



**BUILT ON  
STRONG  
FOUNDATION**



**SUSTAINABILITY  
REPORT 2021**



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# INTRODUCTION

## About Dyna-Mac

Headquartered in Singapore and listed on Singapore Exchange (SGX) Mainboard. Dyna-Mac Holdings Ltd. and its subsidiaries ("Dyna-Mac" or "Group") is a global multi-disciplinary contractor in the detailed engineering, procurement, fabrication, construction and onshore pre-commissioning & commissioning of offshore topside modules and facilities for FPSOs (floating production storage and offloading vessels), FSOs (floating storage and offloading vessels), FLNGs (floating liquefied natural gas vessels), FSRUs (floating storage and regasification units) and Fixed Platforms, onshore modules for land-based plants for the hydrocarbons industry, as well as offshore and onshore renewables and green energy sectors, with focus on LNG, green hydrogen and ammonia.

## Transformation for Growth

As the industry evolves, we aim to stay ahead by harnessing on our purposed built module fabrication facilities, skill competences and diverse strengths and our partners' strengths. We are also venturing into new adjacent areas like LNG (liquefied natural gas) modules and renewable energy in decarbonisation with focus on green hydrogen/ammonia production modules. By diversifying and leveraging on our core capabilities, Dyna-Mac is poised to move up the value chain and ride on the changing demands of the energy industry.

To fortify our strategic presence, we actively partner with leading institutes and specialists abroad, as well as with world engineering leaders in executing large projects in both local and international markets. These deep partnerships enable Dyna-Mac to expand our operations to stay closer to our clients and project locations, develop new capabilities as well as training opportunities while expanding our production capacity to undertake larger and more complex projects.

Dyna-Mac has made commendable achievements in productivity over the years through infrastructure enhancements, innovation and training. To further enhance efficiency, product quality and reduce reliance on manual labour, we strive to leverage automation in our fabrication process through automated CNC beam-cutting and edge-rounding machines, as well as a semi-automatic production line for pipe fabrication and beam fabrication of various sizes.

## Our Vision

To grow as a leading global provider of modular construction and sustainable energy products.

## Our Mission

To be the partner of choice in the industries we serve by our commitment to high safety standard, on-time delivery and continuous innovation and solutions that ensure quality products.

## Core Values

Our 6 core values support our vision, shape the culture and chart the direction for Dyna-Mac. We strongly believe in fostering a safe working environment with Zero Harm to people, property and the environment. Our positive attitudes and strong teamwork are key to the success of the business and achieving total customer satisfaction. We put these values into practice to create benefits for our customers, employees, partners and the communities we serve. We are committed to build sustainable businesses that deliver long-term growth and value for all our stakeholders.

- Integrity
- Customer Focus
- Health, Safety and Environment (HSE)
- People Development
- Teamwork
- Positive Attitude

# BOARD STATEMENT

*At Dyna-Mac, sustainability means building businesses that deliver long-term shareholder value and growth. In order to achieve this, we aim to adopt a disciplined and accountable approach founded on high standards of corporate governance and integrity.*

The Board of Directors ("Board") incorporates long-term consideration of environmental, social and governance ("ESG") issues when formulating Dyna-Mac's sustainability strategies. In doing so, we strive to create value for our shareholders, as well as customers, employees, suppliers, contractors, partners and the communities in which we operate in.

In the process of formulating our sustainability report, the Board recognises the importance of sustainability practices and how it can benefit our business operations and performance, and oversees the identification of ESG material topics that are pertinent to our business and align with our long-term business targets.

Through the development of this report, the Board works closely with the Management for the monitoring and management of these ESG material topics.

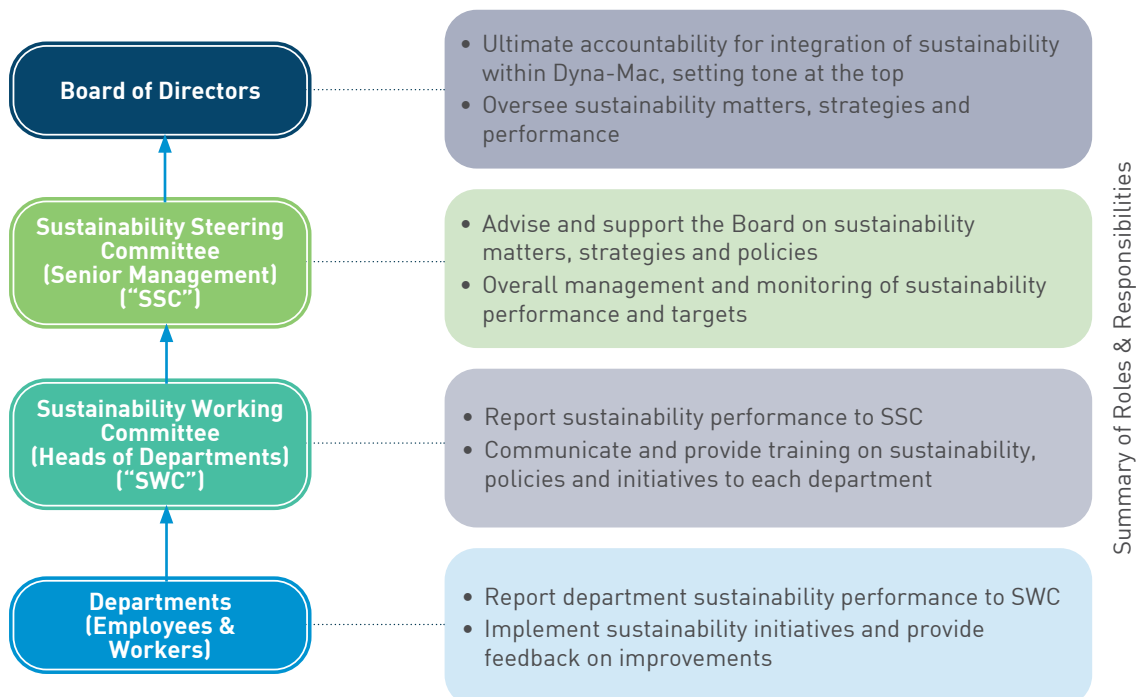
Dyna-Mac demonstrates its continuous commitment to sustainability through its fifth sustainability report for the period 1 January 2021 to 31 December 2021 and shall publish its report by May 2022. The report will focus on our sustainability strategies and covers our environmental, social and governance performance across our operations in Singapore for 2021. In line with the Group's commitment to environmental sustainability, no hardcopies of the report will be printed. The report can be viewed on our website: <https://www.dyna-mac.com/sustainability-reports/>.

## OUR APPROACH

### Sustainability Leadership

*At Dyna-Mac, sustainability leadership starts with a tone at the top. We believe that every individual in Dyna-Mac plays an important role in ensuring that sustainability is embedded deeply within everything we do. To that end, we have taken steps to put in place a systematic monitoring and reporting process.*

We are committed to conduct our business in a responsible and sustainable manner. A Sustainability Steering Committee comprising senior management was set up to drive sustainability efforts within the Group. It is supported by a Sustainability Working Committee comprising the various heads of department who gather and verify the performance data, as well as introduce initiatives to drive the management of our material issues.









# BOARD STATEMENT

## Stakeholders Engagement

*Dyna-Mac constantly strives to create value for all our stakeholders. Regular engagement is critical for us to understand their needs and key concerns so that we can work towards addressing them.*

Effective stakeholders' engagement is critical to ensuring Dyna-Mac's continued success as it allows us to be responsive to their evolving needs. We interact with them regularly and a summary of their key interests and the Company's engagement approach is presented in the table below.

