



PNE Industries Ltd

Sustainability Report



2024

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Board Statement [GRI 2-9, GRI 2-12, GRI 2-14, GRI 2-22]

Dear Valued Stakeholders,

In assuming comprehensive responsibility for PNE's business affairs and strategic directions, the Board of Directors (the "Board"), alongside the Nominating Committee ("NC"), the Remuneration Committee ("RC"), and the Audit Committee ("AC"), identifies and evaluates the material environment, social and governance ("ESG") factors relevant to our Group's operations. The Board is responsible for overseeing PNE's Sustainability Committee, which develops and updates PNE's purpose, value or mission statements, strategies, policies, and goals related to sustainable development, all of which are approved by the Board. This collective effort shapes PNE's approach to sustainability reporting, ensuring a robust foundation for our enduring commitment to ESG considerations.

The Board is also responsible for overseeing PNE's internal processes to identify and manage its impacts on the economy, environment, and people. With oversight from the Board, PNE engages with various stakeholders to support the development of these processes. The outcomes and effectiveness of these processes are analysed by the Sustainability Committee and submitted for approval by the Board once a year.

Our commitment to sustainability is not static; we are dedicated to the continual refinement of our sustainability approach and strategies. Through annual reviews of existing and potential ESG factors, we maintain an adaptive framework that aligns with evolving global standards. Regular and meaningful engagement with stakeholders remains paramount, serving as a dynamic dialogue platform where we glean insights, address concerns, and incorporate diverse perspectives into the formulation of our ESG factors.

Recognising the heightened impact of climate change and the escalating use of natural resources on both human and wildlife ecosystems, we are steadfastly steering our course toward more environmentally sustainable operations. This involves a meticulous assessment of environmental risks and opportunities, strategically positioning PNE to comprehend the far-reaching impacts of climate change. Our commitment extends beyond mere understanding; we are actively working towards building a resilient business that harmonises with our planet. Our disclosures on climate change-related initiatives will be a focal point in the years ahead.

At the heart of our sustainability strategy is the creation of value for all stakeholders: our cherished customers, esteemed shareholders, dedicated employees, and the broader communities where we operate. While we acknowledge the progress we've made, we are equally cognisant that there is more work to be done. As we advance along our sustainability agenda, we extend an invitation to our stakeholders to join us on this transformative journey. Together, we aim to elevate our collective efforts, scale greater heights, and collaboratively construct a sustainable future that enriches lives and communities alike.

Commitment to Sustainability [GRI 2-24]

PNE is unwaveringly committed to sustainability through our four pillars: Marketplace, Environment, Workplace, and Community, aligning seamlessly with the United Nations Sustainable Development Goals (“SDGs” or “UN SDGs”). In the marketplace, we champion ethical practices; environmentally, we innovate for a reduced ecological footprint. Our workplace values diversity, well-being, and engagement, while our community focus underscores the symbiotic relationship between our success and societal well-being.

Aligned with the UN SDGs, our commitment transcends compliance, aiming for meaningful, positive change. PNE envisions a future where responsible business practices lead to a thriving, sustainable world.

Report Overview [GRI 2-3]

The Sustainability Report 2024 (“SR”) is an annual disclosure by PNE, offering a comprehensive overview of our sustainability initiatives and performance for the financial year ended on 30th September 2024 (“FY2024”).

Our Directors on the Board have attended ESG-related training conducted by the Singapore Institute of Directors and Institute of Singapore Chartered Accountants. These training sessions help to reinforce the understanding of their roles and responsibilities in driving sustainability compliance and strengthening the Company’s value-making through ESG practices.

This SR meticulously delves into key areas under ESG, aligning with the priorities of both our stakeholders and core business operations. It serves as a transparent and accountable testament to our commitment to sustainable practices, illustrating how we integrate ESG considerations into the fabric of our organisational ethos.

In line with SGX’s requirements, the sustainability reporting process is subject to internal audit review. This helps to strengthen the integrity and accuracy of our ESG data collection and sustainability reporting process. PNE is committed to the ongoing assessment of the ESG data collection. We have not commissioned an independent external assurance on this SR.

Reporting Frameworks and Benchmarks [GRI 2-3]

This SR has been prepared in accordance with the updated Global Reporting Initiative (“GRI”) Standards 2021, serving as our primary framework for disclosing ESG performance. This is because the GRI Standards, globally acclaimed for their robustness, empower businesses, governments, and organisations to transparently report economic, environmental, and social impacts, showcasing their commitment to sustainable development. In our application of the GRI Standards 2021, we have prioritised the four defining principles for report content:

- **Stakeholder Inclusiveness (Principle 1):** Ensuring a comprehensive engagement approach.
- **Sustainability Context (Principle 2):** Placing our initiatives within the broader sustainability landscape.
- **Materiality (Principle 3):** Emphasising the relevance and significance of reported information.
- **Completeness (Principle 4):** Ensuring a comprehensive and accurate portrayal of our ESG efforts.

This SR is also crafted in alignment with the UN SDGs and complies with Singapore Exchange Securities Trading Limited Listing Rules 711A and 711B. We have incorporated the 6 primary components in Rule 711B(1) in our annual SR on a “comply or explain” basis. For a detailed reference to GRI principles, please refer to the GRI Content Index on page 29. We believe this comprehensive approach enhances transparency, accountability, and the credibility of our sustainability reporting.

Reporting Period and Scope [GRI 2-1, GRI 2-2, GRI 2-3]

This SR serves as a comprehensive overview of our sustainability endeavors, encapsulating the performance of our business operations across key geographical landscapes: Singapore, Malaysia, and the People's Republic of China (the "PRC"). The headquarters of the Group is based in Singapore. This SR meticulously outlines the sustainability milestones and achievements attained during the financial year spanning from 1st October 2023 to 30th September 2024, offering a transparent and detailed account of our commitment to responsible and ethical business practices. During FY2024, the Group has enhanced its data collection mechanism to include one of its subsidiaries, PNE Systems Sdn. Bhd. Each section provides insights into the distinctive initiatives and advancements implemented in these diverse regions, unless specifically noted otherwise, underscoring our dedication to transparency and accountability in the pursuit of sustainable business practices.

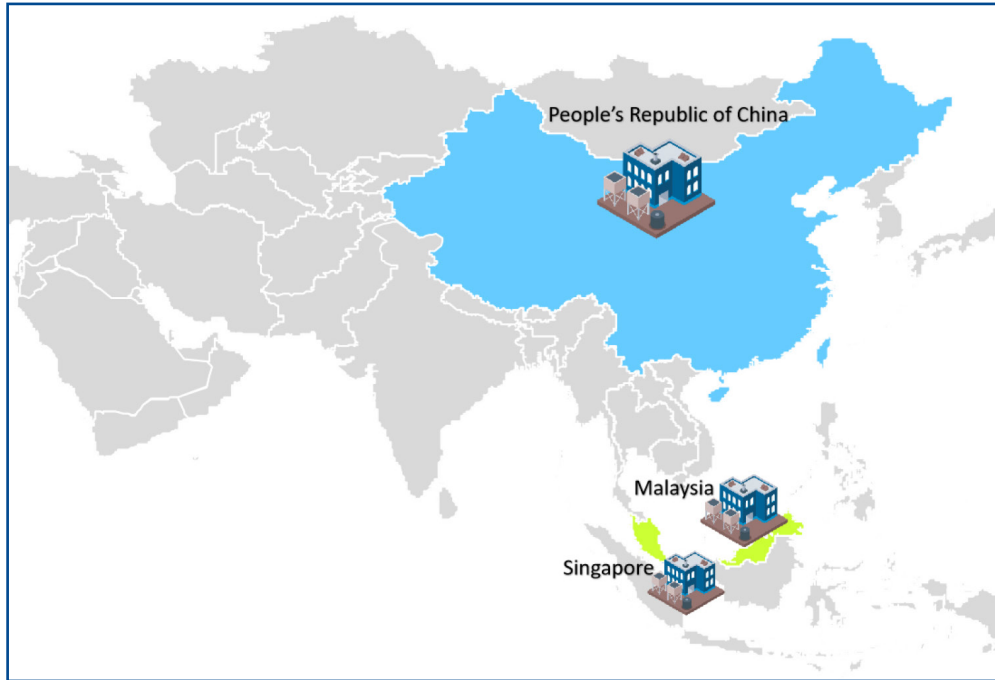


Figure 1: Geographical presentation of PNE's business operation

Feedback [GRI 2-3]

Your feedback is of immense value to us as we continually strive to enhance our SR and overall sustainability performance. We warmly welcome insights, suggestions, and comments from our stakeholders. Your input serves as a catalyst for improvement, fostering a more transparent and comprehensive disclosure.

Please feel free to share your feedback by reaching out to us via email at pnehq@pne.com.sg. Your engagement is pivotal to our ongoing commitment to sustainable practices and responsible corporate citizenship. Thank you for being a vital part of our journey towards a more sustainable future.

Business in Brief [GRI 2-1, GRI 2-2, GRI 2-6]

Since its listing on the Main Board of the Singapore Exchange in 2000, PNE Industries Ltd. has been a stalwart presence in the industrial goods sector. The company operates primarily through two divisions – the Contract Manufacturing Division and the Trading Division. There were no significant changes in the Group’s business and value chains during FY2024.



