



SUSTAINABILITY REPORT 2023

LIH MING CONSTRUCTION



TABLE OF CONTENTS

About Lih Ming Construction	03
Mission, Vision & Core Values	04
About This Report	05
A Message From Our Directors	06
Sustainability Framework	07
Sustainability Performance Updates	12
Environmental Stewardship	16
Social Responsibility	21
Responsible Governance	32
Enduring Economic Value	35
GRI Content Index	37



ABOUT LIH MING CONSTRUCTION

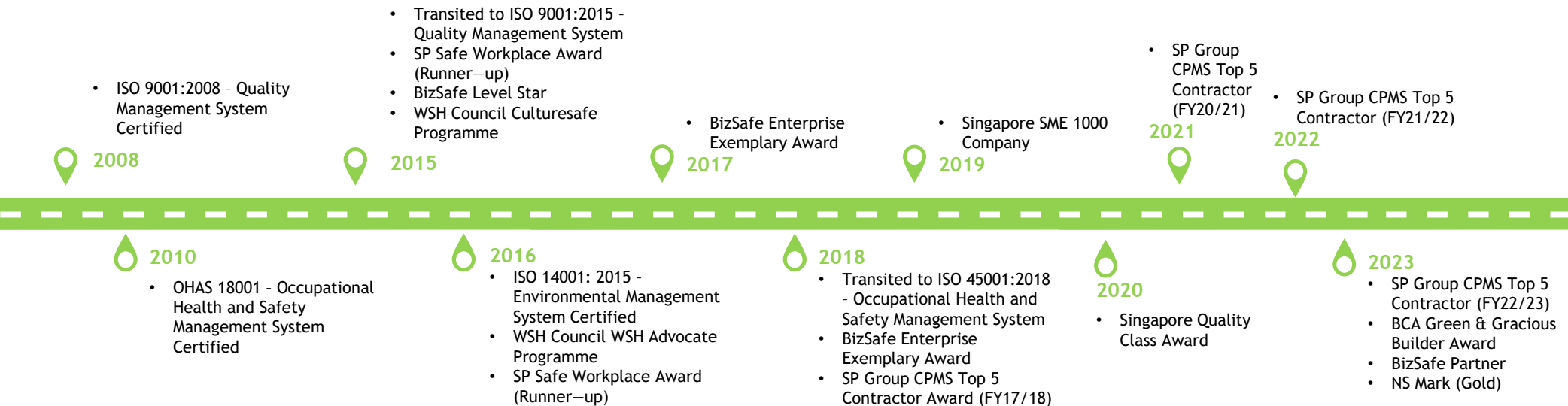
About Us

Lih Ming Construction (“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.

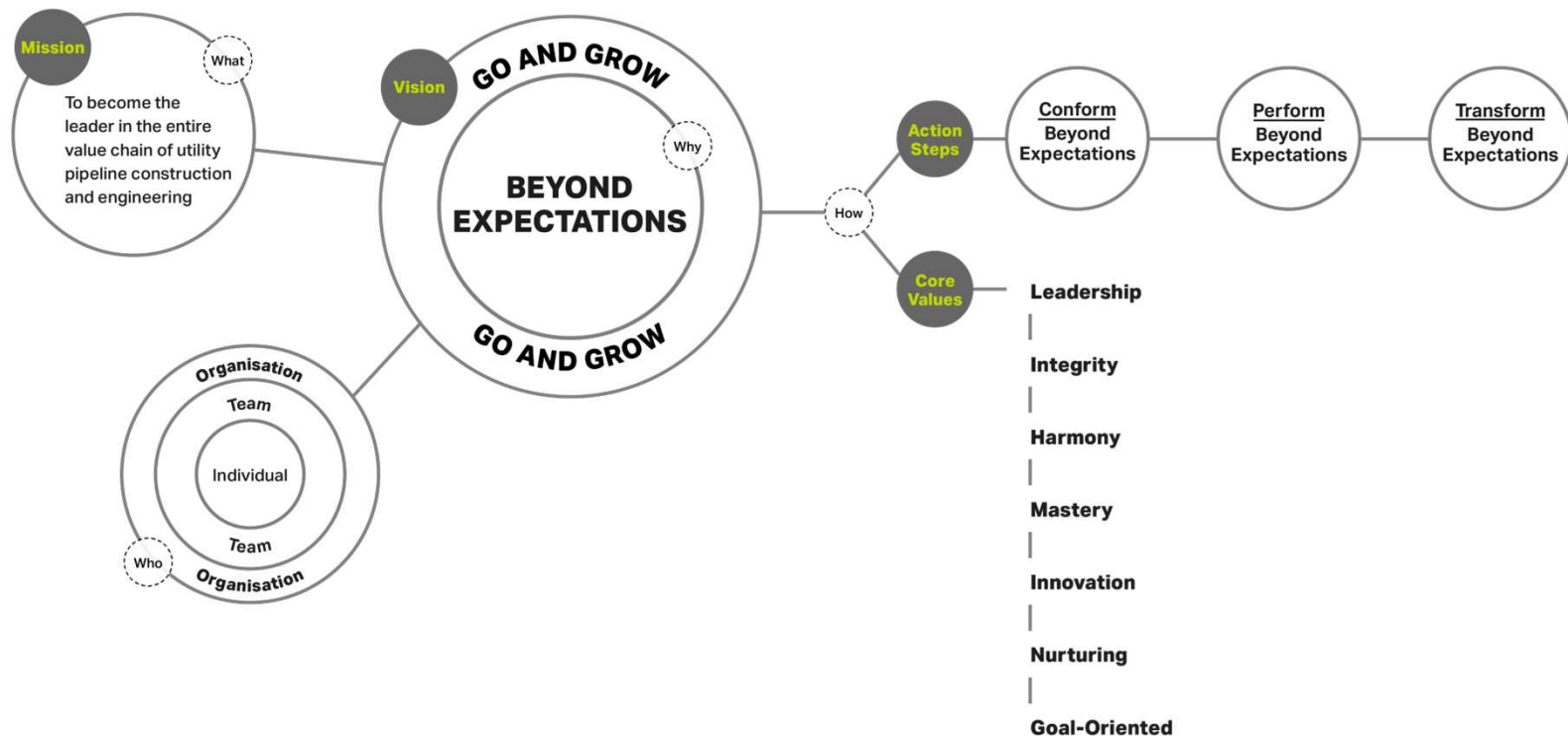
We always adhere to stringent standards, regulations, and safety protocols when taking over projects. Moreover, as a reliable provider of non-corrosive underground gas pipe laying solutions, we retain technical expertise with a pioneering zeal to suit our esteemed clients’ construction methodologies.

In the field of civil engineering in Singapore, Lih Ming Construction Pte. Ltd. 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.

Our Awards and Accreditations



MISSION, VISION & CORE VALUES



ABOUT THIS REPORT

Report Overview

Lih Ming demonstrates our commitment to sustainability with the publication of our inaugural Sustainability Report (“Report”). The Report covers our sustainability performance for the financial year 1 January 2023 to 31 December 2023 (“FY2023”).

We use the term “sustainability” for this report because it encompasses the comprehensive set of goals we aspire to achieve, including corporate social responsibility, environmental stewardship, responsible governance, and long-term financial success.

Reporting Boundaries

Our reporting boundary solely includes our company-wide operations.

Feedback Channel

We welcome feedback from all stakeholders to assist us in improving our reporting and sustainability practices. Questions or feedback can be directed to: general@lihming.com.sg

Reporting Frameworks

This Report is prepared with reference to the Global Reporting Initiative (“GRI”) Universal Standards (2021).

The GRI standards were selected as it is one of the globally recognised sustainability reporting standards and represents the global best practices for reporting on economic, environmental, social, and governance-related impacts. In this Report, we provide updates on our evolving sustainability framework, along with assessments of our progress on ESG metrics and targets and other sustainability-related disclosures.

