LUM CHANG CREATIONS

Building Momentum

SUSTAINABILITY REPORT 2026

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RHT Capital Pte. Ltd. is the Full Sponsor and Issue Manager for the initial public offering of the ordinary shares in, and listing of Lum Chang Creations Limited on the Catalist of the Singapore Exchange Securities Trading Limited. Lum Chang Creations Limited subsequently transferred its listing to the Mainboard of the Singapore Exchange Securities Trading Limited.

BOARD STATEMENT

Lum Chang Creations Limited ("**Lum Chang Creations**" or the "**Company**") and its subsidiaries (collectively the "**Group**" or "**We**") reaffirm our commitment to sustainability with the publication of our inaugural sustainability report ("**Report**"). This Report highlights the Group's initiatives undertaken under the economic, environmental, social and governance pillars (collectively as "**Sustainability Factors**").

Having considered the Group's sustainability issues as part of its strategic formulation and business strategies, the Board of Directors ("**Board**") determined the material Sustainability Factors, exercised oversight over the management and monitoring of the material Sustainability Factors.

This Report communicates our support towards the United Nations' Sustainable Development Goals ("**SDGs**"). As we collaborate closely with the stakeholders throughout our supply chain, their inputs serve to direct and prioritise our sustainability initiatives. Below shows the interaction between our sustainability framework, material Sustainability Factors, the SDGs and our key stakeholders:

Our Sustainability Framework



SUSTAINABILITY PERFORMANCE AT A GLANCE

An overview of our key sustainability performance for our financial year from 1 July 2025 to 30 June 2026 ("**FY2026**" or "**Reporting Period**") is as follows:

Sustainability Pillar	Sustainability Metric	Sustainability Performance FY2026
Economic	Revenue ($'000)	101,573
Environmental	Aggregated Scope 1 and 2 Greenhouse Gas ("**GHG**") emissions (tonnes CO_2e)	528
	Aggregated Scope 1 and 2 GHG emissions intensity (tonnes CO_2e/ revenue $'000)	0.01
	Water consumption intensity (CuM/ revenue $'000)	0.11
Social	Number of workplace fatalities	-
	Number of high consequence work-related injuries[1]	-
	Number of reported incidents of unlawful discrimination[2] against employees	-
	Average overall training hours per employee	4
Governance	Number of incidents of serious offence[3]	-
	Number of reported incidents of non-compliance with applicable laws and regulations[4] that resulted in significant fines and/or non-monetary sanctions	-

(1) A high consequence work-related injury refers to one from which the worker cannot recover or cannot recover fully to pre-injury health status within six (6) months.
(2) An unlawful discrimination refers to an incident whereby the relevant authority has commenced and completed investigation which resulted in a penalty to a company.
(3) A serious offence is defined as one that involves fraud or dishonesty involving an amount not less than S$100,000 and is punishable by imprisonment for a term of not less than two (2) years, which is being or has been committed against a company by officers or employees of the company.
(4) Incidents involving fraud or dishonesty are excluded.

OUR BUSINESS

VALUE CHAIN

An overview of our business is as follows:



REPORTING FRAMEWORK

This Report is prepared in accordance with Rules 711A and 711B of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Company has prepared this Report with reference to the Global Reporting Initiative ("**GRI**") Standards. We chose to report using the GRI framework as it is an internationally recognised reporting framework.

As part of our continual efforts to align our sustainability reporting with relevant market standards, we mapped our sustainability efforts to the 2030 Agenda for Sustainability Development which is adopted by all United Nations Members States in 2015 ("**UN Sustainability Agenda**"). The UN Sustainability Agenda provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDGs, which form an urgent call for action by all countries - developed and developing - in a global partnership. We incorporated the SDGs, where appropriate, as a supporting framework to shape and guide our sustainability strategy.

Our climate-related disclosures are produced based on the 11 recommendations of the Task Force on Climate-Related Financial Disclosures ("**TCFD**"). Following the publication of the International Sustainability Standards Board ("**ISSB**") Standards – International Financial Reporting Standards ("**IFRS**") S1 and IFRS S2, we conducted a gap analysis against our existing TCFD reporting and are in the process of aligning our climate-related disclosures with the ISSB Standards. We are guided by the phased approach described in Practice Note 7.6 Sustainability Reporting Guide of the Listing Manual of the SGX-ST in aligning our reporting of climate-related disclosures with the ISSB Standards.

We relied on internal data monitoring and verification to ensure accuracy for this Report. Internal reviews on the sustainability reporting process are incorporated as part of our internal audit review cycle, and we will work towards external assurance for our future sustainability reports subject to market trends and regulatory requirements.

REPORTING SCOPE

This Report covers all consolidated entities, as disclosed in our audited financial statements, for FY2026.

FEEDBACK

We welcome feedback from all stakeholders on this Report. You may send related questions, comments, suggestions or feedback to the Company's Investor Relations ("**IR**") team via email at lccreations_info@lumchangcreations.com.sg.

STAKEHOLDER ENGAGEMENT

Through an internal stakeholder mapping exercise, we identified key stakeholder groups which we prioritise our engagements with.

Our efforts on sustainability are focused on creating sustainable value for our key stakeholders. Key stakeholders are determined for each material Sustainability Factor identified, based on the extent to which they can affect or are affected by operations of the Group.

We actively engage our key stakeholders through the following channels:

S/N	Key Stakeholder	Engagement Channel	Frequency of Engagement	Key Concerns Raised
1	Communities 	• Annual Report • Sustainability Report	Annually	• Environmental initiatives • Environmental impacts • Preservation of shared identity and multicultural heritage • Community engagement
2	Customers 	• Meetings and visits • Phone calls • Email communications	Ongoing	• Product and service quality • Range of services
3	Employees 	• Meetings and talks held by the management • Email communications • Training programmes • Induction and orientation programmes	Ongoing	• Career development and training opportunities • Job security • Remuneration • Workplace health and safety
		Staff appraisals	Annually	

STAKEHOLDER ENGAGEMENT

S/N	Key Stakeholder	Engagement Channel	Frequency of Engagement	Key Concerns Raised
4	Regulators 	Consultations and briefings organised by key regulatory bodies such as SGX-ST, National Heritage Board ("**NHB**"), National Environment Agency ("**NEA**"), Building and Construction Authority ("**BCA**"), Ministry of Manpower, Urban Redevelopment Authority ("**URA**") and relevant government agencies/bodies	As and when required	• Corporate governance • Compliance with laws and regulations • Heritage conservation and sustainable urban development
5	Shareholders and investors ("**Shareholders**") 	• Annual General Meeting • Annual Report	Annually	• Financial profitability • Market valuation • Dividend payment • Corporate governance
		Result announcements	Half-yearly	
		Dedicated email account for shareholders and investors	Ongoing	
6	Suppliers and subcontractors ("**Suppliers**") 	• Meetings and visits • Email communications • Phone calls	Ongoing	• Financial stability • Fair business practices

Through the above channels, we seek to understand the views of key stakeholders, communicate effectively with them and respond to their concerns.

POLICY, PRACTICE AND PERFORMANCE REPORTING

A sustainability reporting policy ("**SR Policy**") covering our sustainability strategies, reporting structure, materiality assessment and processes in identifying and monitoring material Sustainability Factors has been put in place and serves as a point of reference in the conduct of our sustainability reporting. We will continue to monitor, review and update our material Sustainability Factors as and when necessary, considering the feedback that we receive from our engagement with our stakeholders, organisational and external developments.

SUSTAINABILITY GOVERNANCE STRUCTURE

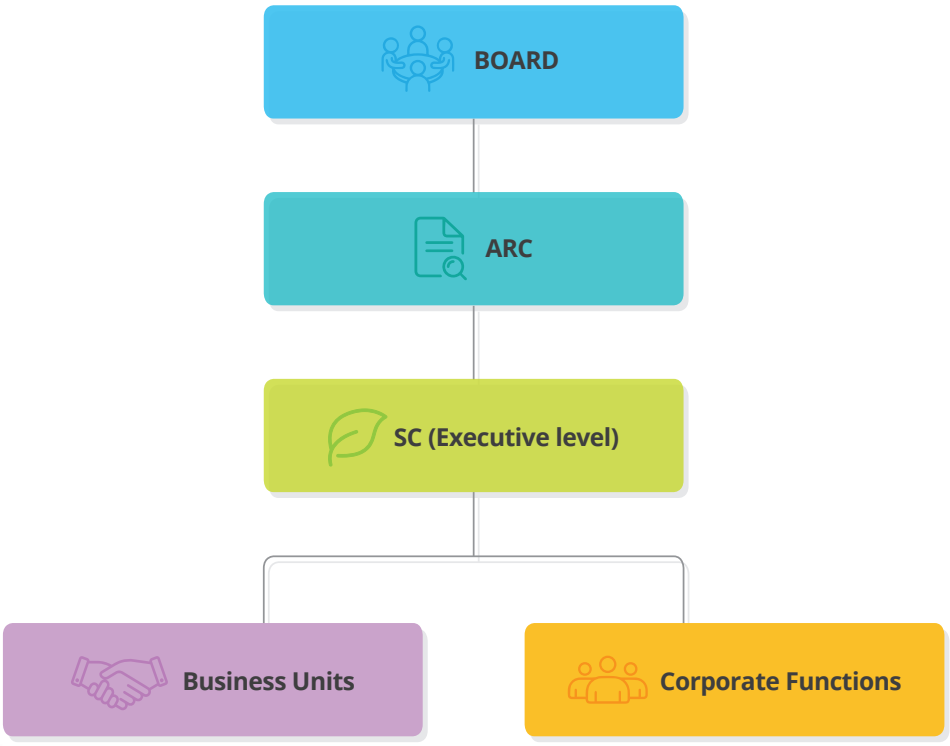
The Board advises and supervises the development of our sustainability strategy and performance targets. As part of our continual efforts to enhance and upgrade the knowledge of our directors on sustainability reporting and to meet the requirement of Rule 720(7) of the Listing Manual of the SGX-ST, we confirm that all directors have attended at least one of the approved sustainability training courses.

