



HGH HOLDINGS LTD. SUSTAINABILITY REPORT 2025



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This sustainability report has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor"). This sustainability report has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this sustainability report including the correctness of any of the statements or opinions made or reports contained in this sustainability report.

The contact person for the Sponsor is Ms. Audrey Mok (Telephone number: +65 6232 3210), at 1 Robinson Road, #21-01 AIA Tower, Singapore 048542.

BOARD'S STATEMENT

The Board of Directors (the “**Board**” or “**Directors**”) of HGH Holdings Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) reaffirms our commitment to sustainability with the publication of our sustainability report for the financial year ended 31 December 2025 (“**Report**”), highlighting the Group’s environmental, social and governance (“**ESG**”) factors.

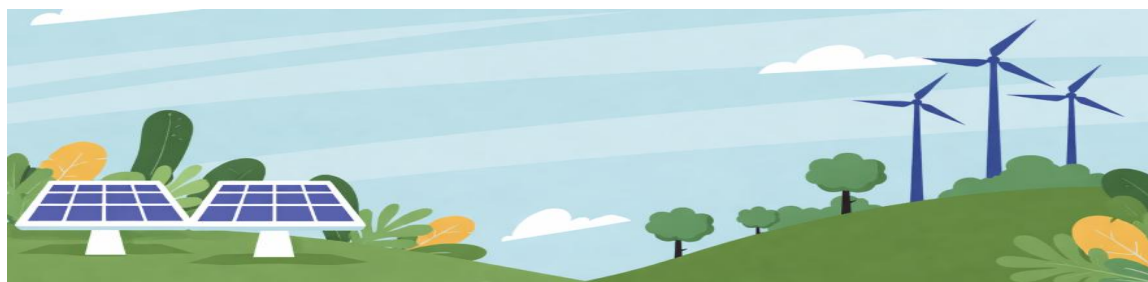
With the recovery of the global economy, we remain vigilant about operating safely in this new business environment. This goes beyond restarting business to include seizing opportunities that may arise in this new environment to catalyse change internally and holistically.

The Group is committed to upholding good corporate governance practices, enhancing operational safety and promoting environmental sustainability. We have and will continue to consider these sustainability issues as part of our strategic formulation. We remain focused on managing and monitoring our ESG performance and initiatives. The Board has integrated sustainability considerations into the Group’s business and strategy, identified material ESG factors and overseen the management and monitoring of the material ESG factors. With regard to sustainability governance, the Board oversees the Sustainability Committee to ensure compliance with all reporting requirements under the Catalist Rules as well as other applicable rules and regulations in Singapore. The Sustainability Committee is responsible for implementing all strategies, policies and practices to strengthen the Group’s sustainability performance and reports to the Board on all sustainability matters. We are committed to continually enhancing our sustainability efforts to support the long-term growth and resilience of our business.

For and on behalf of
the Board of Directors of
HGH Holdings Ltd.

Tan Poh Guan

Executive Director and Chief Executive Officer



ABOUT THE REPORT

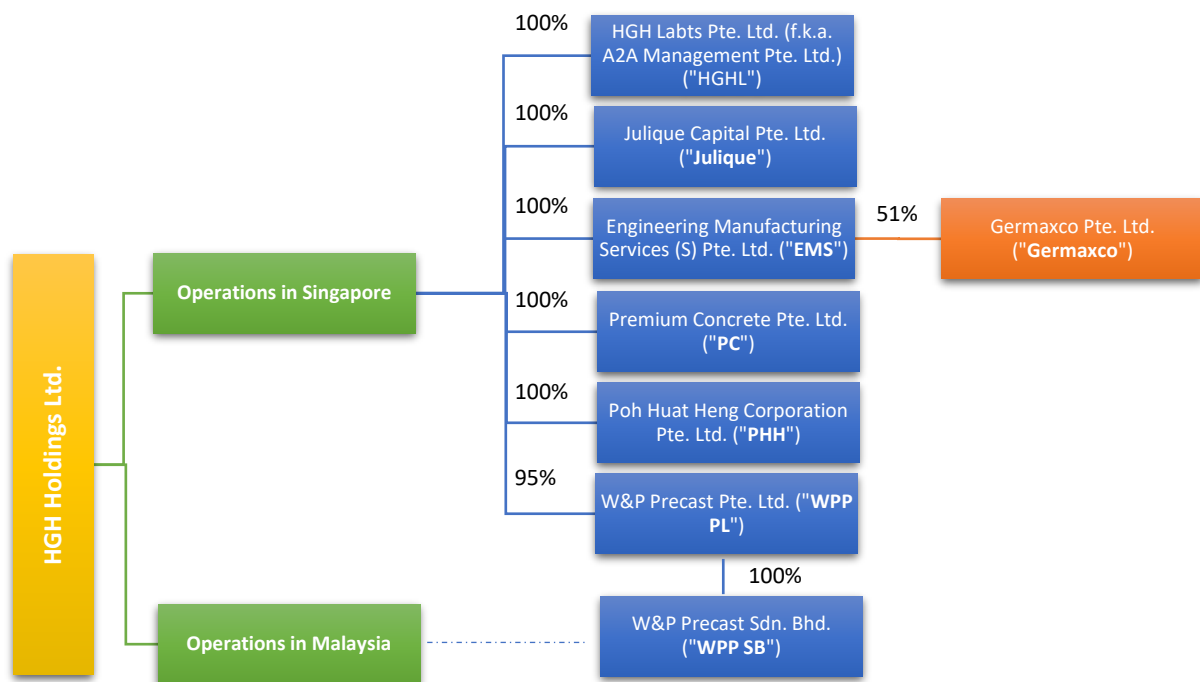
This is the Group's ninth year of reporting and it is prepared with reference to Rule 711A and Rule 711B of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), Practice Note 7F Sustainability Reporting Guide of the SGX-ST, and with reference to the Global Reporting Initiative (GRI) Standards 2021. The Group has chosen the GRI Standards as they are internationally recognised and represent the global best practice for reporting. The GRI Content Index presented at the end of this Report indicates the extent of the application of the GRI Standards.

The Group continues to report climate-related disclosures based on the recommendations from the Task Force on Climate-related Financial Disclosures ("**TCFD**"). Following the updates to the sustainability reporting regime announced by the Accounting and Corporate Regulatory Authority ("**ACRA**") and Singapore Exchange Regulation ("**SGX RegCo**") on 28 August 2025, all listed companies are required to continue to report Scope 1 and Scope 2 greenhouse gas ("**GHG**") emissions from the financial year ended 31 December 2025, while Scope 3 GHG emissions disclosures remain voluntary for non-Straits Times Index ("**STI**") constituent listed companies with a market capitalisation below S\$1 billion.

In addition, the reporting of other climate-related disclosures requirements based on the IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board ("**ISSB**") has been deferred to the financial year ending 31 December 2030 for non-STI listed companies with a market capitalisation below S\$1 billion, while external limited assurance for Scope 1 and Scope 2 GHG emissions is currently expected to be mandatory from the financial year ending 31 December 2029.

In this regard, the Group will continue to enhance its climate-related disclosures progressively, taking into account its operational profile and readiness, while preparing for alignment with ISSB-based requirements and assurance expectations in accordance with the revised regulatory timelines.

This Report is applicable to the Group and covers the following operating entities, providing an overview of our ESG performance and initiatives for the Group's operations in Singapore and Malaysia for the period from 1 January 2025 to 31 December 2025 ("**FY2025**").



Through this Report, the Company shares its sustainability progress and invites stakeholders to provide feedback via our office address or email listed on the last page of this Report, or the Company’s website at <https://www.hghholdings.com.sg/>. In line with our environmental conservation efforts, no physical copies of this Report will be printed. A copy of this Report can be found on SGXNet at <https://www.sgx.com/securities/company-announcements/> or the Company’s website.

