



SUSTAINABILITY REPORT 2022

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Sin Heng at a Glance

About Us

Sin Heng Heavy Machinery Limited (“Sin Heng”, the “Group” or “We”) was founded in 1969 and has been listed on the Main Board of Singapore Exchange (“SGX-ST”) since 2010. Sin Heng’s core business activities consist of rental and trading of cranes, aerial lifts, and other heavy lifting equipment. Headquartered in Singapore, Sin Heng has expanded its presence throughout the ASEAN region, including countries such as Malaysia, Myanmar, and Indonesia. Our expertise in the lifting service business has been recognised by renowned crane manufacturers such as Kobelco and Kato, who have appointed Sin Heng as their regional distributor. Sin Heng also provides our customers with maintenance services and the related equipment parts as part of our commitment to customers.



Figure 1: Our customers

With fifty years of experience behind us, Sin Heng has developed valuable technical skills and knowledge to enhance the effectiveness of our lifting services. Over the years, the Group has produced excellent results and has established itself as a leading lifting service provider in the region. Our portfolio includes customers in sectors such as infrastructure and geotechnics, construction, civil engineering works, offshore and marine as well as oil and gas. This broad exposure enables us to understand and be more attentive to the specific needs of our customers. In all that we do, we always strive to provide trustworthy and reliable services to our clients.

Our Vision:

“We are firmly committed to providing our customers with the best lifting services available. Our vision is to provide high quality and reliable services to our customers throughout Asia.”

As validation of our commitment to excellence, Sin Heng is currently the regional distributor for world-renowned brands such as Kobelco (crawler crane specialist) and Kato (hydraulic cranes specialist), including the cranes and original equipment parts.

Our Professionalism

At Sin Heng, we place great importance on our workforce and make significant investments to maintain our business's success and quality. The Group engages skilled professionals to provide targeted training for employees, increasing their machinery literacy and efficacy at work. By empowering our employees with regular trainings and work incentives, this creates a sense of ownership in our employees that positively influences their work standards, which reinforces and maintains Sin Heng's stellar reputation in the industry. In addition to the Group's extensive technical expertise, Sin Heng is committed to delivering excellent, safe, and timely services to our customers.

Message from the Board: Board Statement

Dear Stakeholders,

2022 was a year to build business and community resilience through global climate action. It was a challenging year for businesses due to geopolitical uncertainties, rising inflation and interest rates and fears of a global recession. Closer to home, Singapore has shown its commitment and raised its national climate target to achieve “net zero emissions by 2050”.

At Sin Heng, we recognise the importance and urgency of taking climate action. We are committed to reviewing and improving our sustainability efforts as the business continues to develop. In our sixth Sustainability Report, we have highlighted the efforts taken in addressing our economic and environmental, social and governance (“ESG”) obligations, including our achievements in FY2022.

Embedding ESG in our management systems is key to our overall sustainability strategy. In FY2022, we reviewed our material topics and included 2 additional material topics, namely Emissions, and Diversity and Equal Opportunities. The materiality review ensures the relevance of our ESG topics and facilitates our continuous efforts to meet our stakeholders’ expectations. To further enhance our understanding of the environmental impacts from our operations, we have begun to measure our corporate carbon footprint of our operations in Singapore and Malaysia.

Our Board of Directors (“the Board”) is committed to providing leadership guidance and establishing the Group’s values and ethical standards to meet stakeholders’ expectations. In FY2022, all our directors have completed the sustainability training course prescribed under SGX to enhance their knowledge on sustainability matters.

Sustainability continues to be one of Sin Heng’s operational focuses. We will continuously incorporate sustainability practices into our current business processes to enhance our operational eco-efficiency. Moving forward, we will also continue to prepare quality disclosure on our sustainability strategy and operations and enhance our climate-related disclosures aligning with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. This allows our stakeholders to gain a comprehensive understanding of the Group’s overall performance and future business prospects.

In closing, I would like to thank our dedicated team of employees, shareholders and stakeholders for your continued support and collaboration with us as we look towards strengthening and driving sustainability into the core of our business identity.

Tan Ah Lye

Executive Director & CEO

About this Report

Scope of the Report

Sin Heng is pleased to present its sixth Sustainability Report (“SR”) for the financial year that ended on 31 December 2022 (“FY2022”). We publish our SR annually and this SR covers the sustainability strategy, initiatives, and performance of our operations for the financial year 2022 (“FY2022” or the “Reporting Year”), from 1 January 2022 to 31 December 2022, unless otherwise stated.

The report has been prepared with reference to the Global Reporting Initiatives (“GRI”) Standards. The GRI framework was chosen for this reporting as it is the most widely used and a globally recognised standard for reporting, providing higher comparability of the Group’s disclosures with its peers. GRI content index is available on page 25 of this report.

In addition, this report complies with the sustainability reporting requirements of the Singapore Exchange Securities Trading Limited (“SGXST”) Listing Rule (711A and 711B) and SGX Sustainability Reporting Guide on a “comply or explain” basis. Under the SGX’s “comply or explain” requirements for climate reporting based on the recommendations of the TCFD, Sin Heng seeks to fully align our reporting with the TCFD recommendations in the near future and is currently preparing our data for comprehensive TCFD disclosures.

The information in this report is developed based on the reporting principles established by GRI Standards:

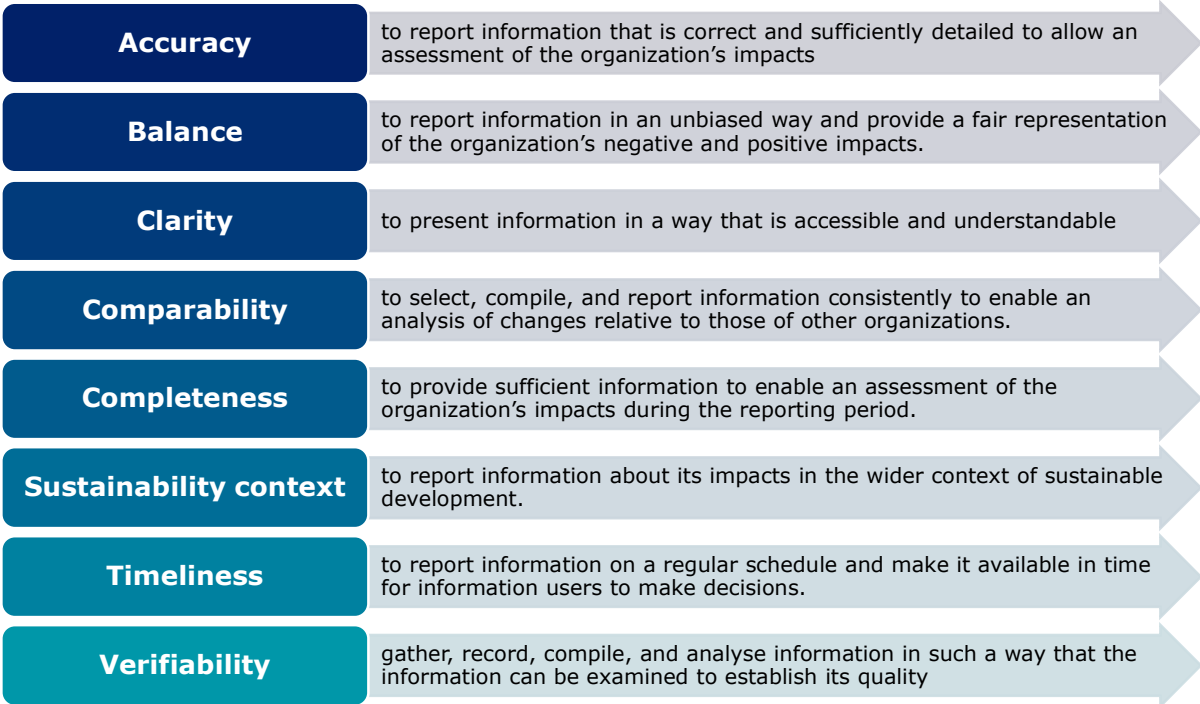


Figure 2: GRI reporting principles

The Group continues to enhance and embed sustainable practices across its operations through various economic, environmental, and social initiatives. We review our Environmental, Social, and Governance (“ESG”) indicators annually, ensuring their relevance to current business operations and current and emerging material issues pertaining to sustainability while addressing the interests of our stakeholders. To promote transparency and accountability, the Group is also dedicated to responsibly disclosing its sustainability performance to its stakeholders.

There has been no significant change in relation to the organisation, operations, and Sin Heng’s supply chain compared to the previous report. Details of employee data for FY2021 and FY2020 has been restated due to recalculation. Further details can be found in Table 4 on page 20.

We will continue to enhance our sustainability reporting processes to increase our stakeholders’ confidence in the accuracy and reliability of the sustainability information disclosed. Sin Heng has relied on internal monitoring and verification to ensure the accuracy of data quality and information disclosed in this report. Currently, Sin Heng has not sought external assurance on the SR.

In-scope Entities

In Scope Entities	Economic Performance and Anti-Corruption	Emissions	Training and Education	Employment, diversity, and equal opportunity	Occupational Health and Safety	Customer Health & Safety
Singapore						
Sin Heng Heavy Machinery Limited	✓	✓	✓	✓	✓	✓
Sin Heng Aerial Lifts Pte Ltd	✓	✓	✓	✓	✓	✓
SH Equipment Pte Ltd	✓	Not in scope	Not in scope	Not in scope	Not in scope	Not in scope
Malaysia						
SH Heavy Machinery Sdn Bhd	✓	✓	✓	✓	✓	✓
SH Equipment Holdings Sdn Bhd	✓	Not in scope	Not in scope	Not in scope	Not in scope	Not in scope
Bestari Industrial Holdings Sdn Bhd	✓	Not in scope	Not in scope	Not in scope	Not in scope	Not in scope

In Scope Entities	Economic Performance and Anti-Corruption	Emissions	Training and Education	Employment, diversity, and equal opportunity	Occupational Health and Safety	Customer health & Safety
Vietnam						
Sin Heng Vina Co. Ltd	✓	Not in scope	Not in scope	Not in scope	Not in scope	Not in scope
Indonesia						
PT SH Machinery Indonesia	✓	Not in scope	Not in scope	Not in scope	Not in scope	Not in scope
Myanmar						
SH Equipment (Myanmar) Company Limited	✓	Not in scope	Not in scope	Not in scope	Not in scope	Not in scope

Table 1: In-scope entities for Sustainability Report 2022¹

Contact Us

We are fully committed to listening to our stakeholders. We welcome feedback, suggestion and remarks on this report and any aspects of our sustainability performance. Please direct and address all enquiries to:

Chief Financial Officer
Yang Yung Kang
Sin Heng Heavy Machinery Limited
26 Gul Road
Singapore 629346
Tel.: (65) 6861 6111
Fax: (65) 6863 8616
E-mail: yungkang@sinheng.com.sg

¹ In-scope Entities refer to the impacts occur for a material topic and the organisation's involvement with those impacts. Organisations might be involved with impacts either through their own activities or as a result of their business relationships with other entities. Global Reporting Initiatives (GRI). This year's reporting scope excludes Hong Kong SH Equipment Limited since the company was deregistered in September 2021

Sustainability at Sin Heng

Our Sustainability Approach

As an established provider of heavy lifting equipment in Singapore, Sin Heng recognises the impact we have on our employees and the environment we operate in. We strive to continuously create and build sustainable value together, with all our stakeholders.

The Board believes that to achieve our sustainability goals, a fundamental integration of strong corporate governance elements in business strategies is required. The Board is responsible for the overall strategic direction and management of the Group and consider sustainability issues such as environmental and social factors as part of its strategic formulation of the Group's objectives and directions.

To strengthen Sin Heng's sustainability governance, the Board has appointed Mr Tan Ah Lye, our CEO, to lead the implementation of Sin Heng's sustainability efforts. He is supported by the respective head of departments who set the Group sustainability's agenda, roadmap, monitoring of action plan and overseeing of the execution of sustainability initiatives.

Stakeholder Engagement

At Sin Heng, we regularly engage with our stakeholders through various platforms to inform and update them of our sustainability efforts. This helps us better understand their expectations and the emerging sustainability trends. The insights gained from these engagements contributes to the development of our organisation's strategy, which also enables us to better align our sustainability strategy with the needs of our stakeholders.

