



興勝創建控股有限公司

HANISON CONSTRUCTION HOLDINGS LIMITED

Incorporated in the Cayman Islands with limited liability
Stock Code: 896

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2019-2020

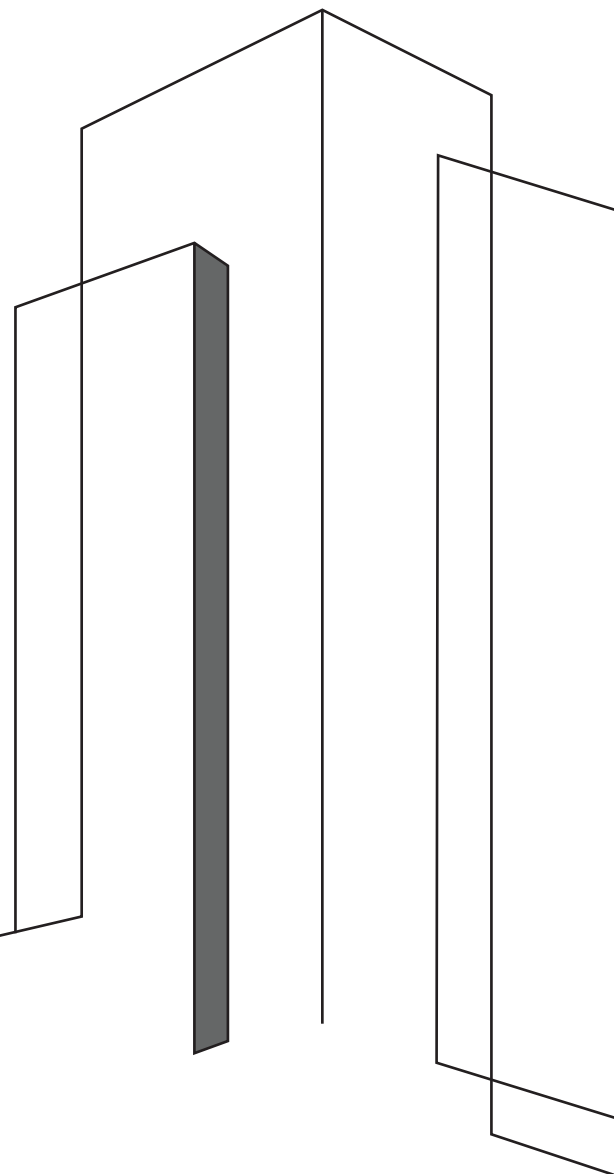


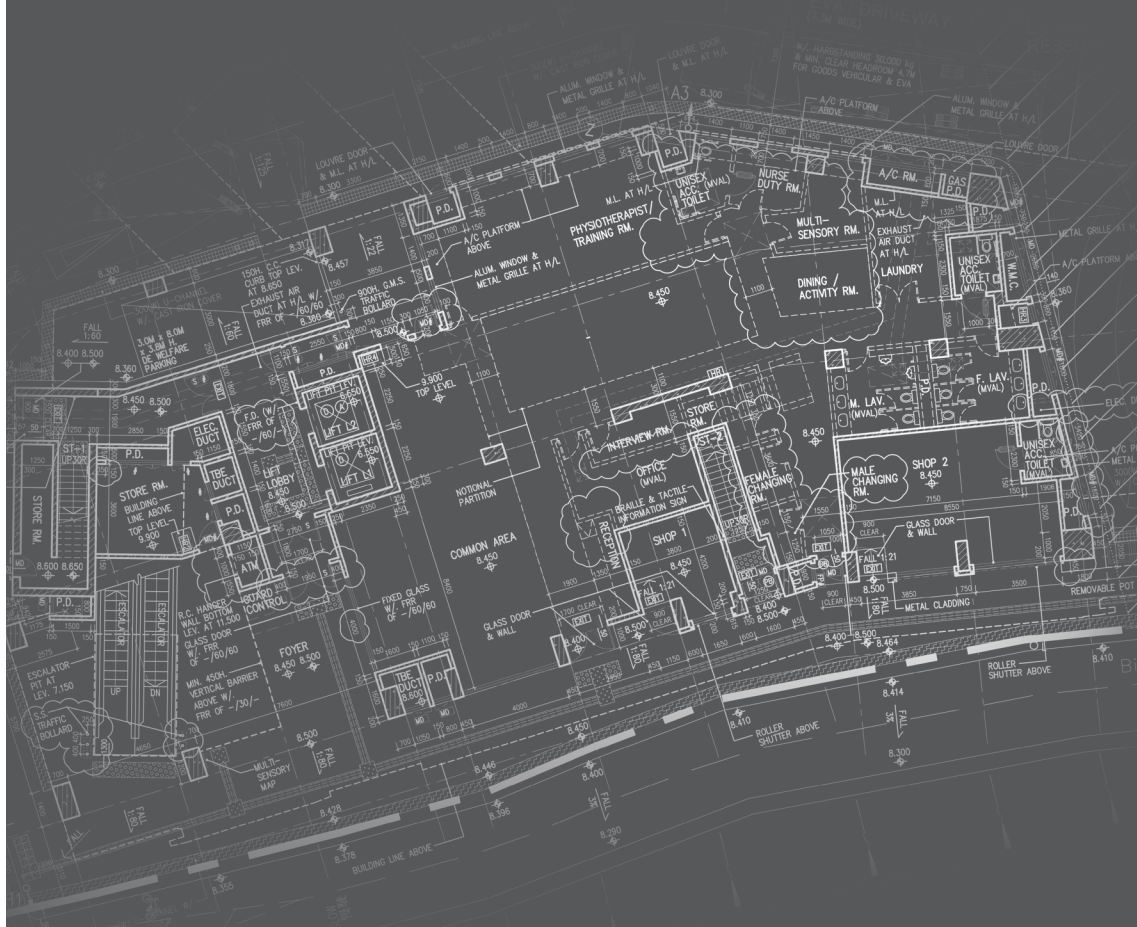
Corporate Social Responsibility Policy Statement

As a socially responsible building construction, property development, and services group, Hanison Construction Holdings Limited (HCHL) embraces sustainability as one of our core business values with an aim to create a brighter and greener prospect for the long-term benefits of our stakeholders and the territory of Hong Kong.

Recognising Hanison as a corporate citizen, we consider it our responsibility to mitigate the environmental impacts of our business, provide a safe and healthy working environment, enhance employee wellbeing and development, manage risks associated with the supply chain, engage our stakeholders actively, and contribute to the sustainable development of communities. We are also dedicated to operating our business with integrity and professionalism, delivering quality and reliable services and products, caring for our people, and upholding a high level of corporate governance.

To fulfil our commitments, we strive to adhere to sustainability principles in every aspect of our business from strategic planning, day-to-day management and operations, decision-making and the corresponding execution of various kinds. This Policy serves to provide directional guidance for adopting appropriate policies and systems, guidelines and codes, standards, procedures and practices throughout the HCHL Group. The management team shall take full responsibility to oversee, facilitate, coordinate, and monitor the effective implementation of this Policy.





Vision

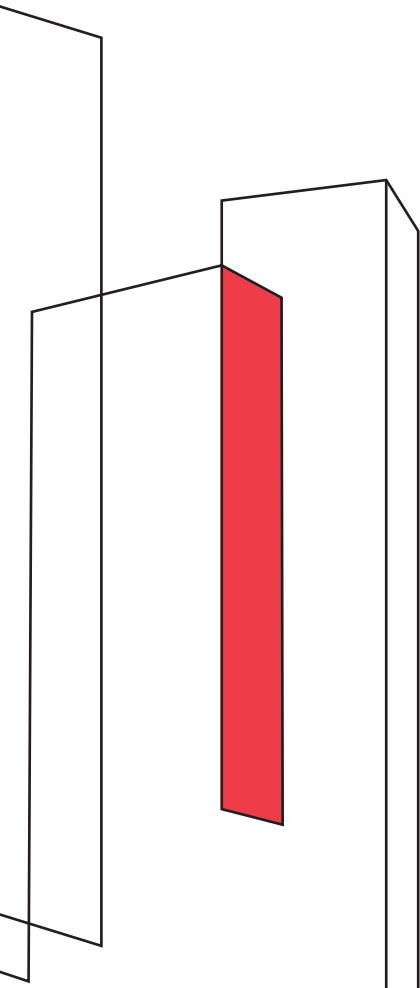
To be a renowned, creative and socially responsible key player in building construction, property development, and other businesses.

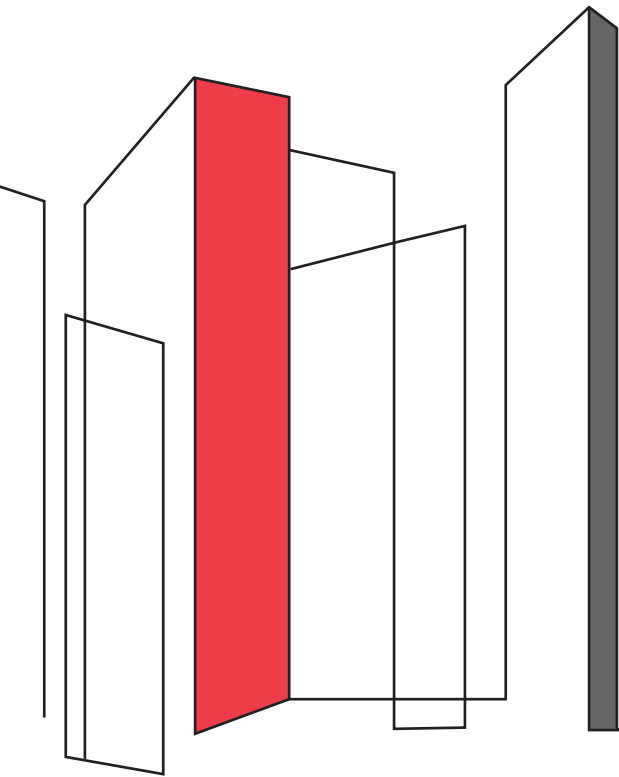
Mission

- To develop our business in pursuit of excellence
- To be committed to providing superior service and dedicated to continuous improvement
- To create values for all stakeholders
- To grow our people with commitment

Values

Excellence	Teamwork
Professionalism	Innovation
Integrity	Partnership
Care	Sustainability





Company Profile	04
Managing Director's Message	05
Performance Highlights	06
About This Report	08
CSR Governance	
CSR Committee	12
Risk Management	12
Our ESG Approach	13
Stakeholder Engagement	14
Materiality	15

CONTENTS

Operating Practices

Quality Management and Assurance	18
Supply Chain Management	19
Anti-corruption	21
Responsible Business Practices	22
Case Study: Applying BIM at Full Scale	23

People

Human Capital Management	25
Occupational Health and Safety	26
Case Study: Preventive Measures on COVID-19	30
Employment	32
Diversity and Equal Opportunity	36
Training and Development	37

Environment

Environmental Management	41
Emissions	42
Use of Resources	43
Waste Management	46
Environmental Compliance	48
Case Study: Green Buildings	48

Community

Unprecedented Challenges in 2019/20	50
Donation and Sponsorship	50
Community Services	51
Case Study: Young Professional Committee's "Family Fun Day"	52
Negative Impacts on Local Communities	53

Appendices

Awards, Recognitions and Charters	55
Certificates	58
Key Environmental and Social Performance Indicators	59
HKEx ESG Reporting Guide Content Index	61
GRI Standards Content Index	63
Assurance Statements	67

COMPANY PROFILE

Public Rental Housing Development Phase 2 in Shek Mun



Based and rooted in Hong Kong, Hanison Construction Holdings Limited (HCHL/The Group) was incorporated in the Cayman Islands in September 2001, and the securities of which have been publicly listed on the Main Board of The Stock Exchange of Hong Kong Limited since January 2002 (Stock Code: 896). Since the Group had kicked off its core construction business by building an 8-storey commercial and residential complex in Discovery Bay, its business continued to grow and extend to a diversified portfolio of today. These include construction, interior and renovation works, supply and installation of building materials, property development, property investment, property agency and management, retail and distribution of healthcare products, and wine cellars.

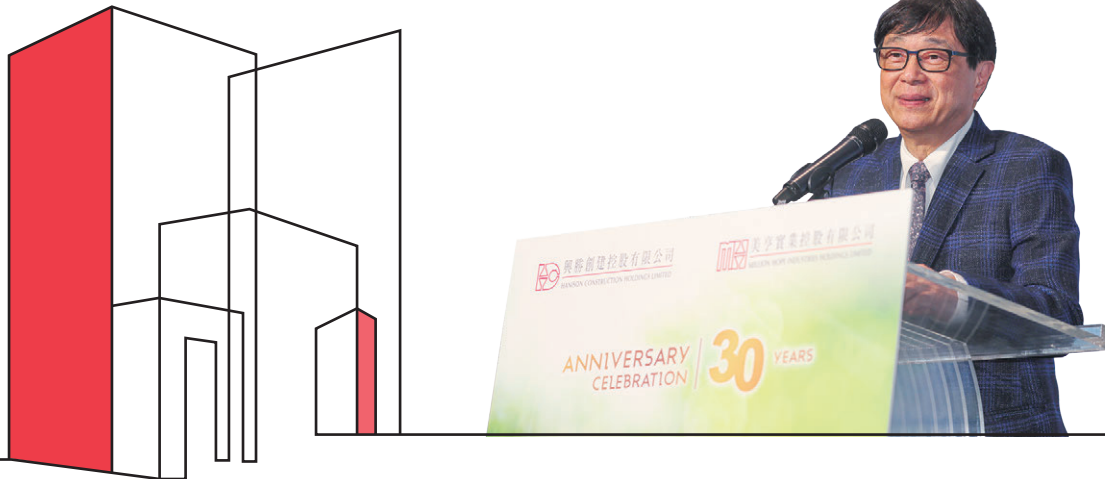
Established in 1989, Hanison Construction Company Limited (HCCL) and Hanison Contractors Limited (HCL) are the wholly-owned subsidiaries of the Group. Over the past three decades, the two companies have received numerous awards of public and private construction projects, becoming one of the key contractors in the local industry. They specialise in the development of various types of premium-quality projects, including residential blocks, commercial buildings, community facilities and recreational complexes.

Hanison Interior & Renovation Limited (HIRL) and Trigon Building Materials Limited (TBML) are the other two wholly-owned subsidiaries under the Group. Providing a wide variety of interior design, maintenance and renovation services, HIRL has accumulated considerable expertise in office fitting-out, external wall renovation, alterations and additions, and all types of property refurbishment works in public and private sectors. Their project scope includes residential properties, industrial buildings, shopping arcades, etc.

TBML supplies building materials of high quality including false ceiling, metal cladding and louvres, timber flooring, etc. to all sorts of building projects. It provides added-value services to its clients by providing one-stop services ranging from material supply, technical support, to design evolution and conceptualization.

As Hanison's business evolves, we have never compromised on our pursuit of excellence and professionalism. Our commitment to business integrity and quality deliveries has enabled Hanison to build valuable goodwill and trusted partnerships with our stakeholders, comprising developers, the HKSAR Government, subcontractors, clients, working partners and the community. Details of our business and financial performance are available in the [Group's 2019/20 Annual Report](#).

