

Annual and Sustainability Report



2025/2026

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REPORTING SCOPE AND PERIOD

GRI [2-2] [2-3]

PUB's Annual and Sustainability Report (ASR) documents the agency's organisational strategies, developments, initiatives, performance and achievements from 1 April 2025 to 31 March 2026 ("FY2025"). Where available, data from prior years ("FY2024" and "FY2023") has been included for comparison. The reporting scope of sustainability performance data in the Appendix is in accordance with, and goes beyond, GreenGov.SG reporting requirements. For enquiries on this report, please email us at pub_one@pub.gov.sg.

REPORTING STANDARDS AND INTERNAL AUDIT

GRI [2-5]

This report has been prepared in accordance with the GRI Sustainability Reporting Standards ("GRI Standards"). No external assessment or audit has been conducted on this report. Internal audit has conducted a review of PUB's sustainability reporting process and disclosure of sustainability performance data reported on page 47–53. No material issues were identified during this review.

ABOUT PUB

GRI [2-1] [2-6] [2-29]

Our Mission

- Supply Good Water
- Reclaim Used Water
- Tame Storm Water
- Resist Rising Seas

Our Vision

- Water for Every One
- Everyone for Water

About PUB, Singapore's National Water Agency

PUB is a statutory board under the Ministry of Sustainability and the Environment that oversees water issues in an integrated way. PUB's mission is to ensure Singapore has a reliable and secure water supply and protect it from inland and coastal flooding.

Through the *Four National Taps* (local catchment water, imported water, NEWater, desalinated water), PUB has ensured a diversified and sustainable supply of water for Singapore. PUB also manages both inland and coastal flood risks holistically, and leads and coordinates whole-of-nation efforts in ensuring inland and coastal flood resilience.

PUB actively engages with stakeholders including residents and businesses to promote water conservation and flood resilience, emphasising that everyone has a vital role in safeguarding Singapore's precious water resources and being flood-resilient against the backdrop of climate change.

Message from Chairperson and Chief Executive

GRI [2-6] [2-22]



Chan Lai Fung

Chairperson
PUB, Singapore's National
Water Agency



Ong Tze Chin

Chief Executive
PUB, Singapore's National
Water Agency

Over the past year, PUB has continued to build on Singapore's strong water and flood resilience legacies – foundations that have been carefully laid over decades of long-term planning and sustained investments. Even as we take pride in our achievements, we need to be prepared for the challenges ahead. Climate change is projected to bring about more frequent and intense rainfall events, rising sea levels, and longer dry spells. Furthermore, Singapore's water demand is projected to almost double by 2065. Supply chain uncertainties arising from geopolitical tensions further complicate our operating environment. Against this volatile landscape, PUB must ensure that our water systems and flood management infrastructure remain robust, yet adaptive enough to cope with future uncertainties.

PUB's Board and Management are also attuned to the growing cybersecurity risks, whether they are from Advanced Persistent Threats or from frontier artificial intelligence (AI). Adopting a defence-in-depth strategy and assume-breach mindset, PUB deploys a range of technologies and AI tools to limit our attack surface and to detect threats, supported by our in-house Security Operations Centre. We work closely with our vendors and partners across the Singapore water sector to enhance the security and resilience of our critical water systems.

Planning Ahead for Future Water Demand

PUB takes a long-term view in planning Singapore's water infrastructure, so that our water supply remains resilient and reliable even as demand grows and rainfall patterns shift. In December 2025, we completed the Tengah Service Reservoir, which will supply potable water to consumers in Tengah New Town and its surrounding areas. We are also constructing another NEWater Factory, Changi NEWater Factory 3, to replace the decommissioned Bedok NEWater Factory. Tuas NEWater Factory 1 is also on track to be commissioned in 2028. Together, these upcoming plants will ensure that our NEWater capacity keeps pace with Singapore's long-term needs.

Strengthening Inland and Coastal Flood Resilience

The past year marked significant progress in our efforts to protect Singapore from the long-term existential challenge of rising sea levels due to climate change. A landmark milestone was the passing of the Coastal Protection and Other Amendments Bill in Parliament on 6 March 2026. This legislation establishes clear responsibilities for coastal landowners and sets enforceable standards to safeguard our coastlines against extreme weather. To help landowners and developers navigate these new requirements, PUB published the Code of Practice on Coastal Protection and launched the Flood-Resilient Developments Guidebook at Singapore International Water Week in June 2026.

Message from Chairperson and Chief Executive

GRI [2-6] [2-22]

At the organisational level, PUB established a new Flood Resilience cluster on 1 August 2025, with the reorganisation completed on 1 March 2026. By bringing our inland and coastal flood resilience efforts together, we are better positioned to harness synergies between the two functions and to respond in a more integrated way to Singapore's full spectrum of flood risks.

Beyond legislation and hard infrastructure, PUB recognises the importance of preparing the community for extreme rainfall and flooding. In August 2025, we held our inaugural Coastal Protection Exhibition, "Riding the Tides", which brought our community together to explore how we are preparing for rising sea levels, understand the scale of the challenges ahead, and opportunities to reimagine our coastlines. This was followed by PUB's second flood resilience campaign, "Nobody Needs to be the Wet One Out", launched in November 2025, which offered practical guidance to pedestrians, commuters, motorists, and home and business owners on protecting themselves and their properties from flash floods. These efforts reflect our conviction that an informed and prepared community is one of our most important lines of defence for flood resilience.

Working towards a Smart, AI-Enabled PUB

We see that AI will offer new opportunities to fundamentally reshape how PUB delivers our mission. PUB thus embraces AI to improve and transform the way we work. Our approach to AI adoption is both pragmatic and human-centric. We are pragmatic in adopting ready solutions wherever available and in piloting new technologies where outcomes are less certain. We take a human-centric approach in focusing on solutions that augment the capacities and capabilities of our workforce.

We are pursuing our vision of a Smart, AI-Enabled PUB through five workstreams: putting in place copilot systems, exploring the use of cobots (i.e. collaborative robots), moving into autonomous and remote operations, building an AI-Ready Workforce, and ensuring AI governance. Our projects featured in this report, such as remote-operated robots, wearable devices, and the Surveillance, Inspection and Enforcement System, demonstrate how technology can augment our workforce's capabilities, enhance workplace safety, and improve operational efficiency, while keeping our people at the heart of all that we do.

Advancing Environmental Sustainability

PUB is committed to doing our part in Singapore's decarbonisation journey, as we work steadily towards our target of net-zero emissions around 2045. To increase our renewable energy portfolio, we are on track to quadruple our solar capacity by 2030. With the upcoming floating solar farms at Pandan

Reservoir and Lower Seletar Reservoir to be commissioned by 2028 and 2030 respectively, 30 percent of our energy needs will be powered through renewable solar energy in 2030, offsetting up to 166 kilotonnes of carbon dioxide emissions annually.

Strengthening Contractor Management and Contract Administration

We carry forward important lessons from 2025. The audit findings from the Auditor-General's Office and the sinkhole incident at Tanjong Katong Road South were reminders of the importance of rigorous contract administration and robust oversight of construction work. We take these responsibilities seriously and are committed to doing better. PUB will tighten our processes for contract administration, enhance staff training to build stronger compliance capabilities and deepen competencies across PUB, and sharpen our oversight of construction contractors.

Strengthening Our Commitment to Our People

Our people remain at the heart of PUB, and we continue to invest in building a workplace where every officer finds meaning, purpose and growth in their work. Since the launch of our Employee Value Proposition in 2025, we have made steady progress in translating our commitments into lived experiences for our staff. Through strengthened leadership and organisational development, improved psychological safety, and organisational initiatives to promote proper workload management and holistic wellbeing, we are deepening our support for our people and nurturing an engaged workforce.

Looking Ahead

Against an increasingly complex operating environment, PUB remains steadfast in achieving our mission: **Supply Good Water, Reclaim Used Water, Tame Storm Water, Resist Rising Seas.**

The progress we have made in 2025 reflects the collective dedication and professionalism of every officer across PUB. We also recognise that the scale and complexity of tomorrow's water challenges require more than PUB's institutional resolve alone. Our strong partnerships with the public, businesses, and the research community remain essential to our mission and work. Together, we will continue to build a water-resilient Singapore, not just for today, but for generations to come.

Board of Directors

GRI [2-9]



Chan Lai Fung
Chairperson,
PUB



Ong Tze Chin
Chief Executive,
PUB



Ang Yiting
Editor, SPH Media Trust -
Lianhe Zaobao



Azman Jaafar
Managing Partner,
RHTLaw Asia LLP



Eugene Leong
Deputy Secretary
(Administration),
Ministry of Defence



Goh Sok Kim
Regional CIO of Asia and
Lead, Global IT Efficiency &
Capabilities Development,
MUFG Bank Ltd



Jonathan Yap
Chief Executive Officer,
CapitaLand Development



Lee Fook Hou
Emeritus Professor of
Civil and Environmental
Engineering, National
University of Singapore



Leong Wei Hung
Chief Executive Officer,
Singapore LNG
Corporation Pte Ltd



Ngiam Le Na
Chief Executive,
National Space Agency
of Singapore



**Sanjeev
Kumar Tiwari**
General Secretary,
Amalgamated Union of
Public Employees



Tan Yee Peng
Former Partner,
KPMG



Wee Ai Ning
Chief Investment Officer,
Avanda Investment
Management



Yong Kwet Yew
Emeritus Professor of
Civil and Environmental
Engineering, National
University of Singapore

Organisational Structure

GRI [2-9] [2-11]



Corporate and Sustainability Governance

GRI [2-9] [2-10] [2-12] [2-13] [2-14] [2-17]

Corporate Governance

The PUB Board provides **strategic oversight** and has overall responsibility of PUB's organisational functions and goals. PUB reviews its Board composition regularly and has renewed its Board on 1 April 2025. By leveraging the collective expertise of its 14 Board Members from the private and public sectors in areas such as finance, strategic planning, management, and engineering, the PUB Board provides strategic guidance to the PUB Senior Management in the development of policies and strategies to advance PUB's mission. The responsibilities of the PUB Board are regulated by the Public Utilities Act and other legislative requirements.

The PUB Senior Management, led by the Chief Executive, **sets, implements, and reviews** policies and strategies to achieve PUB's goals. By managing the financial, operational, and human resources of the organisation, the PUB Senior Management drives PUB to achieve its mission.

Sustainability Governance

PUB's Chief Executive is assisted by the Sustainability Committee in the management of key sustainability issues, such as decarbonisation, sludge management, green financing, and sustainability reporting. The PUB Sustainability Committee convenes every quarter and is chaired by PUB's Deputy Chief Executive (Policy and Development), and comprises Deputy Chief Executive (Operations), Deputy Chief Executive (Flood Resilience), Assistant Chief Executive, and various PUB Department Directors as committee members. To ensure that sustainability is embedded within the organisation, PUB has a Sustainability Working Group (chaired by the Chief Sustainability Officer) which consists of representatives from the relevant PUB Departments and convenes quarterly. The Sustainability Working Group supports the Sustainability Committee in the coordination, implementation, and tracking of sustainability initiatives at the department level.

The Board Sustainability Committee convenes biannually to guide PUB's Management in setting PUB's environmental sustainability long-term targets, strategies, and action plans, with a particular focus on areas such as decarbonisation and sludge management.



Key Organisational Risks

GRI [102-2] [201-2] [404-2]

Overview

Climate change remains one of PUB's most pressing challenges. The Third National Climate Change Study (V3) projects significant environmental changes for Singapore by 2100, such as rising temperatures, more extreme weather events, and rising sea levels – all of which carry implications and risks for water infrastructure and operations, potentially jeopardising PUB's core mission.

At the same time, Singapore's continued economic and population growth will drive higher demand for water, requiring expanded water supply and used water treatment capacities. This must be achieved against a backdrop of labour shortages, inflation, and supply chain pressures. Reducing operating costs through more energy-efficient technologies and processes will be essential, with digital transformation playing a key role in improving operational efficiency and workforce capabilities.

Underpinning all of this is the need for a skilled and adaptable workforce. As demographic shifts intensify the competition for talent, PUB is committed to being an employer of choice by fostering a culture of innovation and continuous learning and providing meaningful career development opportunities. Building a resilient workforce is fundamental to securing Singapore's water future and delivering sustainable water solutions for generations to come.

CLIMATE RISKS



Sea Level Rise

As climate change drives sea levels to rise, Singapore faces a growing risk of coastal flooding. Strengthening coastal flood resilience is therefore critical to safeguarding the country's economy and infrastructure.



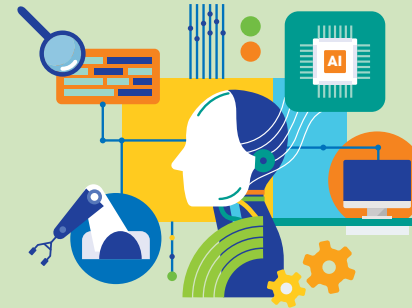
Extreme Rainfall

Increasingly intense rainfall due to climate change poses a growing risk of flash floods, placing greater stress on Singapore's drainage systems. With land constraints limiting the extent of conventional drainage expansion, PUB adopts a multi-pronged strategy to manage the risk of floods. This strategy includes upgrading and maintaining drainage infrastructure, developing legislation and Code of Practice to ensure premise owners are properly maintaining stormwater drainage systems and flood protection measures, strengthening community resilience efforts to foster collective responsibility and action towards climate adaption, and enhancing flood response operations.

Extreme Dry Spells

As weather patterns become more unpredictable, including prolonged dry spells, water supply that is not just dependent on rainfall becomes essential. PUB is thus expanding NEWater facilities and desalination plants to build a more weather-resilient water system capable of meeting Singapore's needs regardless of weather conditions.

DEMOGRAPHIC RISKS



Slow Workforce Growth

With Singapore's labour market becoming increasingly tight, PUB is leveraging digital technologies, artificial intelligence, and innovative solutions to drive workforce productivity and operational efficiency. Alongside a culture of continuous learning and adaptability, this enables PUB to deliver its mission effectively despite manpower constraints.



Workforce Shifts

As the workplace landscape evolves, PUB is committed to equipping employees with the skills needed to keep pace with changing job demands and emerging technologies. PUB provides a range of development programmes and upskilling opportunities, including the 'AI for Everyone' course for all employees, and voluntary advanced AI elective courses to enable staff to grow and adapt throughout the course of their careers.

FINANCIAL RISKS



Higher Cost for Water Security

Desalination and NEWater are essential to enhance Singapore's water security, providing weather-resilient sources that are independent of rainfall. However, these technologies are inherently more energy-intensive than conventional water treatment methods, which translates into higher costs.



Supply Chain Disruptions

Rising inflationary pressures, ongoing global supply chain volatility, and a challenging geopolitical climate would significantly impact PUB's operational and infrastructure costs.

PUB's Material Topics and Materiality Review

GRI [3-1] [3-2]

The management of PUB's Material Topics allows PUB to address key organisational risks. The material topics were selected based on the materiality reassessment done in 2024–2025. A subsequent materiality review by PUB in 2026 confirmed that all nine material topics remain relevant and have therefore been retained in this report. Please refer to our Materiality Assessment on page 12 of the Annual and Sustainability Report 2024/25.

PILLAR	MATERIAL TOPIC	WHY TOPIC IS MATERIAL
PILLAR 1 Water System Management 	1-1 Sustainable Water System	Water security and resilience are central to PUB's mission.
	1-2 Inland and Coastal Flood Resilience	Coastal protection and flood resilience are necessary to enable Singapore to adapt to climate change-induced sea level rise and more frequent and intense storms.
PILLAR 2 Environmental Sustainability 	2-1 Resource Circularity	Climate change and rising water demand will increase reliance on energy-intensive water sources. We must manage not only our energy, waste, and carbon footprint but also the environmental impacts for sustainable development.
	2-2 Decarbonisation	
	2-3 Environmental Management	
PILLAR 3 People and Partnerships 	3-1 Our People: Healthy, Safe and Competent	A healthy, safe, and future-ready workforce sustains PUB's current and future operational needs.
	3-2 Customers and Community	PUB cannot achieve its mission alone. Strong partnerships with customers, businesses, industry, and the wider community are essential for mission success.
PILLAR 4 Business Excellence 	4-1 Risk Management	Risk management helps us identify and manage complex threats to our business, such as ensuring the security of our digital systems and data. The development of new, energy-efficient infrastructure contributes to our long-term financial and sustainability goals.
	4-2 Financial Sustainability	

1-1 Sustainable Water System

GRI [3-3] [303-1]

Central to PUB's mission is developing a resilient water system that is robust and ready to address Singapore's future water requirements. With Singapore's water demand projected to nearly double by 2065, PUB takes a forward-looking approach in delivering essential water infrastructure ahead of anticipated demand growth. PUB's culture of innovation also enables us to harness technology to advance our operations and achieve our mission in more efficient and effective ways.

Completion of NEWater Pipeline from Tuas NEWater Factory to Jurong Island

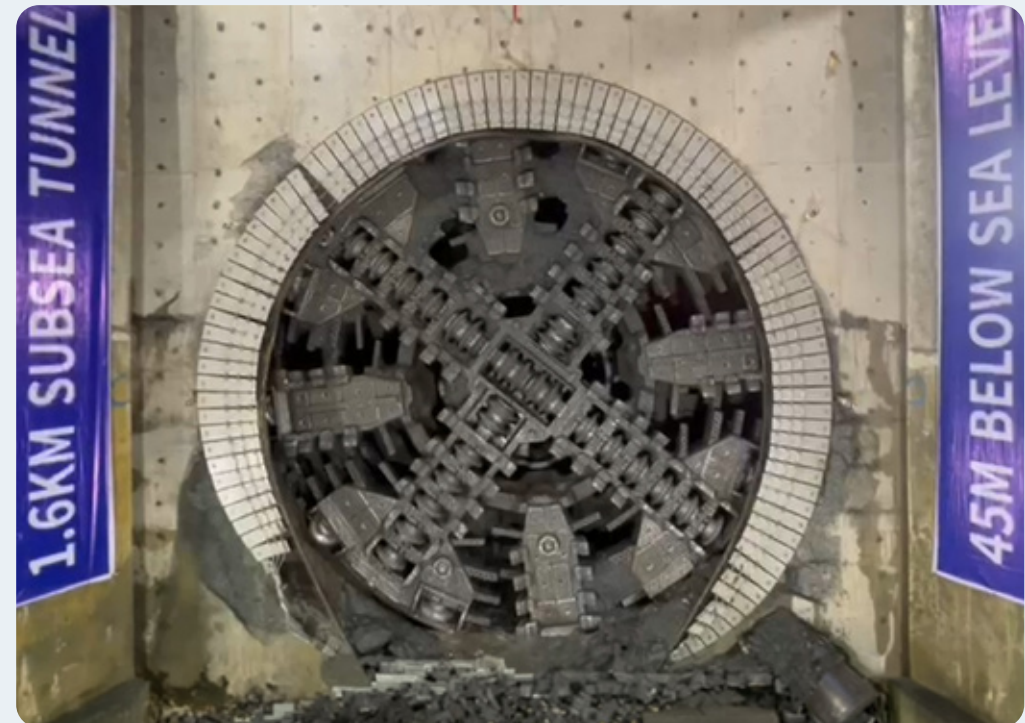
In June 2025, PUB completed the construction of a 1.6-kilometre-long, 6-metre-diameter, and 45-metre-deep subsea tunnel housing four water pipes that would convey NEWater from the upcoming Tuas NEWater Factory to Jurong Island.

In recognition of the exceptional engineering execution of this project, particularly the tunnelling works carried out in close proximity to a live 700-millimetre-diameter Gas Transmission Pipeline, the project received the Bronze Award in the International Tunnelling Association (ITA) Tunnelling Awards 2025 "Project of the Year (up to €100 million)" category.

This award is PUB's inaugural win at the ITA Tunnelling Awards, which is one of the highest recognitions in the tunnelling and underground construction industry. This subsea tunnel project exemplifies innovation and engineering excellence, strengthening Singapore's water network to meet future needs.



1.2-metre-diameter NEWater pipe laying inside the completed 6-metre-diameter tunnel.



Breakthrough of 1.6-kilometre-long, 45-metre-deep, and 6-metre-diameter subsea tunnel using Tunnel Boring Machine.

1-1 Sustainable Water System

GRI [3-3] [303-1]

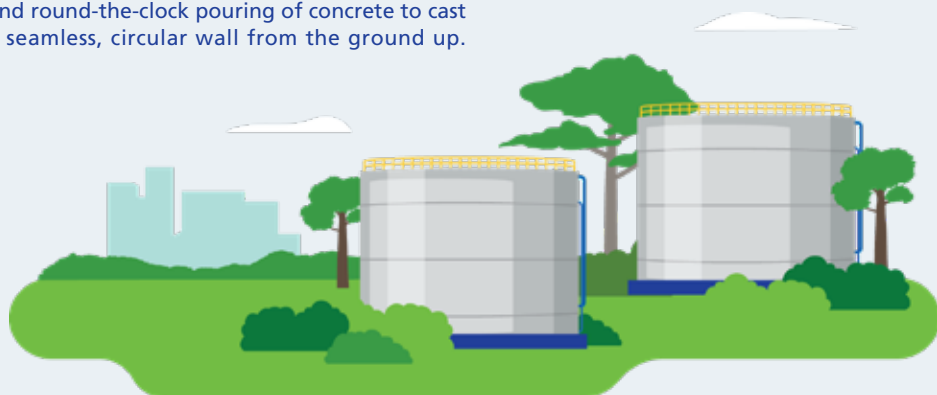
Completion of Tengah Service Reservoir

In December 2025, PUB completed the construction of Tengah Service Reservoir, located along Bukit Batok Road. With a storage capacity of about 22 Olympic-sized swimming pools, it will supply potable water by gravity to consumers in Tengah Town and other nearby areas, such as the upcoming Tengah industrial precinct, which is part of the Jurong Innovation District.

This marked the first time a service reservoir in Singapore was built using the slipform construction method, which involved continuous and round-the-clock pouring of concrete to cast a seamless, circular wall from the ground up.

The resulting concrete walls of the water tanks thus have no construction joints. This minimises the risk of water leakage and improves the performance of the service reservoir.

Unlike other service reservoirs, the exterior walls of the tanks in Tengah Service Reservoir have been constructed with an aluminium facade that blends in with the surroundings. This approach demonstrates how infrastructure can be designed to integrate into the surroundings seamlessly.



Aerial shot of Tengah Service Reservoir at Bukit Batok Road.

1-1 Sustainable Water System

GRI [3-3] [303-2]

Ensuring Water Quality Standards

Maintaining good, consistent water quality is central to PUB's mission.

All tests of our drinking water have consistently met World Health Organization Guidelines for Drinking Water Quality and Environmental Public Health (EPH) (Water Suitable for Drinking) Regulations¹. As part of our commitment towards excellence in laboratory standards and quality assurance, PUB's water quality laboratory has been accredited under the Singapore Laboratory Accreditation Scheme (SAC-SINGLAS) since 1999 for a comprehensive range of water quality parameters.

To ensure that we stay ahead of the curve, PUB also conducts surveillance on contaminants of emerging concern. Since 2025, PUB has received SAC-SINGLAS accreditation for analytical methods covering more than 30 Perfluoroalkyl and Polyfluoroalkyl substances (PFAS). We conduct quarterly surveillance monitoring of these PFAS parameters across the source water, potable water, and NEWater system to maintain comprehensive water quality assurance and the safety of Singapore's water supply.

¹ With effect from 28 November 2025, the EPH (Water Suitable for Drinking) Regulations 2019 has been superseded by the Food Safety and Security (Non-Packaged Drinking Water) Regulations 2025.



1-1 Sustainable Water System

GRI [2-6] [3-3] [303-1] [303-3]

Development of Changi NEWater Factory 3

The production of NEWater involves recycling our treated used water into ultra-clean, high-grade reclaimed water, strengthening our water supply resilience. Singapore currently has four NEWater factories located at Kranji, Ulu Pandan, and Changi, with each playing an integral part in the country's comprehensive water security strategy.

PUB is putting in place infrastructure to meet the anticipated increase in NEWater demand from industries such as wafer fabrication and data centres.

A new Changi NEWater Factory 3 (CNF3) will be built to replace the decommissioned Bedok NEWater Factory. With the construction contract awarded in end 2025, CNF3 is scheduled for completion in 2028 and will add up to 50 million gallons per day to Singapore's NEWater production capacity upon completion. Similar to the existing NEWater factories at Changi, CNF3 will be located on the rooftop

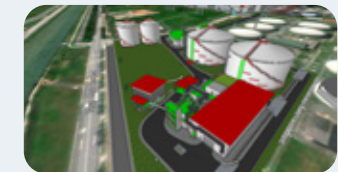
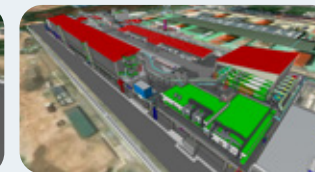
of the plant's Liquid Treatment Modules to optimise space. It will use Membrane Bioreactor filtrate as feed for the Reverse Osmosis (RO) membranes. In addition, CNF3 will incorporate flow reversal technology into the design of the RO system to further improve the NEWater recovery rate.



Rooftop of Changi Water Reclamation Plant where CNF3 will be situated.



3D model of CNF3 on the rooftop of Changi Water Reclamation Plant.



3D model of NEWater tanks.

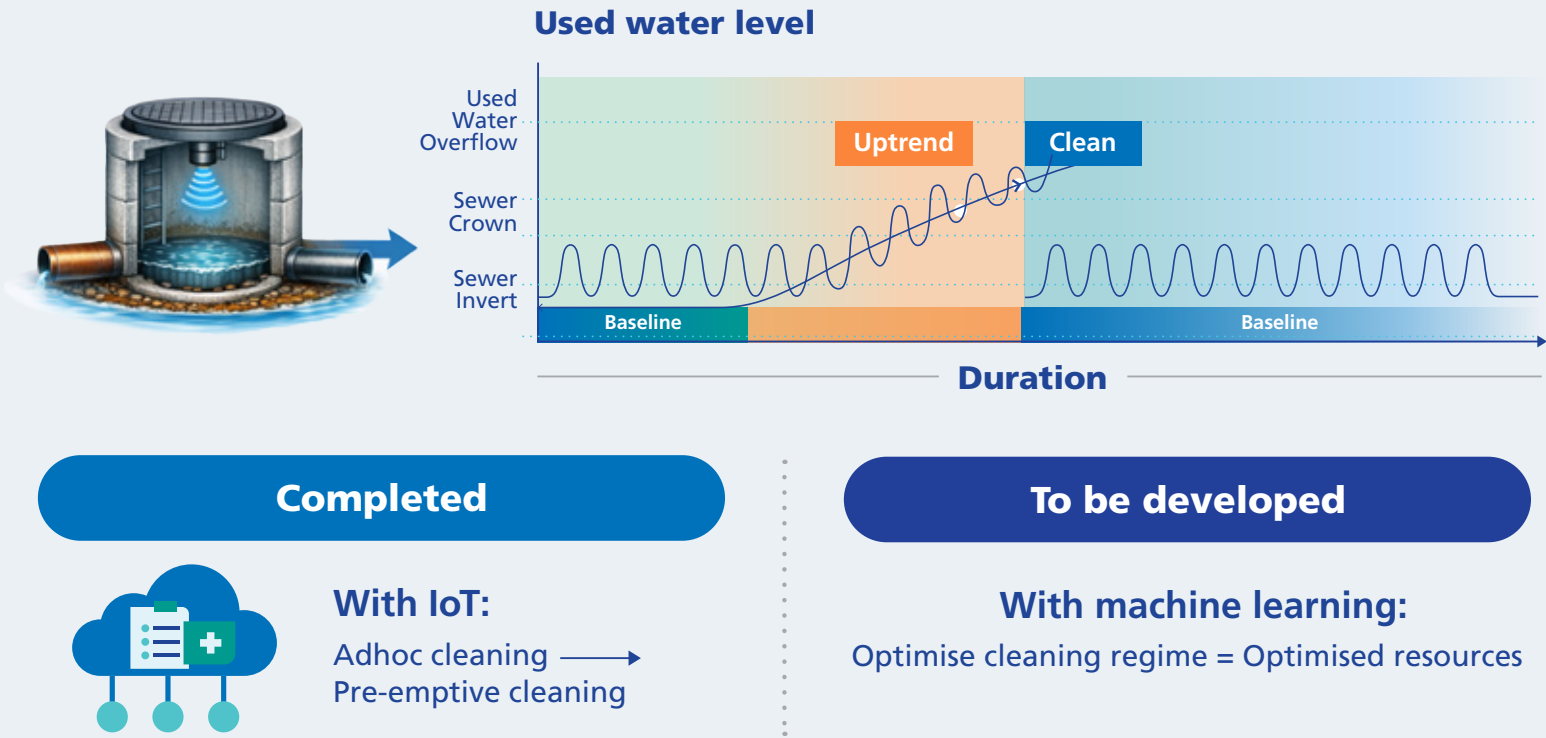
1-1 Sustainable Water System

GRI [2-6] [3-3] [303-2]

Enhancing Maintenance of Singapore's Used Water Network

PUB maintains about 3,700 kilometres of public sewers and 100,000 sewer manholes. In January 2025, PUB completed the replacement of the older float switch sensors with radar sensors that leverage the Internet of Things (IoT). The new radar sensors offer continuous monitoring and level trending, providing additional information beyond simple threshold alerts. With the data obtained from the level sensors, PUB improved the effectiveness of sewer cleaning.