### Dyna-Mac's Stakeholders' Engagement

Key Stakeholder Groups	How we engage them?	What are their key concerns?
<b>Employment</b> 	<ul style="list-style-type: none"> <li>• Meetings, calls and conferences</li> <li>• Interviews and surveys</li> <li>• Trainings and courses</li> <li>• Newsletters and campaigns</li> <li>• Policies and procedures</li> <li>• Appreciation dinners and other festive events</li> </ul>	<ul style="list-style-type: none"> <li>• Vision, strategy and direction</li> <li>• Training and development</li> <li>• Occupational health and safety</li> <li>• Equal opportunities</li> <li>• Fair remuneration and progression</li> <li>• Job stability</li> </ul>
<b>Customers</b> 	<ul style="list-style-type: none"> <li>• Meetings, calls and conferences</li> <li>• Site visits</li> <li>• Feedbacks channels</li> </ul>	<ul style="list-style-type: none"> <li>• Product and service quality</li> <li>• Innovation</li> <li>• Occupational health and safety</li> </ul>
<b>Investors</b> 	<ul style="list-style-type: none"> <li>• Dedicated Investor Relations</li> <li>• Annual General Meetings, meetings, calls, conferences</li> <li>• Annual Reports</li> <li>• Financial information, SGX announcements and circulars</li> <li>• Corporate website</li> </ul>	<ul style="list-style-type: none"> <li>• Vision, strategy and direction</li> <li>• Economic performance</li> <li>• Corporate governance</li> </ul>
<b>Vendors</b> 	<ul style="list-style-type: none"> <li>• Meetings, calls and conferences</li> <li>• Interview and surveys</li> <li>• Site visits</li> <li>• Trainings and courses</li> </ul>	<ul style="list-style-type: none"> <li>• Occupational health and safety</li> <li>• Corporate governance</li> <li>• Compliance</li> </ul>
<b>Communities</b> 	<ul style="list-style-type: none"> <li>• Corporate website</li> <li>• Annual Reports</li> <li>• SGX announcements</li> <li>• Community involvement activities</li> </ul>	<ul style="list-style-type: none"> <li>• Social responsibility and impact</li> <li>• Environmental impact (Air, Water, Waste, Noise etc.)</li> </ul>
<b>Government and Regulators</b> 	<ul style="list-style-type: none"> <li>• Meetings, calls and briefings</li> <li>• Site visits</li> <li>• Industry networking functions</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate governance</li> <li>• Compliance</li> <li>• Socioeconomic, environmental impact</li> <li>• Business collaboration and investment</li> <li>• Sharing of industry best practices</li> </ul>

## BOARD STATEMENT

**Materiality Assessment**

*Prioritising sustainability topics is a critical process for us as it sets out the areas that we must focus on as an organisation. It also enables us to systematically report on matters that impact Dyna-Mac and its stakeholders most. To do that, our Sustainability Steering Committee embarked on a formalised Materiality Assessment process.*

The materiality principle applied in this Sustainability Report is based on an internal materiality review held in 2021 to review the significant sustainability topics that impact our business activities and its external stakeholders. After validation, the results showed no change to the assessment performed in 2020. The Board and Management determined the five key sustainability matters to be of highest priority to the Group's sustainability risks and opportunities and the Board is satisfied with the relevance of the selected matters to its business strategy and performance.

## 1

**IDENTIFICATION  
AND  
ANALYSIS**

We work closely with an independent team of sustainability consultants on a list of potential sustainability matters identified through:

- Analysis of trends and developments pertinent to Dyna-Mac and the industry it operates in
- Analysis of commonly reported sustainability matters amongst Dyna-Mac's peer groups and leading reporters in Singapore
- Internal stakeholder interviews and focus group discussions with members of our Sustainability Steering Committee

## 2

**EVALUATION  
AND  
PRIORITISATION**

Members of our Sustainability Steering Committee individually evaluated the list of potential sustainability matters and participated in a formalised Materiality Assessment workshop.

An anonymous electronic voting exercise was conducted to prioritise the sustainability matters that are deemed significant to both Dyna-Mac and its external stakeholders.

## 3

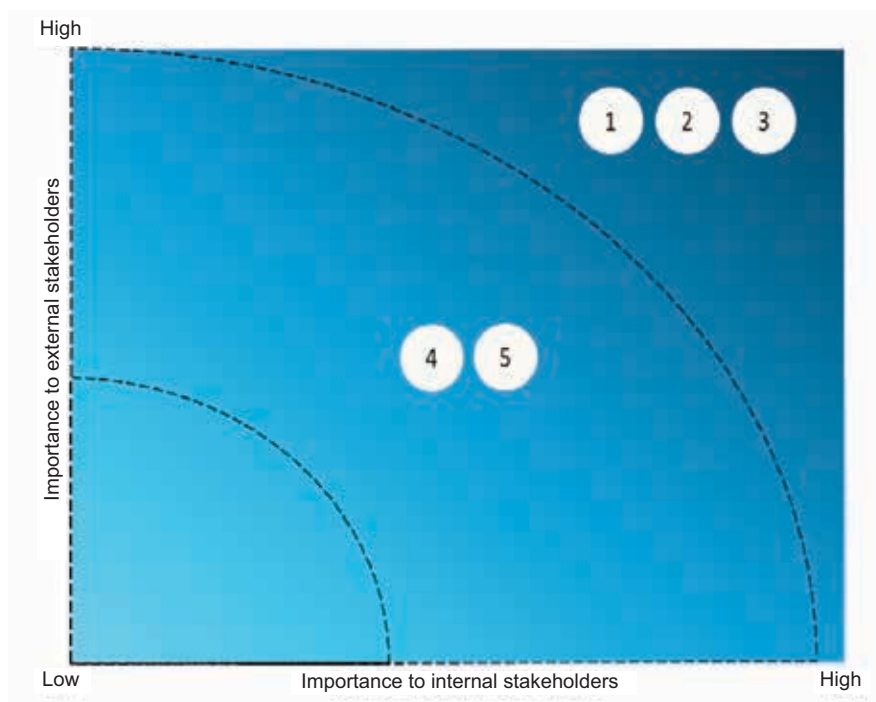
**VALIDATION AND  
ASSIMILATION**

Our Sustainability Steering Committee reviewed Dyna-Mac's Materiality Matrix and selected 5 key sustainability matters ranked as significant to both Dyna-Mac and its external stakeholders, for reporting.

The process and the results were presented to Dyna-Mac's Board of Directors for their validation and approval.

## BOARD STATEMENT

The following are the material factors identified and prioritised:



No.	Material Sustainability Matter	Category	Mapped GRI Standards Topics
1	Corporate governance	Governance	GRI 102: General Disclosure (Governance) GRI 307: Environmental Compliance GRI 419: Socioeconomic Compliance GRI 205: Anti-Corruption
2	Fair employment practices	Social	GRI 401: Employment GRI 404: Training and Education GRI 406: Non-discrimination
3	Health and safety	Social	GRI 403: Occupational Health and Safety
4	Energy and carbon footprint	Environment	GRI 302: Energy GRI 305: Emissions
5	Waste and effluents management	Environment	GRI 306: Effluent and Waste

### ABOUT THE REPORT

Dyna-Mac demonstrates our commitment to its fifth sustainability report for the period 1 January 2021 to 31 December 2021 ("FY2021") and shall publish its report by May 2022. The report will focus on our sustainability strategies and covers our ESG performance across our operations in Singapore for FY2021.

In line with the Company's commitment to environmental sustainability, no hardcopies of this report have been printed. The report can be viewed on our website: <https://www.dyna-mac.com/sustainability-reports/>.

# CORPORATE GOVERNANCE

*At Dyna-Mac, we are committed to conducting our business ethically and in compliance with all applicable legal and industry requirements. We are guided by our Vision, Core Values and Code of Conduct that have been implemented to govern the actions and behaviours of our employees.*

Dyna-Mac has a zero-tolerance stance for corruption and has in place effective corporate practices and policies. The Group is committed towards full compliance with all applicable laws and regulations and has established corporate policies to ensure the long-term success of the Group.