MANAGING DIRECTOR'S MESSAGE



This year, the world is experiencing a turbulent period in history against the backdrop of the disruptive COVID-19 pandemic, the escalating tension in international relations within and between various regions, as well as numerous devastating extreme weather events happening across the globe. Coupled with the local social unrest factor since June 2019, Hong Kong has been suffering a severe hit both economically and socially. It is a challenging time that manifests the importance of building resilience and integrating sustainability principles into business operations than ever. As a responsible player in the local construction industry, Hanison is committed to advancing our journey towards sustainability and materialising our commitments into action hand in hand with our stakeholders and peers.

We recognise that there are increasing expectations from regulators and society for expediting corporate sustainability progress. In the local context, HKEx is expanding the scope of mandatory disclosure requirements on various Environmental, Social, and Governance (ESG) issues. This year, we have advanced our ESG disclosure and reporting to comply with both the mandatory and recommended provisions under HKEx ESG guide, as well as Global Reporting Initiative (GRI) Standards: Core Option, with refined presentation of necessary information for a meaningful analysis of our ESG performance. As such, we are confident that Hanison is prepared and ready to adapt to the latest regulatory requirements in future.

We strongly believe that for a business to thrive and fit for the future, it should adopt a sustainable model that benefits our stakeholders and the wider community. To this end, we have been mindfully planting various seeds of sustainability within our operations in recent years. We have established comprehensive safety and environmental management system; looked into our supply chain for ESG risks management; pursued innovation for higher efficiency, quality and better ESG performance; as well as fostered a caring culture internally. We are delighted to present to you what we have accomplished this year and what we aspire in the road of sustainability in this report.

Last of all, I would like to take this opportunity to express my gratitude to our management, employees, and stakeholders for their unstinted long-standing support over the decades, which has contributed to Hanison's thirty-year of success. In the face of tremendous uncertainties and challenges ahead, Hanison shall remain prudent and resilient while continuing its pledge on sustainability, integrity, and professionalism.

May I wish all with strong and healthy physique and mind plus abundant grace!

Wong Sue Toa, Stewart
Managing Director

PERFORMANCE HIGHLIGHTS

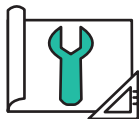


ECONOMIC

Continuing Operations of Turnover



Hanison Construction Holdings Limited:
HK\$958.2 million



Construction Division:
HK\$605.0 million



Interior & Renovation Division:
HK\$234.3 million



Building Materials Division:
HK\$42.0 million



Net Asset Value:
HK\$3,923.6 million



Profit for the year:
HK\$221.4 million



OPERATING PRACTICES



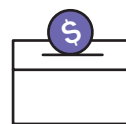
Local Suppliers / Subcontractors' Ratio:
>80%



Reported Incidents of Corruption:
ZERO



COMMUNITY



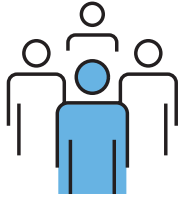
Sponsorship and Donation:
HK\$376,790



Volunteer Service Hours:
495.5 hours



In-kind Donation:
150.52 kg



PEOPLE



Employees:
547



Accumulated
Training Hours:
2,201 hours



Work-related Fatality Rate:
ZERO



Accident Rate:
(per thousand workers)

Construction Division:
2.15

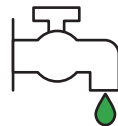
Interior & Renovation Division:
4.81

Building Materials Division:
ZERO



ENVIRONMENT

Reduction from 2018/19



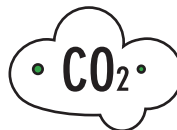
Water Consumption:
↓ 77% ↓ 95,898 m³



Construction Waste:
↓ 56% ↓ 86,336 tonnes



Energy Consumption:
↓ 28% ↓ 1,872 MWh



Carbon Emissions:
↓ 24% ↓ 739 tonnes CO₂e



B5 Biodiesel accounts for
57.6% of
Total Fuel Consumption



Paper Recycled:
8,605 kg



3 BEAM Plus
Projects Underway

ABOUT THIS REPORT

Reporting Period and Scope

This Environmental, Social and Governance Report (The Report) captures the Group's Construction Division, Interior & Renovation Division, and Building Materials Division's efforts and performance in environmental, social and governance (ESG) aspects for the financial year from 1 April 2019 to 31 March 2020. The reporting scope covers our operations in Hong Kong including the head office as well as major project sites operated under Hanison Construction Company Limited (HCCL), Hanison Contractors Limited (HCL), Hanison Interior & Renovation Limited (HIRL), and Trigon Building Materials Limited (TMBL). The current reporting scope accounts for a significant portion of the Group's revenue as of the financial year ended on 31 March 2020. Looking forward, the Group is undertaking a progressive expansion of the reporting scope to cover a wider spectrum of its businesses.

Reporting Boundary

Head Office: Shek Mun, Shatin

Project Sites of Respective Divisions

1	Public Rental Housing Development at Shek Mun Estate Phase 2
2	Public Rental Housing Development at Choi Yuen Road Sites 3 & 4, Sheung Shui
3	Sports Centre, Community Hall and Football Pitches in Area 1, Tai Po
4	Construction of New Retail Units at Terminal 1 Departures East Hall, Hong Kong International Airport
5	Residential & Commercial Development at No. 33-47 Catchick Street, Kennedy Town
6	Building Renovation Works of Cavendish Heights (Block 1-7) at 33 Perkins Road, Jardine's Lookout
7	Alteration and Addition Works for No.99-101, Lai Chi Kok Road
8	Combined Fitting-out Works for Hotel and Office Building at 43 Heung Yip Road
9	Lohas Park Phase 6 at Tseung Kwan O
10	Commercial Development at No.1 Hennessy Road
11	One East Coast at No.1 Lei Yue Mun Path ¹
12	Eden Manor at No.88 Castle Peak Road, Kwu Tung
13	Commercial Development at 999-1021 King's Road
14	MTR Hung Hom Station — Concourse Level
15	Villa La Plage at Castle Peak Road — Castle Peak Bay
16	M+ Museum for Visual Culture at West Kowloon Cultural District
17	Sports Centre, Community Hall & Football Pitches in Area 1, Tai Po ²
18	MONTARA (Phase 7A) & GRAND MONTARA (Phase 7B) at Tseung Kwan O
19	Wellesley at No.23 Robinson Road, Mid-Levels West
20	Novum Point at No.3 Marble Road, North Point
21	Emerald Bay at No.8 Kwun Chui Road, Tuen Mun
22	MTR Exhibition Station
23	Public Rental Housing Development at Queen's Hill Phase 1 & Phase 6
24	The Hong Kong Palace Museum at West Kowloon Cultural District
25	Station Square at Kai Tak, Phase 1 — Covered Walkway
26	Tai Wai Station Property Development

-  Construction Division
-  Interior & Renovation Division
-  Building Materials Division



¹ Building Materials Division operated two projects at One East Coast during the reporting period.

² Building Materials Division operated two projects at Sports Centre, Community Hall & Football Pitches in Area 1, Tai Po during the reporting period.



7

12

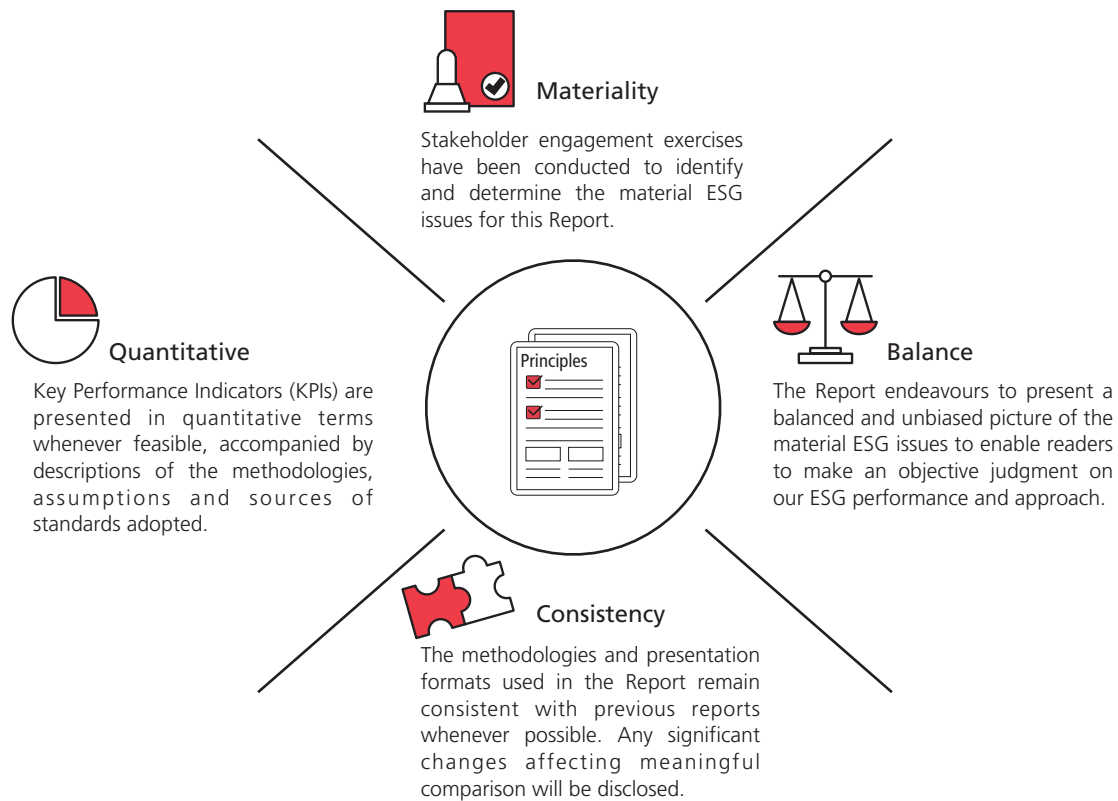


Reporting Standards

This Report complies with the disclosure requirements set out in the Environmental, Social and Governance Reporting Guide issued by Hong Kong Exchanges and Clearing Limited (HKEx). The Report has been prepared in accordance with the GRI Standards: Core option. For detailed information, please refer to the HKEx ESG Reporting Guide Content Index and Global Reporting Initiative (GRI) Standards Content Index in the Appendices section of the Report.

Reporting Principles

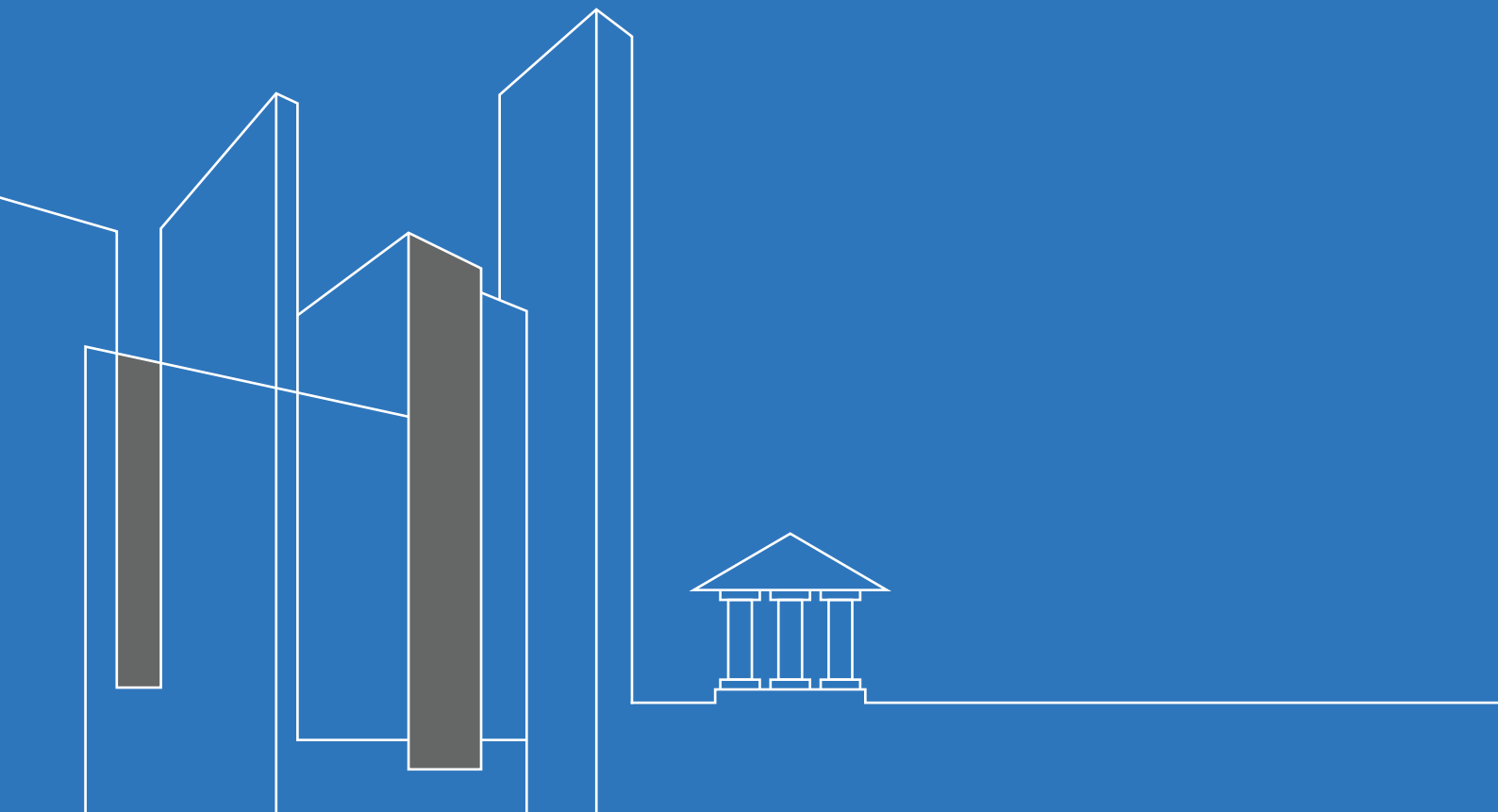
The Report has been prepared in adherence to the four reporting principles defined by the HKEx ESG Reporting Guide, namely materiality, quantitative, consistency and balance, to ensure the disclosed information is of high quality for our stakeholders to make solid assessments of our ESG performance and approach. The graph below has elaborated the application of these principles. The report content has been reviewed by our Corporate Social Responsibility (CSR) Committee and approved by the Board of Directors on 8 September 2020.



Report Assurance

This Report is our seventh annual standalone ESG report (previously titled as Corporate Social Responsibility Report). This year we continue to commission independent assurance bodies, namely Hong Kong Quality Assurance Agency and Hong Kong Certification Services International Limited, to conduct report content verification and greenhouse gas (GHG) emissions verification respectively to assure the credibility of the Report. The verification statements can be found in the Appendices section of this Report.

Good governance is the prerequisite for the success of a corporation while integration of sustainability into corporate governance is an essential process to fully take on corporate social responsibility. Recognises the growing importance of sustainability in today's globalised world, Hanison is working diligently to strengthen its corporate governance with a sustainability mindset.



