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LEY CHOON

# ADVANCING WITH FOCUS

Sustainability Report 2023



# SUSTAINABILITY REPORT

## 1. Highlights

### 1.1 BOARD STATEMENT

#### Innovate for Sustainability

At Ley Choon Group Holdings Limited ("Ley Choon", and together with all its subsidiaries, collectively the "Group"), we remain steadfast in our commitment to uphold the highest standards of Environmental, Social and Governance (ESG) practices. Our sustainability journey has instilled in us a profound sense of responsibility towards our environment and communities.

We have demonstrated a deep-seated conviction and fervour in driving corporate sustainability and have embraced sustainability reporting as a means to challenge and inspire ourselves towards introspection and recalibration of our business modus operandi.

Our approach has evolved beyond a financial-centric model, as we recognize the importance of non-financial parameters in driving effective management of a new spectrum of ESG parameters. We firmly believe that our sustainable growth and success is intricately linked to the sustainable development of the communities in which we operate, whether they be social, business, or national.

As we strive for new growth opportunities, we remain cognizant of the increasing importance of strengthening the sustainability and resilience of our current operations. We are committed to exploring and evaluating business opportunities, including strategic investments, partnerships, and mergers and acquisitions, that have the potential to generate value for our shareholders while upholding our values of ESG sustainability.

#### EHS Excellence

During FY2023, the Ley Choon Group committed to uphold EHS excellence. Our comprehensive EHS Monitoring Plan has empowered employees to take ownership of EHS standards in daily operations, and we continue to strive towards the highest standards of EHS management.

As part of our ongoing efforts to enhance our EHS management system and processes, we are committed to reviewing and revising our existing Safety Management System with a keen eye for detail. To ensure the safety of our employees and uphold our values of productivity, we have introduced a Competency Skill Test for our site supervisors, alongside quarterly internal and external audits.

Our Safety Enhancement Programme (SEP) has also played a vital role in raising safety awareness, leveraging technology-based analytic tools to analyse root causes of past incidents and accidents to determine preventive solutions and specific training needed for our employees.

We are successfully achieved zero environmental violation incidents for 3 consecutive years. We remain committed to upholding the highest standards of EHS excellence and will continue to invest in the development of our employees and EHS management system to drive sustainable growth for our organization.

#### Human Capital and Innovation

Ley Choon is committed to driving innovation as a key objective of our human capital development strategy. This commitment is reflected in our ongoing investment in employee training programs to nurture and develop the skills of our workforce.

As a responsible employer, we recognize the importance of prioritizing the health and wellbeing of our employees. To this end, we provided free humidifiers and organized a flu immunization exercise for all our employees, underscoring our unwavering commitment to safeguarding their wellbeing.

Beyond our internal efforts, we are also committed to making a positive impact on the broader community. In the next two years, we plan to increase our contribution to business and community initiatives, driving positive social change and promoting sustainable development.

We remain optimistic that our continued focus on driving innovation and change management will foster greater financial and ESG returns for the Group. By nurturing and developing our human capital and contributing to the greater good, we are confident that we will continue to create value for our stakeholders while upholding our commitment to sustainability.

#### Business Resilience

Our company's growth momentum has remained steady in FY2023, and our construction activities returned to normal post-COVID. As a prominent player in the local market, we are witnessing a ramp-up in demand for infrastructure construction and are proud to have secured several contracts totaling S\$306.1 million in FY2023. These new contracts are extending our revenue visibility for the next three years, and further affirm our position as a leader in the industry.

We have also invested in various productivity tools such as an Enterprise Resource Planning system and an off-site sky CCTV monitoring system to integrate our operations and better manage our resources.

As part of our commitment to risk management, we have engaged independent parties to conduct a comprehensive risk assessment and analysis of the risks that could have an impact on our company in FY2023. We are confident that these measures will enable us to mitigate risks and enhance our resilience.

Despite the supply chain disruptions and inflationary pressures, we remain cautiously optimistic about the prospects for the construction industry. Infrastructure development remains an indispensable pillar for economic recovery, and we will continue to leverage our rich experience and track record to secure more contracts in underground infrastructure utilities construction.

On behalf of the Board of Directors

**TOH CHOO HUAT**

Executive Chairman and Chief Executive Officer

# SUSTAINABILITY REPORT

## 1.2 ESG PERFORMANCE FY2023 HIGHLIGHTS



### ENVIRONMENT

- Continued with the EHS Monitoring Plan to increase EHS ownership among employees in daily operations requirement as well as to empower all employees to meet high EHS standards.
- Continued with the SEP which leveraged technology-based analytic tools to analyse the root causes of past incidents/ accidents technology analytic tool to derive with preventive solutions and specific training needed for employees.
- Continued with the Competency Skill Test for our site supervisors to strive for a balance between Productivity and Safety in operations.
- Achieved a 19% decrease in GHG emission intensity, 16% decrease in energy consumption and 31% decrease in water conservation.
- Maintained zero significant issues related to biodiversity conservation.



### SOCIAL

- Average training hours per employee of 11.2 hours.
- All Directors have attended sustainability training as prescribed by the SGX-ST.
- The Board has adopted a board diversity policy and endeavours to ensure that female candidates with the relevant skillsets are considered despite construction being a male-dominated industry.
- Maintained zero serious incidents and fatalities in three consecutive years.
- Reduced more than 10% reportable and non-reportable incidents and injuries in the work site.
- Increased 13% of the female employee in the senior management team.
- Customer satisfaction index has increased to 90%.
- Rework cases have reduced by 20% as compared to FY2022.



### GOVERNANCE

- Full adherence to Code of Corporate Governance and maintained zero whistleblowing incidents.
- Achieved zero environmental violation incidents for 3 consecutive years.
- Achieved zero complaints concerning breaches of customer privacy or losses of customer data in FY2023.

# SUSTAINABILITY REPORT

## 1.3 SCOPE OF SUSTAINABILITY REPORT

<b>Reporting Period</b>	The scope of the report covers data and information on material sustainability aspects of Ley Choon from 1 April 2022 to 31 March 2023 unless otherwise specified, and discusses the Group's achievements and performance towards ESG issues. We believe that the report should sufficiently address stakeholders' concerns in relation to sustainability issues arising from the Group's major business operations.
<b>Reporting Standards</b>	This report is prepared in accordance with the Global Reporting Initiative ( <b>GRI</b> ) Standards: Core Option as it provides a set of an extensive framework that is widely accepted as a global standard for sustainability reporting. We defined the report content in accordance with GRI Principles including: <ul style="list-style-type: none"><li>• <b>Materiality:</b> Focusing on issues that impact business growth and are of utmost importance to our stakeholders;</li><li>• <b>Stakeholder Inclusiveness:</b> Responding to stakeholder expectations and interests;</li><li>• <b>Sustainability Context:</b> Presenting performance in the wider context of sustainability; and</li><li>• <b>Completeness:</b> Including all information that is of significant economic, environmental and social impact to enable stakeholders to assess the Group's performance.</li></ul> It also considers the Sustainability Reporting Guide in Practice Note 7F of the SGX-ST Listing Manual. In preparing our report, we applied the GRI's principles for defining report content and report quality by considering the Group's activities, impacts and substantive expectations and interests of its stakeholders.
<b>Reporting Boundaries</b>	We are currently in the process of implementing mandatory climate reporting based on the recommendations of the Task Force on Climate-related Financial Disclosures ( <b>TCFD</b> ), and will report on our progress in the following year.
<b>Independent Verification</b>	The aspect boundaries 'within' the organisation are limited to Ley Choon and our subsidiaries. The aspect boundaries 'outside' the organisation include customers, employees, governments and regulatory agencies, local community, shareholders and financial community, and suppliers. The Board has engaged Crowe Horwath First Trust Advisory Pte Ltd ( <b>Crowe</b> ), a reputable professional firm specialising in audit and risk solutions, to assist the Board in its review of the adequacy and effectiveness of the Company's internal control systems in relation to sustainability reporting.  The scope of the services is to review the operations related to the development of sustainability report. The findings are presented to the AC for its deliberation and recommendation to the Board. There are no significant weaknesses reported.  The Board is of the opinion, with the concurrence of the AC, that based on the review performed by Crowe, the Company maintains a sound system of internal controls in the areas of sustainability reporting. The Board however notes that no system of internal controls can provide absolute assurance against failure to meet business objectives, poor business judgement, human fallibility, material errors or losses, frauds, breaches of laws or regulations, or other unforeseeable occurrence.  The data and information provided within the report have not been verified by an independent third party.
<b>Restatements</b>	We have restated the reported data on new hired employees by nationality and by age profile category, as well as resigned employees categorized by nationality and by age profile for both FY2021 and FY2022. This correction was made due to the identification of errors in the previously reported information.
<b>Accessibility</b>	The Group continues to print adequate copies of this annual-cum-sustainability report as part of our environmental conservation efforts. A current electronic edition of the report is available at <a href="http://www.leychoon.com">www.leychoon.com</a> .
<b>Sustainability Contact</b>	We welcome your views and feedback on our sustainability practices and reporting by filling up our feedback form which can be accessed by scanning the QR code on the right.



# SUSTAINABILITY REPORT

## 2. Our approach to sustainability

### 2.1 SUSTAINABILITY GOVERNANCE STRUCTURE

Sustainability is a vital part of our corporate strategy for achieving long-term growth. The values we create for our people, the environment and society at large very much determine our financial performance. We developed a sustainability organizational structure to below:



### 2.2 SUSTAINABILITY STRATEGY

At Ley Choon Group, we are committed to integrating sustainability into our business practices, guided by our vision and corporate values. We recognize the importance of incorporating sustainability considerations into our decision-making processes, and we strive to do so systematically and seamlessly.

Our senior management leads our sustainability efforts, ensuring that our business objectives align with our commitments to sustainable development. They also communicate our progress to the Board of Directors on an ongoing basis. To maximize our impact on economic, environmental, and social fronts, Ley Choon's senior management has identified focus areas that are important to both our stakeholders and the company.

We actively seek feedback from our internal and external stakeholders to understand their needs and expectations. By building mutually beneficial relationships, we aim to deliver value to all our stakeholders while upholding our commitment to sustainability.

As at the date of this report, all Directors have attended sustainability training as prescribed by the SGX-ST.

# SUSTAINABILITY REPORT

## 2.3 CONSULTING OUR STAKEHOLDERS

We recognise the need to continuously develop our responsible business approach in order to address growing stakeholder expectations around our impact on the economy, environment and society. As such, we periodically consult with our stakeholders to determine the issues that are most relevant to them and Ley Choon.

An overview of our approach and rationale is set out below (with stakeholders listed in alphabetical order), together with the feedback we have received.

Stakeholders	How we engage them	Key topics
Customers	<ul style="list-style-type: none"><li>Formal meetings</li><li>Informal feedback</li><li>Company's website</li></ul>	<ul style="list-style-type: none"><li>Project timelines, requirements and specifications</li><li>Work-in-progress and status</li><li>Feedback on completed projects</li></ul>
Employees	<ul style="list-style-type: none"><li>Performance appraisals</li><li>Team bonding and company events</li><li>Internal communication (emails and intranet)</li><li>Annual appreciation dinner</li></ul>	<ul style="list-style-type: none"><li>Performance and skills</li><li>Health and safety issues and necessary precautions to note</li><li>New contract wins</li><li>Project timelines and status updates</li></ul>
Governments and regulatory agencies	<ul style="list-style-type: none"><li>Regular updates and communication</li><li>Reports and compliance</li><li>Periodical meetings / discussion with government bodies</li></ul>	<ul style="list-style-type: none"><li>Regulatory and industry standards and guidelines</li></ul>
Local community	<ul style="list-style-type: none"><li>Community outreach activities (such as community event sponsorships)</li><li>Charity events</li><li>Sponsor technical seminars</li></ul>	<ul style="list-style-type: none"><li>Partner with local not-for-profit charitable organisations to identify the target beneficiaries</li></ul>
Shareholders and Financial Community	<ul style="list-style-type: none"><li>Annual General Meeting</li><li>SGX Announcements</li><li>Annual reports</li><li>Company's website</li><li>Regular updates and communication</li></ul>	<ul style="list-style-type: none"><li>Financial results</li><li>Key developments such as contract wins, corporate action, etc.</li><li>Long-term profitability and sustainability</li><li>Compliance with all relevant requirements</li></ul>
Suppliers	<ul style="list-style-type: none"><li>Regular meetings</li><li>Emails</li><li>Periodic evaluations on suppliers' performance</li></ul>	<ul style="list-style-type: none"><li>Feedback on their products and services</li><li>Information of their new products or services</li></ul>

# SUSTAINABILITY REPORT

## 2.4 SUSTAINABILITY MATERIALITY

From the results of our stakeholders' engagement, the Group has adopted a materiality analysis to identify challenges and issues that are important to our stakeholders and which are relevant to our Group.

