



# We Build for Tomorrow

為未來 營建更好

2017 Environmental, Social and  
Governance Report



Hong Kong | Macau

香港 | 澳門



黎氏建築

Lai Si Construction

Lai Si Enterprise Holding Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2266)





## CONTENT

2

About the Group

3

About this Report

4

Stakeholder Engagement

6

Message from the Management

7

Lai Si Enterprise and the Environment

12

Lai Si Enterprise and its Employees

15

Lai Si Enterprise and the Community

16

Lai Si Enterprise and Operation

18

Environmental and Social Key Performance Indicators Summary

21

ESG Reporting Guide Content Index





## ABOUT THE GROUP

Lai Si Enterprise Holding Limited (“Lai Si Enterprise” or the “Company”, together with its subsidiaries, the “Group”) provides services of (i) fitting-out works as an integrated fitting-out contractor; (ii) construction works as a main contractor; and (iii) repair and maintenance works, mainly in Macau.

The Group’s revenue is mainly generated from (a) fitting-out works; (b) construction works; and (c) repair and maintenance services. During the Year ended 31 December 2017 (“the Year”), the total value for the new fitting-out projects awarded to the Group, representing the aggregate awarded contract sum, amounted to approximately MOP205.7 million; and the aggregate value of backlog for fitting-out projects and construction projects amounted to approximately MOP42.4 million.

Looking forward, the Group will strive to improve the positioning and overall competitiveness of its fitting-out works and construction works business in Macau and to gain a certain share of the Hong Kong market. Further, the Group will also consider exploring upstream and downstream business opportunities to increase revenue and profit.

## ABOUT THIS REPORT

This is the second Environmental, Social and Governance Report (the “Report”) published by Lai Si Enterprise. By reporting the policies, measures and performances of the Group in environmental, social and governmental aspects, the Report allows all stakeholders to better understand the progress of the Group towards sustainability. This report is prepared in both English and Chinese, and is available on the website of the Stock Exchange of Hong Kong Limited (“SEHK”) and the Company website [www.lai-si.com](http://www.lai-si.com). If there is any inconsistency or ambiguity between the English version and the Chinese version, the Chinese version shall prevail.

### Reporting Boundary

The Report focuses on the operations of the Group’s “fitting-out works, heritage projects”, “construction works” and “repair and maintenance works”<sup>1</sup> in the Macau headquarters during the Year. The Group will continue to improve the internal data collection procedure and gradually expand the scope of disclosure.

### Reporting Standards

The Report is prepared in accordance with the ‘comply or explain’ provisions of the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) published by the SEHK. The four reporting principles: (i) Materiality; (ii) Quantitative; (iii) Balance; and (iv) Consistency form the backbone of this Report. Selected key performance indicators that are categorised by the ESG Reporting Guide as ‘recommended disclosures’ are included for enhanced reporting. To ensure the accuracy of environmental key performance indicators, the Group commissioned a professional consultant, Carbon Care Asia (“CCA”), to conduct a carbon assessment. A complete index is included in the last chapter hereof for the reader’s quick reference.

### Confirmation and Approval

The information documented in the Report is sourced from the official documents, statistical data, management and operation information of and collected by the Group and its subsidiaries according to the policies and procedures of the Group. The Report has been confirmed and approved by the Board of Directors of the Company on July 2018.

### OPINION AND FEEDBACK

The Group values the opinions of stakeholders. If you have any questions, comments, or suggestions regarding the content or format of the Report, please contact the Group through the following channels:

Address: Macau Lai Si Enterprise Centre, Rua Da Ribeira Do Patane No. 54, Macau

Tel: (853) 2855 9783

Fax: (853) 2830 9173

Email: [info@lai-si.com](mailto:info@lai-si.com)