Stakeholders	Topics/ Issues raised/ discussed	Engagement Methods	Frequency
Directors	<ul style="list-style-type: none">• Business impacts and resilience to Covid-19 pandemic• Corporate governance• Financial returns• Climate change	<ul style="list-style-type: none">a. Meeting/calls/emailsb. Board meetings	<ul style="list-style-type: none">a. Ongoingb. Bi-annually
Employees	<ul style="list-style-type: none">• Job security• Occupational safety, health and well-being• Career development• Diversity and equal opportunities	<ul style="list-style-type: none">a. Performance appraisalsb. Annual lunch/dinnersc. Dialogue sessions with senior management	<ul style="list-style-type: none">a. Annuallyb. Annuallyc. Ongoing

Stakeholders	Topics/ Issues raised/ discussed	Engagement Methods	Frequency
Investors	<ul style="list-style-type: none"> • Business impacts and resilience to Covid-19 pandemic • Corporate governance • Financial returns 	<ul style="list-style-type: none"> a. Half yearly results communication b. Website c. Announcement on SGXnet d. Annual General Meeting e. Annual and Sustainability Reports f. Extraordinary General Meeting 	<ul style="list-style-type: none"> a. Bi-annually b. Ongoing c. Ongoing d. Annually e. Annually f. When required
Regulators	<ul style="list-style-type: none"> • Regulatory compliance 	<ul style="list-style-type: none"> a. Announcement on SGXnet b. Circulars c. Website d. AGM/EGM e. Annual and Sustainability Reports f. Consultation with regulators such as SGX and MAS 	<ul style="list-style-type: none"> a. Ongoing b. Ongoing c. Ongoing d. Annually e. Annually f. Ongoing
Customers	<ul style="list-style-type: none"> • Customer service and experience • Ethical business practice 	<ul style="list-style-type: none"> a. Satisfaction feedback 	<ul style="list-style-type: none"> a. Ongoing

Table 2: Stakeholder engagements methods, frequency and topics/ issues raised

Materiality Assessment

Sin Heng conducts materiality assessments and reviews them regularly to identify significant ESG factors that are material to our business operations. All key phases and activities involved in the materiality assessment exercise are outlined in the figure below.

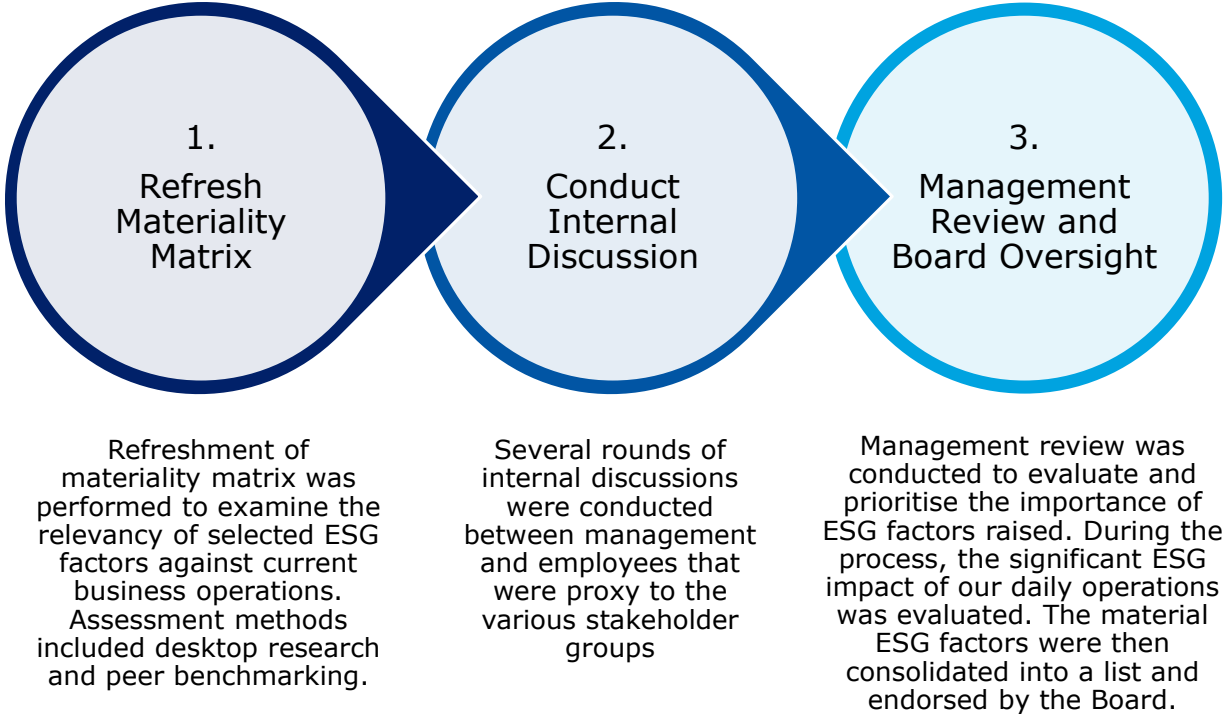


Figure 3: Materiality assessment process

In FY2022, timely management reviews on our existing material topics prioritisation were conducted through peer and industry benchmarking. The Board had endorsed the material ESG topics including the two additional GRI topics, namely diversity and equal opportunities and emissions.

