

SUSTAINABILITY REPORT 2021

CHIP ENG SENG CORPORATION LTD



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ABOUT THIS REPORT

This is the 5th Annual Sustainability Report from Chip Eng Seng Corporation Ltd. The report details our sustainability performance on material environmental, social and governance (“ESG”) factors. Throughout the report, the following terms are used interchangeably to refer to Chip Eng Seng Corporation Ltd.: “Chip Eng Seng” or the “Group”.

REPORTING PERIOD AND SCOPE

This report covers the period 1 January 2021 to 31 December 2021. The ESG data in this report covers all business divisions spanning construction, property development and investment, hospitality and education unless stated otherwise.

Our hotel properties are operated and managed by our hotel partners. However, we engage with them to promote sustainability performance. The sustainability data in this report has been provided by our hotel partners. We plan to include data for our overseas hotel operations under our direct operational control in future reporting.

REPORTING STANDARDS

This report has been prepared in accordance with the Global Reporting Initiative (“GRI”) Standards: Core option. We continue to use the GRI Standards, the most widely used global sustainability reporting standards due to their longstanding universal application and robust guidance, which allows for comparability of our performance

against our peers. This report is also prepared in accordance with the Listing Rules of the Singapore Exchange Securities Trading Limited (Rules 711A and 711B).

To reflect the financial materiality of some of our topics, we have aligned our disclosures with selected metrics from the Sustainability Accounting Standards Board’s (“SASB”)s Engineering & Construction Services Sustainability Accounting Standard. We have referred to the Financial Stability Board’s Task Force on Climate-Related Financial Disclosures (“TCFD”) recommendations to report on how we address climate-related risks and opportunities.

We also continue to integrate the United Nations Sustainable Development Goals (“UN SDGs”) into our sustainability reporting to demonstrate how our actions contribute to these important global goals. For climate-related topics, we have used the Greenhouse Gas (“GHG”) Protocol Corporate Accounting and Reporting Standard to calculate our emissions. We have reported our Scope 2 emissions using the location-based method as market-based emission factors are not available.

Reporting Standards and Frameworks

GRI Standards – Core option

SGX Sustainability Reporting Guide

SASB Standards (Engineering & Construction Services)

TCFD Recommendations

UN SDGs

GHG Protocol Corporate Accounting and Reporting Standard

ABOUT THIS REPORT



REPORTING PRINCIPLES

To develop the content of this report we applied the ten reporting principles outlined in the GRI Standards (GRI 101: Foundation 2016). In line with GRI's reporting principles, we have considered stakeholders' views and the most material governance, economic, environmental and social impacts of our business activities and the larger sustainability context for our business activities. We have applied GRI's principles of accuracy, balance, clarity, comparability, reliability and timeliness to maintain the quality of the information included in the report. To ensure accuracy and consistency, the ESG data provided in this report has been primarily extracted from internal information systems and primary records. Financial figures are in Singapore dollars unless specified otherwise.

RESTATEMENTS

A minor adjustment has been made to the greenhouse gas emissions data for 2020 owing to the latest revision in the grid emission factors by the Energy Market Authority, Singapore, published in September 2021.

ASSURANCE

We have relied on internal verification to ensure the accuracy of the data presented in this report. We did not seek external assurance for this report. External assurance for future reports remains under consideration.

AVAILABILITY

This report can be downloaded in PDF format from our website:
<https://www.chipengseng.com.sg/investor-relations/sustainability/>

FEEDBACK

We value feedback on this report and welcome stakeholders' comments or questions at:
sustainability@chipengseng.com.sg.

GOVERNANCE

BOARD STATEMENT

The Board of Directors (the “**Board**”) is committed to sustainability and considers sustainability issues as part of its strategic formulation. The Board is also committed to setting strategic objectives with an appropriate focus on sustainability. The Board regularly evaluates potential sustainability risks, including climate-related risks and opportunities, as part of the overall risk assessment and provides strategic direction to the management to adopt relevant policies and responses. The Board determines, reviews and approves the material ESG factors and disclosures for sustainability reporting. The Board provides oversight of the management and monitoring of these material ESG factors through regular review of performance indicators.

SUSTAINABILITY GOVERNANCE

Under strategic direction from the Board, the Group’s Sustainability Management Committee (“**SMC**”) supervises the adoption and implementation of the sustainability strategies and policies and provides regular updates to the Board. The SMC is chaired by the Group’s Chief Executive Officer, with the Group’s Chief Financial Officer as the deputy chair.

The SMC is supported by a cross-functional sustainability reporting project team responsible for collecting sustainability performance data. A senior executive has the responsibility to coordinate with the project team to prepare the Group’s sustainability report.

Across the Group, senior representatives from various business divisions actively contribute to sustainability initiatives.

BOARD OF DIRECTORS



SUSTAINABILITY MANAGEMENT COMMITTEE

Chairman: Group Chief Executive Officer
Deputy Chairman: Group Chief Financial Officer



SUSTAINABILITY REPORTING PROJECT TEAM

CORPORATE GOVERNANCE AND ETHICS

The Group is committed to achieving high corporate governance standards and complies with the Code of Corporate Governance 2018. The Group believes that good corporate governance provides the framework for an ethical and accountable corporate environment, which is essential to the long-term sustainability of the Group’s businesses and performance and the protection of shareholders’ interests.

Please refer to the Corporate Governance Report section in this Annual Report for more information about our approach.

ANTI-CORRUPTION

Chip Eng Seng maintains a zero-tolerance position against all forms of corruption, including bribery, extortion, fraud and money laundering. Our Anti-Bribery and Corruption Policy prohibits dishonest and fraudulent behaviour, which includes offering, promising, authorising, providing or receiving any kickback. We also require all employees

to comply with all applicable local anti-bribery laws where the Group operates. For example, our policy requires compliance with the Singapore Prevention of Corruption Act, the UK Bribery Act, the US Foreign Corrupt Practices Act and the Australian Criminal Code Act. All new employees are required to submit a conflict of interest declaration form upon joining and re-submit annually. Employees who participate in any tendering process or awarding of contracts are required to submit a positive declaration of any conflict of interest, such as a ‘nil’ declaration.

There were no confirmed cases of corruption in the reported period.

REGULATORY COMPLIANCE

The Group is committed to complying with applicable economic, environmental, labour, social and sanctions laws. We place the highest value on the trust we gain from our stakeholders, and by fully complying with all applicable regulations across the regions in which we operate, we maintain a strong foundation of trust.

GOVERNANCE

In addition to reputation damage, non-compliance may result in penalties or stop-work orders, ultimately affecting the Company's finances. To ensure compliance, we regularly review all applicable laws and regulations to update and implement the necessary policies and practices across the Group. We disseminate regulatory updates to the relevant employees to help them stay up to date with regulatory compliance requirements.

There were no significant fines in the reported period for non-compliance with laws in the environmental, social and economic area. We consider a fine significant if the amount of fine in total exceeds 2% of the Group's profit before tax in the reported period and or for an incident is more than \$50,000.

WHISTLE-BLOWING POLICY

The Group maintains a whistle-blowing policy and procedure to enable staff and external parties to raise concerns about possible improprieties in matters of financial reporting or other matters. The Audit and Risk Committee reviews the adequacy of the whistle blowing arrangements. The policy is communicated via the Staff Handbook and is also available on the Company's corporate website. On an ongoing basis, the whistle blowing policy is covered during staff training and periodic communication to all staff as part of the Group's efforts to promote fraud control awareness.

Please refer to page 120 in the Annual Report for more information about our whistle-blowing policy.

CERTIFICATIONS

Various businesses in the Group adopt relevant national and international standards to promote governance and quality of management. Some of the certifications obtained by our business divisions/segments are listed below.

Certifications	
Business Division/Segment	Certification
Building Construction • Chip Eng Seng Contractors (1988) Pte Ltd • CES Engineering and Construction Pte. Ltd.	ISO 9001:2015
	ISO 14001:2015
	ISO 45001:2018
	bizSAFE Star
	bizSAFE Partner
Infrastructure and Civil Engineering • CES_SDC Pte. Ltd.	ISO 9001:2015
	ISO 14001:2015
	ISO 45001:2018
	bizSAFE Star
	bizSAFE Partner
Precast Technology • CES-Precast Pte. Ltd.	ISO 9001:2015
	ISO 45001:2018
	bizSAFE Star
Water and Environmental Engineering • CES_Salcon Pte. Ltd.	ISO 9001:2015
	ISO 14001:2015
	ISO 45001:2018
	bizSAFE Star
Hospitality • Park Hotel Alexandra	ISO 45001:2018
	SG Clean Certified 2021
	Green Globe Certified Member
• Grand Park Kodhipparu	Safe Travels Stamp

GOVERNANCE

AWARDS AND RECOGNITIONS

Gaining external acknowledgement of our sustainability efforts through various awards and recognitions demonstrates our total commitment to issues such as safety, quality, and sustainable development. Listed below are the honours received in the last three years.

2021	Description/Award
Winner	WSH SHARP Award: Chip Eng Seng Contractors (1988) Pte Ltd (Sengkang N4C39/C40 – Fernvale Dew) WSH SHARP Award: Chip Eng Seng Contractors (1988) Pte Ltd (Bidadari C8/C9 – Woodleigh Glen)
Silver	SCAL Workplace Safety & Health Innovation Awards: Chip Eng Seng Contractors (1988) Pte Ltd – PPVC(P) (Sengkang N4C39/C40 – Fernvale Dew)
Certificate of Commendation	WSH Performance Award: CES Engineering & Construction Pte. Ltd.
Certificate of Commendation	WSH SHARP Award: CES Engineering & Construction Pte. Ltd. (Bidadari C6 – Alkaff Oasis) WSH SHARP Award: CES Engineering & Construction Pte. Ltd. (Bidadari C7 – Alkaff Oasis)
Certificate of Commendation	WSH Culturesafe: Chip Eng Seng Contractors (1988) Pte Ltd (Sengkang N4C39/C40 – Fernvale Lane) WSH Culturesafe: CES Engineering & Construction Pte. Ltd. (Bidadari C6/C7 – Alkaff Oasis)
Partner Award	WSH bizSAFE Partner Award: CES_SDC Pte. Ltd.
Certificate	One of the Singapore's Best Employers 2021 awarded by The Straits Times and Statista: Chip Eng Seng Corporation Ltd.
Winner	Top Ten Developers 2020 awarded by BCI Asia: CEL Development Pte. Ltd.
2020	Description/Award
Commendation	Commended for supporting the bizSAFE Program for more than a decade by the WSH Council: Chip Eng Seng Contractors (1988) Pte Ltd
Silver	WSH Performance (Silver) Award 2020: Chip Eng Seng Contractors (1988) Pte Ltd
Winner	WSH SHARP Award: Chip Eng Seng Contractors (1988) Pte Ltd (Bidadari C8/C9 – Woodleigh Glen)
Excellent	BCA Green and Gracious Builder Award: Chip Eng Seng Contractors (1988) Pte Ltd
Excellent	BCA Green and Gracious Builder Award: CES Engineering & Construction Pte. Ltd.
Excellent	BCA Green and Gracious Builder Award: CES_SDC Pte. Ltd.
Certificate of Commendation	WSH bizSAFE Star Certification: CES_SDC Pte. Ltd.

GOVERNANCE

2019	Description/Award
Winner	HDB Construction Safety Award (Building Category): Chip Eng Seng Contractors (1988) Pte Ltd (Woodlands N1C26 & C27 – Marsiling Green View)
Merit	HDB Construction Safety Award (Building Category): Chip Eng Seng Contractors (1988) Pte Ltd (Tampines N6C1A/1B – Tampines Green Ridges)
Winner	HDB Construction Award: Chip Eng Seng Contractors (1988) Pte Ltd (Tampines N6C1A/1B – Tampines Green Ridges)
Winner	WSH SHARP Award: CES Engineering & Construction Pte. Ltd. (Grandeur Park Residences at New Upper Changi Road/Bedok South Avenue 3)
Winner	WSH SHARP Award: Chip Eng Seng Contractors (1988) Pte Ltd (Woodlands N1C26 & C27 – Marsiling Green View)
Winner	WSH SHARP Award: CES Engineering & Construction Pte. Ltd. (Bidadari C6 – Alkaff Oasis)
Winner	WSH SHARP Award: CES Engineering & Construction Pte. Ltd. (Bidadari C7 – Alkaff Oasis)
Silver	WSH Performance (Silver) Award: CES Engineering & Construction Pte. Ltd.
Bronze	SCAL WSH Innovation Award: CES Engineering & Construction Pte. Ltd. – Smart MV Shaft Formwork (Grandeur Park Residences)
Certificate of Commendation	WSH CultureSAFE: CES Engineering & Construction Pte. Ltd. (Bidadari C6/C7 – Alkaff Oasis)
Certificate of Commendation	WSH CultureSAFE: Chip Eng Seng Contractors (1988) Pte Ltd (Bidadari C8/C9 – Woodleigh Glen)
Best of Category	LIAS (Landscape Industry Association Singapore) Award (Implementation – Residential category) (Tampines N6C1A/1B – Tampines Green Ridges)

Please visit our website <http://www.chipengseng.com.sg/corporate/recent-awards/> to see the complete listing of our awards and commendations since 2010.

COVID-19 PROTECTION

As the COVID-19 pandemic continued into 2021, protecting our people, customers, visitors, suppliers, and contractors remained one of our top priorities. We continued working closely with the relevant authorities to comply with their virus containment measures and ensured the wellbeing of our staff across 15 economies who faced further lockdowns and movement restrictions.

Within our offices and workplaces, we continued with safety measures, including the mandatory use of face masks, safe distancing, temperature checks, and emergency procedures. Where necessary, we continued with virtual meetings to minimise physical proximity.

For employees who were eligible, we continued to support them with Work

From Home arrangements, ensuring they had reliable and secure internet connections and the required devices such as laptops, monitors, software, printers and IT accessories to continue their work. We invested in upgrading our IT infrastructure by acquiring new remote access servers, additional laptops and VPN accounts and software licenses to support remote working.

GOVERNANCE

SAFETY MEASURES FOR OUR CONSTRUCTION AND PROPERTY BUSINESSES

To continue serving our home-buying customers, we maintained our adoption of Safe Management Measures (“SMM”) at our showroom galleries in step with the various phases of COVID-19 restrictions. When sales galleries were ordered to close during the circuit-breaker lockdown period, we used the Company website and Zoom to facilitate virtual tours. We also organised virtual seminars to share information about various projects.

Our digitised sales process, including switching to digitised signatures on sales contracts, enabled us to carry on with our marketing activities with minimal disruption or need for physical meetings.