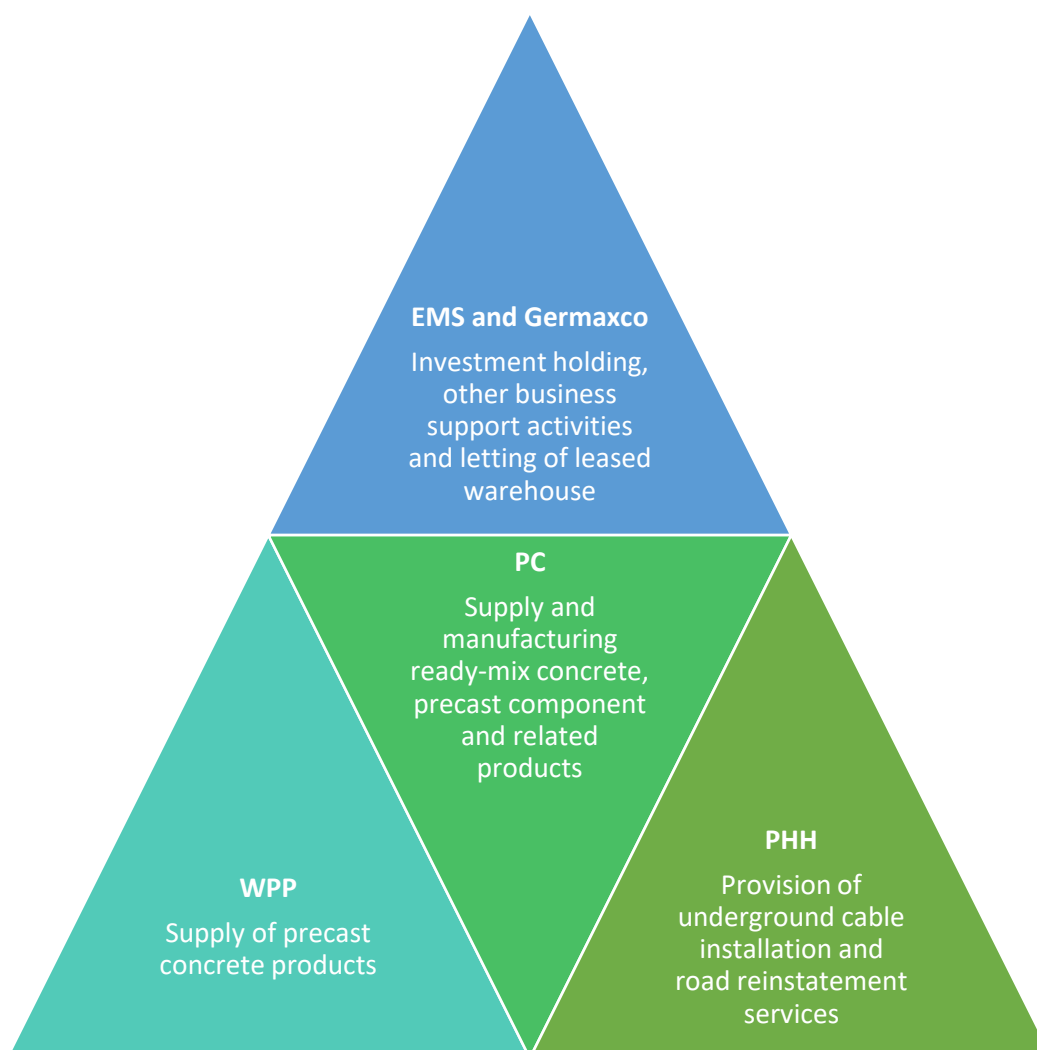
The ESG performance data presented in this Report is provided by the relevant departments of the Group and has been internally reviewed by our internal auditors in accordance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors. This Report has not been externally assured.

ABOUT THE GROUP

Our Business

The Group was listed on the Catalist Board of the SGX-ST in 2005. In 2017, the Group underwent a transformation as it ventured into new business segments, namely leasing of property and provision of property related services, supply and manufacturing of ready-mix concrete, manufacturing and supply of precast concrete products. In 2018, the Group completed its divestment of its initial business in manufacturing and supplying of high-precision cold forged loudspeaker parts and successfully acquired PHH, whose main business is the provision of underground cable installation and road reinstatement services.

Currently, the primary business activities of the Group are as follows:



Memberships and Certifications

- The Company's subsidiaries, EMS, PC and PHH are members of the Singapore Business Federation.
- Other certifications held by our subsidiaries are as shown below:

Name & Address of Site	Certification
Premium Concrete Pte. Ltd. 91 Bencoolen Street, #04-02 Sunshine Plaza, Singapore 189652	SS EN 206: 2014 ISO 9001:2015 BizSAFE Level 3
W&P Precast Pte. Ltd. 60 Benoi Road #03-01, Singapore 629906	ISO 9001:2015 BizSAFE Level 3
Poh Huat Heng Corporation Pte. Ltd. 60 Benoi Road #03-01, Singapore 629906	BizSAFE Level Star ISO45001:2018

Name of Company	BCA Certification
Premium Concrete Pte. Ltd.	SYO1B Ready-mixed concrete - L1
W&P Precast Pte. Ltd.	CW02 Civil Engineering - C3
	GB 2 General Builder Class 2
	SY01C Other Basic Construction Material – L1
Poh Huat Heng Corporation Pte. Ltd.	GB2 General Builder Class 2
	CW02 Civil Engineering – C3
	CR07 Cable/ Pipe Laying & Road Reinstatement – L1

STAKEHOLDER ENGAGEMENT

The Group recognises the importance of our stakeholders' interests and expectations in driving the success of our business and our sustainability performance. Accordingly, the Group is committed to engaging with our stakeholders as part of our continued sustainability efforts. Engagement with stakeholders is carried out through face-to-face meetings, tele-communications, email and annual general meetings.

Through regular engagement with our stakeholders, we strive to understand their feedback and concerns, and integrating these insights into our corporate strategies to foster a mutually beneficial relationship.

Stakeholders	Topics	Engagement Methods	Our Commitment
Customers	<ul style="list-style-type: none"> ▶ Product quality and assurance ▶ Customer's satisfaction 	<ul style="list-style-type: none"> ▶ Meetings ▶ Feedback via phone calls/emails 	We review feedback from our customers to foster long-term and positive relationships.
Employees	<ul style="list-style-type: none"> ▶ Feedback and concerns ▶ Productivity and performance ▶ Workplace health and safety ▶ Fair employment practices ▶ Training opportunities 	<ul style="list-style-type: none"> ▶ Regular staff meetings to address any feedback and concerns ▶ Training and education ▶ Annual performance and appraisal 	We maintain a robust employee handbook and comprehensive workplace health and safety procedures to ensure a fair and safe working environment for our employees.
Government and Regulators	<ul style="list-style-type: none"> ▶ Corporate governance ▶ Regulatory compliance 	<ul style="list-style-type: none"> ▶ Regulatory guidelines and requirements ▶ Annual reports 	We are committed to adhering to all regulatory requirements.
Industry Associations	<ul style="list-style-type: none"> ▶ Memberships 	<ul style="list-style-type: none"> ▶ Singapore Business Federation 	We aim to contribute positively to the industry associations.
Shareholders and Investors	<ul style="list-style-type: none"> ▶ Annual report ▶ Sustainability report ▶ Financial results and business performances 	<ul style="list-style-type: none"> ▶ Annual General Meeting and Extraordinary General Meeting ▶ SGX announcements 	We aim to provide timely updates on key developments and action plans via our various engagement methods.

Stakeholders	Topics	Engagement Methods	Our Commitment
	<ul style="list-style-type: none"> ▶ Company's announcements and press releases 	<ul style="list-style-type: none"> ▶ Company's website ▶ Media release and interviews 	
Suppliers	<ul style="list-style-type: none"> ▶ Procurement practices ▶ Quality assurance inspection ▶ Ongoing certification and specification ▶ Fair and transparent business conduct 	<ul style="list-style-type: none"> ▶ Meetings ▶ Feedback via phone/emails ▶ Feedback on product quality 	We engage with reliable and credible suppliers, striving to cultivate long-standing and trusting relationships with them.

MATERIALITY ASSESSMENT

The Group conducts a comprehensive materiality assessment comprising 4 stages to identify and disclose ESG issues that are material to the Group. This section describes the procedures undertaken by the Group to ensure a robust assessment:



Identification

The Group identifies material issues within its core business that are considered most significant by both the Group and its stakeholders, based on stakeholder surveys, internal policies and management reports. As part of this process, the Group conducts a survey with selected stakeholders (e.g. suppliers, employees, and clients) to assess and rank the ESG issues most relevant to them.

In view of the nature of its operations, the Group is classified as a Construction Materials entity. Accordingly, it identifies potential material issues in its stakeholder surveys with reference to the IFRS Sustainability Disclosure Standards Industry-based Guidance on implementing climate-related disclosures (Volume 8 – Construction Materials). The Group also benchmarks material issues identified by its peer companies to support a comprehensive and balanced assessment.

Rate

The Group consolidates and evaluates the materiality of the identified issues from both stakeholder and business perspectives, ranking them based on their relevance to our operations and the interests of our stakeholders. Management reports, internal policies and strategic discussions provide valuable input to the Sustainability Committee in assessing the materiality of each ESG issue from the Group’s business perspective, while the survey provides aggregated insights into the importance of these issues from the stakeholders’ perspective.

Prioritisation

The Group prioritises these issues using a materiality matrix to visualise their relative significance. The Group plots a materiality matrix, with “relevance to the Group’s business” on the x-axis and “relevance to stakeholders” on the y-axis. This enables the Group to identify and prioritise issues that are most critical to both its financial performance, as well as to stakeholders’ interests and expectations. ESG issues

positioned closest to the top-right corner of the materiality matrix are considered the most material to the Group.

Validation

The Sustainability Committee reports to the Board at least once annually, supporting the Board in the formulation and review of the Group's ESG issues, as well as in validating and approving the materiality matrix. After assessing their relevance to the Group's business and to stakeholders' interests and expectations, material key performance indicators (KPIs) are identified for disclosure. Each material issue is addressed or elaborated upon in the relevant sections of the Sustainability Report, with comprehensive explanations provided for issues of higher materiality based on the materiality matrix, including the Group's performance, implemented measures, and planned improvements. The results of the materiality assessment are disclosed within the Sustainability Report.

