



ENGINEERING A SUSTAINABLE FUTURE



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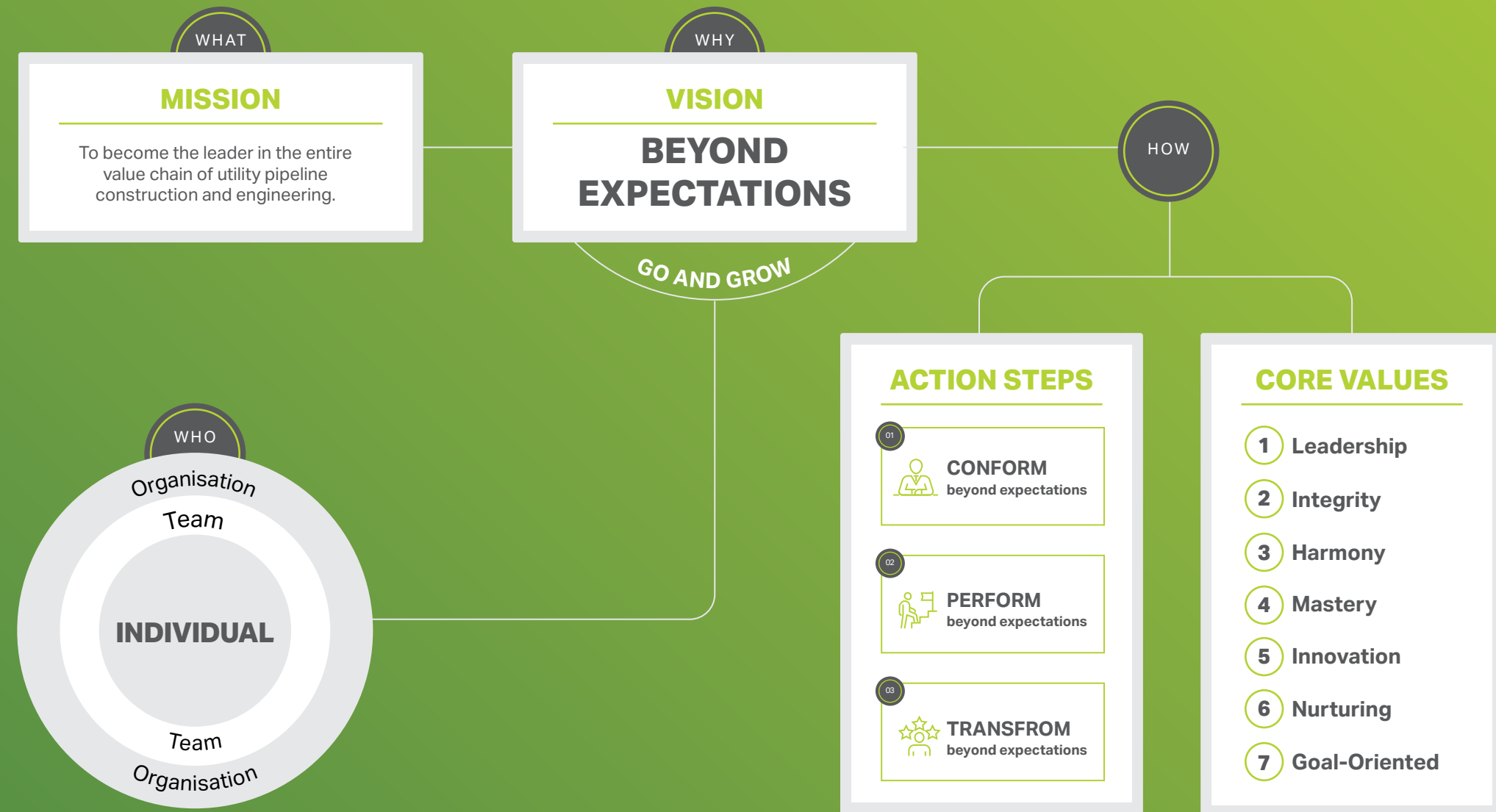


Lih Ming Construction Pte. Ltd. ("Lih Ming"), a leader in civil engineering in Singapore, specialises in engineering procurement and construction management. Founded in 2002, our expertise extends to underground gas pipe laying systems, rigorously engineered for optimal performance and safety.

We always adhere to stringent standards, regulations and safety protocols when taking over projects. Moreover, as a reliable provider of non-corrosive underground gas pipe laying solutions, we retain technical expertise with a pioneering zeal to suit our esteemed clients' construction methodologies.

In the field of civil engineering in Singapore, Lih Ming emerges as a trusted consultant, offering comprehensive solutions in engineering procurement and construction management. Our journey is marked by a legacy of excellence, a testament to our dedication to uplifting the standards of the construction industry in this dynamic metropolis.

MISSION, VISION, AND CORE VALUES



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ABOUT THIS REPORT

Lih Ming is pleased to present our second Sustainability Report ("Report"), detailing our sustainability performance for the financial year 1 January 2024 to 31 December 2024 ("FY2024"). This Report underscores our commitment to transparency by detailing our Economic, Environmental, Social, and Governance ("EESG") initiatives and demonstrating how sustainability is embedded within our business operations and strategic decision-making processes.

Reporting Boundary

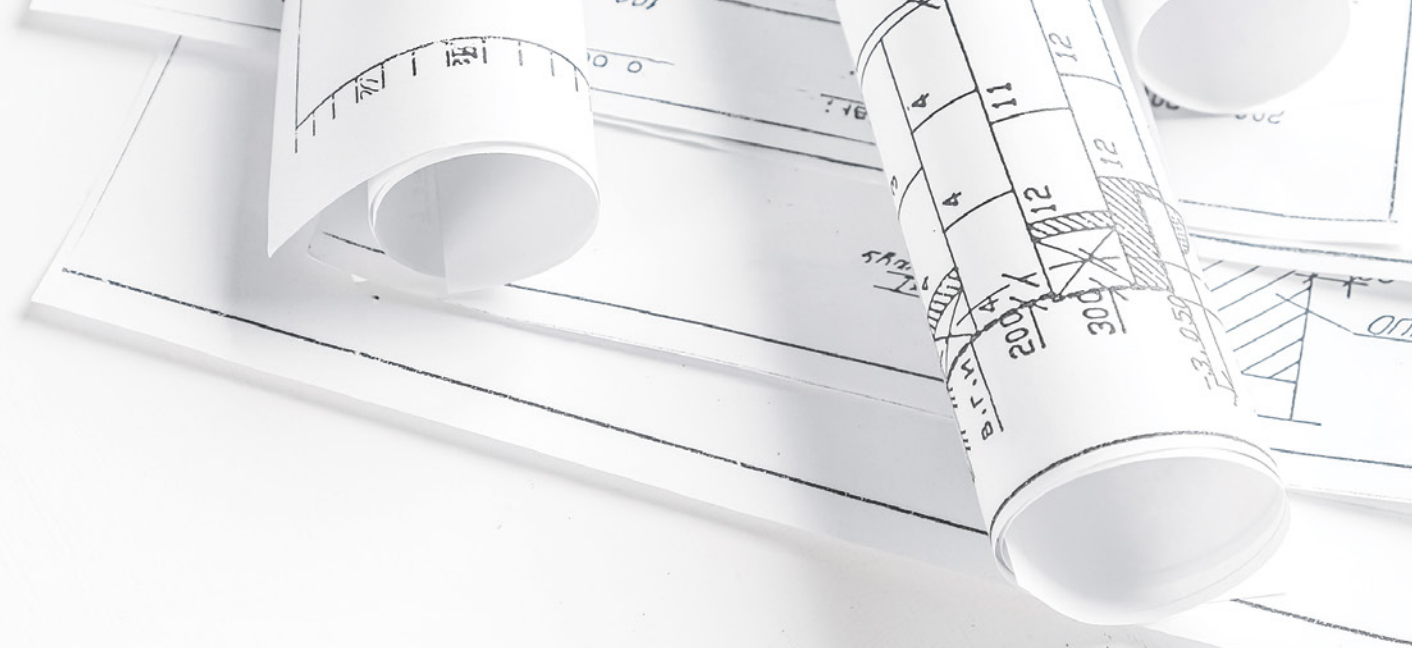
Our reporting boundary includes our company-wide operations over which Lih Ming exercises operational control.

Reporting Framework

This Report has been prepared with reference to the Global Reporting Initiative ("GRI") Universal Standards (2021), a globally recognised framework that represents best practices for sustainability reporting. The GRI Standards were selected to ensure comprehensive and transparent disclosure of our EESG impacts.

Feedback Channel

We welcome feedback from all stakeholders to enhance our reporting and sustainability practices. For any inquiries or feedback, please contact us at general@lihming.com.sg.