This Report is organised around our sustainability pillars:



A MESSAGE FROM OUR DIRECTORS

Sustainable development is defined as “meeting the needs of the present without compromising the ability of future generations to meet their own needs.” (Report of the World Commission on Environment and Development: Our Common Future, 1987.)

With the **building and construction industry contributing to 37% of total emissions**, the call to action has been more pressing.

Sustainability in Construction encompasses environmental impact reduction, efficient use of resources, social responsibility and regulatory compliance.

This year, Lih Ming embarked on our sustainability journey because we believe sustainability is integral to modern construction practices. It represents a strategic approach to **driving business innovation, efficiency, and resilience**, while addressing environmental, social, and economic challenges.

Sustainability is also about people and their quality of life. For us, sustainability enables the creation of a safer and healthier environment for our employees and workers, and promoting inclusivity.

We will continue to place sustainability at the heart of our business and **drive long-term value creation** for our stakeholders.



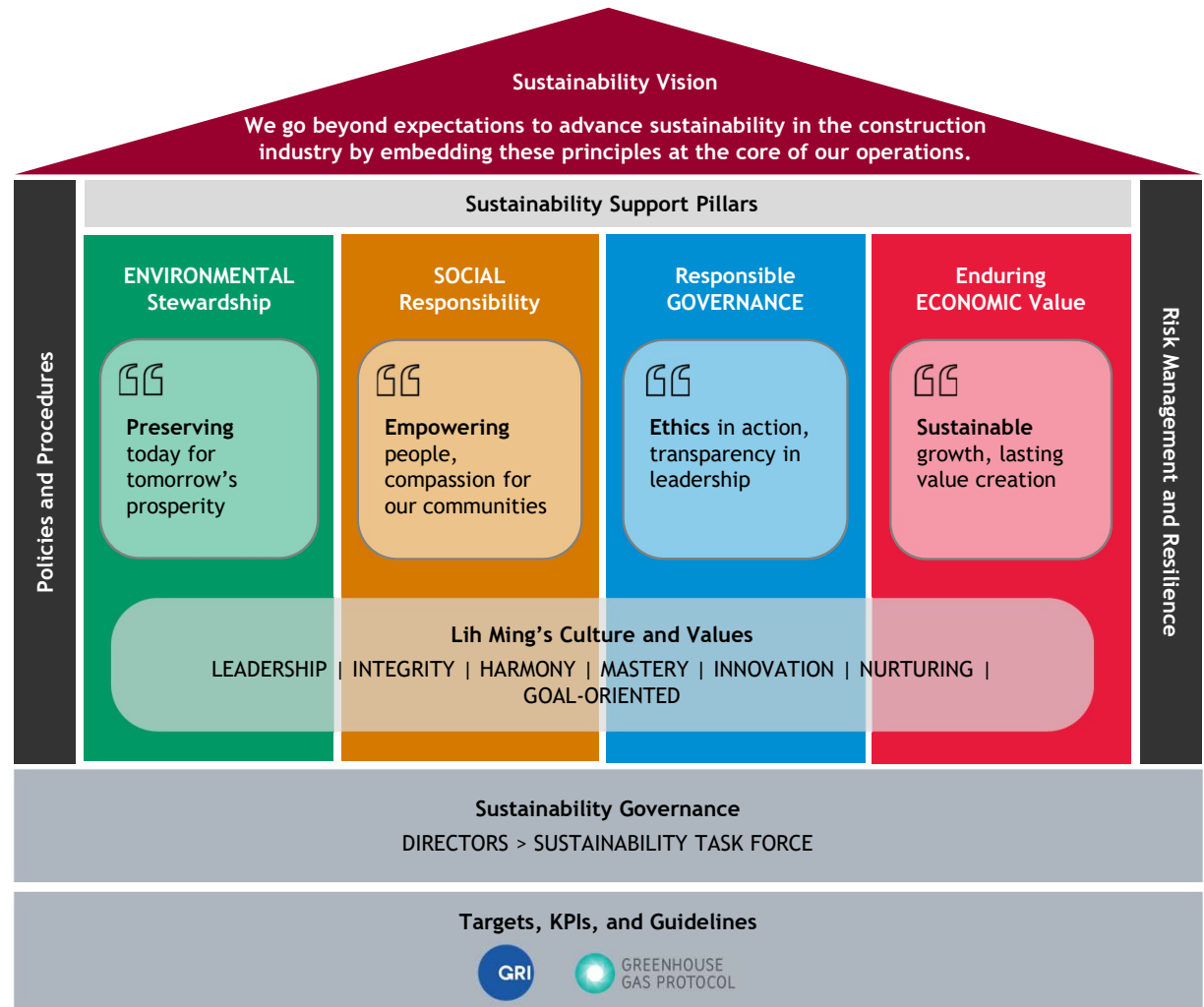
Lih Ming Directors - Chris (left) and Li Woei (Right)

SUSTAINABILITY FRAMEWORK

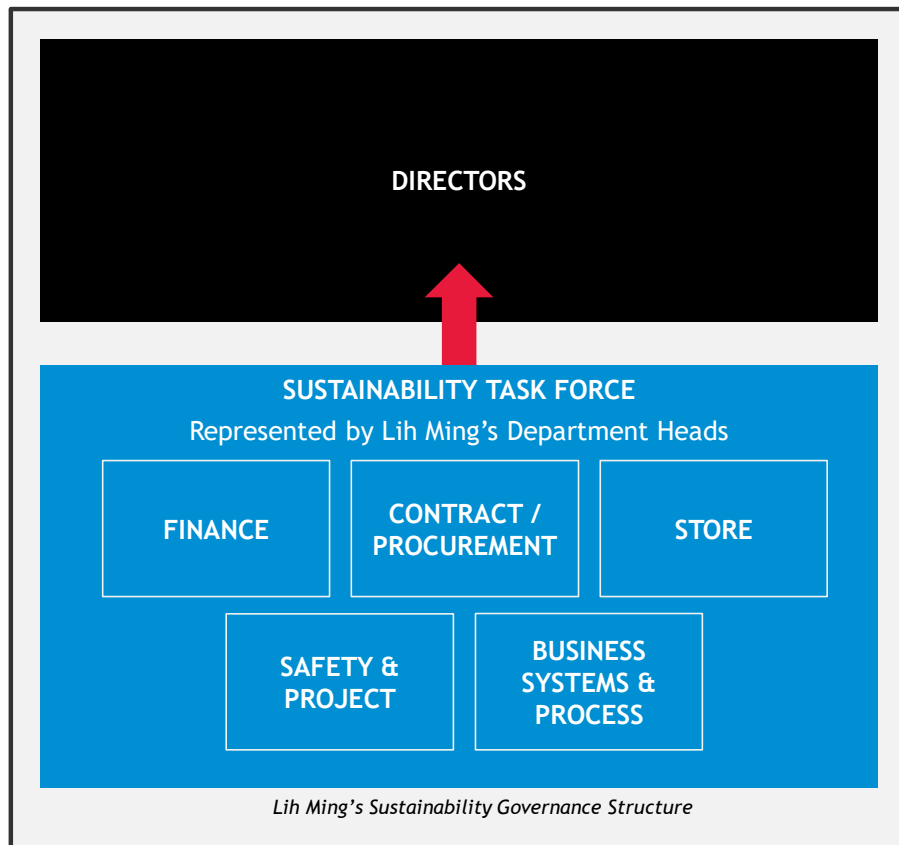
Our ESG Strategy

At Lih Ming, we are committed to sustainability and is guided by a framework that drives innovative solutions to meet current and future needs. Our focus on sustainable development aims to ensure long-term business success through concrete measures that improve initiatives and adhere to industry best practices. Our goals include reducing our carbon footprint, engaging with the community, and maintaining strong corporate governance.

Using a “house” metaphor, we blueprint actionable steps that form the foundation of our ESG Strategy. By referencing this framework, we can keep ourselves accountable for ongoing enhancements and monitor key performance indicators systemically.



