

SHAPING SMART CITIES FOR TOMORROW



SUSTAINABILITY
REPORT 2020



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Chairman's Statement

We are pleased to present the fourth sustainability report of Pan-United Corporation Ltd (Pan-United) and its subsidiaries (collectively referred to as the Group) covering our sustainability policies, practices, performance and targets for the financial year ended 31 December 2020.

Pan-United resolves to make a positive impact on the environment through continuous innovation of our concrete solutions and technology offerings. As a building materials provider, we have an upstream role to play in reducing embodied carbon emissions in the built environment besides efforts to minimise energy use and waste.

Especially in recent years, rising social awareness of climate change has resulted in a major shift to develop green buildings that incorporate more environmentally-friendly construction practices and materials. Within the built industry, one important outcome is the drive to develop more types of green concrete. This shift is evident globally. Within Pan-United, our commitment to innovate concrete products and adopt technologies that lower our carbon footprint has put us on the regional and global forefront of this new market transition.

We have structured our sustainability efforts within a circular economy model that serves as our guide to constructively upcycle waste, and become regenerative within the system.

In July 2020, Pan-United collaborated with three other industry leaders - Keppel Data Centres, Chevron and Surbana Jurong - supported by the National Research Foundation, to develop the first end-to-end Carbon Capture, Utilisation and Storage (CCUS) system in Singapore. This collaboration leverages our industry-leading research and development capabilities to innovate commercially viable clean technologies that can decarbonise the built environment, helping Singapore to advance its net-zero-carbon emissions goal.

In the midst of the COVID-19 pandemic, we achieved breakthroughs in product innovation and qualification. Nanyang Technological University (NTU) gave an independent opinion regarding the performance of our new PanU CarbonCure™ concrete technology, declaring it as comparable to the capabilities of standard concrete. Overall, we are proud of our successes in innovating and commercialising sustainable products that mitigate adverse environmental impacts.

Additionally, the Group implemented contactless operations through the automation and optimisation of processes. Several initiatives were introduced to minimise physical interaction while observing safe

distancing at construction sites. Pan-United developed the PanU New Generation Self-Compacting Concrete (PanU NewGen SCC), an enhanced specialised rheologic concrete that flows easily to hard-to-fill corners and allows contractors to assign a single worker to execute the concreting. Workers can maintain a safe distance from each other while simultaneously increasing overall productivity.

Our concrete mixer trucks were also equipped with Artificial Intelligence Mixing (AiM), an in-transit concrete mixing system that calibrates the consistency of concrete during the journey. Other automated processes include virtual quality testing of trial mixes and e-sampling for remote quality checks. These digitalised processes help to reduce the number of physical touchpoints at worksites and improve overall safety.

We value our employees very much as part of our unique family culture. In FY2020, we revamped our Performance Appraisal system to effectively develop the potential and competencies of our employees. Their time in working from home especially during the Circuit Breaker was gainfully used for virtual learning and development workshops.

The Group would like to thank our customers, partners and shareholders for their unwavering support. On behalf of the Board and Management, we would also like to extend our gratitude to the entire Pan-United family for serving unstintingly and tenaciously to preserve and strengthen the Group in this period of great disruption.

About this Report

Pan-United's fourth annual sustainability report is in line with the Singapore Exchange (SGX) Sustainability Reporting requirements, Listing Rule 711A and 711B.

This report presents data and information for the financial year from 1 January to 31 December 2020 (FY2020). The scope of the report covers our Singapore-based operations. Our operations in Malaysia, Indonesia and Vietnam are excluded from this report. We will consider including them in future as we progress in our reporting journey.

This report has been prepared in accordance with the Global Reporting Initiatives (GRI) Standards: Core Option.

While we have not sought external independent assurance for this reporting period, we will consider it for future years.

A soft copy of this report can be found on our website: www.panunited.com.sg. Should you have any questions or feedback regarding this Sustainability Report, please do not hesitate to reach us at info@panunited.com.sg.

About Us

Pan-United Corporation Ltd (Pan-United or the Group) is a technology company focused on catalysing change in the concrete and logistics space. We are listed on the Stock Exchange of Singapore, headquartered in Singapore and have operations spanning four countries, with a group-wide workforce exceeding 900 people.

Our primary activities include:

- Manufacture and supply of ready-mix concrete, ground granulated blast furnace slag and granite aggregates,
- Cement silo operations, cement trading and distribution,
- Quarry operations,
- Trading and supply of refined petroleum products,
- Technology and digital-based services, and
- Investment holding and general trading.

We are Singapore's largest provider of ready-mix concrete and cement with a growing footprint in Vietnam and Malaysia.

Through extensive research and development, we have developed over 300 highly specialised low-carbon footprint concrete solutions for all built environment needs. From this wide range, over 150 specialised concrete products are nationally certified as green products. Many of the low-carbon footprint solutions were developed in collaboration with customers to address their unique present and future specifications.

Pan-United serves both the public and private sectors for a swathe of projects including residential, commercial, institutional, educational, industrial and infrastructural developments.

Our concrete and cement businesses are vertically integrated with aggregate quarrying and logistics services to maximise on the value chain. Our supply chain consists of material suppliers, contractors, customers and delivery trucks.

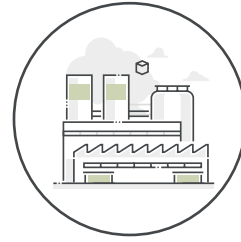
There have been no significant changes to our business and supply chain this year.

For details on our corporate structure, please refer to our annual report.

Performance Highlights



We are collaborating
with government agencies to share our product innovation findings.