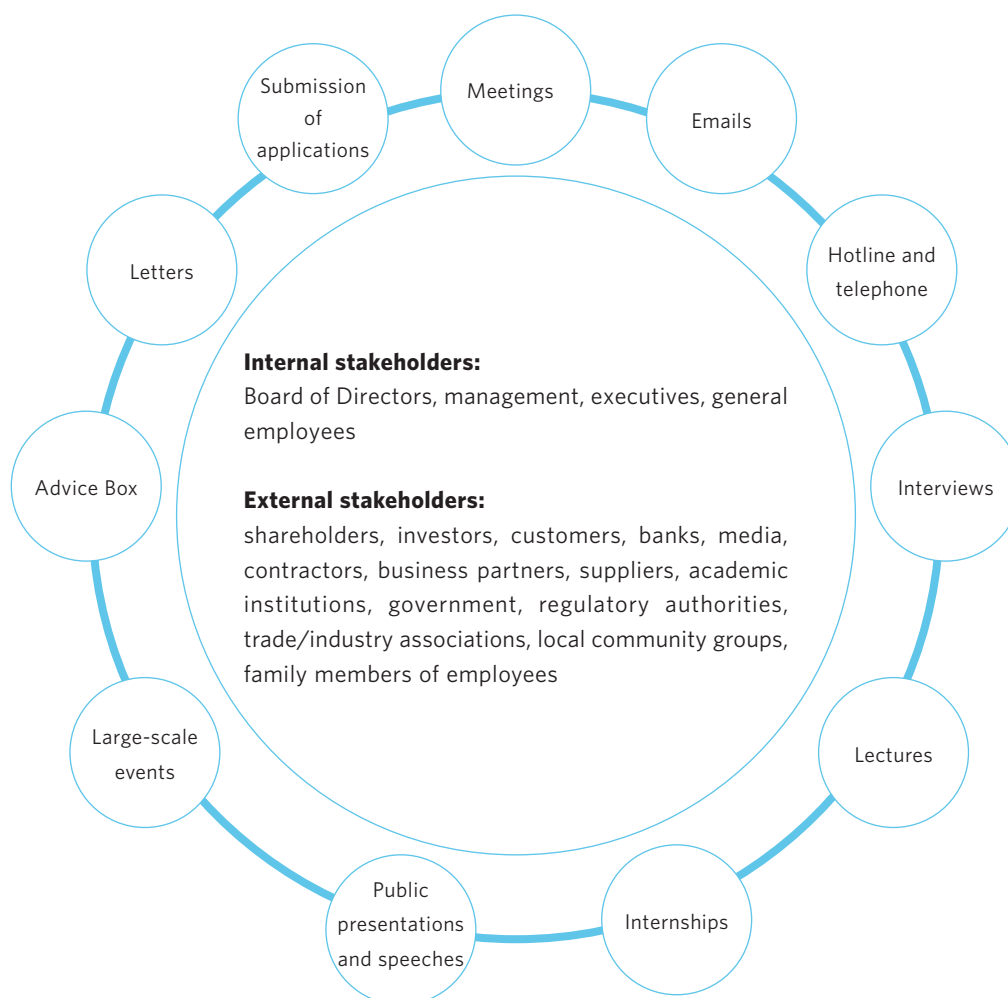
<sup>1</sup> Operated by Lai Si Construction & Engineering Company Limited (Macau) and Constructor Civil Lai Ieng Man (Macau).

## STAKEHOLDER ENGAGEMENT

As a key element in the business management of Lai Si Enterprise, stakeholder<sup>2</sup> participation helps the Group review and assess potential risks and business opportunities. Communicating with stakeholders and understanding their views allow the Group to better fulfil their needs and expectations with its business practices and manage different stakeholders' opinions.

### Main channels of stakeholder engagements during the Year

The Group communicates with key internal and external stakeholders through various channels on a consistent basis. This ensures that they have the opportunity to learn about the Group's developments and the operation directions and offers the Group the chance to understand them in order to identify the priority of issues and develop corresponding policies.



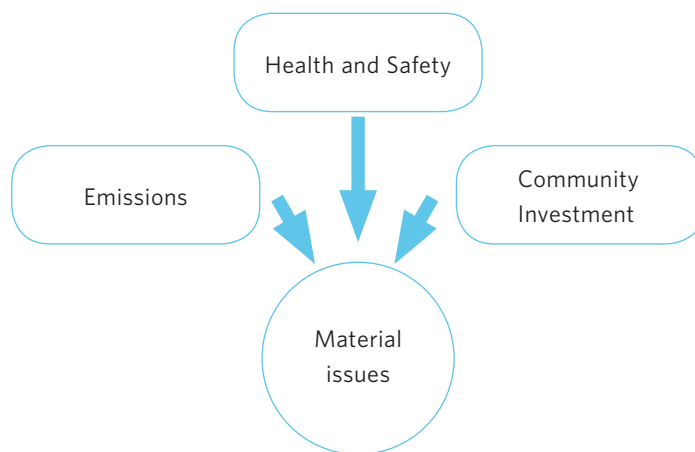
<sup>2</sup> Stakeholders refer to groups or individuals materially influencing or affected by the Group's business. Internal stakeholders include Board of Directors, management, executives and general employees. External stakeholders include shareholders, investors, customers, banks, media, contractors, business partners, suppliers, academic institutions, government, regulatory departments, trade/industry associations, local community groups, family members of employees, etc.

## STAKEHOLDER ENGAGEMENT

### Material sustainability issues in the Year

To formulate the Group's sustainability strategy and direction and to identify the most important environmental and social issues concerning the Group and its stakeholders, the Group commissioned CCA to conduct a materiality analysis in the form of a management interview. Together with the expert advice, the Group has identified the material issues for reporting, which serves as the basis of the Group's path to sustainability. The Group has selected three aspects from the 11 environmental and social aspects of the ESG Reporting Guide to be the focus of the reporting.