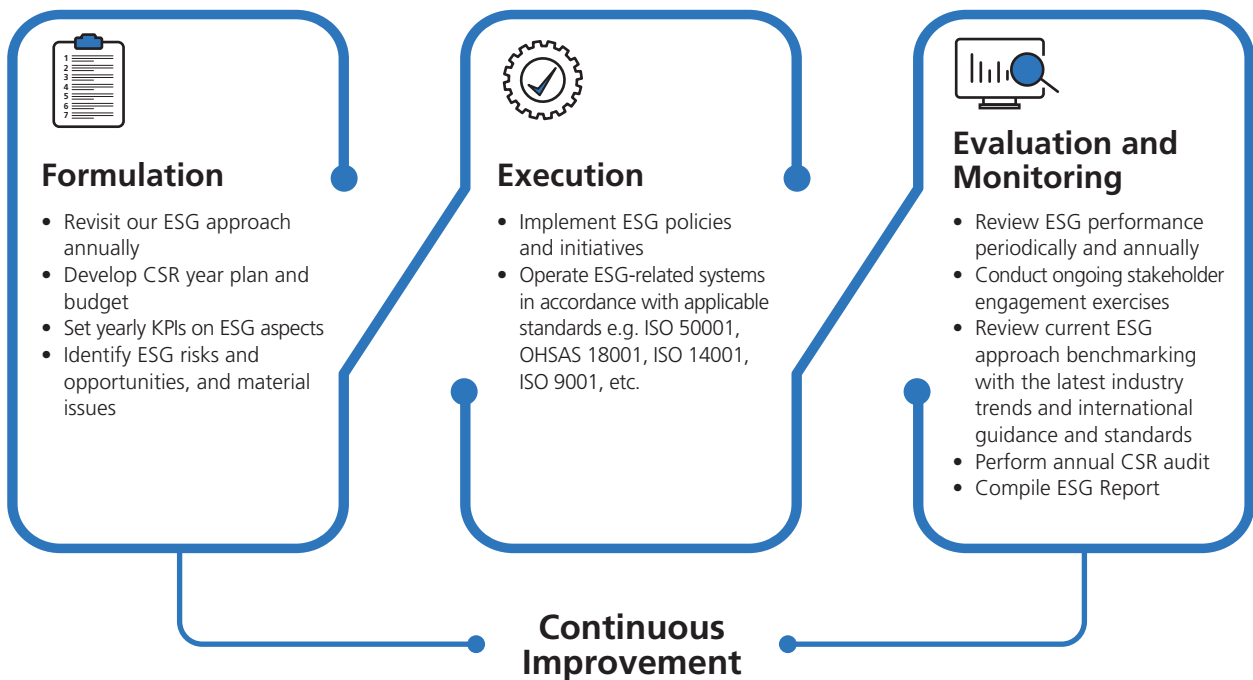
CSR GOVERNANCE

CSR GOVERNANCE

CSR Committee

The Corporate Social Responsibility Committee (CSR Committee) of the Group was set up in 2013 with the support of the top management as a delegated body to advise the Group’s CSR strategies and policies, to devise initiatives, as well as to monitor our ESG performance. The CSR Committee is composed of Directors of different business units and senior management of departments that facilitate functions and activities related to ESG aspects. The CSR Committee is required to directly report to the Managing Director who reports to the Board of Directors. Several principal executive arms of the Group, including Safety and Environmental Department, Corporate Social Responsibility and Communications Department and Human Resources Department are responsible to implement and coordinate ESG initiatives.

Our ESG governance can be illustrated through a formulation-execution-evaluation model in the below diagram. Coming forward, echoing the new amendments to the HKEx ESG Reporting Guide, the Board will have a strengthened role in our ESG governance which will be disclosed in the future ESG reports.



Risk Management

The Group considers an effective risk management system of paramount importance in maintaining high standards of corporate governance. Supported by the Risk Management Committee, Audit Committee and key departments/business units, we conduct annual and ongoing reviews to validate the effectiveness of the Group’s risk management and internal controls systems. External consultants were engaged to conduct risk assessments during the reporting year. No significant risk issues were identified and measures have been taken to address the identified areas for improvement. For details of our risk management, please refer to the [Group’s 2019/20 Annual Report](#).

Our ESG Approach

The Group identified and prioritised four focus areas in our CSR strategy framework in 2014 and has ever since put into efforts and resources to introduce policies and take actions for better performance in those areas. Wherever possible, we align our commitments with the United Nations Sustainable Development Goals (SDGs) in view to contribute to the collective effort of the global community in pursuing those goals. With the solid foundation we have built in our ESG journey over the past years, we are prepared to set forth to define and prioritise a set of specific ESG objectives and targets for the Group in coming years.

Four Focus Areas Aligned with SDGs

People

The wellbeing of our people matters. We endeavour to enhance health and safety in our workplace, as well as to provide decent working conditions, development and training opportunities for our employees.



Decent Work and Economic Growth



Good Health and Well-being

Environment

We strive to foster sustainable business growth with minimal impacts on the environment to achieve a sustainable future for all living creatures.



Affordable and Clean Energy



Climate Action

Operational Practices

Integrity, excellence and professionalism are the three pillars of our business ethics. We are committed to upholding a high standard of operational practices together with our business partners along the value chain.



Industry, Innovation and Infrastructure



Responsible Consumption and Production



Peace, Justice and Strong Institutions



No Poverty



Sustainable Cities and Communities

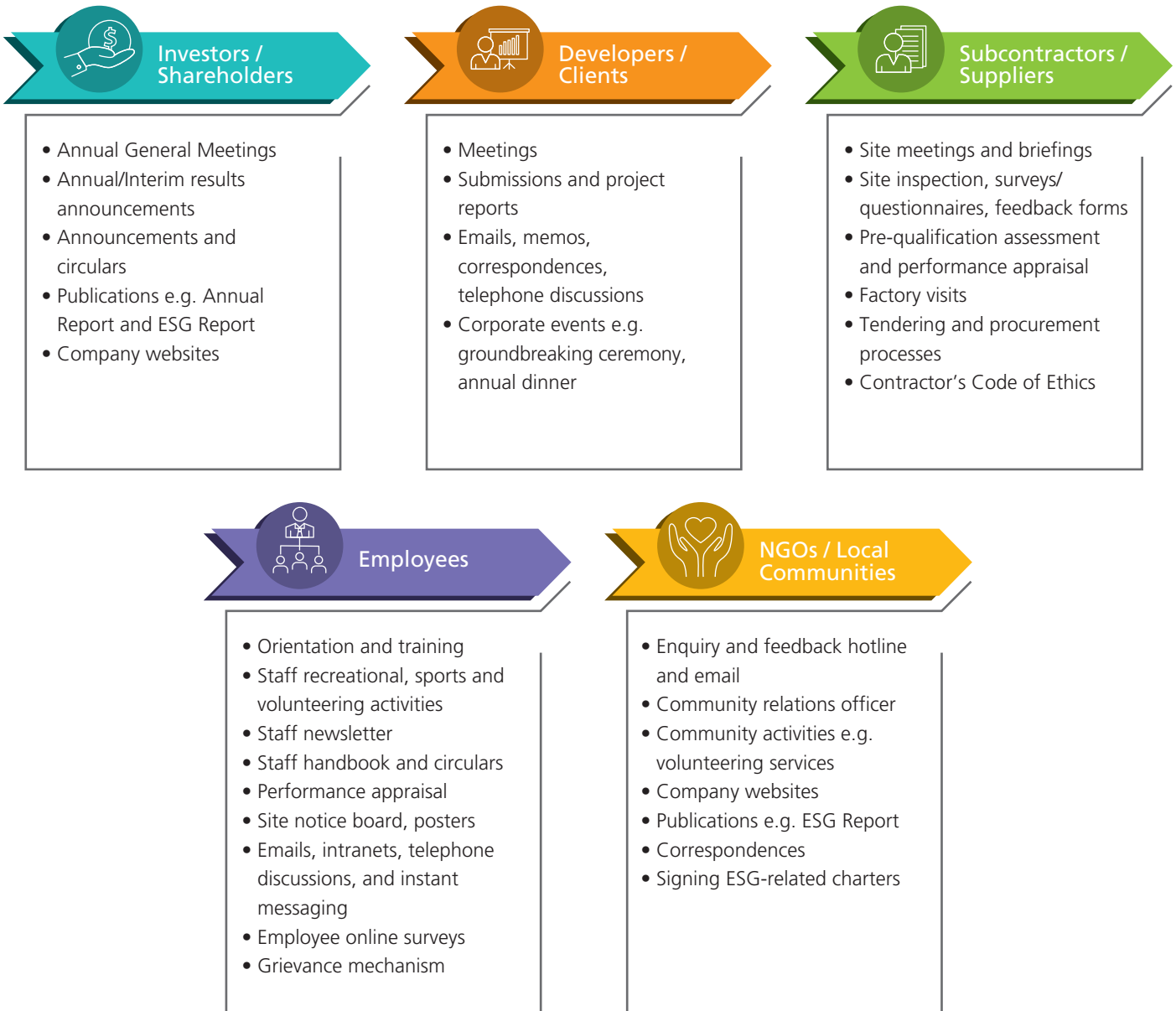
Community

We care about the sustainable development and wellness of the neighbouring community where we operate in.

Stakeholder Engagement

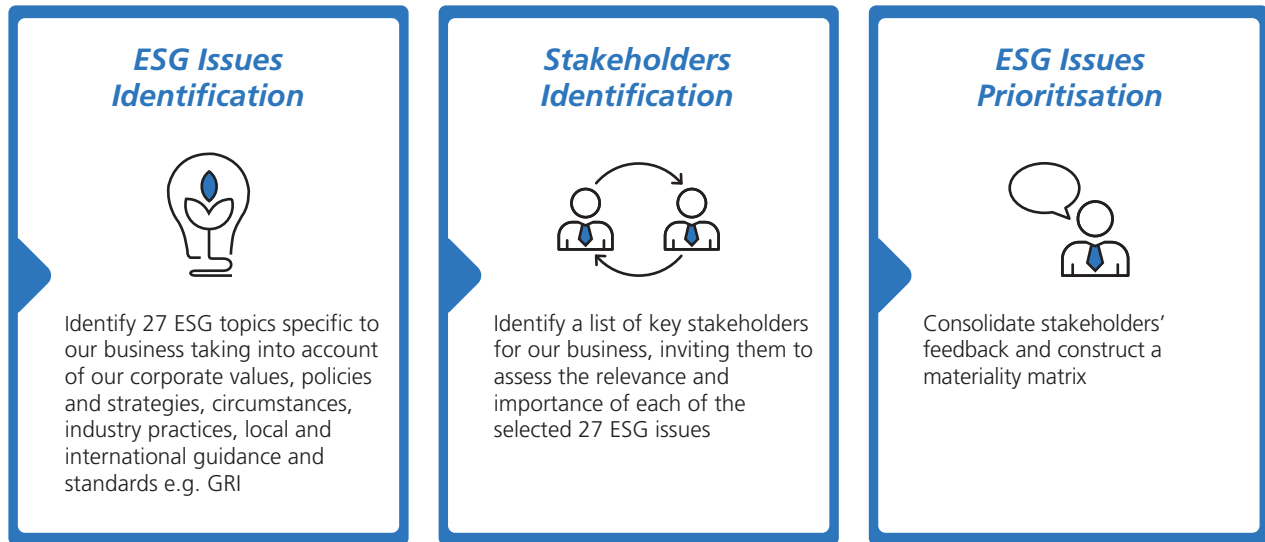
Stakeholder opinions provide an impetus to the continual improvement of our ESG approach and performance. By understanding stakeholders' expectations and feedback to our ESG initiatives, we are better equipped to address swiftly to their concerns, to identify the material issues that have a significant impact on them, and thereby to pre-empt and mitigate risks and capitalise on opportunities. To this end, we engage our internal and external stakeholders through multiple communication channels and formats to listen to them with heart and establish trusted relationships with them.

Stakeholder Communication and Engagement Channels:



Materiality

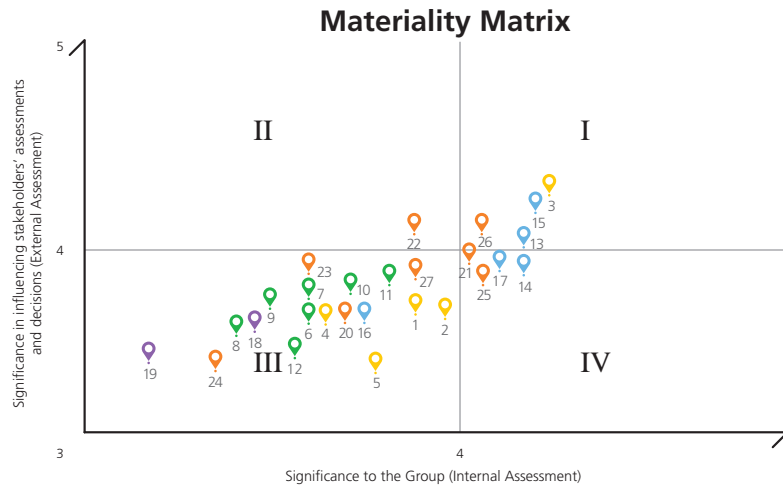
We have conducted a formal stakeholder engagement exercise to identify and prioritise the material issues for the Group during the reporting period by means of a material assessment survey. The materiality assessment was conducted through the following stages:



For internal assessment, we invited all employees at and above managerial grade, amounting to 47 employees, to rank the relative importance of each of the selected ESG issues to the Group. For external assessment, we randomly selected a total of 244 representatives, from various stakeholder categories comprising general employees, our clients and suppliers, subcontractors, business partners, and non-governmental organisations (NGOs), to rank the importance and relevance of each ESG issue that influences their assessments and decisions of the Group.

Response Rate of the Materiality Assessment





Governance and Economic Aspect

- 1 Governance and Management Approach on ESG-related issues
- 2 Economic Performance
- 3 Anti-corruption
- 4 Anti-competitive Behaviour
- 5 Innovation

Environment

- 6 Materials Use
- 7 Energy Use and Efficiency
- 8 Water Resources Consumption
- 9 Emission of Greenhouse Gases and Other Significant Air Emissions
- 10 Effluents and Waste Management
- 11 Environmental and Socioeconomic Compliance
- 12 Green Buildings

People

- 13 Employer-Employee Relations (including remuneration and benefits, employee communications, training and development, and employee wellbeing)
- 14 Talent Pipeline (Staff Attraction, Retention, Turnover and Succession)
- 15 Occupational Health and Safety
- 16 Employee Diversity and Equal Opportunity
- 17 Labour Standards (Child Labour & Forced Labour)

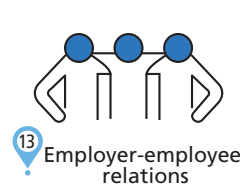
Community

- 18 Impacts on Local Communities
- 19 Community Investment

Operating Practices

- 20 Supply Chain Management
- 21 Customer Health and Safety
- 22 Customer Privacy
- 23 Fair and Responsible Marketing and Labelling
- 24 Green Procurement
- 25 Client/Customer Satisfaction
- 26 Quality Management and Assurance
- 27 Protection of Intellectual Property Rights

All the shortlisted ESG issues have obtained an average score of above 3 in the importance/relevance scale (from 1 the least to 5 the most important) for both internal and external assessments. Based on the survey results, four material issues stand out in Quadrant I, namely anti-corruption, occupational health and safety, employer-employee relations, as well as quality management and assurance. These four areas are endorsed by the CSR Committee and the Board of Directors, and will be prioritised as material issues for this Report.