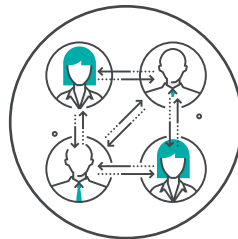
We are reducing
up to 20 kg of CO₂ emissions with each cubic metre of PanU CarbonCure™ concrete.



We verified
the performance and durability of PanU CarbonCure™ concrete.



We are implementing
a paper waste management system to monitor and reduce paper waste generation.



We are developing
our employees through an effective performance appraisal system.

Sustainability Governance

Through our sustainability strategy, we aim to develop safe and environmentally friendly solutions for our communities. Our Board oversees the application and progress of our sustainability strategies with the support of the Audit Committee.



Values, Vision and Mission

The way that we conduct our business is guided by our core values. From 2016 to 2017, we undertook a reevaluation of our vision and values with the participation of senior management and our employees. We launched our refreshed vision and values in 2018. Last year, we implemented the first of a series of annual and bi-annual events to integrate across our organisation, ensuring that our employees actively engage with our values.

In 2020, the COVID-19 pandemic brought a systemic change to our operations and management. Throughout these challenging times, our employees have remained our top priority. We revamped our Performance Appraisal format to incorporate the five Pan-United core values - Teamwork, Innovation, Passion, Trust and Customer Focus - as important extrinsic (performance-driven) and intrinsic (inter-personal) attributes. These attributes align the employees' conduct and work performance in accordance with our culture.

Our vision

"To become a technology company in the concrete and logistics space"

Our mission

"Shaping smart cities for tomorrow"

Our core values



Teamwork



Innovation



Passion



Trust



Customer Focus

Stakeholder Engagement

Stakeholder engagement is key to sustainable growth and successful long-term relationships. We identify our stakeholders by assessing their reliance on, involvement with, and influence on our business.

Our engagement with stakeholders during FY2020 is as follows:

Stakeholders	Interests/key concerns of stakeholders	Our response	Method	Frequency
Customers	<ul style="list-style-type: none"> Quality of products and services Customers' requirements Research and development (R&D) collaborations 	<ul style="list-style-type: none"> Ensure high quality customer service Frequent communication to understand requirements and changing demands 	<ul style="list-style-type: none"> Customer feedback Meetings 	<ul style="list-style-type: none"> On-going
Investors/ Shareholders	<ul style="list-style-type: none"> Performance reviews Group financial results Dividend payouts Any matters affecting the Group 	<ul style="list-style-type: none"> Provision of semi-annual announcements and investor-related information on the company website Annual report, sustainability report and other communications such as notices and letters to shareholders, and proxy forms on the company website Shareholder participation at general meetings 	<ul style="list-style-type: none"> Annual General Meetings Annual reports Extraordinary General Meetings SGX announcements Corporate website and social media Email alerts 	<ul style="list-style-type: none"> Annual Ad-hoc On-going
Employees	<ul style="list-style-type: none"> Workplace health and safety Employee welfare Training and career development 	<ul style="list-style-type: none"> Employee wellness talks and health screenings Employee learning and development Alternative work arrangements during COVID-19 period 	<ul style="list-style-type: none"> Annual Dinners Staff meetings and discussions Training programmes E-learning portal Internal emails Employee intranet 	<ul style="list-style-type: none"> Annual Ad hoc On-going
Regulators/ Government	<ul style="list-style-type: none"> Environmental compliance Labour standard compliance SGX listing requirements 	<ul style="list-style-type: none"> Collaborations to ensure compliance and achieve high ratings whenever possible 	<ul style="list-style-type: none"> On-site inspections and visits Meetings Government publications 	<ul style="list-style-type: none"> On-going
Suppliers/ Sub-contractors	<ul style="list-style-type: none"> Product quality and delivery schedules Health and safety 	<ul style="list-style-type: none"> Regular meetings to exchange feedback and areas of concern 	<ul style="list-style-type: none"> Meetings Emails 	<ul style="list-style-type: none"> On-going

Materiality Assessment

We conducted a materiality assessment exercise in 2018 to identify economic, social and environmental factors which are most significant to our stakeholders and those that are significantly impacted by our business. This year, there have been no changes to our material factors. Our focus is to ensure consistency in reporting and tracking over time.

Our material factors are presented below:



Environmental

- Sustainable Materials
- Water Management
- Waste Management



Social

- Diversity and Inclusion
- Occupational Health and Safety



Governance

- Regulatory and Legal Compliance

Sustainable Development Goals at Pan-United

Pan-United acknowledges the importance of being a global corporate citizen with a responsibility to support and adopt the United Nations' 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals (SDGs). These goals provide us with a direction and framework to tackle the key global challenges that universally apply to all people and nations. Each goal comprises of multiple targets that are in turn accompanied by specific metrics to facilitate the measurement of progress. We have mapped the SDGs that we can impact through our practices. In future, we may leverage the SDG metrics to track our impact or use them to guide our strategies or initiatives.

