



Environmental, Social and Governance Report

SOCAM has a long-established corporate culture based around integrity, quality, innovation and excellence in everything we do. Caring for our people, the environment and the community are the goals of SOCAM's corporate social responsibility (CSR).

REFRESHING OUR SUSTAINABLE DEVELOPMENT STRATEGY

In 2019 SOCAM undertook an important initiative to refresh its sustainable development strategy, and conducted a stakeholder engagement exercise to gather the views of SOCAM's stakeholders on important trends and challenges facing SOCAM. We also stepped up efforts in improving our environmental and safety performance by adoption of innovative technology. Our continuous efforts earned us recognitions from a number of industry organisations, and achieved a record low accident rate during the year.

In this section, major results of the Group on our commitment to environmental and social performance through different initiatives are reported.

HOW WE MANAGE ESG

The Board, supported by ESG and CSR Steering Committees, is regularly briefed on performance on material CSR aspects including occupational health and safety, green building technology, training and development and issues in managing ESG related impacts.



Caring for Our People



Enhancing health and safety of our employees, and providing an environment for them to excel and grow



Caring for The Environment



Strengthening our environmental management to bring about a measurable improvement in our performance



Caring for The Community



Investing time and resources caring for the needs of the underprivileged groups, particularly the young and elderly

STAKEHOLDER ENGAGEMENT

SOCAM cares about opinions of our stakeholders. To understand important areas of focus for SOCAM's sustainability development, we invited several internal and external stakeholders of different backgrounds to share their views. In December 2019 and January 2020, we conducted 33 in-depth interviews by phone or in person. Participants include

- board members, senior executives, managers in different functions,
- SOCAM's clients, partners, vendors, investors, regulators, media and NGO partners.

Overview Approach



The findings will be used to define the material topics and allow us to effectively formulate strategies, which shall address any current and emerging issues that matter most to our stakeholders and will have the most material impact on our business.

Important Sustainability Issues for SOCAM to Address

(Suggested by Stakeholders in the interviews)



1	Environmental
	<ul style="list-style-type: none">• Waste disposal/management• Sustainable construction materials• Water efficiency• Energy efficiency• Greenhouse gas emissions reduction• Noise control• Compliance with environmental regulations• Environmental standard fulfilment (e.g. BEAM+, ISO)
1	Talent/Governance
	<ul style="list-style-type: none">• Employee attraction and retention• Staff well-being• On-site safety• Training and education• Transparency
1	Social
	<ul style="list-style-type: none">• Public engagement• Supporting local communities (e.g. volunteerism, sponsorships)• Youth engagement

Based on the interview findings, we are identifying sustainability issues that are important to society and environment and highly relevant to our business. Through building a strong relationship with our stakeholders, we can keep pace with the market and clients' needs, and understand their changing expectations, ensuring the Group operates its business in a sustainable way.

HOW WE ENGAGE

Stakeholders	How we engage	Progress made in 2019
 Shareholders and investors	<p>Directly communicate with shareholders at the annual general meeting, and maintain active dialogue with investors.</p>	<ul style="list-style-type: none"> Feedback was heard at the annual general meeting. Information was disseminated in a timely manner through annual report, announcement and circular publication. We conducted an annual review of the Group's material risks and internal control that may impact the delivery of the Group's business objectives.
 Clients, buyers and tenants	<p>Proactively engage with clients through meetings, regular contacts and reports to ensure we offer the product and service quality they expect.</p>	<ul style="list-style-type: none"> We adopted advanced technology and upgraded to the ISO 45001 OHS management system to strengthen our safety system.
 Sub-contractors and suppliers	<p>Proactively build a socially responsible chain by setting out our business ethics and code of conduct, and stringent standards for assessing suppliers and monitoring performance.</p>	<ul style="list-style-type: none"> Ongoing dialogue was conducted through platforms including annual safety seminar, weekly environmental check, onsite audits and supplier performance review.
 Employees	<p>Strengthen employee engagement by "Shui On We Care" initiatives, and build up a team work culture.</p>	<ul style="list-style-type: none"> Undertook follow-up actions to our company-wide opinion survey conducted in 2018, and strengthened collaboration through two management retreats. Organised more than 30 well-being activities in 2019.
 Community	<p>Engage with NGOs and participate in volunteering services to serve the community.</p>	<ul style="list-style-type: none"> Participated in 18 charity activities, worked together with 13 NGOs, and devoted 1,319 volunteering hours.



CARING FOR OUR PEOPLE

Workforce at a Glance



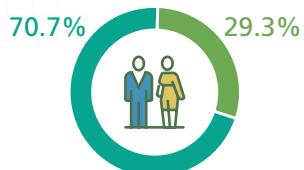
The Group's principal business covers construction in Hong Kong and property in Mainland China. In April 2019, SOCAM acquired the property management business in Hong Kong and therefore expanded the number of employees.

