



HUATIANG GLOBAL LIMITED

2019

SUSTAINABILITY REPORT

Date: 29 May 2020

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MESSAGE FROM THE CHAIRMAN



Dear Stakeholders,

On behalf of the Board of Directors (“Board”), I am pleased to present our Sustainability Report (“SR”) for Huatong Global Limited (“Huatong” and together with our subsidiaries, the “Group”) for the financial year ended 31 December 2019 (“FY2019”).

This report aims to communicate our Group’s strong commitment and good corporate governance. It also includes accessible information on Huatong’s on-going efforts to its sustainability approach. The Board is committed to sustainability as part of our business operations and fully supports the adoption of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) sustainability reporting guidelines for all listed companies.

The Group recognises the importance of maintaining a sustainable business with our stakeholders and have identified relevant Environmental, Social and Governance (ESG) factors. Our Board oversees our overall sustainability direction and strategies, while our management provides regular updates to the Board.

As we prepare this sustainability report, the global COVID-19 pandemic situation is evolving. Since January 2020, our Group has implemented Business Continuity Plan and implemented swift protocols in our operations. Further to the implementation of Circuit Breaker measures with effect from 7 April 2020, most of the construction works for our Group’s ongoing projects have been suspended. However, we have arranged for employees to work from home for certain key functions and to periodically attend to construction sites for essential activities, such as vector controls, earth control and safety measures.

The year 2020 promises to be a dynamic and fluid situation where sustainability issues and risks are constantly changing, the Board sees this as an on-going journey where we continue to evaluate material ESG factors relevant to our business.

Mr. Ng Hai Liong

Executive Chairman

ABOUT THIS REPORT

REPORT METHODOLOGY

This Report is prepared in accordance with Rules 711A and 711B of the SGX-ST Listing Manual Section B: Rules of Catalist (“Catalist Rules”) and the Global Reporting Initiative (“GRI”) Standards Sustainability Reporting Guidelines 2016 - Core Option and its reporting principles.

We have adopted the GRI reporting framework for its robust regime and detailed guidance on which offers an internationally-recognised benchmark for the disclosure of governance approaches, the environmental, social and economic performance and impacts on organisations. The GRI content index and relevant references are provided at the end of this report.

Reporting boundaries:

Materiality	Focusing on issues that impact business growth and are of utmost importance to stakeholders.
Stakeholders Inclusiveness	Responding to stakeholder expectations and interest.
Sustainability Context	Persenting performance in the wider context of sustainability.
Completeness	Including all information that is of significant economic, enviornmental, social and governance impact to enable stakeholders to assess our Group's performance.

REPORT SCOPE

This report covers the period from 1 January 2019 to 31 December 2019, which is in line with our Group’s financial year ended 31 December 2019). Our Group has not sought any external assurance for this sustainability report. This report is provided in PDF format only and is available for download on our website at <http://www.huatong-global.com> and at [SGXNet](#).

REPORT CONTACT AND FEEDBACK

We value your feedback as part of our continued efforts to improve our sustainability efforts and we encourage you to contact us through the following channels:

- In writing to:

Huatong Global Limited
No. 9 Benoi Crescent
Singapore 629972

- Via our contact page at <http://www.huatong-global.com/contact.html>

ABOUT OUR GROUP

CORPORATE PROFILE

Our Group is one of the leading civil engineering service providers, with over 30 years of presence and track record in large infrastructure projects in Singapore. We have been listed on the Catalist of the SGX-ST since 9 December 2014. Our Group's businesses can be categorised into three main segments:



Civil Engineering Services

We provide a full range of civil engineering services from earthworks, infrastructure works, external works, demolition and excavation works, site clearance, drainage works, reinforcing bar installation, formwork, concrete installation, backfill and compaction to final handover.



Inland Logistics Support

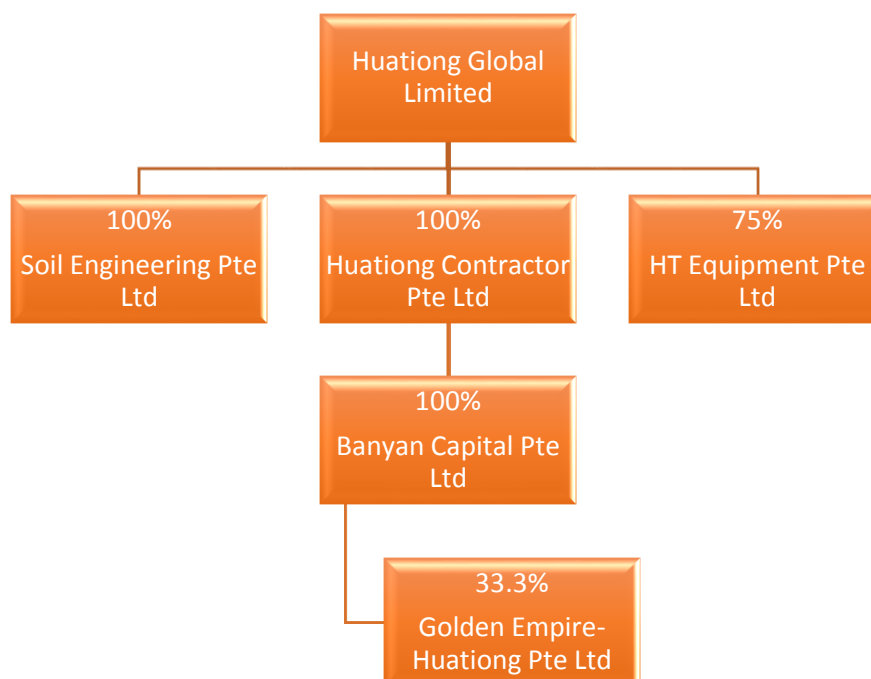
We provide inland logistics support through the provision of a wide range of construction equipment, including, among others, tipper trucks, compactors, excavators, concrete pumps.



