

# **NEW WAVE HOLDINGS LTD.**

## **SUSTAINABILITY REPORT 2025**

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# BOARD STATEMENT [2-14, 2-17, 2-22, 2-24]

The board of directors (the “**Board**”) of New Wave Holdings Ltd. (“**New Wave**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to present the annual Sustainability Report of the Company for our financial year ended 31 March 2025 (“**FY2025**”). This report is prepared by taking reference from the Sustainability Reporting Guide in Practice Note 7F of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) and the requirements on sustainability reporting under Rule 711B of the Catalist Rules which includes the primary components on a 'comply or explain' basis. It is prepared with reference to the Global Reporting Initiative (“**GRI**”) Standards. We have chosen GRI as our reporting framework as it represents the global best practices for sustainability reporting and allows us to have a comprehensive and comparable disclosure of economic, environmental, social and governance (“**EESG**”) performance. This report highlights the key EESG-related factors and initiatives carried out throughout a 12-month period, from 1 April 2024 to 31 March 2025. The report covers all entities under the Group, except where otherwise specified.

Sustainability is the core of the Group’s strategy to create long-term value for all its stakeholders. As such, the key material EESG factors for the Group (“**Material EESG Factors**”) have been identified and regularly reviewed by the management and approved by the Board. We have relied on internal data monitoring and verification to ensure accuracy of data and information. To further enhance the credibility of this Sustainability Report, the Group has subjected our sustainability reporting process to internal review by our internal auditors, as required by Rule 711B(3) of the Catalist Rules. The Board has overseen the management and monitoring of Material EESG Factors and takes them into consideration in the determination of the Group’s strategic direction and policies.

Our Sustainability Steering Committee, which comprises representatives from various functional and geographic divisions in the Group, will continue to initiate and monitor the various aspects of our sustainability practices, ensuring that these practices are integrated into our business operations and aligned with the Group’s sustainability goals. In FY2023, we have set out our plans to progressively include climate-related reporting in our Sustainability Report in accordance with the recommendations of the Taskforce for Climate-related Financial Disclosures (“**TCFD**”) and to work towards making a positive impact on the environment and create long-term value for our stakeholders. As climate-related disclosures are now mandatory starting FY2025, our Group has prepared this report in line with the applicable requirements, including the disclosure of Scope 1 and Scope 2 greenhouse gas emissions, as well as our targets for reducing such emissions.

In FY2024, we conducted a review of our Sustainability Policies, originally established in FY2018, to streamline them more closely with recent developments in sustainability frameworks and regulatory requirements. In FY2025, we engaged an external consultant to conduct a new materiality assessment exercise to revalidate our initial assessment in 2018. Engaging both internal and external stakeholders across employee groups, customers, suppliers, senior management and the Board, the exercise confirms the continued relevance of previously disclosed ESG priorities while updating our understanding of stakeholder priorities and provided a robust data-driven foundation for validating the topics disclosed in this report.

In FY2025, two new independent directors joined our Board, one of whom is a first-time director. As required under Catalist Rule 406(3)(a), the director has completed a course of training under the “Board of Directors Masterclass Programme” conducted jointly by the Institute of Singapore Chartered Accountants (ISCA) and SAC Capital Private Limited. Our Corporate Secretaries regularly update the Board on regulatory developments, either through circulars or during the bi-annual board meetings. Auditors also provide briefings to the directors whenever new sustainability requirements have implications for financial reporting.

As in the previous few years, we have achieved this year our zero-complaints target for all our regulatory compliance and ethical standards goals.

In this report, we have included targets, not just for the short term (which refers in our context to the next financial year), but also medium-term targets (in the 3<sup>rd</sup> year) and long-term targets (beyond the 5<sup>th</sup> year, i.e. FY2031).

## **RESTATEMENT OF INFORMATION [2-4]**

There were no restatements made in previously reported information.

## **EXTERNAL ASSURANCE AND FEEDBACK [2-3, 2-5]**

This Sustainability Report has not been externally assured. However, it has gone through a comprehensive internal review and validation process to ensure the accuracy, reliability, and consistency of the reported data. The information presented has been reviewed and validated internally by relevant departments to confirm its alignment with the Company's sustainability objectives and reporting standards.

We welcome feedback from our stakeholders with regards to our sustainability efforts as this enables us to consistently improve our policies, systems, and results. Please send your comments and suggestions to [NW\\_IR@newwave.com.sg](mailto:NW_IR@newwave.com.sg).

30 July 2025

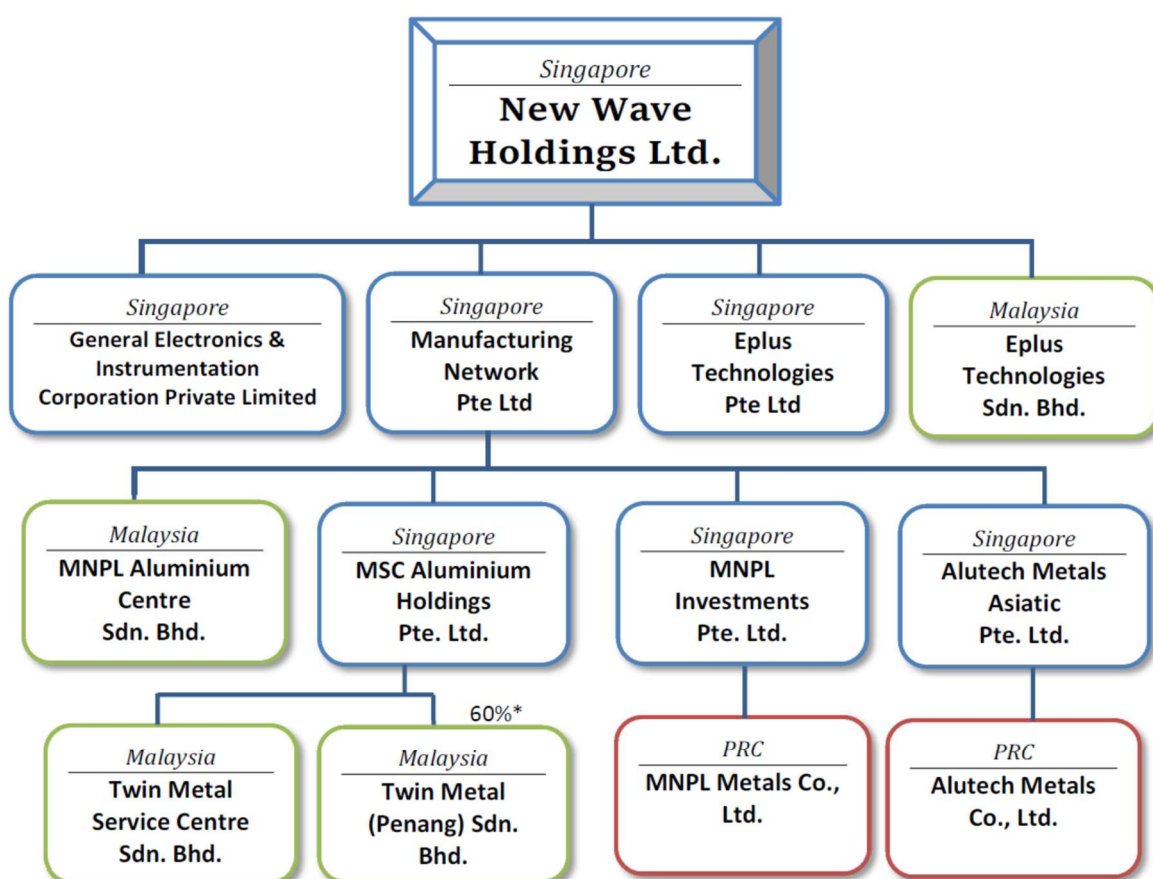
# ORGANISATIONAL PROFILE [2-1, 2-2, 2-6]

New Wave Holdings Ltd. was incorporated in Singapore on 4 November 1999 and has been listed on Catalist of the Singapore Exchange since 14 August 2000. Headquartered at 101 Kitchener Road #02-17, Jalan Besar Plaza, Singapore 208511, the Company operates through several subsidiaries in Singapore, Malaysia and the People's Republic of China (the “**PRC**”),

The Company has two core business activities, namely the **distribution of aluminium alloy products** and the **components distribution business**. Our aluminium alloy products cater to a wide spectrum of customers ranging from multi-international corporations to small and medium-sized local businesses. Our products are utilized across various industries including precision engineering, transport engineering, semiconductor equipment, electronics, and many others.

The components distribution business encompasses the distribution of active and passive electronic components, IT cabling system solutions, portable cabling testing and certification tools, monitoring and troubleshooting handheld tools and appliances, and intelligent cabling system-based projects. In addition, we offer professional consultancy, training services, software implementation, database integration and customer care services, all aimed at delivering comprehensive and innovative solutions to our clients.

The table below shows the organisational structure of the Group:



\* Other than as indicated, all other subsidiaries are wholly owned.

# APPROACH TO SUSTAINABILITY [2-23, 2-24]

## SUSTAINABILITY METHODOLOGY



## SUSTAINABILITY GOVERNANCE [2-12, 2-13, 2-14]

The Group has established a Sustainability Steering Committee led by key management executives and supported by representatives from various functional departments and regional divisions within the organization. This structure ensures a comprehensive and unified approach to sustainability across all areas of the Group's operations.



The Board of Directors, alongside the Chief Executive Officer (“**CEO**”) is responsible for setting the direction for corporate sustainability. They establish guidelines, while also closely monitoring overall performance.

The Sustainability Steering Committee is composed of the General Managers from each division, the Financial Controller and regional representatives from each geographic segment. The committee plans, organize, and implements the Group's sustainability initiatives.

New Wave's employees actively engage and support the Group's sustainability programmes and policies. They play a key role in the implementation and execution of sustainability initiatives. This includes day-to-day operations to the collection of data for reporting and monitoring performance.

