



HGH HOLDINGS LTD.

SUSTAINABILITY REPORT 2024



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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 2024 (“**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 of 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

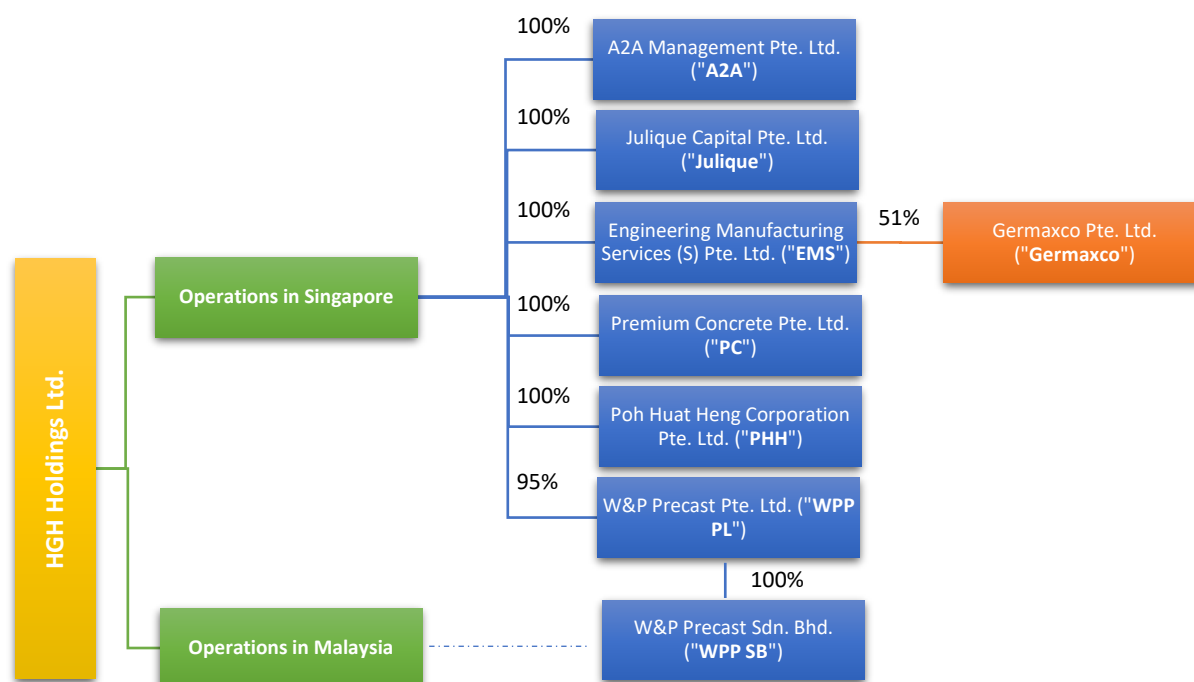


ABOUT THE REPORT

This is the Group's eighth year of reporting and it is prepared with reference to Rule 711B of the Listing Manual Section B: Rules of Catalyst ("**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 it is internationally recognised and represents 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**"). In view of the latest enhancement to the sustainability reporting regime announced by the SGX-ST on 23 September 2024, the Group will continue to work towards greater maturity of its climate-related disclosures by incorporating climate-related requirements in the IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board ("**ISSB**") by the financial year ending 31 December 2025.

This Report is applicable to the Group and covers the following operating entities. It covers our ESG performance and initiatives for the Group's operations in Singapore and Malaysia for the period from 1 January 2024 to 31 December 2024 ("**FY2024**").



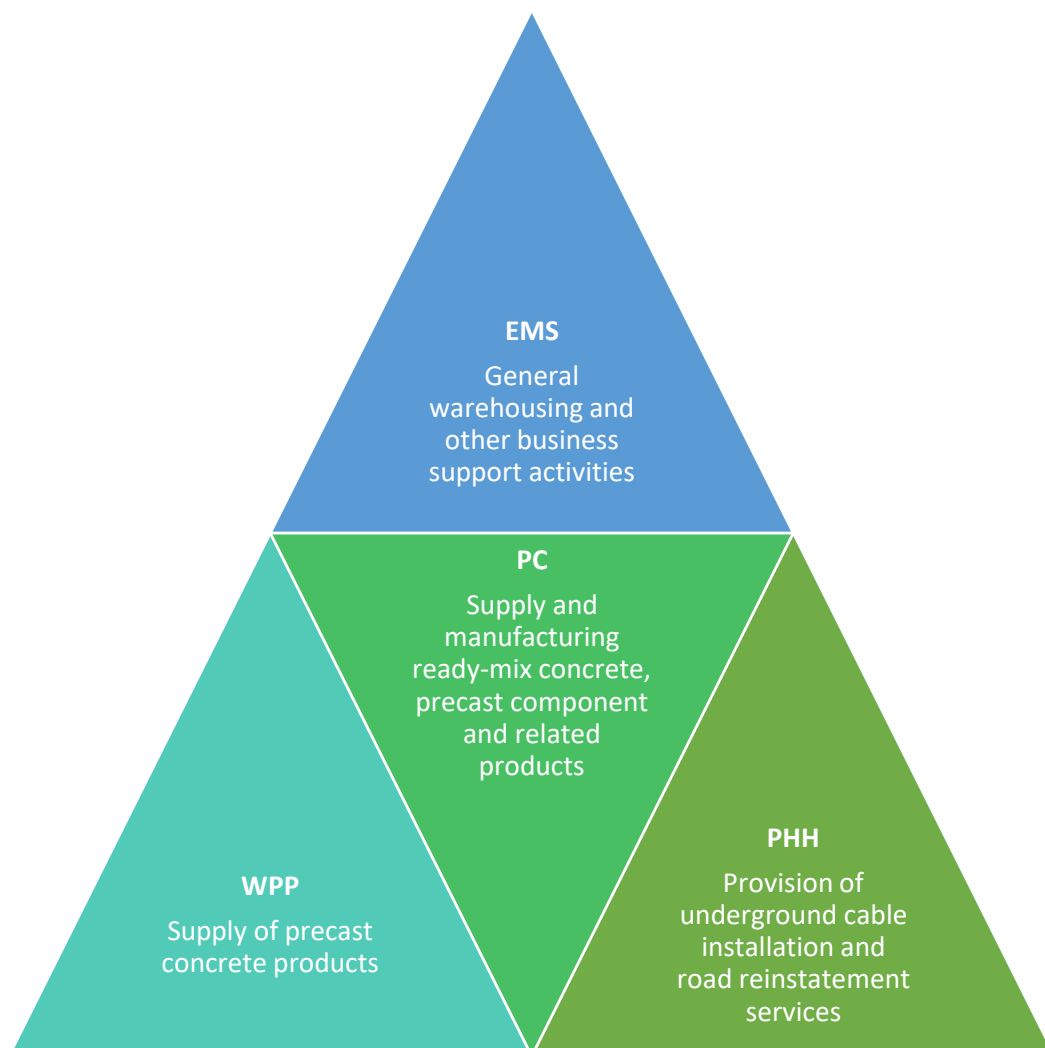
Through this Report, the Company would like to share its sustainability progress and we welcome stakeholders to submit their feedback to our office address or via email as listed on the last page of this Report or through the Company's website. As part of our environmental conservation efforts, no physical copies of this Report will be printed. A copy of this Report can be found on SGXNet or the Company's website. The ESG performance data is provided by the relevant departments of the Group and is internally reviewed by its internal auditor and in accordance with 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 Singapore Exchange Securities in 2005. In 2017, the Group underwent a transformation as it ventured into new businesses namely leasing of property and provision of property related services, supply and manufacturing of ready-mix concrete, precast component and related products 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 had successfully acquired PHH, whose main business is in 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
Poh Huat Heng Corporation Pte. Ltd. 60 Benoi Road #03-01, Singapore 629906	General Builder Class 2 NEA General Waste Collector (Class A) license BizSAFE Level Star ISO45001:2018

