

Soilbuild Construction Group Ltd.

POISED TO CAPTURE OPPORTUNITIES

Sustainability Report 2017



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Message from our Chairman

At Soilbuild Construction Group Ltd. (the “Soilbuild”, and together with its subsidiaries, the “Group”), we have a pragmatic approach towards sustainability. We focus on identifying and putting into practice initiatives and programs that deliver real-world and lasting benefits to the society. Today, several of the global challenges the world faces directly or indirectly impacts every industry. They include climate change, population growth, urbanisation and the shortage of natural resources and raw materials. Sustainable products and services will be essential in addressing these challenges and providing us with a competitive edge to continue to succeed within our field. Striving to reach our vision we will drive construction service development, advance our position and capture market share, while contributing to change the world and enabling it to move in a more sustainable direction.

The Board of Directors (the “Board”) of Soilbuild Construction Group Ltd. has always been committed to sustainability and fully supports the adoption of the new SGX sustainability reporting guidelines. The Board oversees the Group’s sustainability performance, practices and initiatives and its compliance with SGX guidelines on sustainability reporting. As a listed Company, we are also committed to the Code of Corporate Governance of Singapore. The Code provides the framework for controls, checks and accountabilities and requires the Board to consider sustainability issues in its business decisions. Throughout the year, the Board and the Group Management reviewed the Group’s sustainability objectives and progress.

The Group continues to embrace new technology and recognise that its adoption and implementation in the organisation is key to ensure that we continue to strengthen our position in the construction industry. In 2015, the Group was awarded the concept and price tender for the development of an Integrated Construction and Precast Hub (“ICPH”). In the ICPH, highly automated manufacturing processes has been adopted to offer precast solutions to the built environment sector. To date, the construction works for the ICPH has been granted Temporary Occupation Permit (“TOP”) in phases and the manufacturing facilities will be operational in the last quarter of 2018. Other than the ICPH, the Group also intends to embark on other new construction methodologies and adopt new technologies that include Pre-fabricated Prefinished Volumetric Construction (“PPVC”). The aim is to improve construction productivity and be more efficient in our work and processes, while enhancing the quality of our buildings and optimising safety measures at construction sites. We are always innovating and improving to build properties that are both valuable to our customers and more environmentally sustainable. The intersection of sustainability and innovation includes improving our internal operations.

We are committed to cultivating a balanced work-life environment for all our employees, as well as to developing the new workforce in our industry. We recognise that our employees are invaluable to the success of our Group. Workplace safety continues to be of utmost importance to the Group and we have implemented appropriate procedures and policies to mitigate the risks and events to raise awareness, especially at the construction sites.

The 2017 Sustainability Report (“Report”) is our first sustainability report and reflects the Group’s performance as well as the Group’s strategy and vision for the future. The Report is prepared as per the SGX Sustainability Reporting Guide and in reference to the Global Reporting Initiative (GRI) Standards. Material Environmental, Social and Governance (“ESG”) issues for the Group have been identified for 2017 and we will continue to examine our material issues on year on year basis. We aim to further strengthen our internal sustainability management framework, processes and procedures.

The journey ahead

It is clear that corporations have a responsibility to deliver the responsible products and services, to solve local and global issues, and to play a supporting role in changing pro-environment consumer behaviour. I believe our industry and Soilbuild, in particular, can be a positive force for change, and that we have a great opportunity to be a better responsible business.

Lim Chap Huat
Executive Chairman

About our Report

This Report presents the annual sustainability performance of the Group which primarily includes the material Environmental, Social and Governance aspects of our business operations for the period 1st January 2017 to 31st December 2017. This report has been prepared in reference to the Global Reporting Initiative (GRI) Standards. The reporting boundary includes the Group's operations at Singapore and Myanmar and the entities have been selected on the basis of our level of control and nature of operational activities, and therefore, the Report has excluded the performance data of the Group's Joint Venture companies.

Data presented in this Report has been sourced directly from the operations included within the reporting boundary. This Report covers material issues for Group's operating subsidiaries as shown in the section Our Sustainability Approach. For any further queries and suggestion related to this Report or Soilbuild's sustainability initiatives, please reach out to us at sbcg_ir@soilbuild.com.

The GRI Standards Content Index is included at the end of the report. The data and statements presented in this Report have not been externally assured.

About Soilbuild Construction Group

Soilbuild Construction Group Ltd. is a leading builder with a long and successful track record of constructing a sterling award-winning portfolio of residential and business space properties. Since its inception in 1976, Soilbuild charts over 40 years of success in offering a full spectrum of real estate services which includes Design and Build, Construction, Turnkey Construction, Project Management Consultancy, Procurement and Mechanical & Electrical Installation. Soilbuild is a publicly held Company headquartered in Singapore and is listed on the Singapore Stock Exchange. Our track record in public sector projects puts us in good stead as we compete in future tenders by the local public agencies including the Housing and Development Board (“HDB”) and Land Transport Authority (“LTA”). Projects in which we acted as the main contractor, have achieved building excellence in winning several architectural and environment awards over the years.

MISSION

To deliver optimal construction and management solutions to our partners and customers, and to enhance shareholder value

VISION

To be the preferred multi-disciplinary construction company first in Asia Pacific, then global

Our values

Our core values keep the inner workings of our brand in check. They shape our culture and defines our beliefs and practices.

INTEGRITY

Always be forthright, doing the right thing and not cutting corners.

MAKE IT HAPPEN

Determination to bring projects to fruition, regardless of the challenge.

PROFESSIONAL

Keeping to standards and engaging customers in a practical, professional manner and tone.

AGILITY

Agility and flexibility to move and change quickly based on market conditions and needs.

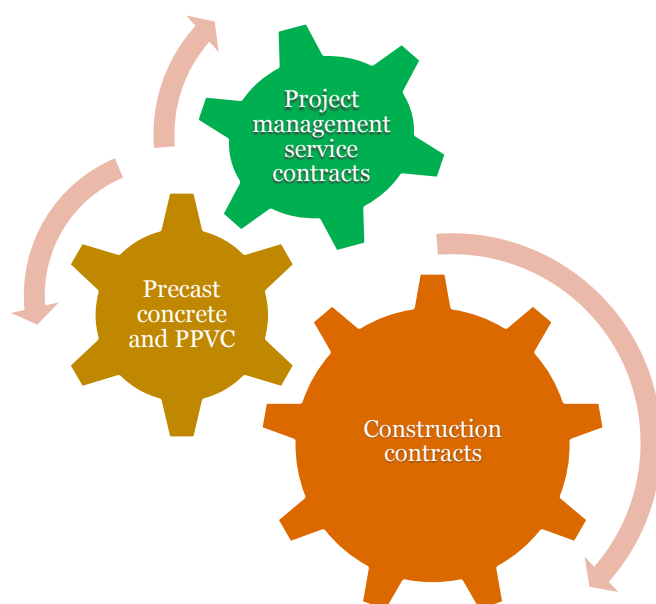
CUSTOMER-CENTRICITY

Always close to the market to understand their needs by giving them practical solutions; thus empowering and enabling organisations and individuals to go further.

THINK AHEAD

Updated and well-informed.