1. Whistle-blowing Policy
2. Dealing with Securities
3. Anti-Corruption Policy
4. Anti-Bribery Policy
5. Gifts, Hospitality and Entertainment Policy
6. Code of Conduct

In 2021, there were:

- No cases received through whistle-blowing channels
- No reported cases of bribery and corruption
- No incidences of non-compliance to legal and regulatory requirements resulting in significant fines or sanctions
- Implementation of compulsory code of conduct training for all employees

## Risk Management

The Group believes that risk management is an integral part of good corporate governance and has in place an Enterprise Risk Management Framework to manage its risk exposure. We have conducted an Enterprise Strategy and Risk Assessment Exercise to identify, filter, assess and compile our enterprise strategies and key risks, as well as to assess our general control environment. Through this exercise, the Management works closely with the Board to better align, manage and increase Dyna-Mac's resilience to emerging scenarios and environments.

For more information on Corporate Governance, please refer to our Annual Report 2021, available online at <http://investor.dyna-mac.com/ar.html>.



# MEMBERSHIP AND INITIATIVES

## Membership



Singapore Business  
Federation (SBF)

## Initiatives



Singapore Environment Council (SEC) awarded the Group with Eco Manufacturing (Champion) and Eco Assessment Resource for demonstrating excellence in accordance to SEC's Eco Manufacturing and Waste assessment framework respectively. We believe this is a testimony to the Group's continuous commitment to sustainability practices. With the Eco certification from SEC, it will help the Group to develop strategies and action plans that are translated into actual measures on the ground to reduce impact and help safeguard the environment.



The Group became a member of Carbon Pricing Leadership Coalition (CPLC) and part of an ecosystem of like-minded organisations and institutions that are driving the decarbonisation agenda. As CPLC's member, we pledge:

1. Commit in principle to the transition towards a low carbon business model in Singapore
2. Embrace in principle aspirations of implementing internal carbon pricing by 2025

LowCarbonSG is a capability building programme to help companies to decarbonise. It is helmed by CPLC Singapore, the decarbonisation arm of the United Nations Global Compact Network Singapore and is supported by the National Environment Agency (NEA) and Enterprise Singapore (ESG).

The Group has the access right to CERT tool which is the key mechanism for LowCarbonSG, which is a nationwide capability building initiative launched by Minister Grace Fu in October 2021.

As a LowCarbonSG participant, we work towards reducing carbon emissions from our business operations.

## FAIR EMPLOYMENT PRACTICES

*In Dyna-Mac, our employees and workers are the heart of our business operations. We recruit and reward our people on a meritocratic basis and advocate an inclusive workplace built on mutual respect and trust.*

We believe that building a diverse and inclusive work environment is increasingly important to boost the morale and productivity of our employees. We value our employees and are committed to human resource policies that help us attract, retain and grow talent. Equality and meritocracy are the values that impact employee satisfaction and retention, and ultimately achieving sustained value creation for our stakeholders.

We have put in place systems and practices that are fair, merit-based and non-discriminatory to attract, reward and retain our employees. The Group is also a signatory of the Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP), pledging to adopt fair and progressive human resource practices and providing a harmonious and inclusive work environment for our diverse workforce, regardless of race, ethnicity, religion, age and gender. Our employee retention strategy focuses on training, career development and employee engagement. We also have a grievances mechanism in place for employees to report incidences without fear of reprisal, discrimination of other consequences.

To affirm our philosophy and commitment, we have adopted the following TAFEP Tripartite Standards since 2018:



### ***Employment of Term Contract Employees***

The Group complies with all statutory benefits under the Employment Act and the Child Development Co-Savings Act, in particular leave benefits and termination/non-renewal of contract specifications.



### ***Grievances Handling***

A grievance procedure has been put in place for employees to raise grievances or any work-related concerns to supervisor and management.



### ***Flexible Work Arrangements***

We support part-time employment and have revised to shorten work week for some of the support functions employees (from 5.5 days to 5 days). We will review and explore more flexible working patterns to support our operations and yet not lose out on our competitiveness and productivity.



### ***Recruitment Practices***

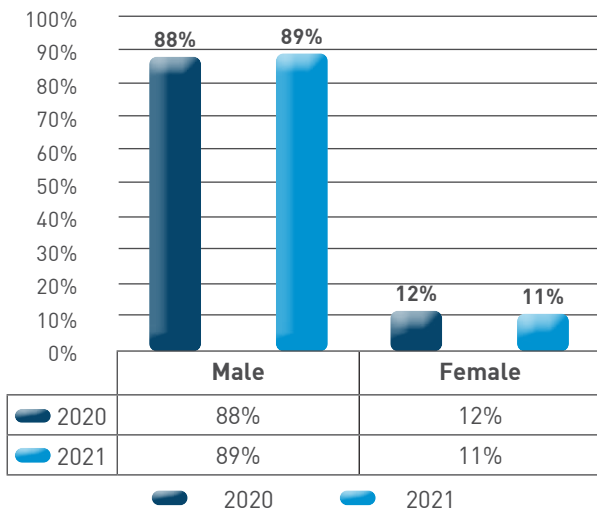
The Group believes in fair employment practices and great emphasis is placed on our people.

We progressively review and implement employment practices to be in line with the key principles of fair employment and employees are evaluated based on qualification, experience and aptitude for the position.

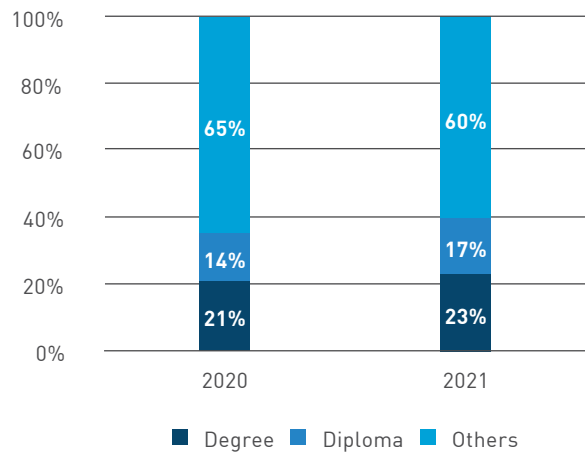
# OUR PEOPLE

Total Group workforce increased by 3.3% from 756 in FY2020 to 781 in FY2021. The breakdown of workforce is presented in the following charts:

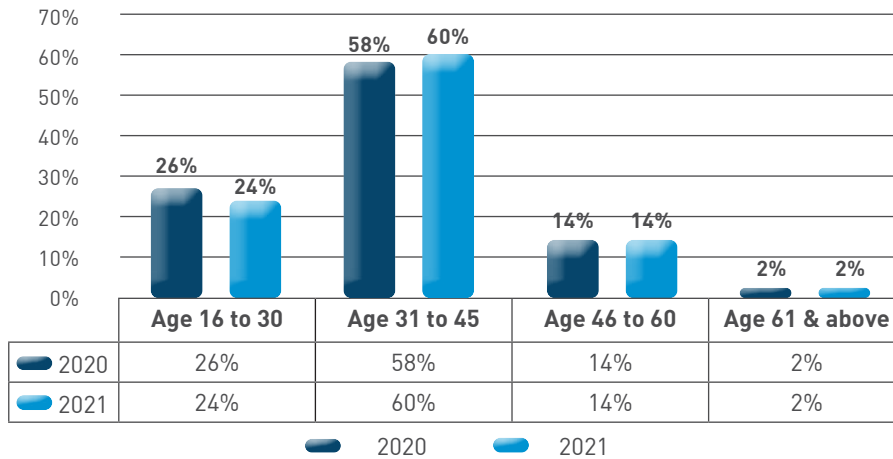
**TOTAL WORKFORCE BY GENDER**



**EDUCATION LEVEL**

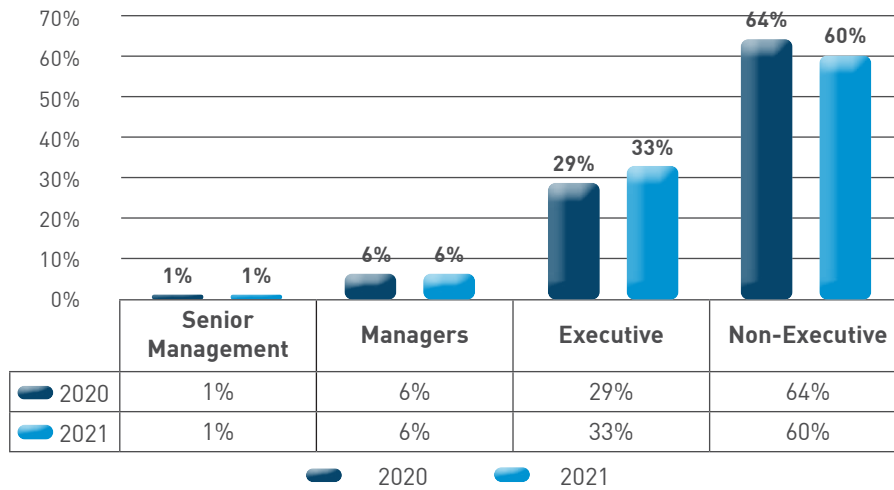


**TOTAL WORKFORCE BY AGE GROUP**



OUR PEOPLE

TOTAL WORKFORCE BY EMPLOYMENT CATEGORY

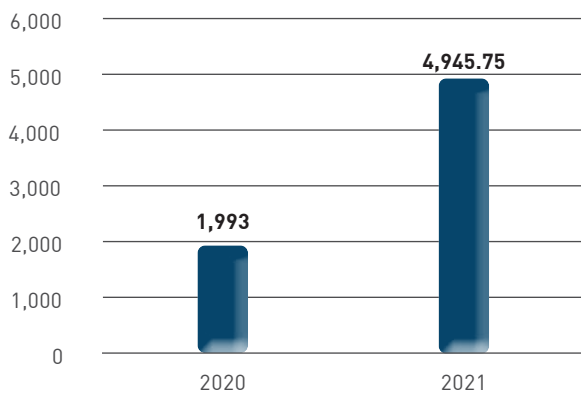


TRAINING AND DEVELOPMENT

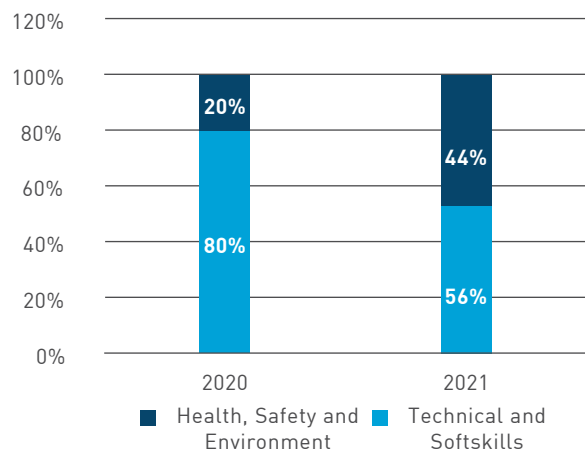
We believe that training and development are essential ingredients in the continued well-being of the Group. Employees are encouraged to improve their effectiveness and productivity through various enrichment and training courses.

As compared to FY2020 where training classes were either limited or done virtually because of COVID-19 pandemic, total of 4,945.75 training hours were achieved in FY2021.

TRAINING HOURS



TYPE OF TRAINING



## OUR PEOPLE

### Managing Workplace Harassment

Dyna-Mac is committed to a workplace which is free of harassment. The Company prohibits actual or threatened violence against co-workers, visitors or anyone else who is either on the Company's premises or has contact with employees in the course of their employment.

To better understand and managing harassment in the workplace, 2 staff from HR/Admin Department were sent for the Managing Workplace Harassment workshop on 28 May 2021.

In addition, the policy on Managing Workplace Harassment and memorandum were circulated to express Dyna-Mac's commitment and duty of care to maintain a safe and conducive work environment where direct or indirect discrimination, bullying and harassment are not tolerated. Any employee who is found guilty of acts of harassment, shall be subject to corrective or disciplinary action, which may include termination of service.

### Global-Ready-Talent (GRT) Programme

Dyna-Mac has been approved for onboard the Global Ready Talent Programme (GRT) by Enterprise Singapore (ESG) on 12 July 2021. The application of GRT Internship Grant has been approved for 4 students from Ngee Ann Polytechnic. The Company will continue the efforts to partner with local institutions to provide internship placement opportunities to our local students.

## ENGAGEMENT AND WELFARE

### Together We RISE Fundraising Campaign (TWR)

Dyna-Mac has participated in the Together We RISE Fundraising Campaign (TWR) under Care Corner Singapore. TWR is the signature annual campaign at Care Corner that aims to rally and inspire corporates and individuals to share

their care through empowering the vulnerable, isolated and disadvantaged in the community. The Company has contributed to the hot meal programme to provide 1 cooked meal per month for 10 months to 160 seniors in need.

### Enhancement of Staff Benefits

The staff level benefits had been enhanced to provide competitive remuneration package to attract, motivate and retain employees. Certain categories of employees including managers and below who are not covered under Part IV of Employment Act are eligible for overtime allowance with effect from 1 April 2021. Also, transport reimbursement for overtime work and meal allowance had been reviewed and revised accordingly to better cater to the staff needs. In addition, a review on existing staff medical benefits as compared to the prevailing market practice was done in June 2021. The approved enhancement includes increase the numbers of benefits items and healthcare benefits quantum slightly to provide a more comprehensive package.

### Flexible Work Arrangement (FWA)

The Flexible Work Arrangement Policy was established on 1 July 2021 to accord employees with work-life balance while upholding a strong sense of personal responsibility over work standards. To standardise alternatives to a standard onsite workday, 4 categories of work arrangement are introduced – staggered start hours, reduced hours/part-time employment, telecommuting and work from home.

### Long Service Award Presentation

A total of 57 employees (22 staff and 35 workers levels) received their Long Service Award on 17 December 2021 for those who have served 10 years and above of service. Of which 3 are long serving employees who have spent 20 years of dedicated services with the Company.



# HEALTH, SAFETY, SECURITY AND ENVIRONMENT (HSSE)

*Dyna-Mac instills a strong safety and health culture in every stakeholder, be it our clients, subcontractors, employees or workers. A strong focus on pro-activeness and accountability ensures that the safety management system continuously improve and progress.*

With many high-risk activities involved in the operation of our business, health and safety are two key business challenges that must be overcome. Health and safety are of the utmost importance and are prioritised in every aspect. In addition to health and safety, Dyna-Mac strives to minimise harm to the environment and promotes sustainable practices. To achieve these goals, Dyna-Mac fully commits to the execution and compliance of the company policies and the legal requirements. In complement with the well-constructed safe work procedures, we successfully enhance our training programs that cater to workers' needs and work requirements.

## Company Policies

With the commitment and support from Dyna-Mac's top management, a comprehensive health, safety and environment management system was implemented. This system encompasses policies that direct and provide the workforce with a favorable work condition that pro-actively prevent incidents and unsafe conditions.

## Occupational Health and Safety (OH&S) Policy

The Occupational Health and Safety (OH&S) Policy is a set of principles that guides the workforce to create a safe and healthy environment for all. The OH&S policy includes, but is not restricted to the following:

1. Promote a strong safety culture in the organisation
2. Fulfill all legal requirements and other requirements
3. Eliminate hazards and reduce OH&S risks
4. Achieve continual improvement in OH&S management system and performance
5. Promote participation among workers and their representatives
6. Communicate to all personnel on their individual OH&S obligations
7. Ensure the availability of the policy to all interested parties

## Environmental Policy

The Environmental Policy aims to reduce our carbon footprint on the environment and execute all activities in the most sustainable method. The Environmental Policy involves:

1. Ensuring the prevention of any pollution including noise pollution
2. Protecting the environment and all personnel working under the control of the organisation
3. Fulfill its compliance obligations and comply to all applicable legislations and other environmental requirements to which the organisation subscribes

## Legal Requirements

To maintain an incident-free workplace, the Singapore Workplace Safety and Health (WSH) council and the International Organisation for Standardisation (ISO) have developed risk management strategies and stringent standards that help organisations foster better, safer working conditions. As a company that seeks continual improvement, Dyna-Mac prides itself for complying and executing with the standards.

