



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

This report is prepared in compliance with the Environmental, Social and Governance (ESG) Reporting Guide set out in Appendix 27 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. The ESG report discloses SOCAM's performance on environmental and social issues from 1 January to 31 December 2018. The social performance data in the report covers the entire Group while the environmental performance data focuses on Hong Kong headquarters, 7 construction projects in Hong Kong and 2 shopping malls in Mainland China. For the governance section, please refer to the Corporate Governance Report in the Annual Report.

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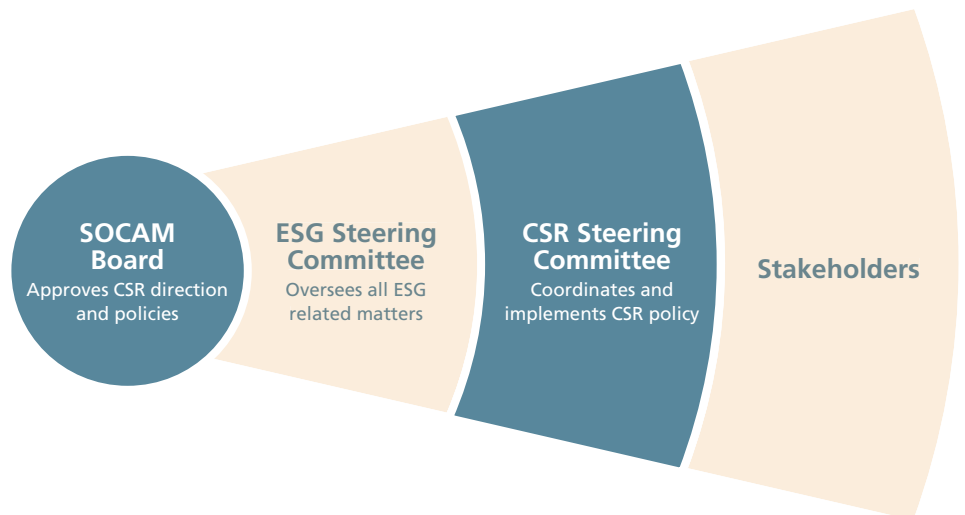
DELIVERING
BUILDING
RESPONSIBLY

SHUI ON WE CARE

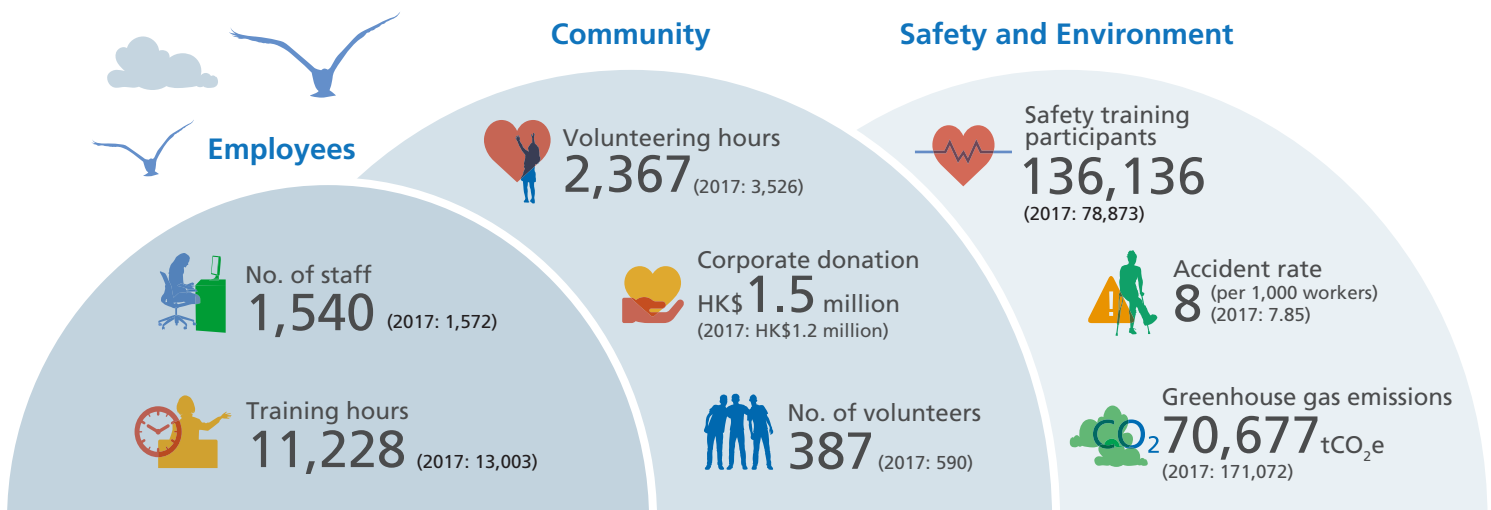
Our Corporate Social Responsibility (CSR) model is built on team work and inter-departmental collaboration, based on principles codified in a policy statement formulated in 2008 which comprehensively defines our CSR goals:



The Board has delegated the day-to-day responsibility for CSR related matters to the ESG Steering Committee and the CSR Steering Committee, with the former responsible for managing ESG related impacts and the latter responsible for coordination and implementation. Divisions and departments within the Group integrate CSR objectives into their operations and activities.