Contract Manufacturing of Electronic Controllers	Trading of Emergency Lighting Equipment
<ul style="list-style-type: none">Commencing its manufacturing journey in 1983, PNE has evolved into diverse divisions and extended its global footprint. The products crafted by PNE undergo rigorous recognition and verification processes by professional boards, a testament to our ongoing commitment to quality and excellence.Situated within the Tebrau Industrial Estate, Johor Bahru, our manufacturing facility spans 8,000 square meters. This facility is adept at producing a spectrum of products, ranging from high-mix to low-volume items. Additionally, our plant in the PRC specializes in the production of high-volume products. The Malaysian facility takes pride in its expertise in manufacturing Printed Circuit Board Assemblies (PCBA), electronic control systems, and engineering software. Moreover, it assumes a pivotal role in system verifications and the design of production testing procedures, ensuring the highest standards of quality across our diverse product range.	<ul style="list-style-type: none">PNE has garnered a distinguished reputation in the construction and building sector, with a particularly strong presence in Southeast Asia, notably in Singapore and Malaysia. Our contribution to the industry includes the provision of emergency lighting solutions to buildings and construction firms, showcasing our commitment to safety and reliability.The sales offices located in Malaysia and Singapore play a pivotal role in spearheading the global marketing and sales efforts for PNE’s emergency lighting equipment. It is noteworthy that the emergency lighting offerings from PNE hold prestigious certifications, having been recognized and approved by SIRIM, PSB, and TUV, underscoring our unwavering dedication to delivering products of the highest quality and standards.

Figure 2: Two main business divisions in PNE

The Contract Manufacturing Division is dedicated to producing customised models tailored to the unique specifications of our discerning customers. This includes the manufacturing of electronic controllers and other electrical products integral to electronic control systems and engineering software. In response to the evolving landscape of Internet of Things (“IoT”) devices and the increasing sophistication of consumers, PNE is experiencing a surge in demand for electrical appliances with intelligent features. Our aspiration is to bridge this gap by collaborating closely with customers to develop electronic controllers that incorporate a broad spectrum of intelligent features available in the market, ultimately facilitating efficient energy management. As part of our forward-looking initiatives, PNE has launched its IoT-enabled emergency lighting equipment in 2023, offering monitoring and control capabilities through software and Wi-Fi.

The Trading Division, on the other hand, focuses on electronic products designed for the mass market, mainly emergency lighting equipment and related products. These products, such as the “Exit” sign, serve a critical function by illuminating during power failures, guiding individuals to emergency escape routes. PNE takes pride in manufacturing a diverse range of its own branded emergency lighting equipment, adhering to rigorous design and manufacturing standards. These products are then distributed to our esteemed trading partners and consumers, further solidifying PNE’s position as a reliable provider of quality electronic solutions.

Vision and Mission

At PNE, our vision is to cultivate enduring business relationships that transcend transactional boundaries. We are committed to elevating corporate value, aligning our efforts with the collective interests of shareholders, customers, employees, and other valued business partners.



We strive to foster business relationships that increase corporate value in the interest of our shareholders, customers, employees and other business partners

Our mission is rooted in the belief that sustainable growth and success are achieved through meaningful collaborations and a shared commitment to mutual benefit. By fostering these relationships, we aim not only to meet but exceed the expectations of our stakeholders, creating a dynamic and interconnected ecosystem that propels PNE and its partners towards shared prosperity and sustainable success.

Responsible Supply Chain

PNE holds a robust conviction in its capacity to deliver products and manufacturing services that are not only of high quality but also sustainable. Our commitment extends to the cultivation of a transparent and responsible supply chain, fostering enduring, constructive, and transparent relationships with all stakeholders.

Our focus is on elevating supply chain performance through proactive measures that go beyond precautionary actions. We embrace accountable risk management procedures, implementing contemporary procurement and inventory management processes to ensure operational resilience. In our pursuit of excellence, we continually explore innovative methods to fortify the supply chain.

Moreover, PNE places a premium on supplier diversification, an ongoing practice aimed at enhancing business resilience and agility. This approach underscores our dedication to adaptability and reinforces our capacity to navigate dynamic market landscapes. We stand firm in our commitment to sustainable practices, both in the products we offer and the manner in which our supply chain functions.

Supplier Environmental Assessment [GRI 308-1]

PNE is dedicated to aligning the expectations of our suppliers with a robust commitment to sustainability. In our pursuit of transparency, we diligently work to minimise any adverse environmental impact across our supply chains. To ensure a comprehensive evaluation, we have instituted a set of supplier assessment forms that seamlessly integrate with environmental assessment criteria, as depicted in Figure 3. This evaluation framework is systematically applied to assess new onboarding suppliers.

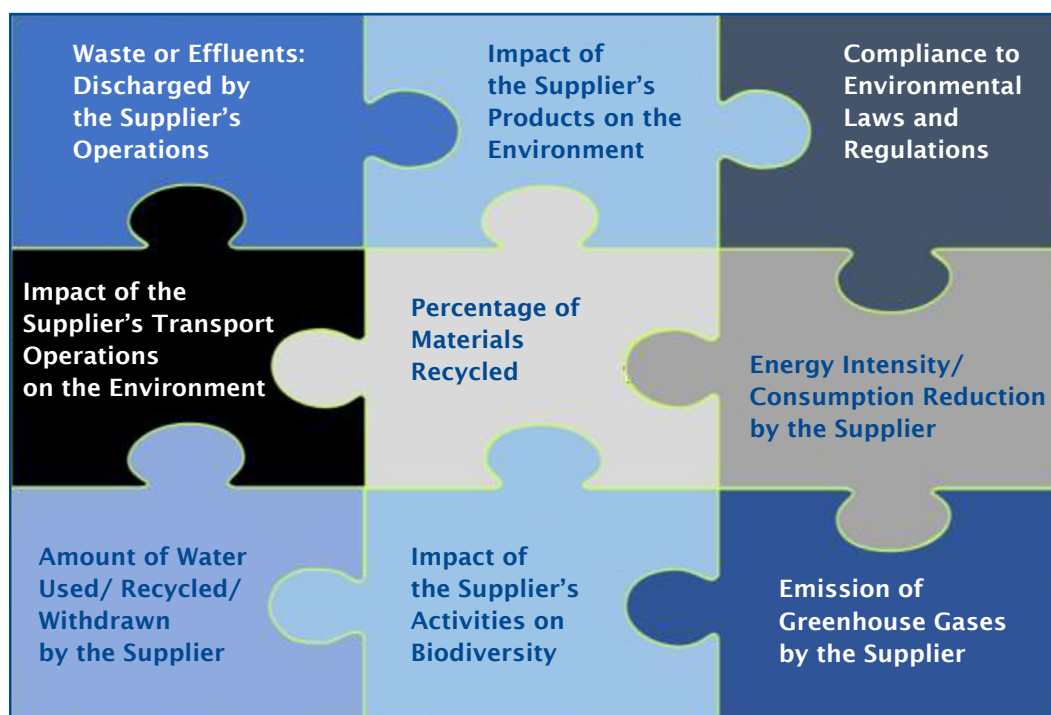


Figure 3: Supplier Assessment Criteria

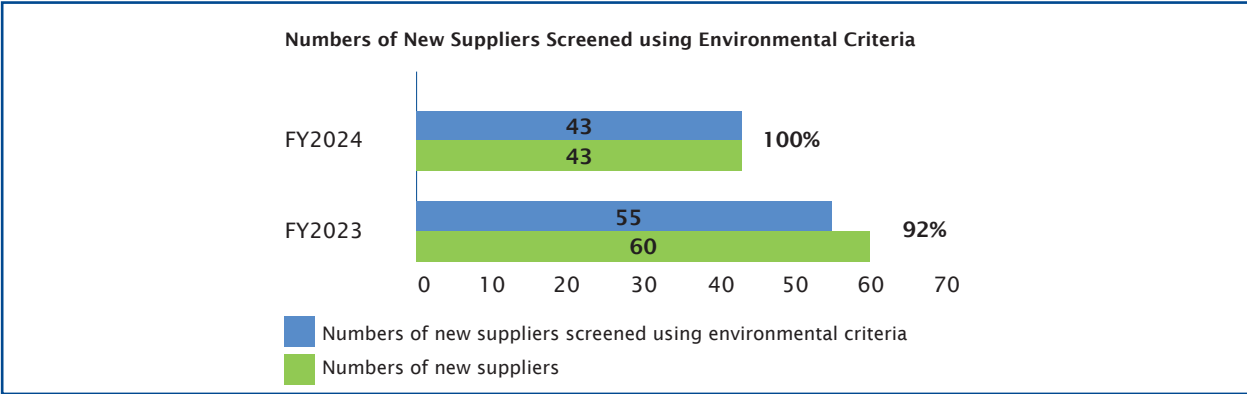


Figure 4: Number of New Suppliers Screened using Environmental Criteria

As part of our commitment to environmental responsibility, we actively encourage our new suppliers to furnish additional environmental data as supporting details. This collaborative approach not only enriches the assessment process but also reinforces our collective dedication to sustainable practices within our supply chain.

Target - FY2024	Status - FY2024	Perpetual Target
Maintain >90% assessment for new suppliers	Achieved	Maintain >90% assessment for new suppliers

Sustainability at PNE

At PNE, sustainability is not just a commitment; it's our compass. We navigate towards a greener future, integrating eco-friendly practices, engaging stakeholders, and fostering resilience in our operations. Our dedication to sustainability is the cornerstone of responsible business, ensuring a positive impact on the planet, people, and prosperity.

Stakeholder Engagement [GRI 2-29]

Consistent and meaningful engagement with stakeholders is integral to fostering value-creation processes within the sustainable business ecosystem. The amalgamation of insights from our stakeholders serves as a cornerstone for the organisation, enabling the formulation of strategies to confront challenges and effectively manage risks in the dynamic landscape of the electrical and electronic industry. PNE's stakeholders are identified by the Sustainability Committee.

In the pursuit of transparency and collaborative decision-making, PNE has employed diverse modes of engagement throughout FY2024, as detailed in the following table. This interactive exchange not only strengthens our relationship with stakeholders but also ensures that their perspectives are actively considered in shaping the trajectory of our sustainable business practices.