The list of Sin Heng's material ESG factors is shown below:

Material Aspects	GRI Standards ESG Indicators		Detailed discussion in Chapter
Economic Performance	GRI 201-1	Direct economic value generated and distributed	Maintaining Strong Corporate Governance
Anti-corruption	GRI 205-3	Confirmed incidents of corruption and actions taken	
Emissions	GRI 305-1	Direct (Scope 1) GHG emissions	Championing Environmental Stewardship
	GRI 305-2	Energy indirect (Scope 2) GHG emissions	
Employment	GRI 401-1	New employee hires and employee turnover	Putting Our People First
Occupational Health and Safety	GRI 403-1	Occupational health and safety management system	
	GRI 403-2	Hazard identification, risk assessment, and incident investigation	
	GRI 403-3	Occupational health services	
	GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	
	GRI 403-5	Worker training on occupational health and safety	
	GRI 403-6	Promotion of worker health	
	GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	
GRI 403-9	Work-related injuries		
Diversity and Equal Opportunity	GRI 405-1	Diversity of governance bodies and employees	Putting Our People First
Training and Education	GRI 404-1	Average hours of training per year per employee	
	GRI 404-3	Percentage of employees receiving regular performance and career development reviews	
Customer Health and Safety	GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	

Table 3: Material ESG topics

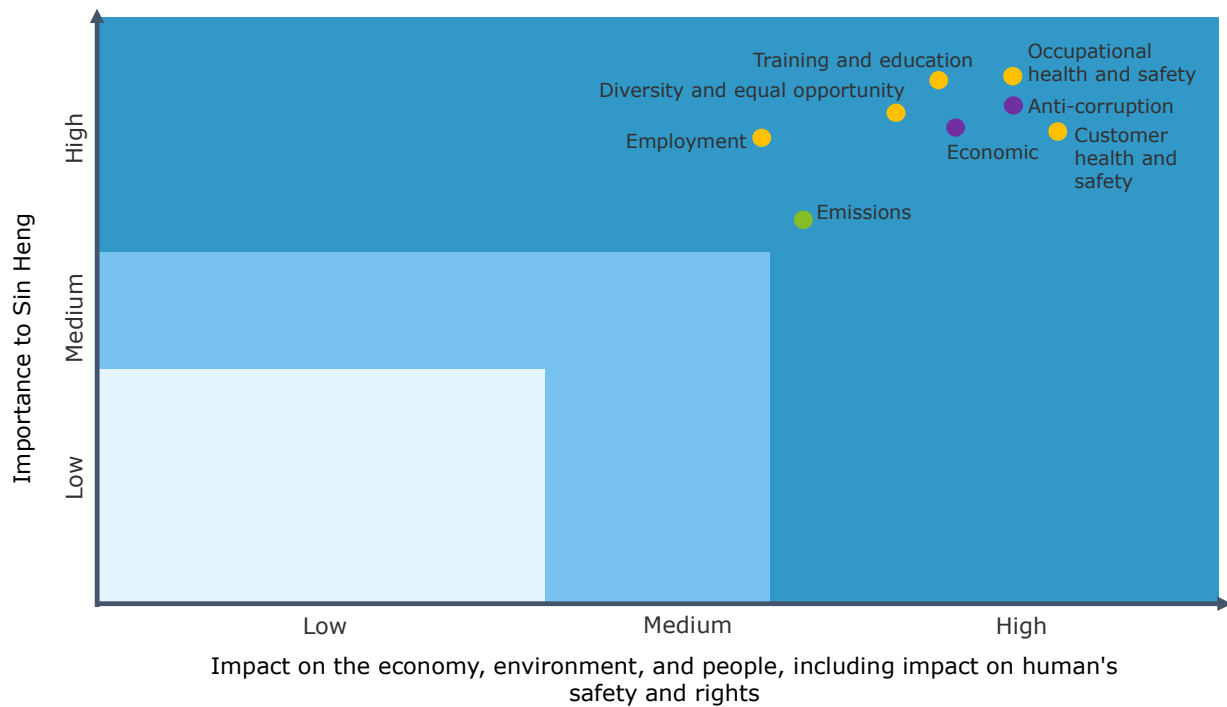


Figure 4: Materiality matrix

Maintaining Strong Corporate Governance

Sin Heng believes that it is fundamental to integrate corporate governance elements into our overall strategies for long-term business success. The Board of Directors is the highest governance body responsible for corporate governance along with the management team. The Group is guided by its corporate governance practices under the Code of Corporate Governance 2018 (the “Code”) to protect shareholders’ interests and enhance long-term shareholders’ value and corporate transparency.

The Board is committed to establish a strong corporate governance structure. The Board has set up various committees to assist in discharging its duties, namely the Audit and Risk Committee, Nominating Committee and Remuneration Committee. Each committee functions within clearly defined terms of reference and operating procedures, while providing robust support towards the Board. The effectiveness of each committee is also constantly reviewed by the Board.

We strive to develop an environment where the highest standards of governance and best practices are upheld within our daily operations. Moving forward, Sin Heng aims to stay true to our core values of transparency, integrity, and accountability while successfully meeting our business objectives.

For further details on our corporate governance policies and commitments, please refer to the Corporate Governance Report in Sin Heng Heavy Machinery Limited Annual Report for financial year ended 31 December 2022 (“Annual Report”).

Risk Management

We believe that effective risk management and mitigation are vital in realising strategic business objectives. Sin Heng adopted a structured and robust risk management framework in identifying areas of significant business and operational risks. This allows us to highlight relevant internal controls and procedures to the Audit and Risk Committee and the Board, while implementing suitable risk mitigation processes in a timely and agile manner. Under TCFD recommendations, organisations should disclose how they identify, assess, and manage climate-related risks. Sin Heng plans to extend the existing scope of the current risk management framework to cover broader sustainability-related aspects, including climate-related risks and opportunities, and will disclose them in the future reports. The significant risk management policies are disclosed in the Corporate Governance Report section of the Annual Report.

Anti-corruption Measures

The Group has implemented a zero tolerance policy towards corruption and bribery, with a strong emphasis on prevention and detection, through establishing anti-corruption guidelines in our Employee Code of Conduct and incorporating it within our corporate core values. This approach encompasses top level commitment, enterprise-wide risk assessment, control measures, monitoring, and training. We strictly prohibit our employees from engaging in activities or external dealings that may give rise or appear to give rise to a conflict of interest. We also provide clear definitions and guidance for employees on receiving gifts and entertainment from any party.

Sin Heng is compliant with all applicable laws and regulations on anti-corruption, such as the Prevention of Corruption Act (PCA) in Singapore and the Malaysian Anti-Corruption Commission Act 2009 (MACCA). As part of Sin Heng's corporate governance practices, a yearly refresher on our Anti Bribery policy is sent out to all staff, to reiterate the importance of anti-corruption practises and Sin Heng's stance on corruption and bribery. In FY2022, there were no reported incidents of corruption, bribery, or non-compliance within our business operations.