OPERATING PRACTICES



We strive to incorporate sustainable principles into every aspect of our operating practices so as to mitigate social and environmental risks along our value chain. This resonates with our corporate values of upholding a high standard of integrity and professionalism to provide excellent services and products to our clients and customers.

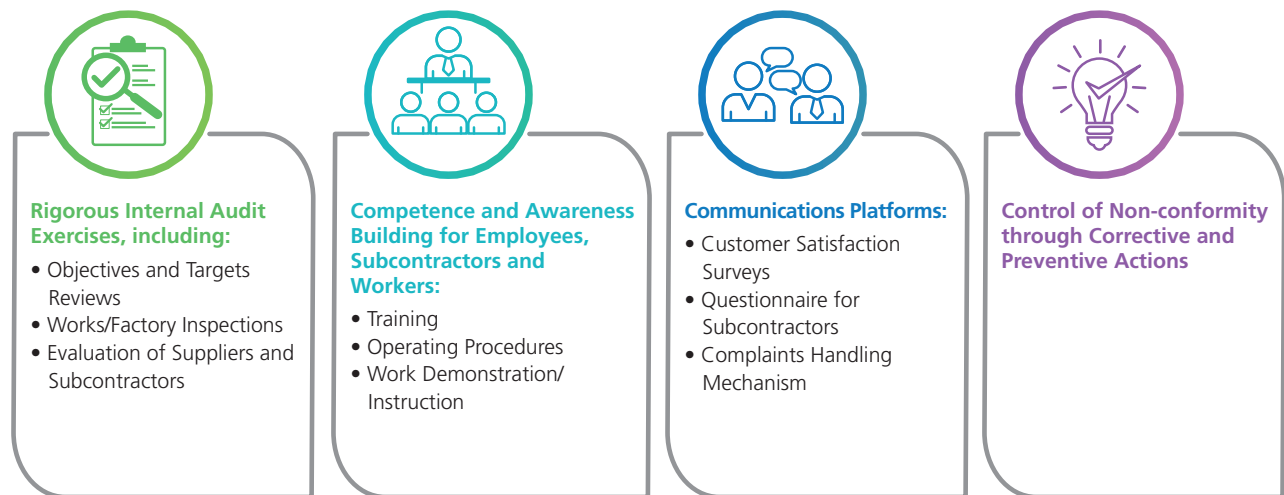
OPERATING PRACTICES

Quality Management and Assurance

At Hanison, we do not compromise on quality and effectiveness. We establish and adopt quality management systems to ensure the quality of our products and services fulfils clients' contractual specifications and abides by statutory and legal obligations.

Our Construction and Interior & Renovation Divisions have adopted an Integrated (Quality and Environmental) Management System (IMS) which conforms to ISO 9001:2015 Quality Management System Standard and ISO 14001:2015 Environmental Management System Standard with an objective to assure our quality and environmental performance through a systematic approach. Under the system, all of our employees and subcontractors are required to work in accordance with the policies and procedures specified in the IMS Manual, Operating Procedures and associated work instructions. Delegated internal quality control personnel/team is responsible for the effective implementation of the IMS. Upon project completion, we offer a warranty period for clients/users.

Key Components of Integrated Management System



In 2019, Building Materials Division's safety performance was recognised with receiving the Safety Performance Merit award from the main contractor of The St. Regis Hong Kong's project.

During the reporting year, no projects were subject to recalls due to quality issues or safety and health reasons.

Complaints Handling Procedures

We endeavour to handle different types of complaints efficiently. Whenever a complaint is received and reported, the liaison officer or other assigned site staff will investigate the cause and nature of the complaints, and report to the site-in-charge. Rectification of the non-conformity or follow-up actions will be taken immediately. Every complaint case is recorded and reviewed by project teams to avoid recurrence of incidents of similar nature. During the reporting period, no complaint cases were received.



Supply Chain Management

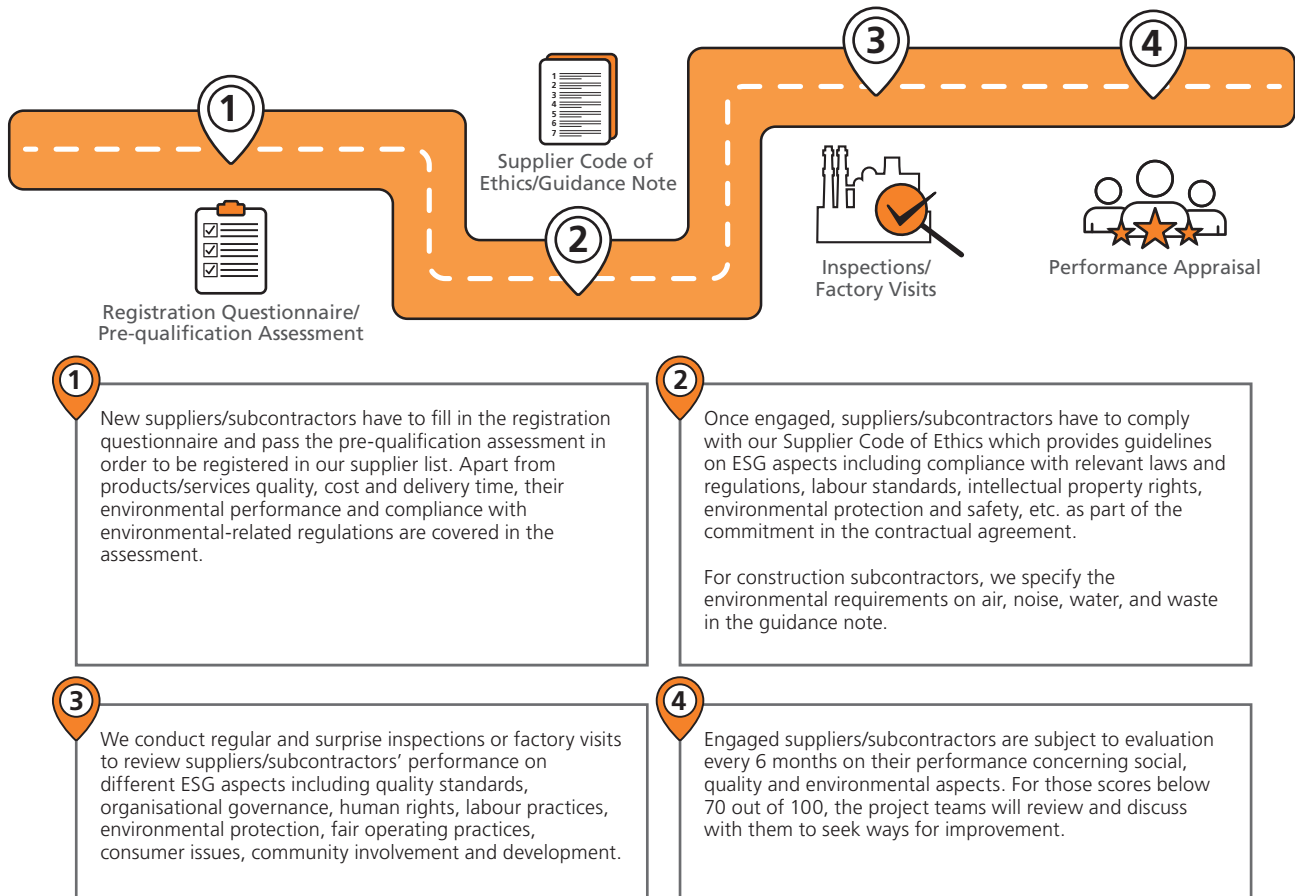
On the Group's level, we source, select and engage suppliers with an established mechanism which ensures factors including cost-effectiveness, user requirements, fairness and environmental-friendliness are taken into consideration in the process.

As for our construction and renovation related projects, we have standardised procedures to select, evaluate, supervise and review the performance of subcontractors and material suppliers. In 2019/20, there were 1,228 and 627 registered subcontractors for Construction Division and Interior & Renovation Division respectively; and 619 registered material suppliers for both divisions. The following practices (P.20) are in place to guarantee fairness in the supplier engagement process, while environmental and social risks along the supply chain are assessed.

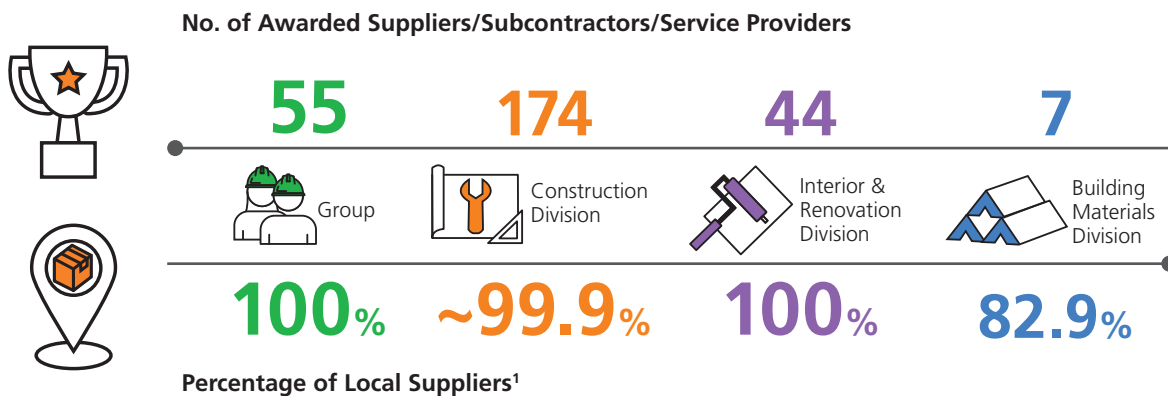


- 1-3. Onsite Training
- 4. Work on site

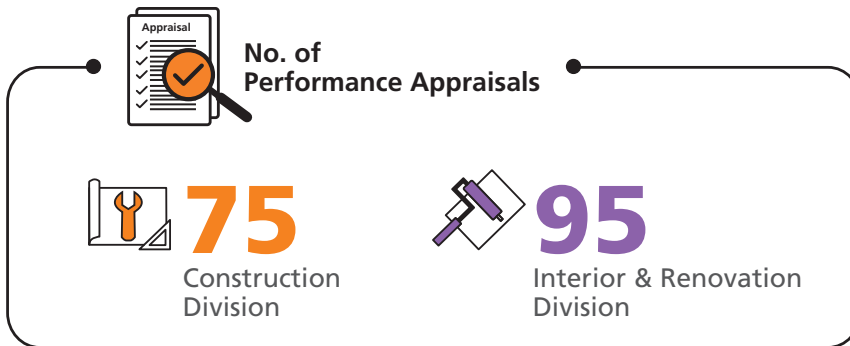
Practices in Supplier/Subcontractor Engagement



Figures related to Supply Chain Management in 2019/20



¹ Local supplier is defined as an organisation or a person that provides a product or service to the Group and that it is based in Hong Kong (that is, no transnational payments to the supplier are made).



All the suppliers and subcontractors have obtained an average score over 70 with satisfactory performance during the reporting period.

Green Procurement Policy

We have a green procurement policy in place to govern that procurement of goods should take 4R principles (Reduce, Reuse, Recycle and Recover) into consideration as far as feasible. In the tender documents, relevant environmental requirements are included wherever applicable. For construction projects, we usually use wood products with Forest Stewardship Council (FSC) certification and VOC-regulated paints. All papers purchased are from reliable, sustainable and regulated sources. Coming forward, the Group shall review and revisit the green procurement policy in order to catch the trends of the booming green products market.

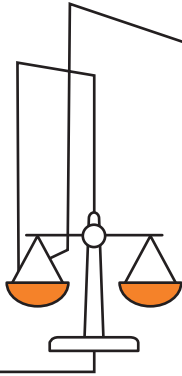
Anti-corruption

We adopt a zero-tolerance policy on any forms of corrupt practices such as bribery, extorting, fraud, and money laundering. We understand that construction activities often involve a complex supply chain and therefore it is important for every employee and player along the supply chain to do business ethically and morally. We stipulate and communicate our Group’s anti-corruption policy in our employee handbook, Company Code of Conduct, Supplier Code of Ethics, etc. In the Company Code of Conduct, we spell out the guidance for all employees on the acceptance of gifts/entertainment on limited occasions, and declaration of conflict of interest.



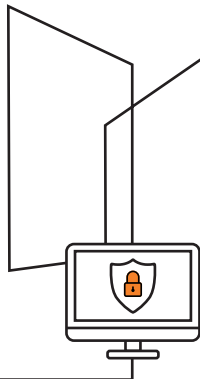
Responsible Business Practices

We abide by relevant regulations including the Employment Ordinance (Cap. 57), the Personal Data (Privacy) Ordinance (Cap. 486), and the Copyright Ordinance (Cap. 528). During the reporting year, no incidents of non-compliance with regulations concerning health and safety impacts of our products or services, child labour and forced labour, privacy, IP rights matters were reported within the Group. Issues concerning advertising and labelling are not applicable to the business scope of this report.



Anti-competitive Behaviour

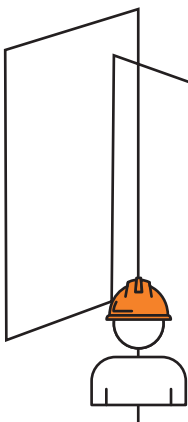
We treasure a level playing field for our industry and commercial sector as a whole. Therefore, we behave in adherence to fairness and integrity principles in our tendering, subletting and procurement procedures. During the reporting year, there were no reported or completed cases relating to anti-competitive behaviour which involves the Group.



Intellectual Property Rights/Data Privacy

We respect intellectual property (IP) rights, including trademarks, patents, copyright, designs. We establish IP rights protection policy in our employee handbook, Supplier Code of Ethics. In addition, our Information Technology (IT) Department is responsible for the centralised management of computer software and hardware to prevent any breach of IP rights.

Similarly, we are committed to the protection of data privacy. We collect, retent, handle and access personal data in accordance with the Personal Data (Privacy) Ordinance (Cap. 486). We have set up data security systems and implement measures to restrict the access of sensitive data to authorised persons, and to avoid data leakage. Employees found to have disclosed personal data of other employees and clients or other confidential information inappropriately or illegally will be subject to disciplinary or legal actions.



Child and Forced Labour

The Group puts human rights on the top priority. We do not tolerate illegal workers, child labour and forced labour either directly employed by us or employed along our supply chain. In our employment process, the Human Resources Department verifies the identity and age of new recruits, and prepares employment contracts specifying employment terms in accordance with the legal requirements in a language understandable by the signees. At construction sites, all workers hired by subcontractors are allowed for entrance only if they carry their construction workers registration cards for proving their qualifications and identity. Factory visits to manufacturing units also help to eliminate chance of child or forced labour.