Sale of Constuction Materials

We sell construction materials such as sand and granite aggregates, recycled concrete aggregates and Liquefied Stabilised Soil ("LSS"). We also manufacture and supply LSS, a self-flowable, self-compacting and self-leveling alternative to conventional compacted fill.

CORPORATE STRUCTURE



SUPPLY CHAIN

Our Group is committed to sustainable growth and shared value creation. We aim to build a sustainable supply chain by working closely with our partners, suppliers and subcontractors to explore means to enhance efficiency and productivity.

We have been working to improve our supply chain by carefully selecting key suppliers and subcontractors through our supplier selection process. Quality checks will be conducted on our key suppliers before we engage them to ensure that these suppliers meet our quality standards, social and environmental principles. The criteria that we examine our key suppliers includes the quality of the products and services provided, financial health, reputation in the industry and market, and sustainability efforts undertaken by our suppliers and subcontractors such as effective health and safety system, environmental management and ethical conduct. This supplier selection process also ensures that we provide equal and fair treatment to all our suppliers and subcontractors.

We also recognise the importance of performing periodic checks and assessments for our existing suppliers to ensure that the products and services provided by them have maintained its quality consistently and are in alignment with our business requirements and sustainability objectives.

AWARDS, CERTIFICATES AND MEMBERSHIPS OF ASSOCIATION

As a testament to our commitment towards maintaining high standards of environmental, safety compliance and management, our Group has received numerous awards and accreditations.

Amongst others, those awarded or valid in FY2019 are as follows:

- BizSAFE Level Star Certificate
- BCA Green and Gracious Builder Award
- ISO 9001: 2015
- ISO 14001:2015
- ISO-SS 506 Part 1:2009 BS OHSAS 18001: 2007
- Certificate of Achievement - Safe Man Hours - DRSW Project

Some subsidiaries of our Group are registered with Singapore Contractors Association Ltd under the following trade registrations:

- CS01 - Road Works, Pipe and Cable Installation, Road Instatement and Maintenance;
- CS03 - Concreting;
- CS10 - Demolition; and
- CS11 - Soil Investigation, Stabilisation and Earthwork Services.

These subsidiaries are admitted to the Registry of Singapore List of Trade Subcontractors.

In addition, we support the objective of Waste Management & Recycling Association of Singapore (the "WMRAS") to promote recycling in order to create a more sustainable living environment. One of our subsidiary is also an ordinary member of the WMRAS.

OUR APPROACH TO SUSTAINABILITY

SUSTAINABILITY APPROACH

Under the leadership of our Board, we integrate sustainability principles into our businesses. Our Board oversees our sustainability direction, strategies and is supported by our management team. The management monitors our Group's sustainability performances and reports to our Board on a regular basis. This ensures that our Group's business objectives are in line with our commitments to sustainable development.

We actively engage our key stakeholders to understand their needs and address their concerns. This helps us build mutual beneficial relationships with our stakeholders and generate sustainable value for them in the long-run.

CORPORATE GOVERNANCE

Our Group is committed to conduct our business activities in a socially and environmentally sustainable matter. We understand the importance of good corporate governance, greater transparency and accountability in our businesses. We recognise that a high standard of corporate governance and business conduct, is integral in ensuring the sustainability of our business and performance, as well as safeguarding the interests and maximising long-term value for our stakeholders.

Our Group have adopted a framework of corporate governance policies and practices in line with the principles and provisions set out in the Code of Corporate Governance 2018 (the "2018 Code"). We are committed to maintain good corporate governance by following the principles and provisions set out in the 2018 Code. Details of our compliance to each of the principles and provisions listed in the 2018 Code are disclosed in the corporate governance report of our Annual Report. Any deviations from the guidelines in the Code, if any, will be duly explained.

CODE OF CONDUCT

Our Group's Code of Conduct is established in the Employees' Handbook which is made known to all our employees. It serves as a central guide and reference to our employees on our expectations and principles of workplace behaviours. All employees are expected to fully comply with the Code of Conduct.

DECLARATION OF CONFLICT OF INTEREST

Our Group have established a set of policy and procedures on declaration of potential conflict of interests for our employees to abide by. All employees of our Group are required to declare and disclose any situation where their private businesses or personal interests conflict with those of our Group.

WHISTLE-BLOWING POLICY

Our Group has a whistle-blowing policy whereby employees may, in confidence, raise concerns about possible irregularities in financial reporting and/or other matters, such as suspected fraud, corruption, dishonest practices etc. The policy defines the processes clearly to ensure independent investigation of such matters and permits whistle blowers to report directly via email to any of the Whistle-Blowing Committee members.

Our whistle-blowing policy also defines the processes clearly to give insights to our employees on the types of incidents that are reportable. A copy of our whistle-blowing policy can be found in our Employee Handbook, which is made known to all our employees.