To ensure the effectiveness of stakeholder engagement, the Group dedicated itself to establishing communication mechanisms for transparency, integrity and accuracy and providing timely response to the stakeholders. In the future, the Group will enhance the quality interactions and exchanges with stakeholders and encourage more stakeholders to participate in stakeholder engagement activities related to sustainability and expressing their suggestions and expectations for the Group. Apart from continuous engagement with stakeholders, the Group plans to develop more diverse channels to increase the opportunities to interact with stakeholders and to create a mutually beneficial relationship.





## MESSAGE FROM THE MANAGEMENT

Lai Si Enterprise understands that enhancement of corporate environmental, social and governance performance is an important element in boosting its competitiveness within the industry. To demonstrate its commitment to quality reporting, the Group obtained the CarbonCare® ESG Label 2017 awarded by CarbonCare Innolab and raised its reporting standards as per the declaration of commitment. Compared to last year's Environmental, Social and Governance Report, the Report expanded the reporting boundary to include construction works and repair and maintenance works in order to enhance stakeholders' understanding of the Group's sustainability efforts.

The Group strives to reduce the environmental impact of its businesses by formulating and implementing a series of environmental management policies to supervise each procedure and process in the entire project life cycle and control emissions such as construction and demolition waste, dust, wastewater and noise. To further understand the carbon emission of its operations, the Group commissioned an independent consultant to conduct a carbon assessment to prepare for its plan to reduce carbon emission.

Employee health and safety is a fundamental requirement of corporate operations. To manage the safety of our offices and construction sites, the Group followed the requirements of OHSAS 18001:2007, an international occupational safety and health management system, to carry out operations monitoring to offer better protections to our employees. At the same time, the Group has formulated working guidelines for all employees and regularly arranged inspections for roles exposed to high risks.

The Group focuses its attention on the fulfilment of social responsibility. In its operations, it fully considers the interests of the community and proactively participates in local social and charitable activities on areas such as environmental protection, education, culture, science, health, community building and poverty relief, to promote the development of the local communities.

To effectively improve the sustainability performance of the Group, we will conduct engagement with stakeholders of different sectors to understand their needs and views and adjust our operational approach accordingly. With the support of clients, industry peers and the public, Lai Si Enterprise will spare no effort to contribute to the sustainable development of society and the environment.

**Lai Si Enterprise Holding Limited**

*Chief Executive Office and Executive Director*

**Lai Meng San**

## LAI SI ENTERPRISE AND THE ENVIRONMENT

Lai Si Enterprise emphasises environmental protection and has formulated and implemented the *Integrated Management System Policy* since 2014 to improve its environmental performance and to avoid environmental pollution. To properly manage the environmental impact of the Group's operations, the Group adopted and implemented the *Procedures to Identify Environmental Factors*, to identify the environmental impact of its daily operations with respect to seven environmental factors, namely resources consumption, waste production, air emissions, water pollution, noise pollution, soil pollution and life cycle.

### Emissions management

The Group followed and complied with the relevant local laws and regulations to properly manage emissions in accordance with the policies and procedures stated in the Internal Environmental Monitoring Procedure.

### Waste emissions

The types of waste generated by the Group include general office waste, large electrical appliances and machinery and general construction waste. The collection and handling of all waste was documented in the monthly waste handling record form. The methods of handling are shown below:

Types of waste	Methods of handling
<b>General office waste</b>	Collected and sorted waste paper, toner cartridges and ink cartridges. Waste paper is purchased by recycler for reuse purposes; while toner cartridges and ink cartridges are collected by environmental contractors for further handling.
<b>Large electrical appliances and machinery</b>	Arranged waste collectors, electrical appliance recyclers or social welfare organisations to collect and to recycle or reuse.
<b>General construction waste</b>	<p>Reuse waste that can be directly reused namely hoarding, formwork and scaffolding within the area of the construction site.</p> <p>Collected and sorted waste that cannot be directly reused; recyclable materials are collected by recycler for recycling; and landfill materials are transported to public landfills.</p>

Total non-hazardous waste  
0.1 tonne

Non-hazardous waste intensity  
(by employee number)  
0.001 tonne/employee



## LAI SI ENTERPRISE AND THE ENVIRONMENT

Construction and demolition waste is one of the common waste during the projects. The Group strives to reuse and recycle the waste on site. For waste that cannot serve such purpose, qualified recyclers will manage the waste and transport to dumping areas if needed. The type, weight, disposal method and reduced percentage of construction and demolition waste can be referred to in the table below:

Type	Unit (ton) 2016	Unit (ton) 2017	Reduced percentage compared to 2016	Disposal Method
<b>Cement and Sediment for Brick Wall and the Ground</b>	20	15	25%	Transporting to Dumping Areas
<b>Gypsum Board</b>	1	1	0%	Transporting to Dumping Areas
<b>Planks</b>	5	4	20%	Recycling and Reusing (some planks are transported to dumping areas)
<b>Iron Plate, Iron Frame, and Others</b>	15	12	20%	Recycling and Reusing
<b>Electric Wire</b>	0.5	0.5	0%	Recycling and Reusing
<b>Plastic Film for Site Protective Facilities</b>	0.15	0.15	0%	Recycling and Reusing
<b>Cardboard Box for Goods Packing</b>	3.5	3	14.3%	Recycling and Reusing
<b>Total</b>	45.15	35.65	21%	-

### Greenhouse gas and air emissions

Emission of greenhouse gas closely correlates with climate change and global warming. Companies around the world are establishing carbon reduction measures and targets. During the Year, Lai Si Enterprise commissioned an independent consultant, CCA, to conduct a carbon assessment to calculate the amount of greenhouse gas ("GHG") generated. The quantification process was based on Guidance for Accounting and Reporting Corporate GHG Emissions and the international standard ISO 14064-1. The quantification results were as follows:

Total GHG Emissions  
31.2 tonnes of CO<sub>2</sub>-equivalent

Carbon Intensity  
(by number of employees)  
0.21 tonnes per employee

## LAI SI ENTERPRISE AND THE ENVIRONMENT

The main sources of the Group's carbon emissions is purchased electricity in Scope 2, which accounts for 78.9% of the Group's total emissions; followed by air business travel in Scope 3, which accounts for 13.2% of the Group's total emissions. The Group will continue to assess, record and disclose its GHG emissions and other environmental data on an annual basis so that comparison can be made with future data for performance review. This will facilitate the Group in formulating a carbon emission reduction target in the future.

The main source of air emissions of the Group is dust produced in its operations. To reduce dust emission, the Group has listed specific guidelines for each material or procedure that leads to dust production, they are as follows:

Material or procedure	Guidelines
<b>Cement</b>	<ul style="list-style-type: none"> <li>For storage of over 20 bags of cement, they shall be covered entirely by sheeting or placed in an area sheltered on the top and all covered with protection.</li> </ul>
<b>Dust producing materials</b>	<ul style="list-style-type: none"> <li>Dust producing materials collected by the air pollution control system shall be disposed of in totally enclosed containers;</li> <li>Stockpile of dusty materials shall be covered entirely by sheeting; placed in an area sheltered on the top and the three sides; or sprayed with water or a dust suppression chemical so as to maintain the entire surface wet; and</li> <li>Transfer of dusty materials shall be sprayed with water prior to any loading, unloading or transfer operation so as to maintain the dusty materials wet (except for cement).</li> </ul>
<b>Power-driven drilling, cutting and polishing and mechanical breaking operation</b>	<ul style="list-style-type: none"> <li>Unless the process is accompanied by an effective dust extraction and filtering device, water shall be continuously sprayed on the surface.</li> </ul>
<b>Debris</b>	<ul style="list-style-type: none"> <li>Shall be covered entirely by sheeting or stored in a debris collection area sheltered on the top and the three sides;</li> <li>Every debris chute shall be enclosed by sheeting; and</li> <li>Shall be sprayed with water before it is dumped into a debris chute.</li> </ul>
<b>Excavation or earth moving</b>	<ul style="list-style-type: none"> <li>The working area shall be sprayed with water.</li> </ul>
<b>Site clearance</b>	<ul style="list-style-type: none"> <li>The working area for the uprooting of trees or removal of street lights shall be sprayed with water; and</li> <li>Demolished items shall be covered entirely by sheeting or placed in an area sheltered on the top and the three sides within a day of demolition.</li> </ul>

## LAI SI ENTERPRISE AND THE ENVIRONMENT

### Wastewater discharge

Due to its business nature, the Group does not produce wastewater in significant amount. Wastewater is mainly produced during the process of cleaning of construction sites and by cooling equipment. Direct discharge of wastewater produced during construction into the rainwater gutter is illegal and prohibited. Initial treatment of wastewater must be carried out to filter gravel and sand before wastewater is charged to the sewage pipe. Further, to prevent wastewater pollution or clogged drains, the Group prohibits the discharge of waste, sand, dust, sedimentary materials and ecosystem damaging materials into the sewage pipe.

Looking forward, the Group will gradually improve its measures and formulate a detailed carbon emission reduction plan.

### Use of Resources

The Group understands the importance of saving resources and is dedicated to reducing wastage of resources in its daily operations.