Our sustainability strategy is spearheaded by an executive level Sustainability Committee ("**SC**"), which includes senior management executives, supported by managers from key business units and corporate functions. The SC reports to the Audit and Risk Committee ("**ARC**"), and is tasked to develop the sustainability strategy, review our material impacts, consider stakeholders' priorities and set goals and targets, as well as collect, verify, monitor and report performance data for this Report.

The SC is further supported by management executives from the business units and corporate functions. Besides the SC, the Board is also supported by the ARC on specific sustainability matters under its terms of reference. As we are still refining our sustainability related metric measuring, tracking and target setting mechanism, we will link the key executives' remuneration to sustainability performance when the mechanism is more mature and stable.

Our sustainability governance structure and the responsibilities of component parties are detailed as follows:

Sustainability Governance Structure



POLICY, PRACTICE AND PERFORMANCE REPORTING

Terms of reference of component parties

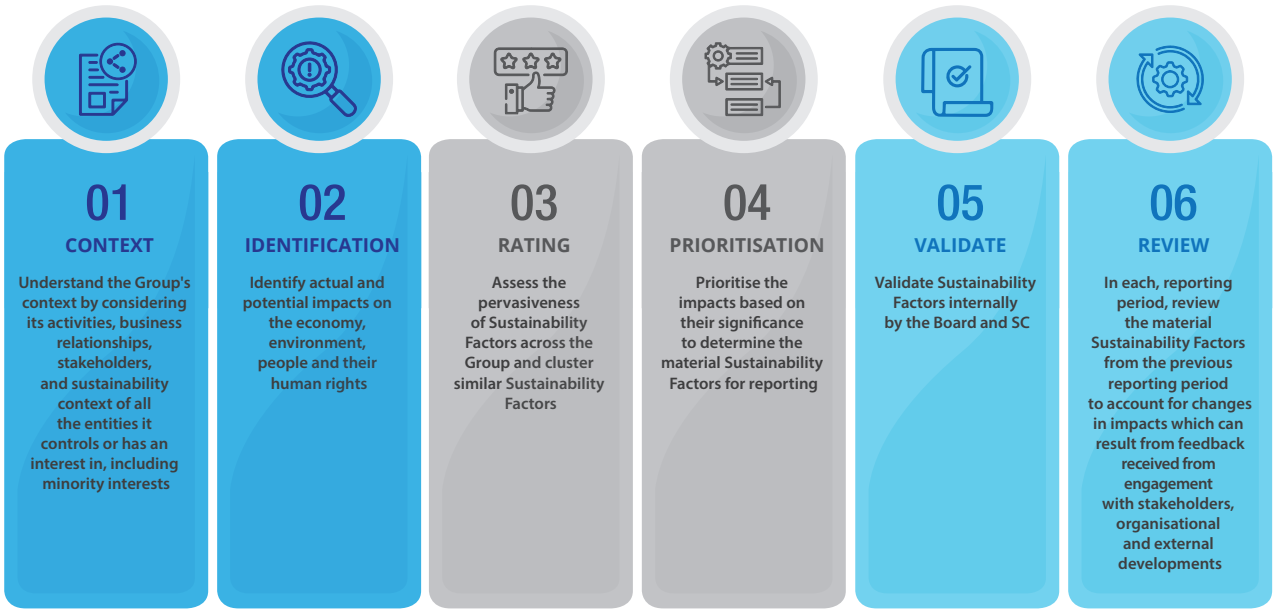
Component Party	Members	Terms of Reference
Board	Board members	• Determine material Sustainability Factors of the Group • Review and approve sustainability strategy, policies and targets • Review and approve sustainability reports (including materiality assessment process and outcome) • Monitor implementation of sustainability strategy, policies and performance against targets • Oversee the identification and evaluation of climate-related risks and opportunities • Oversee the integration of sustainability and climate-related risks and opportunities into the Group's enterprise risk management ("**ERM**") framework • Evaluate the composition and competencies of the SC to support effective oversight of sustainability strategy, with consideration of climate-related risks and opportunities
ARC	ARC members	• Review the effectiveness and adequacy of the Group's internal controls and risk management systems • Oversee the conduct of assurance activities pertaining to the Company's sustainability reporting processes • Support the Board in oversight of sustainability strategy, including consideration of climate-related risks and opportunities, and the sustainability reporting process
SC (Executive level)	• Managing Director • Group Financial Controller • Manager, Business Development • Project Manager • Safety Manager	• Develop sustainability strategy, policies and management plans, as well as recommend revisions to the Board • Align the implementation of sustainability strategy across business segments and geographical locations • Evaluate overall sustainability risks and opportunities, with a focus on climate-related risks and opportunities • Track and monitor sustainability related regulatory requirements • Perform materiality assessment to identify and prioritise material Sustainability Factors • Monitor sustainability activities and performance against targets • Align the Group's practices at the operational level with the organisation-wide sustainability agenda and strategy • Consolidate sustainability metrics to track sustainability impact on a Group basis and for reporting purposes • Prepare and review sustainability reports prior to its approval by the Board
Business units/ Corporate functions	Representatives from business units or corporate functions designated to support the work of the SC	• Align practices at the operational level with the Group's agenda and sustainability strategy • Collect and compile sustainability metrics to track sustainability impact

POLICY, PRACTICE AND PERFORMANCE REPORTING

SUSTAINABILITY REPORTING PROCESSES

Our sustainability process begins with an understanding of the Group's context. This is followed by the ongoing identification and assessment of the Group's impacts. The most significant impacts are prioritised for reporting, and the result of this process is a list of material Sustainability Factors disclosed in this Report.

Processes involved are shown in the chart below:



MATERIALITY ASSESSMENT

We constantly refine our management approach to adapt to changes in the business landscape. An annual materiality assessment is performed by the SC to ensure that material Sustainability Factors disclosed in our sustainability reports remain current, material and relevant. From the assessment, we identify key areas that impact our ability to create value for our stakeholders.

Impacts, positive and negative, actual and potential, are assessed based on: (i) the likelihood of occurrence of actual and potential negative and positive impacts; and (ii) their significance on the economy, environment, people and their human rights and their contribution to sustainable development.

PERFORMANCE TRACKING AND REPORTING

We track the progress of our Sustainability Factors by identifying, measuring and monitoring the relevant sustainability metrics. In addition, we set performance targets that are aligned with our strategy to ensure that we remain focused on our path to sustainability. We will consistently seek to enhance our performance-monitoring processes and improve our data capturing systems. A sustainability report is published annually in accordance with our SR Policy.

MATERIAL SUSTAINABILITY FACTORS

In FY2026, a materiality assessment was performed by the SC to identify factors with significant impact on the economy, environment, people and their human rights. In this Report, we reported our progress in managing these factors and set related targets to improve our sustainability performance.

We endeavour to incorporate the SDGs from the 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, where applicable, as a supporting framework to shape and guide our sustainability strategy. Below are the results showing how our material Sustainability Factors relate to these SDGs:

S/N	Sustainability Factor	Key Stakeholder	SDG	Our Effort
Economic				
1	Total customer satisfaction	• Customers • Suppliers		Work closely with our customers to ensure that we continue to meet their expectations
2	Economic performance	Shareholders		Create long-term economic value for our investors and shareholders by delivering sustainable business performance
Environmental				
3	Energy conservation and GHG emissions reduction	• Communities • Shareholders		Implement measures to reduce energy consumption, improve efficiency, lower GHG emissions and reduce costs
4	Water conservation	• Communities • Shareholders		Implement checks and measures to reduce water wastage, which in turn help us to work towards achieving sustainable management and efficient use of natural resources
5	Waste management	• Communities • Regulators		Implement measures to minimise waste from our business operations and ensure proper waste management.

MATERIAL SUSTAINABILITY FACTORS

S/N	Sustainability Factor	Key Stakeholder	SDG	Our Effort
Social				
6	Occupational health and safety	• Employees • Regulators		Adopt occupational health and safety policy, safe work procedures, conduct training for employees and adhere to industry best practices
7	Diversity and equal opportunity	Employees		Treat employees fairly based on merits
8	Employee retention and development	Employees		Offer training opportunities and benefits to provide a supportive work environment
9	Cultural and social responsibility	• Communities • Customers • Regulators		Provide conservation and restoration solutions that preserve local heritage, strengthen community identity and contribute to a more sustainable urban landscape, as well as participate in corporate social responsibility events to support the communities we operate in
Governance				
10	Corporate governance and business ethics	• Regulators • Shareholders		Maintain high standards of corporate governance practices and business ethics to ensure the sustainability of our business

We will update the material Sustainability Factors on an annual basis to reflect changes in business operations, environment, stakeholders' feedback and sustainability trends.

