



# HONG KONG INTERNATIONAL CONSTRUCTION INVESTMENT MANAGEMENT GROUP CO., LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code : 687)



*Environmental, Social and Governance Report*

**2018**



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## 1 About this Company

Hong Kong International Construction Investment Management Group Co., Limited (HKICIM Group) (the “Company” and its subsidiaries the “Group”) (Stock Code: 687) has been listed on the Main Board of the Stock Exchange of Hong Kong Limited (“Stock Exchange”) since 1991. Its principal businesses are foundation piling and site investigation, property development and investment as well as investment business.

The Group believes that a forward-thinking sustainability mindset would help support a company to obtain and manage resources needed to develop and thrive. In order to build a solid foundation for a sustainable future, the Group endeavors to comply with all applicable environmental, social and governance regulations and continuously improve its sustainability performance.

## 2 About this Report

### 2.1 Reporting Standard, Period and Scope

The report is prepared in accordance with Environmental, Social and Governance Reporting Guide (“ESG Guide”) set out in Appendix 27 of the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange. The Group adhered to the principles of materiality, quantitative, balance, and consistency to report on the measures and performances in this Reporting Year (as defined below). Information regarding Corporate Governance is addressed in the Company’s Annual Report according to Appendix 14 of the Listing Rules.

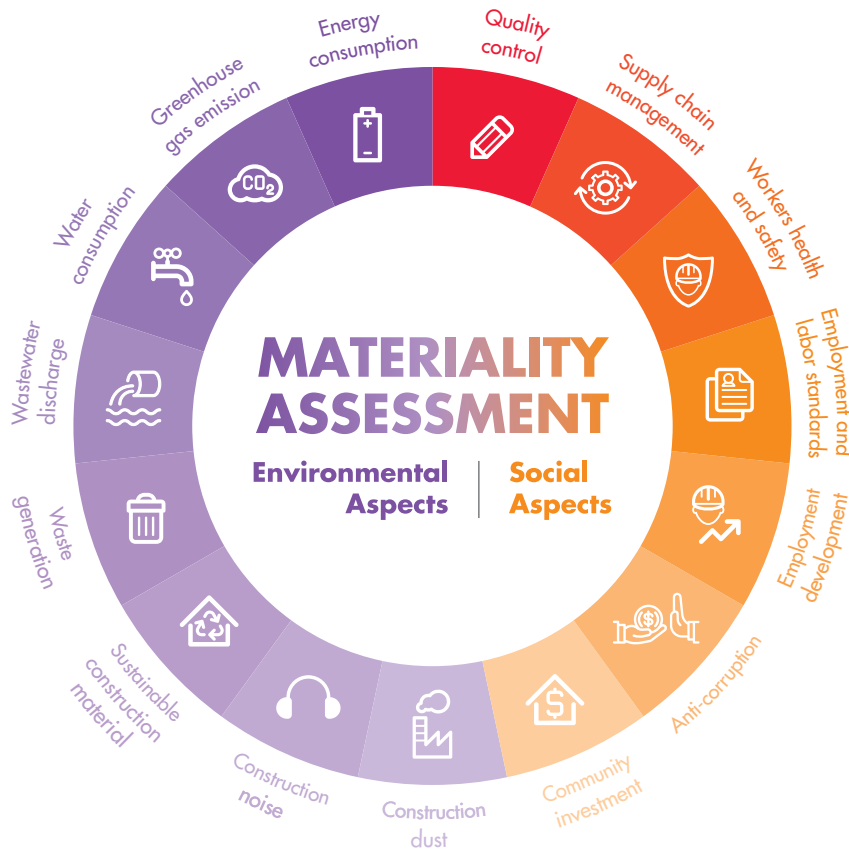
Information on this report covers the environmental and social activities of the Group in the financial reporting period from 1 January 2018 to 31 December 2018 (“the Reporting Year”).

The scope of the ESG Report covers the Group’s operations involving foundation piling in Hong Kong only, including head office and 29 construction sites (the “Business”).

The Group has appointed Allied Sustainability and Environmental Consultants Group Limited (Stock Code: 8320) as an independent consultant to provide ESG consultancy and reporting services.

### 2.2 Materiality Assessment

The ESG Report focuses on the key material environmental and social issues that the Group faces in its business operations. In order to understand the said issues with a holistic perspective, the Group has engaged an independent consultant to assist in reviewing and identifying the material sustainability issues. The board of directors of the Company (the “Board”) has confirmed that the material issues associated with the Business have been set out below:



To address the identified material issues, the Group has established an internal Integrated Management System (“IMS”), which consolidated the components of the International Organization for Standardization (“ISO”) standards of environment, energy, occupational health and safety, and quality management into one complete framework. Under the framework, the Group has set up objectives, performance targets, and responsible governance of the business operation.

### 2.3 Contact Details

We welcome any comments or suggestions from our stakeholders. If you have any comments, please contact our Group at:

HKICIM Group  
 20/F One Island South,  
 2 Heung Yip Road, Wong Chuk Hang,  
 Hong Kong

Tel: (852) 2882 3632  
 E-mail: [info@hkicimgroup.com](mailto:info@hkicimgroup.com)

### 3 Words from Chairman

To all stakeholders,

On behalf of the Board, I am pleased to present the 2018 ESG Report of the Company, and hope to convey our commitment of becoming a more sustainable business to our stakeholders.

The theme for this year's report is "building the foundation of a sustainable future". We believe that thoughtful and robust ESG policies are critical in building long-term financial sustainability for the Company. As such, we strive to critically examine and enhance our ESG policies for the betterment of our operations, the environment and society.

With our IMS in place, the Group incorporates this framework to minimize the environmental impacts throughout its operations. The Group constantly seeks ways to integrate sustainability into every decision we make when investing in operations and activities that protect the wellbeing of the environment, our staff, and our community. We have established environmental and social policies based on the IMS as a way to introduce sustainability elements into our daily operations.

During the Reporting Year, all internally IMS audited construction projects have met the energy conservation targets in reducing diesel consumption. Moreover, in reducing accidents and fatalities, all these construction projects have met the safety goals and achieved zero fatalities. In the future, we will continue to review our sustainability performance to ensure the effectiveness of the IMS and identify areas for improvement.

I would like to express my gratitude to our management team and staff for their contributions and commitment to the sustainable growth of our business.

Justin Wai  
Chairman  
5 June 2019, Hong Kong

## 4 Environmental Conscious Operations

The fundamental basis of sustainable development is environmentally conscious operations. Therefore, the Group endeavors to incorporate the IMS framework, specifically ISO 14001 Environmental Management System and ISO 50001 Energy Management System, to minimize the environmental impacts throughout its operations.

Under the framework, the Group has implemented appropriate measures to avoid, reduce and control its environmental footprints where technically and economically viable. In addition, the Group adhered to all relevant and applicable environmental-related laws, regulations, codes of practice, and other requirements to which the Group should conform.

### 4.1 Energy Consumption and Emissions

The main types of energy used for the Group's office and construction sites are diesel and electricity, which contributed to direct and indirect greenhouse gas ("GHG") emissions and other air pollutants, such as carbon monoxide ("CO"), nitrogen oxides ("NOx") and particulate matter ("PM"). In effort to reduce its energy consumption, GHG and air emissions and operational costs, the Group is committed to optimizing energy usage.

To control the energy consumption, the Group has set out relevant management approach under its IMS framework. As a measure of energy conservation, temperatures of office premises are set between 24 and 26 degree Celsius. In addition, construction site offices use energy-efficient air conditioning and light-emitting diode ("LED") fixtures to further reduce on-site energy consumption. The senior project manager of each construction site monitors the use of equipment and ensures idle engines are turned off.