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A MESSAGE FROM OUR DIRECTORS

In an evolving global landscape marked by supply chain disruptions, geopolitical tensions, and economic uncertainties, Lih Ming remains unwavering in our commitment to sustainability. We integrate environmental and social responsibility into our business strategy, ensuring resilience and long-term value creation.

Our sustainability approach is anchored in four strategic pillars: **Environmental Stewardship**, where we minimise our ecological footprint and enhance resource efficiency; **Social Responsibility**, fostering positive community impact and stakeholder engagement; **Responsible Governance**, upholding ethical business practices, transparency, and regulatory compliance; and **Enduring Economic Value**, driving sustainable growth and long-term financial resilience.

In FY2024, we continued to monitor and report our Scope 1, 2, and 3 greenhouse gas emissions in alignment with established sustainability reporting frameworks. This year, we achieved a 1.2% reduction in overall emissions, reflecting our ongoing efforts to enhance operational efficiency and minimise our environmental footprint.

Additionally, we engaged our workforce through an employee satisfaction survey to gain deeper insights into their perspectives and identify areas for continuous workplace improvement. We are encouraged by the

results, which indicate that 100% of our operational workers are happy working at Lih Ming and feel that their well-being is well cared for.

Furthermore, 86% of our office employees expressed satisfaction with their work experience and acknowledged the availability of opportunities for professional growth.

Moving forward, we remain committed to fostering a supportive and inclusive work environment, and will continue working closely with our employees to ensure they feel valued, empowered, and fulfilled in their roles.

Throughout the year, we also continued to invest in the upskilling and professional development of our workforce by supporting their participation in relevant training programmes and courses.

Recognising that sustainability is a continuous and long-term commitment, we remain open to exploring innovative solutions and new opportunities to enhance our sustainability efforts.



Mr Tan Ming Woei
Director



Mr Tan Lih Woei
Director



04

2024
SUSTAIN-
ABILITY
HIGHLIGHTS



Emissions decreased by
1.2%



48.7%
of non-hazardous material consumed
arises from recycled materials



Turnover rate of
14.5% which is lower than the
national average of 15.6%



Maintain zero
fatalities high-consequence work-related
injuries, and recordable work-related injuries



Achieved customer
satisfaction score of **99%**

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OUR
SUSTAIN-
ABILITY
STRATEGY

Sustainability Framework

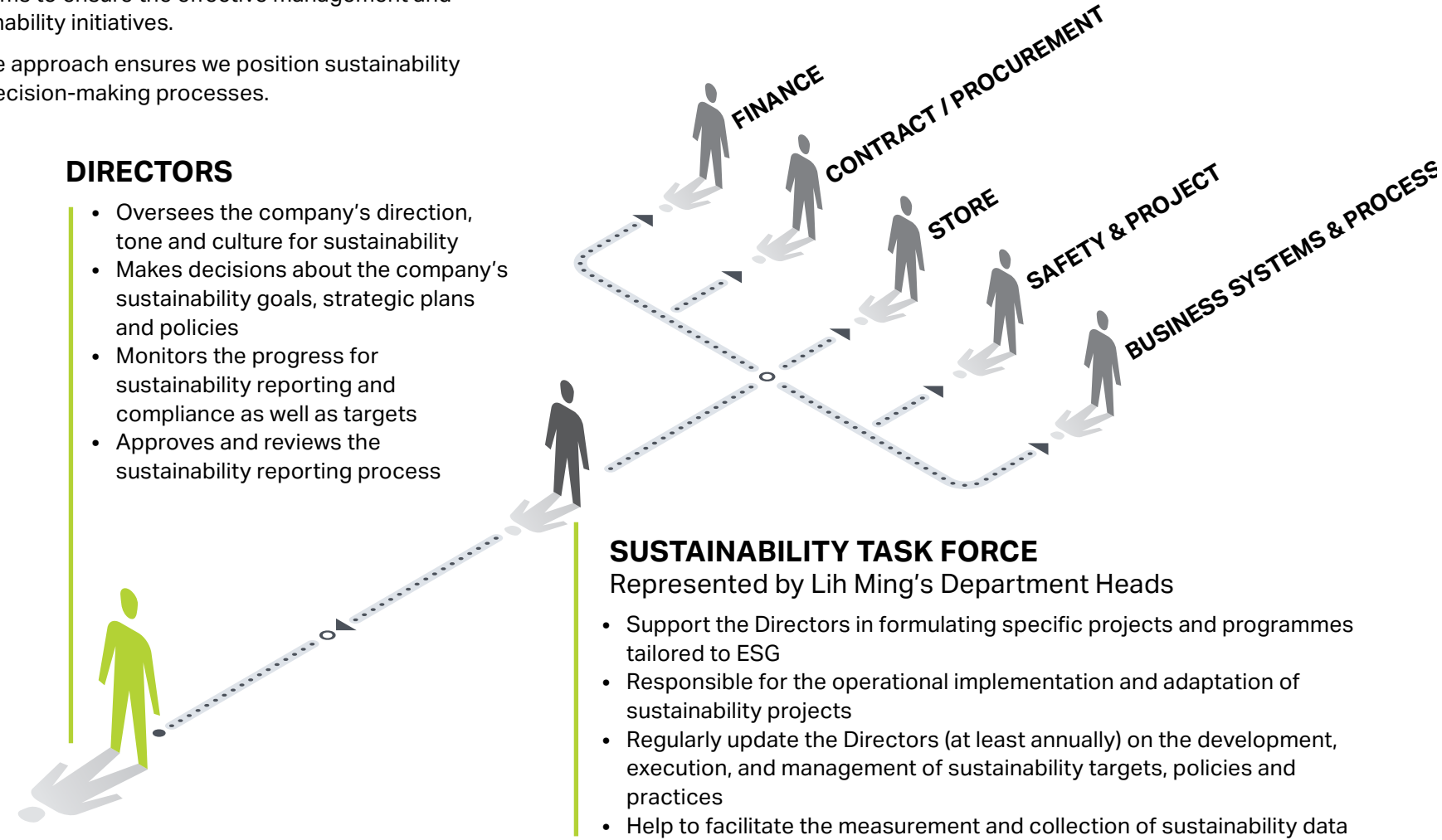
At Lih Ming, we are committed to sustainability and guided by a strategic framework that fosters innovative solutions to address both current and future challenges. Our approach to sustainable development is designed to ensure long-term business success through concrete actions that enhance our initiatives and align with industry best practices. Our key priorities include reducing our carbon footprint, fostering community engagement, and upholding strong corporate governance.



Sustainability Governance

In FY2023, Lih Ming established our Sustainability Task Force to integrate sustainability across all levels of the organisation. Through a structured governance framework, we have implemented robust oversight mechanisms to ensure the effective management and execution of sustainability initiatives.

This comprehensive approach ensures we position sustainability at the core of our decision-making processes.



Materiality Assessment

In FY2023, Lih Ming conducted a materiality assessment to ensure our sustainability efforts are focused on the most critical areas. We employ a structured four-step approach to identify, prioritise, and address key ESG factors, aligning our strategy with stakeholder expectations and industry best practices.

Step 1: Understanding Material ESG Factors

- Conduct a industry landscape study to determine external material issues
- Consider internal material factors by assessing the positive and negative impacts of Lih Ming's activities, goals and aims

Step 2: Identifying & Prioritising Material ESG Factors

- Conduct a peer benchmarking to identify relevant industry topics
- Conduct a stakeholder survey

Step 3: ESG Data Collection

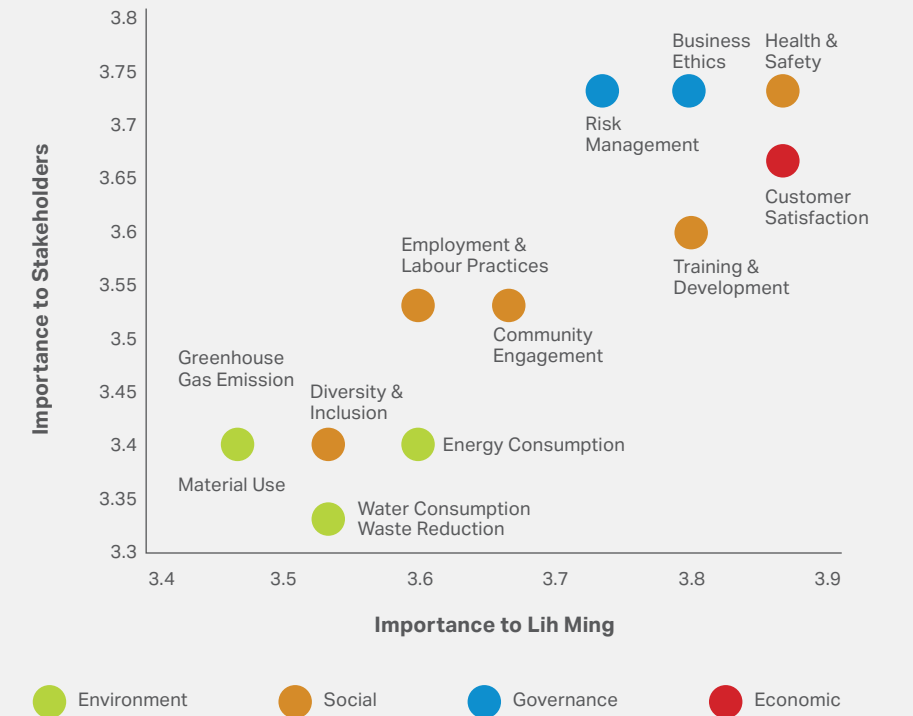
- Customised data collection template
- Obtain information from data owners

Step 4: Validation of Material ESG Factors




- Review and validate material ESG factors by the Directors




Through the material assessment, we identified 13 material ESG factors of importance to our business and key stakeholders. This year, we conducted a reassessment of these factors and confirmed their continued relevance to our operations and sustainability strategy.