The details of each material Sustainability Factor are presented as follows:

TOTAL CUSTOMER SATISFACTION

COMMITMENT

We acknowledge that customer satisfaction enhances customers' trust in us and is a key factor in achieving our long-term success.

APPROACH

Our strategies towards customer satisfaction are as follows:

Offer comprehensive services with the capability to support diverse project needs

Through the Group's key subsidiaries of Lum Chang Interior Pte. Ltd. ("**LC Interior**"), and Lum Chang Brandsbridge Pte. Ltd. ("**LCBB**"), the Group has the experience, expertise, and resources to provide customised solutions, from design and planning to procurement and installation, covering all aspects of interior contracting, for a broad range of sectors, including the public, infrastructural, institutional, commercial, retail, F&B and hospitality sectors.

We have a proven track record of delivering projects across various scales and complexities. We offer the following range of services:

Service type	Description
Conservation and restoration	Preserve, restore, and protect historic and culturally significant buildings and structures.
Interior fit-out	• Specialise in transforming outdated interiors into modern, functional, and aesthetically pleasing environments that meet contemporary standards and client expectations. • Manufacture wood furniture and fixtures for residential areas, offices, retail and hospitality customers. • Our comprehensive turnkey interior fit-out services in Singapore and the region include millworks, metalworks, glazing, Mechanical and Electrical ("**M&E**"), store maintenance, and reinstatement.
A&A	Modify and enhance existing buildings to improve functionality and aesthetics, while ensuring adherence to regulatory compliance. These services include demolition and scaffolding work.

We also have an experienced and capable key management team which possesses in-depth knowledge of all aspects of the conservation and restoration, interior fit-out and A&A works, supported by a strong understanding of prevailing market trends and customer demand.

TOTAL CUSTOMER SATISFACTION

Prioritise product and service quality

We aim to surpass client expectations through the following key measures:

- A quality control team and quality management policies and procedures are in place;
- Regular training and updates on quality standards are provided to our project management team to keep them abreast of the latest industry practices and technologies;
- Regular meetings are conducted with relevant stakeholders to monitor project progress and milestones, facilitating timely project completion;
- The performance of major subcontractors and suppliers is evaluated by our project managers, focusing on the quality of their work and their ability to meet requirements and support the delivery of high-quality projects for our customers;
- Works delivered are subject to a defect liability period from completion and handover to customers, following inspection. During this period, defects identified are addressed to support customer satisfaction and the overall quality and reliability of the completed works;
- Relevant equipment used in our operations is sent for calibration testing as and when required to ensure more precise measurements, more accurate fitting and reduced rework; and
- Our in-house carpentry is capable of producing customised wooden furniture, fixtures and fit-out components. These capabilities provide better control over workmanship, greater flexibility for customised works, faster response to site changes, and improved coordination between fabrication and installation.

Leverage digitalisation and innovation to support customer satisfaction

We utilise scanning technology to assess internal wall conditions, enabling more accurate plastering techniques, reducing rework and material wastage, and enhancing quality standards and labour productivity. To further improve labour productivity and support a paperless working environment, we use construction management software to reduce reliance on physical project and site safety permit documentation.

We also utilise Building Information Modelling, a digital process and collaborative method, which leverages 3D models to support the precise translation of digital designs into field operations, improve design layout accuracy, minimise material rework through clash detection of construction elements, facilitate real-time data sharing and progress monitoring, and reduce reliance on hardcopy drawings. Drones are deployed for elevated work inspections to reduce the use of scissor lifts and scaffolding. This improves the accuracy and efficiency of defect identification at elevated areas, reduces work-at-height safety risks and facilitates the efficient use of resources.

Drive environmental sustainability through green and gracious practices

Given the high visibility and impact of construction works, it is crucial for builders to be socially responsible towards the environment, neighbouring communities and the public by adopting gracious practices during construction. At LC Interior, a green and gracious policy is in place to promote green and gracious practices among parties involved in projects, such as project teams, main contractors, subcontractors and site workers. We raise awareness of the policy and associated procedures among site employees through channels such as notice boards and regular briefing sessions.

We also incorporate green, quality and safety considerations into the pre-qualification of suppliers, including consideration of relevant certifications and qualifications such as ISO 9001, ISO 14001, ISO 45001, the Green and Gracious Builder Scheme, a minimum of bizSAFE Level 3, and applicable BCA General Builder or Specialist Builder licences. To promote a more sustainable, greener and healthier built environment in Singapore, we utilise environmentally friendly products, such as green label paints, coatings and vinyl flooring, at sites and site offices, where practicable.

TOTAL CUSTOMER SATISFACTION

PERFORMANCE

Our dedication to quality, sustainability and market standards is recognised through the following awards and accreditation attained by our key subsidiaries:

Award and Accreditation	Entity	Description
Award		
Green and Gracious Builder Award (Category: Excellent)	LC Interior	This is awarded to certified companies under the Green and Gracious Builder Scheme ("**GGBS**"). GGBS is a certification scheme administered by the Singapore Contractors Association to recognise progressive builders that adopt environmentally friendly practices and minimise the impact of construction activities on people living near worksites. Builders are assessed based on their performance in implementing best practices in construction site management. GGBS serves as a benchmark of a builder's corporate social responsibility towards the environment and the public during project construction. It also sets standards for green and gracious practices during construction works, helping to raise environmental awareness and enhance the professionalism of builders.
Accreditation		
ISO 9001:2015	• LC Interior • LCBB	The certification specifies the requirements for a quality management system that can demonstrate the ability to consistently provide products and services that meet customer and applicable statutory and regulatory requirements.
ISO 14001:2015	LC Interior	The certification specifies requirements for an environmental management system to minimise organisations' environmental footprint, continually improve environmental performance and comply with relevant legal requirements.

ECONOMIC PERFORMANCE

COMMITMENT

We are committed to creating long-term economic value and delivering consistent economic performance for our investors and shareholders.

APPROACH

We strive to generate and distribute economic value via our business strategy, which includes staying abreast with market trends, maintaining a healthy balance sheet and strong cash flow, mitigating relevant business risks identified.

PERFORMANCE

For detailed information on the Group's financial performance and our financial risk management efforts, please refer to the audited financial statements in the FY2026 Annual Report.

ENERGY CONSERVATION AND GHG EMISSIONS REDUCTION

COMMITMENT

Energy use and the resulting carbon emissions cause heat to be trapped in the atmosphere, leading to climate change and global warming. Accordingly, we are committed to conserving energy and reducing our carbon footprint whilst being open to capitalising on opportunities that may arise as we transit to become a low-carbon organisation.

APPROACH

To run our operations, we rely mainly on the following energy sources:

- Diesel for company-owned vehicles, generators and forklifts; and
- Electricity for running equipment, lighting, cooling and ventilation at project sites and office environment, as well as charging electric vehicles.

We aim to reduce our environmental footprint and at the same time, establish operational resilience that delivers long-term and sustainable value to our business. We adopt a balanced approach in effectively managing and minimising the impacts arising from our business operations.

ENERGY CONSERVATION AND GHG EMISSIONS REDUCTION

Decarbonisation approach

To achieve our decarbonisation goals, we set up a 7-step continuous circular process for our decarbonisation efforts as follows:

Decarbonisation Approach



We track and monitor our Scope 1 and 2 GHG emissions and are developing mechanisms to track our Scope 3 GHG emissions where relevant and practicable. We developed a climate change transition plan and will refine the plan as we progressively implement it, by considering changes in business operations, environment and market trends. Progress updates and performance will be provided in our future sustainability reports.

We measure our GHG emissions in alignment with the GHG Protocol: A Corporate Accounting and Reporting Standard (2004) and adopted the operational control approach as a basis to determine GHG emissions data consolidation boundaries across our operations. This approach has been selected as it allows us to manage emissions from our operations where we have practical control to introduce relevant measures and implement operating policies. We have assessed that we have operational control over all operations[5] covered in this Report.