The table below highlights our implementation of the SDGs in our business:

	Goal	Target	Initiative
	Goal 3 Ensure healthy lives and promote well-being for all at all ages.	3.4: By 2030, reduce by one-third premature mortality from non-communicable diseases through prevention, treatment and promotion of mental health and well-being.	During the COVID-19 pandemic in FY2020, we implemented safe management measures such as work-from-home arrangements and safe-distancing to prevent COVID-19 transmission among employees. We also provided financial assistance, daily meals and accommodation to our employees who were affected by the COVID-19 situation to ensure their well-being.
			<i>Safety amidst the pandemic</i>
	Goal 6 Ensure availability and sustainable management of water and sanitation for all.	6.3: By 2030, improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.	We continue to treat and reuse wastewater through our water recycling and rainwater harvesting initiatives, which help to reduce water withdrawal from other sources.
			<i>Water Management</i>
	Goal 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young. 8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular woman migrants, and those in precarious employment.	In FY2020, we had over 900 employees on a group-wide level. Throughout their employment during the pandemic, all employees were well taken care of. We did not retrench any staff. We fully support the growth and career development of our employees through effective performance appraisals and training programmes to upskill them.
			<i>Diversity and Inclusion Welfare and well-being</i>

	Goal	Target	Initiative
	<p>Goal 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.</p>	<p>9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.</p>	<p>In FY2020, PanU CarbonCure™ concrete was assessed to be comparable to standard concrete while being low-carbon.</p> <p>In addition, Pan-United took part in the development of CCUS technology in Singapore. When commercially viable, the CCUS technology is expected to help reduce carbon intensity across industry sectors, with a view to achieve net-zero-carbon emissions.</p> <p><i>Sustainable Materials</i></p>
	<p>Goal 11 Make cities and human settlements inclusive, safe, resilient and sustainable.</p>	<p>11.6: By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.</p>	<p>We reduce embodied carbon through product and process innovation.</p> <p>The embodied carbon emissions from buildings and infrastructure assets in Singapore can be lowered if our low-carbon footprint concrete products are specified and adopted to build and replace conventional concrete structures.</p>
	<p>Goal 12 Ensure sustainable consumption and production patterns.</p>	<p>12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.</p>	<p><i>Sustainable Materials</i></p>
	<p>Goal 17 Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.</p>	<p>17.17: Promote the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed.</p>	<p>As an industry innovator, we actively pursue partnerships with research organisations and academia.</p> <p>In FY2020, we collaborated with three other industry leaders to develop, implement and commercialise CCUS technology in Singapore.</p> <p><i>Stakeholder engagement</i></p>

Environmental

As an industry leader in concrete innovation, Pan-United focuses on minimising the environmental impact of our business arising from the manufacture and use of our products.

In FY2020, we saw a shift towards more green property developments and keener interest in green concrete as developers acted to meet their low-carbon goals. We continue to align our business with their priorities and play our role to support the national agenda on climate action.

We are continuously moving towards a more circular approach in the way we use resources. Our circular strategy focuses on designing waste out of the resource ecosystem and maximising the value of resources by keeping them in use within the system. Our efforts span from reusing, reducing and upcycling materials to minimising energy and water use across our operations.

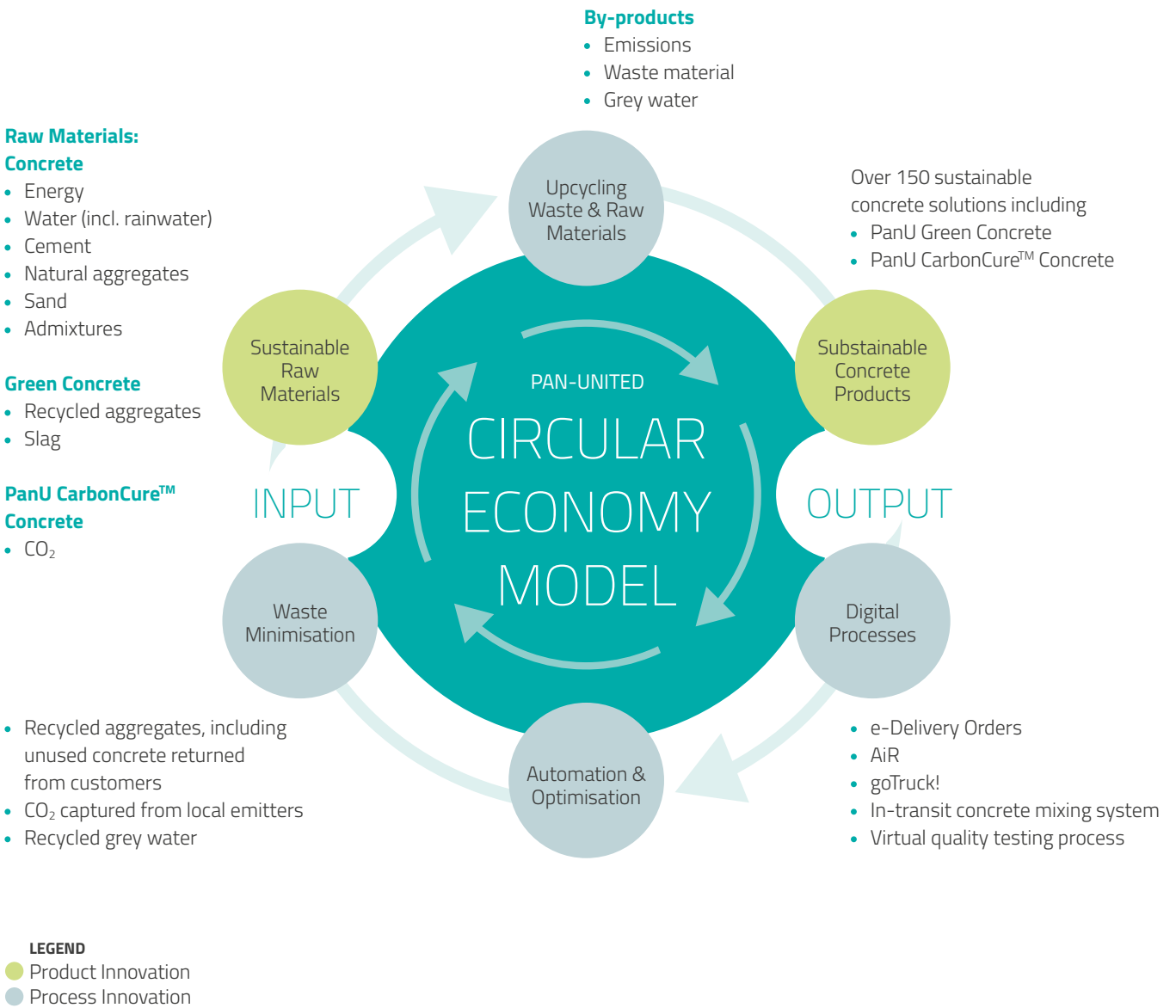
We employ advanced technology to produce greener forms of concrete. The carbon dioxide utilisation (CCU) technology installed at our batching plants enables the reduction of embodied carbon by permanently trapping in our concrete the carbon dioxide that is emitted by industries. The concrete is stronger and uses less cement.