Name of Company	BCA Certification
Premium Concrete Pte. Ltd.	SY01B Ready-mixed concrete - L1
W&P Precast Pte. Ltd.	CW02 Civil Engineering - C3
	GB2 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 as well as our sustainability performance. Thus, the Group is committed to engage our stakeholders as part of our continued sustainability efforts. Engagement with stakeholders is carried out through face-to-face meetings, tele-communications, electronic mails and annual general meeting.

From the engagement with our stakeholders, we understand their feedbacks and concerns, and incorporate these feedbacks into our corporate strategies to achieve 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 customers, and aim to form long-standing and positive relationships with them.
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 feedbacks and concerns ▶ Training and education ▶ Annual performance and appraisal 	We have a robust employee handbook and various workplace health and safety procedures in place to promote a fair workplace and safe working environment for all 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 adhere 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 industry association.
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 ▶ Company's website 	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"> ▶ 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 work with reliable and credible suppliers, and aim to form long-standing and trusting relationships with them.

MATERIALITY ASSESSMENT

The Group conducts a comprehensive materiality assessment in 4 stages to identify and disclose ESG issues that are material to the Group. This section describes the procedures taken by the Group when conducting materiality assessments. The aforementioned procedures are as follows:



Identification

The Group identifies material issues in the core business that it and its stakeholders consider to be the most significant based on stakeholder surveys, internal policies and management reports. For example, the Group sends out a survey to selected stakeholders (e.g. suppliers, employees and clients) and ranks which ESG issues are most relevant to them. Some organisations, such as the Sustainability Accounting Standards Board (“SASB”), provide a list of material issues that can be referenced in the survey. Based on the Group’s business nature, the Group is classified as a Construction Materials entity and should therefore reference the recommended disclosure topics by SASB. The Group also references the material issues considered by its peer companies.

Rate

The Group consolidates and analyses the materiality of issues from stakeholder and business perspectives, ranking them based on their relevance to its business and stakeholders. For instance, management reports, internal policies and management discussions may 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 issues using a materiality matrix based on their relevance to the Group’s business and stakeholders. 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. The issues located closest to the top-right corner of the materiality matrix are considered 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 signing off on 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 in the relevant sections of the sustainability report, with more detailed explanations provided for those issues deemed more material based on the materiality matrix- such as the Group's performance, implemented measures and planned improvements. The results of the materiality assessment are disclosed in the sustainability report.

Review, Approval and Disclosure

The Group recognises that stakeholder expectations will continue to evolve, and therefore the management of the Group is required to regularly review its business operations and actively engage 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 as necessary to reflect changes in the SGX and GRI reporting standards as well as industry best practices. Adequate oversight over sustainability reporting processes, including stakeholder engagement and materiality assessment processes, facilitates the effective management and timely assessment of sustainability risks.

