

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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Better Economy

Better Community

Better Environment

BUILDING A BETTER TOMORROW

SUSTAINABILITY AT SOCAM

“ We embrace sustainability with the strategy “Better Tomorrow 2030”, transforming challenges into opportunities for continuous growth and stakeholder values. ”

As the world is steadily recovering from the post-pandemic era, our strategic vision has been guiding us navigate through tough and challenging times heading towards a sustainable future.

SOCAM has embarked on its first sustainability development strategy, “Better Tomorrow 2030”, to integrate purpose into the core business. United as a team, we are committed to drive the change, and evolving into a business that is both sustainable and robust. By innovating continuously, we aim to bring forth benefits and positive outcomes for our workforce, the industry and to the broader community.

SUSTAINABILITY STRATEGIES AND GOVERNANCE

Alignment with United Nations’ Sustainable Development Goals (SDGs)

SOCAM has exhibited sustainable development by aligning our efforts with the SDGs. By integrating the principles and targets of the SDGs into our business practices, SOCAM aims to contribute to the global agenda of creating a more equitable, inclusive, and environmentally responsible world.



SDG 8: Decent Work and Economic Growth

- The Group ensures a safe and healthy working conditions for its employees, and fair labour practices.
- We adhere to labour laws and regulations, offering fair wages, benefits, and opportunities for career advancement.



SDG 11: Sustainable Cities and Communities

- SOCAM focuses on designing and constructing buildings and infrastructure that minimise environmental impact and promote energy efficiency.
- This includes incorporating green building practices, such as the use of sustainable materials, energy-saving and smart construction technologies and efficient water management systems.



SDG 9: Industry, Innovation and Infrastructure

- Through responsible construction practices, SOCAM actively adopts sustainable and smart construction methods, leveraging innovative technologies, and building resilient infrastructure that meets the needs of present and future generations.



SDG 13: Climate Action

- The Group prioritises sustainable building designs and incorporates green technologies to reduce energy consumption and greenhouse gas emissions.
- The Group integrates climate adaptation measures to ensure that its buildings and infrastructure can withstand the impacts of climate change, such as extreme weather and flooding.

ESG GOVERNANCE STRUCTURE

Board Statement

The Board, through the Audit Committee, oversees the overall management of ESG and climate-related risks. This entails the formulation and implementation of the board's ESG management approach and strategy, which includes evaluating, prioritising, and effectively managing material ESG-related issues. Furthermore, the board regularly assesses the progress made towards achieving ESG-related goals and targets. This framework enables a structured approach to risk identification and management across the organisation, with ongoing monitoring and regular reviews.

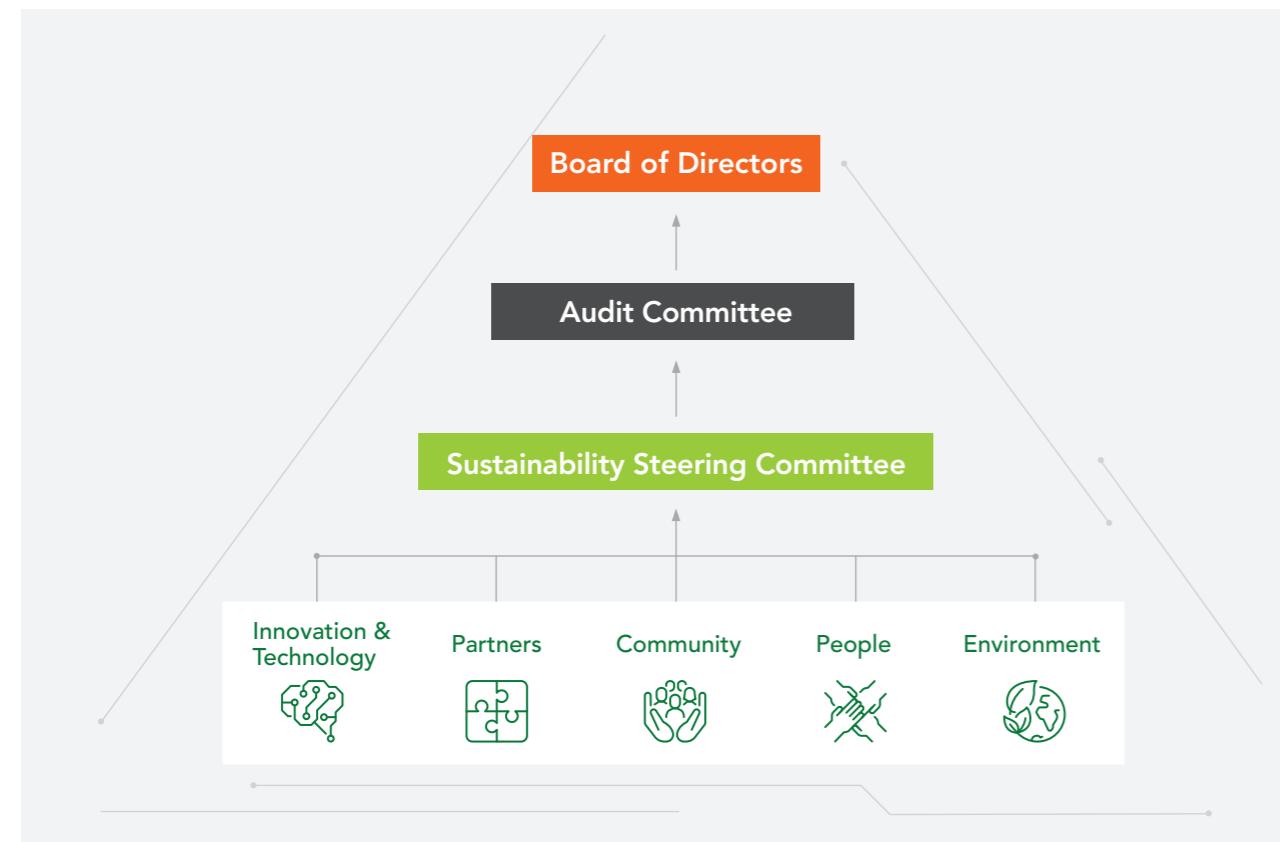
The Sustainability Steering Committee, comprising the CEO, different business and functional unit heads and supported by five ESG sub-groups, oversees SOCAM's ESG performance, the Committee implements appropriate measures, monitors performance, and

considers stakeholder feedback regularly to drive continuous improvement. It also evaluates and prioritises material ESG risks and opportunities, reporting to the Audit Committee biannually.

The Audit Committee provides regular updates to the Board on progress towards ESG-related targets and the management of the Group's sustainability performance, presenting a clear sustainability roadmap.

In line with our sustainability policy, the Group ensures that the Committee regularly evaluates the policy to allocate all necessary resources and expertise for effective implementation.

The diagram below provides an illustration of the Group's governance infrastructure, including how the Board's strategy is cascaded and implemented throughout the organisation.



STAKEHOLDER ENGAGEMENT

The Group highly values its stakeholders and their feedback regarding its business and ESG performance. To understand and address their key concerns, the Group has maintained close communication with its key stakeholders, including but not limited to shareholders and investors, regulatory institutions, sub-contractors and suppliers, buyers and tenants, clients, employees as well as communities. This close communication is further bolstered by conducting an online survey to gauge the perceptions of stakeholder groups regarding the impact our operations have on them.