## Workplace Health and Safety Framework

In line with the legislative requirements and initiatives by the WSH Council, Dyna-Mac fulfills all requirements of the WSH Act and achieve the bizSAFE certificate, making strides towards the national vision to create safe and healthy workplace for everyone.

## WSH Act

The WSH Act involves the participation from everyone in the organisation and encapsulates risk management, incident reporting and injury prevention. As of September 2011, the WSH Act covers all workplaces in Singapore and envisions to protect both lives and business.

Dyna-Mac adopts a robust risk management system and excels beyond the requirements of the WSH Act. In Dyna-Mac, we have a dedicated team of experienced individuals who performs extensive risk assessment of all work activities and commitment from everyone to ensure a safe workplace for all. All our risk assessments are reviewed after an unsafe act or condition is observed and improved risk assessments that close up gaps discovered are made available to everyone.

Risk assessments are communicated effectively to all workforces through dedicated trainings, daily toolbox talks and Think Safety, Work Safely sessions, building a safety mindset in everyone.

Dyna-Mac's effort in delivering an all-rounded risk management system is further confirmed by the accreditation of the bizSAFE program. Dyna-Mac promotes in-house safety and health capabilities through involvement from management, WSH meetings, risk assessments, training and supervision and incident reporting.

## ISO Standards

Dyna-Mac has been awarded ISO 45001:2018 and ISO 14001:2015 certification.

With the ISO 45001:2018 OH&S management system in place, an integrated Health and Safety approach is in motion. By implementing and maintaining an Occupational Health and Safety (OH&S) management system, it enables the organisation to proactively improve its OH&S performance in preventing injury and ill-health.

In terms of sustainability, Dyna-Mac has taken a huge step forward by integrating the ISO 14001:2015 environmental management system into our organisational framework. It maps out a framework that our organisation has followed to set up an effective environmental management system.

## HEALTH, SAFETY, SECURITY AND ENVIRONMENT (HSSE)

By doing so, Dyna-Mac has been able to meet the needs of the present, without compromising future generations. We are committed to tackling environmental challenges such as excessive and improper waste disposal and climate change. We continually improve our environmental management system through specific approaches such as audits, communication, labelling, hygiene and waste management and Life Cycle Sustainability Assessment.

### Leadership and Commitment

Leaders need to 'walk the talk', leading by example to achieve the benefits of the OH&S management system. Good leadership is the foundation of any successful organisation and in Dyna-Mac, senior management is involved in every step to ensure the OH&S Management System and business processes are operating together to achieve the desired objectives and to bring in unity of purpose.

### Mass Toolbox

The senior management at Dyna-Mac reaffirms the company's vision in leading by example through supporting and presenting at the weekly Mass Toolbox. The Mass Toolbox highlights the hazards and Safe Work Procedures in three languages (English, Bengali and Tamil), in order to cater to the diverse workforce in Dyna-Mac.

### COVID-19 Daily Mass Toolbox/Briefing

To reduce the spread of COVID-19 and manage Dyna-Mac's mental health and wellbeing, Toolbox briefing on COVID-19 addresses methods that can be used to prevent the spread of the coronavirus around the worksite. The briefing includes a thorough step-by-step instruction on hand hygiene, uses of hand sanitizer, maintaining 1meter social distance, cleaning of tools and mask on policy, to stay home if they are sick etc. to help prevent the spread of COVID-19.



## HEALTH, SAFETY, SECURITY AND ENVIRONMENT (HSSE)

### Management Walkabout

Another avenue for Dyna-Mac's managers and HODs to interact with the workers and identify unsafe practices is the weekly management walkabout. With the commitment from experienced individuals, Health and Safety issues can be more effectively identified and communicated to all departments.

Leaders have an opportunity to change how they are connecting with their Workforce and better understand what they can do to improve safety and productivity.



### Awareness and Training

Dyna-Mac regards Awareness and Training as important features of the OH&S management system; thus, it is compulsory for everyone to attend the in-house HSE training before commencing their work at Dyna-Mac. Along with the training, the safety corridor acts as a reminder for everyone that safety is an indispensable aspect in the operation of our business.

### Trainings and Safety Awareness Briefings

From our daily in-house trainings to our weekly safety awareness briefings, Dyna-Mac constantly reviews and improves our overall OH&S management systems and programs, aiming to make Health and Safety an innate quality in everyone.



Dyna-Mac's Health, Safety and Environment (HSE) training programs include Safety Induction, HSE-specific training, Project-specific trainings, Work-at-Height practical and daily special trainings (such as Leadership Competency, Fire Watchman, Think Safety Work Safely, Environmental Awareness, Noise Monitoring etc).



The Safety Awareness Briefings are directed to specific workgroups to remind them on risk management for their work activities. Some examples of the Safety Awareness Briefings are Electrical Safety, Structural Work, Work-at-Height and Dropped Object Demonstration.



# HEALTH, SAFETY, SECURITY AND ENVIRONMENT (HSSE)

## 15 Life Saving Rules (LSR)



In 2019, the LSRs were revised to reflect our dynamic operation. The updated 15 LSRs are the most essential rules that all workforce must comply with to protect themselves and others from injury. Strict enforcement is carried out to ensure every yard user complies with and pro-actively contributes to a healthy and safe workplace.

## Collaboration with Clients and Subcontractors



Common understanding among clients and subcontractors are established through weekly Supervisor Meeting, weekly Project Management Walkabout, monthly Supervisor Engagement Session, 60-Days Look Ahead and Appreciation Lunch.

## HEALTH, SAFETY, SECURITY AND ENVIRONMENT (HSSE)

### Emergency Preparedness Drill (ERP)

Emergency Preparedness is a critical component of workplace safety. Response time is an important aspect of emergency response. This refers to how long it takes for the emergency responders to arrive at the scene of an emergency after the emergency response system has been activated. A long response time can result in an increase and permanent damage, a higher likelihood of fatalities, and greater distress to those involved.

With a team of outstanding individuals, representing the Company Emergency Response Team ("ERT"), going through an array of simulated emergency drills throughout the year to ensure that the ERT is always ready to be called upon for any emergency.

The emergency drills simulate potential emergency scenarios. In 2021, due to the widespread COVID-19 infection, large scale evacuation emergency drills could not be carried out. However, Dyna-Mac still conducted multiple drills, including small scale evacuation drills, Rescue from Height, Confined Space Rescue, Structure Collapse, Electrocution, Handling a Confirmed Case of COVID-19, Fire & Rescue and Oil Spillage.



### COVID-19 Response

To better detect and mitigate COVID-19 infections, personnel with respiratory symptoms such as fever, cough, sore throat and runny nose must immediately seek medical attention at Dyna Mac First Aid Centre. Our on-site paramedic provides medical screening and thereafter contacts purpose-built dormitories that have on-site medical centers and regional medical centers for advice. Transport will be arranged to send the patient for medical attention at medical facility. The medical initiatives ensure patients are treated for Acute Respiratory Illnesses (ARIs) and other significant health conditions, and hence manage the risks of any COVID-19 outbreaks.



## HEALTH, SAFETY, SECURITY AND ENVIRONMENT (HSSE)

### Rostered Routing Testing Polymerase Chain Reaction and Antigen Rapid Test

To better manage and improve site operational efficiency, Dyna-Mac partnered with a licensed private HCP in June 2021 and was granted an approval from the Ministry of Health (MOH) to conduct the self-swab Rostered Routing Testing Polymerase Chain Reaction (PCR) testing at the company's designated premises. The swab provides convenience and accessibility to Dyna-Mac's workers by providing swab testing at their workplace instead of reporting to assigned Health Promotion Board Regional Centre for the PCR test.