Together, each component group collaborates seamlessly to ensure the successful implementation of sustainability strategies, tracks performance against established targets, and continuously adapts to meet evolving environmental and social responsibilities. Through collective efforts across the organization, New Wave remains committed to its sustainability goals, making meaningful progress toward the Group's long-term sustainability goals.

## STAKEHOLDERS ENGAGEMENT [2-29]

An important starting point in our sustainability journey is the identification of our stakeholders and material aspects most relevant to our business. We assess the interests and expectations of key stakeholders, ensuring that these are considered when developing our corporate strategies. These key stakeholders include, but are not limited to, customers, suppliers, shareholders, employees, and regulators.

We actively engage with our stakeholders through both formal and informal communication channels to better understand their needs and concerns. This helps us to incorporate their input into our corporate strategies, fostering mutually beneficial relationships and ensuring that our sustainability initiatives align with the broader interests of those who are most impacted by our operations.

Key Stakeholders	Engagement Platforms	Frequency of Engagement	Key Concerns Raised
<b>Customers</b>	Meetings, e-procurement platforms, phone calls, teleconferences and email communications	Daily	Quality control and on-time delivery, technical support, competitive pricing, suitable payment terms
<b>Suppliers</b>	Meetings, e-procurement platforms, phone calls, teleconferences, email communications and factory visits	Regular basis	Quality of products, smooth and timely delivery, competitive prices
<b>Shareholders</b>	Announcements on SGXNet, annual general meetings, annual reports, the Company's website (www.newwave.com.sg)	Half yearly for financial results announcements, general meetings are held annually, other communications on ad-hoc basis throughout the year	Profitability and returns, good corporate governance, timely and accurate information
<b>Employees</b>	Induction programme for new employees, team discussions, training sessions, meetings, feedback channels, emails, performance reviews	Regular basis	Career growth, training opportunities, benefits and incentives, pleasant and safe working environment, alignment of personal goals with Company's goals
<b>Regulators</b>	Seminars and consultation sessions with key regulatory bodies, meetings	On-going basis for reviews and updates, and whenever there are changes in regulations	Compliance with laws and regulations, safe environment, health and other social issues
<b>Community/ Industry Associations</b>	Phone calls and other communications with non-profit organisations, participation at trade exhibitions, seminars, social events	On-going basis	Corporate citizenship, update on industry trends

### Membership of Associations [2-28]

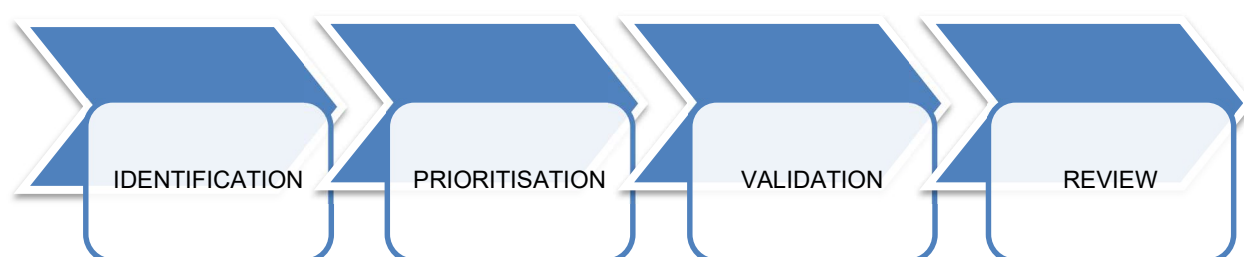
We engage with several industry associations through membership and participation at their activities and events in FY2025 and on an on-going basis:

- Singapore Business Federation
- Singapore Metal and Machinery Association
- Singapore Precision Engineering and Technology Association
- Infocomm Development Authority of Singapore

Networking with other companies in similar industries to ours enables us to constantly update on industry trends and helps us locate new potential customers and suppliers.

## **MATERIALITY ASSESSMENT [3-1, 3-2]**

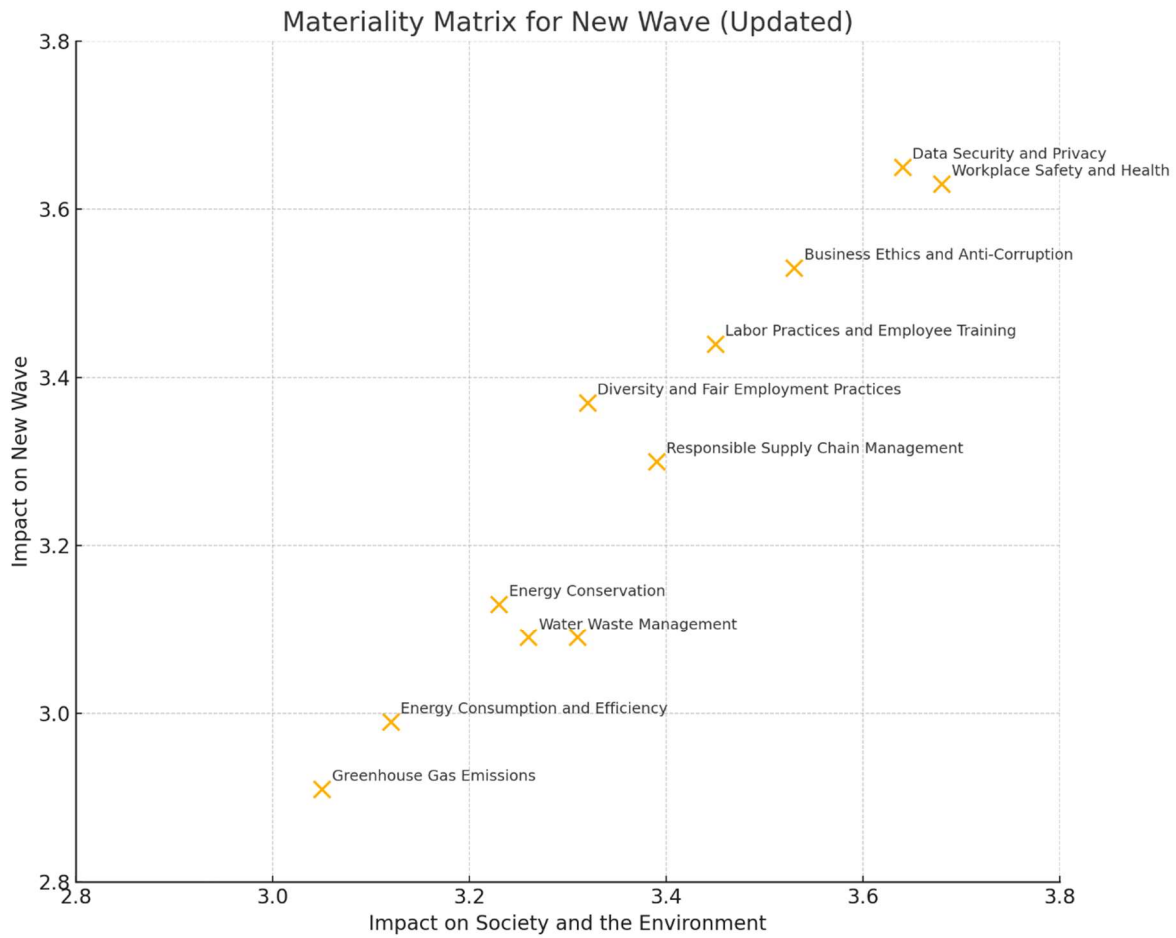
Our sustainability process begins with the identification of key topics that are relevant to our business and stakeholders, to better understand how we can generate long-term value for our stakeholders. Members of the Sustainability Steering Committee, in collaboration with representatives from the various Group entities, worked together to identify material factors and potential opportunities. These are then clustered and rated to assess their importance to the Group. Once the relevant topics are identified, they are prioritised based on their potential likelihood and impact to the Group. This prioritization is followed by an internal validation process to ensure that the selected topics align with the Group's strategic objectives. The result of this process is a comprehensive list of material factors which are disclosed in this Sustainability Report.



To ensure relevance and responsiveness, we conducted a new materiality assessment in March 2025, to revalidate our initial assessment in 2018. Engaging over 100 internal and external stakeholders across employee groups, customers, suppliers, senior management, and the Board, the exercise updated our understanding of stakeholder priorities and provided a robust data-driven foundation for validating the topics disclosed in this report. The results were used to refine our sustainability approach and strategy.

To determine if a topic is material, we evaluate its potential impact on the economy, environment, and society and its influence on key stakeholders. In line with the GRI guidelines, we have determined that the previously determined Material EESG Factors in the previous year remain relevant in the current period.

The findings of the March 2025 assessment confirm the continued relevance of previously disclosed ESG priorities while sharpening our focus on digital resilience, operational ethics, and employee well-being. These validated material topics now serve as the foundation for this Sustainability Report and our ongoing ESG performance tracking. These new insights will guide our sustainability strategy, ensuring we stay focused on the areas that matter most to our business and stakeholders.



The Sustainability Steering Committee oversaw the Group's latest materiality assessment, conducted this year to ensure our priorities reflect current stakeholder expectations and emerging sustainability risks and opportunities. This refreshed assessment incorporated insights from our ongoing engagement with key stakeholders throughout the year, enabling us to stay responsive to a dynamic business environment.



# ECONOMIC

## ECONOMIC PERFORMANCE [201-1]

The Group believes that our financial performance is interconnected to our environmental, social and governance impacts. We are committed to sustaining long-term financial growth to safeguard shareholders' interests and enhance shareholder value. This is achieved through strategic planning, proper resource management, and leveraging the expertise of our dedicated workforce, as well as our long-established relationships with our customers and suppliers. We remain focused on operating as a sustainable and socially responsible corporation, upholding the highest standards of corporate governance, business integrity and professionalism in our dealings with all our stakeholders.

