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Incorporated in the Republic of Singapore on 21 May 2014 | Company Registration Number: 2014146280

This sustainability report has been prepared by MS Holdings Limited (the "Company") and has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "Sponsor"). This sustainability report has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST"). The SGX-ST assumes no responsibility for the contents of this sustainability report, including the correctness of any of the statements or opinions made or reports contained in this sustainability report. The contact person for the Sponsor is Ms Charmian Lim (Telephone no.: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

## **BOARD STATEMENT**



MS Holdings Limited ("MS Holdings", and together with its subsidiaries, the "Group") is pleased to present our fifth Sustainability Report ("Report") for the financial year ended 30 April 2022 ("FY2022"). The scope of the report covers information on material sustainability aspects of our crane leasing and equipment trading businesses operated by our wholly owned subsidiaries, namely: Moh Seng Cranes Pte. Ltd. and MS Equipment Pte. Ltd. from 1 May 2021 to 30 April 2022 unless otherwise stated.

The Board oversees the management and monitoring of the economic, environmental, social and governance ("EESG") factors of the Group, and

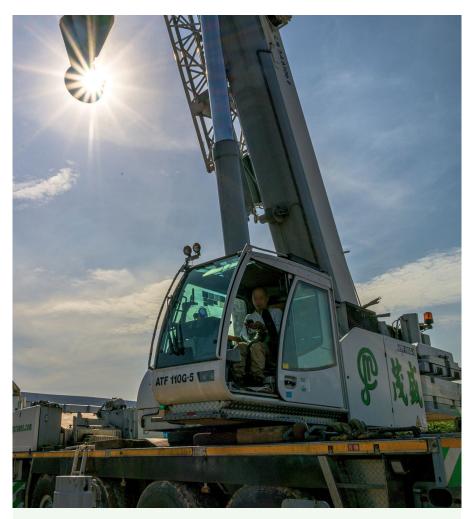
take them into consideration in the determination of the Group's strategic direction and policies. They have oversight of the EESG material factors which are reviewed annually and ensure that the factors are relevant and current for the business.

This Report has been prepared with reference to the Global Reporting Initiative ("GRI") Standards as it provides an extensive framework that is widely accepted as a global standard for sustainability reporting and is also aligned with the requirements of Rule 711B and Practice Notice 7F of the SGX-ST Listing Manual Section B: Rules of Catalist.

This Report provides us with a valuable opportunity to engage our stakeholders and respond to issues that matter most to them and to our business as we work to further focus and prioritise our sustainability and corporate social responsibility initiatives. The data and information provided within the report have not been verified by an independent third party. We have relied on internal data monitoring and verification to ensure accuracy.

We welcome your views and feedback on our sustainability practices and reporting at sr@msholdings.com.sg.

# CORPORATE PROFILE



We are one of the leading mobile crane rental companies in Singapore. We focus on providing mobile cranes and lorry cranes as they can be deployed easily in a wide range of lifting operations and have short set-up time due to their ability to travel on roads thus eliminating the need for special equipment to transport them to job sites. We typically rent our cranes to customers on a daily basis or short-term basis, thereby increasing the flexibility of deploying our cranes and enabling our Group to optimise the utilisation of our fleet.

With our fleet of young and modern cranes, we serve a wide customer base operating within the construction, marine, logistics, oil and gas as well as infrastructure industries in Singapore. This strategy of building and maintaining a well-diversified customer base ensures that we are not overly reliant on any particular customer or particular business sector.

During the year, we expanded into the provision of automotive financing.

#### **OUR BUSINESS**



#### **ACQUIRE**

Acquire mobile cranes, lorry cranes and mini cranes sourced from the following reputable suppliers:

- · Tadano (Japan)
- · Liebherr (Germany)
- Jekko (Italy)
- · Cormach (Italy)
- · JMG (Italy)



#### **INSPECT**

All cranes purchased for lease or for sale are inspected and certified by qualified Professional Engineers.



#### **RENT/SELL**

Acquired mobile cranes and lorry cranes are listed for rental and/or sale to customers.