## ENERGY CONSUMPTION

	Unit	2018	2017
<b>Total electricity consumption</b>	<b>Kilowatt hour (“kWh”)</b>	<b>1,022,459</b>	<b>1,408,984</b>
	<b>Gigajoules (“GJ”)<sup>1</sup></b>	<b>3,681</b>	<b>5,072</b>
Head office	kWh	263,986	279,365
	GJ	950	1,006
Construction sites <sup>2</sup>	kWh	758,473	1,129,619
	GJ	2,731	4,067
<b>Total fuel consumption – Construction site only<sup>3</sup></b>	<b>L</b>	<b>11,119,354</b>	<b>10,597,061</b>
	<b>GJ</b>	<b>400,200</b>	<b>380,692</b>
Diesel used	L	11,087,097	10,329,635
Biodiesel used	L	32,257	267,426
<b>Total energy consumption</b>	<b>GJ</b>	<b>403,880</b>	<b>385,764</b>
Head office	GJ	950	1,006
Construction sites	GJ	402,930	384,759
<b>Total energy Intensity<sup>4</sup></b>	<b>GJ/million revenue<sup>4</sup></b>	<b>136</b>	<b>117</b>
Head office	GJ/million revenue <sup>4</sup>	0.32	0.31
Construction sites	GJ/million revenue <sup>4</sup>	136	117

Note 1: 1kWh = 0.0036 GJ.

Note 2: 2018 data inclusive of 29 construction sites whereas 2017 data inclusive of 24 construction sites.

Note 3: 1 GJ = 1,000 megajoules (“MJ”); assume diesel energy intensity as 36 MJ/L, biodiesel energy intensity as 33 MJ/L. (Source: <http://www.forestry.gov.uk/fr/bee-h-abslyb>)

Note 4: The Group’s revenue in its Financial Years 2018 and 2017 were HKD 2,971.170 million and HKD 3,290.156 million, respectively.



## GHG AND OTHER AIR EMISSIONS WITHIN THE GROUP

	Unit	2018	2017
<b>Total GHG emissions</b>	<b>tonnes of CO<sub>2</sub> equivalent (“tCO<sub>2</sub>e”)</b>	<b>29,755</b>	<b>28,609</b>
Direct GHG emissions (Scope 1) <sup>1</sup>	tCO <sub>2</sub> e	29,097	27,730
Indirect GHG emissions (Scope 2) <sup>2</sup>	tCO <sub>2</sub> e	658	878
<b>Total GHG emissions intensity</b>	<b>tCO<sub>2</sub>e/million revenue<sup>3</sup></b>	<b>10.00</b>	<b>8.70</b>
PM emissions <sup>4</sup>	tonnes	19	18
NOx emissions <sup>4</sup>	tonnes	300	288
CO emissions <sup>4</sup>	tonnes	99	94

Note 1: Scope 1 GHG emissions refer to the direct emissions from sources owned or controlled by the Group, which include construction machines.

Note 2: Scope 2 GHG emissions refer to the indirect emissions resulting from the generation of the electricity which the Group purchased.

Note 3: The Group’s revenue in its Financial Years 2018 and 2017 were HKD 2,971.170 million and HKD 3,290.156 million, respectively.

Note 4: Emission factors of non-road mobile machinery referenced from EMEP/EEA air pollutant emission inventory guidebook 2016 – updated in May 2017.



## 4.2 Water Resources

Under the environmental policy of IMS framework, the Group requires all the construction sites to have adequate facilities to recycle wastewater and conserve water resources. Wastewater is primarily generated from piling activities and is collected through the on-site drainage facilities. The wastewater will be treated with a suitable treatment system in accordance with the water discharge license requirements, and finally, reused on-site for dust removal, site cleaning and wheel washing.

In order to ensure that the construction sites are operated in accordance with applicable laws and regulations, regular training and daily toolbox talks are conducted to remind the workers of the water saving practices, including using recycled water on site to reduce overall water consumption during operations.

### WATER CONSUMPTION

	Unit	2018	2017
<b>Total water consumption<sup>1</sup></b>	<b>m<sup>3</sup></b>	<b>311,575</b>	<b>435,155</b>
Construction sites	m <sup>3</sup>	311,575	435,155
<b>Total water intensity</b>	<b>m<sup>3</sup>/Total construction floor area (000m<sup>2</sup>)<sup>2</sup></b>	<b>1.39</b>	<b>1.95</b>

Note 1: The data on water consumption was collected at the respective construction sites only, as the contribution from the head office was insignificant to the Group's overall performance.

Note 2: The total construction floor area represents the 29 construction sites' estimated construction floor area in Hong Kong during the Reporting Year. The total construction floor area in 2018 and 2017 were 223,483,523m<sup>2</sup> and 223,479,211m<sup>2</sup>, respectively.

### 4.3 Waste Management

Wastes generated in construction sites include inert construction and demolition (“C&D”) wastes from site clearance, excavation, and concreting, and non-inert wastes such as timber and steel. Hazardous wastes generated on site are mainly lubricants, machinery maintenance oils, and empty paint cans.

The Group recognizes that construction wastes could cause harmful effects on the environment and community if they are not managed properly, and strives to reduce wastes from its operations through adopting the management approach of the 4R principle, namely reduce, reuse, recycle and replace.

The Group carries out waste mitigation measures according to its waste management system, including provisions of three-color recycling bins (paper, metal and plastics), implementation of waste sorting and storage (for non-inert, metal and hazardous wastes) and recycling of paper and scrap metal for the appropriate construction sites. Assigned project team members are responsible for overseeing these mitigation measures and recording waste data as to assess the performance of the management system. In order to raise employees’ awareness of good practice for waste reduction and hazardous waste handling, the Group provides employees with relevant trainings. For hazardous waste handling, the Group appoints licensed recyclers to collect hazardous wastes on a regular basis.

For the head office, the Company has participated in the Tree Conservation Scheme set up by the Hong Kong Environmental Protection Association, in recycling plants, such as Christmas trees, peach blossom trees and tangerines used in the head office areas.

During the Reporting Year, the Group has complied with the discharge requirements in the Waste Disposal Control Ordinance.



## WASTE MANAGEMENT FOR CONSTRUCTION SITES

		Unit	2018	2017
Non-hazardous waste	Non-inert C&D waste disposed to landfill	tonnes	2,369	1,283
	Inert and non-inert C&D waste diverted from landfill (sent to public fill/recycling facilities)	tonnes	3,420,665	1,656,550
Hazardous waste	Liquid hazardous waste	tonnes	6	2
	Solid hazardous waste	tonnes	0.23	0.40
<b>Intensity</b>	<b>Non-hazardous waste</b>	<b>tonnes/million revenue<sup>1</sup></b>	<b>1,152</b>	<b>503</b>
	<b>Hazardous waste</b>	<b>tonnes/million revenue<sup>1</sup></b>	<b>0.002</b>	<b>0.001</b>

Note 1: The Group’s revenue in its Financial Years 2018 and 2017 were HKD 2,971.170 million and HKD 3,290.156 million, respectively.