As an industry leader, we continually seek to collaborate with innovators and thought leaders. We validate our product testing with governmental organisations like Building and Construction Authority (BCA), Housing and Development Board (HDB), JTC Corporation and Nanyang Technological University (NTU).

In FY2020, we collaborated with three fellow industry leaders, namely Keppel Data Centres, Chevron and Surbana Jurong, to jointly develop the Carbon Capture, Utilisation and Storage (CCUS) system, which is the first end-to-end decarbonisation process in Singapore. With the support of the National Research Foundation, we intend to collectively promote the creation of a low-carbon economy, by accelerating the development and commercialisation of the CCUS system in Singapore.

Our approach to a circular economy

Reducing Embodied Carbon In Concrete





Sustainable Materials

Management Approach

One important way in which we reduce the carbon footprint of our concrete is through the integration of recycled content into our production processes. We use a mix of recycled aggregates to reduce the input of natural aggregates.

Our in-house R&D team has also developed a range of sustainable products, including the 'Eco' and 'Green' ranges, which have seen a surge in demand from our customers. Our low-carbon footprint concrete uses recycled or reused materials such as superfluous concrete returned from customers, washed copper slag and Ground Granulated Blast Furnace Slag (GGBFS).

We also have a dedicated eco & recycling department that continually looks for innovative ways to reduce the volume of natural aggregates required in our concrete.



We participate in the Waste Management Recycling Association of Singapore (WMRAS) accreditation scheme, which examines our recycled concrete aggregates and crushers. The scheme includes an annual audit.



Pan-United was the first in Singapore to achieve the "Leader" sustainability certification awarded by the Singapore Green Building Council (SGBC), achieving the highest 4 ticks qualification. The next renewal of this certification is in 2021.

In FY2020, Pan-United was featured in the SGBC's bi-annual magazine, highlighting our iconic low-carbon concrete projects.

Partnership with CarbonCure

Pan-United has an important strategic partnership with CarbonCure, which is renowned for its breakthrough carbon capture and utilisation (CCU) technology that injects carbon dioxide into wet concrete during mixing to reduce embodied carbon emissions.

In 2020, we installed the CarbonCure equipment at three of our batching plants. The CO₂ is stored in liquid CO₂ tanks at our batching plants to produce PanU CarbonCure™ concrete.

Each cubic metre of PanU CarbonCure™ concrete avoids up to 20 kg of CO₂.

If specified in all concrete structures, more than 280,000 tonnes of CO₂ can be avoided annually, which is equivalent to removing 60,000 cars from Singapore roads¹.

¹ This is based on the assumption of 14 million cubic metres of concrete demand in Singapore.

The products developed from our CCU technology undergo a wide range of performance tests. During the year, we engaged NTU to conduct an independent assessment on the various properties of our carbon dioxide utilisation concrete. The results verified that this special concrete is comparable to standard concrete in terms of its properties, performance and durability.

Furthermore, PanU CarbonCure™ concrete has been evaluated to conform to ASTM C494 Type S admixture standards, satisfying the technical requirements for specific performance admixtures to be used in hydraulic-cement concrete mixtures. This evaluation was conducted and affirmed by an independent accredited laboratory.

In addition, CarbonCure has obtained the National Technical Approval for use in concrete. In compliance with German concrete standards, the approval was issued by Deutsches Institut für Bautechnik (German Institute of Building Technology), a leading institute for issuing European technical assessments.

Performance

In FY2020, the amount of recycled materials in our products decreased to 8.4%, from 9% in FY2019. This was due to the lower demand for green concrete during the reporting period, which we believe was affected by the COVID-19 pandemic.

Targets

FY2019 Targets	FY2020 Performance
Continue to assess areas to reduce the use of virgin materials in our products	Commenced projects that will use recycled materials in our products
Measure and report the results of CarbonCure projects by end of FY2020	Reported in the FY2020 Sustainability Report
FY2021 Targets	
Implement the CarbonCure technology at six batching plants in FY2021	
Engage a certified carbon consultant to conduct carbon footprint analysis in FY2021	



Water Management

Water is a key resource consumed in the production of concrete. Pan-United is vigilant about our water consumption practices as unsustainable water use can put a strain on groundwater, reservoirs and desalination plants, which require large amounts of energy.

Management Approach

In FY2020, we primarily used municipal water in our production process. We strive to continue to recycle water through rainwater harvesting. Rainwater collected is being treated through the mini-water treatment plants located on our industrial sites, for use in our operations. No water is discharged from our production as all water is reused.

Performance

We do not withdraw any water from water-stressed regions. We have no discharged water; our water consumption is the same as the amount of water we withdraw.

The total water consumption in FY2020 amounted to 775,075m³, of which 100% was drawn from a third-party provider. Overall, we managed a 24.4% reduction in our total water consumption due to lower concrete demand stemming from the COVID-19 pandemic.