Lih Ming Materiality Matrix



Risk Management and Targets

Material Factors		Risks	Opportunities	Targets	Progress Against Targets
Environmental Stewardship	Greenhouse Gas Emissions	<ul style="list-style-type: none">• Resource depletion• Reputational damage due to large environmental carbon footprint	<ul style="list-style-type: none">• Conscious effort to plan and reduce number of trips to transport goods to save fuel• Maintain air-conditioning units regularly to ensure optimal operation	<ul style="list-style-type: none">• Invest in more renewables to reduce our Scope 2 emissions by FY2025• Pursue emission reduction strategies, including optimising energy efficiency and sustainable transportation options to reduce our carbon footprint• Switch to 100% electric vehicles by 2030	 In Progress
	Energy Consumption	<ul style="list-style-type: none">• Resource depletion	<ul style="list-style-type: none">• Reduce cost by saving energy and changing energy sources• Monthly inspection of electrical equipment to detect defects	<ul style="list-style-type: none">• Enhance our energy efficiency by upgrading lighting systems, optimising HVAC systems and adopting energy-efficient technologies throughout our operations• Promote employee awareness and engagement for energy conservation	
	Material Use	<ul style="list-style-type: none">• Resource depletion• Inefficient use of materials• Failure to fully realise the environmental benefits of projects	<ul style="list-style-type: none">• Conduct environmental aspect and impact assessment covering the use of resources• Implement Environmental Management System• Implement policies and work with customers to execute projects with strict adherence to environmental preservation	<ul style="list-style-type: none">• Develop a sustainable sourcing policy	
Social Responsibility	Employment and Labour Practices	<ul style="list-style-type: none">• Shortage of manpower may result in non-conforming works• High turnover rates	<ul style="list-style-type: none">• Maintain employee involvement and high morale through existing employee programmes• Proactively gather feedback from employees using Employee Suggestion Form	<ul style="list-style-type: none">• Yearly review of employee benefit package for office staff, to achieve 90% employee satisfaction rate• Establish clear pathways for career advancement, with a target of increasing the promotion rate for internal hires by 10%	 In Progress
	Diversity and Inclusion	<ul style="list-style-type: none">• Decreased job satisfaction and morale among employees• Attrition of talent	<ul style="list-style-type: none">• Open and inclusive communication with all employees	<ul style="list-style-type: none">• Maintain a diverse workforce with different cultural, educational, and professional backgrounds• Provide equal opportunity for all	 Met Target

Material Factors		Risks	Opportunities	Targets	Progress Against Targets
Social Responsibility	Training and Development	<ul style="list-style-type: none">• Hinder productivity due to absence of requisite skills to efficiently carry out tasks	<ul style="list-style-type: none">• Invest in training opportunities to upgrade employees' skillsets or competencies	<ul style="list-style-type: none">• Workers are required to participate in job-related training courses tailored to their respective positions• Ensure 100% completion of onboarding programmes for new hires within their first 30 days• Maintain an average of 12 hours of training per employee	 Met Target
	Health and Safety	<ul style="list-style-type: none">• Legal and compliance issues• Property damage• Environmental damage• Safety and health related incidents	<ul style="list-style-type: none">• Conduct risk assessments and implement operational controls• Integrate a health and safety management system within the QEHS Management System• Establish emergency preparedness and response procedures	<ul style="list-style-type: none">• Zero incidents of workplace incidents and fatalities• Achieve zero stop work order• Achieve zero demerit points from authority• Achieve zero MOM WSH incident reportable case (iReport)• Achieve 100% compliance with all relevant health and safety regulations and standards• Reduce 20% WSH non-conformances site inspection findings	
Responsible Governance	Risk Management	<ul style="list-style-type: none">• Reputational damage• Legal and compliance issues	<ul style="list-style-type: none">• Thorough planning and scheduling of projects• Regular communication and updates within the team• Conducting regular safety sharing sessions with workers	<ul style="list-style-type: none">• Develop a risk management plan	 Met Target
	Business Ethics	<ul style="list-style-type: none">• Reputational damage• Legal and compliance issues	<ul style="list-style-type: none">• Annual evaluation of legal compliance will be conducted to ensure strict adherence	<ul style="list-style-type: none">• Ensure 100% of employees adhere to the company's code of conduct outlined in the Employee Handbook• Achieve zero reported cases of corruption	
Enduring Economic Value	Customer Satisfaction	<ul style="list-style-type: none">• Loss of customers due to poor management of defects or poor handling of customer complaints	<ul style="list-style-type: none">• Proactively gather feedback from customers annually• Increase customer loyalty through rigorous safety and quality control	<ul style="list-style-type: none">• Maintain good quarterly CPMS gradings by SP Group ("A" or "B")• Achieve 90% customer satisfaction rate	 Met Target



Greenhouse Gas Emissions

We understand that sustainable construction is pivotal in mitigating the depletion of natural resources and reducing greenhouse gas emissions. This approach not only fosters environmental stewardship but also supports the transition towards more resource-efficient and climate-conscious construction practices.

In FY2023, Lih Ming developed our first Scope 1, 2 and 3 greenhouse gas ("GHG") inventory to better understand our environmental impact across our value chain. Building upon this foundation, we remain committed to actively monitoring and managing our emissions. This year, we continue to track and calculate our GHG emissions in accordance with the methodology proposed by the GHG Protocol Corporate Accounting and Reporting Standard and adopt the operational control approach.

In FY2024, Lih Ming's emissions totalled 6,075,384.18 kgCO₂e. A summary of our FY2024 GHG inventory is as follows:


Emission Scope	Emissions (kgCO ₂ e)	Emission Source	Source of Emission Factor Referenced
Scope 1	374,765.85 (6.1% of total emissions)	<ul style="list-style-type: none">Stationary Combustion (Backup Generators & Fire Extinguishers)Mobile Combustion (Company-owned Diesel & Electric Vehicles)	<ul style="list-style-type: none">Department for Environment, Food & Rural Affairs ("DEFRA")
Scope 2	16,194.07 (0.3% of total emissions)	<ul style="list-style-type: none">Purchased electricity	<ul style="list-style-type: none">Singapore's Energy Market Authority
Scope 3	5,684,424.26 (93.6% of total emissions)	<ul style="list-style-type: none">Purchased Goods & ServicesCapital GoodsUpstream Transportation & DistributionWaste Generated in OperationsUpstream Leased Assets	<ul style="list-style-type: none">DEFRAU.S. Environmental Protection Agency ("US EPA")


The majority of our GHG emissions originate from Scope 3 sources, with purchased goods and services representing the most significant contributor (see Figure 1).


This is primarily attributable to the inherent characteristics of the construction industry, where extensive procurement of raw materials, equipment, and subcontracted services plays a critical role in project execution.

Compared to FY2023¹, our emissions decreased slightly by 1.2%, from 6,151,126.89 kgCO₂e to 6,075,384.18 kgCO₂e (see Figure 2).

To mitigate our GHG emissions, Lih Ming has implemented a range of emission reduction initiatives, including:

- 

1. Regular Maintenance of Machinery
Ensuring optimal efficiency and reduced emissions through routine maintenance of diesel generators, excavators, rammers, cutters, and lorries.
- 

2. Energy-Efficient Lighting
Deploying LED explosion-proof lights for site operations to enhance energy efficiency and reduce electricity consumption.
- 

3. Renewable Energy Solutions
Utilising solar-powered LED safety cone lights for site works, minimising reliance on conventional energy sources and lowering our carbon footprint.

These initiatives reflect our ongoing commitment to sustainable operations and environmental responsibility.

1. Our FY2023 Scope 1, Scope 2, and Scope 3 emissions have been restated following a comprehensive review of our previous inventory. This reassessment led to the inclusion and exclusion of specific data points to enhance the accuracy and completeness of our emissions reporting.