As at 31 December 2019, we employed 1,501 full-time staff and workers based in Hong Kong and Macau, and 409 staff based in our project offices in eight cities in Mainland China. Our construction division employed 1,002 people (2018: approx. 1,061) while the property and property management division employed 758 people (2018: 361 property staff only). 150 people were corporate staff and categorised in other functions.

We strive to keep our employees motivated and retain them with competitive remuneration and welfare. Our average voluntary attrition rate was 11.1%, which has fallen compared to 14.6% in the previous year. Our employment policy does not tolerate any forms of discrimination and harassment, while recruitment processes are undertaken with impartiality.

Competition for young talent is stiff. We continue to attract them through recruitment talks and internship programmes, enabling us to promote job openings and meet highly qualified personnel from diverse academic backgrounds.

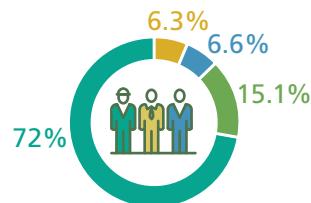
Gender



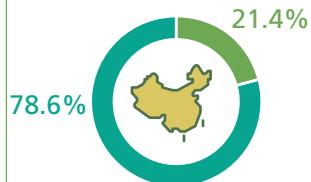
Age



Employee Category



Geographic



Chairman and CEO joined staff to celebrate opening of Zhuhai office.

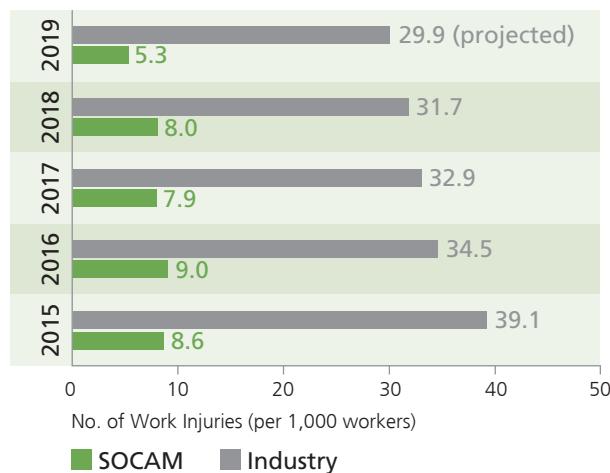


Health and Safety

Achieving low accident rate

Upholding the highest standards in health and safety, it stands out in our CSR performance as we continue to cultivate a safety culture by raising awareness among our employees, workers and subcontractors. The determination to ensure work safety is reflected in recognition from the Labour Department and the Occupational Safety & Health Council over the years. As a result of our continuous efforts, our site accident rate in 2019 hit a record low, achieving a single digit rate of 5.32 cases per thousand workers, compared to 8 cases recorded in 2018. A total of 5,468 lost days were reported due to work injuries. 17 work-related injury cases were reported, compared to 35 in 2018, and there was no work-related fatalities.

Accident Rate



Cultivating safety culture

Safety culture comes down to individuals. We drive improvement of our performances by advocating accountability through the following actions:

- **Optimise safety management system**

We strengthen governance in safety management by maintaining the leadership role of the dedicated Health Safety & Environment (HSE) Management Committee which is responsible for policy implementation. While the process of identifying, evaluating and rectifying safety hazards and risks is further optimised, we conduct quarterly internal audits to ensure effectiveness of the OHS management system.

- **Reinforce construction site monitoring**

We require all sub-contractors to appoint safety representatives to ensure compliance with regulations on site safety. In addition to regular inspections at high-risk projects and weekly construction site housekeeping reports, site inspections are conducted to eliminate safety hazards.

- **Strengthen safety training**

We provide training on the use of tools and equipment, HSE knowledge enhancement, etc., to equip the workforce of SOCAM and its sub-contractors with the ability to identify and stay away from safety hazards. The total number of participants in safety training in 2019 was 86,230.





Innovative devices to enhance worker safety

Committed to providing the best protection to our site workers, we embrace innovative technologies to improve the safety standard at construction sites. During the year, we collaborated with a leading mobile operator to develop a wireless Internet of Things (IoT) monitoring and alarm device that allows real-time transmission of safety alerts to site supervisors. It is adopted to manage the high risking lift shaft work and prevent lift shaft accidents involving falling from height.

Since its launch at our Chai Wan Wing Tai Road project, the device was bestowed with two safety awards presented by Occupational Safety & Health Council. Also, our Fanling Fan Garden Police Quarters Project was presented with the Building Sites (Public Sector) Gold Award at the Construction Industry Safety Award Scheme 2018/2019.



Wireless IoT monitoring and alarm device

Upgrading to ISO 45001

We are far from being complacent regarding our low accident rate. In fact, our HSE Management Committee continues to further strengthen the safety culture. The OHS management system of our two subsidiaries, Shui On Building Contractors and Shui On Construction, successfully migrated their certification to the ISO 45001 standard during the year, which is a new, more stringent international standard for occupational health and safety expecting to reduce workplace injuries and illness globally. We are the first batch of construction companies in Hong Kong to be certified with this latest international OHS standard.