Through our operating activities, the Group has created value for various stakeholders – our customers, suppliers, employees, banks, and others. We append below a table showing the direct economic value generated and distributed in FY2025:

<b>DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED - S\$'000</b>		
<b>Item</b>	<b>Stakeholder</b>	<b>FY2025</b>
<b>Direct economic value generated</b>		<b>17,306</b>
Revenue from sales of goods	Customers and various other stakeholders	17,106
Revenue from financial investments		67
Revenue from sale of waste products		77
Other operating income		56
<b>Economic value distributed</b>		<b>(19,427)</b>
Payment to suppliers of goods and services	Suppliers and other contractors	(15,976)
Employment costs and other benefits	Employees	(2,913)
Payments to providers of capital	Banks and other finance institutions	(373)
Refunds/(Payments) to government including taxes	Government	(165)
<b>Economic value retained/(lost)</b>		<b>(2,121)</b>

The Group operates across three countries and is affected by the uncertainties arising from geopolitical tensions and trade policies and tariffs, creating a challenging business environment. Consequent supply chain issues also dampened the recovery of the electronics industry and cooled the demand for our products, hence moderating improvements in our sales, margins and profitability. Although we observed better performance especially in the latter half of the financial year, the overall result of FY2025 was a net loss of S\$2.12 million after tax.

Looking ahead, our goal for FY2026 is to enhance economic value for our stakeholders by improving both revenue and gross margins. However, we anticipate continued headwinds in the market, which may slow the pace of recovery. In response to these challenges, the Group will focus on optimizing our inventory portfolio, managing costs, and strengthening our market coverage to improve revenue growth.

For a more comprehensive overview of our FY2025 financial results, please refer to the "Financial Review" section and the financial statements contained in our Annual Report 2025.

## PROCUREMENT PRACTICES [204-1]

### **Distribution of Aluminium Alloy Products**

Our first core business is the distribution of aluminium alloy products. Lightweight and durable, aluminium is in itself a highly sustainable material, being abundant, highly recyclable and reusable. According to the Aluminium Association based in Virginia, United States, nearly 75% of all aluminium ever produced is still in use today<sup>1</sup>. Aluminium's unique properties therefore present to traders and users a future of infinite possibilities and opportunities.

We source aluminium from major suppliers in the USA, South Africa, Europe and the PRC and we in turn distribute mainly to local customers. Our top suppliers are recognized industrial leaders in their own locality, and they employ workers on a large scale. Most hold ISO14001 certification for environmental management and ISO9001 certification for quality management, demonstrating their commitment to sustainability development. Our South African supplier for instance, is B-BBEE (Broad-Based Black Economic Empowerment) certified for their efforts towards supporting, on a sustainable basis, the economic involvement in mainstream businesses for the previously disadvantaged groups. We also engage with local suppliers to support faster turnaround and enhance operational flexibility. In this Report, "local" is defined as a supplier who is within the same geographic boundary as our subsidiary that buys from it. For instance, a PRC aluminium mill supplying to our PRC subsidiary directly is considered a local supplier. We purchase from local suppliers mostly for ready products, so the lead time for the supply is shortened and may, as in Singapore's case, be a matter of only hours to one or two days. This enables us to respond more flexibly to requests for urgent deliveries from our local customers.

Our purchasing decisions are made solely in the best interest of the Group, based on the criteria such as, quality, service reliability, pricing, terms of payment and other relevant conditions. We have been in the business since 2004 and have built up good business relationships with many of our suppliers on the basis of mutual respect and trust. We uphold strict ethical standards and maintain zero tolerance to unfair business practices such as concealment or misrepresentation of material facts or acceptance of bribes. We also will not abuse confidential or privileged information obtained from our suppliers. We work closely with our suppliers to ensure their support, for instance, when we need deliveries on an urgent basis.

In FY2025, we have not recorded any reports of misconduct or malfeasance from either our employees or suppliers, and we target to maintain this zero-complaint record for the next financial year ending 31 March 2026 ("FY2026") as well as in the long term till FY2031.

### **Components Distributions and Cabling Systems Solutions**

Our second core business is components distribution and cabling systems solutions. We serve as an appointed distributor for our cabling systems products and our electronic test tools, sourcing primarily from Singapore outlets of these principals. These transactions are considered local purchases under our procurement definition above.

One of our principals is an innovative industrial technology company that specialize in calibration and measurement tools used for various applications including environmental, health and safety compliance, industrial condition monitoring, next-generation product design, and healthcare safety solutions. They produce meters that are used to track and reduce greenhouse gas emissions and software-enabled smart instruments to maintain temperature, humidity and ventilation levels for occupant health and comfort, and help regulate building health and manage energy costs. The bulk of our purchases from this principal include electronic test tools, which is seeing a growing demand as more companies are prioritizing improving quality, complying with regulatory or industrial standards, and maintaining a safe working environment.

In addition to sourcing from our global principals, we also purchased from other local suppliers, who are mostly small and medium-sized enterprises ("**SMEs**"). Building strong relationships with these local suppliers enhances our understanding of local market trends and strengthens our position within the industry. Our procurement approach in this business segment mirrors those of our aluminium products distribution business, which is focusing on supplier merit, ethical conduct, transparency, and alignment

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<sup>1</sup> According to the Aluminium Association's website at <https://www.aluminum.org>

with our long-term business interests.

### **Supporting local suppliers**

New Wave recognizes the strategic and sustainability value of working with local suppliers. Our sourcing approach balances the benefits of engaging local vendors with our commitment to quality, efficiency, and ethical procurement.

We maintain a comprehensive supplier evaluation policy to ensure that all suppliers — whether local or international — meet our standards in areas such as product quality, service reliability, and compliance with applicable environmental and regulatory requirements. Local suppliers are particularly important for enhancing our operational agility, allowing us to respond more quickly to urgent customer needs and reduce logistical lead times. While we prioritize proximity when it supports our business objectives, our procurement decisions are ultimately based on merit, including the supplier's ability to deliver reliable service, meet quality benchmarks, and align with our values of integrity and transparency.

To support this, the Group has implemented robust procurement controls across all subsidiaries. These controls include internal review mechanisms, approval processes, and payment verification procedures to prevent improper transactions and ensure fair, accountable supplier engagement.

## **ANTI-CORRUPTION [2-16, 2-23, 2-25, 205-1, 205-3]**

As the Group's businesses are conducted in various jurisdictions, the Group expects its directors and staff to be apprised of the legal and regulatory requirements relevant to their business responsibilities and to conduct our businesses in accordance with these laws and regulations. In particular, the Group requires that its directors and staff carry out business transactions with integrity and maintains a zero-tolerance policy towards corruption or bribery in any form.

Our finance teams oversee the implementation of appropriate controls and procedures to monitor and prevent inappropriate forms of payment across all our subsidiaries. These controls are designed to detect and prevent irregular payments, including duplicate or overpayments, and payment requests to third parties not associated with underlying transactions. We will take disciplinary action against any employee confirmed of bribery or corruption or may also refer the case to the relevant law enforcement authorities if appropriate.

In Singapore, our operations are governed by the Prevention of Corruption Act, which covers public and private sector employees, and penalizes receiving or giving of bribes as an inducement or reward for performing or not performing a transaction. The law also has extra-territorial effect, so Singaporeans who engage in bribery overseas are also subject to legal consequences under this legislation.

We have implemented a whistle blowing policy to provide a mechanism for employees as well as other external stakeholders to raise concerns in confidence and without fear of reprisals about possible improprieties in the areas of:

1. Fraudulent financial reporting
2. Misappropriation of assets
3. Improper or unauthorised expenditures including bribes
4. Violations of laws and regulations, for instance, securities frauds
5. Substantial and specific danger to public health or safety

Whistle-blowers may address their concerns via the email address [auditcom@newwave.com.sg](mailto:auditcom@newwave.com.sg) and the Audit Committee will carry out confidential investigations and withhold the identity of the complainant, as appropriate.

During the financial year under review, no incidents of any corruption were reported (FY2024: Nil), as targeted in the previous sustainability report. Similarly, no reports of whistle blowing were received (FY2024: Nil). We remain committed to maintaining zero instances of corruption and zero violations of any laws and regulations for FY2026 and on a long-term basis to FY2031.

# ENVIRONMENTAL

## TCFD REPORT

The TCFD recommended disclosures revolves around four core elements:

1. Governance - The organisation's governance around climate-related risks and opportunities
2. Strategy - The actual and potential impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning
3. Risk Management - The processes used by the organisation to identify, assess and manage climate-related risks
4. Metrics & Targets - The metrics and targets used to assess and manage relevant climate-related risks and opportunities

The Singapore Green Plan sets ambitious targets over the next decade to build a sustainable future, with the ultimate aim of achieving net zero emissions by 2050. While the direct impact of our business activities on the environment is relatively small, the Group is committed to supporting this Plan and we aim to do our part to contribute to the global goals of mitigating climate change, reducing GHG emissions and conserving resources.

### 1. Governance

Board Oversight	<u>Board of Directors</u>
	The Board considers the oversight and effective management of climate related risks as a crucial aspect of the Company's overall business strategy, which aims to achieve long term sustainable growth. The Board, together with its various Board Committees, ensures active monitoring of the Company's approach to management of climate related risks. The Board receives updates from Management on the various EESG topics, including climate-related matters at least twice yearly at Board meetings.
Executive Leadership	<u>Audit Committee</u>
	The Audit Committee oversees key business and operational risks of the Company. This includes overseeing and reviewing the Company's Enterprise Risk Management (ERM) framework and processes to facilitate the identification, measurement, mitigation and reporting of key risks across the Company, including operational risks, cybersecurity risks and climate-related risks such as business disruptions from natural disasters.
	<u>Chief Executive Officer (CEO)</u>
	The CEO leads the Sustainability Steering Committee and is responsible for formulating the Company's strategies and goals. He ensures that climate-related risks and opportunities are fully integrated into the Company's long-term business strategy. Additionally, he sets targets for EESG goals including those for climate related sustainability initiatives.
	<u>Heads of Operations, Financial Controller, regional finance teams</u>
	Reporting to the CEO, the Heads of Operations oversee the governance of climate risks and opportunities. Working with the various regional finance teams, they co-ordinate collection of data and develop metrics to assess the Company's carbon footprint, while also reporting on the financial and non-financial impacts of material climate-related risks.