HIGHLIGHTS



STAKEHOLDER ENGAGEMENT

Shareholders and investors



Interests and concerns

- Transparency
- Return on investment
- Corporate strategy and governance
- Risk management

Clients, buyers and tenants



- Sustainability performance
- Robust project management
- Full compliance with regulations
- Quality product offerings
- Health and safety
- Ethical marketing

Sub-contractors



- Effective project management
- Occupational health and safety
- Ethical business practices
- Assessment criteria

Suppliers



- Long-term partnership
- Ethical business practices
- Assessment criteria

Actions and initiatives undertaken in 2018





- Organised the annual general meeting to engage with shareholders
- Published annual report, interim report and other required disclosure in a timely manner
- Conducted a review of the Group's risk management and internal control systems

- Received customer feedback and continued to implement a systematic approach to ensure effective and preventive actions are taken for health, safety and product quality
- In our drive for sustainable construction, our public housing construction project in Chai Wan was awarded the Contractor in New Works Merit Award of the CIC Sustainable Construction Awards 2018

- We conducted regular site walks to review issues on structural and architectural qualities with staff and sub-contractor representatives
- Held an annual HSE Target Seminar, a major industry event where we set our improvement targets, learn from authorities the latest safety standards, and share our practices with our stakeholders including sub-contractors

- Communicated with suppliers on safety and environmental requirements
- Conducted regular onsite audits and assessments

Shui On's corporate mission statement introduced in 1984 embodies our emphasis on our relationships with clients, employees and business partners. Over the years, we have continued to define our action plans to engage with our stakeholders on an ongoing basis. The table below shows how we communicate with key stakeholder groups and address their respective concerns.

Employees	Community	Environmental NGOs	Media
			
<ul style="list-style-type: none"> • Compensation and benefits • Occupational health and safety • Career development opportunities • Corporate culture and engagement <ul style="list-style-type: none"> • Conducted an online culture survey, covering more than 1,100 employees from Hong Kong, Macau and Mainland China to improve our workplace based on survey findings on a continual basis • Organised 124 in-house training programmes, which amounts to 11,228 hours in total, average 7.3 hours per employee 	<ul style="list-style-type: none"> • Community relations <ul style="list-style-type: none"> • Continued to sponsor and support youth and elderly services in collaboration with NGOs • Participated in various community initiatives in Hong Kong and Mainland China and recorded 2,367 volunteering hours • Contributed to the relief work after super typhoon Mangkhut made its way through Hong Kong 	<ul style="list-style-type: none"> • Environmental protection <ul style="list-style-type: none"> • Our head office replaced spotlights with more energy-efficient LED alternatives • At Fanling Fan Garden construction site, we invested in a solar power board and used B5 Biodiesel to reduce carbon emissions in energy consumption • Promoted green procurement guidelines, purchased products certified by recognised international standards 	<ul style="list-style-type: none"> • Latest corporate developments • Social and industry issues <ul style="list-style-type: none"> • Regular press releases and corporate announcements to maintain continuing and open dialogue with the media • Responded to enquiries in a timely manner



CARING FOR THE ENVIRONMENT

Environmental responsibility is an integral part of our operations. As a major construction company, we are increasingly concentrating on the principles of sustainable construction and have established a strong track record in executing green building projects.

We implement programs designed to mitigate our environmental impact, focused on sustainable resource management and waste reduction. Our environmental

management system (EMS) is certified under the ISO14001:2015 standard. Under its rigorous framework, we take a systematic approach to managing our resources efficiency and emissions control in order to drive continuous improvement. We place particular significance on assessing our environmental data, such as energy and material use, carbon emissions, water consumption and waste production.

Our Environmental Management Approach

Planning



- During planning phase, we take into consideration the impact of construction on the surrounding environment
- We optimise the layout of the construction site to minimise the distance of truck traffic
- We select suppliers near our site for efficiency, thus reducing energy consumption and carbon emissions

Engagement

- We engage with neighbourhood regarding our environmental protection measures
- The environment protection committee conducts monthly meetings to discuss implementation of environmental measures
- We evaluate our subcontractors' performance according to our environmental requirements.

Taking action



- We install power generator far from the neighbourhood
- We adopt applicable energy-and water-saving measures both at sites and offices
- We allocated approximately HK\$7.5 million for green procurement for Chai Wan Wing Tai Road Public Housing project



Carbon Emissions – Measuring Our Impact

At SOCAM, we continue to enforce our energy management program to enhance our overall environmental performance, involving rigorous collection of energy consumption and greenhouse gas emissions data. The table below discloses our total resources consumption of our head office, seven construction projects and two shopping malls in 2018.