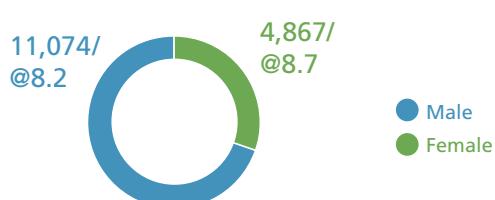
The construction division has also been bestowed with a number of safety awards, recognising its continued efforts in building a safety culture.



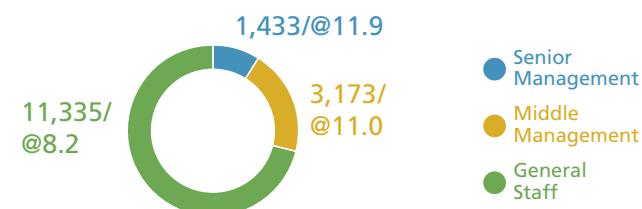
Developing People

The Group encourages lifelong learning, a pillar of our corporate culture, Shui On Spirit, upon which our employees stay competitive. Substantial resources are put into training and development of our employees, from new staff orientation to programmes which enrich employees' professional knowledge and enhance their performance. Employees can apply for sponsorship and study leave, when necessary. They are given opportunities to benefit from the professional development courses, in-house training programmes, and lifelong learning. During the year, SOCAM organised 207 in-house programmes, which amounts to 15,941 hours in total.

Number of Training Hours by Gender



Number of Training Hours by Employee Category



Employee Orientation



Professional Knowledge



Staff Development



Personal Effectiveness



E-learning and IT Courses



Effective communication is crucial in building a motivated workforce.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Nurturing Young Talents

We place great emphasis on grooming young graduate engineers to become project management professionals. To fulfill the new training requirement of Hong Kong Institute of Engineers and the change in the training model from objective-based to competence-based, we launched a "connect everyone" campaign, facilitating collaboration among graduate engineers and engineering supervisors to encourage sharing of information on training details and feedback through diverse channels, such as trainee progress assessment, communication activities and regular gatherings.

Encourage sharing of information on training details and feedback through diverse channels

- Trainee Progress Assessment**
- Communication Activities**
- Regular Gatherings**

Employee Engagement

Team spirit is the foundation of the Group's success. To communicate with employees, we hold ongoing dialogues, ensuring that their concerns are taken care of. Following up on the findings from last year's employee

survey, we have consolidated feedback and undertaken corresponding remedial initiatives to optimise employees' current working experience, working environment and work quality and life.

To enhance team cohesion, we organised two management retreats for more than 60 middle to top management staff to encourage knowledge transfer and collaboration. Through conducting activities such as group discussions and presentations in the management retreats, we aim to promote in-depth and cross-regional exchanges of ideas and understandings between each division on improving our operational performance, as well as the direction of future business operations.

The Group also organised different types of employee activities, including outdoor excursions, health-related seminars, sports and festive events, encouraging employees to bring along their families to enrich their life beyond office work, strengthening internal communication and family relationships, and achieving work-life balance.

Commitment to Integrity

SOCAM's commitment to integrity and trust in all of its operations is fundamental. We also have policies and measures in place for the guidance of our employees to high ethical standards, including a Whistle Blowing Policy, Employee Code of Conducts and Business Ethics Policy, which are consistently followed. We aim to develop the best practices, strengthen internal controls and minimise corruption risks. Internal training is held to promote anti-corruption.



CARING FOR THE ENVIRONMENT

The construction industry is recognised as a large contributor to environmental impacts. As a major construction company, we are committed to reducing the environmental impact of our activities, covering the entire supply chain. Where possible we use low carbon materials to reduce greenhouse gases, design buildings that are energy efficient. The Group has been optimising its operating practices to raise energy efficiency and reduce overall consumption of resources by committing to its ISO 50001:2018 certified Energy Management System.

In 2019, our reporting boundary includes six construction projects in Hong Kong, two shopping malls in Mainland China, together with our Hong Kong headquarters. The change in the boundary is due to the completion of some construction projects which are replaced by major new projects. The table below presents our total resource consumption in 2019.

2019						2018
Resource Consumption	Unit	Head Office	Construction	Shopping Mall	Total	
Electricity	kWh	655,633	1,653,177	5,507,801	7,816,611	8,427,520
Diesel	litre	2,464	81,606	0	84,070	751,029
Petrol	litre	20,488	0	6,243	26,731	25,942
Acetylene	m ³	0	4,852	0	4,852	7,893
Water	m ³	1,414	44,277	34,929	80,620	132,673

Carbon Emissions

Our carbon footprint for Scope 1, 2 and 3 amounted to 588.1, 10,909.1 and 49,221.9 tonnes of carbon dioxide equivalent respectively.