Beyond completing the IoT platform, PUB will also develop the Sewer Analytics and Management System, which uses machine learning to further optimise the frequency of preventive sewer cleaning activities based on the data collected.



Radar sensors with continuous level monitoring for pre-emptive sewer cleaning.

1-2 Inland and Coastal Flood Resilience

GRI [2-25] [3-3] [102-1] [203-1] [303-1]

As a small, low-lying island nation, Singapore faces increased vulnerability to floods due to climate change, which is bringing about rising sea levels and more intense storms. By 2100, mean sea levels around Singapore could rise up to 1.15 metres and daily extreme rainfall during April and May could potentially double in intensity. Sea levels could rise up to about 5 metres when combined with high tides and extreme events, such as storm surges. These projections underscore why PUB's mission to tame storm water and resist rising seas is critical for Singapore's long-term flood resilience and adaptation to climate change.

Completion of Site-specific Studies to Develop Coastal Protection Measures for City-East Coast and North-west Coast (Coastal Reservoirs)

In 2025, PUB concluded its first site-specific study to develop coastal protection measures for the City-East Coast region, where much of the land sits less than 5 metres above current sea levels. For the Greater Southern Waterfront, the recommended measures include three moveable coastal barriers that will link Sentosa, Pulau Brani, and the mainland, providing protection against storm surge while potentially improving the area's connectivity. These coastal protection measures will also be integrated with future developments, such as the Greater Sentosa Master Plan. For Changi Beach Park, raised

bunds positioned inland were recommended to minimise impact to its intertidal biodiversity and to maintain long-term beach access. Together with the previously announced 'Long Island' development at East Coast, these measures will form a continuous line of defence for the entire City-East Coast coastline.

PUB's second study, covering the north-west coast (coastal reservoirs), was also completed in 2025. The region is home to four coastal reservoirs that are freshwater sources for Singapore. To protect them against seawater intrusion, existing



Artist's impression of a coastal barrier at the Greater Southern Waterfront.

1-2 Inland and Coastal Flood Resilience

GRI [2-25] [3-3] [102-1] [203-1] [303-1]

dykes will be raised. These dykes will double as roadways for maintenance access, while preserving ecological connectivity to the sea. For the rest of the coastline, a continuous line of defence will be achieved by leveraging existing high ground, integrating coastal protection into future developments, and replacing reservoir tidal gates.

In the coming years, detailed engineering design and environmental impact assessment studies will commence, while similar site-specific studies are underway for Sentosa Island, Jurong Island, and the south-west coast. These will ensure that Singapore's coastline receives protection tailored to each area's unique characteristics. By the end of 2026, over 80 percent of Singapore's coastline will be covered by site-specific studies.

Taken together, this comprehensive approach reflects Singapore's commitment to a proactive coastal management that balances resilience and safety, with the preservation of our shores' recreational and environmental value for future generations.



Artist's impression of a possible type of raised structure along the coastline.

1-2 Inland and Coastal Flood Resilience

GRI [2-29] [3-3] [413-1]

“Riding the Tides” Exhibition

Rising sea levels pose a real and growing threat to Singapore’s coastlines, and addressing this challenge requires collective action. “Riding the Tides”, PUB’s inaugural Coastal Protection Exhibition from 28 to 31 August 2025 at VivoCity, showcased the comprehensive coastal protection initiatives and collaborative efforts to safeguard Singapore’s future.

Since 2020, PUB has been leading and coordinating whole-of-nation coastal protection efforts, conducting site-specific studies across different coastal segments while engaging stakeholders and communities on protection needs and potential solutions. The exhibition provided an overview of the risk of sea level rise to Singapore, the range of coastal protection strategies and measures considered by Singapore, and the coastal protection plan for City-East Coast. Taking into consideration the views of stakeholders engaged through community dialogues “Our Coastal Conversation”, the recommended

measures for City-East Coast include centralised coastal barriers that protect the entire area, and decentralised measures set further inland to preserve land functionality and support biodiversity.

“Riding the Tides” was designed to make coastal resilience feel relatable to every Singaporean, with interactive elements that brought coastal protection planning to life. Visitors engaged in hands-on games simulating various coastal defence scenarios, explored augmented reality displays showing the potential impact of sea level rise on Singapore’s iconic landmarks, and participated in family-friendly workshops that ranged from marine biodiversity to the urban design of coastlines. These immersive experiences made complex concepts accessible to all ages, bringing the urgency of rising sea levels closer to home and showing the role everyone can play in reimagining and shaping the future of our coasts.



The exhibition provided opportunities for members of the public to learn about PUB’s coastal protection efforts.

1-2 Inland and Coastal Flood Resilience

GRI [2-23] [2-24] [2-29] [3-3]

Passing of the Coastal Protection Bill, and Launch of the Code of Practice on Coastal Protection and the Flood-Resilient Developments Guidebook

The Coastal Protection and Other Amendments Bill was passed in Parliament on 6 March 2026, bringing about the amended Sewerage, Drainage and Coastal Protection Act which ensures a continuous line of defence around Singapore by establishing clear responsibilities of landowners for coastal protection and ensuring compliance with coastal protection standards.

Landowners, including Ministries, Statutory Boards, and lessees (mainly companies), are required to implement coastal protection measures for their respective land plots. They will be given at least 10 years' advance notice to plan and implement these measures, and the timelines will be aligned to the progress of the respective studies for different segments of the coastline. This decentralised approach gives landowners the flexibility of selecting measures that meet their needs

and dovetailing coastal protection works with their planned developments. To support landowners in meeting the minimum coastal protection standards, the Government and PUB will provide landowners with financial and technical support (e.g. technical consultations).

The Code of Practice on Coastal Protection (CPCOP), which sets out the planning, design, operation, inspection, and maintenance requirements for coastal protection measures, was published in June 2026. Developed in consultation with professional bodies and industry associations, the CPCOP stipulates the coastal protection obligations of landowners and industry professionals. Landowners will have the flexibility in choosing how they will adapt to sea level rise, implementing measures through either an incremental build or a single build.



Industry briefing on the Code of Practice on Coastal Protection.

1-2 Inland and Coastal Flood Resilience

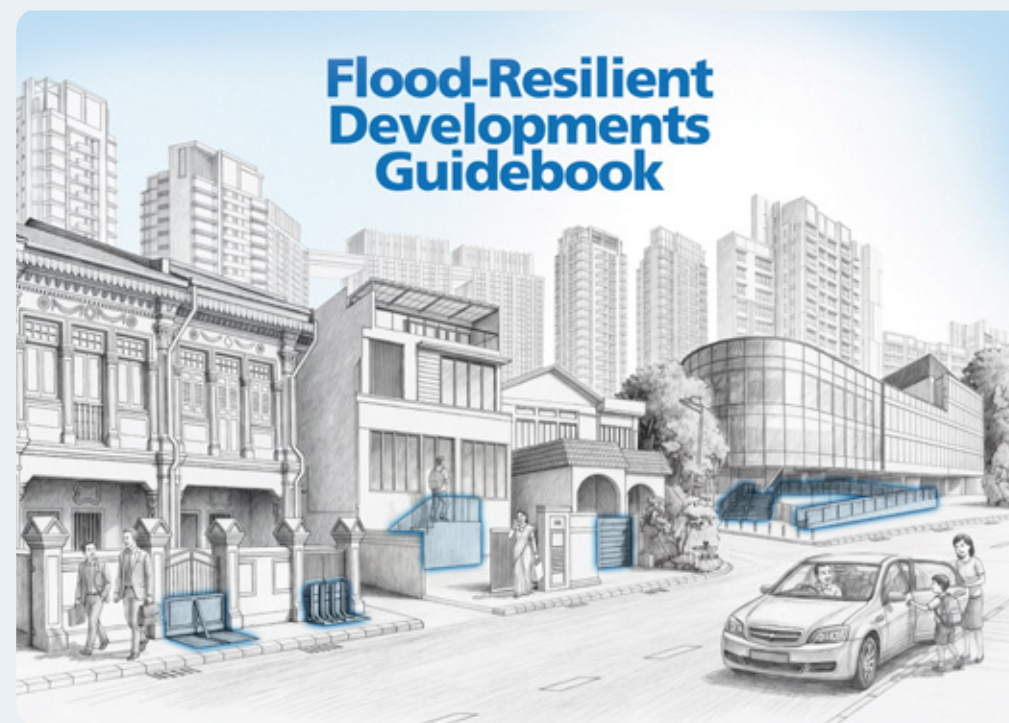
GRI [2-23] [2-24] [2-29] [3-3]

PUB also published the Flood-Resilient Developments Guidebook in June 2026 to help the built environment sector strengthen flood resilience at the development level. Co-created through an Alliance for Action, the guidebook pools together the collective expertise of PUB and the industry. It is intended to raise awareness of flood risks and equip design professionals, property owners, and

property management professionals with tools to make informed, development-specific decisions to protect against inland and coastal flooding. Designed to be user friendly for stakeholders without technical background, the guidebook features guidelines on how to assess a development's flood risk, manage these risks, and formulate flood response plans.



The Alliance for Action at the launch of the guidebook at Singapore International Water Week 2026.



Flood-Resilient Developments Guidebook.

1-2 Inland and Coastal Flood Resilience

GRI [2-6] [2-23] [2-25] [3-3] [102-1] [303-1] [303-2]

Completion of Syed Alwi Pumping Station

Low-lying areas of Jalan Besar and parts of Little India are now better protected against flooding following the completion of the Syed Alwi Pumping Station (SAPS) in June 2025.

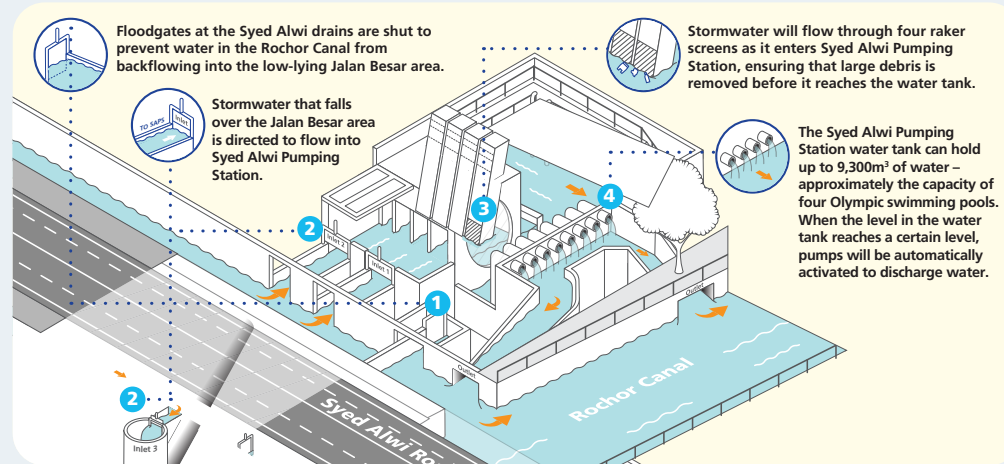
SAPS, which serves a catchment area of about 30 hectares, forms part of PUB's diverse stormwater management infrastructure to strengthen Singapore's flood resilience.

In consideration of the many heritage buildings in the area, SAPS was conceptualised as an alternative solution to enhance flood resilience.

Located next to Rochor Canal, SAPS will divert stormwater from the surrounding catchment into an underground tank before pumping it to the canal.

SAPS complements earlier improvements, including road level raising as well as the deepening and widening of Rochor Canal.

Featuring a green roof and green walls, SAPS was also designed to integrate seamlessly with the adjacent Rochor Canal promenade and surrounding housing developments.



Syed Alwi Pumping Station.



Syed Alwi Pumping Station's underground tank.

1-2 Inland and Coastal Flood Resilience

GRI [2-25] [2-29] [3-3] [102-1] [413-1]

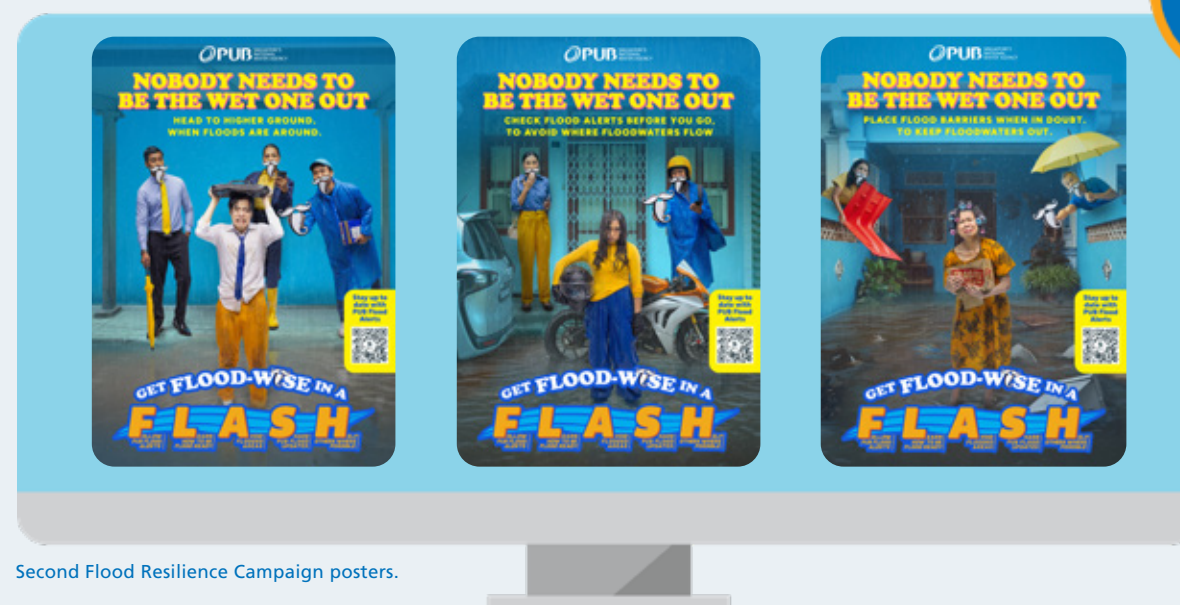
Launch of Second Flood Resilience Campaign “Nobody Needs to be the Wet One Out”

In November 2025, PUB launched its second flood resilience campaign, “Nobody Needs to be the Wet One Out”, to promote community flood preparedness. It highlights the steps that pedestrians, commuters, motorists, and home and business owners can take to protect themselves and their properties from floods. This initiative aims to build community resilience in the face of increasingly erratic and extreme weather brought about by climate change.

Using videos, visual materials, and social media content to provide practical tips on staying prepared and safe during flood events, the campaign was amplified islandwide across TV, radio, outdoor, and digital channels to reach the general public.

PUB also partnered with motorist organisations, including Grab, Motorist, ComfortDelGro, and National Private Hire Vehicles Association, to boost key messages and flood safety tips via Electronic Direct Mail, in-app notifications, and social media platforms, reaching drivers and delivery partners. Other partners like SMRT Buses sponsored screen placements featuring the

campaign video and visuals across key transport hubs, including Bukit Panjang, Choa Chu Kang, Woodlands, Boon Lay, and Joo Koon.



1-2 Inland and Coastal Flood Resilience

GRI [2-25] [2-29] [3-3] [102-1] [413-1]

In addition, PUB continued its outreach and partnerships with various segments of the community to strengthen community flood resilience through the 3A's: raising awareness, fostering acceptance, and encouraging action. Following the pilot table-top exercise in November 2024, PUB co-organised a "Let's Get Flood-Wise" Community Workshop on 8 November 2025 in the lead up to the campaign, with the Siglap Community Emergency and

Engagement Committee (C2E), Eastwood Ria Residents' Network, and Siglap Community Club. The workshop brought together community leaders and members to brainstorm ideas on what the community can do to be flood-ready. As part of community outreach, PUB also developed new resources, such as games, pull-up banners, and information panels, for grassroots' use at community events to engage residents on flood preparedness.



"Let's Get Flood-Wise" community workshop.



Live visual recording of key points of participants' discussions.

2-1 Resource Circularity

GRI [2-25] [3-3] [306-1] [306-2]

Effective waste management is crucial to PUB, considering Singapore’s limited land and resources. One of our largest waste streams is the used water sludge generated by our Water Reclamation Plants. Currently, the sludge is incinerated to minimise its volume before disposal at Semakau Landfill. In parallel, waterworks sludge produced during water treatment is disposed of directly at the landfill. However, this approach is not sustainable in the long term, as Semakau Landfill is projected to reach capacity by 2035. To address this challenge, PUB is proactively working to reduce landfill waste through innovative research and development (R&D) solutions that can progress resource circularity efforts. Our strategy focuses on two key areas: **reducing** the amount of sludge being produced and **reusing** waste products as valuable resources. Concurrently, PUB will evaluate potential environmental impacts to ensure the development of sustainable and responsible sludge reduction and reuse solutions.

REUSE Strategy

Producing biochar from used water sludge using pyrolysis

PUB has concluded a 5 tonnes/day pyrolysis pilot study as a promising pathway for converting used water sludge into biochar. This approach is oxygen-free and operates at a lower temperature than alternative thermal treatment processes. The pyrolysis process converts the sludge into biochar, achieving an overall sludge mass reduction of up to 90 percent. Research on potential end-use applications of the biochar is currently ongoing, including its use as a sustainable construction material through partial sand replacement in non-structural concrete.



Sludge is converted to biochar through pyrolysis.

Converting waterworks sludge and carbide sludge into expansive agent

PUB has collaborated with NEA to support an R&D project in valorising both waterworks sludge and recovered carbide sludge, a by-product of Singapore’s gas production industry, into a value-added expansive agent for civil engineering applications. This R&D project demonstrates a promising pathway for converting two waste streams into a high-value construction material. Field trials conducted with industry partners show that the waste-derived expansive agent delivers comparable performance to commercial products. The completed Phase 1 study indicates strong potential for commercialisation and technology translation. Building on these results, Phase 2 will focus on process scale-up and pilot scale validation to support further deployment.



Sludge is converted into an expansive agent through calcination.

2-2 Decarbonisation

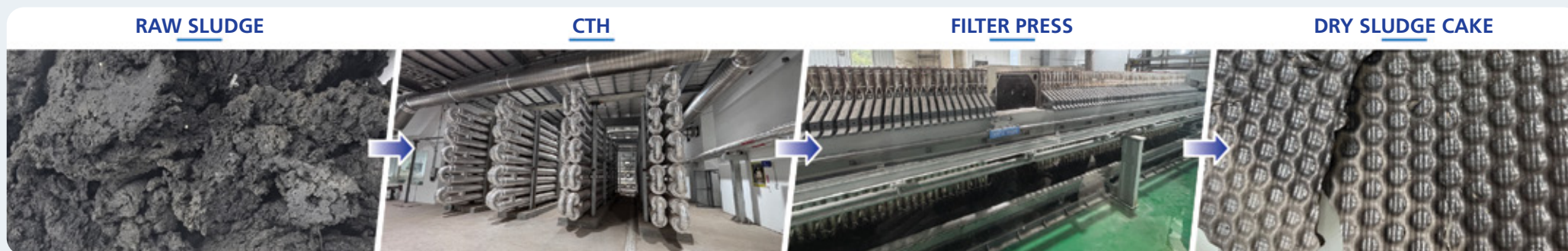
GRI [3-3] [103-5] [302-4] [305-5]

Singapore is committed to achieve net-zero emissions by 2050. Through the 3Rs decarbonisation strategy (**Reducing** energy consumption, **Replacing** grid-based energy with renewable solar energy, **Removing** carbon from our operations), PUB will support Singapore's transition to a low-carbon future. This is contingent on the progress of technologies and international cooperation to enable mitigation measures.

Reducing Energy Consumption: Advanced Sludge Treatment with Continuous Thermal Hydrolysis – Filter Press Process

Conventional sludge drying processes are energy-intensive. Through a 5 tonnes/day pilot study, PUB successfully demonstrated an energy-efficient and sustainable sludge drying process that integrates Continuous Thermal Hydrolysis (CTH) and filter press technologies to reduce sludge water content from 80 to 30 percent. Compared to conventional thermal drying process, the CTH-filter press

approach achieves more than 50 percent reduction in specific energy consumption. The process can also serve as a pre-treatment step, offering compatibility with a range of downstream sludge treatment processes, including pyrolysis, gasification, and incineration.



Sludge is dewatered through Continuous Thermal Hydrolysis.

2-2 Decarbonisation

GRI [3-3] [102-1] [102-4] [103-1] [103-2] [302-1] [302-4]

Replacing Grid-based Energy: PUB's Solar Deployment

In land-scarce Singapore, floating solar deployments can enable our reservoirs to harness renewable energy while still serving as a water catchment and storage area. As Singapore increases its solar deployment target to 3 gigawatt-peak (GWp) by 2030, PUB is also progressively deploying solar systems on the rooftops of our installations and on our reservoirs.

To date, we have deployed and operationalised some 68 megawatt-peak (MWp) of solar projects in our reservoirs and premises, generating about 80GWp of renewable energy in FY25 to partially meet PUB's energy needs. In the coming years,

we will commence the deployment of floating solar systems at Pandan Reservoir (86MWp) and Lower Seletar Reservoir (130MWp), which are slated to be completed by 2028 and 2030, respectively. In addition, some 8MWp of rooftop solar projects are being installed across our installations, including waterworks, desalination plants, water reclamation plants, and pumping stations.

By 2030, we will quadruple our solar capacity, which can meet about 30 percent of our energy needs, or the equivalent to 166 kilotonnes of carbon dioxide emissions annually.



Tengoh Floating Solar Farm (photo credit: Sembcorp Industries).



Rooftop solar panels on PUB's premises.

2-2 Decarbonisation

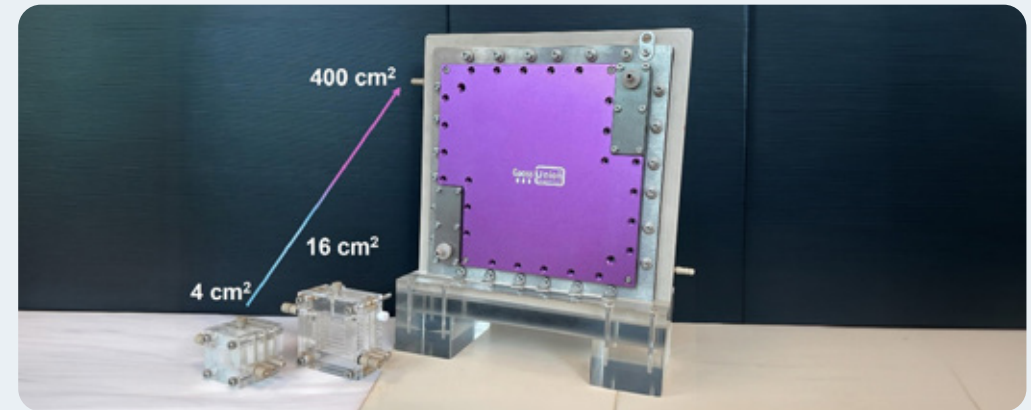
GRI [3-3] [102-1] [306-2]

Removing Carbon: Carbon Capture Seawater Mineral Recovery Technology

PUB collaborated with A*STAR Institute of Sustainability for Chemicals, Energy and Environment (ISCE²) to develop a technology that converts desalination brine into valuable construction materials while capturing carbon. This technology shows how desalination processes can support decarbonisation and create value from waste streams.

The electrochemical prototype (Technology Readiness Level 4–5) demonstrated the recovery of minerals from brine for conversion into low-carbon construction materials, including

magnesium oxide cement and sustainable cementitious materials for green concrete applications. The process also enables carbon capture with the potential of reducing energy consumption, unlike conventional methods. Following initial successful trials, PUB will pursue further scale-up of the technology from bench to pilot.



Lab-scale prototype.



Sustainable cementitious materials.



Green concrete.

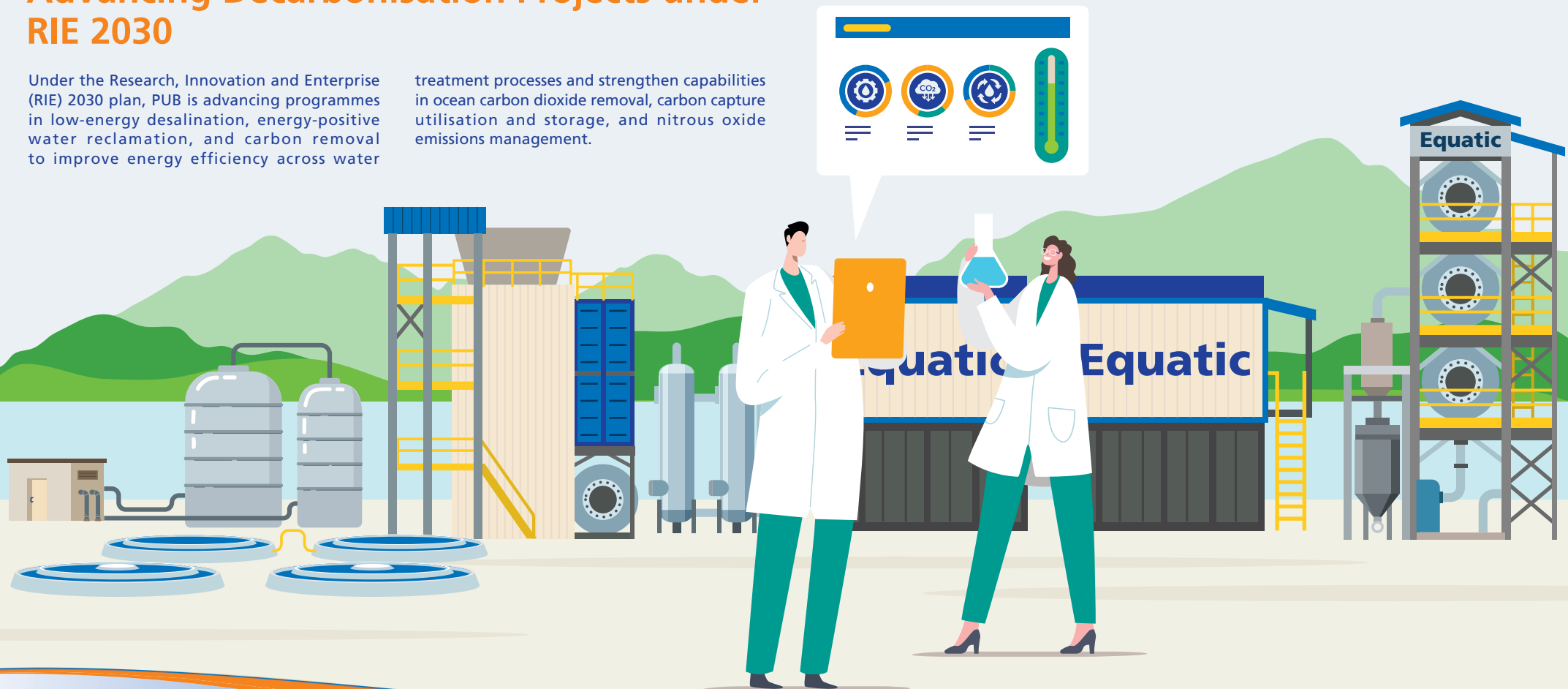
2-2 Decarbonisation

GRI [3-3] [102-1] [103-1]

Advancing Decarbonisation Projects under RIE 2030

Under the Research, Innovation and Enterprise (RIE) 2030 plan, PUB is advancing programmes in low-energy desalination, energy-positive water reclamation, and carbon removal to improve energy efficiency across water

treatment processes and strengthen capabilities in ocean carbon dioxide removal, carbon capture utilisation and storage, and nitrous oxide emissions management.