At the same time, Dyna-Mac had sent 9 employees from Safety Department to be equipped with the knowledge and technical skills to conduct swabbing operations for Polymerase Chain Reaction (PCR) and/or Antigen Rapid Test (ART) as a form of Point-Of-Care Test (POCT) in accordance to the Ministry of Health guidelines; and to take on supervisory roles for the swabbing operation.

The Swabber Training enabled Dyna-Mac to carry out the Pilot Run COVID-19 ART swab tests for target groups living in the community 3 days after the PCR test.

The pilot gave Dyna-Mac the faculties to handle the day-to-day ART operations without any worry as test are carried daily to detect AG+ individuals. When such individuals are detected, ring fencing strategy was initiated, cueing mass testing of their close contacts and/or entire workgroup. This had allowed Dyna-Mac to discover any other COVID-19 cases promptly, preventing and containing the spread of COVID-19.

The pilot ART enabled Dyna-Mac's transition to a New Rostered Routine Testing (RRT) for workers from November 2021, where Antigen Rapid Tests (ART) was used in place of PCRs for workers.



## HEALTH, SAFETY, SECURITY AND ENVIRONMENT (HSSE)

### Environmental Management

As ISO 14001:2015 has been certified, Dyna-Mac has taken a conscious effort to control our impact on the environment through emissions. It is important that we start switching to other energy sources like renewable energy sources and increasing the proportion of total energy usage.

Since 2020, Dyna-Mac has been utilising the generated electricity from solar panels installed at various locations within the premises of unused rooftop space built by Sunseap. Solar power is a great way to reduce carbon footprint and affordable solar energy improve own sustainability practices and to positively impact the environment.

Another initiative by Dyna-Mac is to reduce our consumption of diesel in the production by 5% to 10%. Most of the time, it is the habit of the machinery operators and the drivers whom we need to constantly remind or correct them to switch off the machines, lorries or cranes when they are not in use.

Regular servicing of machinery to remove carbon deposits help to maintain its fuel efficiency, weigh less and emit less air pollutants. Engine parts work closely in tandem. If poorly maintained, sludge and corrosion will build-up between the parts making it difficult for the engine to work smoothly.

Dyna Mac will constantly explore new ways to improve our practices and minimise the environmental impact of our operation. By conserving our environment, we are securing our future.



### Authority Inspection

Inspectors from Government Agencies periodically carry out on-site inspections as necessary. In 2021, a total of 26 inspections were carried by relevant Authorities namely MOM, NEA, SCDF, SPF and EDB (Central COVID-19 Operations).

Inspections by authorities give Dyna-Mac a balanced opinion on crucial matters without having to conduct our own research. Insightful recommendations on how to improve our HSE management system were stated, furthering our commitment in providing a safe and healthy environment for all employees to work in.

If authorities had discovered any safety or health risks, Dyna-Mac immediately acted upon the recommendations and implemented corrective actions based on the inspector's findings.



## HEALTH, SAFETY, SECURITY AND ENVIRONMENT (HSSE)

### Welfare

The COVID-19 pandemic has had a devastating impact on migrant workers and their access to decent work. Beyond the immediate public health crisis, response measures including lockdowns and border closures had specific implications for the hiring and employment conditions of migrant workers.

As an employer, Dyna-Mac plays a critical role in supporting and looking out for our migrant workers in ensuring a better working environment. Doing so will allow us to respond to client, stakeholders and regulatory expectations more effectively and manage a healthier as well as more productive workforce. Dyna-Mac also provide workers with safe, clean and habitable accommodation irrespective of their nationality, gender, ethnicity, social, legal status, race, religion, or any other protected status are treated with dignity, respect and fairness. The workers may report any grievances, harassment, discrimination, abuse and/or inhumane or degrading treatment without fear of retaliation, retribution, or dismissal and to have them addressed in a prompt, fair and consistent manner.

Dyna-Mac, working hand in hand with government agencies and other organizations, has created telephone lines to help migrant workers deal with mental health issues, stepping up to provide humanitarian and health assistance to migrants especially those who are unable to be with their loved ones during the pandemic.



Lastly, workers will receive all benefits to which they are entitled to in accordance with contractual arrangements and a safe and healthy work environment, subject to a robust Health and Safety management system in compliant with all governing laws and regulations.

### Incident Management and Performance

Dyna-Mac strives to be a zero-incident workplace. Maintaining a safe workplace is not a destination but a never-ending journey through continuous improvements. Although there was one Lost Time Incident in 2021, Dyna-Mac did see an improvement from 2020.

As shown below, the Group's 2021 Accident Frequency Rate (AFR) was 0.12 and the Accident Severity Rate (ASR) was 0.87 a measure of incidents per million man-hours, both improved from 2020 while having a higher man hour expenditure. The man hours worked increased by 2,411,116 from 5,621,350 in 2020 to 8,032,466 in 2021.

The Group's Workplace Injury Rate (WIR) 2021 stands at 10 incidents per 100,000 persons working in the yard compared to the 2020 national average of 40<sup>71</sup>.

The Group will continuously monitor and evaluate the performance of its direct and contractor's workforce, as well as engaging and enhancing supervisory capabilities through Leadership Competency Workshop Assessment, inspections of operations, rewarding good performance, hazard recognition and intervention program with 100% attendance and implement trainings to ensure all personnel are equipped for compliance with the Group's HSSE standards.

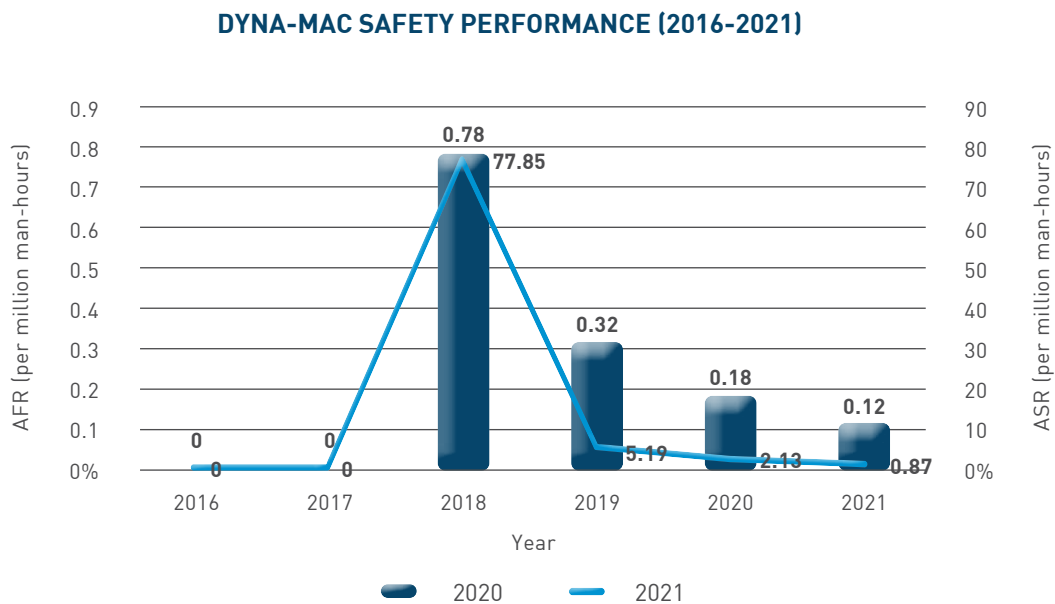
**Note:** <sup>71</sup>The 2020 national average Workplace Injury Rate (WIR) was published by Ministry of Manpower (MOM), WIR for 2021 is not yet available at the date of this report.



## HEALTH, SAFETY, SECURITY AND ENVIRONMENT (HSSE)

	2020	2021
Total Man-hours	5,621,350	8,032,466
No. of Lost Time Incident	1	1
No. of Work Days Lost	12	7
Accident Frequency Rate (AFR)	0.18	0.12
Accident Severity Rate (ASR)	2.13	0.87
Workplace Injury Rate (WIR)	10	10

The graph below displays the AFR and ASR from 2016 to 2021.