Resources Consumption	Unit	2018 ¹			2017	
		Head Office	Construction	Shopping mall	Total	
Electricity	kWh	637,443	2,534,881	5,255,196	8,427,520	7,365,933
Diesel	liter	3,683	747,346	0	751,029	1,026,846
Petrol	liter	18,442	2,232	5,268	25,942	38,320
Acetylene	m ³	0	7,893	0	7,893	2,222
Water	m ³	998	86,450	45,225	132,673	156,097

Scope 1 greenhouse gas emissions are due to direct fuel consumption of generators, vehicles and work processes. Scope 2 emissions include electricity and heating, while Scope 3 constitutes any other indirect generation in the value chain. We boast a comprehensive Scope 3 inventory that considers water and sewage processing, waste treatment, raw material usage and transportation, as well as business travel. This year, our Scope 1, 2 and 3 carbon footprint amounted to 2,028.6, 8,561.8, 60,086.6 tonnes of carbon dioxide equivalent respectively. Owing to a drop in the procurement volume, the Scope 3 emissions had reduced accordingly.

Carbon Emissions (tCO ₂ e)	2018 ¹			2017	
	Head Office	Construction	Shopping mall	Total	
Direct (Scope 1)	58.7	1,954.4	15.5	2,028.6	2,800.2
Indirect (Scope 2)	325.1	1,325.2	6,911.5	8,561.8	5,844.5
Indirect (Scope 3)	86.8	59,022.7	977.1	60,086.6	162,426.9
Total emissions	470.6	62,302.3	7,904.1	70,677.0	171,071.6

¹ Compared with 2017, the data collection boundary in 2018 includes different projects but the total number of projects is the same

Minimising carbon footprints and air pollutants

Fuel consumption of our vehicles and machinery contribute to emissions of greenhouse gas and air pollutants. We regularly monitor air emissions in compliance with statutory regulations, and prioritise the use of quality machinery approved by the Environmental Protection Department (EPD) QPME (Quality Powered Mechanical Equipment) scheme. Dust control is carried out by installing automatic watering systems and dust-proof scaffolding.

Powering up by biodiesel

Biodiesel is an alternative to conventional diesel, a renewable energy manufactured from vegetable oils, animal fats, waste cooking oil etc. In 2018, we explored the use of B5 biodiesel comprehensively at Fanling Fan Garden Government Police Married Quarters site and Chai Wan Wing Tai Road Public Housing site, in order to mitigate the levels of our carbon footprint. As a result, the B5 biodiesel usage at the two sites accounted for more than a third of our diesel usage of our seven construction projects, substantially reducing the use of diesel and 35.1 tonnes of GHG emission.

Reducing Waste and Conserving Resources

Resources Conservation

SOCAM is committed to driving appreciable reduction in the consumption of energy and water during the construction phase. We prioritise the use of electrical appliances certified with first-class energy efficiency labels, and install light sensors and time controllers to reduce unnecessary lighting and air-conditioning. At our Fanling Fan Garden construction site, we introduced solar paneling and solar power electrical appliances to minimise the use of non-renewable sources of electricity.

On conserving water usage, we have installed water treatment systems on site to recycle grey water for a variety of site and vehicle cleaning purposes, thereby reducing the consumption of fresh water. The rainwater harvesting system at the Fan Garden construction site also alleviates the burden on municipal water supply.



Noise

SOCAM strictly complies with the Noise Control Ordinance and we only operate in permitted hours. To further reduce noise nuisance, we have adopted equipment and machinery certified by the EPD, and employed containers as sound barriers.

Waste

We follow waste management principles that incorporate sustainability values, and reduction and re-use of waste is our foremost priority. This year, we generated 122,907 tonnes of inert construction waste, 14,011 tonnes of non-inert construction waste and 19.3 tonnes of paper waste.



Design

We use modular and standardised building layouts that allow for off-site prefabrication of standardised building components, which incur less waste materials.

We carry out forward-thinking designs which accommodate future adaptation of buildings e.g. reuse of C&D materials such as bricks and tiles, use of recycled materials in new construction such as recycled aggregates and asphalt, and use of pulverised fuel ash.

We use Building Information Modelling (BIM) technology which identifies any potential conflict in work process at the early stages, thereby reducing inefficiencies.



Construction

We coordinate field management to allow surplus excavated material to be efficiently allocated.

We employ lean construction which cuts down unnecessary use of raw materials for walls, floors and foundation.

We adopt green procurement procedures that favor suppliers providing durable products in environmental friendly packaging.



Demolition

We prioritise manual demolition and dismantling over mechanical means, which allows greater salvage of reuseable materials.