2-3 Environmental Management

GRI [2-29] [3-3] [101-2]

Protecting the environment and building water infrastructure must go hand in hand. PUB is committed to preserving Singapore's rich biodiversity and natural ecosystems while investing in water infrastructure to meet future demand. Our comprehensive approach to ensuring sustainable and responsible development includes undertaking Environmental Impact Assessment (EIA) studies prior to the commencement of developmental works, implementing mitigation measures, and monitoring critical environmental indicators at key project milestones. This approach allows us to expand and strengthen Singapore's water infrastructure while safeguarding our valuable natural heritage for future generations.

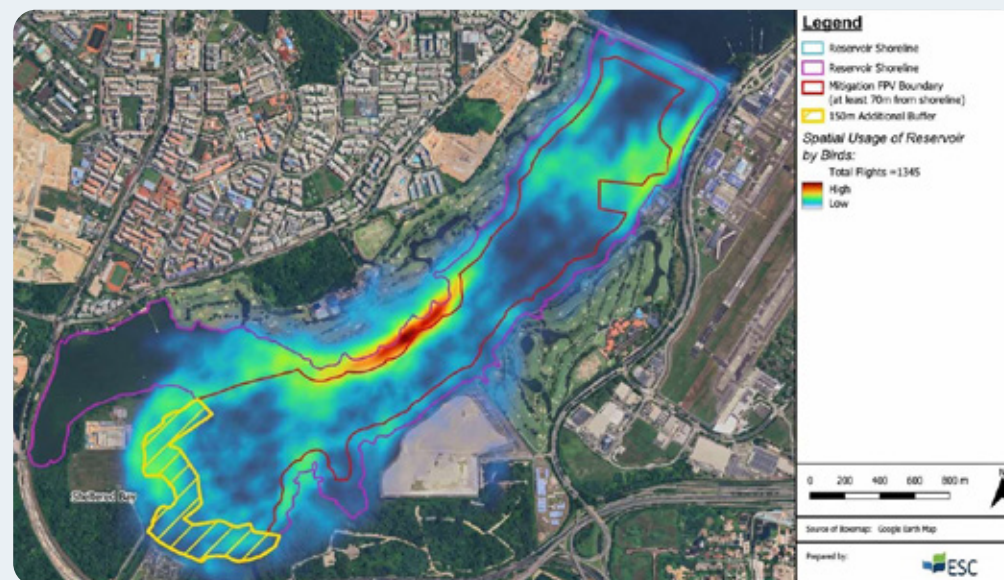
Deployment of Floating Solar System at Lower Seletar Reservoir

The EIA for the proposed floating solar deployment started in February 2023 to study the project's potential impact on key receptors such as fauna, flora, and water quality. The study also included extensive Vantage Point Surveys to gather information on birds and their behaviour at the reservoir.

Through the EIA, foraging hotspots within the reservoir where Grey-Headed Fish Eagles were identified, and the final layout of the floating solar deployment was adjusted to safeguard these areas and ensure that the waters remained accessible for the birds to forage. The Electric &

Control Building also sits outside the forested areas and mainly comprises planted vegetation.

The report was completed in February 2026, after comprehensive engagements with stakeholders, including an engagement session with the Nature Groups in September 2025 and a one-month public disclosure of the EIA report from 23 December 2025 to 19 January 2026. The recommendations of the EIA report will be incorporated into the subsequent floating solar deployment with close monitoring of key environmental parameters such as birds and water quality.



Floating Solar (FPV) project boundary with mitigated buffer zones to avoid ecological hotspots identified through the Environmental Impact Assessment (photo credit: EnviroSolutions and Consulting Pte Ltd).

2-3 Environmental Management

GRI [3-3] [101-2]

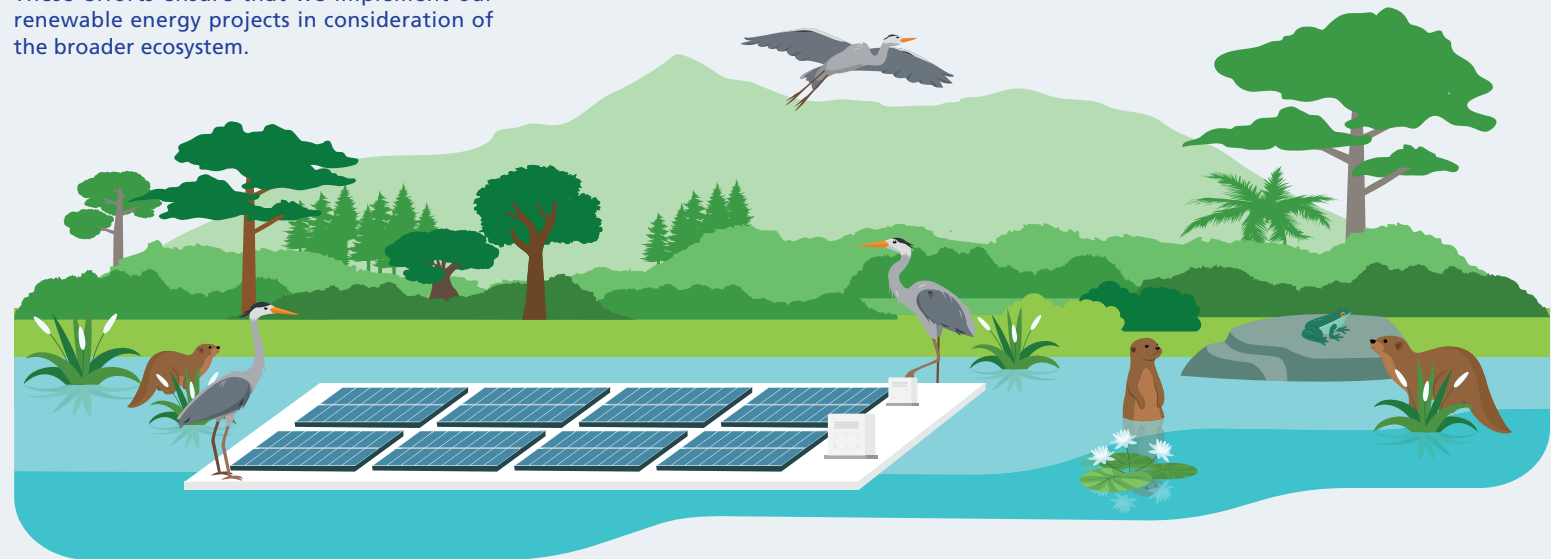
PUB's Efforts to Integrate Environmental Sustainability into Infrastructure Development

PUB recognises the need to advance critical infrastructure development while upholding environmental sustainability. Across all major projects, PUB strives to reduce and manage environmental impacts, while protecting the nation's natural heritage for future generations.

This has also been the approach taken when PUB embarked on our journey to deploy floating solar panels. Since the commissioning of the first large-scale floating solar farm at Tengeh Reservoir in 2021, PUB has continuously monitored the biodiversity beyond the requirements of the EIA to develop a better understanding of the long-term impact arising from the large-scale floating solar deployment to the biodiversity. To date, our monitoring has shown that both resident species, such as the Smooth-Coated Otters and Grey-Headed Fish Eagles, as well as migrant species, such as the Peregrine Falcon, are not impacted by the deployment and continue to thrive at the reservoirs. Active foraging, thermalling, and nesting behaviours of the birds have been observed within the vicinity of Tengeh's floating solar deployment.

Over the next five years, PUB will collaborate with the National University of Singapore to study the potential cumulative impacts of large-scale floating solar deployment across our reservoirs to the ecosystems. The study will develop a novel and robust model to predict potential impacts across Singapore's reservoirs.

These efforts ensure that we implement our renewable energy projects in consideration of the broader ecosystem.



3-1 Our People: Healthy, Safe and Competent

GRI [2-23] [2-24] [2-25] [3-3] [403-1] [403-2] [403-7] [403-9]

Workplace Safety and Health (WSH) remain PUB's foremost priority. We achieved not only zero fatalities and zero major injuries across our operations in 2025, but also a 20 percent reduction in incidents compared to 2024. Nonetheless, we recognise that we cannot afford to be complacent in our approach towards WSH.

Completion of Safe Entry System Trial

PUB has completed a trial of the Safe Entry System (SES) at Lower Seletar Waterworks, which represents the future of procedural compliance. This system integrates sensors, video analytics, and data sensing equipment to conduct the safety checks required for confined space entry.

Following the trial, PUB plans to proceed with the next phase that focuses on broader end-to-end integration of the SES with the Permit-to-Work system through a pilot implementation at a plant.



SES exhibit panel.



PUB SES gantry setup.

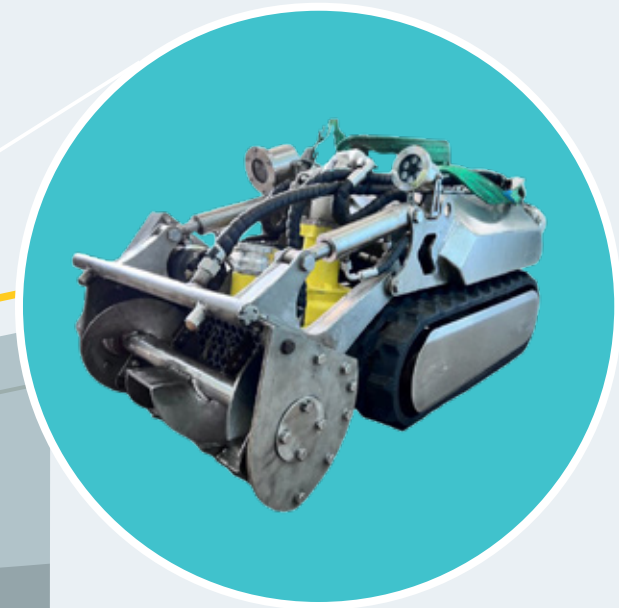
3-1 Our People: Healthy, Safe and Competent

GRI [3-3] [403-2] [403-7]

Implementation of Robotic Confined Space Cleaning Technology

PUB has implemented remote-operated robotic cleaning technology for confined spaces at used water pumping installations (wet well sumps) and water reclamation plants (sludge tanks). This initiative mitigates critical workplace safety risks by minimising direct human exposure to toxic

substances such as hydrogen sulphide, and contact with used water sludge during cleaning activities. The deployment of these customised robotic systems represents a proactive and practical approach to workplace safety while maintaining operational efficiency and service quality.



Remote-operated robotic cleaner for confined space cleaning.

3-1 Our People: Healthy, Safe and Competent

GRI [2-24] [3-3]

Smart, AI-Enabled PUB – Taking a Human-Centric and Pragmatic Approach

Recognising the potential of AI in optimising operations and internal processes, PUB is committed to adopting a human-centric and pragmatic approach in its transformation into a Smart, AI-Enabled PUB (SAEP).

Formation of the Smart Operations and Artificial Intelligence Office

PUB is progressively applying AI and smart technologies across operational functions. A new division, the Smart Operations and Artificial Intelligence Office (SOAR) under the Joint Operations Department, has been set up to drive the integration of smart technologies and AI solutions across operations and position PUB as a future-ready organisation.



PUB's Joint Operations Centre leverages X-band radar technology for high-resolution weather forecasting, enabling forward deployment of resources before heavy rainfall occurs. Duty officers continuously monitor rainfall forecasts, CCTV feeds, and water level sensors across drains and canals. Alert messages are also automatically sent out to members of the public in areas at risk of potential flooding.

3-1 Our People: Healthy, Safe and Competent

GRI [2-24] [3-3]

Implementation of Surveillance, Inspection and Enforcement System

Since March 2025, PUB has enhanced productivity through the Surveillance, Inspection, and Enforcement System, which streamlines enforcement and regulatory processes by automating inspection scheduling, assignments, and validations. The system eliminates manual data entry, provides automated notifications, and has comprehensive dashboards for tracking and reporting.

Deployment of X-band radar with machine learning for rainfall forecasting

PUB's implementation of a rainfall monitoring and prediction system has enhanced its response time to potential flash floods across Singapore. The system combines the rainfall monitoring capability of X-band radars with a machine learning model to produce forecasts up to 30 minutes ahead of a rainfall event. This system gives a localised forecast, allowing PUB to identify more accurately the specific areas that are likely to experience heavy rainfall and deploy Quick Response Teams more effectively to keep the public out of harm's way. The machine learning model is re-trained periodically as the existing dataset expands over time, to improve forecast accuracy.



An X-band radar, developed with the Hydroinformatics Institute and Furuno Singapore, placed on top of a building rooftop.

3-2 Customers and Community

GRI [2-29] [3-3] [413-1]

Our stakeholders play a vital role in helping PUB achieve its mission objectives. By cultivating strong collaborative relationships with our partners, we promote collective responsibility for water stewardship and shared principles, while nurturing and bolstering our vibrant water industry community. In addition, PUB will commence the implementation of coastal protection measures from 2030 onwards. We remain committed to working hand-in-hand with stakeholders to co-create solutions that seek to protect our shores, preserve the spaces and features we value, and potentially create new community spaces.

Singapore World Water Day 2026

The Singapore World Water Day (SWWD) event was held on 17 March 2026 at Suntec City Atrium. Coordinating Minister for Public Services and Minister for Defence, Mr Chan Chun Sing, and Minister for Sustainability and the Environment, Ms Grace Fu, joined more than 160 guests from over 90 organisations from the industrial, commercial, and government sectors to underscore the collective commitment towards water sustainability.

Minister Chan highlighted that pursuing clean, sustainable energy can help address Singapore's water challenges and urged households and businesses to manage their demand for a water-resilient future. With non-domestic demand projected to account for about two-thirds of total water use by 2065, businesses will play an increasingly critical role in water conservation efforts.

At the event, partners showcased innovative water efficiency initiatives at their booths, while solution providers shared technical expertise on water treatment and ways to enhance cooling tower efficiency. Guests were introduced to PUB's resources and funding opportunities to support water efficiency initiatives.

The event also saw the launch of PUB's SG Water Saver Programme to help selected one-to three-room HDB households adopt water-saving interventions.

Throughout the month of March, PUB partnered businesses, schools, and community groups to reach out to communities on the importance of water conservation and playing their role in using water wisely.



Guests and industry partners at the Singapore World Water Day event reaffirming their collective commitment to Singapore's water future.

3-2 Customers and Community

GRI [2-29] [3-3] [413-1]

Launch of water conservation campaign – “It’s Everyone’s Business to Make Every Drop Count”

PUB’s annual water conservation campaign was launched in March 2026, in conjunction with SWWD. “It’s Everyone’s Business to Make Every Drop Count” focused on how water conservation can seamlessly transcend individual habits to business practices. By establishing that water conservation should be everyone’s responsibility – whether at home, work, or play – the campaign aimed to inculcate water stewardship as a way of life.



PUB’s water conservation campaign called on individuals to play their part to sustain water conservation efforts whether at home or at work.

Launch of SG Water Saver Programme

To sustain water conservation among households, PUB launched the SG Water Saver Programme to help selected one- to three-room HDB households with high water consumption to adopt water-saving interventions. These include complimentary home water audits, leak repairs, and replacement of inefficient fittings. The programme is expected to benefit about 1,500 households in the first two years.

In line with our public, private, and people (3P) approach to water conservation, we are pleased to have founding sponsor Amazon Web Services Singapore, and Alcon Manufacturing & Logistics’ sponsorship. Their participation is a strong example of organisations coming on board to support water sustainability beyond best practices and enhanced measures in their own operations.



3-2 Customers and Community

GRI [2-24] [2-29] [3-3] [102-2] [203-1] [413-1]

Singapore International Water Week 2026

Held from 15 to 18 June 2026, the 11th edition of the biennial Singapore International Water Week (SIWW) 2026 welcomed 2,000 delegates, including 800 leaders, and 21,000 trade visitors from 71 countries and regions. As one of the world's premier platforms to share and co-create innovative water, coastal, and flood solutions, SIWW2026 convened governments, cities, utilities, academia, and industry to share best practices and solutions, showcase the latest technologies, and harness business opportunities.

SIWW2026 centred on three key themes, Municipal Water Solutions, Industrial Water Solutions, and Coastal and Flood Resilience, reflecting key challenges faced by water utilities, agencies, cities, regulators, and industrial water users globally.

The 3rd Utilities CEO Roundtable brought together leaders from 60 global water utilities and agencies for peer-to-peer learning and discussions on AI's potential to reshape water utilities and enhance operational resilience. Co-organised with the International Water Association, the Water Convention provided a platform for water experts and professionals to share research, technologies, and best practices across the urban water cycle through more than 50 workshops, technical sessions, poster sessions, and keynotes.

On Industrial Water Solutions, PUB and the Singapore Water Association co-organised two Industrial Water Solutions Forums, connecting end users and technology providers. Two industry Memorandum of Understanding (MOUs) also established Industrial Water Solutions Innovation Ecosystem Alliances for the wafer fabrication and data centre sectors, fostering collaboration among industry, research institutions, and other stakeholders to improve water efficiency and recycling.

At the Coastal and Flood Resilience Leaders Roundtable, leaders from 30 cities shared how cities can adapt their design to strengthen flood resilience and build flood-resilient communities. The Coastal and Flood Resilience Leaders Summit further convened government, mayors, and city and industry leaders to share strategies and policies for protecting cities from climate change and sea-level rise.

SIWW2026 also served as a global marketplace, connecting technology providers, project owners, and capital to accelerate solution deployment across the region. The Water Expo created opportunities for new partnerships through product launches, project announcements, and a series of MOU and contract signings.



Deputy Prime Minister and Minister for Trade and Industry Gan Kim Yong delivered an opening address at the opening of SIWW2026 on 16 June 2026.



Minister Grace Fu delivered a keynote address at the Coastal and Flood Resilience Leaders Summit on 17 June 2026.

3-2 Customers and Community

GRI [2-29] [3-3] [413-1]

Engaging the Community through Our Coastal Conversation: North-west Coast (Lim Chu Kang to Woodlands)

Since 2022, PUB has been organising “Our Coastal Conversation” (OCC), a series of community dialogue sessions to gather feedback from the community and stakeholders to shape coastal protection measures.

PUB’s latest OCC, held on 27 September 2025, focused on the north-west coast stretching from Lim Chu Kang to Woodlands. The session brought together 50 participants from various walks of life, including the cycling and fishing communities, nature groups, and

business owners. They went on a site walk at Sungei Buloh Wetland Reserve and the nearby Kranji Dam and Tidal Gatehouse, before engaging in a lively discussion on how the coastline for this area can be protected.

Through the OCC, participants gained a deeper understanding of coastal protection challenges, trade-offs, and opportunities. Such community engagement efforts also enrich PUB’s resilience planning with insights and perspectives from the community and stakeholders.



Participants of Our Coastal Conversation for the north-west coast (Lim Chu Kang to Woodlands).



Site walk to a possible location at Sungei Buloh Wetland Reserve that may be designed for transient flooding.



Ms Goh Hanyan (centre), Senior Parliamentary Secretary, Ministry of Sustainability and the Environment and the Ministry of Culture, Community and Youth, participating in a discussion.

4-1 Risk Management

GRI [2-12] [2-13] [2-23] [2-24] [2-25] [2-26] [3-3]

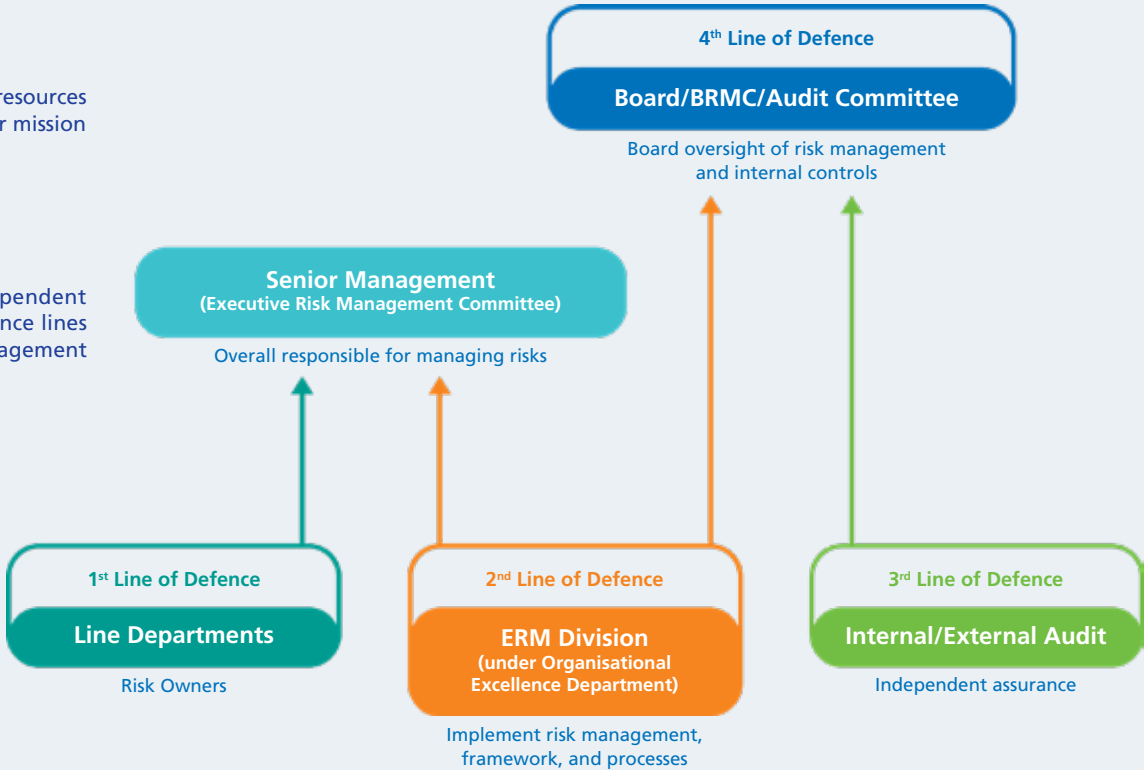
PUB adopts a forward-looking strategy in recognising and addressing risks that may affect the agency’s mission. With functions extending across various domains in both water management and flood resilience, it is crucial for us to manage enterprise risks, which include cybersecurity threats, and maintain operational excellence to establish a resilient system for the future.

PUB’s Enterprise Risk Management Framework

PUB’s enterprise risk management (ERM) strategy facilitates the strategic deployment of our resources to address multifaceted risks. A well-established ERM framework empowers us to execute our mission with confidence and maintain operational excellence in a dynamic and evolving landscape.

Risk governance

PUB’s Board, assisted by the Board Risk Management Committee (BRMC), provides independent oversight of the ERM framework and processes. Through the implementation of four defence lines (as shown in the chart on the right), PUB’s risk governance structure ensures effective management of critical risks within our established risk tolerance levels.



4-1 Risk Management

GRI [2-12] [2-13] [2-23] [2-24] [2-25] [2-26] [3-3]

Risk processes

PUB adopts a cyclical process to manage risks through risk identification, risk assessment, risk treatment, and risk monitoring. Additionally, periodic environmental scans are conducted to uncover new and emerging risks.



4-1 Risk Management

GRI [2-12] [2-13] [2-23] [2-24] [2-25] [2-26] [3-3]

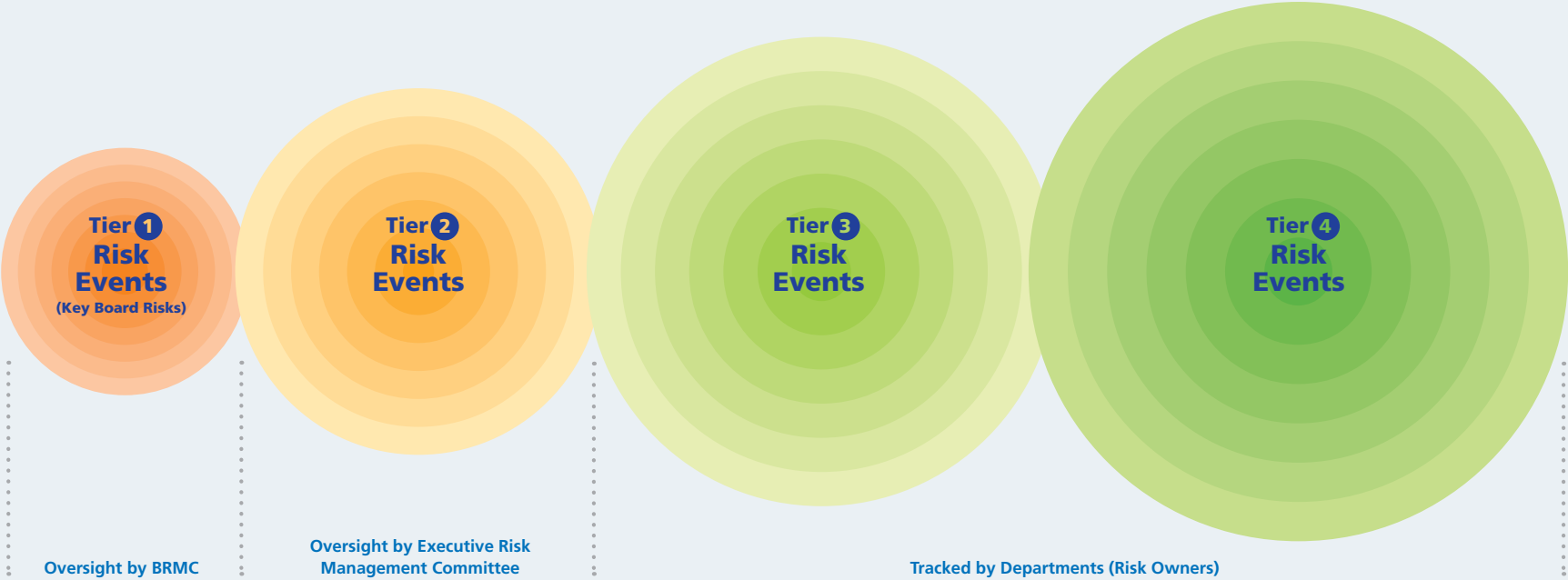
Key risk prioritisation framework

PUB assesses and prioritises the management of risks to ensure effective oversight and monitoring.

- **Risk Impact** – The consequences that PUB faces if a risk occurs
- **Risk Likelihood** – The probability of the occurrence of a risk event

Risk ratings are determined by assessing risk impact and likelihood scores. Risks are subsequently ranked and categorised to facilitate oversight and monitoring, while enabling more effective resource deployment for risk mitigation. At PUB, there are four tiers of risk events, with Tier 1 being the most significant.

Following risk identification, PUB selects suitable risk management strategies to address each identified risk. PUB continuously monitors and evaluates the risk to ensure that risk rating and treatment are updated with changes in the environment, and that timely actions are taken to prevent occurrence. Key Risk Indicators (KRIs) are metrics that provide early signs of potential changes in the likelihood of a risk event. By monitoring appropriate KRIs, PUB allows for timely action to be taken before a risk event occurs.



4-1 Risk Management

GRI [2-12] [2-13] [2-23] [2-24] [2-25] [2-26] [3-3]

Risk culture

A strong risk culture is key to complementing PUB’s risk management framework, and it involves ensuring all PUB officers’ ethical values, desired behaviours, and understanding of risk are aligned. PUB adopts a multipronged approach to building its risk culture, as shown in the framework below.