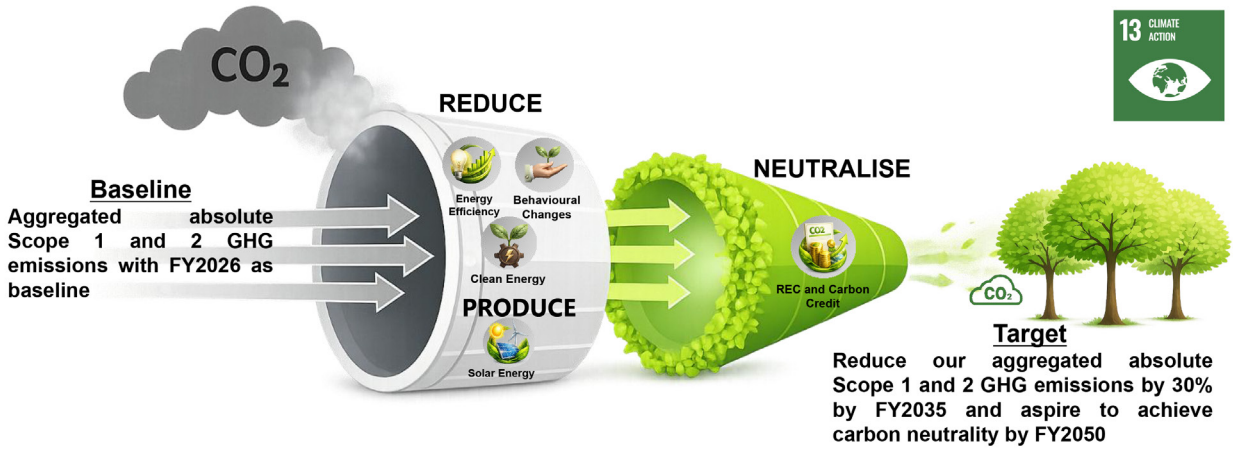
Climate change transition plan

Our climate change transition plan steers us on our decarbonisation journey. Under this plan, we commit to reduce our aggregated absolute Scope 1 and 2 GHG emissions by 30% by FY2035 and aspire to achieve carbon neutrality by FY2050, using FY2026 as our baseline. Our climate change transition plan is focused on three (3) strategic levers of reduce, produce and neutralise as follows:

(5) Operations refer to that undertaken by the entities covered in this Report.

ENERGY CONSERVATION AND GHG EMISSIONS REDUCTION

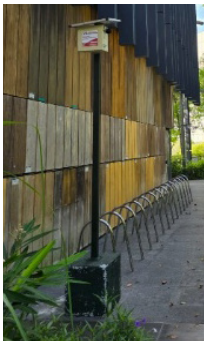
Climate Change Transition Plan



We periodically review our energy consumption to manage usage and take corrective actions when unusual consumption patterns are detected. We continuously strive to improve our energy use and efficiency through the following initiatives and aspirations:

Lever	Focus Area	Focus Area	Action Plan
Reduce	• Reduce absolute emissions first within our operations and followed by our supply chain • Replace existing energy source with low or zero-carbon sources	Energy efficiency – Machinery and equipment	• Maintain a systematic maintenance programme for machinery and equipment to improve energy efficiency. • Optimise electricity efficiency by using energy-efficient appliances such as air conditioners and photocopiers at sites and site offices wherever practicable.
		Energy efficiency – Lighting	• Optimise electricity efficiency using high-efficiency lighting wherever practicable. • Motion sensors to detect movement and avoid unnecessary power use.
		Energy efficiency – Motor vehicles	To support our commitment to a more sustainable future, we will gradually transition our internal combustion vehicle fleet to electric vehicles, guided by market developments, infrastructure readiness, and technological advancements.
		Behavioural changes	We constantly remind our staff on basic and socially responsible habits at their workplaces such as adopting greener work ethics, switching off appliances if not in use, enabling power saving modes and optimising operating temperatures.
		Clean energy	We are constantly exploring opportunities to source for clean and/or renewable energy where we operate in.

ENERGY CONSERVATION AND GHG EMISSIONS REDUCTION

Lever	Focus Area	Focus Area	Action Plan
Produce	On-site generation of green or renewable energy	Solar energy	Solar panels are installed to power noise meters[6] at project sites, supporting the use of renewable energy. 
Neutralise	Neutralise unavoidable residual emissions	• Renewable energy certificates ("**REC**") • Carbon credits	We plan to explore the use of REC and carbon credits to offset unavoidable residual emissions when the relevant markets mature.

PERFORMANCE

Key statistics on electricity consumption and GHG emissions during the Reporting Period are as follows:

Sustainability Metric	Unit of Measurement	FY2026
Energy consumption		
Diesel consumption	GJ	2,373
Purchased electricity consumption	GJ	3,118
Total energy consumption	GJ	5,491
Total energy consumption intensity	GJ/ revenue $'000	0.05
GHG emissions		
Direct GHG emissions (Scope 1[7])	tonnes CO_2e	180
Indirect GHG emissions (Scope 2[8])	tonnes CO_2e	348
Aggregated Scope 1 and 2 GHG emissions	tonnes CO_2e	528
Aggregated Scope 1 and 2 GHG emissions intensity	tonnes CO_2e/ revenue $'000	0.01

(6) Electricity generated from these site-based solar installations is not separately metered and is therefore excluded from the energy consumption disclosed in this Report.

(7) The direct GHG emissions from diesel consumption controlled by the Group (Scope 1) are calculated based on the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

(8) The indirect GHG emissions from electricity purchased by the Group (Scope 2) are calculated based on the grid emission factor published by the Energy Market Authority for Singapore.

WATER CONSERVATION

COMMITMENT

We are committed to water-use efficiency to address global water scarcity.

APPROACH

We rely on water resources to run our operations primarily at our project sites and office premises. We mainly source our water supply from municipal water suppliers. Our water conservation initiatives include performing regular tracking and review on our water consumption and periodic inspections of our faucets and pipes for possible leaks. In addition, we use water-efficient fittings such as taps and flushing cisterns to conserve water at selected project sites. Collected rainwater is also utilised for vehicle washing and plant watering at selected project sites.

PERFORMANCE

Key statistics on our water consumption during the Reporting Period are as follows:

Sustainability Metric	Unit of Measurement	FY2026
Water consumption	CuM	11,261
Water consumption intensity	CuM/ revenue $'000	0.11

WASTE MANAGEMENT

COMMITMENT

Responsible waste management is crucial to minimise the adverse impacts of our activities on human health and the environment, whilst adhering to relevant environmental laws and regulations. We are committed to conducting our businesses in a manner that respects and protects the environment by preventing pollution and reducing wastage.

APPROACH

Key non-hazardous waste generated in our operations include the following:

- Construction waste such as concrete, bricks, rebars, hardcore, timber and general waste;
- Scrap metals such as galvanised iron pipes, zinc sheets and hoarding materials;
- Bulky waste such as air-conditioning units from demolition services; and
- Packaging and paper waste.

WASTE MANAGEMENT

We do not generate hazardous waste in our operations.

Our initiatives to manage key waste generated from operations include the following:

- An environmental control plan is set up for projects to provide guidelines for the management of construction waste. This plan aims to prevent the illegal dumping of construction waste through the following initiatives to reduce, reuse and recycle construction waste:
  - Construction materials are stored in dry areas or protected with weatherproof containers or wrappings to minimise contamination, deterioration and wastage prior to use;
  - Waste is segregated at designated areas for disposal or recycling where applicable. Recyclable materials include carton boxes, aluminium cans, hardcore, timber and scrap metal;
  - Reusable and recyclable aluminium formwork is used where applicable to reduce the use of timber waste from traditional scaffolding, while precast concrete is utilised to minimise concrete wastage through more precise material requirements;
  - Construction materials are reused or repurposed where suitable, including hardcore for road access and backfilling, timber for shoe racks and step access, rebar for S-hooks used in housekeeping, and metal waste such as galvanised iron pipes, zinc sheets and hoarding sheets for temporary storage structures, doors and racks; and
- Air-conditioning units in good working condition may also be salvaged from demolition projects for repurposing at other project sites.

PERFORMANCE

Waste generated

Key statistics on the amount of waste generated during the Reporting Period are as follows:

Sustainability Metric	Unit of Measurement	FY2026
Amount of hazardous waste generated	tonnes	-
Amount of non-hazardous waste generated[9]	tonnes	1,598

Waste management

During the Reporting Period, we had zero incidents of non-compliance with applicable laws and regulations related to improper waste disposal.

(9) This figure covers concrete and brick waste, rebars and scrap metals, and general construction waste generated by LC Interior. Figure excludes non-hazardous waste generated by LCBB due to non-availability of information.

OCCUPATIONAL HEALTH AND SAFETY

COMMITMENT

Our commitment to workplace safety is the cornerstone of our operational philosophy, ensuring a secure and healthy environment for all our employees and subcontractors. We recognise that a holistic view of occupational health extends to both environmental health (including public health and heat risk) and personal health (including physical and mental well-being). In alignment with applicable laws and regulations in the jurisdictions we operate in, we are dedicated to taking reasonable precautions to prevent potential harm to the life, health, or well-being of persons in public spaces during construction, alteration, repair, or maintenance of any building.

APPROACH

Our dedication to workplace safety is recognised through the implementation of the following safety measures:

- A safety committee is in place, and meetings are conducted regularly to manage risks associated with workplace safety and health;
- A set of workplace safety and health policies and procedures is in place;
- Conduct regular training for employees on common safety hazards;
- Conduct stringent assessments of our suppliers and subcontractors to ensure their compliance with workplace health and safety standards;
- Perform workplace risk assessments in line with our risk management policy. A dedicated risk assessment team is in place to identify, evaluate and monitor the occupational health and safety hazards associated with work activities and processes. The identified hazards are assessed, taking into consideration the existing controls in place and additional controls required;
- Provide and maintain first-aid boxes at strategic and accessible locations;
- Employ a range of noise mitigation measures, including the use of portable and fixed noise meters for continuous monitoring, and installation of noise barriers to manage noise levels at project sites and ensure that noise levels do not exceed the maximum permissible limits set forth in applicable laws and regulations;
- Employ vector control measures in our project sites by carrying out regular site housekeeping, inspection, treatment of potential mosquito breeding sites, and scheduling for regular pest control services;
- Employ heat stress measures such as regular rest breaks and water spray at outdoor project sites; and
- Encourage our employees through emails to participate in mental well-being workshops and surveys promoted by the Workplace Safety and Health ("**WSH**") Council to raise awareness of workplace mental health and gather feedback on areas where support can be improved.