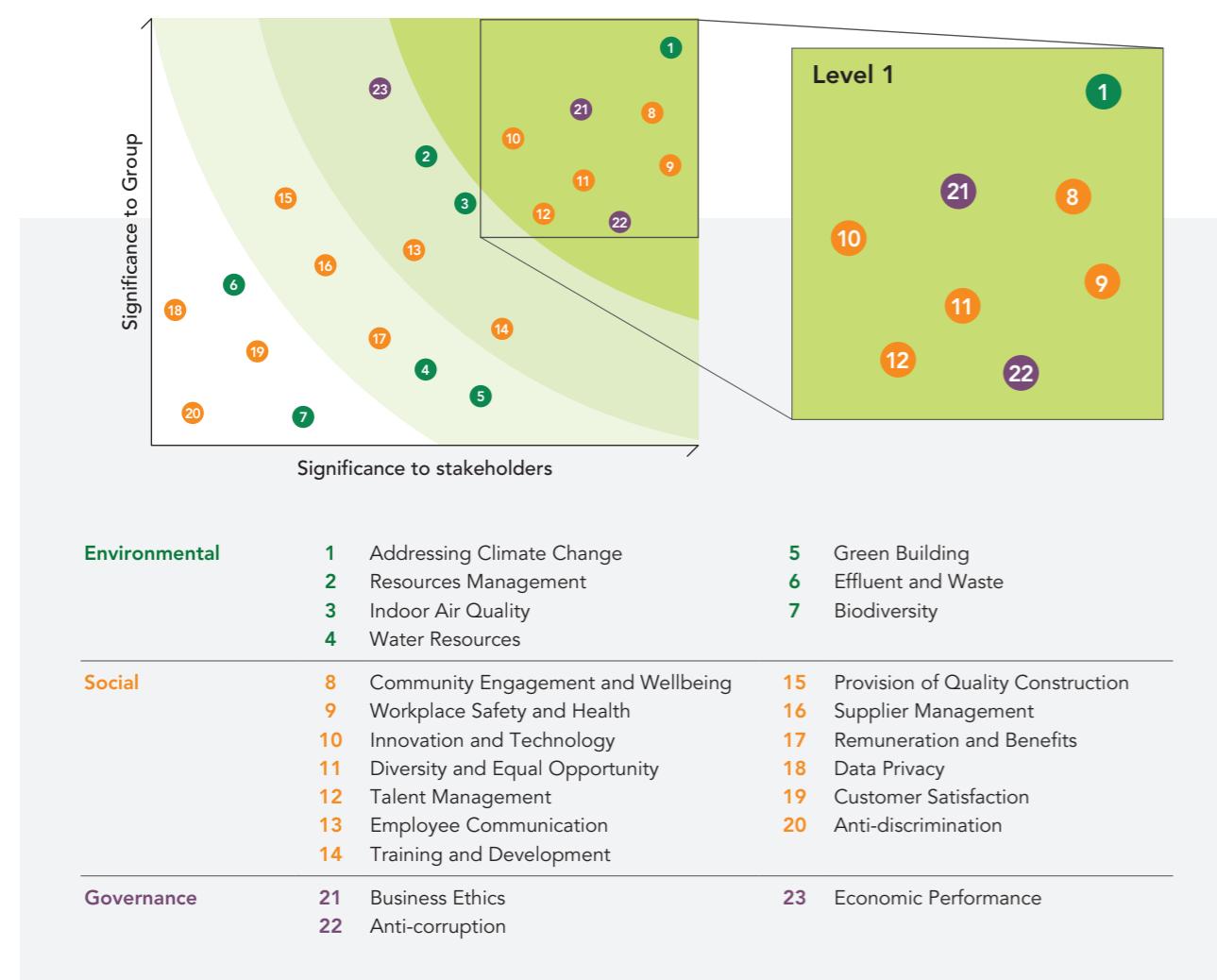
In formulating operational and ESG strategies, the Group considers stakeholders' expectations through a diverse range of engagement methods and communication channels, as shown below:

Major Stakeholders	Stakeholders' Expectations	Engagement & Channels
Internal Stakeholders Employees 	<ul style="list-style-type: none"> • Good working conditions • Personal development • Health & safety • Communication & Support 	<ul style="list-style-type: none"> • Training and development programmes • Intranet revamp and e-news • Biannual performance reviews • Employee opinion Survey • Safety training
External Stakeholders Clients 	<ul style="list-style-type: none"> • Compliance • Quality • Collaboration • Health & Safety • Sustainability 	<ul style="list-style-type: none"> • Regular meetings and reviews • Customer service hotline • Social media • Code of Business Conduct • Safety governance and measures
Buyers and Tenants 	<ul style="list-style-type: none"> • Price quality • Services 	<ul style="list-style-type: none"> • Customer meetings • Customer service centre • Mechanisms to address complaints
Sub-contractors and Suppliers 	<ul style="list-style-type: none"> • Partnerships • Relationship building 	<ul style="list-style-type: none"> • Supplier evaluation meeting • Supplier audit
Shareholders and Investors 	<ul style="list-style-type: none"> • Transparency • Financial Results 	<ul style="list-style-type: none"> • Annual general meeting • Announcements and circulars • Website & financial reports
Regulatory Institutions 	<ul style="list-style-type: none"> • Compliance • Transparency • Sustainability 	<ul style="list-style-type: none"> • Specific report • Face to face meetings • ESG Report
Community 	<ul style="list-style-type: none"> • Wellbeing • Communication & Support 	<ul style="list-style-type: none"> • Community partnership • Employees' volunteering activities • Sponsorships and donations

MATERIALITY ASSESSMENT

Material issues in this Report refer to what may have a significant impact on the Group's business operations or have an actual impact on stakeholders. To identify and prioritise these issues, the Group conducts an online survey in every two years, with findings presented in the materiality matrix below, and subsequently aligned with the Group's business nature. These results serve as important reference for strategies, targets, and disclosures. Notably, this year's matrix builds upon the results from last year.

We maintain open and transparent communication with our stakeholders to ensure their feedback is properly and effectively addressed. To fully understand and compile the sustainability topics that are material to SOCAM, we selected a range of key stakeholders based on expertise and working relationships, including employees, suppliers, customers, investors, academicians, media, non-government organisations, and consultants/think tanks to conduct a formal materiality assessment. A survey was carried out every two years and in 2023, involving more than 150 stakeholders in the region to gather insights. SOCAM's top material topics were identified and prioritised through this process and are disclosed in the matrix below.



THE THREE PILLARS OF "BETTER TOMORROW 2030"

“ We strongly believe that today's actions will shape a better tomorrow ”

SOCAM is committed to contributing to a better tomorrow by 2030 through its ESG strategy. We have identified our ongoing initiatives within three pillars that are relevant to our businesses.



2023 ACHIEVEMENTS

Gold, Merit Award

Renovation & Maintenance Works – CISAS

We were proudly awarded the Renovation & Maintenance Works (Gold, Merit) and the Outstanding Performance in Work-at-height Safety Awards for 2022/2023. This recognition by the Construction Industry Safety Award Scheme (CISAS) underlines our unwavering commitment to maintaining the highest safety standards and fostering a strong culture of safety within our construction practices.

The Green Building Award 2023 (GBA 2023), a collaborative effort between the Hong Kong Green Building Council (HKGBC) and the Professional Green Building Council (PGBC), has brought our Group prestigious accolades. We have won a Grand Award and a Merit Award, and we have also been named a Finalist at the GBA 2023.



Drainage Services Department Office Building



Kwu Tung North Multi-welfare Services Complex



The Revitalisation of Central Market

Merit Award

New Buildings Category – GBA 2023

Drainage Services Department Office Building at Cheung Sha Wan Sewage Pumping Station

The DSD building is an exemplary green building incorporating sustainability, energy efficiency, and occupant wellbeing into its design and operation. Its merits under the judging criteria for the Green Building Award make it a worthy recipient of recognition and a role model for future green building projects.

Grand Award

Existing Buildings Category – GBA 2023

The Revitalisation of Central Market

In 2021, an 80-year-old wet market building in Hong Kong was meticulously restored and preserved. This project earned a BEAM Plus Interiors Gold rating for its integration of community-focused amenities and environmentally friendly features. Using Building Information Modelling (BIM) 7D for the design, construction, operation, and management phases,

our project team revitalised the historic structure. It now serves as a vibrant community hub that creates a seamless connection between the Mid-levels and the Harbour front in the Central District.

Finalist

New Buildings Category – GBA 2023

Kwu Tung North Multi-welfare Services Complex

The project, overseen by ArchSD, was entrusted to Shui On Joint Venture (SOJV) for the design and construction of the Complex starting in December 2019 and reaching completion by December 2022. In a bid to minimise construction waste, our team employed advanced methodologies such as Modular Integrated Construction (MiC) and Multi-trade Integrated Mechanical, Electrical, and Plumbing (MiMEP). We also pioneered the use of carbon emission-free battery capacitors, known as Entertainers, as substitutes for conventional diesel generators to provide power to the site. To enhance natural lighting inside the building while minimising thermal transmission, the Complex's façade features extensive vision glass, utilising tinted or low-E glass panels. Moreover, the building's H-shaped design promotes effective cross ventilation, ensuring a comfortable and eco-friendly environment throughout.