Our material issues are identified as those that are ranked as high and critical by both our internal and external stakeholders on the materiality matrix. We therefore focus our sustainability efforts and reporting on these issues.

We have identified and compiled 15 relevant sustainability issues for developing this report. These issues were further deliberated and narrowed down through our engagement process with stakeholders. The senior management then reviewed the list of issues and determined the material issues based on importance to our stakeholders and the sustainability impact to our businesses.

The importance of the material issues is ranked based on our meetings and interviews with our stakeholders.



# SUSTAINABILITY REPORT

## 3. Our performance

### 3.1 HOW WE MEASURE OUR PERFORMANCE

Our sustainability strategy is embedded into the appropriate parts of our business, with dedicated teams for each focus area, and coordination by our relevant departmental managers.

Progress will be tracked in two key ways: measuring performance against metrics, and evaluating how well the programs have advanced, through a series of 'commitments'.

#### Metrics and targets

We have established key performance indicators for each area outlined in our sustainability materiality matrix. Periodically, we plan to introduce new metrics and update targets to ensure alignment with our strategy.

#### Commitments

To ensure we have a robust sustainability programme in place, we have included the key commitments for each area above. The progress we have made against each key commitment is indicated using the symbols shown in the table below.

We track and review our sustainability programme with the Board of Directors at least once a year.

#### Symbols used to indicate progress against commitments

Symbol	Meaning
(N)	New commitment this year
(○)	Not started
(◐)	In progress
(●)	Complete
(⌚)	Ongoing commitment: no end date



# SUSTAINABILITY REPORT

## Supporting United Nations Sustainable Development Goals (UN SDGs)

In order to ensure that our sustainability efforts are comprehensive and effective, we have incorporated the core commitments for each of the key areas within our sustainability strategy. Our approach has been guided by the United Nations Sustainable Development Goals, which have provided a framework for us to align our objectives with broader global sustainability targets.

By integrating these commitments throughout our sustainability program, we aim to build a robust and impactful strategy that addresses the environmental, social, and economic challenges facing our organization and our stakeholders.

Goals	How we support
<b>3 GOOD HEALTH AND WELL-BEING</b> 	The health and well-being of our workforce is top priority. To this end, we have implemented a comprehensive set of policies and procedures and SEP that cover all aspects of workplace safety, from identifying hazards and assessing risks to preventing injuries and responding to emergencies. These policies and procedures are regularly reviewed and updated to ensure that they align with the latest industry standards and best practices. For our commitment, please refer to <b>Environmental Health &amp; Safety</b> section.
<b>6 CLEAN WATER AND SANITATION</b> 	We recognise the importance of availability and sustainable management of water and sanitation for all. The Group has implemented several initiatives such as installation of water-efficient fittings, raising awareness among our employees about water scarcity, and actively utilizing NEWater, a process that recycles treated used water into clean and reclaimed water. Our actions taken on sustainable water management demonstrates our dedication to promoting responsible water use and contributing to the sustainable development of our community and the planet. For our commitment, please refer to <b>Water Conservation</b> section.
<b>7 AFFORDABLE AND CLEAN ENERGY</b> 	We believe the importance to have access to affordable, reliable, sustainable and modern energy for all. We have implemented energy-efficient practices in our operations and plan to invest in energy-efficient equipment and vehicles to reduce energy consumption and reliance on non-renewable sources in future. Additionally, we have partially switched to solar panels at selected sites to further decrease reliance on non-renewable energy. Our commitment lies in promoting sustainable energy practices and reducing our carbon footprint. For our commitment, please refer to <b>Energy Efficiency</b> section.
<b>8 DECENT WORK AND ECONOMIC GROWTH</b> 	We are deeply committed to promoting decent work and economic growth, and this is reflected in our ongoing efforts to make a positive impact on the communities and economies in which we operate. Our approach includes fostering fair employment practices, investing in the development of our employees, and engaging with local stakeholders to support and facilitate local economic development. For our commitment, please refer to <b>Employee Engagement and Wellness</b> and <b>Supply Chain Management</b> sections.
<b>13 CLIMATE ACTION</b> 	We recognize the urgent need for climate action and are committed to reducing our greenhouse gas ( <b>GHG</b> ) emissions through a range of measures, including energy-efficient building design and sustainable operations practices. We regularly assess our GHG emissions and strive to continuously improve our environmental performance. Our efforts to reduce our carbon footprint reflect our commitment to addressing climate change and creating a more sustainable future for our business, our stakeholders, and the planet. For our commitment, please refer to <b>Climate Change and Greenhouse Gas Emissions Management</b> section.

We are proud to support a range of UN SDGs through our business operations and community initiatives. From promoting sustainable cities and communities to reducing inequalities and climate action, we are committed to making a positive impact on the environment and society.

# SUSTAINABILITY REPORT

## 3.2 ECONOMIC

### Economic contribution to society

The company operates within two business segments in Singapore, as well as in two overseas markets, namely China and Sri Lanka. Our one-stop underground utilities infrastructure construction and roadworks service is managed in compliance with sustainability principles, as we work closely with our business partners to identify and address any sustainability opportunities and risks that may arise.

Our company places a significant emphasis on contributing positively to society through our economic presence, and we aim to achieve this by efficiently managing public infrastructure, such as underground utilities infrastructure and roadworks, while also demonstrating good stewardship of resources.

We have established our own construction waste recycling plant. This facility enables us to recover and recycle construction waste, transforming it into backfilling materials and recycled aggregates that can be used at work sites and in asphalt premix production. Our recycling plant not only reduces the amount of waste that ends up in landfills but also helps to conserve natural resources by repurposing materials that would otherwise be discarded.

Despite the challenges we face in our business operations, we remain committed to actively contributing to our communities and charitable organizations in Singapore, as evidenced by our formal corporate philanthropy policy that is linked to our annual contract wins.

In FY2023, we achieved a revenue of \$124 million, generating new business opportunities within the markets we operate in. We aspire to inspire other businesses to adopt sustainable practices that benefit both the company and society as a whole.

## 3.3 GOVERNANCE

### Legal compliance and corporate governance

The Group places a strong emphasis on upholding high standards of corporate governance and legal compliance. Our decision-making processes adhere strictly to all legal and regulatory requirements, including those outlined in the Code of Corporate Governance issued by the Monetary Authority of Singapore (**MAS**), as well as guidelines set forth by various authorities such as the Building and Construction Authority (**BCA**), Land Transport Authority (**LTA**), National Environmental Agency (**NEA**), and Ministry of Manpower (**MOM**).

During FY2023, the Company did not receive any correspondences or notifications regarding material non-compliance with regulatory requirements. Moreover, the Audit Committee received no whistle-blowing letters throughout the year. These outcomes are a testament to our unwavering commitment to compliance and governance.

In addition, we are proud to report that we have achieved zero incidents of environmental violation since FY2021. This success is a result of our continuous efforts to improve our sustainability practices, which began with our first sustainability report in FY2018. We remain dedicated to maintaining these high standards of compliance and governance, as we believe that they are essential to the long-term success of our business and the well-being of the communities we serve.

### Customer Privacy & Data Protection

We adhere strictly to the guidelines set by the Personal Data Protection Act (**PDPA**) to ensure that our clients' personal data is protected at all times. To achieve this goal, we have made significant investments in our proprietary IT system, which meets the highest standards for IT security. Our confidential documents are disposed of by reputable waste disposal firms to ensure maximum security.

We are proud to report that we have had no substantiated complaints concerning breaches of customer privacy or losses of customer data. This outcome reflects our unwavering commitment to safeguarding our clients' information and underscores our reputation as a trustworthy and reliable business partner.

# SUSTAINABILITY REPORT

## Commitments: Governance

Objective	Achievements	FY2023 progress
Maintain full compliance with local laws and regulatory requirement	<ul style="list-style-type: none"><li>Achieved full compliance with local regulatory requirements in FY2023.</li></ul>	<ul style="list-style-type: none"><li>We are committed to continuing to comply with laws and local regulatory requirement.</li></ul>
Minimize impact on the environment and to promote sustainable practices.	<ul style="list-style-type: none"><li>Achieved zero violations against laws and regulations relevant to environment in FY2023.</li></ul>	<ul style="list-style-type: none"><li>We are committed to continuing to comply with laws and regulations relevant to environment.</li></ul>
Protect customers' personal information as per PDPA	<ul style="list-style-type: none"><li>Achieved zero complaints concerning breaches of customer privacy or losses of customer data in FY2023.</li></ul>	<ul style="list-style-type: none"><li>We are committed to continuing to safeguard our client's information and maintain zero complaints concerning breaches of customer privacy or losses of customer data.</li></ul>

## 3.4 ENVIRONMENT

### Climate Change and Greenhouse Gas Emissions Management

The Group recognizes the urgent and global challenge posed by climate change and embraces the responsibility to proactively tackle it. We are currently in the process of developing policies that will enable us to effectively identify and mitigate climate-related risks that may impact our operations. Our primary objective is to manage these risks in a way that is both appropriate and sustainable, ensuring the long-term viability of our business.

We recognize the importance of transparency and intend to align our disclosure with the recommendations of the Task Force on TCFD. We plan to include additional TCFD in our Sustainability Report for the financial year 2025. By regularly updating our stakeholders on our progress, we aim to demonstrate our ongoing dedication to addressing climate-related risks and maintaining sustainable business practices.

We are fully committed to taking positive action on climate change by actively working to reduce our carbon emissions in our daily operations. To ensure effective management of our environmental impact, we regularly monitor and review our carbon footprint. This involves collecting detailed energy usage data across our operation segments and calculating our total annual greenhouse gas (**GHG**) emissions.

Our approach is data-driven, allowing us to identify areas where we can make the most significant impact and implement targeted solutions to reduce our overall carbon footprint. By employing this approach, we aim to minimize our contribution to climate change in the most efficient and effective manner possible.

To measure our emissions, we adhere to the Greenhouse Gas Protocol established by the World Resources Institute and the World Business Council for Sustainable Development. This widely recognized standard manual ensures consistency and accuracy in measuring corporate greenhouse gas emissions. We adopt the "control method," which includes 100% of the emissions associated with businesses directly under our control.