PERFORMANCE

Award and accreditation

Our dedication to workplace safety is recognised through several prestigious awards. LC Interior was conferred the WSH Performance (Gold) Award at the WSH Awards 2024, having previously received the Silver Award from 2021 to 2023. LC Interior and LCBB are certified under ISO 45001, reflecting our commitment to international standards of occupational health and safety. LC Interior and LCBB also attained bizSAFE Star, the highest level in bizSAFE, a five-step programme offered by the WSH Council that assists companies in building their WSH capacity and capabilities. These recognitions underscore our continuous improvement and excellence in maintaining workplace safety standards.

OCCUPATIONAL HEALTH AND SAFETY

Safety performance

During the Reporting Period, the number and rates (per 1,000,000 hours worked)[10] of work-related injuries and ill health cases for our employees and subcontractors[11] are as follows:

Sustainability Metric	FY2026	
	Employees	Subcontractors
Workplace fatalities		
Number	-	-
Rate per 1,000,000 hours worked	-	-
High consequence work-related injuries		
Number	-	-
Rate per 1,000,000 hours worked	-	-
Recordable work-related injuries		
Number	-	-
Rate per 1,000,000 hours worked	-	-
Recordable work-related ill health cases		
Number	-	-
Rate per 1,000,000 hours worked	-	-

(10) Safety performance rates are calculated using the formula: (Number of incidents/ Number of hours worked) x 1,000,000. During the Reporting Period, employees worked for 188,928 hours, while subcontractors worked for 662,130 hours.

(11) Employees of subcontractors for project execution, comprising general workers, site supervisors and project engineers.

DIVERSITY AND EQUAL OPPORTUNITY

COMMITMENT

Human resource is our key asset. A diversified workforce supports business sustainability by offering fresh perspectives and ideas that contribute to the growth of our operations.

APPROACH

The Group's key subsidiary, LC Interior, adopted the Tripartite Standards under the Tripartite Alliance for Fair and Progressive Employment Practices, to show our commitment towards building a workplace that respects and values our employees. The Tripartite Alliance between the Ministry of Manpower, the National Trades Union Congress and the Singapore National Employers Federation, shares a vision for Singapore to be one of the best workplaces in the world.

As part of this Alliance, we endeavour to recruit and select employees based on merit, treat them fairly and with respect, put in place age-friendly workplace practices, as well as procedures to manage workplace grievances and build an inclusive and harmonious workplace. We set out guidelines for the recruitment and promotion of employees in our employee handbook and set of Human Resources procedures.

LC Interior is awarded with the Progressive Wage Mark ("**PW Mark**") accreditation. This accreditation recognises our ongoing efforts to pay progressive wages to lower-wage workers, reflecting our commitment to ensuring equitable and sustainable wages for our valued employees. The PW Mark is administered by the Singapore Business Federation on behalf of the Tripartite Partners. The Tripartite Partners, comprising the Ministry of Manpower, National Trades Union Congress and Singapore National Employers Federation, initiated the PW Mark as part of Singapore's efforts to uplift the wages and well-being of lower-wage workers.

PERFORMANCE

The total number of employees[12] as at 30 June 2026 is 87.

The breakdown of our workforce by region as at 30 June 2026 is as follows:

	Singapore	Malaysia	Total
Overall	85	2	87
Permanent contract and full-time	62	2	64
Temporary contract	23	-	23

During the Reporting Period, there were zero reported incidents of unlawful discrimination against employees.

(12) We employed 1 non-guaranteed hours employee which constitutes 1% of the Group's workforce, which is deemed immaterial.

DIVERSITY AND EQUAL OPPORTUNITY

Key statistics on employee demographics are as follows:

Gender diversity

We view gender diversity in the Board as an essential element in supporting sustainable development. We have a female representation of one Director in the Board or 20% of the Board. For more information relating to board diversity, please refer to the Corporate Governance Report of the FY2026 Annual Report. Our workforce composition reflects the male-dominated nature of the industry. Key statistics on gender diversity of our employees are as follows:

Sustainability Metric	FY2026	
	Male	Female
Overall	89%	11%
Employee category		
Management	93%	7%
Non-management	86%	14%

Age diversity

Key statistics on age diversity of our employees are as follows:

Sustainability Metric	FY2026		
	Below 30	30 – 50	Above 50
Overall	14%	73%	13%
Employee category			
Management	-%	72%	28%
Non-management	21%	74%	5%

EMPLOYEE RETENTION AND DEVELOPMENT

COMMITMENT

As our business is labour intensive, our ability to take on and complete projects on time depends largely on whether we can secure adequately skilled and suitable personnel for our operations. As such, we place high priority on talent attraction and retention. Our success and ability to maintain a competitive edge are intrinsically linked to the competency and professional knowledge of our staff. We firmly believe that continuous skill enhancement is essential for our employees to remain relevant and effective in their respective fields.

APPROACH

Training and development

To support continuous skill enhancement for our employees, we provide comprehensive on-the-job training and frequently sponsor our staff to attend courses and seminars. These educational opportunities are conducted by reputable government bodies, agencies, and large organisations, and include workplace safety and technical courses pertinent to the Group's business.

Performance evaluation

Employee assessments are performed regularly to evaluate the performance of employees, and this encourages them to take self-initiated enrichment actions to improve themselves.

Benefits and welfare

To support the safety and well-being of our employees, we provide insurance coverage such as medical insurance in Singapore, employment and social security insurance in Malaysia. Apart from insurance coverage, all employees are entitled to medical claims. We further prioritise our employees' health and productivity by offering preventive care benefits to eligible employees, including dental claims and subsidies for regular health screening checks. We also adhere to the respective pension plan obligations of the countries in which we operate and make monthly contributions to individuals' pension plan accounts in accordance with the relevant statutory requirements to ensure a more secure retirement for our employees.

In addition, we provide eligible employees with pro-family benefits such as maternity leave, paternity leave, shared parental leave and childcare leave in line with the respective pro-family legislations stipulated within each jurisdiction that we operate in. We offer flexible work arrangements, where appropriate, providing support for employees who need to manage work responsibilities alongside personal commitments.

We also promote employee wellness and team bonding through activities that encourage healthy lifestyles and interaction among colleagues. During the Reporting Period, our employees participated in a jumping fitness class at Prestique Studio in Marina Square. The session incorporated cardio, strength and balance exercises and provided employees with an opportunity to stay active, bond with colleagues and enjoy a shared wellness experience.

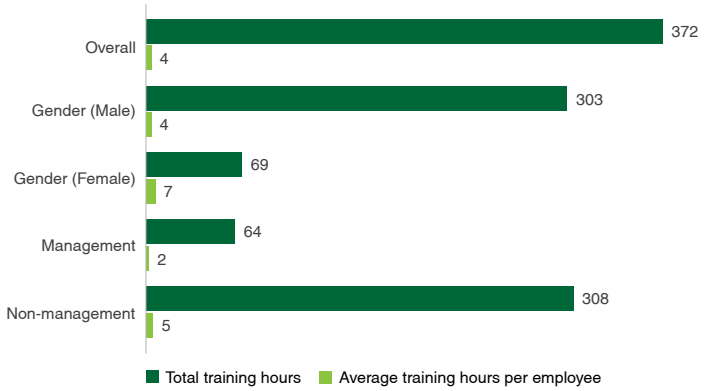


EMPLOYEE RETENTION AND DEVELOPMENT

PERFORMANCE

Training hours

A total of 372 training hours were provided for our employees during FY2026, with an average of 4 training hours per employee. Key statistics on training hours are as follows:



New hires

During the Reporting Period, our new hire rate was 25%. Key statistics on new employee hires are as follows:

Sustainability Metric	FY2026	
	Number	Percentage
Overall new hires	22	25%
Gender		
Male	21	27%
Female	1	10%
Age		
Below 30	3	25%
30 – 50	17	27%
Above 50	2	18%

Turnover

During the Reporting Period, our overall turnover rate was 18%. Key statistics on employee turnover are as follows:

Sustainability Metric	FY2026	
	Number	Percentage
Overall turnover	16	18%
Gender		
Male	15	19%
Female	1	10%
Age		
Below 30	2	17%
30 – 50	14	22%
Above 50	-	-%

Performance evaluation

During the Reporting Period, 100% of our confirmed employees (excluding general workers) received regular performance and career development reviews.

CULTURAL AND SOCIAL RESPONSIBILITY

COMMITMENT

Cultural responsibility

We recognise that historic and culturally significant buildings and structures are more than physical assets; they form part of the foundation of a dynamic and resilient nation. Conserving Singapore's built heritage is an important aspect of urban planning and development. By protecting our diverse architectural landscape, we help preserve cultural heritage and strengthen our sense of rootedness and identity. This commitment aligns with national initiatives such as NHB's Our SG Heritage Plan 2.0, which seeks to shape and revitalise Singapore's heritage landscape.