The Whistle-Blowing Committee comprises of all members of the Audit Committee, of which all are Non-Executive and Independent Directors. The whistle-blowing committee will direct an independent investigation to be conducted on the complaint when received. The Audit Committee (the “AC”) has the power to conduct or authorise investigations into any matter within the AC’s scope of responsibility, and if it deems appropriate, may engage independent advisors at the Company’s expense for the purpose of resolving the complaint. Findings from any investigations shall be reported to the AC for their further action.

ENTERPRISE RISK MANAGEMENT FRAMEWORK







Our Group strives for sustainable business growth through strict corporate governance compliance and risk management practices. Risk management is a vital aspect of our business activities and decision-making process.

An Enterprise Risk Management (“ERM”) framework was established to identify, manage and mitigate any significant risks of our Group, as well as to capture opportunities that our Group can potentially leverage on to meet our business objectives. The Risk Committee, comprising our Chief Executive Officer as the Chairman and 3 independent directors as members, oversees the risk management of our Group. Regular reviews on our Group’s strategic, financial, operational and compliance risks are carried out through a precautionary approach.

The ERM framework includes half-yearly internal reports to our Board regarding current and emerging risks and mitigating measures our Group has in place. This enables us to be vigilant and prepared while managing recognised risks in an efficient and structured manner.

STAKEHOLDER ENGAGEMENT

We actively engage our key stakeholders through various channels to understand their concerns in order to align the business interest and ultimately to generate sustainable value in the long-run. The stakeholders have been identified as those who are impacted by the Group’s business and operations and those who are able to impact the Group’s business and operations. Six stakeholder groups have been identified through an assessment of their significance to the business operations. The key topics and the engagement platforms are as follows:

Stakeholders	Key Topics	Engagement Platform
Employees 	<ul style="list-style-type: none"> Occupational health and safety Fair employment practices and compensation Training & development Performance 	<ul style="list-style-type: none"> Employee Handbook Trainings Performance appraisals Grievance / feedback channels Internal communication through emails Team bonding activities Annual appreciation dinner Staff exit interviews
Customers 	<ul style="list-style-type: none"> Product / Service quality Project timeliness, requirements and specifications Workplace safety Information and data security Feedback on completed projects 	<ul style="list-style-type: none"> Regular meetings Feedback channels such as email and telephone communications Corporate website Site visits
Suppliers/ Consultants/ Subcontractors 	<ul style="list-style-type: none"> Product / Service quality Project timeliness, requirements and specifications Workplace safety 	<ul style="list-style-type: none"> Regular meetings Timely feedback regarding material/services provided Site visits
Shareholders & Investors 	<ul style="list-style-type: none"> Business strategy and directions Financial performance Dividend pay-out 	<ul style="list-style-type: none"> Shareholders' meetings SGX announcements Corporate website and email
Government & Regulators 	<ul style="list-style-type: none"> Corporate governance Compliance with rules and regulations Sharing of industry best practices 	<ul style="list-style-type: none"> Government publication / written communication Industry networking functions Seminars conducted by the regulators
Community 	<ul style="list-style-type: none"> Clean and safe environment for the community Keep neighbours informed of possible disruption in their lives Green and gracious environment 	<ul style="list-style-type: none"> Meetings Notices Charity events

ESG Factors

In addition to constant engagements with our stakeholders, our ERM procedures are in place to identify, assess and evaluate the sustainability risks which are applicable to the material ESG topics. Our material topics will continue to be reviewed on an annual basis, taking into account the various stakeholders' feedback as well as their relevance and materiality to the business, strategy and business model.

For FY2019, we looked into the following material topics for continuous disclosure:



WATER AND ENERGY CONSUMPTION

Environmental sustainability is one of the key tenets to construction industries worldwide and our Group recognises how we can contribute positively and tackle issues such as water scarcity and global warming.

Water scarcity has increasingly become a prominent global environmental issue that our stakeholders are concerned with. The availability of fresh water is a growing challenge as the world's population increases and developing economies continue to grow. With rain patterns changing due to climate change, the stability of water supplies is likely to become a more pressing concern every year.

A considerable amount of energy is required to run our operations involving construction activities. We recognise the importance of our role in managing energy consumption to promote environmental sustainability and cost savings.

Management Approach and Performance

Water Consumption

Our Group minimises the use of fresh water by using alternatives, such as recycled water, processed sewage water and rain water for our business processes whenever possible. For example, we recycle water from earth control measures plant for wheel washing bay, dust control, cleaning of amenities, washing of muddy water shoes and planting. We encourage our employees and customers to cultivate water-saving habits by raising awareness on the importance of water conservation. Our offices use water efficient fittings that come with half-flush mechanism and self-release water taps.



Washing of muddy water shoe using recycled water

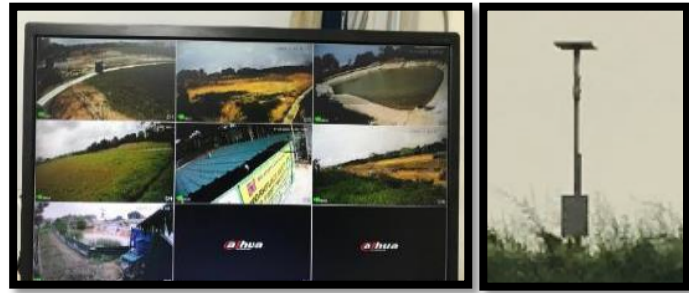
Electricity Consumption

We adopt the usage of energy efficient equipment and incorporate eco-friendly practices in our business such as energy efficient lightings, inverter air conditioning systems and appliances endorsed with "Green Label". We encourage our employees to switch off lights and electrical appliances in the office when not in use. Regular maintenance of our equipment was conducted to optimise energy efficiency.