# MEMBERSHIPS & ASSOCIATIONS

MS Holdings is a member of the following:

- Singapore Contractors Association Ltd
- · Singapore Business Federation
- · Singapore Institute of Directors
- Hire Purchase, Finance and Leasing Association of Singapore

# SUSTAINABILITY GOVERNANCE

A robust governance structure helps to ensure that MS Holdings is committed to sustainability. As such, the Group's sustainability drive is spearheaded by the Executive Sustainability Committee which oversees the Group-wide sustainability strategies and initiatives. The Executive Sustainability Committee is supported by the Chairman and Sustainability Champion, who are key management personnels of the Group, who work closely with representatives from the various business entities to drive the sustainability initiatives.



In FY2022, we have conducted a review of the key Sustainability Pillars and updated it to reflect our focus areas. These four (4) keys pillars which have been formalised by our Executive Sustainability Committee and approved by the Board guide us in creating sustainable value for all our stakeholders.



# **BUSINESS INTEGRITY**

We are committed to maintaining a high standard of corporate governance to achieve greater transparency and to protect the interests of its shareholders. We continuously communicate the need to uphold integrity and the Group's firm stance against corruption, as well as the importance of maintaining highest level of conduct and ethical standards.



# ECONOMIC PERFORMANCE

The Group supports global sustainability efforts in building a clean and green city for all to live, work and play in. We remain conscious of our energy and water footprints and look for ways to reduce them while balancing our needs.



#### HUMAN CAPITAL

Investment in our employees knowledge, skills and wellbeing is an important part of our human capital management strategy so that we can attract, engage and retain the right talent.



# HEALTH & SAFETY

The health & safety of our employees is our priority and we ensure that our staff are well trained to operate equipment in work sites. Policies on health and safety are in place to protect all employees.

# STAKEHOLDERS ENGAGEMENT

Business decisions made by the Group consider the interests of our stakeholders who are or would be affected by our operations and decision-making processes. Our stakeholders include employees; suppliers; customers; regulators; investors; and shareholders whom we have identified considering the economic, environmental, and social impacts of our business, across the supply chain.

We continually engage our stakeholders in the performance of our business through various channels. This engagement is important as we seek opportunities to manage our business in a sustainable manner. Due to COVID-19, the frequency of physical engagements with stakeholders have been reduced. Instead, the Group transitioned to online platforms such as Zoom to engage stakeholders.

#### **EXPECTATIONS**

#### **ENGAGEMENT PLATFORMS**

#### **FREQUENCY**



Service quality and excellence, timely follow-up on customer feedback, information and data security Meetings with customers to understand project requirements (onsite/offsite), surveys (onsite/ offsite), feedback channels (i.e. email, telephone), corporate website, email and newsletters As and when it is needed



Occupational health and safety, fair labour practices and compensation, professional development Training, grievance/feedback channels, regular reviews and appraisals, staff memos or urgent messages sent via walkie-talkies to crane operators, WhatsApp, Microsoft Teams, HR application software

Important notices are published when required



Clear two-way communication channels, timely feedback regarding equipment provided Quotations and requests for proposal, ad-hoc meetings to address issues

Where necessary, through calls for urgent matters



Financial performance and sustainability of business, risk minimization and stable rate of return, business resilience and financial performance, business strategy and direction, corporate governance and compliance, Transparent and timely communication of information

Annual general meetings (Zoom), corporate website, email and results announcements

At least twice a year with announcements made on a timely manner where necessary



Corporate governance and compliance, transparent and timely communication of information, compliance with rules and legislations

Communications with sponsor through emails and phone calls, notices sent through emails or mails of updates on regulations, public news channels As and when there are updates to regulations and statutes, half yearly financial results announcements, as and when there are disclosures of material Information

# **MATERIALITY**

Performed in consultation with external consultants, the relevant topics and indicators that are covered in our Report were selected based on our review of the economic, environmental and social topics which had the most significant impacts and also the topics which our stakeholders were most concerned with. The materiality assessment was subsequently endorsed by the Group's Executive Sustainability Committee. In FY2022, a review of the material topics was done to ensure that they were relevant to the business and relevant GRI Topic Specific Disclosures were updated to reflect the latest requirements. These were then grouped under the respective Sustainability Pillars.