Social responsibility

In addition to our role in cultural preservation, we believe in giving back to the communities in which we operate, fostering a spirit of giving and contributing to their well-being.

APPROACH

Cultural responsibility

The Group operates in a highly specialised segment with a select number of established players, delivering conservation and restoration services tailored to the unique needs of each client.

Conservation works go beyond compliance with preservation regulations, such as the Preservation of Monuments Act administered by NHB and the Conservation Guidelines established by URA. These projects require careful navigation of complex built environments, balancing structural stabilisation, material restoration, historical research and the integration of modern amenities, while preserving the original character, craftsmanship and historical significance of the building.

Through our specialised expertise, conservation techniques and attention to detail, the Group contributes to the preservation of cultural and architectural heritage by safeguarding historically significant buildings for continued use by present and future generations. This supports the continuity of local identity, strengthens appreciation of Singapore's built heritage and enables heritage assets to remain relevant within the modern urban landscape. The Group's consistent delivery quality is further demonstrated by our strong project pipeline.

Social responsibility

We are committed to making a positive impact on society and to giving back to the community through supporting charitable organisations and community initiatives.

PERFORMANCE

Cultural responsibility

Notable conservation and restoration projects from our track record include the following:

Year	Project Name	Project Description
2025	Temasek Shophouse 	Temasek Shophouse is a row of shophouses along Orchard Road, with the oldest shophouse dating back to 1925. The site was gazetted for conservation in 2017. The scope of the contract includes the conservation and restoration of shophouses, as well as the rejuvenation of the surrounding community spaces. The project is recognised with the WSH Performance (SHARP) Award 2025.

CULTURAL AND SOCIAL RESPONSIBILITY

Year	Project Name	Project Description
2025	Orchard Road Presbyterian Church 	The Orchard Road Presbyterian Church's main building was completed in 1878, making it one of the oldest associated with the Presbyterian denomination in Singapore. This building has witnessed many events in Singapore's history. These include the Japanese Occupation, Konfrontasi and the development of Orchard Road. The scope of the contract includes redeveloping the Dunman Hall with a new five-storey building, as well as conservation works to the church's existing sanctuary.
2025	National Museum of Singapore 	The National Museum at Stamford Road was gazetted as a national monument on 14 February 1992. The scope of the contract includes restorative work on the building's ornamental facade and critical repairs to the timber and structural elements.
2023	Red Cross House 	Red Cross House is a building that received conservation status in 2014. The scope of the project includes conservation works, a new lift, and a new two-storey thrift shop building.
2021	St James Power Station 	This project involves the conservation and adaptive reuse of the gazetted national monument into a commercial office. The works included conservation interventions alongside major upgrades such as new structural elements, lifts, linkways, a basement carpark, landscaping, and roofing works, completed in 2021. The project has been recognised with multiple industry awards, including the URA Architectural Heritage Awards 2022, Singapore Institute of Architects ("**SIA**") Architectural Design Awards 2022, WSH Performance (SHARP) Awards 2020 and 2021, and the BCA Green Mark Award 2020 to 2023 (Platinum).

During the Reporting Period, there were zero incidents of non-compliance with applicable preservation regulations and conservation guidelines.

CULTURAL AND SOCIAL RESPONSIBILITY

Social responsibility

Together with our parent company, Lum Chang Holdings Limited, we participated in the following community initiatives:

Community Initiatives	
Food donation drive for The Food Bank Singapore Groceries and cash were collected from our employees and donated to The Food Bank Singapore. The Food Bank Singapore is Singapore's sole accredited member of The Global FoodBanking Network, a non-profit organisation that supports community-driven food banks in over 50 countries. This affiliation allows Singapore to participate in a global mission to empower community-led solutions aimed at alleviating hunger and reducing food loss and waste.	 Food Donation Drive
Guided farm tour at City Sprouts Our employees participated in a volunteering session at City Sprouts, an organisation in Singapore that promotes environmental sustainability, supports local communities and donates surplus harvests to outreach programmes and community partners. The session began with a guided farm tour, where participants were introduced to sustainable farming practices, urban farming concepts and crops grown on-site. Employees then took part in hands-on activities such as watering plants, maintaining the aquaponics system, filtering compost and preparing sphagnum moss. Through the session, employees gained a better understanding of sustainable farming and developed a deeper appreciation for urban farming, while contributing their time to support City Sprouts' initiatives.	  Guided Farm Tour

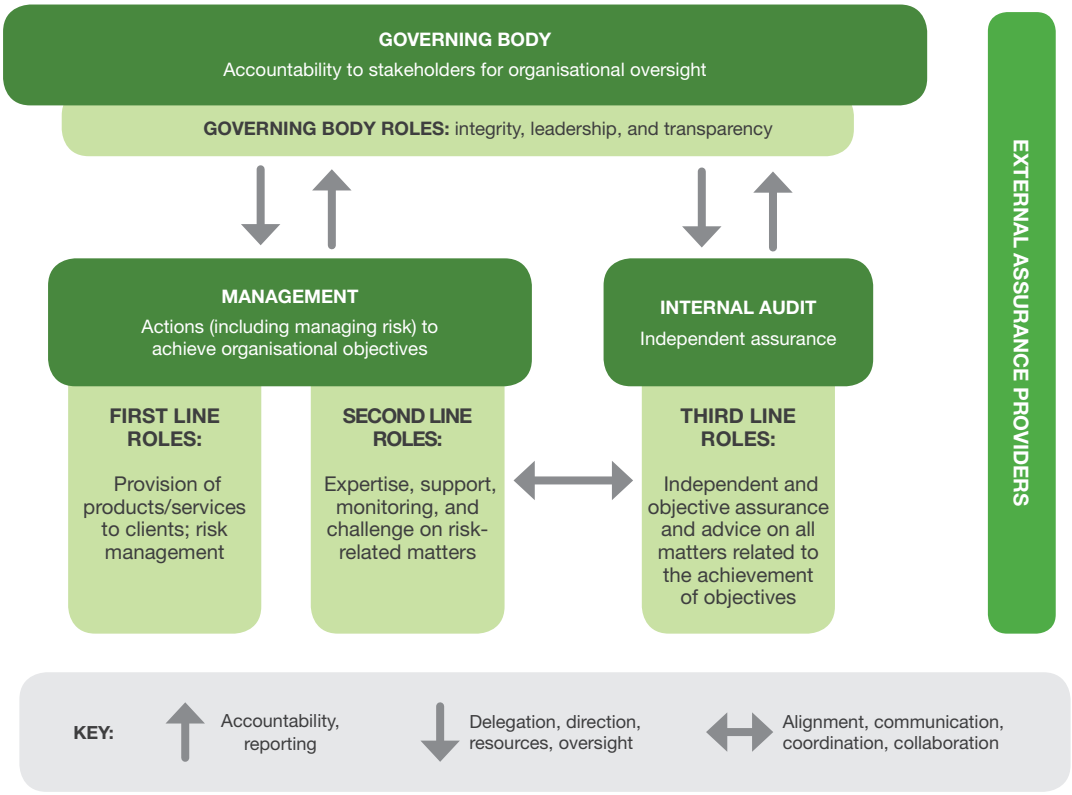
CORPORATE GOVERNANCE AND BUSINESS ETHICS

COMMITMENT

A high standard of corporate governance is integral in ensuring sustainability of our business as well as safeguarding shareholders' interest and maximising long-term shareholder value.

APPROACH

We aligned our corporate governance and risk management approach with the Three Lines Model issued by the Institute of Internal Auditors ("**IIA**"). The Three Lines Model serves to identify structures and processes that best assist the achievement of organisational objectives and facilitate strong governance and risk management. Under the Three Lines Model, the roles and responsibilities of governing body, management (first and second line roles), internal audit (third line roles) and the relationship among them are defined as follows:



Source: Three Lines Model of the IIA

CORPORATE GOVERNANCE AND BUSINESS ETHICS

Our policies and commitments to enforcing ethical business practices are as follows:

- A whistleblowing policy to provide a mechanism for employees to raise concerns through accessible confidential disclosure channels about possible improprieties in matters of financial reporting and others. Details of the whistleblowing policy, together with the dedicated whistleblowing communication channels (such as email address) have been made available to all employees;
- A code of conduct detailed in our employee handbook to outline expectations for employees and the consequences for any violations of rules or standards not being met;
- An anti-corruption policy to outline principles and obligations that all employees must adhere to ensure integrity in all business activities; and
- Any actual or potential conflict of interest shall be promptly disclosed to Human Resources.

Refer to the Corporate Governance Report of the FY2026 Annual Report for details on our corporate governance practices.

PERFORMANCE

In FY2026, there were zero incidents of serious offence reported and zero reported incidents of non-compliance with applicable laws and regulations for which fines and/or non-monetary sanctions were incurred.