We adopt sequential demolition to prevent mixture of reusable materials.

Building a Green City Landscape

Contributing to Hong Kong's urban landscape, SOCAM endeavours to construct buildings grounded on sustainability values, and institute sustainability considerations for every construction project at the inception stage. Our business strategy is to provide holistic green building solutions, including environmentally friendly materials and efficient energy management. We partner with our clients on certain construction projects to achieve BEAM Plus Platinum Rating which evaluates each project's environmental performance, covering stages of planning, design, construction, operation and maintenance through the entire construction lifecycle.

This year, our public rental housing construction project at Wing Tai Road, Chai Wan garnered the award of "Contractor in New Works Merit Award" at the 2018 CIC Sustainable Construction Awards. This new industry award appreciates collaborative relationships among industry stakeholders, based on its performance on engagement and communication, supply chain management, measures and achievement, and initiatives in sustainable construction:

CIC Sustainable Construction Award

- All four types of non-road mobile machinery are EPD-compliant and run on B5 biodiesel.
- 100% of our machinery is high quality motorised equipment approved under the QPME scheme.
- All inert waste is transferred to the Chai Wan Public Filling Barge Transfer station, achieving a transfer rate above the statutory requirements.



Construction of Public Housing in Chai Wan

Spreading the Green Message

The Group placed major emphasis in spreading the green message and practicing sustainable living especially among our staff. Company-wide events were held to raise staff's awareness to more eco-friendly living as they come up with new ideas for green office and sites, workshops to share low carbon footprint knowledge and eco tours to adopt a greener lifestyle.

The Group also continues spreading the green message to communities in which our business operations belong. During the year, employees participated in a parent-child painting workshop to beautify our Fanling Fan Garden site hoardings with creative drawings and green ideas, turning the site into a popular "check-in point". In the Race for Water event, by completing tasks related to the importance of water conservation at scenic spots around the city, our employees had a heightened awareness of the water scarcity crisis relevant to us locally.





DELIVERING BUILDINGS RESPONSIBLY

Sustainable Supply Chain

Our operations require us to work closely with a number of suppliers, sub-contractors, as well as property management agencies. We have been engaging with them so that they recognize their responsibilities to safeguard the environment and nurture positive relations with their workers and local communities.

During the year, SOCAM continued to engage with its supply chain partners regarding contract requirements in order to address sustainability issues and encourage them to improve their performance. We selected suppliers and subcontractors after evaluating their sustainability performances. We encouraged suppliers to adhere to green procurement procedures and their past records formed a solid reference during the tendering process.

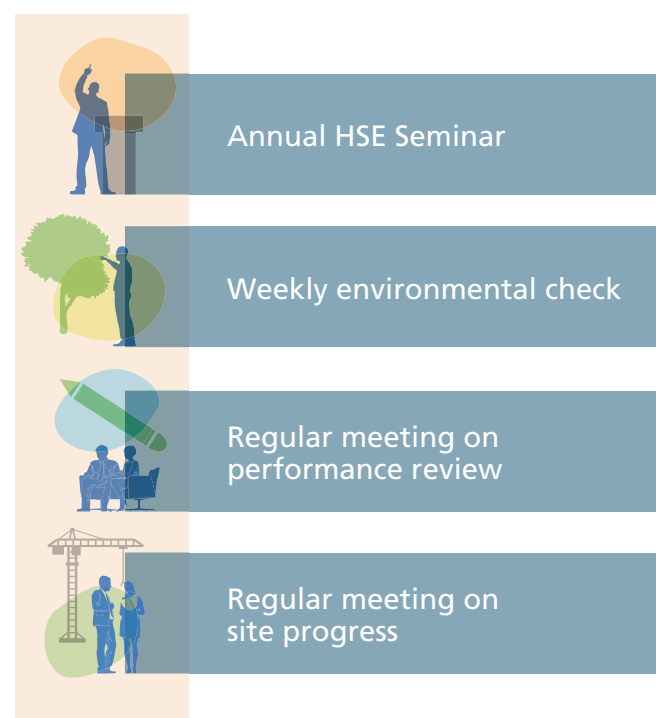
For our construction business, the Group requires sub-contractors to fulfil internal sustainability standards of waste reduction measures, including use of 100% B5 biodiesel, FSC or PEFC certified wood, etc. For property business, the Group is stringent when selecting property management agencies, to ensure a high level of service guarantee.