2019					2018
Carbon Emissions (tCO ₂ e)	Head Office	Construction	Shopping Mall	Total	
Scope 1*	61.3	228.4	298.4	588.1	2,028.6
Scope 2**	334.4	1,126.9	9,447.8	10,909.1	8,561.8
Scope 3***	88.0	49,091.3	42.6	49,221.9	60,086.6
Total emissions	483.7	50,394.8	9,764.8	60,719.1	70,677.0

* Scope 1 comprise direct fuel consumption of generators, vehicles and work processes.

** Scope 2 covers the indirect carbon emissions from electricity and heating.

*** Scope 3 covers water and sewage processing, waste treatment, raw material usage, transportation and business travel.

Recognising the importance of resource conservation and carbon emission reduction during the construction phase, SOCAM prioritises the use of electricity saving devices. For example, we have replaced T8 fluorescent tubes with LED lighting and installed light sensors and time controllers to reduce unnecessary lighting and air-conditioning. Renewable energy has also been adopted in daily operations.



Embracing Sustainable Construction

SOCAM continues to improve in managing its environmental impacts by exploring innovative new technologies in green building design and sustainable construction. We made significant progress this year on the application of Modular Integrated Construction and Building Information Modelling, as well as stepped up efforts in reducing resource consumption and emissions.

Piloting Modular Integrated Construction (MiC)

SOCAM focuses to improve on resource efficiency of its construction operations. During the year and in collaboration with the Building and Construction Authority of Singapore (BCA), our project management team visited Singapore to study the adoption of MiC for which we have acquired the technical know-how and valuable insights.



MiC is an innovative construction method adopting the concept of "factory assembly followed by on-site installation". It is one of the signature funding items of the HK\$1 billion Construction Innovation and Technology Fund in "The 2018-19 Budget", and has been proactively adopted by the HKSAR Government in various public works in recent years. Free-standing integrated modules completed with finishes, fixtures

and fittings are produced in a prefabrication factory, then transported to site for installation in a building.

Our first MiC application – Our efforts for researching and studying MiC technology is obviously yielding results. We are pleased to have been awarded the project for design and construction of a custom-built multi-welfare complex in Kwu Tung North. This is the first project in which we shall be using the MiC technology, with integration of green building design.

By adopting the MiC technology, we can increase project efficiency and significantly reduce the total project construction time to about 28 months. Impacts on the surrounding environment, including noise and air pollution can thus be minimised. Errors in construction can also be minimised, reducing the amount of construction waste generated. Moreover, we can improve working environment and site safety by reducing the risk of fall of persons from height and slipping and tripping of site personnel.

Besides the introduction of the use of acoustic glass to reduce the noise levels from the construction site, and solar paneling and solar power electrical appliances to minimise the use of non-renewable energy sources, greening is an integral part of the project. We promote greening by provision of vegetation and planting areas, as well as parks and balconies to develop a greener and more sustainable environment in Hong Kong.





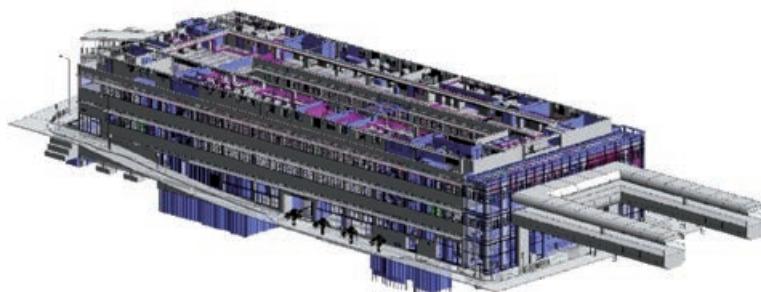
While we believe the Group's first project with full MiC application in Kwu Tung North will position SOCAM as an industry pioneer in implementing sustainable construction, significant preparations have to be made. First, the Group engaged actively with suppliers and contractors in search for a prefabrication factory with a capacity which can produce the required number of integrated modules for the construction project. Then, our on-site engineer is responsible for monitoring the production and ensuring the quality and accuracy. Finally, trial on the installation processes have to be done in advance to ensure the feasibility and the operational efficiency of on-site installation. Construction workers will also be provided with necessary technical knowledge and training on the installation methods.

We are keen to increasingly adopt MiC in upcoming projects which shall enable us to not only improve operational efficiency, but also generate less construction waste and raise energy efficiency. In total, there are four construction projects for which are examining the feasibility of MiC application.

Improving Building Quality through Building Information Modelling (BIM)

During the year, significant progress has also been made on the application of BIM. The Group adopts BIM to identify any potential conflicts in advance, within a digitised environment, aiming to enhance not only the project delivery efficiency, but also safety and environmental performance of our construction projects.

Our early use of BIM technology was to address customers' needs. Since 2018, we have been playing a more active role in the adoption and development, due to the rising trends and adoption of the technology in the construction market.



