



DRIVE FOR GROWTH

SUSTAINABILITY REPORT 2025

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This sustainability report has been reviewed by the Company's sponsor, SAC Capital Private Limited. ("**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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ORGANISATIONAL PROFILE

Koyo International Limited (“**Company**” or “**Koyo**” and together with its subsidiaries, the “**Group**”) was listed on the Catalyst board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) in 2009.

For the financial year ended 31 December 2025 (“**FY2025**”), the Group focused on its core mechanical and electrical (“**M&E**”) engineering services.

BOARD STATEMENT

The board of directors (“**Board**”) of the Company is pleased to present the ninth Sustainability Report (“**Report**”) of the Group. This Report is a culmination of the Group’s commitment towards incorporating sustainability into its business operations through the presentation of economic, environmental, social and governance (“**EESG**”) performance throughout the year. The Board considers sustainability issues an integral part of our strategic formulation, determines material EESG factors, and oversees the identification and management of risks and opportunities relating to EESG issues that are material to our business.

In FY2025, the Group conducted the review by focusing on the most pressing EESG issues impacting the business and its stakeholders. The Group has put in place stronger controls and processes to manage the material EESG factors, which in turn demonstrate Koyo’s commitment to sustainability and addressing its stakeholders’ primary concerns.

ABOUT THIS REPORT

This report has been prepared with reference to Global Reporting Initiatives (“**GRI**”) Standards 2021 as well as Rules 711A and 711B and Practice Note 7F of the Listing Manual Section B: Rules of Catalyst of the SGX-ST (“**Catalist Rules**”). The GRI standards were referenced as it is globally recognised and comprehensive framework for us to report on EESG impacts. It helps us in ensuring consistency and comparability in our sustainability report reporting, making it easier for stakeholders to understand and assess our sustainability performance. The report highlights the key EESG-related factors identified for FY2025 and the initiatives taken during the period. The report focused on the Group’s M&E engineering services, which include facilities management. Through this report, we share our commitment to sustainability and transparency with our various stakeholders, including customers, suppliers, employees, investors, and government & regulators.

The SGX has introduced a phased approach to mandatory climate disclosures consistent with the recommendations of the Task Force on Climate-related Financial Disclosures (“**TCFD**”). The TCFD is an international task force set up by the Financial Stability Board to provide information to investors about what companies are doing to mitigate the risks of climate change, as well as being transparent about the way in which they are governed. Within this report, we disclose our inaugural climate-related disclosures, including governance, strategy, risk management and metrics and targets as recommended by the TCFD. Following the publication of the International Sustainability Standards Board (“**ISSB**”) Standards – International Financial Reporting Standards S1 and S2, we are in the process of aligning our climate-related disclosures to the ISSB Standards. We will be guided by the phased approach recommended by the SGX-ST in aligning our reporting of climate-related disclosures in accordance with ISSB Standards.

The Group has established a team comprising members from Senior Management and operations to maintain oversight of the Group’s sustainability efforts across different departments, including project, contract, facilities management, finance, information technology and human resources. The sustainability team reviews the Group’s sustainability objectives, challenges, targets and progress to ensure their alignment with the Group’s strategic direction and oversees the implementation and tracking of sustainability data and overall sustainability progress of the workforce. Koyo seeks to minimise its environmental footprint and impacts by continuously improving this process in order to ensure the data collection is effective and robust.

Our sustainability report has been internally reviewed by the Board and sustainability reporting process is incorporated as part of our internal audit rotational review cycle. We have not sought external assurance on this report.

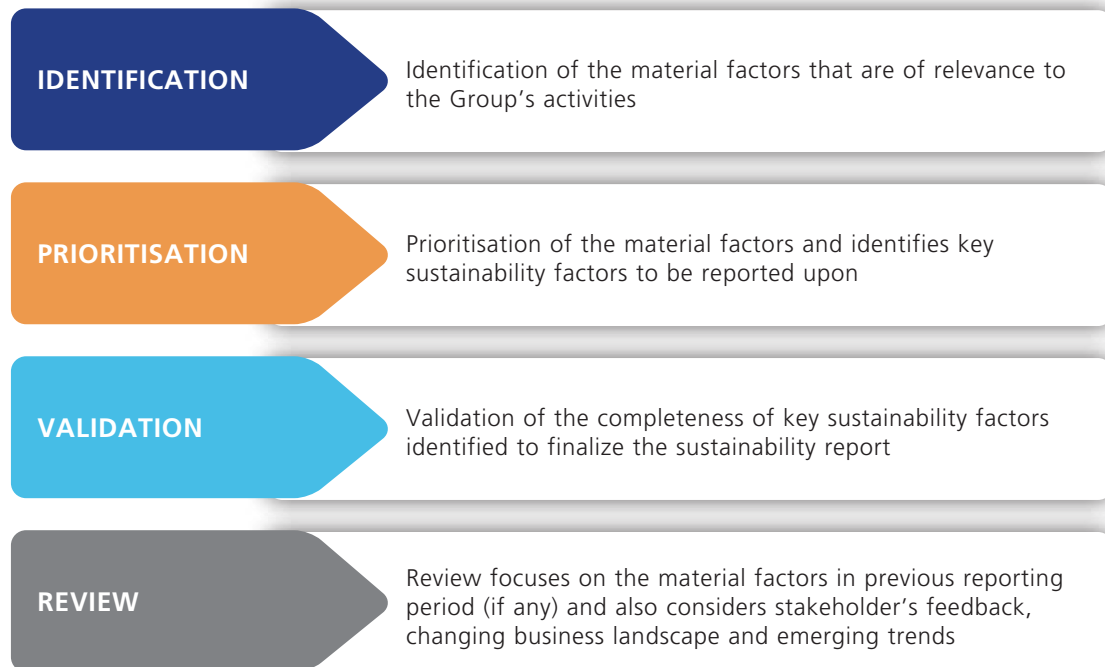
As part of our continual efforts to improve the coverage of our sustainability practices in the report, we welcome stakeholders to submit their questions or feedback on any aspect of our sustainability performance via the following email address: mail@koyointernational.com.

SUSTAINABILITY REPORT

POLICY, PRACTICES AND PERFORMANCE REPORTING

SUSTAINABILITY REPORTING PROCESSES

Our sustainability process begins with the identification of relevant aspects of stakeholder engagement. Relevant aspects are then prioritised as material when identifying issues. The final list of issues that are deemed as material to us are the issues that have significant economic, environmental and social impacts or could substantively influence the assessments and decisions of our stakeholders. The result of this process is a list of material factors disclosed in the sustainability report. The sustainability reporting process is as shown below:



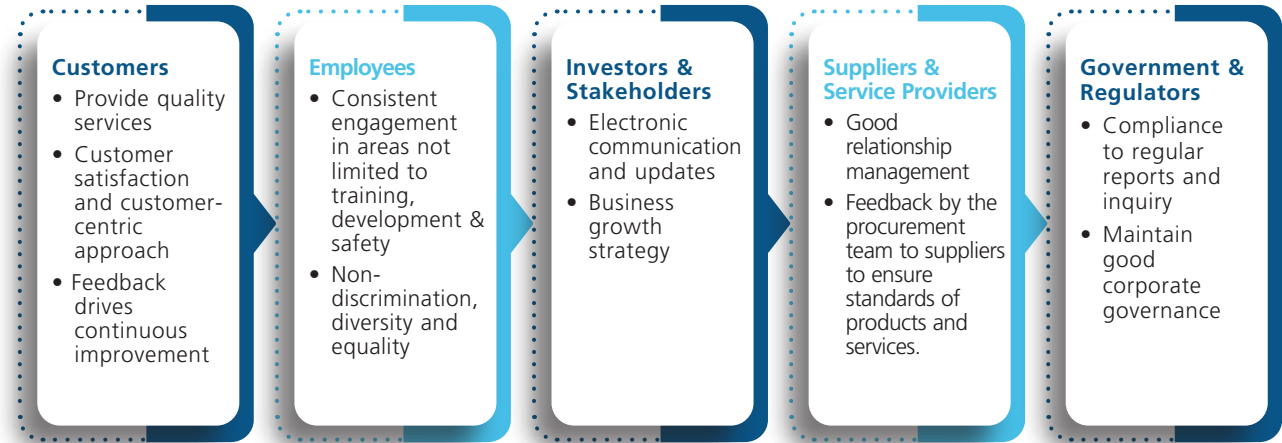
STAKEHOLDER ENGAGEMENT

An important starting point in our sustainability journey is to identify our stakeholders and material aspects relevant to our business. The interests and requirements of key stakeholders are also taken into account when formulating corporate strategies. These key stakeholders include, but are not limited to employees, suppliers & service providers, investors & shareholders, customers, and government & regulators.

We adopt both formal and informal channels of communication to understand the needs of key stakeholders and incorporate these into our corporate strategies to achieve mutually beneficial relationships.

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The following sets out our engagement platforms with our stakeholders:



The purpose of our stakeholder engagement is to ensure that we understand and address their concerns, expectations and needs, ultimately improving our decision-making process and overall performance.

Stakeholder Group	Issues of Concern	Our Responses
Customers	Personal Data Privacy	Follow our responsibilities in Personal Data Protection Act (“ PDPA ”), take measures to keep personal data updated, protected and secured.
Employees	Remuneration and benefits	Fair and competitive remuneration packages, comprehensive benefits, and welfare schemes.
	Training and development	Training needs identified, extensive relevant training provided for employees’ learning and development.
	Health and safety	Defining and enforcing clear Workplace Safety and Health (“ WSH ”) management system, extensive safety training as necessary.
Investors and stakeholders	Economic impact	To deliver economic benefits and bring sustainable growth through effective project management and efficient resource management.
	Corporate governance	Ensure compliance with Code of Corporate Governance by the Monetary Authority of Singapore.

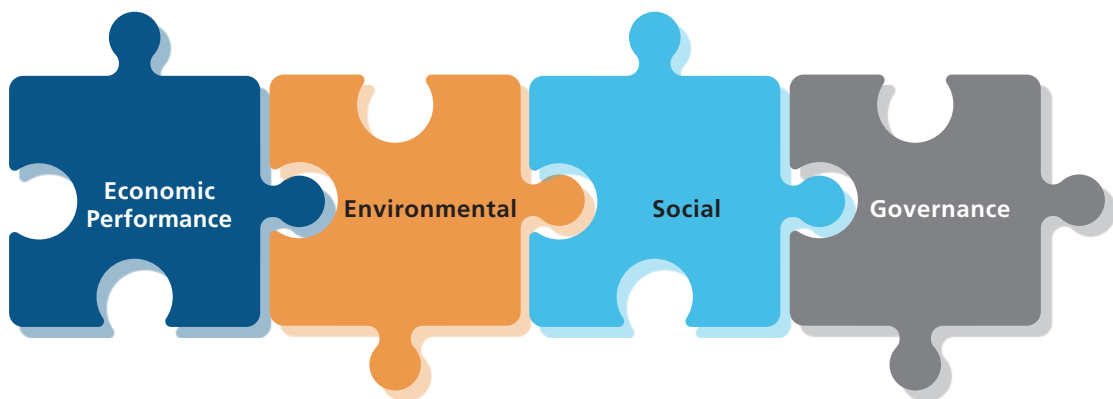
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Stakeholder Group	Issues of Concern	Our Responses
Suppliers and service providers	Health and safety	Defining and enforcing clear WSH management system, extensive safety training as necessary to ensure the procurement of services and products meets the defined standards.
	Legal and compliance	Ensure compliance with all relevant laws and regulations, relating to Building and Construction Authority (“ BCA ”), Ministry of Manpower (“ MOM ”), Singapore Civil Defence Force (“ SCDF ”), National Environment Agency (“ NEA ”) and Public Utilities Board (“ PUB ”).
Government and regulators	Fines and penalties	Ensure fines and penalties due to non-compliance or issues are targeted at zero.
	Legal and compliance	Ensure compliance with all relevant laws and regulations, relating to BCA, MOM, SCDF, NEA, PUB, Code of Corporate Governance and others.

MATERIAL ASPECTS ASSESSMENT

We conducted a materiality assessment during FY2025 to identify, prioritise and validate EESG topics that are material to the Group. Factors that were deemed material last year were reviewed to ensure their continued relevance. A materiality review will be conducted annually, incorporating inputs from the stakeholder engagements.

To determine if an aspect is material, we assessed its potential impact on the economy, environment and society and the influence on the stakeholders and the Company. Aspects were identified and prioritised through senior management evaluations. Applying the guidance from GRI Standards, we have identified the following material aspects:



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The material topics relating to the above aspects are identified as follows:

EESG FACTORS	MATERIAL TOPICS
Economic	Economic Performance
Environmental	Green Mark Projects Supply Chain Environmental Aspect and Impact Assessment Waste Management (Reduce, Reuse, Recycle) Conservation of Energy and water Greenhouse Gas ("GHG") Emissions
Social	Diversity and Fair Employment Code of Conduct Training and Education Occupational Health and Safety Safety Training Safety Campaign Managing Risks at Work
Governance	Anti-Corruption Data Protection Compliance with Laws and Regulations

We have adopted sustainability targets for short, medium, and long-term in order to manage sustainability-related risks and opportunities. This will help us to track our progress for the implementation and improvement upon our sustainability measures.

Material EESG Factors in FY2025	Short-term Sustainability Targets	Medium and Long-term Sustainability Targets
Environmental Compliance	We will explore recycling programmes to promote responsible usage of resources within our operations. We also target to have zero environmental-related regulatory fines from authorities.	We target to maintain zero environmental-related regulatory fines from authorities in the medium to longer term.
Waste Management (Reduce, Reuse, Recycle)	We target to reduce paper consumption by 5% as compared to previous year's level.	We aim to reduce our waste generated by 7% in the medium-term (FY2030) and will work towards setting long-term target in the future.
Conservation of Energy	We aim to reduce energy consumption by 5% (in kWh) as compared to previous year's level.	We aim to reduce our energy consumption (in kWh) by 7% in the medium-term (FY2030) and will work towards setting long-term target in the future.
Conservation of Water	We aim to reduce water consumption by 5% (in m ³) as compared to previous year's level.	We aim to reduce our water consumption (in m ³) by 7% in the medium-term (FY2030) and will work towards setting long-term target in the future.