Our operations



Our multi-disciplinary capabilities

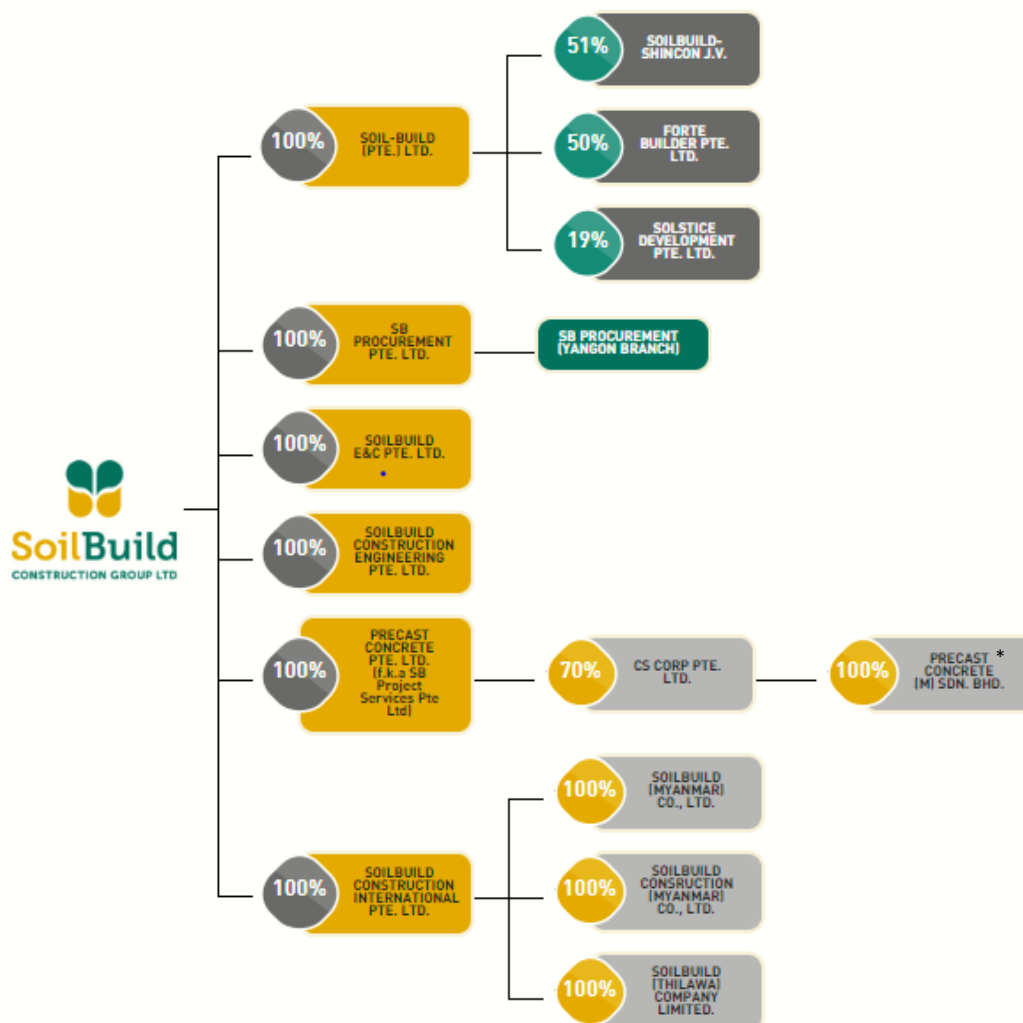


Geographic presence

In 2012, Soilbuild expanded construction business to Myanmar. As of to date, we have secured seven main construction projects and several contracts to provide construction, professional consultancy and project management services for developments in Myanmar. We expect contributions from the Myanmar operations to grow further going forward as we strive to secure more new construction contracts, particularly for industrial and commercial buildings, factories and warehouses which has seen an increase in demand.

Key Entities	Location
Soil-Build (Pte) Ltd	Singapore
SB Procurement Pte Ltd	Singapore
Soilbuild Construction Engineering Pte. Ltd.	Singapore
Soilbuild E&C Pte Ltd	Singapore
Soilbuild Construction International Pte Ltd	Singapore
Precast Concrete Pte. Ltd. (fka SB Project Services Pte. Ltd.)	Singapore
CS Corp Pte Ltd (newly acquired on 31 July 2017)	Singapore
Soilbuild (Myanmar) Co., Ltd.	Myanmar
Soilbuild Construction (Myanmar) Co., Ltd.	Myanmar
Soilbuild (Thilawa) Company Limited (newly incorporated on 27 April 2017)	Myanmar

Group Structure



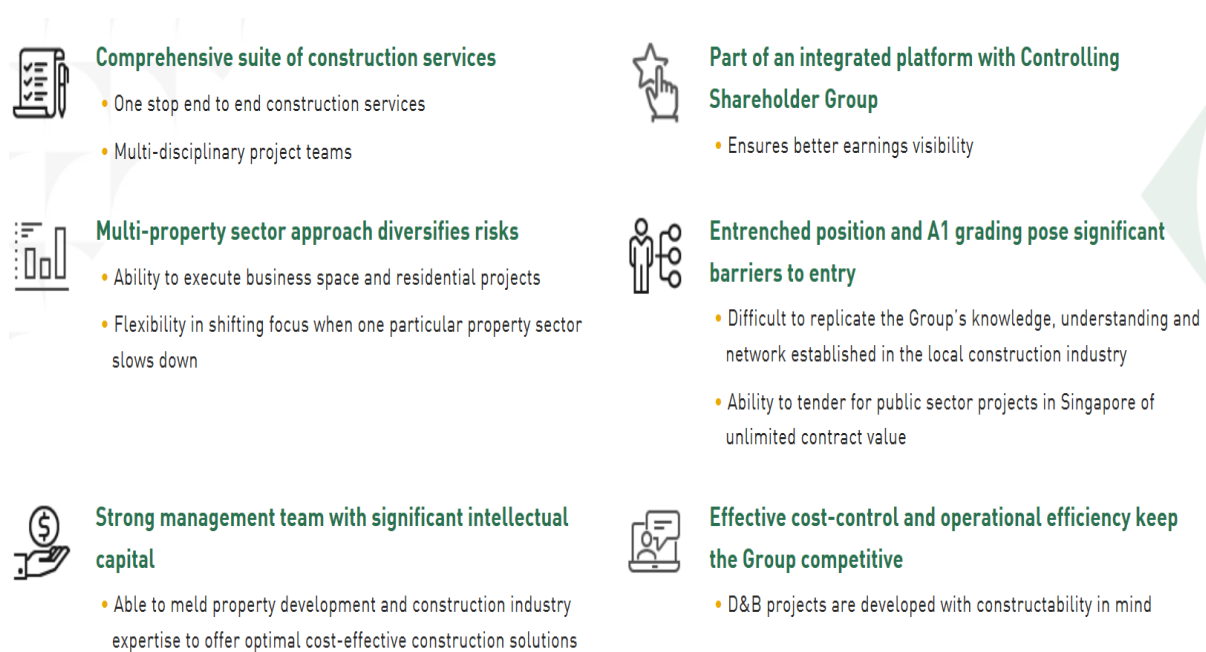
* The entity is being incorporated in 2018.