## ENERGY AND CARBON FOOTPRINT

At Dyna-Mac, we recognise that our business operations have an impact on the environment. We are committed towards environmental protection and constantly work towards minimising our environmental impact to ensure sustainable business development. We strive towards operating in a sustainable manner so that we can continue delivering quality service and products to our clients. Within Dyna-Mac, we have a core focus in nurturing a culture of environmental consciousness among our employees, partners, clients and the communities we operate in.

Managing our energy consumption and carbon emissions is a key focus area for Dyna-Mac and we have implemented several good practices to reduce energy consumption. The health of our planet is important for the quality of life and survival of all stakeholders and future generations to come. The environment is also a critical external force that impacts our business decisions and operations. At Dyna-Mac, energy consumed is mainly fuel and electricity.

### Electricity Consumption

The electricity usage from the yards is mainly derived from welding machine, CNC plasma cutting machine, band saw/pipe cutting machine, bevel machine of pipe joint, electrical hand tools, main air-compressor and workshop lightings. In FY2021, Dyna-Mac's total electrical energy consumption increased to 6424.3 MWh compared to 6254.9 MWh in FY2020, corresponding to an increase in CO<sub>2</sub> emitted to 2624.3 tonnes of CO<sub>2</sub>. This is due to an increase in business activities in FY2021, corresponding to an increase of manhours.

### Solar Panels at workshop and office roof top



Electrical energy intensity is reduced from 4,338 to 4,325 Gigajoules (GJ) per million manhours due to the following energy reduction initiatives and solar energy generation.

### Energy Reduction Initiatives

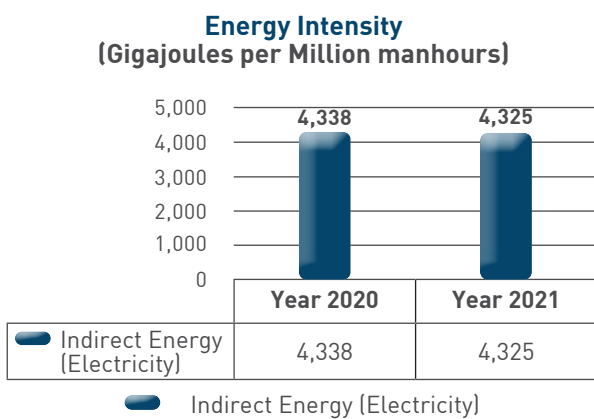
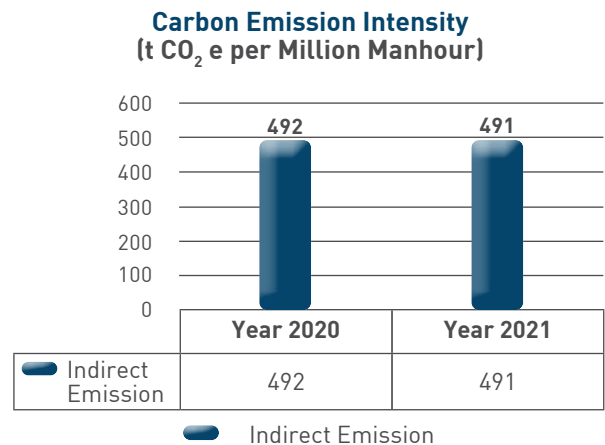
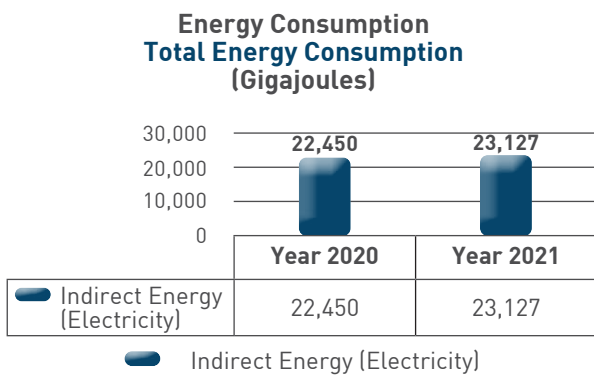
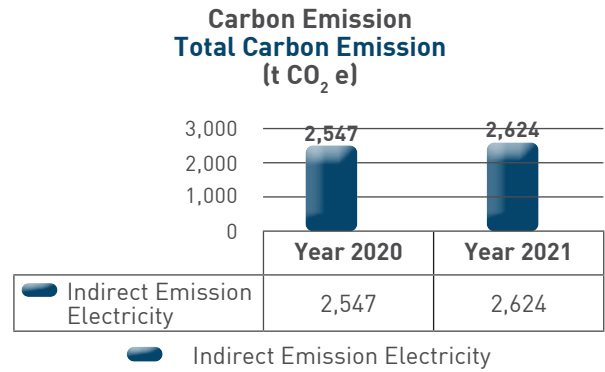
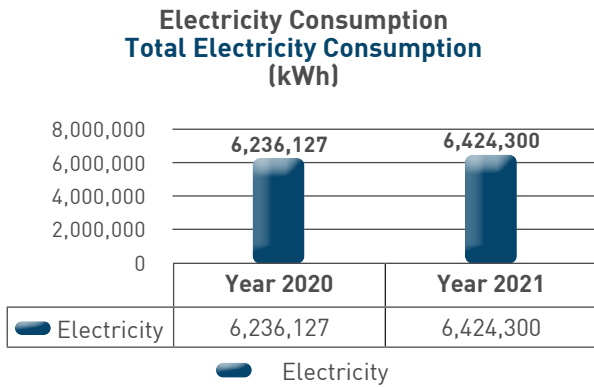
The Group continually look for opportunities to reduce the environmental impact of our operations. During 2021, we have implemented energy-saving measures to reduce our energy consumption such as replacement of all working area lights with 200W LED Flood Light instead of 400W metal halide lights with a saving of 50% energy consumption per light.

Besides, timer control systems are installed at common work areas to set and control ON/OFF time. Workers are deployed to patrol around workshops and office compound after office hours to ensure idling machines and office lights are switched off to cut down on electricity wastage.

We install lighting motion sensors within our office toilets, set office air conditioner temperature at 24°C, procure and use energy saving equipment such as inverter type welding machines.

Additionally, we produce and used 2,212.1 MWh clean energy from the solar panels installed at our workshop and office building roofs.

## ENERGY AND CARBON FOOTPRINT



### Fuel Consumption

Fuel consumption was mainly in the form of diesel oil used to operate Dyna-Mac's vehicles (lorries and self-propelled modular transporter) and machineries (mobile crane, forklift and portable air compressor). During the year, a total of 25,337 GJ (FY2020: 25,073 GJ) of direct energy was consumed which directly translates to 1,704 tonnes (FY2020: 1,722 tonnes) of CO<sub>2</sub> emitted. There was an increase from FY2020 levels was due to an increase in business activities in FY2021, corresponding to an increase of manhours.