Use of Resources	
<b>Energy consumption</b>	
<b>Direct energy</b>	
Petrol (GJ)	22.6
Diesel (GJ)	15.0
<b>Indirect energy</b>	
Purchased electricity (MWh) <sup>3</sup>	27.2
<b>Use of water resources</b>	
Total water consumption (cubic meter)	38.6

Resources consumed by the Group's offices on a daily basis mainly include electricity, domestic water and paper required by office. Resources consumed by construction projects mainly include electricity and various raw materials.

To properly manage electricity use, the Group stated in its electricity use guidelines to require unused electrical appliances to be turned off in unoccupied rooms and to continuously educate employees to save resources.

The Group has also stipulated requirements on water conservation. Water conservation notices are displayed in construction sites to encourage employees to conserve water and reduce wastage. Employees are also encouraged to help monitor water wasting behaviour of other employees. If damages to water use facilities is spotted, the responsible employee should be informed in time to arrange repair.

<sup>3</sup> Since the electricity consumed by the Group's projects was provided by their respective property owners, and thus, data of electricity consumption cannot be collected. The data of electricity consumption during the Year only covers office operations.



## LAI SI ENTERPRISE AND THE ENVIRONMENT

Raw materials used by the Group in construction projects mainly include wood boards, plasterboard, iron plate, iron framework, etc.

In the future, the Group plans to continuously refine the policies and measures related to the use of resources and to continue to disclose the consumption of resources for comparison in order to formulate more suitable resources saving policies and measures.

### The Environment and Natural Resources

To comply with internal policies and relevant local laws and regulations, the Group aims to prevent environmental pollution whenever possible in its daily operations. Due to its business nature, the Group does not have a significant impact on the environment and natural resources.

The Group values its environmental responsibilities by including environmental issues in its operational plan according to the ISO 14001:2004 management system and advocating the use of environmentally-friendly products as far as practicable. Pursuant to the requirements of the *Operating Procedures for Internal Environmental Regulations*, the Group prioritises products with environmental labels and are verified by independent third parties, products made with environmental-friendly or recyclable materials, and energy saving or noise reducing machinery or electrical appliances during the course of the Group's procurement of office supplies or project raw materials.

During the Year, there was no non-compliance case in relation to emissions, use of resources or the environment and natural resources within the Group.

## LAI SI ENTERPRISE AND ITS EMPLOYEES

Talent is a key to corporate operations and development at Lai Si Enterprise. The Group strives to provide employees with a fair, equal, safe and healthy working environment with ideal training and development opportunities.

### Health and Safety

Lai Si Enterprise values the health and safety of employees and has stated its occupational health and safety policies and guidance on safe work in offices and construction sites in the Group's *Personal Protective Equipment Working Instruction*.

The Group identified and monitored high-risk operating posts, including ceiling workers, plasterers, ironware workers, concrete cutting machine operators and drivers, workers operating at heights, electricians, welders and workers working in a noisy or dusty environment or those who work outdoor for long hours. There are a total of 140 employees at high-risk positions, representing 78% of the total number of employees. The Group established the site safety committee, which is responsible for the management and supervision of the safety problems of construction sites and to ensure the safe operation of employees at high-risk operating posts. Besides, the site safety committee abided by relevant local laws and regulations and implemented a safety management system to properly manage construction safety problems through risk assessment, safety inspection, regular safety meetings, etc. At the same time, the Group has obtained the OHSAS 18001:2007 international occupational health and safety management system certification. To comply with the management requirements of OHSAS 18001:2007 and to consistently improve the implementation of the relevant policies and measures, the Group set up an employee feedback channel for employees to express their demands and to raise suggestions.

The Group emphasises employees' safety and health protection at work and provided employees with suitable personal protective equipment ("PPE"), and implemented the *Personal Protective Equipment Working Instruction* to instruct employees to wear PPE in specific situations to minimise the chance of work injury. PPE provided by the Group include goggles, hearing protectors (including ear cushion and earmuffs), mouth mask, face mask, safety shoes, safety harness, safety helmet and gloves. Furthermore, the Group arranged safety training for employees and regularly organised relevant talks and seminars and arranged safety supervisors to conduct a construction safety training need analysis. Based on the results of the analysis, quarterly safety trainings were provided.

Apart from construction sites, the Group is also concerned about the health of employees in offices. Through *Inhouse OSH Guideline*, the Group strives to protect its office employees' occupational health. In addition to regular cleaning of air-conditioners and dust screens, the Group has gradually replaced vacuum tubes and fluorescent screens with liquid crystal displays to protect the eyesight of employees. Further, the Group reminded employees to maintain a correct sitting position and encouraged employees who have used computers for long periods to take rest breaks during work.

During the Year, the Group was involved in one case of work injury in which the injured employee fell and sprained his right wrist. The Group plans to reinforce safety training for employees to enhance awareness on occupational safety.