Whistleblowing Procedures

The Group's zero-tolerance stance on corruption is further strengthened by our whistleblowing policy, which provides employees and other stakeholders with a confidential channel to report any suspected or actual instances of financial or operational improprieties. The policy ensures that all concerns raised are appropriately investigated, and necessary measures are taken to address any wrongdoing.

The Group is committed to managing employee grievances constructively and has established an effective mechanism that provides multiple channels of communication, including anonymous hotlines. The Chairman of the Audit and Risk Committee and the designated whistleblowing officers are tasked with overseeing, monitoring, and reviewing any concerns raised through this mechanism, and conducting independent investigations as required. During FY2022, no reports were received through this whistleblowing channel.

Our Economic Performance

Sin Heng's ongoing success is rooted in our steadfast commitment to creating sustainable value for our shareholders. With a strong focus on providing exceptional lifting services and reliable cranes, we strive to exceed our clients' expectations at every turn. For FY2022, we recorded revenue of \$51.6 million.

The table below shows the economic highlights of Sin Heng's performance for FY 2022.

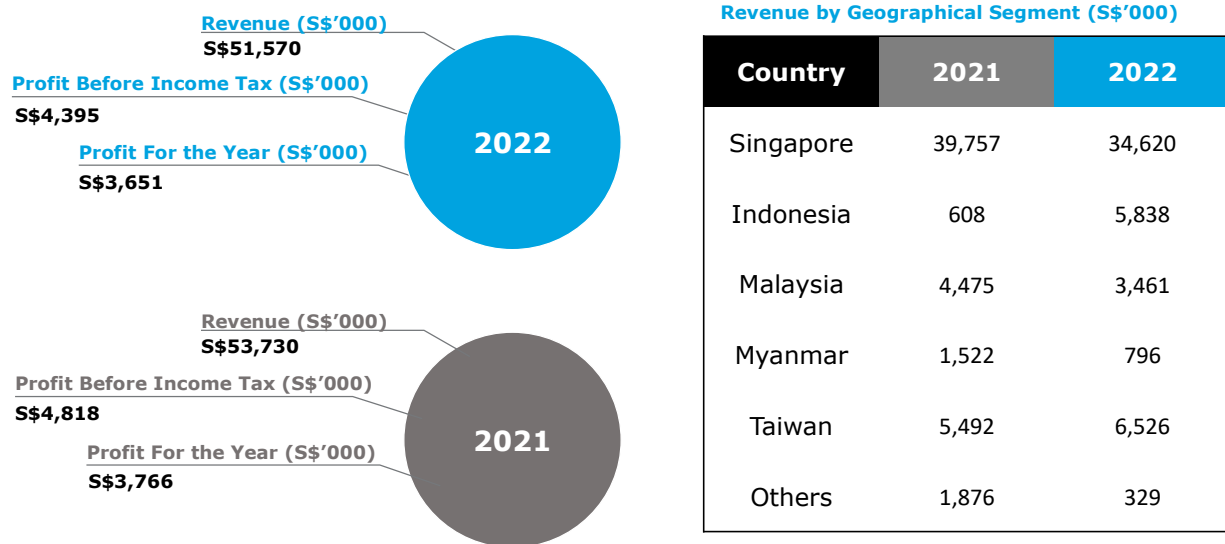


Figure 5: Financial Performance FY2021 & FY2022 (S\$'000)

For additional information, please refer to the Company's Annual Report.

Championing Environmental Stewardship

Our Approach

Sin Heng is committed to minimising our environmental impact to bring long-term value to our clients and stakeholders. We recognise that our operations involve the use of carbon-based fuels. Hence, we take the necessary measures to ensure that our business operations are carried out sustainably. Moreover, we actively cooperate with our business partners and encourage them to implement similar environmentally friendly practices.

Complying with Environmental Standards

At Sin Heng, we are fully committed to upholding local laws and regulations in all the countries where we operate. This includes stringent compliance with environmental protection laws, which we achieve through routine inspections and preventive maintenance on our cranes. We take care to ensure that all cranes delivered to project sites meet local noise and emissions criteria, and that our cranes adhere to maximum age limitations as stipulated by the relevant local authorities. To minimise our environmental footprint, we also recycle the waste oil by-product from our operations, in compliance with the regulations set by the National Environment Agency (“NEA”) in Singapore.

At Sin Heng, we believe that our employees and crane operators are key stakeholders in ensuring our compliance with laws and regulations, particularly in environmental matters. As such, we provide environmental training to all our employees to help them better understand the impacts of our operations on the environment we operate in. Through these trainings, our employees gain a deeper understanding of sustainability and are empowered to adopt environmentally friendly practices in their daily work. This not only benefits the environment but also contributes to a more sustainable future for our business and the communities we serve.



Figure 6: Environmental Compliance Performance

The Group remained compliant with all environmental laws and regulations in FY2022, and did not receive any fines, sanctions or disputes related to non-compliance. We take pride in this clean record and strive to continue this trend in the future. To achieve this, we are committed to adopting a progressive approach to our environmental management.

Managing Our Emissions

With the aim to enhance our environmental stewardship, we have embarked on measuring and evaluating the Group’s Scope 1 and 2 Greenhouse Gases (“GHG”) emissions in FY2022. Emissions are accounted for based on GHG Protocol, where the operational control approach has been chosen. Appropriate emission factors are referenced from the IPCC Guidelines, IPCC Sixth Assessment Report and local authoritative electricity grid emission factors.

In FY2022, we recorded a total GHG emissions of 631.05 tCO₂e. Our Scope 1 and Scope 2 GHG emissions are 503.89 and 127.16 tCO₂e respectively. The primary emission sources for our Scope 1 emissions are diesel and petrol consumption while Scope 2 emissions are from the electricity consumption in our facilities in Singapore and Malaysia.