SUSTAINABILITY FRAMEWORK - GOVERNANCE



Championing ESG within Lih Ming

As a lean organisation, we recognise that while we may lack in sheer size and headcount, we place great value on the expertise and on-the-ground departmental knowledge of each individual task force member. In line with our commitment to sustainability, we are proud to form our inaugural Sustainability Task Force.

As our understanding and maturity of ESG principles sharpen and grow over time, we see the need to adapt our governance model to reflect continuous improvement and a more holistic approach to driving our sustainability efforts.

Directors



- Oversees the company's direction, tone and culture for sustainability
- Makes decisions about the company's sustainability goals, strategic plans, and policies
- Monitors the progress for sustainability reporting and compliance as well as targets
- Approves and reviews the sustainability reporting process

Task Force



- Support the Directors in formulating specific projects and programmes tailored to ESG
- Responsible for the operational implementation and adaptation of sustainability projects
- Regularly update the Directors (at least annually) on the development, execution, and management of sustainability targets, policies and practices
- Help to facilitate the measurement and collection of sustainability data

SUSTAINABILITY FRAMEWORK - RISK MANAGEMENT

Strategic Pillars	Sustainability Topics	Risks	Opportunities
ENVIRONMENTAL Stewardship	Greenhouse Gas Emissions (GHG)	<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
	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
	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
SOCIAL Responsibility	Employment and Labour Practices	<ul style="list-style-type: none"> Shortage of manpower may result in non-confirming 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
	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

SUSTAINABILITY FRAMEWORK - RISK MANAGEMENT

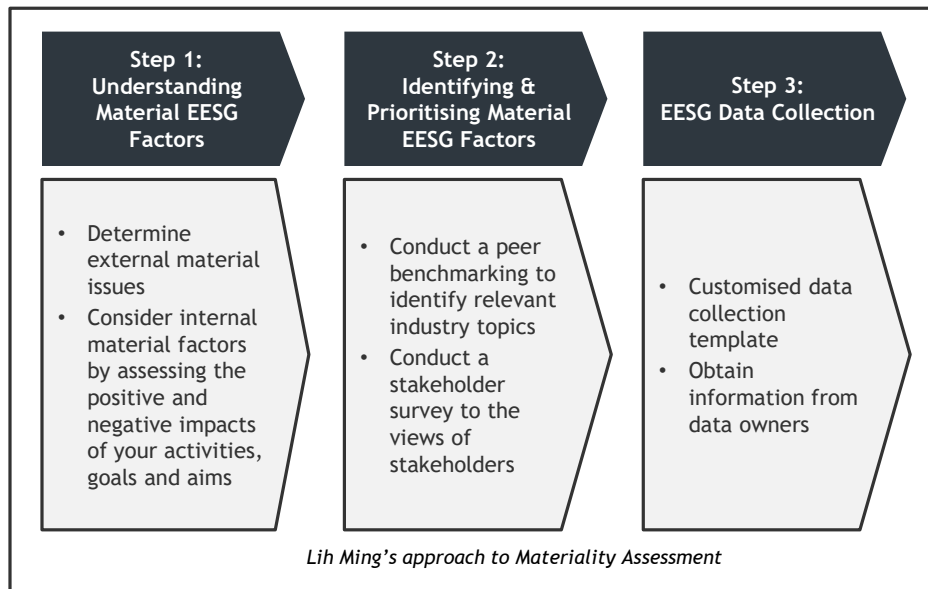
Strategic Pillars	Sustainability Topics	Risks	Opportunities
SOCIAL Responsibility	Training and Development	<ul style="list-style-type: none"> Hinder productivity due to absence of requisite skills to efficiently carry out tasks 	<ul style="list-style-type: none"> Invest in training opportunities to upgrade employees' skillsets or competencies
	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
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
	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
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

SUSTAINABILITY FRAMEWORK - MATERIALITY MATRIX

ESG Materiality Assessment

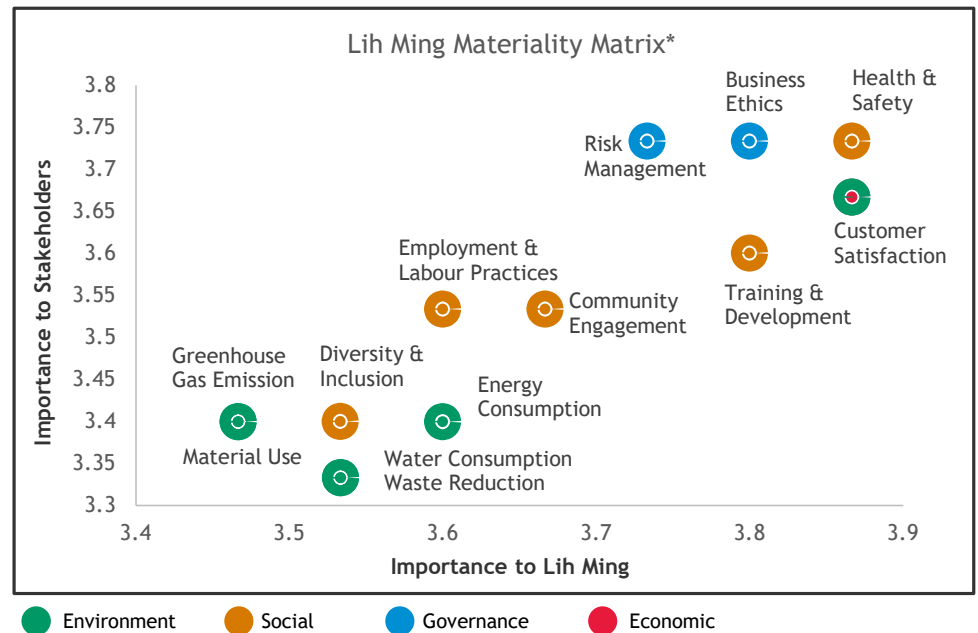
In FY2023, Lih Ming conducted a material factor assessment to ensure our sustainability efforts are focused on the most critical areas. In this analysis, we referenced the materiality principle outlined by the GRI Standards.

We adopt a three-step approach to guide us in identifying, prioritising, and addressing key Economic, Environment, Social and Governance (EESG) factors.






To identify and define these topics, we considered the views of our employees to understand their perspectives on EESG issues and prioritised the factors of high importance. Our EESG factor assessment was independently reviewed by our ESG Consultants at BDO Consultants Pte Ltd who checked for alignment against recognised reporting standards.


In total, we found a total of **13** material EESG factors of importance to our business and key stakeholders.





SUSTAINABILITY

PERFORMANCE UPDATES

Strategic Pillars	Material Topics	Goals & Targets	Progress Tracking	Initiatives & Programmes
ENVIRONMENTAL Stewardship	Greenhouse Gas Emissions (GHG)	<ul style="list-style-type: none"> Invest in more renewables to reduce our Scope 2 emissions Pursue emission reduction strategies, including optimising energy efficiency and sustainable transportation options to reduce our carbon footprint Switch to 100% electric vehicles by 2030 		<ul style="list-style-type: none"> Switching of Diesel Vans to Electric Vans Switching of battery-powered portable traffic lights to solar-powered Installation of solar panels onto lorries for the use of flashing LED arrow lights Switching of battery-powered rotating lights to solar-powered Purchasing of Euro 6 lorries Tracking of vehicle idling via CarTrack app
	Energy Consumption	<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 		<ul style="list-style-type: none"> Use of LED lights throughout offices and stores Use of timers to cut off electrical supply during non-work hours at store
	Material Use	<ul style="list-style-type: none"> Develop a sustainable sourcing policy 		<ul style="list-style-type: none"> Currently evaluating new initiatives to meet our targets