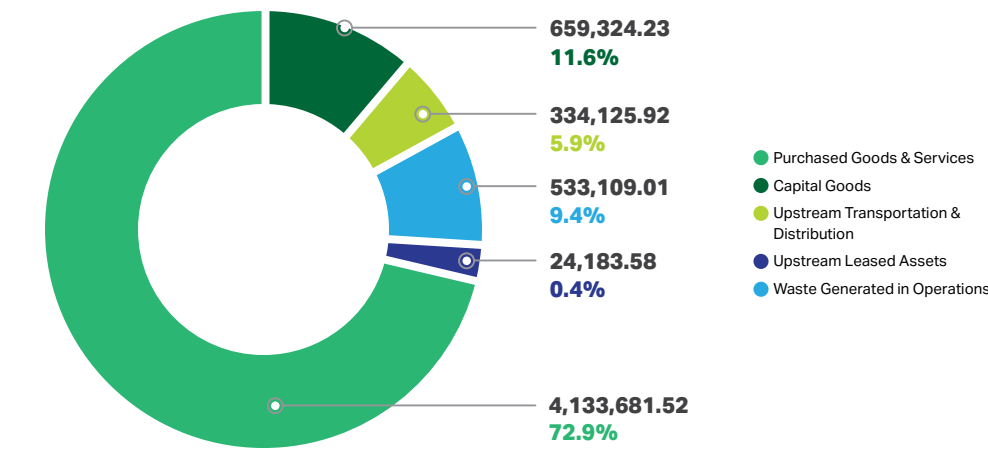


Figure 1. Breakdown of Scope 3 emissions

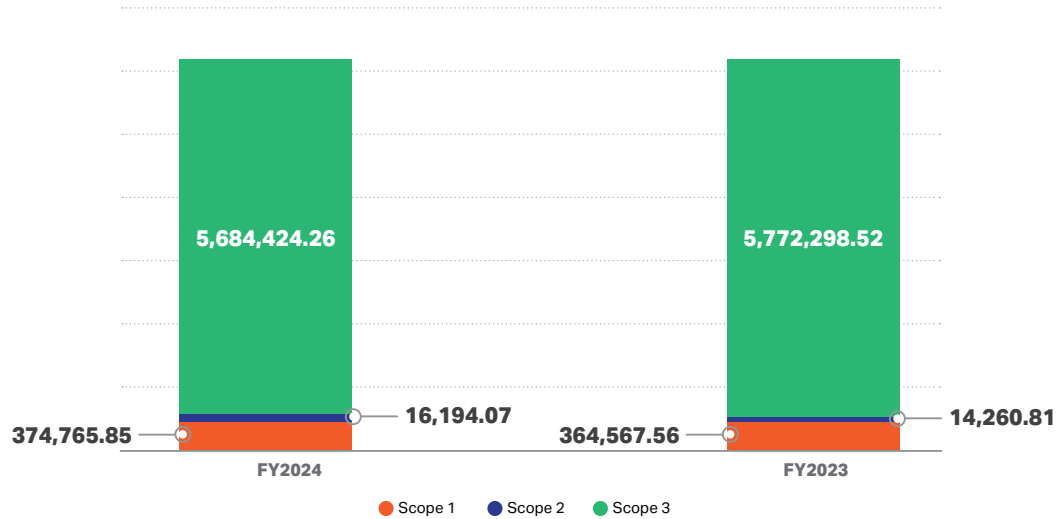


Figure 2. Comparison of FY2023 and FY 2024 emissions

Energy Consumption

As a company operating in the construction industry, we recognise that our activities are inherently energy-intensive, particularly in the operation of heavy machinery and equipment. By implementing energy-efficient practices and integrating advanced technologies, Lih Ming aims to optimise energy usage, reduce overall consumption, and achieve significant cost savings.

At Lih Ming, our energy consumption arises from the consumption of purchased electricity from Singapore’s national grid. In FY2024, we consumed 39,306 kWh of electricity, a 14.9% increase as compared to FY2023. This rise was primarily attributed to workforce expansion and a reduction in remote working arrangements.

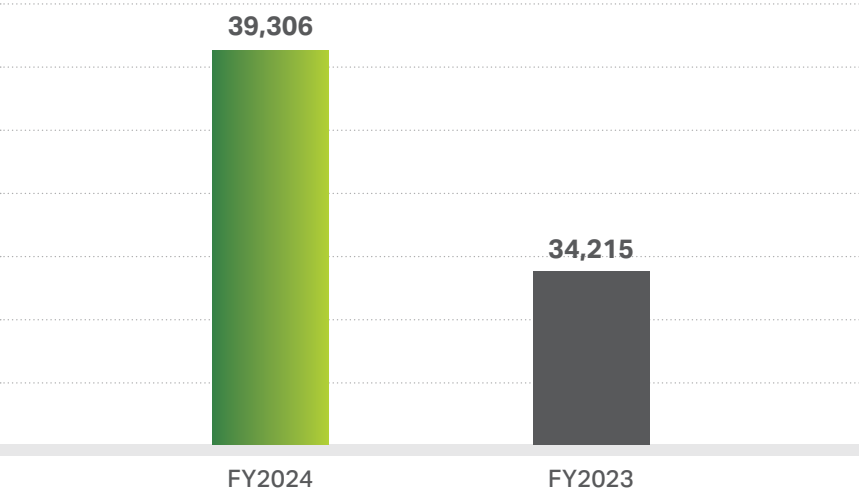


Figure 3. Electricity consumption (kWh)

To enhance energy efficiency and reduce overall consumption, we have implemented various energy reduction initiatives. These include the installation of LED lighting across our offices and stores, as well as the use of timers to automatically cut off electrical supply during non-work hours at our stores.

Additionally, to further minimise our environmental impact, Lih Ming implemented a structured Environmental Aspect and Impact Assessment (“EAIA”) framework since 2016. This framework enables us to systematically identify, evaluate, and mitigate environmental risks across all our projects in Singapore. Our assessment methodology covers 14 key environmental aspects across nine work-related activities conducted at our project sites, ensuring a comprehensive approach to environmental management and sustainability.

Work Activity	Environmental Aspect Identification
1) Transportation of equipment and materials to the project site	1) Consumption of fuel
2) Operation of electrical tools (in general)	2) Smoke emission
3) Welding	3) Energy consumption
4) Gas Cutting	4) Generation of noise
5) Hacking	5) Consumption of acetylene
6) Painting	6) Leaking cutting torch and hose
7) Use of thinner adhesives and other related substances	7) Generation of dust
8) Use of cleaning agents	8) Emission of vapours
9) Use of resources (in general, including resource consumption by subcons)	9) Potential spillage
	10) Discharge of contaminated rinse water during washing of paint brushes
	11) Water consumption during washing
	12) Uncontrolled discharge of acid / cleaning agents
	13) Resource consumption
	14) Generation of solid wastes

Material Use

Lih Ming provides a broad spectrum of services categorised into three key stages: pre-construction, construction and post-construction. Due to the nature of our industry and operations, a large amount of materials are used.

Lih Ming offers a comprehensive range of services spanning three key stages of the construction lifecycle: pre-construction, construction, and post-construction.

Pre-construction

- Civil Engineering
- Materials Management
- Project Management
- Permitting
- Strategic Relationships
- Training

Construction

- Cable Installation
- Pipe Laying
- Road Reinstatement

Post-construction

- Inspection / Quality Control
- Landscaping Reinstatement
- Hard Surface Reinstatement
- Traffic Control

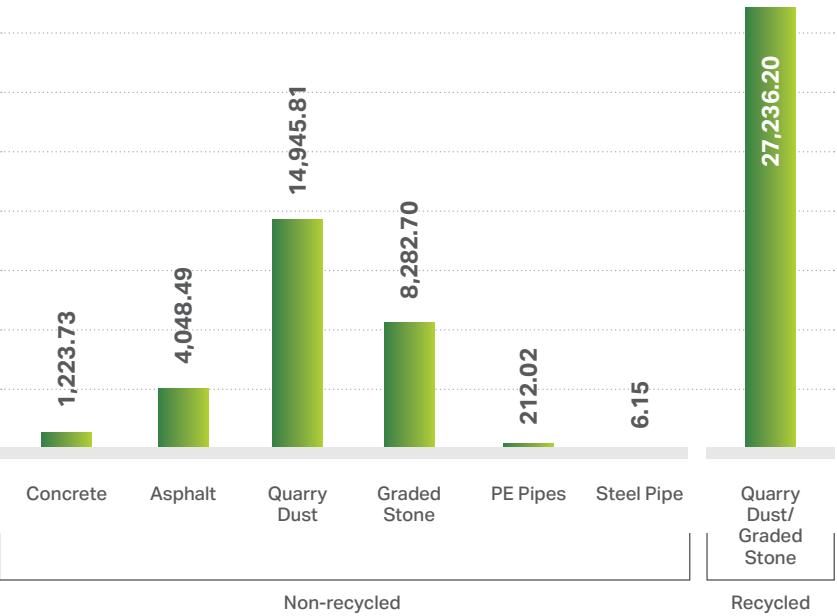


Figure 4. Non-hazardous materials (tonnes)

Given the material-intensive nature of our industry and operations, substantial volumes of resources are utilised throughout these phases. As a responsible construction company, we are committed to optimising material efficiency and integrating sustainable practices into our operations to reduce materials used.