Reminders to switch off lights

Our Group had also adopted several on-going green initiatives to reduce its carbon footprint. Some initiatives include the selection of other electrical power supply such as AC Grid power supply and the installation of solar panel system to supply clean power for our site equipment such as total suspended solids monitoring devices, CCTV and noise monitoring system.



Use of solar sources for site CCTV

Our Group has supported Earth Hour 2019 by doing our part in following the 'Lights Off Schedule' for our site offices and HQ premise. We ensure that all non-essential electric lights were switched off between 12.30pm to 1.30pm from 25 to 29 March 2019. We have also sent out broadcasts to educate our employees on the efforts to help the planet. For instance, our employees were educated on how to implement the Reduce, Reuse and Recycle ("3Rs") initiatives in their daily work operations, energy saving tips on using less air-conditioning and the benefits of car-pooling.



Earth Hour 2019

The following table shows the water and electricity consumption for FY2019 and FY2018. The increase in water and electricity consumption was mainly due to new accounts activated during the second half year of 2018 as well as the first half year of 2019. This is in line with our project requirement.

Water and Electricity Consumption	FY2019	FY2018
Water Consumption (Cubic Meter)	98,780	89,000
Electricity Consumption (kWH)	990,750	933,820

Target

We will continue to monitor the level of water and electricity consumption in FY2020 as we seek to find new initiatives to improve efficiency in water and energy management and reduce overall consumption rate.

WASTE DISPOSAL AND MANAGEMENT

Proper and efficient waste disposal and management remain as one of the key environmental challenges in Singapore’s construction sector. We believe in building a greener future and creating a friendlier environment for our stakeholders. Our Group is committed to manage and minimise the impact of our business operations on the environment by actively minimising waste produced during our operations.

Management Approach and Performance

Our approach to waste management starts with using natural resources wisely and efficiently, accompanied with the conservation of energy and water. The Group minimises waste through reducing, reusing and recycling.

Since 2004, we have been recycling construction waste and aggregates to produce recycled concrete aggregates, which are typically used for road construction or trench backfilling.

We also manufacture and supply Liquefied Soil Stabilizer (“LSS”), a self-flowable, self-compacting and self-levelling alternative to conventional compacted fill. LSS, the environmentally friendly material can be use as non-structural fill for buildings and other structures, as well as for backfill in utility and road construction. LSS reuses soil that has been excavated in construction projects and which would otherwise be discarded as waste. Compared to conventional compacted fill, LSS also has its advantage of being excavated again easily. Such practice serves to reduce the environmental impact with decreased dependence on non-recyclable materials.



Usage of pre-cast to minimise rebar or concrete use



Use of sustainable material LSS for slope protection

Our Group has a detailed policy and procedure for waste disposal and management, including a “Reduce, Reuse and Recycle (“3Rs”) Programme” which is stated in our Green Gracious Best Practices (“GGBS”) Operations Manual, and is disseminated to all our employees.

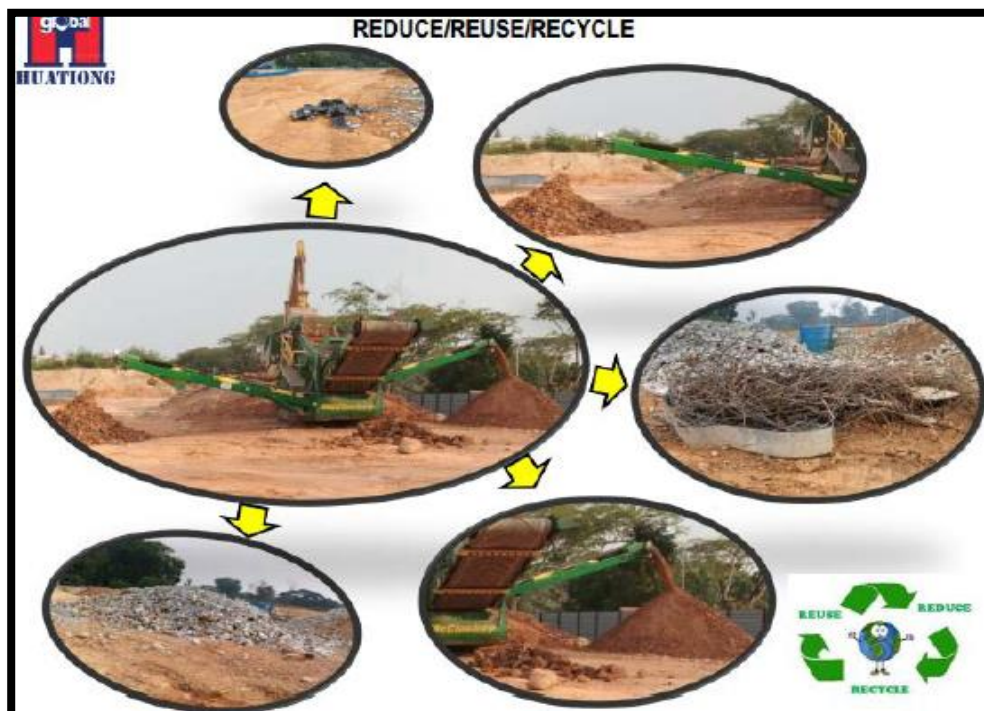


Workers taking the GGBS Awareness Quiz

We have ongoing programmes to raise awareness and encourage the employees and contractors to participate in our 3Rs Programme and responsible waste management initiatives. Through GGBS Awareness Quiz, we monitor our employees’ awareness on the GGBS and improve their knowledge and competency on the GGBS.