 Met target

 In progress / on track

 Not started / plans in the pipeline

SUSTAINABILITY

PERFORMANCE UPDATES

Strategic Pillars	Material Topics	Goals & Targets	Progress Tracking	Initiatives & Programmes
SOCIAL Responsibility	Employment and Labour Practices	<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% 		<ul style="list-style-type: none"> Flexible working arrangement Group hospitalisation, outpatient and dental insurance Flexible spending allowance Parental leave, childcare leave, family care leave Long service award Transport allowance Offer training courses for staff to attend
	Diversity and Inclusion	<ul style="list-style-type: none"> Maintain a diverse workforce with different cultural, educational, and professional backgrounds Provide equal opportunity for all 		<ul style="list-style-type: none"> Review and enhance employee benefits to ensure they cater to diver needs (e.g. family-friendly policies, mental health support) Performance evaluation processes conducted annually are based solely on employees' work performance to ensure fair and equitable assessments.
	Training and Development	<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 		<ul style="list-style-type: none"> New employee orientation Team building and collaboration activities and workshop Leadership development programmes Excel courses Budgeting for Small and Medium Enterprise



Met target




In progress / on track



Not started / plans in the pipeline




SUSTAINABILITY

PERFORMANCE UPDATES


Strategic Pillars	Material Topics	Goals & Targets	Progress Tracking	Initiatives & Programmes
SOCIAL Responsibility	Health and Safety	<ul style="list-style-type: none"> • Zero (0) incidents of workplace incidents and fatalities • Achieve zero (0) stop work order • Achieve zero (0) demerit points from authority • Achieve zero (0) 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 		<ul style="list-style-type: none"> • Implement a system for recognising and rewarding employees who actively contribute to improving safety in the workplace • Conduct monthly safety, health, and environment training sessions for all employees • Conduct regular debriefings after safety incidents or emergencies to identify lessons learned and implement corrective actions to prevent recurrence • Develop and implement emergency response procedures for all foreseeable scenarios • Conduct site safety inspections twice a month


SUSTAINABILITY

PERFORMANCE UPDATES

Strategic Pillars	Material Topics	Goals & Targets	Progress Tracking	Initiatives & Programmes
Responsible GOVERNANCE	Risk Management	<ul style="list-style-type: none"> Develop a risk management plan 		<ul style="list-style-type: none"> Insurance coverage (Contractors All Risk , WICA , Public Liability etc.) Employee handbook Enterprise Risk Management (ERM) framework
	Business Ethics	<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 (0) reported cases of corruption 		<ul style="list-style-type: none"> Employee handbook
Enduring ECONOMIC Value	Customer Satisfaction	<ul style="list-style-type: none"> Maintain good quarterly CPMS gradings by SP Group ("A" or "B") Achieve 90% customer satisfaction rate 		<ul style="list-style-type: none"> Regular meetings with our customers to gather feedback Updating customer of new project or safety initiatives regularly

 Met target

 In progress / on track

 Not started / plans in the pipeline



ENVIRONMENTAL STEWARDSHIP

- GREENHOUSE GAS EMISSIONS
- ENERGY CONSUMPTION
- MATERIAL USE

GREENHOUSE GAS EMISSIONS

Greenhouse Gas ('GHG') Measurement Approach

We recognise sustainable construction plays an important role in minimising the depletion of natural resources and reducing GHG emissions.

In FY2023, developed our Scope 1, 2, and 3 greenhouse gas (GHG) emissions inventory using the operational control approach.

Our carbon accounting for FY2023 was prepared in line with the methodology proposed by the GHG Protocol Corporate Accounting and Reporting Standard. We reference the U.S. Environmental Protection Agency (US EPA) and Department for Environment, Food & Rural Affairs (DEFRA) for the appropriate emission and conversion factors.

Scope 1 emissions associated with refrigeration was excluded from FY2023's assessment due to data availability challenges. We are currently working closely with our contractors to obtain data relating to our refrigerant top-ups for the year.

GHG Reduction Initiatives

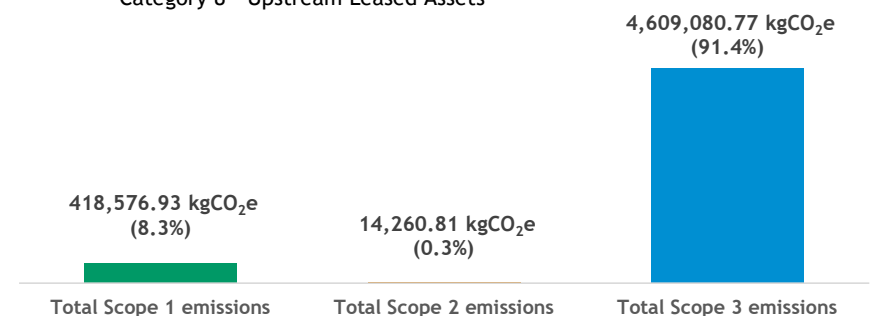
We track vehicle idling through a CarTrack app which utilises advanced tracking technology to comprehensively monitor idling durations. This initiative not only enhances operational efficiency but also significantly contributes to environmental sustainability efforts by reducing emissions associated with unnecessary idling.

We also transitioned all our diesel vans to electric vans to lower our carbon footprint associated with the transportation of our construction materials to customers.

Our GHG Performance

Our inventory for FY2023 accounts for the following emission sources:

- **Our Scope 1 emissions (418,576.93 kgCO₂e)**, arises from:
 - Stationary Combustion (Backup Generators & Fire Extinguishers)
 - Mobile Combustion (Company-owned Diesel & Electric Vehicles)
- **Our Scope 2 emissions (14,260.81 kgCO₂e)** arises from purchased electricity used in our corporate office.
- **Our scope 3 emissions (4,609,080.77 kgCO₂e)** arises from five (5) main categories:
 - Category 1 - Purchased Goods & Services
 - Category 2 - Capital Goods
 - Category 4 - Upstream Transportation & Distribution
 - Category 5 - Waste Generated in Operations
 - Category 8 - Upstream Leased Assets

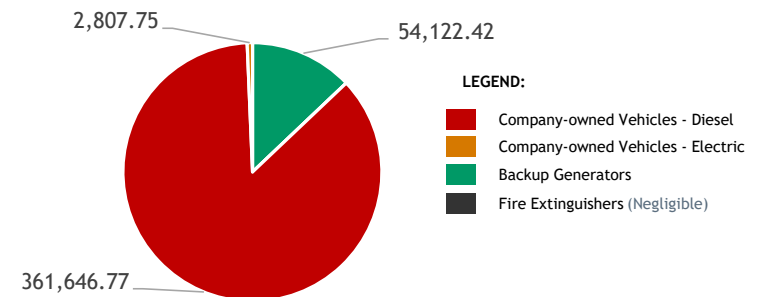


GREENHOUSE GAS EMISSIONS

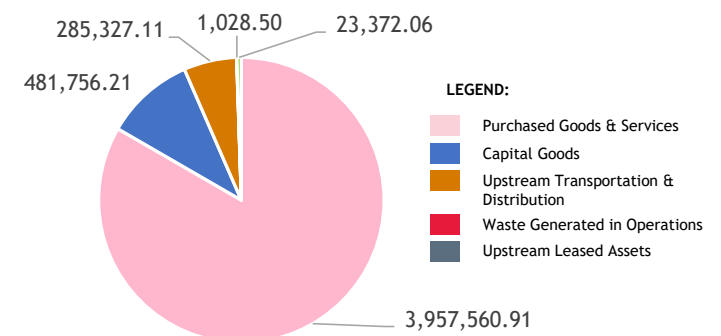
Our GHG Performance (cont'd)