We do not utilise any hazardous materials in our construction activities. Our commitment to efficient material utilisation has allowed us to integrate the use of recycled quarry dust and recycled graded stone in our core products and services.

In FY2024, we consumed a total of 55,955.10 tonnes of non-hazardous materials, with recycled materials accounting for 48.7% of this total. Due to improved data collection and more accurate accounting of waste in FY2024, there was a significant increase in the reported total weight of non-hazardous materials used compared to FY2023.



SOCIAL RESPONSIBILITY



Employment and Labour Practices

Our People

Lih Ming recognises that our people are the foundation of our business success. We foster a supportive, inclusive, and empowering workplace that promotes the well-being, development and growth of our people. Our ongoing investment in talent development ensures our employees are equipped with opportunities for personal and professional growth. By prioritising a diverse and inclusive culture, we strive to build a highly engaged workforce that can leverage their full capabilities, delivering excellence across all facets of our business.

Job Creation and Employment

In FY2024, Lih Ming's workforce grew to a total of 117 employees from 103 employees in FY2023, including both office personnel and on-site project workers.

During the year, we welcomed 27 new hires, resulting in a new hire rate of 23.1%, an increase compared to 22.3% in FY2023. Meanwhile, our employee turnover rate for the year stood at 14.5%, with 17 employees leaving the company.

In the event of termination or resignation, employees are required to fulfil a minimum notice period of 1 month, which may vary depending on their job grade.

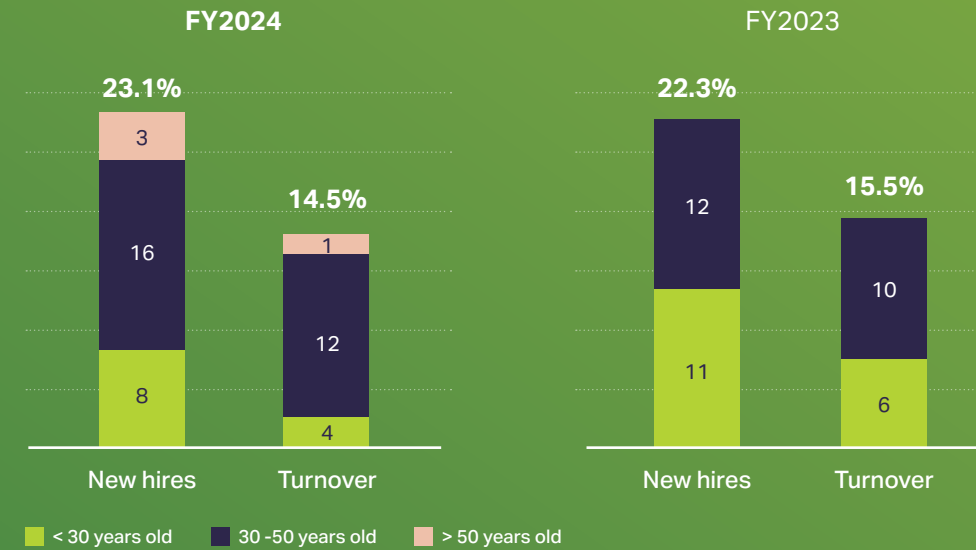


Figure 5. New employee hires and employee turnover summary by age group

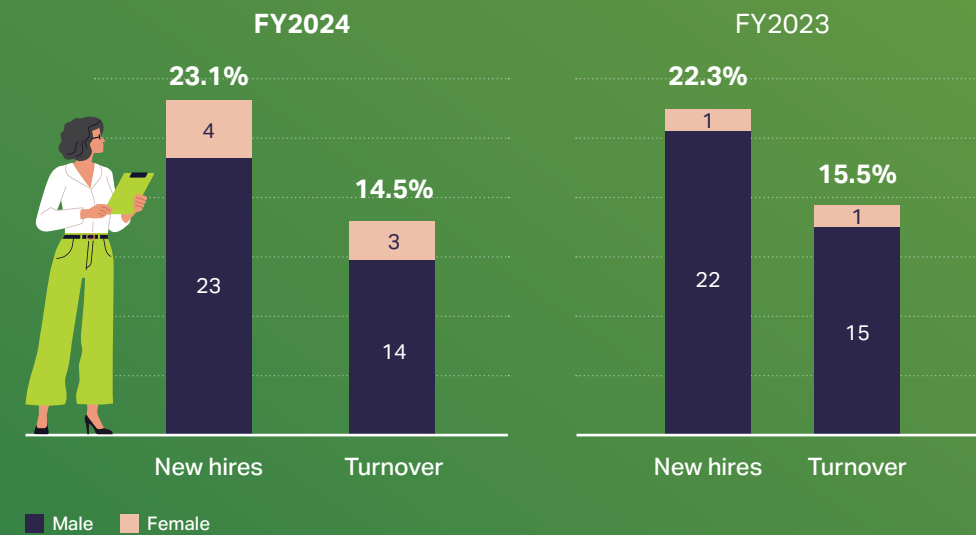


Figure 6. New employee hires and employee turnover summary by gender

Employee Retention

To strengthen team morale and foster a sense of belonging, we prioritise employee engagement by actively gathering feedback through our Employee Suggestion Form and organising events. These initiatives contribute to a positive workplace culture where employees feel valued and heard.

Our dedication to employee engagement is evident in our reduced turnover rate of 14.5% in FY2024, down from 15.5% in FY2023, and consistently below the national average of 15.6% in FY2024². Additionally, Lih Ming celebrates the commitment of employees who have been with Lih Ming for 5, 10, and 15 years, honouring their long-term contributions that reinforce the strong, supportive culture we strive to uphold.

Employee Benefits

To promote morale and productivity, Lih Ming offers our full-time employees with a comprehensive range of benefits, including:

Benefits	Descriptions
Annual Leave	Annual leave starts from 16 days for office staff, capped at 24 days
Hospitalisation, Outpatient, and Dental Insurance	Outpatient coverage with no co-payment, including specialist services
Parental, Childcare and Family Care Leave	Special family care benefits, providing three days of leave without needing a reason
Long Service Award	Stipend awarded for long service milestones at 5, 10, and 15 years
Transport Allowance	Reimbursement-based benefits structure
Flexible Spending Allowance	Annual spending allowance of \$500 after 12 months of employment

2. Based on Singapore's Ministry of Manpower statistics for average monthly resignation rate.

For our workers, we provide benefits such as medical expense reimbursement of up to \$200 and dental cost coverage of up to \$100, ensuring their well-being and access to essential healthcare services. Throughout the year, we have reviewed and enhanced our employee benefits to better support our workforce, ensuring they remain relevant and inclusive for all employees.

This year, we conducted a comprehensive employee satisfaction survey encompassing both our office-based staff and operational workers. The survey served as a valuable tool in capturing meaningful insights into our employees' perceptions, experiences, and overall sentiments within the workplace.



Presently, we are proud to report a 100% return rate from parental leave among our employees, reflecting our supportive work environment. This is viewed positively, and we aim to further enhancing support for both male and female colleagues, facilitating their smooth transition back into the workforce and fostering their continued career growth.

Education Sponsorships and Scholarships

This year, the construction sector in Singapore continued to face a significant shortage of skilled labour, with 79% of employers reporting difficulties in filling roles, a slight improvement from 83% in FY2023. Lih Ming recognises this persistent talent gap which underscores the importance of initiatives aimed at attracting and developing young professionals to sustain the industry's growth.

To address this challenge, we continue to offer scholarships and internships to students pursuing careers in the field, equipping them with practical experience and mentorship from senior colleagues. Successful completion of our internship programme may be offered permanent employment, with opportunities listed on our corporate website and recruitment platforms.

Building on our initiatives in FY2023, where we established the Lih Ming Construction Bursary (the "Bursary"), we continue our collaboration with the Singapore Institute of Technology ("SIT") under the 5-year contract to support financially disadvantaged and deserving undergraduates pursuing full-time degrees. The Bursary remains a key part of our commitment to providing financial assistance to those in need. Each Bursary is valued at \$5,000 and can be used for various educational costs, including such as tuition fees, course materials or participation in course immersion programmes.