Review, Approval and Disclosure

The Group recognises that stakeholder expectations continue to evolve, therefore the management regularly reviews its business operations and actively engages with its stakeholders. At the same time, the Sustainability Committee is responsible for managing stakeholder engagement, collecting and reviewing stakeholders' expectations and needs, and providing regular updates to the Board on sustainability practices and performance. The Group's sustainability performance is incorporated into the Group's risk management process and disclosed in the Group's Sustainability Report.

Along with the ESG issues of the Group, the guidelines in relation to stakeholder engagement and materiality assessment are reviewed at least once a year by the Board with the assistance of the Sustainability Committee. The guidelines are revised, where necessary, to reflect changes or developments in the SGX requirements and GRI reporting standards, as well as industry best practices. Adequate oversight over sustainability reporting processes, including stakeholder engagement and materiality assessment methodologies, facilitates the effective management and timely evaluation of sustainability risks.

The Group also ensures that the justification for the identification, rating, prioritisation, and validation of material ESG issues is documented.

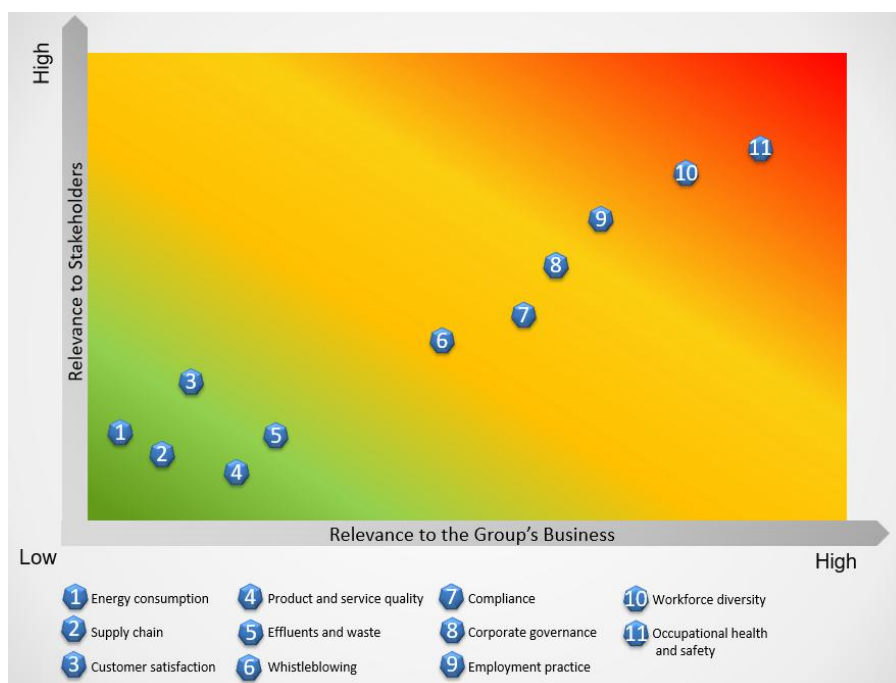
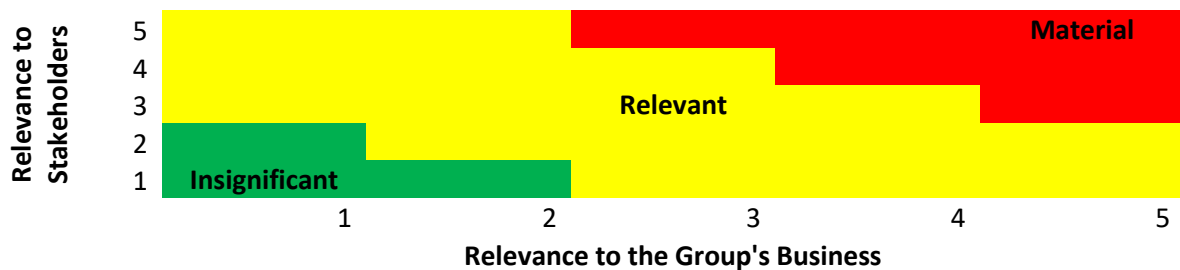
MATERIALITY RATING CLASSIFICATION

The significance of ESG issues is determined by their relevance to both the Group's stakeholders and to the Group's business operations.

Relevance to Stakeholders	Assessment rationale: To what extent does the ESG issue affect/determine stakeholders' choices and decisions
5	Critical
4	Major
3	Moderate
2	Minor
1	Insignificant

Relevance to the Group's Business	Assessment rationale: Impact on the Group's: a) operational performance, b) financial performance, c) breach of laws and regulations which would lead to material fines and d) reputation and product brand
5	Critical
4	Major
3	Moderate
2	Minor
1	Insignificant

Materiality Matrix Rating



Reporting Framework and List of Material Topics

For each material topic, we report on its relevance to our business and stakeholders.

Key Aspects	Stakeholders	Material Sustainability Topics
Governance	Investors Government / Regulator Employees / Suppliers	Corporate Governance Compliance Whistleblowing
Social	Employees Employees Employees Customers	Employment Practices Workforce Diversity Occupational Health and Safety Customer Satisfaction
Environmental	Employees Employees Customers / Suppliers Suppliers	Energy Consumption Effluents and Waste Product and Service Quality Supply Chain

The following sections in this Report evaluate these material ESG topics, taking into consideration the evolving business landscape and our strategic direction. We will continue to strengthen our existing sustainability framework, set targets for improvement and aim to achieve these targets in the coming years.

We look forward to continued engagement with our stakeholders. The perspectives of our stakeholders will support the Group in evaluating and refining our approach to better manage our business in a sustainable way.

GOVERNANCE

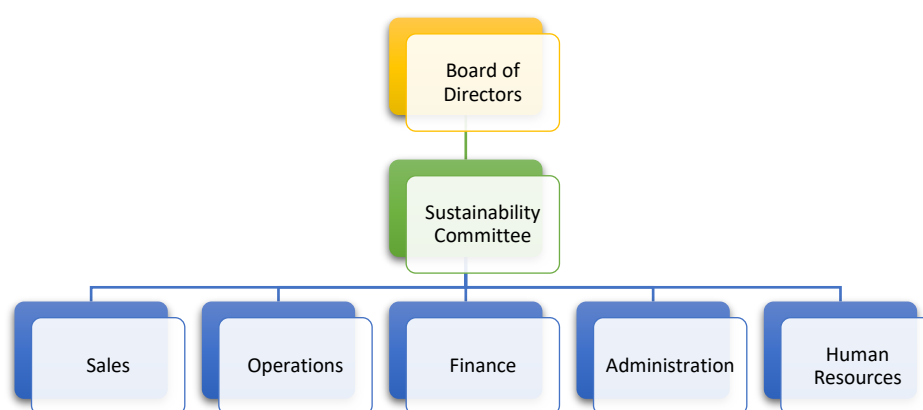
We believe that having the right business values – good corporate governance and ethical conduct is crucial to the Group's growth and provides a robust foundation to the Group. The Group is committed to conducting our business in an ethical and responsible manner, and we do not tolerate any corruption or bribery within any of our businesses.

Corporate Governance

The Group understands the importance of good corporate governance, accountability, and transparency and is committed to upholding high standards of governance and regulatory compliance. In FY2025, the Group remained in compliance with the Code of Corporate Governance 2018 as required under the Catalist Rules. Please refer to pages 11 to 43 of our Annual Report 2025 for further details.

The Group has a dynamic team in place to implement and execute sustainable strategies across the organisation. The Sustainability Committee ensures that all strategies, policies and practices have been incorporated to strengthen its sustainability performance and reports to the Board on all sustainability matters.

The Board oversees the Sustainability Committee¹ and ensures that all material factors identified are well-managed and monitored to uphold transparency and accountability across the Group.



¹: The Sustainability Committee comprises of Lai Choong Hon (Group FC), Eric Sean Koo Kong Chew (WPP, Director), Aloysius Seng Book Kim (PC, Director), Francis Ng (PHH, Operation Manager), and Sharon Mak (EMS, executive).

Compliance

The Group conducts its businesses in an honest and ethical manner and is committed to acting professionally and fairly in all business dealings.

The Board meets on a regular basis to ensure that the Group meets all regulatory requirements and remains in compliance with all relevant laws and regulations in the countries we operate in. Similarly, the Board oversees the Sustainability Committee to ensure that the Group complies with the relevant rules and regulations and adheres to the policies and procedures that have been set out by the management and the Board.

We have been actively engaging our Continuing Sponsor and we remain compliant with all reporting requirements under the Catalist Rules, as well as other applicable rules and regulations in Singapore. In FY2025, there were no non-compliance cases (FY2024: Nil). Given this track record, the Board believes that the Group's compliance controls remain appropriate, and we strive to work closely with our Continuing Sponsor to maintain a zero incident of non-compliance record in the coming years.

Whistleblowing

The Group has maintained a robust whistle-blowing policy ("**Whistle-Blowing Policy**") in place since 2008 which is updated periodically. The policies and procedures for raising any concerns about possible improprieties in matters of financial reporting or management were last updated on 21 February 2024. The policy was communicated to all employees of the Group via email on 15 January 2025 and will continue to be communicated to all employees on a yearly basis at the beginning of each year.