4-1 Risk Management

GRI [2-24] [2-25] [2-26] [2-29] [3-3]

Securing Our Digital Space through Cybersecurity

Cyber threats are growing in scale and sophistication, particularly against critical infrastructure amid rising geopolitical tensions, with Advanced Persistent Threats and frontier AI posing increasing risks. Their potential impact on national security, public confidence, and essential services has become increasingly significant, as frontier AI reshapes the cyber landscape by enabling faster and more sophisticated attacks.

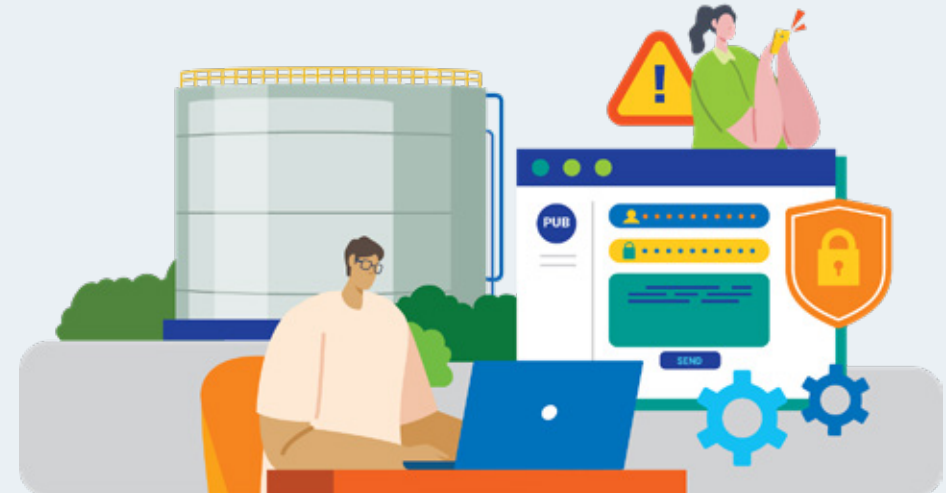
PUB is adopting digital and AI-enabled technologies to strengthen operational effectiveness and enhance the long-term resilience of Singapore's water system. These include the use of AI tools to limit cyberattack surface and enhance threat detection. Through continuous improvements to its governance practices and cybersecurity defences, PUB ensures that digital and AI solutions are implemented securely to safeguard the reliability and continuity of essential water services that millions depend on every day.

Beyond internal defences, PUB places strong emphasis on third-party risk management, including requiring vendors supporting critical systems to obtain the Cyber Essentials certification from the Cyber Security Agency of Singapore. PUB also continues to work closely with Critical Information Infrastructure partner operators within Singapore's water sector through exchanges on cybersecurity best practices and joint sectoral incident response exercises to strengthen sector-wide preparedness and ensure the sustained security and resilience of Singapore's critical water infrastructure against emerging cyber threats.

Maintaining PUB Whistleblowing Channel

To ensure good corporate governance and business practices, PUB maintains a whistleblowing channel for employees and stakeholders, such as vendors and the public, to report any suspected unethical, fraudulent or corrupt activity within PUB.

The channel for reporting is managed independently by the Internal Audit Office. All whistleblowing reports are investigated and reported to the Audit Committee. Comprehensive guidelines for the whistleblowing channel are readily available to employees through PUB's Intranet and to stakeholders through PUB's website. Reports made in good faith are kept confidential, and whistleblowers are protected from any form of reprisal.



4-1 Risk Management

GRI [2-24] [2-25] [3-3]

Strengthening Contractor Supervision

Following the sinkhole incident along Tanjong Katong Road South on 26 July 2025, the relevant authorities have also completed their respective investigations and commenced enforcement action against parties identified through those investigations, including the Builder Ohin Construction Co Pte Ltd, Qualified Persons, and resident engineer.

The Ministry of Sustainability and the Environment had also convened an internal investigation panel to examine the causes of the incident and make recommendations for PUB to help prevent similar incidents. PUB has implemented the recommendations of the panel and strengthened our processes for identifying and responding to irregularities in projects carried out by contractors, including escalating the irregularities to the relevant authorities.

Beyond its statutory requirements, PUB will also reinforce the roles and responsibilities of parties involved in its construction projects, including via its regular industry engagements. PUB will continue to work closely with the relevant agencies and stakeholders to ensure full compliance with its statutory obligations and uphold the highest standards of safety and accountability across our construction projects.



4-1 Risk Management

GRI [2-24] [2-25] [3-3]

Enhancing PUB's Contract Administration Processes

PUB manages a large portfolio of contracts across various operations for the delivery of goods and services. To support effective administration of these contracts, officers are expected to adhere to the relevant standard operating procedures (SOPs).

However, recent audits, such as the Auditor-General Office's (AGO) 2025 Report, have revealed lapses in certain procurement and contract management processes. PUB has taken steps to address these findings. PUB has increased the scope of its internal audits on procurement and contract management, which includes conducting additional checks on star rates in contract variations and adopting digital tools like AI to improve checks on contractual requirements and detect fraud. We have also reviewed and tightened our SOPs for contract management, to ensure alignment with contractual requirements. We will continue to explore ways to further strengthen our capabilities in contract administration and better support staff in their roles.

To complement this effort, we are enhancing our staff training programmes on contract management principles to build competencies across the organisation. We also leverage our annual Procurement Townhall to raise awareness of procurement and contract management matters highlighted in the AGO report, fostering a culture of accountability and good governance in contract administration.



4-2 Financial Sustainability

GRI [2-24] [2-25] [3-3]

Green Financing

Since our inaugural green bond issuance in 2022, PUB has issued three tranches of green bonds, reflecting our sustained commitment to mobilising capital for infrastructure investments that deliver meaningful environmental outcomes.

Building on the strong foundation established by our earlier issuances, PUB returned to the green bond market in October 2025 with a third tranche – a S\$500 million, 30-year fixed-rate green note priced at 2.486 percent per annum. Despite tight pricing, the issuance attracted strong interest from a diverse group of high-quality investors, reflecting continued investor confidence in PUB and our green financing programme.

The proceeds from PUB’s three green bond tranches have been allocated to the Tuas Water Reclamation Plant and Tuas NEWater Factory 1 projects as Eligible Green Projects under PUB’s Green Financing Framework. As of FY25, the proceeds from the first two tranches have been fully allocated, with 55 percent of the third tranche allocated to date.

For a fuller picture of our green bond allocations and bond-level impacts, we invite you to read PUB’s FY25 Green Bond Report.

Green Procurement

PUB has incorporated environmental sustainability as a component in our evaluation criteria for selected **Construction** and **Information and Communications Technology (ICT) hardware tenders** from 2025 onwards.

CONSTRUCTION TENDERS

Up to **5 percent** of the evaluation scores is allocated to the adoption of sustainable practices, including provisions of:

-  Climate-related disclosure reports
-  Decarbonisation of construction processes
-  Companies or projects obtaining relevant green certifications and qualifications

ICT TENDERS

Up to **3 percent** of the evaluation scores is allocated to the adoption of sustainable practices, including provisions of:

-  Multi-unit packing options
-  Products with eco-labels
-  Climate-related disclosure reports
-  Companies obtaining valid ISO 14001 certification

Through this green procurement initiative, we will push companies in our supply chain to become more environmentally responsible and incentivise companies bidding for our tenders to adopt more sustainable practices while remaining cost-competitive. This approach may temporarily drive up cost but will contribute to long-term financial sustainability, as it reduces our exposure to potential remediation expenses and volatile resource prices, achieving our objective to be both financially and environmentally sustainable.

Stakeholder Engagement

GRI [2-26] [2-29]

PUB works with a wide range of stakeholders towards shared sustainability goals. Stakeholder groups are identified based on how our activities impact or are affected by them. Through these relationships, we better understand concerns, exchange ideas, and co-create solutions.

WHO WE ENGAGE	HOW WE ENGAGE
Public sector agencies	Adopt Whole-of-Government approach to develop and implement national policies through inter-agency workgroups.
Business and research partners	Engage professionals, industries, utilities, and technical bodies to share best practices, knowledge, and challenges at platforms such as Singapore International Water Week. Engage Institutes of Higher Learning and industry partners through targeted seminars, workshops, and grant calls to catalyse research and innovation aligned with PUB's strategic technology priorities. Collaborate with and recognise corporates for advancing water efficiency and conservation.
Non-governmental organisations (NGOs) and nature groups	Solicit feedback from NGOs, nature groups, and experts during the Environmental Impact Assessment (EIA) process on proposed baseline survey methods and measures to mitigate potential environmental impact of PUB projects that are implemented in environmentally sensitive locations. Collaborate with NGOs to promote the importance of water conservation, e.g. Singapore World Water Day.
Public and the community	Keep stakeholders informed about PUB projects and solicit views and feedback through initiatives such as Our Coastal Conversations initiative. Provide flash flood alerts, monsoon advisories, and precautionary tips via various platforms such as the myENV mobile app and Telegram. Engage the community through events and initiatives to promote water conservation, e.g. Singapore World Water Day and local grassroots events.
Schools	Collaborate with schools and student groups to promote the importance of water, e.g. Water Wednesdays, water rationing exercises, co-development of educational programmes.
Our employees and workers	Engage our people and facilitate feedback through ongoing communications: surveys, dialogue sessions, fireside chats with management, roadshows, department town halls, virtual and physical staff engagement sessions, whistleblowing channels, and employee engagement surveys.

Sustainability Performance Data

Pillar One: Water System Management

1-1 Sustainable Water System

GRI [303-1] [303-5] [416-1]

TARGETS & COMMITMENTS

- 1 Ensure that there will always be good water for all.
- 2 Ensure that our water is not lost or contaminated.
- 3 Achieve household water consumption of 130 litres per person per day by 2030.
- 4 Improve Water Efficiency Index by 10% by 2030, from the average of 2018–2020 levels.

METRIC	2023	2024	2025	COMMENTARY
Percentage of population served by tapped water supply and modern sanitation (%)	100	100	100	Data is reported in CY format.
Percentage of tests meeting World Health Organization’s Guidelines for Drinking Water Quality 2022 and Environmental Public Health (EPH) (Water Suitable for Drinking) (No. 2) Regulations 2019 (%)	100	100	100	Data is reported in CY format. The EPH (Water Suitable for Drinking) (No. 2) Regulations 2019 was superseded by the Food Safety and Security (Non-Packaged Drinking Water) Regulations 2025, with effect from 28 November 2025.
Litres per person per day (LPCD)	141	142	141	Data is reported in CY format.
Distribution loss in potable water network (%)	7.2	7.1	7.2	Data is reported in CY format.
No. of service disruptions per month per 1,000 kilometre of sewers	9.9	9.7	9.6	Data is reported in CY format.
Water Efficiency Index (WEI) (L/pax/day)	39	44	41	FY2018-FY2020 baseline: 52. WEI only applies to PUB’s standard buildings.
PUB potable water consumption (m³)	154,416	182,484	196,585	N/A

All data are reported in FY format, unless otherwise stated.

Pillar One: Water System Management

1-1 Sustainable Water System

GRI [303-1] [303-5] [416-1]

METRIC	2023	2024	2025	COMMENTARY
Sale of potable water - Domestic (mil m³)	300.2	303.9	304.4	Data is reported in CY format.
Sale of potable water - Non-domestic (mil m³)	209.3	213.7	211.1	Data is reported in CY format.
Sale of NEWater (mil m³)	145.1	148.3	153.8	Data is reported in CY format.
Sale of industrial water (mil m³)	13.7	N/A	N/A	Data is reported in CY format. PUB has stopped tracking sale of industrial water with effect from 2024, due to the impending phase out of industrial water.

1-2 Inland and Coastal Flood Resilience

GRI [101-8]

TARGETS & COMMITMENTS				
1 Protect Singapore’s coastlines from rising sea levels.			2 Tame stormwater by reducing our flooding hotspots.	
METRIC	2023	2024	2025	COMMENTARY
No. of flooding hotspots	23	22	19	Data is reported in CY format.
No. of site-specific studies¹ commenced to date	4	4	4	Data is reported in CY format.
Note 1: As each stretch of Singapore’s coastline is unique, PUB conducts site-specific studies to tailor protection plans for each area. Four out of eight site-specific studies covering Singapore’s mainland and land-linked islands have commenced.				

All data are reported in FY format, unless otherwise stated.

Pillar Two: Environmental Sustainability

2-1 Resource Circularity

GRI [306-3]

TARGETS & COMMITMENTS

- 1 Minimise amount of waste generated and improve resource circularity.
- 2 Reduce Waste Disposal Index by 30% from 2022 levels by 2030.

METRIC	2023	2024	2025	COMMENTARY
Non-hazardous & hazardous operational waste generated (tonnes)	204,967	193,469	182,388	N/A
Waste Disposal Index (WDI) (kg/pax/day)	0.296	0.203	0.195	FY2022 Baseline: 0.325 WDI only applies to PUB's standard buildings.

All data are reported in FY format, unless otherwise stated.

Pillar Two: Environmental Sustainability

2-2 Decarbonisation

GRI [102-5] [102-6] [102-7] [102-8] [103-2] [103-4] [302-1] [302-3] [302-4] [305-1] [305-2] [305-3] [305-5]

TARGETS & COMMITMENTS

- 1 Achieve net zero emissions around 2045^{1,2}.
- 2 Achieve 10% reduction in Energy Utilisation Index from average of 2018–2020 levels by 2030.

Note 1: PUB’s emission targets apply to Scope 1 and 2 emissions only. The scope and sources of reported GHG emissions are in accordance with, and go beyond, GreenGov.SG reporting requirements. PUB’s electricity consumption and emissions are largely dependent on public demand for PUB’s services, such as water and used water treatment.

Note 2: PUB’s net zero target is contingent on the progress of technologies and international cooperation to enable mitigation measures.

METRIC	2023	2024	2025	COMMENTARY
Non-renewable electricity consumption (GWh)	533.6	559.2	601.3	N/A
Renewable energy consumption (GWh)	179.4	167.4	167.9	N/A
PUB Scope 1 emissions (ktCO ₂ e)	7.4	7.5	7.4	N/A
PUB location-based Scope 2 emissions (ktCO ₂ e)	253.4	259.8	272.5	N/A
PUB market-based Scope 2 emissions (ktCO ₂ e)	222.5	230.4	241.7	N/A
Total Scope 1 and market-based Scope 2 emissions (ktCO ₂ e)	229.9	237.9	249.2	N/A
PUB Scope 3 emissions (ktCO ₂ e)	189	204	218	N/A
Energy Utilisation Index (EUI) (kWh/m ²)	130	132	127	FY2018–FY2020 Baseline: 124 EUI only applied to PUB’s standard buildings.
Singapore Water Emissions Intensity (kgCO ₂ e/m ³)	0.57	N/A	N/A	The emission factor is published in the Singapore Emission Factor Registry on the NetZeroHub.sg portal. The figure used is based on the latest published dataset in the registry, which is FY23, and will be updated periodically.

All data are reported in FY format, unless otherwise stated.

Pillar Three: People & Partnerships

3-1 Our People: Healthy, Safe and Competent

GRI [403-5] [403-8] [403-9]

TARGETS & COMMITMENTS

- 1 Zero work-related injuries and fatalities.
- 2 Ensure all PUB officers undergo competency-based training.

METRIC	2023	2024	2025	COMMENTARY
Estimated no. of workers	14,809	16,188	13,773	Data is reported in CY format. The overall workplace injury rate for CY2025 is 203 injuries per 100,000 workers, which is lower than 204 injuries per 100,000 workers for CY2024. This translates to a 0.5% reduction.
No. of minor injuries	35	28	28	
No. of major injuries	1	2	0	
No. of fatalities	0	3	0	
Average no. of training hours per employee	50	59	57	Data is reported as of 30 September 2025.

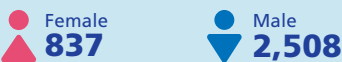
Pillar Three: People & Partnerships

Employee Profile

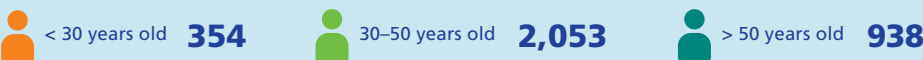
GRI [2-7] [2-30] [401-1] [405-1]

EMPLOYEES BY AGE GROUP AND GENDER¹

Gender



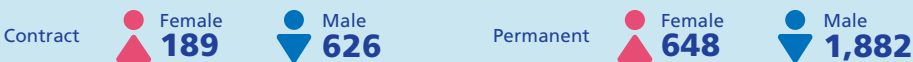
Age Group



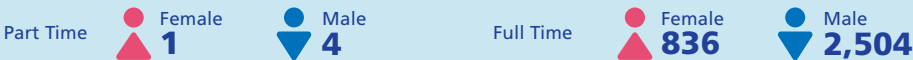
Note 1: Data for Employee Profile is as of 30 September 2025.

EMPLOYEES BY EMPLOYMENT CONTRACT AND GENDER¹

Permanent/Contract



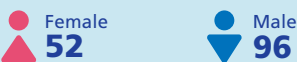
Work Schedule



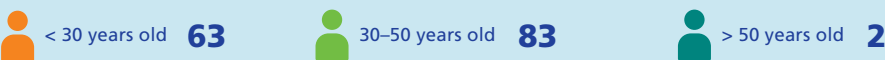
Staff covered by collective bargaining agreements 2,250

NEW HIRES BY AGE GROUP AND GENDER²

Gender



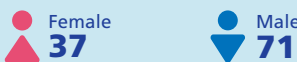
Age Group



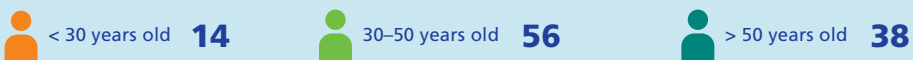
Note 2: Data for New Hire and Turnover is extracted from 1 April 2025 to 30 September 2025.

TURNOVERS BY AGE GROUP AND GENDER²

Gender



Age Group



Pillar Four: Business Excellence

4-1 Risk Management

GRI [404-1]

TARGETS & COMMITMENTS

- 1 Ensure robust cybersecurity and risk management.

METRIC	2023	2024	2025	COMMENTARY
Percentage completion of ERM training course for ground staff (%)	N/A	100	N/A	Data is not available in FY23 and FY25 as the ERM training course for ground staff is carried out every two years.

Reporting Fundamentals

Energy and Greenhouse Gas Emissions

GRI [102-5] [102-6] [102-7] [102-8] [103-2] [302-1] [305-1] [305-2] [305-3]

Reporting Scope, Period, and Approach

PUB adopts the operational control approach as outlined in the Greenhouse Gas (GHG) Protocol Corporate Standard. The scope and sources of reported GHG emissions are in accordance with, and go beyond, GreenGov.SG Reporting Requirements. Data for energy consumption and GHG emissions has been compiled for Financial Years 2023, 2024 and 2025. PUB has reported in accordance with the GRI Standards for the period 1 April 2025 to 31 March 2026. Please refer to GRI content index for further details.

Energy Consumption within the Organisation

Energy consumption is mainly derived from grid electricity, solar energy and biogas generated from anaerobic digestion of used water sludge across all PUB-owned operational and corporate facilities covered under PUB’s GreenGov.SG Reporting Submissions. Total energy consumption is expressed in gigawatt hours (GWh). Energy consumption from diesel and petrol at PUB-owned operational facilities and PUB’s vehicle fleet is insignificant compared to grid-based and renewable energy consumption and is therefore not disclosed.

Greenhouse Gas Emissions

This report discloses Scope 1, Scope 2 location-based, Scope 2 market-based, and selected Scope 3 GHG emissions. Global Warming Potential (GWP) values were sourced from IPCC Sixth Assessment Report (AR6). Greenhouse gases included in the calculations are CO₂, CH₄, and N₂O.

Scope 1 emissions are direct emissions from sources that are owned or controlled by the organisation. For PUB’s report, they include emissions from diesel and petrol use in operations, and emissions from wastewater treatment. Emission factors for diesel and petrol consumption are taken from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories (i.e. 74.1 tCO₂/TJ for diesel, 69.3 tCO₂/TJ for petrol or motor gasoline). N₂O emissions from wastewater plants are calculated based on IPCC 2006 Guidelines for wastewater treatment at advanced wastewater treatment plants.

Scope 2 location-based indirect emissions are emissions associated with the purchased electricity, calculated using the average emission factors of the geographic location where the energy use is used. For PUB’s report, the average grid emission factor in Singapore for year 2024 was used, taken from the Singapore Energy Statistics published by the Energy Market Authority in Singapore, at 0.402 kgCO₂/kWh.

Scope 2 market-based emissions are indirect emissions associated with the purchased electricity, calculated using supplier-specific emission factors that the company has a contract with and

instruments such as Renewable Energy Certificates. For PUB’s report, Renewable Energy Certificates from Tengeh Reservoir floating solar deployment were included in the computation for PUB’s scope 2 market-based emissions.

Scope 3 emissions are all other indirect emissions that are a consequence of the activities of the organisation, but occur from sources not owned or controlled by the organisation. The selected Scope 3 emissions which are disclosed in PUB’s report reflect the key Scope 1 and 2 emissions from Singapore’s Water Sector and include operations by external parties. The selected Scope 3 emissions include emissions from diesel use and electricity consumption at NEWater and Desalination Design, Build, Own, Operate (DBOO) facilities. They also include emissions from the incineration of wastewater sludge and the discharge of treated used water effluent to the sea.

Singapore Water Emission Intensity is based on the Scope 1 and 2 emissions of Singapore’s Water Sector. This includes Scope 1 and 2 emissions from PUB facilities, aligned to PUB’s GreenGov.SG reporting submissions. It also includes Scope 1 and 2 emissions from NEWater and Desalination DBOO facilities, and Scope 1 emissions from sludge incineration and discharge of treated used water effluent to sea. These emissions are then normalised by the total Singapore water demand. PUB will review and update the computation of Singapore Water Emissions Intensity where applicable.

Energy Utilisation Index (EUI), Water Efficiency Index (WEI), Waste Disposal Index (WDI)

PUB’s EUI, WEI, and WDI targets pertain to PUB’s Standard Buildings only, i.e. PUB Recreation Club, WaterHub and Woodleigh Complex. A standard building refers to enclosed premises with gross floor area and occupants/visitors using the premises. The resource consumption of the building is normalised against gross floor area (for energy) and number of occupants/visitors using the premises (for water and waste). Please refer to Appendix 2 for PUB’s Standard Buildings EUI, WEI, and WDI performance.

Waste

GRI [306-3]

PUB’s main waste stream is operational waste from used water and water treatment. PUB engages private companies to help manage all waste generated by our operations. They ensure that the wastes are properly collected, transported, incinerated (where required) and disposed of at the landfill, complying with all contractual requirements and prevailing regulations. Please refer to Appendix 2 for the mass of PUB’s operational waste from used water and water treatment.

PUB also produces minor amounts of hazardous wastes. These are stored in purpose-built containers and designated areas before they are collected by licenced waste collectors for disposal off-site to prevent contamination to the environment.

CATEGORIES OF HAZARDOUS WASTES	FY2023	FY2024	FY2025
Biohazardous Laboratory Waste (e.g. cultures and media)	29,040L	26,400L	31,938L
Laboratory Wastewater (e.g. spent chemicals)	9,056L	7,375L	6,200L
Laboratory Solid Waste (e.g. broken glassware, cupped stainless steel planchet)	349.8kg	531.9kg	523.8kg
Used UV lamps	0 pieces	206 pieces	156 pieces

Employee Profile

GRI [2-7] [2-8] [401-1] [405-1]

Employees are individuals who are in an employment relationship with PUB.

New hires are employees who have joined PUB during the year.

Turnover includes all voluntary (resignation) and involuntary exits (e.g., retirement or leaving service on various exit schemes).

Note 1: Similar to ASR 2025, the employee count in this report excludes officers seconded out to other agencies and officers on no pay leave or study leave, and includes officers seconded to PUB. In SR 2023, the employee count included officers seconded to other agencies and officers on no pay leave or study leave, and excluded officers seconded to PUB. The difference in employee count is less than 1% of the total number of employees in PUB.

Training Hours

GRI [404-1]

Average training hours are calculated using the total number of training hours in the year divided by the total number of employees at the end of the reporting period. Appendix 2 describes the average training hours across PUB, and a further breakdown by gender and employee category is described below.

Health and Safety

GRI [403-9]

Health and safety statistics were compiled in accordance with the prevailing definitions and incident reporting methodology established by the Workplace Safety and Health Council. Please refer to the definitions provided below for further details.

Workers are individuals whose work, or workplace is controlled by PUB, including PUB’s employees and contractors.

Fatalities are incidents which result in death.

Major Injuries are non-fatal but severe injuries. They are defined by the nature of the injury, the part of the body injured, incident type and duration of medical leave. Examples include amputation, blindness, deafness, paralysis, crushing, fractures and dislocations of head, back, chest and abdomen, neck, hip and pelvis.

Minor injuries refer to non-severe injuries with any instance of medical leave or light duties.

Reportable work-related accidents are any work-related accident, workplace accidents, Dangerous Occurrences and Occupational Diseases.

Fatal Injuries Rate can be calculated using the number of fatalities divided by the number of workers, multiplied by 100,000.

Work Injuries Rate can be calculated by adding the number of fatalities, number of major injuries and number of minor injuries divided by the number of workers, multiplied by 100,000.

GRI Content Index



For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders.

Statement of Use: PUB has reported in accordance with the GRI Standards for the period 1 April 2025 to 31 March 2026.

GRI 1 Used: GRI 1: Foundation 2021

GENERAL DISCLOSURES (GRI 2: General Disclosures 2021)

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
Organisation and Its Reporting Process						
GRI 2: General Disclosures 2021	2-1 Organisational details	About PUB	2			
	2-2 Entities included in the organisation's sustainability reporting	Reporting Scope and Period	2			
	2-3 Reporting period, frequency, and contact point	Reporting Scope and Period	2			
	2-4 Restatements of information	No reinstatements				
	2-5 External assurance	External assurance has not been sought for this report.	2			
Activities and Workers						
GRI 2: General Disclosures 2021	2-6 Activities, value chain, and other business relationships	About PUB Message from Chairperson and Chief Executive Sustainable Water System Inland and Coastal Flood Resilience	2 3–4 13–14 20			

GRI Content Index

GENERAL DISCLOSURES (GRI 2: General Disclosures 2021)

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
GRI 2: General Disclosures 2021	2-7 Employees	Appendix 2: Sustainability Performance Data Appendix 3: Reporting Fundamentals	52 56	Omitted employee count breakdown by region for – a, b (i., ii., iii., iv., v.)	Confidentiality constraints	Disclosing the breakdown of PUB’s employees by region covers confidential information of PUB’s business affairs and are not to be disclosed due to confidentiality reasons.
	2-8 Workers who are not employees	Appendix 3: Reporting Fundamentals	56	Omitted most common types of workers, their contractual relationship with the organisation, and the type of work performed by workers who are not employees i.e. - a(i., ii.)		Description of the contractual relationship between workers and the organisation and type of work performed includes sensitive information of business affairs and are not to be disclosed due to confidentiality reasons.
Governance						
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	Board of Directors Organisational Structure Corporate and Sustainability Governance	5 6 7			

GRI Content Index

GENERAL DISCLOSURES (GRI 2: General Disclosures 2021)

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
GRI 2: General Disclosures 2021	2-10 Nomination and selection of the highest governance body	Corporate and Sustainability Governance The Board comprises members who as a group provide core competencies such as finance, business or management experiences, industry knowledge, strategic planning experience, and customer-based experience or knowledge. Approved by the Singapore Cabinet, the Board is guided by PUB's Code of Board Governance to uphold their duties with care, skill, and diligence.	7			
	2-11 Chair of the highest governance body	Organisational Structure The chair of the Board is not a senior executive of the organisation.	6			
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate and Sustainability Governance Risk Management	7 38–41			
	2-13 Delegation of responsibility for managing impacts	Corporate and Sustainability Governance Risk Management	7 38–41			
	2-14 Role of the highest governance body in sustainability reporting	Corporate and Sustainability Governance	7			

GRI Content Index

GENERAL DISCLOSURES (GRI 2: General Disclosures 2021)

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
GRI 2: General Disclosures 2021	2-15 Conflicts of interest			All requirements are omitted.	Confidentiality constraints	Processes to ensure that conflicts of interest are prevented and mitigated are set out in PUB's Code of Board Governance. This includes sensitive information of PUB's business affairs and are not to be disclosed.
	2-16 Communication of critical concerns					This disclosure contains sensitive and confidential information related to PUB's business affairs, operations and/or operating information as a Statutory Board of the Government and are not to be disclosed.
	2-17 Collective knowledge of the highest governance body	Corporate and Sustainability Governance	7			

GRI Content Index

GENERAL DISCLOSURES (GRI 2: General Disclosures 2021)

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body			All requirements are omitted.	Confidentiality constraints	This disclosure contains sensitive and confidential information related to PUB's business affairs, operations and/or operating information as a Statutory Board of the Government and are not to be disclosed.
	2-19 Remuneration policies					
	2-20 Process to determine remuneration					
	2-21 Annual total compensation ratio					

Strategy, Policies, and Practices

GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	Message from Chairperson and Chief Executive	3–4			
	2-23 Policy commitments	Inland and Coastal Flood Resilience Our People: Healthy, Safe and Competent Risk Management	18–20 30 38–41			
	2-24 Embedding policy commitments	Inland and Coastal Flood Resilience Our People: Healthy, Safe and Competent Customers and Community Risk Management Financial Sustainability	18–19 30, 32–33 36 38–44 45			

GRI Content Index

GENERAL DISCLOSURES (GRI 2: General Disclosures 2021)

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
GRI 2: General Disclosures 2021	2-25 Processes to remediate negative impacts	Inland and Coastal Flood Resilience Resource Circularity Our People: Healthy, Safe and Competent Risk Management Financial Sustainability	15–16, 20–22 23 30 38–44 45			
	2-26 Mechanisms for seeking advice and raising concerns	Risk Management Appendix 1: Stakeholder Engagement	38–42 46			
	2-27 Compliance with laws and regulations			All requirements are omitted.	Confidentiality constraints	This disclosure contains sensitive and confidential information related to PUB's business affairs, operations and/or operating information as a Statutory Board of the Government and are not to be disclosed.