The group has a basic supply chain structure, where the lead company forms a series of relationship with companies that buy and sell supplies from each other. Our principal activities and the place of incorporation and operation are represented below:

Principal activities	Place of incorporation and operation	Number of Subsidiaries	
		2017	2016
Building contractors	Singapore	3	3
Construction and procurement services	Singapore and Myanmar	3	3
Precast and PPVC	Singapore	1	-
Manufacturing of construction materials	Myanmar	1	-
Investment holdings	Singapore	2	2
		10	8

The Group is well positioned to deliver regionally across Singapore and Myanmar. The Group recognises the importance of establishing resilient relationships with business partners and local authorities to keep abreast of prevailing changes in statutory and regulatory requirements in the countries we operate in. Internally, the Group has invested in training and sharing sessions for employees to be in touch with the latest regulatory changes and the potential impact these changes may have as well as any non-compliance of regulatory requirements on the businesses. We are statutory member of Singapore Business Federation (“SBF”) and full corporate member of Access Solution Industry Association (fka Access & Scaffold Industry Association) (“ASIA”). The Group's internal auditors conduct an annual review of the effectiveness of the Group's material internal controls, including internal financial controls, operational and compliance controls.

Figure 1 Key strengths and value proposition



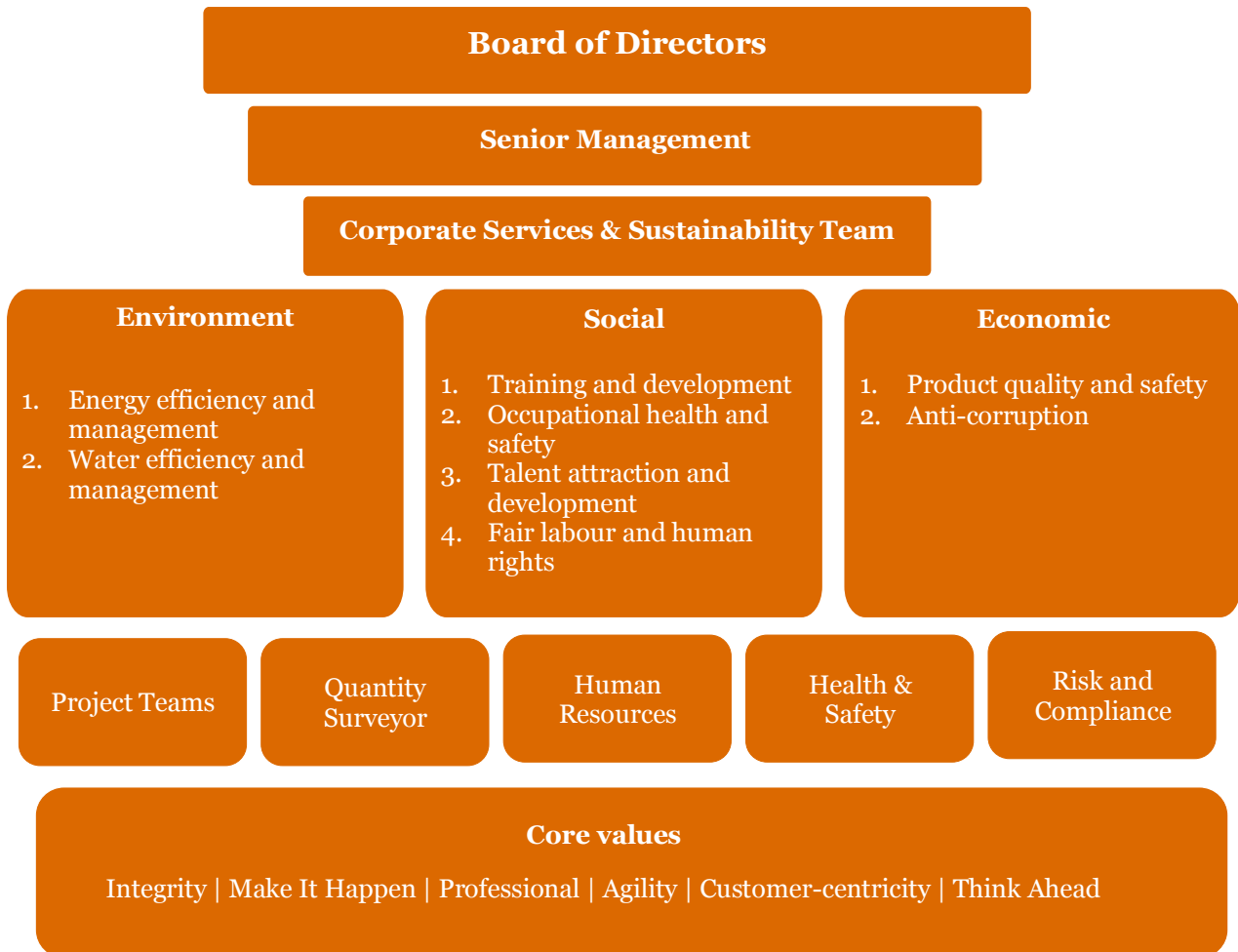
Outlook for Singapore construction industry is expected to be supported by government measures to achieve sustainable growth, rising population and improvements in the built environment. Soilbuild's strategic initiatives to a) invest in productivity improvements, b) to focus on core businesses which continues to have healthy demand, c) to further develop its position in the public housing construction sector which has sustained construction demand and intention to expand its construction and/or project management operations to certain countries in Asia such as Myanmar and other South East Asian countries are expected to strengthen the Company's operations and increase its returns. Given our competitive strengths, the Board believes that we are able to overcome future challenges and drive its growth.

Our Sustainability Approach

Sustainability Governance

Organisation-wide sustainability agenda is led by Sustainability team headed by the Director of Corporate Services with guidance from the senior management and Board of directors. The team initiates, drives, and monitors various aspects of our sustainability practices, ensuring effective integration of Environmental, Social and Governance initiatives into our business operations and corporate objectives.

Figure 2 Group's sustainability governance



Stakeholder engagement

Stakeholders are defined as groups of people or entities that are directly or indirectly influenced by our business operations and outcomes, or that can significantly influence our businesses. Feedback from our key stakeholder groups forms a crucial part of our strategic and business planning, and is viewed as a valuable insight for the Group to continuously improve our sustainability performance.

Through internal discussion and review with external consultants, key stakeholder groups are identified across the entire value chain and each stage of our business life cycle. Engagements with key stakeholder groups are planned annually.

Understanding the stakeholders' concerns and expectations is an essential part of Soilbuild's sustainability approach. Through regular formal and informal engagements, we develop mutually beneficial relationships with our stakeholders. As part of our stakeholder engagement process, we identified the following key stakeholder groups:

- Customers (land owners and developers)
- Employees
- Suppliers & Sub-contractors
- Shareholders & Investors
- Community
- Government & Regulators

Engagements with Key Stakeholder Groups in 2017

The scope of the stakeholders' engagement in FY 2017 was limited, mostly on account of the challenging local market conditions that impacted our domestic business operations. However, we are committed to expand our stakeholders' engagement methods and use the subsequent output in our future disclosures. Soilbuild's senior management is very much determined to continuously improve upon sustainability performance and devotes pre-decided time for the same by engaging with key stakeholder groups. The followings are our key stakeholders' topics and concerns raised and our engagement mechanism:

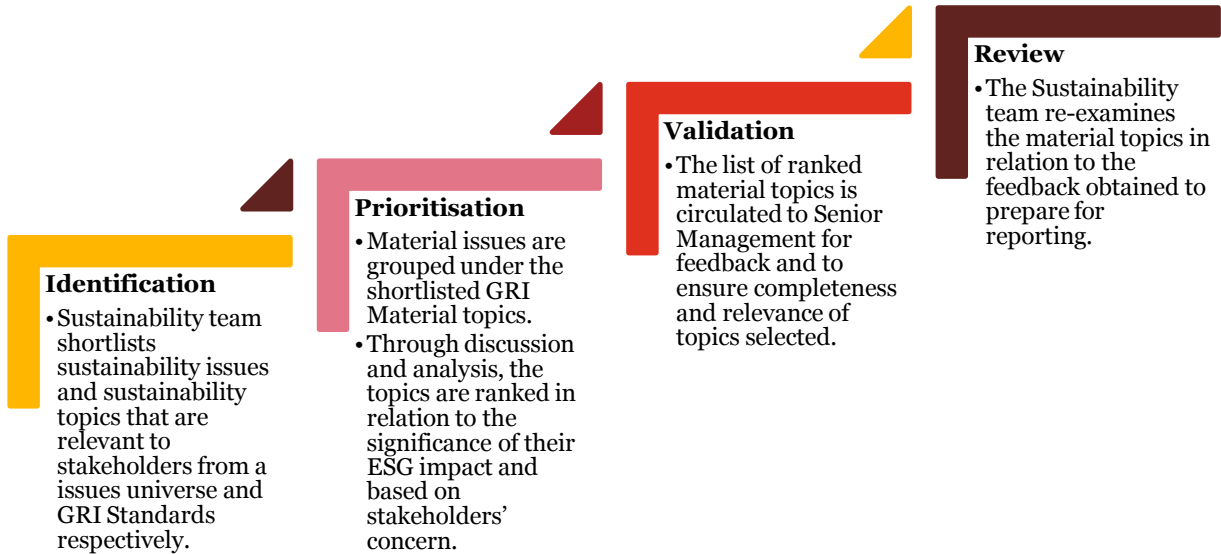
Figure 3 Stakeholder engagement mechanism

Stakeholder	Key Topics/Concerns	Engagement Mechanism
Customers	Safety, quality and site progress on schedule	Regular customer survey and engagement activities were conducted to measure customer satisfaction and collect feedback
Employees	Personal development, Career advancement	<ul style="list-style-type: none"> • Employee survey conducted on an annual basis to measure the level of employee engagement • Monthly management meetings held to discuss day to day operation issues • Risk Management meetings were held quarterly to discuss summary of operation issues • Annual budget meetings conducted to communicate the Group's strategy and policy changes • Orientation conducted for new employees to familiarise them with the Group's management team • Newsletters were circulated to keep employees abreast of the Group's new development
Suppliers & Sub-contractors	Safety, compliance, site progress on schedule	<ul style="list-style-type: none"> • Safety briefings were regularly conducted for staff and contractors working on site • Annual review of suppliers / sub-contractors to evaluate their performance and raise feedback or concern
Shareholders and investors	Economic and industry trends, Group performance	<ul style="list-style-type: none"> • Shareholders are kept abreast of the Company's key developments through press releases and Annual Reports • Annual General Meetings and investor meetings are conducted to engage our shareholders and investors in two-way communications
Government, regulators and community	Contribute and caring our community and environment, adoption of best practices and compliance with regulations	<ul style="list-style-type: none"> • Keep abreast of new policies, regulations and guidelines launched and implemented by government and regulators • Comply and continually improve the effectiveness of the quality management system which satisfies all requirement of ISO 9001:2015 standards requirements, or any relevant statutory and regulatory body such as Building & Construction Authority, Ministry of Manpower, National Environment Agency and etc. • Meeting with community and addressing their concerns

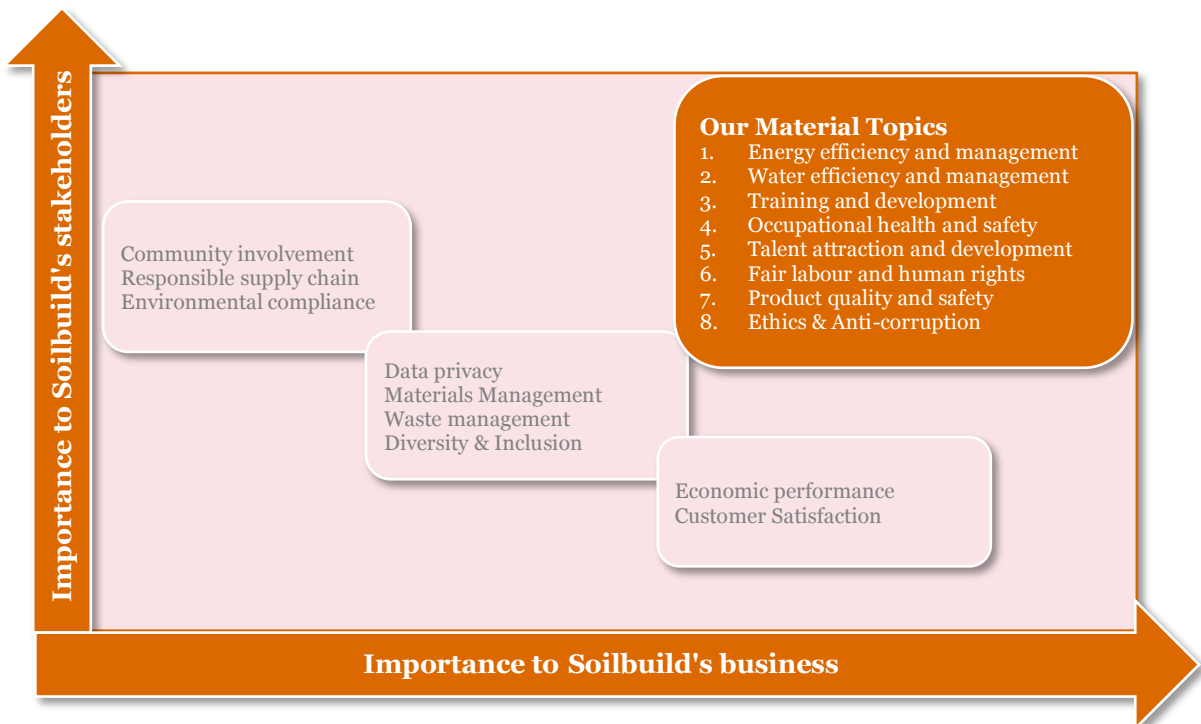
Materiality assessment

Materiality is a critical input into our corporate sustainability strategy because it ensures we provide our stakeholders with the sustainability information most relevant to them and our business. To determine this, we conduct a formal materiality assessment on a regular basis. In 2017, we completed materiality assessments for two regions: Singapore and Myanmar. Led by our consultants, the process included interviews with internal stakeholders such as employees and management and internal workshops, to identify the most material sustainability issues. The boundary of material topics is restricted to our Singapore and Myanmar operations and business partners comprising contractors, subcontractors and suppliers.

Soilbuild adopted a systematic four-step approach in determining the material topics for our operations.



To illustrate degree of importance to internal and external stakeholders, the material aspects have been plotted on a materiality matrix. Figure below provides an overview of our material topics.



Environmental performance: resource conservation

As an organisation that is committed to sustained growth and shared value creation, we adopt responsible practices across our supply chain. These are encapsulated in the various policies which govern our business practices and environment stewardship.