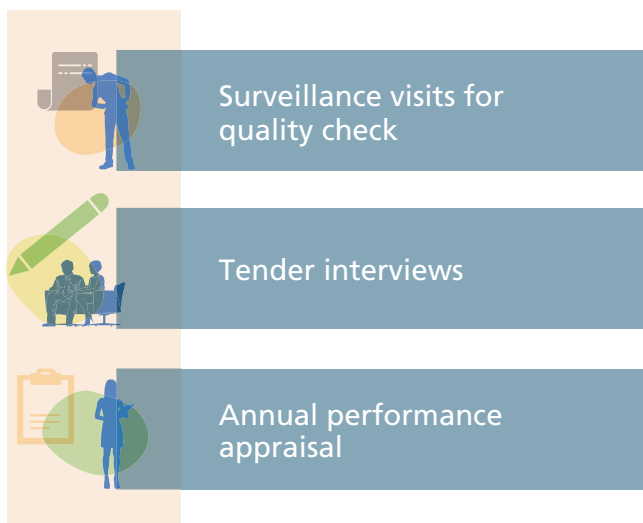
Engaging with Suppliers

To ensure systematic and effective supply chain management, we maintain ongoing dialogue with our sub-contractors through various channels.

For suppliers deemed to have not met our criteria or shown unsatisfactory performance, invitations for tenders may not be offered in the future.

Specific to our shopping malls, SOCAM attaches the highest importance to ensuring property management agencies operate to the highest standards in terms of all-rounded caretaking responsibilities and prevention and control of emergency situations. Our selection criteria focus on market reputation, competitive advantage, feasibility of operational plan as well as resources and commitment of the central team.





Number of Suppliers/Subcontractors

	Hong Kong	Macau	Mainland China
Construction	756	-	-
Interior fit-out	223	125	-
Property	-	-	90

Promoting Green Procurement

Aiming to mitigate carbon emissions and improve resources usage efficiency, the Group has been following a set of green procurement guidelines, promoting green procurement practices such as buying products that can be recycled, and use less packaging. We prioritise procurement of electrical appliances certified with first-class energy efficiency labels. All procurement items are subject to risk assessment before placing order to ensure efficient consumption of resources.

During the year, the Group spent approximately HKD7.5 million on green procurement for the Chai Wan Public Housing project, representing 1.3% of the total procurement amount of the project. These green procurement items include products certified by internationally recognized 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.

Product Responsibility

To consistently deliver quality construction and meet specifications, SOCAM has been adopting prefabricated panels and modules and various technological tools including Building Information Management, mobile checking app and RFID.

Use of prefabricated parts helps mitigate risks due to severe weather, limitations of site area and insufficient manpower, while generating less waste of building materials.

In terms of building design, the Group has adopted the Building Information Modeling (BIM). Use of digital modeling of buildings on computers has helped enhance efficiency of product development and management. The use of BIM has also reduced the use of paper and helped digitalise information, which ultimately increases productivity and helps achieve the goal of sustainable development.

By adhering to requirements of the latest ISO 9001:2015 Quality Management system, we ensure our Health Safety & Environment 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.

Management of Critical Equipment

SOCAM has established protocols that often go beyond legal stipulations for management and maintenance of critical equipment, such as electrical and fire service installations. We conduct annual inspection of fire-fighting equipment, regular fire drills and routine maintenance as required to prevent any breakdowns that not only interrupt operations but also constitute a potential threat to life and property.



CARING FOR OUR PEOPLE

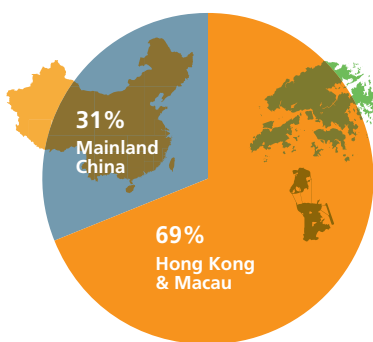
At SOCAM, we make determined efforts to provide our employees with rewarding careers, ensuring they have the opportunities to fulfil their aspirations and a safe and healthy workplace to thrive.

Workforce at a Glance

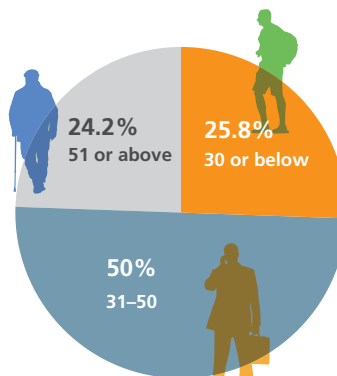
As at 31 December 2018, we had 1,062 full-time staff and workers based in Hong Kong and Macau, and 478 staff based in our project offices in Beijing, Guangzhou, Shanghai, Nanjing, Tianjin, Chongqing, Shenyang and Chengdu in Mainland China. Our construction division employs 1,016 people (2017: 1,051) while the property division employs 361 people (2017: 349). There are 163 staff mainly in corporate offices and other functions. Our employee turnover rate averaged 14.6% compared to 16% in the previous year.

Communications and regular dialogue with our employees are of prominent concerns, to ensure staff concerns are taken care of. During the year, we conducted an Employee Opinion Survey to seek feedback from our employees on aspects of work environment and satisfaction, communications and corporate image. Over 1,100 employees participated in the survey. Feedback will be used to drive ongoing improvements in our workplace practices.