	<p><b>Executives' sustainability performance</b></p> <p>The Group recognises the importance of linking executives' performance with achievement of environmental sustainability to their remuneration. The Group plans to integrate key performance indicators e.g. goals for emissions reduction to executives' performance appraisals, thus further promoting eco-consciousness and accountability.</p>
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## 2. Strategy

The Group evaluates the impact that any identified climate-related risks and opportunities have on our business operations, strategies and financial planning.

### Short Term (1–3 years):

The Group faces immediate physical risks from extreme weather events such as floods, which may damage machinery and delay deliveries. Additionally, rising temperatures may affect worker health through heat stress and increase cooling-related utility costs across our operations. Our factory sites in all the 3 countries where our businesses are located are currently not under any immediate threat from extreme weather conditions e.g. hurricanes, disastrous floods, etc. However, as acute climate-related events increase, the likelihood of such occurrences affecting our operations also rises. In the future, we may face financial impacts caused by natural disasters. Remedial actions like flood response and consequent grid outages could cause the Group to incur high costs. In the longer term, the Group will need to integrate resiliency measures and protocols to have disaster preparedness to ensure the health and safety of our employees and to implement governance frameworks and policies to mitigate such risks from natural disasters.

### Medium Term (3–10 years)

Regulatory risks are expected to escalate as governments respond to climate change. These include direct impacts such as increased carbon pricing on fuels and electricity, and indirect impacts such as compliance costs tied to vehicle emission standards. In anticipation, we are monitoring climate policy trends and considering mitigation measures such as supplier diversification and energy efficiency enhancements to reduce future cost pressures.

These insights are integrated into our overall business strategy plans to effectively mitigate risks and capitalize on opportunities, all while ensuring our operations remain resilient and sustainable in the long run. We aim to align our sustainability goals with our broader corporate objectives to create long-term goal value for all stakeholders.

### Climate Scenario Analysis

To deepen our understanding of potential future climate-related conditions, the Group undertook a qualitative scenario analysis using two globally recognized pathways:

- IEA Net Zero 2050<sup>2</sup> (a low-emissions scenario consistent with limiting global warming to 1.5°C), and
- IPCC Representative Concentration Pathway (“RCP”) 8.5<sup>3</sup> (a high-emissions scenario reflecting a continued trajectory of rising greenhouse gas emissions and limited climate action).

These scenarios were selected to evaluate the range of plausible physical and transition risks that may affect our operations across Singapore, Malaysia, and PRC. By exploring these divergent futures, we aim to enhance our long-term resilience and formulate informed, adaptive business planning.

<sup>2</sup> International Energy Agency (IEA) – Net Zero by 2050: A Roadmap for the Global Energy Sector - <https://www.iea.org/reports/net-zero-by-2050>

<sup>3</sup> Intergovernmental Panel on Climate Change (IPCC) – Sixth Assessment Report (AR6) - <https://www.ipcc.ch/assessment-report/ar6/>

### Focal Consideration

We examined the question: “How will different climate futures—one with rapid decarbonization and another with continued emissions growth—affect the Group’s operational continuity, cost structure, and value chain resilience?”

### Scenario Pathways and Assumptions

The scenarios reflect key uncertainties related to policy enforcement, technology adoption, stakeholder expectations, and the frequency and intensity of climate-related hazards.

- In the IEA Net Zero 2050 scenario, we anticipate more stringent carbon regulation, accelerated clean technology adoption, and increased stakeholder pressure for environmental transparency.
- In contrast, under IPCC RCP 8.5, physical risks intensify due to severe climate events and chronic environmental stress, while regulatory and market shifts occur more slowly or inconsistently.

### Identified Transition and Physical Risks

This assessment enabled us to evaluate key risk categories under each scenario:

- **Transition Risks:** These include regulatory changes such as carbon pricing and emissions compliance, as well as emerging market and technological shifts toward low-carbon operations. Under Net Zero 2050, these risks are more immediate and financially material. Under RCP 8.5, they are less pronounced but could escalate unpredictably over time.
- **Physical Risks:** Acute hazards such as floods and storms, and chronic conditions like prolonged heat and rising cooling costs, are present under both scenarios—but their severity and frequency are significantly heightened under the high-emissions RCP 8.5 scenario.

Refer to section “Risk Prioritization and Next Steps” to see New Wave’s applicable physical and transition risks.

### Scenario Narratives

To illustrate potential outcomes, we developed two scenario narratives:

- **Net Zero 2050:** By 2030, carbon pricing and emissions reporting are mandatory across our operating jurisdictions. Stakeholders increasingly demand transparency and supply chain decarbonization. While compliance and technology investment introduce cost pressures, early adaptation provides a competitive edge and supports long-term continuity.
- **RCP 8.5:** Policy fragmentation and weak global co-ordination result in unregulated emissions growth. Severe flooding, heat stress, and utility strain disrupt operations more frequently. Without decisive transition planning, the Group may face increasing unplanned costs, reputational risk, and supply chain fragility.

### Risk Prioritization and Next Steps

Using this analysis, we assessed the materiality of risks under each scenario. Risks associated with regulation, energy efficiency, acute climate events, and worker safety were identified as particularly relevant in the medium to long term.

Physical Risks		
Risk Description (Disclosed)	Type	Mapped in Scenario Table A
Extreme weather events such as floods causing machinery damage and delivery delays	Acute	Physical – Acute (IEA Net Zero 2050) and (RCP 8.5) → Floods; grid outages; cost spikes
Rising temperatures leading to heat stress for workers	Chronic	Physical – Chronic (IEA & RCP 8.5) → Heat stress; chronic exposure; health and safety

<b>Physical Risks (continued)</b>		
<b>Risk Description (Disclosed)</b>	<b>Type</b>	<b>Mapped in Scenario Table A</b>
Increased cooling-related utility costs	Chronic	Physical – Chronic (IEA & RCP 8.5) → Cooling costs; long-term energy use; infrastructure stress
Potential financial impact from natural disasters (e.g., grid outages, flood costs)	Acute	Physical – Acute (RCP 8.5) → High risk of machinery downtime, financial disruptions
Long-term need for disaster preparedness and employee health/safety integration	Chronic	Physical – Chronic (IEA & RCP 8.5) → Operational stress from chronic climate shifts; need for adaptation

<b>Transition Risks</b>		
<b>Risk Description (Disclosed)</b>	<b>Type</b>	<b>Mapped in Scenario Table A</b>
Increased carbon pricing on fuels and electricity	Policy & Legal	Transition – Policy & Legal (IEA Net Zero 2050) → Stricter carbon regulation and compliance requirements
Compliance costs tied to stricter vehicle emission standards	Policy & Legal	Included under broader regulatory framing
Anticipated rise in regulatory risks across operating countries	Policy & Legal	Transition – Policy & Legal (RCP 8.5) → Reactive policy shifts; delayed or inconsistent implementation
Pressure to improve energy efficiency and supplier diversification	Market	Transition – Technology (IEA NZ2050) and Transition – Market (IEA NZ2050) → Efficiency enhancements and green sourcing expectations

<b>Scenario Table A</b>			
<b>Risk Type &amp; Scenario</b>	<b>Potential Risk/Impact</b>	<b>Contextual Guidance</b>	<b>Magnitude &amp; Rationale</b>
Transition – Policy & Legal (IEA Net Zero 2050)	The Group may face stricter carbon regulations and product compliance requirements across Singapore, Malaysia, and China.	Early compliance would help avoid penalties as environmental standards tighten regionally.	Medium – The company is monitoring policy trends but does not yet have a formal compliance framework.
Transition – Policy & Legal (RCP 8.5)	Policy implementation is likely to be delayed or inconsistent.	Although current regulatory pressure is low, future reactive shifts could impose sudden requirements.	Low – There are no strong regulatory drivers at present, but future policy action remains uncertain.
Transition – Technology (IEA Net Zero 2050)	There is growing pressure to adopt energy-efficient technologies and cleaner energy sources.	The Group has acknowledged this by considering energy efficiency enhancements.	Medium – A roadmap is not yet in place, but the risk is recognized in strategic planning.

<b>Scenario Table A (continued)</b>			
<b>Risk Type &amp; Scenario</b>	<b>Potential Risk/Impact</b>	<b>Contextual Guidance</b>	<b>Magnitude &amp; Rationale</b>
Transition – Technology (RCP 8.5)	There is minimal pressure to adopt low-carbon technologies under this scenario.	However, failing to innovate could reduce competitiveness as peers move ahead.	Low – we are working with innovative suppliers, so unlikely to fall behind the competition.
Transition – Market (IEA Net Zero 2050)	Market preferences are expected to shift toward vendors with strong ESG credentials.	Procurement standards may evolve, impacting supplier partnerships.	Medium – Supplier diversification is underway, but risks are emerging.
Transition – Market (RCP 8.5)	Market dynamics may remain relatively stable in the short term.	There is a risk of falling behind competitors that proactively adopt ESG measures.	Low – we are constantly monitoring market dynamics and will react accordingly.
Physical – Acute (IEA Net Zero 2050)	Occasional weather-related disruptions are likely but manageable with proper planning.	Cooling costs and delays can be mitigated through contingency measures.	Medium – Risk exists but is not immediately threatening under this scenario.
Physical – Acute (RCP 8.5)	Severe flooding, machinery downtime, and cost spikes are highly likely.	Significant business disruption is anticipated if adaptation measures are not taken.	High – The likelihood and severity of impacts are both elevated.
Physical – Chronic (IEA Net Zero 2050)	Gradual stress from rising temperatures may impact utility costs and worker productivity.	These impacts are foreseeable and can be addressed with long-term planning.	Medium – Rising costs are expected but manageable with proper investment.
Physical – Chronic (RCP 8.5)	Extreme heat, infrastructure strain, and long-term health risks may compromise operational continuity.	Without adaptation, the Group could face cumulative operational stress.	High – The risk is long-term and materially significant under a high-emissions future.