#### 4.4 Construction Material Selection

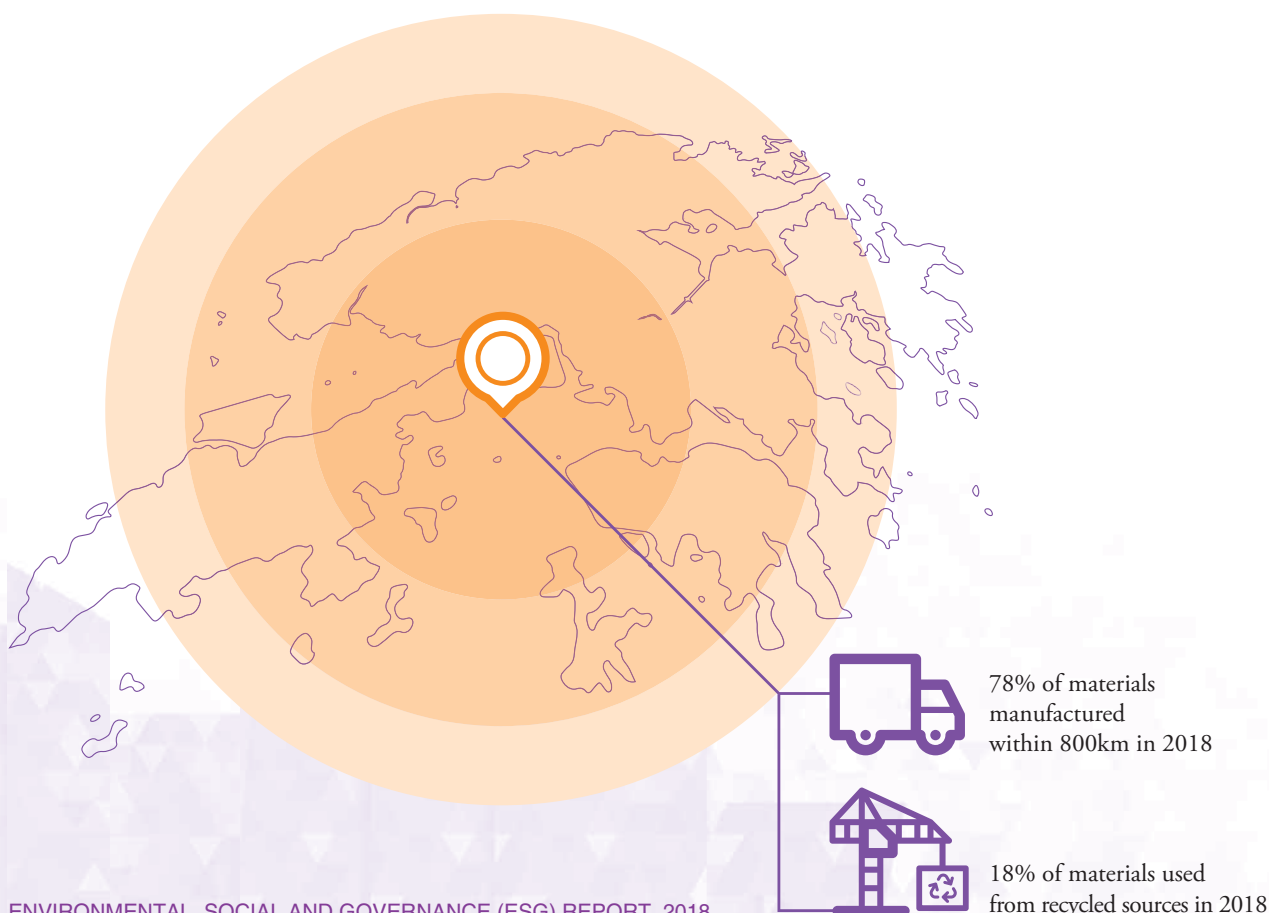
In addition to optimizing resources through minimizing wastes, the Group also considers the potential impacts of construction materials on the environment. To reduce the environmental impacts associated with transportation, lower material costs and support the local economy, the Group is dedicated to selecting construction material suppliers within 800km.

The Group also strives to utilize materials through sustainable sourcing. For example, wood used on site are sourced from suppliers and manufacturers with the Forest Stewardship Council (“FSC”) label. The FSC is an international forest certification organization and all FSC-certified products came from sustainably managed forests from an environmental protection and community engagement perspective. During the Reporting Year, all wood used for formwork during the construction were from sustainable sources with the FSC label. In addition, the Group has begun to use recycled materials during the Reporting Year, and 18% of the Group’s construction materials came from recycled sources.

### SELECTION OF CONSTRUCTION MATERIALS

	Unit	2018	2017
<b>Total weight of materials</b>	<b>tonnes</b>	<b>459,216</b>	<b>449,793</b>
Total weight of materials manufactured within 800km	tonnes	358,378	326,759
% of materials manufactured within 800km	%	78	73
<b>Total weight of materials used from recycled sources<sup>1</sup></b>	<b>tonnes</b>	<b>83,567</b>	<b>-</b>
% of materials used from recycled sources	%	18	-

Note 1: The Group did not keep any record for using recycled materials in previous reporting years.



#### 4.5 Other Environmental Impacts

Construction sites may lead to noise and air pollutions to the surroundings. In view of this, the Group strategically plans dust and noise management in order to minimize nuisance inflicted on nearby sensitive receivers.

Before the commencement of each project, the Group conducts assessments to identify the nearest sensitive receivers, such as domestic dwellings and schools. The Group also carries out dust and noise monitoring in accordance with statutory and mandatory guidelines to oversee and manage the emissions. Noise mitigation measures implemented on site include the use of quieter equipment and noise barriers and the appropriate scheduling of construction works to avoid operations during sensitive hours. Green labelled generators of non-road mobile machinery, hoarding and daily water-spraying are adopted to suppress the dust level created by the Group's operations on construction sites.

As a result of good environmental practice at construction sites, the Group has achieved zero non-conformities during the Reporting Year.

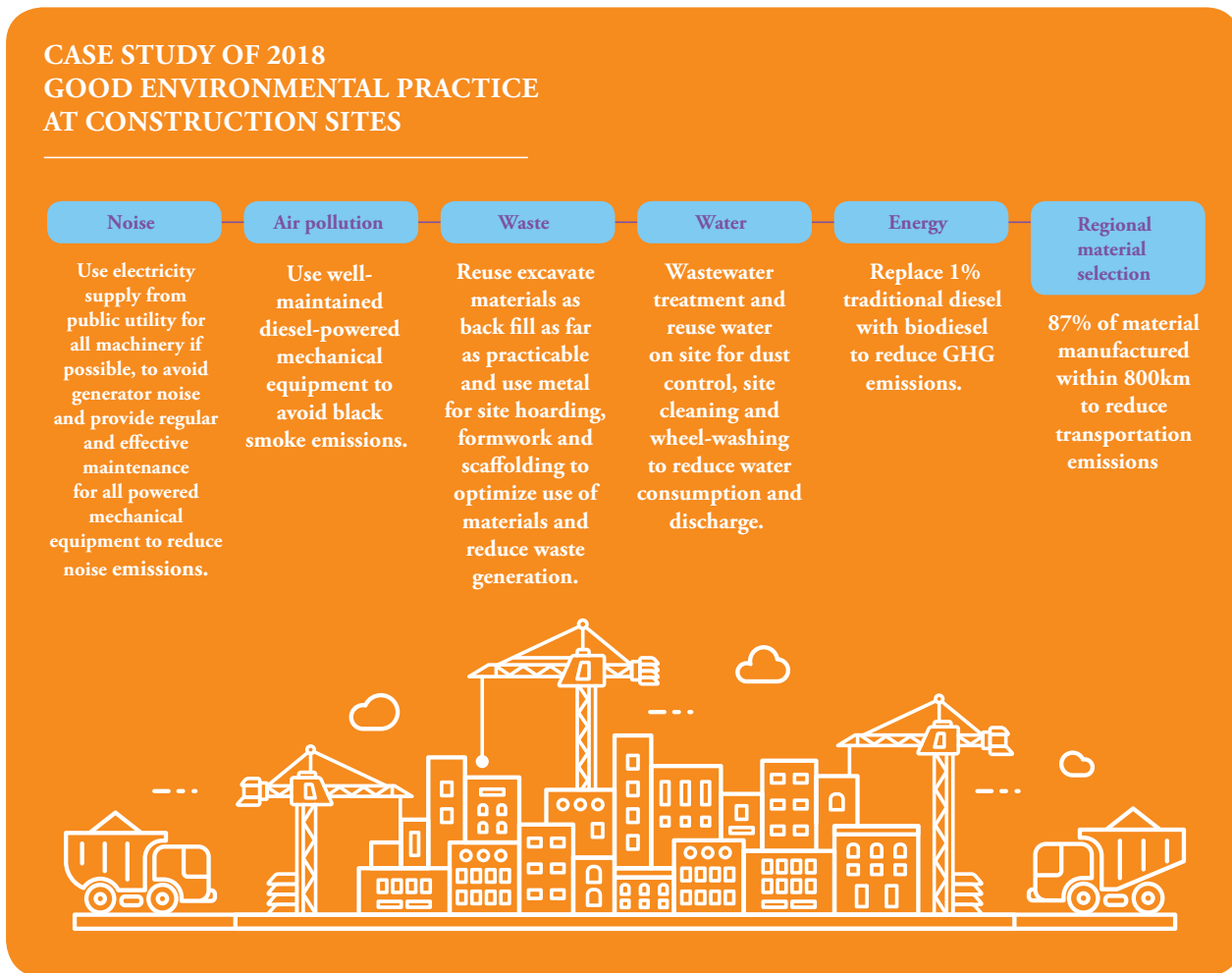
##### **Case Study: 2018 Good Environmental Practice at A Construction Site**