PILLAR ONE



BETTER ECONOMY

“ Building the future with smart technology, integrity, and economic vitality.

SMART CONSTRUCTION

With Hong Kong grappling with a severe housing scarcity and spatial limitations, SOCAM is addressing this issue head-on by employing advanced construction methods. We are at the forefront of using innovative techniques including Modular Integrated Construction (MiC) and Building Information Modeling (BIM). This results in improvements in project efficiency, cost reduction and reduction of material wastage.

Showcase 1: Crafting a Sustainable Future

Kwu Tung North Multi-Welfare Services Complex Project

The Kwu Tung North Multi-Welfare Services Complex serves as a prime example of our dedication to innovation, especially through the deployment of Modular Integrated Construction (MiC) method. This innovative approach has been instrumental in constructing an 8-storey building that provides 1,750 units of care homes for the elderly and disabled persons, ensuring both sustainability and quality of life for the residents.

The Project adopts Entertainers (electric energy generator) to operate four heavy-duty tower cranes for lifting and assembling MiC modules to reduce the air and noise pollution caused by diesel generators, bringing a quieter and safer site with zero carbon emission. Most of

the construction works took place during the COVID-19 pandemic when hygiene was top of our priority. To safeguard workers' health, the Group procured an air disinfection robot (Mist-bot) to disinfect the construction site area and workers' canteen on a regular basis. The Group also adopts an automated material delivery robot to assist workers in transporting heavy materials. As a result, transportation time can be reduced, and possible injuries of the workers caused by manual handling can be avoided.

Showcase 2: Serving the Community

Public Housing Development at Anderson Road

MiC construction techniques was also employed in Public Housing Project at the Anderson Road in East Kowloon. Upon completion in 2025, the Public Housing Project at the Anderson Road will provide 1,410 public rental housing units and car parking spaces.

Public Housing Developments Project at Anderson Road





Transitional housing development in Kam Tin

Showcase 3: Fast-Track Living

Transitional Housing Development in Kam Tin

The Transitional Housing at Kam Tin, which has 1,028 housing units in total, fully adopts steel MiC.

Modular Integrated Construction (“MiC”)

Modular Integrated Construction (“MiC”) is an innovative construction method, it refers to a construction whereby free-standing integrated modules are manufactured in a prefabrication factory and then transported to site for installation as part of a building.

In 2023, SOCAM successfully completed two MiC construction projects, including the Kwu Tung North Multi-Welfare Services Complex Project and Transitional housing development in Kam Tin. The construction of Public Housing Developments at Anderson Road, which will be the pioneer public housing project using MiC upon completion in 2025.

By leveraging advanced technology, SOCAM has enhanced overall project efficiency. The utilisation of off-site fabrication and modular assembly has allowed for simultaneous on-site and off-site works, effectively speeding up the construction process. Notably, the

completed Transitional Housing development in Kam Tin and the Kwu Tung North Multi-Welfare Services Complex Project maximised effectiveness of MiC technology.

The adoption of MiC in these projects has brought forth additional economic benefits. Standardisation and precision in module production have led to reduced material waste and improved resource management. This streamlined approach has contributed to site-safety, and drive sustainability in the long run.

Building Information Modelling (“BIM”)

Building Information Modelling (“BIM”) is a digital process that involves creating and managing a detailed virtual representation of a building or infrastructure project by incorporating 3D models and intelligent data. BIM enables better coordination among project stakeholders and reduce errors to drive improved project outcomes, safety, and digitalises the entire building lifecycle.

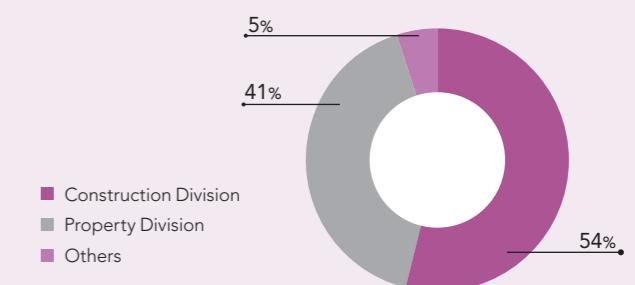


Rapid adoption of AI technologies and tools

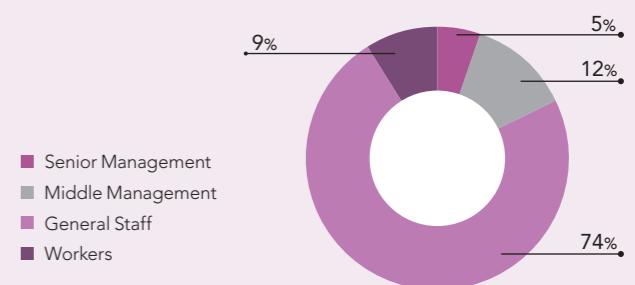
TALENT DEVELOPMENT AND ENGAGEMENT

Talent attraction is crucial for the transformation of the construction industry, and to ensure a skilled and capable workforce. At SOCAM, we offer development opportunities and strengthen trainings to address the workforce challenges, and ensure our people can grow with the Company. We embrace technology, demonstrate a commitment to innovation, and provide opportunities to work with cutting-edge technologies that attract tech-savvy individuals to the industry.

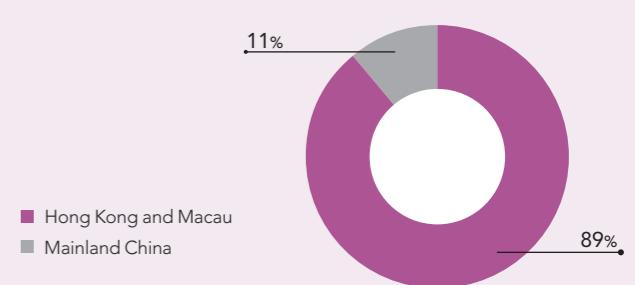
Business Lines



Employee Categories



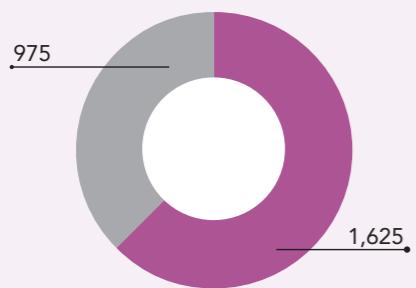
Geographical Region



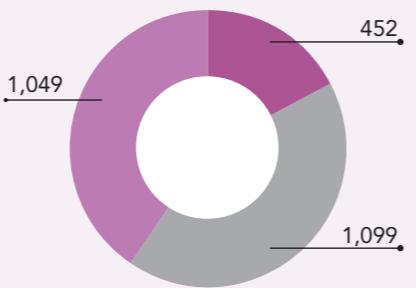
Employee Distribution

GROUP-WIDE
2,600 PERSONS

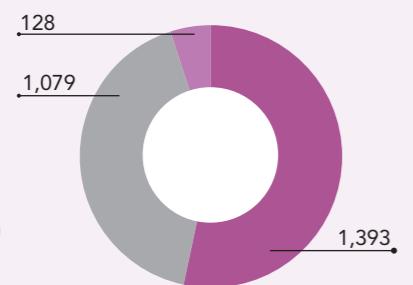
Gender



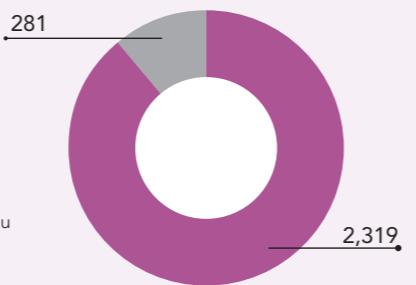
Age Group



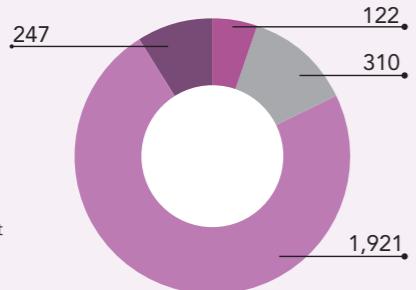
Business Lines



Geographical Region



Employee Category



Employee Turnover Rate (%)

By Group-wide

15.1%

By Age Group

Under 30	4.5%
30 – 50	6.2%
51 or above	4.4%

By Gender

Male	9.6%
Female	5.5%

By Geographical Region

Hong Kong	29.4%
Mainland China	4.1%
Macau	11.8%

INTEGRITY AND ETHICS

SOCAM's Corporate Culture

SOCAM is committed to a corporate culture that embraces integrity. We strive to conduct all business affairs in accordance with the highest business ethics standards, acting as a socially responsible company and a good corporate citizen. Our management is fully committed to the continuing enforcement of and compliance with the "Code of Business Ethics", and to ensure employees acknowledge and compliance. During 2023, no concluded legal cases regarding corrupt practices brought against the Group or its employees have been identified.