When show galleries were allowed to open in phase-2 from 19/6/2021, we implemented the necessary measures to minimise viral transmission risk. The procedures included regulating the capacity, pre-entry screening, safe distancing and enhanced hygiene. With the easing of some restrictions in phase 3 from 28/12/2021, we have revised the SMM to ensure continued compliance.

For the tenants renting our properties in Singapore, we provided rebates under the government’s Rental Relief Framework to help alleviate some of their financial burdens during the pandemic.

All of our construction sites and factories continued to follow the required SMM, with Safe Management Officers and Safe Distancing Officers assisting in the coordination of SMM at their respective workplaces. The SMM were also continued at offsite worker dormitories. All sites utilised

staggered times for reporting, breaks, meals, and departure and arrival times for transportation between worksite and dormitory to prevent possible overcrowding and congregation of employees at shared facilities. All sites for contact tracing mandated the use of TraceTogether App or Token with SafeEntry. The Ministry of Manpower’s FWMOMCare App was used at worker’s dormitories to monitor foreign workers’ health status to ensure their wellbeing.

KEEPING OUR SCHOOLS SAFE

Our schools maintained the extensive measures introduced in 2020 to reduce the transmission risk and protect the students, the staff and visitors. The measures included staggered arrival and dismissal timing, temperature checks on arrival, use of face masks or shields by teachers and students, enhanced hygiene measures, frequent cleaning of buildings, regular hand washing and safe distancing in classrooms and during other activities. To promote awareness, our schools displayed reminder posters. Invictus International Schools in Singapore continued using protective screens at student desks to minimise physical contact.

Working closely with the Early Childhood Development Agency, all pre-school centres maintained stringent COVID-19 measures to protect students and staff in school premises. The arrangement of school furniture and floor markings helped assist the children and staff in maintaining safe distances. Online lessons and tutoring were continued, with parents being updated and engaged through a web-based app. The school management continued its online weekly “Happy Hour” to share strategies with parents for home-based learning and to gather feedback.

All International Schools as well as for the pre-school centre maintained similar measures mandated by the Community of Private Education. The Perse School (Singapore) continued to offer four hours of Home-Based Learning via Microsoft Teams Video Call. The school management also continued its weekly wellbeing session for students.

MEASURES AT OUR HOTELS

Measures implemented in 2020 for ensuring the health, safety and wellbeing of our employees, guests and business partners continued into 2021. These included elevated hygiene and protection protocols across our hotel properties, enhanced staff training, cleaning protocols and food safety measures, Safe Entry Management System, safe distancing measures, and compliance with government orders, guidelines, and advisories on COVID-19.

In Singapore, our Park Hotel Alexandra attained SG Clean certification by Enterprise Singapore and Singapore Tourism Board which rewards the highest hygiene and sanitation standards. Our property in the Maldives was granted with the “Safe Travels Stamp” by The World Travel and Tourism Council to provide confidence and assurance to travellers.

Our hotels in Australia have undergone our partner Accor’s ALLSAFE global cleanliness and prevention standards to achieve the new ALLSAFE label.

Chip Eng Seng remains committed to working with our stakeholders, partners and regulatory agencies to keep our societies and economies safe from the COVID-19 pandemic. With 91% of the population in Singapore fully vaccinated at end February 2022, we can look forward to rebuilding our businesses for resilience and a sustainable future.

SUSTAINABILITY APPROACH

Ensuring sustainable business growth and creating long-term value for our stakeholders.

Our Group's vision is to improve lives by delivering value for living and work, and our mission is to invest strategically and sustainably to make a difference for all stakeholders. By incorporating specific and manageable sustainability targets into our core business strategies, we can ensure sustainable business growth, creating long-term value for our stakeholders.

Conducting our business with responsibility and integrity is central to our business model. From a humble beginning as a building sub-contractor for landed properties in the 1960s, Chip Eng Seng has evolved into a multinational conglomerate with businesses in construction, property development and investment, hospitality, and education.

As the Group has expanded and diversified into new business divisions/ segments, we have continued to strive for excellence, with sustainability remaining at the core of our growth strategy. We have won numerous awards for workplace safety and health, construction quality, environment, productivity, innovation, and corporate transparency, including the Building and Construction Authority ("BCA") Green and Gracious Builder Award. We remain steadfast in managing our business activities' material environmental, social, and economic impacts to maximise our stakeholders' value.

Along with its challenges, the COVID-19 pandemic provided an opportunity to re-examine ways of working with our stakeholders, and to develop better,

stronger approaches fit for the present and the future, and we have embraced the challenges it presented.

Now, the global sense of urgency surrounding climate change risk and climate action is calling for new approaches and greater environmental accountability from businesses across all industries, sectors and world regions. For our part, we will continue to invest in lower-carbon alternatives and technologies while increasing our renewable energy adoption in order to reduce greenhouse gas emissions across our businesses.

To further our sustainability efforts, we continually look for new products and materials that are more energy efficient or have lower greenhouse gas emissions, and we continue to explore new options with our supply chain partners.

We also continue our support for the UN SDGs, recognising that the need for building resilient, just and sustainable societies has become more critical than ever. In this report, we demonstrate which of the 17 goals we actively contribute to.

BUILDING CONSTRUCTION

Started out as a sub-contractor in the 1960s, the Group has grown to become a reputed main contractor for public and private sector projects today. Our commitment to green construction is a core aspect of our sustainability approach. We continue to apply green building standards, principles and technologies in our projects. We strive to use environmentally sustainable materials certified under the Singapore Green Labelling Scheme, and it is a prerequisite for all of our sub-contractors and suppliers to meet the green product specifications before being invited for tender or supply. Learn more about our building construction business

at <https://www.chipengseng.com.sg/building-construction/>

INFRASTRUCTURE AND CIVIL ENGINEERING

The Group extended its construction business into infrastructure and civil engineering in 2019 with the acquisition of CES_SDC Pte. Ltd. ("**CES_SDC**") (formerly known as Sembcorp Design and Construction Pte. Ltd.). With an established track record in civil, industrial and utilities infrastructure projects, CES_SDC offers a wide spectrum of engineering and construction services from tunnel boring to modular construction, and is capable of providing customised solutions. We are committed to embedding our green design and construction expertise into the infrastructure projects we design and build. We are engaged in several infrastructure projects which are essential for socio-economic development and environmental sustainability and play an important role in national development. Learn more about our infrastructure and civil engineering business at <https://www.chipengseng.com.sg/business/civil-infrastructure/>

PRECAST TECHNOLOGY

The Group has been in the precast concrete works technology business since 2003. In 2006, the Group incorporated a wholly-owned subsidiary, CES-Precast Pte. Ltd, to further extend its precast concrete works business with prefabricated prefinished volumetric construction ("**PPVC**") businesses to meet Singapore's growing demand for precast and PPVC components. Our precast concrete and PPVC concrete materials, used for residential, commercial, industrial and infrastructure projects, enhance productivity and safety. Learn more about our precast technology business at <https://www.chipengseng.com.sg/business/precast-technology/>

SUSTAINABILITY APPROACH

WATER AND ENVIRONMENTAL ENGINEERING

In 2021, the Group forayed into the water and environmental engineering business after acquiring wholly-owned subsidiary, Boustead Salcon Water Solutions Pte. Ltd. from Boustead Singapore Ltd. The rebranded entity, CES_Salcon Pte. Ltd. (“**CES_Salcon**”), will help the Group extend its existing infrastructure and civil engineering business footprint to include the design, engineering, supply and commissioning of water and wastewater treatment technologies and solutions. CES_Salcon started in 1980 as a trading company and steadily grew into a multi-disciplinary Engineering Procurement Construction in water and wastewater technology with installations in more than 80 countries, spanning various industries from the oil and gas, petrochemical, power to the semiconductor and municipal sectors.

In Singapore, water scarcity is an existential matter, and this has spurred us towards finding unique solutions to sustainable water management by reducing, reusing or recycling water. It initially requires system optimisation to reduce discharge, followed by process adaption to reuse the water and subsequently reclamation to recycle the wastewater. We have a successful track record of reclaiming some of the most severe wastewater in the tannery, textile, pulp and paper industry for the past 20 years, coupled with a few zero liquid discharge projects. We are also committed to partner with the plant's owner to reduce the carbon footprint of plant that the company is contracted to maintain.

3D PRINTING TECHNOLOGY

The Group has collaborated with a renowned Singapore University (Nanyang Technological University) since 2016 through CES_SDC to conduct targeted research

on 3D printing technology and materials, identified as a transformational technology to improve productivity in the construction industry. Over the years, the research collaboration has yielded novel materials and methodologies that can synergistically integrate with the construction value chain.

In 2021, CES_INNOVFAB Pte. Ltd. was established to spearhead further development and production of concrete 3D printed Prefabricated Bathroom Units (“**PBUs**”) and other innovative lightweight concrete based 3D printed products to complement the Group's construction business. Our innovative production method for PBUs does not require moulds compared to conventional concrete PBUs, resulting in reduced material wastage. Our 3D printing technology capabilities can be deployed for both on-site construction and off-site prefabrication. Furthermore, our products are manufactured using green cement, which comprises residual materials from other industries that are upcycled, thereby reducing the overall carbon footprint.

PROPERTY DEVELOPMENT AND INVESTMENT

The Group engages in property development and investment through its wholly-owned subsidiary CEL Development Pte. Ltd. (“**CEL**”) and CES Capital Holdings Pte. Ltd. (“**CES Capital**”) respectively. On its own and through joint ventures, CEL has developed a wide range of projects spanning residential, commercial, industrial and mixed-use development projects in Singapore, Vietnam and Australia. CES Capital invest in a diverse and risk-managed portfolio of commercial properties in Singapore, Australia and New Zealand. Our extensive experience in green construction has equipped us to develop buildings sustainably. Learn more about our property development and investment business at <https://www.chipengseng.com.sg/property-development-and-investment/>

EDUCATION

As part of its diversification plan, the Group forayed into the education business in 2018 through its wholly-owned subsidiary Sing-Ed Global Schoolhouse Pte. Ltd. The education division is largely categorised into pre-schools (including enrichment centres for preschoolers) and international school. It also invests in educational technology, including pedagogical resources, education software, online education, and education training and consulting services in Singapore and China. We are committed to providing holistic education in a sustainable environment to develop future-ready generations. Read more about our education business at <https://www.chipengseng.com.sg/education/>

HOSPITALITY

The Group engages in hospitality business through its wholly-owned subsidiary CES Hospitality Pte. Ltd. Our hotel properties in Singapore, Maldives and Australia are managed and operated by our hotel partners. We actively engage with our hotel partners to reduce the environmental impact through a range of initiatives such as energy efficiency, renewable energy, water conservation, food waste management and eliminating single-use plastic. Read more about our hospitality business at <https://www.chipengseng.com.sg/hospitality/>

SUSTAINABILITY TARGETS

Setting accurate targets is imperative for monitoring and achieving progress on sustainability actions. Therefore, we have established targets for our material ESG topics to monitor, review, and report our sustainability performance. Detailed disclosures about our performance against our targets can be found throughout this report.

STAKEHOLDERS

Trust from our stakeholders forms the foundation of all of our business activities.

Forging trusted relationships with our wide range of stakeholders, understanding their needs, and the potential impact they can have on our business is crucial for long-term sustainable growth.

We identify our stakeholders based on the extent to which they are affected by our business activities or their ability to influence our business goals. A good

understanding of our stakeholders' views and opinions form an essential part of our business strategy. Although we did not directly engage any external group to prepare this report, insights gained from our ongoing engagement with various stakeholders has helped us determine our material ESG topics for reporting.

A summary of our stakeholder engagement is in the following table.

Stakeholder Groups	Topics and Concerns	Engagement Methods
Customers Construction, Property Development and Investment: Clients, Homebuyers and Tenants	<p>Clients</p> <ul style="list-style-type: none"> • Compliance with environmental and safety standards • Productivity and innovation <p>Homebuyers</p> <ul style="list-style-type: none"> • Good workmanship • Good quality and design • Prompt rectification • Clear communication • Timely completion of projects • Legal and contractual compliance <p>Tenants</p> <ul style="list-style-type: none"> • Workplace safety and health • Good management of facilities 	<ul style="list-style-type: none"> • Regular project updates • Tenancy agreements • Customer service • Submission of performance survey reports • Website
Hospitality: Hotel Guests	<p>Hotel Guests</p> <ul style="list-style-type: none"> • Service quality • Safety and security • Food safety and hygiene 	Our brand partners regularly engage hotel guests to ensure their stay is pleasant, comfortable and meets their expectations.
Education: Students and Parents	<p>Students and Parents</p> <ul style="list-style-type: none"> • Quality of education • Safety and security 	The management of our schools engages parents through updates, notices and meetings. Teachers and school staff engage students through learning and extra-curricular activities.
Employees	<ul style="list-style-type: none"> • Safety, health and wellbeing • Training and development • Job security • Career advancement • Fair remuneration and rewards • Employee welfare • Work-life balance 	<ul style="list-style-type: none"> • Regular meetings • Internal communication • Training opportunities • Performance reviews

STAKEHOLDERS

Stakeholder Groups	Topics and Concerns	Engagement Methods
Government and Regulators	<ul style="list-style-type: none"> Regulatory compliance Responsible business practices Productivity and innovation Sustainability reporting 	<ul style="list-style-type: none"> Compliance updates Timely data reporting Participating in stakeholder consultations by government agencies Participating in government committees Sustainability Reports
Investors and Shareholders	<ul style="list-style-type: none"> Financial performance Return on investment Governance Risk management ESG performance Sustainable business growth Business diversification 	<ul style="list-style-type: none"> Regular updates through announcements on SGX-Net and our website Annual General Meetings Annual Reports Sustainability Reports
Suppliers and Sub-contractors	<ul style="list-style-type: none"> Clear specifications and instructions Workplace safety and health Timely payment according to contractual terms Technical guidance Timely provision of materials and equipment Productivity and innovation Site inspections 	<ul style="list-style-type: none"> Supplier policies and requirements Tenders / Request for Proposal Agreements Product presentations and seminars Site inspections
Business Partners / Brand Partners / Licensing Partners (Hospitality and Education Divisions)	<ul style="list-style-type: none"> Licensing policies Brand guidelines Business targets 	<ul style="list-style-type: none"> Regular meetings and updates Reviewing performance reports
Community	<ul style="list-style-type: none"> Minimal disruptions due to the Group's project work Minimal dust, noise and vibrations from construction Health and safety Support for community programmes 	<ul style="list-style-type: none"> Advance notification of work schedule Feedback systems in place Regular updates through posting of notices and bulletins Donations and sponsorships

MEMBERSHIP OF ASSOCIATIONS

Maintaining a network of peers provides the opportunity to share knowledge, expertise and remain up to date on forthcoming developments within our industries. We support various industry associations and forums through membership and participation in events and dialogues. These include:

- Singapore Business Federation
- Singapore National Employers Federation
- Singapore Institute of Directors
- Singapore Chinese Chamber of Commerce & Industry
- The Singapore Contractors Association Limited
- Singapore Institute of Surveyors and Valuers
- Real Estate Developers' Association of Singapore
- Australian Hotels Association
- Tourism Council of Western Australia
- Accommodation Association of Australia
- Visit Mandurah
- Business Events Perth
- Member of Green Globe
- Maldives Marketing & Public Relations Corporation

MATERIALITY

Addressing the most material ESG impacts of our business operations is at the core of our sustainability strategy and reporting. We use a combination of international standards such as the GRI Standards, SASB Standards and the TCFD Recommendations to identify, assess and prioritise our ESG topics for reporting. We review our material ESG topics on ongoing basis.