Stakeholder Group	Mode of Engagement	Frequency	Interest and Concerns
Government and Regulators	<ul style="list-style-type: none"> • Membership in industry associations • Annual Reports 	<ul style="list-style-type: none"> • Continuous • Annually 	<ul style="list-style-type: none"> • Corporate Governance • Anti-Bribery and Anti-Corruption • Compliance • GHG and Other Emissions
Customers	<ul style="list-style-type: none"> • Customer Feedback Forms • Face to Face/ Phone Meetings with Customers • Company Website/ Phone Calls 	<ul style="list-style-type: none"> • Ad-hoc • Regular • Regular 	<ul style="list-style-type: none"> • Product and Service Quality • Compliance
Employees	<ul style="list-style-type: none"> • Staff Training Sessions • Annual Year-end Performance Appraisals • Company News via Company Newsletter or Intranet 	<ul style="list-style-type: none"> • Annually • Annually • Regular 	<ul style="list-style-type: none"> • Diversity • Employment • Development and Training • Occupational Health and Safety
Investors and Shareholders	<ul style="list-style-type: none"> • Annual General Meeting and Annual Reports • Half-yearly Results and Announcements • Company Website 	<ul style="list-style-type: none"> • Annually • Half-yearly • Ad-hoc 	<ul style="list-style-type: none"> • Economic Performance • Corporate Governance
Contractors and Suppliers	<ul style="list-style-type: none"> • Supplier Feedback Forms • Face to Face/ Phone Meetings with Suppliers 	<ul style="list-style-type: none"> • Ad-hoc • Regular 	<ul style="list-style-type: none"> • Compliance
Communities	<ul style="list-style-type: none"> • Volunteer Activities 	<ul style="list-style-type: none"> • Ad-hoc 	<ul style="list-style-type: none"> • Community Investment

Table 1: Stakeholder Groups and various modes of engagements

Materiality Assessment [GRI 3-1, GRI 3-2]

The continual reassessment of PNE's sustainability commitment involves collaboration with external consultants, ensuring a thorough identification of potential and pertinent material topics. A meticulously crafted plan of action, outlined below, ensures a systematic and accountable approach to materiality assessment:

- **Step 1:** Reassess existing material topics selected in FY2024 to guarantee ongoing relevance.
- **Step 2:** Conduct internal meetings within PNE to deliberate on the material topics, aligning them with PNE's business operations and industry dynamics.
- **Step 3:** The working team presents a proposal of identified material topics to the Sustainability Committee for comprehensive review.
- **Step 4:** The Chief Sustainability Officer endorses the material topics
- **Step 5:** A Director approves the finalized material topics in the SR
- **Step 6:** Disclose the finalised material topics in the SR, providing transparent insight into our prioritised areas of focus.

This structured process ensures that our sustainability efforts are agile, responsive, and aligned with the evolving landscape of our business and the broader industry.

Figure 5 below offers a detailed representation of the 14 material topics featured in the Materiality Matrix for PNE throughout FY2024. This matrix serves as a strategic tool, outlining the significance and impact of various aspects on PNE's sustainability performance and stakeholder engagement.

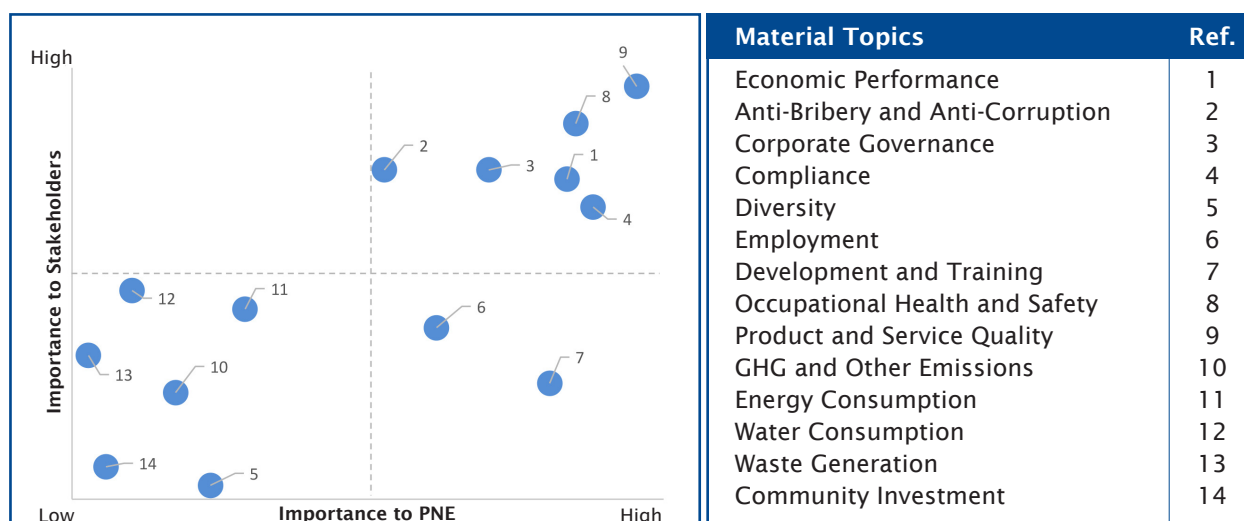


Figure 5: PNE's Materiality Matrix FY2024

In FY2024, a thorough reassessment of material topics was conducted, resulting in the identification of fourteen crucial material topics outlined in Table 2. These topics are of substantial significance to both our business's sustainable value chain and our stakeholders.

Table 2 below provides a detailed overview of the scopes and boundaries associated with the material topics for FY2024, emphasising our commitment to transparency and strategic focus on areas that are vital to our sustainability objectives.

Material Topics	Corresponding GRI Indicators		Aspect Boundary ¹
Corporate Governance	2-9 to 2-21	Governance	Within organisation
Product and Service Quality	2-22 2-28	Statement on sustainable development strategy Membership associations	Within organisation
Compliance	2-27	Compliance with laws and regulations	Within organisation
Economic Performance	201-1	Direct economic value generated and distributed	Within organisation
Anti-Bribery and Anti-Corruption	205-3	Confirmed incidents of corruption and actions taken	Within organisation
Energy Consumption	302-1 302-3	Energy consumption from within the organisation Energy intensity	Within organisation
Water Consumption	303-3	Water withdrawal	Within organisation
GHG and Other Emissions	305-1 305-2 305-4	Direct (Scope 1) GHG emissions Energy indirect (Scope 2) GHG emissions GHG emissions intensity	Within organisation
Waste Generation	306-3	Waste generated	Within organisation
Employment	401-1 401-2 401-3	New employee hires and employee turnover Benefits provided to full-time employees that are not provided to temporary or part-time employees Parental leave	Within organisation
Occupational Health and Safety	403-1 403-2 403-3 403-4 403-5 403-6 403-7 403-9	Occupational health and safety management system Hazard identification, risk assessment, and incident investigation Occupational health services Worker participation, consultation, and communication on occupational health and safety Worker training on occupational health and safety Promotion of worker health Prevention and mitigation of occupational health and safety impacts directly linked by business relationships Work-related injuries	Within organisation
Development and Training	404-1 404-3	Average hours of training per year per employee Percentage of employees receiving regular performance and career development reviews	Within organisation
Diversity	405-1	Diversity of governance bodies and employees	Within organisation

Table 2: Material Topics and Boundary

The Group has carefully considered targets for each material topic for short-term, medium-term, and long-term horizons as well as studied their feasibility. The established ESG targets will be listed in their corresponding sections accordingly.

¹ Aspect Boundary is a description of where the impacts occur for a material topic and the organisation's involvement with those impacts. Organisations might be involved with impacts either through their activities or as a result of their business relationships with other entities. Global Reporting Initiative (GRI).

Sustainable Development Goals (SDGs) [GRI 2-22]

The SDGs form an integral and essential framework for PNE due to their holistic approach to addressing global challenges. The SDGs provide a universal language that transcends borders, uniting nations and businesses in a shared vision for a sustainable and equitable future. As a responsible corporate entity, PNE recognises that our operations and decisions have far-reaching impacts on society, the environment, and the economy. The SDGs offer a structured roadmap that aligns seamlessly with our commitment to responsible business practices, guiding us in our pursuit of creating positive impacts across various dimensions, from environmental conservation and social equity to economic inclusivity.



3 GOOD HEALTH AND WELL BEING

Goal 3: Good Health and Well-Being
Ensure healthy lives and promote well-being for all at all ages.

PNE's Position:
PNE places high importance on the health and safety of its stakeholders and proactively promote safety, health and well-being at the workplace and the communities it serves.

5 GENDER EQUALITY

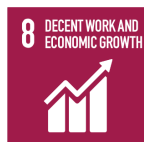
Goal 5: Gender Equality
Achieve gender equality and empower all women and girls.

PNE's Position:
PNE treats everyone with respect and uphold gender equality in hiring and employment, striving to provide a workplace where equal opportunities are given regardless of gender.

7 AFFORDABLE AND CLEAN ENERGY

Goal 7: Affordable and Clean Energy
Increase substantially the share of renewable energy in the global energy mix.

PNE's Position:
PNE adopts cleaner energy to optimise the use of energy across all business divisions.



Goal 8: Decent Work and Economic Growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

PNE's Position:

PNE upholds fair employment practices across its business and supply chain, making a decent workplace for its employees.



Goal 10: Reduced Inequalities

Reduce inequality within and among countries.

PNE's Position:

PNE creates equal opportunities for both its employees and communities.



Goal 16: Peace, Justice and Strong Institutions

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

PNE's Position:

PNE upholds integrity and compliance with all applicable laws and regulations across its business operations.