Our carbon footprint includes:

- All fuels used directly by our companies (Scope 1 emissions)
- All purchased electricity used in our properties (Scope 2 emissions)

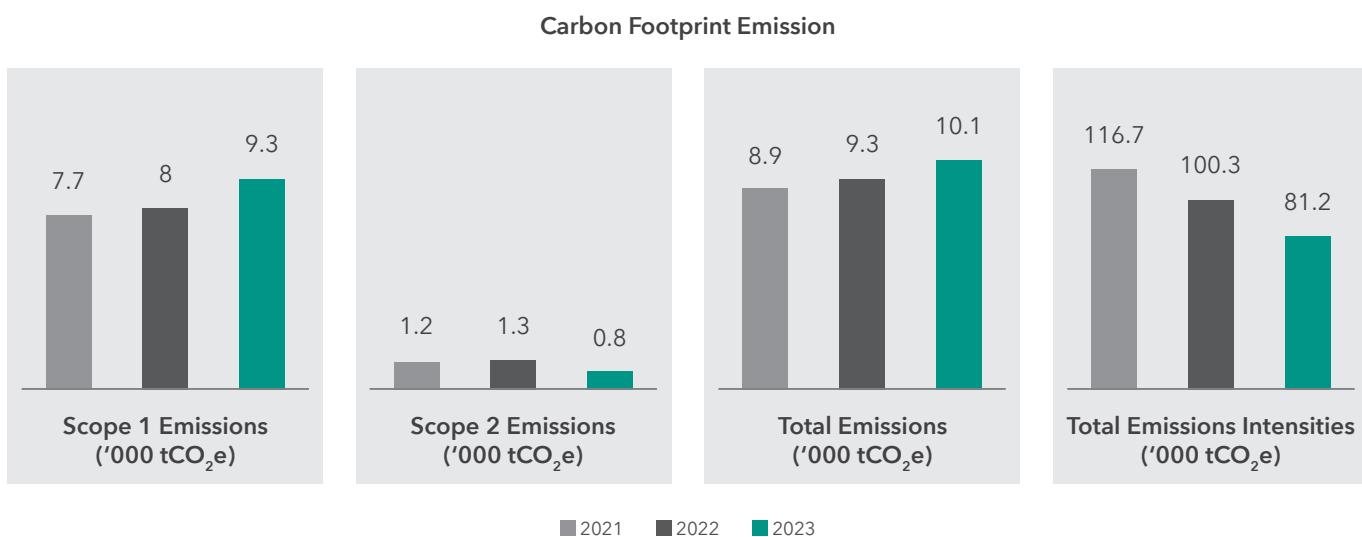
# SUSTAINABILITY REPORT

In FY2023, we achieved a 19% decrease in GHG emissions intensity, reducing it from 100.3 to 81.2 tonnes of carbon dioxide equivalent per thousand dollars ( $tCO_2e/\$'000$ ). Our total GHG emissions for the year amounted to 10,064.6  $tCO_2e$ . The main source of emissions is primarily due to the use of diesel in transportation, which involves sending our workforce to the site and transporting the necessary materials. Diesel is also utilized in various machinery on the site, such as excavators, cranes, generators, and other equipment required for the project, accounting for 93% of the total carbon emission of the Group. The rest of the emissions are due to purchased electricity used in our operations and activities.

Our reduction in emissions can be attributed to a range of factors, including our consistent provision of employee training on sustainable practices and our careful planning of each project to maximize resource utilization.

We remain steadfast in our commitment to sustainability and reducing our environmental footprint. In order to achieve our FY2023 targets by reducing 3% our carbon footprint compared to previous year, we implemented the following best practices:

- Regular meetings with project managers and responsible individuals to monitor and improve resource utilization.
- Implementing regular maintenance routines to ensure optimal engine condition and maximize diesel usage efficiency.
- Promoting sustainable practices among employees, such as encouraging recycling and the use of environmentally friendly products.



## Energy-Efficiency and Renewable Energy Investment Plan

The Group is making a strategic plan to invest in energy-efficient equipment and vehicles, specifically low-emission vehicles and electric-powered tools, as well as renewable energy sources. The objective is to fully implement these measures in long run, with the intention of significantly reducing the carbon footprint associated with the Group's daily operations.

By investing in energy-efficient equipment, the Group aims to replace traditional diesel vehicles with low-emission vehicles. This transition to electric vehicles (EVs) reduces the reliance on fossil fuels and helps to mitigate the environmental impact of transportation. EVs produce lower or zero tailpipe emissions, resulting in reduced greenhouse gas emissions and local air pollution. This shift not only aligns with the Group's commitment to sustainability but also contributes to improving air quality and public health.

# SUSTAINABILITY REPORT

Furthermore, the Group's investment in electric-powered tools demonstrates a commitment to minimizing emissions even in smaller-scale operations. Electric-powered tools are often more energy-efficient and have lower emissions compared to their gasoline or diesel counterparts. By adopting these tools, the Group can reduce emissions and noise pollution associated with construction activities, contributing to a cleaner and healthier work environment.

By fully implementing these measures, the Group aims to make a tangible impact in reducing its carbon footprint. This commitment to sustainability not only aligns with global efforts to combat climate change but also positions the Group as a responsible and environmentally conscious entity within the construction industry. The transition to energy-efficient equipment, low-emission vehicles, and renewable energy sources demonstrates the Group's dedication to long-term sustainability and a greener future.

## Energy Efficiency

Fuel consumption (Scope 1) accounts for 93% of our total energy usage. As an underground utilities infrastructure construction company, our projects necessitate the utilization of heavy machinery such as excavators, bulldozers, cranes, and drilling equipment. These machines rely heavily on fossil fuels to power their engines and facilitate the essential tasks involved in construction and maintenance activities.

Recognizing the environmental impact of our energy consumption, we are fully committed to implementing energy-efficient practices that can help mitigate our footprint. By investing in such practices, we not only contribute to environmental preservation but also alleviate the financial strain associated with high fuel consumption costs.

Our energy-efficient practices encompass various initiatives, including:

- Regular Maintenance and Tuning: We prioritize the regular maintenance and tuning of our machinery and equipment to ensure optimal operating efficiency. By keeping our equipment in peak condition, we minimize fuel requirements for operation.
- Minimizing Idling Time: We encourage our employees to minimize idling time for vehicles and machinery. By reducing unnecessary idling, we mitigate fuel consumption and associated emissions.

- Fuel Monitoring and Management: We have implemented fuel monitoring and management system to closely track fuel usage. This enables us to identify areas where consumption can be optimized and implement targeted measures to achieve greater fuel efficiency.
- Renewable Energy Integration: We have installed solar panel streetlights in our project site to generate clean energy and offset some of our daily energy consumption.

In FY2023, our total energy consumption amounted to 35,355.3 megawatt-hours (MWh), which corresponds to an intensity of 285.2 MWh per thousand dollars (MWh/\$'000) of revenue. Compared to previous years, our total energy consumption intensity decreased by 16% from 340.0 MWh/\$'000 to 285.2 MWh/\$'000. The reduction in energy consumption can be attributed to meticulous project planning aimed at optimizing resource utilization and consistent provision of employee training on sustainable practices.

**Energy Consumption Intensity (MWh/\$'000)**



# SUSTAINABILITY REPORT

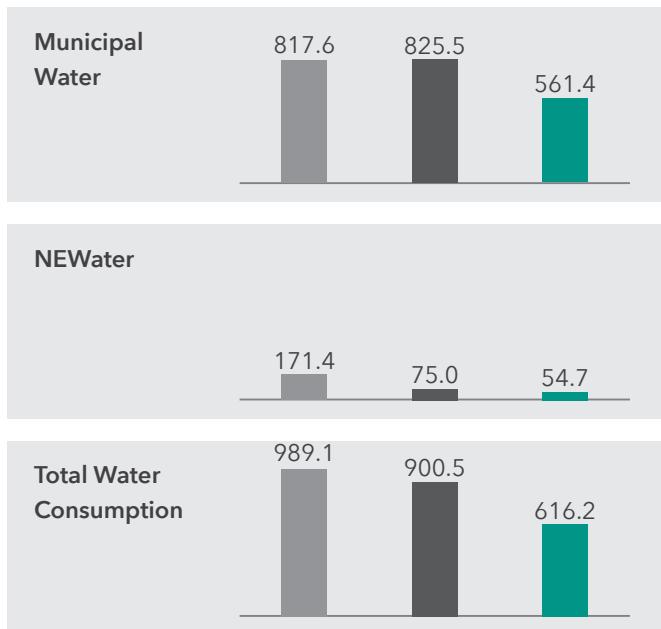
## Water Conservation

The Group recognizes the importance of addressing water scarcity and has implemented various measures to reduce water consumption. These include installing water-efficient fittings and raising awareness about water scarcity among employees, customers, and communities. The Group also actively utilizes NEWater, a process that recycles treated used water into clean, reclaimed water. This helps conserve discharge and sources, reduces wastewater discharge, and contributes to a reduced carbon footprint by saving energy and lowering greenhouse gas emissions associated with freshwater treatment and transportation.

In FY2023, the Group's total water consumption was 76,404 cubic meters ( $m^3$ ), with a water consumption intensity of 616.2 cubic meters per thousand dollars ( $m^3/\$'000$ ) of revenue. This represents a decrease of 32% in water consumption intensity compared to the previous year's value of 900.5  $m^3/\$'000$ . This is largely due to meticulous project planning aimed at optimizing resource utilization and consistent provision of employee training on sustainable practices.

The Group remains committed to monitoring water usage at its properties and raising awareness about water issues among stakeholders. By actively managing water consumption, the Group aims to further reduce its environmental impact and promote responsible water usage.

**Water Consumption Intensity ( $m^3/\$'000$ )**



## Biodiversity Conservation

The Group prioritizes environmental monitoring and mitigation efforts by integrating biodiversity conservation practices within its worksites. The biodiversity conservation program includes regular assessments of the vegetation conditions surrounding relevant projects. Any identified environmental issues are promptly reported and addressed to ensure the protection of biodiversity.

In FY2023, no significant issues related to biodiversity conservation were detected.

## Hazardous Waste and Non-hazardous Waste Management

In alignment with our corporate motto of "Build, Renew, Recycle," our commitment to proactive environmental mitigation and protection is deeply ingrained in our business model. An excellent example of this is our asphalt premix plant, which incorporates a built-in recycling feature. With this feature, we can utilize up to 70% of recycled components, highlighting our dedication to sustainable practices.

As strong proponents of using recycled aggregates and asphalt, we actively promote a green environment and ensure compliance with all relevant environmental regulations set by local and international bodies such as the BCA, NEA, and the building and construction industry. To facilitate waste recycling management, we have implemented enhanced visibility labels on our recycling containers, clearly indicating the different categories of recycled products. This enables both our staff and customers to easily manage their waste recycling efforts.

We have taken upon ourselves the mission to:

- Evaluate and implement waste management systems and processes to minimize wastage.
- Safeguard water bodies from the adverse effects of contaminated water and waste discharge.

In FY2023, the Group does not generate any hazardous waste during the course of our business operations. Our focus on efficient material utilization and waste reduction resulted in a significant 44% decrease in the usage of recycled materials in Operation Works compared to the previous year (FY2022: 34%).

# SUSTAINABILITY REPORT

## Targets & Performance

We have charted for ourselves an Environmental, Health and Safety roadmap which we have embarked on since FY2018.