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

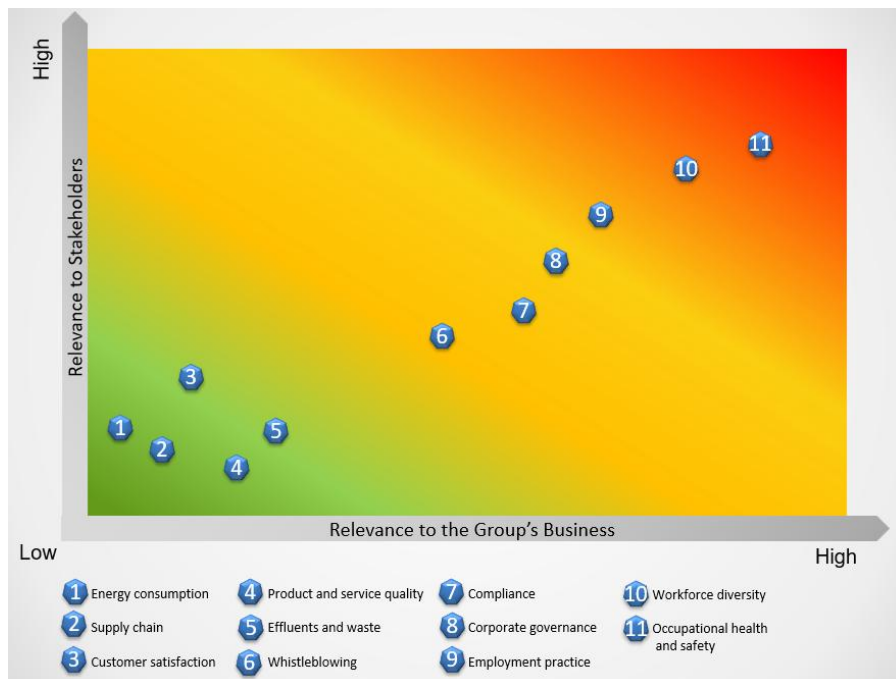
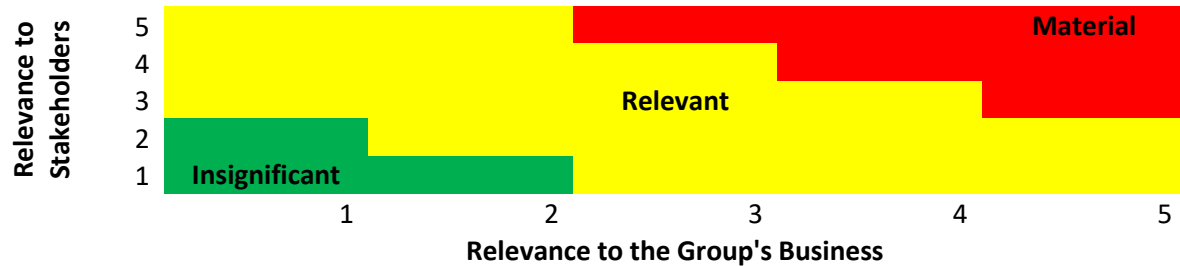
MATERIALITY RATING CLASSIFICATION

The importance of ESG issues is determined by their level of relevance to the Group's stakeholders and to the Group's businesses.

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 topics taking into consideration the changing business landscape and our business direction. We will continue to strengthen our existing sustainability framework, set targets for improvement and aim to reach these targets in the subsequent years.

We look forward to further engage with our stakeholders. The perspectives of our stakeholders will help us evaluate and fine-tune 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 conduct our business in an ethical and responsible manner, and we do not tolerate any corruption or bribery within any of our businesses.

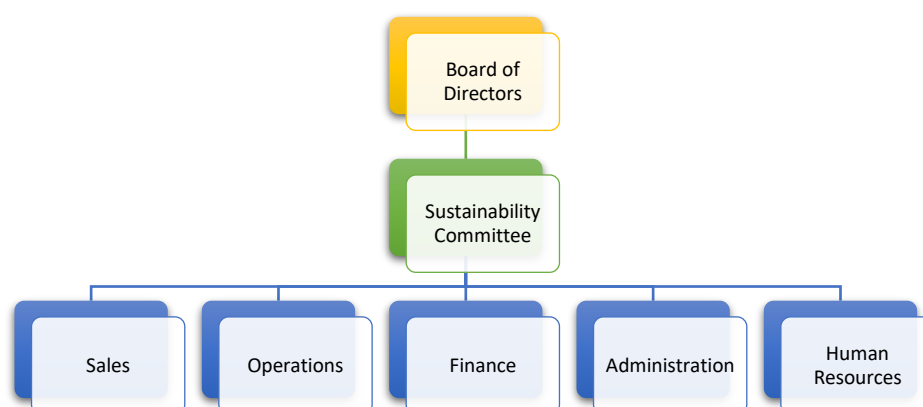
Corporate Governance

The Group understands the importance of good corporate governance, accountability and transparency and is committed to uphold high standards of governance and regulatory compliance. In FY2024, the Group ensured compliance with the Code of Corporate Governance 2018 as required under the Catalyst Rules.

Please refer to pages 12 to 44 of our Annual Report 2024 for further details of our Corporate Governance practices and compliance with the Code of Corporate Governance 2018.

The Group has a dynamic team in place to implement and execute sustainable strategies across the organisation. The Sustainability Committee ensures 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 ensure transparency and accountability towards 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 act professionally and fairly in all business dealings.

The Board meets on a regular basis to ensure that the Group meets all regulatory requirements and ensures compliance with all relevant laws and regulations in countries we operate in. Similarly, the Board will also manage the Sustainability Committee to ensure that the Group is in compliance 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. There were no non-compliance cases recorded during the reporting year of 2024. Since there was no record of non-compliance, the Board believes that the Group's compliance controls remain appropriate and we strive to work closely with our continuing sponsor to maintain zero incident of non-compliance record in the subsequent years.

Whistleblowing

The Group has had a robust whistle-blowing policy in place since 2008 and it has been updated from time to time. 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. This will also be communicated to all new employees of the Group during the orientation for new employees.

The 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, are able to raise their 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 addressed on page 36 of our Annual Report 2024.

In FY2024, there have been no reported incidents of corruption in the Group and we will continue to monitor and prevent its occurrence. We will also continue to ensure that all employees are fully aware of our policies and sign our anti-corruption declaration form in FY2025.

Climate-related Financial 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 thus committed to managing the actual and potential climate-related risks that may impact the Group's business activities. For the purpose of this Report, the Group has identified each category of climate-related risk 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 the above time horizons. In order 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: Regional rivalry scenario, emissions and temperature rise steadily, no additional action is taken above the current policies that are in place. The Paris Agreement fails, many areas

will experience a significant increase in extreme weather events by 2100. 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, hamper and injure the Group's employees during their work, damage underground cable installations and roads, disrupt supply chains for concrete production, and delay the Group's projects. Operational costs can also increase due to increased insurance premiums, and in some cases, if physical climate risks further increase 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 bad or extreme weather conditions.

Chronic

With the rise of the global mean temperature, the Group's employees engaging in outdoor work face an increasing risk of suffering heat strokes while working, as well as a decrease in work efficiency. The deterioration of their working conditions also means that the Group can face challenges in employee retention and recruitment. To ensure the best working conditions for its employees, the Group has scheduled more frequent water breaks when operating outdoors in high temperatures, provided sufficient water and shaded areas on-site and established protocols for treating employees suffering from heat strokes. For employees operating indoors, the Group has installed HVAC systems in all of its facilities and ensures adequate ventilation and cooling.