While the water reduction was not a result of water-related initiatives, we aim to continuously reduce our water consumption. As the industry recovers in 2021, we expect our overall water consumption to increase, following an increase in concrete production.

Targets

FY2019 Targets		FY2020 Performance	
Explore new avenues for water recycling		Exploration of water recycling methods was halted due to the COVID-19 pandemic	
Increase proportion of water recycled to 5%		0% of water recycled due to the COVID-19 pandemic	
FY2021 Targets			
Explore new avenues for water recycling			
Increase proportion of water recycled to 5%			

Waste Management

Pan-United is committed to improve our waste management towards a more circular approach through the reduction of waste, recovery of resources at the end of product life, and recycling back into concrete production.

We divert superfluous material or waste, such as unused concrete returned by our customers, back into our production process. As a result, we avoid creating unnecessary waste, reducing our environmental footprint and overall economic costs.

We try to ensure most of our waste is recycled, either by ourselves or with the help of third parties.

Management Approach

We have two main sources of waste: concrete waste and sludge. As mentioned above, we recycle superfluous concrete from our customers back into concrete production as recycled concrete aggregates, which are key ingredients in concrete.

Similarly, we engage third party contractors to reuse our sludge waste for important processes including:

- Backfilling,
- Temporary access, and
- Stabilising slopes to prevent erosion or landslides.

In our corporate offices, we have successfully reduced paper waste by monitoring paper usage, encouraging double-sided printing in the office, e-filing and e-invoicing to our customers. In addition to reducing paper waste, we encourage the recycling of paper waste by providing recycling bins for general non-confidential paper documents, with confidential documents being shredded. These recycling bins are collected periodically by external vendors. Our employees have adapted well to our paper waste management initiatives and consciously reduce the amount of waste disposed.

Performance

In FY2020, the total non-hazardous waste generated from our operations was 173,721 metric tonnes², 38.6% lower than the amount of non-hazardous waste generated in FY2019. The reduction in our non-hazardous waste is primarily attributable to lower concrete production resulting from the COVID-19 pandemic. We recycled 100% of non-hazardous waste generated, and we did not produce any hazardous waste.

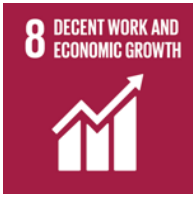
While we recognise that the reduction of non-hazardous waste is not entirely driven by waste management initiatives, we aim to consciously reduce the amount of non-hazardous waste generated.

Target

FY2019 Target	FY2020 Performance
Reduce our waste generation by 5% in FY2020	Non-hazardous waste generation reduced by 38.6%
FY2021 Target	
Reduce our waste generation by 5% in FY2021	

² This includes concrete and sludge waste and does not include corporate waste.

Social



Our employees are the cornerstone of our success. Engaging our employees fosters inclusivity and a higher retention rate, ultimately building their sense of belonging and purpose at Pan-United. We develop and retain competent employees with a passion to grow Pan-United to greater heights. We strive hard as a family of employees to ensure the well-being, development and safety of each and every one in our Group.

The table below summarises our group-wide workforce:

Our employees³



Male



Female



Total

	Male	Female	Total
Permanent Contract	758	146	904
Temporary Contract	70	1	71
Full-time	828	147	975
Part-time	-	-	-

Safety amidst the pandemic

FY2020 brought an uninvited challenge in the form of the pandemic. Although our businesses were confronted with considerable disruptions, we remained focused on employee well-being to ensure the health and safety of them and their families.

We conducted workshops on Safe Management Measures (SMM) in April and June 2020 to update all employees on compliance with the current regulations. These include the Business Continuity Plan (BCP), work-from-home protocols and alternative work arrangement guidelines.

Batching plant employees were kept informed on COVID-19 regulations and measures during the weekly meetings to ensure their safety and compliance. Regular stringent inspections were conducted by BCA at the batching plants to ensure the plants were operating in full compliance with the COVID-19 requirements.

To facilitate contactless operations, we developed a specialised PanU NewGen SCC concrete which flows easily into hard-to-fill corners and eliminates the need for workers to manually compact the concrete into place. Among other initiatives, we equipped our mixer trucks with AiM, an artificial intelligence in-transit concrete mixing system. We also pioneered an automated virtual quality testing process to reduce the number of physical touchpoints at worksites and improve overall safety.

After the Circuit Breaker period, we continued to conduct many other SMM workshops such as, 'BCA COVID-Safe Restart Measures', 'Unwell Employees guidelines', 'Reciprocal Green Lane (RGL)' and 'MCO regimen' to assist our employees to safely transit and return to work in phases, following SMM protocols.

³ Our employees are not covered by collective bargaining agreements.

Diversity and Inclusion

Our employees are the heart of the organisation. We are proud of our diversity and the unique perspectives and creative solutions our employees bring forth. Through targeted programmes, we foster a productive, empowering and collaborative work environment, focused on continuous learning and development.

Management Approach

Talent Acquisition and Management

We acknowledge the importance of attracting, retaining and nurturing our employees to ensure organisational growth and business continuity. In FY2020, our recruitment strategies included participating in the NTU and NUS virtual career fairs. We invited students on a unique virtual tour and livestream of our Innovation Centre, in which they also had the opportunity to dialogue with our scientists and department heads. The virtual tours helped to raise our brand profile and showcase our product innovations, while enhancing our ability to recruit qualified candidates and offer internships.

Internally, the referral fees of our PanU Employee Referral Scheme were raised to encourage our employees to refer potential and competent candidates from their family or social network for suitable positions in the company.

During the Circuit Breaker in 2020, we organised cross-departmental workshops which were conducted by subject matter experts from Operations, Sales, IT, HR, Communications and Marketing. Besides upskilling, these workshops enabled our employees to gain a better understanding of the business and operating and service models of the departments and business units.