Aspects	Objective	Targets	Progress	FY2023 Progress and Policy
<b>Environment</b>				
<b>Environment Compliance</b>	<ul style="list-style-type: none"> <li>To ensure we conform to environmental laws, regulations, standards and other industry requirements</li> </ul>	<ul style="list-style-type: none"> <li>Reduce the number of environmental related cases brought by external authorities</li> </ul>	(C)	<ul style="list-style-type: none"> <li>We comply with all national and international legal regulations to uphold the highest level of environmental standards at our worksites.</li> </ul>
<b>Climate change and greenhouse gas emission management</b>	<ul style="list-style-type: none"> <li>Minimise the environmental impact by reducing GHG emission</li> </ul>	<ul style="list-style-type: none"> <li>Reduce carbon footprint intensity by 3% compared to previous year</li> </ul>	(C)	<ul style="list-style-type: none"> <li>We have achieved by reduced 19% of our carbon footprint compared to the previous years.</li> <li>We are committed to maintaining our efforts in reducing our carbon footprint by 3% compared to previous years.</li> <li>We implement data-driven approach to monitor and review our GHG emission. To ensure effective management of the environmental impact.</li> </ul>
<b>Energy Efficiency</b>	<ul style="list-style-type: none"> <li>Preserve our environment by reducing energy consumption and avoiding pollution</li> </ul>	<ul style="list-style-type: none"> <li>Reduce the total energy consumption by 2% per headcount in HQ building compared to previous year</li> </ul>	(C)	<ul style="list-style-type: none"> <li>We have achieved by reduced 16% of our energy intensity compared to the previous years.</li> <li>We are committed to maintaining our efforts in reducing our total energy consumption by 2% compared to previous years.</li> <li>We implement energy efficient practices, technology and equipment to reduce energy consumption within our premises.</li> </ul>
<b>Water Conservation</b>	<ul style="list-style-type: none"> <li>Preserve our environment by reducing the use of water for our activities</li> </ul>	<ul style="list-style-type: none"> <li>Reduce the total water consumption by 2% per headcount in HQ building compared to previous year</li> </ul>	(C)	<ul style="list-style-type: none"> <li>We have achieved by reduced 32% of our water consumption intensity compared to the previous years.</li> <li>We are committed to maintaining our efforts in reducing our total water consumption per headcount in HQ building by 2% compared to previous years.</li> <li>We implement efficient practices, technology and equipment to reduce water consumption.</li> </ul>

# SUSTAINABILITY REPORT

Aspects	Objective	Targets	Progress	FY2023 Progress and Policy
<b>Environment</b>				
<b>Biodiversity</b>	<ul style="list-style-type: none"> <li>Deploy the necessary resources to preserve biodiversity and ensuring the sustainability of ecosystems</li> </ul>	<ul style="list-style-type: none"> <li>Engage specialist/experts to set up the environmental programme for protected area prior to the commencement of works</li> </ul>	(C)	<ul style="list-style-type: none"> <li>We maintain zero significant issues related to biodiversity conservation in FY2023.</li> <li>We implement environmentally friendly practices, technology and equipment to preserve biodiversity.</li> </ul>
<b>Material (Recycling)</b>	<ul style="list-style-type: none"> <li>Protect natural resources by maximising the usage of recycled materials in daily operation works.</li> </ul>	<ul style="list-style-type: none"> <li>Increase the usage of recycled material by 1% in Operation Works compared to previous year</li> </ul>	(C)	<ul style="list-style-type: none"> <li>We embrace green principles of using more recycled materials in our daily operations. We are committed and is actively exploring opportunities to increase the usage of recycled material by 1% in the operation works.</li> </ul>
<b>Effluent and Waste</b>	<ul style="list-style-type: none"> <li>Protect water bodies from being affected by contaminated water and waste discharge</li> <li>Ensure all the contaminated waste are sent for proper disposal by NEA approved General Disposal Facilities</li> </ul>	<ul style="list-style-type: none"> <li>Employ Environmental Control Office/Specialist for Environment Control Measure implementation</li> </ul>	(C)	<ul style="list-style-type: none"> <li>We target to treat contaminated waste water before discharging all our projects.</li> <li>We implement effective waste management measures and technology to ensure we maximise the materials we use and the waste disposal/discharge is responsibly managed.</li> <li>We implement effective waste management measures and technology to ensure we maximise the materials we use and the waste disposal/discharge is responsibly managed.</li> </ul>

# SUSTAINABILITY REPORT

## 3.5 SOCIAL

### Compliance with Labour Regulations

The Group embraces a comprehensive Human Resource (**HR**) strategy that centers on equitable compensation, equal opportunities, personal growth and development, employee wellbeing and engagement, and a harmonious work-life balance.

Our human resources policies are designed to comply with all applicable employment laws and regulations in Singapore, including but not limited to the Employment Act 1968 and Employment of Foreign Manpower Act 1990, as well as social security schemes such as the Central Provident Fund. We hold ourselves fully accountable for complying with all relevant labor laws in every location where we operate, as well as all compulsory regulatory and training standards set forth by the BCA and MOM in Singapore.

We report that we have received zero violations against relevant labor laws and regulations in FY2023.

### Environmental Health & Safety

At our Group, we recognize that promoting quality, environmental, safety, and health of our employees and preventing pollution is crucial to meeting the requirements of our customers, business partners, employees, and the general public.

Our Group policy "**Safety is everybody's responsibility**" reflects our commitment to providing a safe working environment that fosters confidence and enables our employees to excel. We have integrated this policy into our management system to ensure that we meet our obligations and responsibilities to our employees, stakeholders, and the general public.

To support our integrated management system policy, we are committed to providing a workplace that prioritizes the health and safety of our employees, prevents damage to property, promotes a pollution-free environment, and reduces noise pollution for the general public. Specifically, we are committed to:

- Reducing our environmental impact through the principles of "Reduce, Reuse, and Recycle".
- Preventing environmental pollution, injury, illness, and accidents that may affect our employees, stakeholders, contractors, suppliers, and the general public.

- Continuously improving our management systems, processes, and performance.
- Ensuring compliance with applicable legal legislation and other requirements.
- Practicing green and gracious approaches to protect our environment and show consideration for the general public.

### Pursuing EHS Excellence

We strive to attain EHS excellence through meeting the stringent requirements of BCA, Green and Gracious Builder Award and bizSAFE STAR annually for the following subsidiaries:

bizSAFE STAR	BCA Green & Gracious Awards
<ul style="list-style-type: none"><li>• Ley Choon Constructions and Engineering Pte Ltd</li><li>• Teacyl (S) Pte. Ltd.</li><li>• Chin Kuan Engineering and Contractors Pte Ltd</li><li>• Multiform Developments &amp; Construction Pte Ltd</li><li>• Pan Alliance Technology International Pte. Ltd.</li></ul>	<ul style="list-style-type: none"><li>• Ley Choon Constructions and Engineering Pte Ltd</li><li>• Teacyl (S) Pte. Ltd.</li><li>• Chin Kuan Engineering and Contractors Pte Ltd</li></ul>

In addition, we have been awarded the following awards:

Awards	Customer	Project
• Contractor Safety Recognition Award (Construction)	• Public Utilities Board	• Proposed 2200mm Diameter Water Pipeline from MNSR - Package 1
• Safety Recognition Award	• Changi Airport Group	• ZERO Safety infringement for works at Changi Airport in 2018
• Safety Accomplishment Award	• Samsung Engineering & Construction	• T313 Project 2018 for achieving 5.0 million accident-free man-hours

# SUSTAINABILITY REPORT

## Occupational Health & Safety

With the easing of COVID-19 restrictions, our construction activities have returned back to normal in FY2023. We remain fully committed to workplace safety and health. We have implemented several comprehensive safety programs to ensure that our workers are equipped with the necessary knowledge and skills to maintain a safe and healthy work environment. These programs include mass Tool Box Meetings, monthly refresher safety training, and a SEP.

During the monthly refresher safety training sessions, respective project Work Safety and Health (**WSH**) Officer will educate all field staff on the importance of environmental protection and health and safety. We ensure that our construction workers have received adequate EHS training through internal refresher training sessions focus on the EHS system requirements.

We have also introduced a new worker induction program. This program covers a wide range of safety-related topics to prepare our employees for safe and efficient work practices. Furthermore, we prioritize risk management by conducting regular training sessions for our workers and collaborating with the national SGSECURE Anti-Terrorism program to install the importance of protecting our worksite against terrorist sabotage. We also organize workplace fire safety drills to ensure that our employees are equipped with the necessary skills to respond effectively during emergency situations.

We continue to implement our Environmental, Health & Safety Monitoring Plan, which aims to increase EHS ownership among employees in daily operations and empower all employees to meet higher EHS standards. Our CEO and the Head of Project Management Office (**PMO**) hold monthly meetings to review project status and ensure compliance with safety protocols. Through these meetings, the company gains a comprehensive understanding of the EHS status at the worksite, enabling quick and effective decision-making. Additionally, the senior management team has access to a dedicated EHS WhatsApp group, which provides real-time updates on critical safety issues.

As we strive to elevate our EHS management system and processes to the highest standards, we regularly review and revise our existing Safety Management System. We have also introduced a Competency Skill Test for our site supervisors and implement quarterly internal and external audits every year. Our goal is to maintain a balance between productivity and safety on our operation sites.

We also continue to pursue safety awareness through our SEP. SEP aims to enhance our Safety Standards and lower the Accident Frequency Rate & Accident Severity Rate (**AFR & ASR**) within the Group. We use technology-based analytic tools to analyse the root causes of past incidents/ accidents to determine preventive solutions and specific training needed for employees. This analysis also highlights the required safety practices at the work sites in order to prevent recurrence and eliminate such risks.

## Workplaces' Health and Safety

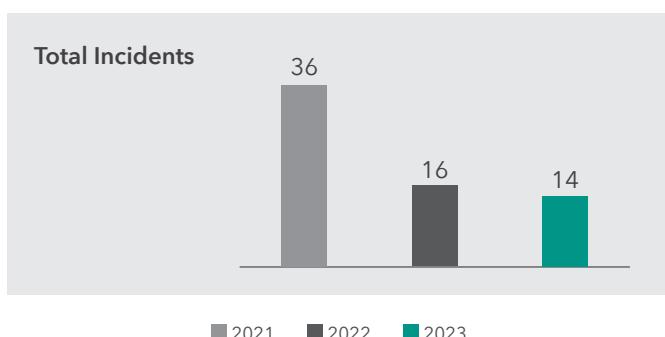
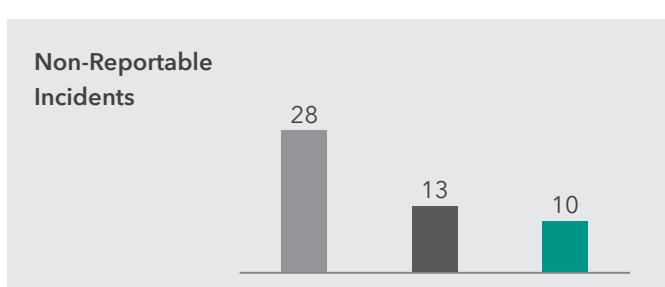
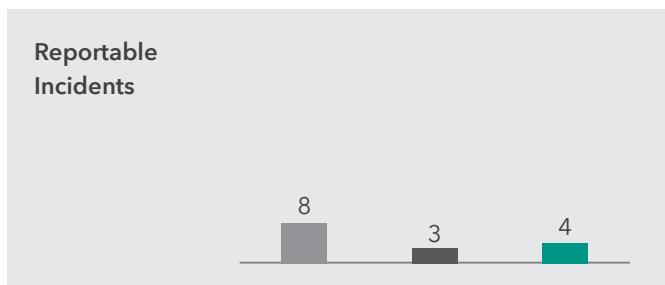
In FY2023, we are proud to announce that we have maintained a record of zero serious incidents and fatalities reported in the past 3 years, and we are committed to continuing this achievement in the future. Furthermore, our total incidents and injuries have reduced from 16 to 14 cases compared to the previous year. Moving forward, we will remain focused on safety in our operations and strive to reduce our incident rates to zero.

To achieve our goal of zero incidents, the Group's board and management have implemented several strategies and plans:

- Implementation of the Safety Enhancement Program, which involves regular in-depth reviews during monthly meetings of the Project Management Officer.
- Establishment of a consistent training program for existing workers and staff on EHS practices, along with effective internal refresher training at the work site.
- Ensuring recruitment and retention of the right talent in all divisions, with a focus on individuals who prioritize health and safety.
- Organizing mass Tool Box Meetings regularly to communicate and reinforce safe work practices, and rewarding workers who adhere to these practices.
- Implementing a buddy care system at all workplaces to ensure mutual care and support among workers.

# SUSTAINABILITY REPORT

- Enhancing the worker's dormitory facilities to provide adequate rest and comfort after work.
- The management team actively visits worksites to demonstrate their commitment to EHS and to enhance workers' awareness of EHS practices.