GRI Content Index

GENERAL DISCLOSURES (GRI 2: General Disclosures 2021)

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
GRI 2: General Disclosures 2021	2-28 Membership associations	1. International Water Association (IWA) Governing Council Member 2. International Water Association (IWA) Corporate Member 3. International Desalination and Reuse Association (IDRA) Corporate Member 4. World Water Council (WWC) Member 5. Asia Pacific Water Forum (APWF) Member 6. Leading Utilities of the World (LUOW) advisory member 7. World Health Organization Collaborating Centre (WHO CC) 8. World Health Organization's network for coronaviruses (CoViNet) 9. American Water Works Association (AWWA) member 10. Global Water Research Coalition (GWRC) 11. K2i established by Booky Oren Global Water Technologies (BOGWT)				

GRI Content Index

GENERAL DISCLOSURES (GRI 2: General Disclosures 2021)

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
Stakeholder Engagement						
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	About PUB Inland and Coastal Flood Resilience Environmental Management Customers and Community Risk Management Appendix 1: Stakeholder Engagement	2 17–19, 21–22 28 34–37 42 46			
	2-30 Collective bargaining agreements	Appendix 2: Sustainability Performance Data PUB's employment practices are aligned with Singapore's legislations (Employment Act, Workplace Safety and Health Act, and Retirement and Re-employment Act) and the fair employment principles set out by the Tripartite Alliance for Fair Employment Practices (TAFEP).	52			

GRI 3: MATERIAL TOPICS 2021

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
Material Topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	PUB's Material Topics and Materiality Review	9			
	3-2 List of material topics	PUB's Material Topics and Materiality Review	9			

GRI Content Index

PILLAR ONE: WATER SYSTEM MANAGEMENT

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
Sustainable Water System						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable Water System	10–14			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Sustainable Water System Appendix 2: Sustainability Performance Data	10–11, 13 47–48			
	303-2 Management of water discharge-related impacts	Sustainable Water System	12, 14			
	303-3 Water withdrawal	Sustainable Water System	13			
	303-5 Water consumption	Appendix 2: Sustainability Performance Data	47–48			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Appendix 2: Sustainability Performance Data	47–48			
Inland and Coastal Flood Resilience						
GRI 3: Material Topics 2021	3-3 Management of material topics	Inland and Coastal Flood Resilience	15–22			
GRI 101: Biodiversity 2024	101-8 Ecosystem services	Appendix 2: Sustainability Performance Data	48			

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PILLAR ONE: WATER SYSTEM MANAGEMENT

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
GRI 102: Climate Change 2025	102-1 Transition plan for climate change mitigation	Inland and Coastal Flood Resilience	15–16, 20–22			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Inland and Coastal Flood Resilience	15–16			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Inland and Coastal Flood Resilience	15–16, 20			
	303-2 Management of water discharge-related impacts	Inland and Coastal Flood Resilience	20			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	Inland and Coastal Flood Resilience	17, 21–22			

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PILLAR TWO: ENVIRONMENTAL SUSTAINABILITY

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
Resource Circularity						
GRI 3: Material Topics 2021	3-3 Management of material topics	Resource Circularity	23			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Resource Circularity	23			
	306-2 Management of significant waste-related impacts	Resource Circularity	23			
	306-3 Waste generated	Appendix 2: Sustainability Performance Data Appendix 3: Reporting Fundamentals	49 55			
Decarbonisation						
GRI 3: Material Topics 2021	3-3 Management of material topics	Decarbonisation	24–27			
GRI 102: Climate Change 2025	102-1 Transition plan for climate change mitigation	Decarbonisation	25–27			
	102-4 GHG emissions reduction targets and progress	Decarbonisation	25			

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PILLAR TWO: ENVIRONMENTAL SUSTAINABILITY

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
GRI 102: Climate Change 2025	102-5 Scope 1 GHG emissions	Appendix 2: Sustainability Performance Data Appendix 3: Reporting Fundamentals	50 54			
	102-6 Scope 2 GHG emissions	Appendix 2: Sustainability Performance Data Appendix 3: Reporting Fundamentals	50 54			
	102-7 Scope 3 GHG emissions	Appendix 2: Sustainability Performance Data Appendix 3: Reporting Fundamentals	50 54			
	102-8 GHG emission intensity	Appendix 2: Sustainability Performance Data Appendix 3: Reporting Fundamentals	50 54			
GRI 103: Energy 2025	103-1 Energy policies and commitments	Decarbonisation	25, 27			
	103-2 Energy consumption and self-generation within the organisation	Decarbonisation Appendix 2: Sustainability Performance Data Appendix 3: Reporting Fundamentals	25 50 54			
	103-4 Energy intensity	Appendix 2: Sustainability Performance Data	50			
	103-5 Reduction in energy consumption	Decarbonisation	24			

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PILLAR TWO: ENVIRONMENTAL SUSTAINABILITY

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Decarbonisation Appendix 2: Sustainability Performance Data Appendix 3: Reporting Fundamentals	25 50 54			
	302-3 Energy intensity	Appendix 2: Sustainability Performance Data	50			
	302-4 Reduction of energy consumption	Decarbonisation Appendix 2: Sustainability Performance Data	24–25 50			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Appendix 2: Sustainability Performance Data Appendix 3: Reporting Fundamentals	50 54			
	305-2 Energy indirect (Scope 2) GHG emissions	Appendix 2: Sustainability Performance Data Appendix 3: Reporting Fundamentals	50 54			
	305-3 Other indirect (Scope 3) GHG emissions	Appendix 2: Sustainability Performance Data Appendix 3: Reporting Fundamentals	50 54			
	305-5 Reduction of GHG emissions	Decarbonisation Appendix 2: Sustainability Performance Data	24 50			
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	Decarbonisation	26			

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PILLAR TWO: ENVIRONMENTAL SUSTAINABILITY

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
Environmental Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	Environmental Management	28–29			
GRI 101: Biodiversity 2024	101-2 Management of biodiversity impacts	Environmental Management	28–29			

PILLAR THREE: PEOPLE AND PARTNERSHIPS

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
Our People: Healthy, Safe and Competent						
GRI 3: Material Topics 2021	3-3 Management of material topics	Our People: Healthy, Safe and Competent	30–33			

GRI Content Index

PILLAR THREE: PEOPLE AND PARTNERSHIPS

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Appendix 2: Sustainability Performance Data Appendix 3: Reporting Fundamentals	52 56	Omitted employee count breakdown by region for – a, b	Confidentiality Constraints	Employee data has been provided in accordance with GRI Standards, allowing for computation of the corresponding percentages. Disclosing the breakdown of PUB's employees by region covers confidential information of PUB's business affairs and are not to be disclosed due to confidentiality reasons. Please refer to PUB Sustainability Reports 2023 and 2024 for details on past disclosures of PUB's employee profile.
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Our People: Healthy, Safe and Competent	30			
	403-2 Hazard identification, risk assessment, and incident investigation	Our People: Healthy, Safe and Competent	30–31			
	403-5 Worker training on occupational health and safety	Appendix 2: Sustainability Performance Data	51			

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PILLAR THREE: PEOPLE AND PARTNERSHIPS

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
GRI 403: Occupational Health and Safety 2018	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Our People: Healthy, Safe and Competent	30–31			
	403-8 Workers covered by an occupational health and safety management system	Appendix 2: Sustainability Performance Data	51			
	403-9 Work-related injuries	Our People: Healthy, Safe and Competent Appendix 2: Sustainability Performance Data Appendix 3: Reporting Fundamentals	30 51 56			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Appendix 2: Sustainability Performance Data Appendix 3: Reporting Fundamentals	52 56			

Customers and Community

GRI 3: Material Topics 2021	3-3 Management of material topics	Customers and Community	34–37			
GRI 102: Climate Change 2025	102-2 Climate change adaptation plans	Customers and Community	36			

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PILLAR THREE: PEOPLE AND PARTNERSHIPS

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Customers and Community	36			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	Customers and Community	34–37			

PILLAR FOUR: BUSINESS EXCELLENCE

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
Risk Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	Risk Management	38–44			
GRI 102: Climate Change 2025	102-2 Climate Change Adaptation Plans	Key Organisational Risks	8			
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Key Organisational Risks	8			

GRI Content Index

PILLAR FOUR: BUSINESS EXCELLENCE

GRI Standard	Disclosure	Report Section and Remarks	Page Reference	Requirement(s) Omitted	Reason for Omission	Explanation for Omission
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Appendix 2 – Sustainability Performance Data Appendix 3 – Reporting Fundamentals	53 56			
	404-2 Programmes for upgrading employee skills and transition assistance programmes	Key Organisational Risks	8			

Financial Sustainability

GRI 3: Material Topics 2021	3-3 Management of material topics	Financial Sustainability	45			
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Financial Report
2025/26

**FINANCIAL HIGHLIGHTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026**

		Group	
		2026	2025
		\$	\$
		million	million
OPERATING RESULTS		Note	
Operating Income		1,728.8	1,560.0
Net Non-Operating Income	(a)	80.8	52.2
Operating Expenses		(1,966.6)	(1,875.5)
Finance Expenses		(46.5)	(44.7)
Net Loss before Government Grants		(203.5)	(308.0)
Operating Grants from Government	(b)	617.8	488.7
Net Income after Government Grants and before Contribution to Consolidated Fund and Taxation		414.3	180.7
Contribution to Consolidated Fund		(70.5)	(30.7)
Taxation		-	-
Net Income after Government Grants and after Contribution to Consolidated Fund and Taxation		(e) 343.8	150.0
FINANCIAL POSITION (AS AT 31 MARCH 2026)			
Property, Plant and Equipment & Intangible Assets	(c)	11,301.3	10,910.8
Cash and Cash Equivalents		462.3	278.5
Other Assets	(d)	375.8	311.9
Total Assets		12,139.4	11,501.2 ¹
Capital Account	(e)	7,683.0	7,339.0
Accumulated Losses		(1.3)	(0.9)
Water Efficiency Fund		8.0	8.0
Share Capital		1.8	1.8
Borrowings	(f)	2,223.5	2,025.0
Other Liabilities	(g)	2,224.4	2,128.3
Total Equity and Liabilities		12,139.4	11,501.2 ¹
Average Total Assets (\$ billion)		11.8	11.2
Return on Total Assets ² %		3.2	1.7
Gearing Ratio ³ %		25.1	25.1

¹ The figure differs from financial statements due to rounding differences.

² Return on Total Assets = Return before Interest and after Contribution to Consolidated Fund and Tax / Average Total Assets

³ Gearing Ratio = (Borrowings + Lease Liabilities) / Average Total Assets

PERFORMANCE OVERVIEW

For the financial year ended 31 March 2026, the Group recorded a loss of \$203.5 million (prior year loss: \$308.0 million) before operating grants from Government. The Group's net income after Government Grants and Contribution to Consolidated Fund and Taxation was \$343.8 million (prior year: \$150.0 million). Net income was \$193.8 million higher compared to the previous year mainly due to higher operating income and operating grant which was partially offset by higher operating expenses. PUB's retained earnings were appropriated to the capital account to reflect PUB's investments in Property, Plant and Equipment (PPE).

INCOME

The Group's operating income of \$1,728.8 million (prior year: \$1,560.0 million) was largely from its water supply and used water operations. The Group's other major source of income of \$617.8 million (prior year: \$488.7 million) is from Government operating grants.

OPERATING EXPENSES

The Group's operating expenses⁴ totalled \$1,966.6 million in the financial year ended 31 March 2026 (prior year: \$1,875.5 million). Operating expenses of the Group comprise largely depreciation of PPE and intangible assets, manpower, maintenance, electricity, and other expenses incurred relating to the collection, production, distribution and reclamation of water in Singapore.

The Group's operating expenses for the financial year was \$91.1 million or 4.9% higher than the previous financial year. Major contributors for the increase included higher cost of depreciation of PPE and intangible assets, manpower and maintenance.

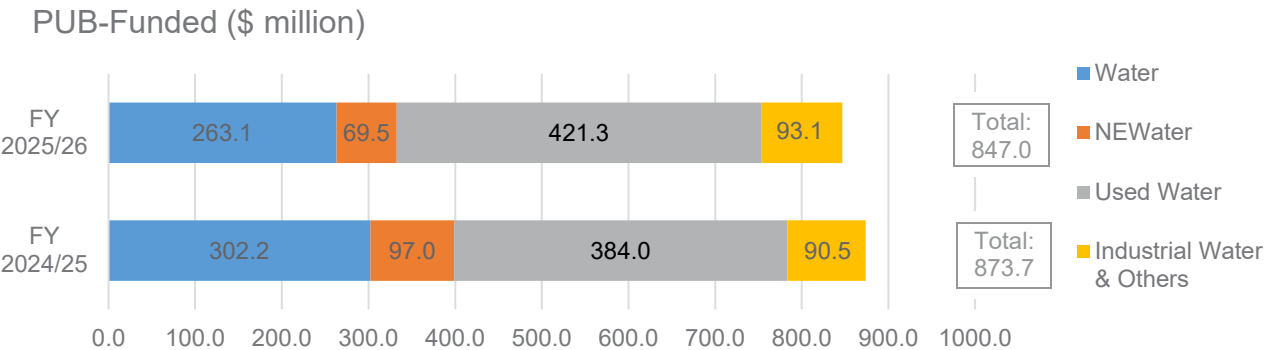
FINANCIAL POSITION

As at 31 March 2026, the Group's total assets stood at \$12,139.4 million (prior year: \$11,501.2 million). 93.1% of the Group's total assets or \$11,301.3 million (prior year: 94.9%, \$10,910.8 million) are accounted for by PPE & Intangible Assets (IA). The increase of PPE & IA by \$390.5 million was largely due to investments made by PUB in capital assets offset by the depreciation of PUB's assets during the year. The capital investments were funded with cash from operations and borrowings from bond issues.

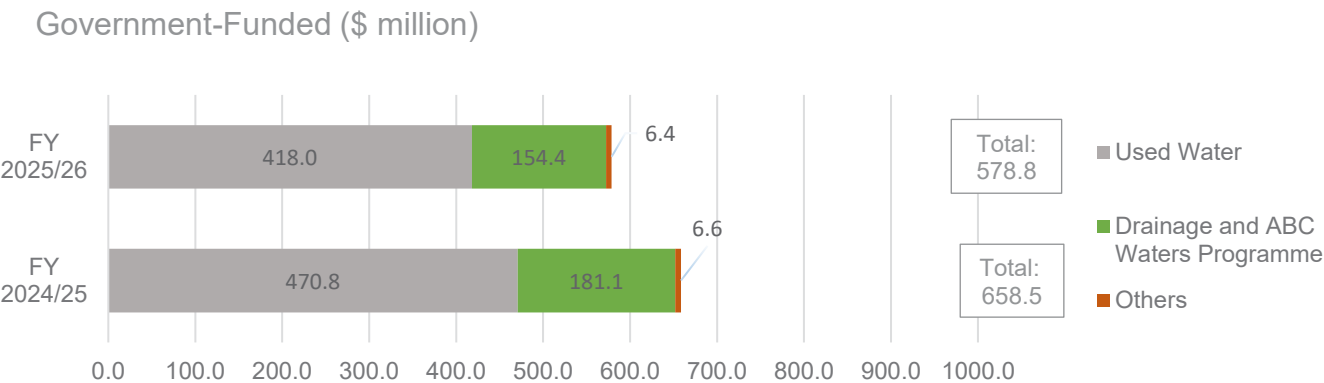
⁴ The Group's operating expenses do not include depreciation expenses for the drainage, Active, Beautiful and Clean (ABC) Waters Programme and used water reticulation network assets belonging to the Government.

CAPITAL EXPENDITURE

During the year, the capital expenditure of the Group was \$1,425.8 million (prior year: \$1,532.2 million). This comprised PUB-funded capital expenditure of \$847.0 million and government-funded capital expenditure of \$578.8 million as shown in the following charts:



PUB incurred \$847.0 million (prior year: \$873.7 million) in capital expenditure as part of its continual efforts to replace, improve and expand water and used water infrastructure to cater for Singapore’s future water needs. These infrastructures are funded by cash generated from revenue collected (net of expenses) and borrowings.



Government-funded capital expenditure of \$578.8 million (prior year: \$658.4 million) were mainly for drainage network, used water reticulation network and the ABC Waters Programme projects. These assets belong to the Government.

Notes to Financial Highlights:

- (a) Net Non-Operating Income:** Net non-operating income largely consists of project management fees, recognition of prior year deferred income, interest income from fixed deposits and short-term bills, and rental income.
- (b) Operating Grants from Government:** Operating grants from Government are received for the operations and maintenance of drainage systems, the Active, Beautiful, Clean Waters Programme, coastal protection and water infrastructure projects. In addition, a performance-based revenue grant may be received from the government, upon the achievement of pre-agreed targets.
- (c) Property, Plant and Equipment & Intangible Assets:** PPE & IA includes land, pipelines, plant, equipment, software and buildings (to house the plant and equipment) and is reported at current Net Book Values in the financial statements.
- (d) Other Assets:** Trade and other receivables along with inventories, constituted the bulk of the Group's Other Assets. Trade receivables are receivables due from customers with respect to water supply and used water services. Inventories include consumables and spares held for PUB's operations, used primarily for the treatment of water and used water, and maintenance of plant and equipment.
- (e) Capital Account:** PUB's retained earnings for the financial year were appropriated to the capital account to reflect the capital commitment for the development of PUB's PPE. PUB continues to channel surpluses to ensure timely investments in water and used water infrastructure to support economic and population growth.
- (f) Borrowings:** The Group's borrowings comprise unsecured fixed-rate bonds, and are used for general corporate purposes including financing the capital expenditure requirements and PUB's general working capital needs.
- (g) Other Liabilities:** Other liabilities mainly consist of lease liabilities arising from leases of office premises, lands, buildings and plants under the Design-Build-Own-Operate projects for Group's operations, deferred capital grants, trade and other payables and provision for asset restoration obligations.

TEN - YEAR SUMMARY OF OPERATING RESULTS AND FINANCIAL POSITION

GROUP	FY2025/26 \$'000	FY2024/25 \$'000	FY2023/24 \$'000	FY2022/23 \$'000	FY2021/22 \$'000	FY2020/21 \$'000	FY2019/20 \$'000	FY2018/19 \$'000	FY2017/18 \$'000	FY2016/17 \$'000
OPERATING RESULTS										
Operating Income	1,728,851	1,560,012	1,468,025	1,440,551	1,447,819	1,418,973	1,447,273	1,404,797	1,286,167	1,222,432
Operating Expenses	(1,966,628)	(1,875,556)	(1,788,272)	(1,704,175)	(1,557,127)	(1,408,864)	(1,417,507)	(1,405,514)	(1,323,969)	(1,270,242)
Net Operating (Loss)/Income	(237,777)	(315,544)	(320,247)	(263,624)	(109,308)	10,109	29,766	(717)	(37,802)	(47,810)
Net Non-Operating Income	80,765	52,276	78,586	69,609	85,009	59,813	91,342	74,338	71,411	73,459
Finance Expenses	(46,475)	(44,718)	(54,858)	(46,254)	(33,167)	(37,964)	(35,480)	(74,838)	(84,014)	(84,844)
Net (Loss)/Income before Government Grants	(203,487)	(307,986)	(296,519)	(240,269)	(57,466)	31,958	85,628	(1,217)	(50,405)	(59,195)
Government Operating Grants	617,768	488,696	497,179	437,341	402,322	381,712	355,138	354,849	332,868	298,826
Net Income after Government Grants and before Consolidated Fund and Tax	414,281	180,710	200,660	197,072	344,856	413,670	440,766	353,632	282,463	239,631
Contribution to Consolidated Fund and Tax	(70,491)	(30,697)	(34,210)	(33,576)	(58,862)	(70,456)	(75,046)	(60,112)	(48,392)	(40,691)
Net Income after Government Grants and after Contribution to Consolidated Fund and Tax	343,790	150,013	166,450	163,496	285,994	343,214	365,720	293,520	234,071	198,940
FINANCIAL POSITION										
Property, Plant and Equipment & Intangible Assets	11,301,264	10,910,754	10,269,639	9,726,275	9,066,900	8,709,201	8,241,303	8,121,274	7,854,348	7,147,445
Cash and Cash Equivalents	462,304	278,496	318,593	634,274	331,326	397,829	615,420	450,282	513,438	683,301
Other Current Assets	359,288	294,160	266,975	285,284	247,907	246,416	244,640	242,841	270,042	236,746
Other Non-Current Assets	16,584	17,820	19,053	20,197	26,266	5,128	10,395	9,417	8,778	6,572
Total Assets	12,139,440	11,501,230	10,874,260	10,666,030	9,672,399	9,358,574	9,111,758	8,823,814	8,646,606	8,074,064
Borrowings ¹	2,223,488	2,025,000	1,700,000	1,700,000	1,000,000	1,000,000	1,300,000	1,300,000	1,400,000	1,400,000
Deferred Income ¹	543,994	538,131	548,655	564,264	562,343	502,656	505,515	528,773	549,467	225,831
Lease Liabilities ¹	748,890	779,154	820,485	860,079	723,808	751,438	426,420	598,059	629,320	658,882
Provision for Asset Restoration Obligations ¹	296,082	230,686	15,383	14,558	12,903	13,393	14,562	12,424	12,345	12,613
Other Current Liabilities	635,483	580,321	591,593	496,197	505,909	510,097	628,987	512,518	476,915	432,163
Total Liabilities	4,447,937	4,153,292	3,676,116	3,635,098	2,804,963	2,777,584	2,875,484	2,951,774	3,068,047	2,729,489
Share Capital	1,772	1,772	1,772	1,256	1,255	1,057	1	1	1	1
Capital Account	7,682,994	7,339,058	7,191,446	7,024,199	6,860,331	6,572,705	6,228,274	5,863,311	5,571,307	5,335,175
Water Efficiency Fund	8,000	8,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
(Accumulated Losses)/Retained Earnings ²	(1,263)	(892)	(1,074)	(523)	(150)	1,228	1,999	2,728	1,251	3,399
Total Equity	7,691,503	7,347,938	7,198,144	7,030,932	6,867,436	6,580,990	6,236,274	5,872,040	5,578,559	5,344,575
Total Liabilities and Equity	12,139,440	11,501,230	10,874,260	10,666,030	9,672,399	9,358,574	9,111,758	8,823,814	8,646,606	8,074,064
Assets of Trust Funds ³	9,634,003	4,709,659	4,874,485	4,834,536	4,926,530	5,012,410	9,915	2,809	1,995	714
Liabilities of Trust Funds ³	(34,538)	(82,960)	(86,170)	(58,978)	(57,793)	(89,121)	(59,900)	(53,880)	(61,174)	(53,117)

Notes:

¹ Borrowings, Deferred Income, Lease Liabilities and Provision for Asset Restoration Obligations comprise current and non-current portions.

² Retained earnings was after setting aside amounts to meet the Board's capital commitments in accordance with Section 14 of the Public Utilities Act (Chapter 261).

³ Assets and liabilities belonging to Trust Funds are excluded and presented separately from the Group's assets and liabilities.

TEN - YEAR SUMMARY OF STATISTICAL DATA

	FY2025/26	FY2024/25	FY2023/24	FY2022/23	FY2021/22	FY2020/21	FY2019/20	FY2018/19	FY2017/18	FY2016/17
CUSTOMERS										
Number of accounts ('000)	1,792	1,756	1,601 ²	1,687	1,670	1,639	1,622	1,599	1,567	1,527
PERFORMANCE INDICATORS										
As at end of financial year										
- Number of accounts served per PUB employee	529	530	489	522	515	499	485	477	458	444
- Net Operating Income after grant per employee (S\$'000)	112	52	54	54	90	119	114	106	86	73
For period January - December										
- Flood Prone Areas (hectare)	23	24	24	27	28	28	29	29	30	31
- Number of Disruptions per month per 1,000 km of Sewers	10	10	10	10	10	10	10	10	10	11
- Per capita Household Water Consumption (litres/day)	141	142	141	149	158	154	141	141	143	148
- % of Unaccounted for Water ¹	-	-	-	-	-	-	5.5	5.6	5.1	5.0
- % of Distribution Losses ¹	7.2	7.1	7.2	7.5	8.2	8.0	8.2	-	-	-
- % of tests meeting WHO Guidelines for Drinking-Water Quality and EPH (Quality of Piped Drinking Water) Regulations	100	100	100	100	100	100	100	100	100	100
CAPITAL EXPENDITURE										
	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million
FUNDED BY AND BELONGING TO PUB										
Water	263.1	302.2	308.5	349.8	273.4	228.5	337.7	413.3	404.6	363.6
NEWater	69.5	97.0	110.3	68.5	28.4	11.2	14.2	8.6	13.9	20.9
Used Water	421.3	384.0	452.7	386.8	370.1	188.9	195.4	187.0	294.6	104.5
Industrial Water & Others	93.1	90.5	92.2	65.9	65.9	58.2	50.9	42.6	19.9	11.8
Total	847.0	873.7	963.7	871.0	737.8	486.8	598.2	651.5	733.0	500.8
FUNDED BY AND BELONGING TO GOVERNMENT										
Used Water	418.0	470.8	645.6	707.0	803.7	573.4	789.0	450.6	254.5	193.3
Drainage and ABC Waters Programme	154.4	181.1	165.7	128.0	117.0	77.3	209.4	270.7	307.0	357.5
Others	6.4	6.6	8.4	6.5	2.7	0.3	-	-	-	-
	578.8	658.5	819.7	841.5	923.4	651.0	998.4	721.3	561.5	550.8
Total	1,425.8	1,532.2	1,783.4	1,712.5	1,661.2	1,137.8	1,596.6	1,372.8	1,294.5	1,051.6

Notes:

¹ "Distribution Losses" has replaced the "Unaccounted for Water" indicator from 2019 onwards as "Distribution Losses" accounts for all possible leaks and is therefore, a more holistic indicator of water loss.