###### *Tung Chung Area 54 Project*

The project of subsidized sale flats development is located at Tung Chun Area 54 with around 3,800 square meters of site area, providing six residential blocks for future residents. The Group's main operations are foundation piling and pile caps works.



The following graph showcases the Group’s sustainable construction methods used for Tung Chung Area 54 Project.



## 5 People Oriented Culture

Safe workplace and quality services are the key to build on a sustainable future. Therefore, the Group adheres to the people-oriented strategy and strictly implements the IMS framework into the employment management and quality control.

### 5.1 Safe Operations

Since health and safety issues occur frequently in construction industry, the Group strives to protect its employees and create a safe workplace through the implementation of occupational health and safety policy.

The Group integrates reasonably practical safety measures into project planning by providing safe construction facilities and work methods to secure the occupational safety of employees and other parties, such as subcontractors and general public, which may come into contact with the construction activities.

Under the guidance of Occupational Health and Safety Management System (“OHSAS”) 18001:2007, the Group has established the health and safety measures as followed:



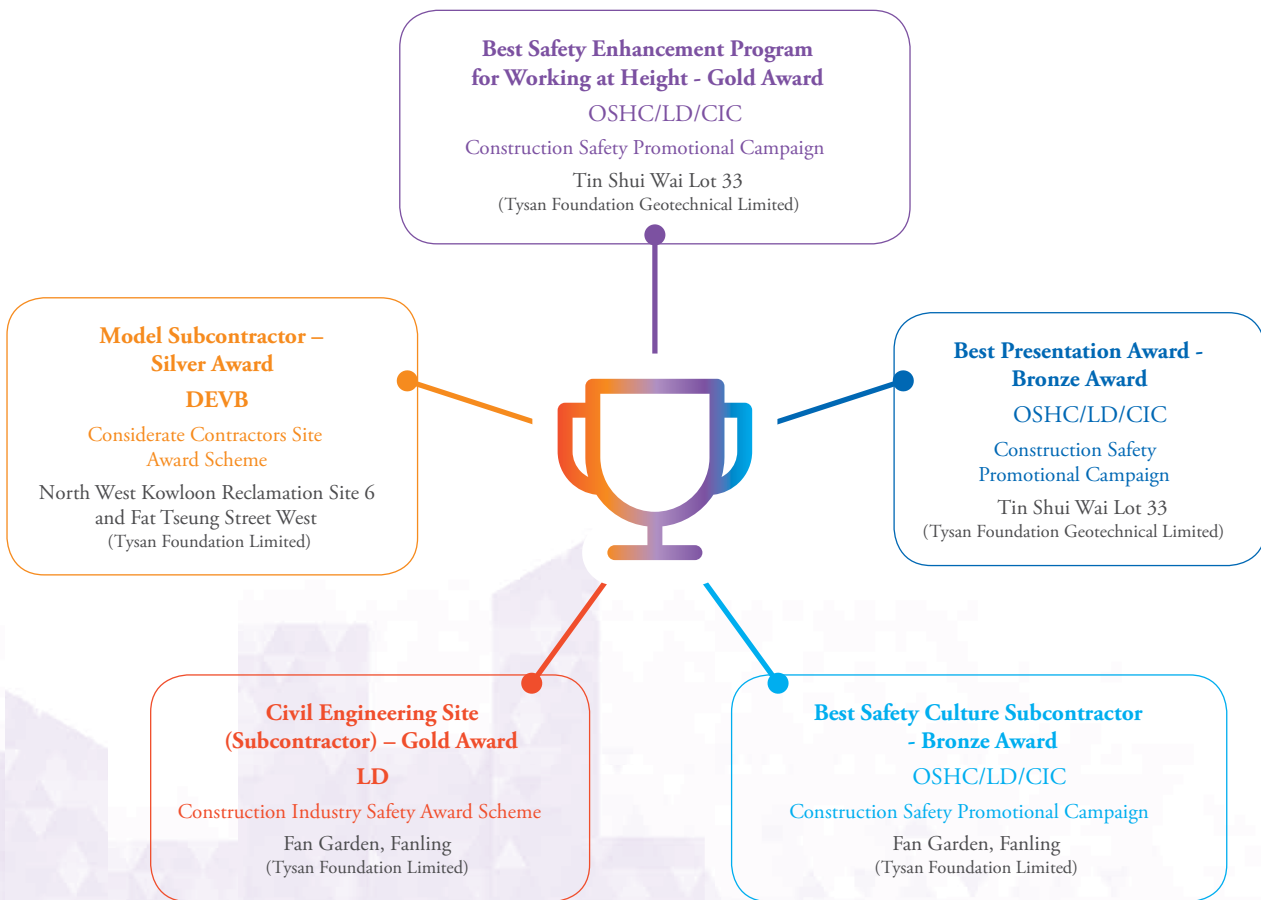
To ensure the effectiveness of the measures and the management approach, the Group has also set up safety targets in order to control accident rate. The safety targets and safety procedures are reviewed by foundation division’s safety management committee annually.

By ways of the effort to maintain a safe operation, the Group recorded no fatality incidents during the Reporting Year. According to the Labour Department in Hong Kong, the 2017 Occupational Safety and Health Statistics for accident rate in the construction industry is 32.9 accident rate per 1,000 employees. The Group’s accident rate per 1,000 employees during the Reporting Year is 21.5, which is 2.7% lower than previous reporting year (2017: 22.1). In order to accelerate the recovery for any work-related injuries, the Group shall arrange timely private medical care, such as consultation of general practitioner, orthopedist, X-ray, MRI examination and physiotherapy that cover all relevant medical expenses in accordance with the Group’s rehabilitation scheme.

**Case Study: Safety Culture Enhancement Scheme for Management and Supervisory Staff (“Safety Culture Scheme”)**

To promote a safe and care-oriented culture, the management takes the initiatives by launching the Safety Culture Scheme in the Reporting Year. Employees were encouraged to conduct a self-initiative localized work suspension to stop any critical unsafe conditions or behaviors and implement occupational hazard mitigation measures accordingly. During the Reporting Year, there were total 9 self-initiative localized work suspension cases across all construction sites, and all of the cases were provided with improvement measures to control future safety risks.