BIM rendering of Central Market Revitalisation Project

The BIM team in the Zhuhai office plays a pivotal role in facilitating the increasing use of BIM technology at our construction and interior fit-out projects. At present, a total of 15 staff members have received BIM training provided by external institutions. It is our aim to provide capability building opportunities for employees and support the increasing adoption of BIM.



BIM is rightly considered by the Hong Kong Housing Authority (HKHA) as one of the most important tools and platforms in the development of public housing projects, and has been adopted by the HKSAR Government in the design and construction of major capital works projects since 2018. It is a process of generating and managing building data during its design, construction and the building's entire life cycle. The accurate and detailed building models produced can be used for advanced architectural visualisation, facilitating communication, design review, cost estimation, phase planning and site monitoring from design to operation stage.

By adopting MiC, we can achieve:



Shorter construction time



Reduced construction waste, dust and noise



Improved site safety



Improved construction quality

Reducing Waste and Conserving Resources



Waste

We are committed to minimising waste and, in particular, to avoiding sending waste to landfills. We appoint qualified waste disposal contractors to handle commercial and construction waste in compliance with relevant local laws and regulations, and prioritise waste reduction and re-use in waste management practices. For example, we use re-usable precast concrete slabs for hard paving, and facilitate inter-project materials transfer via an in-house materials platform.

In 2019, we generated

- 33,786 tonnes of inert construction waste
- 6,413 tonnes of non-inert construction waste
- 20 tonnes of paper waste



Air Pollutants and Noise

Reducing air pollution

- Use hybrid site vehicles
- Install dust suppression sprinklers around the project sites supplemented by manual water spraying
- Use approved or exempted Non-road Mobile Machinery (NRMMs)

Noise Control

- Adopt quiet methods such as hydraulic cutting to replace percussive breaking
- Use generators with QPME label
- Arrange work scheduling to avoid multiple machines working at the same time



Water

To ensure compliance on wastewater discharge, wastewater is treated before it is discharged into the municipal sewage system. In addition, we collect and recycle grey water on-site for site and vehicle cleaning, dust suppression and toilet flushing, thus reducing the consumption of fresh water.

In 2019, we consumed 80,620 m³ of water:

- Head office (2%)
- Construction (55%)
- Shopping Malls (43%)

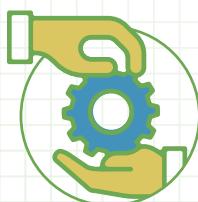
Environmental responsibility rests with our HSE Management Committee which conducts internal audit on the Company's ISO 14001 environmental management systems on a regular basis, and ensures compliance. On a project level, monthly HSE onsite meetings are held by the Project Manager to address environmental issues. During the reporting year, we were not aware of using any material non-compliance relating to environmental aspects.

Practicing Sustainable Living

It is of vital importance that our sustainability philosophy filters down to all levels of our workforce and pervades all departments. The Group strengthens its corporate culture of environmental care through ongoing initiatives such as green office campaigns, ecotours and green workshops. This year, we continued to encourage our employees to participate in used clothes and mooncake containers recycling programmes.



Race for Water 2019



PRODUCT RESPONSIBILITY AND SUPPLY CHAIN

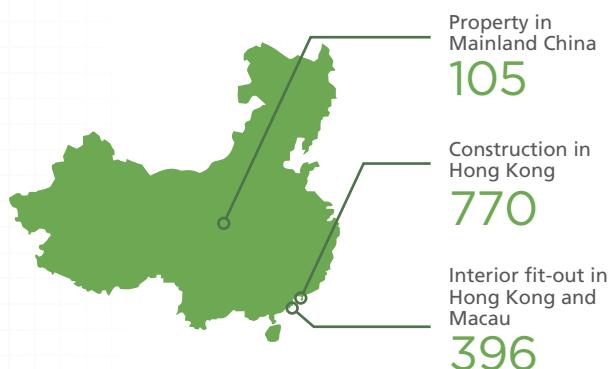
Sustainable Supply Chain

SOCAM has a large supply chain consisting of suppliers of materials and products, sub-contractors performing work on project sites, and property management agencies. We have been engaging with them closely so that they recognise their responsibilities to safeguard the environment and nurture positive relations with their workers and local communities.

The Group's Tendering Committee is responsible for full implementation of our policies regarding the supply chain by monitoring, assessing and reviewing the outline of operating processes. These include our dispute resolution policy, sub-contractor training policy, and green procurement guidelines. We perform annual reviews to ensure their products and services meet the requisite standards.

Specific to our shopping malls, SOCAM is committed to ensuring that property management agencies perform management responsibilities and emergency prevention and control to the highest standards. Our selection criteria focus on market reputation, competitive advantage, feasibility of operating plans, and the resources and commitment of the central team.