There was no non-compliance case in relation to health and safety within the Group.

## LAI SI ENTERPRISE AND ITS EMPLOYEES

### Employment

The Group is committed to providing a fair and equal working environment for employees. Through the *Staff Handbook*, the Group has stated the terms of compensation and dismissal, recruitment and promotion, working hours, rest periods, welfare, etc. The Group is dedicated to eliminating discrimination in the working place and providing equal employment opportunity. Employees will not be treated differently due to gender, pregnancy, disability, race, region, age, marital status or family role.

**Total number of employees 179**

**Male to female employee ratio 6.16:1**

The Group values opinions of employees and has established an employee communication mechanism through which information can be provided for employees via emails or circulars. All departments regularly hold meetings with employees to understand their ideas and difficulties. In addition, the Group has set up an audit committee to handle employees' dissatisfaction or complaints against the management or the Group. The audit committee undertakes to protect the anonymity of whistle-blower(s). The audit committee will forthwith establish an investigation committee responsible for specific investigations and records after the receipt of whistle-blowing claims and give feedback to the employee(s) concerned in the form of a written report within three months.

The Group also strives to create a diverse working environment for employees, and plans to introduce the relevant policies and operation guidelines to its *Environment, Social and Governance Regulations*.

During the Year, there was no non-compliance case in relation to employment within the Group.

### Development and Training

Lai Si Enterprise is committed to nurturing its employees and encourages them to develop their career in the Group. One of the Group's employee training and development policies in the *Integrated Management System Handbook* is to provide employees with suitable learning and training programmes.

**Percentage of employees  
who received training 20.67%**

**Average hours of training received by  
each employee 1.07 hours**

The Group assigned the administrative and purchasing manager to prepare the annual employee training programme. The training plan for the Year includes training courses on IMS Comprehensive Management System, Working Health and Safety, Environmental Protection and fire drill. During the Year, the Group has held 25 training activities of different categories such as PPE, working aloft, etc. In the course of training, the Group assessed the effectiveness of the training by holding review meetings, assessment during the programme, or assessment of instructors during training.



## LAI SI ENTERPRISE AND ITS EMPLOYEES

### Labour Standards

The Group prohibits the use of child labour or the employment of forced labour in any form. During the Year, the Group continued to adopt the *Management Regulations on the Ban on Using Child Labour and Underage Workers* and *Management System for the Ban on Forced Labour*.

According to the *Management Regulations on the Ban on Using Child Labour and Underage Workers*, the Group will verify the age of applicants by checking their identity documents and other records to prevent child labour. If a child labourer is discovered, remedial measures will be carried out immediately. All outstanding wages will be paid and the child concerned will be escorted to his/her original place of residence, the police, or handed over to his/her parents or guardians to sign and confirm the return of the child.

At the same time, the Group signed employment contracts with all employees and stated the employment terms. The Group does not restrict the employment relationship with employees in any unfair way. The Group prepares written employment contracts for all employees to ensure they clearly understand their rights and employment terms about payment of wages, overtime work and the prevention of forced labour. When foreign employees are involved, employee contracts are written in their respective first language to ensure they clearly understand their rights and duties.

During the Year, there was no non-compliance case in relation to labour standards within the Group.



## LAI SI ENTERPRISE AND THE COMMUNITY

The society expects corporates to operate in a responsible manner and to care for and give back to society by cooperating with different sectors. Lai Si Enterprise dedicates itself to fulfilling its social responsibilities to contribute to the community in which it operates and to create values for the society and environment. The Group formulated and implemented the *Provision on the Community Investment Management*. It pledged to consider the interests of the community in its operations and proactively participate in social and charitable events in the local community which focus on environmental protection, education, culture, science, health, community building and poverty relief. At the same time, the Group encouraged and arranged employees to participate in voluntary services and charity fund raising events to contribute to the society. During the Year, the Group focused its contributions on culture and sports and donated a total of approximately HK\$54,300, benefiting organisations including Association of Macau Lok Sin and Phoenix Skyscape Economic and Cultural & Creative Association.

## LAI SI ENTERPRISE AND OPERATION

### Supply Chain Management

The Group values its cooperation with suppliers and firmly believes that establishing a stable partnership with suppliers in the long run could help the Group to continuously improve the flow of operation and the quality service. Through the *Subcontractor Working Guideline*, the Group emphasises environmental protection, occupational health and safety to suppliers and states its guidelines and requirements to suppliers in order to mitigate those environmental and social risks.