To reduce construction waste and increase productivity, our Group always actively research on efficient process for our operations. Amongst others, some of the initiatives the Group continuously adopted are:

- Adoption of system formwork for its better casting quality and productivity, shorter assembling and dismantling time, environmental friendly due to its reusability and safer to use when compared to the conventional formwork; and
- Adoption of pre-fabricated RC drains for easy installation, higher structural and architectural standards and less concrete wastage at site when compared to the conventional cast-in-situ drains.
- Adoption of high efficiency screener technology to separate rocks, soil, stones and rebar for reuse. The tier 3 engine ensures lower fuel consumption, thus reducing carbon footprint.



Secretion of Soils/Rock/Stones/Rebar for reuse by our High Efficiency Screener

At project sites, visible recycling bins are placed at designated areas for proper segregation of wastes. Material such as timber and metal are reused at our site where possible or otherwise, sent for recycling. Other non-recyclable construction wastes are disposed according to the relevant disposal guidelines. Other construction wastes are collected by licensed contractors. Construction wastes collected by these contractors will be segregated accordingly at their respective yards before being transported to government landfills or incinerators.

Our sites have been using recycled and sustainable materials for non-structural applications such as making signages using excess rebars, timber and concrete, and making helmet racks, shoe racks using excess metal poles. We reuse safety helmets as flowerpots.



Using S-hook made from recycle metal rods



Reuse safety helmet as flowerpots



Empty Hydraulic Drum cut and recycled to use as BBQ grill

Our suppliers and subcontractors also play a role in helping us achieve our sustainability efforts. This, we have included the Green and Gracious Builder Scheme as one of the considerations during selection of suppliers and subcontractors. Our supplier evaluation form include scoring for suppliers' Environmental, Health and Safety performance.

Our Group is certified as operating an environmental management system which conforms to the requirements of ISO 14001:2015 in the scope of providing building construction and civil engineering services as well as the production and delivery of LSS. Our Group also received the Green and Gracious Builder Award from the Building and Construction Authority ("BCA").

Target

Our Group aim to continue to find new initiatives to improve the effectiveness in waste disposal management. We will also continue to encourage and remind our employees to constantly practice the current initiatives in place.

EMPLOYMENT

Attracting and retaining a diversified talent pool helps to bring in different ideas and perspectives into the organisation and in turn encourage innovation and growth. Our employees serve as a vital point of contact between our customers and our management. Thus, employees are our key assets and human capital investment is one of the factors which we have identified.

Management Approach and Performance

In order to attract and retain talents, we cultivate a working environment which promotes workplace inclusivity, diversity and equal employment opportunities. Our Group has a comprehensive Human Resource (“HR”) Policy in growing our human capital and enhancing employees’ overall performance. The policy covers key areas such as staff recruitment and selection, remuneration and benefits, performance appraisals, career development and training, safety and security and cessation of employment.

Fair Employment Practices

We reference our HR practices to the Fair and Progressive Employment Practices formulated by Singapore Tripartite Alliance which comprises the Ministry of Manpower (the “MOM”), Singapore National Employers Federation and National Trades Union Congress. We are strong advocates for fair employment practices. We recruit and select employees based on their merits, treat them fairly and offer equal opportunities for training and development. An employee performance appraisal will be conducted annually to evaluate employees with respect to their performance on their job and their potential for development. Our Employee Handbook is in place and shared to all our employees, which allows for greater transparency of HR practices in our Group.

Open Communication and Timely Feedback

To better understand employees’ concern and expectations, we communicate with them regularly, through platforms such as departmental and project meetings, performance reviews and tea sessions. Through performance reviews and exit interviews, we gather feedbacks from our employees for the continuous improvement of our organisation. Through open and effective communications with our employees, we establish a common understanding and promote an inclusive work environment based on mutual trust and respect. This is key to improving the effectiveness and efficiency of our business operations and management.



Feedback / Suggestion box for site personnel to submit improvement ideas for the site or other concerns

Work Environment

Ensuring our employees' health and well-being is our responsibility. We are committed to achieve this by providing our employees with a secure and conducive working environment. Therefore, we regularly monitor our performance in these areas and periodically review our policies so that we provide the best for our employees.

To provide work life balance and a healthy lifestyle for our employees, we have a fitness gym and badminton courts located at our Headquarter where our employees can enjoy a change of pace by working out or playing a game of badminton with their colleagues. We occasionally organise company events so that our employees can enjoy bonding time together. Some of the events we had in 2019 include the Oktoberfest and celebration for Christmas, Annual Dinner where our employees had meals and fun together.