Whistleblowing Policy

To prevent any malpractice or misconduct, particularly in relation to bribery, extortion, fraud, and money laundering, the company has established a comprehensive Whistle-blowing policy. This policy governs the procedures and guidelines for reporting such incidents within the organisation. We have also provided reporting channels on our company website to cater to the diverse stakeholders of the organisation. These channels enable stakeholders to report any suspected instances of misconduct, ensuring that a transparent and accountable culture is maintained throughout the company.

Anti-Corruption Training

Construction projects involve the creation of buildings and infrastructure that directly impact public safety. Adhering to high ethical standards ensures that safety regulations and standards are followed diligently. Maintaining integrity and ethics is essential for ensuring the delivery of high-quality projects. New joiners receive training as part of their induction programs. Regularly we provide education and training programmes on ethics, integrity, and professional behavior that can raise awareness and promote a culture of ethical conduct within the Group. In 2023, over 280 hours anti-corruption related training has been provided to our employees and directors.

Our Policies

Code of Business Ethics

The Group has established the Code of Business Ethics to guide our employees in achieving the highest standard of integrity, conduct and professionalism, and we require all our business partners to understand, and share the same value and commitment in building a fair business environment.

Anti-Corruption Policy

The Board sets a tone of zero tolerance towards fraud and corruption. The Group's Employee Handbook states guidelines that require employees to comply with all applicable rules on conflicts of interest, insider dealing, anti-competition and anti-corruption. It demands strict adherence from every employee to applicable laws, rules, and regulations in the jurisdictions in which the Group operates.



PILLAR TWO

BETTER COMMUNITY

“ At SOCAM, people are our greatest asset ”

OCCUPATIONAL HEALTH AND SAFETY

A Responsible Employer

At SOCAM, work safety is top of priority. The Group places utmost importance on safety training and cultivating a safety culture, and remains dedicated to increase the most stringent site safety measures and audits to safeguard the lives and well-being of our employees and workers.



OUR SAFETY PERFORMANCE AND NEW ACTIONS OVERVIEW

Number of Training Participants Have Increased 30%

187,522 (2023) vs 144,026 (2022)

Enhance Safety Governance

Established a new Safety Committee for Site Mechanics

Overachieve in Our Target of Reducing Accident Rate

3.3 vs 3.5 cases (Target) per 1,000 workers

Newly Opened “Ping Che Training Centre”

Conducted 5,200 hours of safety training in 2023

AI Monitoring System

Leveraging AI technology to detect and supervise high-risk work to reduce accidents.

Conduct Import Labour Safety Training

For direct labour in Mainland China and Hong Kong for around 1,890 hours by the end of February 2024.

Launch New Initiative on “Supervisor Safety Behavior”

To encourage outstanding supervisory safety culture

Smart Site Safety System (4S)

Integrate IoT devices for seamless connectivity to enhance workplace safety



187,522 PARTICIPANTS ATTENDING OUR SAFETY SEMINARS AND WORKSHOPS

Embracing Safety Training

Effective training programs are crucial for our safety performance, as they equip employees and workers with the necessary skills, knowledge, and safety protocols to address the changing work environment, and to meet the highest standards of quality and professionalism in the industry. Throughout 2023, SOCAM implemented major improvement actions to strengthen safety awareness among its workforces. To enhance the skills and knowledge of frontline personnel, we provided extensive Project Level HSE Training, with a remarkable attendance of 187,522 number of attendees. We paid special attention to new joiners, and the imported labour from the Mainland China starting 2023, accumulating approximately 1,890 training hours by the end of February 2024.

Ping Che Training Centre

We are dedicated to provide adequate safety training to all frontline supervisors and management, and consistently increase safety awareness. With the set up of a Training Centre in Ping Che since 2022, which provide a space for us to conduct continuous and disturbance free training, we conducted a series of Corporate Safety Training sessions on safety management, and provided 5,200 hours of safety training to more than 1,300 participants.

Reducing Accident Rate

We see the urgent need for safety awareness education, and against our set target, SOCAM has lowered the accident rate to 3.3 cases/1,000 workers which was ahead of our set target in 2019. Nevertheless, we record a fatal incident in March 2023. While we have taken prompt actions to strengthen supervision and stress on protective measures, we also heighten workers awareness through intensive training and more stringent guidelines and in-house safety rules.



ACCIDENT RATE:
3.3 vs 5.3 (baseline 2019)
(cases per 1,000 workers)



The Group encourages life-long learning

Online Safety Training Platform – Anytime, Anywhere

Online safety training that utilises AI for demonstration offers advantages and enhances employee awareness. Our efforts on health and safety training with increasingly large number of participants highlights our commitment to keeping sites safe through intense engagement and adopting good practices.

Smart, Site, Safety System (4S)

Digital technology tool has been highly instrumental in building a safer and greener future. In 2023, we launched the 4S system and applied to our projects. It utilises 5G and other cutting-edge technologies to provide a stable and reliable network and platform, connecting various smart devices and system. This allows a close monitoring of the construction sites 24/7 and triggers alert immediately on potential hazards issues. By utilising advanced technology, wearable devices for workers such as smart helmets and smart watches, logistics and total number of workers, etc can improve work efficiency and keep site team up to date with the latest system updates.

Leveraging Artificial Intelligence (AI)

Adopting innovative technologies such as the Internet of Things (IoT) sensors, artificial intelligence (AI), and mobile applications into construction safety practices allows real-time monitoring. AI-powered cameras and sensors are used to monitor and alert workers and site management to potential safety hazards on site.

Management Visit

Our management team, led by the CEO and Directors, conducts visits to construction sites regularly. It provides an opportunity to directly communicate with the construction team, fostering a sense of engagement, motivation, and teamwork. By being physically present at the construction site, Management can assess the execution and latest on-site practices and provide guidelines. Strong relationships foster a positive working environment and can lead to enhanced collaboration, improved safety and successful project outcomes.



Employees gather together after training at the Ping Che Training Center

New Initiative – “Supervisory Safety Behaviour Award”

SOCAM launched a new award program “Supervisory Safety Behaviour” to recognise exceptional supervisory performance. This initiative aims to further motivate and encourage supervisors to prioritise safety in their day-to-day responsibilities, driving a culture of safety throughout the organisation.

EMPLOYEE CARE

Enhanced Employee Engagement by Technologies

Effective employee communication, enhanced by technology, plays a vital role in attracting and retaining talent in SOCAM. In 2023, SOCAM launched a revamped intranet to provide a space for employees to connect and engage with teammates, strengthening their sense of belonging.

Digitalisation of Appraisal System

In 2023, we replaced our existing paper-based appraisal system with a digital one, which is a big step towards total integration with our other internal systems. Clear communication about company goals and objective, project updates and other important information helps employees understand their roles in the organisation.