The Whistle-Blowing Policy applies to all employees within the Group and any third parties dealing with the Group, and provides a mechanism for employees and external parties to report concerns over alleged wrongful acts. Employees or external parties with complaints, concerns or issues relating to potential corrupt activities, may raise such concerns confidentially with Mr. Eddy Lim Seok Boon, Chairman of the Audit Committee, or Mr. Ng Ser Chiang, the Lead Independent Director. This is also disclosed on page 34 of our Annual Report 2025.

In FY2025, there were no reported incidents of corruption within the Group and we will continue to monitor and prevent such occurrence (FY2024: Nil). We remain committed to ensuring that all employees are fully aware of our policies in the financial year ending 31 December 2026 ("**FY2026**").

Climate-related Disclosures

Governance

The Board has considered climate-related issues in the Group's business and strategy, identified the material ESG factors, including climate-related issues, and overseen the management and monitoring of these factors. The Board oversees the Sustainability Committee and ensures the Group's compliance with all reporting requirements under the Catalist Rules as well as other applicable rules and regulations in Singapore, while the Sustainability Committee ensures all strategies, policies, and practices are effectively implemented to strengthen its sustainability performance and reports to the Board on all sustainability matters. Further details regarding the Group's sustainability governance structure can be found under the "Corporate Governance" section of this Report.

Strategy

The Group recognises the importance of identifying climate-related issues and mitigating the climate-related risks and is committed to managing the actual and potential climate-related risks that may impact on the Group's business activities. For the purpose of this Report, the Group has categorised climate-related risks based on the following time horizons:

- ▶ Short-term: Up to FY2030.
- ▶ Medium-term: FY2030 - FY2040.
- ▶ Long-term: FY2040 - FY2050.

The Group considers climate-related risks and opportunities within these time horizons. To better understand the impacts of climate change on its operations, the Group conducted climate scenario analyses for FY2030, FY2040, and FY2050, under the following pathways:

- ▶ 2°C Scenario: Global CO₂ emissions peak and decrease early, reaching net zero after 2065. Lower physical risk but higher transition risk due to additional costs and measures taken to shift to a low-carbon economy.
 - Shared Socioeconomic Pathways ("SSP") 1-2.6
 - International Energy Agency ("IEA") Announced Pledges Scenario ("APS")
 - Network for Greening the Financial System ("NGFS") Below 2°C

- ▶ 3.6°C Scenario: A regional rivalry scenario, emissions and temperature rise steadily, with no additional actions beyond existing policies. The Paris Agreement fails, and many regions will experience a significant increase in extreme weather events by 2100. This scenario is characterised by higher physical risk and lower transition risk.
 - SSP3-7.0
 - IEA Stated Policies Scenario ("**STEPS**")
 - NGFS Current Policies

The scenario analyses include all businesses under the Group's direct operational control. The parameters used and reasons for their relevance are listed as follows:

- ▶ Carbon prices: Carbon pricing is expected to be higher in a lower-carbon scenario under stricter policies, such as cap-and-trade programmes and carbon taxes.
- ▶ Energy prices: Projected future energy prices are required to assess the cost-efficiency of equipment efficiency improvements under different scenarios.
- ▶ Renewable energy: The proportion of renewable energy used by the Group affects the amount of carbon offset required.
- ▶ Electric vehicles: The cost required for replacing existing fleets with EVs, as well as potential cost savings.
- ▶ Sea level rise: Potential floods may disrupt the Group's supply chains, and flood prevention measures can have an impact on local tax rates.
- ▶ Increase in number of hot days and mean and maximum temperatures: Hotter temperatures can create unsafe working environments and cause project delays.

The Group's climate-related risks mainly stem from the following dimensions:

Physical Risks

Acute

Although Singapore is very well-protected from most natural disasters, the increase in frequency and severity of extreme weather events such as storms and heavy rains leading to floods can disrupt the Group's operations, which may damage the Group's leased properties and/or the surrounding infrastructure, endanger the Group's employees during their work, damage underground cable installations and roads, disrupt supply chains for concrete production, and delay the Group's project timelines. Operational costs can also increase due to rising insurance premiums, and in some cases, if

physical climate risks escalate over time, some of the Group's assets could become uninsurable. To minimise the potential risks and hazards, the Group regularly monitors weather conditions and takes precautionary measures during adverse or extreme weather conditions.

Chronic

With the rise in the global mean temperature, the Group's employees engaging in outdoor work face an increasing risk of suffering heat stroke while working, as well as a decrease in work efficiency. The deterioration of their working conditions may also pose challenges in employee retention and recruitment. To ensure optimal working conditions for its employees, the Group has implemented measures for heat stress management. For outdoor operations during periods of high temperatures, more frequent water breaks are scheduled, sufficient water and shaded areas on-site, and protocols for the treatment of employees suffering from heat stroke. For indoor operations, all facilities are equipped with Heating, Ventilation, and Air Conditioning ("HVAC") systems to support a safe and comfortable working environment.

As roughly one-third of Singapore is less than 5 metres above the mean sea level, rising sea levels coupled with extreme weather events can cause potential periodic flooding. To tackle this issue, the Singaporean government has been planning to reclaim land and invest in coastal protection, and thus it may implement higher taxes and levies to fund future infrastructure projects.

Transition Risks

Reputation and Market

Since concrete manufacturing and construction work are sectors that emit large amounts of greenhouse gases ("GHGs"), the Group anticipates that there will be a shift in consumer preferences for products and services with lower carbon footprints, and that may impact the Group's revenue due to potential reduced demand in the long-term. To remain competitive in the long run, the Group is committed to exploring more environmentally friendly alternatives when selecting suppliers and diversifying its portfolio of products and services in the future, where feasible. To demonstrate the Group's commitment in reducing GHG emissions, the Group has also upgraded its cement truck fleet to Euro VI models, and will continue to upgrade its equipment to be more environmentally friendly where feasible.

Policy and Legal

The Group also anticipates that there will be more stringent climate regulations to support the global vision of carbon neutrality, such as the increasingly stringent requirements on climate-related information

disclosures and environmental laws and regulations, which lead to increasing operational and compliance costs. In response, the Group regularly monitors existing and emerging climate-related trends, policies and regulations and is prepared to alert the top management where necessary to avoid cost increments, non-compliance fines or reputational risks arising from delayed responses.

Potential carbon taxes or cap-and-trade programmes can also increase operational costs significantly, especially considering the Group's business in concrete products. To reduce its emissions, the Group installed a solar panel system at its premises. Following the successful completion of Phase 2 at the end of 2025, the system is now fully operational. In FY2025, the internal electricity generation from the solar panel system was approximately 45,640 kWh per month, which was about 18% of the Group's monthly energy consumption (FY2024: 44,200 kWh per month). The Group strives to further reduce its emissions to mitigate this potential cost in the future.

Opportunities

Resource Efficiency

In order to minimise the Group's environmental impacts, existing production processes and equipment need to be streamlined and upgraded to reduce the environmental impact per unit of production. Currently, the Group has upgraded its cement trucks to EURO VI models, which is more environmentally friendly. Following the completion of the phased installation of the solar panel system at its premises, the Group will continue to assess opportunities to further enhance and expand the application of solar energy. In the long-term, as the Group increases its production efficiency and reduces waste, this improved efficiency not only improves the Group's environmental performance but also reduces the cost per unit of production and translates into increased economic value.

The heatmap showing the estimated annual impact of climate-related risks and opportunities is as follows:

Risk or opportunity driver	Time horizon	Risks		Opportunities	
		2°C Scenario	3.6°C Scenario	2°C Scenario	3.6°C Scenario
Higher frequency of flash floods ● Likelihood: Low ● Severity: Low	FY2030				
	FY2040				
	FY2050				
Higher frequency of droughts ● Likelihood: Low ● Severity: Low	FY2030				
	FY2040				
	FY2050				
Higher global mean temperatures ● Likelihood: High ● Severity: Medium	FY2030				
	FY2040				
	FY2050				
Higher mean sea level ● Likelihood: Medium ● Severity: High	FY2030				
	FY2040				
	FY2050				
Shift in consumer preferences ● Likelihood: Medium ● Severity: Low	FY2030				
	FY2040				
	FY2050				
Higher insurance fees and lower insurability ● Likelihood: Low ● Severity: Low	FY2030				
	FY2040				
	FY2050				
More stringent disclosure requirements ● Likelihood: High ● Severity: Low ● Benefit: Low	FY2030				
	FY2040				
	FY2050				
Carbon pricing related regulations ● Likelihood: Medium ● Severity: High	FY2030				
	FY2040				
	FY2050				

Improved equipment efficiency ● Likelihood: High ● Benefit: Low	FY2030				
	FY2040				
	FY2050				

Risk level					
Lower risk	Medium risk	Higher risk	Lower opportunity	Medium opportunity	Higher opportunity

Analysis shows that the Group is currently well-positioned to manage its climate-related risks. The corresponding sustainability strategies implemented by the Group to address the climate-related risks have been outlined above. The Group will continue to evaluate and implement the necessary measures to mitigate potential physical and transition risks under the 2°C and 3.6°C scenarios.

