



COMMUNICATION ON PROGRESS (COP)

LPC Construction Ltd is pleased to reaffirm its support for the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. In this our 2014 Communication On Progress, we have described our progress on integrating the Global Compact and its principles into our business strategies, culture and daily operations. We are committed to sharing this information with our stakeholders using primary channels of communication.

Our actions and progress made in the four issue areas in 2014 to date are as follows:-

Human Rights

Our Business Ethics Policy have been well established and continues to be promoted in all areas of our organisation. Our Senior Management Team have been heavily involved in driving the adoption and establishment of our Policy by having regular briefing and interactive sessions where role-playing is used to communicate the ethics effectively. We have also co-opted and involved our supply-chain in order to ensure that the Policy is cascaded to the right levels of our business activities. That was well received and every participant has been given the opportunity to come up with a suggestion on a theme for 2015. The involvement of our staff, employees and supply chain has led to expression of lots of personal and organisational interests on playing leading roles in our future programmes. Human right is now an agenda on every associated organisation we do business with, with each one having a human right and diversity policy. Human right within our organisation and the associated organisations has not just been limited to encompassing equality but also to include Diversity. Every associated company now has a monitoring system on equal opportunity and diversity. Each participation associate has appointed a senior management representative for championing the promotion of equal opportunity and diversity. In 2015, the participating associate organisations shall be expected to report on achievements, problems and future plan to further promote human rights.

Labour

In 2014, we reviewed and revised our Initial supplier Questionnaire, which is the mandatory pre-qualification and pre-selection questionnaire within our Supplier Approval Process, to request specific information on the supplier's ethics on the use of Child Labour and/or Forced Labour within the supplier's organisation and its supply-chain. We reinforced the establishment of our policies on employees' rights and responsibilities. As reported last year, we established and currently implementing a Consultation and Participation Procedure, which includes an employee suggestion scheme and forums. This year, we have raised the profile of the scheme and forums in order to encourage improved participation by staff and employees. We ensure the health and safety of our employees through the active and effective implementation of our Health and Safety Management System which is accredited by the British Standards Institute to BS OHSAS 18001:2007, and, as demonstrated by the outcomes of our Third Party Audits this year, we have successfully demonstrated actions implemented to continually ensure and improve the health and safety of all employees.

Environment

We have established an Environmental Policy and our Environmental Management System with the objective to ensure that any threats of pollution from our activities are identified and either prevented, eliminated or effectively controlled. Our Environmental Management System is accredited by the British Standards Institute to BS EN ISO 14001:2004. In 2014, we continued to drive our main objective of continual improvement on reducing our carbon emission and carbon footprint, and we are happy to report that we achieved the 5% reduction in our carbon emission and carbon footprint. In 2015, we are benchmarking our Carbon Footprint against our competitors who are delivering the same type of work to our clients in the Electricity Industry. We shall use the best-in-class achievement to set our target on carbon



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UN GLOBAL COMPACT

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foot-print. To this end, we have replaced all our old vehicles with Euro-5 compliant vehicles in order to ensure that we promote cleaner environment in 2015. Also in 2015, we have set out to achieve 100% compliance to all legal and other requirements relevant to our business activities. We hope to achieve this through effective implementation of our Procedure for Legal and Other Requirements. We will monitor the compliance through our Internal Audit process.

Anti-Corruption

As reported last year, we fully support the UN Convention Against Corruption and comply with the Bribery Act 2010. In 2011 we established and implemented a Bribery Act Policy which was communicated across our business to our clients, suppliers and employees. In 2014, we further promoted the Bribery Act Policy by conducting series of Anti-Bribery awareness sessions for all our Directors, Managers and Staff. We also introduced and documented commitment undertakings by all our directors and managers in order to ensure effective implementation of the Policy. We have registered the commitment and participation of our major clients and suppliers against Bribery and Corruption. We have recruited a full-time financial auditor to randomly monitor and regularly report on the effective implementation of our Bribery Act Policy at all levels of our organisation and within our commercial dealings, without fear or prejudice. In 2015, the Board of Directors will review progress and effectiveness of the participation of the financial auditor on our Anti-corruption campaign.

Signed _____
Position : Managing Director

Name : Neil Coates
Date : 5th January 2015