Joined hands with CIC to promote safety

“ To ensure our business run in a sustainable manner, we've been actively encouraging feedback, seeking improvement and sourcing green solutions. The adoption of building technologies, reinforcement of safety training and awareness, demonstrate our continuous pursuit of work safety. ”

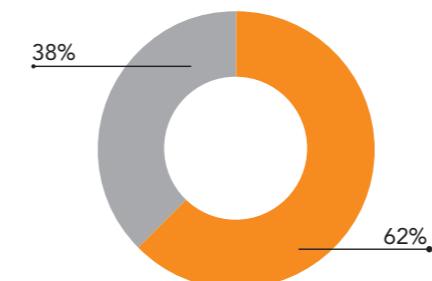
Mr. Freddy Lee

Chairman, Sustainability Steering Committee

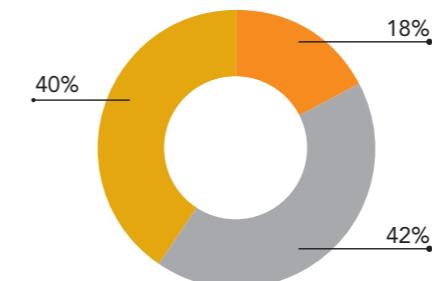
Employee Well-being

Focusing on employee well-being will contribute to creating a positive work environment and fostering employee loyalty and engagement. Employee well-being initiatives and work-life balance programs shows that the company cares about the holistic needs of its workforce. Regular updates on wellness programmes, flexible work arrangements, and support systems contribute to employee satisfaction and retention.

Gender



Age Group



Employee Training Hours

44,809



Employee Training Rate

87.6%



Safety Training Participants

187,522



Developing People

SOCAM has developed a comprehensive learning and development strategy identify learning needs, prioritise development programmes and talent development initiatives. Our strategy encompasses a wide range of skills, covering leadership, management, technical expertise, professional, health and safety training, with the primary objective of nurturing individuals with high potential to become future leaders.

By investing in training programmes, we aim to develop the capabilities of our existing workforce and provide opportunity for our employees to bridge the skills gap, increase productivity, and build a skilled and capable workforce to support business growth.



Cycle for Millions 2023



Shui On Innovation Fund aims to nurture a new generation of technology innovators

COMMUNITY PARTNERSHIP

In March 2023, we entered into a Memorandum of Understanding (MOU) with the Global Institute for Human Rights and Development (GIHRD) to collaborate on projects for better career planning for secondary school students. The main objective of these projects is to empower the youth and lead them to the right path to reach their potential. We have extended invitations to about 90 secondary school students to be a part of this programme.

Partnership with HKMU

The growing interest of university students in housing-related social issues, driven by rising housing costs, housing inequality, and social justice concerns, reflects a collective recognition of the fundamental right to affordable housing and a commitment to advocating for

equitable housing policies and initiatives. This increased awareness has led Hong Kong Metropolitan University (HKMU) students to actively engage in discussions and actions surrounding these issues. Through collaboration with our transitional housing project, the students produced a video to actively contributing to the broader dialogue on housing affordability and social equity, aiming to create positive change and improve the lives of individuals and families in the long term.

Volunteer Activities

The Group recorded a notable surge in volunteer activities and hours in 2023, with a particular focus on providing support to the elderly and the under-privileged. Recognising the evolving needs of the community in the aftermath of the COVID-19 pandemic, the Group actively collaborates with NGOs to promote volunteer work, and significant resources towards increasing volunteer hours and organising activities that aim to enhance well-being, combat social isolation, and foster meaningful connections within the community. Throughout the year, a total of 367 staff members participated in volunteer work, collectively contributing 1,128 volunteer hours. These dedicated efforts have allowed the Group to make a positive impact within the construction industry and actively address the needs of the community.

Volunteering Hours

 **1,128** (2022: 241)
(2021: 792)

No. of Employees Volunteered

 **367** (2022: 220)
(2021: 313)

Donation

 **HK\$1.5 million**
(2022: HK\$2.1 million)



Shui On Seagull Club spreading love and care to the elderly residents at Kwu Tung project



Shui On Football Friendship Tournament

Summary of Volunteering Activities 2023

Event name	NGO Partners
Construction Industry Fun Run 2023	Construction Industry Council
Chinese New Year Celebration Day	Hong Kong Society for the Disabled - Jockey Club Shatin Youth Integrated Services Centre
Rise and Shine Football Friendship Tournament	Hong Kong Young Women's Christian Association, The Salvation Army
Emergency Support for Earthquakes in Turkey and Syria	UNICEF Hong Kong
Battle of Water Carriers 2023	Drops of Life
2022 Online Charity Walk Fundraising Instrument Presentation Ceremony	Christian Family Service Centre
Forest Regeneration Tree Planting Day	The Mushroom Initiative
Construction Industry Banquet in 18 Districts	Hong Kong Construction Association
Dragon Boat Festival Songsi Event	Hong Kong Young Women's Christian Association, Heep Hong Society
Love Continues • Mid-Autumn Celebration	Caritas East Point Elderly Centre
Parent-Child Coastal Cleanup Activity	Plastic Free Seas
Construction Industry Banquet and Lucky Bag Distribution Event	Hong Kong Construction Association, Registered Specialist Trade Contractors Association
Pink Dress Day 2023	Hong Kong Cancer Fund, Hong Kong Young Women's Christian Association
Shui On Seagull Club Charity Walk Fundraising	Hong Kong Sheng Kung Hui Yan Lam Day Centre

Support Our Local Construction Industry

As part of our commitment to corporate social responsibility, we actively collaborate with industry stakeholders. We enthusiastically participated in the Construction Industry Sports & Volunteering Programme, an initiative launched by the CIC (Construction Industry Council). Our contribution involved providing hundreds of meal boxes, affectionately known as Lo Pan Rice, to underprivileged families. This ongoing campaign aims to alleviate the financial burdens faced by those in need.



PILLAR THREE

BETTER ENVIRONMENT

“ Building today for a Sustainable Tomorrow ”

By taking proactive measures in the building green supply chain, climate action such as reducing greenhouse gas (GHG) emissions, we aim to mitigate climate change effects. SOCAM adopts sustainable construction practices to minimise our carbon footprint. The Group is accredited ISO14001, an environmental management standard to ensure effective environmental management practices.



Carbon Intensity

 **IN PROGRESS (+18%)**

Target : Lowering the carbon intensity 25% by 2024 using 2020 baseline

Waste Generation

 **ACHIEVED (-30%)**

Target : Lowering the waste generation 25% by 2030 using 2020 as baseline

Waste Intensity

 **ACHIEVED (-51%)**

Target : Lowering the waste intensity 25% by 2030 using 2020 as baseline

FROM GREEN SOURCING TO GREEN BUILDING

Green Supply Chain ranges from green sourcing to green building practices. It involves the selection of environmentally friendly building materials and the utilisation of advanced techniques such as Building Information Modeling (BIM) and Modular Integrated Construction methods (MiC).

We started to prioritise procuring materials and resources from environmentally responsible suppliers, considering factors such as the supplier's sustainability practices, carbon footprint, and adherence to ethical standards such as human rights and labour standards. This will help reduce the environmental impact and social risks of our supply chain, and promote sustainable practices throughout the industry in the long-run.

Carbon Reduction Target Group

Recognising the importance of environmental sustainability, we establish a dedicated carbon reduction target group in 2024. This group will focus on developing practical strategies for carbon reduction, exploring new technologies and practices that align with our sustainability goals, in order to seek innovative solutions to reduce our carbon footprint.

As mentioned in the section of "Smart Construction", the integration of BIM and MiC techniques enables SOCAM to optimise energy performance, resources and waste management during the project's life cycle. This covers accurate energy modeling and simulation, identifying energy-saving opportunities, and implementing energy-efficient systems. Energy-efficient buildings contribute to reduced energy consumption and greenhouse gas emissions, and mitigate the negative environmental impacts associated with our construction activities.

Use of Enertainer

Enertainer is the world's first purpose-built construction energy storage system. It offers several advantages over diesel generators, including a smaller size, near-silent operation, zero emissions of dark smoke, and a potential reduction of up to 85% in carbon emissions (equivalent to 200 tonnes CO₂ per year).

Enertainers were deployed in our major construction sites currently. As part of our commitment to sustainability, we are actively transitioning our construction projects from diesel generators to Enertainer systems. This strategic shift will enable us to reduce environmental impact and promote cleaner and more efficient energy solutions in our future endeavors.