SUSTAINABILITY PILLAR	MATERIAL TOPIC	RELEVANT GRI STANDARD	GRI TOPIC SPECIFIC DISCLOSURE
	Anti-Corruption	GRI 205 Anti Corruption (2016)	205-3 Confirmed incidents of corruption and actions taken
Business Integrity	Compliance	GRI 307 Environmental Compliance (2016) GRI 419 Socioeconomic Compliance (2016)	<ul> <li>307-1 Noncompliance with environmental laws and regulations</li> <li>419-1 Non-compliance with laws and regulations in the social and economic area</li> </ul>
Environment Sustainability	Energy and Emissions	GRI 302 Energy (2016) GRI 305 Emissions (2016)	302-1 Energy consumption within the organisation 305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions
	Water Consumption	GRI 303 Water and Effluents (2018)	303-3 Water withdrawal
Human	Employment	GRI 401 Employment (2016)	401-1 New employee hires and employee turnover
Capital	Training and Education	GRI 404 Training and Education (2016)	404-1 Average hours of training per year per employee
Health and Safety	Occupational Health & Safety	GRI 403 Occupational Health and Safety (2018)	403-9 Work-related injuries

# **BUSINESS INTEGRITY**



#### **ANTI-CORRUPTION**

**GRI 205-3** 

	FY2020	FY2021	FY2022
Number of Incidences of Non-compliance	0	0	0

The Board is committed to maintaining a high standard of corporate governance to ensure greater transparency and to protect the interests of its shareholders. The Group has put in place various policies and practices that will safeguard the interests of shareholders and enhance shareholders' value as part of its effort to maintain high standards of corporate governance. The need to uphold integrity and the Group's firm stance against corruption are regularly communicated to all employees, together with anti-corruption policies and procedures, and the importance of maintaining the highest level of conduct and ethical standards. The Group has zero tolerance toward corruption and bribery. The Code of Conduct, which all employees are briefed on during orientation, ensures that appropriate ethical conduct is applied.

#### Whistle-blowing policy

The Audit Committee ("AC") of the Company has put in place a whistle-blowing policy, whereby employees of the Group or any other persons may, in confidence, raise concerns about possible improprieties or other matters to the AC Chairman. The objective for such an arrangement is to ensure independent investigations of such matters and to allow for appropriate follow-up actions.

Reports of suspected fraud, corruption, dishonest practices and other similar matters can be lodged with the AC Chairman. This policy is made available to all employees and posted on the notice boards of our office. The Group's whistle-blowing policy also covers corruption and bribery as one of the activities which constitute misconduct and is a reportable incident. The whistle-blowing policy does not and cannot reasonably cover every situation. If employees are in doubt, they are strongly encouraged to seek guidance from the Head of Department or Human Resource Department.

There were no confirmed incidents of corruption in FY2022. We strive to maintain zero incidents of corruption in FY2023.

# **COMPLIANCE** GRI 307-1, 419-1

	FY2020	FY2021	FY2022
Number of Incidences of Non-compliance	0	0	0

Our business is conducted in strict accordance with the local regulations where we operate. We do so in all functions and business units, including Human Resources, environmental laws, legal matters, economic and other business functions.

There were no non-compliances with laws and regulations in the social, economic and environmental area for FY2022. We aim to maintain zero non-compliances in FY2023.

# **ENVIRONMENT SUSTAINABILITY**

#### **ENERGY AND EMISSIONS**

GRI 302-1, GRI 305-1, GRI 305-2

The Group's energy consumption is used to power our office building, yards and repairs workshops. In addition, we leased a worker's dormitory at Penjuru to house our employees to comply with safe distancing measures imposed by the Government of Singapore. For FY2022, the data collected was mainly on our property located at Pandan Road with a land area of approximately 8,000 square meters as well as the workers' dormitory we leased to house our workers. On 30 April 2021,

we completed the disposal of a property at Gul Drive with a land area of 4,900 square meters. The Gul Drive property was included in the energy consumption data reported in previous sustainability reports.

In FY2022, the total electricity consumption (based on normalized data to exclude Gul Drive) from all properties was 748,185 MJ compared to 711,075 MJ in FY2021. As part of the additional climate related disclosures required by SGX, we have also included in

this year's Report, our fuel consumption from the use of diesel at our sites.