Through these efforts, we strive to cultivate a new generation of skilled professionals, ensuring the continued growth and resilience of Singapore's construction industry.



Diversity and Inclusion

Our Diverse Workforce

At Lih Ming, we value and embrace diversity and inclusion in our workforce. We believe all employees, regardless of background, gender, or ethnicity, shall be given equal opportunities to thrive.

Our business is piloted by a multinational workforce that brings 117 full-time employees from six different nationalities, coming from dynamic backgrounds and experiences. We foster an environment where employees from all over the world can collaborate and enrich our company culture.

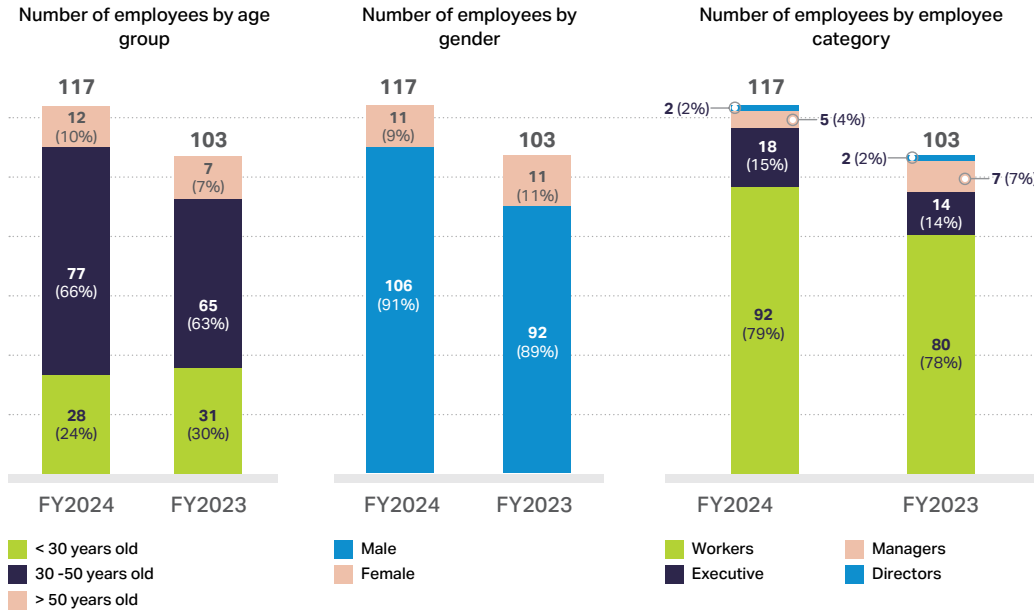


Figure 7. Lih Ming's FY2024 Employee Profile

This year, the proportion of employees outside the 30–50 age range declined slightly from 37% to 34%. Reflecting the nature of the construction industry, male employees continue to comprise the majority of the workforce at 91%, representing a marginal 2% decrease from FY2023. As operations expanded, the total workforce grew, with both workers and executives increasing by 1% compared to FY2023.

Despite these changes, we remain committed to maintaining workforce diversity across age groups, gender, and employee categories. A diverse workforce enriches our perspectives, fosters innovation, and strengthens our adaptability in a competitive industry.

Employment Practices



Fair Employment Practices

Lih Ming adheres to the Tripartite Guidelines on Managing Excess Manpower issued by MOM and its tripartite partners, Singapore National Employees Federation and the National Trades Union Congress.

We share the Tripartite Guidelines' philosophy of managing excess manpower and considering reorganisation as a last resort. The Guidelines also recommend retraining programmes, shorter workweeks, flexible work arrangements and a flexible wage system.

In FY2024, we reported zero cases of discrimination.



Fair Salary and Remuneration

The ratio of the basic salary as well as basic remuneration of female to male at Lih Ming is 1:1 respectively.

The remuneration details are communicated to employees upon joining the company. Our employees receive equitable remuneration determined by objective factors such as experience, skills, knowledge and performance.

Our company policy includes an equal opportunity whereby we believe that a diverse workforce with different cultural, educational, and professional backgrounds will enhance our position in the global market and maintain a work environment that is conducive to the highest levels of employee performance.

Training and Development

Learning and Development

Lih Ming believes that investing in employee learning and development is key to driving individual growth and strengthening our workforce. Our training programmes are tailored to employees' specific roles—ensuring both office staff and site workers receive the relevant skills and knowledge to excel in their responsibilities.

Our office staff knowledge development courses

In FY2024, our office staff attended over 12 courses, compared to three courses in FY2023, which include:

- Embracing Asian Family Business - BDO Consultants
- GCNS Foundations in Corporate Sustainability - UN Global Compact Network Singapore
- Workplace Automation at Work with Microsoft Power Platform - SMU Academy
- The Security of Payment Act Technicalities and Practicalities (E-learning) - BCA Academy
- Basic Concept in Construction Productivity Enhancement - BCA Academy
- Copilot for M365 - Excel Consulting Solutions Pte Ltd
- Occupational First Aid Course - Agape First Aid Pte Ltd

Our workers mandatory training matrix

Our mandatory training matrix is specifically designed to equip our workers with the skills and qualifications needed to progress in their careers and remain competitive in the rapidly evolving construction industry.

Courses are tailored to each employee's role, whether as a Project Manager or Excavator Operator, ensuring they meet the specific requirements for both on-site and off-site responsibilities. This targeted approach ensures our team is well-prepared to tackle the challenges of their respective positions and contribute to the company's ongoing success.

We upheld our commitment to strengthening human capital by achieving an average of 18 training hours per employee in FY2024, marking an increase of 8 hours per employee compared to FY2023.

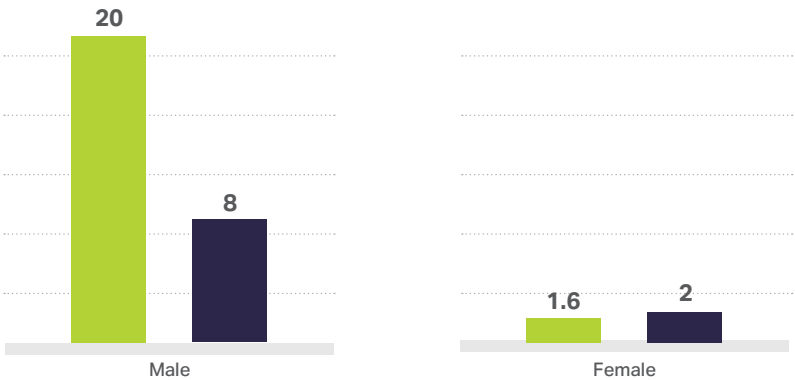


Figure 8. Average training hours by gender



Figure 9. Average training hours by employee category

FY2024 FY2023

In FY2024, average training hours for male employees rose significantly from 8 to 20 hours—a 150% increase. Conversely, female employees recorded an average of 1.6 training hours, representing a 20% decline (0.4 hours less than FY2023).

Training hours increased across all employee categories. Notably, Lih Ming invested substantially in upskilling our workers, resulting in a 15.1-hour increase in their average training. Directors also recorded 19 additional training hours compared to the previous year.

These changes are attributed to various factors, including differing levels of interest in training topics and potential scheduling or workload constraints.

Performance Review

At Lih Ming, we are committed to fostering a culture of continuous growth and development through structured performance assessments and targeted training initiatives. Each employee undergoes an annual performance review based on individual achievements³, allowing us to identify areas for improvement and provide the necessary training or re-certifications through our training matrix. These programmes are fully sponsored by Lih Ming, reinforcing our dedication to equipping employees with the skills needed for career progression.

To ensure fair and transparent evaluations, we regularly review and refine our performance assessment processes, upholding our commitment to meritocracy and equitable growth opportunities for all employees.

In FY2024, 100% of employees participated in performance and career development reviews. We are also focused on enhancing career progression pathways, with a target to increase internal promotion rates by 10%.

3. Regular performance reviews are conducted for all full-time equivalent (FTE) employees, excluding migrant workers. Migrant workers undergo performance reviews only when their work passes are due for renewal.

Our Commitment to Health & Safety

Our Safety Programme & Management System

Built on internationally recognised standards such as ISO 9001, ISO 14001, ISO 45001, bizSAFE Star, bizSAFE Partner, and the Green and Gracious Builder Scheme, our OHSMS reflects our commitment to maintaining the highest safety and environmental standards in the construction industry.

Lih Ming systematically identifies workplace hazards by assessing each work activity and the potential accidents or incidents that may arise. To support this process, we utilise a hazard identification checklist, ensuring a structured approach to identifying safety and health risks.

Our Risk Assessment Team, led by certified bizSAFE2 risk assessment leaders, conducts comprehensive risk assessments across our operations. Through regular inspections, they identify hazards and evaluate preventive measures based on severity and likelihood.