The senior management is actively involved in the materiality assessment

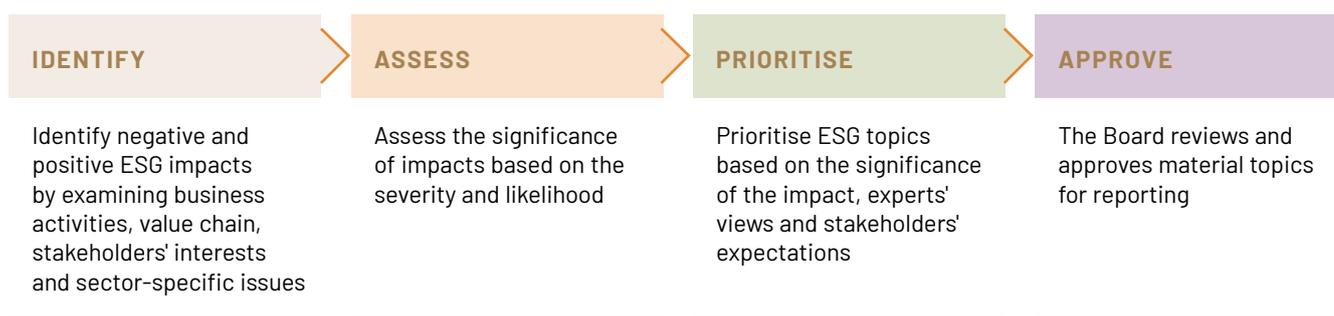
process and the Board reviews and approves the material topics for sustainability reporting.

In 2021, we reviewed our material ESG topics and mapped the key issues spanning our various business activities. Building on the most recent comprehensive materiality assessment in 2020, the annual review considered stakeholders' interests, reporting by peers and the major sustainability trends. The review also evaluated the

relevant ESG topics for our various business divisions.

The detailed materiality assessment in 2020 was facilitated by an external sustainability expert. Senior management representatives from various business divisions participated in a materiality workshop to assess and validate the most significant ESG impacts, both positive and negative, from our operations.

MATERIALITY ASSESSMENT PROCESS



An overview of our material topics and our management approach is presented in the table below.

Material ESG Factors			
Material Topics	Our Involvement	Businesses Where the Impact is Material	Management Approach
Our Environment			
Energy	Direct and through business relationships with sub-contractors, tenants and brand partners	<ul style="list-style-type: none"> Building Construction Civil Infrastructure Hospitality Education 	Take energy efficiency measures in design, construction and management
GHG Emissions	Direct and through business relationships with sub-contractors, tenants and brand partners	<ul style="list-style-type: none"> Building Construction Civil Infrastructure Hospitality Education 	Minimise GHG emissions during construction and in managing properties
Waste	Direct and through business relationships with sub-contractors, tenants and brand partners	<ul style="list-style-type: none"> Building Construction Civil Infrastructure Hospitality 	Minimise waste during construction and in managing properties

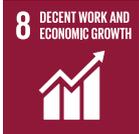
MATERIALITY

Material ESG Factors			
Material Topics	Our Involvement	Businesses Where the Impact is Material	Management Approach
Our Environment			
Water	Direct and through business relationships with sub-contractors, tenants and brand partners	<ul style="list-style-type: none"> • Building Construction • Civil Infrastructure • Hospitality • Education 	Minimise water during construction and in managing properties
Environmental Compliance	Direct and through business relationships with sub-contractors, tenants and brand partners	<ul style="list-style-type: none"> • Construction Division • Hospitality 	Comply with applicable environmental regulations
Our People			
Occupational Health and Safety	Direct and through business relationships with sub-contractors and brand partners	<ul style="list-style-type: none"> • All Business Divisions 	Strive for a zero-accident workplace
Employment	Direct and through business relationships with our brand partners	<ul style="list-style-type: none"> • All Business Divisions 	Build a fair and high performing workplace
Training and Education	Direct and through business relationships with our brand partners	<ul style="list-style-type: none"> • All Business Divisions 	Provide ongoing opportunities for skills and personal development
Our Customers			
Customer Health and Safety	Direct and through business relationships with our brand partners	<ul style="list-style-type: none"> • All Business Divisions 	Ensure health, safety and security of our customers
Customer Privacy	Direct and through business relationships with our brand partners	<ul style="list-style-type: none"> • All Business Divisions 	Protect and safeguard personal data
Our Governance			
Anti-corruption	Direct and through business relationships with sub-contractors and brand partners	<ul style="list-style-type: none"> • All Business Divisions 	Maintain zero tolerance for fraud and corruption
Regulatory Compliance	Direct and through business relationships with sub-contractors and brand partners	<ul style="list-style-type: none"> • All Business Divisions 	Comply with applicable laws and regulations

MATERIALITY

CONTRIBUTING TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The 17 UN SDGs form a shared agenda for environmental improvement, social empowerment and greater equality. After aligning our ESG priorities with the UN SDGs, we identified eight goals to which our business actions contribute. We then established specific ESG targets that directly support the relevant UN SDGs targets. These goals underpin our support for sustainable development.

Material ESG Factors	Our Annual Targets	UN SDGs Supported
<p>ENVIRONMENT</p> <ul style="list-style-type: none"> Energy GHG Emissions Waste (non-hazardous) Water 	<p>Building Construction</p> <ul style="list-style-type: none"> Energy consumption intensity: < 0.49 GJ/m² GHG emissions intensity: < 34.92 kgCO₂/m² Water consumption intensity: < 0.90 m³/m² Construction waste intensity: < 30 kg/m² HDB Project, < 40 kg/m² Private Project <p>Hospitality</p> <ul style="list-style-type: none"> Electricity consumption intensity: < 28.47 kWh/room night Water consumption intensity: < 0.32 m³/ room night <p>Education</p> <ul style="list-style-type: none"> Electricity consumption intensity: < 67.00 kWh/m² Water consumption intensity: Reduce to < 11.80 litre/population/day by 2023 	    
<p>SOCIAL</p> <ul style="list-style-type: none"> Occupational Health and Safety Employment Training and Education 	<p>Occupational Health & Safety</p> <ul style="list-style-type: none"> Zero fatalities Zero accidents Zero occupational diseases <p>Turnover</p> <p>Maintain employee turnover rate below the national average for the sector</p> <p>Training</p> <p>Average training hours: > 8.0 hours/employee</p>	 
<p>GOVERNANCE</p> <ul style="list-style-type: none"> Regulatory Compliance Data Privacy Anti-Corruption 	<p>Compliance</p> <ul style="list-style-type: none"> Zero incidents of non-compliance with applicable environmental and socio-economic regulations Zero incidents of non-compliance with applicable data privacy law (Personal Data Protection Act) <p>Anti-Corruption</p> <ul style="list-style-type: none"> Zero incidents of fraud or corruption 	

ENVIRONMENT

Minimising the environmental impact of our operations.

We have adopted wide-ranging policies and measures to minimise the environmental impact of our operations across our five business divisions.

BUILDING CONSTRUCTION

Our building construction business has the most potential for reducing our Group's environmental impact, and as such, we have adopted a Green and Gracious policy for this business to help focus and promote sustainability practices. In this manner we incorporate green design, sustainable materials, improved productivity through technology and innovation, pollution control, and efficient construction practices. We also engage our key stakeholders, including employees,

building authorities, contractors and suppliers, to seek feedback and suggestions to improve our environmental performance.

We have identified the following material areas in which we can make the most gains in lowering our business activities' environmental impact: energy efficiency, emissions reduction, water conservation, and waste management. As part of our efforts to minimise environmental impact, we have adopted reduction targets for energy, GHG emissions, water and waste. Our teams closely monitor the performance by collecting and reviewing environmental data with periodic updates to the senior management and the Board.

Although our Green and Gracious policy is implemented in our building construction business, we practice environmental responsibility across all our other businesses.

ENVIRONMENTAL MANAGEMENT SYSTEM

Taking a holistic approach to environmental management and quality and safety in our construction business, we have implemented a comprehensive Quality, Environmental, Health and Safety ("QEHS") system. This system covers various practices regarding the quality and safety of our products and services, the occupational health of our people, and actions to minimise our impact on the environment. Our ISO 14001:2015 certified Environmental Management System ensures accountability and continuous improvement, adhering to international standards.

ENERGY CONSUMPTION

Grid electricity and diesel consumption at our building construction sites constitute a significant part of our energy consumption. We also monitor electricity consumption at our head office. Our focus is on reducing our energy consumption intensity (the quantity of energy required per unit output or activity).

ENERGY EFFICIENCY MEASURES

In line with our environmental policy, we constantly look for ways to improve our operations' energy efficiency. In our building construction business, which accounts for most of our energy consumption, we continue to drive several energy-saving initiatives, such as:

- Using energy-efficient LED lights;
- Using 2-tick energy-saving air-conditioning units;
- Maintaining air-conditioning temperatures at 25°C;
- Reducing the number of power generators to reduce diesel consumption;
- Deploying energy-saving office printers;

Environmental Performance: Building Construction

Material ESG Factors	2019	2020	2021
ENVIRONMENTAL			
GHG emissions (tCO ₂)	4,016	2,511	3,462
GHG emissions intensity (kgCO ₂ / m ²)	27.34	53.70	27.38
Electricity consumption (kWh)	827,756	1,476,197	1,738,984
Energy consumption (GJ)	56,462	33,061	46,287
Energy consumption intensity (GJ/m ²)	0.38	0.71	0.37
Waste (non-hazardous)(tonnes)	4,631	3,106	3,909
Waste (non-hazardous) intensity (kg/m ²)	31.53	66.41	30.91
Water consumption (m ³)	140,529	116,755	137,024
Water consumption intensity (m ³ /m ²)	0.96	2.50	1.08

Note:

1. GHG emissions and energy data include purchased electricity and fuel consumption.

ENVIRONMENT

- Running awareness campaigns to educate our employees on the individual actions they can take to save energy;
- Using window blinds to minimise the heat from outside and therefore reduce the air cooling requirements;
- Installing motion-detection sensors in toilets to switch lights on or off automatically and
- Powering our noise meters by solar PV.

In 2021, our building construction sites' absolute electricity consumption was 1,738,984 kWh compared with 1,476,197 kWh in the previous year. During the same period, our operations consumed 1.04 ML of diesel compared with 0.72 ML in the preceding year. In 2021, the total energy consumption intensity was 0.37 GJ/m² of gross floor area ("GFA") built compared with 0.71 GJ/m² in the previous year.

The electricity consumption was higher in 2021 than the prior year because of change from power generators to grid electricity at one of the project site that was into its final stage of construction as well as construction at three new projects had started to progress. The same period's energy consumption intensity was lower due to higher GFA completion, which resulted from more construction activities as more workforce was available.

Our Annual Target	Performance in 2021
Energy consumption intensity < 0.49 GJ/m ²	0.37 GJ/m ²
GHG emissions intensity < 34.92 kgCO ₂ /m ²	27.38 kgCO ₂ /m ²

TCFD Report

CLIMATE CHANGE

We recognise that climate change poses an existential threat to the planet. Rising global temperatures can trigger extreme weather conditions and events such as floods and hurricanes, droughts and heatwaves, and rising sea levels. These events directly impact food supplies, ecosystems, coastal stability, and public health. If not checked, climate change can have a devastating effect on economies and societies and the businesses that operate within them. It is widely accepted that there is a global urgency to transition to a lower-carbon economy.

As the world rallies to meet the required goal of limiting global temperature rise to well below 1.5° Celsius as set out in the Paris Agreement, at Chip Eng Seng, we are doing our part to reduce GHG emissions within our business activities.

We are working toward developing strategies to build climate resilience across our business divisions. The first step is to understand potential risks and opportunities from climate change and their financial impact on our businesses. We are using the TCFD framework to facilitate this understanding. With the support of an external consultant, we have carried out a qualitative analysis of the potential financial impact of climate change on our core business activities. We plan to undertake a more detailed climate-scenario analysis to develop a deeper understanding of the potential financial impacts of climate change on our businesses. With this, we will continue to broaden our TCFD reporting.

Based on the TCFD Recommendations, our first-time climate-related disclosures are presented below.

GOVERNANCE

At Chip Eng Seng, the Board has overall responsibility for the Group's sustainability strategy, including climate-related risks and opportunities. The Board regularly evaluates potential climate-related risks and opportunities as part of the comprehensive risk assessment and maintains strategic risk management oversight. The Board also determines material ESG factors, including climate-related metrics and targets.

The Board is supported by the Group's SMC, which supervises the adoption and implementation of climate strategies and policies and provides regular updates to the Board. The SMC is chaired by the Group's chief executive officer, with the Group's chief financial officer as the deputy chair. The SMC comprises senior business leaders from across businesses.

The Board attended a climate risk workshop in December 2021 to start building the necessary capabilities for managing climate-related risks and opportunities across businesses.

STRATEGY

Our strategy is to transform Chip Eng Seng into a climate-resilient and future-fit business. Our overarching climate strategy is to identify, assess and mitigate climate-related physical risks and transition risks to our various business divisions. At the same time, we recognise that the global transition to a lower-carbon economy by 2030 and a net-zero state by 2050 presents a range of opportunities for our businesses. We expect our climate strategy to evolve as we progress with a deeper analysis of risks and opportunities over the next two years.

ENVIRONMENT

Each of our businesses is developing and adapting its business strategy to mitigate climate risks and embrace climate-related opportunities. Our approach is to reduce GHG emissions across our businesses to lower our operational footprint.