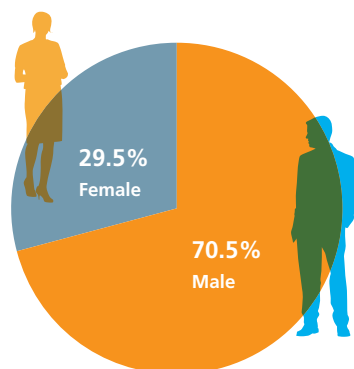
Total Number of Employees : 1,540 (as at 31 December 2018)



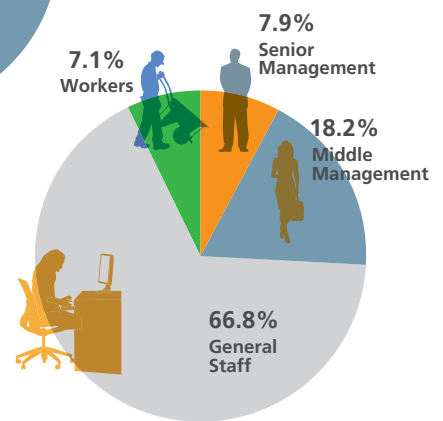
Geographic



Age



Gender



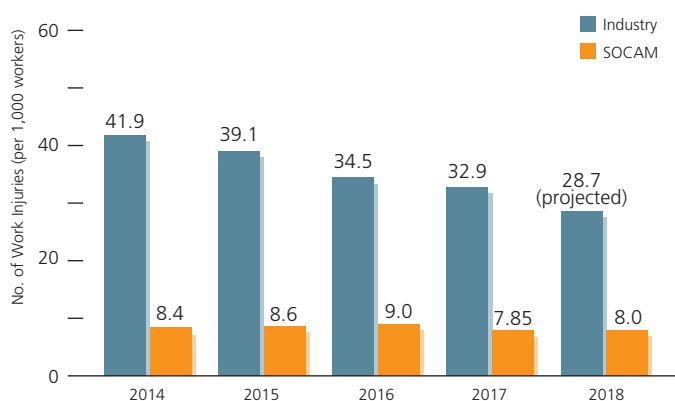
Employee Category

We uphold integrity and transparency in all our conduct. Our employment policy does not tolerate any forms of discrimination and harassment, while recruitment processes are undertaken with impartiality. Our staff are well-trained on the requirements laid out in our Employee Code of Conduct and Business Ethics Policy. A whistle-blowing mechanism is also in place for employees to report any incidents of misconduct or mistreatment. We prohibit the use of child labour and forced labour in our business operations.

Enhancing the Safety Culture

As a leading company in promoting safety in the industry, our Construction Division continued to place emphasis and resources in ensuring Occupational Health and Safety our top priority and we remain determined to constantly enhance our safety strategy and provide the best protection for our staff. In 2018, we continued to ensure a low accident rate at our sites, and achieved a single-digit accident rate of 8 cases per thousand workers as compared to the industry average of 28.7 cases (projected) per thousand workers, sustaining an accident rate below the industry average.

Accident Rate



8 Accident rate
(per 1,000 workers)
(2017: 7.85)

35 Work-related injury cases
(2017: 52)

0 Work-related fatalities

A total of 5,306 lost days were reported due to work injuries, lower than 8,965 days recorded in 2017.

During the year, the Group has been bestowed with several awards regarding occupational health and safety, such as the OSH Excellence Award presented by Occupational Safety & Health Council and the COO Safety Award presented by CLP Power, recognising our achievements in promoting workplace safety in 2018. We have further extended this safety culture to subcontractors.

The Group has a dedicated Health, Safety & Environment (HSE) Management Committee responsible for policy implementation as well as oversight of the safety management systems. The committee is responsible for systematic review of method statement and operational practices. Training needs were addressed along with a series of initiatives to reinforce site safety culture and in response to new legislations.

The Group has been formulating effective plans and initiatives to cultivate a safety culture within the Group. The table below shows our approach and initiatives:

Enhance workplace safety

- Half yearly survey by behaviour-based safety working group
- Red-yellow card disciplinary system
- Independent site inspections
- Reinforce noise monitoring and control



Strengthen safety training

- HSE management training course for sub-contractors in-charge
- Sharing of good site practices

Promote a safety culture

- Onsite dissemination of safety messages by senior management
- The Annual Health, Safety and Environment (HSE) Target Seminar

CARING FOR OUR PEOPLE

Highlights of Safety Initiatives in 2018

Safety First



Top management promotes "safety first" at sites.

New Uniform



To nourish a safety culture and strengthen the professional image, the Group designed a new uniform for our safety representatives.