Risk Management

During FY2025, the Group’s management has conducted a climate risk assessment to identify, prioritise, and mitigate the potential climate-related risks that may arise from its business operations according to their likelihood and financial impact, as well as the effort required to adapt to and recover from these risks. The Group's internal climate risk questionnaire rates risk factors in terms of likelihood, impact, rigidity, and irreversibility, each rated on a scale from 1 (lowest) to 3 (highest). The scores are multiplied to obtain a total score, which is then used to rank the risks in terms of their importance. After the Group's Sustainability Committee completes the questionnaire and ranks possible risks, it evaluates the risks through scenario analysis using publicly available tools and internal models, subsequently revising and approving the disclosure of the estimated climate-related risks and effects. The Group maintains an ongoing internal dialogue regarding current and emerging risks, as well as their plausible impact and mitigation measures. These climate-related risks are identified and managed as part of our Enterprise Risk Management (“ERM”) system.

In response, the Group has set ambitious FY2030 decarbonisation targets and implemented the corresponding measures to mitigate potential climate-related physical and transition risks. The related targets and measures are detailed under the "Metrics and Targets" and "Strategy" sections of this Report respectively.

Metrics and Targets

The table below shows the measured metrics used by the Group to assess climate-related risks and opportunities in line with its strategy and risk management process.

Metric	Unit	Reference Page
GHG emissions (Scope 1 and 2)	tCO ₂ e	21
Total GHG emissions	tCO ₂ e	21
GHG emission intensity	tCO ₂ e/million revenue	21
Total electricity consumption	kWh	28-29

The principal GHG emissions produced by the Group were from diesel and petrol consumption (Scope 1) and purchased electricity (Scope 2).

Scope 1- Direct GHG Emissions

Diesel and petrol consumption accounted for the direct GHG emissions produced by the Group. Due to the Group's business nature, GHG emissions from the transportation of raw materials for concrete production are unavoidable. Nevertheless, the Group has implemented the following measures to reduce its direct GHG emissions:

- ▶ Select vehicles with efficient fuel consumption;
- ▶ Conduct regular inspections, maintenance and servicing of equipment and vehicles to ensure optimal performance and fuel efficiency; and
- ▶ Closely monitor cement trucks with heavy emissions.

Scope 2 – Energy Indirect GHG Emissions

Electricity consumption accounted for the energy indirect GHG emissions produced by the Group. The Group's energy conservation measures are set out in the section headed "Energy and water efficiency".

The Group is currently strengthening its data collection mechanism and will continue to expand its reporting scope and include Scope 3 emissions in the future.

The Group's GHG emission performance was as follows:

Types of GHG Emissions ¹	Unit	FY2025	FY2024	FY2023
Scope 1 - Direct GHG Emissions ● Diesel consumption ● Petrol consumption	tCO ₂ e	2,521.79 ²	604.18	445.02
Scope 2 - Energy Indirect GHG Emissions ● Purchased electricity	tCO ₂ e	983.55	1,025.34	1,072.41
Total GHG Emissions²	tCO₂e	3,505.34	1,629.52	1,517.43
GHG Emission Intensity³	tCO₂e/revenue (\$ million)	64.15	76.43	75.76

Notes:

1. GHG emissions data is presented in terms of tonnes of carbon dioxide equivalent and is based on, but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard" issued by the World Resources Institute and the World Business Council for Sustainable Development, the "Global Warming Potential Values" from the IPCC Sixth Assessment Report (AR6), "The Greenhouse Gas Emissions Measurement and Reporting Guidelines Appendix to Part II: Monitoring Plan" issued by the National Environment Agency and the "Singapore Energy Statistics 2025 - Chapter 2: Energy Transformation" issued by the Energy Market Authority of Singapore.
2. The significant increase in GHG emissions in FY2025 was mainly due to the relocation of the existing batching plant, which led to the commissioning of equipment at the new site being newly included in the data collection, as well as higher diesel consumption by trucks. However, the GHG emission intensity decreased in FY2025 compared to FY2024, as revenue growth from higher business activity outpaced the increase in total GHG emissions.
3. During FY2025, the Group recorded a revenue of approximately S\$54.64 million (FY2024: S\$21.32 million). This data is used for calculating intensity data.

In the short-term, the Group has set a target in FY2023 to reduce its Scope 1 and 2 emissions by 30% by FY2030, using FY2023 as the baseline year (i.e. 75.76 tCO₂e/revenue). The Group will continue to monitor its GHG emissions and implement various measures to achieve this reduction. The Group is committed to transitioning to 100% renewable energy by FY2040. The Group will also continue to evaluate and, where appropriate, make further commitments regarding long-term targets and Scope 3 emissions disclosures.

SOCIAL

Employment Practices

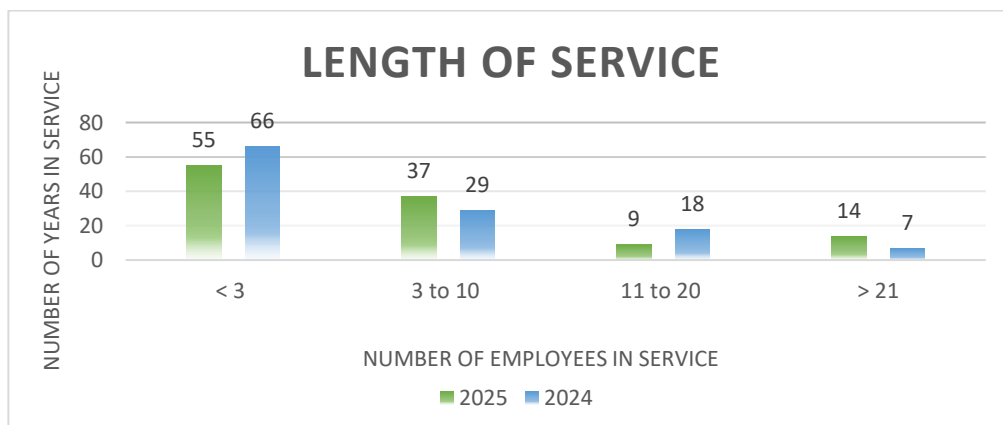
We practice fair employment and provide equal opportunities to all employees, regardless of their race, religion, age, gender or background. The Group’s recruitment process and subsequent annual performance appraisals are based on merit, work attitude, teamwork and their efficiency and effectiveness of work. We believe that promoting a fair workplace environment fosters respect and loyalty among our employees towards the Company.

We are fully compliant with the Singapore Government’s Employment Practices listed under the Ministry of Manpower to ensure that we remain competitive against similar industry players. Furthermore, the Group does not discriminate on the basis of race, age, gender, religion, ethnicity, facial attractiveness, physical disability, sexual orientation, political viewpoints, or nationality.

The Human Resource Policies and Procedures (“HRPP”) formulated by the Human Resource team have been updated periodically and applied across all business units to ensure consistency of internal practices among all business units. The HRPP outlines employee benefits and governs our non-discriminatory hiring policies and merit-based promotion policies. These policies are essential to our ability to attract and retain talent.

➤ Valuing our employees

The Group prioritises job satisfaction and employee welfare to be among its top priorities. We recognise long-serving employees with cash awards and the contributions made by our employees with various incentives to show our appreciation. Our employees are eligible for a range of benefits, including healthcare coverage, insurance, and parental leave. Furthermore, the Group offers competitive remuneration packages that are benchmarked against industry standards, rewarding each employee based on their competency and performance. Our retention rates are presented in the chart below:



As part of our continued efforts toward providing a transparent and merit-based compensation package, the remuneration breakdown of our Directors and our key management personnel can be found on page 29 of our Annual Report 2025.

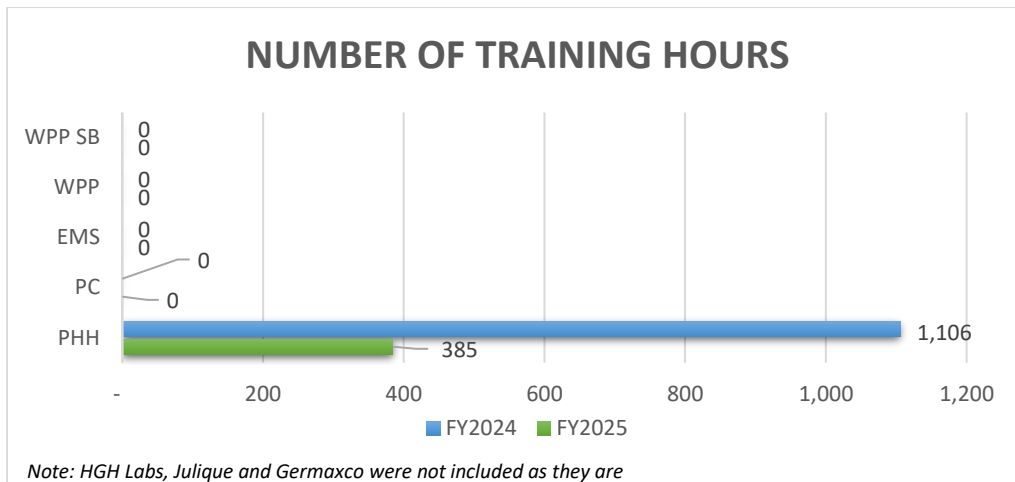
The Group will continue to abide by local labour laws in Singapore to promote fair employment practices. In FY2025, the Group remained in compliance with all relevant labour laws and there were no records of complaints from staff or of non-compliance from the authorities as targeted in the previous sustainability report (FY2024: Nil). We target to maintain this status of adherence to all relevant labour laws and zero records of complaints from staff or of non-compliance from the authorities in FY2026.