Figure 6: Six SDGs Aligned in PNE's business

Moreover, the SDGs serve as a strategic compass for PNE, helping us identify opportunities for innovation, collaboration, and positive influence. By aligning our business strategies with the SDGs, we not only contribute to the global development agenda but also enhance our resilience, reputation, and stakeholder relationships. The SDGs are not just a set of goals; they represent a collective vision for a better world, and PNE is dedicated to playing a meaningful role in achieving this vision through our actions, initiatives, and unwavering commitment to sustainable development.

Climate-Related Disclosures

The Group acknowledges that the Task Force on Climate-Related Financial Disclosures (“TCFD”) provides recommendations regarding the disclosure of climate-related risks and opportunities. TCFD has four overarching elements, including governance, strategy, risk management, and metrics and targets, to assess the impact of key climate-related risks and opportunities. While we have adopted certain recommendations from TCFD where feasible, we will continue to strengthen our disclosure and data collection capabilities consistent with TCFD and IFRS Sustainability Disclosure Standards in the near future.

Governance

The Board has considered sustainability issues in the Group’s business and strategy, determined the material ESG factors and overseen the management and monitoring of the material ESG factors. As established in the Group’s Sustainability Reporting Policy and Procedure, the Group’s ESG Governance Structure is as follows:

Role	Responsibility
The Board of Directors	<ul style="list-style-type: none"> • Approves the final sustainability report
Sustainability Committee	<ul style="list-style-type: none"> • Works with department heads to identify and address ESG risks and opportunities • Ensures compliance with reporting standards and regulatory requirements • Coordinates the collection of data from relevant departments and subsidiaries • Reviews and validates data to ensure accuracy and compliance with reporting standards • Prepares and compiles the sustainability report • Oversees the development of the sustainability report
Department Heads	<ul style="list-style-type: none"> • Collect and submit accurate data on sustainability initiatives and performance • Participate in identifying material sustainability topics • Ensure that the data provided complies with the relevant sustainability reporting standards
Internal Audit	<ul style="list-style-type: none"> • Conduct internal audits to ensure the accuracy and reliability of reported data per SGX Rulebook Practice Note 7.6 Sustainability Reporting Guide • Check compliance with the chosen Sustainability Framework and highlight missing key controls in the current sustainability reporting process

Table 3: PNE ESG Governance Roles and Responsibilities

Strategy

As established in the Group’s Sustainability Reporting Policy and Procedure, a materiality assessment involving internal and external stakeholders is conducted through stakeholder feedback and surveys, in alignment with the Group’s business strategy and industry standards. The material issues are prepared and reviewed by the Sustainability Committee, endorsed by the Chief Sustainability Officer, and finally approved by a Director. Further details are elaborated under the section headed “Materiality Assessment”.

TCFD divided climate risk into 2 major categories, (1) risks related to the transition to a lower-carbon economy (transition risk) and (2) risks related to the physical impacts of climate change (physical risk). We continuously update ourselves on climate-related risks, including physical risks, transition risks, and climate events affecting our business. While physical risks (e.g. disruption in the Group’s operation due to extreme weather events, lack of critical natural resources for operations) generally remain low, the Group expects that the laws and regulations related to climate change will become more stringent and more demanding, with developments such as more aggressive government policies and measures to limit GHG emissions, in addition to carbon taxes. As a result, the Group may be exposed to legal risks and compliance requirements which in turn may lead to higher operating costs.

With the increased awareness of climate change, our stakeholders may prefer products and services that are less damaging to the climate. As a result, the transition to a low-carbon business model can bring opportunities. If the Group is able to adopt more environmentally friendly practices in its operations, the Group may be able to seize more business opportunities from business customers who recognise the Group’s environmental initiatives.

We are currently building up our capability to further analyse the effects of climate-related risks and opportunities over the short-, medium-, and long-term, as well as the resilience of our business strategy within the framework of different climate-related scenarios. The Group is committed to enhancing its reporting mechanism in this area in the near future.

Risk Management

Both the Group's material sustainability issues and climate-related risks are identified through stakeholder feedback and surveys, as well as professional input from the Sustainability Committee. Further details concerning the selection of material sustainability issues can be found in the section titled "Materiality Assessment". Related measures taken by the Group to manage the relevant climate-related risks can be found in the section headed "Strategy". The Group has yet to include climate-related risks and opportunities into its enterprise risk management (ERM) system and aims to do so in the near future.

Metrics and Targets [GRI 305-1, GRI 305-2, GRI 305-4]

The Group monitors the following metrics to assess climate-related risks and opportunities in line with its strategy and risk management processes:

Metric	Unit	Reference Page
GHG emissions (Scope 1 and 2)	tCO ₂ e	15
Total GHG emissions	tCO ₂ e	15
GHG emission intensity	tCO ₂ e/million revenue	15
Total electricity consumption	kWh	17
Energy consumption intensity	kWh/million revenue	17

Table 4: List of metrics used to assess climate-related risk and opportunities

The principal GHG emissions produced by the Group were from diesel, gasoline, and refrigerant consumption (Scope 1), and purchased electricity (Scope 2).

Scope 1 - Direct GHG Emissions

Diesel, gasoline and refrigerant consumption accounted for the direct GHG emissions produced by the Group. Due to the Group's business nature, GHG emissions from transportation of products and components are unavoidable. Nevertheless, the Group has implemented the following measures to reduce its direct GHG emissions:

- Select vehicles with efficient fuel consumption;
- Regularly inspect and maintain vehicles to optimise performance and engine efficiency; and
- Closely monitor vehicles with heavy emissions.

Scope 2 - Energy Indirect GHG Emissions

Electricity consumption accounted for the indirect GHG emissions produced by the Group. The Group's energy conservation measures are set out in the section headed "Driving Energy Efficiency".

During FY2024, the Group's GHG emission intensity was approximately 58.19 tCO₂e/million revenue. The Group is currently strengthening its data collection mechanism and will continue to expand its reporting scope and include Scope 3 - Other Indirect GHG Emissions in the future.

The Group's GHG emission performance was as follows:

Types of GHG Emissions ²	Unit	FY2024
Scope 1 – Direct GHG Emissions • Diesel consumption • Gasoline consumption • Refrigerant consumption	tCO ₂ e	241
Scope 2 - Energy Indirect GHG Emissions • Purchased electricity	tCO ₂ e	3,307
Total GHG emissions	tCO₂e	3,548
GHG emission intensity³	tCO₂e/million revenue	58.19

Table 5: PNE's GHG Emissions

The Group has set a new target to decrease emissions from energy consumption by 1% by the year ending 30th September 2027 ("FY2027"), using FY2024 as the baseline year as achieving this goal will require coordinated efforts across the Group over time.

² GHG emissions data is presented in terms of tonnes of carbon dioxide equivalent and is based on, but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard" issued by the World Resources Institute and the World Business Council for Sustainable Development and the "Global Warming Potential Values" from the IPCC Sixth Assessment Report (AR6). PNE's GHG emission calculations include all Kyoto Protocol Gases.

³ During FY2024, the Group recorded a revenue of approximately SGD 60.975 million. This data is used for calculating intensity data.

Environment

Responding to Climate Change – GHG Emissions

In response to SGX's directive mandating climate reporting for listed companies in specific sectors starting in 2024, PNE has taken proactive measures to assess environmental risks and opportunities. This intentional approach is designed to comprehensively grasp the multifaceted impacts of climate change, thereby fortifying the resilience of our business operations. As we navigate this crucial juncture, our unwavering dedication to transparency and sustainability will be evident in forthcoming climate change-related disclosures, emphasising our commitment to aligning with global and local initiatives for a more sustainable and resilient future. Furthermore, while acknowledging the importance of climate-related disclosures and adhering to the TCFD recommendations endorsed by SGX in Practice Note 7.6, PNE recognises that climate risk exposure may not currently be the top priority for the Group. Nevertheless, our senior management actively monitors emerging climate-related risks and opportunities, considering the disclosure of TCFD recommendations in the near future as part of our commitment to transparent and responsible business practices. As an initial step, the Group has already initiated the disclosure of its carbon emission data, exemplifying our proactive approach to environmental stewardship and sustainability reporting.

In FY2024, PNE meticulously calculated its GHG emissions, adhering to the stringent standards set forth by the World Business Council for Sustainable Development and the World Resources Institute's ("WBCSD/ WRI") GHG Protocol. Recognised as the pinnacle of corporate accounting and reporting standards, this protocol stands as the prevailing best practice for comprehensive emissions reporting by corporations and organisations. Our commitment to transparency and adherence to globally recognised benchmarks underscore our dedication to precise and credible reporting of our carbon footprint, aligning with the highest industry standards for sustainable practices. Further disclosures concerning the Group's GHG emissions can be found under the section headed "Metrics and Targets".

Driving Energy Efficiency [GRI 302-1, 302-3]

We have been actively spearheading a range of initiatives aimed at bolstering energy efficiency throughout our operations. These include:

- **Data Monitoring and Investigation:** Our designated officials conduct rigorous data monitoring on electricity usage, allowing us to swiftly identify and investigate any significant abnormalities.
- **Routine Inspections and Assessment:** We conduct regular inspections on critical areas such as electrical rooms, transformer rooms, and main switchboard rooms. Simultaneously, we assess the readings on electric meters to ensure the seamless functioning of our electrical systems.
- **Calibration for Precision:** Ensuring the accuracy and reliability our measurements is a top priority. To achieve this, the calibration of electrical recording instruments is done regularly.