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Material EESG Factors in FY2025	Short-term Sustainability Targets	Medium and Long-term Sustainability Targets
Human Resources	We target to evaluate our labour practices, ensure safe working conditions, and uphold fair employment standards.	We aim to continuously evaluate our labour practices, to ensure safe working conditions, and uphold fair employment standards in the medium to longer term.
Code of Business Conduct Anti-corruption	We aim to ensure 100% compliance with our Code of Business Conduct and Ethics and whistle-blowing policy. We also aim to achieve zero confirmed incidents of corruption.	We aim to ensure 100% compliance with our Code of Business Conduct and Ethics and whistle-blowing policy. We also aim to achieve zero confirmed incidents of corruption.
Employment Turnover	We aim to hire and retain suitable talent through effective employee engagement and retention strategies.	We target to maintain or improve overall turnover rate.
Workforce Training and Development	We will enhance employee skill sets through targeted training and development initiatives.	We strive to maintain or improve average training hours for employees through targeted training and development initiatives.
Workplace Health and Safety	We target to continue enforcing our comprehensive safety program to achieve zero MOM reportable accident and maintaining zero fatalities in the workplace.	We target to continue enforcing our comprehensive safety program to achieve zero MOM reportable accident and zero fatalities in the workplace.
Board and Workforce Diversity	We aim to introduce more diversity into our workplace – in terms of gender, nationality, and age group mix – to strengthen our competency while providing fair and equal employment opportunities for all. We also strive to maintain zero incidents of unlawful discrimination against employees.	We aim to introduce more diversity into our workplace – in terms of gender, nationality, and age group mix – to strengthen our competency while providing fair and equal employment opportunities for all. We also strive to maintain zero incidents of unlawful discrimination against employees.
Data Protection and Privacy	We target to achieve 100% compliance with the PDPA and achieve zero breaches of customers’ data privacy.	We target to achieve 100% compliance with PDPA and achieve zero breaches of customers’ data privacy.
Legal Compliance	We target to achieve 100% legal compliance, monitoring adherence to regulations, and promptly addressing any discrepancies.	We target to achieve 100% legal compliance, monitoring adherence to regulations, and promptly addressing any discrepancies.
Board Independence	We target to continue conducting annual review of the Director’s Independence and comply with the requirements of the Code of Corporate Governance and achieving zero number of identified conflicts of interest between the Group and any interested party.	We target to continue conducting annual review of the Board’s Independence and comply with the requirements of the Code of Corporate Governance and achieving zero number of identified conflicts of interest between the Group and any interested party.

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Material EESG Factors in FY2025	Short-term Sustainability Targets	Medium and Long-term Sustainability Targets
Management of GHG	We note that in comparison to FY2024, GHG emissions (Scope 1 & Scope 2) has reduced by 20% and 9% respectively. We target to maintain or reduce GHG emissions intensity from previous year's level.	We aim to reduce our GHG emissions intensity by 5% in the medium-term (FY2030) and will work towards setting long-term target in the future.

MATERIAL ASPECTS

ECONOMIC PERFORMANCE

The Group firmly believes that focus on financial sustainability is critical and we aim to maximise returns for long-term profitability, thereby creating sustainable shareholder value. The Group's basic principle is that long-term profitability and shareholder value are ensured by taking into account the interests of stakeholders, such as shareholders, employees, suppliers and society as a whole.

FY2025 marked a significant recovery for the Group as project activities increased during the year. Despite ongoing challenges in the construction industry, including inflationary pressures and global economic uncertainties, the Group delivered a strong improvement in performance and recorded a net profit of approximately S\$3.3 million for FY2025, compared with S\$58,000 for the financial year ended 31 December 2024 ("FY2024"). The Group remained prudent in the management of projects, costs and cash flow and was able to maintain a strong net asset value of S\$23.0 million. Looking ahead, the Group expects the construction sector to remain challenging. Rising costs and global economic uncertainties may continue to put pressure on project margins. Nevertheless, with strong relationships with clients and stakeholders, our experienced management team and secured pipeline of projects, the Group is well positioned to navigate these challenges and pursue sustainable growth opportunities.

For more detailed information regarding our FY2025 financial results, please refer to the following sections in our Annual Report 2025:

- Performance Review, pages 6 – 7; and
- Financial Contents, pages 40 – 103.

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KEY PERFORMANCE AT A GLANCE

PERFORMANCE MEASURES	FY2025	FY2024	FY2025 PERFORMANCE AGAINST FY2024 TARGETS
Environmental targets			
Paper			
Paper consumption (in ream)	465	538	The target of a 5% reduction in paper usage was achieved.
Energy			
Total energy consumed (kWh)	152,087	162,630	The target of a 5% reduction in energy consumption was achieved.
Water			
Total water consumed (m ³)	3,705	4,440	The target of a 5% reduction in water consumption was achieved.
GHG Emissions			
Scope 1 (metric tonnes CO ₂)	198	249	GHG emission (Scope 1) reduced by 20%.
Scope 2 (metric tonnes CO ₂)	61	67	GHG emission (Scope 2) reduced by 9%.
Social Targets			
Employee			
Gender distribution: Male	95%	95%	Achieved – In view of the labour intensive construction industry that the Group operates in, its employees are made up of majority males. Notwithstanding, the Group aims to maintain a gender distribution ratio within the Group of between 90% to 95% for male employees and between 5% to 10% for female employees.
Gender distribution: Female	5%	5%	
Percentage of local talent	16%	13%	The target of 14% locals in the total workforce was achieved in FY2025.
Whistle-blowing cases	0	0	The target of zero incidence of discrimination and zero whistle-blowing reports are met.
Health and Safety			
Total number of workplace fatalities	0	0	Achieved – Maintain zero workplace fatalities.
Accident Severity Rate (“ASR”) ¹	14.33	0	Not achieved. One MOM reportable accident.
Regulations			
Data privacy	0	0	Achieved – Maintain zero breaches of customer’s information.
Accident Severity Rate (“ASR”) ¹	14.33	0	Not achieved. One MOM reportable accident.

¹ “ASR” refers to the number of lost workdays experienced by the Company’s Engineering and Construction division and computed based on the number of man-days lost due to workplace accidents per million man-hours worked. ASR = (Lost of Man Day/Total Man Hours) x 1,000,000.

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ENVIRONMENT

At Koyo, we strive to carry out our business operations in a socially responsible manner and are committed towards protecting the environment. We recognise the impact of climate change and support the efforts to address it where we operate. We try to adopt environmentally friendly practices in our business, as well as encourage our employees to inculcate similar habits in their daily lives. Employees can contribute to the global climate positively by consistently innovating to improve operational efficiencies by way of using new technology and methods that would reduce the impact on the environment.

GREEN MARK PROJECTS

As an M&E engineering services provider, the Group continues to implement BCA Green Mark projects and we are committed to working with our valued business partners to construct high-quality and energy-efficient developments for the community. The BCA Green Mark scheme promotes greater energy efficiency, water efficiency, environment protection, indoor environmental quality and other green/innovative features in infrastructure and building interiors.

SUPPLY CHAIN

Subcontractors and external service providers procure materials and services for our contracts and project activities. We execute purchase control to ensure they meet the needs of our project requirements during the procurement. We always ensure quality, accountability and sustainability in our supply chain.

ENVIRONMENTAL ASPECT AND IMPACT ASSESSMENT

Our three main subsidiaries namely, Koyo Engineering (S.E. Asia) Pte Ltd, Koyo M&E Pte Ltd and Koyo Engineering M&E Pte Ltd are ISO 14001:2015 certified. The ISO 14001:2015 Environmental Management System provides for a framework that our subsidiaries can follow to manage environmental aspects, fulfil environmental compliance obligations and address environmental risks and opportunities. As such, we carry out environmental aspect and impact assessments for our work.

WASTE MANAGEMENT

The Group adopts the Reduce, Reuse and Recycle (“**3Rs**”) methodology to manage our waste. We believe that by practising the 3Rs, we can help to protect the environment and conserve limited resources. The Group believes that every small effort counts and goes a long way in contributing to the conservation and protection of the earth’s natural resources. We aim to maintain a reduction of paper consumption in the head office by 5% in the financial year ending 31 December 2026 (“**FY2026**”).