Safety Representatives



Appointed safety representatives of the subcontractors to enhance the overall safety level on the site.

Talent Development

SOCAM's employees are a major pillar of our success and commitment to sustainability. We select people of competence from the open market, ensure fairness and retain them with attractive remuneration and welfare. We try our best to keep our employees motivated and grow with the Company. In 2018, our average voluntary attrition rate was 14.6%, which has fallen compared to 16.0% in the previous year.

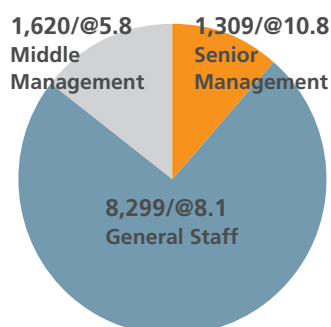
The Group encourages lifelong learning, a pillar of our corporate culture, Shui On Spirit, upon which our employees stay competitive. To help employees excel in their jobs, we provide wide-ranging opportunities and invest resources in training and developing our employees, from new staff orientation to programmes

which enrich employees' professional knowledge. We also provide tuition sponsorship and offer study leave when necessary to encourage our employees to pursue job-related external trainings. During the year, SOCAM organised 124 in-house programmes, which amounted to 11,228 hours in total.

Our comprehensive career development and training programme match our people's needs in various professions and levels. Three major career development programmes, namely Graduate Engineer Programme, Apprentice Programme as well as HSE Training Programme, continued to serve as vital talent pools for SOCAM, which coupled with the strong learning culture, contributed to the sustainable growth of the company. To further cater for individual needs, we have also implemented regular training programmes covering areas including professional knowledge, personal effectiveness, supervisory development, as well as e-learning and IT skills.

Total number of training hours:
11,228 (2017: 13,003)

Number of Training Hours by Employee Category



Career Development Programmes

Graduate Engineer Programme
Apprentice Programme
HSE Training Programme

Regular Training Programmes

Professional Knowledge
Personal Effectiveness
Staff Development
E-learning and IT skills
New Employee Orientation

Enjoyment of Work

The fun of learning is enhanced by sharing and the enjoyment of work is enhanced by a sense of belonging. We value each employee as a member of the Shui On family, and thereby their wellness. The Group encourages work-life balance, and supported a series of wellness initiatives including setting up an Interest Development Fund to encourage employees to develop their interest outside work. A number of activities were organised to arouse employees' awareness in physical as well as psychological fitness, ranging from annual

dinner, outdoor excursions, wellness talks, sport and festival events, and daily exercise.

During the year, our Recreation Club continued to organise various interest classes, leisure tours and celebration activities for enjoyment of our people. These leisure activities serve not only as a good relaxing balance but also engaging opportunities for personal development.



Outdoor
Excursions



CARING FOR THE COMMUNITY

SOCAM's community involvement covers mainly charitable donations and sponsorships that contribute to the communities in which we operate. We also actively encourage our employees to participate in volunteer services, predominantly focusing on youth development and elderly over the years.

Charitable donations HK\$ **1.5** million
2017: HK\$ 1.2 million

Total number of volunteering hours **2,367**
2017: 3,526

Total number of volunteers **387**
2017: 590

As a company with strong roots in Hong Kong, SOCAM has always valued our relationship with the stakeholders. We support fund-raising events organised by various non-governmental organisations and charities in Hong Kong and Mainland China. In 2018, as part of SOCAM's commitment to caring for the community, we donated approximately HK\$1.5 million to different community causes.

In terms of volunteering, the Shui On Seagull Club has, since 1982, proven to be effective in motivating

and mobilizing staff in the fellowship of goodwill for the benefit of the community. In 2018, 387 SOCAM participants contributed a total of 2,367 hours in serving the community.

The Group has been designated a 'Caring Company' for 13 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 and SOCAM Asset Management (HK) Limited.

	Youth	Elderly	The Underprivileged
Objectives	To empower the youth and to cultivate a caring culture for the generation to come	To bridge the gap between the elderly and the society	To spread our We Care spirit and promote social harmony
Commitments	Sponsored outstanding students through the Future Stars – Upward Mobility Scholarship	Festive outings with the elderly during Dragon Boat Festival	Supported seriously ill or injured children through sponsoring Ronald McDonald House Charities Hong Kong
	Sponsoring Child Development Initiative Alliance to equip the youth with necessary occupational skills Sponsored social enterprise, ONE TEN, aiming to boost teenagers' self-confidence	Organised a local visit to Tung Chung for the elderly, encouraging them to experience the community Organised a Spring Blessing Party for the elderly to promote sharing during festive seasons	Through The French Chamber Foundation, supported the working poor in Hong Kong through healthy meals, training/coaching and employment. Sponsored The Lighthouse Club Hong Kong in support of construction workers in need

Youth Development

Through extending our reach to youths and empowering our younger generation, we aim to enhance their personal skills and also to cultivate among them the seed of a responsible citizen for the years ahead. With this belief, SOCAM has supported an array of youth development programmes in Hong Kong and Mainland China.