We implement risk control measures in alignment with the hierarchy of controls, prioritising actions in the following order: elimination, substitution, engineering controls, administrative controls, and personal protective equipment ("PPE") to ensure a safe and compliant work environment.



Incident Investigation

Lih Ming has implemented a seven-step procedure to ensure all incidents and accidents are promptly reported, identified, recorded, investigated, and analysed, with the goal of preventing recurrence. The process includes:



We conduct root cause analyses to identify underlying factors and implement corrective and preventive actions, reducing the likelihood of similar incidents in the future. This structured approach strengthens workplace safety and reinforces our commitment to a proactive safety culture.

Promoting Workplace Safety

At Lih Ming, we prioritise workplace safety by establishing clear reporting channels for work-related hazards and enforcing strong protections against reprisals. Through comprehensive training and a strict non-retaliation policy, we cultivate a culture where employees feel empowered to report safety concerns without fear, ensuring a safer and more transparent work environment.

To strengthen workplace safety, Lih Ming has implemented multiple reporting and communication channels to ensure hazards are promptly identified and addressed:

Reporting Channels	Direct reporting to supervisor, Project Manager and Safety Personnel
Training and Awareness	All employees receive training on hazard recognition and reporting procedures, educating them on identifying potential workplace hazards and emphasising the importance of promptly reporting them. Safety trainings comprise topics such as: <ul style="list-style-type: none">Hazardous substance and chemicalsHeat stressSafe lifting operationElectrical and equipment safety
Safety Group Chat	A safety group chat allows employees to quickly share important safety updates, alerts, or emergency information with all members simultaneously.
Safety QR Code	A safety QR code has been generated and placed on the Site Notice Board to facilitate hazard reporting and feedback. This serves as a convenient and efficient way for employees to report hazards or provide feedback.

These initiatives promote a proactive safety culture, encouraging open communication and swift action to mitigate risks.

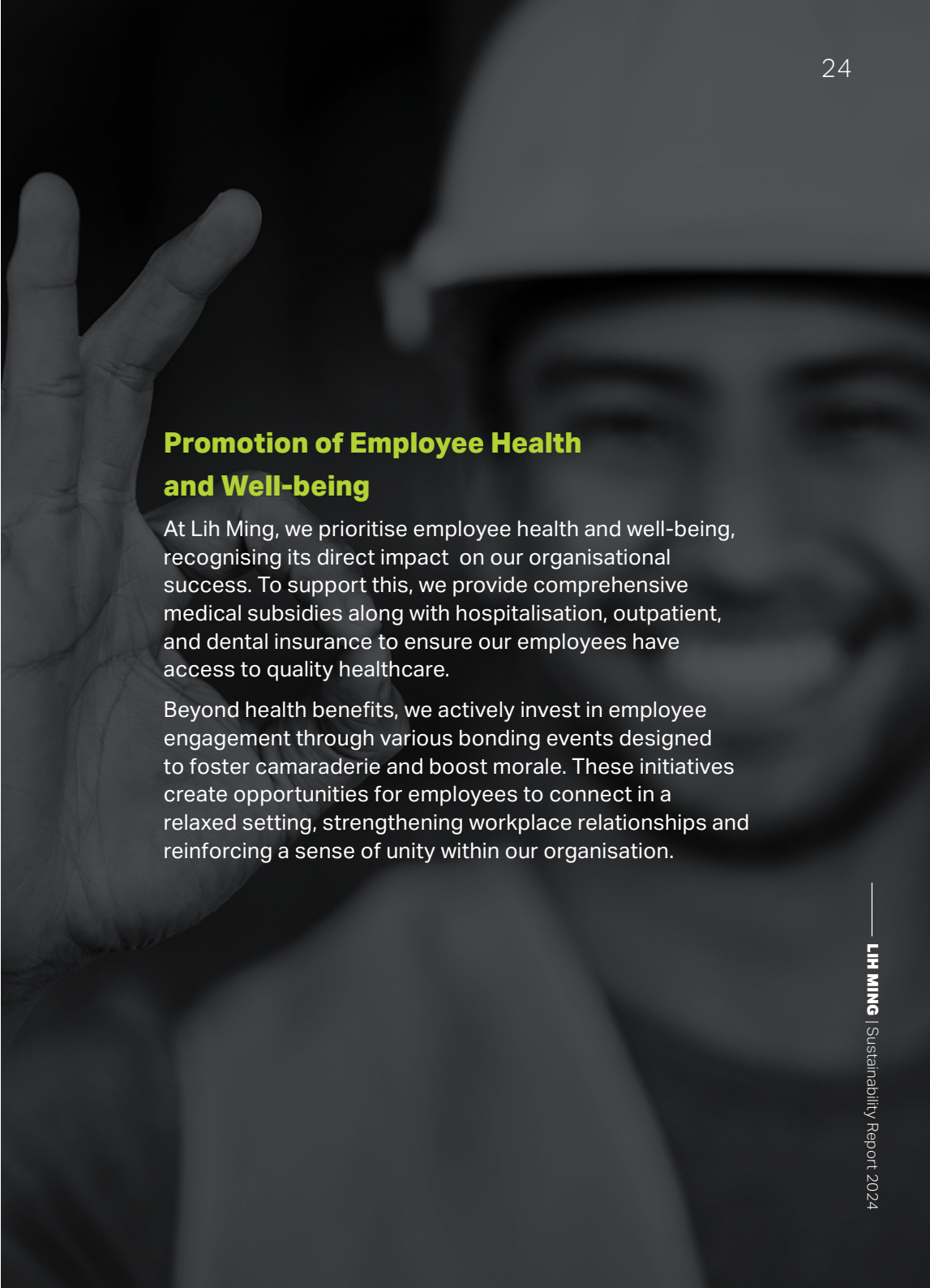
Our Performance

For the second consecutive year, Lih Ming is proud to report zero fatalities, high-consequence work-related injuries, and recordable work-related injuries among both employees and workers under our operational control in FY2024. This achievement underscores our unwavering commitment to workplace health and safety.

We remain dedicated to eliminating hazards and minimising risks through a structured hazard control plan, which guides the selection and implementation of effective control measures. We will:

- 01 Use a hazard control plan to guide the selection and implementation of controls and implement controls according to the plan.
- 02 Develop plans with measures to protect workers during emergencies and non-routine activities.
- 03 Evaluate the effectiveness of existing controls to determine whether they continue to provide protection, or whether different controls may be more effective.
- 04 Review new technologies to assess their potential for enhanced protection, reliability, or cost-effectiveness.

By maintaining a proactive and systematic approach to risk management, we strive to uphold the highest health and safety standards across all worksites.



Promotion of Employee Health and Well-being

At Lih Ming, we prioritise employee health and well-being, recognising its direct impact on our organisational success. To support this, we provide comprehensive medical subsidies along with hospitalisation, outpatient, and dental insurance to ensure our employees have access to quality healthcare.

Beyond health benefits, we actively invest in employee engagement through various bonding events designed to foster camaraderie and boost morale. These initiatives create opportunities for employees to connect in a relaxed setting, strengthening workplace relationships and reinforcing a sense of unity within our organisation.



Connection Challenge with SPD Singapore

Lih Ming collaborated with SPD Singapore, a local charity dedicated to supporting individuals of all ages with disabilities or those at risk of developing disabling conditions, with the aim of empowering them to reach their fullest potential and promoting their inclusion into mainstream society.

As part of this initiative, we organised a meaningful outing to Gardens by the Bay for over 20 elderly individuals with disabilities, providing them with an opportunity for social engagement and enjoyment in a vibrant community setting.



North West Service Week

Demonstrating our commitment to community engagement and social responsibility, over 30 employees participated in North West Service Week, an initiative aimed at supporting vulnerable households.

As part of the programme, volunteers distributed essential household items to residents living in public rental flats and individuals supported under local welfare schemes within the North West district, helping to alleviate daily living burdens and foster a more inclusive and caring community.

08

RESPONSIBLE GOVERNANCE

Risk Management

Governance

Strong corporate governance is key to our effective risk management, safeguarding resilience, compliance, and sustainable growth. At Lih Ming, our governance framework is built on a proactive, structured approach to risk management, grounded in our seven core values of leadership, integrity, harmony, mastery, innovation, nurturing, and a goal-oriented. This structured governance framework ensures business continuity, regulatory compliance, and stakeholder trust. Risk oversight is embedded at all levels of our organisation.

Governance Oversight and Responsibility

Our Directors acknowledge that they hold the highest level of responsibility for risk governance. They provide strategic guidance and ensure that risk management policies align with our corporate objectives. On an annual basis, they assess the effectiveness of our risk management framework, evaluating potential threats and opportunities to support informed decision-making.