Through strictly practicing safety measures, the Group was able to maintain a healthy and safe working environment and gain the recognition from the construction industry, such as Hong Kong Occupational Safety and Health Council (“OSHC”), Labour Department (“LD”), Construction Industry Council (“CIC”), Development Bureau (“DEVB”), etc..



## 5.2 Quality Assurance

In addition to a safe working environment, clients' satisfaction is another utmost priority of the Group's sustainable operation. To satisfy clients' needs and expectations, the Group strives to provide high-quality and reliable services through the implementation and continuous improvement of its quality management system and policies.

The Group carries out all operations in accordance with the ISO 9001:2015 quality management system. Prior to supplier and subcontractor selection, the Group conducts assessments on issues of quality, health and safety and environmental performances to ensure the compliance with relevant laws and regulations. Selected suppliers and subcontractors' quality and performance are monitored and reviewed regularly. Upon the completion of each contract, project manager in conjunction with the procurement contracts manager, senior safety manager and IMS manager are responsible to review suppliers and subcontractors' performances, and update the Approved List of Suppliers accordingly for future reference.

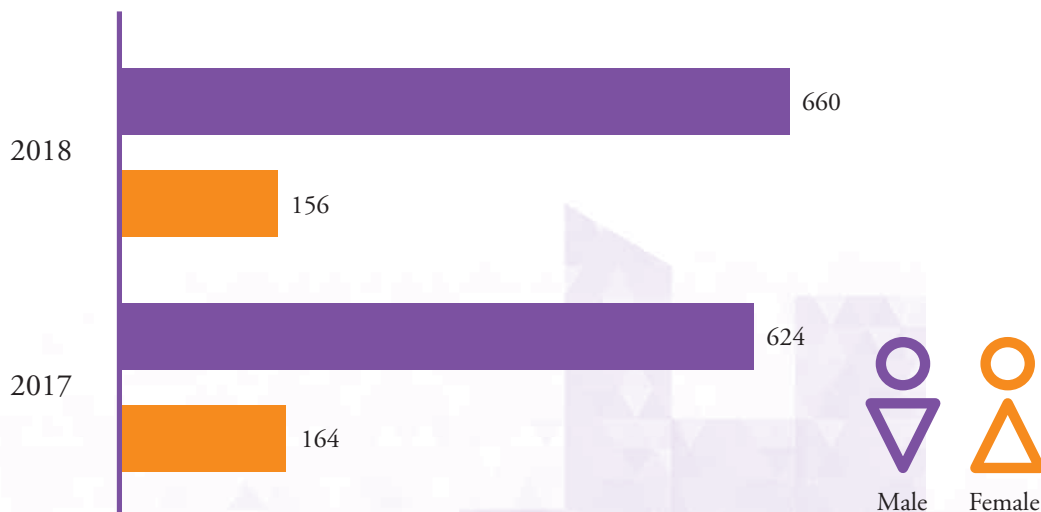
In case of any feedbacks and complaints, the Group's Complaint Policy guides responsible personnel on proposing remedial, correction, and/or prevention action, and record keeping for closed cases. The policy allows employees to handle clients' feedbacks in a professional and timely manner as a measure to enhance their satisfaction and service quality. During the Reporting Year, there were no reported complaints received.

## 5.3 Acquiring and Developing Talents

The Group strives to promote a respectful and welcoming atmosphere in the workplace as the delivery of quality services relies on the hard works of employees.

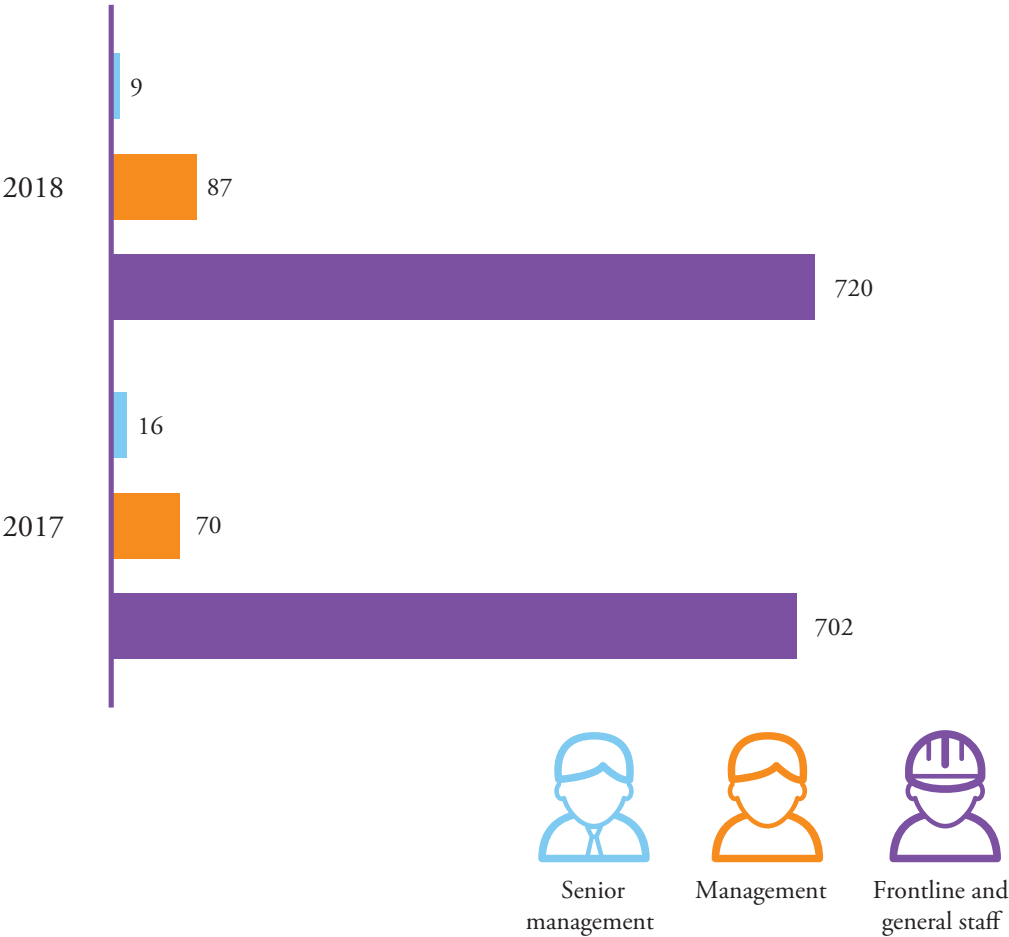
As a way to respects talents, the Group ensures fair and equal opportunities by prohibiting all discriminations under the established employment policies. During the recruitment process, the Human Resources Department is responsible to verify candidates' age and working permits in order to prevent child and forced labor. Upon the commencement of work, the Group's employee handbook provides further information on remuneration packages, working hours, leaves and benefits and welfare.