### Divisional Safety Program with Training, Q&A, and Rewards

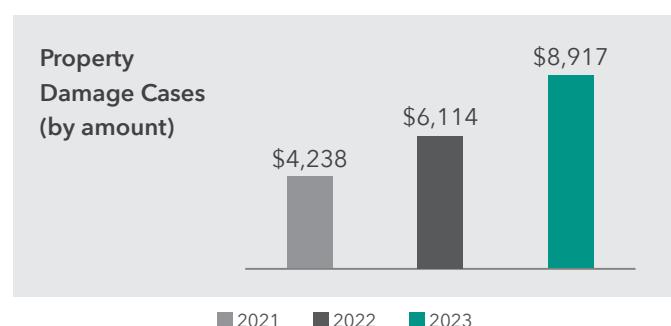
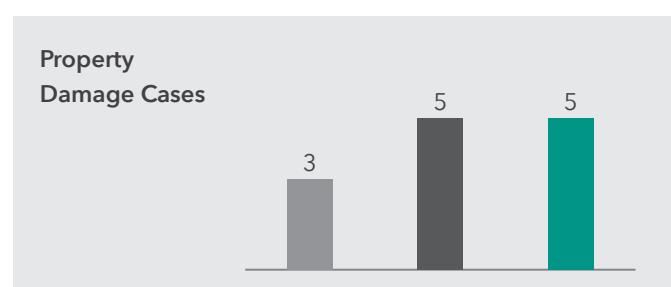
In FY2023, we have successfully implemented a new safety enhancement program at the divisional level within our Group. This program represents a significant step forward in prioritizing the well-being of our employees by closely monitoring their safety and providing comprehensive training. By doing so, we can ensure that each employee receives the necessary resources and appropriate training.

To reinforce the knowledge and understanding of safety protocols, we have implemented a question and answer (Q&A) session after each training session. This interactive session allows employees to clarify any doubts and ensures they possess sufficient knowledge to implement the safety protocols effectively.

We have also established a reward system. In recognition of the outstanding performance of our employee during the training, we will reward individuals with gift vouchers, cash, or other forms of incentives. This approach has significantly increased safety awareness among our employees and is helping the Group work towards our long-term goal of achieving a zero incident rate.

### Products Responsibility

In FY2023, the number of property damage cases has remained constant at 5 compared to the previous year. However, the repair costs have increased to \$8,917 from \$6,114 in FY2023, representing a 46% increase. Despite this rise, we remain committed to maintaining the quality of our work in order to reduce repair costs and minimize damage to property, aligning with our set targets.

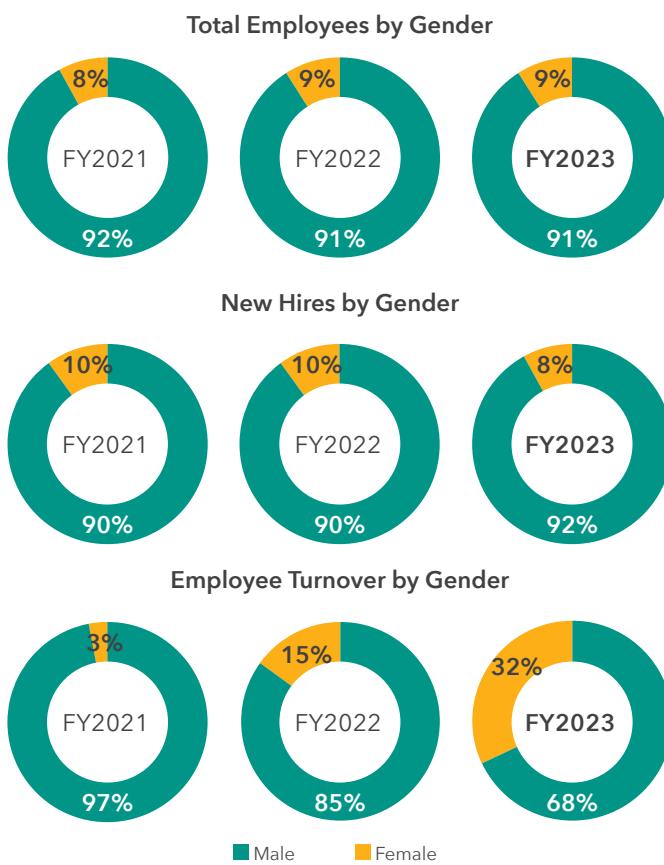


# SUSTAINABILITY REPORT

## Equal opportunity, diversity and anti-discrimination

Our Group is firmly committed to harnessing the power of diversity within our workforce, as evidenced by our fair distribution of employees from a wide range of nationalities and age groups. This diversity is crucial to our success and enables us to better support our key markets in Singapore, China, and Sri Lanka.

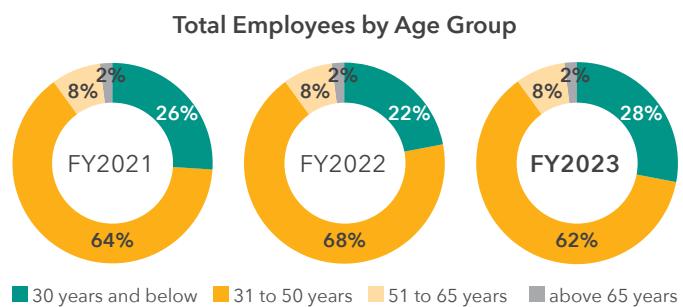
The Group advocates for gender diversity and equal opportunities across all levels of our organization, we recognize that the nature of our business, which involves underground utilities infrastructure construction and roadworks services, has resulted in over 90% of our employees being male.



We remain committed to creating a diverse and inclusive workplace where every employee, regardless of their gender, has access to equal opportunities for personal and professional growth. We recognize the valuable contributions that our female employees bring to our organization, particularly in support functions at all levels. Fair work practices and remuneration are ascertained based on individual work performance and not on any gender consideration at Ley Choon. No form of discrimination is tolerated within our organisation.

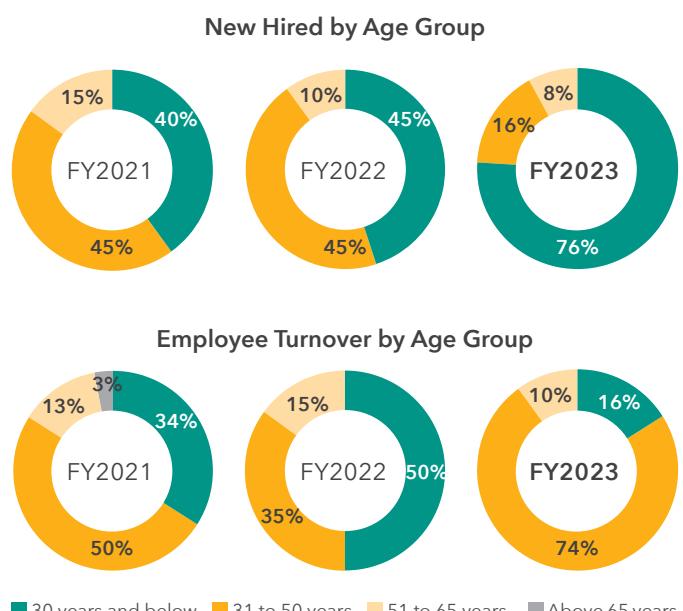
The Group recognize the importance of age diversity within our workforce. In FY2023, we have 10% of our employees who are aged above 50 years old. These individuals bring a wealth of experience and expertise to our organization, and their contributions play a vital role in delivering high-quality services.

The following graphs summarised the performance of the Group in providing equal opportunities, diversity and anti-discrimination workplace culture to the employee.



## Attraction and Retention

Our workforce with age between 31 to 50 years old has reduced from 68% to 62% in FY2023. This is represented in the employee new hire and turnover by age group as shown in the chart below. About 76% of our new hire of employees are aged below 30 years old and 74% of the resigned employees have the age between 31 to 50 years old.



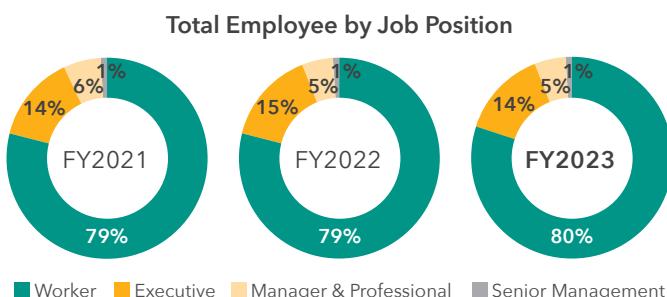
# SUSTAINABILITY REPORT

## Talent Inventory

Our Group is maintained a talented team of 941 individuals across a diverse range of job positions. We are dedicated to providing fair employment opportunities to all individuals, regardless of their age, gender, race, or nationality.

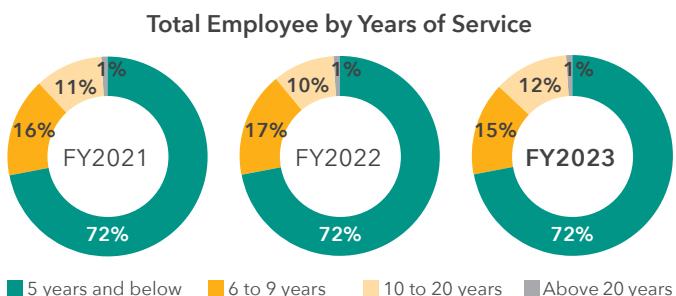
To ensure effective leadership and drive business growth in our different business segments, we have maintained a balanced and equitable distribution of professionals and management personnel within our workforce, as depicted in the chart below. This approach allows us to harness a diverse range of skills, knowledge, and experiences to propel our organization forward.

Furthermore, female employees make up 13% of our senior management, playing a crucial role in providing valuable insights and contributing to strategic business planning.



Our Group is fortunate to have 30% of our team comprising individuals who bring valuable experience and expertise from their years in the industry. This wealth of knowledge puts us in an advantageous position to capture the opportunities presented in the market.

In addition to their direct contributions, our senior staff members play a pivotal role in guiding and mentoring our junior staff. They understand the importance of employee development and are dedicated to nurturing the growth and potential of our team members.

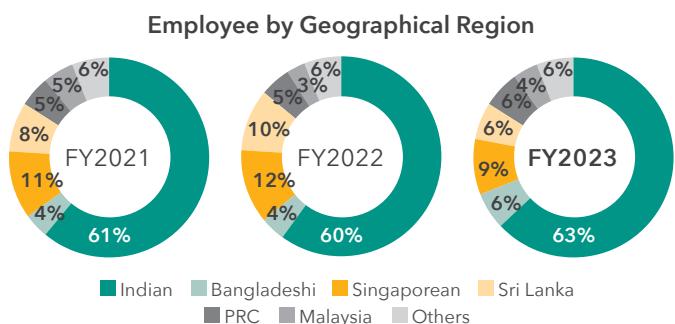


■ 5 years and below ■ 6 to 9 years ■ 10 to 20 years ■ Above 20 years

## Manpower Resource

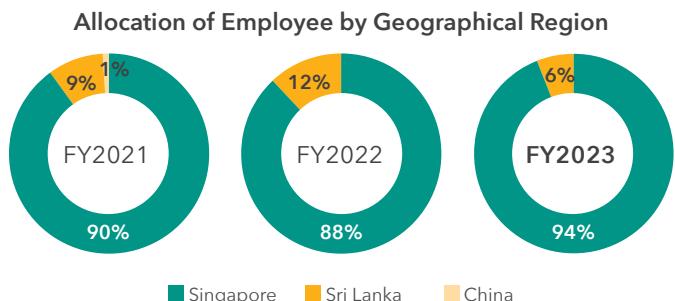
The Group prides itself on having a highly diverse workforce comprising individuals from various nationalities, as depicted in the chart below. Among our employees, the largest group hails are from Indian nationality.

We recognize and appreciate the valuable contributions that each individual brings to our organization, as their diverse perspectives, experiences, and cultural backgrounds enrich our work environment. Embracing this diversity is a key driver in our quest to foster a workplace that promotes collaboration, innovation, and inclusivity.



The Group places great importance on effectively managing manpower resources for site work. We evaluate manpower histograms and maintain a look-ahead schedule to determine the optimal allocation of resources.

By closely monitoring the workload and requirements of each project, we can ensure that workers receive adequate rest upon returning from the workplace. We recognize the significance of employee well-being and strive to maintain a healthy work-life balance for our workforce. Our employees are distributed across the following locations:



In FY2023, there is no incident of discrimination and corrective actions taken.