(a) Energy efficiency and management

Soilbuild believes in building a greener future and creating a friendlier environment for all our stakeholders by minimising the usage of natural resources and the waste in our operations. We have implemented an environmental management system to identify and manage environmental aspects. These aspects are managed by setting targets and implementing programmes to achieve these targets. As an endorsement of our environmental management system, Soilbuild has obtained the ISO 14001:2015 certification for the scope of building and civil engineering construction services.

Soilbuild has been awarded “BCA Construction Productivity Award 2016” by the Building and Construction Authority, as a recognition of Soilbuild’s efforts towards designs, construction methods, process and technologies adopted that have significant productivity impact in the construction projects. Soilbuild has also been awarded “BCA Green and Gracious Builder Award” for Soilbuild’s efforts in promoting environment protection and gracious practices during the construction phase of projects.

We believe improvements in energy efficiency will enable our Company to reduce cost and improve overall operational efficiency. Integrating energy efficiency considerations into the design and construction of our assets can also help to reduce the energy usage (and electricity costs) of our customers. Through various operational measures, we maximise energy efficiency across key business units and at different stages in the building’s lifecycle. At Soilbuild we have diesel-use policy which ensures efficient use of diesel in operations such as in cranes, welding machine, diesel generators and air-conditioners.

Examples of energy initiatives in 2017 are:

Table 1 Energy management initiatives at Soilbuild

Energy Initiatives

- ✓ Monitoring and analysing energy usage in construction sites for all projects under construction for any abnormality, for immediate rectification
- ✓ Implementing various measures to reduce energy consumption, including the consideration of energy efficient equipment with the Energy Star logo when purchasing new office equipment Using energy efficient lightings and green label photocopiers in the site offices

Soilbuild’s commitment to environmental stewardship is to minimise negative environmental impact as well as to constantly educate employees on sustainability aspects. We apply the precautionary principle to our environment management to ensure that we minimise any impact on the environment and related risks to the organisation. As a growing company, we know our footprint is expanding, so we use strategies and practices to gain operational efficiencies, thereby reducing energy and water consumption, emissions and waste.

At Soilbuild, employees are sensitised on the issues relating to carbon emissions and are encouraged to promote energy and fuel efficiency. We plan to organise interactive activities next year example celebrating Earth day and Environment day in order to make our employees aware on broader sustainability topics and growing scarcity of natural resources.

Table 2 Energy consumption at Soilbuild (2017)

Energy use & efficiency	Unit	FY 2017 Performance	FY 2018 Target
Electricity consumption	MWh	2,786	To initiate at least one new energy (electricity and diesel) consumption reduction initiative and measures the resulting outcomes.
Diesel consumption	m ³	751	

Figure 4 Energy – Electricity consumption (MWh) by region

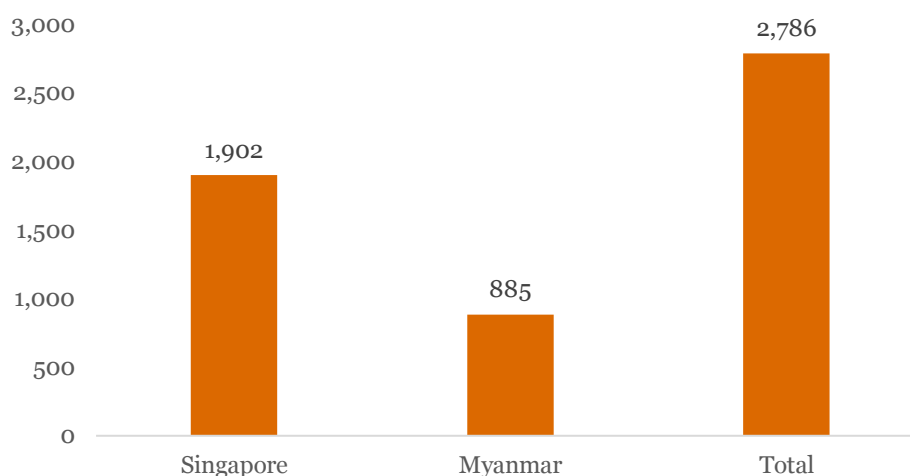
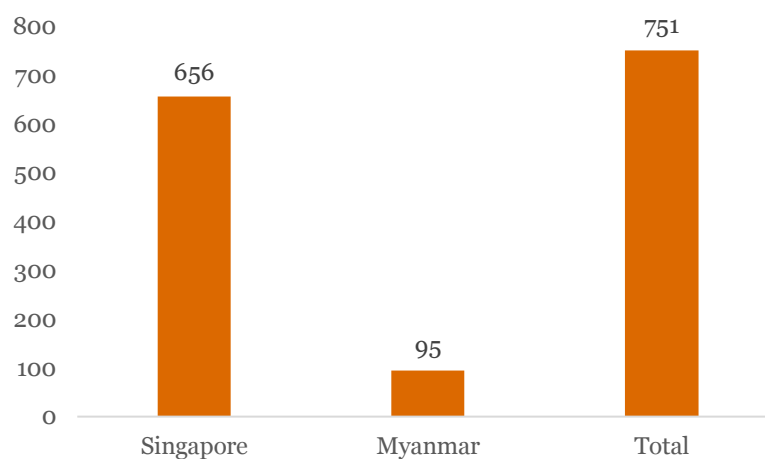


Figure 5 Energy – Diesel consumption (m³) by region



Soilbuild has identified energy management as key focus areas towards improving its operational efficiency. We will continue to monitor our energy consumption of our construction projects and improve on our practices to improve efficiency of energy use. We take the opportunity to upgrade or enhance equipment to better energy efficiency levels during major equipment replacement cycle or Asset Enhancement Initiative (“AIE”) works at our sites. We will report in subsequent years the outcomes of our focused interventions towards energy efficiency.

(b) Water efficiency and management

Most societies and businesses take clean water for granted. At Soilbuild we are conscious of the increasing scarcity of water and aim to further strengthen our water management policies. Both water quantity and quality are important aspects of water management. From sustaining agriculture and food chain, water is required in all industrial plants and commercial operations. Drought conditions which are attributable to climate change is already causing acute water shortages in large parts of Asia and in the rest of the world. A large percentage of manufacturing and industrial operations which are dependent on freshwater are located in water scarce regions such as Southeast Asia and other areas where local communities lack access to reliable and affordable drinking water. These regions are also most susceptible to climate change impacts on water resources. We recognise the vital role the provision of a sustainable water supply plays in Singapore and Myanmar, which is critical for our own future prosperity and development

At Soilbuild we acknowledge the significant operational benefits that arise from a strategic approach to water management. At Soilbuild, we are cautious on water consumption and believe water use efficiency is beneficial for business as well for environment and society at large. Water savings equipment and processes are encouraged across Soilbuild's operations. Employees are sensitised on the issues relating to water scarcity and are advised to reduce water consumption across operations. At Soilbuild, treated water is used for multiple purposes such as for cleaning vehicles and other activities.

Table 3 Select water management initiatives at Soilbuild

Water Initiatives

- Monitoring and analysing water usage in construction sites for all projects under construction.
- Using rainwater or recycled water to wash vehicles before they leave the construction sites, and using recycled water for washing before casting. Water saving devices like thimbles in taps are also installed wherever possible in our project sites and our corporate office.