As buildings account for nearly 40% of the global GHG emissions, we recognise our responsibility to play our part in reducing GHG emissions from the built environment. In our building construction, property development, civil infrastructure, 3D printing technology and precast technology businesses, we continue to adopt green construction materials, methods, and green technologies to minimise the impact on climate. We engage with our hotel operator partners to minimise and monitor environmental impact in our hospitality business. Across all of our businesses, energy efficiency and water conservation are central to our environmental management efforts.

RISK MANAGEMENT

Based on TCFD risk types and classification, we have conducted an analysis covering the following two risk categories:

Physical risks: Physical risks are associated with event-driven acute risks including increased severity of extreme weather events, such as cyclones, hurricanes, or floods, and chronic risks arise from longer-term shifts in climate patterns such as rising temperatures that may cause sea level rise or chronic heat waves.

Physical risks may cause a financial impact on businesses, such as direct damage to assets and indirect impacts from disruption to business operations.

Transition risks: Risks associated with extensive policy, legal, technology, and market changes required to transition to a low carbon economy. Transition risks may have financial and reputational implications for businesses.

Climate-Related Risks

Risk Type	Description
Physical Risk	
Acute Increased severity of extreme weather events such as cyclones and floods	Higher flood risk can potentially damage our investment properties and hotel properties and disrupt operations resulting in loss of revenue. A higher risk of floods and cyclones can also increase our insurance costs.
Chronic Changes in precipitation patterns and extreme variability in weather patterns	A warming climate can increase thermal stress and a health risk for our employees and workers working on construction and other projects requiring prolonged outdoor working.
Rising mean temperatures	Rising temperatures will lead to longer dry spells and likely exacerbate water stress. This could result in higher water costs and water efficiency investments, and conservation in our hotel properties to ensure water availability.

Transition Risk

Policy and Legal	Increasing regulations around climate reporting, higher energy efficiency requirements, and carbon tax could increase compliance costs and the cost of property enhancements.
Technology	The need to transition to new low carbon technologies across our businesses such as building construction, civil infrastructure projects, property development, and hotel properties could increase costs.
Market	Rising energy and water costs could increase the overall cost of operating. Changing customer preferences such as demand for green real estate could affect the yields of high carbon investment properties. Inability to meet guests' sustainability expectations could make our hotel properties less attractive as demand for eco-tourism grows due to increased awareness of climate change.
Reputation	Carbon intensive operations and lower ESG ratings can affect the corporate reputation.

Climate-Related Opportunities

Resource Efficiency	Enhancing energy efficiency and water conservation in our operations and hotel properties can reduce costs. The saving could be substantial in a high energy price environment.
Energy Sources	Adopting renewable energy such as solar power at construction sites and in our hotel properties could enhance our energy resilience and reduce our carbon footprint.
Products and Services	A range of opportunities exists across our businesses. Providing green design, engineering and construction services could enhance our competitiveness. Investment properties with green building certifications and higher energy efficiency can achieve a rental premium. In our hospitality business, properties with high sustainability credentials can attract more guests looking for eco-friendly hotels.

ENVIRONMENT

METRICS AND TARGETS

We currently report the Scope 1 & 2 emissions for our businesses. We have also established targets for GHG emission reduction and report our performance against these targets. We plan to develop a process to assess, validate and monitor our material Scope 3 emissions. In addition, we have adopted water efficiency targets, and we report our water performance against these targets.

You will find more information about our climate-related metrics and targets on the following pages.

GHG EMISSIONS

The majority of GHG emissions within our operations arise from our use of electricity and fuel (diesel), of which carbon dioxide (CO₂) is the primary gas. Our construction division account for the majority of our carbon footprint and our efforts are aimed at reducing GHG emissions intensity within this business division. One measure we have taken is to reduce the number of power generators we use, which in turn reduces our diesel consumption.

We monitor our GHG emissions regularly and report Scope 1 direct emissions and Scope 2 indirect emissions in line with the GHG Protocol and the GRI Standards. Our Scope 1 direct emissions from diesel refer to stationery combustion for power generation at construction sites. Scope 2 emissions are from purchased electricity.

In 2021, the total GHG emissions (Scope 1 and 2) from building construction activities was 3,462 tonnes, compared with 2,511 tonnes in 2020. For GHG emissions intensity, we had set a goal of < 34.92 kgCO₂/m² for 2021. Our actual GHG emission intensity for 2021 was 27.38 kgCO₂/m² which was lower than the GHG emissions in 2020 of 53.70 kgCO₂/m².

The absolute GHG emissions in 2021 was higher due to higher consumption in

electricity and diesel as more building construction activities are carried out. The GHG emissions intensity was lower due to higher GFA completion as operations pick up with the relaxation of COVID -19 restriction and ease of border control that paved entry of more construction workers.

Scope 1 direct emissions from diesel consumption accounted for 79.5% of our total GHG emissions, i.e. 2,753 tonnes at building construction sites in 2021.

Our Scope 2 emissions of 709 tonnes resulted from purchased electricity.

BUILDING MATERIALS AND SUSTAINABLE CONSTRUCTION

Our choice of building materials and the processes we use in our building construction business play an important role in the overall sustainability of our buildings. Ensuring efficiency, productivity and reducing waste are key components of our sustainability strategy. Increasingly, we use precast concrete walls, improving productivity and reducing pollution at the construction site. We also strive to use sustainable building materials that meet the Green Mark criteria established by the BCA or have been awarded the Singapore Green Label.

Building materials used at our building construction projects over the past three years are as follows:

Quantity of Materials Used			
Material (tonne)	2019	2020	2021
 Sand	50,978	27,837	48,027
 Cement	25,489	13,918	24,014
 Steel	13,464	7,052	15,725

WASTE MANAGEMENT

Our construction waste from building construction projects mainly comprises non-hazardous waste. Our approach is to reduce, reuse and recycle materials to minimise waste. We engage licensed waste management contractors to safely dispose our waste following the applicable regulations.

Total non-hazardous waste generated in 2021 was 3,909 tonnes compared to 3,106 tonnes in 2020 as higher construction activities was carried out. However, the overall waste intensity decreased from 66.41 kg/m² in 2020 to 30.91 kg/m² in 2021 as higher GFA was completed.

Our Annual Target	Performance in 2021
Construction waste intensity HDB projects: < 30.00 kg/m ²	26.45 kg/m ²
Private projects: < 40.00 kg/m ²	92.18 kg/m ²

REDUCING OUR ENVIRONMENTAL IMPACT THROUGH SMART DESIGN

We integrate several BCA Green Mark elements in our projects and use Singapore Green Label products to reduce our environmental impact.

Our projects feature recycling bins at the void deck area of residential blocks, covered bicycle parking lots to facilitate the use of cycling among residents, internal waterproofing, interlocking concrete pavers and paving material, earth retention & slope protection material, subsurface drainage cells, calcium silicate board for false ceiling and protection of gas pipes, tile grout, concrete kerb, internal skin coat, aluminium composite panels, roof and gutter waterproofing, green-certified tile adhesive and polyurethane enamel paint system to steelworks.

ENVIRONMENT

RESPONSIBLE WATER STEWARDSHIP

We are committed to responsible water stewardship throughout our operations and have implemented policies and measures to ensure the efficient and responsible use of water consumption at the properties we manage. Implementing conservation initiatives such as water-efficient taps and fittings and dual flush closets with a 3-tick rating by the Public Utilities Board helps residents to conserve water in our properties. Applying eco-friendly natural products for toilet cleaning within the properties we manage is a further example of our water measures, along with using only Singapore Green Label cleaning products in our canteens.

At our building construction sites we use precast concrete to reduce onsite water consumption significantly, and we install silty water treatment systems to help prevent water contamination. We also harvest rainwater to reduce the demand for fresh water; and reuse and recycle water wherever possible.

Our Annual Target	Performance in 2021
Water consumption intensity < 0.90 m ³ /m ²	1.08 m ³ /m ²

In 2021, our water consumption at building construction sites was 137,024 m³ compared with 116,755 m³ in 2020. For the same period, water consumption intensity was 1.08 m³/m² and 2.50 m³/m² respectively. The water consumption intensity was lower due to higher GFA completion. Our water consumption intensity target for the building construction business remains 0.90 m³/m².

WASTEWATER MANAGEMENT

Due to the presence of oil, chemical drums and bulk storage tanks at construction sites, it is imperative to have strict measures in place to prevent water contamination and reduce and responsibly manage the wastewater runoff that occurs. Wastewater is collected, treated and discharged according to environmental regulations, and we implement the required earth control measures to manage silty discharge due to rain. We also reuse wastewater and rainwater to wash vehicles before leaving the construction site, keeping the roads clean.

POLLUTION CONTROL

We are committed to reducing noise, dust and vibrations resulting from construction activity, vehicles, heavy equipment and machinery at our construction sites. We follow regulatory guidelines and industry best practices for lowering pollution.

Our measures include continuous monitoring of our construction operations and ensuring regular maintenance of the equipment and machinery to keep noise levels within safe and permitted limits. We use precast concrete panels fabricated offsite, which also helps mitigate noise at our construction sites. We implement measures to ensure that vibrations caused by piling and demolition do not exceed permitted limits.

Any construction work involving concrete, cement, wood, stone, and silica will produce dust. To counteract this common issue, we install fine mesh screens and use water sprays to stop the dust from dispersing, to limit dust pollution.

Keeping the local communities up to date and informed of our work and construction schedules is important for helping minimise disruption. Our project team gets in touch with the neighbouring community, including building owners and managing agents, before the project starts. The contact numbers and email addresses of key personnel such as the project manager and environmental control officer are shared with them as a direct feedback channel for any environmental issues. We also paste our contact information at lift lobby and notice board of nearby public residential buildings as well as at the project boundary hoarding. Any public pollution-related complaints are promptly addressed.

REGULATORY COMPLIANCE

Complying with applicable laws is a top priority for the Group, vital for maintaining our stakeholder trust and avoiding non-compliance penalties, stop-work orders, and reputation damage. To ensure compliance, we regularly review environmental and public health regulations to update and implement the necessary policies and practices. Our target remains to have zero incidents of environmental related fines.

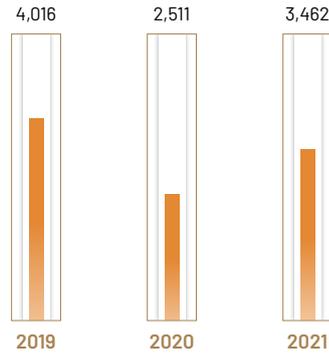
In 2021, total ESG related offences or non-compliance fines amounted to approximately \$152,000. We have since taken corrective measures to prevent the recurrence of these problems.

ENVIRONMENT

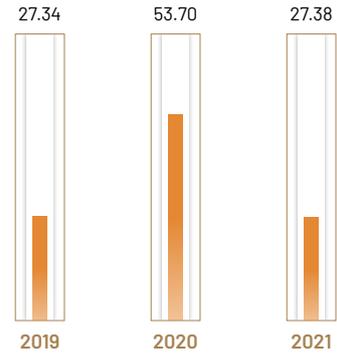
ENVIRONMENTAL PERFORMANCE AT A GLANCE

Performance data in the following charts refer to our Building Construction business unless indicated otherwise. The amount of energy and water used and the amount of waste and wastewater generated varies with construction phases. The annual consumption trends may not be entirely comparable as energy and water consumption tend to be higher during a project's middle stages.

GHG Emissions - Building Construction Sites (tCO₂)

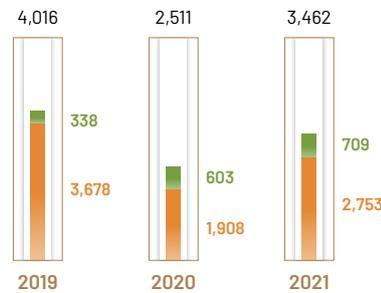


GHG Emissions Intensity - Building Construction Sites (kgCO₂/m²)

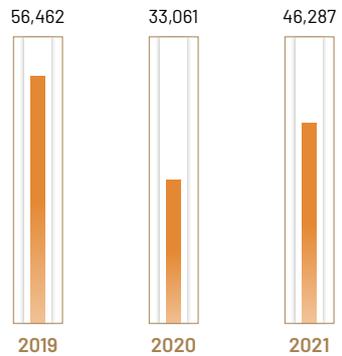


GHG Emissions by Scope (tCO₂): Building Construction Sites

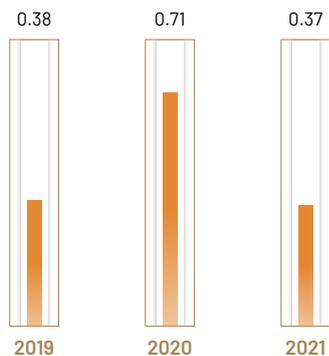
Scope 1: Direct GHG emissions
Scope 2: Electricity indirect GHG emissions



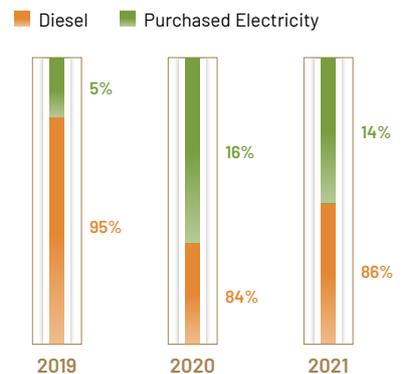
Energy Consumption - Building Construction Sites (GJ)



Energy Intensity - Building Construction Sites (GJ/m²)

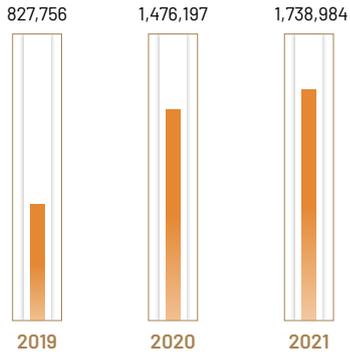


Energy Consumption by Source - Building Construction Sites

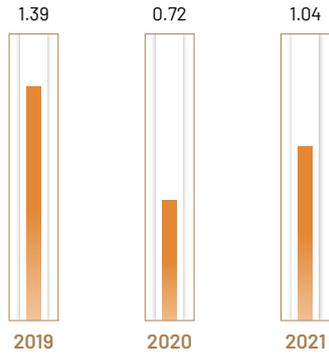


ENVIRONMENT

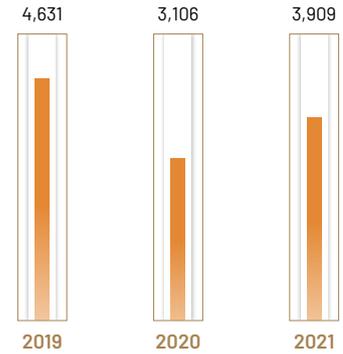
Electricity Consumption - Building Construction Sites (kWh)