### 3. Risk Management

We are in the early stages of formalizing a structured climate risk management process. Currently, risks are identified through informal staff discussions and stakeholder engagement. We will develop a formal risk assessment framework using a climate risk matrix based on likelihood and severity.

These climate-related risks will be integrated into our Enterprise Risk Management (ERM) system and overseen by the Audit Committee, with periodic reviews. Mitigation actions will be tracked by the Sustainability Steering Committee and aligned with risk appetite thresholds.

Risk owners will be designated at the operational level, and monitoring will include key risk indicators (KRIs) tied to extreme weather preparedness, regulatory compliance, and carbon emissions exposure.



#### 4. Metrics and targets

The Group recognizes the importance of quantifying carbon emissions across our value chains – including business operations, supply chains and downstream products in use. We are dedicated to continuing to refine our tracking and measurement procedures and to quantify financial impacts from climate-related risks.

As part of our support for global decarbonization efforts, the Group is aligned with Singapore's Green Plan and aims to contribute to achieving net-zero emissions by 2050.

We provide below statistics of our Scope 1 and 2 emissions during FY2025:

	SCOPE 1	SCOPE 2
Carbon emission in tCO <sub>2</sub> e	127.95	170.07
Group sales in S\$ million	17.106	17.106
Carbon Intensity per S\$ million sales	7.48	9.94

Scope 1 emissions are direct GHG emissions resulting from the Group's operations, including emissions from vehicles and forklifts. Scope 2 emissions are from purchased electricity in our facilities.

In FY2024, the Group has begun collecting data and established a FY2025 target to reduce our carbon intensity per S\$ million sales to 8.00 for Scope 1 and 10.00 for Scope 2 emissions. We have therefore met both our Scope 1 and Scope 2 targets. We would like to set our targets for FY2026 as well as for the medium-term and long-term, as follows:

Target set:	SCOPE 1	SCOPE 2
For FY2026: Carbon Intensity per S\$ million sales	7.50	9.70
Medium-term: Carbon Intensity per S\$ million sales	7.50	9.50
Long-term: Carbon Intensity per S\$ million sales	7.50	9.00

We are focused on refining our emissions data and reporting processes, to allow us to establish a solid foundation for emissions tracking that will include the measurement of Scope 3 emissions in the future.

As we continue to gather data, the Group will continuously monitor and report on our energy consumption and GHG emissions. We will take proactive steps, identify key areas for improvement, and formulate strategies for reducing emissions in subsequent years. This will include the ongoing monitoring of our carbon intensity, particularly in relation to our sales and operational activities. Through this approach, we aim to develop a clearer understanding of our environmental impact and make steady progress toward meaningful emissions reductions in the future. Further details on our ongoing initiatives related to energy conservation and waste management can be found in the following sections of this Report.

## ENERGY CONSERVATION [302-1, 305-1, 305-2, 305-4]

We believe in investing our time and effort towards energy efficiency, as we not only help protect the environment and mitigate climate change but can improve operational efficiency to lower our operating costs. The Group's electricity consumption is primarily from regular operations of the offices and factories in the various regions where our subsidiaries are situated and is consumed for operating machines and office equipment, lighting as well as cooling/heating systems. We monitored the total electricity usage for all our factories and offices situated in Singapore, Malaysia and the PRC. In FY2024, usage from our sales offices was not included.

The Group has a clear commitment to energy efficiency and has implemented practices since FY2018 to reduce energy consumption. These conservation efforts are adopted across the subsidiaries:

- Switching off lights, computers and air conditioning systems at the end of the workday.
- Regular maintenance of all our operations machines, as well as office equipment such as refrigerators, air-conditioners and heaters so as to maintain higher efficiency.
- Use energy saving equipment and lighting.
- Set temperature of air conditioners to 25°C for the Singapore and Malaysian subsidiaries.
- Raising awareness among employees and educating them about energy conservation and emission reductions.

In FY2024, we had set a target for electricity consumption of 270,000 kWh. We met the target in FY2024, however total consumption rose to 270,328 kWh in FY2025 primarily due to more comprehensive data capture rather than higher actual usage. The Group's improved data collection processes have captured previously unrecorded consumption and this resulted in a more accurate and comprehensive measurement of actual usage, which the Group sees as a positive step toward strengthening environmental accountability. We have set the target for FY2026 at 275,000 kWh and will be committed to keep increases in energy usage to not more than 3% year-on-year increases, so that by FY2028 we hope to achieve a target of 286,000 kWh and by FY2031, a target of 313,000 kWh.

The Group also consumes fuel and diesel for company vehicles such as forklifts, vans, and trucks. We conduct regular maintenance and scheduled overhauls on these vehicles to optimize fuel consumption and minimize emissions of pollutants. In addition, our logistics staff also plan the daily delivery route to reduce unnecessary fuel use and enhance operational efficiency.

We actively support industry-wide initiatives led by our business partners and especially our principals to mitigate environmental impacts. The products we distribute under the Components Distribution division are specifically designed to include operational energy efficiency and end-of-life and disposal considerations, aligning with our broader commitment to sustainable product stewardship.

<b>Total Scope 1: Mobile Combustion</b>	<b>FY2024</b>	<b>FY2025</b>
	<b>kgCO<sub>2</sub>e</b>	<b>kgCO<sub>2</sub>e</b>
PRC	32,861	32,391
Malaysia	70,895	72,636
Singapore	18,396	22,922
<b>Total</b>	<b>122,152</b>	<b>127,949</b>

<b>Total Scope 2: Purchased Energy</b>	<b>FY2024</b>	<b>FY2025</b>
	<b>kgCO<sub>2</sub>e</b>	<b>kgCO<sub>2</sub>e</b>
PRC	39,700	34,169
Malaysia	94,174	106,027
Singapore	29,568	29,875
<b>Total</b>	<b>163,442</b>	<b>170,071</b>

### Direct Emissions from Fuel Consumption

Scope 1 emissions primarily result from the combustion of diesel fuel in the Group's commercial fleet, which supports equipment delivery, servicing, and maintenance operations.

In China, emission factors are based on the Hong Kong Environmental Protection Department (HK EPD) 2019 methodology, using vehicle-specific factors. Both Singapore and Malaysia used the 2.69 kgCO<sub>2</sub>e/litre diesel emission factor published by the US Energy Information Administration (EIA).

All Scope 1 emissions are calculated based on actual diesel consumption. Emission factors are aligned with national methodologies or accepted proxies where local data is limited.

## Indirect Emissions from Electricity Consumption

In China, Scope 2 emissions from purchased electricity are calculated using the Ministry of Ecology and Environment's ("MEE") 2022 East China Grid emission factor of 0.5617 kgCO<sub>2</sub>e/kWh. In Malaysia, the 2022 emission factor of 0.774 kgCO<sub>2</sub>e/kWh is applied, as defined by the Malaysian Green Technology and Climate Change Corporation ("MGTC"). For Singapore, the Energy Market Authority ("EMA") 2023 emission factor of 0.4120 kgCO<sub>2</sub>e/kWh is used.

All Scope 2 emissions are derived from non-renewable electricity supplied through national grids and are calculated using the location-based approach. Emission factors are sourced from the respective national authorities: MEE (China), MGTC (Malaysia), and EMA (Singapore).

## WASTE MANAGEMENT [306-2]

We strive to be environmentally responsible with our commitment towards preserving the environment through efficient waste management such as reuse, recycling, and sustainable use of products. Our efforts aim to reduce environmental impact while fostering a cleaner and more sustainable operating environment.

Waste generation is inherent to the Group's operations, and we have established policies and procedures to ensure responsible and compliant waste disposal. Paper waste and wooden pallets are directed to government-managed incinerators, while hazardous waste is securely stored in contractor-provided containers and collected directly from our premises by licensed waste management contractors.

Key initiatives that have been in place since FY2018 and as at the date of this report include the following:

- a. We regularly remind our staff across the Group to reduce the consumption of paper or adopt a paperless approach through enhancements made to our daily operating routines. Such enhancements include the scanning of documents which are then stored digitally in computers and servers to avoid overprinting. In addition, electronic versions of statements of accounts are issued to customers and suppliers. We also recycle used paper, using it for drafts and internal documentation.
- b. We refurbish and reuse equipment and tools, extending their useful life and reducing the need for frequent replacements.
- c. The main waste materials generated from our aluminium products distribution operations are the aluminium shavings from the cutting and sawing of our materials. Our aluminium shavings from production are collected for outsource recycling.
- d. Used saw blades for cutting our aluminium products are re-sharpened for re-use to extend their useful life, reducing material waste.
- e. We promote the recycling of used packaging materials including cartons, plastic, strings, wraps, wooden pallets, and paper.

To ensure environmentally responsible waste handling, particularly hazardous waste, we engage licensed waste disposal contractors. We are fully committed to ensuring compliance with applicable environmental laws. There were no incidents of non-compliance with environmental rules or regulations in FY2025 as targeted in the previous year (FY2024: Nil). We aim to uphold this standard through FY2026 and long term to FY2031.