Fitness gym



Annual dinner (lucky draw winner)



Oktoberfest

We embrace the philosophy of giving back to the community by encouraging active involvement in the charity events. In 2019, amongst others, we took part in Walk for our Children, a charity event - organised by Singapore Children's Society, where our employees had a 2km walk together with their families and colleagues.

We have implemented measures for employees who are unwell to stay at home as a precautionary measure.



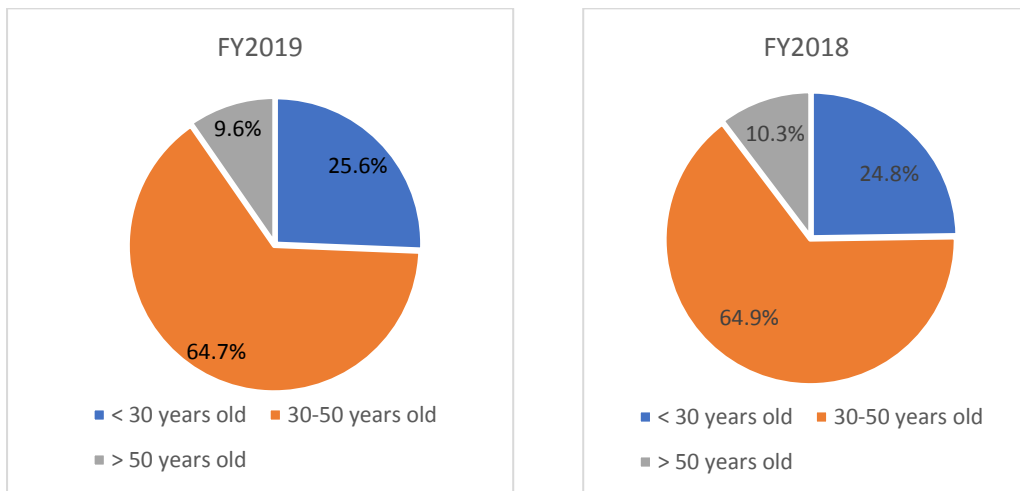
Charity event: Walk for our Children

Workforce Diversity

We promote diversity and inclusivity in our workforce as we recognise the importance of having an all-inclusive work environment where employees accept diversity and eliminate discrimination. With dynamic individuals from diverse backgrounds, we are able to gather exceptional contributions, opinions and feedback necessary to our sustained growth.

Employees by Age Groups

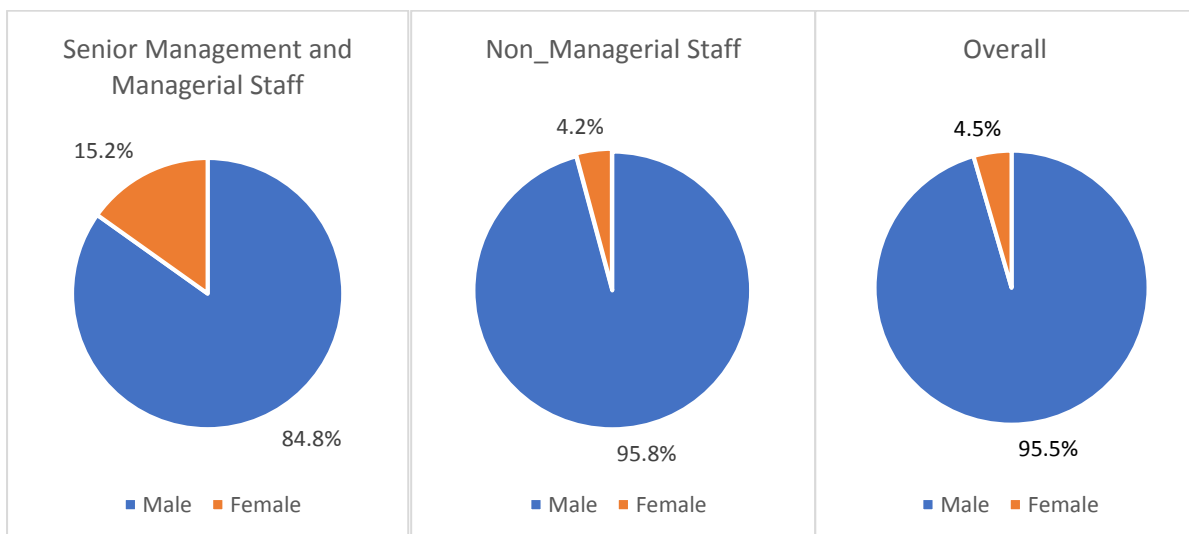
The table and chart below show the proportion of our employees in different age groups. There is an increase in our workforces for FY2019, but we maintained a similar percentage of employees in each age group as compared to FY2018.