² Another 120k accounts were not billed in March 2024 due to additional time required to validate the water bills before billing, as part of the water price revision. These bills were issued in April 2024.

Public Utilities Board and its Subsidiaries

Annual Financial Statements
31 March 2026



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Public Utilities Board and its Subsidiaries

Independent Auditor's Report For the financial year ended 31 March 2026

Independent Auditor's Report to the Members of Public Utilities Board and its Subsidiaries

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Public Utilities Board (the "Board") and its subsidiaries (collectively, the "Group"), which comprise the statements of financial position of the Group and the Board as at 31 March 2026, statements of comprehensive income and statements of changes in equity of the Group and the Board and the statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in equity of the Board are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 ("PSG Act"), the Public Utilities Act 2001 (the "Act") and Singapore Statutory Board Financial Reporting Standards ("SB-FRSs") so as to present fairly, in all material aspects, the state of affairs of the Group and the Board as at 31 March 2026 and the results and changes in equity of the Group and the Board and cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Public Utilities Board and its Subsidiaries

Independent Auditor's Report For the financial year ended 31 March 2026

Independent Auditor's Report to the Members of Public Utilities Board and its Subsidiaries

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Appropriateness of useful life in determining the carrying value of property, plant and equipment ("PPE")

As of 31 March 2026, the carrying values of PPE of the Group amounted to \$11,282 million, forming approximately 93% of the total assets of the Group.

Management exercised significant judgements in determining the estimated useful lives of the PPE, which are reviewed and adjusted prospectively as appropriate at each reporting date. In determining the useful lives of the PPE, management considered factors such as asset utilisation rate, internal technical evaluation and operational plans. Given the significance of PPE to the Group's financial statements, errors in estimating the useful lives of the PPE could result in a material misstatement to the financial statements. Accordingly, we considered this to be a key audit matter. The estimated useful lives of PPE is disclosed in Note 2.11(b) to the financial statements.

As part of our audit, we obtained an understanding and tested the key controls over the Group's processes relating to additions of PPE and determination of the useful life of the PPE that are available for use. We also obtained an understanding and tested the key controls over the Group's processes for the annual evaluation of useful lives of PPE. We corroborated the key assumptions used by management with published information on Singapore's water strategies and plans in the future years, physical conditions assessed by engineers, and historical and current utilisation of PPE. We also assessed the Group's disclosure in Notes 2.11(b), 3 and 13 to the financial statements.

Public Utilities Board and its Subsidiaries

Independent Auditor's Report For the financial year ended 31 March 2026

Independent Auditor's Report to the Members of Public Utilities Board and its Subsidiaries

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The other information which comprise the annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the provisions of the PSG Act, the Act and SB-FRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

A statutory board is constituted based on its constitutional act and its dissolution requires Parliament's approval. In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Public Utilities Board and its Subsidiaries

Independent Auditor's Report For the financial year ended 31 March 2026

Independent Auditor's Report to the Members of Public Utilities Board and its Subsidiaries

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Public Utilities Board and its Subsidiaries

Independent Auditor's Report For the financial year ended 31 March 2026

Independent Auditor's Report to the Members of Public Utilities Board and its Subsidiaries

Report on Other Legal and Regulatory Requirements

Opinion

In our opinion:

- (a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Board during the year are, in all material aspects, in accordance with the provisions of the PSG Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Board; and
- (b) proper accounting and other records have been kept, including records of all assets of the Board whether purchased, donated or otherwise.

Basis for Opinion

We conducted our audit in accordance with "SSAs". Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Compliance Audit* section of our report. We are independent of the Group in accordance with the ACRA Code, as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on management's compliance.

Responsibilities of Management for Compliance with Legal and Regulatory Requirements

Management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the PSG Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Board. This responsibility includes monitoring related compliance requirements relevant to the Board, and implementing internal controls as management determines are necessary to enable compliance with the requirements.

Auditor's Responsibilities for the Compliance Audit

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the PSG Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Board.

Our compliance audit includes obtaining an understanding of the internal control relevant to the receipts, expenditure, investment of moneys and the acquisition and disposal of assets; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Because of the inherent limitations in any internal control system, non-compliances may nevertheless occur and not be detected.

Public Utilities Board and its Subsidiaries

**Independent Auditor's Report
For the financial year ended 31 March 2026**

Independent Auditor's Report to the Members of Public Utilities Board and its Subsidiaries

Auditor's Responsibilities for the Compliance Audit (cont'd)

The engagement partner on the audit resulting in this independent auditor's report is Phua Chun Yen.



Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
17 July 2026

Public Utilities Board and its Subsidiaries

Statements of Comprehensive Income
For the financial year ended 31 March 2026

	Note	<u>Group</u>		<u>Board</u>	
		2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Operating income	4	1,728,851	1,560,012	1,726,438	1,555,801
Operating expenses	5	(1,966,628)	(1,875,556)	(1,963,468)	(1,871,499)
Net operating loss		(237,777)	(315,544)	(237,030)	(315,698)
Net non-operating income	6	80,765	52,276	80,763	52,248
Net loss before finance expenses and operating grants		(157,012)	(263,268)	(156,267)	(263,450)
Finance expenses	7	(46,475)	(44,718)	(46,475)	(44,718)
Net loss before operating grants		(203,487)	(307,986)	(202,742)	(308,168)
Operating grants from government		617,768	488,696	617,394	488,696
Net income after government grants and before contribution to Consolidated Fund and taxation for the year		414,281	180,710	414,652	180,528
Contribution to Consolidated Fund	8(a)	(70,491)	(30,697)	(70,491)	(30,697)
Taxation	8(b)	—	—	—	—
Net income after government grants and after contribution to Consolidated Fund and taxation for the year		343,790	150,013	344,161	149,831
Other comprehensive income					
<u>Items that will not be reclassified to profit or loss</u>					
Net re-measurement loss on pension obligation	17	(225)	(219)	(225)	(219)
Total comprehensive income for the year		343,565	149,794	343,936	149,612
Attributable to:					
Shareholder of the Board		343,565	149,794	343,936	149,612



Chan Lai Fung
Chairperson



Ong Tze-Ch'in
Chief Executive

Public Utilities Board and its Subsidiaries

Statements of Financial Position

As at 31 March 2026

	Note	<u>Group</u>		<u>Board</u>	
		2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
ASSETS					
Current assets					
Cash and cash equivalents	9	462,304	278,496	459,989	276,218
Inventories	10	113,493	113,012	113,493	113,010
Trade and other receivables	11	239,394	178,619	236,198	175,245
Prepaid expenses and advances	12	6,401	2,529	6,103	2,235
		821,592	572,656	815,783	566,708
Non-current assets					
Property, plant and equipment	13	11,282,152	10,910,754	11,282,152	10,910,754
Intangible assets	14	19,112	—	19,112	—
Investments in subsidiaries	15	—	—	2,100	2,100
Trade and other receivables	11	16,584	17,820	16,584	17,820
		11,317,848	10,928,574	11,319,948	10,930,674
Total assets		12,139,440	11,501,230	12,135,731	11,497,382
LIABILITIES					
Current liabilities					
Trade and other payables	16	560,353	545,076	556,693	542,030
Provision for pension	17	4,639	4,548	4,639	4,548
Provision for contribution to Consolidated Fund and taxation		70,491	30,697	70,491	30,697
Lease liabilities	18	71,371	66,313	71,371	66,313
Deferred income	19	24,213	24,892	22,901	23,698
Borrowings	20	—	300,000	—	300,000
Provision for asset restoration obligations	21	3,100	1,420	3,100	1,420
		734,167	972,946	729,195	968,706
Non-current liabilities					
Lease liabilities	18	677,519	712,841	677,519	712,841
Deferred income	19	519,781	513,239	519,781	512,739
Borrowings	20	2,223,488	1,725,000	2,223,488	1,725,000
Provision for asset restoration obligations	21	292,982	229,266	292,982	229,266
		3,713,770	3,180,346	3,713,770	3,179,846
Total liabilities		4,447,937	4,153,292	4,442,965	4,148,552
NET ASSETS		7,691,503	7,347,938	7,692,766	7,348,830
Capital and reserves					
Share capital	22	1,772	1,772	1,772	1,772
Accumulated losses		(1,263)	(892)	—	—
Capital account	23	7,682,994	7,339,058	7,682,994	7,339,058
Water Efficiency Fund	24	8,000	8,000	8,000	8,000
		7,691,503	7,347,938	7,692,766	7,348,830
Supplementary information					
Net assets of trust funds	25	9,634,003	4,709,659	9,634,003	4,709,659
Net liabilities of trust funds	25	(34,538)	(82,960)	(34,538)	(82,960)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Public Utilities Board and its Subsidiaries

Consolidated Statement of Changes in Equity

For the financial year ended 31 March 2026

		←		Group		→
	Note	Share capital S\$'000	Accumulated losses S\$'000	Capital S\$'000	Water efficiency fund S\$'000	Total S\$'000
31 March 2026						
Beginning of financial year		1,772	(892)	7,339,058	8,000	7,347,938
Net income after government grants and after contribution to Consolidated Fund and taxation for the year		—	343,790	—	—	343,790
Other comprehensive loss for the year		—	(225)	—	—	(225)
Total comprehensive income for the financial year		—	343,565	—	—	343,565
Transfer to retained earnings upon utilisation	24	—	1,279	—	(1,279)	—
Transfer to top up Water Efficiency Fund	24	—	(1,279)	—	1,279	—
Transfer to capital account	23	—	(343,936)	343,936	—	—
Total transactions with owners, recognised directly in equity		—	(343,936)	343,936	—	—
End of financial year		1,772	(1,263)	7,682,994	8,000	7,691,503
31 March 2025						
Beginning of financial year		1,772	(1,074)	7,191,446	6,000	7,198,144
Net income after government grants and after contribution to Consolidated Fund and taxation for the year		—	150,013	—	—	150,013
Other comprehensive loss for the year		—	(219)	—	—	(219)
Total comprehensive income for the financial year		—	149,794	—	—	149,794
Transfer to retained earnings upon utilisation	24	—	2,747	—	(2,747)	—
Transfer to top up Water Efficiency Fund	24	—	(4,747)	—	4,747	—
Transfer to capital account	23	—	(147,612)	147,612	—	—
Total transactions with owners, recognised directly in equity		—	(149,612)	147,612	2,000	—
End of financial year		1,772	(892)	7,339,058	8,000	7,347,938

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Public Utilities Board and its Subsidiaries

Statement of Changes in Equity

For the financial year ended 31 March 2026

		←	Board				→
	Note	Share capital S\$'000	Retained earnings S\$'000	Capital S\$'000	Water efficiency fund S\$'000	Total S\$'000	
31 March 2026							
Beginning of financial year		1,772	–	7,339,058	8,000	7,348,830	
Net income after government grants and after contribution to Consolidated Fund and taxation for the year		–	344,161	–	–	344,161	
Other comprehensive loss for the year		–	(225)	–	–	(225)	
Total comprehensive income for the financial year		–	343,936	–	–	343,936	
Transfer to retained earnings upon utilisation	24	–	1,279	–	(1,279)	–	
Transfer to top up Water Efficiency Fund	24	–	(1,279)	–	1,279	–	
Transfer to capital account	23	–	(343,936)	343,936	–	–	
Total transactions with owners, recognised directly in equity		–	(343,936)	343,936	–	–	
End of financial year		1,772	–	7,682,994	8,000	7,692,766	
31 March 2025							
Beginning of financial year		1,772	–	7,191,446	6,000	7,199,218	
Net income after government grants and after contribution to Consolidated Fund and taxation for the year		–	149,831	–	–	149,831	
Other comprehensive loss for the year		–	(219)	–	–	(219)	
Total comprehensive income for the financial year		–	149,612	–	–	149,612	
Transfer to retained earnings upon utilisation	24	–	2,747	–	(2,747)	–	
Transfer to top up Water Efficiency Fund	24	–	(4,747)	–	4,747	–	
Transfer to capital account	23	–	(147,612)	147,612	–	–	
Total transactions with owners, recognised directly in equity		–	(149,612)	147,612	2,000	–	
End of financial year		1,772	–	7,339,058	8,000	7,348,830	

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Public Utilities Board and its Subsidiaries

Consolidated Statement of Cash Flows For the financial year ended 31 March 2026

		Group	
	Note	2026 S\$'000	2025 S\$'000
Cash flows from operating activities			
Net loss before operating grants		(203,487)	(307,986)
Adjustments for:			
- Provision for property, plant and equipment write-off		—	2,444
- Allowance for impairment of receivables, net	5(b)	3,873	2,691
- Allowance for inventory obsolescence	5(b)	857	2,231
- Depreciation of property, plant and equipment	5(b)	524,994	454,279
- Amortisation of intangible assets	5(b)	5,764	—
- Loss on disposal of property, plant and equipment, net	6	4,160	11,306
- Amortisation of deferred income	6	(9,457)	(9,655)
- Interest income from fixed deposits and short-term bills	6	(9,263)	(11,365)
- Finance expenses	7	46,475	44,718
Cash flows from operating activities before working capital changes		363,916	188,663
Change in working capital:			
- Trade and other receivables		(62,468)	(25,548)
- Prepaid expenses and advances		(3,872)	4,888
- Trade and other payables, and provisions		73,755	7,869
- Deferred income		15,246	(959)
- Inventories		(1,337)	(10,065)
		385,240	164,848
Payment for Consolidated Fund and tax		(30,697)	(34,210)
Net cash provided by operating activities		354,543	130,638
Cash flows from investing activities			
Additions to property, plant and equipment		(754,900)	(827,345)
Proceeds from disposal of property, plant and equipment		2,443	1,276
Interest income received		8,319	11,215
Net cash used in investing activities		(744,138)	(814,854)
Cash flows from financing activities			
Grants received from government		530,686	493,329
Proceeds from borrowings		498,472	325,000
Repayment of borrowings		(300,000)	—
Payment of lease liabilities		(89,341)	(111,653)
Interest expense on fixed rate bonds		(66,414)	(62,557)
Net cash provided by financing activities		573,403	644,119
Net increase/(decrease) in cash and cash equivalents		183,808	(40,097)
Cash and cash equivalents			
Beginning of financial year		278,496	318,593
End of financial year	9	462,304	278,496

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Public Utilities Board and its Subsidiaries

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2026

Reconciliation of liabilities/(assets) arising from financing activities

		Cash changes S\$'000					Non-cash changes S\$'000				
	1 April 2025 \$'000	Principal repayments	Interest payments	Addition during the year	Grants received from Government	Government grant utilised	Reclassification	Interest expense	Addition during the year	Lease modification	31 March 2026 \$'000
Advances received for government grants (Note 16)	27,645	–	–	–	469,936	(493,140)	–	–	–	–	4,441
Grant due from government (Note 11(c))	–	–	–	–	60,750	(60,750)	–	–	(60,750)	–	(60,750)
Borrowings (Note 20)	2,025,000	(300,000)	–	498,472	–	–	–	16	–	–	2,223,488
Interest payable	12,975	–	(66,414)	–	–	–	–	68,462	–	–	15,023
Lease liabilities (Note 18)	779,154	(60,558)	(28,783)	–	–	–	–	34,619	24,458	–	748,890

		Cash changes S\$'000					Non-cash changes S\$'000				
	1 April 2024 \$'000	Principal repayments	Interest payments	Addition during the year	Grants received from Government	Government grant utilised	Reclassification	Interest expense	Addition during the year	Lease modification	31 March 2025 \$'000
Advances received for government grants (Note 16)	20,649	–	–	–	493,329	(486,333)	–	–	–	–	27,645
Borrowings (Note 20)	1,700,000	–	–	325,000	–	–	–	–	–	–	2,025,000
Interest payable	13,134	–	(62,557)	–	–	–	–	62,398	–	–	12,975
Lease liabilities (Note 18)	820,485	(68,550)	(43,103)	–	–	–	4,195	37,533	28,594	–	779,154

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. Corporate information

Public Utilities Board (the "Board") is a statutory board continued under the Public Utilities Act 2001, which came under the purview of the Ministry of Sustainability and the Environment ("MSE") on 1 April 2001.

The address of its registered office is 40 Scotts Road, Environment Building, #22-01, Singapore 228231.

The principal activities of the Board established under the Public Utilities Act 2001 (the "Act") are to supply water, provide used water services to the public, and act as agent to the Singapore Government (the "Government") in the construction, management and maintenance of the following belonging to the Government: public sewerage systems, public sewers, storm water drainage systems, and structures to safeguard against both inland flooding and coastal inundation risks. The principal activities of its subsidiaries are set out in Note 15 to the financial statements.

2. Material accounting policy information

2.1 Basis of preparation

The consolidated financial statements of the Group and the financial statements of the Board have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below and are drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 (the "Public Sector (Governance) Act"), the "Act" and Statutory Board Financial Reporting Standards ("SB-FRSs").

SB-FRSs include Statutory Board Financial Reporting Standards, Interpretations of SB-FRSs and SB-FRS Guidance Notes as promulgated by the Accountant-General. The Accountant-General is appointed as the legal authority to prescribe accounting standards for statutory boards under the Accounting Standards Act 2007 which came into effect on 1 November 2007.

The financial statements are presented in Singapore dollars (S\$) and all values are rounded to the nearest thousand (S\$'000) unless otherwise indicated.

On 1 April 2025, the Group adopted the new or amended SB-FRSs and Interpretations to SB-FRSs ("INT SB-FRSs") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SB-FRSs and INT SB-FRSs.

The adoption of these new or amended SB-FRSs and INT SB-FRSs did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (cont'd)

2.2 Standards issued but not yet effective

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SB-FRS 109 and SB-FRS 107: <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to SB-FRS 109 and SB-FRS 107: <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
Amendments to SB-FRS 101: <i>First-Time Adoption of Statutory Board Financial Reporting Standards</i>	1 January 2026
Amendments to SB-FRS 107: <i>Financial Instruments: Disclosures and Amendments to Guidance on implementing SB-FRS 107 Financial Instruments: Disclosures</i>	1 January 2026
Amendments to SB-FRS 109: <i>Financial Instruments</i>	1 January 2026
Amendments to SB-FRS 110: <i>Consolidated Financial Statements</i>	1 January 2026
Amendments to SB-FRS 7: <i>Statement of Cash Flows</i>	1 January 2026
SB-FRS 118: <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
SB-FRS 119: <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to SB-FRS 110 and SB-FRS 28: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be determined

Other than the below, the standards and interpretations above are expected to have no material impact on the financial statements in the period of initial application.

SB-FRS 118 replaces SB-FRS 1 *Presentation of Financial Statements* and introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosures of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

In addition, narrow-scope amendments have been made to SB-FRS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

SB-FRS 118, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027. Early application is permitted, but it must be disclosed. Retrospective application is required. The Group is currently working to identify the expected impacts on the presentation and disclosure of its financial statements.

2. Material accounting policy information (cont'd)

2.3 Income recognition

(a) *Revenue recognition*

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer. A performance obligation may be satisfied over time or at a point in time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. The main revenue stream is as follows:

Revenue from water sales and used water services

Revenue from water sales and used water services are recognised at a point in time when the Group satisfies its performance obligations based on customers' consumption of water and used water services.

Revenue from used water services comprises waterborne fee and trade effluent fee.

(b) *Rental income*

Rental income is recognised on a straight-line basis over the period of the lease.

(c) *Interest income*

Interest income is recognised on an accrual basis using the effective interest method.

(d) *Dividend income*

Dividend income is recognised when the shareholder's right to receive payment is established.

(e) *Project management fee*

Project management fee income is recognised over time.

2.4 Government grants

Grants are received for the operations and maintenance of drainage systems, the Active, Beautiful, Clean Waters Programme, coastal protection and water infrastructure projects. In addition, a performance-based revenue grant may be received from the government, upon the achievement of pre-agreed targets.

Grants from the government are recognised as a receivable at their fair values when there is reasonable assurance that the grants will be received and the Group has complied with all the conditions attached to them.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (cont'd)

2.4 Government grants (cont'd)

Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position, and are amortised and charged to profit or loss over the period necessary to match the annual depreciation charge of these assets or when the assets are disposed or written off.

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Board and its subsidiaries as at the end of the reporting period. Control is achieved when the Group has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee), is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power to direct the activities of the investee.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

In preparing the consolidated financial statements, transactions and balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.6 Contribution to Consolidated Fund and income taxes

(a) Contribution to Consolidated Fund

In lieu of income tax, the Board is required to make contribution to the Consolidated Fund in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act 1989.

(b) Income taxes

The Group's income tax expense comprises current and deferred tax of the subsidiaries. Current income tax liabilities for current and prior periods are recognised at the amounts expected to be paid to the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

Deferred income tax assets/liabilities are recognised for all deductible/taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax assets/liabilities arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting nor taxable profit or loss.

2. Material accounting policy information (cont'd)

2.6 Contribution to Consolidated Fund and income taxes (cont'd)

(b) *Income taxes (cont'd)*

Deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are measured at:

- (i) the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date; and
- (ii) the tax consequence that would follow from the manner in which the Board's subsidiaries expect, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities.

Deferred income tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Current and deferred income taxes are recognised as income or expenses in profit or loss for the period, except to the extent that the tax arises from a transaction which is recognised directly in statement of changes in equity.

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and demand deposits and short-term, investment instruments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of change in value. These include cash with the Accountant-General's Department ("AGD"), that is managed by the AGD under the Centralised Liquidity Management as set out in the Accountant-General's Circular No. 4/2009 Centralised Liquidity Management for Statutory Boards and Ministries.

2.8 Inventories

The Group's inventories are consumables and spares used primarily for the treatment of water and used water, and maintenance of plant and equipment but not held for trading.

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average method, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

Inventories which are considered obsolete, deteriorated or damaged are recorded in the allowance for inventories obsolescence before the inventories are authorised to be written off.

2. Material accounting policy information (cont'd)

2.9 Financial instruments

(a) *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instruments. The Group determines the classification of its financial assets at initial recognition.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Amortised cost

Financial assets measured at amortised cost of the Group mainly comprise cash and cash equivalents and trade and other receivables.

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains or losses are recognised in profit or loss when the asset is derecognised or impaired, and through the amortisation process.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

2. Material accounting policy information (cont'd)

2.9 Financial instruments (cont'd)

(b) *Financial liabilities*

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus, in the case of a financial liability not at fair value through profit or loss, net of directly attributable transaction costs.

Subsequent measurement

Financial liabilities of the Group mainly comprise trade and other payables and borrowings. Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid and are classified as current liabilities if payment is due within one year or less. Otherwise, they are presented as non-current liabilities. Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains or losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.10 Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied is disclosed in Note 28.

For trade receivables, the Group applies the simplified approach permitted by the SB-FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2. Material accounting policy information (cont'd)

2.11 Property, plant and equipment

(a) *Measurement*

(i) Owned assets

On 1 May 1963, with the establishment of the Board, property, plant and equipment of the former City Council were vested in the Board at net book value. Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment includes its purchase price, cost of replacing part of the property, plant and equipment and any cost that is directly attributable to the acquisition, construction, production or bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The projected cost of dismantlement, removal or restoration is also included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

Property, plant and equipment which are obsolete, unserviceable or unidentifiable are written off.

When significant parts of property, plant and equipment are required to be replaced in intervals, these parts are capitalised as part of the underlying asset and depreciated over the remaining useful lives of the underlying asset. The parts that are being replaced are written off. All other repair and maintenance costs are recognised in profit or loss as incurred.

(ii) Right-of-use assets

Property, plant and equipment under lease is capitalised at an amount equal to the present value of the minimum lease payments at the inception of the lease, less subsequent accumulated depreciation and impairment losses. The accounting policy for right-of-use assets is set out in Note 2.18.

(b) *Depreciation*

Depreciation of property, plant and equipment is charged from the month of acquisition of the asset or available for use as intended by management and is calculated on the straight-line method to allocate the depreciable amounts over their estimated useful lives.

2. Material accounting policy information (cont'd)

2.11 Property, plant and equipment (cont'd)

(b) Depreciation (cont'd)

The estimated useful lives of depreciable property, plant and equipment are as follows:

	Useful lives
Leasehold land	18 to 99 years, or the remaining lease period
Land development and buildings ⁽¹⁾	30 to 100 years
Plant and equipment	5 to 50 years
Pipelines	50 to 70 years
Others (mainly meters, vehicles and computer systems)	4 to 15 years

⁽¹⁾ *Buildings comprise mainly civil structure to house plant and equipment.*

Freehold land is not depreciated.

Assets that are developed in conjunction with the Right-of-use assets are depreciated over the shorter of the estimated useful life of the assets and the lease term.

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

Depreciation method, useful lives and residual values are reviewed and adjusted prospectively as appropriate, at each reporting date.

(c) Disposal of assets

An item of property, plant and equipment is derecognised when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with its carrying amount, and are recognised net in profit or loss.

(d) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

2. Material accounting policy information (cont'd)

2.12 Intangible assets

Intangible assets acquired or developed by external vendors for the Group, which comprise software licenses and development costs, are measured on initial recognition at cost.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets are amortised over their estimated useful lives, using the straight-line method on the following base:

Software - 4 years

Amortisation method, useful lives and residual values of intangible assets are reviewed and adjusted prospectively as appropriate, at each reporting date.

An intangible asset is derecognised when no future economic benefits are expected from its use or disposal. Gains or losses arising on disposal of intangible assets are determined by comparing the proceeds from disposal with its carrying amount, and recognised net in profit or loss.

2.13 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Board's statement of financial position. On disposal of an investment in subsidiary, the difference between disposal proceeds and the carrying amounts of the investment is recognised in profit or loss.

2.14 Impairment of non-financial assets

Property, plant and equipment

Right-of-use assets

Intangible assets

Investments in subsidiaries

Property, plant and equipment, right-of-use assets, intangible assets and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount.

For the purpose of impairment testing, the recoverable amount is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating-unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

Cash-generating assets are assets held with the primary objective of generating a commercial return. Non-cash generating assets are assets other than cash-generating assets.

2. Material accounting policy information (cont'd)

2.14 Impairment of non-financial assets (cont'd)

For non-cash-generating assets, if there is any indication of impairment, the recoverable service amount of the asset, is estimated to determine the amount of impairment loss.

The difference between the carrying amount and recoverable amount/ recoverable service amount is recognised as an impairment loss in profit or loss.

An assessment is made annually as to whether there is an indication that previously recognised losses and impairment for an asset may no longer exist or may have decreased. An impairment loss for an asset (or CGU) is reversed if, and only if, there has been a change in the estimates used to determine the asset's (or CGU's) recoverable amount/ recoverable service amount since the last impairment loss was recognised. The carrying amount of an asset (or CGU) is increased to its revised recoverable amount/ recoverable service amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset (or CGU) in prior years.

A reversal of impairment loss for an asset (or CGU) is recognised in profit or loss.

2.15 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2.16 Employee benefits

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) *Defined contribution plans*

The Group and the Board makes contributions to the Central Provident Fund ("CPF") in Singapore and the Employee Provident Fund ("EPF") in Malaysia, both defined contribution plans. Contributions to the Group's employees' remuneration are made to the CPF and EPF as required by law. The CPF and EPF contributions are recognised as expenses in the period when the employees render their services.

(b) *Short-term employee benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed in the period when the employees render their services. A liability is recognised for the amount expected to be paid if the Group has present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Employee entitlements to annual leave and performance bonus are recognised when they accrue to employees. A provision is made for the estimated liability for non-vesting annual leave and performance bonus as a result of services rendered by employees up to the reporting date.

2. Material accounting policy information (cont'd)

2.16 Employee benefits(cont'd)

(c) *Pension benefits*

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on Singapore Government Securities that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid. The calculation is performed using the projected unit credit method.

The Board, apart from the legally required contribution plans such as the Central Provident Fund, operates pension plans for pensionable employees transferred from the former Ministry of Environment. The Board's obligation is from 1 April 2001 to the earlier of the day of retirement and death of these employees. The provision for pension is recognised based on the hypothetical gratuity for each pensionable employee accrued from 1 April 2001 up to the reporting date. The hypothetical gratuity for each pensionable officer and Board's share of the gratuity is computed based on existing guidelines found in the Pensions Act 1956 and circulars issued by the Public Service Division.