# SOCIAL

## WORKFORCE METRICS [2-7]

	FY2025	FY2024	FY2023
Total employee headcount (all full-time)	90	103	99
- Female	38	44	41
- Male	52	59	58
Number of employees by region			
- Singapore	26	27	27
- Malaysia	39	49	41
- PRC	25	27	31

## DIVERSITY AND EQUAL OPPORTUNITY [405-1]

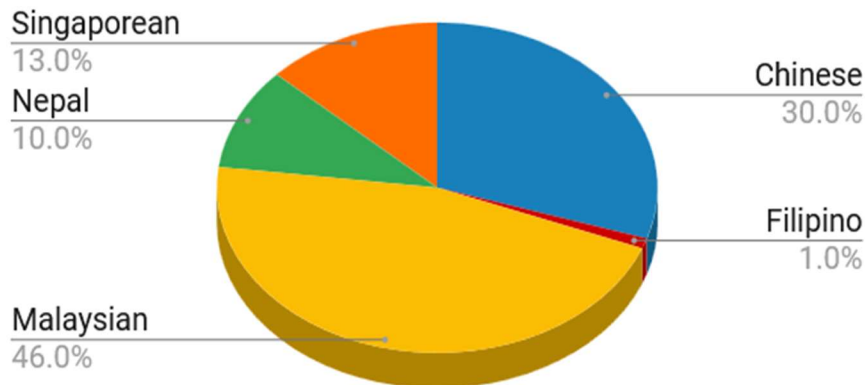
We are committed to being an equal opportunity employer, guided by the principles of fairness, equality and non-discrimination. All employment decisions – including recruitment, remuneration, promotion and benefits are handled based on merit and objective assessment, regardless of gender, race, religion, age or marital status.

In FY2023, the Group established a Board Diversity Policy to provide a structured framework that promotes diversity in the composition of the Board. This policy encompasses a range of attributes including gender, skills, and experience. The Group recognizes that a diverse Board strengthens decision-making processes by incorporating varied perspectives and insights. Members will be better equipped to navigate organisational changes and to support sound, strategic decisions aligned with the Group's core businesses. The policy is reviewed periodically to ensure its continued relevance and effectiveness.

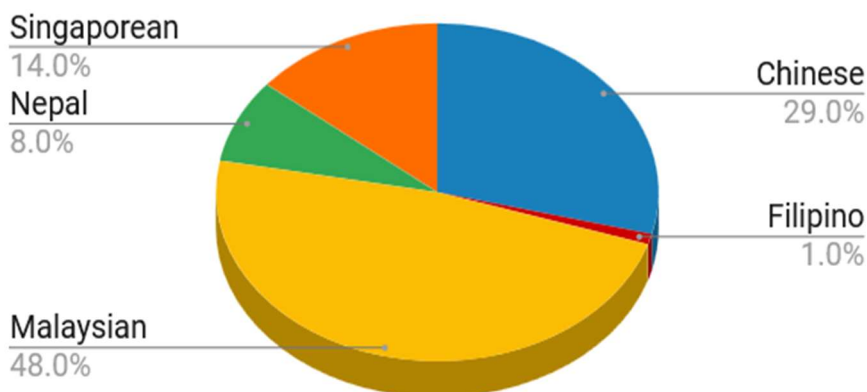
We value and promote diversity in our workforce, as we believe that a blend of experiences, backgrounds and skills drives innovation and enhances our ability to respond to a dynamic business environment. Our operations across Singapore, Malaysia, and the People's Republic of China (PRC) support a naturally diverse workforce, with employees representing several nationalities. Majority of our workforce comprises Singaporeans, Malaysians and Chinese nationals, which corresponds with the location of our main production facilities.

In Singapore, we employ several Malaysians and Chinese employees while our Malaysian factories employed a growing number of Nepalese workers for the production teams. As revenues improved in this segment, additional foreign workers were hired to support the higher workload. Meanwhile, the PRC workforce saw a modest reduction through attrition, reflecting the slower pace of recovery in that market segment. These shifts are reflected in our employee nationality breakdown, which has remained largely consistent over the past two years, with the notable exception of a slight increase in Nepalese workers in Malaysia and a corresponding decrease in Chinese workers in the PRC.

## FY 2025 - By Nationality

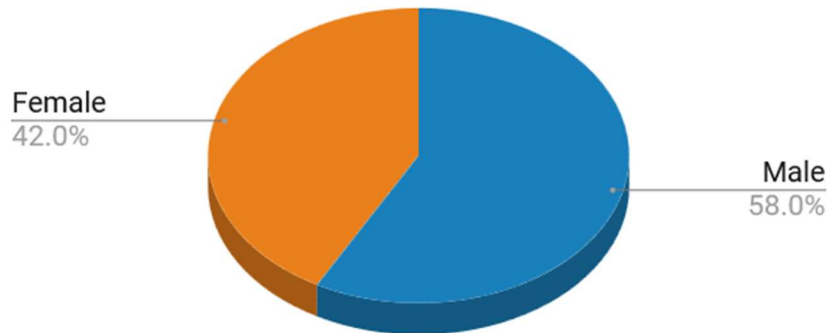


## FY 2024 - By Nationality

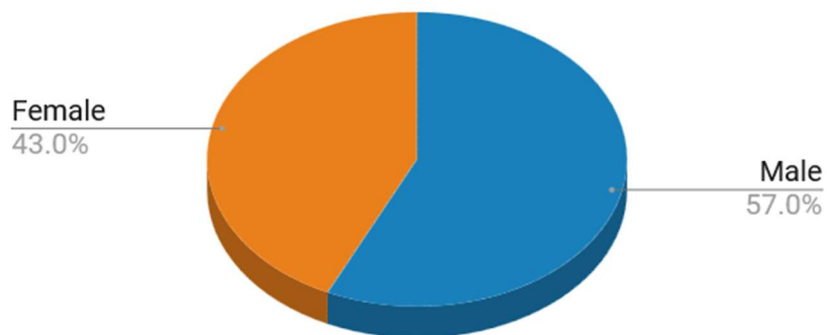


New Wave is also committed to fostering gender balance and inclusivity in the workplace. We aim to develop an inclusive culture that respects the contribution of all employees regardless of gender, race, or age. As of end of FY2025, the proportion of males as a percentage of the total workforce is 58% (FY2024 – 57%). This reflects the operational nature of our business, where a large number of men are employed in roles involving machine operations and delivery services. Overall, the gender composition has remained consistent over the two years period except for a slight reduction in the number of male sales staff in the PRC.

## FY 2025 - By Gender



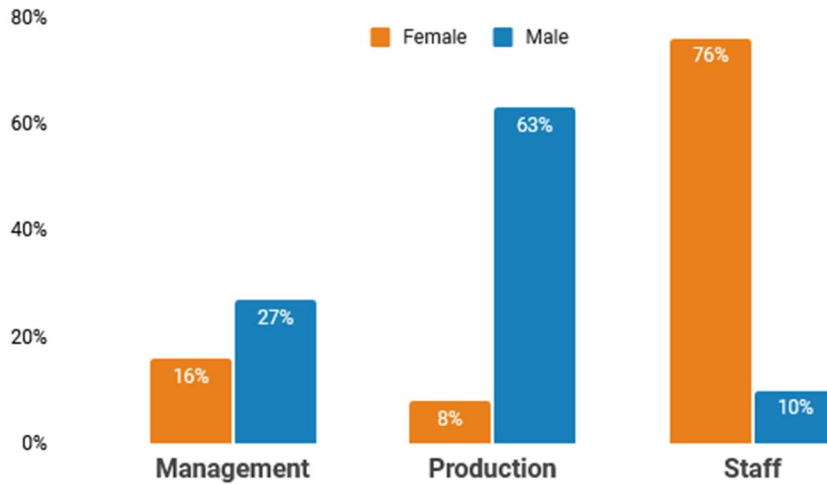
## FY 2024 - By Gender



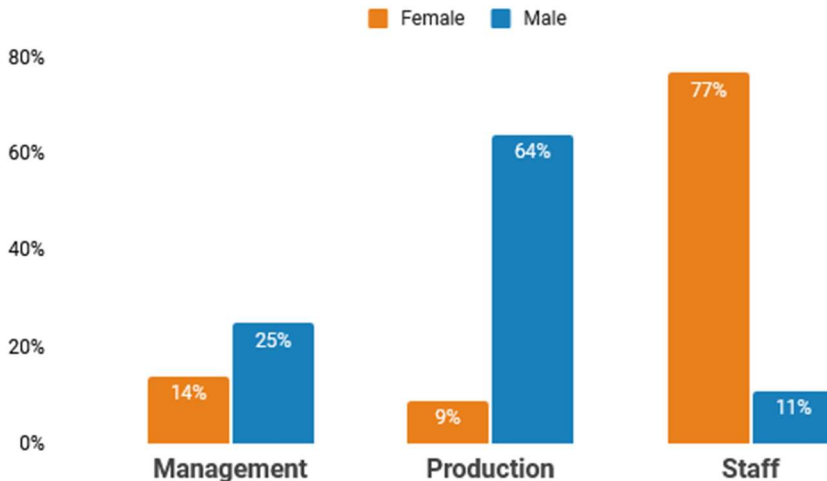
As of end of FY2025, the Group's total number of staff has decreased to 90 from 103 in FY2024. This is due to the ongoing economic uncertainty. The Group is restructuring its workforce and streamlining workflows to enhance operational resilience. Vacant positions are generally left unfilled unless they are deemed critical to business continuity or strategic priorities.

The overall distribution of men and women in our three major categories of employees has remained relatively consistent over the past two years. Similar to the previous year, there continues to be a higher proportion of male managers than female managers; and more men are predominantly employed in the production departments due to the nature of the job, while the accounts and administrative jobs are staffed mostly by women. These trends are illustrated in the bar charts below and reflect the operational requirements of each role.