### Employees in Hong Kong by gender

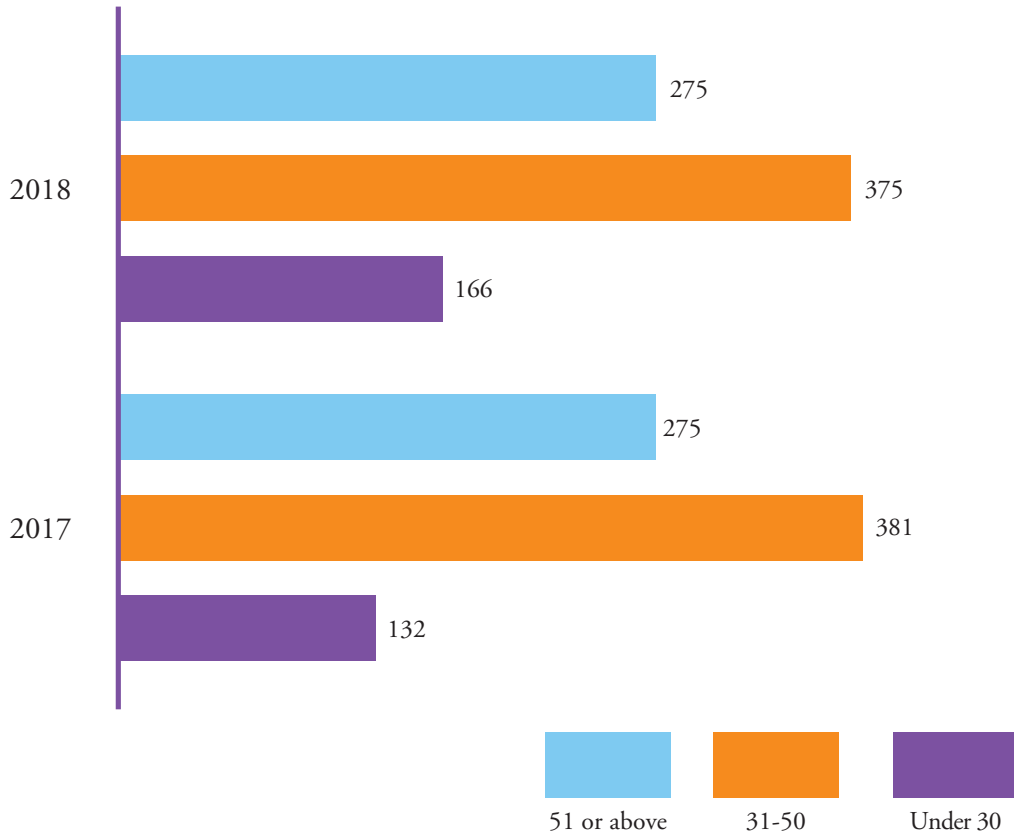




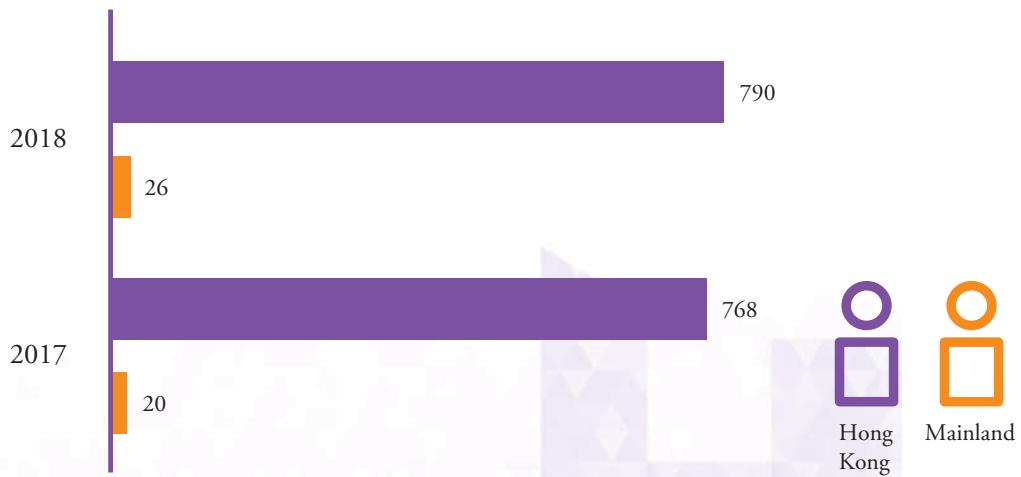
Employees in Hong Kong by position



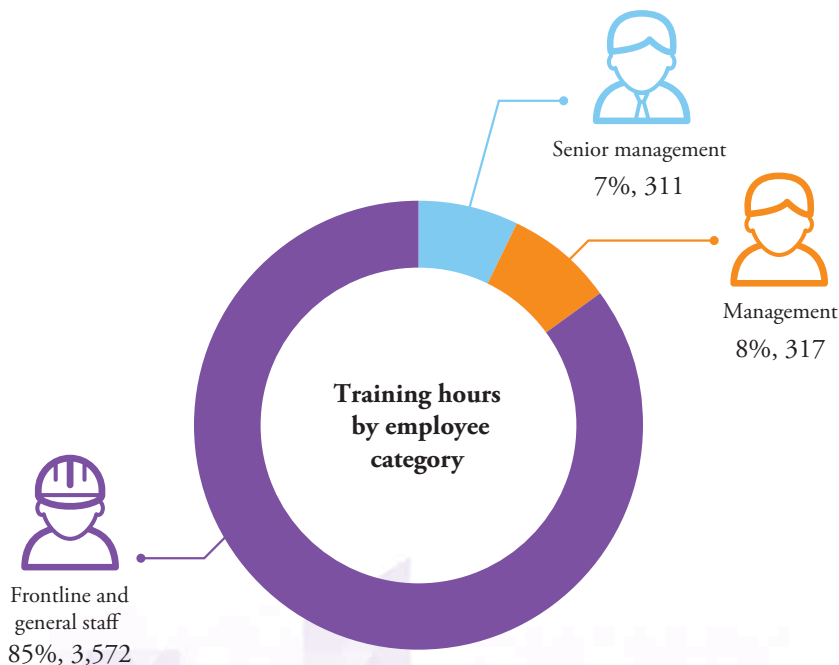
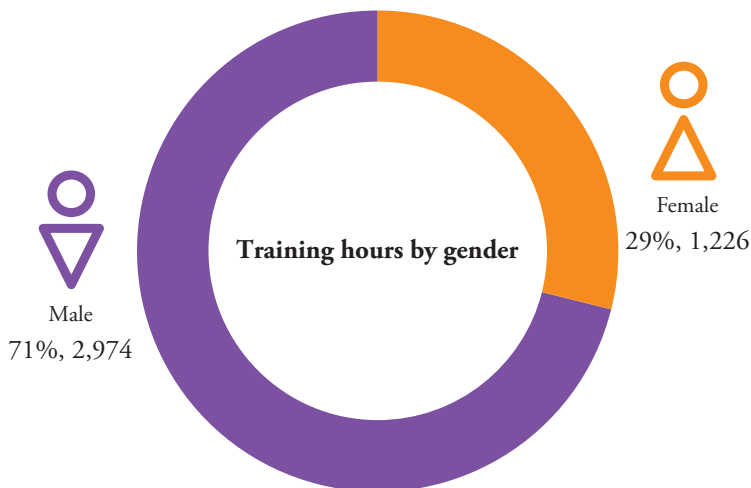
**Employees in Hong Kong by age group**



**Employees in Hong Kong by countries of origin**



To support employees' professional development, the Group proactively encourages and organizes various training opportunities for them. On one hand, the Group reimburses part or all the fees for the self-selected courses by the employees. On the other hand, the Group provides various trainings on staff orientation, quality management and health and safety on a regular basis. In addition, the Group also organizes trainings on corporate governance standards to members of senior management.



In order to create a cohesive working environment and appreciate employees' hard work, the Group regularly holds various staff activities such as annual dinner and Christmas lunch. By ways of these activities, the Group hopes to enhance employees' cross-team collaboration and foster their sense of belonging.



**2018 Annual dinner celebration**



**Christmas lunch**

During the Reporting Year, the Group has strictly complied with laws and regulations relating to employment, labor rights and human rights. To continue cultivating the people-oriented culture, the Group has joined the Good Employer Charter of the Labour Department. In recognition of its performance on talent caring and development, the Hong Kong Council of Social Service and Asia Pacific Customer Service Consortium (the “APCSC”) has awarded the Group with the “Caring Company” label and the “People Development Program of the Customer Relationship Excellence Awards” respectively.