Local Suppliers Preference

SOCAM is dedicated to local procurement, enhancing efficiency, and integrating sustainable development into the Group's business model. In our procurement process, we prioritise local suppliers and environmentally friendly products and services to minimise the carbon footprint associated with cross-border delivery. This approach reflects our dedication to responsible sourcing and underscores the Group's commitment to environmental stewardship.

Number of Subcontractors and Suppliers

Construction in Hong Kong

744

Property in Mainland China

173

Interior Fit-out in Hong Kong and Macau

342

Total

1,259

(2022: 1,247)
(2021: 1,129)



COMBATING CLIMATE RISK

Extreme weather conditions from the changing climate will inevitably affect us and our stakeholders to varying degrees of severity. Technological advancement will disrupt the competitive landscape. More stringent policies will be enacted to regulate sustainable business practices and restrict carbon emissions. With a number of market changes in sight, SOCAM has developed mitigation strategies to deal with the climate-related risks and opportunities involved.

The disclosure framework originally proposed by the Task Force on Climate-related Financial Disclosures (TCFD), later adopted by the International Sustainability Standards Board (ISSB), is largely consistent with the four elements of sustainable development disclosure framework. In terms of interpretation, it builds upon the TCFD's climate-related factors disclosure and elevates it to the level of sustainable development.

Areas	Actions by SOCAM
Governance	Under the leadership of the CEO, the Sustainability Steering Committee responsible for evaluating ESG-related risks and opportunities, including climate-related concerns, reports its findings bi-annually to the Audit Committee. Subsequently, the Audit Committee reports to the Board, which holds oversight over ESG and climate-related matters, as well as the corresponding strategies.
Strategy	SOCAM places a high priority on climate-related risks and opportunities across short, medium, and long-term horizons. These considerations are progressively integrated into the Group's businesses, strategies, and financial planning.
Risk Management	ESG and climate-related issues are taken into consideration within our risk management and internal control systems
Metrics and Targets	We have been measuring and disclosing our energy consumption as well as Scope 1, 2, and 3 emissions. Furthermore, we have set a target to reduce our greenhouse gas (GHG) emissions intensity by 25% by 2024, relative to the 2020 baseline.

We have identified climate risks and opportunities that are relevant to our business operations, and listed the actions taken to manage them, as shown in the table below.

Climate Risks/Opportunities		Potential Impacts	Mitigation Strategies
Physical Risks/Opportunities			
Acute	Increased frequency and severity of extreme weather events	<ul style="list-style-type: none"> Infrastructure damages due to strong wind, typhoons, flooding and other weather events Decreased revenue as a result of projects delays Increased capital expenditures spent on mitigation measures Increased operational costs due to health and safety incidents Reduced asset value due to the exposure of continuous climate risks 	<ul style="list-style-type: none"> Conduct precautionary training and emergency drills for employees Implement flexible work arrangements when necessary Improve crisis management and transition plans Develop a strong supply chain to ensure continuity of operations Carry out climate risk assessment and research on climate-resilient designs Promote the use of energy-efficient systems
Chronic	Prolonged period of extreme hot weather	<ul style="list-style-type: none"> Higher manpower costs because of increased health issues Electrical and mechanical failure under extreme heat 	<ul style="list-style-type: none"> Launch health and safety campaigns to promote the prevention of heat strokes Provide adequate rest time with reference to the new three-tier heat warning system of the HKSAR government Install cooling facilities at operational sites
Transition Risks/Opportunities			
Legal Risk	Tightened regulations and policies on decarbonisation	<ul style="list-style-type: none"> Increased costs of compliance and operation Increased capital expenditures for the procurement of energy-efficient equipment 	<ul style="list-style-type: none"> Commit to sustainability initiatives and comply with all applicable laws and regulations Set targets in response to Hong Kong's Climate Action Plan 2050
Industry Risk	Increased competitive pressure on green construction	<ul style="list-style-type: none"> Reduced tenders and contracts due to competition Increased capital expenditures for the procurement of new technologies 	<ul style="list-style-type: none"> Source and introduce new technological applications
Market Risk	Increased expectations from stakeholders	<ul style="list-style-type: none"> Increased operating costs in response to stakeholder demands on applying green practices 	<ul style="list-style-type: none"> Communicate timely with stakeholders on sustainability measures Digitise operations and implement energy-saving initiatives
Technological Opportunity	Advancement in green building technology	<ul style="list-style-type: none"> Increased revenue through the use of low carbon infrastructure Long-term opportunities to embrace technology to improve efficiency and branding 	<ul style="list-style-type: none"> Replace materials with green and reusable alternatives to lower costs Keep abreast of the latest smart building technology available in the market



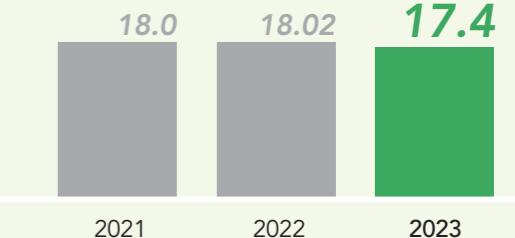
Engaging our team to go green

Reducing carbon footprint by our sustainability practices

Greenhouse gas (GHG) emissions are universally recognised as a substantial driver of climate change and global warming, causing escalating effects on the environment and all life on Earth. Given this context, the Group has been reducing its emissions by actively exploring cleaner energy sources and construction methods.

The major sources of our GHG emissions are the direct emissions from combustion of biodiesel and diesel of company-owned vehicles, as well as the indirect emissions from purchased electricity. During the year, the Group witnessed a decrease in total emissions intensity. These expansions were primarily attributed to increased production or operations.

GHG Intensity
tCO₂e



In order to reduce our carbon footprint, we have implemented green practices for our operations as detailed in section of "Smart Construction".



Shui On Centre – a "Cooling as a Service" project

RESOURCES MANAGEMENT

The Group has implemented policies and measures to efficiently manage resource utilisation, aiming to enhance energy efficiency and minimise the consumption of non-essential materials. Our resource management policies and procedures ensure effective control over resource usage.

Energy Management

The Group has established "Shui On Energy Policy Statement" and is accredited ISO50001 certification. These specified our energy management practices in our daily operations. The primary sources of energy consumption for the Group are electricity and the use of diesel fuel by forklifts and excavators, which are mainly derived from the daily operations of construction sites and shopping malls. Since the Group's main energy consumption comes from electricity, we integrate energy conservation and emission reduction into our business operation and development goals, establish an energy-saving performance management system, and further improve energy efficiency through personnel management and equipment transformation for energy conservation and emission reduction.

Shui On Centre – Hong Kong's first "Cooling as a Service" project with CLPe

The Shui On Centre, a 34-story Grade A office complex in Wan Chai, spans roughly 51,500 square metres, has undergone recent renovations centered around energy efficiency enhancements. The building's outdated seawater cooling system has been replaced by three high-efficiency freshwater cooling units, each with a capacity of 2,100 refrigeration tons. These new units are managed by an AI-powered system, which optimises their operation. As a result of these improvements, there's been a notable 15% reduction in electricity consumption and an estimated annual decrease of 370 tons in carbon emissions compared to the old system. This advancement is expected to play a significant role in the reduction of the building's carbon footprint.

Water Management

The Group recognises the prevailing global water scarcity, and proactively implement strategies to address this critical issue. We promote a culture of water conservation among employees and have implemented a range of measures to mitigate water usage:

- Install sensors on water taps to reduce water consumption; and
- Use a water circulation system to reuse wastewater for cleaning purposes.

During the year, the decrease in water consumption can be primarily attributed to the change of operational needs and process optimisation implemented by the company.

Use of Packaging Materials

Due to the Group's business nature, it does not consume a significant amount of packaging materials, and thus the use of packaging materials is immaterial.