Our waste management efforts are focused mainly on paper. We are constantly working to reduce waste from our operations, as well as finding efficient ways to recycle. Measures were communicated to all the new and existing employees through induction and informal meetings to reduce, reuse or recycle whenever possible.

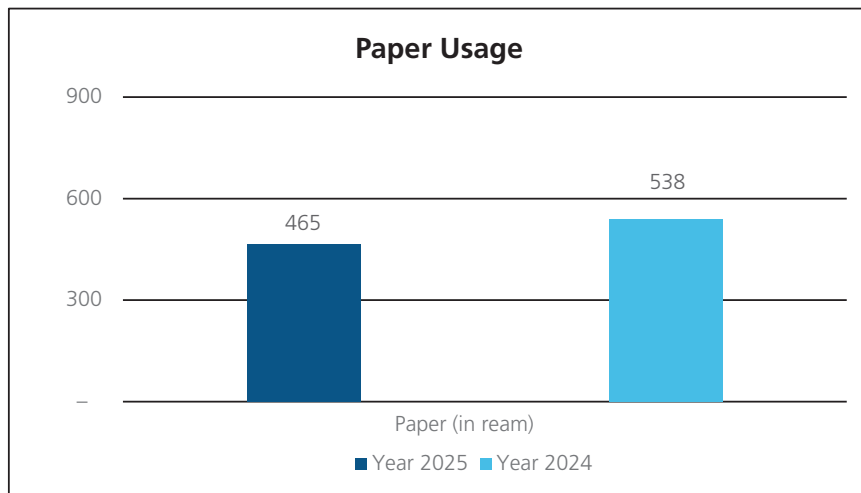
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REDUCE	REUSE	RECYCLE
Employees are educated to print double-sided documents.	Employees are encouraged to reuse paper for note taking during meetings.	Waste cardboard and paper are sent for recycling.
Paperless work flow system is being implemented to store documents electronically.	Employees are also encouraged to use waste paper as draft paper.	
	Employees are encouraged not to print documents for discussion purposes and display them on screens instead.	

The paper consumption for FY2025 with the previous year's trend is illustrated as follows:

Note:

1) 1 REAM contains 500 sheets of paper



The use of paper declined by 13.6% in FY2025 primarily as a result of the adoption of e-invoicing and e-filing. The Group has well exceeded its FY2025 target reduction of 5% paper consumption and remains committed to maintaining this goal in FY2026.

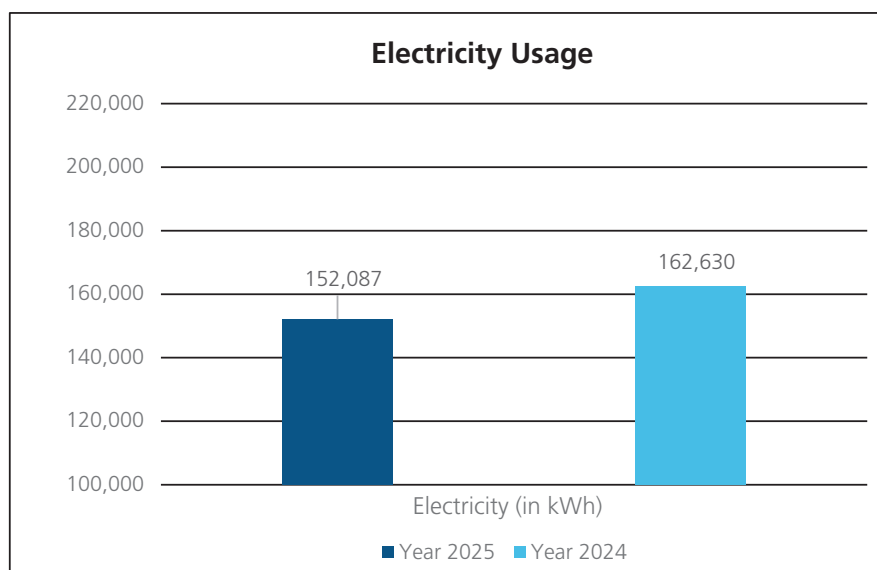
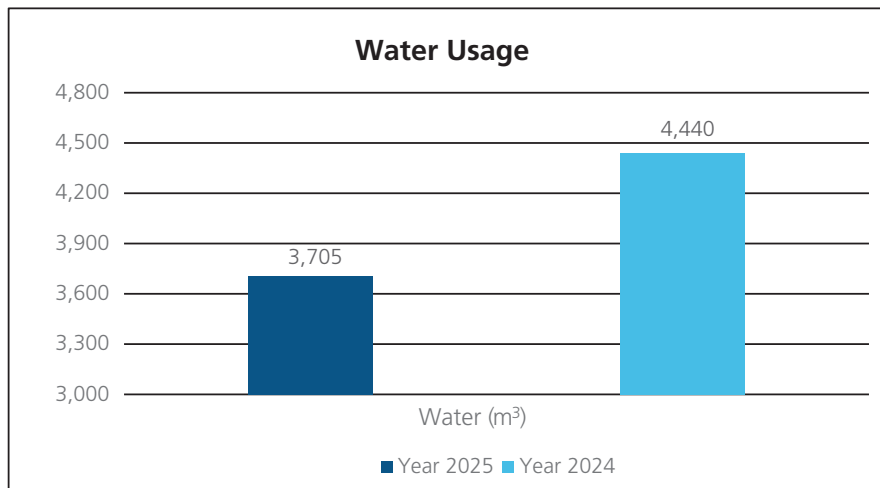
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CONSERVATION OF ENERGY AND WATER

The Group believes that long-term sustainable growth for the Group will be positively impacted by the efficient use of natural resources including water and electricity. As part of our ongoing efforts, we have installed more energy-efficient lighting, resulting in lower power use, and have employed water-efficient fittings and fixtures where applicable in our corporate headquarters, reducing water consumption. In FY2026, we aim to maintain reduction of energy and water usage in the head office and factory by 5% each respectively.

To help staff contribute to lowering energy usage, the Group has posted reminders on energy-saving techniques like turning off lights and appliances when not in use.

The following graph compares the energy and water used in FY2025 to the trend from the previous year:



Note:

- 1) m³: Cubic Meter
- 2) kWh: Kilowatt hour

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Based on the illustrations, there was a 16.6% decrease in water consumption for FY2025 as compared to FY2024 which achieved the target set for a reduction of 5% in FY2025 due to certain project completion.

There was a decrease in electricity consumption of 6.5% for FY2025 as compared to FY2024, resulting from the adoption of more energy-efficient lighting. It attained the target of a 5% reduction in energy consumption in FY2025.

Going forward, we are committed to continuously optimizing the usage of such precious resources by investing in energy-saving products and driving water-use efficiency in our operations and target to maintain a reduction of energy and water consumption by 5% each in FY2026.

GHG EMISSIONS

Reducing GHG emissions is important for several reasons. GHG emissions contribute to global warming and climate change, which can result in severe environmental and societal impacts such as more frequent and intense natural disasters, loss of biodiversity, food and water insecurity, and displacement of populations. As Koyo has started tracking its GHG emissions for Scope 1 and Scope 2 since FY2024, we aim to establish baseline emissions and subsequently set targets as our data collection matures in the near term.