Case Study

Applying Building Information Modelling (BIM) at Full Scale

The application of innovative technologies can help improve the efficiency and resource utilisation of construction projects, and thereby promote the sustainable development of the industry. Among them, the application of Building Information Modelling (BIM) is a major trend in the industry nowadays. Hanison has established a BIM team since 2015, and has been improving the technical capabilities of the team thereafter. Earlier, we have been awarded an airport project that specifies high standards of BIM applications.

In this project, Hanison as the main contractor has to build two additional retail units in Terminal 1 of The Hong Kong International Airport. This involves building a new platform between the sixth and seventh floors where the new retail stores will be built on. Despite the relatively small scale of the project, the challenge is very high. The biggest difficulty is the designated position of the stores, which is located at the busy passage between the departure hall and the restricted area; therefore, works must be carried out without hindering the operation of the airport.

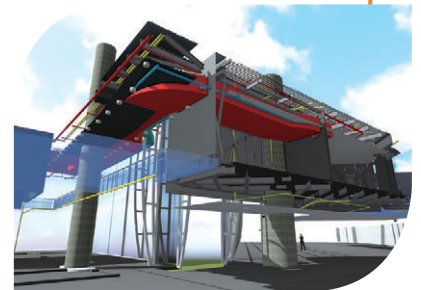
On top of the limitation on the allowed construction hours (from midnight to 4 am), carrying works in the airport has to comply with specific and stringent requirements, while many different departments are involved. This makes the approval process more complicated and time-consuming than other typical projects. In addition, steel is used as the main structural building materials. They are to be assembled on-site so that the size of the customised steel has to be as accurate as possible.

To deliver under many restrictions and requirements, our project team has applied BIM technology to carry out design, planning, implementation, management and checking in three-dimensional and four-dimensional virtual space. For the four-dimensional application, animation videos simulating the construction process, specific work procedures and passenger flow are produced in the planning stage. As such, working teams at different fronts will be able to visualise and understand the operations fully before carrying out their works. The application reduces conflicts and enhances accuracy during the construction process, thereby enables more effective control on construction quality, cost and time, and use of resources.

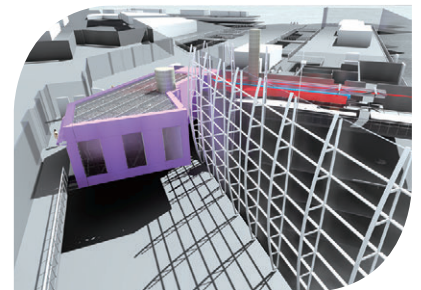
Mr William Leung, the BIM manager in charge of this project, said: "Our cooperation with client has been great in the project. They have appreciated and commended the team's performance more than once."

The experience of sophisticated application of BIM technology in this project has boosted the confidence of Hanison's BIM team. As the industry's standards for BIM continue to raise, Hanison will continue to advance our BIM capabilities in the future to increase our competitiveness in project bidding.

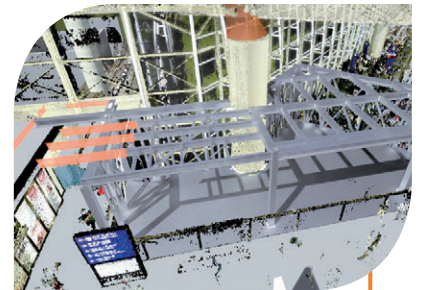
▲ 3D model



▲ The additional retail units situate at busy passage

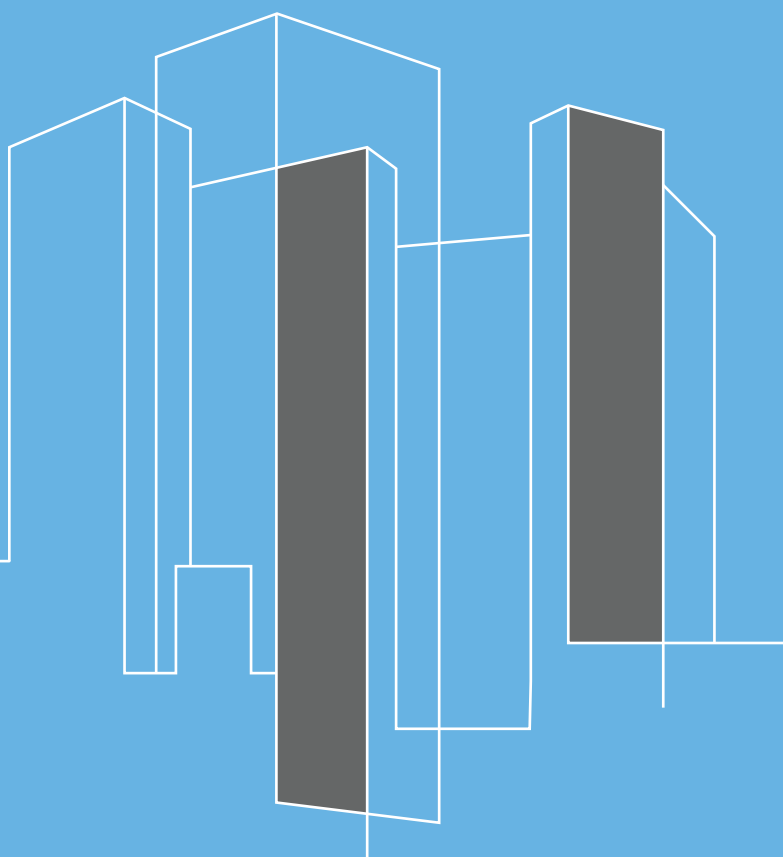


▲ 4D modelling phase planning combined with on-site point cloud imaging technology



The Group grows and prospers with our people. While we treasure the wisdom and experience of our loyal staff, we nourish young talents by providing them opportunities to unleash their potential to the fullest. At Hanison, we care the development, health and well-being of every employee like our family members.

PEOPLE



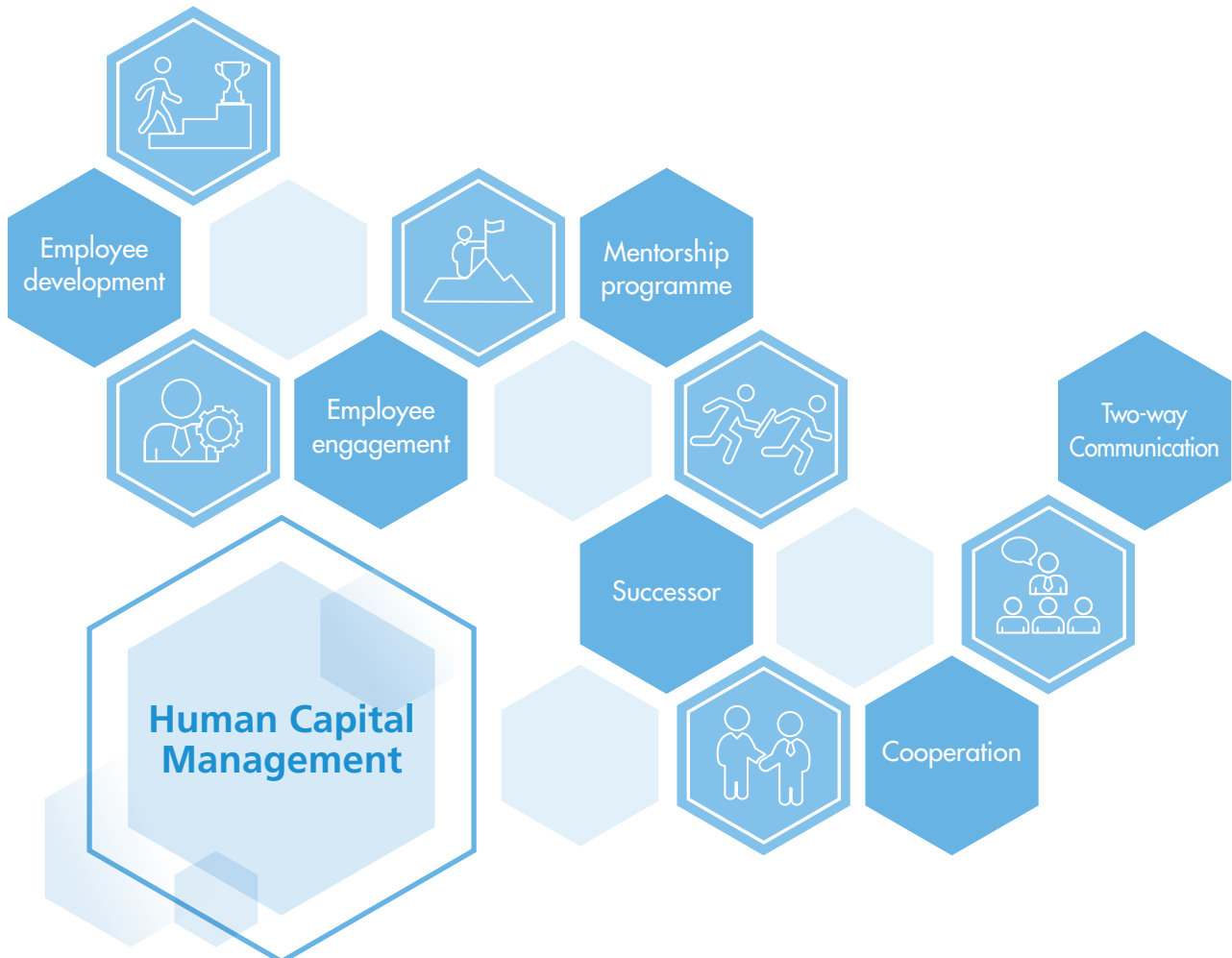
PEOPLE

Human Capital Management

▲ The Group celebrated the 30th anniversary in the annual dinner in early January 2020.



The vision statement of the Group is “To be a renowned, creative and socially responsible key player in building construction, property development, and other businesses”. One mission statement is “To grow our people with commitment”. In line with the Group’s vision and mission plus the corporate values “EPIC & TIPS” (initialism for “Excellence, Professionalism, Integrity, Care, Teamwork, Innovation, Partnership, Sustainability), our human capital management policies and practices (P&P) are materialised with such basis and application, whichever and wherever appropriate, for the Group’s human capitals. The P&P comprises employment, compensation and benefits, performance management, training, talent development, employee relations and communication, recognitions, well-being and code of conduct that altogether aim at engaging our people and ensuring both adequacy and quality of the Group’s talent pipelines.



Occupational Health and Safety

Occupational Health and Safety Management System

Safety lies at the heart of Hanison. The Group is committed to providing a safe working environment to safeguard the health and safety of our employees. In particular, we strictly adhere to the “Safety First” principle across our building activities under our Construction Division, Interior & Renovation Division through a comprehensive occupational health and safety management system certified against OHSAS 18001:2007. As stated in our Occupational Safety and Health Policy, the Group’s objective is to achieve zero fatality rate and to minimise accident rate as far as possible with effective health and safety measures in place.

On construction sites, we adopt a multi-pronged approach to eliminate, control, and prevent possible health and safety hazards; and to minimise risks involved in the entire process of building activities. Our Corporate Safety and Health Committee, which is composed of senior management, project-in-charge and occupational health and safety professionals, meets up regularly to discuss, evaluate and monitor the system and safety issues for continual improvement in our performance.

A Multi-pronged Approach in Safety Management for Building and Renovation Projects



Safety Figures at a Glance



Work-related Fatality Rate: **Zero**

Accident Rate per Thousand Workers (2018/19 → 2019/20)



8.19 → **2.15**

11.81 → **4.81**

Zero



Construction
Division



Interior &
Renovation
Division



Building
Materials
Division



2,731

338

Zero

Lost Days Due to Work Injury (2019/20¹)

Work-related Injuries²

Thanks to the continued and concerted efforts of our safety and environmental team and the project teams, the work-related accident rates for Construction Division, and Interior & Renovation Division in 2019/20 have dropped significantly compared to the figures of last year. As a recognition by the industry of our performance and efforts, we are proud to have received numerous occupational health and safety awards during the year.

During the reporting period, there were no reported cases of work-related fatality. There were two cases of non-compliance to applicable local laws and regulations related to occupational health and safety leading to fine penalty. For details, please refer to the Appendices Section – GRI Standards Content Index.

¹ Some of the lost days were due to the work injuries that occurred in the financial year 2018/19.

² We adopt the same definition of work-related injury under the Employees' Compensation Ordinance (Cap. 282) by which cases are required to be reported to the Commissioner for Labour.

Occupational Health and Safety Measures



1 Training conducted on site

2 20th Construction Safety Promotional Campaign - Best Refurbishment and Maintenance Contractor in Occupational Safety and Health - Silver Award



3 Recognising our model safety worker



4 Site safety inspection

5 Posting safety notice on site



6 Our creative team received the Gold Award in Best Presentation Award in Occupational Health Award 2018-19



Promotion on Employee Health

We care about our employees' health and well-being. Our Human Resources (HR) Team regularly or on need basis disseminates health facilitation and diseases prevention information to all employees during cyclical or severe outbreak of infectious diseases, like COVID-19 in the first quarter of 2020.

For the head office, we are aware of the importance of indoor air quality (IAQ) as the office houses over a hundred of employees during office hours. Every year, our Administration Office must arrange an external specialist to conduct IAQ test and seek advice for necessary improvement so as to ensure good air quality for the health of our employees working in the head office.

During the reporting year, we continued to attain the Excellent Class of Indoor Air Quality Certificate issued by the Environmental Protection Department.



7 Morning Exercise on Site

8 HR Team's internal health message about seasonal flu prevention to all staff in January 2020 (left) and Body Check Scheme promotion to all construction workers in September 2019 (right).



9 Promotion of Smoke-Free & Lung-Protection Workday to all employees and workers in April 2019

Case Study

Preventive Measures on COVID-19

Since the start of the second half of the reporting year, the globe has been stricken badly by the Coronavirus COVID-19 pandemic. To protect our employees from infection while maintaining our business as usual, the Group has been reacting quickly to implement a set of measures at workplace to minimise and contain the risks as far as possible. We formulated and reviewed such measures with close reference to the guidelines by the Centre for Health Protection of the Department of Health, HKSAR Government and the latest development of the disease spread in the community.