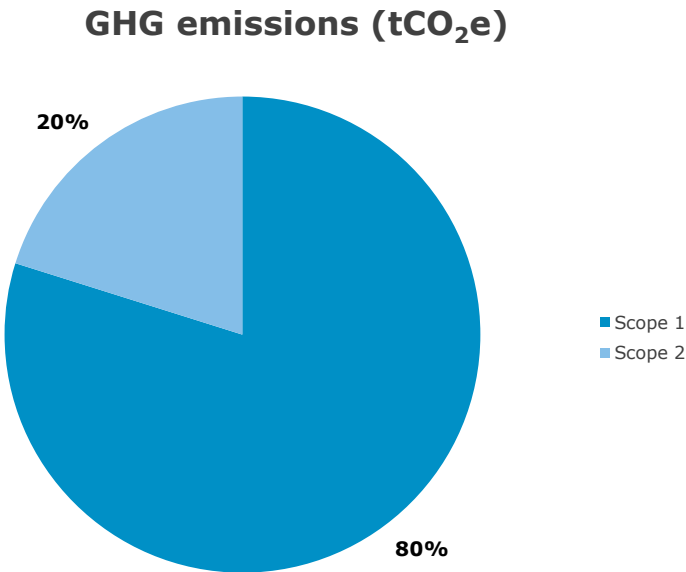


Figure 7: Scope 1 and 2 GHG Emissions

We will continue to measure our GHG emissions for our operations in Singapore and Malaysia to obtain a better understanding of our corporate carbon footprint, so that we would be able to set targets and develop carbon reduction initiatives, to further reduce our impact to the environment.

Putting Our People First

Diversity in Leadership

Sin Heng upholds diversity and inclusion as fundamental values in our business. We understand that diversity in the composition of our Board strengthens its function. When selecting Board members, we consider various competencies and experiences such as an appropriate balance of skills, industry, and business experiences and competencies, gender, age, ethnicity and culture, geographical background and nationalities, tenure of services and other distinguishing qualities. These diversity elements are considered to ensure that all Board appointments are based on merit and align with the purpose of our policy.

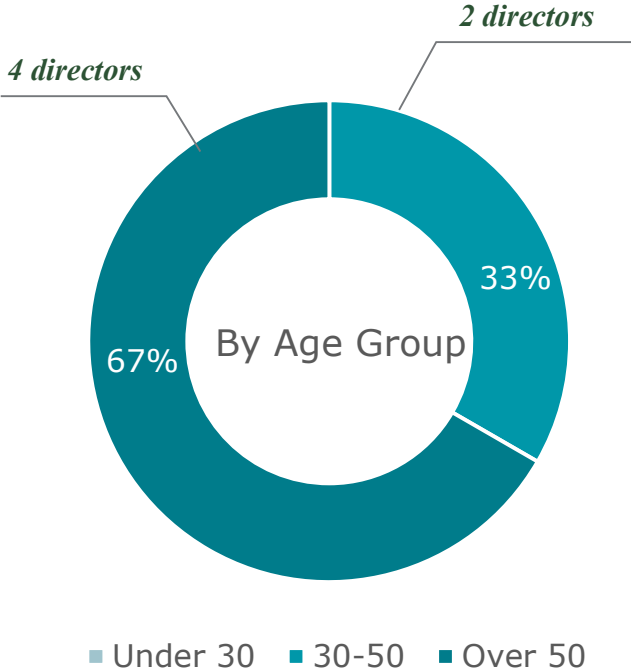


Figure 8: Data on Board's composition

For further details on our corporate governance diversity, please refer to the Corporate Governance Report section of the Annual Report.

Promoting a Skilled and Diversified Workforce

Sin Heng recognises the significance of building a resilient workforce, and one way to achieve this is by attracting and retaining diverse and qualified talents. Our human capital is the foundation of our business, and as such, we place a great deal of importance on talent engagement from the very beginning. We support numerous training and growth initiatives that allow our employees to develop and achieve their full potential. Our recruitment practices are based on meritocracy to ensure a fair, inclusive, and transparent process. Additionally, our human resource policy is rooted in our commitment to ethical, professional, and legal standards that uphold and protect human rights.



Figure 9: Core tenets of human resource policy

As of 31 December 2022, Sin Heng has employed a total of 193 full-time staff in Singapore and Malaysia, an increase from 177 in FY2021 as our business sheds off the impact of the pandemic. Our turnover rate has decreased from 25.4% in FY2021 to 14.0% in FY2022. The details of our labour force, new employee hires and turnover based on geographical and gender demographics are presented in Table 4. Sin Heng practises meritocracy and provides equal opportunities for all employees of the Group. The Group promotes workplace diversity and inclusivity and adopts a zero-tolerance approach towards any form of discrimination based on race, gender, religion, nationality, age, political affiliations, physical and mental disability, or any other forms of discrimination.

Employee Data						
By age group and gender (Number)						
	FY2022		FY2021		FY2020	
	Male	Female	Male	Female	Male	Female
Under 30 years old	21	2	9	4	11	4
30 to 50 years old	84	18	80	15	104	15
Over 50 years old	64	4	65	4	63	4
Total	169	24	154	23	178	23
By region (Number)						
Singapore	126		128		131	
Malaysia	67		49		70	
New Hires						
By age group and gender (Number)						
	Male	Female	Male	Female	Male	Female
Under 30 years old	17	1	3	1	2	2
30 to 50 years old	19	3	8	4	9	4
Over 50 years old	2	1	4	1	2	0
By region (Number)						
Singapore	13		18		13	
Malaysia	30		3		6	
New employee hire rate (%)						
Hire rate	22.3		11.9		9.5	
Employee Turnover						
By age group and gender (Number)						
	Male	Female	Male	Female	Male	Female
Under 30 years old	4	1	9	1	5	5
30 to 50 years old	10	2	23	4	21	7
Over 50 years old	9	1	7	1	14	2
By region (Number)						
Singapore	15		21		22	
Malaysia	12		24		32	
Turnover rate (%)						
Turnover rate	14.0		25.4		26.9	

Table 4: Employee data

Nurturing Our Talents

Sin Heng recognises the value of investing in our employees and promoting lifelong learning. We are committed to providing opportunities for skills training and development, which fosters growth and development for our employees. Our approach encourages continuous improvement and keeps our workforce adaptable, agile, and competitive. As a result, this commitment helps us maintain a productive and sustainable business. By upskilling and nurturing our employees, we can enhance the overall efficacy of our operations, improve productivity, and contribute to our sustainability goals.