## FY2025 - Staff Distribution

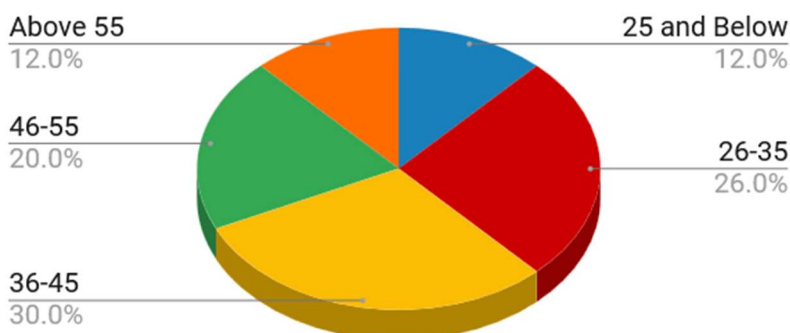


## FY2024 - Staff Distribution

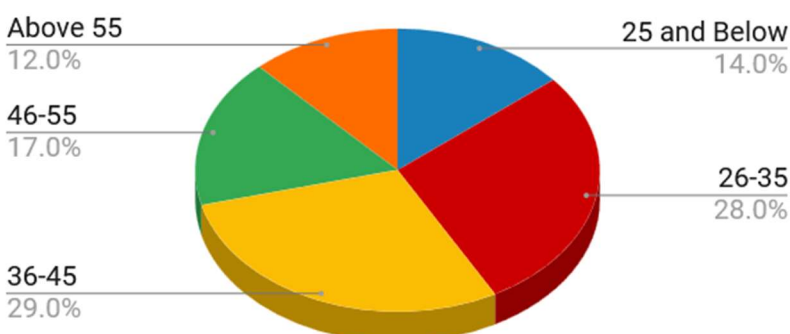


As for age diversity, we are aware of it as a key component of a well-rounded and resilient workforce. We greatly appreciate the experience, knowledge and skills that our tenured employees bring, while also recognising the importance of succession planning and the need to engage younger talent to drive the Group's operations in the future. In recent years, over 10% of our workforce are above 55 years of age, highlighting our commitment to retaining experienced personnel. For FY2025, the percentage of our workforce aged 25 and below is 12%, while the percentage for FY2024 is 14%, demonstrating the Group's success in attracting early-career talent. We remain committed to creating an environment that encourages continuous learning and will continue to pursue efforts to recruit motivated young individuals who are eager to grow with the Group.

## FY 2025 - By Age Group



## FY 2024 - By Age Group



## TRAINING AND STAFF DEVELOPMENT [404-1, 404-2]

We are committed to developing our people by providing equal opportunities for training and growth tailored to individual strengths and operational needs, to help them achieve their full potential. Our training programs aim to help employees perform at optimal levels and include on-the-job training and mentoring, job rotation, product and technical updates conducted by principals and participation in external courses, seminars and webinars.

In Singapore, new production staff required to handle forklifts attend a week-long certificate course conducted by companies approved by the Ministry of Manpower. All production staff handling the cutting of metals are sent to regular metalworking safety training. Similar to previous years, during FY2025, for the aluminium products distribution business, we conducted in-house training to improve knowledge of our products for sales staff to enable them to communicate better with customers, as well as safety courses to constantly remind all employees (and in particular, those working within the factories) the importance of ensuring a safe environment for everyone. The safety courses emphasized safety on the production floor but also covered other topics of general interest e.g. fire safety management – identify fire hazards, use of fire extinguishers, etc. – and health and safety measures pertaining to pandemic situations and the prevention of dengue. As for the component distribution business, our main principal conducts seminars and workshops to update their distributors on their products. Administrative and accounts staff are sent for courses relevant to the work they handle, for instance when there are changes in regulations that affect the Group, as in the case of changes in regulations under the Goods and Services Tax (GST), corporate income tax laws or changes in the financial reporting systems of their respective countries.



In response to the Ministry of Manpower's emphasis on industrial safety in FY2024, our CEO completed the Top Executive Workplace Safety and Health Programme (TEWP) aimed at focusing corporate leaders' attention on how to meet their workplace safety and health responsibilities and ways to develop their company's capabilities to meet these responsibilities. This reinforced our commitment to safety compliance and capability-building.

In FY2024, the Group set an ambitious goal of 6.0 hours of training per employee for FY2025. This target was not reached (FY2025: 5.22 hours per employee). Nevertheless, the Group remains firmly committed to the training and development of its employees and will continue to strengthen learning opportunities across all business units. We have kept the same target of 6.0 hours for FY2026 and we will maintain our forward-looking goals to increase the average training hours per employee to 6.5 hours by FY2028 and to 8 hours by FY2031.

Employee performance is assessed through regular appraisals, involving input from supervisors and managers. Promotions are based on merit, competency, and suitability. As we value our employees, we will typically consider promoting existing employees before hiring for new or vacant positions.

The Company and its subsidiaries are committed to fair employment practices and will continue to abide by the local labour laws in the countries within which we operate to promote fair employment practices. In FY2025, we did not receive any complaints from our staff nor any reports of non-compliance from the authorities (FY2024: Nil) and we aim to uphold this record for FY2026 and all the way to FY2031.



**Fire safety training held at our PRC factory**



**Safety management training at our PRC factory**

## **OCCUPATIONAL HEALTH AND SAFETY [403-5, 403-6 403-9]**

Our employees are an integral part of our organisation and we are committed to providing them with a safe, healthy and supportive environment. While our production sites will naturally have some safety risks, we strive to cultivate and sustain a safety focused, zero-accident culture. In addition to traditional workplace safety, we have also prioritised employee health and well-being.

At our production sites, workers are required to operate the cutting machines, forklifts and to handle the heavy aluminium products which necessitates a strong and consistent focus on a safety-conscious culture amongst our workers to avoid any industrial accidents. We maintain a set of safety rules and regulations in place, and all new employees undergo training in safety procedures during orientation. As committed in the previous year, the management held regular briefing sessions in FY2025 to reinforce safe practices and to emphasize to every employee that each is responsible for his own safety and the safety of his co-workers.

To minimize the risk of disease transmission, within or from our premises, we have reminded the staff to self-monitor their own well-being and stay away when not feeling well, especially among those in

frequent contact with external parties including our customers and suppliers. The employees on the production floor are also required to always wear personal protective equipment (PPE), which includes appropriate uniform, hard boots, gloves and face masks. These measures serve both to protect against physical hazards such as aluminium dust and to reduce exposure to airborne viruses and bacteria.

To ensure a safe and healthy working environment, New Wave has implemented a set of house rules across all production sites, aimed at promoting safety, hygiene, and hazard prevention. These rules include:

- Maintaining clean and organized work areas to prevent slips, trips and falls. Workers are to keep the aisles clear of products or debris to allow safe operation of the forklifts.
- Regularly cleaning and sweeping the production floor at the end of the day.
- Ensure buckets and other containers are overturned and regular checks for stagnant water, especially in drains or gutters
- Wearing the appropriate PPEs when handling machines which include gloves, face masks, and safety boots.
- Remain vigilant and alert when operating machines and avoid any unsafe or negligent act that may endanger yourself or others working in the vicinity.
- Promptly report to the supervisor any potential health or safety hazards that have come to your attention.

Each location is equipped with first-aid kits to provide immediate first aid treatment to workers or others in case of injuries at the location. The employees handling forklifts are licensed, having undergone certified training. In Singapore, all our workers have attended safety courses on metal working, as required by the Ministry of Manpower.

In FY2025, the Group recorded two work-related injuries in Malaysia, both of which are classified as medical treatment cases with no significant lost time. While these cases were not classified as major incidents, they underscore the importance of maintaining vigilance and strict adherence to safety protocols. Despite the recent cases, the Group remains strongly committed to ensuring a safe working environment and continues to target zero workplace accidents in FY2026 and over the long term to FY2031.

Beyond physical safety, the Group is committed to promoting overall employee well-being. We also encourage our employees to adopt a healthy lifestyle through proper diets and regular exercise. The Company provides free medical consultations and medication, allowing employees to access care through Company approved clinics situated near each of our offices, or any government run clinics. We promote work-life balance, encouraging workers to relax during breaks and manage stress during the workday.

## **GIVING BACK TO THE COMMUNITY [413-1]**

The Group upholds the concept of corporate social responsibility and believes that community engagement is an integral part of our business sustainability. We encourage our staff to participate actively in events held by various social agencies. During FY2024, the Company organised a lantern-making session for seniors held at the premises of the Telok Blangah Active Ageing Hub, one of the Active Ageing Centres (AAC) that the government has set up throughout Singapore to prepare for a fast-aging population. The Group's goal was to organise annually at least one such event in which a majority of staff could participate. However, in FY2025, due to work related exigencies, we have to push back the project to the following year.

# GOVERNANCE

## CORPORATE GOVERNANCE [2-27]

Our Board and Management are committed to maintaining the highest standards of corporate governance to protect shareholder interests and drive long-term value creation. Our governance framework is built on the principles of professionalism, integrity and transparency, and is supported by robust internal controls and comprehensive risk management systems.

Our corporate governance practices are detailed in the Group's 2025 annual report in the section entitled "Corporate Governance Report" (pages 11 to 28), with specific references to the principles and guidelines of the Code of Corporate Governance 2018 (the "**Code**"). Where the Group's practices differ from the principles and guidelines under the Code, the deviation from the recommended guidelines under the Code were duly explained and set out under the Corporate Governance Report.

The Board of Directors sets the overall strategic leadership and directions for the Group, establishes goals for management, and monitors the achievement of these goals. To support this, the Board is assisted by several committees:

- The Nominating Committee evaluates the effectiveness, diversity and independence of the Board and its committees, ensuring a balanced and competent leadership team. The Committee also conducts rigorous evaluations of the independence of independent directors.
- The Audit Committee works with external auditors and oversees the quality and integrity of the financial reports, audit procedures, risk management, and internal controls. The Audit Committee also ensures that the internal audit function is independent, effective, and adequately resourced.
- The Remuneration Committee ensures fair, performance-linked, and competitive remuneration for Directors and key management, aligned with the Group's long-term goals.