1

Key Measures

Hygiene at Workplace

- Clean and disinfect common facilities frequently and whenever necessary
- Provide protection and disinfection gears to employees and workers in need
- Install equipment such as hand sanitisers, air purifiers, infrared thermometers at workplace
- Mask-on at workplace policy



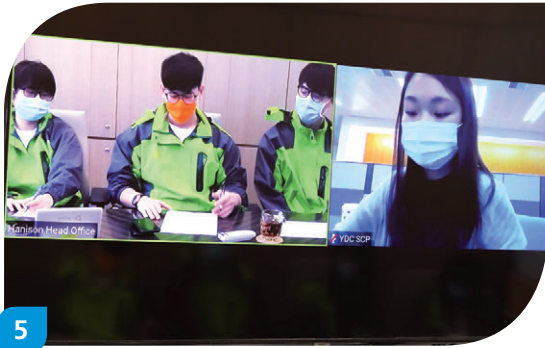
3



2

Reduce Social Contact

- Restrict the number of occupants in meeting rooms
- Reduce and postpone business trips, meetings, activities and training
- Meetings go digital with the support of newly installed online meeting devices and software
- Flexible lunch and work arrangement



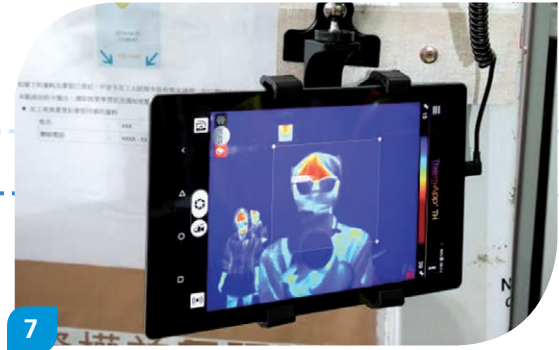
5



4



6



7

Report on Health Conditions

- Conduct body temperature screening at entrance
- Employees are required to report on recent trips, suspected symptoms and contact with confirmed/suspected cases



1. Disinfection in office
2. Cleaning and disinfection on site
3. Air purifier
4. Distribution of disinfection packs to site colleagues and workers
5. Zoom meeting
- 6-7. Measuring temperature at the site entrance

Employment

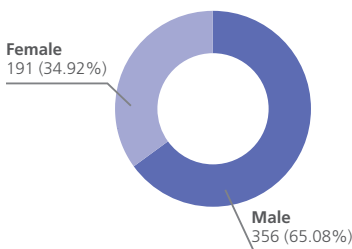
Employees

Led by our Managing Director and two Executive Directors, our employees from various businesses and supporting teams form a professional team, establishing a strong presence in the Hong Kong market over the past thirty years. As at 31 March 2020, our workforce population in the Group has become 547. There were 333 employed by Hanison Construction Company Limited (HCCL) and Hanison Contractors Limited (HCL), 56 by Hanison Interior & Renovation Limited (HIRL) and 24 by Trigon Building Materials Limited (TBML) respectively.

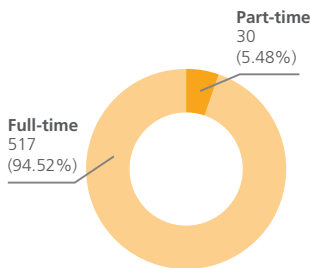
The Group's total workforce by gender, employment type and age

No. of Employees : **547**

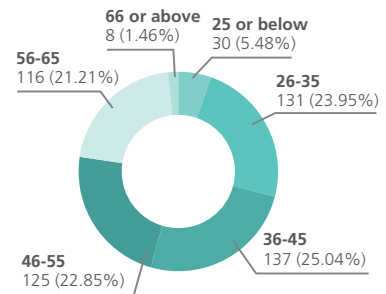
Gender



Employment Type



Age



Distribution of Voluntary Turnover Rates (VTR)

The voluntary turnover rates of HCHL, HCCL & HCL, HIRL and TBML in 2019/20 were respectively 16.01%, 15.16%, 10.34%, and 16.00% which included normal retirement and contract end.

VTR(%) by Age

Age Group	Group	Construction Division	Interior & Renovation Division	Building Materials Division
25 or below	29.33	30.19	0	28.57
26-35	28.37	31.02	10.00	8.00
36-45	9.49	7.14	7.41	33.33
46-55	8.66	4.00	0	0
56-65	11.95	9.25	23.53	0
66 or above	30.77	50.00	0	0

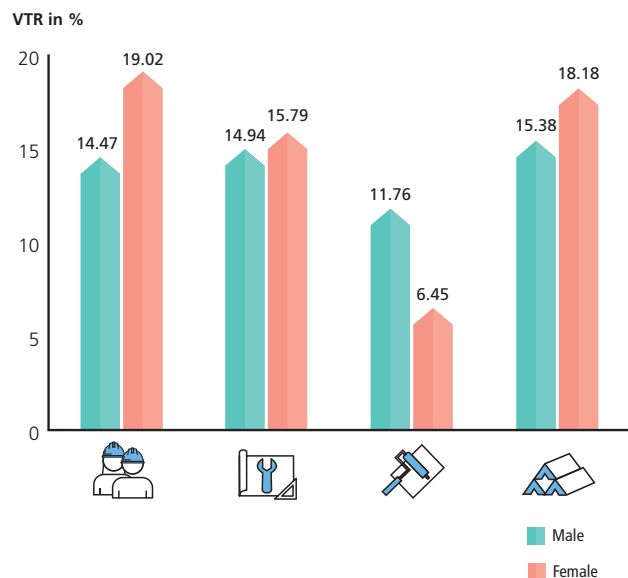
Group

Interior & Renovation Division

Construction Division

Building Materials Division

VTR(%) by Gender



Graduates Recruitment

Recruitment fair 2019 at The Hong Kong Polytechnic University



Recruitment fair 2019 organised by Hong Kong Construction Association for construction students at City University of Hong Kong



Benefits

In terms of retirement protection, the Group has been offering beyond the statutory requirements to eligible employees under the Occupational Retirement Schemes Ordinance (ORSO) or Mandatory Provident Fund Schemes (MPF).

The Group has been providing free medical scheme to all eligible full-time employees. Moreover, an optional dental scheme is available for full-time staff and their direct dependents with the Group's financial assistance. Directors and senior managers are under protection by work-related personal accident insurance. There is also free annual body check for senior management.

In addition to better than entitlement in law, the Group offers full-paid sick leave for a fixed amount of days and family-friendly leaves like marriage leave and compassionate leave to eligible employees.

Parental Leave in 2019/20

Eligible female employees can take 10-week maternity leave with 4/5 of wages paid and eligible male employees can have 5-day paternity leave with full-paid offered by the Group.

Return to Work Rate : **100%**



³ Retention is defined as the employees were still employed 12 months after return to work from parental leave.

Employee Engagement: Communications, Recognitions, Well-being

Communications

Two-way and regular communication is a critical success factor in employee engagement.

Young Professional Committee's gathering



New Staff Orientation (NSO) conducted by HR Team in headquarters



Apprentice gathered to attend a BIM knowledge sharing given by our BIM Engineer

Recognitions

Moreover, as recognition and reward to loyal employees and identified key persons, a Stock Option and Share Award Scheme is offered to designated colleagues.

30 years long service award presentation by our Group's Managing Director in the Annual Dinner 2019/2020



Management team made a toast in the Annual Dinner 2019/2020

Well-being

We care for employee wellness, therefore, we organised activities to promote both the physical and mental health of our employees.

“We Cycle” outdoor activity in partnership with a social enterprise in April 2019



Energetic staff enjoyed the sunshine in the outdoor activity “We Cycle”



Hanison Choir, comprises colleagues from different subsidiaries, performed in the Annual Dinner 2019/2020



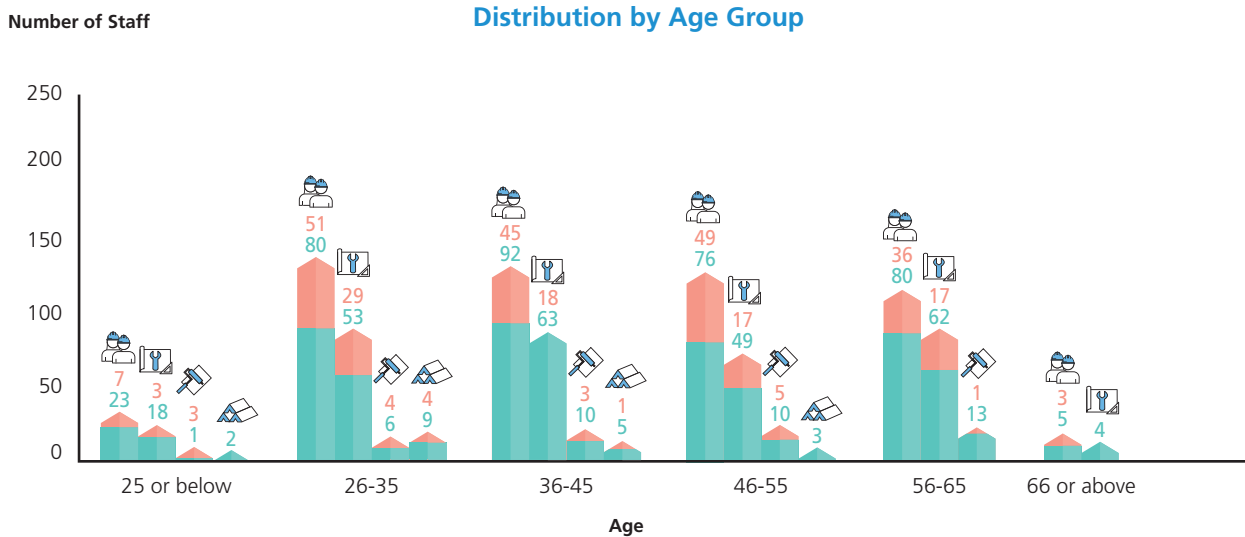
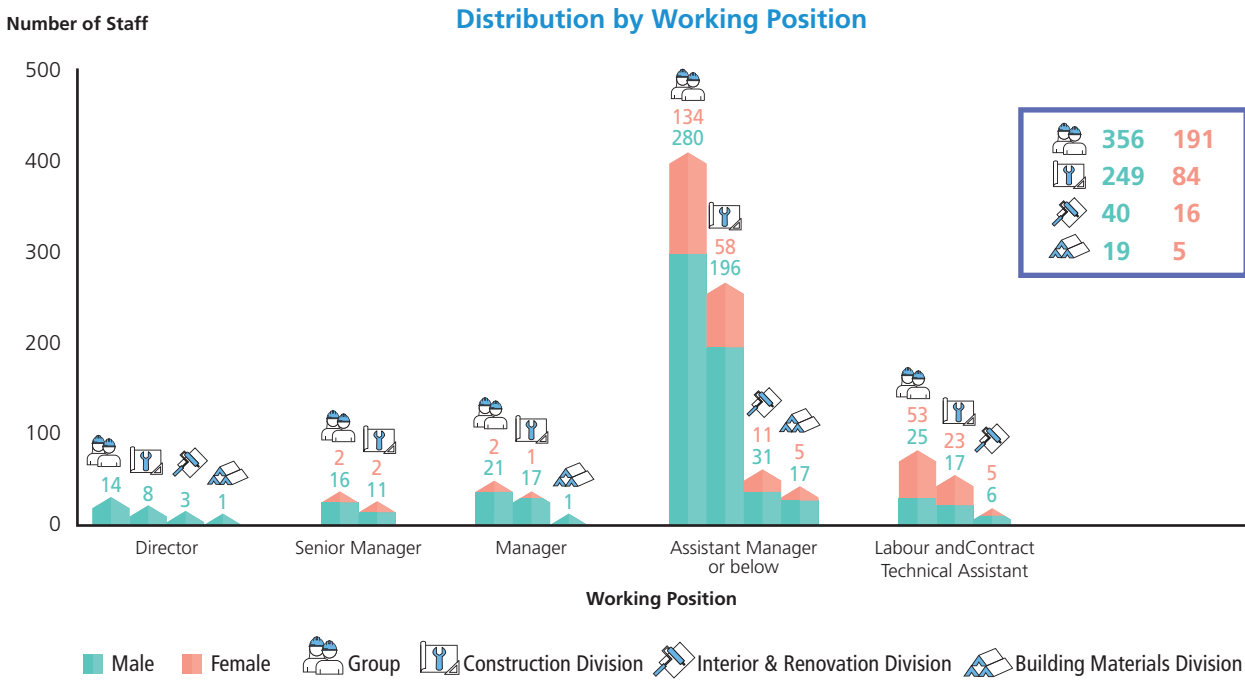
Young colleagues from different subsidiaries and departments acted as MC of the Annual Dinner 2019/2020

Diversity and Equal Opportunity

Diversity of Governance Bodies and Employees

Hanison is an equal opportunity employer. The Group has been adopting egalitarianism principle in human capital management policies and practices.

Workforce Distribution by Division in 2019/20



Non-discrimination

Hanison Group has been complying with all local legislations of HKSAR regarding anti-discrimination and does not endure any discernment circumstances occurred in workplace. There were zero reported cases related to discrimination in 2019/20. There are four ordinances governing various forms of discrimination in the HKSAR: namely, the Sex Discrimination Ordinance (Cap. 480), the Disability Discrimination Ordinance (Cap. 487), the Family Status Discrimination Ordinance (Cap. 527), the Race Discrimination Ordinance (Cap. 602).

There is a mechanism to report suspicious cases, if any, by a claimant to his/her direct supervisor or HR Team. HR Team has recurrently organised and conducted non-discrimination related training, namely "Preventing and Managing Sexual Harassment at Workplace" for staff from 2016 onwards. This awareness session has been covered in the New Staff Orientation since 2019.

Training and Development

A Hanison mission statement "To grow our people with commitment" has established our training and development (T&D) foundation. To walk this talk, since 2011, we have set up a Training Committee chaired by the Head of Human Resources plus representatives including directors and managers of various divisions. Each year, HR Team formulates an Annual Training Plan (ATP) for the following calendar year based on training needs and sources available, after which training courses will be identified or organised for target groups of employees.

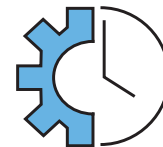
Employees Trained and Training Hours⁴



Employees Trained
25.78%

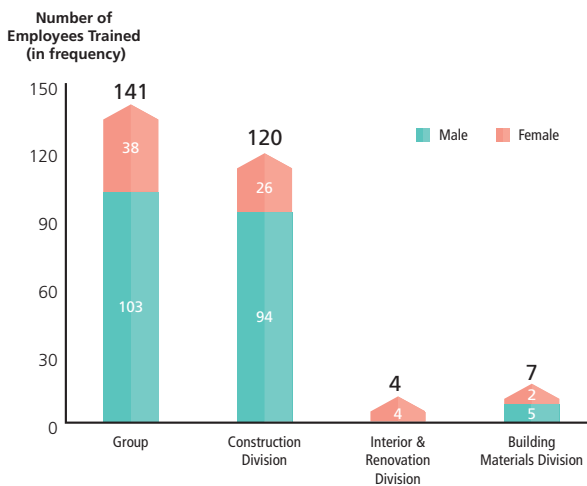


Average Number of
Training Hours per
Employee
4.02hours

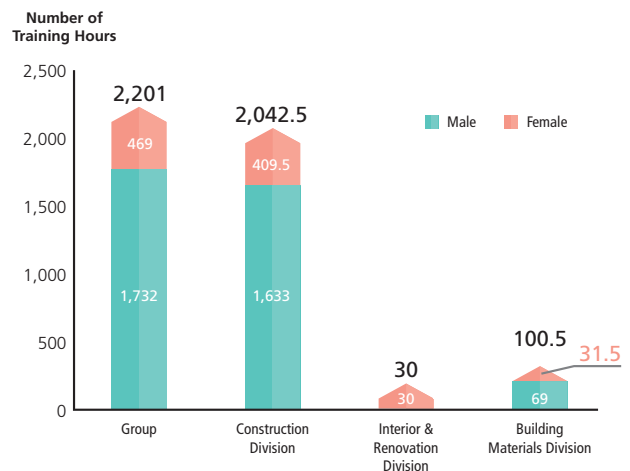


Total Number of
Training Hours
2,201hours

Employees Trained by Gender



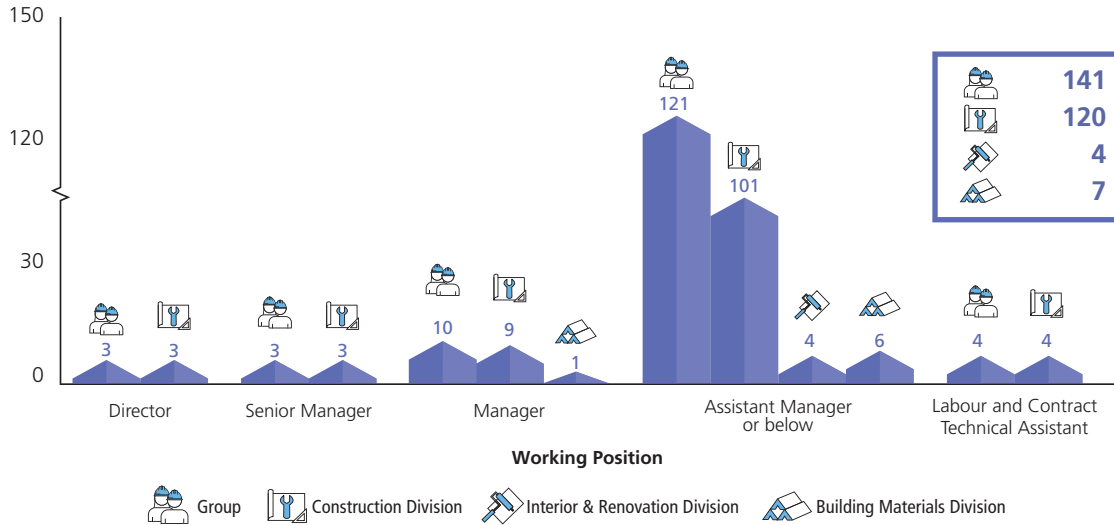
Total Training Hours by Gender



⁴ The training-related figures and all related calculations used were based on the records in calendar year ended on 31 December 2019, which is in line with the company's data record system.