WASTE MANAGEMENT

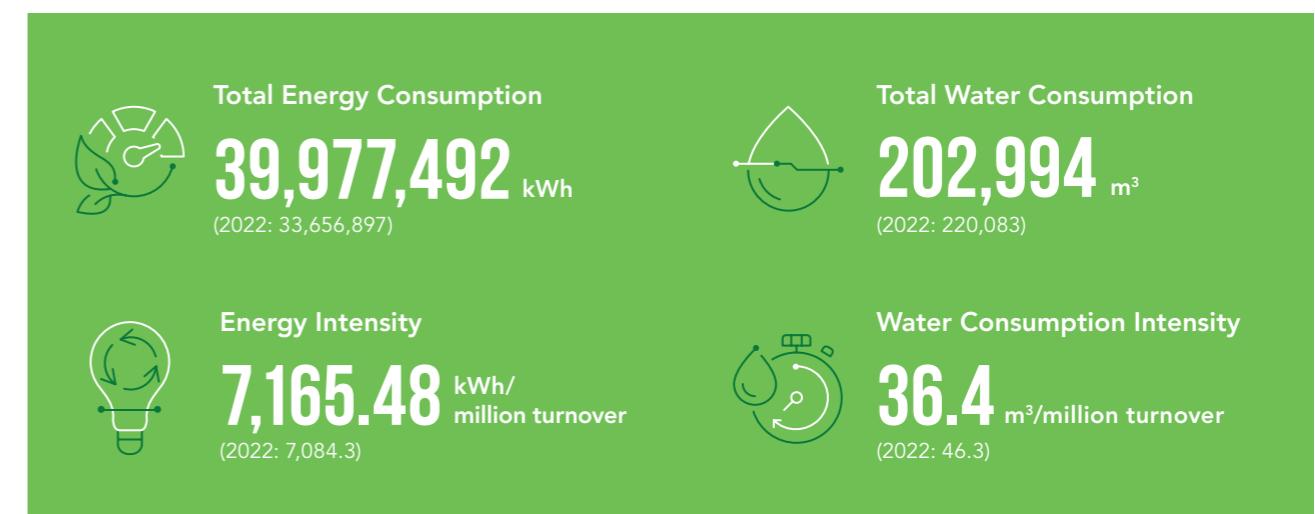
The Group advocates the importance of environmental management, and strictly controls the generation of waste, continuously optimises management and monitoring. To meet the requirements of national and local environmental standards, we also promote and ensure that the generated waste will be collected, source-separated, and recycled as much as possible before proper disposal.

Hazardous Waste

Due to the nature of its business, the Group did not generate any hazardous waste during the reporting period. However, the Group has also formulated guidelines for the management and disposal of hazardous waste. If any hazardous waste is generated, the Group must engage qualified chemical waste collectors to treat such waste to comply with relevant environmental laws and regulations.

Non-hazardous Waste

The Group's business activities generate non-hazardous waste, primarily consisting of inert construction waste, non-inert construction waste and paper waste. For the



inert construction waste and non-inert construction waste, most of the wastes are temporarily stored in a specified location and then recycled by licensed contractors. Meanwhile, the Group is committed to reducing waste generated from operations through carefully planning and estimating materials, with the adoption of BIM.

Digitalisation

Traditionally, the construction industry relied heavily on printed materials. Construction projects, often spanning multiple years, produced voluminous documents such as drawings, contracts, and financial records, consuming considerable physical space. To foster sustainability practices and embrace a paperless culture, SOCAM launched a digitisation programme since 2020 to drive the change. We are progressively shifting our internal operations to paperless processes.

BIM as a Tool for Reducing Construction Waste

Through the optimisation of design and planning, BIM significantly reduces rework, streamlines the sequencing of tasks, and effectively cuts down on material wastage in construction.



Digitalises the entire building life cycle

As a result of the Group's waste reduction initiatives, the Group has noted a reduction in the generation of non-hazardous waste during 2023.

Non-hazardous waste

Inert construction waste
85,270.61 Tonnes
(2022: 117,062.93)

Non-inert construction waste
28,574.04 Tonnes
(2022: 14,747.06)

Paper waste
28.19 Tonnes
(2022: 26.67)

Total waste
113,872.84 Tonnes
(2022: 131,836.66)

Waste intensity

20.41
Tonnes/million turnover
(2022: 27.75)



BEAM Plus Platinum Certification (Provisional) – Redevelopment of Kwai Chung Hospital (Phase 2)

NATURAL RESOURCES AND ENVIRONMENT CONSERVATION

To promote sustainability within our construction projects, we collaborate with supply chain partners who prioritise the procurement of sustainable materials, such as recycled content and responsibly sourced timber. Additionally, we are committed to improving resource efficiency in our operations, leveraging our green procurement guidelines to urge responsible departments to preferentially procure environmentally friendly products from our selected supply chain partners.

Green Building Practices

From building design and construction methods to estate management operations, green practices and resources management have been incorporated into all of our construction projects. Our buildings are optimised for better energy efficiency and water resource conservation. We prioritise the use of green building materials and leverage MiC and BIM technologies to minimise overall building material usage and reduce construction waste. The ultimate goal of our green building practices is to preserve natural resources and reduce our carbon footprint. We have received the "2023 Environmental Merit Award" from the Hong Kong Construction Association (HKCA).

Green Building Certifications

The Group's commitment to sustainable construction practices is exemplified by the achievement of Green Building Certifications for its projects. The Redevelopment of Kwai Chung Hospital (Phase 2) has obtained the BEAM Plus Platinum certification (Provisional). Notably, this project showcases the wide adoption of BIM and other advanced construction technologies, further enhancing our environmental performance and project efficiency.

Environmental Performance Tracking

The Group has taken a positive approach to monitor and manage its carbon emissions by developing a carbon tracking digital platform. This innovative platform facilitates accurate monitoring and documentation of our emissions, enabling us to make informed decisions and implement effective strategies to reduce our carbon footprint.

APPENDICES

I. PERFORMANCE DATA SUMMARY

	Unit	2023	2022
Employees			
Head count at Year End			
Group-wide			
Person	2,600	2,299	
By Gender			
Male	Person	1,625	1,490
Female	Person	975	809
By Business Lines			
Construction Division	Person	1,393	1,267
Property Division	Person	1,079	905
Others	Person	128	127
By Employee Category			
Senior Management	Person	122	125
Middle Management	Person	310	290
General Staff	Person	1,921	1,680
Workers	Person	247	204
By Age Group			
Under 30	Person	452	432
30 – 50	Person	1,099	943
51 or above	Person	1,049	924
By Geographical Region			
Hong Kong and Macau	Person	2,319	2,013
Mainland China	Person	281	286
Turnover Rate (%)			
Group-wide	%	15.1	11.6
By Gender			
Male	%	9.6	6.8
Female	%	5.5	4.7
By Age Group			
Under 30	%	4.5	3.8
30 – 50	%	6.2	4.7
51 or above	%	4.4	3.1
By Geographical Region			
Hong Kong	%	29.4	27.3
Macau	%	11.8	0
Mainland China	%	4.1	7.3
Training & Development			
Training Hours			
Group-wide (excluding HSE training)	Hour	44,809	26,234
By Gender			
Male	Hour	28,822	18,864
Female	Hour	15,987	7,370
By Employee Category			
Senior Management	Hour	3,600	4,251
Middle Management	Hour	5,873	5,733
General Staff	Hour	34,159	15,031
Workers	Hour	1,177	1,219
Average Training Hour			
Group-wide	Hour	17	11.4
By Gender			
Male	Hour	17.73	12.6
Female	Hour	16.39	9.1