As roughly one-third of Singapore is less than 5 meters 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 over 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 to 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, a solar panel system was installed at the Group's premises. The total output will be approximately 44,200 kWh per month, which is about 10% of the Group's current monthly energy consumption. An additional phase of the solar system is currently under installation and is expected to be operational by the end of 2025. The Group will strive 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 more than half of its cement trucks to EURO VI, which is more environmentally friendly. It is an ongoing initiative by the Group as we plan to gradually upgrade the remaining trucks to similar models. Apart from this, the Group is installing the solar panel system in phases at our premises. 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	N/A

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 FY2024, 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 its importance. After the Group's Sustainability Committee completes the questionnaire and ranks possible risks, they evaluate the risks through scenario analysis using publicly available tools and internal models, then revise and approve 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	20
Total GHG emissions	tCO ₂ e	20
GHG emission intensity	tCO ₂ e/million revenue	20
Total electricity consumption	kWh	28

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 ingredients for concrete are unavoidable. Nevertheless, the Group has implemented the following measures to reduce its direct GHG emissions:

- ▶ Select vehicles with efficient fuel consumption;
- ▶ Regularly inspect and maintain vehicles to optimise performance and engine efficiency; and
- ▶ Closely monitor cement trucks with heavy emissions.

Scope 2 – 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".

During FY2024, the Group's GHG emission intensity was approximately 76.43 tCO₂e/ revenue (\$ million) (FY2023: 75.76 tCO₂e/ revenue (\$ million)). 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 ²	Unit	FY2024	FY2023 ³
Scope 1 - Direct GHG Emissions	tCO ₂ e	604.18 ⁵	445.02
<ul style="list-style-type: none"> ● Diesel consumption ● Petrol consumption 			
Scope 2 – Energy Indirect GHG Emissions	tCO ₂ e	1,025.34	1,072.41
<ul style="list-style-type: none"> ● Purchased electricity 			
Total GHG Emissions	tCO ₂ e	1,629.52	1,517.43
GHG Emission Intensity⁴	tCO ₂ e/ revenue (\$ million)	76.43	75.76

Note(s):

2. 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 2024 - Chapter 2: Energy Transformation" issued by the Energy Market Authority of Singapore.

3. With the improvement of the Group's data collection system, the petrol consumption data from company vehicles is included in this Report. Therefore, the petrol consumption data for FY2023 is supplemented and relevant data for FY2023 is updated.
4. During FY2024, the Group recorded a revenue of approximately S\$21.32 million (FY2023: S\$20.03 million). This data is used for calculating intensity data.
5. The increase in 2024 was mainly due to the increase in client demands and business activities, which results in the increase in diesel and petrol consumption from company vehicles and relevant emissions.

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. The Group will continue to monitor its GHG emissions and take various measures to reduce its emissions. The Group also endeavours to transition to electricity derived from 100% generated and purchased renewable energy by FY2040. The Group will continue to evaluate and, where appropriate, make further commitments regarding long-term and Scope 3 emissions.

SOCIAL

Employment Practices

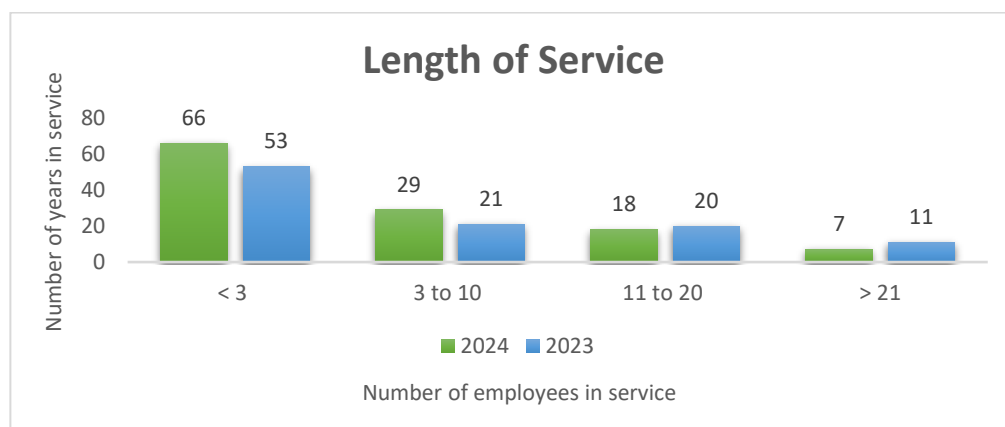
We practice fair employment and provide equal opportunities to all employees, regardless of their race, religion, age, gender or background. The Group's recruitment of employees and their subsequent annual appraisal are based on merit, work attitude, cooperation with other staff and their efficiency and effectiveness of work. We believe that promoting a fair workplace environment will build the employees' respect and loyalty 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 according to race, age, gender, religion, ethnicity, facial attractiveness, physical impairments, sexual preference, political viewpoints or nationality.

The Human Resource Policies and Procedures ("HRPP") formulated by the Human Resource team have been updated from time to time and applied across all business units to ensure consistency of internal practices among all business units. The HRPP documents the employee's benefits and governs our non-discriminatory hiring policies and merit-based promotion policies. Fair and non-discriminatory employment policies are put in place to attract and retain talent.

➤ Valuing our employees

The Group prioritises job satisfaction and welfare as one of 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 entitled to a range of benefits including healthcare, insurance and parental leave. Further, the Group offers competitive pay packages that are benchmarked to the market and rewards each employee based on their competency and performance. Our retention rates, as per the chart below:



As part of our continued efforts toward providing transparent and merit-based compensation package, the remuneration breakdown of our Directors and our key management personnel can be found on page 31 of our Annual Report 2024.