Total water consumption for Singapore project sites was 116,327 m³ during 2017. In the case of Myanmar sites, water was extracted from tube wells, which is allowed within Yangon City Development Committee ("YCDC") legislation for construction project sites with no charges. Hence the measurement of water consumption was undeterminable due to lack of data. However, we understand that improvement and upgrading of town water supply network in Myanmar is in the progress and YCDC is targeting to complete the upgrading of full water supply system by 2019, which by then, we will be able to monitor and control our water usage. For our 2018 water targets, we aim to reduce our water consumption across the key operational activities using innovative water efficiency and reduction measures. We will continue to monitor our water consumption of our construction projects and promote water efficiency initiatives.

Social performance: collaborating with our employees and wider community

We recognise that our employees are invaluable to the success of our Group. We are committed to cultivating a balanced work-life environment for all our employees, as well as to developing the new workforce in our industry.

(a) Training and development

In 2017, the Group signed ‘The Pledge for a Better Built Environment Workplace’ developed by the BCA and Construction Industry Joint Committee in demonstrating the Group’s full support to objectives of the pledge to transform the built environment sector into a workplace of choice for our local young talents as well as retaining existing talents within the sector. By signing the pledge, we are committed to adopt good human resource practices by bringing about more conducive work environment and better employee management.

We offer training to assist employees in achieving a higher level of competency and safety standards, in order to further enhance the quality of our services and products. Such training also aims to build a well-motivated, stable workforce with a high level of team work. A key objective of training is to develop competencies which would enable our employees to perform their current or future jobs successfully. All our training programmes are geared towards the following objectives:

- i. strengthening the job skills/ knowledge of employees;
- ii. improving operational efficiency and productivity; and
- iii. developing and maximising the potential of employees, to the mutual benefit of Soilbuild and their own respective selves.

Figure 6 Total employees at Soilbuild (as on 31 December 2017)

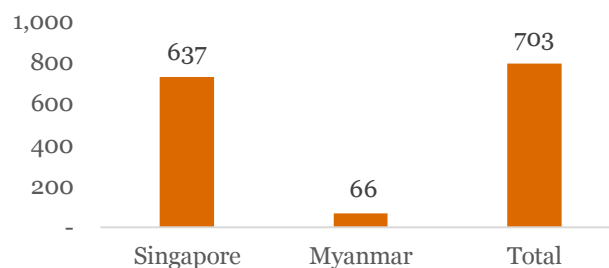
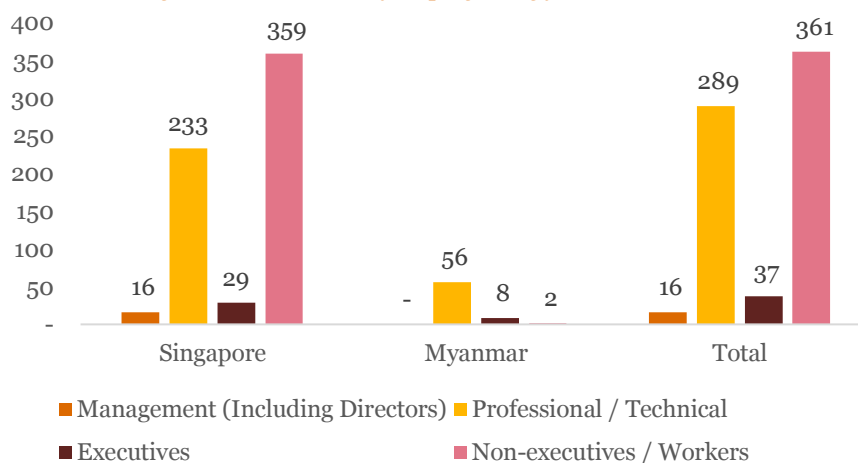


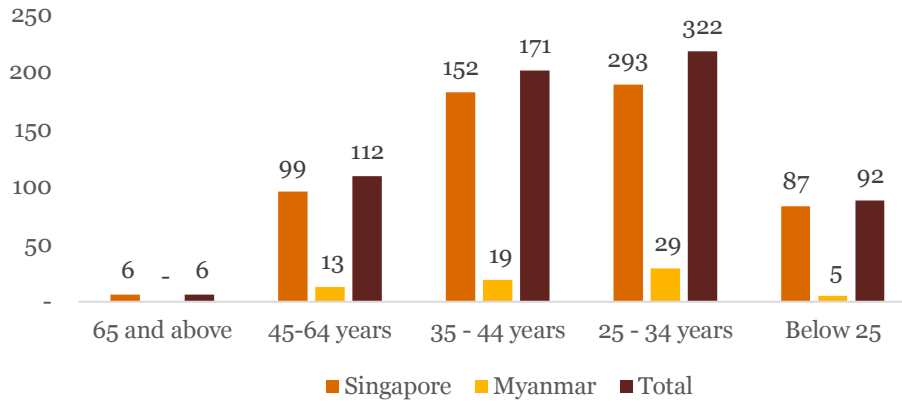
Figure 7 Distribution of employees by functions (2017)



Note:

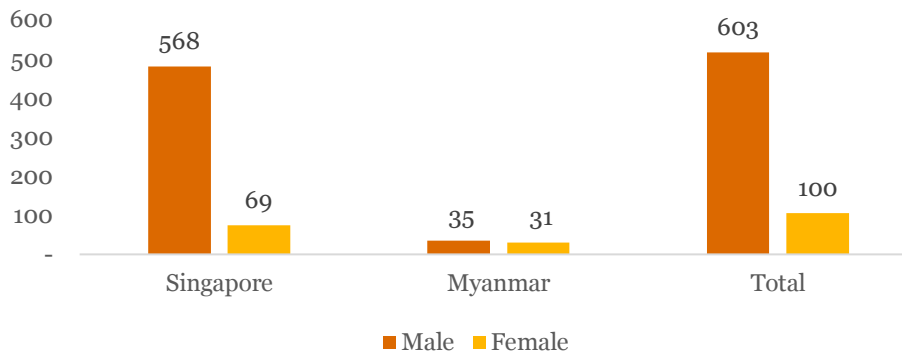
- a) Management including Company directors or all working directors
- b) Professional or technical shall include all HQ or Site engineers, diploma holders relating to construction
- c) Executives shall include all HQ or Site staff not relating to construction qualification, but holding all other degrees or diploma
- d) Non-executives or workers shall include all the rest as well as foreign workers

Figure 8 Distribution of employees by age group (2017)



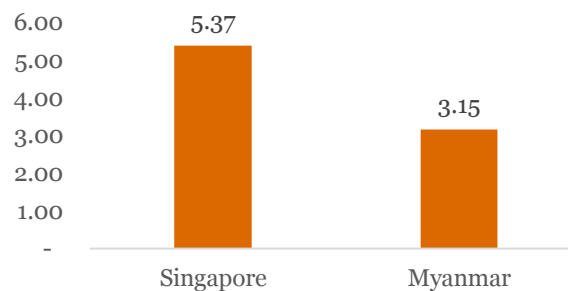
As on 31st December 2017, total numbers of employees at Soilbuild are 703. We have a diverse mix of employees across various age groups. In order to build more gender inclusive work environment, we aim to further improve gender diversity across various levels in the organisation.

Figure 9 Distribution of employees by gender (2017)



Below figure presents the key performance indicators relating to training and development of our employees. Total employees mean all personnel in Group's payroll, including workers; and Training include all external training or seminar registered, and in-house training.