Our total Scope 1 and Scope 2 greenhouse (GHG) emissions in FY2022 was 1,343.83  $\rm tCO_2e$ , with Scope 1 emissions accounting for approximately 94% of our overall GHG emissions. We will continue to monitor our energy consumed and our GHG emissions data to better understand our baseline so that we can set reduction targets in the future.

Energy consumed within the organization (from non-renewable sources) (MJ)

	FY2020	FY2021	FY2022
Electricity	1,152,223.20	1,031,634.00	779,159.84
Fuel (Diesel) (excludes Gul Drive)	Not available	12,999,588.00	16,889,712.00
Electricity restated (excludes Gul Drive) <sup>2</sup>	Not available	711,075.60	748,185.44

Emission factors are sourced from IPCC 2006 Guidelines for National Greenhouse Gas Inventories.

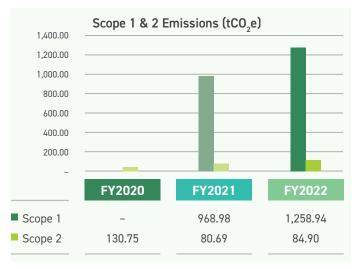
Direct (Scope 1) GHG emissions and energy indirect (Scope 2) GHG emissions (tCO<sub>e</sub>e)

	FY2020 <sup>2</sup>	FY2021	FY2022
Scope 1 (tCO <sub>2</sub> e)	Not available	1,110.32	1,258.94
Scope 2 (tCO <sub>2</sub> e)	130.75	117.06	88.28
Total	Not available	1,227.38	1,347.22
Scope 1 (excludes Gul Drive) <sup>3</sup> (tCO <sub>2</sub> e)	Not available	968.98	1,258.94
Scope 2 (excludes Gul Drive) <sup>3</sup> (tCO <sub>2</sub> e)	Not available	80.69	84.89
Total	Not available	1,049.67	1,343.83

Emission factors are sourced from IPCC 2006 Guidelines for National Greenhouse Gas Inventories. Grid emission factor for Singapore was sourced from Energy Market Authority (EMA), Singapore.

- The site at Gul Drive was disposed in April 2021 thus fuel and electricity consumption for FY2022 would not include the Gul Drive. To allow for a similar baseline comparison of energy consumed from fuel over a 3-year period, the fuel and electricity consumed in FY2020 and FY2021 have been normalised (where possible) to exclude the site at Gul Drive. There was no data available in FY2020 on electricity consumption by sites thus the normalised electricity data for FY2020 (to exclude Gul Drive) is not available.
- 2 Fuel consumption data was not collected in FY2020 thus Scope 1 data for FY2020 is not available.
- 3 The site at Gul Drive was disposed in April 2021 thus Scope 1 and 2 GHG emissions for FY2022 do not include figures from the site at Gul Drive. To allow for a similar baseline comparison of energy consumed from fuel over a 3-year period, the fuel consumed in FY2021 has been normalised to also exclude Gul Drive.

# **ENVIRONMENT SUSTAINABILITY**



Scope 1 and 2 GHG Emissions (excludes Gul Drive)

We take the following actions in order to promote reduction of energy at our sites:

- Reminding our employees to save electricity by switching off electrical appliances when they are not in use.
- Scheduling regular maintenance and servicing work for our air-conditioning systems to ensure that they are running efficiently.
- Existing halogen lights were progressively replaced with lower energy LED lights when faulty.

#### **WATER CONSUMPTION**

**GRI 303-5** 

Limiting freshwater withdrawal from the environment is crucial as the climate continues to warm, droughts increase and freshwater access is impacted. At MS Holdings, water is consumed at our office building, yards and repairs workshops located at Pandan Road. In addition, we are monitoring the water footprint of the workers' dormitory which has been leased to house our employees.

In FY2022, we have moved out from Gul Drive and consolidated our operations at Pandan Road. To enable a comparison of our water consumption year-on-year, we have normalised our data for FY2021 to exclude the water consumed at Gul Drive. We noted that there was an increase in total water consumption at our Pandan site in FY2022, which amounted to 4,930L compared to 3,824L in FY2020. This overall increase of approximately 30% in consumption was attributed to an increase in number of cranes parked at the Pandan Road site and also an increase in washing of cranes and workshop operations.