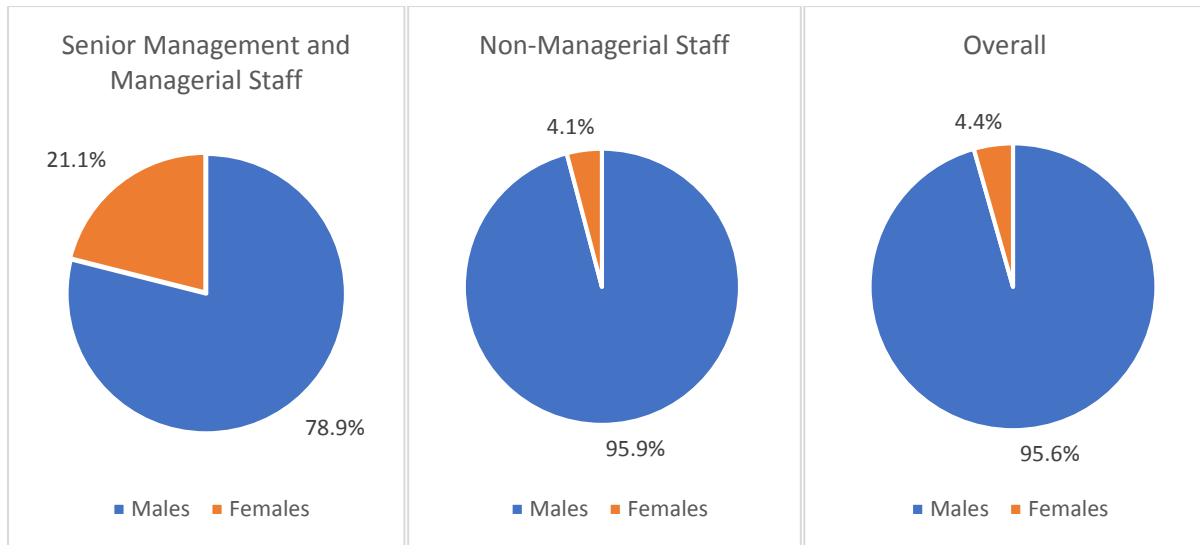
Gender Diversity by Employment Category

The table and chart below show the proportion of males and females in our workforce profile. There is an increase in percentage of females in our workforce for FY2019 as compared to FY2018. Given the nature of construction industry which involves laborious work, our employee gender mix comprises of a much larger proportion of male employees.

As at 31 December 2019:



As at 31 December 2018:



Target

In FY2020, our Group will continue to practice fair recruitment and selection process for our employees, maintain open communication and perform periodical reviews for employees to ensure that career advancements are rewarded in a fair and just manner. We will also continue to take care of our employees’ health and well-being and promote work life balance and health lifestyle for our employees.

OCCUPATIONAL HEALTH AND SAFETY

People are our greatest assets and their health and safety are of utmost importance to us. We are responsible and obligated to provide them with a safe and healthy environment for our employees, subcontractors and customers. The health and well-being of our people ultimately affect our Group's goals and objectives.

Management Approach and Performance

Safety starts with a set of cohesive occupational health and safety strategy that requires a safety-oriented management culture. Our management approach to workplace safety and health management is full adherence to the legislative requirement and adopting recommended industry standards and guidelines. Our Workplace Safety and Health ("WSH") policy sets out safety measures and risk management guidelines for WSH Hazards in Construction Industries. Our Quality Environmental Health and Safety steering committee oversees and monitors the implementation and maintenance of our WSH policies and practices.

Construction companies have higher risk of workplace accident as compared to other industries. As such, it is essential to promote a range of Group-wide occupational health and safety activities that include preventing workplace accidents by applying the required safety standards as well as implementing additional measures tailored to the specific conditions of the sites. We also engage with our contractors and consultants through risk reviews and monitoring of environmental, health and safety matters.

Education and Prevention is the core of our WSH policy to minimise the number of accidents. We closely monitor high risk activities, share near miss accidents that could lead to an accident.

We believe that safety awareness begins with understanding the work procedures and workplace hazards. Employees must understand the safety rules and mandatory personal protective equipment that helps to prevent injuries. All our workers must attend compulsory, regular safety and health trainings that covers our WSH policy, highlights workplace hazards and potential risk areas of accidents may occur and introduces our Occupational Health and Safety measures. Trainings for specific work activities, such as lifting, excavation, work at height, hot work confined space, are provided as and when required. These trainings help to embed safety into the culture and habits of our employees.

Biannual fire drill exercised are conducted on site as well as in as part of emergency preparedness procedure to ensure our employee are aware of the safety evacuation procedure.



Fire drill exercise

Frequent reminders are given to employees on workplace safety. Safety measures and occupational health precautions are constantly conveyed to employees during the regular meetings such as daily toolbox meetings to ensure maximum safety protection at worksites. We circulate the WSH alerts issued by WSH Council to all the employees to remind them the importance of workplace safety. The alerts keep the Company and workers informed of recent WSH incidents and highlight learning points and provide recommendations on how similar incidents can be averted.



Safety award to reward safe behaviour

We are certified under OHSAS 18001:2007 in Occupational Health and Safety Management. We also received BizSAFE Level Star certificate in recognition of our ongoing commitment and efforts to health and safety. Safety recognition and certifications incentivise employees at construction sites to maintain and improve the standards of health and safety at the sites.

In 2019, we have in place additional safety protection measures at our worksites to prevent accidents from occurring. They are, amongst others, exclusion zones were established to prohibit entry of non-authorized personnel, pedestrian walkway and vehicular paths are clearly segregated with barricades to eliminate risk of accidents and anti-slip gloves are provided for handling glass. We also have implemented the use of digital permit-to-work system for some of our projects. It is a versatile platform where digital permit-to-work can be submitted, validated and approved through the platform. Other than the benefit of it being more environmentally friendly than using paper form of permits, the platform allows easier monitoring of safety processes on site as all key stakeholders have real time access to the safety information on site. The digital permit-to-work system improves productivity, compliance, and ultimately safety on construction sites.