Number of Suppliers/Sub-contractors



Green Procurement

The Group adheres to a set of green procurement guidelines to help reduce carbon dioxide emissions and improve resource efficiency. Our Procurement Department prioritises purchasing products that have less packaging and a higher percentage of recycled materials, and appliances with Grade 1 energy efficiency labels. All procurement items must pass a risk assessment to ensure efficient use of resources.

During the year, the Group continued on green procurement of types of goods and services to support daily operations. These green procurement items include products certified for internationally recognised standards, such as FSC and PEFC certified Fibrillar wood, Grade 1 water-consuming devices under the Water Efficiency Labelling Scheme by the Water Supplies Department, etc.

Product Responsibility

SOCAM is committed to delivering quality construction and meet specifications consistently. In addition to adopting MiC and BIM, we apply various technological tools including mobile app and RFID for checking and tracking.

By adhering to requirements of the ISO 9001:2015 Quality Management System, we ensure our HSE Policy and Quality Policy are strictly implemented.

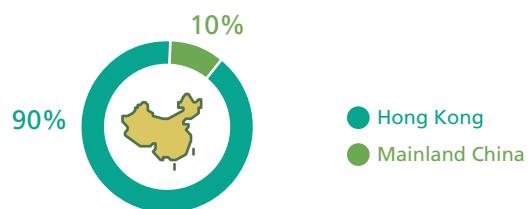
During the year, the Group was not aware of any incidents of non-compliance with laws and regulations that have a significant impact on the Group concerning health and safety, advertising, signage or any other related matters.



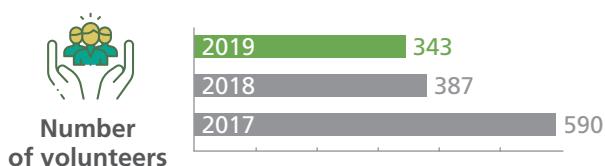
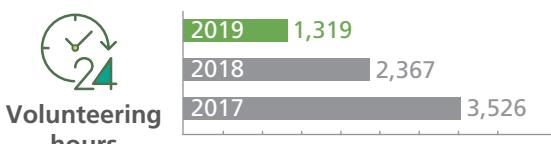


CARING FOR THE COMMUNITY

Breakdown of volunteering hours by region (2019)



Our contributions at a glance



2019 has been a challenging year for Hong Kong, as ongoing protests carried over to 2020 adversely affected not only business and economic activities, but also social life. While it is hard to predict the future development of the movement, SOCAM is confident that Hong Kong, well proven by its history, is a resilient city. Rooted in Hong Kong for over 49 years, we will continue to stay with Hong Kong during this period of hardship.

While we continue to give back to society by means of charitable donations and volunteer services, predominantly focusing on youth development and elderly, a number of activities and community programmes were cancelled during the year in light of the special circumstances in Hong Kong.

In 2019, we donated approximately HK\$1.7 million to various non-governmental organisations and charities. In addition to monetary support, we actively encouraged our staff to participate in volunteer services through the Shui On Seagull Club.

SOCAM has been designated as a "Caring Company" for 14 consecutive years, and the "5 years Plus" recognition was also bestowed on our major subsidiaries, including Shui On Construction Company Limited, Shui On Building Contractors Limited, Pat Davie Limited, Pacific Extend Limited, SOCAM Asset Management (HK) Limited and Shui On Properties Management Limited.





Youth Empowerment through Education and Confidence Building

Investing in youth education empowers teenagers during their lifetime. Upholding this belief, we continued to sponsor the 'Future Stars – Upward Mobility Scholarship' scheme implemented by the Commission on Poverty, in order to support less-privileged youths in moving up the social ladder. We also sponsored Basic Law Foundation Limited to promote a better understanding of Basic Law among Hong Kong students through school talks, seminars and publication of relevant teaching materials.

Building up on our existing portfolio of youth development, this year we offered summer internship programmes for two teenagers under special education needs. By providing mentorship and career guidance, we equipped the trainees with better interpersonal and employability skills, as well as higher confidence and self-esteem. ONE TEN, a social enterprise offering dynamic fitness classes to the youth and students of Hong Kong, continued to be our partner this year for the cause of boosting teenager confidence.



Horizons Project Mingde

In August, Shui On Seagull Club partnered with the University of Hong Kong (HKU) in the 'Horizon Project Mingde' experiential learning programme. A nine person volunteer team, formed by six of our staff volunteers and three HKU representatives, paid a visit to a rural village in Wangdongxiang, Guangxi. During the visit, our volunteers built close rapport with the elderly, hoping to bring joy and laughter through accompanying and interaction. Site visits were also conducted for improving the living environment and prevention of fire safety.

What are "empty nesters"?

As the population is ageing, empty nest has become a common social problem in Mainland China, especially in suburban areas. An "empty nester" refers to a parent whose children have grown up and moved away from their home town for work, study or marriage.