Water withdrawal from third-party water source

Volume of water withdrawn (Litre)	
Volume of water withdrawn	
(excluding Gul Drive) (Litre)	



FY2020	FY2021	FY2022
6,210.00	6,438.00	4,930.60
Not available	3,824.00	4,930.60

Water withdrawal from third-party water source (Litre) (excludes Gul Drive)

We take the following actions in order to promote water conservation at our sites:

- Appointment of an officer-in-charge for facilities maintenance who conducts regular check on the buildings and works with contractors to rectify any defects (e.g. leaking pipes, equipment repairs and maintenance).
- Use of water efficient appliances in the facility (e.g. taps and toilet bowls).
- Placing notices within the premises to remind staff to conserve water.

# **HUMAN CAPITAL**

#### **EMPLOYMENT**

**GRI 401-1** 

At MS Holdings, we take care in ensuring our employees feel supported, included and uplifted throughout their time that they are with us. We take a detailed approach to Human Capital Management and have put in place various processes to ensure that we attract and retain the right talent, as well as help employees in their personal development and growth.

While new members of the team bring fresh perspectives and suggestions on how the Group can grow, employees who have been with us for many years provide valuable experience and knowledge. We value diversity and offer equal opportunities.

Our hiring practices are fair, merit- based, and non-discriminatory. In building a harmonious work environment and implementing fair employment practices, MS Holdings is guided by the principles set out in the Tripartite Guidelines on Fair Employment Practices established by the Tripartite Alliance for Fair and Progressive Employment Practices in Singapore.

As of 30 April 2022, our total headcount was 84 permanent full-time employees. There were no temporary or part-time employees. Due to the nature of our industry and the need to operate heavy equipment, 84% of our workforce comprises of males. We hire

both local Singaporeans as well as foreign workers; in FY2022, approximately half of our employees comprise of locals while the other half comprised foreign workers from Myanmar, Malaysia, China, India, Bangladesh and Philippines.

Our hiring rate in FY2022 was 24% and our turnover rate was 26%.

MS Holdings will continue to attract new talent by providing fair pay and employee recognition. The demographics of our employees, as well as hiring and turnover rates are presented below.



Our employees profile

		FY2020	FY2021	FY2022
By Nationality	Singapore	49%	56%	55%
	Myanmar	26%	24%	23%
	Malaysia	6%	8%	10%
	Bangladesh	6%	6%	5%
	China	7%	2%	2%
	Philippines	3%	2%	4%
	India	3%	2%	1%
By Gender	Male	94%	88%	84%
	Female	6%	12%	16%
By Age	60 & Above	14%	13%	11%
	50 - 59	17%	18%	18%
	40 - 49	17%	20%	18%
	30 - 39	42%	37%	41%
	20 - 29	10%	12%	12%

## **HUMAN CAPITAL**

Employee hiring and turnover

			NEW HIRES		TURNOVER		
		FY2020	FY2021	FY2022	FY2020	FY2021	FY2022
By Nationality	Singapore	6%	82%	55%	17%	60%	52%
	Myanmar	44%	0%	15%	11%	7%	19%
	Malaysia	17%	18%	15%	50%	7%	10%
	Bangladesh	0%	0%	5%	5%	0%	10%
	China	28%	0%	5%	6%	26%	5%
	Philippines	5%	0%	5%	0%	0%	0%
	India	0%	0%	0%	11%	0%	5%
By Gender	Male	94%	73%	65%	94%	93%	81%
	Female	6%	27%	35%	6%	7%	19%
By Age	60 & Above	0%	9%	0%	6%	40%	5%
	50 - 59	0%	18%	0%	18%	13%	14%
	40 - 49	6%	9%	25%	29%	0%	24%
	30 - 39	72%	18%	55%	35%	40%	43%
	20 - 29	22%	46%	20%	12%	7%	14%

#### TRAINING AND EDUCATION

#### **GRI 404-1**

We understand the importance of investing in training and activities that enhance organizational knowledge and align programs with best practices and widely used standards. Health and safety hazards inspections are conducted within the workplace on a monthly basis. All new employees undergo a safety orientation program to reinforce best practices from the outset of employment, employees may also be assigned additional safety trainings based on job function and role within the organisation.

