of incidents of non-compliance with environmental permits, standards, and regulations	Number	IF-EN-160a.1	0	0	0
	Discussion of processes to assess and manage environmental risks associated with project design, siting, and construction	n/a	IF-EN-160a.2	Both our construction service operating companies, MPL and PTMI, are ISO14001 certified. This means that we have put in place various environmental operation control procedures, which set out clear directions to ensure proper control measures across the company. Please see Section 7 – Environment and Appendix A for more details.		
Structural Integrity & Safety	Amount of defect- and safety-related rework costs	Reporting currency	IF-EN-250a.1	Nil	Nil	Nil
	Total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents	Reporting currency	IF-EN-250a.2	Nil	Nil	Nil
Workforce Health & Safety ¹	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees	Rate	IF-EN-320a.1	(1) 0.56 (2) 0	(1) 0 (2) 0	(1) 0.46 (2) 0
	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (b) contract employees	Rate	IF-EN-320a.1	Data is not available as we have not tracked the number of the contract employees who are not on Memiontec's payroll, but who are supervised by us on a day-to-day basis. We plan to measure and disclose the related data from our FY2023 report.		

APPENDIX D - SASB ENGINEERING & CONSTRUCTION DISCLOSURE INDEX

Topic	Accounting Metric	Unit of Measure	Code	2019	2020	2021
Lifecycle Impacts of Buildings & Infrastructure	Number of (1) commissioned projects certified to a third-party multi-attribute sustainability standard and (2) active projects seeking such certification	Number	IF-EN-410a.1	Not applicable	Not applicable	Not applicable
	Discussion of process to incorporate operational-phase energy and water efficiency considerations into project planning and design	n/a	IF-EN-410a.2	Memiontec strives to reduce customers' carbon footprint through the use of water treatment equipment with lower energy or lesser chemical consumption to improve operational efficiency and water treatment process to reduce the volume of sludge generated as a by-product of the treatment process. We also consider ways to recycle wastes.		
Climate Impacts of Business Mix	Amount of backlog for (1) hydrocarbon-related projects and (2) renewable energy projects	Reporting currency	IF-EN-410b.1	Not applicable	Not applicable	Not applicable
	Amount of backlog cancellations associated with hydrocarbon-related projects	Reporting currency	IF-EN-410b.2	Not applicable	Not applicable	Not applicable
	Amount of backlog for non-energy projects associated with climate change mitigation	Reporting currency	IF-EN-410b.3	Not applicable	Not applicable	Not applicable

APPENDIX D - SASB ENGINEERING & CONSTRUCTION DISCLOSURE INDEX

Topic	Accounting Metric	Unit of Measure	Code	2019	2020	2021
Business ethics	(1) Number of active projects and (2) backlog in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Number, reporting currency	IF-EN-510a.1	0	0	0
	Total amount of monetary losses as a result of legal proceedings associated with charges of (1) bribery or corruption and (2) anticompetitive practices	Reporting currency	IF-EN-510a.2	0	0	0
	Description of policies and practices for prevention of (1) bribery and corruption, and (2) anti-competitive behaviour in the project bidding processes	n/a	IF-EN-510a.3	We are committed to conducting our business with integrity and honesty. In line with our commitment to anti-corruption, we have established a number of relevant policies, which apply to our Board, suppliers and all employees across our operations. Please see Section 5 – Governance for more details on our policies, practices and performance.		

1. Data only cover our operations in Singapore and Indonesia.

Activity Metrics

Activity Metric	Category	Unit of measure	Code	2019	2020	2021
Number of active projects	Quantitative	Number	IF-EN-000.A	15	22	19
Number of commissioned projects	Quantitative	Number	IF-EN-000.B	12	7	9
Total backlog	Quantitative	Reporting currency	IF-EN-000.C	S\$49.0m	S\$81.4m	S\$77.8m

SUSTAINABLE SUPPLY WATER FOR LIFE



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