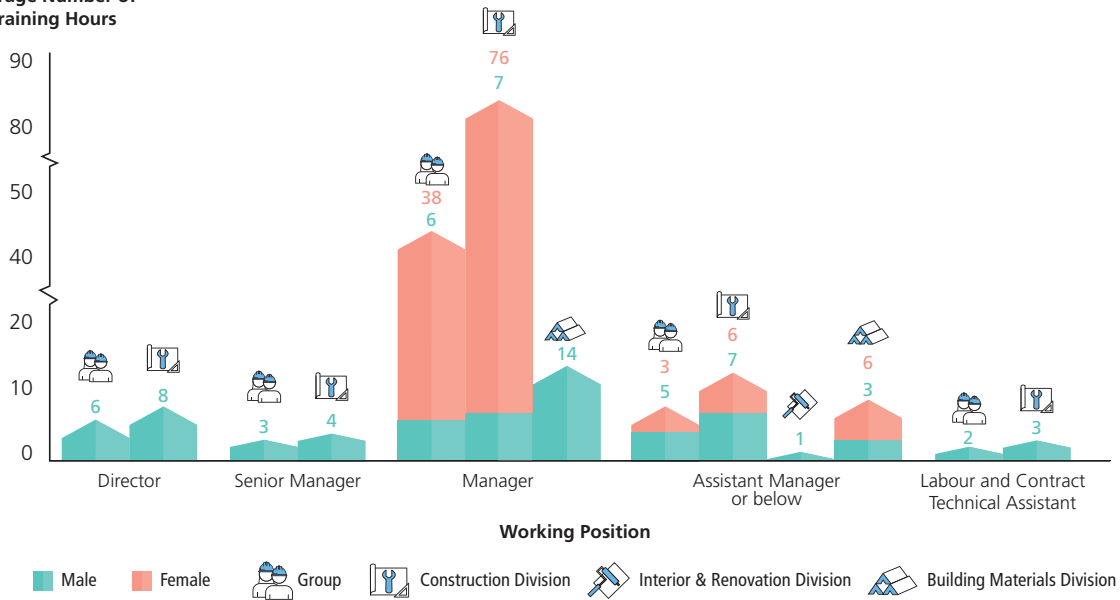
Trained Employees by Working Position

Number of Trained Employees



Average Training Hours per Employee by Working Position and Gender

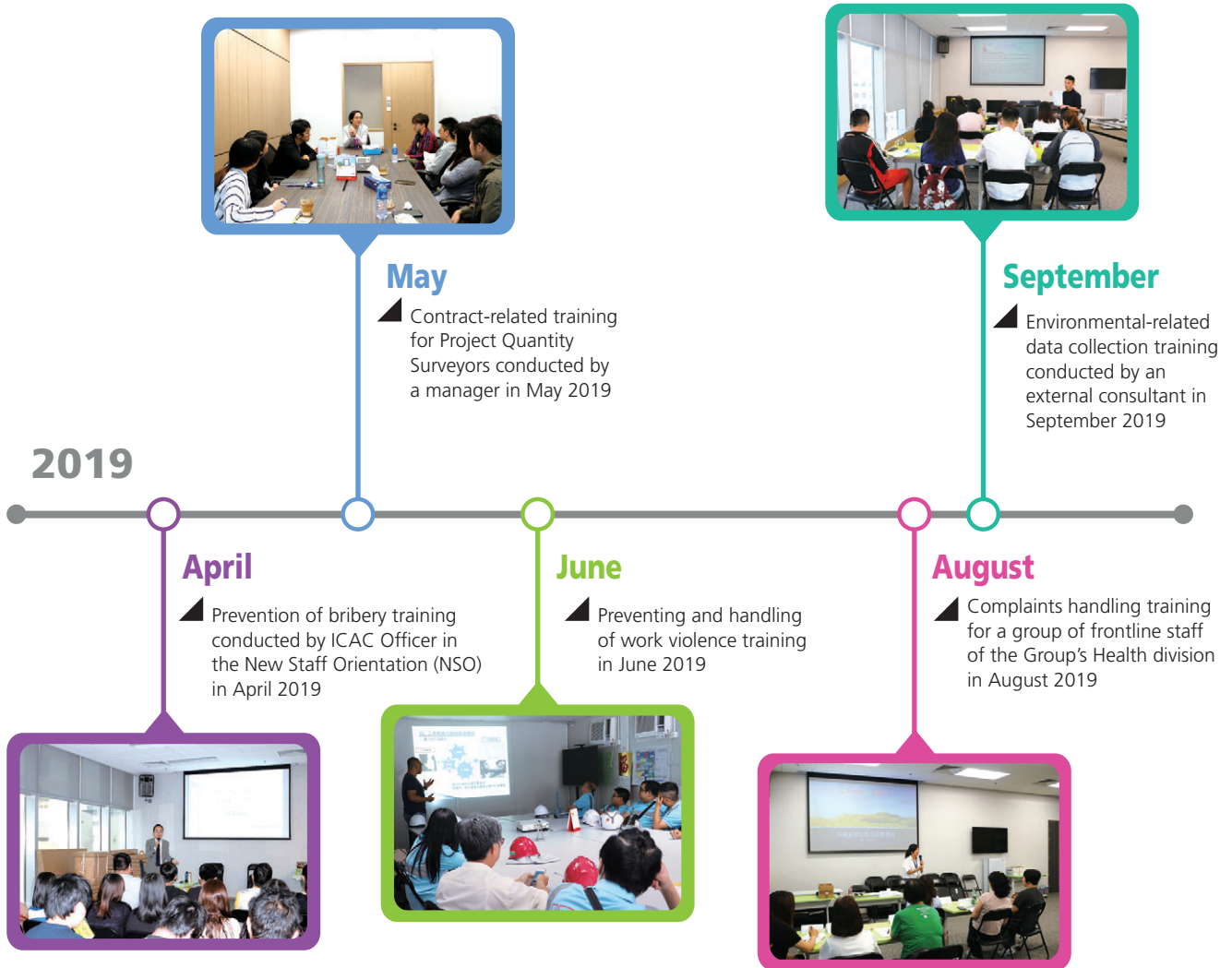
Average Number of Training Hours



Training Programmes

Each year, the HR Team partners with various business units or departments to arrange in-house and external training courses or workshops for nominated groups of employees based on identified training needs summarised in the ATP. Traditional classroom training organised was still the majority in 2019.

In-house Training Highlights



Regular Performance and Career Development Reviews

The Group has been implementing annual performance appraisal for assessing all staff performance for probation confirmation of new hires, annual salary review, promotion nomination, training needs identification, and employee or talent development as a sustaining and usual practice within Human Resources policies.

During the reporting year, there were four and three cases of non-compliance with laws and regulations related to wage issue for HCCL and HIRL respectively, but such cases did not involve in any fines or penalty.

The risk of climate change has become more alarming than ever. As a responsible corporate citizen, Hanison is committed to contributing to the collective efforts of the local construction industry to combat climate change as well as to mitigate the environmental impacts involved in the life cycle of buildings. With heightened awareness of environmental management, Hanison will continue to seek effective means to improve its environmental performance by pursuing enhanced efficiency of resources and energy consumption, and further reduction of emissions and waste.



ENVIRONMENT

ENVIRONMENT

Environmental Management

Construction is the core business of Hanison. Construction activities are heavily dependent on the consumption of energy and resources, while exerting direct impacts on the surrounding environment in where they take place. To better protect the environment, we have implemented the Environmental Management System (EMS) and Energy Management System (EnMS), which conform to ISO 14001:2015 and ISO 50001:2011 standards respectively, for our Construction Division; while the EMS applies to our Interior & Renovation Division. Under the systems, environmental and energy policies are in place, guiding the identification of risks and opportunities, the setting of objectives and targets, the development of environmental-friendly and energy-efficient measures and actions, and the establishment of a performance monitoring mechanism.

On the Group's level, we embed sustainability principles into our operating practices and actively propagate the idea of environmental protection among our employees, suppliers and subcontractors. Coming forward, to satisfy the HKEx's new ESG disclosure requirements, the Group will revisit and refine its environmental objectives and targets, as well as involve the Board in the progress review on ESG-related goals.

During the reporting year, the Group has seen a significant reduction in GHG emissions, energy and water consumption, and waste production. While the Group's activities did not induce significant impacts on the environment and natural resources, we shall continue to pursue along the path towards a low-carbon, greener and resource-efficient economy.

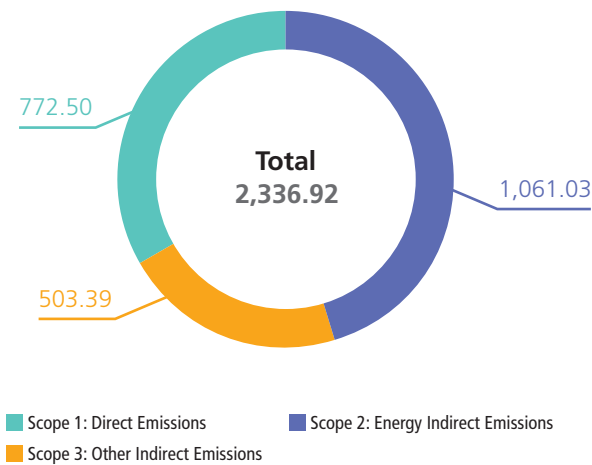


Emissions

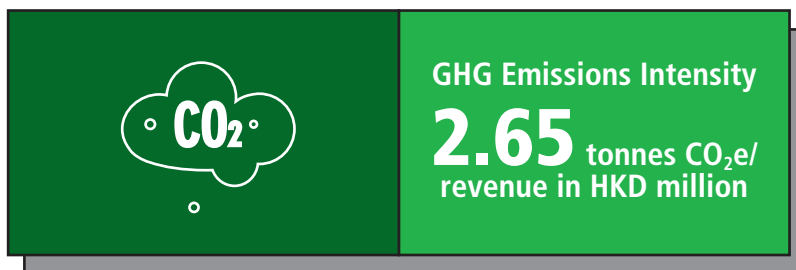
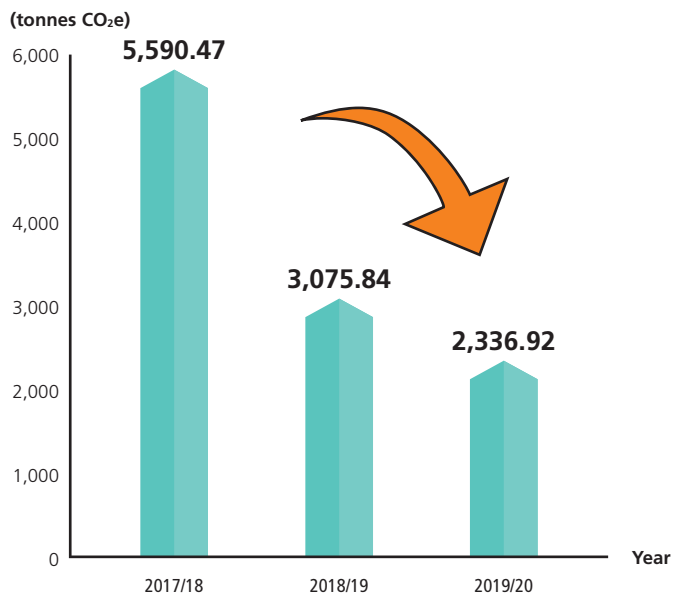
Greenhouse Gas (GHG) Emissions

The Group endeavours to lower its carbon intensity that is largely attributed to construction activities. We appointed an independent consultant to verify the GHG emissions generated by our head office, site offices and construction sites operated under Construction Division, Interior & Renovation Division, and Building Materials Division during the reporting period.

GHG Emissions in 2019/20¹ (tonnes CO₂e)



Total GHG Emissions (Scope 1, 2, 3) in the past three years²



The total GHG emissions of Hanison in 2019/20 have seen a significant decrease by approximately 58.2% compared to 2017/18. This was attributed to multiple factors including a decreased number of projects, and variations in project nature, scale and phase from previous reporting years. Coming ahead, the Group will look into the key factors leading to GHG emissions reduction and thereby identify effective measures, and achievable emission objectives and targets.

¹ Please refer to the Key Environmental and Social Performance Indicators in Appendices Section for information regarding the standards, methodologies, assumptions, calculation tools, and source of emission factors and Global Warming Potential used for the reporting of GHG emissions and GHG emissions intensity.

² From 2018/19 onwards, the scope for GHG emissions has been widened from operations of Construction Division, Interior & Renovation Division to cover operations of Building Materials Division as well.

Air Emissions

The Group and its subsidiaries own and control a fleet of mobile vehicles for road transport. We shall collect and report the emissions data attributed to this mobile source in the coming report as the Group is refining its data collection and reporting system.

Use of Resources

Energy

Non-renewable energy is not only a valuable resource that will be depleted one day, but also a major cause of global warming. Hanison is conscious about its energy consumption such that it maintains close monitoring on the electricity and fuel consumption for office operations and construction activities. This is enabled by the sensors and monitoring systems installed at various locations. Targets have been set for energy consumption in offices and on sites, particularly for energy-intensive machines and appliances, e.g. air conditioners, tower cranes, etc. We schedule a third-party audit annually to evaluate the energy performance of Construction Division. The guiding principles embedded in the EnMS are also applied to the entire group.