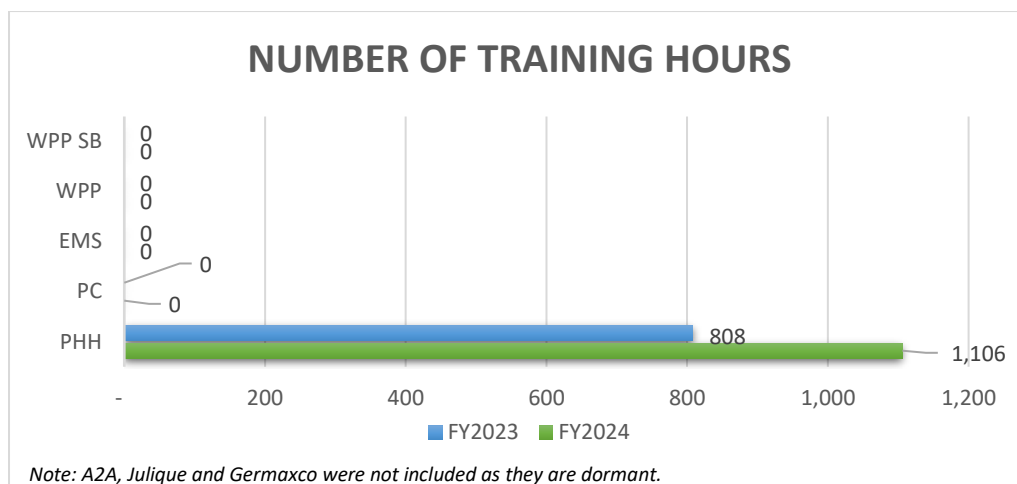
The Group will continue to abide to the local labour laws in Singapore to promote fair employment practices. In FY2024, the Group has adhered to all relevant labour laws and there were no records of complaints from staff or of non-compliance from the authorities as targeted in the previous sustainability report (FY2023: Nil). We target to maintain the current status of adherence to all relevant labour laws and zero records of complaints from staff or of non-compliance from the authorities, in FY2025.

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 stay abreast of the updated skills or information, we provide regular training opportunities for staff to equip themselves with the required skill sets. In the upcoming years, we target to increase the frequency in which our workers attend courses and trainings, in particular for courses and trainings in relation to safety work practices.

Some of the courses attended by the employees are workplace safety and health, plumbing and pipefitting tradesman continual education training, construction safety orientation, ISO 9001:2017 Awareness and Quality Audit, 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 FY2024, employees attended courses and trainings amounting to 1,106 training hours as compared to 808 training hours in FY2023. The training covers the necessary technical and soft skill sets, as well as on-the-job training. The increase of training hours in FY2024 is due to the additional new hires.



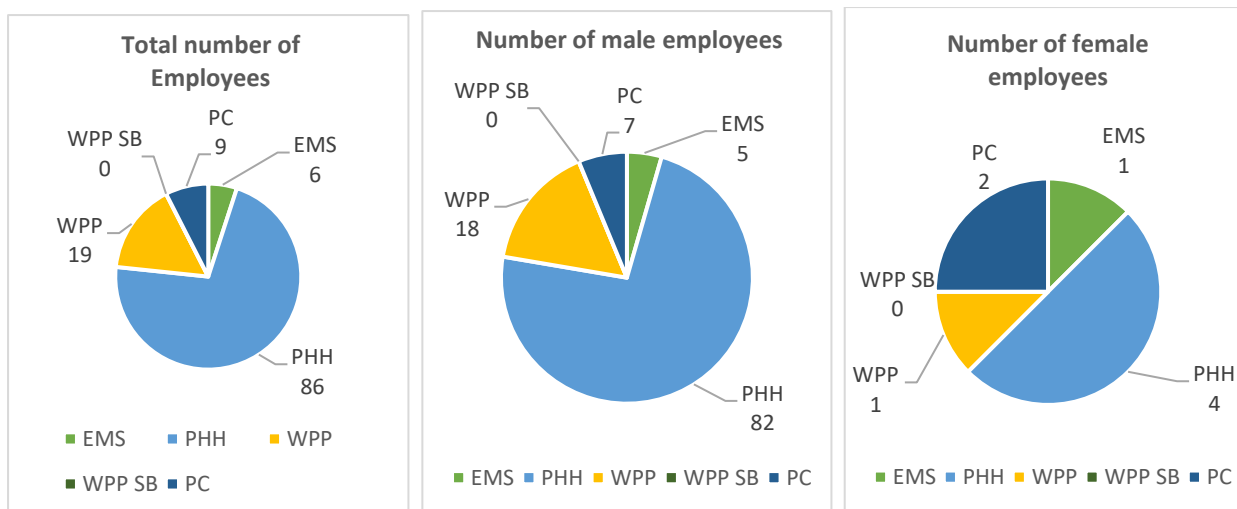
In FY2025, we will continue to deploy our resources and offer training courses to our employees to enhance their professional competence.

Workforce Diversity

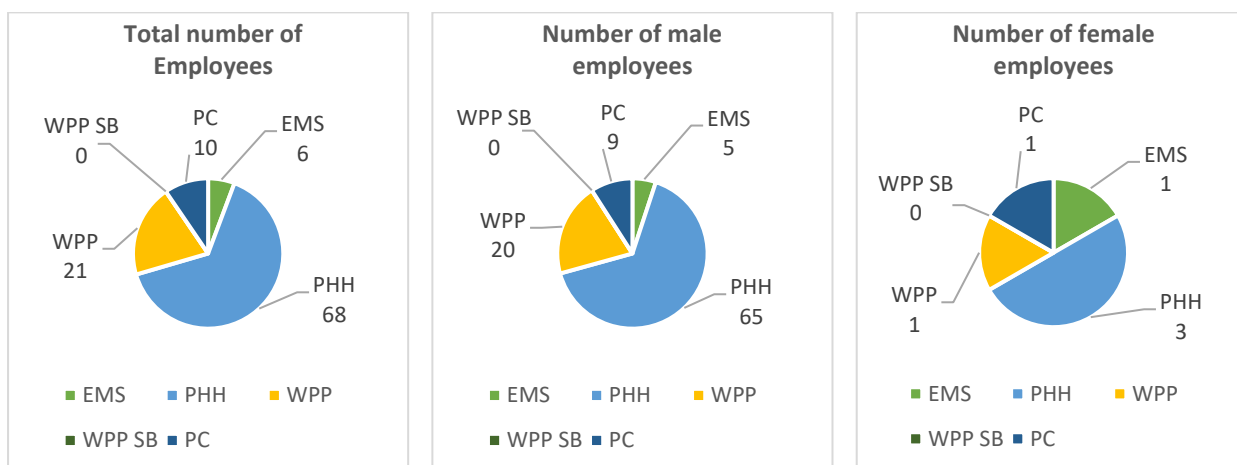
The Group believes in the importance of diversity that it drives innovation and increases competitive advantage in our organization. Our employees come from all walks of life.