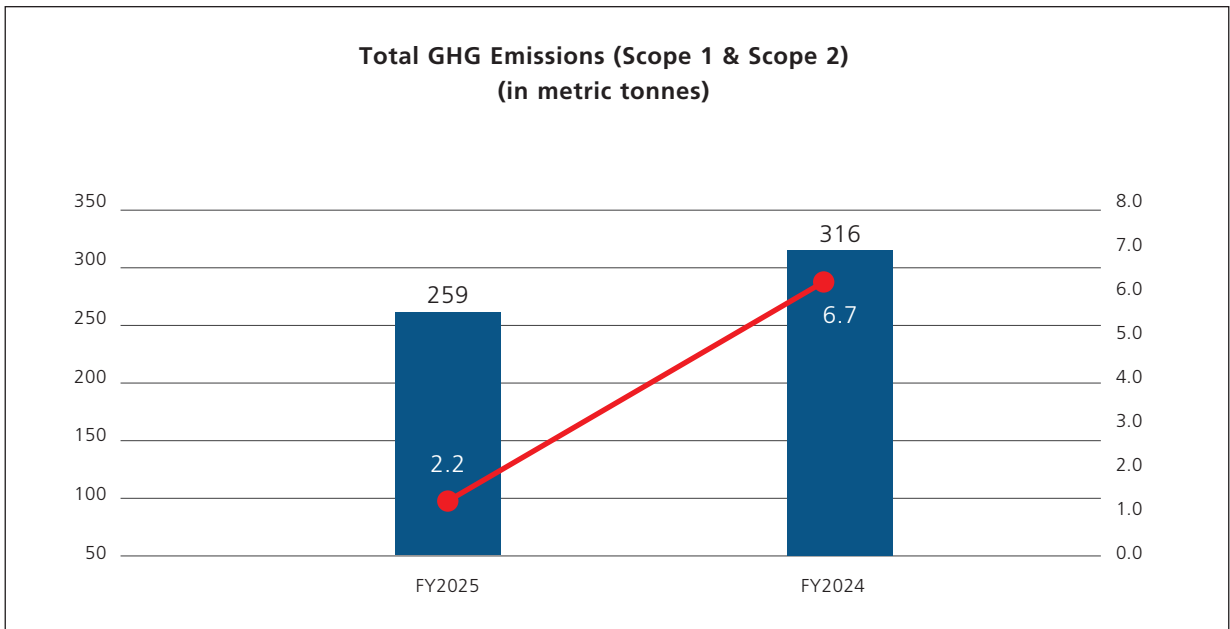
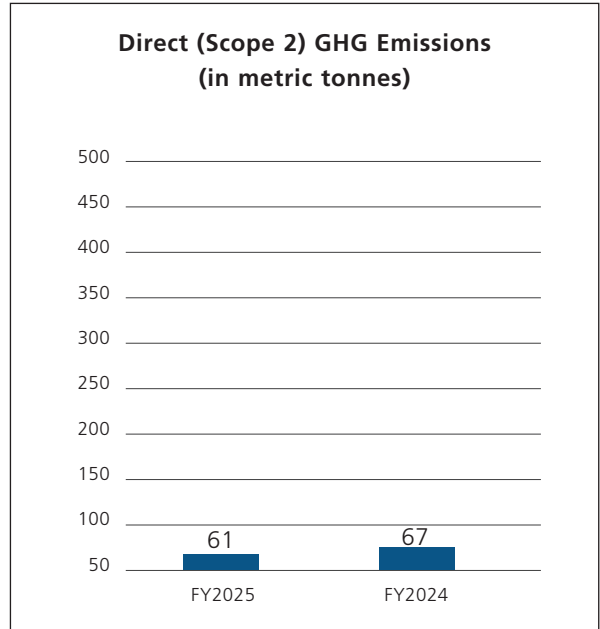
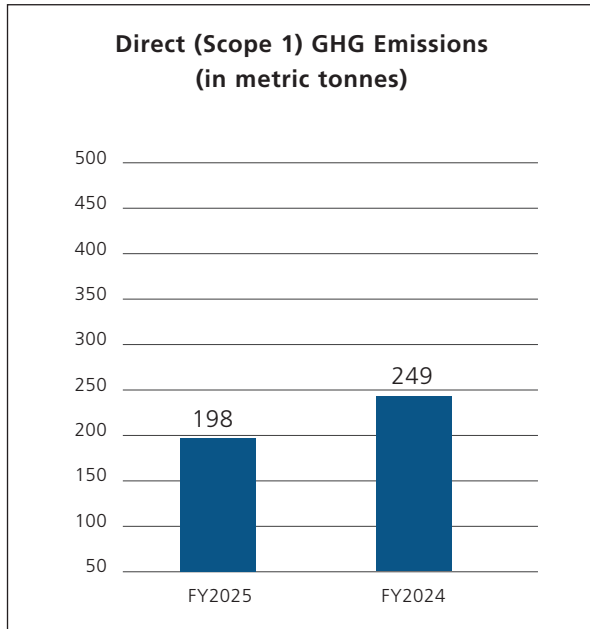
We will continue for tracking and reporting our Scope 1 emission (emissions released from company-owned sites and vehicles) and our Scope 2 (purchased electricity) emissions. We acknowledge that emissions are a topic that our stakeholders have great interest in. Furthermore, we place great emphasis to comply with the SGX-ST rules and relevant sustainability frameworks.

It is important for us to be transparent about our GHG emissions in FY2025 as it is important to track and monitor significant contributors towards climate change. Our Scope 1 emissions decreased by approximately 20.5% and recorded at 198 metric tonnes of CO₂ equivalent as compared to FY2024 level at 249 metric tonnes of CO₂ equivalent, which was attributed to the transitioning of one of our diesel-powered lorry fleets to Electric Vehicles (“**EV**”). On the other hand, our Scope 2 emissions decreased by approximately 9.0% and recorded at 61 metric tonnes of CO₂ equivalent (FY2024: 67 metric tonnes of CO₂ equivalent) which was due to the decrease in the electricity usage as a result from certain project completion. This year, we are pleased to note a decrease in our absolute total GHG Emissions, which stood at approximately 259 metric tonnes of CO₂ equivalent (FY2024: 316 metric tonnes of CO₂ equivalent).

This year, we experienced an improvement in meeting our GHG emissions intensity reduction target as a result of higher revenue recorded this year. Our GHG emissions intensity, which stood approximately 2.2 metric tonnes per million dollars in revenue (FY2024: 6.7 metric tonnes) and we will aim to maintain or further reduce the intensity level moving forward.

We acknowledged that reducing these emissions is crucial in our journey towards a more sustainable future. As part of our effort, we will implement various strategies, including monitoring, and evaluating our performance in emission reduction annually, and ensuring that our emission factors are aligned with the latest electricity grid emissions standards set out by Energy Market Authority (“**EMA**”) Singapore.

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	Scope 1	Scope 2
Baseline year	2024	
GHG Emissions (metric tonnes CO ₂)	Baseline year: 249	Baseline year: 67
	FY2025: 198	FY2025: 61
Emission factors source	Emission factor Petrol: 2.31kg of CO ₂ per litre Diesel: 2.7kg of CO ₂ per litre	Electricity Grid Emission Factors from EMA Singapore
Total consumption within the organisation	Baseline year: Diesel: 83,369 litres Petrol: 10,390 litres	Baseline year: kWh:162,630
	FY2025: Diesel: 65,711 litres Petrol: 8,740 litres	FY2025: kWh:152,087
Emissions consolidation approach	Operational Control	Operational Control
Emissions calculation methodology	Data is for petrol and diesel consumed for company vehicles, based on company fuel cards, as well as bulk purchase volume of diesel (used for our machinery & equipment)	We calculated Scope 2 for FY2025 with EMA's latest electricity grid emissions factors of 0.402.