Emissions Category	Status	Calculated Emissions (kgCO ₂ e)
Scope 1		
Backup Generators	Relevant and Calculated	54,122.42
Fire Extinguishers	Relevant but not Calculated	Data is unavailable
Refrigeration	Relevant but not Calculated	Data is unavailable
Company-owned Vehicles - Diesel	Relevant and Calculated	361,646.77
Company-owned Vehicles - Electric	Relevant and Calculated	2,807.75
Scope 2		
Purchased Electricity	Relevant and Calculated	14,260.81
Scope 3		
Purchased Goods & Services	Relevant and Calculated	3,957,560.91
Capital Goods	Relevant and Calculated	481,756.21
Upstream Transportation & Distribution	Relevant and Calculated	285,327.11
Waste Generated in Operations	Relevant and Calculated	1,028.50
Upstream Leased Assets	Relevant and Calculated	23,372.06

Breakdown of Scope 1 Emissions by Sources (kgCO₂e)



Breakdown of Scope 3 Emissions by Categories (kgCO₂e)



ENERGY CONSUMPTION

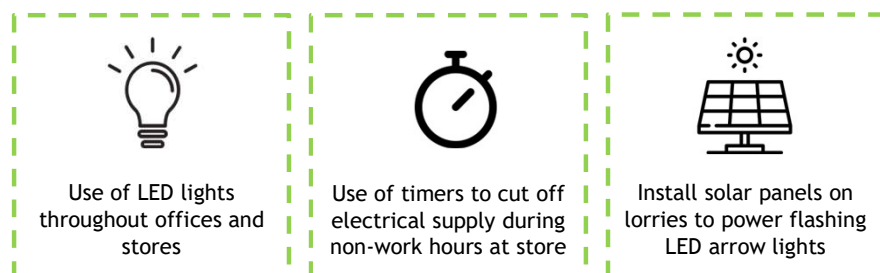
Energy Performance

Our main source of energy consumption comprises of purchased electricity. In FY2023, we consumed 34,215 kWh of electricity.

We place great emphasis on improving our energy performance, recognising its direct impact on our total greenhouse gas emissions. To achieve this, we have set targets to enhance energy efficiency by upgrading lighting systems, optimising HVAC systems, and adopting energy-efficient technologies throughout our operations.

Energy Reduction Initiatives

We implement energy-saving initiatives aimed at reducing electricity consumption across our operations.



Environmental Impact Assessment

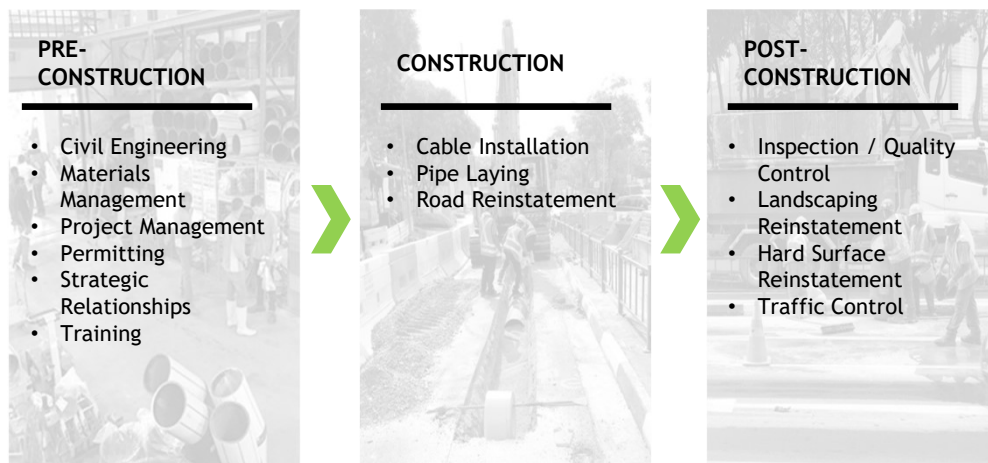
Since 2016, Lih Ming has adopted a systematic Environmental Aspect and Impact Assessment (EAIA) framework to determine and mitigate the environmental impact across all our Projects in Singapore. The measurement applies to fourteen (14) environmental aspects across nine (9) work-related activities that take place on our Project Sites.

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

* Listed in no order of priority.

MATERIAL USE

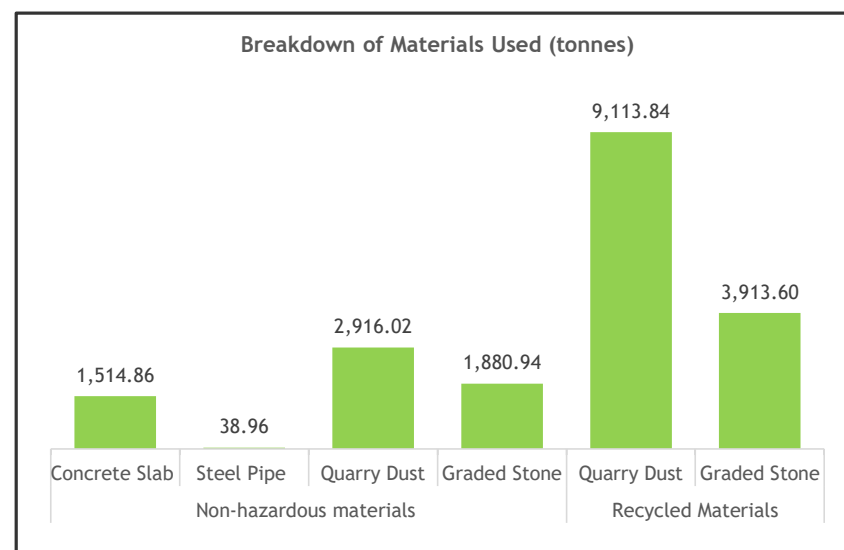
As the leading underground civil engineering contractor with over 30 years of ground engineering construction experience, Lih Ming Construction provides a broad spectrum of services categorised into three (3) key stages:



Large amounts of materials are essential as part of construction business. We have implemented strategic measures ensure Lih Ming actively promotes a greener construction landscape and compliance with all relevant environmental regulations set by authorities.

At Lih Ming, we do not use any hazardous materials in our construction activities. Our commitment to efficient material utilisation has enabled us to increase the proportion of recycled quarry dust and recycled graded stone in our primary products and services.

In FY2023, we generated a total of 19,378.22 tonnes of construction materials, of which 67.2% were recycled materials.





SOCIAL RESPONSIBILITY

- EMPLOYMENT & LABOUR PRACTICES
- DIVERSITY & INCLUSION
- TRAINING & DEVELOPMENT
- HEALTH & SAFETY

EMPLOYMENT & LABOUR PRACTICES

Our People

We value our employees as they are instrumental in the successful execution of our business strategies. We believe in allocating adequate resources to attract, develop, and retrain good talent, fully utilising each employee's capabilities.

We are proud of our inclusive culture where excellence is recognised, and diversity is not only respected but also valued.

Job Creation and Employment

In FY2023, the total number of employees in Lih Ming was 103, comprising both office personnel and on-site project workers. During the year, 22 employees were newly recruited (new hire rate¹ of 21.4%), and 16 employees have since left the company (turnover rate² of 15.5%).

In the event of termination or employee resignation, a minimum notice period of 1 month needs to be fulfilled, depending on the employee's job grade.

Employee Retention

Throughout the year, we proactively engage and gather feedback from employees via an Employee Suggestion Form. We also organise a variety of events to boost morale and create a sense of belonging in the company. Our successful employee engagement is evident from our employee turnover rate of 15.5%, which is lower than the national average of 16.8% in FY2023.

Additionally, we recognise employees who have been working at Lih Ming for 5, 10, and 15 years respectively. We acknowledge their sustained contributions, which reinforce the positive company culture we strive to build.

New Employee Hires and Employee Turnover Summary

	Gender		Age Group		
	Male	Female	Under 30	30 - 50	Above 50
Total Employees	92	11	31	65	7
New Hires	22	1	11	12	-
Turnover	15	1	6	10	-



I joined Lih Ming 5 years ago due to its positive and collaborative environment. Over these years, I have grown professionally through training courses and career opportunities.

I believe what makes the team and company a special place to work is the combination of strong teamwork and supportive atmosphere. Additionally, the practice of rewarding and recognising employee contributions enhance the work environment.