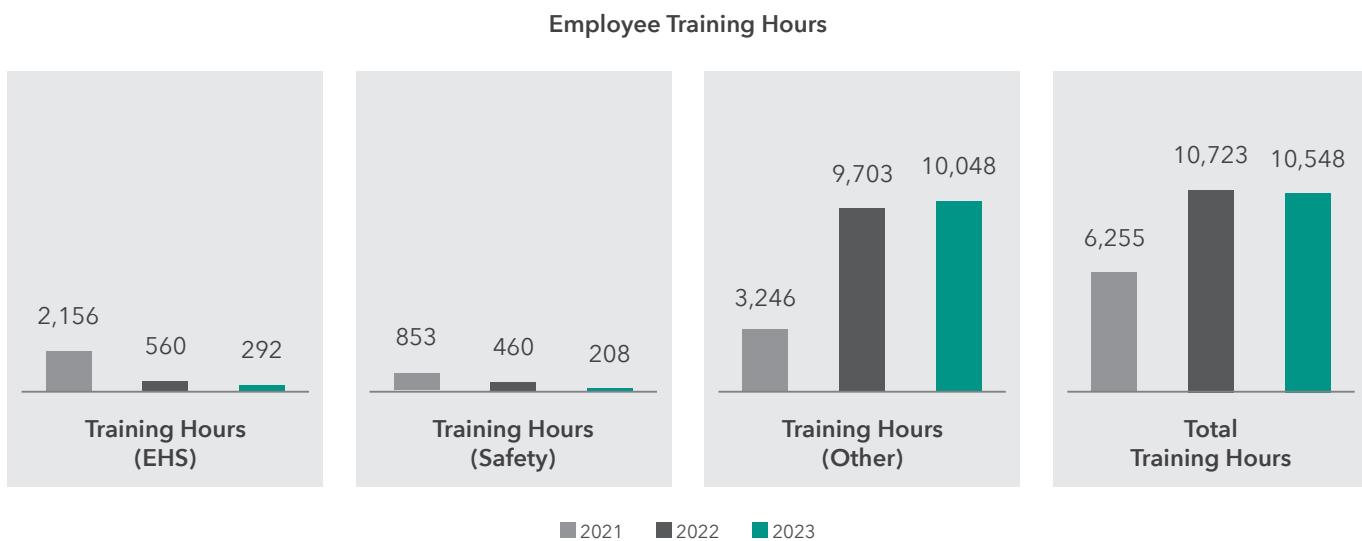
# SUSTAINABILITY REPORT

## Training & Development

In FY2023, the Group not only prioritized in-house training to educate field staff on environmental protection and health and safety practices but also provided training to focus on employees' personal growth and development. Additionally, external service providers will be engaged to provide EHS training to employees. However, in FY2023, there was a slight decrease of 2% in total training hours compared to the previous year, with training hours reducing from 10,723 to 10,548.

This decrease can be attributed to the fact that most workers had already attended the necessary external training courses in previous years to comply with relevant laws and regulations.

The Group recognizes the importance of regular performance reviews in supporting the professional development of employees, managing skills effectively, and fostering human capital growth. However, in FY2023, there was a decrease in the number of employees receiving these reviews from 1,396 to 589 employees. This decrease can be attributed to the Company place a greater emphasis on ongoing employee development programs, coaching, and mentoring rather than formal performance reviews.



## Living Environment

Our Group is committed to providing satisfactory living conditions for our foreign workers in the construction industry in Singapore. We understand the importance of their well-being and comfort during non-working hours. To ensure this, our dormitories are equipped with good quality amenities such as laundry services, gym equipment, beer-garden and a reliable Wi-Fi network. We also provide an entertainment center for recreational activities. By prioritizing their living conditions, we aim to create a positive environment where workers feel valued and respected. We continuously assess and improve these conditions to uphold their rights and welfare, in compliance with regulations and guidelines.

## Embracing Technology Innovation

As our first step to digitise our employee records, we have implemented Fareclock, a comprehensive time attendance system that utilizes facial recognition technology. This implementation has significantly improved the accuracy of our employee records and attendance tracking processes.

Additionally, we have introduced an employee self-service electronic system that allows our employees to conveniently access their leave records, apply for leave, and file transportation claims both on and offsite. The introduction of this system has been well-received by our employees and has greatly enhanced the productivity and data analytics of our leave management system.

# SUSTAINABILITY REPORT

Furthermore, the adoption of e-pay slips for all employees has brought about increased productivity and convenience through a paperless and electronic mechanism. This transition has not only improved efficiency but also aligns with our commitment to environmental sustainability.

In our pursuit of green properties, we have extended the principles of environmental protection throughout our construction processes. Collaborating closely with our partners, we have conducted in-depth research to develop rational construction site layouts and continually enhance on-site management practices. Our aim is to create a clean, tidy, comfortable, and safe environment during construction or asset enhancement in property management.

## Employee Engagement and Wellness

The Group organizes annual appreciation events to express gratitude and recognize the invaluable contributions of employees. These events include the presentation of Long Service Awards (5, 10 & 20 years) and monetary payouts to deserving awardees. The Group highly values the dedication and commitment of its employees and believes in fostering a positive work environment.



In May 2022, we prioritized the well-being of our employees by organizing a Complimentary Onsite Health Screening event, ensuring their health and wellness within our workplace. Additionally, we actively participated in the NTU Career Fair, providing career opportunities to talented individuals from universities.



In January 2022, we hosted our Annual Appreciation Dinner to express our gratitude towards our dedicated employees. Furthermore, in October 2022, we celebrated Deepavali together with our employees, fostering a sense of inclusivity and cultural celebration.



In August 2022, we partnered with external service providers to show appreciation for our diligent employees by rewarding them with digital All Brand Gift Cards.

The Group prioritizes the well-being and safety of its employees by implementing a buddy care system at all workplaces. This system ensures that each employee has a designated buddy who looks out for their well-being and provides support. The buddy care system promotes a culture of care and teamwork, where employees actively watch out for one another's safety and well-being. By fostering a supportive environment, the Group aims to create a workplace where employees feel valued, supported, and protected.

## Business Partner & Stakeholder Engagement

We place great importance on maintaining strong relationships with our business partners and stakeholders. We believe in the power of regular engagement and communication to keep them well-informed about the latest developments within our business.

The Group actively reaches out to our business partners and stakeholders on a regular basis, ensuring that they are kept abreast of important updates, projects, and initiatives. Through open and transparent communication channels, we strive to foster a sense of collaboration and mutual understanding.

# SUSTAINABILITY REPORT

For more detailed information about our stakeholder engagement practices, please refer to the section **2.3 Consulting our Stakeholders**.

## Labour-Management Relations

We understand the significance of keeping employees informed and engaged in order to enhance their attitude towards work and strengthen their commitment to the organization. Effective communication between management and employees is crucial for fostering employee engagement, promoting a positive work environment, and cultivating loyalty to the Group.

To ensure effective communication, we employ various strategies to engage our employees:

- Bi-monthly management meeting primarily to review the physical & financial progress of the projects.
- Regular dialogue session between CEO & operation staff to understand their practical challenges in the operations and the impediments to improve the productivity, so as to modify the workflow and business processes appropriately.
- Weekly/Monthly Meetings: Team Managers have weekly and monthly meetings with the management team to discuss about operations review and project progress.
- Quarterly Meetings: Management conducts quarterly meetings for Board of Directors to discuss business development and finance.
- Informal Small Group Meetings: Meetings are often held by management to listen to and understand our employees' concerns and grievances.

## Supply Chain Management

Our vendor assessment criteria are designed to prioritize various factors essential for our operations. These include product quality, price competitiveness, certifications and awards, delivery schedules, and responsiveness to instructions. All potential vendors undergo a thorough evaluation against these criteria before being accepted onto our Approved Vendor List (**AVL**). Similarly, vendors already engaged in projects are periodically evaluated to ensure they meet our standards and are retained on the AVL.

To mitigate operational disruptions and maintain a reliable supply chain, our AVL consists of a diverse pool of vendors as of 31 March 2023. This approach helps us avoid dependence on a limited number of suppliers and enables us to engage alternative vendors for competitive pricing and supply continuity. We also conduct regular performance evaluations for local suppliers, optimizing our partnerships for ongoing success.

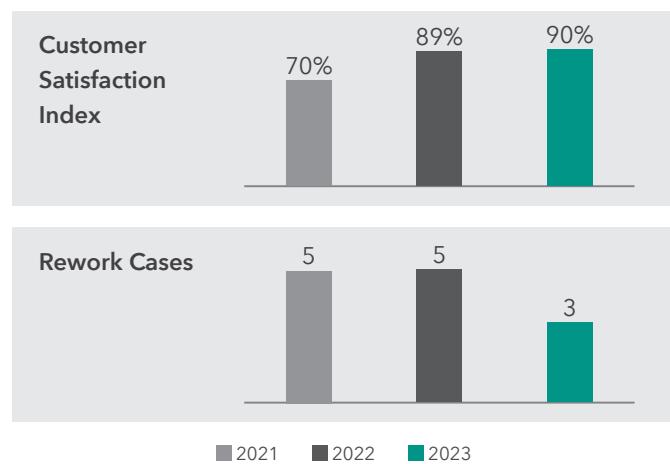
While environmental and social impact assessments are not mandatory for vendors, we prioritize those with environmental certifications such as ISO 14001:2015. Conversely, vendors involved in negative environmental or social incidents, such as excessive pollution or worker exploitation, undergo review for potential termination of the business relationship.

In FY2023, 83% of our procurement budget was allocated to local suppliers, contributing to the support of local economic growth.

## Customer Satisfaction Index

In FY2023, the Group achieved a Customer Satisfaction Index of 90%, surpassing the target of 85% set in the previous year. The number of customer surveys conducted was expanded from 4 key customers to 7 key customers in FY2023, reflecting the Group's commitment to gathering and valuing customer feedback. The Group acknowledges the input received from customers and remains dedicated to enhancing the quality of its work to exceed customer expectations.

In FY2023, the Group successfully achieved its target of reducing rework cases by 20%, with only 3 rework cases reported. The Group will continue its efforts in FY2024 to achieve a further 20% reduction in rework cases compared to the previous year.



# SUSTAINABILITY REPORT

## Targets & Performance

We strive for excellence to raise our investments and standards for our human capital. We have set a three-year roadmap along 6 key pillars of:

- Employee Engagement and Excellence
- Fair Remuneration
- Diversity and Equal Opportunities
- Training and Development
- Talent Performance Management
- Corporate Social Responsibility

We are systematically reviewing and setting the key performance metrics for our human resource management system in 1 to 5 years' time.