SOCIAL

DIVERSITY AND FAIR EMPLOYMENT

We embrace diversity, and at the same time expect employees to be aligned with the Group's vision and strategic initiatives of enhancing overall business performance and delivering sustainable growth. The age of our staff ranges from the 20s to 70s. There is a decrease in the ratio of male to female staff for approximately 14:1 for FY2025 (FY2024:19:1). The higher ratio of male to female employees is not uncommon in the construction industry due to the nature of the work. Our staff consists of people coming from different nationalities and academic qualifications. We strive for fair treatment of all our employees, regardless of nationalities, age, gender and educational level.

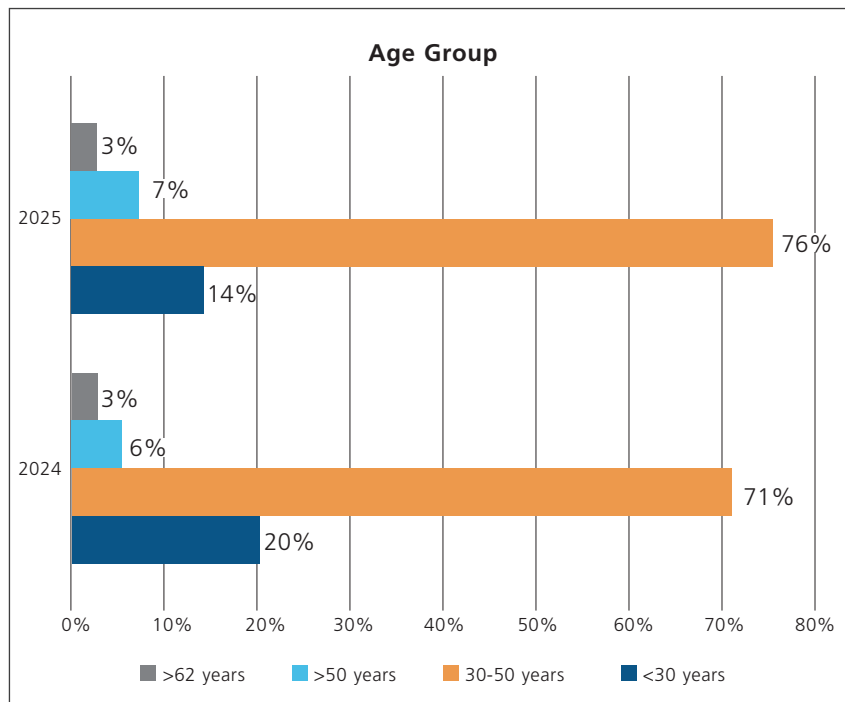
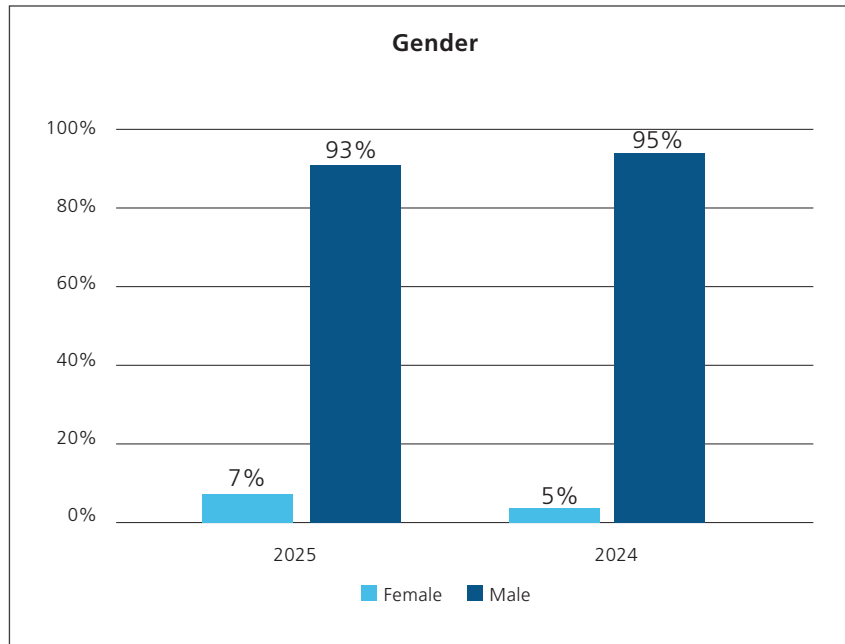
Breakdown of new hires by Age Group and Gender

Aged Group	< 30 years	30 – 50 years	> 50 years	> 62 years	Total
New Hires Employees					
Male	7%	79%	2%	–	88%
Female	5%	7%	–	–	12%
Employee Turnover					
Male	18%	74%	1%	2%	95%
Female	–	4%	1%	–	5%

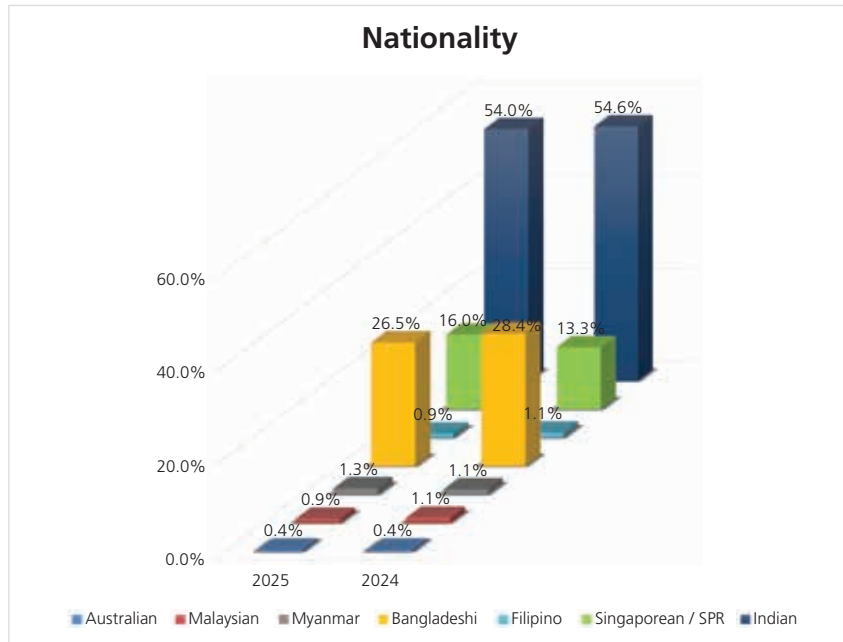
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Breakdown of total employees by Age Group, Gender and Nationality

As at 31 December 2025, the Group has 230 full-time employees.



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We always give preference to the hiring of local talent. We have a workforce comprising of 16.0% locals that achieved slightly above the target of 14% for local hires set in FY2025 in view of project requirements. We will continuously be committed to providing competitive remuneration and benefits to our employees. We are also committed to safeguarding our employees' health and safety against any potential workplace hazards. We have set a target to achieve 16% of locals in our total workforce in FY2026.

CODE OF CONDUCT

New employees are provided a Code of Business Conduct, which is a standard for general employee conduct which the employee agrees to abide by, as well as a whistle-blowing policy. The Group ensures compliance with labour and employment laws, including working hours. Furthermore, the Group does not condone discrimination against anyone because of age, gender, national origin, disability, religion, sexual orientation, marital or maternity status, union membership or political opinion, among others. Non-compliance in relation to discrimination may be reported to the line manager, HR or through our whistle-blowing system. We had not received any incidence of discrimination cases in FY2025 and aim to maintain zero incidence of discrimination cases in FY2026.