Training and Development

We ensure that our employees have access to a fair, collaborative and engaging workplace which allows them to provide their perspectives and concerns on the issues. To ensure that our staff remain abreast of evolving skills and information, we provide regular training opportunities to equip them with the required skill sets. In the coming years, we target to increase the frequency of employee attendance at training programmes, particularly those in relation to occupational health and safety practices.

Some of the courses attended by the employees include workplace safety and health, plumbing and pipefitting tradesman continual education training, construction safety orientation, ISO 9001:2015 Awareness and Quality Audit, Singapore Workforce Skills Qualifications (WSQ) – operate forklift/ lorry crane/ excavator, supervisor safe lifting operations, perform rigger & signalman tasks, first aid, traffic control course and basic concept in construction.

In FY2025, employees attended courses and training amounting to 385 training hours as compared to 1,106 training hours in FY2024. The training covers the necessary technical and soft skill sets, as well as on-the-job training. The decrease of training hours in FY2025 is due to the numerous one-off trainings attended in 2024, which are only required once every few years, such as Welding Training (224 hours), Perform Work In Confined Space Operation (220 hours), Confined Space Rescue Training (112 hours) and Occupational First Aid Course (138 hours).



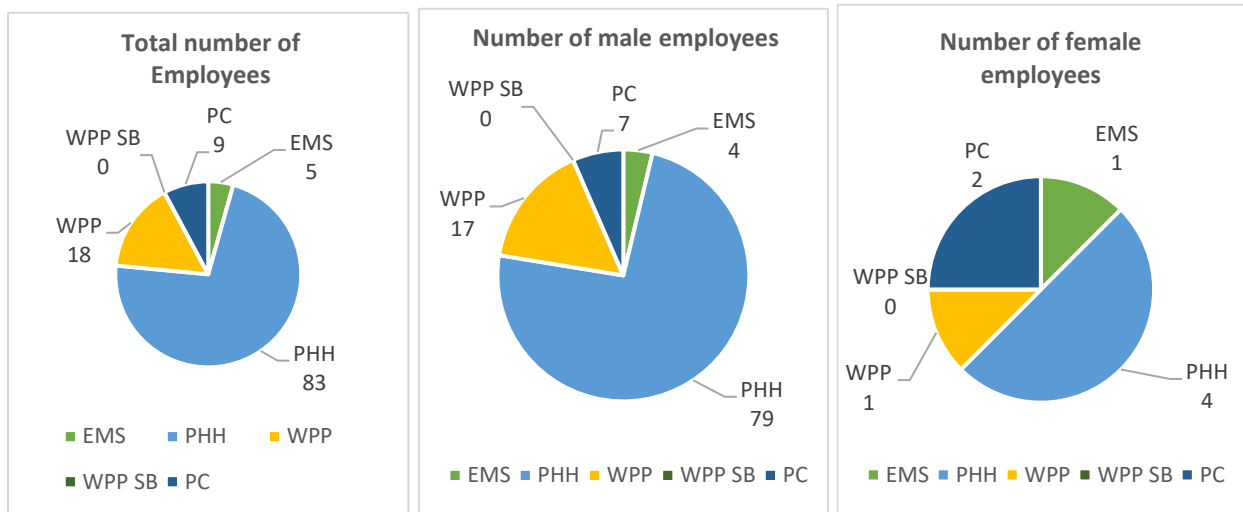
In FY2026, we will continue to deploy our resources and offer training courses to our employees to enhance their professional competence.

Workforce Diversity

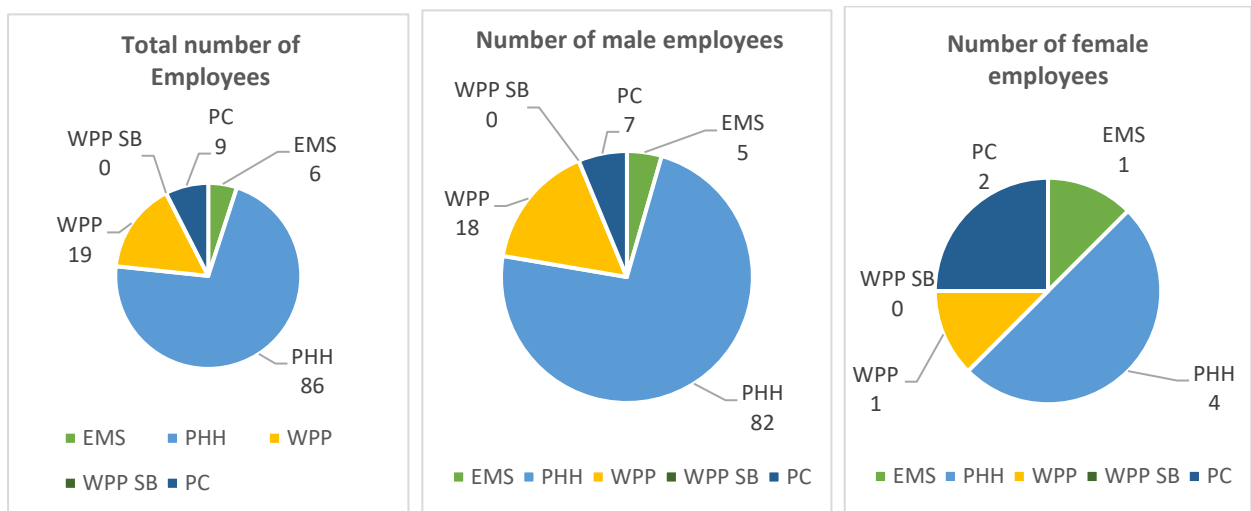
The Group believes in the importance of diversity that it drives innovation and strengthens our competitive advantage. Our workforce comprises individuals from diverse backgrounds, contributing a variety of perspectives to our operations.

In FY2025, our workforce consisted of 115 employees, comprising 107 male employees and 8 female employees, as shown in the charts below. The decrease in the number of total employees was due to new hires as the foreign workers' permits and contracts expired. Our workforce has a higher number of male employees due to the nature of our business operations. There were no incidents of discrimination in FY2025 (FY2024: Nil).

Total number of employees and the workforce diversity for FY2025 is as follows:



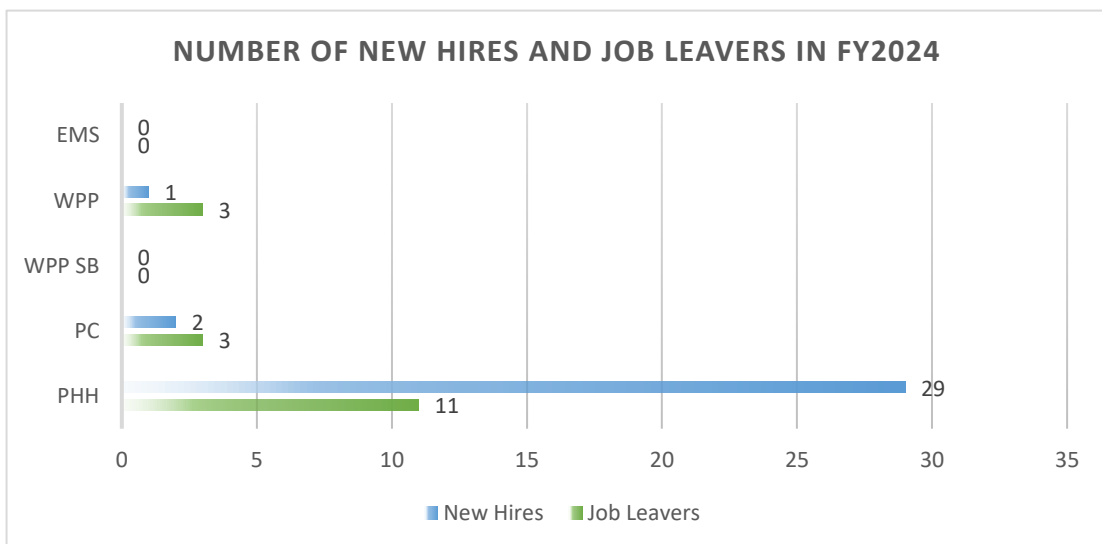
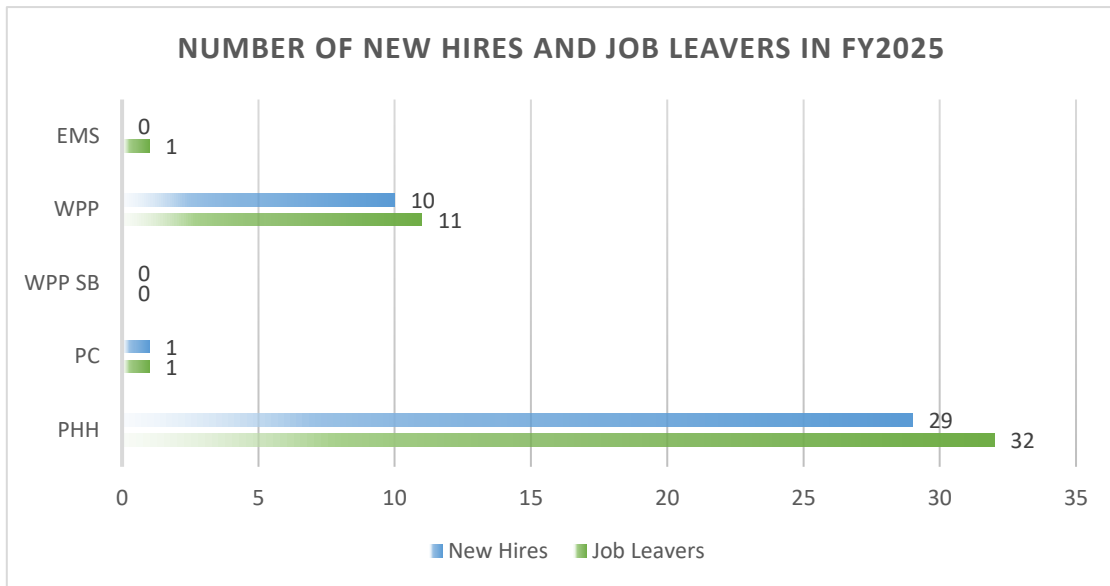
Total number of employees and the workforce diversity for FY2024 is as follows:



Note: HGH Labs, Julique and Germaxco were not included as they are dormant.

As at 31 December 2025, the Board comprises of five (5) Directors, all of whom are male and possess diverse qualifications and work experience. For more details on the qualifications and work experience of each Director, please refer to Board of Directors on pages 7 and 8 of our Annual Report 2025.

In FY2025, there were a total of 40 new male hires and 45 male job leavers across all business units, as shown in the chart below. Our turnover rate for the year averages at 38% due to the expiry of work permits for foreign workers. To address this issue, employees are encouraged to provide feedback to their reporting manager. There are also cohesive activities (such as team lunches, special occasion celebrations) in place for team bonding.



Note: HGH Labs, Julique and Germaxco were not included as they are dormant.

Occupational Health and Safety

The well-being and safety of our employees and relevant stakeholders are of utmost importance to us. To ensure a safe working environment, our employees and relevant stakeholders are expected to observe and follow safety procedures at all times.

A safety briefing by the project lead will be held before the commencement of each project. All safe work practices manual will be reviewed regularly by the top management, taking into account the feedback we received from the ground staff to ensure operational effectiveness.

The management sends the employees to attend safety training courses conducted under the Singapore Workforce Skills and Qualifications, to keep them updated on the safety procedures. The management

also sends the employees to attend occupational first aid courses, as well as refresher courses as and when needed to maintain the validity of their first aid certificates.

In FY2025, the Group remained in full compliance with all relevant laws and regulations, evidenced by zero work-related accidents and zero incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of our products and services (FY2024: Nil). We target to maintain this zero-incident record for FY2026.

Customer Satisfaction

Our businesses thrive on mutually beneficial and strong relationships formed with our customers. We always emphasise the importance of providing good customer service to all our employees. Feedback from customers is reviewed and relevant follow-up actions are performed in a timely manner. Good relationships with our customers and positive feedback from our customers motivate us as a Group to continue delivering a high standard of service quality and operational excellence across all our operations.

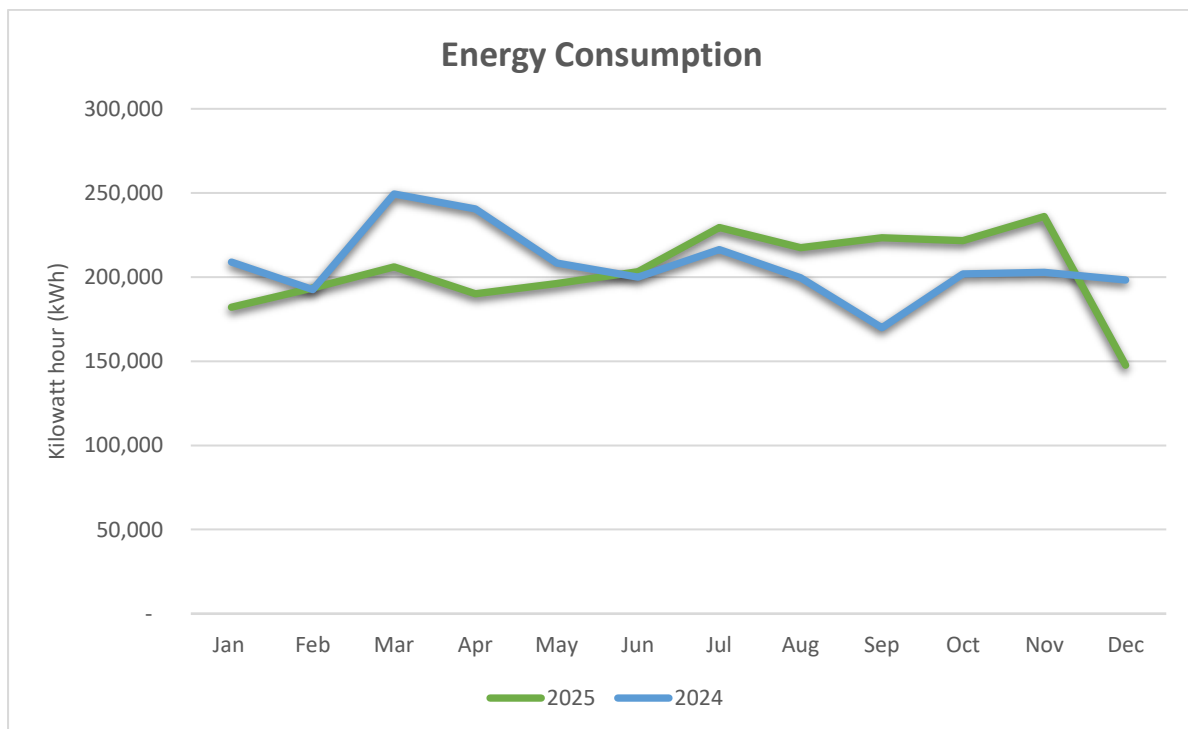
For FY2025, the Group did not receive any official complaints from our customers (FY2024: Nil). We target to maintain this good track record of zero customer complaints for FY2026.

ENVIRONMENTAL

There is an increasing awareness of environmental issues such as climate change. The Group believes that environmentally friendly practices enhance business efficiency and advocates corporate social responsibility towards the environment by incorporating these processes in its daily operations. As a socially responsible corporation, the Group strictly complies with related environmental regulations and all employees share responsibilities in monitoring the Group's environmental performance. In FY2025, there were zero incidents of non-compliance with relevant material environmental laws and regulations (FY2024: Nil). We aim to maintain zero incidents of non-compliance with relevant material environmental laws and regulations for FY2026.

Energy Consumption

We are committed to implementing measures to minimise our overall energy consumption and improve energy efficiency, thereby reducing the environmental impact of our operations. The Group's energy consumption for FY2025 is presented below.



Energy Consumption

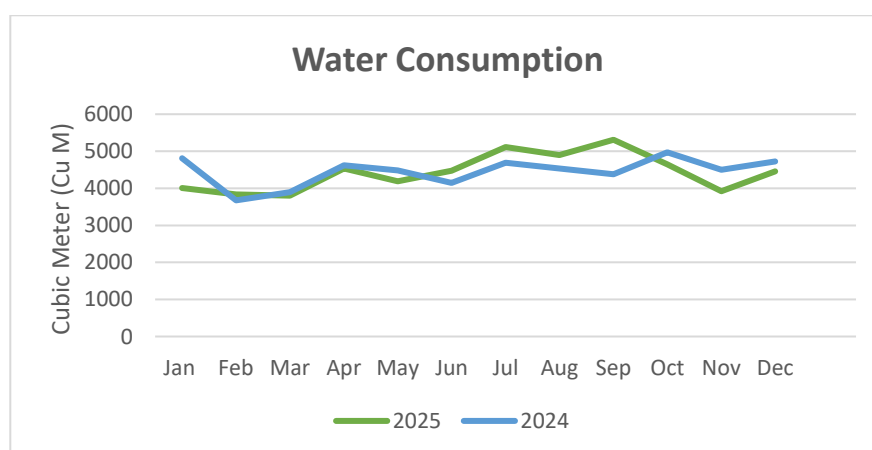
Category ¹	Unit	FY2025	FY2024
Direct energy consumption from non-renewable sources ● Diesel ● Petrol	MWh	9,435.64	2,269.94
Direct Energy Consumption from electricity generated by self-owned solar systems	MWh	547.68	353.59
Indirect energy consumption from purchased electricity	MWh	2,446.65	2,488.68
Total energy consumption²	MWh	12,429.97	5,112.21
Energy consumption intensity	MWh/revenue (\$ million)	227.49	239.78

Notes:

1. The unit conversion of energy consumption data is formulated based on the Energy Statistics Manual issued by the International Energy Agency.
2. The significant increase in energy consumption in FY2025 was mainly due to the relocation of the existing batching plant, which led to the commissioning of equipment at the new site being newly included in the data collection, as well as higher diesel consumption by trucks. However, the energy consumption intensity decreased in FY2025 compared to FY2024, as revenue growth from higher business activity outpaced the increase in total energy consumption.