2.17 Borrowing costs

Borrowing costs consist of interest that the Group incurs in connection with its borrowings. Borrowing costs are expensed in the period they occur except for those costs that are attributable to the construction or development of the qualifying assets. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to qualifying assets that are financed by general borrowings.

Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use.

2.18 Leases

(a) *When the Group is the lessee:*

At the inception of the contract, the Group assesses if the contract is, or contains, a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use ("ROU") assets representing the right to use the underlying lease assets.

2. Material accounting policy information (cont'd)

2.18 Leases (cont'd)

(a) *When the Group is the lessee: (cont'd)*

Right-of-use assets

The Group recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the initial measurement of lease liabilities adjusted for initial direct costs incurred, any lease payments made at or before the commencement date and lease incentive received. The cost of a right-of-use asset also includes an estimate of the costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which the asset is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful life of the right-of-use asset or the end of the lease term.

The accounting policy for impairment is set out in Note 2.14.

Right-of-use assets are presented within "Property, plant and equipment".

Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate or a proxy which estimates the incremental borrowing rate.

Lease payments include the following:

- Fixed payments (including in-substance fixed payments), less any lease incentive receivables;
- Variable lease payments that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contract that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component.

2. Material accounting policy information (cont'd)

2.18 Leases (cont'd)

(a) When the Group is the lessee: (cont'd)

Lease liabilities (cont'd)

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be re-measured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is re-measured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short term and low value leases

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments.

(b) When the Group is the lessor:

The Group leases land under operating leases to non-related parties.

Lessor - Operating leases

Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in profit or loss when earned.

2. Material accounting policy information (cont'd)

2.19 Currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars ("SGD" or "\$"), which is the functional currency of the Board.

(b) *Transactions and balances*

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

2.20 Water efficiency fund

The Water Efficiency Fund was launched by the Board to encourage implementation of water conservation initiatives. The fund belongs to the Board and is reviewed periodically by the Board for adequacy. Additional contributions or refunds will be made to or from the fund as appropriate. Receipts and expenditure relating to the fund are accounted for directly in this fund on an accrual basis. Any utilisation of the fund during the financial year will be matched by transfers from the Board's retained earnings. Assets and liabilities of these funds are pooled with those of the Board in the statement of financial position.

2.21 Trust funds

The Board is an agent of the Government for the sewerage, drainage and coastal protection functions. The Board has been receiving funds from the Ministry of Sustainability and the Environment ("MSE") to defray the development costs of Government-owned used water reticulation networks and drainage network.

The Government injected a lump sum into the Coastal and Flood Protection Fund ("CFPF") which can be used to fund the development costs of Government-owned drainage networks and coastal protection infrastructure. However, utilisation of CFPF is only allowed for expenditures prescribed under Section 18A of the Public Utilities Act 2001.

MSE and Singapore Totalisator Board also provide funding to the Board for the construction projects under the Active, Beautiful, Clean Waters Programme, also owned by the Government.

In addition, the Board also receives funds from the National Research Foundation ("NRF") for the disbursement of grants to grantees who are performing the water research and development ("R&D") activities. These funds are held in trust by the Board.

2. Material accounting policy information (cont'd)

2.21 Trust funds (cont'd)

All transactions pertaining to activities supported by the funds are accounted for directly in the respective trust funds as set out in Note 25. Annual excess or shortfall in the funds after disbursing all development expenditure for MSE will be refunded to or recovered from MSE accordingly. The surplus funds received from Singapore Totalisator Board are returned when the construction of assets is completed. The surplus funds received from NRF will be returned upon completion of the water R&D activities. The shortfall in funds will be recovered from NRF accordingly. Upon the dissolution of the Coastal and Flood Protection Fund, the balance then remaining in the Fund will be transferred to the Consolidated Fund.

The net assets or liabilities of the funds do not form part of the Board's assets and liabilities but are shown separately in the Group's Statement of financial position. The funds are accounted for on an accrual basis. As at the financial year end, all trust funds continue to be in operation.

3. Critical accounting estimates, assumptions and judgements

The preparation of the Group's financial statements in conformity with SB-FRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies, the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of critical judgements and estimation uncertainty in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described below:

Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. The Group reviews annually the estimated economic useful lives and residual values of property, plant and equipment based on factors that include asset utilisation rate, internal technical evaluation and operational plans.

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

4. Operating income

	<u>Group</u>		<u>Board</u>	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Water sales	961,497	870,349	961,497	870,349
Used water services	764,941	685,452	764,941	685,452
Other operating income	2,413	4,211	—	—
	1,728,851	1,560,012	1,726,438	1,555,801

Trade receivables from contracts with customers

	31 March 2026 S\$'000	<u>Group</u> 31 March 2025 S\$'000	1 April 2024 S\$'000	31 March 2026 S\$'000	<u>Board</u> 31 March 2025 S\$'000	1 April 2024 S\$'000
<u>Current assets</u>						
Trade receivables from contracts with customers (Note 11)	121,510	107,147	114,851	117,728	103,273	114,322
Loss allowance (Note 11)	(10,497)	(8,697)	(8,193)	(10,494)	(8,697)	(8,193)
	111,013	98,450	106,658	107,234	94,576	106,129

5. Operating expenses

Note	2026 S\$'000	<u>Group</u> 2025 S\$'000	2026 S\$'000	<u>Board</u> 2025 S\$'000
Operating expenses:				
- electricity	146,000	177,241	146,000	177,241
- manpower	353,299	332,034	353,084	332,515
- depreciation and amortisation	505,995	431,531	505,995	431,531
- property tax	21,819	11,397	21,819	11,397
- maintenance and others	702,176	677,288	699,231	672,750
- allocated overheads	237,339	246,065	237,339	246,065
5(b)	1,966,628	1,875,556	1,963,468	1,871,499

- (a) Included in maintenance and others are expenses related to the purchase of raw water from the Government of the State of Johor. Prices for the purchase of raw water from and treated water sold to the Government of the State of Johor in accordance with the 1962 Water Agreement are based on the rate of 3 sen and 50 sen per thousand gallons respectively. The Malaysian Government had sought a review of the price of raw water. The Singapore Government's position is that Malaysia has lost the right of review.

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

5. Operating expenses (cont'd)

(b) Included in operating expenses are:

	Note	Group 2026 S\$'000	2025 S\$'000	Board 2026 S\$'000	2025 S\$'000
Board members' allowance		257	263	257	261
Salaries and overtime allowances		394,899	376,260	394,414	375,833
Central/Employee Provident Fund		49,370	46,265	49,370	46,265
Other employee benefits		7,709	6,544	7,709	6,492
Electricity		146,075	177,561	146,075	177,561
Maintenance expenses		434,315	418,542	434,315	418,542
Research expenses		10,868	10,033	10,868	10,033
Allowance for inventory obsolescence	10(a)	857	2,231	857	2,231
Allowance for impairment of receivables	28(b)	3,873	2,691	3,870	2,691
Depreciation of property, plant and equipment	13	524,994	454,279	524,994	454,279
Amortisation of intangible assets	14	5,764	—	5,764	—

6. Net non-operating income

	Group 2026 S\$'000	2025 S\$'000	Board 2026 S\$'000	2025 S\$'000
Rental income	19,440	18,906	19,440	18,906
Amortisation of deferred income	9,457	9,655	9,457	9,655
Interest income from fixed deposits and short-term bills	9,263	11,365	9,263	11,365
Project management fees	21,690	14,803	21,690	14,803
Disbursement from recoverable jobs	996	1,741	996	1,741
Other sundry income – net	21,705	10,069	21,703	10,041
Net foreign exchange gain	2,374	1,153	2,374	1,153
Plant restoration expense	—	(4,110)	—	(4,110)
Loss on disposal of property, plant and equipment – net	(4,160)	(11,306)	(4,160)	(11,306)
	80,765	52,276	80,763	52,248

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

7. Finance expenses

	Note	Group and Board	
		2026	2025
		S\$'000	S\$'000
Pension interest expense	17	119	133
Interest expense on lease liabilities	18(c)	34,619	37,533
Interest expense on borrowings		68,478	62,398
Accretion expense on asset restoration obligations	21	6,641	514
		109,857	100,578
Less: Amount capitalised in property, plant and equipment		(63,382)	(55,860)
		46,475	44,718

Finance expenses on general financing were capitalised at rates ranging from 3.32% to 3.43% per annum (2025: 3.43% per annum).

8. Contribution to government consolidated fund and taxation

(a) Contribution to Consolidated Fund

The contribution to the Consolidated Fund is made in accordance with Section 3(a) of the Statutory Corporations (Contributions to Consolidated Fund) Act 1989.

	2026	2025
	S\$'000	S\$'000
Net income of the Board after government grants and before contribution to Consolidated Fund and taxation	414,652	180,528
	Group and Board	
	2026	2025
	S\$'000	S\$'000
Contribution to Consolidated Fund calculated at rate of 17% (2025:17%)	70,491	30,690
Effects of:		
- Non-deductible donations	—	7
	70,491	30,697

Notes to the Financial Statements

For the financial year ended 31 March 2026

8. Contribution to government consolidated fund and taxation (cont'd)

(b) *Income tax*

Subsidiaries of the Board are subject to tax under the Singapore Income Tax Act 1947.

	Group	
	2026	2025
	S\$'000	S\$'000
Tax expense attributable to profit is made up of:		
- Current income tax	—	—

The tax on the Group's net income after government grants and before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group	
	2026	2025
	S\$'000	S\$'000
Net (loss)/income before tax of subsidiaries	(371)	182
	(371)	182
Tax calculated at tax rate of 17% (2025: 17%)	(63)	31
Effects of:		
- expenses not deductible for tax purposes	—	1
- deferred tax assets not recognised	63	2
- utilisation of previously unrecognised tax losses	—	(34)
	—	—

(c) *Deferred tax assets have not been recognised in respect of the following items:*

	Group	
	2026	2025
	S\$'000	S\$'000
Unutilised tax losses and capital allowances	4,318	3,947

As at 31 March 2026, the group has an unabsorbed tax loss of \$4.3 million (2025: \$3.9 million) that is available for offset against future taxable profits of the company in which the loss arose, for which no deferred tax asset was recognised due to the uncertainty of its recoverability. The offsetting of this unabsorbed tax loss against future taxable profits is subject to agreement with the tax authority and compliance with certain provisions of the tax legislation.

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

9. Cash and cash equivalents

	Note	<u>Group</u>		<u>Board</u>	
		2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Cash with AGD	9(a)				
- Singapore Dollar		409,113	215,037	409,113	215,037
Fixed and ACU deposits	9(b)				
- Malaysian Ringgit		46,131	55,577	46,131	55,577
- Euro		960	—	960	—
Cash at bank	9(c)				
- Singapore Dollar		3,079	3,424	780	1,163
- Malaysian Ringgit		3,005	4,441	3,005	4,441
- United States Dollar		16	17	—	—
		462,304	278,496	459,989	276,218

- (a) Cash with AGD refers to cash that is managed by the Accountant-General's Department ("AGD") under the Government's Centralised Liquidity Management Framework for Statutory Boards and Ministries. The annualised interest rate for cash with AGD for the financial year ended 31 March 2026 for the Group is 2.07% (2025: 3.08%) per annum.
- (b) The weighted average interest rate relating to fixed and Asian Currency Unit ("ACU") deposits for the financial year ended 31 March 2026 for the Group is 2.89% for Malaysian Ringgit and 1.73% for Euro (2025: 2.88% for Malaysian Ringgit and no Euro fixed deposits) per annum.
- (c) Cash at bank earns interest at floating rates based on daily bank rates.

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

10. Inventories

	Note	Group		Board	
		2026	2025	2026	2025
		S\$'000	S\$'000	S\$'000	S\$'000
<u>At cost</u>					
Pipes and fittings		384	540	384	540
Chemicals		6,133	5,773	6,133	5,773
Spare parts and accessories		104,629	106,298	104,629	106,298
Fuel and lubricants		3,180	3,132	3,180	3,132
Sundries and others		229	174	229	172
		114,555	115,917	114,555	115,915
Less: Allowance for inventory obsolescence	10(a)	(1,062)	(2,905)	(1,062)	(2,905)
		113,493	113,012	113,493	113,010

(a) *Allowance for inventory obsolescence*

	Note	Group and Board	
		2026	2025
		S\$'000	S\$'000
Beginning of financial year		2,905	1,531
Allowance made	5(b)	857	2,231
Allowance utilised		(2,700)	(857)
End of the financial year		1,062	2,905

The cost of inventories recognised in operating expenses for the financial year ended 31 March 2026 was \$45.7 million (2025: \$37.5 million).

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

11. Trade and other receivables

	Note	Group		Board	
		2026	2025	2026	2025
		S\$'000	S\$'000	S\$'000	S\$'000
<i>Current</i>					
Trade receivables	11(a)	121,510	107,147	117,728	103,273
Less: Allowance for impairment of trade receivables	28(b)	(10,497)	(8,697)	(10,494)	(8,697)
Trade receivables - net		111,013	98,450	107,234	94,576
Sundry receivables	11(b)	67,225	79,689	67,225	79,689
Less: Allowance for impairment of sundry receivables	28(b)	(250)	(255)	(250)	(255)
Sundry receivables - net		66,975	79,434	66,975	79,434
Deposits		206	196	206	196
Amounts due from government	11(c)	61,200	539	61,200	539
Amounts due from subsidiaries		—	—	583	500
		239,394	178,619	236,198	175,245
<i>Non-current</i>					
Sundry receivables	11(b)	16,584	17,820	16,584	17,820
Total trade and other receivables		255,978	196,439	252,782	193,065
<u>Reconciliation to financial assets, at amortised cost</u>					
Total trade and other receivables		255,978	196,439	252,782	193,065
Add: Cash and cash equivalents	9	462,304	278,496	459,989	276,218
Total financial assets, at amortised cost	28(f)	718,282	474,935	712,771	469,283

11. Trade and other receivables (cont'd)

- (a) Trade receivables mainly represent receivables from customers with respect to water supply and used water services. These amounts are unsecured and are generally on credit terms of 14 days. They are recognised at the billed amounts which represent their fair values on initial recognition.
- (b) Sundry receivables mainly comprise the revenue and customer deposits collected by the Board's billing and collection agent, SP Services Limited, which have not been remitted to the Board, miscellaneous billings and other receivables for disbursement recoverable jobs billed by the Board.
- (c) Amounts due from government mainly comprise a grant receivable from MSE of \$60.8 million.

12. Prepaid expenses and advances

Current prepaid expenses are payments made in advance for operating expenditure.

Advances relate mainly to expenses incurred in the preparation and organisation of upcoming events managed by SIPL.

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

13. Property, plant and equipment

Group and Board 31 March 2026	Properties - <u>Land</u> S\$'000	Properties - Land development and buildings ⁽²⁾ S\$'000	Properties - <u>Leasehold</u> land S\$'000	Plant and <u>equipment</u> S\$'000	<u>Pipelines</u> S\$'000	<u>Others</u> S\$'000	Assets under <u>construction</u> S\$'000	<u>Total</u> S\$'000
<i>Cost</i>								
Beginning of financial year	981	3,798,313	915,018	5,068,124	4,114,447	330,566	2,405,463	16,632,912
Transfers to intangible assets (Note 14)	–	–	–	–	–	(17,720)	(9,754)	(27,474)
Additions	–	–	1,190	23,214	74	2,368	841,525	868,371
Asset restoration obligations additions	–	59,500	–	–	–	–	–	59,500
Transfers	–	107,679	(1,969)	145,404	368,418	27,742	(647,274)	–
Disposals	–	(30,850)	(4,293)	(82,747)	(24,981)	(15,006)	–	(157,877)
End of financial year	981	3,934,642	909,946	5,153,995	4,457,958	327,950	2,589,960	17,375,432
<i>Accumulated depreciation and provision for write-off</i>								
Beginning of financial year	–	1,501,006	168,594	2,829,532	1,029,144	193,882	–	5,722,158
Transfers to intangible assets (Note 14)	–	–	–	–	–	(2,598)	–	(2,598)
Depreciation charge	–	128,287	14,332	256,641	96,812	28,922	–	524,994
Transfers	–	(83)	–	189	(106)	–	–	–
Disposals	–	(29,300)	(2,494)	(81,379)	(23,360)	(14,741)	–	(151,274)
End of financial year	–	1,599,910	180,432	3,004,983	1,102,490	205,465	–	6,093,280
<i>Net book value</i>								
End of financial year	981	2,334,732	729,514	2,149,012	3,355,468	122,485	2,589,960	11,282,152

⁽²⁾ Buildings comprise mainly civil structures to house plant and equipment.

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

13. Property, plant and equipment (cont'd)

Group and Board 31 March 2025	Properties - <u>Land</u> S\$'000	Properties - <u>Land</u> development and buildings ⁽²⁾ S\$'000	Properties - <u>Leasehold</u> land S\$'000	Plant and <u>equipment</u> S\$'000	<u>Pipelines</u> S\$'000	<u>Others</u> S\$'000	Assets under <u>construction</u> S\$'000	<u>Total</u> S\$'000
<i>Cost</i>								
Beginning of financial year	981	3,535,261	890,450	5,068,076	3,916,012	299,447	1,974,762	15,684,989
Additions	–	24,091	3,142	1,329	90	7,331	863,758	899,741
Asset restoration obligations additions	–	210,679	–	–	–	–	–	210,679
Transfers	–	65,731	23,869	102,849	199,008	41,600	(433,057)	–
Disposals	–	(37,449)	(2,443)	(104,130)	(663)	(17,812)	–	(162,497)
End of financial year	981	3,798,313	915,018	5,068,124	4,114,447	330,566	2,405,463	16,632,912
<i>Accumulated depreciation and provision for write-off</i>								
Beginning of financial year	–	1,438,070	158,781	2,676,494	966,134	175,871	–	5,415,350
Depreciation charge	–	97,908	12,109	246,723	62,384	35,155	–	454,279
Transfers	–	(1,659)	–	1,683	(24)	–	–	–
Disposals	–	(34,391)	(2,296)	(95,618)	(424)	(17,186)	–	(149,915)
Provision for write-off	–	1,078	–	250	1,074	42	–	2,444
End of financial year	–	1,501,006	168,594	2,829,532	1,029,144	193,882	–	5,722,158
<i>Net book value</i>								
End of financial year	981	2,297,307	746,424	2,238,592	3,085,303	136,684	2,405,463	10,910,754

⁽²⁾ Buildings comprise mainly civil structures to house plant and equipment.

Notes to the Financial Statements

For the financial year ended 31 March 2026

13. Property, plant and equipment (cont'd)

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 18.

The cash outflow for acquisition of property, plant and equipment amounts to \$754.9 million (2025: \$827.3 million).

The carrying amount of plant and equipment held under leases at the reporting date was \$637.7 million (2025: \$665.0 million). These relate to the water purchase agreements with private entities for the supply of desalinated water and NEWater to the Group under the Design-Build-Own-Operate arrangements. The Group has recognised these Design-Build-Own-Operate projects as leases and at initial recognition, recorded these as plant and equipment with a corresponding lease liabilities as set out in Note 18.

14. Intangible assets

	Note	<u>Group and Board</u> 2026 S\$'000 Software
<i>Cost</i>		
Beginning of financial year		—
Transfers from PPE	13	27,474
End of financial year		27,474
<i>Accumulated amortisation</i>		
Beginning of financial year		—
Transfers from PPE	13	2,598
Amortisation for the year	5(b)	5,764
End of financial year		8,362
<i>Net book value</i>		
End of financial year		19,112

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

15. Investments in subsidiaries

	2026 S\$'000	Board 2025 S\$'000
Equity investments at cost		
Beginning and end of financial year	2,100	2,100

The Group has the following subsidiaries as at 31 March 2026 and 2025:

<u>Name</u>	<u>Principal activities</u>	<u>Country of business/ incorporation</u>	<u>Proportion of ordinary shares directly held by parent</u>		<u>Proportion of ordinary shares held by the Group</u>	
			2026	2025	2026	2025
<i>Held by the Board</i>						
PUB Consultants Private Limited (“PUBC”) ⁽³⁾	Note 15(a)	Singapore	100%	100%	100%	100%
<i>Held by PUBC</i>						
Singapore International Water Week Pte. Ltd. (“SIPL”) ⁽³⁾	Note 15(b)	Singapore	100%	100%	100%	100%

⁽³⁾ Audited by Ernst & Young LLP, Singapore

- (a) PUBC was incorporated on 2 August 1991. Its principal activity is to serve as the international business arm of the Board. PUBC harnesses the Board's experience in water management to engage overseas utilities through the provision of advisory services, and facilitate the internationalisation of Singapore-based companies to overseas markets.
- (b) SIPL was incorporated on 24 September 2007. Its principal activity is to organise the Singapore International Water Week ("SIWW"), a water event that serves as a global platform to share and co-create innovative water solutions. Stakeholders from the global water industry gather at SIWW to share business opportunities and showcase the latest water technologies. SIWW is part of the strategic programme of the Singapore Government to grow the water industry in Singapore and develop water technologies and solutions.

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

16. Trade and other payables

	<u>Group</u>		<u>Board</u>	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
<i>Current</i>				
Trade and other payables due to:				
- non-related parties	139,113	130,348	138,576	129,809
- government ⁽⁴⁾	10,247	32,213	10,247	32,213
	149,360	162,561	148,823	162,022
Accruals	290,166	272,318	287,043	269,811
Customer deposits	120,827	110,197	120,827	110,197
Total trade and other payables	560,353	545,076	556,693	542,030

Reconciliation to financial liabilities at amortised cost

	<u>Note</u>	<u>Group</u>		<u>Board</u>	
		2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Total trade and other payables		560,353	545,076	556,693	542,030
Less: Goods and Services Tax payables		(17,337)	(9,605)	(17,325)	(9,605)
		543,016	535,471	539,368	532,425
<i>Current</i>					
Borrowings	20	–	300,000	–	300,000
Lease liabilities	18	71,371	66,313	71,371	66,313
		614,387	901,784	610,739	898,738
<i>Non-current</i>					
Borrowings	20	2,223,488	1,725,000	2,223,488	1,725,000
Lease liabilities	18	677,519	712,841	677,519	712,841
Total financial liabilities at amortised cost	28(f)	3,515,394	3,339,625	3,511,746	3,336,579

⁽⁴⁾ Included in the Group's trade and other payables to government is advances received for government grants which amounted to \$4.4 million (2025: \$27.6 million).

Trade and other payables and accruals are unsecured and are short-term in nature. Trade payables are normally settled on credit terms of 21-30 days (2025: 21-30 days).

Notes to the Financial Statements

For the financial year ended 31 March 2026

17. Provision for pension

The Group's pension obligation is a defined benefit plan, which relates to pensionable employees transferred from the former Ministry of Environment. The Board and the government jointly finance the pension payments to pensionable employees upon their retirement.

The proportion of pension benefits payable to pensionable employees prior to their transfer to the Board on 1 April 2001, which is to be borne by the government, is excluded from the amount stated above.

The movement in the defined benefit obligation is as follows:

	Note	<u>Group and Board</u>	
		2026 S\$'000	2025 S\$'000
Beginning of financial year		4,548	4,437
Interest expense	7	119	133
Re-measurement loss		225	219
Liability extinguished on settlement		(253)	(241)
End of the financial year		4,639	4,548

The significant actuarial assumptions used were as follows:

- (i) The discount rate for the pension obligation is 2.3% (2025: 2.7%) per annum, which is based on the market yields on the Government bonds.
- (ii) The Board's average share of pension obligation is estimated at a factor of 0.70 (2025: 0.70).
- (iii) The mortality rate is based on S0408 Mortality Table in the report published by the Singapore Actuarial Society Mortality Workgroup. This assumption is unchanged from the previous valuation.

The sensitivity of the defined benefit obligation to changes to each of above significant assumptions at the reporting date, assuming all other assumptions were held constant is:

		<u>Impact on defined benefit obligation</u>	
Change in assumption		2026 S\$'000	2025 S\$'000
Discount rate	0.5% p.a.	(214)	(215)
	(0.5)% p.a.	231	232

As at 31 March 2026, the average duration of the pension obligation is 10 years (2025: 10 years).

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

18. Lease liabilities

	Group and Board	
	2026	2025
	S\$'000	S\$'000
<i>Current</i>		
Lease liabilities	71,371	66,313
<i>Non-current</i>		
Lease liabilities	677,519	712,841
End of the financial year	748,890	779,154

Nature of the leasing activities

The Group and Board leases office premises, lands, buildings and plants for the purpose of its operations.

(a) Carrying amounts

Right-of-use assets classified within property, plant and equipment

	Group and Board	
	2026	2025
	S\$'000	S\$'000
Design-Build-Own-Operate Projects	637,735	664,960
Properties – Land, Land development and buildings	17,618	34,352
Others	641	1,163
	655,994	700,475

(b) Depreciation charge during the year

	Group and Board	
	2026	2025
	S\$'000	S\$'000
Design-Build-Own-Operate Projects	(50,280)	(51,553)
Properties – Land, Land development and buildings	(15,251)	(15,333)
Others	(735)	(598)
	(66,266)	(67,484)

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

18. Lease liabilities (cont'd)

(c) Interest expense

Group and Board	
2026	2025
S\$'000	S\$'000

Interest expense on lease liabilities	34,619	37,533
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(d) Lease expense not recognised in lease liabilities

Group and Board	
2026	2025
S\$'000	S\$'000

Lease expenses – short-term leases	155	759
Lease expenses – low-value leases	2,161	1,972
	2,316	2,731

(e) Total cash outflows for all the leases during the financial year ended 31 March 2026 for the Group and Board were \$91.7 million (2025: \$114.4 million) and \$91.7 million (2025: \$114.4 million) respectively.

(f) Additions of right-of-use assets during the financial year ended 31 March 2026 for the Group and Board were \$21.8 million (2025: \$26.0 million) and \$21.8 million (2025: \$26.0 million) respectively.

(g) Future cash outflows which are not recognised in lease liabilities

Extension options

The leases for certain office premises, lands, buildings and plants contain extension periods, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise these extension options. The Group negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Group's operations. The majority of the extension options are exercisable by the Group and not by the lessor.

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

19. Deferred income

	Group		Board	
	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Current</i>				
Deferred capital grants	9,326	9,455	9,326	9,455
Other deferred income	14,887	15,437	13,575	14,243
	24,213	24,892	22,901	23,698
<i>Non-current</i>				
Deferred capital grants	420,807	429,976	420,807	429,976
Other deferred income	98,974	83,263	98,974	82,763
	519,781	513,239	519,781	512,739
Total deferred income	543,994	538,131	542,682	536,437

Deferred capital grants comprise:

- (i) Amounts received from government bodies and private developers towards the capital outlay for the provision of water facilities that were completed in and after 1998; and
- (ii) Amounts received from government relating to the acquisition of fixed assets.

Other deferred income comprise:

- (i) Operating lease income received in advance in respect of 10 land leases with periods ranging from 9 to 29 years (2025: 9 land leases with periods ranging from 9 to 29 years);
- (ii) Interest income received in advance in respect of sundry receivables; and
- (iii) Billings made in advance mainly for upcoming events managed by SIPL.

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

20. Borrowings

	Group and Board	
	2026	2025
	S\$'000	S\$'000
<i>Bonds</i>		
Principal	2,225,000	2,025,000
Unamortised transaction cost	(1,512)	—
Total borrowings	2,223,488	2,025,000
	Group and Board	
	2026	2025
	S\$'000	S\$'000
<i>Current</i>		
Bonds	—	300,000
<i>Non-current</i>		
Bonds	2,223,488	1,725,000
Total borrowings	2,223,488	2,025,000

Total borrowings comprise unsecured fixed-rate bonds and the details are as follows:

					Group and Board	
		Interest rate				
<u>Currency</u>	<u>Tenure</u>	<u>(% per</u>	<u>Issue</u>	<u>Maturity</u>	2026	2025
	<u>(years)</u>	<u>annum)</u>	<u>date</u>	<u>date</u>	\$'000	\$'000
Singapore Dollar	3	3.663	30.11.2022	28.11.2025	—	300,000
Singapore Dollar	20	3.620	12.10.2007	12.10.2027	300,000	300,000
Singapore Dollar	15	3.010	18.07.2018	18.07.2033	300,000	300,000
Singapore Dollar	30	3.433	31.08.2022	30.08.2052	800,000	800,000
Singapore Dollar	7	2.502	01.10.2024	01.10.2031	325,000	325,000
Singapore Dollar	30	2.486	15.10.2025	15.10.2055	500,000	—

The Board members and Key Management Personnel of PUB as at the financial statements' authorisation date, who also held office at the end of the financial year, had no interests in the bonds issued by the PUB as at 31 March 2026 (2025: Nil).