TRAINING AND EDUCATION

Koyo understands that there is a continuous need to upgrade employee skill sets and knowledge. This is beneficial to the employee's development and the Company. Thus, employees are encouraged to attend physical courses and seminars to improve their skills. Employees are also sent by the Company, to attend online courses to obtain skills or certifications that are necessary in the course of their work, examples of courses include "Construction Safety Orientation Course", "Occupational First Aid Refresher Course with CPR-AED course", "Manage Workplace Safety and Health in Construction Industry", "Fire Extinguisher Maintenance course", "Course to manage work-at-height", "Perform metal scaffold erection course", "Course to Operate Scissor Lift", "Course to Operate Forklift", and "Safety, Health & Environment T-Lifting Operation Course" conducted by Ministry of Manpower Accredited Providers. The total training hours per employee during the year were 224 hours (FY2024: 200 hours) for project in-house training.

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OCCUPATIONAL HEALTH AND SAFETY

Our three main subsidiaries namely, Koyo Engineering (S.E. Asia) Pte Ltd, Koyo M&E Pte Ltd and Koyo Engineering M&E Pte Ltd are ISO 45001:2018 certified. The ISO 45001:2018 provides for a framework to maintain the Group's commitment to prevent ill-health and injury through the implementation of Occupational Health and Safety Management System that meets the requirements of ISO 45001: 2018 standard requirement.

We put the safety of everyone above all in whatever we do. This has since become the overriding principle that guides us in our work. We also believe that safety is everyone's responsibility and we are committed to building a strong and positive safety-oriented culture in our workplace to promote safety and create a safe working environment for everyone.

Our Health and Safety Policy continues to be a cornerstone in embedding our safety principles across all operations. In FY2025, we achieved our target of zero workplace fatalities, demonstrating the strength and effectiveness of our safety management framework.

In FY2025 reporting period, we sustained a strong overall safety performance. While one workplace incident was recorded, it was effectively managed with swift intervention and comprehensive follow-up actions. As a result, our safety outcomes remain well controlled, with an Accident Frequency Rate (AFR) of 0.4 and a low ASR of 14.33, indicating minimal severity impact.

This reflects our organisation's ability to respond proactively and maintain operational resilience, even as project activities intensify. We have further strengthened our preventive measures and continue to enhance our safety systems in close collaboration with our business partners.

Looking ahead, we remain firmly committed to continuous improvement, reinforcing a strong safety culture and advancing towards our goal of zero workplace fatalities and work place incidents, while sustaining high standards of safety performance in FY2026.

We achieve our goal by managing risk at work, equipping our work crew with competent skills, providing Safety, Health, Environment ("**SHE**") training and conducting campaigns to raise safety awareness at work.

Koyo Engineering (S.E. Asia) Pte Ltd had participated and successfully renewed our commitment with WSH Council on the Workplace Safety and Health ("**WSH**") BizSAFE start Programme and received the certification for being a bizSAFE community partner since year 2024.

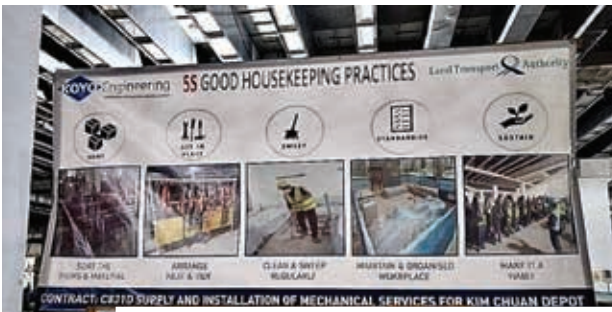
SAFETY TRAINING

We strongly believe that to equip our workforce with competent skills and knowledge to carry out the work safely is one of the cornerstones of success for the Group. Selected employees are trained in risk management to build on their fundamentals of hazard identification and risk assessment at the workplace.

SUSTAINABILITY REPORT

SAFETY CAMPAIGN

From time to time, we hold safety campaigns at various work sites to heighten awareness on Health and Safety matters and promote positive behaviour amongst the work crew. An effective campaign may help to eliminate any doubts that the work crew might have, boost the morale of the workforce, reduce costly mistakes and prevent injury.



Safety signage: 5S Good Housekeeping Practices (Sort, Set in Place, Sweep, Standardise, Sustain)



Safety signage: 30/30/30 Observation Technique (30 secs Observe your workplace, 30m Look at your surroundings, 30m Check above you)

MANAGING RISKS AT WORK

We manage risks at work by preparing risk assessments for every project, communicating hazards and risks at pre-task discussions (i.e. toolbox meetings), intervening in unsafe observations, carrying out safety inspections and conducting management walkabouts to support and ensure safety compliance.



SUSTAINABILITY REPORT

GOVERNANCE

ANTI-CORRUPTION

The Group has incorporated “whistle-blowing” procedures as part of the Group’s system of internal controls. Our whistle-blowing policy provides a mechanism for employees and external parties to report concerns over alleged wrongful acts. The objective of the policy is to ensure that there is independent oversight of such matters and that appropriate follow-up actions will be taken. All reports/complaints including the identity of the complainant will be treated as private and strictly confidential and the Company is committed to ensuring that the whistle-blowers are protected against detrimental or unfair treatment. There were no whistle-blowing reports received in FY2025. We aim to maintain zero incident report for FY2026.

DATA PROTECTION

Koyo protects the privacy and confidentiality of our customers’ information. We do not divulge or sell personal information to third parties for marketing or promotional purposes. All employees are guided by Koyo’s Code of Business Conduct. In FY2025, there was no identified case regarding breach of customer privacy or loss of customer data. We aim to maintain zero breaches in this aspect in FY2026.

COMPLIANCE WITH LAWS AND REGULATIONS

The Company adheres closely to the principles and guidelines of the Code of Corporate Governance 2018 (“Code”) and other applicable laws, rules and regulations, including the Catalist Rules. We endeavour to comply to the best extent possible, with the principles, provisions and practices set out in the Code and accompanying practice guidance. Please refer to the Annual Report 2025, pages 14 to 39 for the details of the Company’s corporate governance practices.

Koyo actively ensures that all our activities and operations comply with existing regulatory requirements. We carry out regular reviews of legal and other requirements. Any changes and non-compliance with the relevant laws are made known to the management, and actions will be taken to ensure compliance.