We also sent our managers, assistant managers and team leads to the Bootstrap Team Leadership Toolkit Bootcamp. This was a 3-day workshop to hone their leadership and people management skills. Upon completion, they were awarded three Statements of Attainment from SkillsFuture Singapore which include:

- Monitor and reward performance in a team to support achievement of results;
- Build team relationships; and
- Develop and motivate team members through capability development.

In FY2020, we revamped the Performance Appraisal (PA) forms and conducted workshops for the appraisers to update our staff on the relevance and objectives of the performance appraisal. The new PA forms emphasise Pan-United's core values as important attributes for performance management. As part of our Learning and Development agenda, an effective PA assesses the potential competencies and/or performance gaps among our employees. Subsequently, they are offered relevant projects and external learning opportunities to effectively develop their capabilities.

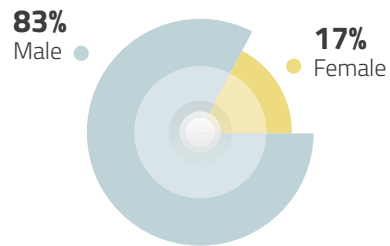
Amongst others, the following workshops were conducted internally by our Operations team:

- Petrography & Mortar Bar – to learn about BCA procedures for aggregate control (S1, S2 and S3 test), quality assurance of aggregates, sample and testing methodologies, petrography test and mortar bar test;
- Water Penetration (WP) & Rapid Chloride Permeability Test (RCPT) – to learn about concrete durability, concrete permeability, and RCPT for chloride penetration and sulphate attacks; and
- Coarse Aggregate – to learn about coarse aggregate physical testing (such as sieve analysis and impact value), chemical testing and quality assurance.

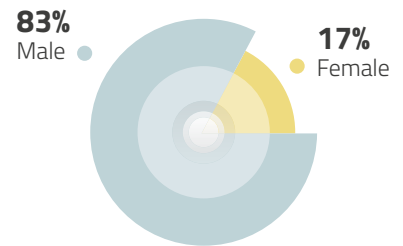
Performance⁴

Upper Management by Gender

Board of Directors

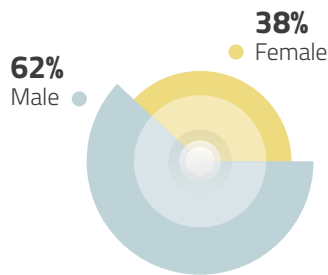


FY2019

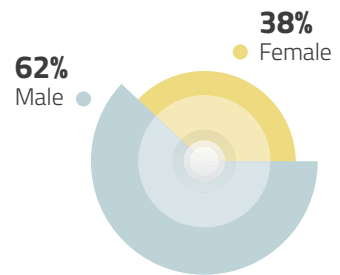


FY2020

Senior Management



FY2019

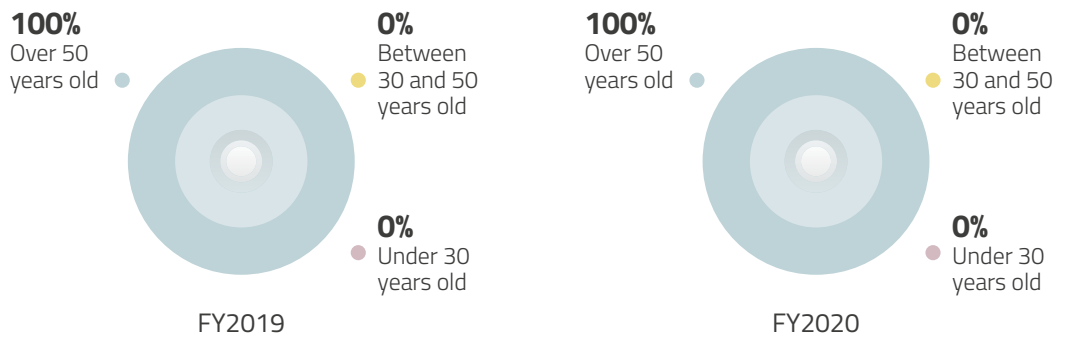


FY2020

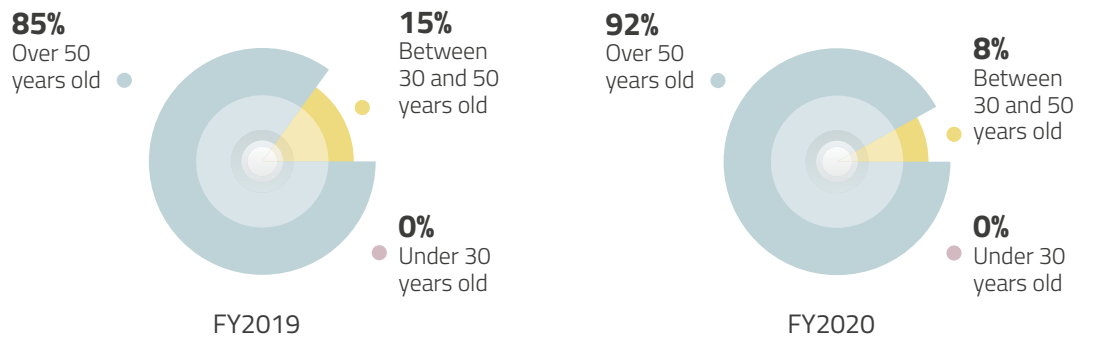
⁴ The performance summarises the Singapore workforce.