In FY2024, PNE's overall operations across three countries resulted in an increase of approximately 8.78% in energy consumption intensity, from approximately 85,902.72 kWh/million revenue in FY2023 to approximately 93,446.02 kWh/million revenue in FY2024 due to renovation activities, increased production hours and new machinery installation at PNE's Malaysia operations. PNE did not achieve its target of a 1% reduction of total energy consumption in accordance with sales value (kWh/million revenue). As achieving this goal will require coordinated efforts across the Group over time, the Group has revised the target to decrease electricity consumption by 1% by FY2027.

Despite these substantial strides in energy efficiency, we are committed to advancing further. Our focus extends to the widespread adoption of renewable energy across all our business operations. This strategic direction aligns with our overarching commitment to sustainability and reinforces our dedication to mitigating environmental impact across our global operations.

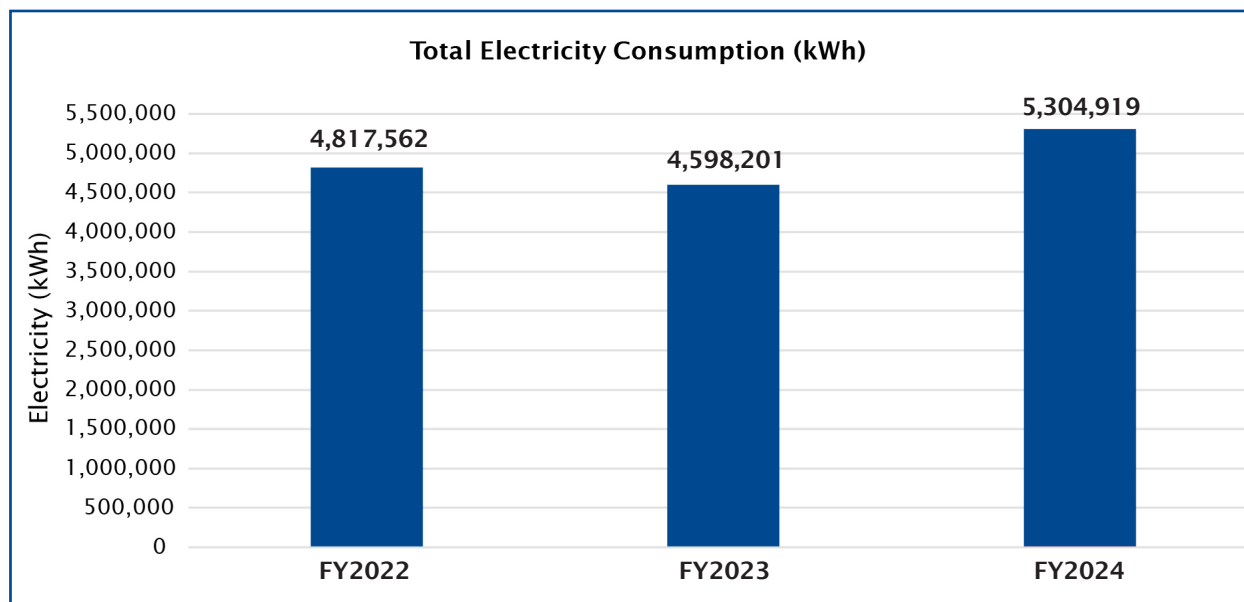


Figure 7: Total Electricity Consumption (kWh)

Types of Energy Consumption	Unit	FY2024
Non-renewable sources ⁴	kWh	392,952
• Diesel		
• Gasoline		
Electricity consumption	kWh	5,304,919
• Purchased electricity		
Total energy consumption	kWh	5,697,871
Energy consumption intensity	kWh/million revenue	93,446.02

Table 6: PNE's Energy Consumption

Target - FY2024	Status - FY2024	Target - FY2027
1% reduction of total energy consumption in accordance with sales value (kWh/million revenue)	Not Achieved	1% reduction of total energy consumption in accordance with sales value (kWh/million revenue)

⁴ The unit conversion method for energy consumption data is formulated based on the "Energy Statistics Manual" issued by the International Energy Agency.

Minimising Waste Generation [GRI 306-3]

At PNE, our unwavering commitment to minimising waste generation drives our comprehensive approach across all stages of operations, emphasising the principles of reduce, reuse, and recycle. Through strategic waste management, we aim to curtail our environmental impact, implementing efficient waste segregation systems to divert a significant portion away from landfills.

PNE's waste generated across all of its operating locations resulted in a total of approximately 87.03 tonnes of waste in FY2024. PNE's waste generated in FY2023 has been revised as approximately 36.19 tonnes, and this value only included hazardous waste from Malaysia. The Group's hazardous and non-hazardous waste generated in FY2024 are as follows:

Types of Hazardous Waste	Unit	FY2024
Waste from electrical and electronic assemblies containing components such as accumulators, mercury-switches, glass from cathode-ray tubes and other activated glass or polychlorinated biphenyl-capacitors, or contaminated with cadmium, mercury, lead, nickel, chromium, copper, lithium, silver, manganese or polychlorinated biphenyl (SW 110)	tonnes	28.23
Dust, slag, dross or ash containing arsenic, mercury, lead, cadmium, chromium, nickel, copper, vanadium, beryllium, antimony, tellurium, thallium or selenium excluding slag from iron and steel factory (SW 104)	tonnes	7.07
Other hazardous waste	tonnes	3.28
Total Hazardous Waste Generated	tonnes	38.58

Table 7: PNE's Hazardous Waste Generation

Types of Non-Hazardous Waste	Unit	FY2024
Metal	tonnes	17.98
Paper	tonnes	19.01
Plastic	tonnes	10.30
Other non-hazardous waste	tonnes	1.16
Total Non-Hazardous Waste Generated	tonnes	48.45

Table 8: PNE's Non-Hazardous Waste Generation

The Group has set a new target to decrease waste generation by 1% by FY2027, using FY2024 as the baseline year as achieving this goal will require coordinated efforts across the Group over time.

Water Consumption [GRI 303-3]

PNE's water consumption across all of its operating locations resulted in a total of approximately 27,175 m³ of water in FY2024, approximately 5.45% more than the approximately 25,771 m³ of water in FY2023. This can be attributed to an expansion in PNE's Malaysian operations. All water consumed is freshwater and has been sourced from third parties.

Water withdrawal sources	Unit	FY2024
Third-party water	m ³	27,175
Total water consumption	m³	27,175
Water consumption intensity	m³/million revenue	445.67

Table 9: PNE's Water Consumption

The Group has set a new target to decrease water consumption by 1% by FY2027, using FY2024 as the baseline year as achieving this goal will require coordinated efforts across the Group over time.

Maintaining Environmental Standards and Compliance [GRI 2-27]

Our commitment to legal compliance and environmental responsibility at PNE is underscored by our adherence to all applicable laws and regulatory requirements across the cities in which we operate. Our guiding Environmental Policy articulates our commitment to:

- **Transparency and Communication:** Making our environmental policy accessible to the public and communicating it comprehensively to all employees and stakeholders.
- **Pollution Prevention and Resource Conservation:** Undertaking measures to prevent pollution and reduce resource depletion through strategic reduction, reuse, and recycling processes.
- **Regulatory Compliance:** Ensuring strict compliance with environmental regulations and other subscribed environmental requirements.
- **ISO 14001 Environmental Management System:** Establishing, implementing, and maintaining an environmental management system in line with ISO 14001 requirements.

This approach not only safeguards our licenses to operate in diverse markets but also effectively manages the risks associated with our activities.

To remain competitive and relevant in the global market, PNE actively promotes sustainable development initiatives through sound environmental practices. Our website provides detailed insights into our past and ongoing sustainability practices. Internally, comprehensive training on environmental policies is provided to all employees, embedding sustainability into our products and services throughout the organisation.

To uphold the highest standards, we have a dedicated team responsible for updating our environmental sustainability policy in response to changes in environmental laws and regulations. Annual reviews by SGS further evaluate the effectiveness of our implementations, ensuring alignment with regulatory requirements.

In FY2024, our dedication to stringent compliance and responsible management resulted in zero significant fines, non-monetary sanctions, or cases brought through dispute resolution mechanisms. We remain steadfast in our pursuit of maintaining this exemplary track record through robust policies and responsible management practices.

Target - FY2024	Status - FY2024	Perpetual Target
Maintained zero significant fines, non-monetary sanctions, or cases brought through dispute- resolution mechanisms	Achieved	Maintained zero significant fines, non-monetary sanctions, or cases brought through dispute-resolution mechanisms

Marketplace

Economic Performance [GRI 201-1]

As of the conclusion of the financial year ended on 30th September 2024, our company achieved commendable financial performance (all figures in '000s), reporting a total revenue of SGD 60,975 (FY2023: SGD 53,528), a profit before tax of SGD 1,863 (FY2023: SGD 765), and a profit after tax of SGD 1,284 (FY2023: SGD 753). For a comprehensive breakdown of FY2024 financial results, we invite you to explore the pertinent sections of our Annual Report 2024. Our ongoing commitment is to consistently pursue positive and sustainable returns, ensuring enduring value for our shareholders in the long term.

Corporate Governance

Robust corporate governance is the bedrock upon which we secure and fortify the trust of our stakeholders. It serves as the guiding force for shaping our corporate strategy, navigating risk management, and upholding ethical business conduct. A comprehensive exposition of our corporate governance framework and practices is meticulously detailed in the "Corporate Governance" section of PNE's Annual Report FY2024.

The Board assumes a pivotal role in ensuring that PNE is equipped with the requisite structure, strategy, and human capital to deliver enduring value to our shareholders. With an unwavering commitment to transparency, accountability, and ethical standards, our corporate governance practices lay the foundation for sustainable growth and resilience in a dynamic business landscape. By adhering to the highest standards of governance, we affirm our dedication to preserving the confidence of our stakeholders and maintaining the integrity of our operations.