Good Employer Charter of Labour Department



Customer Relationship Excellence Awards (People Development Program)



Caring Company



#### 5.4 Anti-corruption

The Group is committed to maintaining the standards of openness and accountability. Thus, the Group upholds the zero-tolerance principle toward any corruption behavior, including bribery, extortion, fraud and money laundering.

The whistleblowing mechanism provides employees with channels and guidance on reporting suspected misconduct within the Group. Employees are encouraged to report any misconduct directly to Chairman of the audit committee of the Group. As a measure to develop preventive measures, the Board and/or the audit committee review the reported cases and policies regularly.

In the Reporting Year, the Group has not noticed any material non-compliance with local laws and regulations relating to anti-corruption.

### 6 Community Investment

The Group endeavors to create shared value and develop long-term relationships with the local society through volunteering and donations.

#### 6.1 Volunteering

The Group has invested in environmental protection and helped groups, including children, young people and elderlies. During the Reporting Year, the Group has visited Po Leung Kuk Small Group Home and participated in its House Sponsorship, and supported 3 houses. The Group's volunteer team worked with the staff of Po Leung Kuk Wong Chuk Hang Service for the Elderly Centre (the "Centre") on greening the roof of the Centre, in order to provide elderlies with comfortable accommodation and to express the Group's care to the community.





Staff visiting Po Leung Kuk Small Group Home





Staff participating greening the roof of Po Leung Kuk Wong Chuk Hang Service for the Elderly Centre



To promote a sustainable lifestyle, the Group encourages staff to participate environmental protection activities. The Group has been participated beach cleaning activities since 2017, and this year, 22 staff volunteered in the activity to clean up the beach in Wu Kai Sha.



Staff participating in coastal clean-up

## 6.2 Investing in Young People

The Group is devoted to empowering the future generation of the community through dedicating resources to support youth development. Since 2001, the Group has partnered with Youth Outreach (“YO”), an organization that is dedicated to help at-risk youth grow into responsible members of the community. To support the organization, the Group has donated HKD100,000 during the Reporting Year, and has actively participated the activities organized by YO.

The Group has donated a total of HKD132,500 and contributed 332 hours of social services to various charitable organisations throughout the Reporting Year.



**Staff participating in the basketball match with youth**

## 7 Looking Forward

In the ever-changing market, the Group is facing various challenges including improving resource efficiency, minimizing operational emissions, securing employees' safety and meeting clients' requirements. In view of this, the Group strives to allocate adequate resources and apply appropriate policies and measures to tackle the challenges. Looking forward to 2019, the Group will continue to implement the IMS to monitor environmental and social performance, set out improvement targets and maintain responsible operations.

## 8 Performance Tables

 ENVIRONMENTAL PERFORMANCE

Energy consumption			
	Unit	2018	2017
<b>Total electricity consumption</b>	<b>kWh</b>	<b>1,022,459</b>	<b>1,408,984</b>
	<b>GJ<sup>1</sup></b>	<b>3,681</b>	<b>5,072</b>
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Head office	GJ/ million revenue <sup>4</sup>	0.32	0.31
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GHG and other air emissions within the Group				
	Unit	2018	2017	
<b>Total GHG</b>	<b>tCO<sub>2</sub>e</b>	<b>29,755</b>	<b>28,609</b>	
Direct GHG emissions (Scope 1) <sup>5</sup>	tCO <sub>2</sub> e	29,097	27,730	
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PM emissions <sup>7</sup>	tonnes	19	18	
NOx emissions <sup>7</sup>	tonnes	300	288	
CO emissions <sup>7</sup>	tonnes	99	94	
Water consumption				
	Unit	2018	2017	
<b>Total water consumption<sup>8</sup></b>	<b>m<sup>3</sup></b>	<b>311,575</b>	<b>435,155</b>	
Construction sites	m <sup>3</sup>	311,575	435,155	
<b>Total water intensity</b>	<b>m<sup>3</sup>/Total construction floor area (<sup>1000</sup>m<sup>2</sup>)<sup>9</sup></b>	<b>1.39</b>	<b>1.95</b>	
Waste management for construction sites				
	Unit	2018	2017	
Non-hazardous wastes	Non-inert C&D waste disposed to landfill	tonnes	2,369	1,283
	Inert and non-inert C&D waste diverted from landfill (sent to public fill/recycling facilities)	tonnes	3,420,665	1,656,550
Hazardous waste	Liquid	tonnes	6	2
	Solid	tonnes	0.23	0.40
<b>Non-hazardous waste/intensity</b>	<b>tonnes/ million revenue<sup>4</sup></b>	<b>1,152</b>	<b>503</b>	
<b>Hazardous waste/intensity</b>	<b>tonnes/ million revenue<sup>4</sup></b>	<b>0.002</b>	<b>0.001</b>	

Regional material selection			
	Unit	2018	2017
<b>Total weight of materials</b>	<b>tonnes</b>	<b>459,216</b>	<b>449,793</b>
Total weight of materials manufactured within 800km	tonnes	358,378	326,759
% of materials manufactured within 800km	%	78	73
<b>Total weight of materials used from recycled sources<sup>10</sup></b>	<b>tonnes</b>	<b>83,567</b>	<b>-</b>
% of materials used from recycled sources	%	18	-

Note 1: 1kWh = 0.0036 GJ.

Note 2: 2018 data inclusive of 29 construction sites whereas 2017 data inclusive of 24 construction sites.

Note 3: 1 GJ = 1,000 megajoules ("MJ"); assume diesel energy intensity as 36 MJ/L, biodiesel energy intensity as 33 MJ/L. (Source: <http://www.forestry.gov.uk/fr/bee-h-abslyb>)

Note 4: The Group's revenue in its Financial Years 2018 and 2017 were HKD2,971.170 million and HKD 3,290.156 million, respectively.

Note 5: Scope 1 direct GHG emissions refer to the direct emissions from sources owned or controlled by the Group, which include construction machines.

Note 6: Scope 2 indirect GHG emissions refer to the indirect emissions resulting from the generation of the electricity which the Group purchased.

Note 7: Emission factors of non-road mobile machinery referenced from EMEP/EEA air pollutant emission inventory guidebook 2016 – updated in May 2017.

Note 8: The data on water consumption was collected at the respective construction sites only, as the contribution from the head office was insignificant to the Group's overall performance.

Note 9: The total construction floor area represents the 29 construction sites' estimated construction floor area in Hong Kong during the Reporting Year. The total construction floor area in 2018 and 2017 were 223,483,523m<sup>2</sup> and 223,479,211m<sup>2</sup>, respectively.

Note 10: The Group did not keep any record for using recycled materials in previous reporting years.