Upper Management by Age Category

Board of Directors

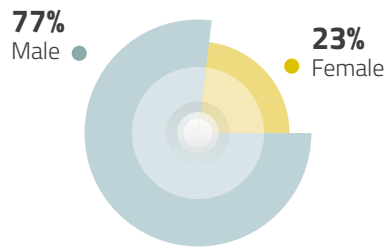


Senior Management

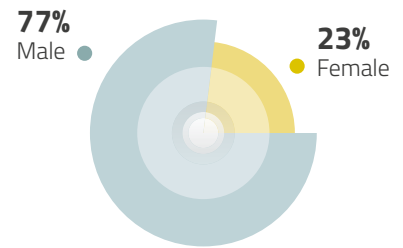


100% of our Board of Directors are ethnically Chinese.

Employees by Gender



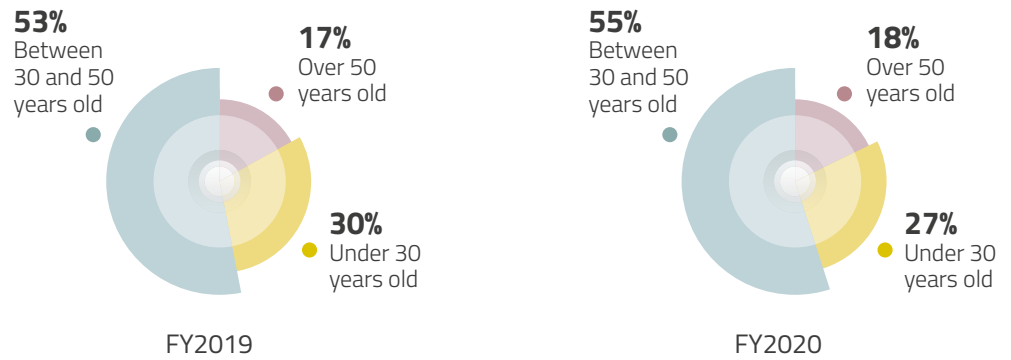
FY2019



FY2020

	Senior Management	Managers	Officers	Juniors	Total
FY2019					
Male	2%	4%	34%	37%	77%
Female	1%	2%	15%	5%	23%
FY2020					
Male	2%	8%	34%	33%	77%
Female	1%	3%	15%	4%	23%

Employees by Age Category



	Senior Management	Managers	Officers	Juniors	Total
FY2019					
Over 50 years old	3%	3%	7%	4%	17%
Between 30 and 50 years old	0%	3%	29%	21%	53%
Under 30 years old	0%	0%	13%	17%	30%
FY2020					
Over 50 years old	3%	5%	7%	3%	18%
Between 30 and 50 years old	0%	6%	29%	20%	55%
Under 30 years old	0%	1%	12%	14%	27%

Targets

FY2019 Target	FY2020 Performance
To remunerate employees fairly based on their contributions, merit and performance	Employees were remunerated fairly based on their performance and conduct at work
FY2021 Targets	
To continue fair remuneration for employees based on their contributions, merit and performance	
Implement a diversity and inclusion strategy and policy in FY2021	



Occupational Health and Safety

We strive to ensure the safety of all our employees and contract workers by adopting strict health and safety policies, and by implementing stringent monitoring practices.

Management Approach

To help manage onsite safety, a risk management system is in place, consistent with SS506. In FY2018, one of our subsidiaries achieved ISO 45001 certification, which was followed by another subsidiary for the same certification in FY2020.

Many occupational health and safety training sessions were conducted during the year. They include:

- Access Confined Space for Safe Entry and Work – to prepare for confined space assessment and learn how to identify hazards and take measures in confined spaces;
- Response to Fire and Hazmat Emergency – to learn how to execute emergency response plans and procedures during a fire and hazmat emergency; and
- Supervise Safe Lifting Operations – to learn about the roles and duties of site personnel in Safety and Health and an overview of Workplace Safety and Health legislation.

In these courses, our employees learnt about our emergency response plans, control measures for specialised operations, risk assessment methods, preventive measures and our standard operating procedures.

Over FY2020, we conducted other training programmes which include:

- Safe Management Officer Course for Construction;
- Apply Workplace Safety and Health in Construction Sites;
- Apply Workplace Safety and Health in Process Plant;
- Implement Incidents Management Process;
- Occupational First Aid Course;
- Wheel Loader Safety Course;
- Assess Confined Space for Safe Entry and Work (CSSA); and
- Work-at-Height Course for Workers

In FY2020, we introduced a new washing system and cleaning equipment to remove hardened concrete in concrete mixers. Previously, we relied on our workers to physically hack and remove hardened concrete in the enclosed area, potentially endangering their safety. We incorporated the washing system in our production process and as a result, our workers no longer work within these confined spaces.

The pandemic put paid to our Pan-United Safety Day. However, we continue to raise awareness of workplace safety by putting up safety banners and posters prominently at our batching plants. Monthly safety committee meetings were also held to raise any safety issues, non-compliance and rectification measures.

Performance	For Employees		For non-employees whose work and/or workplace is controlled by Pan-United	
	FY2019	FY2020	FY2019	FY2020
Number of fatalities as a result of work-related Injury	0	0	0	0
Number of high-consequence work-related injury (excluding fatalities)	0	0	0	0
Number of recordable work-related injury	1	6	3	8
Total work-related injury	1	6	3	8
Rate of fatalities as a result of work-related injury based on 200,000 hours worked	0	0	0	0
Rate of high-consequence work-related injury based on 200,000 hours worked	0	0	0	0
Rate of recordable work-related injury based on 200,000 hours worked	0.27	1.66	0.82	5.21
Number of hours worked	730,073	721,222	730,073	307,200

Since 1 September 2020, the revised Workers Injury Compensation Act mandates the reporting of any instance of medical leave or light duties issued for work accident. Previously, they were reportable if the injured employee is given four days or more of medical leave, consecutive or otherwise. This change has resulted in a higher number of work-related injuries being recorded in FY2020 compared to FY2019.