The Group values the quality of fitting-out materials and strives to properly manage material suppliers. Performance of suppliers is assessed by various criteria including but not limited to technical competence, track records, prices, product quality, and prompt delivery. With regard to the need of various projects, the Group also has to hire machinery and equipment from service providers. To reduce the environmental and social risks in its supply chain, the Group is also concerned about whether suppliers have implemented quality assurance systems and whether they demonstrated an awareness of environmental protection and protection of occupational safety and health. The Group managed suppliers as per its internal safety and environmental affairs guidelines and requirements, and effectively executed subcontractors assessment through regular site inspections to assess their performance.

### Product Responsibility

The Group is committed to providing satisfactory products and services and protecting the health and safety of users. Its major clients include hotel and casino developers and owners, international retailers and restaurant owners (for fitting-out works, construction works and repair and maintenance works), and land owners and the Macau government (for construction works).

The Group values the quality of fitting-out projects and has formulated a comprehensive management plan for fitting-out projects to require the inspection to be carried out by the relevant department and employees to ensure supervision and review of each work flow. At the same time, the Group generally provides a warranty period of 2 to 12 months for fitting-out projects to follow up on service quality and customer feedback.

The Group is keen on providing quality products and services. Its product quality management system has obtained the ISO 9001:2008 international certification. Further, the Group formulated and implemented the *Quality Assurance Plan and Incident, Non-conformity Control* to ensure product quality and timely handling of any non-conforming products.



## LAI SI ENTERPRISE AND OPERATION

### Customer feedback management

The Group values customer feedback and is committed to maintaining good customer relationships. The channel of communication with customers is explained in the *Integrated Management System Handbook*. Customer feedback received is first sorted into complaints and non-complaints. For non-complaints, it will be handed to the relevant departments for further handling, whilst complaints will be investigated and followed up according to corrective and prevention measures. Improvement measures and prevention will be formulated to continuously improve product and service quality. During the Year, the Group was not involved in any product recall or customer complaints.

### Protection of customer privacy and intellectual property rights

The Group is dedicated to the protection of customer privacy and intellectual property rights and the proper storage of relevant information. Unless required by laws and regulations or with prior permission of customers, the information must not be disclosed to third parties. In the event of loss or leakage of customer data, it will be immediately reported to the customers and remedial measures will be carried out.

The Group's business does not involve product advertising and labelling. During the Year, there was no non-compliance case in relation to product responsibility within the Group.

### Anti-corruption

The Group advocates a corporate culture of integrity and communicates its anti-corruption requirements and standards through the *Staff Handbook*. Employees and suppliers are required to abide by all applicable anti-corruption laws and regulations and must not participate in any kind of bribery, extortion, fraud, money laundering or misappropriation of public funds.

During the Year, there was no non-compliance case in relation to corruption within the Group and there was no corruption litigation case against the Group or its employees.

## ENVIRONMENTAL AND SOCIAL KEY PERFORMANCE INDICATORS SUMMARY

### Environmental Key Performance Indicators

Environmental Key Performance Indicators	Quantity	Unit/remarks
<b>Type of emissions and emission data</b>		
<b>Nitrogen Oxides</b>	3.32	kg
<b>Sulphur Oxides</b>	0.18	kg
<b>Suspended particles</b>	0.17	kg
<b>Total GHG emissions</b>		
Scope 1	2.5	tonnes of CO <sub>2</sub> -e
Scope 2	24.6	tonnes of CO <sub>2</sub> -e
Scope 3	4.1	tonnes of CO <sub>2</sub> -e
Total GHG emissions	31.2	tonnes of CO <sub>2</sub> -e
GHG intensity (by employee number)	0.21	tonnes of CO <sub>2</sub> -e/employee
<b>Hazardous waste</b>		
<b>Total hazardous waste</b>	Not applicable	No hazardous waste was produced
<b>Hazardous waste intensity</b>	Not applicable	
<b>Non-hazardous waste</b>		
<b>Non-hazardous waste</b>	0.1	tonnes
<b>Non-hazardous waste intensity (by employee number)</b>	0.001	tonnes/employee
<b>Energy consumption</b>		
<b>Petrol</b>	22.6	GJ
<b>Diesel</b>	15.0	GJ
<b>Electricity</b>	27.2	MWh
<b>Total energy consumption</b>	135.4	GJ
<b>Energy intensity (by employee number)</b>	0.90	GJ/employee
<b>Water consumption</b>		
<b>Total water consumption</b>	38.6	cubic meter
<b>Water intensity (by employee number)</b>	0.26	cubic meter/employee
<b>Packaging material used for finished products</b>		
<b>Total packaging material used</b>	Not applicable	No packaging materials was used
<b>Packaging material intensity</b>	Not applicable	