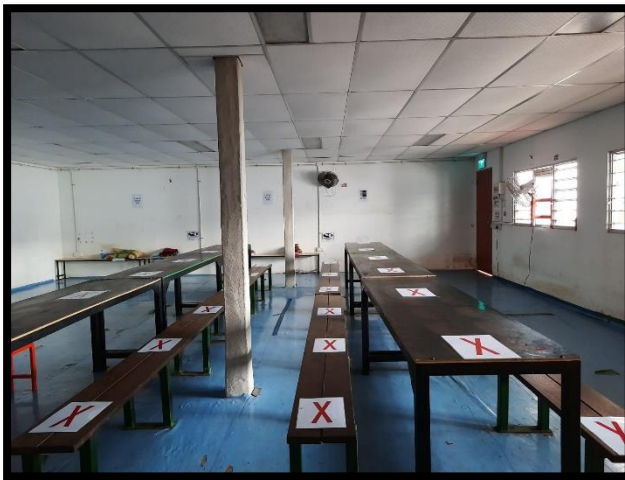
Designated walkway



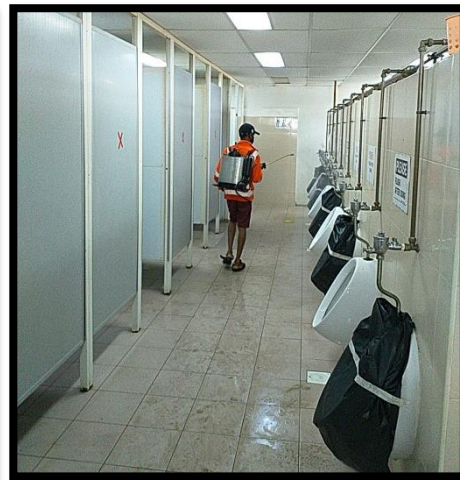
Anti-slip gloves for handling glass

As a result of our rigorous efforts to keep the workplace safe for our employees, we reported one work-related accidents and no fatalities in FY2019.

In view of the Covid-19, the Group had taken precautionary measures and implemented operational protocols in its operations since January 2020 in response to the growing concerns over the Covid-19 outbreak. All employees who have been to countries with Covid-19 or came into close contact with a person who have been to countries with Covid-19 were required to work from home for two weeks. Our employees were spilt into teams to practise social distancing, with staggered lunch time and working hours. Further to the implementation of Circuit Breaker measures by Ministry of Health, we have arranged for employees to work from home for certain key functions. For the safety of our employees, construction works for most ongoing projects are suspended. However, we have arranged for employees to periodically attend to construction sites for the supervision of essential activities including vector controls, earth control and safety measures. All precautionary measures are taken to ensure the safety and well-being of our employees.



Safe distance practice



Sanitising toilet

Target

Looking forward in FY2020, we aim to maintain our low rate of work-related accidents. We will also continue to increase our state of preparedness in the event of any emergency and ensure a safe and healthy working environment for our employees.

TRAINING AND EDUCATION

Career development and employee training is crucial as it enhances productivity of all employees by equipping them with the necessary skillset to perform their duties in an ever-changing environment. Increased performance of the employees brings a greater positive impact to the Company.

Management Approach and Performance

New employees are engaged to our orientation programmes where they learn about our Group's key policies. These programmes also help them to familiarise themselves with our general working environment, corporate culture, and service knowledge as well as quality requirements. Workers are briefed on the in-house safety rules and regulations regularly and during their first day of induction.

On-the-job trainings are provided by the employees' immediate supervisors, who share their experiences and knowledge, provide guidance and advices, as well as monitor performance of individual employee. Experienced workers are assigned to new worker as part of our buddy system program.

We empower our staff with skills and experience through a range of learning and development programmes coordinated by our Group's Human Resource department or initiated by staff themselves. We regularly send our employees to attend seminars, conferences and trainings to improve their technical and functional skills, broaden their knowledge, and ultimately increase their productivity and efficiency at work. Our BCA Approved Training and Testing Centre conducts courses on hydraulic excavator operation. We will continue to impart knowledge and skills on handling the machineries, so as to help the workers to improve their work productivity and quality.

In 2019, our employees attended the emergency readiness seminar where they learn about how to respond to different types of emergencies, such as evacuation procedures and fire prevent tips. Our office staff also attended the workplace safety training where they learn about how to work in a safer office environment.



Training of Safe Use of Road Sweeper



Office staff attending workplace safety training

Some other courses attended by our employees in 2019 include, but not limited to workplace safety and health course, confined space operation training, training on hydraulic excavating operations, construction safety orientation course, hazmat transport driver permit course, ISO training workshop, the Security of Payment Act related course, construction contract administration course, International Financial Reporting Standards Masterclass 2019, project management courses, and occupational first aid course.

Our employees have fulfilled more training hours in FY2019 as compared to FY2018. The average training hours per employee for FY2019 and FY2018 are as follows.

Training	FY2019	FY2018
Average hours of training per employee	8.6 hours	6.5 hours

Target

Our Group aim to further improve the quality of our training courses and increase or maintain the current level of training hours depending on the staff training needs so that our employees are provided with the necessary competence and leadership to perform their work in a safe and efficient manner.

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