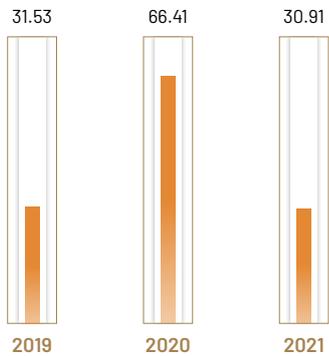
Diesel Consumption - Building Construction Sites (ML)



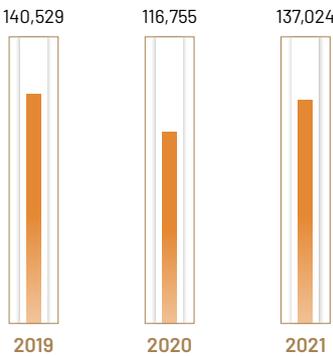
Waste (non-hazardous) - Building Construction (tonne)



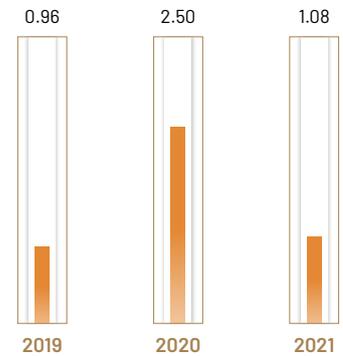
Waste (non-hazardous) Intensity - Building Construction (kg/m²)



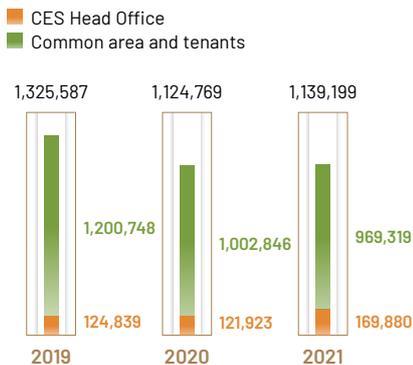
Water Consumption - Building Construction Sites (m³)



Water Consumption Intensity - Building Construction Sites (m³/m²)



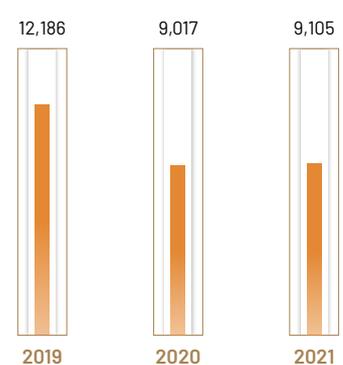
Electricity Consumption - CES Centre (kWh)



GHG Emissions - CES Centre (tCO₂)



Water Consumption - CES Centre (m³)



ENVIRONMENT

PROPERTY DEVELOPMENT

We leverage the Group's extensive experience in construction and engineering to develop high-quality, sustainable residential, commercial and industrial properties.

GREEN MARK

Our following projects have achieved the BCA Green Mark Certifications:

Project	BCA Green Mark
Parc Komo	Green Mark
Park Colonial	Green Mark
Kopar at Newton	Green Mark Gold

INFRASTRUCTURE AND CIVIL ENGINEERING

Chip Eng Seng extended its construction business into civil infrastructure in 2019 with the acquisition of Sembcorp Design and Construction Pte. Ltd. and the acquired company was renamed as CES_SDC Pte. Ltd. As a design and build construction service provider, CES_SDC offers a broad spectrum of engineering and construction services from tunnel boring to modular construction, with an established track record in civil, industrial and utility infrastructure projects.

CES_SDC is committed to minimising its environmental footprint. In line with its commitment, CES_SDC has obtained the ISO 14001:2015 for its environmental management system.

CES_SDC has adopted several measures to reduce the environmental impact of our projects. Some of the common measures include:

WATER CONSERVATION

- Monitoring water consumption;
- Onsite water treatment and recycling;
- Onsite rainwater harvesting for reuse

in construction activities such as cleaning and concrete mixing and

- Water-efficient fittings to save water.

ENERGY EFFICIENCY

- Monitoring energy consumption;
- Preference for using energy-efficient appliances, equipment and devices;
- Employee awareness for promoting responsible energy use;
- Energy-efficient LED lighting;
- Climate-friendly 5-tick air-conditioning equipment;
- Solar lights at construction sites and
- Solar panels to power onsite security cameras.

WASTE REDUCTION

- Reduce and recycle construction waste;
- Segregation of waste onsite to

separate metal waste, construction waste, and organic waste;

- Adopt system and technology to reduce scaffolding/ system formwork for column/ table formwork for beams and slabs;
- Extensive use of precast segments that reduces construction waste and dust;
- Use prefabrication rebar cage system to reduce rebar wastage at site;
- Reuse materials such as GI pipe, rebar, angled bar/GI pipe, and hollow sections for other purposes at the site as cable holders, demarcation, foot wear holder, flower pot holder, fire extinguisher holder and safety boot holder and
- Reuse pails, timber, bottles for plantation, cable drums and timber as a cosy table, damaged sunny hose as a silt trap.

PROTECTING BIODIVERSITY

Our policy is to minimise negative impact on flora and fauna from our infrastructure and civil engineering projects in or near ecologically sensitive areas such as nature reserves, nature areas, areas of biodiversity interest and all coastal and marine development projects. For such projects, we conduct a comprehensive Biodiversity Impact Assessment ("BIA") using relevant guidelines such as the Biodiversity Impact Assessment Guidelines issued by the National Parks Board, Singapore. Based on the BIA, we implement an Environmental Monitoring and Management Plan ("EMMP"). We engage biodiversity experts to assist us in developing, implementing and monitoring the EMMP.

Our EMMP measures to protect fauna could include:

- Passive wildlife shepherding;
- Maintain hoarding integrity;
- Pre-felling fauna inspection;
- Use fully biodegradable Erosion Control Blankets;
- Ensure no fauna entrapments;
- Wildlife-proof food waste bins;
- Monthly fauna inspection by biodiversity experts;
- Regular checks to ensure compliance and
- Wildlife response plan.

Our EMMP measures to protect flora could include:

- Pegging of boundary line before site clearance;
- Arboriculture works and
- Monthly flora inspection by biodiversity experts.

ENVIRONMENT

We plan to establish ESG targets for CES_SDC in the coming year.
Environmental performance data in CES_SDC is as follows:

Infrastructure and Civil Engineering		
Performance Summary	2020	2021
GHG emissions (tCO ₂) Scope 1 and 2	1,277	761
Diesel consumption (l)	152,099	221,246
Electricity consumption (kWh)	2,141,331	425,073
Energy consumption (GJ)	13,580	10,070
Waste (non-hazardous)(tonnes)	301	460
Water consumption (m ³)	74,707	13,793

PRECAST TECHNOLOGY

Below data is for precast factory in Senai Malaysia our main precast production factory.

Precast Technology		
Performance Summary	2020	2021
GHG emissions (tCO ₂) Scope 1 and 2	246	285
Diesel consumption (l)	63,288	63,880
Electricity consumption (kWh)	190,451	284,020
Energy consumption (GJ)	2,206	3,865
Waste (non-hazardous)(tonnes)	42	82
Water consumption (m ³)	30,667	31,423

WATER AND ENVIRONMENTAL ENGINEERING

Water covers an estimated 71% of the world's surface. However, only around 0.01% of the world's water can be used to cover the needs of humanity. Yet, nearly half of the water used by the world is wasted because of inefficient usage. Our Group company CES_Salcon is on a mission to revitalise the world's water resources using the most advanced water and wastewater engineering and technology.

Certified with ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018, CES_Salcon is a leading international water and wastewater engineering specialist. CES_Salcon has designed and constructed more than 800 industrial and municipal water and wastewater treatment plants in 60 countries globally. We remain focused on providing energy-efficient water and wastewater solutions.

Industrial wastewater may contain high levels of chemicals, effluents and toxins which are extremely harmful to humans and the environment. Our purpose-built treatment solutions convert industrial wastewater into a form that can be safely released into the environment or recycled and reused.

Our municipal water and wastewater treatment solutions bring clean and

safe drinking water to communities. We engineer solutions for the proper treatment and disposal of municipal wastewater and sewage. Our dual objectives are to provide communities with access to clean and safe drinking water, while also ensuring that the wastewater generated by these communities does not harm ecosystems and is recycled for reuse.

PROTECTING THE ENVIRONMENT

A number of wastewater treatment plants we have designed and constructed are helping conserve precious water resources worldwide. Here are two examples:

In Saudi Arabia, King Salman Marine Shipyard - Industrial Wastewater Treatment Plant is designed to treat and recover the wastewater generated from shipyard. The plant has the capacity to treat about 300,000 m³ of water per year to safe levels before reuse in cooling tower system and/or before discharging into the sea.

The wastewater treatment plant at Farabi Petrochemicals in Saudi Arabia has the capacity to treat about 230,000 m³ water per year to safe levels before discharge into the sea.

ENVIRONMENT

HOSPITALITY

The Group owns hotel properties in Singapore, the Maldives and Australia. Our properties are operated and managed by our hotel partners. We work

closely with our operator partners to maintain high environmental standards at our hotel properties. Together with our hotel partners, we monitor our properties' environmental performance against key indicators. The data

presented here has been provided by our hotel partners.

Environmental performance data for the Park Hotel Alexandra, Singapore, is presented below.

Performance Summary	2019	2020	2021
GHG emissions (kgCO ₂)	1,657,128	1,468,529	1,119,711
GHG emissions intensity (kgCO ₂ /room night)	11.67	14.76	37.84
Electricity consumption (kWh)	4,056,616	3,599,336	2,744,390
Energy consumption (GJ)	14,604	12,958	9,880
Electricity consumption intensity (kWh/room night)	28.58	36.17	92.74
Water consumption (m ³)	46,101	27,514	12,101
Water consumption intensity (m ³ /room night)	0.32	0.28	0.41

Note:

1. Carbon emissions and energy refer to Scope 2 (purchased electricity)

ENVIRONMENTAL TARGETS

Our annual targets at Park Hotel Alexandra are as follows:

- Electricity consumption intensity: < 28.47 kWh/room night
- Water consumption intensity: < 0.32 m³/room night

We plan to include waste-related data for our hotel property in future reports.

SUSTAINABILITY AT PARK HOTEL ALEXANDRA, SINGAPORE

Park Hotel Alexandra, the Group's hotel property in Singapore, closely monitors its sustainability performance to make continuous improvements. The hotel

tracks energy and water consumption, carbon emissions, and waste for regular reviews.

The hotel is using technology that improves productivity and guest experience while reducing cost and environmental footprint. In 2021, the hotel implemented an E-registration card via QR code for guests to fill up their particulars prior to arrival or while waiting in the queue for check-in. This significantly reduces the time taken during check-in process. Guests can use the Vouch App via QR code to book a timeslot for breakfast and facilities during their stay. This initiative increases productivity by reducing our

manpower while adhering to the SMM guidelines for protection from COVID-19. These initiatives significantly reduce the use of paper, ink and electricity needed for printing, saving more than S\$60,000 in 2021.

The hotel also sends after-use cooking oil from its kitchens for recycling through a waste management company.

The safety and health of our employees, contractors and guests is a top priority. The hotel has obtained the ISO 45001:2018 Certification for its occupational health and safety management system, the reputed international workplace health and safety standard.

ENVIRONMENT

GRAND PARK KODHIPPARU, MALDIVES ADVANCING SUSTAINABLE TOURISM

Grand Park Kodhipparu, the Group's resort property in the Maldives, has placed sustainability at the core of its business model. The resort's strategy is not only improving its sustainability performance, it is also reducing cost of operations.

ENVIRONMENT

Green Globe Standards for Sustainable Tourism

As a member of the Green Globe Standards for Sustainable Tourism Certification, Grand Park Kodhipparu has committed to operating to the highest level of sustainability. Here is an overview of the resort's accomplishments:

Harnessing Solar Power

The resort inaugurated its solar power system on 22 April 2021, the Earth Day. The power system can produce an estimated 478,080 kWh of clean energy for the resort annually. This initiative will significantly reduce the island resort's carbon emissions, saving up to 150,000 litres of diesel fuel annually. The emission reduction is estimated to be about 172 tonnes of carbon dioxide (CO₂). The reduction is equivalent of planting 236 trees. Replacing fossil fuel with solar power will also reduce energy cost for the resort.

Water Conservation

The resort has installed an on-site bottling plant to replace plastic bottles and to protect the marine life, reefs and serene oceans of the Maldives from plastic pollution. Drinking water from the bottling plant is filled in recyclable glass bottles for guests and staff members. The bottling plant has helped the resort eliminate the use of over 10,000 plastic water bottles per month. The initiative has also saved more than \$30,000 since the launch of the plant in September 2019.

Eliminating Single Use Plastic

Reusable Straws: The resort replaced plastic straws with biodegradable paper straws in September 2018. The initiative has helped prevent an estimated 8,000 pieces of plastic entering the resort's waste stream monthly. In January 2020, the resort introduced reusable stainless steel straws to replace paper straws. Team members at the F&B outlets encourage guests to either drink directly from a glass or use a reusable straw.

Food Waste: Reducing food waste from cooked or uncooked food is one of the initiatives undertaken by the resort. The resort has started tracking food waste from the kitchen, staff cafeteria, guest villas and restaurants. Efforts are being made to minimise food waste. The resort is also planning to invest in Liquid Food Composters which convert solid food waste into drain-safe wastewater through bio-digestion at a low cost.

Toiletries: Liquid bathroom amenities such as shower gel and shampoo are provided from bulk dispenser bottles to prevent the use of individual small plastic bottles. The resort's plans include replacing other plastic amenities such as toothbrush to those made from wood.

Plastic bags: The resort provides paper laundry bags in guest rooms in place of plastic bags.

Reef-Safe Sunscreen

The resort provides a reef-safe sunscreen to guests, divers and snorkellers to protect the marine life from the harmful effects of two chemicals, oxybenzone & octinoxate found in common sunscreens. The reef-safe sunscreen helps safeguard the precious coral life around the island.

Herb Garden and Orchid Nursery

As part of its sustainability efforts on the island, the resort established a herb garden and an orchid nursery in 2021. The garden provides healthy and organic produce such as pepper, chilli, basil, eggplants and pomegranate. The orchid nursery nurse more than 600 orchid plants from 14 different varieties of orchids such as dendrobium and gramathopilam.