In FY2024, our workforce consisted of 120 employees, including 112 male employees and 8 female employees, as shown in the charts below. The increase in the number of total employees was due to new hires as the foreign workers permits and contract expired. Our workforce has a higher number of male employees due to the nature of our business operations. There is no incident of discrimination in FY2024 (FY2023: Nil)

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



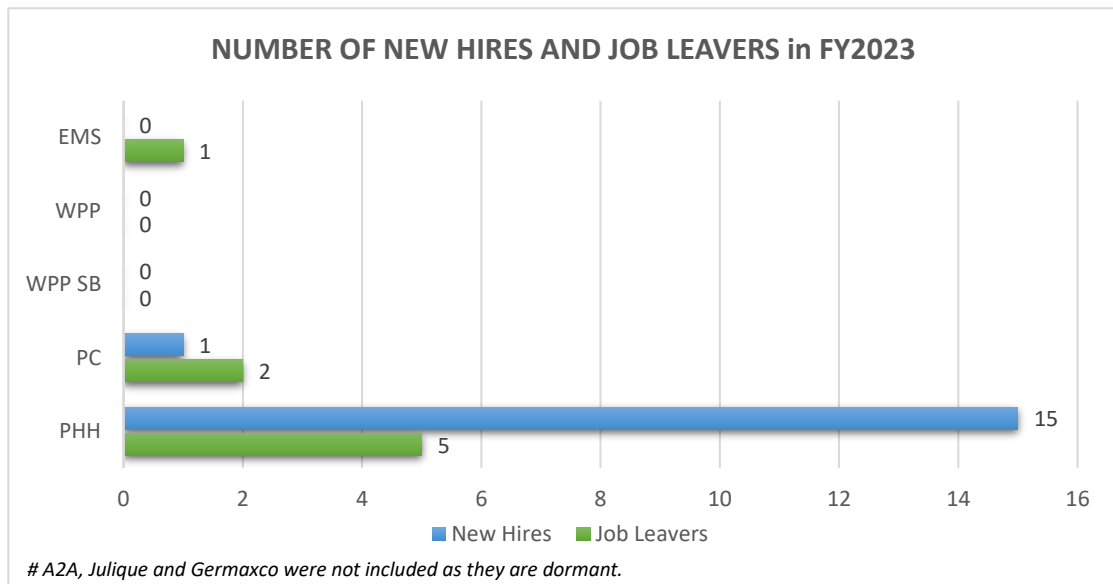
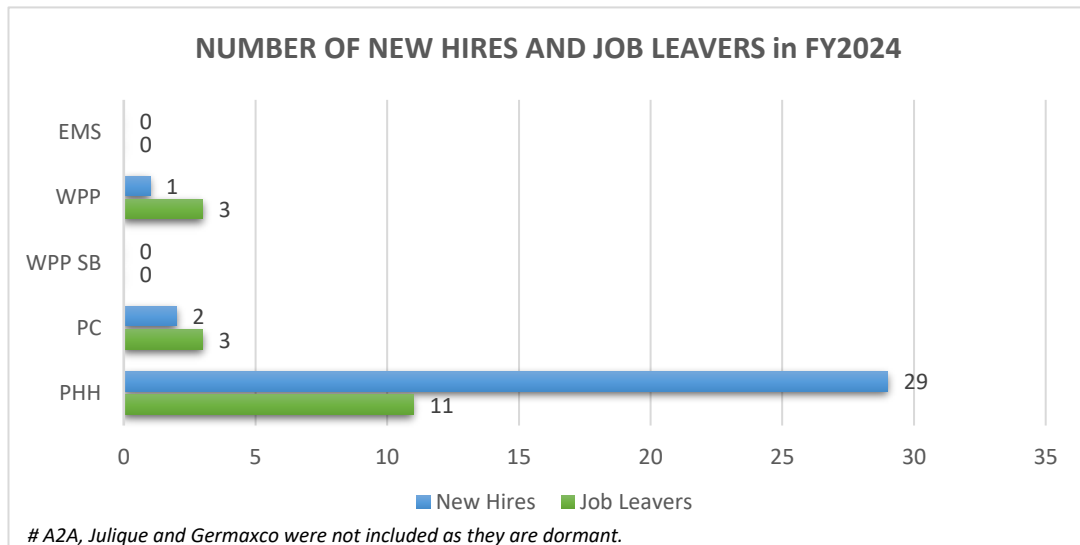
Total number of employees and the workforce diversity for FY2023 is as follows:



A2A, Julique and Germaxco were not included as they are dormant.

As at 31 December 2024, we have 5 directors on the Board; 5 male Directors and they are individuals who have 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 8 and 9 of our Annual Report 2024.

In FY2024, there were a total of 32 new male hires and 17 male job leavers across all business units, as shown in the chart below. Our turnover rate for the year averages at 15% 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.



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.

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 effectiveness in work processes.

The management sends the employees for safety training courses conducted by 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 FY2024, the Group has adhered to all the laws and regulations in place which can be supported by zero accidents and incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services. We target to maintain the same performance for FY2025.

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 work across all our operations.