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

21. Provision for asset restoration obligations

	Note	Group and Board	
		2026	2025
		S\$'000	S\$'000
Beginning of financial year		230,686	15,383
Accretion expense	7	6,641	514
Additional provisions		59,500	214,789
Liability extinguished on settlement		(745)	–
End of the financial year		296,082	230,686
Current		3,100	1,420
Non-current		292,982	229,266
End of the financial year		296,082	230,686

Provision for asset restoration obligations relates to the expected restoration costs the Board has provided for its plants and service reservoirs on leasehold lands with reinstatement clauses. At each reporting date, the provision is estimated based on the latest available demolition costs of comparable assets adjusted for inflation and discounted at the market government bond yield rate ranging from 1.87% to 2.55% (2025: 2.45% to 2.74%) which is commensurate with the estimated number of years to restoration.

22. Share capital

	No. of ordinary shares	Amount \$'000
Group and Board		
31 March 2026		
Beginning and end of financial year	1,772,001	1,772
31 March 2025		
Beginning and end of financial year	1,772,001	1,772

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

The shares are held by the Minister for Finance, a body corporate incorporated by the Minister for Finance (Incorporation) Act 1959 and who is a shareholder of the Board. The shares do not carry any voting rights.

The holder of ordinary shares is entitled to receive dividends as and when declared annually, in accordance with Finance Circular Minute No. M26/2008 issued by Ministry of Finance. No dividends were declared for the financial years ended 31 March 2026 and 31 March 2025 as the net income after government grants and after contribution to Consolidated Fund and taxation had been utilised and transferred to the capital account.

During the financial year, no shares were issued (2025: \$Nil) for cash.

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

23. Capital account

The capital account comprises the accumulated transfers from retained earnings which had been appropriated for the Board's property, plant and equipment such as plants and pipelines. It also includes the amounts paid by government bodies and private developers towards the capital outlay for the provision of utility facilities completed before 1998. The movement of the capital account represents the retained earnings set aside for the year to meet the Board's capital commitments in accordance with Section 14 of the Public Utilities Act 2001.

24. Water Efficiency Fund

	Group and Board	
	2026	2025
	S\$'000	S\$'000
End of financial year	8,000	8,000

During the financial year ended 31 March 2026, \$1.3 million (2025: \$2.7 million) of co-funding was incurred. The co-funding amount incurred was drawn from the Water Efficiency Fund during the financial year. The same amount (2025: \$4.7 million) was transferred from retained earnings to the Water Efficiency Fund to replenish the Fund.

25. Net assets and liabilities of trust funds

Funds held and managed on behalf by the Board includes:

	Group and Board	
	2026	2025
	S\$'000	S\$'000
Coastal and Flood Protection Fund [Note 25(a)]	9,632,965	4,708,102
Development Expenditure Fund – Singapore Totalisator Board [Note 25(b)]	1,038	1,008
National Research Fund [Note 25(c)]	–	549
Net assets of trust funds	9,634,003	4,709,659
National Research Fund* [Note 25(c)]	(3,466)	–
Development Expenditure Fund – Ministry of Sustainability and the Environment* [Note 25(d)]	(31,072)	(82,960)
Net liabilities of trust funds	(34,538)	(82,960)

* The net liability positions are due to expenses which have been incurred but not yet billed. The trust funds will be entitled to the required funds after the fund requests are issued to the trust fund owners.

The assets and liabilities of the trust funds are excluded from the assets and liabilities of the Group and the Board.

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

25. Net assets and liabilities of trust funds (cont'd)

(a) Coastal and Flood Protection Fund

The Coastal and Flood Protection Fund ("CFPF") was set up under PUB since 2020, with an initial funding of \$5 billion from the Government. An additional injection of \$5 billion was received from the Government in 2026. The CFPF will fund capital drainage expenditures, and capital and non-recurrent coastal protection expenditures, with allowable purposes prescribed under Section 18A of the Public Utilities Act 2001 as set out in Note 2.21.

The fund is accounted for as follows:

	2026 S\$'000	2025 S\$'000
Beginning of financial year	4,708,102	4,869,874
Receipts:		
- funds received	5,000,000	—
- interest income	73,122	53,123
- liquidated damages	699	15
- recovery of development expenditure	79	54
	5,073,900	53,192
	9,782,002	4,923,066
Expenditure:		
- development expenditure	(132,325)	(193,909)
- grant disbursement	(4,327)	(5,201)
- Goods and Services Tax	(12,385)	(15,854)
	(149,037)	(214,964)
End of financial year	9,632,965	4,708,102

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

25. Net assets and liabilities of trust funds (cont'd)

(a) Coastal and Flood Protection Fund (cont'd)

	2026 S\$'000	2025 S\$'000
Represented by:		
Assets:		
- cash at bank	248,801	339,700
- financial asset at amortised cost*	9,373,545	4,374,596
- sundry receivables	23,839	11,907
	9,646,185	4,726,203
Liabilities:		
- sundry creditors and others	(13,220)	(18,101)
	(13,220)	(18,101)
Net assets of trust fund	9,632,965	4,708,102

* Financial assets at amortised cost relates to Investment in Special Singapore Government Securities.

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

25. Net assets and liabilities of trust funds (cont'd)

(b) Development Expenditure Fund – Singapore Totalisator Board

The trust funds comprise funds received from Singapore Totalisator Board for the construction of assets owned by the Government as set out in Note 2.21.

The funds are accounted for as follows:

	2026 S\$'000	2025 S\$'000
Beginning of financial year	1,008	1,167
Receipts:		
- funds received	211	1,241
- interest income	27	71
	238	1,312
	1,246	2,479
Expenditure:		
- development expenditure	(208)	(1,471)
	(208)	(1,471)
End of financial year	1,038	1,008
Represented by:		
Assets:		
- cash at bank	1,038	1,008
	1,038	1,008
Net assets of trust fund	1,038	1,008

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

25. Net assets and liabilities of trust funds (cont'd)

(c) National Research Fund

The Board receives funds from National Research Foundation ("NRF") for disbursement of grants to grantees who are performing the water R&D activities as set out in Note 2.21.

The fund is accounted for as follows:

	2026 S\$'000	2025 S\$'000
Beginning of financial year	549	3,444
Receipts:		
- funds received	37,498	37,782
- interest income	40	255
	37,538	38,037
	38,087	41,481
Expenditure:		
- disbursement to grantees	(41,553)	(40,932)
	(41,553)	(40,932)
End of financial year	(3,466)	549
Represented by:		
Assets:		
- cash at bank	337	1,959
- sundry receivables	20	114
	357	2,073
Liabilities		
- sundry creditors and others	(3,823)	(1,524)
	(3,823)	(1,524)
Net (liabilities)/assets of trust fund	(3,466)	549

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

25. Net assets and liabilities of trust funds (cont'd)

(d) Development Expenditure Fund – Ministry of Sustainability and the Environment

The trust funds comprise funds received from Ministry of Sustainability and the Environment ("MSE") for the construction of assets owned by the Government as set out in Note 2.21.

The funds are accounted for as follows:

	2026 S\$'000	2025 S\$'000
Beginning of financial year	(82,960)	(86,170)
Receipts:		
- funds received	471,042	504,937
- interest income	1,878	1,408
- liquidated damages	6,651	13,419
- recovery of development expenditure	41	151
	479,612	519,915
	396,652	433,745
Expenditure:		
- development expenditure	(388,162)	(473,727)
- Goods and Services Tax	(39,562)	(42,978)
	(427,724)	(516,705)
End of financial year	(31,072)	(82,960)

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

25. Net assets and liabilities of trust funds (cont'd)

(d) Development Expenditure Fund – MSE (cont'd)

	2026 S\$'000	2025 S\$'000
Represented by:		
Assets:		
- cash at bank	58	26,060
- sundry receivables	1,075	762
	1,133	26,822
Liabilities:		
- sundry creditors and others	(32,169)	(109,746)
- tender deposits	(36)	(36)
	(32,205)	(109,782)
Net liabilities of trust fund	(31,072)	(82,960)

26. Related party transactions

(a) *Nature and amount of individually significant transactions*

Except as already disclosed elsewhere in the financial statements, there are no individually significant transactions with related parties.

The Board supplies water and provides used water services to all entities in Singapore which also includes its subsidiaries and Government agencies (comprising Ministries, Organs of State and other Statutory Boards). These transactions are conducted in the ordinary course of business.

(b) *Key management personnel compensation*

Key management personnel compensation is as follows:

	Group		Board	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Wages, salaries and post-employment benefits	10,978	11,194	10,978	11,184
Employer's contribution to CPF	477	476	477	476
	11,455	11,670	11,455	11,660

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

26. Related party transactions (cont'd)

(c) Board members' allowance and other benefits

Board members' allowance and other benefits are as follows:

	<u>Group</u>		<u>Board</u>	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Board Members' allowance	257	261	257	259
Other benefits	—	2	—	2
	257	263	257	261

27. Commitments

Capital commitments

Capital expenditures contracted for as at the reporting date but not recognised in the financial statements are as follows:

	<u>Group and Board</u>	
	2026 S\$'000	2025 S\$'000
Development projects belonging to the Board	2,255,548	2,351,501
Development projects belonging to the Government (funded by trust funds)	1,958,260	1,678,651
	4,213,808	4,030,152

28. Financial risk management

Financial risk factors

The Group is exposed to market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

The board members have overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's overall financial risk management approach focuses on the state and the unpredictability of the financial and capital markets and seeks to minimise the potential adverse effects from the exposures to these risks on the financial performance of the Group.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

Notes to the Financial Statements

For the financial year ended 31 March 2026

28. Financial risk management (cont'd)

(a) Market risk

(i) Foreign currency risk

The Group's exposure to foreign currency risk arises from its foreign currency contracts for purchase of goods and services and its operations in Malaysia. Foreign currency risk arises when transactions are denominated in foreign currencies other than functional currency such as the United States Dollar ("USD"), Malaysian Ringgit ("MYR") and Euro ("EUR"), from financial assets and liabilities denominated in currencies other than the local functional currency.

The Group's exposures to foreign currencies at the reporting date are as follows:

	<u>USD</u> \$'000	<u>EUR</u> \$'000	<u>MYR</u> \$'000
Group			
31 March 2026			
Financial assets			
Cash and cash equivalents	16	960	49,136
Trade and other receivables	–	–	200
	16	960	49,336
Financial liabilities			
Trade and other payables	(304)	(265)	(4,040)
Currency exposure of financial (liabilities)/assets net of those denominated in the respective entities' functional currencies	(288)	695	45,296
	<u>USD</u> \$'000	<u>MYR</u> \$'000	
Group			
31 March 2025			
Financial assets			
Cash and cash equivalents	17	60,018	
Trade and other receivables	–	317	
	17	60,335	
Financial liabilities			
Trade and other payables	(978)	(601)	
Currency exposure of financial (liabilities)/assets net of those denominated in the respective entities' functional currencies	(961)	59,734	

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

28. Financial risk management (cont'd)

(a) *Market risk (cont'd)*

(i) Foreign currency risk (cont'd)

The Board's exposures to foreign currencies at the reporting date are as follows:

	<u>USD</u> \$'000	<u>EUR</u> \$'000	<u>MYR</u> \$'000
Board			
31 March 2026			
Financial assets			
Cash and cash equivalents	–	960	49,136
Trade and other receivables	–	–	200
	–	960	49,336
Financial liabilities			
Trade and other payables	(304)	(265)	(4,040)
Currency exposure of financial (liabilities)/assets net of those denominated in the respective entities' functional currencies	(304)	695	45,296
	<u>USD</u> \$'000	<u>MYR</u> \$'000	
Board			
31 March 2025			
Financial assets			
Cash and cash equivalents	–	60,018	
Trade and other receivables	–	317	
	–	60,335	
Financial liabilities			
Trade and other payables	(978)	(601)	
Currency exposure of financial (liabilities)/assets net of those denominated in the respective entities' functional currencies	(978)	59,734	

Notes to the Financial Statements

For the financial year ended 31 March 2026

28. Financial risk management (cont'd)

(a) Market risk (cont'd)

(i) Foreign currency risk (cont'd)

Sensitivity analysis

If the USD, MYR and EUR strengthened/weakened against the SGD by 5% with all other variables including tax rate being held constant, the effects arising from the net financial liability/asset that are exposed to currency risk will be as follows:

	← Increase/(Decrease) →	
	2026	2025
	Net income after government grants before contribution to Consolidated Fund and <u>taxation</u>	Net income after government grants before contribution to Consolidated Fund and <u>taxation</u>
Group		
USD against SGD		
- Strengthened	(14)	(48)
- Weakened	14	48
MYR against SGD		
- Strengthened	2,265	2,987
- Weakened	(2,265)	(2,987)
EUR against SGD		
- Strengthened	35	—
- Weakened	(35)	—

Notes to the Financial Statements

For the financial year ended 31 March 2026

28. Financial risk management (cont'd)

(a) Market risk (cont'd)

(i) Foreign currency risk (cont'd)

Sensitivity analysis (cont'd)

	← Increase/(Decrease) →	
	2026	2025
	Net income after government grants before contribution to Consolidated Fund and <u>taxation</u>	Net income after government grants before contribution to Consolidated Fund and <u>taxation</u>
<u>Board</u>		
USD against SGD		
- Strengthened	(15)	(49)
- Weakened	15	49
MYR against SGD		
- Strengthened	2,265	2,987
- Weakened	(2,265)	(2,987)
EUR against SGD		
- Strengthened	35	—
- Weakened	(35)	—

This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's exposure to interest rate risk relates mainly to the cash with AGD which refers to cash managed by the Accountant-General's Department under the Centralised Liquidity Management as set out in the Accountant-General's Circular No. 4/2009 Centralised Liquidity Management for Statutory Boards and Ministries. The interest rates for cash with AGD are based on deposit rates determined by the financial institutions and/or Monetary Authority of Singapore with which the deposits are placed and are expected to move in tandem with market interest rate movements.

Notes to the Financial Statements

For the financial year ended 31 March 2026

28. Financial risk management (cont'd)

(a) Market risk (cont'd)

(ii) Interest rate risk (cont'd)

The Board's borrowings are limited to fixed rate bonds and accordingly, the Board is not exposed to fluctuations in interest rates. The carrying amounts and effective interest rates of investments in fixed deposits and short-term bills are as follows:

		Weighted average interest rate per <u>annum</u>		<u>Carrying amount</u>	
	Note	2026 %	2025 %	2026 S\$'000	2025 S\$'000
<u>Group</u>					
Fixed-rate instruments					
- Malaysian Ringgit	9	2.89	2.88	46,131	55,577
- Euro	9	1.73	—	960	—
Variable-rate instruments					
Cash (including cash with AGD)	9	2.07	3.08	415,213	222,919
				462,304	278,496

		Weighted average interest rate per annum		Carrying amount	
	Note	2026 %	2025 %	2026 S\$'000	2025 S\$'000
Board					
Fixed-rate instruments					
- Malaysian Ringgit	9	2.89	2.88	46,131	55,577
- Euro	9	1.73	—	960	—
Variable-rate instruments					
Cash (including cash with AGD)	9	2.07	3.08	412,898	220,641
				459,989	276,218

Notes to the Financial Statements

For the financial year ended 31 March 2026

28. Financial risk management (cont'd)

(a) Market risk (cont'd)

(ii) Interest rate risk (cont'd)

Sensitivity analysis

An increase/decrease of 50 basis points in the interest rates at the reporting date would have increased/decreased the net income (after government grants before contribution to Consolidated Fund and taxation) by the amounts shown below:

	← Increase/(decrease) →	
	2026	2025
	Net income after government grants before contribution to Consolidated Fund and <u>taxation</u>	Net income after government grants before contribution to Consolidated Fund and <u>taxation</u>
<u>Group</u>		
Variable-rate instruments		
Cash (including cash with AGD)		
- Increase	2,076	1,115
- Decrease	(2,076)	(1,115)
<u>Board</u>		
Variable-rate instruments		
Cash (including cash with AGD)		
- Increase	2,064	1,103
- Decrease	(2,064)	(1,103)

This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

28. Financial risk management (cont'd)

(b) Credit risk

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument defaults on its contractual obligations.

The Group's exposure to credit risk arises mainly from trade and other receivables. Cash which mainly comprised cash managed by Accountant-General's Department under the Centralised Liquidity Management are placed in Singapore dollar deposits with banks (and cash is made available to the Board upon request) while foreign currency deposits (these are denominated in Malaysian Ringgit and United States Dollar) are placed with licensed commercial banks in Malaysia and Singapore respectively. For trade receivables, the Group has policies in place to ensure that customers maintain deposits with the Group.

The Group establishes an allowance account that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar financial assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets. The allowance account in respect of trade and other receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

Excessive risk concentration

There is no concentration of credit risk relating to trade receivables due to the large customer base.

Exposure to credit risk

The gross carrying amounts of these financial assets recorded in the financial statements represent the Group's maximum exposure to credit risk.

Notes to the Financial Statements

For the financial year ended 31 March 2026

28. Financial risk management (cont'd)

(b) Credit risk (cont'd)

Impairment of financial assets

Cash and cash equivalents and other receivables are subject to immaterial credit loss. The Group's and Board's trade receivables and sundry receivables are subject to more than immaterial credit losses where the expected credit loss model has been applied.

Movement in credit loss allowance for financial assets are set out as follows:

	<u>Trade</u> <u>receivables</u> S\$'000	<u>Sundry</u> <u>receivables</u> S\$'000	<u>Total</u> S\$'000
<u>Group</u>			
Balances as at 1 April 2025	8,697	255	8,952
Loss allowance recognised in profit or loss during the year:			
- Allowance made during the year	3,872	1	3,873
Allowance utilised	(2,072)	(6)	(2,078)
Balances as at 31 March 2026	10,497	250	10,747
Balances as at 1 April 2024	8,193	3	8,196
Loss allowance recognised in profit or loss during the year:			
- Allowance made during the year	2,438	253	2,691
Allowance utilised	(1,934)	(1)	(1,935)
Balances as at 31 March 2025	8,697	255	8,952

Notes to the Financial Statements

For the financial year ended 31 March 2026

28. Financial risk management (cont'd)

(b) Credit risk (cont'd)

Impairment of financial assets (cont'd)

	<u>Trade receivables</u> S\$'000	<u>Sundry receivables</u> S\$'000	<u>Total</u> S\$'000
Board			
Balances as at 1 April 2025	8,697	255	8,952
Loss allowance recognised in profit or loss during the year:			
- Allowance made during the year	3,869	1	3,870
Allowance utilised	(2,072)	(6)	(2,078)
Balances as at 31 March 2026	10,494	250	10,744
Balances as at 1 April 2024	8,193	3	8,196
Loss allowance recognised in profit or loss during the year:			
- Allowance made during the year	2,438	253	2,691
Allowance utilised	(1,934)	(1)	(1,935)
Balances as at 31 March 2025	8,697	255	8,952

The Group used historical loss ratios to determine the amount of provisions for credit losses for trade receivables after adjusting for forward-looking macroeconomic factors.

To measure the expected credit losses, these receivables have been grouped based on days past due.

Notes to the Financial Statements

For the financial year ended 31 March 2026

28. Financial risk management (cont'd)

(b) Credit risk (cont'd)

Impairment of financial assets (cont'd)

Receivables are written off when there is no reasonable expectation of recovery. The Group makes a provision for write off of the receivable when a debtor fails to make payment within the agreed time frame. The amount of provision is based on historical collection trend. Where receivables have been written off, the Group continues with its debts-recovery process to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The Group and Board's credit risk exposure in relation to trade receivables as at 31 March 2026 and 31 March 2025 are set out in the provision matrix as follows:

	← Current Within 30 days 31 to 90 days Past due 91 to 180 days More than 180 days →					
	Current S\$'000	Within 30 days S\$'000	31 to 90 days S\$'000	91 to 180 days S\$'000	More than 180 days S\$'000	Total S\$'000
Group						
31 March 2026						
Trade receivables	95,781	11,401	5,899	2,398	6,031	121,510
Less: Specific allowances	(3)	(140)	(265)	(390)	(5,263)	(6,061)
	95,778	11,261	5,634	2,008	768	115,449
Less: Trade receivables with no expected credit loss*	(8,426)	(80)	(8)	–	–	(8,514)
	87,352	11,181	5,626	2,008	768	106,935
Expected loss rates	0%	11%	22%	57%	100%	
Loss allowances	–	(1,282)	(1,233)	(1,153)	(768)	(4,436)
31 March 2025						
Trade receivables	85,440	8,660	5,040	1,599	6,408	107,147
Less: Specific allowances	–	(138)	(233)	(429)	(5,265)	(6,065)
	85,440	8,522	4,807	1,170	1,143	101,082
Less: Trade receivables with no expected credit loss*	(7,432)	(74)	(154)	–	(500)	(8,160)
	78,008	8,448	4,653	1,170	643	92,922
Expected loss rates	0%	8%	16%	48%	100%	
Loss allowances	–	(694)	(735)	(560)	(643)	(2,632)

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

28. Financial risk management (cont'd)

(b) Credit risk (cont'd)

Impairment of financial assets (cont'd)

	← Current Within 30 days 31 to 90 days Past due 91 to 180 days More than 180 days →					Total
	Current S\$'000	Within 30 days S\$'000	31 to 90 days S\$'000	91 to 180 days S\$'000	More than 180 days S\$'000	S\$'000
Board						
31 March 2026						
Trade receivables	92,001	11,401	5,897	2,398	6,031	117,728
Less: Specific allowances	–	(140)	(265)	(390)	(5,263)	(6,058)
	92,001	11,261	5,632	2,008	768	111,670
Less: Trade receivables with no expected credit loss*	(4,649)	(80)	(5)	–	–	(4,734)
	87,352	11,181	5,627	2,008	768	106,936
Expected loss rates	0%	11%	22%	57%	100%	
Loss allowances	–	(1,282)	(1,233)	(1,153)	(768)	(4,436)
31 March 2025						
Trade receivables	82,088	8,660	5,018	1,599	5,908	103,273
Less: Specific allowances	–	(138)	(233)	(429)	(5,265)	(6,065)
	82,088	8,522	4,785	1,170	643	97,208
Less: Trade receivables with no expected credit loss*	(4,080)	(74)	(132)	–	–	(4,286)
	78,008	8,448	4,653	1,170	643	92,922
Expected loss rates	0%	8%	16%	48%	100%	
Loss allowances	–	(694)	(735)	(560)	(643)	(2,632)

* Based on historical default rates, the Group believes that no expected loss allowance is necessary in respect of these trade receivables.

Notes to the Financial Statements

For the financial year ended 31 March 2026

28. Financial risk management (cont'd)

(b) Credit risk (cont'd)

Impairment of financial assets (cont'd)

The carrying amount of sundry receivables individually determined to be impaired are as follows:

	Current S\$'000	Within 30 days S\$'000	31 to 90 days S\$'000	Past due 91 to 180 days S\$'000	More than 180 days S\$'000	Total S\$'000
Group and Board						
31 March 2026						
Sundry receivables	82,302	174	1	–	1,332	83,809
Less: Specific allowances	–	–	–	–	(250)	(250)
	82,302	174	1	–	1,082	83,559
31 March 2025						
Sundry receivables	95,858	95	42	3	1,511	97,509
Less: Specific allowances	–	–	–	–	(255)	(255)
	95,858	95	42	3	1,256	97,254

Other than the above, the remaining sundry receivables are subject to insignificant level of credit risk.

Financial assets that are neither past due nor impaired

Financial assets that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies.

Other than the above, there are no credit loss allowance for other financial assets at amortised costs as at 31 March 2026 and 31 March 2025.

(c) Liquidity risk

Liquidity risk refers to the Group's ability to meet its financial obligations as and when they fall due.

The Group's exposure to liquidity risk is minimal as it adopts prudent liquidity risk management by regularly reviewing its cash flow needs, maintaining sufficient cash from its internally generated cash flow and putting in place adequate financing arrangements.

Notes to the Financial Statements

For the financial year ended 31 March 2026

28. Financial risk management (cont'd)

(c) Liquidity risk (cont'd)

The cash flow needs in respect of operation, maintenance and construction of Government assets or projects approved and funded by the Government are based on forecasted payment schedule.

The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year S\$'000	Between 1 and 5 years S\$'000	Over 5 years S\$'000
<u>Group</u>			
At 31 March 2026			
Trade and other payables	543,016	—	—
Lease liabilities	103,186	254,629	742,138
Borrowings	67,916	534,150	2,843,624
At 31 March 2025			
Trade and other payables	535,471	—	—
Lease liabilities	100,893	262,110	801,320
Borrowings	362,741	495,256	2,084,375
<u>Board</u>			
At 31 March 2026			
Trade and other payables	539,368	—	—
Lease liabilities	103,186	254,629	742,138
Borrowings	67,916	534,150	2,843,624
At 31 March 2025			
Trade and other payables	532,425	—	—
Lease liabilities	100,893	262,110	801,320
Borrowings	362,741	495,256	2,084,375

(d) Capital management

The Group's policy is to ensure that it maintains sufficient capital to carry out its statutory functions. To achieve this, the Group reviews its sufficiency of capital as appropriate, taking into consideration its capital expenditure needs, government policies, regulatory requirements and its ability to access capital markets. The Group defines capital as its share capital, retained earnings, capital account and borrowings.

There were no changes in the Group's approach to capital management during the financial years ended 31 March 2026 and 31 March 2025. The Group is not subject to any externally imposed capital requirements.

Notes to the Financial Statements

For the financial year ended 31 March 2026

28. Financial risk management (cont'd)

(e) Fair value measurements

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 - Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy at the lowest level input that is significant to the entire measurement.

Assets and liabilities not carried at fair value but for which fair value is disclosed

The following table shows an analysis of the Group's and Board's assets and liabilities not measured at fair value as at the reporting date but for which fair value is disclosed:

	<u>Level 1</u> S\$'000	<u>Level 2</u> S\$'000	<u>Level 3</u> S\$'000	<u>Total</u> S\$'000
<u>Group and Board</u>				
31 March 2026				
<i>Liabilities</i>				
Borrowings	–	2,229,972	–	2,229,972
31 March 2025				
<i>Liabilities</i>				
Borrowings	–	2,074,815	–	2,074,815

Determination of fair value

The fair value of the liabilities, for disclosure purposes is by reference to stock exchange quoted market bid prices at the close of business at the end of the reporting period.

		<u>Group and Board</u>	
	Note	<u>Carrying amount</u> S\$'000	<u>Fair value</u> S\$'000
31 March 2026			
<i>Liabilities</i>			
Borrowings	20	2,223,488	2,229,972
31 March 2025			
<i>Liabilities</i>			
Borrowings	20	2,025,000	2,074,815

Public Utilities Board and its Subsidiaries

Notes to the Financial Statements

For the financial year ended 31 March 2026

28. Financial risk management (cont'd)

(f) *Financial instruments by category*

	<u>Group</u>		<u>Board</u>	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Financial assets, at amortised cost	718,282	474,935	712,771	469,283
Financial liabilities, at amortised cost	3,515,394	3,339,625	3,511,746	3,336,579

29. Segment reporting

The Group's chief operating decision-maker comprises the senior management. The Group has only one reportable operating segment as it operates in the water industry as one business segment in the provision of water and related facilities for the public and majority of its activities are located in Singapore. The reportable segment is reviewed regularly by the chief operating decision-maker.

30. Authorisation of financial statements

The financial statements for the financial year ended 31 March 2026 were authorised for issue by the board members on 17 July 2026.