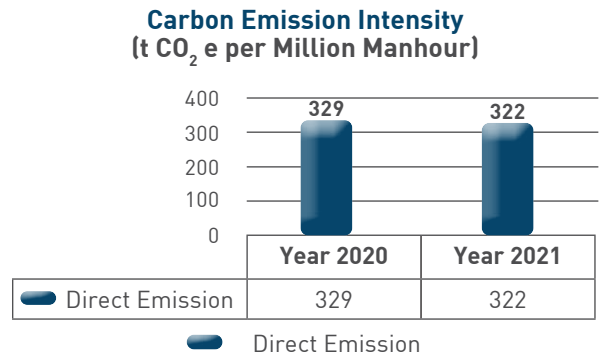
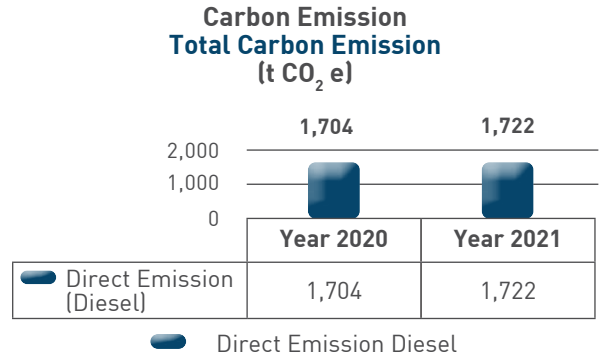
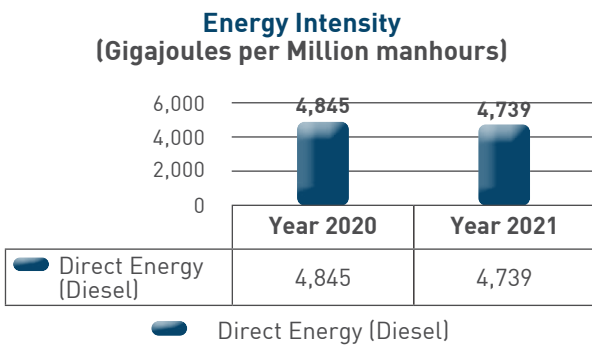
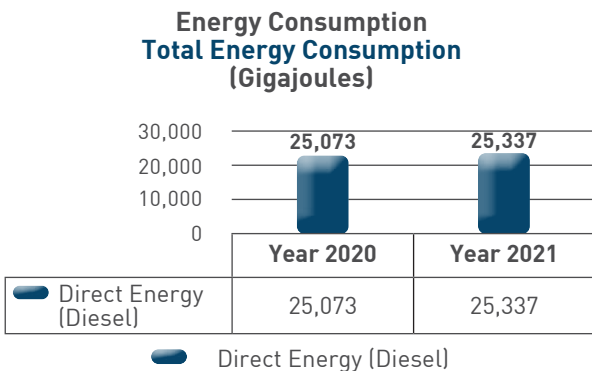
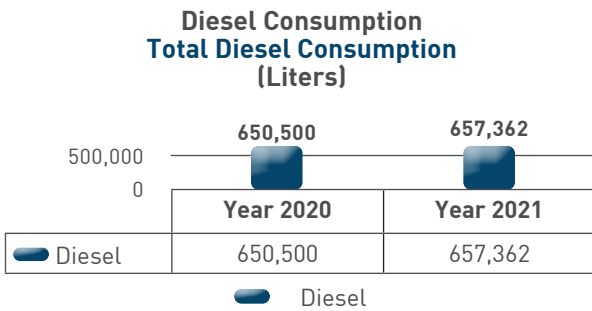
Direct energy intensity is reduced from 4,845 to 4,739 GJ per million manhours.



# ENERGY AND CARBON FOOTPRINT

## Direct Energy (Diesel) Reduction Initiatives

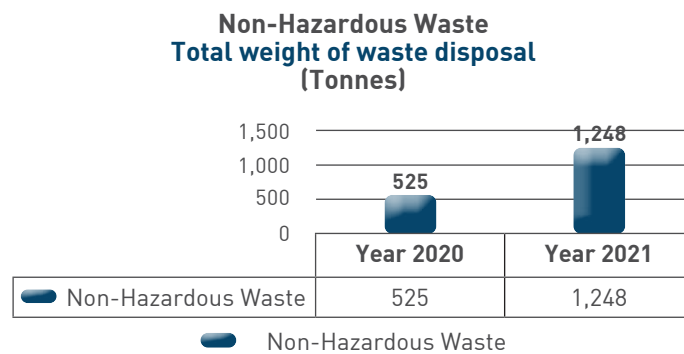
We have scheduled regular maintenance of vehicles and machines to ensure efficient working condition. To support the green initiative, we have started using electric forklift instead of diesel forklift for entire warehouse use and using electric compressor instead of diesel engine air compressor.



## WASTE AND EFFLUENTS MANAGEMENT

We recognise that proper waste management is crucial for us to protect the environment and for the health and safety of the communities we operate in. Managing the proper disposal of waste is especially important for our industry. In shifting towards the adoption of the 3Rs (Reduce, Reuse, Recycle), we are also able to reap cost savings for our business.

In year 2021, there was an increase of non-hazardous waste disposal due to bulk disposal of wooden crates and pallets. We cleared and disposed unwanted materials in the yard for effective utilisation of yard space.



## GRI CONTENT INDEX

GRI Standards Disclosures		Reference(s) or Reasons for Omission (if applicable)
<b>General Disclosures</b>		
<b>Organisational Profile</b>		
102-1	Name of the organisation	SR: p2
102-2	Activities, brands, products, and services	SR: p2 AR: p111-112
102-3	Location of headquarters	SR: p2
102-4	Location of operations	SR: p2 AR: p1
102-5	Ownership and legal form	AR: p2, 43
102-6	Markets served	AR: p1, 111-112
102-7	Scale of the organisation	SR: p10 AR: p8, 37
102-8	Information on employees and other workers	SR: p10-11
102-10	Significant changes to the organisation and its supply chain	AR: p6-7, 9
102-11	Precautionary principle or approach	SR: p7 AR: p29-32
102-12	External initiatives	SR: p8, 9
102-13	Membership of associations	SR: p8, AR: p38
<b>Strategy</b>		
102-14	Statement from senior decision-maker	SR: p6
<b>Ethic and Integrity</b>		
102-16	Values, principles, standards, and norms of behaviour	SR: p5 AR: p1
<b>Governance</b>		
102-18	Governance structure	SR: p6 AR: p11-15, 20-35
<b>Stakeholder Engagement</b>		
102-40	List of stakeholder groups	SR: p4
102-42	Identifying and selecting stakeholders	SR: p4
102-43	Approach to stakeholder engagement	SR: p4
102-44	Key topics and concerns raised	SR: p4
<b>Reporting Practice</b>		
102-45	Entities included in the consolidated financial statements	AR: p111-112
102-46	Defining report content and topic boundaries	SR: p5-7
102-47	List of material topics	SR: p7
102-48	Restatement of information	Not applicable.
102-49	Changes in reporting	Not applicable.
102-50	Reporting period	SR: p6
102-51	Date of most recent report	25 May 2021
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	<a href="http://www.dyna-mac.com/contact-us">http://www.dyna-mac.com/contact-us</a>
102-54	Claims of reporting in accordance with the GRI Standards	SR: p6
102-55	GRI content index	SR: p26-27
102-56	External assurance	External assurance has not been sought for this report.

## GRI CONTENT INDEX

GRI Standards Disclosures		Reference(s) or Reasons for Omission (if applicable)
<b>Material Topic: Corporate Governance</b>		
<b>Management Approach</b>		
103-1	Explanation of the material topic and its boundary	SR: p7
103-2	The management approach and its components	AR: p20-35
103-3	Evaluation of the management approach	
<b>Topic-specific Disclosures</b>		
205-3	Confirmed incidents of corruption and actions taken	SR: p7
307-1	Non-compliance with environmental laws and regulations	
419-1	Non-compliance with laws and regulations in the social and economic area	
<b>Material Topic: Energy and Carbon Footprint</b>		
<b>Management Approach</b>		
103-1	Explanation of the material topic and its boundary	SR: p22-24
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
<b>Topic-specific Disclosures</b>		
302-1	Energy consumption within the organisation	SR: p23-24
305-1	Direct (Scope 1) GHG emissions	
305-2	Energy indirect (Scope 2) GHG emissions	
<b>Material Topic: Waste and Effluent Management</b>		
<b>Management Approach</b>		
103-1	Explanation of the material topic and its boundary	SR: p25
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
<b>Topic-specific Disclosures</b>		
306-2	Waste by type and disposal method	SR: p25
<b>Material Topic: Health and Safety</b>		
<b>Management Approach</b>		
103-1	Explanation of the material topic and its boundary	SR: p13-21
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
<b>Topic-specific Disclosures</b>		
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	SR: p20-21
<b>Material Topic: Employment Practices</b>		
<b>Management Approach</b>		
103-1	Explanation of the material topic and its boundary	SR: p9-12
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
<b>Topic-specific Disclosures</b>		
404-1	Average hours of training per year per employees	SR: p11



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