Guest Education

The resort has a Resident Marine Biologist who educates guests on the marine life living around the island and how to best access the islands coral reef, as well as providing guided snorkelling tours and presentations.

ENVIRONMENT

CORAL REEF PROTECTION

Since its opening in 2017, our Grand Park Kodhipparu resort in Maldives has established several coral gardening projects, where coral pieces from the House Reef are attached to purposely built underwater structure. One of the first sights many guests see upon arriving at the resort is an artificial reef installed below the reception deck. This tunnel-shaped metal frame had several small pieces of coral attached to it during the first year of resort operations and is now attracting additional marine life such as juvenile fishes with the growth of these into larger colonies, some of which are already around twenty centimetres in diameter.

Some of the coral protection measures taken by the resort are as follows:

Coral Reef Restoration

The goal is to regrow corals in areas where populations have diminished or lost, impacted by bleaching and sedimentation. This is achieved through methods such as collecting and rehabilitating naturally broken coral fragments. The restoration will be implemented over two phases starting from rescuing coral juveniles which had been recruited to unstable substrate in the coral nursery to starting a coral tree, which is a nursery for branching coral. A coral tree in this arrangement uses a small underwater footprint to grow many corals as once.

Coral Frame Plantation

This is based on a gardening concept of restoring coral reef through asexual propagation to increase coral coverage and complex structure. Coral frames are beneficial as they can grow coral in places where coral is unable to grow, such as sandy areas.

Marine Management Areas

The research zone will be implemented in the future once the coral reef restoration and coral frame plantation are in place. Guests can participate in the research and be involved in data collection which will allow them to see the different dimensions of the coral reef conservation. This will help to encourage and promote responsible snorkeling.

ENVIRONMENT

EDUCATION

Chip Eng Seng entered the education business in 2018 through its wholly-owned subsidiary Sing-Ed Global Schoolhouse Pte. Ltd. In line with our Group's sustainability approach, we are committed to minimising our schools' environmental impacts.

Some of the initiatives at our various schools include:

Environmental Awareness: Environmental topics have been integrated into the school curriculum to create awareness about environmental issues.

Recycling: Recycling bins in schools facilitate the recycling of materials and build awareness among the school community.

Energy Saving: Lights are set to turn off after 5 pm automatically, and motion sensors are activated to conserve energy.

SUSTAINABILITY PERFORMANCE

We have implemented a sustainability data management process to collect and monitor environmental performance. Last year, we had reported environmental data for our

schools in Singapore. This year's data also includes our overseas schools. Due to the addition of schools, the absolute consumption figures are higher and not comparable with previous years. Our current priority is to expand our data coverage progressively.

Environmental performance data for our schools in Singapore and overseas that have operated substantially during the reported years are presented in the following table.

Performance Summary	2019	2020	2021
GHG emissions (kgCO ₂)	170,255	175,597	702,939
GHG emissions intensity (kgCO ₂ /m ²)	27.41	14.98	13.04
Electricity consumption (kWh)	416,780	430,384	1,722,890
Electricity consumption intensity (kWh/m ²)	67.09	36.67	31.96
Energy consumption (GJ)	1,500	1,549	6,202
Water consumption (m ³)	4,890	5,835	21,710
Water consumption intensity (litre/population/day)	11.35	13.91	23.50

Notes:

1. GHG emissions and energy data refer to Scope 2 (purchased electricity).
2. Water consumption intensity = Annual water consumption divided by (school population x no. of days in a year); school population includes number of students and staff.
3. 2021 data includes our overseas schools for the first time, while the figures for 2019 and 2020 covered only Singapore schools. Therefore, the figures for three years are not comparable.

ENVIRONMENTAL TARGETS

Our annual target and performance at Singapore schools are as follows:

Our Annual Target	Performance in 2021
Electricity consumption intensity: < 67.00 kWh/m ²	58.90 kWh/m ²
Water consumption intensity: Reduce to < 11.80 litre/population/day by 2023	11.85 litre/population/day

PEOPLE

We are committed to promoting a safe, inclusive and fair workplace where our people can realise their full potential.

Our people are our most valuable asset. Our ability to attract and retain talented people to deliver high-quality projects and services is crucial for our success. Our human resource policies promote a professional working environment built on mutual respect and trust. Ensuring safety at project sites and factories remains our foremost priority.

EMPLOYMENT

At end of 2021, our construction, property development & investment, corporate and education divisions employed 1,152 employees of which 1,150 were full-time employees and 2 were part-time employees.

Female employees occupied 39% of the managerial and supervisory roles in 2021 compared with 35% in the prior year.

We also employed 564 foreign construction workers on fixed-term contracts in Singapore and Malaysia.

Further details on how we manage the wellbeing of our foreign construction workers can be found on page 74.

DIVERSITY

The Group has a growing international footprint across 15 economies. Embracing diversity has a strategic imperative for our businesses to be effective in a multi-cultural environment. We have always promoted an inclusive work culture that respects and celebrates diversity. We monitor our diversity performance by regularly reviewing data relating to gender, age, hiring and turnover at all employment levels.

Rich diversity is reflected in our workforce, which comprises people from different backgrounds, nationalities, and ethnicities. This mix fosters a range of perspectives, approaches and competencies. We provide equal opportunities in employment, remuneration, training and promotion based on merit and performance.

Full-Time Employees			
Business Division	2019	2020	2021
Construction, Property Development & Investment and Corporate	357	444	644
Education	188	236	506
Hospitality	631	401	377
Total Number of Employees	1,176	1,081	1,527

Gender Diversity Women Employees			
Business Division	2019	2020	2021
Construction, Property Development & Investment and Corporate	52%	45%	29%
Hospitality	30%	34%	29%
Education	89%	80%	75%

Diversity: Board of Directors			
Chip Eng Seng Corporation Ltd.	2019	2020	2021
Women directors (%)	11%	10%	11%
Independent directors (%)	56%	60%	56%

PEOPLE

CONSTRUCTION, PROPERTY DEVELOPMENT AND EDUCATION

The construction, property development and education divisions account for 95% of the Group's revenue. Our focus remains on maintaining our ability to attract, develop and retain talent that helps us excel in project execution, safety culture, quality and productivity, and innovation. An overview of our people performance covering the construction, property development, education divisions and the corporate office is provided below.

TRAINING

Investing in our people's development is crucial for employee well-being and supporting our business growth. Developing talent within our organisation also helps retain high-quality, valued workers. To this aim, we provide ongoing training and development opportunities to ensure our people have the right skills to perform their jobs effectively.

Our Annual Target	Performance in 2021
Average training hours: 8.6 hours/employee	6.9 hours/employee

Training courses, workshops and conferences for our staff in 2021 covered the following topics: online end-user cybersecurity, first aid for adults and children, safe management, workplace safety, construction productivity, health and environmental management, sustainability reporting, quality and productivity, lean construction, best practices for green and gracious builders, earth control measures, construction regulations, service excellence, virtual design and

construction, contract management, project management, ethical business conduct, latest developments in construction law, and personal data protection.

EMPLOYEE TURNOVER

Employee retention is an integral part of human resource management. Our target is to maintain our employee turnover rate lower than the relevant national average. In 2021, our turnover rate for the construction, property development and corporate divisions in Singapore was 28.8%, which is higher than the national construction industry average rate of 15.6% (Source: Labour Market Survey 2021).

Our Annual Target	Performance in 2021
Employee Turnover – To maintain below the national average for the construction sector	28.8% against the national construction sector average of 16.4%

In 2021, the education division's turnover rate was 39.9% compared to last year's rate of 32.2%. The turnover rate for male and female employees was 37.1% and 40.8% respectively.

By age group, the turnover rate in education division was as follows:

Under 30 years:	59.6%
30-50 years:	36.5%
Over 50 years:	25.7%

Currently, there is no comparable national average benchmark available for the private education sector. Our goal is to improve the retention rate in our education division by taking the necessary measures.

PERFORMANCE MANAGEMENT

Permanent employees participate in a performance appraisal twice a year. The performance evaluation helps determine training needs and skills gaps within the organisation, and helps us develop career pathways for our staff.

REWARDING OUR STAFF

Acknowledging and rewarding staff for their service is a key part of our human resources policy. Along with competitive compensation, we provide bonuses, performance-based wage increases, and various other benefits to attract and retain talented employees. Our employee's wellbeing is well taken care of out-patients, inpatient and dental medical insurance coverage. Other benefits include personal accident insurance, welfare gifts and different types of leave benefits e.g. annual, marriage and compassionate leaves.

UPGRADING WORKFORCE SKILLS

Within our construction division, we established a skills improvement programme to help Basic-Skilled foreign construction workers upgrade to the Higher-Skilled R1 category following the criteria set out by the Ministry of Manpower ("MOM"). Investing in upgrading our foreign workers' skills means higher productivity and a lower levy that we need to pay. Furthermore, Higher-Skilled R1 workers can be employed for an extended period of up to 26 years instead of just 14 years for Basic-Skilled workers.

Ensuring all of our construction workers receive training leads to better work practices, increased quality and productivity, and improved health and safety, since the workers gain the most up to date knowledge

PEOPLE

on trade code and regulations, new installation methods, equipment, materials, and tools. In 2021, 82 Higher-Skilled R1 construction workers completed their Continuing Education and Training. They have clocked total of 352 hours in training.

PROMOTING WORKPLACE SAFETY AND HEALTH

Workplace safety remains a critical issue for the construction sector. With 126 incidents, the construction sector was the second-largest contributor to major injuries for the year, according to the Workplace Safety and Health Report 2021.

Implementing a safety-first culture is an integral part of our business model, spanning the entire business divisions from top-level management to site supervisors and workers. We maintain rigorous safety standards to ensure a safe workplace for our workers and contractors. Our target is to maintain a zero-accident workplace.

Hazard identification, risk assessment and risk control form the core of our safety measures. We comply with national safety regulations and align our work processes with industry standards for safe construction. Our QEHS system ensures that workers and contractors follow stringent standards and operating procedures for safety and health at each construction stage.

Regular safety briefings and training is provided to our employees to ensure they are all well informed of the safety risks inherent in various construction activities and are fully educated on safe work practices.

Our Annual Target	Performance in 2021
Zero reportable incidents	8 reportable incidents

Along with safety briefings and training, our health and safety systems require us to carry out checks and inspections throughout the year. In 2021, the health and safety teams at project sites performed 3,910 site safety inspection

and audit, while corporate health and safety managers carried out scheduled inspections and safety promotions. Any non-compliance issues are reported during the monthly Safety Committee meeting.

During the reporting period, 15 project sites in the construction division, which also included a factory at Senai, Malaysia, were subjected to health and safety inspections and programmes.

Leading Indicators (Per Site)	Actual Average (Per Site)
 Management Site Safety Walk	12
 Site Safety Committee Average Attendance	97%
 Site Safety Inspection/Audit	260
 Safety Promotion	30

Notes:

Management Site Safety Walk = A safety walk is when senior management (managing director or project director) observes work taking place, inspects the workplace, and discusses safety performance with staff based on their observations. By leading and conducting a safety walk, senior management can point out unsafe practices when they occur in the real work environment, providing employees with safe alternatives and a means to understand why their practices are unsafe.

Site Safety Inspection/Audit = A safety inspection is a formalised process of documenting safety hazards and unsafe work practices at site. A safety audit is a formalised process which assess the workplace's health and safety procedures to determine compliance and assess weaknesses in its safety program.

Safety Promotion = A set of means, processes and procedures that are used to develop, sustain and improve safety through awareness raising and changing behaviours among all personnel. Example of safety promotion includes the development of internal products and actions such as posters, bulletins, leaflets, audio-visual materials, toolkits, manuals and guides, social media, e-applications, conferences, safety events and campaigns.

PEOPLE

SAFETY PERFORMANCE

By regularly monitoring and reviewing the safety performance at our construction sites against key performance indicators, we can ensure we are maximising our efforts in this critical area and responding in a timely manner to any deviances from our high safety standards. A summary of our safety performance can be found in the following table.

Year	Accident Frequency Rate ("AFR")	Workplace Injury Rate ("WIR")	Accident Severity Rate ("ASR")	Total Recordable Incident Rate ("TRIR")	Fatality rate	Number of Fatalities	Occupational Disease Incidence Rate
2019	0.6	190.7	34.0	0.1	0.0	0	0
2020	0.8	90.4	15.0	0.2	0.0	0	0
2021	1.3	272.4	12.6	0.3	0.0	0	0

Note:

1. Disclosures in year 2019 exclude the Civil Infrastructure business which was acquired in 2019.
2. All the rates above are combined figures for direct employees and contract employees.
3. TRIR in year 2021 for direct employees and contract employees are 0.4 and 0.2 (year 2020 were 0.3 and 0.1) respectively.

Calculation formula:

AFR = (No. of Injuries / Total Man Hours) x 1,000,000

WIR = (No. of Fatal and Non-Fatal Workplace Injuries / No. of Employed Persons) x 100,000

ASR = (Lost of Man Day / Total Man Hours) x 1,000,000

TRIR = (Statistic Count x 200,000) / Hours Worked.

SAFETY AWARDS

Our commitment to ensuring high safety standards is reflected in the awards and recognitions we have received over the years.

In 2021, two of our projects are winners for WSH SHARP Award:

2021

Winner	Chip Eng Seng Contractors (1988) Pte Ltd (Sengkang N4C39/C40 – Fernvale Dew)
Winner	Chip Eng Seng Contractors (1988) Pte Ltd (Bidadari C8/ C9 – Woodleigh Glen)

See the complete list of awards won over the past three years on page 47 and 48.

UPHOLDING HUMAN RIGHTS

We are committed to upholding the human rights of our workers, contractors and sub-contractors, and the wider communities in which we operate. Our corporate policy bars discrimination, child labour and forced labour in our operations and in work performed by contractors and sub-contractors. Our policy covers:

- a) *Non-discrimination*: We prohibit discrimination in employment on any grounds, including gender, age, race, ethnicity, religion, marital status, pregnancy and disability;
- b) *Child Labour*: We prohibit child labour in our operations and expect our suppliers to ensure the same standards. We have determined that there is no risk of child labour in our business in Singapore;
- c) *Forced Labour*: We prohibit forced labour in our operations and expect

our suppliers to ensure the same standards; and

- d) *Freedom of Association and Right to Collective Bargaining*: We respect our employees' right to freedom of association and collective bargaining under local laws. Our employees can freely raise any matter of concern with their supervisors, the HR department, or senior management.

Our civil infrastructure subsidiary CES_SDC has a collective bargaining agreement with the Building Construction and Timber Industries Employees' Union (BATU), where 5 of our employees are union members.