Ya Mon;
Senior Drafter;
Awarded the 5 year long service award



¹ Rate of new hires = Number of new hires / Total employees *100

² Rate of turnover = Number of turnovers / Total employees *100

EMPLOYMENT & LABOUR PRACTICES

Benefits

To boost morale and productivity, we offer our full-time employees enjoy a range of comprehensive benefits that include:



Hospitalisation, Outpatient, and Dental Insurance

Outpatient coverage with no co-payment, including specialist services



Parental and Family Care Leave

Special family care benefits, providing three (3) days of leave without needing a reason



Annual Leave

Annual leave starts from 16 days for office staff, capped at 24 days



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

As for our workers, we offer benefits including reimbursement of up to \$200 for medical expenses and up to \$100 for dental costs.

“

Due to my health issues, there were some days when I felt tired and in pain and preferred to work from home. My bosses and colleagues were very understanding and allowed me to work from home 3-4 days a week.

This flexible arrangement enabled me to prioritise my health and increased my productivity.

Renu;
Finance Manager

”



Christmas celebration



Chinese New Year celebration

EMPLOYMENT & LABOUR PRACTICES

Benefits (cont'd)

Presently, we are proud to report a 100% return rate from parental leave among our employees. This is viewed positively, and we aim to improve our support for both male and female colleagues in their career development, encouraging their re-entry into the workforce after parental leave.



Samuel;
Senior Manager

I took two weeks of parental leave to be with my newborn and support my wife during her confinement period.

During this time, I could spend time with my family without worrying about work, thanks to the support of my colleagues who covered my duties and my bosses.

At Lih Ming, our bosses advocate for flexible work and support both me and my colleagues in taking time off to spend with our families. To that end, we also have family care leave in place.

Education Sponsorships and Scholarships

Recognising the construction industry's heavy reliance on industrial and engineering expertise, building a sustainable talent pipeline to attract young professionals is important. To address this, we offer scholarships and internships to students aspiring to enter the field, providing valuable hands-on experience and mentorship from senior colleagues. Successful completion of the internship program can lead to permanent employment opportunities, which are advertised on our corporate website and through our recruitment channels.

In FY2023, Lih Ming entered into a 5-year contract with the Singapore Institute of Technology (SIT) to establish the [Lih Ming Construction Bursary](#). This initiative aims to provide financial support to underprivileged and deserving undergraduates enrolled in a full-time Undergraduate degree programme at SIT. 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.



Home | Admissions | Financial Aid | Bursaries and Study Grants | [Lih Ming Construction Bursary](#)

Lih Ming Construction Bursary

The Lih Ming Construction Bursary was established to support financially disadvantaged and deserving undergraduates pursuing a full-time undergraduate degree at the Singapore Institute of Technology (SIT).

DIVERSITY & INCLUSION

Our Diverse Workforce

At Lih Ming, we embrace diversity and inclusion as essential pillars of our company culture. Our team of 103 full-time employees represents six (6) different nationalities of diverse backgrounds and experiences.

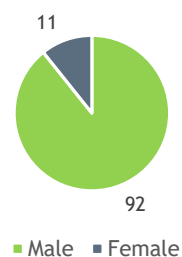
Due to the nature of Lih Ming being in the construction industry, the majority of our employees (89.3%) are male.

Over 36.9% of employees are outside the age range of 30 to 50 years old. This diverse group contributes a wide array of skills and perspectives, which are crucial to the success of Lih Ming's business.

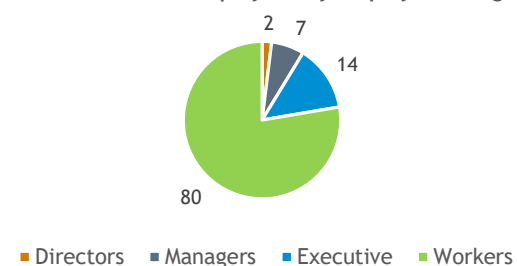


Lih Ming's employees participating in a CSR activity

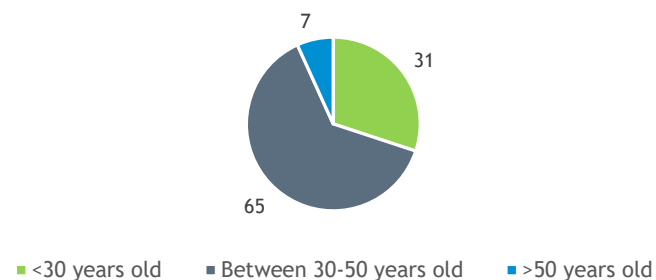
Breakdown of Employees By Gender



Breakdown of Employees By Employee Category



Breakdown of Employees By Age Group



DIVERSITY & INCLUSION

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 programs, shorter workweeks, flexible work arrangements, and a flexible wage system.

In FY2023, we reported zero (0) cases of discrimination.



FAIR SALARY & 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.

“One of our company policy is 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.”



Workers at Lih Ming's construction site

TRAINING & DEVELOPMENT

Learning and Development

Lih Ming invests in employees' learning and development as it is integral to enhancing their capabilities and ensuring the continued relevance of their skills amidst the rapidly evolving business landscape.

We developed a mandatory training matrix to ensure our workers acquire the necessary skills and qualifications. Courses are assigned according to their respective roles in the company, be it Project Manager or Excavator Operator, ensuring they meet the specific requirements for both on-site and off-site responsibilities.

Example of an excerpt from our worker's training matrix

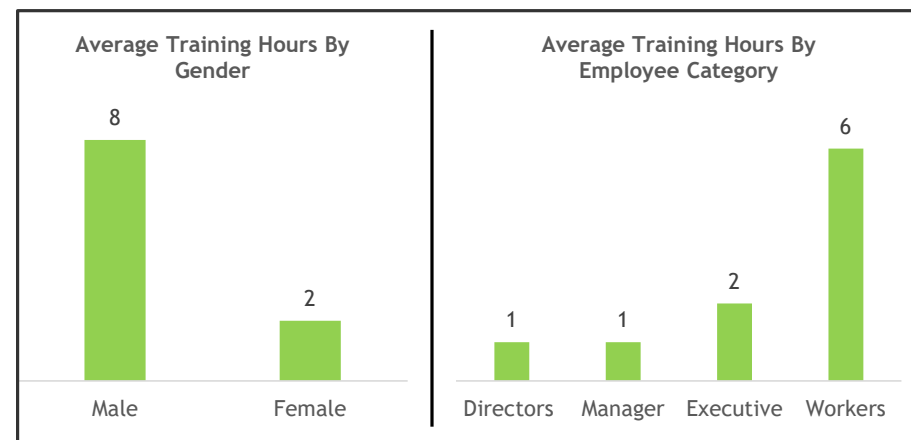
	Construction Safety Course for Project Managers	Safety Course by Safety@SP Group ('SSPG')	SSPG Gas Interim Course	Construction Safety Orientation Course by BCA
Project Manager	✓	✓		
Project Coordinators		✓		
Safety Supervisors		✓	✓	
Excavator Operators		✓		✓

Apart from the workers course as detailed in the training matrix, office staff attended courses such as :

- Budgeting for Small and Medium Enterprises
- Telecommunication cable detection work course
- Excel PowerPivot and Power Query



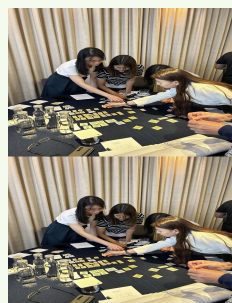
Average of 10 training hours per employee in FY2023



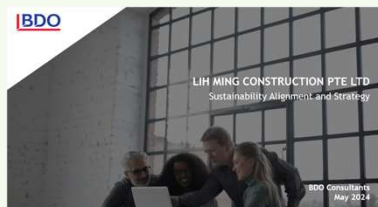
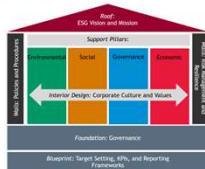
TRAINING & DEVELOPMENT

Engaging Staff on Sustainability

Lih Ming conducts a comprehensive “Sustainability Alignment Workshop” for all employees twice annually. This workshop aims to impart fundamental knowledge of sustainability principles and to elevate awareness regarding the potential impacts of sustainability on our operations. Through these sessions, employees will gain a deeper understanding of how sustainable practices are integrated into our business strategies and how they can contribute to our overarching sustainability goals.