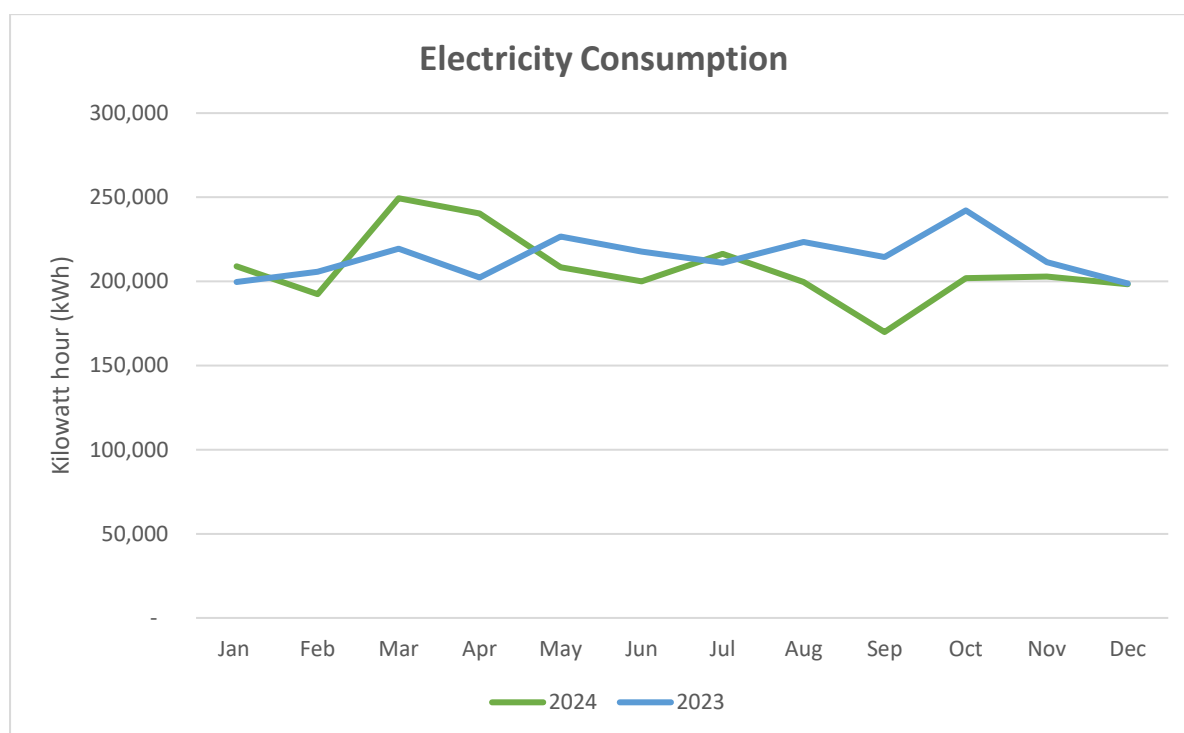
For FY2024 the Group did not receive any official complaints from our customers (FY2023: Nil). We target to maintain this good track record of zero customer complaints for FY2025.

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 performances. In FY2024, there were zero incidents of non-compliance with relevant material environmental laws and regulations (FY2023: Nil). We aim to maintain this trend in FY2025.

Energy Consumption

We are committed to take measures to minimise our overall energy consumption and improve energy efficiency to reduce the environmental impact of our operations. The Group's consumption for FY2024 is presented below. The electricity consumption was consistent throughout the year.



Energy Consumption

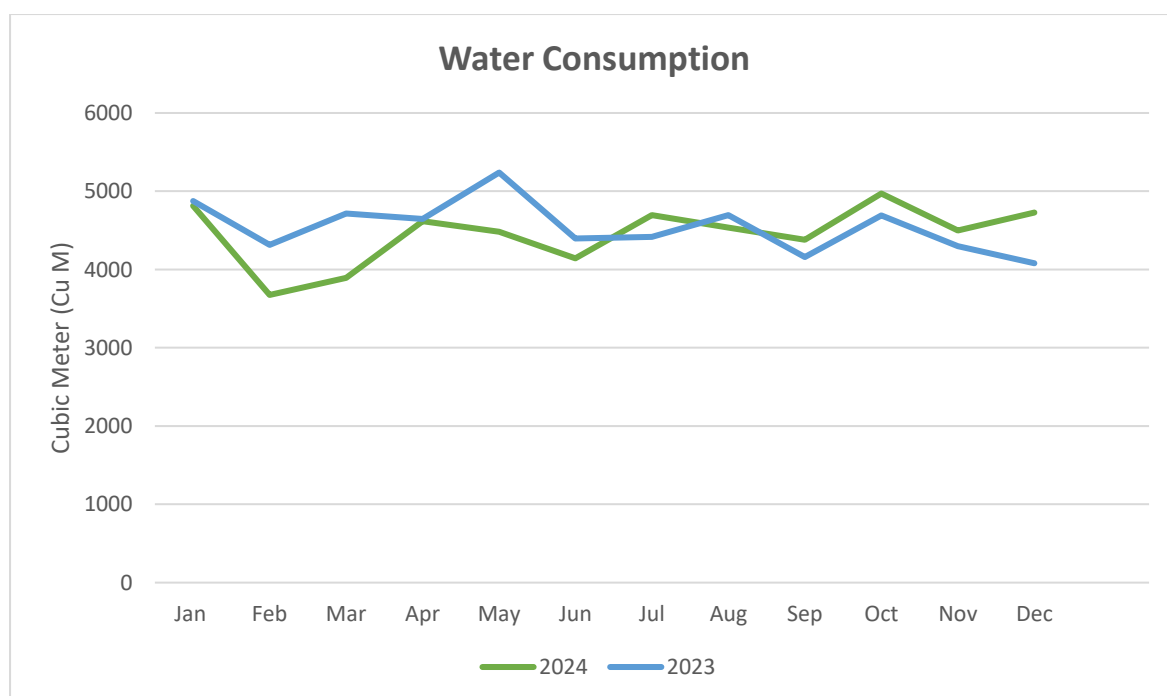
Category	Unit	FY2024	FY2023 ³
Direct energy consumption from non-renewable sources ⁵ <ul style="list-style-type: none"> ● Diesel ● Petrol 	MWh	2,269.94 ⁵	1,803.17
Direct energy consumption from electricity generated by self-owned solar systems	MWh	353.59	-
Indirect energy consumption from purchased electricity	MWh	2,488.68	2,572.97
Total consumption	MWh	5,112.21	4,376.14
Energy consumption intensity	MWh/revenue (S\$ million)	239.78	218.48

Note(s):

- The unit conversion of energy consumption data is formulated based on the Energy Statistic Manual issued by the International Energy Agency.