Despite the obstacles presented by the pandemic, Sin Heng has remained committed to equipping our employees with the necessary resources to enhance their professional growth. We

have cumulatively clocked a total of 480 training hours, with each employee receiving 2.49 training hours per person on average, during the Reporting Year.

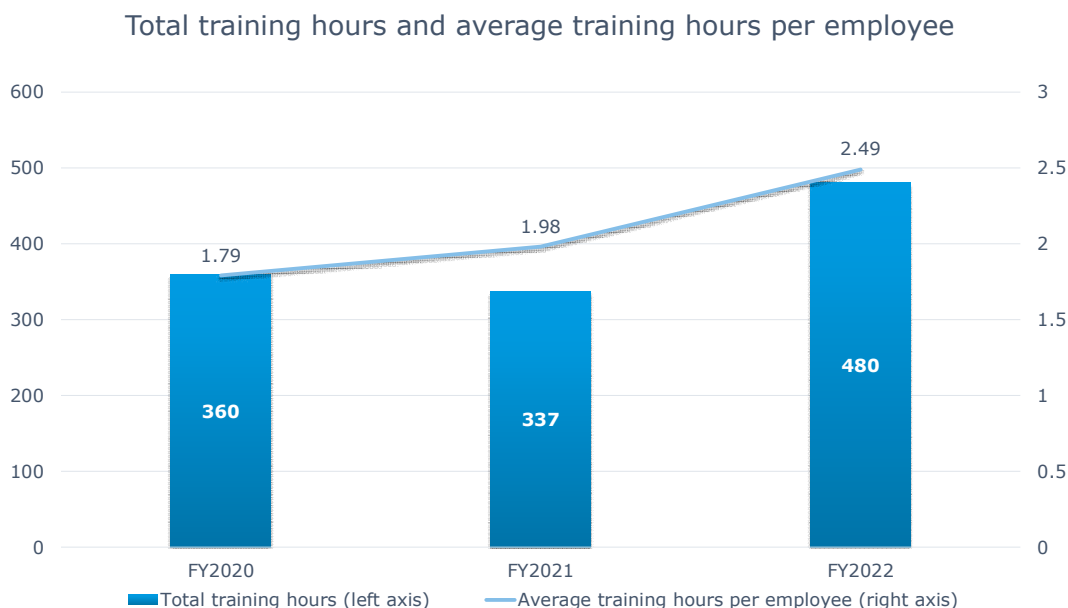


Figure 10: Total training hours and average training hours per employee

	FY2022	FY2021	FY2020
Management	2.00	0.36	0.00
Non-Executive	2.52	2.02	1.93
Female	0.08	0.22	0.00
Male	2.83	2.16	2.02

Table 5: Average training hours per employee gender and employee category

Our Management has also conducted annual performance reviews as part of our regular engagement with our employees to better understand the problems and issues they face on the ground to provide solutions and streamline employee expectations. This process helps to improve and yield higher work efficacy, as better communication aligns overall work expectations and eliminates any possible expectation gaps or misunderstandings between management and our employees.

Performance reviews received by employees						
	FY2022		FY2021		FY2020	
	Number	Percentage	Number	Percentage	Number	Percentage
Management	11	100%	12	100%	14	100%
Employees	182	100%	165	100%	187	100%

Table 6: Number and percentage of performance reviews received by employees

Raising Standards of Workplace Health and Safety

The heavy machinery and construction industries are commonly associated with a higher level of safety risk given the nature of the work. Thus, it is critical to maintain stringent occupational

health and safety ("OHS") standards in our workplace. At Sin Heng, we understand that lapses in OHS could result in operational disruptions, increased financial costs, legal repercussions, or damage to our reputation. In severe cases, such incidents may result in our employees suffering permanent disabilities or even loss of life, inevitably affecting their families. In Singapore, the number of workplace deaths reported in 2022 was the highest since 2016. To further reduce workplace hazards, the Singapore government has imposed a heightened safety period in 2022 and have further extended it by another 3 months to 31 May 2023.² Sin Heng is committed to providing a healthy and safe workplace for all employees in compliance with the latest regulations, especially during this heightened safety period.

To ensure the safety and well-being of all employees, subcontractors, and customers, as well as to prevent wasteful, inefficient operations and damage to property and equipment, Sin Heng is committed to zero incidents in all our work activities. To achieve this, we adhere to the principles outlined in our WSH and Security Policy, which include:

- Identifying and mitigating potential risks associated with all work activities that may pose harm to oneself or any other parties involved;
- Offering comprehensive training, guidance, and oversight to enhance employees' awareness and understanding of workplace hazards, including those related to terrorism, as well as promoting safe work practices and emergency protocols;
- Encouraging stakeholders to actively participate in WSH and Security matters and proactively engage them to identify, assess, and manage potential workplace hazards;
- Ensuring that all individuals (including visitors and subcontractors) adhere to the appropriate standards and workplace directions to safeguard their own health, safety, and security, as well as that of others; and
- Ensuring that proper systems and resources are in place to effectively manage the rehabilitation and return to work processes for employees who have experienced workplace injuries or illnesses.

In FY2022, Sin Heng's Workplace Safety and Health Management System (WSHMS) achieved the Level 4 certification from bizSAFE, a nationally recognised capability building programme designed to help companies build workplace safety and health capabilities. Our WSHMS was developed in accordance with local regulations, including the Singapore Workplace Safety and Health Act 2006 (Revised 2009).