Lih Ming's Sustainability Strategy
The "House" Metaphor



Employees participating in the workshop activities

Performance Review

Each employee undergoes an annual performance assessment based on their individual achievements². Should areas for improvement be identified, our training matrix helps us to make informed decisions about providing the necessary training and re-/certifications. These are fully funded by Lih Ming as part of our commitment to providing quality education and development opportunities for our employees.

In FY2023, 100% of employees received performance and career development reviews.

“

I attended the "Specialist Diploma in Workplace Safety and Health" programme.

The training program has enhanced my ability to manage and improve workplace safety within my current role. I am now more proficient in conducting detailed risk assessments and developing comprehensive safety plans. The knowledge gained from the course has empowered me to identify potential hazards more effectively and implement preventative measures to mitigate risks. Additionally, the skills acquired in emergency response planning have prepared me to handle safety incidents more efficiently.

My bosses and colleagues were very supportive and encouraging during the course duration. I was granted paid time off to attend classes and complete assignments, which allowed me to fully focus on my studies

Guna;
Safety Officer

”

² 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.

HEALTH & SAFETY

Our Commitment To Health & Safety

Health and safety are paramount in the construction industry and at Lih Ming. Ensuring the well-being of our employees and workers is essential not only for preventing injuries and fatalities but also for maintaining operational efficiency and adhering to regulatory standards.

Our Safety Programme & Management System

Lih Ming's Occupational Health and Safety Management System (OHSMS) procedures are meticulously structured to create a consistent approach for addressing, planning, and implementing corrective actions. This system covers all employees and company activities. The OHSMS is built on the foundations of ISO 9001, ISO 14001, ISO 45001, BizSafe Star, BizSafe Partner, and the Green and Gracious Builder Scheme.

Hazard Identification & Risk Assessment, and Risk Control

Hazard identification involves identifying the hazards associated with each work activity and the type of potential accidents/incidents that can result from the hazards. Lih Ming employs a checklist to assist in hazard identification, which outlines the considerations for identifying workplace safety and health hazards.

The Risk Assessment Team, led by certified bizSAFE2 risk assessment team leaders, conducts thorough risk assessments at our operations. They carry out inspections to identify hazards associated with the activity and assess preventive actions based on the level of severity and likelihood.

These preventive and control actions follow the hierarchy of controls. Risk control measures are prioritised in the following order: elimination, substitution, engineering controls, administrative controls and personal protective equipment (PPE).

Lih Ming's Hierarchy of Controls

ELIMINATION

Elimination of risk refers to the total removal of the worker's exposure to the hazards, effectively making all the identified possible accidents, incidents and ill health impossible.

SUBSTITUTION

This involves substituting a process or a product with a less hazardous process or product to mitigate the risk

ENGINEERING CONTROLS

Physical means that reduce the likelihood of occurrence or severity of the consequence of a mishap. These include structural changes to the work environment or work processes,

ADMINISTRATIVE CONTROLS

These reduce exposure to a hazard by adherence to procedures or instructions. Documentation should emphasize all the steps to be taken and the controls to be used in carrying out the work activity safely.

PERSONAL PROTECTIVE EQUIPMENT

The success of this control depends critically on the protective equipment being chosen correctly, fitted correctly, worn at all times and maintained properly.

MOST
EFFECTIVE

LEAST
EFFECTIVE

HEALTH & SAFETY

Incident Investigation

Lih Ming established a seven-step procedure to ensure that all incidents/accidents are promptly reported, identified, recorded, investigated, and analysed, with the aim of recommending specific actions to prevent recurrence within the workplace:

- 1 Incident Occurrence
- 2 Incident Reporting
- 3 Investigation Authorities
- 4 Fact Finding
- 5 Analysis and Evaluation
- 6 Corrective Measure
- 7 Documentation

We conduct root cause analyses to direct corrective and preventive actions at the root cause, aiming to reduce or eliminate the likelihood of similar incidents occurring. Subsequently, we implement corrective and preventive actions to address the root cause effectively.



Workers attending a briefing

Promoting Workplace Safety

Promoting workplace safety involves establishing effective reporting processes for work-related hazards and ensuring robust protections against reprisals. By implementing clear reporting channels, comprehensive training, and non-retaliation policies, we create a culture where workers feel empowered to voice safety concerns without fear.



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:

- Hazardous substance and chemicals
- Heat stress
- Safe lifting operation
- Electrical 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.

HEALTH & SAFETY

Our Performance

ZERO (0)

Fatalities, high-consequence work-related injuries and recordable work-related injuries for all employees as well as all workers who are not employees but whose work is controlled by Lih Ming in FY2023.

Despite recording zero (0) fatalities and injuries in FY2023, Lih Ming remains steadfast in our commitment to safeguarding the health and safety of all employees and workers at our operations and dedicated to upholding the highest standards of health and safety. In the year ahead, we will continue to eliminate other work-related hazards and minimize risks using the hierarchy of controls.

Use a hazard control plan to guide the selection and implementation of controls, and implement controls according to the plan.

Develop plans with measures to protect workers during emergencies and non-routine activities.

Evaluate the effectiveness of existing controls to determine whether they continue to provide protection, or whether different controls may be more effective.

Review new technologies to assess their potential for enhanced protection, reliability, or cost-effectiveness.

“

Our Quality, Environmental, Health, Safety, and Security (QEHS) Policy outlines our commitment to enhancing the effectiveness of our integrated quality management system, protecting the environment, improving health and safety performance, and ensuring security. We aim to prevent injury and ill-health by complying with all applicable legal and other requirements for the benefit of all our stakeholders.

”

Promotion of Employee Health and Well-being

The health and well-being of our employees significantly impact the performance of our organisation. Lih Ming provides a comprehensive range of medical subsidies as well as hospitalisation, outpatient, and dental Insurance.

We also invest in a range of employee bonding events aimed at fostering camaraderie and boosting morale within our organisation. These events provide opportunities for our employees to interact in a more relaxed and social setting, strengthening relationships and promoting a sense of unity among employees.



CSR activities



Birthday celebrations



RESPONSIBLE GOVERNANCE

- RISK MANAGEMENT
- BUSINESS ETHICS

RISK MANAGEMENT

Governance

The Directors are responsible for the overall governance of risk, strategic direction, and accountability at Lih Ming. They ensure that all organisational activities align with our strategic goals, risks are effectively managed, and there is transparency and responsibility in our operations. The directors review the effectiveness of Lih Ming's risk management annually.

Senior Managers and department heads play a crucial role in supporting the Directors by monitoring and ensuring that robust risk controls are in place. They diligently oversee the implementation of risk management strategies within their respective departments, ensuring compliance with established protocols and continuously improving processes to mitigate potential threats.

Our ERM Framework

Lih Ming established an Enterprise Risk Management (ERM) Framework designed to enhance confidence in our strategies, businesses, and operations. We conduct risk assessments as well as environmental aspect and impact assessment. This framework ensures that key risks are systematically and effectively managed. Risks covered under the ERM framework include:



Safety Risks



Business Risk
and Opportunity



Sustainability Risk
and Opportunity



Work Risk (Office)



Work Risk (Project Site)



BUSINESS ETHICS

Our Commitment

High standards of corporate governance and business conduct are fundamental to the success of our business. At Lih Ming, we adhere to all relevant laws and are committed to conducting our operations with the utmost transparency. This dedication ensures the integrity of our practices, fosters trust among our stakeholders, and underpins our long-term growth and success. All our policies and code of conduct are detailed in the employee handbook.