ONE TEN, a social enterprise offering fitness classes to students to help them boost self-confidence and establish a positive attitude towards life, continued to be our partner this year. We also sponsored scholarships for outstanding students, including the Future Stars – Upward Mobility Scholarship by The Commission on Poverty and youth programmes by Child Development Initiative Alliance.

Unceasing Volunteer Efforts

By collaborating with different charity organisations in Hong Kong and Mainland China, Shui On Seagull Club spread our “We Care” spirit to the communities we belong to, and raised concerns over the wellbeing of the underprivileged groups.

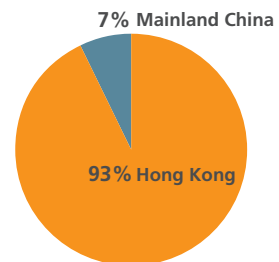
During the year, we engaged with the elderly and low income families, the disabled and orphans of the community through various means including celebratory events during festive seasons, as well as recreational outings.

Annual Charity Walk

In addition to direct corporate donations, we organise a company-wide charity walk every year to raise funds and promote the serving spirit among our employees. This year, our Annual Charity Walk raised HK\$160,000 for the St. James’ Settlement offering assistance to children with special needs in language learning.



Breakdown of Volunteering Hours by Region



Super Typhoon Relief Work

Our construction team participated in the relief work in Hong Kong after passage of Super Typhoon Mangkhut.

Mid-autumn Outing with the Elderly

We organised an outing for the elderly to admire the full moon and enjoy mooncakes together.



Walk for Children

Our employees in Shenyang joined the activity aiming to donate clothes for children.

Parent-child Fun Day

We held a series of interactive activities for a group of parents and children to encourage them to build close rapport.



HKEX ESG REPORTING GUIDE INDEX



General Disclosure and KPIs

Descriptions

Section/Remarks

A. Environmental

Aspect A1 Emissions

General disclosure	Information on the policies; and 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.	Carbon Emissions – Measuring Our Impact
KPI A1.2	Greenhouse gas emissions in total and, where appropriate, intensity.	Carbon Emissions – Measuring Our Impact
KPI A1.3	Total hazardous waste produced and, where appropriate, intensity.	No significant generation of hazardous waste during the reporting period.
KPI A1.4	Total non-hazardous waste produced and, where appropriate, intensity.	Reducing Waste and Conserving Resources
KPI A1.5	Description of measures to mitigate emissions and results achieved.	Reducing Waste and Conserving Resources
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	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 in total and intensity.	Carbon Emissions – Measuring Our Impact
KPI A2.2	Water consumption in total and intensity.	Carbon Emissions – Measuring Our Impact
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	Reducing Waste and Conserving Resources; Building a Green City Landscape
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for the purpose, water use efficiency initiatives and results achieved.	We source 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 and, if applicable, with reference to per unit produced.	The use of packaging material for finished products is not applicable to our Group's business

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
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

B. Social

Aspect B1 Working conditions

General disclosure	Information on the policies; and 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 employment type, age group and geographical region.	Workforce at a Glance
KPI B1.2	Employee turnover rate by age group and geographical region.	Workforce at a Glance

Aspect B2 Health and safety

General disclosure	Information on the policies; and 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.	Enhancing the Safety Culture
KPI B2.1	Number and rate of work related fatalities.	Enhancing the Safety Culture
KPI B2.2	Lost days due to work injury.	Enhancing the Safety Culture
KPI B2.3	Description of occupational health and safety measures adopted and how they are implemented and monitored.	Enhancing the Safety Culture



General Disclosure and KPIs	Descriptions	Section/Remarks
Aspect B3 Development and training		
General disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Talent Development
KPI B3.1	The percentage of employees trained by gender and employee category.	Talent Development
KPI B3.2	The average training hours completed per employee by gender and employee category.	Talent Development
Aspect B4 Labour standards		
General disclosure	Information on the policies; and 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
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 forbid child and forced labour 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.	Sustainable Supply Chain
OKPI B5.1	Number of suppliers by geographical region.	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.	Promoting Green Procurement
Aspect B6 Product responsibility		
General disclosure	Information on the policies; and 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.	Delivering Buildings Responsibly
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	There are no recalls concerning the provision and use of the Group's products and services.
KPI B6.2	Number of product and service related complaints received and how they are dealt with.	Product Responsibility
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual property rights are not material to our operations
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Product Responsibility
Aspect B7 Anti-corruption		
General disclosure	Information on the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Workforce at a Glance
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.	Workforce at a Glance
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 to the community.	Caring for the Community
KPI B8.2	Resources contributed to the focus areas.	Caring for the Community