Improving living environment in prevention of fire

Most houses in Wangdongxiang were constructed using ancient building methods, which is very dangerous once a fire occurs. Our volunteers aims to mobilise our professional knowledge in construction and property management to help improve the housing structure and fire safety in the long run. We are currently working on plans to educate local villagers on fire prevention, as well as installation of sprinklering system, smoke alarm and promat insulation. More in-depth visits to Wangdongxiang will be arranged in the future for this cause.



Engaging the Elderly through Volunteering

Social isolation and loneliness are most common among the older generation, which are being escalated by the aging population. In the recent years, SOCAM has prioritised the provision of support when it comes to caring for the elderly.

Since 2009, we have partnered with Young Women's Christian Association (YWCA) in organising an array of interactive activities for the solitary elderly who lack recreational opportunity. Throughout the year, we organised several gatherings and workshops, including the Mid-Autumn Karaoke Night, a mosquito-proof soap D.I.Y. workshop, and a charitable football fun day. We hope to strengthen the connection between the elderly and the society through regular volunteer visits and social interaction.



VOLUNTEERING ACTIVITIES IN 2019



Football Fun Day

We invited elderly from various districts to join us for a football fun day, in which veteran football players participated in a charitable game.



Charity Walk for the Disabled

Shui On Seagull Club experienced a series of wheelchair sports and participated in a charity walk to raise fund for the Hong Kong PHAB Association.



Dress Pink, Share Love!

A 'Pink Party' was held to raise fund for Hong Kong Cancer Fund, uplifting concern and awareness for breast cancer and health.



Walk & Carnival for AIDS Orphans

We participated in a charity walk to raise fund for supporting the education needs of AIDS orphans in Mainland China.



Parent-child Inclusion Carnival

Through a series of interactive parent-child games, we hoped to implant the concept of an inclusive society among the younger generation.



Barrier-free City Orienteering

We explored various barrier-free facilities in the city to experience daily lives from the perspective of the disabled.



Shenyang Vertical Marathon

Shenyang Tiandi held an annual vertical marathon for 300 people to promote a healthy and trendy lifestyle.



Mid-Autumn Karaoke Night

To celebrate the Mid-Autumn Festival, we enjoyed a festive dinner with the elderly during a karaoke night.

PERFORMANCE DATA SUMMARY

		Unit	2019	2018
Employees	Head Count at Year End			
	Group-wide	Person	1,910	1,540
	By Gender			
	Male	Person	1,350	1,086
	Female	Person	560	454
	By Business Lines			
	Construction Division	Person	1,002	1,061
	Property Division	Person	758	361
	Others	Person	150	163
	By Employee Category			
	Senior Management	Person	120	121
	Middle Management	Person	289	281
	General Staff	Person	1,375	1,029
	Workers	Person	126	109
	By Age group			
	Under 30	Person	404	397
	31-50	Person	845	770
	51 or above	Person	661	373
	By Geographical Region			
	Hong Kong and Macau	Person	1,501	1,062
	Mainland China	Person	409	478
	Turnover Rate			
	Group-wide	%	11.1	14.6
Training & Development	Training Hours			
	Group-wide (excluding HSE training)	Hour	15,941	11,228
	By Gender			
	Male	Hour	11,074	8,547
	Female	Hour	4,867	2,681
	By Employee Category			
	Senior Management	Hour	1,433	1,309
	Middle Management	Hour	3,173	1,620
	General Staff	Hour	11,335	8,299
	Average Training Hour			
	Group-wide	Hour	8.3	7.3
	By Gender			
	Male	Hour	8.2	7.9
	Female	Hour	8.7	5.9
	By Employee Category			
	Senior Management	Hour	11.9	10.8
	Middle Management	Hour	11.0	5.8
	General Staff	Hour	8.2	8.1
Health & Safety	Lost days due to work injury	Day	5,468	5,306
	Work-related injury rate	per 1,000 workers	5.32	8.00
	Work-related injury	Number	17	35
	Work-related fatalities	Number	0	0
	Number of participants in safety training	Person	86,230	136,136
Environment	Total Resource Consumption			
	Electricity	kWh	7,816,611	8,427,520
	Petrol	Litre	26,731	25,942
	Diesel	Litre	84,070	751,029
	Acetylene	m ³	4,852	7,893
	Water	m ³	80,620	132,673
	Greenhouse Gas Emission			
	Scope I	tCO ₂ e	588.1	2,028.6
	Scope II	tCO ₂ e	10,909.1	8,561.8
	Scope III	tCO ₂ e	49,221.9	60,086.6
	Total	tCO ₂ e	60,719.1	70,677.0
	Air Emissions			
	Sulphur oxides	kg	1.7	12.5
	Non-hazardous Waste			
	Inert construction waste	tonnes	33,786.3	122,907.4
	Non-inert construction waste	tonnes	6,412.6	14,010.9
	Paper waste	tonnes	20.2	19.3
Community	Volunteer hours (including non-staff)	hours	1,319	2,367
	Donations (including funds raised by staff)	HK\$	1.7 million	1.5 million