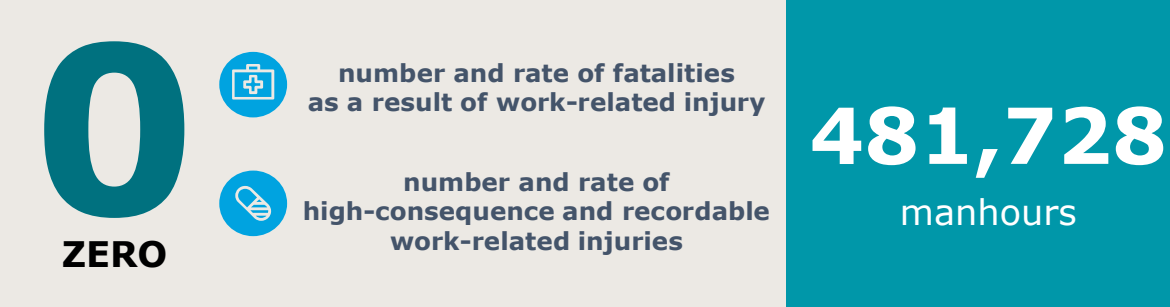
Sin Heng conducts hazard identification, risk assessment, risk control exercises and incident investigation procedures across our work activities, covering all stages of our operations including office activities, mobilisation and maintenance of cranes, hot works operations, including any emergency situations. Our employees of all levels, including but not limited to operations director, risk management team leaders, employees and engineers are assigned different components of the OHS risk management responsibilities. To ensure all employees are aware of the health and safety risks present, management regularly communicates safety requirements through regular briefings and notice board displays. In addition, the Group also ensures that all lifting equipment is operationally safe and adheres to the relevant laws and regulations. Scheduled maintenances

² [Period of heightened safety extended by 3 months amid 'concerning' rise in workplace deaths: MOM | The Straits Times](#)

are performed on a regular basis, and the machineries are also sent in for regular inspections by Authorised Examiners appointed by the Ministry of Manpower (“MOM”).

The Group understands the importance of safe work practices and fosters a shared responsibility among employees in creating a secure workplace. To ensure that they are equipped with the necessary skills to carry out their work safely, we provide them with relevant training courses such as the Singapore Workforce Skills Qualification (“WSQ”) Construction Safety Orientation Course. In addition to physical health, we also monitor the mental and emotional well-being of our employees through regular communication and engagement to identify and support any employees in distress. By prioritising the health and well-being of our employees, Sin Heng aims to build a stronger relationship between the organisation and our workforce while upholding our commitment to safety.

Figure 11 shows a full breakdown of the Group’s OHS performance during the Reporting Year. Sin Heng achieved a commendable occupational health and safety record in FY2022, with zero reported incidents of work-related injuries. To sustain this level of excellence, the company will continue to prioritise the safety of its employees by providing training and promoting safety practices. Sin Heng will also strive to maintain a safe and wholesome work environment that enhances the well-being of all our employees.



*Manhours are estimated based on number of employees

Figure 11: Occurrence of work-related injuries

Safeguarding Our Customers’ Health and Safety

Sin Heng is dedicated to provide top-notch services to our clients and ensuring that our products and services meet their intended purposes satisfactorily, without posing any risk to the health and safety of our customers and employees.

Safety is of utmost importance to us, and we collaborate closely with our customers’ site management teams to manage safety issues at job sites. To that end, our crane operators are required to undergo an in-house Safety Induction Course conducted by site owners prior to entering customers’ job sites. This course enables our employees to grasp our customers’ safety requirements and assess whether any corrective measures are necessary.

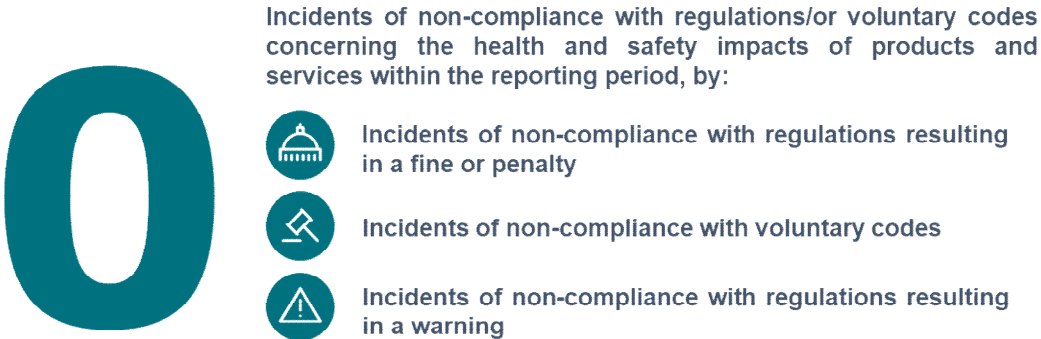


Figure 12: Customer Health and Safety Performance

During FY2022, the Group successfully complied with all local regulations and voluntary codes related to health and safety, with zero reported incidents of non-compliance. Moving forward, we endeavour to maintain this exceptional track record by proactively strengthening our existing policies to ensure our continued compliance.

GRI Content Index

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GRI 2: General Disclosures 2021			
2-1	Organisational details	Sin Heng at a Glance	
2-2	Entities included in the organisation's sustainability reporting	About this Report	
2-3	Reporting period, frequency and contact point		
2-4	Restatements of information		Details of employee data for FY21 and FY20 has been restated due to recalculation.
2-5	External assurance		
2-6	Activities, value chain and other business relationships	Sin Heng at a Glance	
2-7	Employees	Putting Our People First	
2-8	Workers who are not employees		
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2-11	Chair of the highest governance body		
2-12	Role of the highest governance body in overseeing the management of impacts		
2-13	Delegation of responsibility for managing impacts		
2-14	Role of the highest governance body in sustainability reporting		
2-15	Conflicts of interest		
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2-20	Process to determine remuneration		
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2-29	Approach to stakeholder engagement	Sustainability at Sin Heng	
2-30	Collective bargaining agreements	Not applicable	
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	Sustainability at Sin Heng	
3-2	List of material topics		
CATEGORY: ECONOMIC			
GRI 201: Economic Performance 2016			
3-3	Management approach disclosures	Maintaining Strong Corporate Governance	
201-1	Direct economic value generated and distributed		
GRI 205: Anti-corruption 2016			
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3-3	Management of material topics	Putting Our People First	
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403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		
403-9	Work-related injuries		
GRI 404: Training and Education 2016			
3-3	Management of material topics	Putting Our People First	
404-1	Average hours of training per year per employee		
404-3	Percentage of employees receiving regular performance and career development reviews		
GRI 405: Diversity and Equal Opportunity 2016			
3-3	Management of material topics	Putting Our People First	
405-1	Diversity of governance bodies and employees		
GRI 416: Customer Health and Safety			
3-3	Management of material topics	Putting Our People First	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		