Water Consumption

In FY2025, the water consumption was consistent throughout the year.



➤ Energy and water efficiency

As part of our continuing initiative, we have implemented stringent controls, such as prompt reporting of faulty equipment that may result in excessive waste, water, or electricity consumption. Employees and

relevant stakeholders are also reminded of the importance of water consumption in their daily activities and to reduce water usage.

We monitor energy usage at the construction sites for all our projects to ensure consumption remains at consistent levels, any abnormalities are immediately investigated and rectified. In addition to reducing energy consumption during construction activities, we also implement various measures to optimise energy consumption in our head office building. Employees and relevant stakeholders are reminded regularly to switch off all lights, air conditioners, and equipment when not in use. Air conditioners within the head office buildings are serviced regularly, and rundown Fan Coil Units (FCUs) are replaced to maintain high operational efficiency.

As part of our initiatives, energy-saving LED lights were installed around our premises. For any subsequent replacement, we will continue to install energy-saving LED lights for all office units on our premises. We may also consider energy-efficient equipment when purchasing new office equipment in the future.

To advance the Group's commitment to renewable energy and reduce reliance on conventional power sources, we implemented a multi-phase solar panel installation programme across our facilities. Phase 1 was successfully completed in 2024, enabling initial on-site clean energy generation for operational use. Building on this progress, Phase 2 was completed at the end of 2025, with system commissioning and optimisation currently underway. The expanded solar infrastructure is expected to be fully operational by second quarter of FY2026, significantly increasing our renewable electricity output and contributing to lower carbon emissions while supporting long-term energy resilience for the Group.

Waste

We continuously strive to reduce operational waste from operations by encouraging employees and relevant stakeholders to reuse and recycle usable materials. In addition, we have been enforcing stringent controls on the management of waste generated from our operations. These controls include proper segregation and disposal of waste. Our waste streams includes general waste and wood waste. There is no hazardous waste was produced. Recycling bins and multiple waste segregation bins are available within our premises and are placed in common areas for employees and relevant stakeholders to segregate waste.

We also engage environmentally responsible service provider to manage the disposal of our waste. All waste generated are collected from the site by licensed waste collectors. General and food waste are sent to the National Environment Agency (NEA) for waste-to-energy (WTE) incineration, while wood waste is transported to our service provider's site for recycling purposes. The Group endeavours to further enhance waste management sustainably by exploring new technologies in the future.

In FY2025, there were no incidents of non-compliance with laws and regulations resulting in significant fines (FY2024: Nil). We target to maintain this same performance in FY2026.

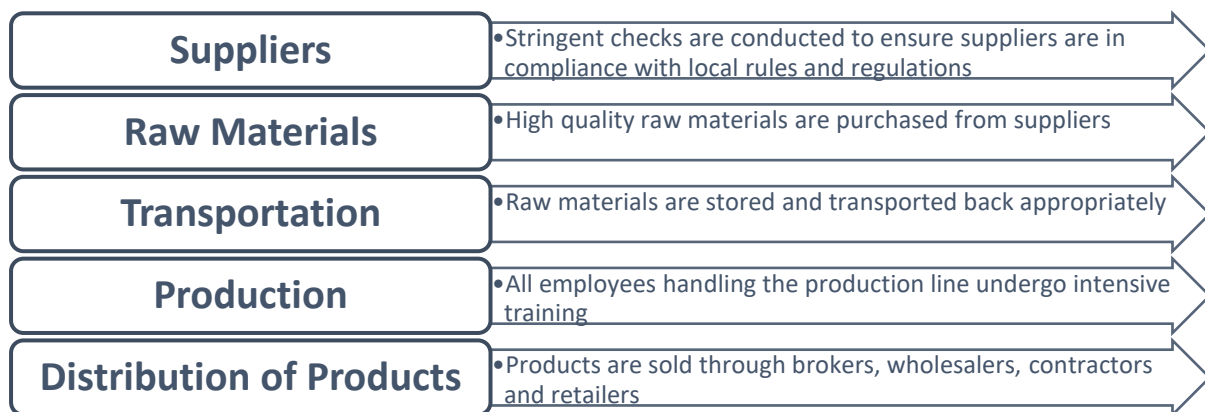
Supply Chain

We recognise the importance of sustainable value generation and incorporate factors such as economic value of products, business ethics and reputation as key criteria when assessing and selecting new potential suppliers. We believe that a sustainable supply chain enable us to conserve resources, optimise processes and increase productivity.

The head of each business unit conducts stringent checks on our current suppliers to ensure they are in compliance with local rules and regulations. These checks include evaluating the ethical practices of suppliers during the sourcing for raw materials and the degree of environmental impact associated with their processes.

In FY2025, we did not have any reported incidents of non-compliance regarding product health and safety, environmental and social performance (FY2024: Nil). In FY2026, we aim to maintain this same performance.

➤ Supply chain diagram



Product and Service Quality

We maintain a stringent quality assurance system and conduct regular quality audits and due diligence checks to ensure all our products receive proper certification of compliance. We are committed to ensuring that our products are manufactured according to industry standards. PC's source of materials for the supply of ready-mix concrete, precast component and related products are from Building and Construction Authority (BCA) registered suppliers in Singapore.

In FY2025, we did not receive any formal complaints about our product or service quality (FY2024: Nil), and we endeavour to maintain this clean record in FY2026.

GRI CONTENT INDEX

Statement of use	HGH Holdings Ltd. has reported the information cited in the GRI content index for the period from 1 January 2025 to 31 December 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI standard	Disclosure	Section
GRI 2: General Disclosures 2021	2-1 Organisational details	Page 4
	2-2 Entities included in the organization's sustainability reporting	Page 3
	2-3 Reporting period, frequency and contact point	Page 2-3
	2-4 Restatements of information	None
	2-5 External assurance	Page 3
	2-6 Activities, value chain and other business relationships	Page 4, Annual Report 2025 Pages 1 and 66
	2-7 Employees	Page 22-27
	2-8 Workers who are not employees	None
	2-9 Governance structure and composition	Page 12
	2-10 Nomination and selection of the highest governance body	Annual Report 2025 Pages 21-25
	2-11 Chair of the highest governance body	Annual Report 2025 Pages 7-8, 20-21
	2-12 Role of the highest governance body in overseeing the management of impacts	Annual Report Pages 11-12
	2-13 Delegation of responsibility for managing impacts	Annual Report Pages 11-12
	2-14 Role of the highest governance body in sustainability reporting	Page 12
	2-15 Conflicts of interest	Annual Report 2025 Pages 12-13
	2-16 Communication of critical concerns	Page 3, Annual Report 2025 Pages 34-35
	2-17 Collective knowledge of the highest governance body	Page 12, Annual Report 2025 Pages 7-8
	2-18 Evaluation of the performance of the highest governance body	Annual Report 2025 Pages 24-25
	2-19 Remuneration policies	Annual Report 2025 Pages 26-30
	2-20 Process to determine remuneration	Annual Report 2025 Pages 26-27
	2-21 Annual total compensation ratio	Annual Report 2025 Page 29

GRI standard	Disclosure	Section
	2-22 Statement on sustainable development strategy	Page 1
	2-23 Policy commitments	Page 13
	2-24 Embedding policy commitments	Page 13
	2-25 Processes to remediate negative impacts	Page 13
	2-26 Mechanisms for seeking advice and raising concerns	Page 13
	2-27 Compliance with laws and regulations	Pages 13, 23, 27,28, 31
	2-28 Membership associations	Page 5
	2-29 Approach to stakeholder engagement	Pages 6-7
	2-30 Collective bargaining agreements	None
	GRI 3: Material Topics 2021	3-1 Process to determine material topics
3-2 List of material topics		Pages 10-11
3-3 Management of material topics		Pages 10-11
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Page 31
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	Page 13
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	None
GRI 302: Energy 2016	302-3 Energy intensity	Pages 28-29
GRI 303: Water and Effluents 2018	303-5 Water consumption	Pages 29-30
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Pages 20-21
	305-2 Energy indirect (Scope 2) GHG emissions	Pages 20-21
	305-4 GHG emissions intensity	Pages 20-21
GRI 306: Waste	306-1 Waste generation and significant waste-related impact	Page 30
	306-2 Management of significant waste-related impact	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Pages 25-26
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	Page 26-27
	403-10 Work-related ill health	Page 26-27

GRI standard	Disclosure	Section
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Pages 24-25
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Page 24
GRI 417: Marketing and Labeling	417-1 Requirements for product and service information and labeling,	Pages 31-32
	417-2 Incidents of non-compliance concerning product and service information and labeling	Pages 31-32



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