 SOCIAL PERFORMANCE


Employees in Hong Kong by gender			
		2018	2017
Male		660	624
Female		156	164
Employees in Hong Kong by position			
		2018	2017
Frontline and general staff		720	702
Managers		87	70
Senior management		9	16
Employees in Hong Kong by age group			
		2018	2017
Under 30		166	132
30 – 50		375	381
51 or above		275	275
Employees in Hong Kong by country of origin			
		2018	2017
Hong Kong		790	768
Mainland		26	20
Training hours by gender			
	Unit	2018	2017
Male	hours	2,974	1,140
Female	hours	1,226	1,046
Training hours by employee category			
	Unit	2018	2017
Frontline and general staff	hours	3,572	1,541
Managers	hours	317	526
Senior management	hours	311	19


2018 Training hours by training topics					
Training topic covered	Number of training hours				
	By gender		By employee category		
	Male	Female	Senior management	Managers	Frontline and general staff
<b>Total</b>	<b>2,974</b>	<b>1,226</b>	<b>311</b>	<b>317</b>	<b>3,572</b>
Staff orientation	72	17	0	21	68
Executive training	306	0	306	0	0
Professional training	642	589	0	57	1,175
Management training	15	20	5	10	20
Health and safety	1,684	96	0	43	1,737
Quality management	255	504	0	186	573



## 9 ESG Content Index


Aspect	KPI	Description	Statement/Section	Page No.
<b>SUBJECT AREA (A) ENVIRONMENT</b> 				
<b>A1: EMISSIONS</b>				
<b>A1</b>	<b>General disclosure</b>	Information on: (a) the policies; and (b) relevant laws and regulations	(a) 4 Environmental Conscious Operations (b) Water Pollution Control Ordinance, Air Pollution Control Ordinance, Noise Control Ordinance and Public Health and Municipal Services Ordinance: no non-conformity was recorded during the Reporting year.	5
	<b>A1.1</b>	The types of emissions and respective emissions data.	4.1 Energy Consumption and Emissions 4.2 Water Resources 4.3 Waste Management 4.5 Other Environmental Impacts	5-9, 11
	<b>A1.2</b>	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.1 Energy Consumption and Emissions	5-7
	<b>A1.3</b>	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.3 Waste Management	9
	<b>A1.4</b>	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.3 Waste Management	9
	<b>A1.5</b>	Description of measures to mitigate emissions and results achieved.	4.1 Energy Consumption and Emissions 4.2 Water Resources 4.3 Waste Management 4.5 Other Environmental Impacts	5-9, 11
	<b>A1.6</b>	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	4.3 Waste Management	9

Aspect	KPI	Description	Statement/Section	Page No.
<b>SUBJECT AREA (A) ENVIRONMENT</b> 				
<b>A2: USE OF RESOURCES</b>				
<b>A2</b>	<b>General disclosure</b>	Policies	4 Environmental Conscious Operations	5
	<b>A2.1</b>	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	4.1 Energy Consumption and Emissions	5-7
	<b>A2.2</b>	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	4.2 Water Resources	8
	<b>A2.3</b>	Description of energy use efficiency initiatives and results achieved.	4.1 Energy Consumption and Emissions	5-7
	<b>A2.4</b>	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	4.2 Water Resources	8
	<b>A2.5</b>	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable	-
<b>A3: THE ENVIRONMENT AND NATURAL RESOURCES</b>				
<b>A3</b>	<b>General disclosure</b>	Policies	4.5 Other Environmental Impacts	11
	<b>A3.1</b>	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	4.5 Other Environmental Impacts	11

Aspect	KPI	Description	Statement/Section	Page No.
<b>SUBJECT AREA (B) SOCIAL</b> 				
<b>B1: EMPLOYMENT</b>				
<b>B1</b>	<b>General disclosure</b>	Information on: (a) the policies; and (b) relevant laws and regulations	(a) 5.3 Acquiring and Developing Talents (b) The Group has been in compliance with such relevant laws and regulations relating to employment, including Minimum Wage Ordinance, Employees' Compensation Ordinance, Mandatory Provident Fund Scheme Ordinance and other relevant regulations protecting employees in terms of remuneration, compensation and social security. The Group has also complied with Discrimination Ordinances to protect employees from any kinds of discrimination.	15-20
	<b>B1.1</b>	Total workforce by gender, employment type, age group and geographical region.	5.3 Acquiring and Developing Talents	15-20
	<b>B1.2</b>	Employee turnover rate by gender, age group and geographical region.	5.3 Acquiring and Developing Talents	15-20
<b>B2: HEALTH AND SAFETY</b>				
<b>B2</b>	<b>General disclosure</b>	Information on: (a) the policies; and (b) relevant laws and regulations	(a) 5.1 Safe Operations (b) The Group has been in compliance with such relevant laws and regulations relating to health and safety, including Occupational Safety and Health Ordinance.	13-14
	<b>B2.1</b>	Number and rate of work-related fatalities.	5.1 Safe Operations	13-14
	<b>B2.2</b>	Lost days due to work injury.	1,928 lost days due to work injury	-
	<b>B2.3</b>	Description of occupational health and safety measures adopted, how they are implemented and monitored.	5.1 Safe Operations	13-14

Aspect	KPI	Description	Statement/Section	Page No.
<b>SUBJECT AREA (B) SOCIAL</b> 				
<b>B3: DEVELOPMENT AND TRAINING</b>				
<b>B3</b>	<b>General disclosure</b>	Policies	5.3 Acquiring and Developing Talents	15-20
	<b>B3.1</b>	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	5.3 Acquiring and Developing Talents	15-20
	<b>B3.2</b>	The average training hours completed per employee by gender and employee category.	5.3 Acquiring and Developing Talents	15-20
<b>B4: LABOUR STANDARD</b>				
<b>B4</b>	<b>General disclosure</b>	Information on: (a) the policies; and (b) relevant laws and regulations	(a) 5.3 Acquiring and Developing Talents (b) The Group has been in compliance with such relevant laws and regulations relating to child and forced labour, such as Employment Ordinance.	15-20
	<b>B4.1</b>	Description of measures to review employment practices to avoid child and forced labour.	5.3 Acquiring and Developing Talents	15-20
	<b>B4.2</b>	Description of steps taken to eliminate such practices when discovered.	Not applicable	-
<b>B5: SUPPLY CHAIN MANAGEMENT</b>				
<b>B5</b>	<b>General disclosure</b>	Policies	4.4 Construction Material Selection	10
	<b>B5.1</b>	Number of suppliers by geographical region.	Not disclosed	-
	<b>B5.2</b>	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	4.4 Construction Material Selection	10

Aspect	KPI	Description	Statement/Section	Page No.
<b>SUBJECT AREA (B) SOCIAL</b> ♥				
<b>B6: PRODUCT RESPONSIBILITY</b>				
<b>B6</b>	<b>General disclosure</b>	Information on: (a) the policies; and (b) relevant laws and regulations	(a) 5.2 Quality Assurance (b) The Group has been in compliance with such relevant laws and regulations relating to product responsibility, including Trade Marks Ordinance and Competition Ordinance.	15
	<b>B6.1</b>	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable	-
	<b>B6.2</b>	Number of products and service related complaints received and how they are dealt with.	5.2 Quality Assurance	15
	<b>B6.3</b>	Description of practices relating to observing and protecting intellectual property rights.	Not applicable	-
	<b>B6.4</b>	Description of quality assurance process and recall procedures.	5.2 Quality Assurance	15
	<b>B6.5</b>	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Not applicable	-

Aspect	KPI	Description	Statement/Section	Page No.
<b>SUBJECT AREA (B) SOCIAL</b> 				
<b>B7: ANTI-CORRUPTION</b>				
<b>B7</b>	<b>General disclosure</b>	Information on: (a) the policies; and (b) relevant laws and regulations	(a) 5.4 Anti-corruption (b) The Group has been in compliance with such relevant laws and regulations relating to anti-corruption, including Prevention of Bribery Ordinance.	21
	<b>B7.1</b>	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.	5.4 Anti-corruption	21
	<b>B7.2</b>	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	5.4 Anti-corruption	21
<b>B8: COMMUNITY INVESTMENT</b>				
<b>B8</b>	<b>General disclosure</b>	Policies	6 Community Investment	21-25
	<b>B8.1</b>	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	6 Community Investment	21-25
	<b>B8.2</b>	Resources contributed (e.g. money or time) to the focus area.	6 Community Investment	21-25