Governance and Ethics [GRI 205-3]

PNE's unwavering commitment to cultivating a culture of responsibility and ethical conduct extends throughout our organisational fabric. This commitment is not merely an expectation; it's a shared responsibility cascaded to every employee within our diverse workforce. In line with this ethos, adherence to PNE's sustainability-related policies is a fundamental requirement. These policies intricately outline the principles, rules, and guidelines that delineate ethical behaviour across various ESG elements, ensuring that our employees operate with integrity, accountability, and a shared commitment to driving positive impact. Through this collective adherence, we fortify our foundation as a responsible corporate entity, dedicated to fostering a workplace culture that mirrors our values and contributes to a sustainable future.

Sustainability-Related Policies	
Anti-Corruption and Anti-Bribery Policy	This policy sets out the parameters, including the principles and guidelines, which PNE adopts concerning anti-corruption and anti-bribery.
Anti-Slavery and Human Trafficking Policy	This policy sets out to prevent modern slavery from taking place within PNE or in any component of its supply chain.
Drug and Alcohol Policy	This policy sets out to ensure the safety of PNE employees and to have a safe working environment by preventing accidents or other dangerous incidents that may result from drug or alcohol use.
Employee Grievance Procedure Policy	This policy sets out to guide employees to raise issues with their supervisors, managers, or with the Human Resource department in a constructive way.
Environment Policy	This policy sets out the commitment of PNE to strive for continual improvement in the environmental performance relating to its activities, products, and services.
Human Rights Policy	This policy sets out to provide a working environment free of any form of discrimination or harassment.
Safety and Health Policy	This policy sets out the commitment to prevent work related injuries and illnesses, fire hazards and accidents, and ensure that all employees work in a safe and healthy environment.
Conflict Minerals Policy Statement	This policy sets out to support the Dodd Frank Act in order to end human rights violations in the mining of 3TG minerals (tin, tungsten, tantalum, and gold) from the area known as the "Conflict Region" in the east of the Democratic Republic of the Congo (DRC) and surrounding countries.

Table 10: Sustainability-Related Policies in PNE's business operations

Throughout FY2024, PNE maintained a commendable record with zero confirmed incidents of corruption. This commitment underscores our dedication to ethical business practices and integrity, contributing to a transparent and responsible corporate environment.

Target - FY2024	Status - FY2024	Perpetual Target
Maintain zero confirmed incidents of corruption	Achieved	Maintain zero confirmed incidents of corruption

Quality statement

Our unwavering commitment to the continuous enhancement of product and service delivery is exemplified through a strategic framework:

1. **Setting Strategic Annual Objectives:** We proactively establish annual objectives for both our business and processes, aligning our focus with the dynamic needs of our customers and the evolving business landscape.
2. **Performance Measurement and Review:** We rigorously measure and review our performance against these set objectives, ensuring a keen understanding of our progress and identifying areas for refinement.
3. **Adhering to Statutory and Regulatory Requirements:** Meeting statutory and regulatory requirements is a non-negotiable aspect of our commitment, underpinning our dedication to compliance and ethical business conduct.
4. **Continuous Improvement:** Our pursuit of excellence is marked by a commitment to continually enhance the effectiveness of our processes and our Quality Management System ("QMS"), notably compliant with ISO 9001 standards.
5. **Environmental Transparency:** We place a premium on environmental transparency, ensuring compliance and achievements in environmental standards. This commitment is a testament to our responsibility towards sustainable business practices.

All our business divisions implement management systems benchmarked against relevant local and international standards. Our attainment of the ISO 9001:2015 Quality Management System certification is a testament to our commitment to meeting the highest international standards. This certification signifies that our products and services are consistently delivered to meet both customer expectations and regulatory requirements. Figure 8 provides a visual representation of the international standard quality and regulatory achievements accomplished by PNE, reinforcing our dedication to excellence and customer satisfaction.

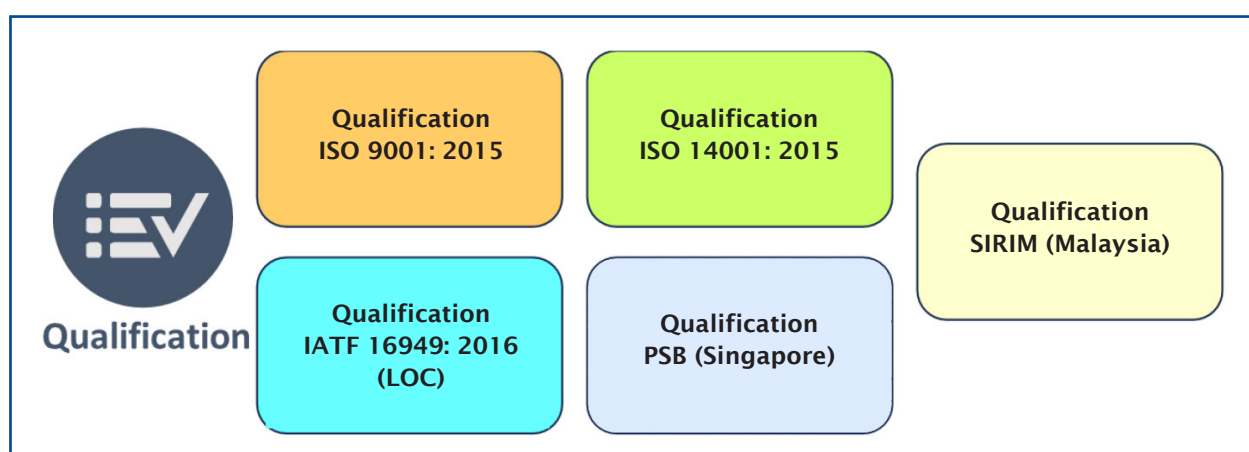


Figure 8: International Standard Quality and Regulatory Requirements attained by PNE

"Quality is not just a benchmark; it's the cornerstone of our business. It's the assurance we provide to our customers, the standard we uphold in every process, and the commitment we make to excellence. Quality is not an option; it's the essence of who we are and the promise we deliver in every product and service."

- Head of Quality Department, PNE

Workplace

Maintaining Internal 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]

At PNE, we recognise the evolving landscape of occupational health and safety (“OHAS”) within the manufacturing industry and acknowledge its pivotal significance. Safeguarding the health and well-being of our employees is not just a priority; it’s an embedded ethos shaping our organisational culture. Our unwavering commitment is articulated through our robust Safety and Health Policy, affirming our fundamental responsibility to cultivate a workplace where safety and health are non-negotiable principles.

In aligning with this commitment, we diligently adhere to all prevailing laws and regulations governing safety and health, underscoring our obligation to the welfare of our workforce. Collaboratively, our management and employees actively embrace the responsibility of taking measures to prevent work-related injuries, illnesses, fire hazards, and accidents, fostering a proactive safety culture.

PNE has implemented occupational health and safety management systems at its various operation locations, intricately designed to align with both local regulatory requirements and International Labour Organisation (“ILO”) guidelines. Embracing the Responsible Business Alliance (“RBA”) management system version 7.0, we exemplify our commitment to consistently identifying and controlling health and safety risks. This system, aligned with a standardised code of conduct, places a heightened focus on health and safety, covering all PNE staff and contractors. The active involvement of employees in decision-making, consultation, and communication mechanisms showcases our dedication to a culture of continuous improvement.

The adoption of the RBA management system is integral to PNE’s commitment to monitor and manage OHAS issues in our business operations. Guided by a set of comprehensive codes, we adhere to the highest standards outlined by the RBA. Some of the key RBA codes that serve as pivotal guidelines in implementing our OHAS management system include:

Responsible Business Alliance (RBA) Management System Code
RBA-P-HS-05_Emergency Medical Assistance Management
RBA-P-HS-06_Machine Safeguard Procedure
RBA-P-HS-07_Pregnancy and Breast Feeding
RBA-P-HS-08_Incident and Emergency Management
RBA-P-HS-09_Hazard Identification and Risk Assessment Management
RBA-P-HS-10_PPE Management

Table 11: RBA management system code implemented to monitor and manage OHAS issues

Our efforts transcend mere compliance, embodying a deep-rooted commitment to creating an environment where safety is everyone’s responsibility. Each team member is encouraged to take ownership of and contribute to organisational safety, fostering a collective commitment to reporting accidents and identifying potential hazards. PNE’s Safety and Health Committee, established in accordance with the Occupational Safety and Health (Safety and Health Committee) Regulations 1996 of Malaysia, references the RBA-P-HS-09_Hazard Identification and Risk Assessment Management system code to identify work-related hazards and assess risks on a regular and spontaneous basis, as well as investigate work-related incidents. The results of the aforementioned processes are used to evaluate and continually improve PNE’s occupational health and safety management system in accordance with the RBA-P-HS-08_Incident and Emergency Management system code. Workers are instructed to report work-related hazards and hazardous situations in accordance with the RBA-P-HS-05_Emergency Medical Assistance Management system code, and workers may remove themselves from work situations that they believe could cause injury or ill health, as stipulated by the management system codes RBA-P-HS-06_Machine Safeguard Procedure and RBA-P-HS-07_Pregnancy and Breast Feeding. Workers are also protected against reprisals under PNE’s Employee Grievance Procedure Policy.

We provide occupational health services as stipulated by the RBA-P-HS-09_Hazard Identification and Risk Assessment Management system code. Our commitment to safety excellence extends beyond routine compliance measures. The Safety and Health Committee conducts internal safety audit meetings on a

quarterly basis. Internal safety audits, coupled with annual audits from the Department of Occupational Safety and Health, validate our adherence to the highest standards. The senior management’s annual internal review of OHAS policies further emphasises our dedication to continuous improvement and alignment with regulatory requirements. This allows us to prevent and mitigate significant negative occupational health and safety impacts directly linked by our business relationships as well.