There were no incidences of non-compliance relating to discrimination, child labour, forced labour and freedom of association in the reported period.

PEOPLE

WELLBEING OF FOREIGN WORKERS

In Singapore, it is standard industry practice to supplement the local construction workforce with foreign contract workers, and the MOM strictly regulates the hiring of foreign construction workers. Furthermore, all foreign construction workers must attend the mandatory Construction Safety Orientation Course or the Apply Workplace Safety and Health in Construction Sites training.

At end of 2021, the Singapore business operations employed 524 foreign construction workers from countries approved by the MOM. At the precast factory in Senai Malaysia, 40 foreign construction workers were employed.

We have implemented measures to protect their human rights during the hiring process, and while they are at work on our project sites and factories. We provide clean housing facilities in approved dormitories fitted with modern amenities. The facilities and services at

the dormitories include dedicated cooking areas, laundry and recreational facilities such as gyms and outdoor games courts, and televisions in the canteen. They also have free wireless internet access. We provide transport facilities for our workers to travel between their residence and the construction site. The work sites also have spaces for parking bicycles.

We offer monetary rewards and a certificate of recognition to workers who perform exceptionally well during the month to demonstrate our appreciation.

INFRASTRUCTURE AND CIVIL ENGINEERING

An overview of our people performance covering the business is presented below.

Metric	Disclosure	Metric	Disclosure
Number of full-time employees	154	Employee turnover in 2021(%)	43.1%
Women employees (%)	17%	Employee turnover in 2021(%) (male)	39.3%
Age diversity:		Employee turnover in 2021(%) (female)	59.3%
Under 30 years	21	Employee turnover by age:	
30-50 years	81	Under 30 years	66.7%
Over 50 years	52	30-50 years	42.4%
Average hours of training per employee	12.9	Over 50 years	37.4%
Average hours of training per employee (male)	13.91	Number of work-related fatalities	0
Average hours of training per employee (female)	8.32	High-consequence injuries (number)	0
New hiring in 2021 (number)	82	Recordable injuries (number)	0
New hiring in 2021 (number) (male)	68	Recordable work-related ill health cases (number)	0
New hiring in 2021 (number) (female)	14		

The performance excluded project site that the business has less than 50% equity participation.

PEOPLE

HOSPITALITY

An overview of our people performance covering the hospitality division is presented below.

Metric	Disclosure	Metric	Disclosure
Number of full-time employees	377	Employee turnover in 2021(%)	34.7%
Women employees (%)	29%	Employee turnover in 2021(%) (male)	27.6%
Age diversity:		Employee turnover in 2021(%) (female)	52.5%
Under 30 years	149	Employee turnover by age:	
30-50 years	220	Under 30 years	37.9%
Over 50 years	51	30-50 years	36.1%
Average hours of training per employee	7.4	Over 50 years	19.2%
Average hours of training per employee (male)	7.1	Number of work-related fatalities	0
Average hours of training per employee (female)	8.0	High-consequence injuries (number)	0
New hiring in 2021 (number)	79	Recordable injuries (number)	0
New hiring in 2021 (number) (male)	48	Recordable work-related ill health cases (number)	0
New hiring in 2021 (number) (female)	31		

EDUCATION

An overview of our people performance covering the education division is presented below.

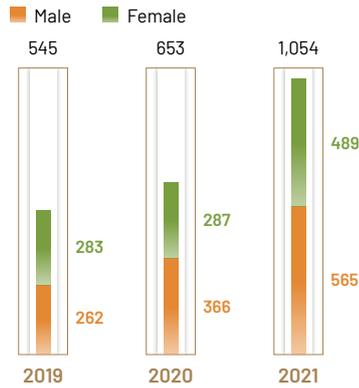
Metric	Disclosure	Metric	Disclosure
Number of full-time employees	506	Employee turnover in 2021(%)	39.9%
Women employees (%)	75%	Employee turnover in 2021(%) (male)	37.1%
Age diversity:		Employee turnover in 2021(%) (female)	40.8%
Under 30 years	111	Employee turnover by age:	
30-50 years	313	Under 30 years	59.6%
Over 50 years	82	30-50 years	36.5%
Average hours of training per employee	6.7	Over 50 years	25.7%
Average hours of training per employee (male)	6.8	Number of work-related fatalities	0
Average hours of training per employee (female)	6.7	High-consequence injuries (number)	0
New hiring in 2021 (number)	254	Recordable injuries (number)	0
New hiring in 2021 (number) (male)	61	Recordable work-related ill health cases (number)	0
New hiring in 2021 (number) (female)	193		

PEOPLE

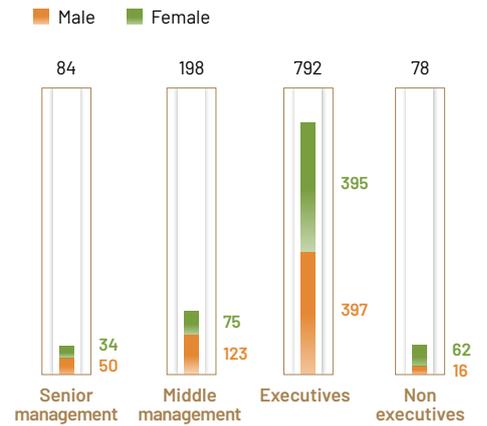
PEOPLE PERFORMANCE AT A GLANCE

Performance data in the following charts refer to our Construction, Property Development and Investment, Education and Corporate divisions unless indicated otherwise. The performance data excludes the hospitality division. Hospitality division performance is reported separately on page 75.

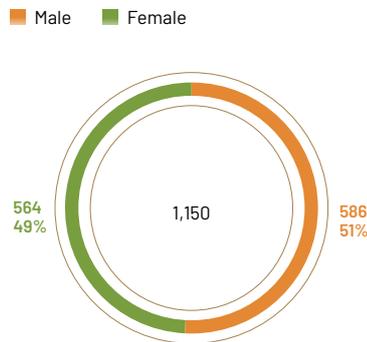
Permanent Employees (on non-term contracts)



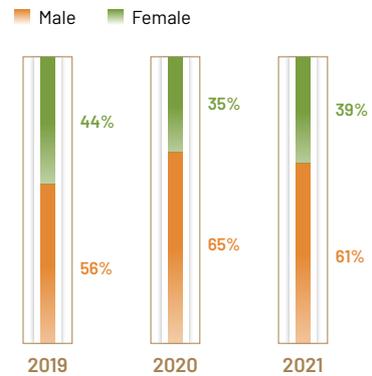
Employees by Category - 2021



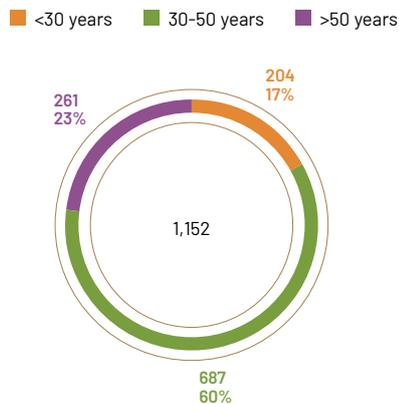
Gender Diversity (Full-time Employees) - 2021



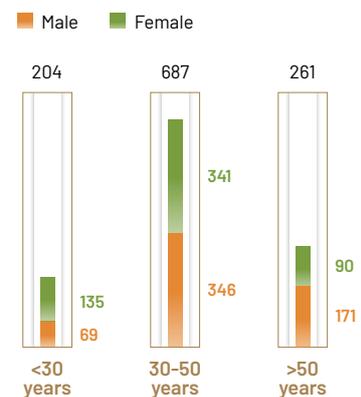
Gender Diversity of Supervisors and Managers



Employees by Age Group - 2021



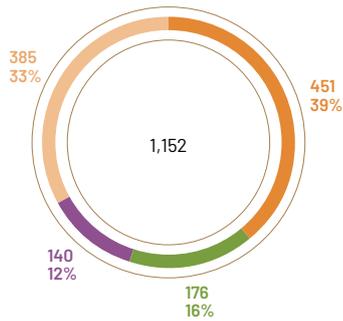
Number of Employees by Age and Gender - 2021



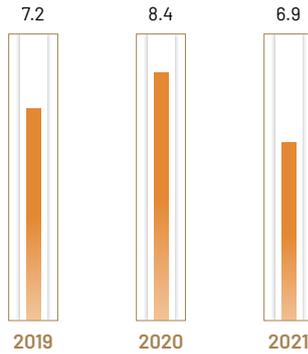
PEOPLE

Employee Profile - 2021

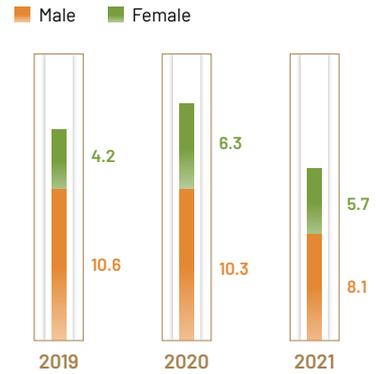
■ Singaporean
 ■ Malaysian
 ■ People's Republic of China
 ■ Other nationalities



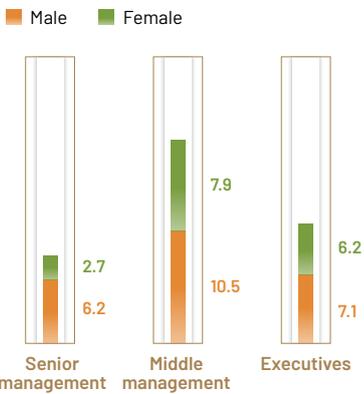
Average Training Hours per Employee



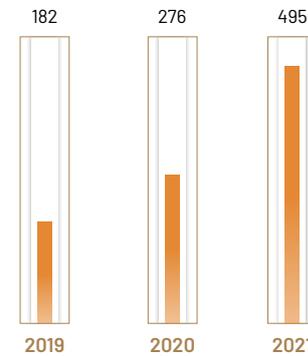
Average Training Hours by Gender



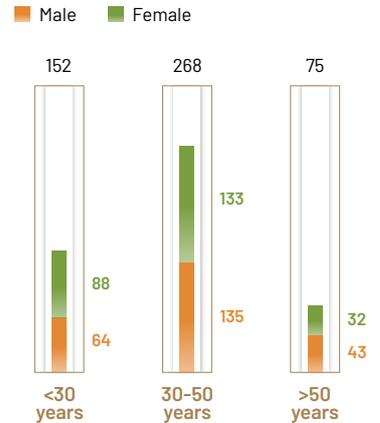
Average Training Hours by Employment Category - 2021



New Hiring

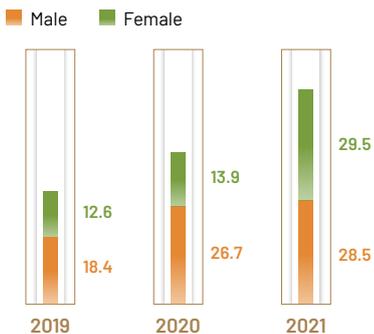


New Hire by Age and Gender - 2021



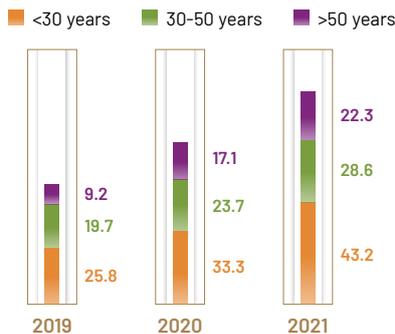
Employee Turnover Rate by Gender (%)

(Construction, Property Development & Investment and Corporate)

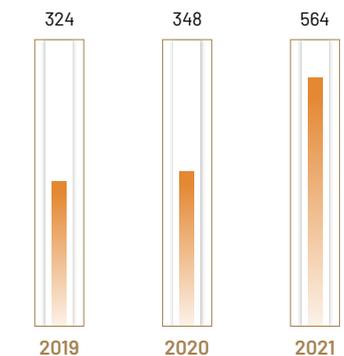


Employee Turnover Rate by Age Group (%)

(Construction, Property Development & Investment and Corporate)



Foreign Construction Workers



QUALITY AND SAFETY

We are committed to upholding the highest standards of quality in construction and property development.

Over the decades, Chip Eng Seng has established a strong reputation for high quality and safety standards in construction and development projects. To achieve these high standards, we regularly invest in the most advanced and efficient construction technologies available, and we continuously maintain or upgrade our equipment to enhance safety, performance and productivity.

Timeliness and precision planning are also key to our work, and we have maintained a track record of completing all our projects ahead of schedule or within the target timeline.

INTERNATIONAL STANDARDS

We demonstrate our commitment to quality, environmental stewardship and workplace safety within our construction division by achieving a range of certifications for international standards such as the ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018.

QUALITY AND SAFETY STANDARDS

We build our projects in strict compliance with building regulations and standards, including but not limited to structural stability, materials, workmanship and safety. We employ qualified and experienced teams of architects, engineers and technical staff to ensure that each project meets our stringent norms of quality and safety.

Public housing forms a substantial component of our construction business. Delivering high-quality homes is a crucial goal of this business division and we understand the importance of ensuring high-quality workmanship for customers who invest in our homes.

In the event that any home buyers are not fully satisfied and submit a complaint within the defects liability period, we have a robust defect management response policy in place. We take every complaint seriously, and the necessary rectification is carried out in a timely manner after joint inspections.

CONQUAS SCORE

In 2021, our project Grandeur Park Residences in Singapore received a total score of 94.80 under the BCA Construction Quality Assessment System (CONQUAS) scheme. CONQUAS, introduced in 1989, serves as a national standard for assessing the quality of building projects.

SAFETY FOR OUR SUB-CONTRACTORS AND SUPPLIERS

Our supply chain mainly comprises contractors and sub-contractors and vendors for building materials and supplies. We regularly engage with our sub-contractors to promote safe work practices through meetings, reviews, training and briefing sessions to help them achieve the required QEHS standards.

Our QEHS policies cover our sub-contractors to ensure safety and compliance at our construction sites. We have introduced a supplier evaluation survey to assess their credentials, including their safety competence. All of our subcontractors are certified to bizSAFE Level 3 or above.

We review subcontractors' QEHS performance every six months. We have also instituted annual awards to recognise subcontractors for their QEHS excellence.

CUSTOMER SAFETY

The health, safety, and security of our tenants, customers, and visitors at the buildings we manage are also top priorities. Our policies and measures ensure fire and elevator safety, access for people with disabilities, asset security, disaster management and emergency procedures.