	Unit	2023	2022
By Employee Category			
Senior Management	Hour	29.5	34.1
Middle Management	Hour	19	19.8
General Staff	Hour	17.8	8.9
Worker	Hour	4.8	6.0
Percentage of Employees Trained			
Group-wide	%	87.6	80.2
By Gender			
Male	%	89.2	80.2
Female	%	84.8	80.1
By Employee Category			
Senior Management	%	95.1	92.8
Middle Management	%	96.5	96.9
General Staff	%	92.2	82.1
Worker	%	36.8	32.8
Health & Safety			
Lost days due to work injury	Day	2,084	1,989
Work-related injury rate	Cases per 1,000 workers	3.3	3.10
Work-related injury	Number	17	12
Work-related fatalities	Number	1	0
Participants in safety training	Person	187,522	144,026
Environment			
Total Resource Consumption			
– Petrol	Litre	301,313	169,994
– Diesel	Litre	1,612,176	1,622,614
– Natural gas	m ³	652,643	360,223
– Acetylene	m ³	973	1,599
Total Direct energy consumption			
– Heat	kWh	728,696	1,692,924
– Electricity	kWh	13,545,153	10,400,181
Total Indirect energy consumption			
	kWh	14,273,849	12,093,105
Total energy consumption			
	kWh	39,977,492	33,656,897
Energy Intensity	kWh/million turnover	7,165.48	7,084.3
Water	m ³	202,994	220,083
Water intensity	m ³ /million turnover	36.4	46.3
Type of Air Pollution			
Nitrogen Oxides (NOx)	tonne	0.1975	0.1118
Sulphur Oxides (SOx)	tonne	0.0302	0.0286
Particulate Matter ("PM")	tonne	0.0145	0.0082
Greenhouse Gas Emission			
Scope I	tCO ₂ e	4,885.23	4,612.5
Scope II	tCO ₂ e	8,796.64	7,480.6
Scope III	tCO ₂ e	83,327.96	73,528.7
Total	tCO ₂ e	97,009.83	85,621.7
GHG intensity	tCO ₂ e/million turnover	17.39	18.02
Non-hazardous waste			
Inert construction waste	Tonnes	85,270.61	117,062.93
Non-inert construction waste	Tonnes	28,574.04	14,747.06
Paper waste	Tonnes	28.19	26.67
Total	Tonnes	113,872.84	131,836.66
Waste intensity	Tonnes/million turnover	20.41	27.75
Community			
Volunteer hours (including non-staff)	Hours	1128	241
Donations	HK\$	1.5 million	2.1 million

1. GHG emissions data is presented in terms of carbon dioxide equivalent and are based on, including but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Resources Institute and the World Business Council for Sustainable Development, "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange.

II. ABOUT THIS REPORT

Introduction

This Environmental, Social and Governance Report ("the Report") provides an overview of the initiatives, plans and performance of SOCAM Development Limited ("SOCAM", the "Group" or "We", together with its subsidiaries) in Environmental, Social and Governance ("ESG") and demonstrates its commitment to sustainable development. It covers the efforts from Construction Division, Maintenance Division, Interior Fitting-out Division and Property Division of the Group.

Reporting Period

This is the Group's 8th sustainability report to demonstrate the Group's commitment and efforts on ESG issues. This Report outlines the Group's sustainability, strategies and management approaches to material topics, and also covers the Group's sustainability performance, for the year from 1 January 2023 to 31 December 2023 ("2023", "Year").

Reporting Scope

Environmental Data are collected from the Hong Kong headquarters, 8 major construction projects, 13 interior fitting out projects and 14 maintenance projects in Hong Kong, and 4 property projects in the Mainland China. The Group reviews its reporting scope from time to time to ensure completeness and that the material topics of the Group's overall portfolio are covered.

Reporting Framework

This Report has been prepared in accordance with the mandatory disclosure requirements and "comply or explain" provisions of the ESG Reporting Guide (the "ESG Reporting Guide") as set out in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Please refer to the Stock Exchange Content Index in this report for information on the location of specific disclosures.

Reporting Principles

During the preparation of this ESG Report, the Group has applied the reporting principles stipulated in the ESG Reporting Guide as follows:

- "Materiality" – A materiality assessment was conducted to identify material issues during the reporting period, thereby adopting the confirmed material issues as the focus for the preparation of this ESG Report. The materiality of issues was reviewed and confirmed by the Board. Please refer to the sections headed "Engaging Stakeholders" for further details.
- "Quantitative" – Supplementary notes are added along with quantitative data disclosed in this ESG Report to explain any standards, methodologies, and source of conversion factors used during the calculation of environmental KPI.
- "Balance" – This report aims to provide a holistic and fair view of the sustainability performance of the Group and has not omitted any information related to material ESG topics.
- "Consistency" – The approach adopted for the preparation of this ESG Report was substantially consistent with the previous year, and explanations were provided regarding data with changes in the scope of disclosure and calculation methodologies.

III. HKEX ESG REPORTING GUIDE CONTENT INDEX

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
Governance Structure		
General Disclosure	<p>A statement from the board containing the following elements:</p> <ul style="list-style-type: none"> (i) A disclosure of the board's oversight of ESG issues; (ii) The board's ESG management approach and strategy, including the process used to evaluate, prioritise and management ESG-related issues (including risks to the issuer's businesses); and (iii) How the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses. 	Sustainability at SOCAM – Sustainability Strategies and Governance
Reporting Principles		
General Disclosure	<p>A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG Report;</p> <ul style="list-style-type: none"> (a) Materiality: The ESG Report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement. (b) Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed. (c) Consistency: The issuer should disclose in the ESG Report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison. 	This report discloses the Group's ESG performance in compliance with the HKEX ESG Reporting Guide. We continue to apply the Reporting Principles of Materiality, Consistency, Quantitative and Balance in preparing our ESG Report.
Reporting Boundary		
General Disclosure	<p>A narrative explaining the reporting boundaries of the ESG Report and describing the process used to identify which entities or operations are included in the ESG Report. If there is a change in the scope, the issuer should explain the difference and reason for the change.</p>	About this Report
Aspect A1: Emissions		
General Disclosure	<p>Information on:</p> <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to Exhaust Gas and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 	During the Year, the Group was not aware of any material non-compliance with environmental-related laws and regulations that would have a significant impact on the Group.
KPI A1.1	The types of emissions and respective emissions data.	Performance Data Summary
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity.	Better Environment – Combating Climate Risk Performance Data Summary
KPI A1.3	Total hazardous waste produced (in tonnes) and intensity.	No significant generation of hazardous waste due to industry
KPI A1.4	Total non-hazardous waste produced (in tonnes) and intensity.	Better Environment – Waste Management Performance Data Summary
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Better Environment
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Better Environment – Waste Management

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Better Environment – Resources Management Performance Data Summary
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Performance Data Summary
KPI A2.2	Water consumption in total and intensity.	Performance Data Summary
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Better Environment – Resources Management
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Due to our geographical locations of our operations, 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 material used for finished products (in tonnes) and with reference to per unit produced.	No significant amount of packaging material used due to our industry.
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	Better Environment
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Better Environment
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Better Environment – Combating Climate Risk
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Better Environment – Combating Climate Risk
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, antidiscrimination, and other benefits and welfare.	During the Year, the Group was not aware of any material non-compliance with any relevant laws and regulations in relation to employment practice that would have a significant impact on the Group.
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Performance Data Summary
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Performance Data Summary
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.	During the Year, the Group was not aware of any material non-compliance with health and safety related laws and regulations that would have a significant impact on the Group.
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the Reporting Period.	Performance Data Summary
KPI B2.2	Lost days due to work injury.	Performance Data Summary
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Better Community – Occupational Health and Safety

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Better Community – Employee Care
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Performance Data Summary
KPI B3.2	The average training hours completed per employee by gender and employee category.	Performance Data Summary
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.	During the Year, the Group was not aware of any material non-compliance with child and forced labour-related laws and regulations, that would have a significant impact on the Group.
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	
KPI B4.1	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.	Better Environment – From Green Sourcing to Green Building
KPI B5.1	Number of suppliers by geographical region.	Performance Data Summary
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Better Environment – From Green Sourcing to Green Building
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Better Environment – From Green Sourcing to Green Building
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Better Environment – From Green Sourcing to Green Building
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.	During the Year, the Group was not aware of any incidents of non-compliance with related laws and regulations concerning product responsibility that would have a significant impact on the Group.
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	There were no cases of product recall during the Year.
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	We do not receive any cases of product or services related complaints during the year.
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Our construction business has limited involvement in intellectual property rights.
KPI B6.4	Description of quality assurance process and recall procedures.	Better Economy – Smart Construction
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Better Economy – Smart Construction
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.	During the Year, the Group was not aware of any material non-compliance with related laws and regulations of anti-corruption that would have a significant impact on the Group.
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, and how they are implemented and monitored.	Better Economy – Integrity and Ethic – Our Policies
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Better Economy – Integrity and Ethic – Our Policies
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.	Better Community – Community Partnership
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Better Community – Community Partnership
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Performance Data Summary