The training courses attended by our crane operators and supervisors focus on safety procedures due to potential safety hazards in the work environment which they operate in. To ensure that all our crane operators and supervisors attend the necessary training in a timely manner, we use a Crane Dispatch Monitoring System ("CDMS") to track the required training programmes. The CDMS also sends an automated email notification a month prior to the expiry of the employees' license or course requirements. Our employees are sent for safety courses at least once a year covering various topics such as fire safety, building & equipment maintenance.

The following training courses are compulsory for our employees:

- Workshop To Enhance The Safety Of Crane Operation (WESCO) - Required for renewal of crane operator license
- Apply Workplace Safety and Health in Construction Sites (CSOC) Required for all operators and attendants

Specialised courses attended by specific groups of employees include:

- WSQ-Perform Rigger and Signalman Tasks
- · Electrical Wiring Installation
- Mobile Crane (Truck Mounted) Operation

Other training attended by our employees include Human Resource and Finance related topics such as on boarding and off boarding, as well as payroll management.

In FY2022, each employee attended approximately 4.5 training hours. We aim to have each employee attain an average of 4.5 to 5 hours of training in FY2023.



## **HEALTH AND SAFETY**

#### **OCCUPATIONAL HEALTH AND SAFETY**

GRI 403-1, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-7, GRI 403-9

As part of the Group's commitment to ensuring the highest standards of safety, two of our key subsidiaries have attained occupational health and safety related certifications. Moh Seng Cranes Pte. Ltd. is certified to bizSAFE Star as well as ISO 45001:2018 Occupational Health and Safety Management System. Another subsidiary, MS Equipment Pte Ltd, attained bizSAFE Level 3 on 28 July 2021.

In the event of an accident, the safety committee will meet with the workers involved to understand the incident and carry out investigations. It is important that the investigation begins while events are still fresh in the witnesses' minds and before evidence is lost, destroyed by repair or other operations. Corrective actions are then implemented to address the root cause or deficiencies and prevent recurrence. We also encourage all employees to report any hazardous situations that they may find themselves in. They are to report the hazards to their direct superior and wait for further instructions.

Despite our efforts in enforcing strict health and safety procedures, we had 4 cases of reportable accidents in FY2022 arising from finger injuries and slips, hit by object and trips and falls. Although this is more than the 2 reportable cases we registered in FY2021, we also had an increase in the overall number of man hours worked in FY2022 as projects were resumed. We have identified the root cause of these accidents and implemented improvements to our workplace, such as replacing components with non-slip surfaces to prevent slippages, replacing of older fans with metal blades to those with plastic blades and reinforcing critical safety topics through additional briefings with workers. We aim to improve our health and safety performance in FY2023 and strive for no reportable cases.

Overview of safety measures implemented by MS Holdings

# POLICIES & STANDARD OPERATING PROCEDURES

- Hazard identification and risk evaluation procedures.
- Safe operation and maintenance program manual for mobile cranes.
- Guidelines for the selection of mobile cranes.
- The Fall Prevention Plan, Safe Work Procedure on Hoisting Operations and other operational policies.

#### TRAINING

- Orientation and induction programme for new employees.
- Safety training conducted for crane operators and other specific work functions.
- Training on safety supervision.

# OPERATION WORK

- Mandatory supervision.
- Assessments
   performed by the
   salesman and
   in-house
   draughtsman on
   the condition of
   the job site for the
   development of
   work plans before
   commencing work.
- Inspections are conducted on the day of work by the lifting team to ensure that the area is safe for work.
- Expiry of crane operator license is tracked and monitored through the CDMS.

# EQUIPMENT

- Each crane operator
  is assigned to a
  specific mobile or
  lorry crane to ensure
  that the operator
  is familiar with
  operating the crane.
- The servicing schedule of equipment is tracked through CDMS and prompts for the arrangement for crane servicing.
- conducted by an authorised examiner every six months as required to renew the Lifting Machine certificate.

· Servicing is

#### CONTRACT REQUIREMENT

- Requiring vendors/ subcontractors to undergo training on health & safety.
- Requiring vendors/
  subcontractors to
  have an occupational
  health & safety
  system and risk
  management plan.



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