SUSTAINABILITY REPORT

GRI INDEX CHECKLIST

GRI Standards	Disclosure Content	Report Section Reference
GRI 2: General Disclosures 2021		
2-1	Organisational details	Sustainability Report, 02
2-2	Entities included in the organisation’s sustainability reporting	Sustainability Report, 02
2-3	Reporting period, frequency and contact point	Sustainability Report, 02
2-4	Restatements of information	Not applicable
2-5	External assurance	Company has not sought external assurance for this Sustainability Report
2-6	Activities, value chain and other business relationship	Annual Report 2025
2-7	Employees	Sustainability Report, 15 – 19
2-9	Governance structure and composition	Annual Report 2025 – Corporate Governance Report
2-10	Nomination and selection of the highest governance body	
2-11	Chair of the highest governance body	
2-12	Role of the highest governance body in overseeing the management of impacts	
2-13	Delegation of responsibility for managing impacts	
2-14	Role of the highest governance body in sustainability reporting	
2-15	Conflict of interest	
2-16	Communication of critical concerns	
2-17	Collective knowledge of the highest governance body	
2-18	Evaluation of the performance of the highest governance body	
2-19	Remuneration policies	
2-20	Process to determine remuneration	
2-21	Annual total compensation ratio	
2-22	Statement on sustainable development strategy	Sustainability Report, 03 – 07
2-23	Policy commitments	Annual Report 2025 – Corporate Governance Report
2-24	Embedding policy commitments	
2-25	Processes to remediate negative impacts	
2-26	Mechanism for seeking advice and raising concerns	
2-27	Compliance with laws and regulations	Sustainability Report, 20
2-28	Membership associations	Not applicable
2-29	Approach to stakeholder engagement	Sustainability Report, 03 – 05
2-30	Collective bargaining agreements	Not applicable

SUSTAINABILITY REPORT

GRI Standards	Disclosure Content	Report Section Reference
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	Sustainability Report, 05 – 20
3-2	List of material topics	
3-3	Management of material topics	
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	Sustainability Report, 08
GRI 205: Anti-Corruption 2016		
205-2	Communication and training on anti-corruption policies and procedures	Sustainability Report, 20
205-3	Confirmed incidents of corruption and actions taken	Sustainability Report, 20
GRI 302: Energy 2016		
302-1	Energy consumption within the organisation	Sustainability Report, 09, 12 – 13 Energy disclosed in this report refers to purchased electricity only
302-3	Energy intensity	Sustainability Report, 09, 12 – 13
GRI 303: Water and Effluents 2018		
303-1	Water withdrawal by source	Sustainability Report, 09, 12 – 13 The only water used by the Group is public utilities water
303-5	Water consumption	Sustainability Report, 09, 12 – 13
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	Sustainability Report, 15 – 17
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	Sustainability Report, 10
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	Sustainability Report, 18 –19
403-5	Worker training on occupational health and safety	
403-9	Work-related injuries	
GRI 404: Training and Education 2016		
404-2	Programs for upgrading employee skills and transition assistance programs	Sustainability Report, 17

SUSTAINABILITY REPORT

TCFD CONTENT INDEX

TCFD Pillar/Recommendation	Key Points	Page Reference
Governance		
a) Describe the board's oversight of climate-related risks and opportunities.	The Board considers sustainability issues as an integral part of our strategic formulation, determines material EESG factors, oversees the identification and management of risks and opportunities relating to EESG issues which are material to our business.	02
b) Describe management's role in assessing and managing climate-related risks and opportunities.	<p>The Company will comply with the mandatory climate disclosures within the required time period.</p> <p>The Group has established a team comprising members from Senior Management and operations to maintain oversight of the Group's sustainability efforts across different departments, including project, contract, facilities management, finance, information technology and HR. The sustainability team reviews the Group's sustainability objectives, challenges, targets and progress to ensure their alignment with the Group's strategic direction, and oversees the implementation and tracking of sustainability data and overall sustainability progress of the workforce. Koyo seeks to minimise its environmental footprint and impacts by continuously improving this process in order to ensure the data collection is effective and robust.</p>	02
Strategy		
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	The Group has described the climate-related risks and opportunities that relevant to the business.	24 – 25
Risk Management		
a) Describe the organisation's processes for identifying and assessing climate-related risks.	<p>The Group is committed to supporting our national sustainability agendas and we will assess the climate change related risks:</p> <ul style="list-style-type: none"> a) costs to transition to lower emissions technology; b) enhanced emission-reporting obligations; and c) mitigating negative financial impacts and protecting our assets and employees from more frequent and severe extreme weather, <p>and to work towards integrating sustainable practices throughout the company to create long-term value for all our stakeholders.</p>	02

SUSTAINABILITY REPORT

TCFD Pillar/Recommendation	Key Points	Page Reference
Metrics and Targets		
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	<p>Koyo reported GHG emissions (Scope 1 and Scope 2) in FY2025.</p> <p>We aim to maintain or reduce GHG emissions (Scope 1 and Scope 2) intensity from previous year's level.</p> <p>As a SGX-ST listed company with market capitalisation of less than S\$1 billion as of 31 December 2025, the Company is not required to disclose Scope 3 GHG emissions, up to the financial year ending 31 December 2029. The Company will use the extended timeframe to better understand and build capabilities for Scope 3 GHG emissions reporting.</p>	09, 13 – 15

We recognise how significantly climate change influences our business operations and stakeholders and the importance of achieving decarbonization objectives. Hence, we maintain a vigilant stance in assessing the risks and opportunities linked to this issue. The above section outlines a comprehensive approach to address the disclosure requirements outlined in the TCFD framework, covering climate-related governance, strategy, risk management, and metrics and targets.

Based on our climate-related risk assessment conducted in FY2025, we have identified and assessed climate-related risks and opportunities across our operations that have potential financial impacts in the short-, medium- and long-term as follows:

Climate-related Risks and Opportunities	Description of Climate-related Risks and Opportunities	Anticipated Business and Financial Impacts	Timeframe
Physical risk (Acute) Increased extreme weather events	<p>Increased frequency of extreme weather such as flash floods because of climate change can have the following impacts:</p> <ul style="list-style-type: none"> Delays on planned project timeline due to disruption in supply chain (i.e. delays in the delivery of raw materials and higher transportation costs). Potential damage to our assets, machinery equipment, and building. 	Increased operating costs, prolonged project timeline and increased insurance premium on assets	Medium to Long-term
Physical risk (Chronic) Rising mean temperatures	<p>Increased mean temperatures can disrupt normal operation, increase thermal stress and health risk to our employees or on-site workers.</p> <p>Potential increase in operating cost such as installation of additional cooling system.</p>	Increased operating costs	Medium to Long-term
Transition risk (Policy and Legal) Expansion of carbon pricing mechanism	Changes in policy and regulations such as expansion in carbon tax coverage and increase in carbon tax rates may lead to increased carbon emissions reduction cost.	Increased carbon emission reduction cost	Medium to Long-term

SUSTAINABILITY REPORT

Climate-related Risks and Opportunities	Description of Climate-related Risks and Opportunities	Anticipated Business and Financial Impacts	Timeframe
Transition risk (Reputation) Enhanced climate reporting requirements	Failure to comply with relevant climate reporting requirements imposed by the authority can receive increased sustainability concerns or negative feedback from stakeholders which may contribute to loss of trust and confidence from investors.	Increased operating and compliance cost	Short to Medium-term
Transition risk (Market) Shift in customer preference and increased cost of raw materials	Rising sea levels has increased the demand for flood-resistant and green buildings and infrastructure. Failure to meet the needs and demand of changing customer preferences for low-carbon construction materials and greener equipment may lead to losing market share. Climate change can lead to the depletion of natural resources, such as timber, water, and minerals. The shortage of raw materials used in construction can cause price spikes across supply chain.	Decreased product demand Increased production costs due to changing input prices	Medium to Long-term
Opportunities (Resilience) Increased supply chain resilience and adaptability	Investing in resilient materials and adopting sustainable approaches, e.g., sourcing for low carbon building materials, and enhancing our supply chain policy and procurement across value chain, will help the Group increase its adaptability in the future.	Decreased operating costs Increased business revenue	Medium to Long-term
Opportunities (Products and services) Increased competitiveness from green building projects	Through investing in smart building facilities and green technologies, and obtaining sustainability-linked loans/green financing, the Company is able to compete alongside with higher demands for green projects.	Enhanced competitiveness and increased revenue	Medium to Long-term



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