Figure 10 Training hours per employee (2017)



At Soilbuild, potential employees are groomed for next generation leaders. Competency building trainings for the next level such as project managers are provided. We develop training plans based on career development plan for middle management. We also provide mentor guiding program for selected potential deserving candidates. The Company also encourages and where it feels appropriate, will arrange for training courses to supplement and keep directors updated on areas such as accounting, legal and industry-specific knowledge. The Company is responsible for funding the training of directors. The directors are also kept updated on revisions to relevant laws and regulations through presentations and workshops organised by the Management. The Board supports directors receiving further relevant training in connection with their duties, particularly on relevant new laws and regulations.

At Soilbuild, we believe in providing trainings based on need and strength assessment to all eligible employees. As part of our FY 2018 ESG targets, we aim to roll-out new training programme for all employees and new leadership course for managers and above.

(b) Talent Attraction and Retention

In the current competitive landscape talent attraction and retention remains a key concern for Soilbuild. Soilbuild is committed to develop human capital and industry talent in the built environment through various programmes.

To build a healthy talent pipeline in preparing for the Group’s continuous business expansion, we have been participating in the BCA – Industry Built Environment Undergraduates Sponsorship/Scholarship programme of offer opportunities to potential awardees to scale up their career in the industry built environment. Sponsorship / Scholarship are provided to students from NTU, NUS, ITES/Polytechnic institutes as part of our Talent attraction initiatives. The following are the initiatives that Soilbuild has taken to promote people development:

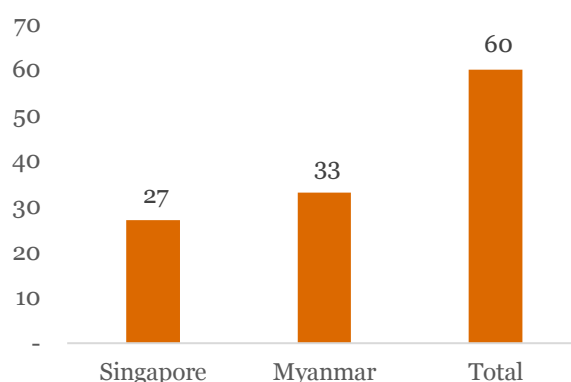
- i. continued to take part in the BCA-Industry Built Environment Undergraduate Scholarship programme to offer opportunities to potential awardees to take up a career in the built environment;
- ii. worked with BCA and academic institutions to offer internship opportunities to students;
- iii. initiated a staff mentorship programme with the objectives of attracting, retaining and motivating talents.

Table 4 Details on sponsorship / scholarship programme during 2017

Undergraduates Sponsorship/Scholarship programme	FY 2017
Sponsorship	2
Scholarship	2
Total	4

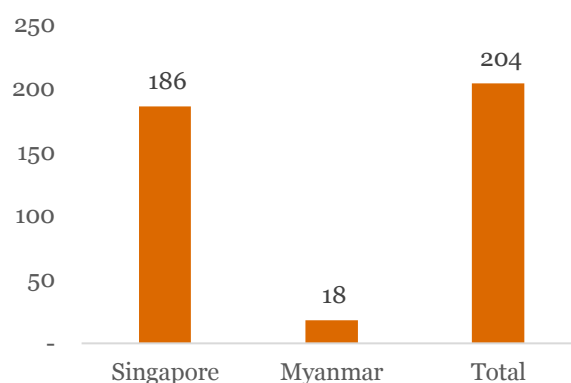
We believe in keeping people motivated as it directly influences their performance. Every year performance assessment is conducted to guide our employees on their strengths and weakness and provide necessary direction to grow their career. We develop our employees to their full potential by offering training and staff development, a fair and equitable system and a safe working environment. We will continue to provide relevant training and development courses to constantly equip our people with key competencies and skills so that they can perform efficiently in their current job functions.

Figure 11 Total number of new employee hires during 2017



The rate of new employee hires during the reporting period was 4% and 50% in Singapore and Myanmar respectively. Overall, the rate of new employee hires was 8%. At Soilbuild, we put in efforts to implement inclusive recruitment practices and optimise use of available labour and talent in different regions.

Figure 12 Total number of employee turnover during 2017



The rate of employee turnover during the reporting period was 26% and 27% in Singapore and Myanmar respectively. Overall, the rate of employee turnover was 26%. The turnover of employees in construction sector is particularly subject to the market and economic condition. The turnover in 2017 was in line with the industry norms in respective countries.

As part of Soilbuild's FY 2018 targets, we will implement new programmes to secure fresh talent in the Company. As part of our future initiatives, we will explore new participation in sponsorship or scholarship programme with educational institutions to bring in young and fresh talent into the organisation and ensure our current employees meet technical and functional competencies for now and future requirements of the Group's business.

(c) Occupational Health and Safety

Health and safety at our workplace are of utmost importance to Soilbuild. We manage Quality, Environment, Safety and Health effectively by establishing, implementing and maintaining a best practice and process oriented integrated management system.

Soilbuild is actively promoting work safety and good environmental awareness by continuously upgrading the skills of our employees in order to increase their knowledge and efficiency in operational safety supervision and management. Planned events like "Safety Time Out" – an event where Company take time off from their routine operations to take stock and review particular work activity or system to ensure safe operations, were conducted at construction sites.

Soilbuild has an ongoing campaign Safety Time Out (“STO”) which is a planned event and an initiative by the Workplace Safety and Health (“WSH”) Council where companies take time off from their routine operations to take stock and review particular work activity or system to ensure safe operations.

During STO, the WSH officer conducts the training together with Safety Coordinator and Safety Supervisor. Firstly, the WSH officer briefs the workers on the reason for carrying a STO. He explains the common near miss that were captured on LTA site. After which, the WSH officer take workers to a walk-way which is mocked up by Safety Coordinator to highlight the importance of housekeeping. The walk-way is filled all over with hazards such as wires, tools and oil (simulated by water).

To avoid any near miss cases at worksite Soilbuild conducts Safety Time Out STO sessions. The objective of STO is to improve:

- ✓ Workers behaviour on safety aspects
- ✓ Increase safety awareness
- ✓ Carrying out regular equipment inspection
- ✓ Ensuring work area is barricaded adequately when required
- ✓ Ensuring proper housekeeping

To eliminate any safety related occurrences Safety Time Out is carried out to educate the workers.



The WSH officer also focuses on the most critical aspect of workers’ behaviour on site. The officer educates the workers on safety related accidents arising from wearing worn out Personal Protective Equipment (“PPEs”) or not wearing PPEs appropriately. Other topic that get covered during STO is on inspection of tools, fire extinguishers & cables for electrical tools. The site supervisor also educated workers on good traffic lane closure to ensure safe workers unloading. The key objective of this initiative is to increase awareness of the workers on individual hazards and demonstrate the consequence of poor housekeeping

90%
**OF ALL
WORKPLACE EYE
INJURIES CAN
BE PREVENTED
BY WEARING
PROPER
PROTECTIVE
EYEWEAR.**



Soilbuild has implemented appropriate procedures and policies to prevent and mitigate the spread of communicable diseases for the corporate office and all construction sites. Furthermore, we are committed to managing occupational health and safety issues, and preference is given to engaging OHSAS 18000-certified or bizSAFE-certified vendors/ contractors for our projects. Soilbuild has also been certified by the Workspace Safety and Health Council to have fulfilled the requirements to attain bizSAFE Level Star and obtained the OHSAS 18001:2007 certification for the scope of building and civil engineering construction services. All workers at Soilbuild need to attend safety course.