In 2021, there were no incidents of non-compliance concerning the health and safety involving customers, tenants or visitors at properties in Singapore that we own and manage.

DATA PRIVACY

The Group is committed to safeguarding personal data, including customers' and employees' personal information. Our policies and measures to manage personal data fully comply with Singapore's Personal Data Protection Act.

In 2021, a two-hour long sharing session by the Group Data Protection Officer and Data Protection Officer was carried out to refresh and upskill our employees on our personal data protection obligation. Case study from Personal Data Protection Commission's decision on breaches which are similar to our business setting are shared and discussed with 40 participants.

Our Annual Target	Performance in 2021
Zero breaches of customer privacy and losses of customer data	There were no confirmed cases concerning breach of customer privacy or loss of customer data

COMMUNITY

Committed to being a responsible corporate citizen.

As a conglomerate with global footprints and with strong ethical values, we can play a vital role in diverse communities in which we operate in. By engaging in a range of local corporate social responsibility activities, we help support those who are less fortunate. We forge a stronger bond amongst our employees, customers, and beneficiaries, strengthening their trust in Chip Eng Seng.

Our community outreach supports various social causes, the arts, education, healthcare, and the environment. We work together with Singapore's construction community and non-profit organisations to support multiple philanthropic programmes through giving and fundraising efforts. Our employees also volunteer in community initiatives.

In 2021, the COVID-19 pandemic affected charitable events and volunteering activities due to social distancing restrictions and lockdowns. However, we continued to provide cash donation, scholarship and gift amounted to \$222,606 in total towards various philanthropic causes.

RECOGNISING AND NURTURING FUTURE TALENT

Students of today are our employees of tomorrow. We invest in young talent by offering internship opportunities to university and polytechnic students to help them gain practical work experience. During 2021, we provided internship opportunities for 20 undergraduate and polytechnic students, for a period ranged between 7 and 32 weeks. These interns were assigned to accounts, project, engineering, health & safety departments to gain practical experience.

We also support the BCA-Industry iBuildSG Scholarship / Sponsorship programmes that aim to nurture future talent for the construction industry. The Group continued to provide scholarships to three students who are pursuing the BCA-Industry iBuildSG Undergraduate program.

HOSPITALITY

PARK HOTEL ALEXANDRA, SINGAPORE

- Park Hotel Alexandra and CEL Development joined hands to support Rainbow Centre, a school for children with autism. Employee volunteers spent an afternoon at the school for the Chinese New Year decorations;
- Food from the Heart, a non-profit food charity in Singapore dedicated to alleviating hunger for the less fortunate, runs a food distribution programme for those on low incomes. With volunteer numbers being hit by the Covid-19 pandemic, our employees at Park Hotel Alexandra came forward to help behind the scenes to prepare food care packs and
- Park Hotel Alexandra employees volunteered for a beach cleaning campaign at East Coast Park.

GRAND PARK KODHIPPARU MALDIVES

- Grand Park Kodhipparu resorts commemorated World Autism Awareness Day by supporting the Maldives Autism Association, a non-profit organisation catering for children with autism spectrum disorder and other disabilities. The activities included a fun evening walk for children around the island. Fundraising was also held throughout April 2021 for both team members and guests with the sale of merchandise and donations. All funds raised from this programme were donated to Maldives Autism Association.

EDUCATION

Our schools organised a number of events during the year to support social and environmental causes:

- Collected about 2,000 Christmas gifts for migrant workers for ItsRainingRaincoats, an initiative that aims to improve the lives of migrant workers in Singapore;
- Raised funds for a local charity - Arc Children's Centre through a Dash for Cash run event;
- The Parent-Teacher Association organised Roots & Shoots event, a programme of the Jane Goodall Institute championing global environmental, animal welfare, and humanitarian youth outreach in 110 countries and
- Held a Mufti Day for World Wide Fund for Nature in conjunction with World Children's Day, where students attended school dressed up as animals.

GRI CONTENT INDEX

GRI CONTENT INDEX Core option		
GRI Standard	Disclosure	Page Reference and/ or Direct Answers
GRI 101: Foundation 2016 (GRI 101 does not include any standards)		
GRI 102: General Disclosures 2016		
Organisational Profile		
GRI 102-1	Name of the organisation	Cover page, 2
GRI 102-2	Activities, brands, products, and services	2, 42
GRI 102-3	Location of headquarters	Singapore
GRI 102-4	Location of operations	2, 16-17, 30-31
GRI 102-5	Ownership and legal form	2
GRI 102-6	Markets served	2, 16-17, 22-25, 42
GRI 102-7	Scale of the organisation	2, 16-19, 74-76, 139-140
GRI 102-8	Information on employees and other workers	72, 74-77
GRI 102-9	Supply chain	78
GRI 102-10	Significant changes to the organisation and its supply chain	23-24, 36, 37
GRI 102-11	Precautionary Principle or approach	57-59
GRI 102-12	External initiatives	56, 64, 78
GRI 102-13	Membership of associations	53
Strategy		
GRI 102-14	Statement from senior decision-maker	4-7
GRI 102-15	Key impacts, risks, and opportunities	54-56
Ethics and Integrity		
GRI 102-16	Values, principles, standards, and norms of behaviour	46, 120
GRI 102-17	Mechanisms for advice and concerns about ethics	120
Governance		
GRI 102-18	Governance structure	26-31, 47, 91, 93-96
GRI 102-19	Delegating authority	91, 97
GRI 102-20	Executive-level responsibility for economic, environmental, and social topics	45
GRI 102-21	Consulting stakeholders on economic, environmental, and social topics	52-53, 123
GRI 102-22	Composition of the highest governance body and its committees	91, 93-94
GRI 102-23	Chair of the highest governance body	26-31
GRI 102-24	Nominating and selecting the highest governance body	97
GRI 102-25	Conflicts of interest	89, 100

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GRI CONTENT INDEX Core option		
GRI Standard	Disclosure	Page Reference and/ or Direct Answers
GRI 101: Foundation 2016 (GRI 101 does not include any standards)		
GRI 102: General Disclosures 2016		
Governance		
GRI 102-26	Role of highest governance body in setting purpose, values, and strategy	46, 88
GRI 102-27	Collective knowledge of highest governance body	89
GRI 102-28	Evaluating the highest governance body's performance	108
GRI 102-29	Identifying and managing economic, environmental, and social impacts	46, 88
GRI 102-30	Effectiveness of risk management processes	88, 113-118
GRI 102-31	Review of economic, environmental, and social topics	46
GRI 102-32	Highest governance body's role in sustainability reporting	46
GRI 102-33	Communicating critical concerns	123
GRI 102-35	Remuneration policies	108-109
GRI 102-36	Process for determining remuneration	110-111
Stakeholder Engagement		
GRI 102-40	List of stakeholder groups	52-53
GRI 102-41	Collective bargaining agreements	73
GRI 102-42	Identifying and selecting stakeholders	52-53
GRI 102-43	Approach to stakeholder engagement	52-53
GRI 102-44	Key topics and concerns raised	52-53
Reporting Practice		
GRI 102-45	Entities included in the consolidated financial statements	146-153
GRI 102-46	Defining report content and topic Boundaries	58
GRI 102-47	List of material topics	54-55
GRI 102-48	Restatement of information	44
GRI 102-49	Changes in reporting	44
GRI 102-50	Reporting period	43
GRI 102-51	Date of most recent report	April 2021
GRI 102-52	Reporting cycle	43
GRI 102-53	Contact point for questions regarding the report	44
GRI 102-54	Claims of reporting in accordance with the GRI Standards	43
GRI 102-55	GRI content index	80-85
GRI 102-56	External assurance	44

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GRI CONTENT INDEX Core option		
GRI Standard	Disclosure	Page Reference and/ or Direct Answers
ECONOMIC TOPICS		
Economic Performance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	20-21
	103-2 The management approach and its components	20-21
	103-3 Evaluation of the management approach	20-21
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	18-19, 137-139
Anti-Corruption		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	55
	103-2 The management approach and its components	45, 55
	103-3 Evaluation of the management approach	45, 55
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	45
	205-3 Confirmed incidents of corruption and actions taken	45
ENVIRONMENTAL TOPICS		
Materials		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	60
	103-2 The management approach and its components	60
	103-3 Evaluation of the management approach	60, 64
GRI 301: Materials 2016	301-1 Materials used by weight or volume	60
Energy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	54
	103-2 The management approach and its components	54, 57-58
	103-3 Evaluation of the management approach	54, 57-58
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	57-58, 62-63, 66, 69
	302-3 Energy intensity	57-58, 62-63, 66, 69
Water		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	55
	103-2 The management approach and its components	55
	103-3 Evaluation of the management approach	55
Management Approach Disclosures 2018	303-1 Interactions with water as a shared resource	61
	303-2 Management of water discharge-related impacts	61

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GRI CONTENT INDEX Core option		
GRI Standard	Disclosure	Page Reference and/ or Direct Answers
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	61, 63, 66, 69
Emissions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	54
	103-2 The management approach and its components	54, 60
	103-3 Evaluation of the management approach	54, 60
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	60, 62-63
	305-2 Energy indirect (Scope 2) GHG emissions	60, 62-63
	305-4 GHG emission intensity	60, 62-63, 66, 69
Waste		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	54
	103-2 The management approach and its components	54, 60
	103-3 Evaluation of the management approach	54, 60
GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal methods	60
Management Approach Disclosures 2020	306-1 Waste generation and significant waste-related impacts	60
	306-2 Management of significant waste-related impacts	60
GRI 306: Waste 2020	306-3 Waste generated	60, 63
Environmental Compliance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	55
	103-2 The management approach and its components	55, 61
	103-3 Evaluation of the management approach	55, 61
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	61
SOCIAL TOPICS		
Employment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	55
	103-2 The management approach and its components	55, 70-72
	103-3 Evaluation of the management approach	55, 70-72
GRI 401: Employment 2016	401-1 New Employee hires and employee turnover	71, 74-75, 77
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	71

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GRI CONTENT INDEX Core option		
GRI Standard	Disclosure	Page Reference and/ or Direct Answers
SOCIAL TOPICS		
Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	55
	103-2 The management approach and its components	55, 72
	103-3 Evaluation of the management approach	55, 72
Management Approach Disclosures 2018	403-1 Occupational health and safety management system	72
	403-2 Hazard identification, risk assessment, and incident investigation	72
	403-3 Occupational health services	72
	403-4 Worker participation, consultation, and communication on occupational health and safety	72
	403-5 Worker training on occupational health and safety	72
	403-6 Promotion of worker health	72
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	72
GRI 403: Occupational Health and Safety 2018	403-8 Workers covered by an occupational health and safety management system	72
	403-9 Work-related injuries	72-75
Training and Education		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	55
	103-2 The management approach and its components	55, 71
	103-3 Evaluation of the management approach	55, 71
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	71, 74-75, 77
	404-3 Percentage of employees receiving regular performance and career development reviews	71
Diversity and Equal Opportunities		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	55
	103-2 The management approach and its components	55, 70
	103-3 Evaluation of the management approach	55, 70
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	70, 74-76
Non-Discrimination		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	55
	103-2 The management approach and its components	55, 73
	103-3 Evaluation of the management approach	55, 73

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GRI CONTENT INDEX Core option		
GRI Standard	Disclosure	Page Reference and/ or Direct Answers
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	73
Local Communities		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	55
	103-2 The management approach and its components	55, 79
	103-3 Evaluation of the management approach	55, 79
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	79
Supply Chain		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	55
	103-2 The management approach and its components	55, 78
	103-3 Evaluation of the management approach	55, 78
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	78
Customer Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	55
	103-2 The management approach and its components	55, 78
	103-3 Evaluation of the management approach	55, 78
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	78
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	55
	103-2 The management approach and its components	55, 78
	103-3 Evaluation of the management approach	55, 78
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	78
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	55
	103-2 The management approach and its components	55, 61
	103-3 Evaluation of the management approach	55, 61
GRI 419: Socio-economic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	61

SASB INDEX

ENGINEERING & CONSTRUCTION SERVICES SUSTAINABILITY ACCOUNTING STANDARD

Topic	SASB Code	Accounting Metric	Page Reference and/or Direct Answers
Environmental Impacts of Project Development	IF-EN-160a.1	Number of incidents of non-compliance with environmental permits, standards, and regulations	45-46, 61
	IF-EN-160a.2	Discussion of processes to assess and manage environmental risks associated with project design, siting, and construction	57, 59-60, 64
Structural Integrity & Safety	IF-EN-250a.1	Amount of defect- and safety-related rework costs	To be disclosed in future report
	IF-EN-250a.2	Total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents	To be disclosed in future report
Workforce Health & Safety	IF-EN-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	72-73
Lifecycle Impacts of Buildings & Infrastructure	IF-EN-410a.1	Number of (1) commissioned projects certified to a third-party multi-attribute sustainability standard, and	1
		(2) active projects seeking such certification	8
	IF-EN-410a.2	Discussion of process to incorporate operational-phase energy and water efficiency considerations into project planning and design	57-58, 61, 64
Business Ethics	IF-EN-510a.1	(1) Number of active projects and (2) backlog in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Zero
	IF-EN-510a.2	Total amount of monetary losses as a result of legal proceedings associated with charges of (1) bribery or corruption and (2) anti-competitive practices	Zero
	IF-EN-510a.3	Description of policies and practices for prevention of (1) bribery and corruption, and (2) anti-competitive behavior in the project bidding processes	45

Activity Metric	SASB Code	Page Reference And/Or Direct Answers
Number of active projects	IF-EN-000.A	32, 33
Number of commissioned projects	IF-EN-000.B	32, 33
Total backlog	IF-EN-000.C	183-184

TCFD DISCLOSURES

We have started to align our sustainability report with the TCFD recommendations. The following table indicates our progress.

Code	TCFD Recommendations	Page Reference and/ or Direct Answers
Governance		
TCDF 1(a)	Describe the board's oversight of climate-related risks and opportunities.	45, 58
TCFD 1(b)	Describe management's role in assessing and managing climate-related risks and opportunities.	45, 58
Strategy		
TCFD 2(a)	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	58-59
TCFD 2(b)	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	58-59
TCFD 2(c)	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	58-59
Risk Management		
TCFD 3(a)	Describe the organisation's processes for identifying and assessing climate-related risks.	59
TCFD 3(b)	Describe the organisation's processes for managing climate-related risks.	59
TCFD 3(c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	59
Metrics and Targets		
TCFD 4(a)	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	60
TCFD 4(b)	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	60, 62, 65, 66, 69
TCFD 4(c)	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	60, 62, 65, 66, 69