Our employees participate in the development, implementation, and evaluation of the occupational health and safety management system extensively. PNE’s Safety and Health Committee consists of both management and employees. Compulsory OHAS training, such as general safety orientation and PPE training, for the Safety and Health Committee and all employees, serves as a testament to our proactive approach to enhancing awareness and understanding of work-related hazards. Beyond training, our Safety and Health Committee orchestrates impactful health campaigns and informative banners, instilling a heightened awareness of employees’ health across the organisation.

We have provided access to non-occupational medical and healthcare services to our workers, including appointing a panel clinic near the workplace. PNE also facilitates such access by providing Foreign Workers Hospitalization & Surgical Insurance (SKHPPA) for foreign workers and social security contributions.

In our pursuit of safety excellence, hazard risk assessments are conducted systematically, with a particular focus on manufacturing settings. The implementation of preventive measures, including engineering controls and the provision of personal protective equipment (“PPE”), reflects our holistic and proactive stance towards maintaining a safe and healthy working environment for every member of the PNE family.

In FY2024, PNE recorded no fatalities, no high-consequences of work-related injuries, and 1 incident of reported injury at the workplace, thus the rate of recordable work-related injuries per million hours worked was approximately 0.37 injuries/million hours worked⁵. The related incident was a minor hand injury. The Group has immediately rectified the situation and provided further safety training. Moving forward, we remain resolute in our goal to sustain this remarkable safety performance, providing a detailed overview of our ongoing commitment to ensuring the safety and health of all our employees in the upcoming fiscal years.

Target - FY2024	Status - FY2024	Perpetual Target
Maintain zero reported injuries at workplace	Not Achieved	Maintain zero reported injuries at workplace

Maintaining a Diverse Workforce [GRI 2-7, GRI 401-1, GRI 405-1]

PNE’s dynamic workforce, comprising 853 dedicated individuals across Singapore, Malaysia, and the PRC, reflects a rich tapestry of backgrounds, encompassing diverse gender and age groups. Upholding a commitment to fair employment, PNE actively fosters inclusion, prioritising diversity as a cornerstone of our workforce ethos. This diversity not only brings together a wealth of skills but also diverse perspectives and characteristics, fostering a culture where varied thoughts contribute to identifying opportunities, anticipating challenges, and crafting innovative solutions.

Our steadfast adherence to a Human Rights Policy ensures the eradication of any form of discrimination or harassment within our business environment. Aligned with SDG 8 - “Decent Work & Economic Growth” and SDG 10 - “Reduced Inequalities,” PNE’s core business practices echo our dedication to fair employment practices throughout our business operations and value chain. This commitment extends beyond compliance, creating an environment conducive to collaboration and mutual respect.

PNE stands unwavering in its commitment to cultivate an inclusive work environment, firmly opposing discrimination and harassment based on age, race, gender, religion, or nationality. Through these efforts, we strive to create a workplace where every individual feels valued, contributing to a harmonious and innovative organisational culture. PNE proudly boasts a robust workforce of 853 employees for FY2024, all of whom were full-time workers, with a noteworthy gender diversity showcasing 59% female and 41% male representation. Employee numbers are denoted by head count at the end of the fiscal year.

⁵ The number of hours worked is assumed to be approximately 2.7 million man-hours from 853 employees. The rate of recordable work-related injuries is calculated based on 1,000,000 or 1 million hours worked.

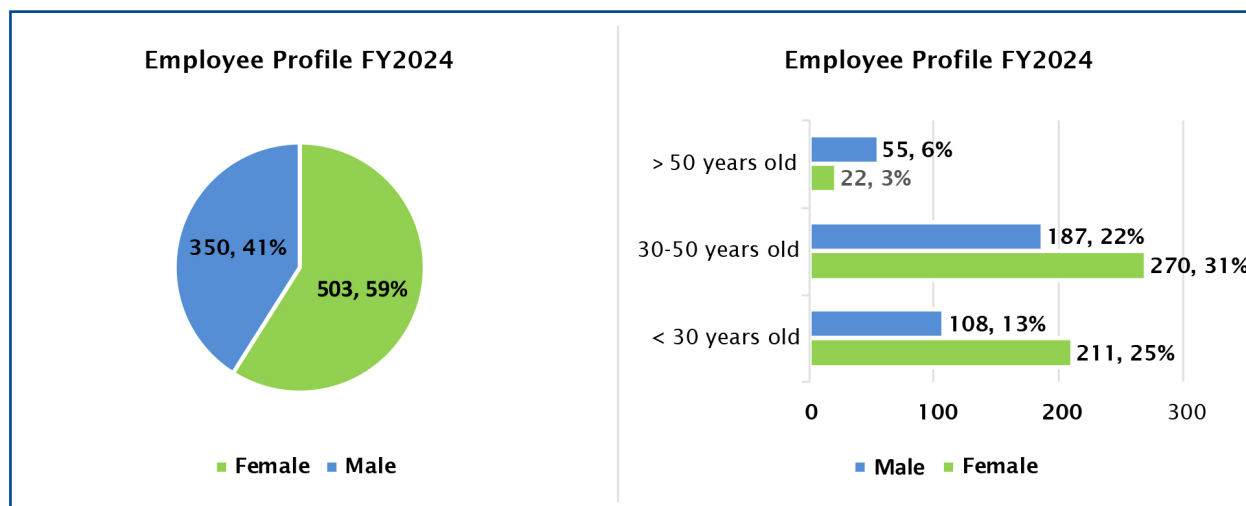


Figure 9: PNE Employee Profile FY2024

Figure 10: PNE Employee Profile FY2024 by Age Group

As at 30th September 2024, for PNE's Board of 6 Directors, 100.00% of whom were male. Approximately 16.67% were 30 – 50 years old, and the rest were over 50 years old. PNE has appointed a new director on 1st October 2024. For these 7 Directors, 100.00% of whom were male. Approximately 14.29% were 30 – 50 years old, and the rest were over 50 years old.

The Group has set a new target to provide more employment opportunities for people with disabilities by FY2027 as achieving this goal will require coordinated efforts across the Group over time.

At PNE, we prioritise an equitable work environment, and our Grievance Procedure Policy stands as a cornerstone in ensuring an effective and accessible mechanism for all members of our organisation. This policy serves as a comprehensive guide, providing clear procedures for raising concerns, irrespective of gender, designation, or length of service. It underscores our commitment to fostering an inclusive workplace culture where every voice is heard and every concern is addressed promptly and fairly.

Category	Total no. of Employees	Permanent Employees	Temporary Employees	Full-Time Employees
Total	853	757	96	853
By gender				
Female	503	448	55	503
Male	350	309	41	350
By geographical region				
Singapore	26	26	0	26
Malaysia	546	537	9	546
PRC	281	194	87	281

Table 12: PNE Employee Breakdown by Gender and Geographical Region

Category	New Hires	Rate of New Hires	Turnover	Turnover Rate
Total	460	54%	572	67%
By age group				
< 30 years old	294	92%	351	110%
30-50 years old	155	34%	211	46%
> 50 years old	11	14%	10	13%
By gender				
Female	272	54%	354	70%
Male	188	54%	218	62%
By geographical region				
Singapore	1	4%	0	0%
Malaysia	350	64%	351	64%
PRC	109	39%	221	79%

Table 13: PNE New Hires and Turnover by Age Group, Gender and Geographical Region

Ensuring the competence and integrity of our employment practices is an ongoing commitment. Our policies undergo meticulous annual reviews, overseen by dedicated policy management and environmental representatives. Beyond the Human Rights Policy, we actively implement a range of pertinent policies in our business operations, encompassing whistleblowing and health and safety. These policies are subjected to rigorous annual reviews, ensuring they remain robust and effective in safeguarding both our employees and the business as a whole. This proactive approach is integral to sustaining a workplace environment that prioritises the well-being and rights of every individual within our organisation.

The Group has set a new target to decrease overall employee turnover rate by 5-10% by FY2027, using FY2024 as the baseline year as achieving this goal will require coordinated efforts across the Group over time.

Benefits [GRI 401-2, GRI 401-3]

PNE has provided corresponding benefits to its full-time staff, including but not limited to health care, disability and invalidity coverage, parental leave, and retirement provisions, in accordance with the relevant laws and regulations at each of its operating locations. The following table illustrates further information related to parental leave in FY2024:

Category	Female	Male
Total number of employees that were entitled to parental leave	330	82
Total number of employees that took parental leave	13	6
Total number of employees that returned to work in the reporting period after parental leave ended	13	6
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	3	1
Return to work rate of employees that took parental leave	100%	100%
Retention rate of employees that took parental leave ⁶	N/A	N/A

Table 14: PNE Parental Leave Statistics

Cultivating a Skilled Workforce [GRI 404-1, GRI 404-3]

Our steadfast commitment to the growth and development of our employees remains unwavering. In pursuit of fostering continuous professional and personal advancement, we have instituted a variety of initiatives and training programs at diverse levels since FY2020. At the operational and production levels, we prioritise comprehensive training aligned with local authorities' guidelines, ensuring that our employees are well-versed in their job responsibilities and equipped with the necessary safety knowledge. Simultaneously, for employees at managerial levels, our training encompasses vital aspects of team management and effective leadership. This encompasses a broad spectrum, including ISO awareness training, risk management sessions, air pollution control seminars, Information Security Management System ("ISMS") training, injection moulding training, and radiation safety practices across all levels.