Senior Management and Department Heads play a crucial role in supporting the Directors' risk governance objectives. They oversee the implementation of risk management strategies within their departments, ensuring that all policies, procedures, and controls align with the company's overall risk framework. By actively monitoring and addressing risks at the operational level, they help maintain compliance, enhance resilience, and cultivate a culture of risk awareness across the organisation.

Our ERM Framework

With the oversight and direction of the Directors, Lih Ming established an Enterprise Risk Management ("ERM") Framework to strengthen confidence in our strategies, operations, and overall resilience.

This framework provides a structured approach for identifying, assessing, and managing key risks, ensuring that we remain well-prepared to navigate uncertainties while seizing opportunities for sustainable growth.

As part of our ERM approach, we conduct comprehensive risk assessments alongside environmental aspect and impact assessments to proactively identify and address potential challenges.

Our enhanced risk assessment process is a fundamental component of our ERM Framework, ensuring that potential risks are systematically identified, evaluated, and mitigated.



Business Ethics

Our Commitment

At Lih Ming, we drive long-term success through strong governance and ethical business conduct. Our robust Code of Business Conduct and policies, which serve as the foundation for promoting ethical behaviour and maintaining a strong corporate culture, are detailed formally in the employee handbook.

This handbook reinforces our full compliance with all relevant laws, ensuring transparency and integrity in all our actions and operations. This commitment builds trust with our stakeholders and strengthens our reputation as a responsible business.

Lih Ming's Ethical Framework

Key components of Lih Ming's ethical framework, each addressing specific aspects of our organisational conduct and ensuring that employees, stakeholders, and the company operate in a responsible, transparent, and legally compliant manner.

Code of Business Conduct

To safeguard our core values, our Code of Business Conduct (the "Code") emphasises integrity in decision-making and professional conduct. The Code sets a clear guidance to employees, guiding them in upholding the highest ethical standards in all aspects of their work.

In adherence to the Code, all employees are expected to:

- Fully comply with all applicable laws, regulations, and industry standards that govern our operations
- Promote an environment built on honesty, trust, and integrity
- Protect and preserve our values, ensuring they are never compromised or altered under any circumstances
- Acknowledge the importance of maintaining high ethical standards and promptly report any unethical or illegal conduct

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Human Rights Policy

Our Human Rights Policy reflects our expectations and commitments to uphold human rights in accordance with the Prevention of Human Trafficking Act 2014 (No. 45 of 2014), the Ministry of Manpower's regulations on employing young persons

and children under Part VIII of the Employment Act, the Employment of Children and Young Persons Regulations, and sector-specific rules for the Construction Sector. This policy ensures that all individuals are treated with fairness, dignity, and respect, safeguarding their rights across all aspects of our operations.

In FY2024, we continue to achieve zero reported cases of discrimination or human rights violations, continuing our strong commitment to upholding human rights.

Fraud Policy

Lih Ming adopts a strict zero-tolerance policy toward any unethical business practices, fraud and corruption, strictly adhering to anti-corruption and anti-bribery regulations. We are dedicated to identifying, investigating, and addressing any suspected fraudulent or dishonest activities in a timely and thorough manner.

Our Fraud Policy includes a whistleblowing system that allows employees and stakeholders to report instances of fraud, corruption, or regulatory violations. Each case is thoroughly reviewed, and where necessary, appropriate disciplinary actions, including termination, restitution, and referral to authorities, are taken.

In FY2024, we maintained our record of zero cases of fraud or corruption.

Grievance Mechanism

Our Grievance Mechanism is a system that offers employees a structured and confidential process to raise concerns about workplace issues, dissatisfaction, or violations of company policies. The system is transparent, open, and straightforward, ensuring that all complaints are addressed fairly, without fear of retaliation, and with the utmost confidentiality.

09

ENDURING ECONOMIC VALUE

Customer Satisfaction

Customer Feedback

We highly value customer feedback and recognise its critical role in driving continuous improvement. By actively engaging with our customers and addressing their needs and concerns, we can refine products, and services to enhance overall customer experience. This proactive approach allows us to consistently meet and exceed expectations, strengthening relationships and fostering long-term satisfaction and loyalty.

To ensure that we gather meaningful insights, we conduct an annual customer satisfaction survey with project officers at SP Group. This year, we achieved a customer satisfaction score of 99%.

To enhance customer satisfaction, we maintain regular engagement with our customers to gather feedback and provide updates on new projects and safety initiatives. This proactive approach enables us to address concerns promptly, foster transparency, and continuously improve our services to better meet customer needs.

Customer Privacy

We are committed to safeguarding our customers' data and privacy in strict compliance with Singapore's Personal Data Protection Act ("PDPA") 2012. All employees acknowledge that any data collected from customers on a private and confidential basis will be used exclusively for work-related purposes at Lih Ming.

Furthermore, employees are strictly prohibited from disclosing such data on any media platform without obtaining prior written consent from Lih Ming.

In FY2024, we upheld our commitment to data protection and recorded zero substantiated complaints regarding breaches of customer privacy or losses of customer data, reinforcing our dedication to maintaining the highest standards of data security and confidentiality.



GRI CONTENT INDEX

Statement of use:	Lih Ming has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards.
GRI Used	GRI 1: Foundation 2021 GRI 2: General Disclosures 2021 GRI 3: Material Topics 2021
GRI Sector Standards	No GRI Sector Standards adopted.

GRI Standards	Disclosure Number	Disclosure Title	Page Reference
General Disclosures			
GRI 2: General Disclosures 2021	2-1	Organisational details	Page 1-2
	2-2	Entities included in the organisation's sustainability reporting	Page 2
	2-3	Reporting period, frequency and contact point	Page 2
	2-4	Restatements of information	Page 12
	2-5	External assurance	All information in this report has not undergone external assurance.
	2-6	Activities, value chain and other business relationships	Page 1
	2-7	Employees	Page 15
	2-9	Governance structure and composition	Page 7
	2-10	Nomination and selection of the highest governance body	Page 7
	2-11	Chair of the highest governance body	Page 7
	2-12	Role of the highest governance body in overseeing the management of impacts	Page 7
	2-13	Delegation of responsibility for managing impacts	Page 7
	2-14	Role of the highest governance body in sustainability reporting	Page 7
	2-16	Communication of critical concerns	Page 23 and 28

GRI Standards	Disclosure Number	Disclosure Title	Page Reference
General Disclosures			
GRI 2: General Disclosures 2021	2-19	Remuneration policies	Page 19
	2-20	Process to determine remuneration	Page 19
	2-22	Statement on sustainable development strategy	Page 4
	2-23	Policy commitments	Page 19, 23 and 28
	2-24	Embedding policy commitments	Page 19, 23 and 28
	2-25	Processes to remediate negative impacts	Page 19, 23, 28 and 29
	2-26	Mechanisms for seeking advice and raising concerns	Page 23 and 28
Material Topics			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Page 8
	3-2	List of material topics	Page 8
Greenhouse Gas Emissions			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 9, 11 and 12
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Page 11 and 12
	305-2	Energy indirect (Scope 2) GHG emissions	Page 11 and 12
	305-3	Other indirect (Scope 3) GHG emissions	Page 11 and 12
	305-5	Reduction of GHG emissions	Page 12
Energy			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 9 and 13

GRI Standards	Disclosure Number	Disclosure Title	Page Reference
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Page 13
	302-4	Reduction of energy consumption	Page 13
Material Use			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 9 and 14
GRI 301 (2016): Materials	301-1	Materials used by weight or volume	Page 14
	301-2	Recycled input materials used	Page 14
Employment and Labour Practices			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 9 and 15-17
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Page 16
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 16
	401-3	Parental leave	Page 17
Diversity and Inclusion			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 9, 18 and 19
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Page 18
	405-2	Ratio of basic salary and remuneration of women to men	Page 19
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Page 19
Training and Development			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 10, 19 and 20

GRI Standards	Disclosure Number	Disclosure Title	Page Reference
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Page 20
	404-2	Programmes for upgrading employee skills and transition assistance programmes	Page 19
	404-3	Percentage of employees receiving regular performance and career development reviews	Page 20
Health and Safety			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 10 and 21-25
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Page 21
	403-2	Hazard identification, risk assessment, and incident investigation	Page 21-23
	403-3	Occupational health services	Page 24-25
	403-4	Worker participation, consultation, and communication on occupational health and safety	Page 23
	403-5	Worker training on occupational health and safety	Page 23
	403-6	Promotion of worker health	Page 23 and 24
	403-8	Workers covered by an occupational health and safety management system	Page 21
	403-9	Work-related injuries	Page 24
Risk Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 10, 26 and 27
Business Ethics			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 10, 27 and 28
GRI 205: Anti-corruption (2016)	205-2	Communication and training about anti-corruption policies and procedures	Page 27 and 28
	205-3	Confirmed incidents of corruption and actions taken	Page 28
Customer Satisfaction			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 10 and 29
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 29

BEYOND EXPECTATIONS



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