TARGETS AND PROGRESS

To measure our ongoing sustainability performance and drive continuous improvement, we developed a set of targets related to our material Sustainability Factors:

S/N	Material Sustainability Factor	Target[13]
Economic		
1	Total customer satisfaction	**Ongoing** Adhere to the market standards and best practices in operations
2	Economic performance	**Short-term** Maintain or improve revenue generated subject to market conditions
Environmental		
3	Energy conservation and GHG emissions reduction	**Short-term** Maintain or reduce aggregated Scope 1 and 2 GHG emissions intensity **Medium-term and long-term** Reduce our aggregated absolute Scope 1 and 2 GHG emissions by 30% by FY2035 and aspire to achieve carbon neutrality by FY2050, with FY2026 as our baseline
4	Water conservation	**Short-term** Maintain or reduce water consumption intensity **Ongoing** Implement water efficiency measures to support long-term environmental sustainability
5	Waste management	**Ongoing** Maintain zero incidents of non-compliance with applicable laws and regulations related to improper waste disposal
Social		
6	Occupational health and safety	**Ongoing** Maintain zero workplace fatalities, high consequence work-related injuries, recordable work-related injuries and ill health cases
7	Diversity and equal opportunity	**Ongoing** Maintain zero reported incidents of unlawful discrimination against employees
8	Employee retention and development	**Short-term** • Maintain or reduce employee turnover rate subject to market conditions • Maintain or improve average training hours per employee
9	Cultural and social responsibility	**Ongoing** • Maintain zero incidents of non-compliance with applicable preservation regulations and conservation guidelines • Participate in community engagement activities to help the communities
Governance		
10	Corporate governance and business ethics	**Ongoing** • Maintain zero incidents of serious offence • Maintain zero reported incidents of non-compliance with applicable laws and regulations for which fines and/or non-monetary sanctions were incurred

For the material Sustainability Factors identified in this Report, the Board and SC have considered the relevance and usefulness of setting related targets in the short, medium and long-term horizons. As the historical data trends for certain material Sustainability Factors have yet to stabilise, we have not set the related medium and long-term targets and will disclose such targets in our future sustainability reports when the data trends have stabilised and subject to market trends.

(13) Time horizons for target settings are: (i) short term: within 5 years (up to FY2031); (ii) medium term: between 5 and 20 years (from FY2032 to FY2046); (iii) long term: beyond 20 years (after FY2046); and (iv) ongoing: encompassing short, medium, and long term.

OUR DISCLOSURES BASED ON TCFD RECOMMENDATIONS

Our climate-related disclosures are produced based on the 11 recommendations of TCFD.

Governance

a. Describe the board's oversight of climate-related risks and opportunities.

The Board oversees the management and monitoring of the Sustainability Factors and considers climate-related issues in determining the Group's strategic direction and policies.

b. Describe management's role in assessing and managing climate-related risks and opportunities.

The Board is ultimately responsible for the oversight of the Group's sustainability matters and is primarily supported by our SC. Our sustainability strategy is spearheaded by our SC, which includes the senior management executives, supported by management executives from key business units and corporate functions. The SC reports to the ARC. The responsibilities of the SC include considering climate-related issues in the development of sustainability strategy, target setting, evaluation of sustainability risks and opportunities, as well as collection, verification, monitoring and reporting of performance data.

Strategy

a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.
b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.

We recognise that climate change poses different types of risks to our business. The Group's assessment on potential implication of climate-related risks was undertaken based on the Network of Central Banks and Supervisors for Greening the Financial System ("**NGFS**") range of climate scenarios:

Scenario	Description
Orderly Net zero 2050	Reaching net-zero global CO_2 emissions by 2050 will require an ambitious transition across all sectors of the economy. Scenarios tend to emphasise the importance of decarbonising the electricity supply, increasing electricity use, increasing energy efficiency, and developing new technologies to tackle hard-to-abate emissions. Transition risks to the economy could result from higher emissions costs and changes in business and consumer preferences. Physical risks would be minimised.
Hot house world Current policies	While many countries have started to introduce climate policies, they are not yet sufficient to achieve official commitments and targets. If no further measures are introduced, 3°C or more of warming could occur by 2100. This would likely result in deteriorating living conditions in many parts of the world and lead to some irreversible impacts like sea-level rise. Physical risks to the economy could result from disruption to ecosystems, health, infrastructure and supply chains.

We selected NGFS' orderly and hot house world scenarios for our qualitative climate scenario analysis. We analyse the impact of the climate-related risks on group-wide activities in the short term (up to FY2031), medium term (from FY2032 to FY2046) and long term (after FY2046).

OUR DISCLOSURES BASED ON TCFD RECOMMENDATIONS

Based on the above-mentioned scenarios, the key climate-related risks and opportunities identified by the Group during a climate-related risk assessment exercise are as follows:

Physical Risk

Physical Risk 1: Adverse Weather Conditions			
Description	The physical impacts of climate change such as rising mean temperatures, rising sea levels, heavy rainfall, increased flash floods and extreme variability in weather patterns may cause project delays and cost overruns, increased maintenance, repair and replacement costs due to asset damage, operational disruptions and increased cooling costs. They may also lead to higher risk of heat stress and increased spread of vector-borne diseases for site workers, potentially reducing labour productivity and requiring stricter compliance for occupational health and safety measures. Extreme weather events also add cost premium to cement and steel materials as such suppliers rely on complex global logistics. We may not be able to pass down the escalating costs on materials to our customers in view of contractual restrictions and market sentiments. As a result of the abovementioned impacts, the Group's financial performance may be adversely impacted. We remain vigilant in monitoring the impact of climate change on our operations, mindful of the alarming USD 162 billion in global economic losses from natural catastrophes recorded in the first half of 2025[14].		
Financial Impact	**Short-Term**	**Medium-Term**	**Long-Term**
	Scenario: Orderly		
	🟢	🟢	🟢
	Scenario: Hot house world		
	🟢	🟡	🔴
Mitigation Measure	We put in place a climate change transition plan to steer us on our decarbonisation journey. The increased prevalence and severity of adverse weather conditions drove us in adopting energy efficiency initiatives to manage energy consumption, generate energy savings and reduce GHG emissions. You may refer to the Energy Conservation and GHG Emissions Reduction Sustainability Factor for further details. In view of higher risk of heat stress and increased spread of vector-borne diseases for site workers due to climate change, we employ vector prevention and heat stress measures in our project sites. You may refer to the Occupational Health and Safety Sustainability Factor for further details.		
Climate-Related Opportunity	In view of the potential environmental risks and the resultant emerging needs for energy efficiency and lower emissions, the Group can capitalise on the opportunity to invest in energy-efficient technologies, renewable energy use, and explore green financing to lower the cost of capital for green projects.		

[14] Source: https://www.weforum.org/stories/2025/08/global-insurance-industry-gap/

OUR DISCLOSURES BASED ON TCFD RECOMMENDATIONS

Transition Risk

Transition Risk 1: Shifting Consumer Preferences for Green Buildings			
Description	The transition to a low-carbon future may lead to shifting customer preferences for green buildings which incorporate energy-efficient M&E systems and use of low-carbon or sustainable materials. Inability to adapt to shifting consumer preferences may reduce our competitiveness and lead to potential loss of market share in the sectors we operate in.		
Financial Impact	**Short-Term**	**Medium-Term**	**Long-Term**
	Scenario: Orderly		
	●	●	●
	Scenario: Hot house world		
	●	●	●
Mitigation Measure	Our dedication to continual improvement in environmental management, and green and gracious practices during construction works is recognised through the ISO 14001 certification and Green and Gracious Builder Award attained by LC Interior. You may refer to the Total Customer Satisfaction Sustainability Factor for further details. We incorporate the use of sustainable materials in design and construction, where practicable. We also assess our suppliers' environmental performance, including green certifications and compliance records with applicable regulations. In view of the resultant emerging needs for green buildings, we focus on the following: • Stay updated on regulatory developments by attending relevant training courses and industry briefings; • Upskill our workforce in digital tools and sustainable construction practices; • Explore more sourcing of cost-effective sustainable materials; and • Target BCA Green Mark certification for new projects and adopt BCA Green Mark criteria in building design and construction, to meet or exceed customer expectations whilst continue to be aligned with project scope.		
Climate-Related Opportunity	In view of the emerging needs for green buildings, the Group is well-positioned to capture climate-related opportunities driven by evolving regulatory expectations and increasing market demand for sustainable solutions. These opportunities support enhanced competitiveness, improved cost management, and the ability to deliver greater value to customers, while strengthening the Group's overall market positioning.		

Transition Risk 2: Mandates on and regulation of existing products and services			
Description	The Group may be exposed to the risks of non-compliance and increased compliance costs in the event of more stringent green building standards and changes in regulations and updates to standards for energy, resource efficiency and project requirements. This may lead to reputational damage, adverse impact on brand perception, business relationships and financial performance.		
Financial Impact	**Short-Term**	**Medium-Term**	**Long-Term**
	Scenario: Orderly		
	●	●	●
	Scenario: Hot house world		
	●	●	●
Mitigation Measure	Our dedication to environmental management, and green and gracious practices during construction works is recognised through ISO 14001 certification and Green and Gracious Builder Award attained by LC Interior. You may refer to the Total Customer Satisfaction Sustainability Factor for further details. We also stay updated on regulatory developments by attending relevant training courses and industry briefings.		
Climate-Related Opportunity	Building on our commitment to environmental management and sustainable practices, the Group is well-positioned to capture climate-related opportunities arising from increasing demand for green buildings and evolving regulatory expectations. These opportunities support improved operational efficiency, cost optimisation, and enhanced competitiveness, while enabling the Group to deliver sustainable value to customers and strengthen its overall market position.		