## ENVIRONMENTAL AND SOCIAL KEY PERFORMANCE INDICATORS SUMMARY

### Social Key Performance Indicators

Employment	By gender, employee category and age		Below 30	30 to 40	41 to 50	Above 50	Total
Number of employees	Male	C-level executives	0	1	1	1	179
		Senior management	0	0	4	1	
		Middle management	0	0	3	1	
		General employees	25	40	55	22	
	Female	C-level executives	0	1	1	0	
		Senior management	0	1	0	0	
		Middle management	0	0	0	0	
		General employees	10	6	4	2	
Number of new employees	Male	C-level executives	0	0	0	0	49
		Senior management	0	0	0	0	
		Middle management	0	0	2	0	
		General employees	5	19	10	6	
	Female	C-level executives	0	0	0	0	
		Senior management	0	0	0	0	
		Middle management	0	0	0	0	
		General employees	3	3	1	0	
Employee turnover	Rate of new employees		27.4%				82
	Male	C-level executives	0	0	0	0	
		Senior management	0	0	0	0	
		Middle management	0	0	2	0	
		General employees	5	52	10	6	
	Female	C-level executives	0	0	0	0	
		Senior management	0	0	0	0	
		Middle management	0	0	0	0	
		General employees	3	3	1	0	
	Employee turnover rate		45.8%				



## ENVIRONMENTAL AND SOCIAL KEY PERFORMANCE INDICATORS SUMMARY

By gender and employee category		Amount (HK\$)	Total amount (HK\$)	Ratio to total amount
<b>Compensation</b>	Male	C-level executives	0	0%
		Senior management	155,340	12.92%
		Middle management	100,583	8.37%
		General employees	744,078	61.90%
	Female	C-level executives	0	0%
		Senior management	0	0%
		Middle management	58,252	4.85%
		General employees	143,883	11.97%

By gender		Number of work-related injury	Incidence of work-related injury per 1,000 employees	Lost days due to work injury
<b>Health and safety</b>	Male	1	5.6	0
	Female	0		0

Total number of employees who have received training	Percentage of employees who have received training	Total number of training hours	Average training hours per employee
37	20.67%	192	1.07

Location of suppliers	Type of suppliers	Number	Percentage of suppliers that implemented the Group's practices
<b>Macau</b>	Building materials	54	100%
	Materials	95	
	Subcontractors	43	
<b>Hong Kong</b>	Building materials	46	100%
	Materials	37	
	Subcontractors	25	
<b>Mainland China</b>	Building materials	58	100%
	Materials	32	
	Subcontractors	18	
<b>Other regions</b>	Building materials	5	100%
	Materials	10	
	Subcontractors	3	

## ESG REPORTING GUIDE CONTENT INDEX

Material Aspect	Content	Page Index/ Remarks
<b>A. Environmental</b>		
<b>A1 Emissions</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	7-11
A1.1	The types of emissions and respective emissions data.	7-10, 18
A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	8-9, 18
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	18
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	7, 18
A1.5	Description of measures to mitigate emissions and results achieved.	7-10
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	7-8
<b>A2 Use of Resources</b>		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	10-11
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	10, 18
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	10, 18
A2.3	Description of energy use efficiency initiatives and results achieved.	10
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	10; No issue in sourcing water
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	18

## ESG REPORTING GUIDE CONTENT INDEX

Material Aspect	Content	Page Index/ Remarks
<b>A3 The Environment and Natural Resources</b>		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	11
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	11
<b>B. Social</b>		
<b>B1 Employment</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	13
B1.1	Total workforce by gender, employment type, age group and geographical region.	19
B1.2	Employee turnover rate by gender, age group and geographical region.	19
<b>B2 Health and Safety</b>		
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.	12
B2.1	Number and rate of work-related fatalities.	20
B2.2	Lost days due to work injury.	20
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	12

## ESG REPORTING GUIDE CONTENT INDEX

Material Aspect	Content	Page Index/ Remarks
<b>B3 Development and Training</b>		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	13
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	13, 20
B3.2	The average training hours completed per employee by gender and employee category.	13, 20
<b>B4 Labour Standards</b>		
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.	14
B4.1	Description of measures to review employment practices to avoid child and forced labour.	14
B4.2	Description of steps taken to eliminate such practices when discovered.	14
<b>B5 Supply Chain Management</b>		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	16
B5.1	Number of suppliers by geographical region.	20
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	16, 20

## ESG REPORTING GUIDE CONTENT INDEX

Material Aspect	Content	Page Index/ Remarks
<b>B6 Product Responsibility</b>		
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.	16-17
B6.2	Number of products and service related complaints received and how they are dealt with.	17
B6.3	Description of practices relating to observing and protecting intellectual property rights.	17
B6.4	Description of quality assurance process and recall procedures.	16-17
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	17
<b>B7 Anti-corruption</b>		
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.	17
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.	17
<b>B8 Community Investment</b>		
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.	15
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	15
B8.2	Resources contributed (e.g. money or time) to the focus area.	15