Aspects	Objective	Targets	Progress	FY2023 Progress and Policy
<b>Employee Engagement and Excellence</b>				
<b>Employee Wellness</b>	<ul style="list-style-type: none"><li>• Enhance employee wellness in both physical and mental state of well-being</li></ul>	<ul style="list-style-type: none"><li>• Target employees' well-being by bringing in complimentary basic health screening services through appropriate medical intervention including medication and lifestyle modification</li><li>• Support mental wellness through the promotion of work-life balance among the employees</li></ul>	(C)	<ul style="list-style-type: none"><li>• We aspire to position Ley Choon as the employer-of-choice for existing and potential employees.</li></ul>
<b>Employee Engagement</b>	<ul style="list-style-type: none"><li>• Achieve employee engagement through well-designed employee engagement strategy &amp; programmes</li></ul>	<ul style="list-style-type: none"><li>• Increase employee engagement to enhance the communication and cohesion of the organisation</li></ul>	(C)	<ul style="list-style-type: none"><li>• We strive to achieve at least 90% employee engagement to enhance the communication and cohesion of the organisation.</li><li>• We promote greater social interaction among employees via company-wide programmes and both external and internal communications channels.</li></ul>
<b>Employee Loyalty</b>	<ul style="list-style-type: none"><li>• Achieve employee loyalty through well-designed employee loyalty strategy &amp; programmes</li></ul>	<ul style="list-style-type: none"><li>• Attain employee loyalty to enhance employee morale, motivation and cohesion of the organisation</li></ul>	(C)	<ul style="list-style-type: none"><li>• We strive to attain 80% employee loyalty to enhance the employee morale, motivation and cohesion of the organisation.</li></ul>

# SUSTAINABILITY REPORT

Aspects	Objective	Targets	Progress	FY2023 Progress and Policy
<b>Employee Engagement and Excellence</b>				
<b>Compensation and Benefits</b>	<ul style="list-style-type: none"> <li>Provide fair and competitive remuneration and staff benefits which meets the Company's goals of attracting and retaining good talents</li> </ul>	<ul style="list-style-type: none"> <li>Achieve fair and competitive remuneration packages for staff which commensurate with their work experience and skillset</li> </ul>	○	<ul style="list-style-type: none"> <li>We aspire to position Ley Choon as the employer-of-choice for existing and potential employees.</li> <li>We strive to achieve fair, non-discriminatory and competitive remuneration packages for staff which commensurate with their work experience and skillset.</li> <li>We aim to achieve above 80% rating for satisfaction for remuneration and benefits by our employees in the exit interview responses.</li> </ul>
<b>Diversity and Equal Opportunities</b>				
<b>Recruitment</b>	<ul style="list-style-type: none"> <li>Embrace open recruitment approach to attract the best talent to serve in the Group</li> </ul>	<ul style="list-style-type: none"> <li>Effectively recruit good employees with the right profile and required skillsets for the Group</li> </ul>	○	<ul style="list-style-type: none"> <li>We embrace an open recruitment policy to uphold the principle of fairness and meritocracy in our recruitment and selection process.</li> </ul>
<b>Diversity</b>	<ul style="list-style-type: none"> <li>Attain the strength in diversity in terms of gender, age and nationality</li> </ul>	<ul style="list-style-type: none"> <li>Achieve a fair proportion of diversity in terms of gender, age and nationality in our workforce</li> </ul>	○	<ul style="list-style-type: none"> <li>We strive to achieve a fair proportion of diversity in terms of gender, age and nationality in our workforce.</li> </ul>
<b>Training and Development</b>				
<b>Training</b>	<ul style="list-style-type: none"> <li>Implement training programmes which will upgrade and enhance the technical skillsets and professional competencies of our employees in order for them to excel in their current position</li> </ul>	<ul style="list-style-type: none"> <li>Support our employees to upgrade and enhance their professional competencies and technical skillset to meet the required scope of work</li> </ul>	○	<ul style="list-style-type: none"> <li>We are committed to provide a minimum of 8 hours of training to each employee, ensuring their continuous professional development and encouraging skills upgrading for all members of our workforce.</li> <li>We provide training to our employees to upgrade and enhance their professional competencies and technical skillset to meet the required scope of work.</li> </ul>

# SUSTAINABILITY REPORT

Aspects	Objective	Targets	Progress	FY2023 Progress and Policy
<b>Employee Development</b>	<ul style="list-style-type: none"> <li>Implement training programmes which will upgrade and enhance the individual skillsets and interpersonal competencies of our employees for future career advancement</li> </ul>	<ul style="list-style-type: none"> <li>Support our employees to upgrade and enhance their individual skillsets and interpersonal competencies</li> </ul>	(C)	<ul style="list-style-type: none"> <li>We provide training to our employees to upgrade and enhance their individual skillsets and interpersonal competencies.</li> </ul>
<b>Talent Performance Management</b>				
<b>Recruitment &amp; Workforce Planning</b>	<ul style="list-style-type: none"> <li>Attract and recruit good talents which can meet the need of the Company's workforce planning</li> </ul>	<ul style="list-style-type: none"> <li>Recruit effectively good talents who can contribute to the talent mix and skillsets requirements of our workforce planning</li> </ul>	(C)	<ul style="list-style-type: none"> <li>We aim to recruit employees who possess the professional skillset and interpersonal skills that meet our workforce planning.</li> </ul>
<b>Employee Performance</b>	<ul style="list-style-type: none"> <li>Motivate high employee performance through well-designed employee performance strategy &amp; programmes</li> </ul>	<ul style="list-style-type: none"> <li>Develop an employee performance system which will provide a fair evaluation and high motivation system for employees</li> </ul>	(C)	<ul style="list-style-type: none"> <li>We adopt a fair employee performance system which provides a fair evaluation and high motivation system for employees.</li> </ul>
<b>Corporate Social Responsibility</b>				
<b>Corporate Philanthropy and Sponsorship</b>	<ul style="list-style-type: none"> <li>Position Ley Choon as an employer with strong Corporate Social Responsibility</li> </ul>	<ul style="list-style-type: none"> <li>Achieve 10% increase in our staff volunteering hours</li> </ul>	(S)	<ul style="list-style-type: none"> <li>We strive to improve the welfare of the communities while we endeavour towards our business goals.</li> <li>We set a corporate philanthropy policy which is pegged to our annual contract wins.</li> </ul>

# SUSTAINABILITY REPORT

## Appendix A: Sustainability Scorecard

### ECONOMIC CONTRIBUTION AND GOVERNANCE

Metrics	Units	FY2021	FY2022	FY2023
Revenue	\$ 'mil	76	93	124
Number of whistleblowing incidents	Number	—	—	—
Number of environmental violations	Number	—	—	—
Number of breaches of customer privacy and losses of customer data incident	Number	—	—	—
Number issues concerning biodiversity conservation	Number	—	—	—

### ENVIRONMENTAL SUSTAINABILITY

Metrics	Units	FY2021	FY2022	FY2023
<strong>Carbon emission</strong>				
Carbon emission (scope 1)	tCO <sub>2</sub> e	7,673.6	8,022.9	9,323.4
Carbon emission (scope 2)	tCO <sub>2</sub> e	1,192.1	1,303.3	741.3
Total carbon emission	tCO <sub>2</sub> e	8,865.7	9,326.2	10,064.7
Carbon emission intensity	tCO <sub>2</sub> e / \$ '000	116.7	100.3	81.2
<strong>Energy consumption</strong>				
Fuel energy consumption	Litre	2,820,334.0	2,952,897.0	3,353,853.0
Fuel energy consumption	MWh	28,203.3	29,529.0	33,538.5
Fuel energy consumption intensity	MWh / \$ '000	371.1	317.5	270.5
Electricity consumption	MWh	1,916.5	2,095.3	1,816.8
Electricity consumption intensity	MWh / \$ '000	25.2	22.5	14.7
Energy consumption	MWh	30,119.8	31,624.3	35,355.3
Energy consumption intensity	MWh / \$ '000	396.3	340.0	285.2
<strong>Water consumption</strong>				
Water consumption (municipal)	m <sup>3</sup>	62,140.0	76,767.0	69,617.0
Water consumption intensity (municipal)	m <sup>3</sup> / \$ '000	817.6	825.5	561.4
Water consumption (NEWater)	m <sup>3</sup>	13,029.0	6,976.0	6,787.0
Water consumption intensity (NEWater)	m <sup>3</sup> / \$ '000	171.4	75.0	54.7
Total water consumption	m <sup>3</sup>	75,169.0	83,743.0	76,404.0
Water consumption intensity	m <sup>3</sup> / \$ '000	989.1	900.5	616.2
<strong>Waste consumption</strong>				
Cost savings from recycled materials in operations	\$ '000	680	447	250

# SUSTAINABILITY REPORT

## EMPLOYMENT AND LABOUR PRACTICES

Metrics	Units	FY2021	FY2022	FY2023
<b>Employment</b>				
Total number of employees	Number	870	864	941
Employee turnover	%	4%	2%	2%
Female representation in senior management	Number	-	-	1
Female representation in senior management	%	-	-	13%
<b>Current employee by gender</b>				
Male employee	Number (%)	797(92%)	782(91%)	859(91%)
Female employee	Number (%)	73(8%)	82(9%)	82(9%)
<b>Current employees by age group</b>				
30 years and below	Number (%)	228(26%)	194(22%)	264(28%)
31 to 50 years	Number (%)	555(64%)	585(68%)	590(62%)
51 to 65 years	Number (%)	72(8%)	72(8%)	72(8%)
Above 65 years	Number (%)	15(2%)	13(2%)	15(2%)
<b>Current employee by employment level</b>				
Senior Management	Number (%)	8(1%)	8(1%)	8(1%)
Managers and Professionals	Number (%)	54(6%)	48(5%)	49(5%)
Executives	Number (%)	122(14%)	127(15%)	133(14%)
Workers	Number (%)	686(79%)	681(79%)	751(80%)
<b>Current employees by years of service</b>				
5 years and below	Number (%)	630(72%)	622(72%)	680(72%)
6 to 9 years	Number (%)	142(16%)	143(17%)	140(15%)
10 to 20 years	Number (%)	95(11%)	93(10%)	116(12%)
Above 20 years	Number (%)	3(1%)	6(1%)	5(1%)
<b>Current employee by geographical region</b>				
Foreigner - Indian	Number (%)	533(61%)	515(60%)	594(63%)
Foreigner - Bangladeshi	Number (%)	32(4%)	35(4%)	52(6%)
Local - Singaporean	Number (%)	97(11%)	103(12%)	88(9%)
Foreigner - Sri Lanka	Number (%)	69(8%)	89(10%)	52(6%)
Foreigner - PRC	Number (%)	44(5%)	41(5%)	52(6%)
Foreigner - Malaysian	Number (%)	44(5%)	29(3%)	45(4%)
Others	Number (%)	51(6%)	52(6%)	58(6%)
<b>Allocation of employee by geographical region</b>				
Singapore	Number (%)	788(90%)	763(88%)	888(94%)
PRC	Number (%)	5(1%)	-	-
Sri Lanka	Number (%)	77(9%)	101(12%)	53(6%)
<b>Current employee by employment type</b>				
Full-time	Number (%)	870(100%)	864(100%)	941(100%)
Part-time	Number (%)	-	-	-
<b>Employee turnover by gender</b>				
Male resigned employee	Number (%)	31(97%)	17(85%)	13(68%)
Female resigned employee	Number (%)	1(3%)	3(15%)	6(32%)

# SUSTAINABILITY REPORT

Metrics	Units	FY2021	FY2022	FY2023
<b>Employee turnover by age group</b>				
30 years and below	Number (%)	11(34%)	10(50%) <sup>1</sup>	3(16%)
31 to 50 years	Number (%)	16(50%)	7(35%) <sup>1</sup>	14(74%)
51 to 65 years	Number (%)	4(13%)	3(15%) <sup>1</sup>	2(10%)
Above 65 years	Number (%)	1(3%)	–	–
<b>Employee turnover by nationality</b>				
Singapore	Number (%)	6(19%)	2(10%) <sup>1</sup>	4(21%)
Other	Number (%)	26(81%)	18(90%) <sup>1</sup>	15(79%)
<b>New hire by gender</b>				
Male new hire	Number (%)	18(90%)	28(90%)	35(92%)
Female new hire	Number (%)	2(10%)	3(10%)	3(8%)
<b>New hire by age group</b>				
30 years and below	Number (%)	8(40%) <sup>1</sup>	14(45%) <sup>1</sup>	29(76%)
31 to 50 years	Number (%)	9(45%) <sup>1</sup>	14(45%) <sup>1</sup>	6(16%)
51 to 65 years	Number (%)	3(15%) <sup>1</sup>	3(10%) <sup>1</sup>	3(8%)
Above 65 years	Number (%)	–	–	–
<b>New hire by nationality</b>				
Singapore	Number (%)	3(15%) <sup>1</sup>	4(13%) <sup>1</sup>	7(18%)
Other	Number (%)	17(85%) <sup>1</sup>	27(87%) <sup>1</sup>	31(82%)
<b>Training</b>				
Training hours (Safety)	Hours	853	460	208
Training hours (EHS)	Hours	2,156	560	292
Training hours (Others)	Hours	3,246	9,703	10,048
Training hours (Total)	Hours	6,255	10,723	10,548
Average training hours per employee	Hours	7.2	12.4	11.2
Average training hours per male employee	Hours	8	14	12
Average training hours per female employee	Hours	1	1	1
<b>Workplace Safety</b>				
Number of cases related to fatalities	Number	–	–	–
Serious incidents	Number	–	–	–
Workplace injuries (Reportable)	Number	8	3	4
Workplace injuries (Non-Reportable)	Number	28	13	10
Incidents and injuries (Total)	Number	36	16	14

<sup>1</sup> Restated

# SUSTAINABILITY REPORT

## OPERATING PRACTICES

Metrics	Units	FY2021	FY2022	FY2023
<b>Supply Chain Management</b>				
Total purchase	\$ '000	26,187	41,805	40,326
Purchase from local suppliers	\$ '000	19,928	39,380	33,350
Purchase from local suppliers	%	76.1%	94.2%	82.7%
<b>Products Responsibility</b>				
Number of customer surveys conducted	Number	8	4	7
Customer satisfactory index	%	70%	89%	90%
Number of rework cases	Number	5	5	3
Number of property damage cases	Number	3	5	5
Amount of property damage cases	\$	4,238	6,114	8,917
<b>Anti-Corruption</b>				
Violations against relevant laws and regulations	Number	–	–	–

# SUSTAINABILITY REPORT

## Appendix B: GRI content index

### GRI STANDARDS CONTENT INDEX

The GRI Content Index references the Ley Choon Group Holdings Limited Annual Report 2023.