OUR DISCLOSURES BASED ON TCFD RECOMMENDATIONS

Transition Risk 3: Enhanced Emissions-Reporting Obligations			
Description	With rising concerns over the effects of climate change, key stakeholders such as the regulators and shareholders are demanding climate-related information. Failure to comply with the relevant climate reporting requirements may lead to adverse impacts on the Group's reputation and financial performance. The Group may experience an increase in costs due to enhanced obligations for GHG emissions reporting. Such costs include investment of manpower resources in reporting function such as more comprehensive data collection, analysis, and reporting processes, greater involvement from management, and additional costs for consultants and employee training.		
Financial Impact	**Short-Term**	**Medium-Term**	**Long-Term**
	Scenario: Orderly		
	🟢	🟢	🟢
	Scenario: Hot house world		
	🟢	🟢	🟢
Mitigation Measure	To strengthen our sustainability governance structure, we put in place a SC for managing and monitoring our material Sustainability Factors, including working with the various business units and corporate functions to ensure that these are integrated into our day-to-day operations. In addition, we established terms of reference for component parties involved in the sustainability reporting process, for clarity and accountability purposes.		
Climate-Related Opportunity	The enhanced emissions reporting obligations and increase in regulatory costs will raise climate awareness amongst our employees. With more defined job responsibilities and training, the Group will also be better positioned to use energy resources responsibly and adopt environmentally friendly practices.		

Refer to Section 'Key Assumptions' for further information.

Legend

🟢 Minor 🟡 Moderate 🔴 Major

Based on the scenarios above, we will continue to formulate adaptation and mitigation plans and allocate resources towards transitioning to a low or net zero carbon operations, through optimal business strategy and effective financial planning. We strive to minimise climate risks associated with our business and will seize opportunities such as expanding collaboration and partnership with key stakeholders to innovate and develop low carbon goods and services for the market.

Strategy

c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

The resilience of an organisation's strategy is dependent on its ability to adapt and thrive in the face of changing circumstances and emerging risks. The climate scenario analysis is crucial in providing insights on the potential extent of the climate-related risk exposure to our businesses as well as the potential opportunities.

OUR DISCLOSURES BASED ON TCFD RECOMMENDATIONS

Through our climate scenario analysis, we concluded that unmitigated climate risks of adverse weather conditions under the Hot House World scenario may result in major financial impact in the long term. Under orderly scenario, the climate-related risks identified are not expected to result in significant financial impacts in the short, medium, or long term. To address these risks and capitalise on opportunities associated with climate change, we will continuously refine our strategy to remain resilient throughout our sustainability journey.

Risk Management

a. Describe the organisation's processes for identifying and assessing climate-related risks
b. Describe the organisation's processes for managing climate-related risks.
c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.

The Group's climate-related risks and opportunities are identified and assessed during a climate-related risk assessment exercise. We also manage our climate-related risks by monitoring the trend of climate-related sustainability metrics. We will integrate climate-related risks into our risk management framework in the future.

Metrics and Targets

a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

We track, measure and report on our environmental performance, such as energy consumption and GHG emissions, and disclose related metrics in our sustainability report. Monitoring and reporting these metrics help us in identifying areas with material climate-related risks and enabling us to be more targeted in our efforts.

b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.

To support the climate change agenda, we disclose our Scope 1 and Scope 2 GHG emissions in the sustainability report. We aim to review our Scope 3 emissions to better track and disclose our material Scope 3 emissions on categories relevant to the Group and where data is available.

c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

As a commitment towards mitigating climate change, we have set climate-related targets related to energy consumption and GHG emissions. Refer to the Targets and Progress section in this Report for further details.

APPENDIX 1
KEY ASSUMPTIONS

The key assumptions reflect the current market conditions, regulatory landscapes, and stakeholder expectations. Details of the scopes and assumptions for our scenario analysis and climate change transition plan are as follows:

Disclosure	Assumption
Climate change transition plan	Our climate change transition plan, including levers and detailed action plans, assumed certain future events, trends, plans, expectations, and objectives relating to the Group's business operations, in setting our targets. It is also prepared based on the current operating environment, which includes policies and plans undertaken by governments and other stakeholders. Accordingly, these assumptions are subject to inherent uncertainties including (but not limited to) changes in regulatory requirements, progress in technological developments, stakeholders' action and reaction, and other external factors that are beyond the Group's control. As such, our climate change transition plan may be reviewed and updated over time to reflect evolving circumstances and availability of new information.
Scenario analysis	• In assessing the potential implications of climate-related risks based on NGFS range of climate scenarios, we also considered alternate range of climate scenarios from the International Energy Agency and the Representative Concentration Pathways ("**RCP**") Framework, and made various assumptions adopted in such frameworks. • The scenario analysis performed is dependent on the said assumptions under the NGFS range of scenarios. Key assumptions are as follows: (i) Orderly (Net Zero 2050): Assumes that ambitious climate policies and technological shifts are introduced immediately and forcefully impact the economy. (il) Hot House World (Current Policies): Assumes that only currently implemented policies are preserved, leading to high physical risks. Emissions grow until 2080 leading to about 3°C of warming. Investments allocation and energy mix do not change. • Constant growth is assumed when assessing financial and environmental impact. • The scenario analysis includes a modelling process, which is constantly changing as the operating environment evolves, and contains uncertainties and limitations that are commonly associated with scenario analysis.

APPENDIX 2
GRI CONTENT INDEX

Statement of use	Lum Chang Creations Limited has reported the information cited in the GRI content index for the period from 1 July 2025 to 30 June 2026 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard		Disclosure	Location/ Page Reference
GRI 2: General Disclosures 2021	2-1	Organisational details	1, Annual Report 2026 ("**AR 26**"): 24, 71, 108, 110-111
	2-2	Entities included in the organisation's sustainability reporting	4
	2-3	Reporting period, frequency and contact point	2, 4, 8
	2-4	Restatements of information	Not applicable as this is our maiden sustainability report
	2-5	External assurance	3
	2-6	Activities, value chain and other business relationships	3, 11-13, AR 26: 1
	2-7	Employees	22-23
	2-8	Workers who are not employees	21
	2-9	Governance structure and composition	6-7, AR 26: 9-10, 28-30
	2-10	Nomination and selection of the highest governance body	AR 26: 31-34
	2-11	Chair of the highest governance body	6-7, AR 26: 9, 30-31
	2-12	Role of the highest governance body in overseeing the management of impacts	6-7, AR 26: 47-48
	2-13	Delegation of responsibility for managing impacts	6-7
	2-14	Role of the highest governance body in sustainability reporting	6-7, AR 26: 47-48
	2-15	Conflicts of interest	AR 26: 26, 42, 48-49, 104-105
	2-16	Communication of critical concerns	30, AR 26: 44
	2-17	Collective knowledge of the highest governance body	6, AR 26: 26
	2-18	Evaluation of the performance of the highest governance body	AR 26: 34
	2-19	Remuneration policies	AR 26: 35-39
	2-20	Process to determine remuneration	AR 26: 35-39
	2-21	Annual total compensation ratio	Information is not provided due to confidentiality constraints
	2-22	Statement on sustainable development strategy	1, AR 26: 6-8
	2-23	Policy commitments	12-13, 19-20, 22, 30
	2-24	Embedding policy commitments	12-13, 19-20, 22, 30
	2-25	Processes to remediate negative impacts	30, AR 26: 44
	2-26	Mechanisms for seeking advice and raising concerns	30, AR 26: 44
	2-27	Compliance with laws and regulations	19, 22, 30
	2-28	Membership associations	The Group holds memberships in the Singapore Business Federation.
	2-29	Approach to stakeholder engagement	4-5
	2-30	Collective bargaining agreements	None of our employees are covered by collective bargaining agreements.
GRI 3: Material Topics 2021	3-1	Process to determine material topics	8-9
	3-2	List of material topics	9-10
	3-3	Management of material topics	11-31

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GRI CONTENT INDEX

GRI Standard		Disclosure	Location/ Page Reference
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	14, AR 26: 64-65, 69-70, 85-87
GRI 205: Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken	30
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	17
	302-3	Energy intensity	17
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	18
	303-3	Water withdrawal	18
	303-5	Water consumption	18
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	17
	305-2	Energy indirect (Scope 2) GHG emissions	17
	305-4	GHG emissions intensity	17
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	18-19
	306-2	Management of significant waste-related impacts	19
	306-3	Waste generated	19
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	25
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	24
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	20
	403-2	Hazard identification, risk assessment, and incident investigation	20
	403-5	Worker training on occupational health and safety	20
	403-6	Promotion of worker health	20, 24
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	20
	403-8	Workers covered by an occupational health and safety management system	20
	403-9	Work-related injuries	21
	403-10	Work-related ill health	21
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	25
	404-2	Programs for upgrading employee skills and transition assistance programs	24
	404-3	Percentage of employees receiving regular performance and career development reviews	25
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	23
	405-2	Ratio of basic salary and remuneration of women to men	Information is not provided due to confidentiality constraints
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	22
GRI 413: Local communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	26-28

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