Water Consumption

In FY2024, the water consumption was consistent throughout the year.



➤ Energy and water efficiency

As part of our continuing initiative, we have stringent controls such as prompt reporting of faulty equipment that may result in excess waste, water or electricity consumption. Employees and relevant stakeholders are also reminded of the importance to save water in their daily activities and to reduce water usage.

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

Waste

We continuously strive to reduce waste from operations by encouraging employees and relevant stakeholders to re-use and recycle usable material. 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 includes general waste and wood waste. There is no hazardous waste produced. Recycling bins and multiple waste segregation bins are available within our premises and are placed at 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 a licensed waste collector. General and food waste are sent to the National Environment Agency (NEA) for waste-to-energy (WTE) incineration and wood waste are sent to our service provider's site for recycling purposes. The Group endeavours to manage waste sustainably by utilising technologies in the future.

In FY2024, there were no incidence of non-compliance with laws and regulations resulting in significant fines (FY2023: Nil). We target to maintain the same performance in FY2025.

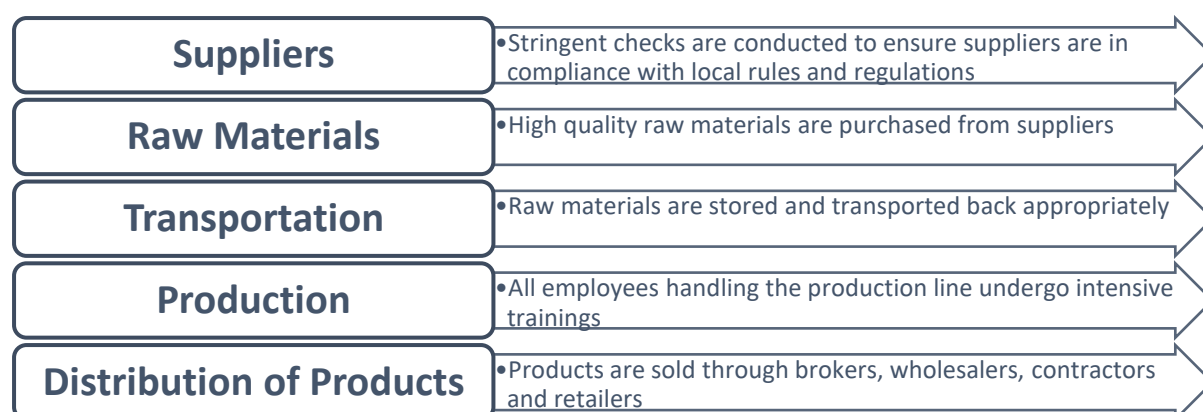
Supply Chain

We recognise the importance of sustainable value generation and take into consideration the following factors - economic value of products, business ethics and reputation as a few of the criterion when assessing and selecting new potential suppliers. We believe that a sustainable supply chain can help us 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. Similarly, the checks include ethical practices of these suppliers while sourcing for raw materials and the degree of impact these processes contribute to the environment.

In FY2024, we did not have any reported incident of non-compliance regarding product health and safety, environmental and social performance (FY2023: Nil). In FY2025, we aim to maintain the same performance.

➤ Supply chain diagram



Product and Service Quality

We have a stringent quality assurance system and we have conducted random 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 FY2024, we did not receive any formal complaints about our product or service quality (FY2023: Nil), and we endeavour to maintain this clean record in FY2025.

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 2024 to 31 December 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI standard	Disclosure	Section
GRI 2: General Disclosures 2021	2-1 Organizational details	Cover page
	2-2 Entities included in the organization's sustainability reporting	Page 2
	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	Annual Report 2024 Page 1, 65 and 74
	2-7 Employees	Page 22-26
	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 2024 Page 22-25
	2-11 Chair of the highest governance body	Annual Report 2024 Page 8, 20-21
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 12
	2-13 Delegation of responsibility for managing impacts	Page 12
	2-14 Role of the highest governance body in sustainability reporting	Page 12
	2-15 Conflicts of interest	Annual Report 2024 Page 12-13
	2-16 Communication of critical concerns	Annual Report 2024 Page 36 Page 3
	2-17 Collective knowledge of the highest governance body	Annual Report 2024 Page 8-9 Page 12
	2-18 Evaluation of the performance of the highest governance body	Annual Report 2024 Page 28-29
	2-19 Remuneration policies	Annual Report 2024 Page 29-32
	2-20 Process to determine remuneration	Annual Report 2024 Page 29-32
	2-21 Annual total compensation ratio	Annual Report 2024 Page 31
	2-22 Statement on sustainable development strategy	Page 1

GRI standard	Disclosure	Section
	2-23 Policy commitments	Page 12
	2-24 Embedding policy commitments	Page 12
	2-25 Processes to remediate negative impacts	Page 12
	2-26 Mechanisms for seeking advice and raising concerns	Page 12
	2-27 Compliance with laws and regulations	Page 13
	2-28 Membership associations	Page 5
	2-29 Approach to stakeholder engagement	Page 6-7
	2-30 Collective bargaining agreements	None
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Page 8-9
	3-2 List of material topics	Page 10-11
	3-3 Management of material topics	Page 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	Page 28-29
GRI 303: Water and Effluents 2018	303-5 Water consumption	Page 29
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	Page 20-21
	305-4 GHG emissions intensity	Page 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	Page 25-26
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	Page 26
	403-10 Work-related ill health	Page 26
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 24-25

GRI standard	Disclosure	Section
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, 417-2 Incidents of non-compliance concerning product and service information and labeling	Page 31-32



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