Disclosure number	Disclosure title	Section reference and remarks
<b>GRI 2: General disclosures</b>		
Organisational profile	2-1	Organizational details <ul style="list-style-type: none"><li>• Corporate Profile</li></ul>
	2-2	Entities included in the organization's sustainability reporting <ul style="list-style-type: none"><li>• Subsidiaries - Note 5 to the Financial Statements</li></ul>
	2-3	Reporting period, frequency and contact point <ul style="list-style-type: none"><li>• Scope of Sustainability Report</li></ul>
	2-4	Restatements of information <ul style="list-style-type: none"><li>• Scope of Sustainability Report</li></ul>
	2-5	External assurance <ul style="list-style-type: none"><li>• No external assurance</li></ul>
Activities and workers	2-6	Activities, value chain and other business relationships <ul style="list-style-type: none"><li>• Social</li></ul>
	2-7	Employees <ul style="list-style-type: none"><li>• Consulting Our Stakeholders</li></ul>
	2-8	Workers who are not employees <ul style="list-style-type: none"><li>• Not applicable</li></ul>
Governance	2-9	Governance structure and composition <ul style="list-style-type: none"><li>• Report on Corporate Governance</li></ul>
	2-10	Nomination and selection of the highest governance body <ul style="list-style-type: none"><li>• Report on Corporate Governance</li></ul>
	2-11	Chair of the highest governance body <ul style="list-style-type: none"><li>• Report on Corporate Governance</li></ul>
	2-12	Role of the highest governance body in overseeing the management of impacts <ul style="list-style-type: none"><li>• Sustainability Governance Structure</li></ul>
	2-13	Delegation of responsibility for managing impacts <ul style="list-style-type: none"><li>• Sustainability Governance Structure</li></ul>
	2-14	Role of the highest governance body in sustainability reporting <ul style="list-style-type: none"><li>• Sustainability Governance Structure</li></ul>
	2-15	Conflicts of interest <ul style="list-style-type: none"><li>• Report on Corporate Governance</li></ul>
	2-16	Communication of critical concerns <ul style="list-style-type: none"><li>• Sustainability Governance Structure</li></ul>
	2-17	Collective knowledge of the highest governance body <ul style="list-style-type: none"><li>• Report on Corporate Governance</li></ul>
	2-18	Evaluation of the performance of the highest governance body <ul style="list-style-type: none"><li>• Report on Corporate Governance</li></ul>
	2-19	Remuneration policies <ul style="list-style-type: none"><li>• Report on Corporate Governance</li></ul>
	2-20	Process to determine remuneration <ul style="list-style-type: none"><li>• Report on Corporate Governance</li></ul>
	2-21	Annual total compensation ratio <ul style="list-style-type: none"><li>• Report on Corporate Governance</li></ul>

# SUSTAINABILITY REPORT

Disclosure number	Disclosure title	Section reference and remarks
Strategy, policies and practices	2-22 Statement on sustainable development strategy	<ul style="list-style-type: none"> <li>• Sustainability Strategy</li> </ul>
	2-23 Policy commitments	<ul style="list-style-type: none"> <li>• Sustainability Strategy</li> </ul>
	2-24 Embedding policy commitments	<ul style="list-style-type: none"> <li>• Our Performance</li> </ul>
	2-25 Processes to remediate negative impacts	<ul style="list-style-type: none"> <li>• Sustainability Strategy</li> </ul>
	2-26 Mechanisms for seeking advice and raising concerns	<ul style="list-style-type: none"> <li>• Sustainability Strategy</li> </ul>
	2-27 Compliance with laws and regulations	<ul style="list-style-type: none"> <li>• Governance</li> <li>• Environment</li> <li>• Social</li> </ul>
	2-28 Membership associations	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>
	2-29 Approach to stakeholder engagement	<ul style="list-style-type: none"> <li>• Consulting Our Stakeholders</li> </ul>
Stakeholder engagement	2-30 Collective bargaining agreements	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>
<b>GRI 3: Material topics</b>		
3-1 Process to determine material topics	<ul style="list-style-type: none"> <li>• Sustainability Materiality</li> </ul>	
Disclosures on material topics	3-2 List of material topics	<ul style="list-style-type: none"> <li>• Sustainability Materiality</li> </ul>
	3-3 Management of material topics	<ul style="list-style-type: none"> <li>• Sustainability Materiality</li> </ul>
<b>GRI 200: Economic disclosures (applicable sections only)</b>		
Economic performance	201-1 Direct economic value generated and distributed	<ul style="list-style-type: none"> <li>• Financial Highlights</li> </ul>
Market presence	202-2 Proportion of senior management hired from local community	<ul style="list-style-type: none"> <li>• Our senior management is 100% hired from the local community</li> </ul>
Procurement practices	204-1 Proportion of spending on local suppliers	<ul style="list-style-type: none"> <li>• Majority of our business expenditure in Singapore is on locally-registered companies.</li> </ul>
Anti-corruption	205-1 Operations assessed for risks related to corruption	<ul style="list-style-type: none"> <li>• Report on Corporate Governance</li> <li>• Governance</li> </ul>
	205-2 Communication and training about anti-corruption policies and procedures	<ul style="list-style-type: none"> <li>• Report on Corporate Governance</li> <li>• Governance</li> </ul>
	205-3 Confirmed incidents of corruption and actions taken	<ul style="list-style-type: none"> <li>• There is no incidences of corruption.</li> </ul>
Anti-competitive behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<ul style="list-style-type: none"> <li>• There is no legal actions for anti-competition.</li> </ul>
<b>GRI 300: Environment disclosures (applicable sections only)</b>		
Energy	302-1 Energy consumption within the organisation	<ul style="list-style-type: none"> <li>• Environment</li> </ul>
	302-4 Reduction of energy consumption	<ul style="list-style-type: none"> <li>• Environment</li> </ul>
Water	303-3 Water withdrawal	<ul style="list-style-type: none"> <li>• Environment</li> </ul>
	303-5 Water consumption	<ul style="list-style-type: none"> <li>• Environment</li> </ul>
Biodiversity	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	<ul style="list-style-type: none"> <li>• Environment</li> </ul>
	304-2 Significant impacts of activities, products, and services on biodiversity	<ul style="list-style-type: none"> <li>• Environment</li> </ul>
	304-3 Habitats protected or restored	<ul style="list-style-type: none"> <li>• Environment</li> </ul>

# SUSTAINABILITY REPORT

Disclosure number	Disclosure title	Section reference and remarks
Emissions	305-1 Direct (Scope 1) GHG emissions	• Environment
	305-2 Energy indirect (Scope 2) GHG emissions	• Environment
Effluents and waste	306-1 Water discharge by quality and destination	• Environment
	306-2 Waste by type and disposal method	• Environment
<b>GRI 400: Social disclosures (applicable sections only)</b>		
Employment	401-1 New employee hires and employee turnover	• Social
	401-3 Parental leave	• Social
Labor / management relations	402-1 Minimum notice periods regarding operational changes	• Social
Occupational health and safety	403-4 Worker participation, consultation, and communication on occupational health and safety	• Social
	403-8 Workers covered by an occupational health and safety management system	• Social
	403-9 Work-related injuries	• Social
Training and education	404-1 Average hours of training per year per employee	• Environment • Social
	404-2 Programs for upgrading employee skills and transition assistance programs	• Environment • Social
	404-3 Percentage of employees receiving regular performance and career development reviews	• Social
Diversity and equal opportunity	405-1 Diversity of governance bodies and employees	• Social
	405-2 Ratio of basic salary and remuneration of women to men	• Workers' remuneration are ascertained based on work experience and academic qualifications. Individual work performance and not on any gender consideration.
Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	• There is no incidents of discrimination.
Child labor	408-1 Operations and suppliers at significant risk for incidents of child labor	• Child labour is strictly prohibited.
Forced or compulsory labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	• Forced and compulsory labour is strictly prohibited.
Customer privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	• Governance

# SUSTAINABILITY REPORT

## Appendix C: Methodologies and Data Boundaries

This section details key definitions, methodologies and data boundaries applied to Ley Choon Group Holdings Limited Sustainability Report, as we endeavor to elevate transparency and facilitate comparability of our data disclosed. These definitions and methodologies are adapted with reference to the GRI Standards Glossary 2021, Reporting Recommendations and Guidance set out in the respective GRI disclosures and various authoritative intergovernmental instruments.

### CARBON EMISSIONS

In the scope of this reporting, scope 1 emissions are emission are generated from the consumption of fuels for our operations. The emission factor used for calculating carbon emission is obtained from The International Energy Agency (**IEA**). Carbon emissions are expressed in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e).

The scope of this reporting, scope 2 emissions are emissions that result from the generation of purchased or acquired electricity, by the Group. The Grid Emission Factor (**GEF**) used for calculating carbon emissions is obtained from the National Environmental Agency (**NEA**). Carbon emissions are expressed in tCO<sub>2</sub>e.

### CARBON EMISSIONS INTENSITY

This is the ratio of carbon emissions relative to the manhours engaged by the Group. Carbon emissions intensity is expressed in tonnes of carbon dioxide equivalent per thousand dollars (tCO<sub>2</sub>e/\$'000).

### ENERGY CONSUMPTION

Energy consumed results from purchased electricity and diesel consumed by the operations of the Group. Energy consumed is expressed in megawatt-hours (MWh).

### ENERGY CONSUMPTION INTENSITY

This is the ratio of energy consumed relative to the manhours engaged by the Group. Energy consumption intensity is expressed in megawatt per thousand dollar (MWh/ \$'000).

### WATER CONSUMPTION

This is the volume of water consumed by the Group. The sources of water are supplied by local municipalities. The total amount of water withdrawn is assumed to be the amount consumed as reflected in utility bills received.

The volume of water consumed is expressed in cubic meters (m<sup>3</sup>).

### WATER CONSUMPTION INTENSITY

This is the ratio of water consumed relative to the revenue generated by the Group. Water consumption intensity is expressed in cubic meters per thousand dollar (m<sup>3</sup>/ \$'000).

### NEW HIRES AND TURNOVER

New hires are defined as new employees who have joined the Group during the financial year.

Turnover is defined as all employees who have left the Group voluntarily, or due to dismissal, retirement or death in service during the financial year.

The new hires/turnover rate is the total number of new hires/employee turnovers in the financial year, relative to the total number of new hires/resignees recorded at financial year-end.

The new hires/turnover rate by age group is the total number of new hires/employee turnovers for each age group in the financial year, relative to the total number of new hires/resignees recorded at financial year-end.

New hires/turnover rate by gender is the total number of female/male new hires/employee turnovers for each gender in the financial year, relative to the total number of new hires/resignees recorded as at financial year-end.

### TRAINING HOURS

Average training hours per employee is the total number of training hours provided to employees, relative to the total number of employees recorded as of financial year-end.

Average training hours per female/male employee is the total number of training hours provided to female/male employees, relative to the total number of female/male employees recorded as of financial year-end.

### LOCAL SUPPLIER

Organization or person that provides a product or service to the reporting organization and that is based in the same geographic market as the reporting organization.



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