We pay a lot of emphasis on ensuring that work environment is safe for workers. There have been no workplace fatalities during the reporting period. We aim to further strengthen our reporting on the key performance indicators relating to occupational health and safety of our employees. We will implement compulsory safety induction to educate new staff on the importance of workplace safety and risk management procedures. Moreover, we plan to roll out regular safety culture related campaigns to advocate and educate our employees on safety related best practices. Our target is to achieve accident-free person-hours for all projects that the Company operates in both Singapore and Myanmar markets.

(d) Fair labour and human rights

We recognise that our employees are invaluable to the success of Soilbuild and we place a high value on the contribution of each of our employees and continuously work to meet their needs and concerns at workplace. This includes engaging our employees so that they feel a sense of belonging to the Group, motivating them to take ownership of their roles and responsibilities, respecting the need for work-life integration, and paying attention to their well-being. To advance our organisation and to meet challenges in the course of our business, we believe in employing right people with the right skill and experience to plan and execute projects competently. Our human resource strategy and programme are developed to attract new workforce in our organisation and industry and to retain competent employees to enhance productivities in our day-to-day operations. We are committed to foster a conducive work environment by adhering to rules, regulations and guidelines issued relevant authorities. We adopt fair employment practices, respect and uphold human rights principles. In the subsequent years, we intend to organize and celebrate events such as International Women's Day to promote gender inclusivity and equality.

To cultivate a strong sense of job satisfaction amongst our employees and to provide opportunities for employees to achieve their full potential, we conduct employee performance review on yearly basis. During the performance review, the performance of each employee will be assessed by their immediate superior by using a set of key performance indicators based on the core and functional competencies. The results of the performance assessment will then be discussed between the employee and their immediate superior, whereby the employee's achievement and their concern, area of strength and weakness, training and career advancement plan will be agreed upon and documented. The performance assessment will then be submitted to Senior Management for endorsement and will be based on in formulating the Group's human resource planning.

Governance: growth with purpose

In today's management environment, integrity and ethics have become a demand of the times as well as a universal value for all companies. Also, as companies become more exposed and vulnerable to risk factors such as technology advancements and recurrence of design errors, it is critical that we continue to improve our quality management system to remain competitive and to sustain growth.

(a) Service and Product quality and safety

Soilbuild strives for excellence in all aspects of our operations. This includes consistently delivering unmatched service and product quality to our customers, and taking a proactive approach to managing environment, health and safety practices. Our customers rely on our brands and reputation for safe, high quality services / products that they can trust. We use international standards to ensure the quality and safety of our services / products. In this section, we will reflect on the periodic assessment of the health and safety impacts of services / products. At Soilbuild, we seek to effectively identify, assess and treat all quality & safety related risks associated with Soilbuild's business activities, services and products in a responsible manner.

Soilbuild takes pride and places great emphasis on the quality aspects of all projects. We strongly believe in delivering high standards of quality and service levels to our customers which are key to maintaining customer satisfaction.

Completed Projects in FY 2017



Soilbuild has established the following quality objectives:

- i. to comply and continually improve the effectiveness of the quality management system which satisfies all requirements of ISO 9001:2015 standard requirements, or any relevant statutory and regulatory, customer or other obligations to which the organisation subscribes;
- ii. to provide total customer satisfaction and encourage repeated patronage by consistently exceeding customers' expectations with reliable quality works;
- iii. to deliver projects on time and operate within an allocated budget; and
- iv. to constantly provide training to all staff and provide upgrading of work processes to improve our work quality procedure so as to improve efficiency and reduce wastage of resources.

As an endorsement of our quality management system, Soilbuild has obtained the ISO 9001:2015 certification for the scope of building and civil engineering construction services. The attainment of the above certification will strengthen our customers' confidence in the quality of our products and services and differentiate us from our competitors who have not attained such certification. There have been no incidents of non-compliance concerning the health and safety impacts of our products and services. Soilbuild's FY2018 target is to continue to incorporate and improve health and safety consideration in our constructions.

(b) Ethics & Anti-corruption

At Soilbuild, our corporate philosophy is to conduct business in a transparent and ethical manner. We strongly believe that corruption and fraudulent acts are severe detrimental factors to the sustainability of our organisation and society. In the course of our business, our engagement with customers, consultants, sub-contractors, suppliers, business partners and associates, business representatives and agents, may expose us to the risk of corruption, fraudulent and unethical practises. We have established policies and procedures to prevent such practices. Our policies and procedures are communicated to all our employees, customers, consultants, sub-contractors, suppliers, business partners and associates, business representatives and agents, as we expect full compliance and adherence to our policies and procedures in the business dealings with our Group.

We have established, as part of our human resource management, Employees' Code of Ethics, which sets out the guidelines of acceptable codes of ethics in a workplace. During the reporting period we also formalised our Code of Ethics policy. This policy sets out the Code of Ethics' guidelines which also includes dealing with potential areas of conflict of interest between Soilbuild Construction Group Ltd.'s employees, associates, vendors, consultants, suppliers and sub-contractors. As part of a yearly exercise all staff are required to read and understand the policy and complete the Conflict of Interest Declaration form. All employees of the Group are expected to observe integrity and professionalism in their course of work by always acting in an honest, fair and ethical manner.

The Group's Employees' Code of Ethics includes the following aspects:

- ✓ Declaration of potential conflicts at the commence of employment and subsequent yearly declaration by all employees
- ✓ Managing conflicts when receiving gifts from vendors, consultants, suppliers and sub-contractors
- ✓ Entertainment
- ✓ Interested person transaction and business with family and friends
- ✓ Financial interest in an outside company
- ✓ Fraudulent financial reporting
- ✓ Asset misappropriation
- ✓ Aiding and abetting
- ✓ Insider trading and dealings in securities
- ✓ Money laundering

The Group's Code of Ethics policy covers areas such as Discrimination free and Harassment free workplace, Conflict of Interest, Managing Conflicts, Outside Employment, Fraud and Intellectual Property. Soilbuild has policy on Ethical Legal Responsibilities - Gift and Entertainment Declaration, approved by the Executive Chairman and which came into effect from June 2017. The policy applies to all full-time and part-time employees, and other persons working for Soilbuild. Types of gifts cover cash or cash equivalent instruments and non-cash gifts with particular estimated commercial value. Depending on the type of gifts the necessary procedures and the need for declaration form is determined as per the policy.

The Group has also put in place a whistle-blowing policy to provide employees, vendors, consultants, suppliers and sub-contractors with an avenue to raise concerns about possible improprieties in financial reporting or other matters, and we believe that arrangements are in place for the independent investigation of such matters and for appropriate follow-up action. A whistle-blower email address is created for reporting suspected fraud, corruption, dishonest practices or other similar matters. Details of the whistle-blowing policies and arrangements have been made available to all employees of the Company. All subcontractors will have to sign a Letter of Award contracts which whistle blowing policies are attached to. As part of our future initiatives, we will review and improve on internal policy on the prevention and management of bribery and corruption within Whistle blowing initiative. Our target is to provide training on all ethics and anti-corruption related policies and practices to 100% of our employees and ensure the Company meets high levels of standards on anti-corruption.

GRI Standards Content Index

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¹N/A: Not Applicable

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