The work-related injuries in FY2020 were mainly road and workplace accidents. We are working to mitigate future risks through greater automation, and regular safety and wellness training programmes for improved and effective risk management.

Welfare and well-being

We implemented many new initiatives to enhance the physical, emotional and mental well-being of our employees to alleviate the prolonged periods of working from home during the pandemic and Circuit Breaker. These included providing them with laptops to facilitate work away from the office and organising virtual webinars facilitated by medical practitioners to advise on health matters.

The first Movement Control Order in Malaysia was a jolt to the supply chain and our employees from Malaysia, in particular. To assuage their dilemma and ensure business continuity, we provided our displaced colleagues with hotel accommodation, daily meals and care packages containing food and daily necessities. We were extremely vigilant about the health of our employees and monitored them daily.

To ensure social connectivity amongst the colleagues in FY2020, virtual social activities were organised for staff across separate departments to encourage bonding among employees, such as engaging them with fun trivial questions about their peers and managers. These events were very well received by our employees as they got to know one another better and remained digitally connected, while socially distanced.

Targets

FY2019 Targets	FY2020 Performance
Reduce rate of recordable work-related injuries by 5% in FY2020	Rate of recordable work-related injuries increased due to a change in regulation on incident reporting
Maintain zero high-consequence injuries across our operations	Achieved zero high-consequence injuries
Maintain zero fatalities across our operations	Achieved zero fatalities
FY2021 Targets	
Reduce rate of recordable work-related injuries by 5% in FY2021	
Maintain zero high-consequence injuries across our operations	
Maintain zero fatalities across our operations	

Governance

The relationship between our company, our employees and customers is built on trust. We have governance policies and procedures in place to help us maintain integrity and transparency in all matters.

Regulatory and Legal Compliance

We are subject to regulations established by the Ministry of Manpower (MOM), the National Environment Agency (NEA) and the Singapore Exchange (SGX).

Management Approach

We work closely with government agencies and regulatory bodies that guide us in best practices for environmental, regulatory and legal compliance.

NEA conducts ad-hoc inspections of our batching plants. On our own, we are disciplined in maintaining clean sites to prevent any breeding ground for mosquitoes that may cause incidents of disease like malaria or dengue.

The Pollution Control Department ensures that we continue to observe best practices for dust control. These include using dust collector systems that filter away cement dust, allowing for filtered air to be released into the environment. To further suppress the airborne dust during vehicular movement, we built sprinkler systems at all batching plants to wet the ground around the facilities, thus minimising dust from being airborne. We continue to check drains and prevent blockages as part of flood prevention measures.

Performance

Despite our best efforts, in FY2020, we had one minor instance of non-compliance with environmental regulation.

Issue	Regulatory body involved	Amount paid (\$)	Remedial action
Mosquito breeding violations	NEA	600	Increase in pest controlling frequencies to mitigate mosquito breeding

Target

FY2019 Target	FY2020 Performance
Have no instances of safety or environmental regulatory non-compliance in FY2020	One instance of environmental regulatory non-compliance relating to mosquito breeding violation
FY2021 Target	
Have no instances of safety or environmental regulatory non-compliance in FY2021	

External Initiatives and Memberships of Associations

- Waste Management Recycling Association of Singapore (WMRAS)
- Singapore Green Building Council (SGBC)
- Singapore Concrete Institute
- American Concrete Institute (Singapore Chapter)
- Ready Mixed Concrete Association of Singapore
- The Concrete Society Ltd
- The Singapore Contractors Association Ltd
- Tunnelling and Underground Construction Society (Singapore)
- Business Council for Sustainable Development Singapore (Founding Member)

GRI Index Table

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102-1	Name of the organisation	Chairman's Statement, 2
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102-3	Location of headquarters	About Us, 4
102-4	Location of operations	About Us, 4
102-5	Ownership and legal form	Annual Report 2020, page 109, Statistics of Shareholdings
102-6	Markets served	About Us, 4
102-7	Scale of the organisation	Social, 17 Annual Report 2020, page 2, Group Financial Summary and page 12-23, Performance Review
102-8	Information on employees and other workers	Social, 17
102-9	Supply chain	About Us, 4
102-10	Significant changes to the organisation and its supply chain	No significant changes to organisational structure and supply chain.
102-11	Precautionary Principle or approach	Although we do not explicitly reference the precautionary principle in our risk management, we undertake environmentally responsible practices with the aim of being responsible corporate citizens
102-12	External initiatives/charters	External Initiatives and Memberships of Associations, 26
102-13	Membership of associations	External Initiatives and Memberships of Associations, 26

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102-47	List of material topics	Materiality Assessment, 8
102-48	Restatements of information	No restatements
102-49	Changes in reporting	No changes
102-50	Reporting period	About this Report, 3
102-51	Date of most recent report	May 29, 2020
102-52	Reporting cycle	About this Report, 3
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102-54	Claims of reporting in accordance with the GRI Standards	About this Report, 3
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301-2	Recycled Input Materials Used	Environmental, 13-14
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103-1/2/3	Management Approach	Environmental, 15
303-3	Water Recycled and Reused	Environmental, 15
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Disclosure Number	Disclosure Title	Reference
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403-1	Occupational Health and Safety Management System	Social, 23
403-5	Worker Training on Occupational Health and Safety	Social, 23
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419-1	Non-Compliance with Laws and Regulations in the Social and Economic Area	Governance, 25



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