These initiatives and training programs are meticulously designed to empower every employee with the requisite skill set and knowledge needed to excel in their roles. Whether through onboarding training for new team members to facilitate seamless integration into our corporate environment or targeted training programs for seasoned professionals to augment their skill sets, our commitment is to ensure that each employee is continually equipped to perform at their best. This approach not only cultivates individual growth but also contributes to the overall success and resilience of our workforce.

In FY2024, 100% (FY2023: 100%) of all employees have received a regular performance and career development review.

⁶ The retention rate was not available as the total number of employees returning from parental leave in the prior reporting period was not available, as PNE only expanded its data collection mechanism and reported on parental leave statistics for FY2024. PNE will disclose the retention rate of employees that took parental leave in the near future.

In our commitment to continuous improvement, we actively seek feedback on the effectiveness of our training programs to ensure their relevance and impact for our employees. Understanding the intrinsic value of consistent learning and development, our ambition for FY2024 is to further elevate our training initiatives. We aspire to provide our employees with even greater opportunities for growth and skill enhancement, with the goal of maintaining an average of 10 – 15 hours of training per employee.

Average Training Hours	FY2024	FY2023
Per Employee	30.79	15.72
Per Female Employee	28.67	16.64
Per Male Employee	33.94	14.77
Per Executive	14.54	14.65
Per Managerial	19.72	11.11
Per Non-Executive	36.11	17.84

Table 15: Average Training Hours per Employee by Gender and Employee Category

This dedication to ongoing education not only aligns with our ethos of fostering individual development but also underscores our commitment to maintaining a workforce equipped with the latest skills and knowledge, ensuring their success and adaptability in an ever-evolving professional landscape.

Target - FY2024	Status - FY2024	Perpetual Target
Maintain an average of 15 hours of training per employee	Achieved	Maintain an average of 10 - 15 hours of training per employee

Community

Enabling Better Communities

At PNE, we understand that our success is intricately tied to the well-being of the communities in which we operate. With a deep sense of responsibility, we are dedicated to actively contributing to the betterment of these communities. Through targeted initiatives, philanthropy, and collaborative partnerships, we aim to create a positive impact on the lives of individuals and families. Whether it's supporting education, healthcare, or environmental sustainability, our goal is to empower communities to thrive and create a legacy of positive change.

Our commitment extends beyond financial contributions; we believe in actively engaging with communities, listening to their needs, and working together to address challenges. By fostering a spirit of collaboration and mutual respect, we aim to enable better communities that are not only resilient but also sustainable. At PNE, community development is not just a corporate initiative; it's a fundamental part of our identity, reflecting our belief that a prosperous and harmonious community is the foundation for a successful and enduring business.

We have registered as part of the Corporate Social Responsibility (CSR) programme under KITAREcycle (Malaysia) as follows:



In FY2024, PNE contributed a few thousand Malaysian Ringgits' worth of items and a few hundred Malaysian Ringgits in cash to Persatuan Kebajikan Darul Hanan Johor Bahru, an orphanage in Johor, Malaysia. Additionally, 32 Malaysian employees participated as volunteers in community beach cleaning activities organised by the Johor Bahru City Council. All PNE staff in Malaysia also dedicated a workday to volunteering at the Health Screening Day 2023 event, organised by the Ministry of Health of Malaysia.

The Group has set a new target to provide more employment opportunities for people from rural areas by FY2027 as achieving this goal will require coordinated efforts across the Group over time.

Sustainability Data Performance Table

Corresponding GRI Indicators	Metric	FY2024	FY2023
GRI 201-1 Direct economic value generated and distributed	Currency (SGD'000)	Revenue: 60,975 PBT: 1,863 PAT: 1,284	Revenue: 53,528 PBT: 765 PAT: 753
GRI 205-3 Confirmed incidents of corruption and actions taken	No. of confirmed incidents	0	0
GRI 302-1 Energy consumption within the organisation	Kilowatt hour (kWh)	5,697,871	4,598,201
GRI 302-3 Energy intensity	Kilowatt hour per million revenue (kWh/million revenue)	93,446.02	85,902.72
GRI 303-3 Water withdrawal	Cubic meter (m³)	27,175	25,771
GRI 305-1 Direct (Scope 1) GHG emissions	Tonnes of carbon dioxide equivalent (tCO ₂ e)	241	N/A
GRI 305-2 Energy indirect (Scope 2) GHG emissions	Tonnes of carbon dioxide equivalent (tCO ₂ e)	3,307	2,651
GRI 305-4 GHG emissions intensity	Tonnes of carbon dioxide equivalent per million revenue (tCO ₂ e/million revenue)	58.19	49.53
GRI 306-3 Waste generated	Tonnes	Hazardous: 38.58 Non-hazardous: 48.45 Total: 87.03	Hazardous: 36.19 Non-hazardous: N/A Total: 36.19
GRI 308-1 New suppliers that were screened using environmental criteria	Percentage	100%	92%
GRI 401-1 New employee hires and employee turnover	No. of new employee hires and employee turnover	New hires: 460 Turnover: 572	New hires: 394 Turnover: 344
GRI 403-9 Work-related injuries	Per million worked hours	0.37	N/A
GRI 404-1 Average hours of training per year per employee	No. of average training hours per employee	30.79	15.72
GRI 404-3 Percentage of employees receiving regular performance and career development reviews	Percentage	100%	100%
GRI 405-1 Diversity of governance bodies and employees	Percentage	Male: 41% Female: 59%	Male: 40% Female: 60%

Table 16: Sustainability Data Performance Table

GRI Content Index

Statement of use	PNE Industries Ltd. has reported the information cited in this GRI content index for the period from 1st October 2023 to 30th September 2024 with reference to the GRI Standards 2021.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard 2021 - Disclosure Title		Page Reference & Remarks
GRI 2: General Disclosures 2021		
2-1	Organisational details	Annual Report 2024 Sustainability Report 2024: Pg 4,5
2-2	Entities included in the organisation's sustainability reporting	Sustainability Report 2024: Pg 4, 5
2-3	Reporting period, frequency and contact point	Sustainability Report 2024: Pg 3, 4 This SR has been published on 23 January 2025.
2-4	Restatements of information	Sustainability Report 2024: Pg 18
2-5	External assurance	PNE has not sought external assurance for Sustainability Report 2024.
2-6	Activities, value chain and other business relationships	Sustainability Report 2024: Pg 5
2-7	Employees	Sustainability Report 2024: Pg 24, 28
2-8	Workers who are not employees	Not applicable, this Sustainability Report specifically addresses employees in Singapore, Malaysia, and the PRC.
2-9	Governance structure and composition	Annual Report 2024 Sustainability Report 2024: Pg 2
2-10	Nomination and selection of the highest governance body	Annual Report 2024
2-11	Chair of the highest governance body	Annual Report 2024
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Report 2024: Pg 2
2-13	Delegation of responsibility for managing impacts	Annual Report 2024
2-14	Role of the highest governance body in sustainability reporting	Sustainability Report 2024: Pg 2
2-15	Conflicts of interest	Annual Report 2024
2-17	Collective knowledge of the highest governance body	Annual Report 2024
2-18	Evaluation of the performance of the highest governance body	Annual Report 2024
2-19	Remuneration policies	Annual Report 2024
2-20	Process to determine remuneration	Annual Report 2024
2-21	Annual total compensation ratio	Unable to disclose due to confidentiality constraints
2-22	Statement on sustainable development strategy	Sustainability Report 2024: Pg 2, 11, 12
2-27	Compliance with laws and regulations	Sustainability Report 2024: Pg 19
2-29	Approach to stakeholder engagement	Sustainability Report 2024: Pg 8
2-30	Collective bargaining agreements	Not applicable
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	Sustainability Report 2024: Pg 9, 10
3-2	List of material topics	Sustainability Report 2024: Pg 9, 10
3-3	Management of material topics	Sustainability Report 2024: Pg 13 - 27
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	Annual Report 2024 Sustainability Report 2024: Pg 20, 28

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GRI Standard 2021 - Disclosure Title		Page Reference & Remarks
GRI 205: Anti-corruption 2016		
205-3	Confirmed incidents of corruption and actions taken	Sustainability Report 2024: Pg 21, 28
GRI 302: Energy 2016		
302-1	Energy consumption within the organisation	Sustainability Report 2024: Pg 16, 17, 28
302-3	Energy intensity	Sustainability Report 2024: Pg 16, 17, 28
GRI 303: Water and Effluents 2018		
303-3	Water withdrawal	Sustainability Report 2024: Pg 18, 28
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	Sustainability Report 2024: Pg 15, 28
305-2	Energy indirect (Scope 2) GHG emissions	Sustainability Report 2024: Pg 15, 28
305-4	GHG emissions intensity	Sustainability Report 2024: Pg 15, 28
GRI 306: Waste 2020		
306-3	Waste generated	Sustainability Report 2024: Pg 18, 28
GRI 308: Supplier Environmental Assessment 2016		
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GRI 401: Employment 2016		
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401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability Report 2024: Pg 25
401-3	Parental leave	Sustainability Report 2024: Pg 25
GRI 403: Occupational Health and Safety 2018		
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403-2	Hazard identification, risk assessment, and incident investigation	Sustainability Report 2024: Pg 22, 23
403-3	Occupational health services	Sustainability Report 2024: Pg 23
403-4	Worker participation, consultation, and communication on occupational health and safety	Sustainability Report 2024: Pg 23
403-5	Worker training on occupational health and safety	Sustainability Report 2024: Pg 23
403-6	Promotion of worker health	Sustainability Report 2024: Pg 23
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability Report 2024: Pg 23
403-9	Work-related injuries	Sustainability Report 2024: Pg 23
GRI 404: Training and Education 2016		
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404-3	Percentage of employees receiving regular performance and career development reviews	Sustainability Report 2024: Pg 25, 28
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Sustainability Report 2024: Pg 24, 28