Code of Business Conduct

Our Code of Conduct sets forth the expectation for all employees to uphold high ethical standards. All employees are expected to:

- Obey all applicable laws, regulations, and professional standards that govern our business
- Maintain an environment of honesty, trust, and integrity
- Safeguard our values and never compromise or alter them for any reason
- Recognize and value high ethical standards and report any unethical or illegal behavior



Human Rights Policy

Lih Ming has a human rights policy which sets out our expectations and commitments in accordance with the Prevention of Human Trafficking Act 2014 (No. 45 of 2014), the employment practices set out by the Ministry of Manpower on Employing young persons and children governed by Part VIII of the Employment Act and the Employment of Children and Young Persons Regulations as well as the Sector-specific rules on the Construction Sector.

The policy guides us in ensuring everyone is safeguarded, treated fairly and with dignity.

In FY2023, there were zero (0) reported cases of discrimination or violations of human rights.



Grievance Mechanism

We have in place an open and transparent grievance process for all staff and operate a straightforward reporting procedure to deal with any concerns raised.



Fraud Policy

Lih Ming upholds a zero-tolerance approach regarding fraud and corruption. We identify and promptly investigate any suspected fraudulent or related dishonest activity. This is followed by taking appropriate disciplinary and legal actions to include the possibility of termination of employment, restitution, and forwarding information to the appropriate authorities for prosecution.

In FY2023, there were zero (0) reported cases fraud or corruption.

A photograph of a person's hand pointing at a laptop screen. The hand is wearing a black wristband. The laptop is open and the screen displays some data. The background is blurred, showing what appears to be a wooden structure.

ENDURING ECONOMIC VALUE

- CUSTOMER SATISFACTION

CUSTOMER SATISFACTION

Customer Satisfaction and Engagement

We take customer feedback very seriously and are continuously improving our customer experience. By actively listening to our customers and addressing their needs and concerns, we are able to refine our processes, products, and services. This commitment to continuous improvement ensures that we consistently meet and exceed customer expectations, fostering long-term satisfaction and loyalty.

We sent a customer satisfaction form to project officers at SP Group annually.



To enhance our customer satisfaction, we regularly engage with our customers to gather feedback and keep them informed about new projects or safety initiatives. This proactive approach allows us to address any concerns promptly.

Customer Privacy

We safeguard the data and privacy of our customers and abide by Singapore's Personal Data Protection Act 2012. All employees acknowledge that data collected on a private and confidential basis from customers will be solely used for work purposes at Lih Ming. Additionally, employees shall not disclose such data on any media platform without the written consent of Lih Ming.

In FY2023, we recorded zero (0) substantiated complaints concerning breaches of customer privacy and losses of customer data.

As a testament to our dedication to upholding the highest standards of customer satisfaction, Lih Ming has been awarded with the **"Certificate of Excellence for the Top 5 Contractors for Civil Engineering and Construction Related Works"** for the 4th time.



Certificate of Excellence for the Top 5 Contractors for Civil Engineering and Construction Related Works

A photograph of a person's hand holding a blue pen, writing on a document. In the background, there is a white cup of coffee on a wooden table. The image is slightly blurred, giving it a soft, professional feel.

GRI CONTENT INDEX

GRI

CONTENT INDEX

Statement of use: Lih Ming has reported with reference to the GRI Universal Standards 2021 for the period 1 April 2023 to 31 March 2024.

GRI 1 used: GRI 1: Foundation 2021

Applicable GRI Sector Standards: TP will apply the latest GRI Sector Standard for our industry when the standard is made available.

Disclosure No.	Disclosure Topic	Page Reference
GRI 2: General Disclosures 2021		
2-1	Organisational details	Page 3
2-2	Entities included in the organisation's sustainability reporting	Page 5
2-3	Reporting period, frequency and contact point	Page 5
2-4	Restatements of information	No restatements of information were made as this is Lih Ming's first sustainability report.
2-5	External Assurance	All information in this report has not undergone external assurance.
2-6	Activities, value chain and other business relationships	Page 3
2-7	Employees	Pages 22 and 25
2-9	Governance structure and composition	Page 8
2-10	Nomination and selection of the highest governance body	Page 8
2-11	Chair of the highest governance body	Page 8
2-12	Role of the highest governance body in overseeing the management of impacts	Page 8
2-13	Delegation of responsibility for managing impacts	Page 8
2-14	Role of the highest governance body in sustainability reporting	Page 8
2-15	Conflicts of interest	Pages 30 and 34
2-16	Communication of critical concerns	Pages 30 and 34
2-19	Remuneration policies	Page 26
2-20	Process to determine remuneration	Page 26
2-22	Statement on sustainable development strategy	Page 6
2-23	Policy commitments	Pages 26, 31 and 34

GRI

CONTENT INDEX

Disclosure No.	Disclosure Topic	Page Reference
GRI 2: General Disclosures 2021		
2-24	Embedding policy commitments	Pages 26, 31 and 34
2-25	Processes to remediate negative impacts	Pages 26, 30, 31 and 34
2-26	Mechanisms for seeking advice and raising concerns	Pages 30 and 34
2-27	Compliance with laws and regulations	Pages 26, 31 and 34
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	Page 11
3-2	List of material topics	Page 11
Pillar 1: Environmental Stewardship		
Material Topic: Greenhouse Gas Emission		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Pages 12 and 17
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	Pages 17 and 18
305-2	Energy indirect (Scope 2) GHG emissions	Pages 17 and 18
305-3	Other indirect (Scope 3) GHG emissions	Pages 17 and 18
Material Topic: Energy Consumption		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Pages 12 and 19
GRI 302: Energy 2016		
302-1	Energy consumption within the organisation	Page 19
Material Topic: Material Use		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Pages 12 and 20
GRI 301: Materials 2016		
301-1	Materials used by weight or volume	Page 20
301-2	Recycled input materials used	Page 20

GRI

CONTENT INDEX

Disclosure No.	Disclosure Topic	Page Reference
Pillar 2: Social Responsibility		
Material Topic: Employment & Labour Practices		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Pages 13 and 22
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	Page 22
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 23
401-3	Parental Leave	Page 23
Material Topic: Diversity & Inclusion		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Pages 13 and 25
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Page 25
405-2	Ratio of basic salary and remuneration of women to men	Page 26
GRI 406: Non-Discrimination 2016		
405-1	Incidents of discrimination and corrective actions taken	Page 26
Material Topic: Training & Development		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Pages 13 and 25
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	Page 27
404-2	Programs for upgrading employee skills and transition assistance programs	Page 27
404-3	Percentage of employees receiving regular performance and career development reviews	Page 28

GRI

CONTENT INDEX

Disclosure No.	Disclosure Topic	Page Reference
Material Topic: Health & Safety (cont'd)		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Pages 15 and 29
GRI 403: Occupational Health and Safety 2016		
403-1	Occupational health and safety management system	Page 29
403-2	Hazard identification, risk assessment, and incident investigation	Pages 29, 30 and 31
403-3	Occupational health services	Page 30
403-4	Worker participation, consultation, and communication on occupational health and safety	Pages 31 and 31
403-5	Worker training on occupational health and safety	Pages 27 and 30
403-6	Promotion of worker health	Pages 23, 30 and 31
403-8	Workers covered by an occupational health and safety management system	Page 29
403-9	Work-related injuries	Page 31
Pillar 3: Responsible Governance		
Material Topic: Risk Management		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Pages 15 and 33
Material Topic: Business Ethics		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Pages 15 and 34
GRI 205: Anti-Corruption 2016		
205-2	Communication and training about anti-corruption policies and procedures	Page 34
205-3	Confirmed incidents of corruption and actions taken	Page 34
Pillar 4: Enduring Economic Value		
Material Topic: Customer Satisfaction		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Pages 15 and 36
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 36