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG CONTENT INDEX

KPIs	HKEX ESG Reporting Guide Requirements	Section/Remarks
A. Environmental		
Aspect A1	Emissions	
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	CARING FOR THE ENVIRONMENT
KPI A1.1	The types of emissions and respective emissions data.	PERFORMANCE DATA SUMMARY
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	CARING FOR THE ENVIRONMENT – Reducing Waste and Conserving Resources
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	No significant generation of hazardous waste.
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	CARING FOR THE ENVIRONMENT – Reducing Waste and Conserving Resources
KPI A1.5	Description of measures to mitigate emissions and results achieved.	CARING FOR THE ENVIRONMENT – Reducing Waste and Conserving Resources
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	CARING FOR THE ENVIRONMENT – Reducing Waste and Conserving Resources
Aspect A2	Use of Resources	
General disclosure	Policies on efficient use of resources including energy, water and raw materials.	CARING FOR THE ENVIRONMENT
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume per facility).	CARING FOR THE ENVIRONMENT – Reducing Waste and Conserving Resources
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	CARING FOR THE ENVIRONMENT – Reducing Waste and Conserving Resources
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	CARING FOR THE ENVIRONMENT – Reducing Waste and Conserving Resources
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	CARING FOR THE ENVIRONMENT – Reducing Waste and Conserving Resources; We source our water from the municipal water supply, and do not encounter any issue in sourcing water that is fit for purpose.
KPI A2.5	Total packaging materials used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	No packaging materials used.
Aspect A3	The Environment and Natural Resources	
General disclosure	Policies on minimising the issuers' significant impact on the environment and natural resources.	CARING FOR THE ENVIRONMENT – Embracing Sustainable Construction
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	CARING FOR THE ENVIRONMENT – Embracing Sustainable Construction
B. Social		
Aspect B1	Employment	
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	CARING FOR OUR PEOPLE
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	CARING FOR OUR PEOPLE – Workforce at a Glance
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	CARING FOR OUR PEOPLE – Workforce at a Glance
Aspect B2	Health and Safety	
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	CARING FOR OUR PEOPLE – Health and Safety
KPI B2.1	Number and rate of work related fatalities.	CARING FOR OUR PEOPLE – Health and Safety

KPIs	HKEX ESG Reporting Guide Requirements	Section/Remarks
KPI B2.2	Lost days due to work injury.	CARING FOR OUR PEOPLE – Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	CARING FOR OUR PEOPLE – Health and Safety
Aspect B3	Development and Training	
General disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	CARING FOR OUR PEOPLE – Developing People
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Not available
KPI B3.2	The average training hours completed per employee by gender and employee category.	CARING FOR OUR PEOPLE – Developing People
Aspect B4	Labour Standards	
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	CARING FOR OUR PEOPLE – Developing People
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	We implement appropriate protocols in our recruitment process to ensure child and forced labour is absent in our operations.
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	
Aspect B5	Supply Chain Management	
General disclosure	Policies on managing environmental and social risks of the supply chain.	PRODUCT RESPONSIBILITY AND SUPPLY CHAIN – Sustainable Supply Chain
OKPI B5.1	Number of suppliers by geographical region.	PRODUCT RESPONSIBILITY AND SUPPLY CHAIN – Sustainable Supply Chain
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	PRODUCT RESPONSIBILITY AND SUPPLY CHAIN – Sustainable Supply Chain
Aspect B6	Product Responsibility	
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	PRODUCT RESPONSIBILITY AND SUPPLY CHAIN – Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable
KPI B6.2	Number of product and service-related complaints received and how they are dealt with.	PRODUCT RESPONSIBILITY AND SUPPLY CHAIN – Product Responsibility
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Not applicable
KPI B6.4	Description of quality assurance process and recall procedures.	PRODUCT RESPONSIBILITY AND SUPPLY CHAIN – Product Responsibility
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	PRODUCT RESPONSIBILITY AND SUPPLY CHAIN – Product Responsibility
Aspect B7	Anti-Corruption	
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	CARING FOR OUR PEOPLE – Developing People
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	No concluded legal case regarding corrupt practices were recorded during the year.
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	CARING FOR OUR PEOPLE – Developing People
Aspect B8	Community Investment	
General disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	CARING FOR THE COMMUNITY
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	CARING FOR THE COMMUNITY
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	CARING FOR THE COMMUNITY

This ESG report is prepared in compliance with the Environmental, Social and Governance (ESG) Reporting Guide set out in Appendix 27 to the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange. It discloses SOCAM's performance on environmental and social issues from 1 January 2019 to 31 December 2019. The social performance data in the report covers the entire Group while the environmental performance data focuses on Hong Kong headquarters, six construction projects in Hong Kong and two shopping malls in Mainland China. The change in the boundary is due to the exclusion of some completed construction projects while some new projects are included. For the governance section, please refer to the Corporate Governance Report in the Annual Report.