The Board's policy is to treat all shareholders fairly and equitably and to provide them with timely and accurate information on the Group's financial performance and material developments through public announcements via SGXNET, press publications where appropriate, circulars and annual reports.

The Group has in place an internal code of conduct to guide Directors and key officers to adhere to the provisions of the Companies Act and other relevant regulations regarding their securities transactions, with particular attention to observe insider-trading laws and regulations.

In FY2025, there were no incidents of non-compliance with relevant laws and regulations (FY2024: Nil), consistent with the previous year. Our target is to maintain this record in FY2026, and all the way through FY2031.

## ENTERPRISE RISK MANAGEMENT

The Group operates in various countries and markets and is therefore subject to various risks inherent to each business environment and operational activity. These risks may affect productivity and profitability and hinder the achievement of business objectives and implementation of strategies. Aware of the significance of this issue, the Management undertakes to provide resources to adequately identify, measure, manage and control the significant risks to all the activities and businesses of the Group. It has established an enterprise-wide risk management framework which is integrated into the internal control systems of the Group to enhance its risk management capabilities. This framework includes institutionalising a systematic risk assessment methodology for the identification, assessment, reporting and monitoring of risks on a consistent and reliable basis. The system is also regularly reviewed and enhanced, to ensure its relevance in a dynamic and evolving business environment.

The risk management framework addresses financial, operational, compliance and information technology risks, with an overarching goal to safeguard the Group's assets. The Audit Committee

conducts an annual review of the Group's risk management policies and system, including the internal controls review report from the internal auditors, to ensure the robustness and effectiveness of the Group's overall risk governance.

## **BUSINESS ETHICS [2-15, 2-26, 2-27]**

We are committed to operating our business with the highest standards of integrity, accountability, and ethical behavior.

We have a zero-tolerance policy towards bribery and corrupt practices or any other behavior that may bring disrepute to the Group. We expect honesty, integrity and respect to be exhibited in our dealings and interactions within and outside the Group. All business dealings should be transparently performed and accurately reflected in the Group's books and records.

The Group also ensures that measures are in place to safeguard access to personal data that is stored on its premises or servers. This applies to data obtained during recruitment of staff, personal data of existing staff, including their medical records, and other confidential information relating to customers, suppliers, and shareholders. Access to personal data is restricted to authorised persons on a strict need-to-know basis. The Group has appointed a Data Protection Officer (DPO) and is responsible for ensuring compliance with the Personal Data Protection Act ("**PDPA**"). He has received the relevant training by attending talks and seminars and is also registered with the Personal Data Protection Commission so that he can keep abreast of related developments and help the organisation comply with the PDPA. In FY2025, there were no incidents of non-compliance with the PDPA as targeted last year and we aim to maintain this record for FY2026, and all the way through to FY2031.

The Group also upholds a strict policy on conflicts of interest to preserve the integrity and transparency of our operations. All new employees and directors must declare any actual, perceived, or potential conflicts of interest, including but not limited to relationships with our vendors, customers, or competitors. Annually, staff in key positions that are deemed more exposed to potential conflicts of interest situations are required to update their declaration. All staff, management and directors are expected to act in the best interests of the Group at all times and to avoid situations where personal interests may conflict or appear to conflict with their professional responsibilities.

We protect all confidential data against cyber security risks in order to protect the confidential information of all stakeholders through constant monitoring of our information technology systems. Employees are routinely reminded to stay vigilant and alert against phishing or other cyber threats. To further enhance data security and improve system efficiency of our IT systems, we have progressively migrated our core system to the cloud. Our Enterprise Resource Planning (ERP) System for Singapore operations was migrated in FY2022 followed by Malaysia ERP System and Group's email system in FY2023. The Group enlists the help of a reputable internet service provider to manage data hosting, data backups, the firewall, and overall cybersecurity to ensure first line protection against malware and infections. The service provider works closely with our own IT staff to ensure that regular updates are done, and any potential cyber-attacks are discovered early and are disarmed before doing any harm to our systems.

We have provided a whistle blowing channel to all stakeholders including employees to raise concerns in confidence and without fear of reprisals about possible improprieties in any areas e.g. fraud, misappropriation of assets, bribes, violations of laws and regulations, and danger to public health or safety complaints. Whistle-blowers may address their concerns via the email address [auditcom@newwave.com.sg](mailto:auditcom@newwave.com.sg) and the Audit Committee will carry out confidential investigations and will withhold the identity of the complainant, as appropriate.

In FY2025, there were no reports of any leaks from our information systems, and we did not suffer any loss of data through any attempted attacks on our systems. We target to maintain this performance in FY2026 and to continue to have nil incidents all the way to FY2031.

## GRI STANDARDS CONTENT INDEX

GRI Standard	Disclosure	Location	
GENERAL DISCLOSURE			
GRI 2: General Disclosures 2021	2-1	Organisational details	Organisational Profile, page 4
	2-2	Entities included in the organisation's sustainability reporting	Organisational Profile, page 4
	2-3	Reporting period, frequency and contact point	Board Statement, page 2
	2-4	Restatements of information	Not applicable
	2-5	External assurance	Board Statement, page 3
	2-6	Activities, value chain and other business relationships	Organisational Profile, page 4
	2-7	Employees	Social, page 20 to 26
	2-8	Workers who are not employees	Not applicable
	2-9	Governance structure and composition	Annual report 2025, page 11 to 15
	2-10	Nomination and selection of the highest governance body	Annual report 2025, page 16 to 17
	2-11	Chair of the highest governance body	Annual report 2025, page 15
	2-12	Role of the highest governance body in overseeing the management of impacts	Annual report 2025, page 11 to 28
	2-13	Delegation of responsibility for managing impacts	Annual report 2025, page 11 to 28
	2-14	Role of the highest governance body in sustainability reporting	Board Statement, page 2 Sustainability Governance, page 5
	2-15	Conflicts of interest	Annual report 2025, page 27 and page 29 to 30
	2-16	Communication of critical concerns	Anti-corruption, page 11
	2-17	Collective knowledge of the highest governance body	Board Statement, page 2
	2-18	Evaluation of the performance of the highest governance body	Annual report 2025, page 19
	2-19	Remuneration policies	Annual report 2025, page 19 to 22
	2-20	Process to determine remuneration	Annual report 2025, page 19 to 22
	2-21	Annual total compensation ratio	Annual report 2025, page 20
	2-22	Statement on sustainable development strategy	Board Statement, page 2
	2-23	Policy commitments	Board Statement, page 2 Anti-Corruption, page 11 Environmental, page 12 to 19 Governance, page 27 to 28
	2-24	Embedding policy commitments	Board Statement, page 2 Sustainability Governance, page 5
	2-25	Processes to remediate negative impacts	Anti-corruption, page 11
	2-26	Mechanisms for seeking advice and raising concerns	Anti-corruption, page 11 Governance, page 27 - 28
	2-27	Compliance with laws and regulations	Governance, page 27 - 28
	2-28	Membership associations	Stakeholders Engagement, page 6
	2-29	Approach to stakeholder engagement	Stakeholders Engagement, page 6
	2-30	Collective bargaining agreements	Not applicable
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Materiality Assessment, page 7 - 8
	3-2	List of material topics	Materiality Assessment, page 7 - 8
	3-3	Management of material topics	Sustainability Governance, page 5

## GRI STANDARDS CONTENT INDEX

GRI Standard		Disclosure	Location
<b>MATERIAL TOPICS</b>			
<b>GRI 201: Economic performance 2016</b>	201-1	Direct economic value generated and distributed	Page 9
<b>GRI 204: Procurement Practice 2016</b>	204-1	Proportion of spending on local suppliers	Page 10 to 11
<b>GRI 205: Anti-corruption 2016</b>	205-1	Operations assessed for risks related to corruption	Page 11
<b>GRI 302: Energy 2016</b>	302-1	Energy consumption within the organization	Page 17 to 19
<b>GRI 305: Emissions 2016</b>	305-1	Direct (Scope 1) GHG emissions	Page 17 to 19
	305-2	Energy indirect (Scope 2) GHG emissions	
	305-4	GHG emissions intensity	
<b>GRI 306: Waste 2020</b>	306-2	Management of significant waste-related impacts	Page 19
<b>GRI 403: Occupational Health and Safety 2018</b>	403-5	Worker training on occupational health and safety	Page 25 to 26
	403-6	Promotion of worker health	
	403-9	Work related injuries	
<b>GRI 404: Training and Education 2016</b>	404-1	Average hours of training per year per employee	Page 24 to 25
	404-2	Programs for upgrading employee skills and transition assistance programs	
<b>GRI 405: Diversity and equal opportunity 2016</b>	405-1	Diversity of governance bodies and employees	Page 20 to 24 Annual Report 2025, page 13 to 14

## TCFD CONTENT INDEX

### TCFD Recommendations

#### **Governance – Disclose the organisation’s governance of climate-related risks and opportunities**

- |    |  |            |
|----|--|------------|
| a) | Describe the board’s oversight of climate-related risks and opportunities                    | Page 12-13 |
| b) | Describe management’s role in assessing and managing climate-related risks and opportunities |            |

#### **Strategy - Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning where such information is material**

- |    |  |               |
|----|--|---------------|
| a) | Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term                               | Page 13 to 16 |
| b) | Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning                        |               |
| c) | Describe the resilience of the organization’s strategy, taking into consideration different climate related scenarios, including a 2°C or lower scenario |               |

#### **Risk Management - Disclose how the organisation identifies, assesses, and manages climate-related risks**

- |    |   |         |
|----|---|---------|
| a) | Describe the organization’s processes for identifying and assessing climate-related risks   | Page 16 |
| b) | Describe the organization’s processes for managing climate-related risks  |         |
| c) | Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization’s overall risk management |         |

#### **Metrics & Targets - Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material**

- |    |   |            |
|----|---|------------|
| a) | Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process | Page 16-17 |
| b) | Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks  |            |
| c) | Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets                       |            |