To further reduce GHG emissions and air pollution, we are keen to explore the use of more environmental-friendly and renewable fuel. This year, 57.60% of the fuel consumed was B5 Biodiesel, a blended fuel that consists of 5% of biodiesel.

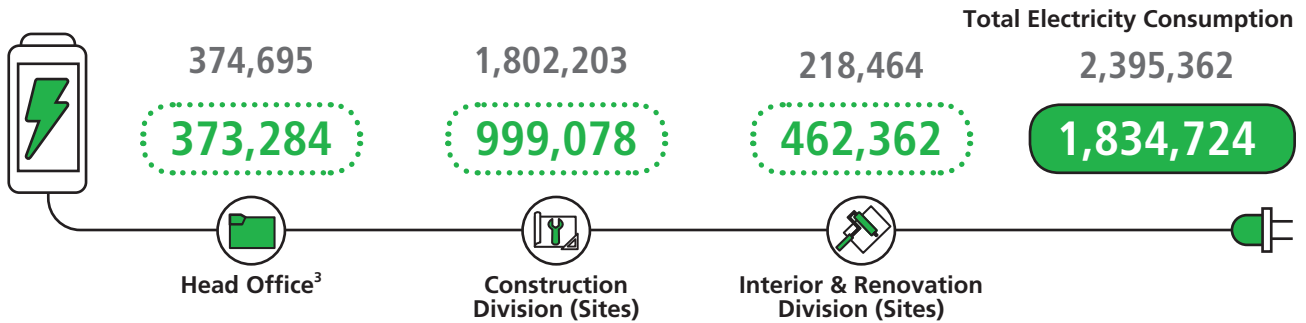


iSite Green Environment

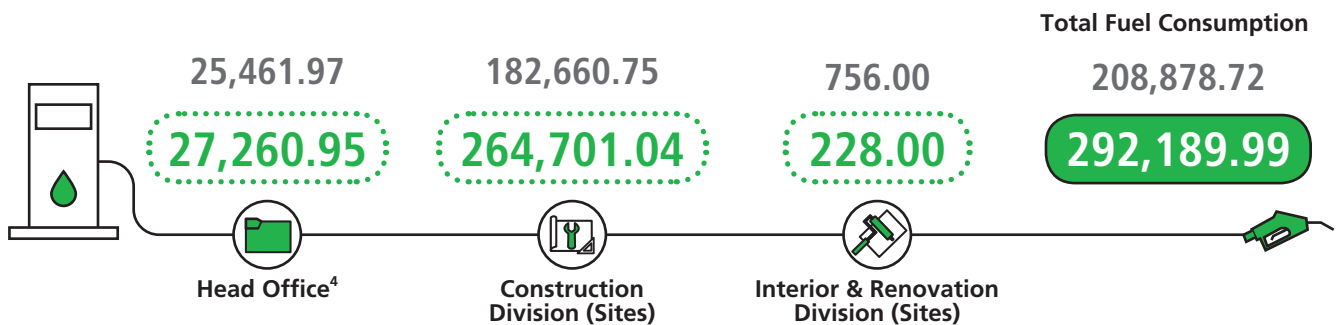
Innovation has been introduced to facilitate energy saving on sites. We applied an energy control system called "iSite" which can be controlled by a mobile phone APP via wifi connection. Person-in-charge on sites can simply tap on the smart control on the APP to turn on and off the A/C system of the site offices, power of subcontractors' site offices, solar panels and solar-powered flashlights.

Electricity Consumption (kWh)

● 2018/19
● 2019/20



Fuel Consumption (litre)



Energy Consumption

Total Energy Consumption ('000 kWh)⁵

6,788.20



2018/19

4,915.85



2019/20

Energy Consumption Intensity
(kWh/revenue in HKD million)

3,565.67

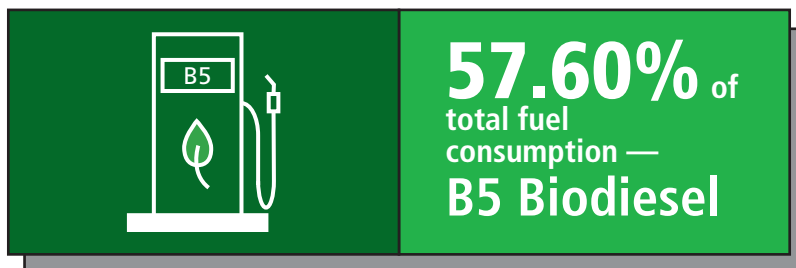


2018/19

5,577.92



2019/20



³ The Group's head office is shared by different operations some of which are out of the reporting scope. For electricity and water consumption, only the portion consumed by Construction Division, Interior & Renovation Division, and Building Materials Division are reported. The calculation is based on the respective proportion of floor areas each division occupied in the head office. Building Materials Division operated on sites owned and controlled by the main contractor, data of electricity and water consumption on sites are not available.

⁴ Operations of Building Materials Division did not involve in fuel consumption. The fuel consumption under head office was attributed to the fuel consumed by mobile vehicles.

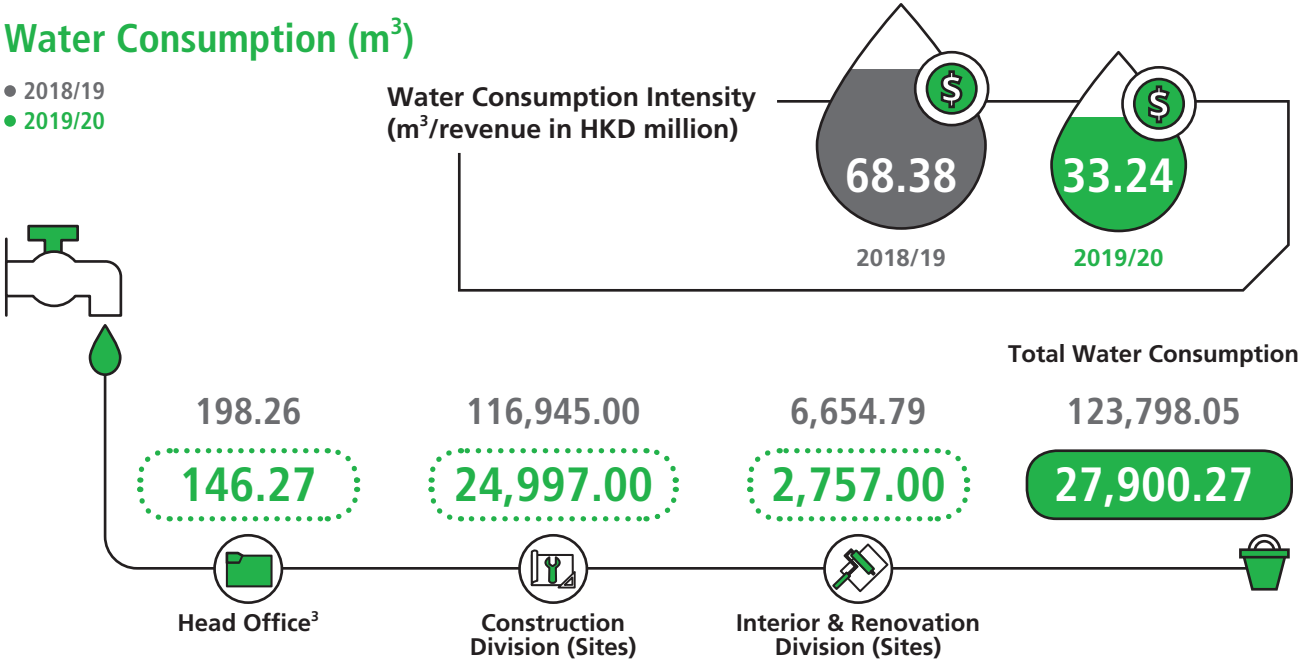
⁵ Conversion factor used for converting fuel consumption data to kWh unit is sourced from the Energy Statistics Manual from the International Energy Agency.

Water

Freshwater is a scarce resource on our planet. To penetrate water-saving practices in our daily operations, we have adopted various initiatives including building wastewater reuse systems on construction sites. We collected surface runoff and reused greywater for vehicle washing and dust suppression; while rainwater was collected for the cooling system and toilet flushing.

Water Consumption (m³)

- 2018/19
- 2019/20

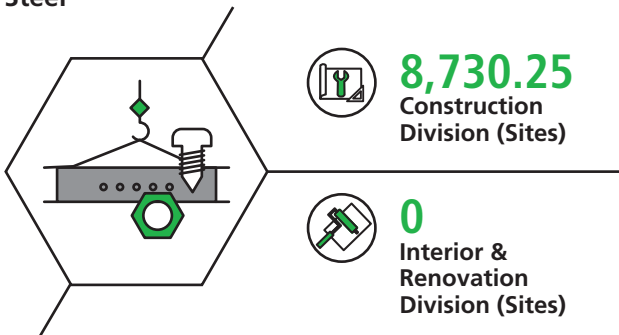


Materials

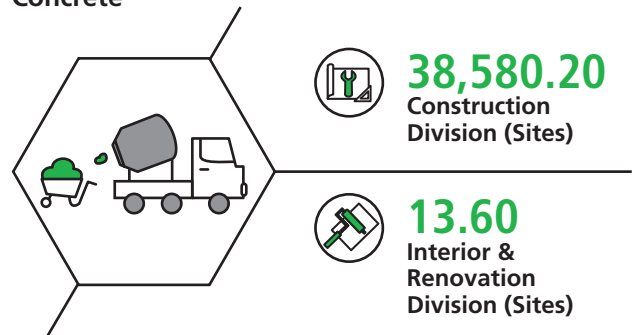
On construction sites, a wide range of materials are employed. To better manage and monitor the use of resources, a digital system named "Enterprise Resource Planning" (ERP) has been applied on specific sites to collect, store, manage, and interpret data regarding the use of materials. We will fully apply the system for all upcoming construction projects undertaken by the Group.

Materials Used in 2019/20 (tonnes)

Steel



Concrete



Waste Management

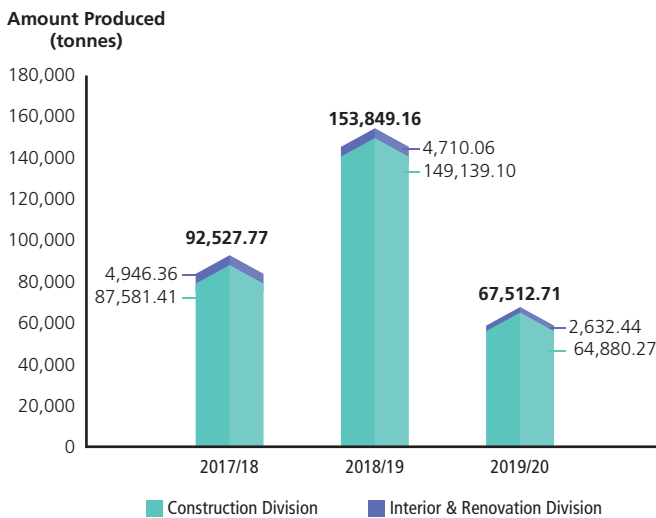
The Group sees proper waste management as an integral part of resources management. On sites, we handle, store, collect, transfer and dispose of construction wastes in an environmental-friendly manner and compliance with the statutory and contractual requirements with an established waste management system. At each site, there is sufficient space for the sorting and segregation of construction waste for disposal, recyclable materials and chemical wastes. The waste will be removed from the sites by specialised persons/contractors as soon as practicable to avoid any potential hazards and other impacts. For the waste produced on construction sites, around 90% was sent to fill banks and sorting facilities for reuse or recycle in construction. From 2020/21 onwards, we shall measure the general waste produced in offices for a comprehensive review of our waste performance.

Construction waste

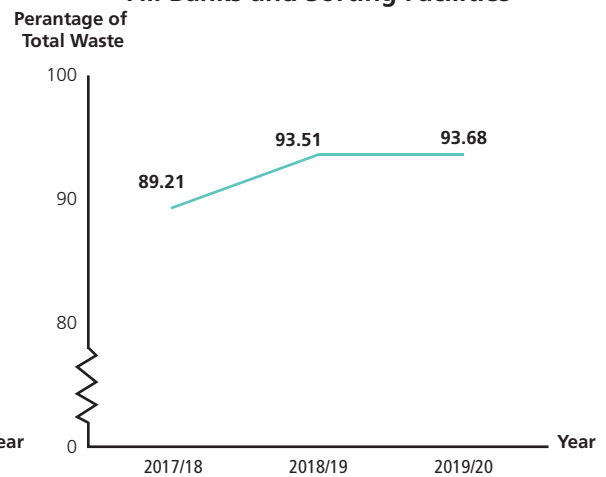


Non-hazardous Waste Produced on Sites

Non-hazardous Waste Produced on Sites⁶



Percentage of Site Waste Sent to Fill Banks and Sorting Facilities



Hazardous Waste & Recyclables

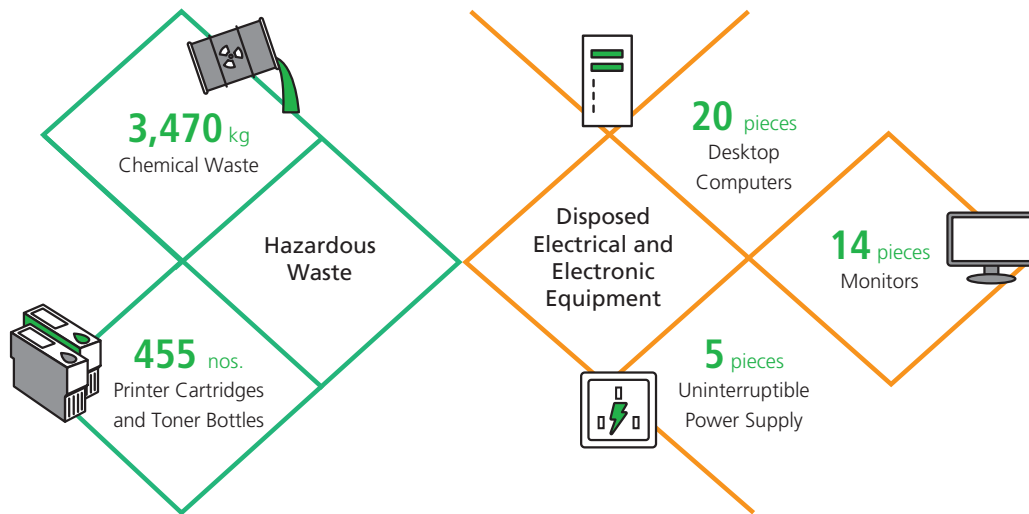
We always handle hazardous waste with care. This year, while no fluorescent lamps were disposed of in offices, we started to record and report the disposal of electrical and electronic items specified under the Producer Responsibility Scheme on Waste Electrical and Electronic Equipment (WPRS), a scheme proposed by the local government. We assigned authorised collectors to help collect and handle our electrical and electronic waste and chemical waste properly.

⁶ Building Materials Division operates on sites owned and controlled by the main contractor, waste data are not available.

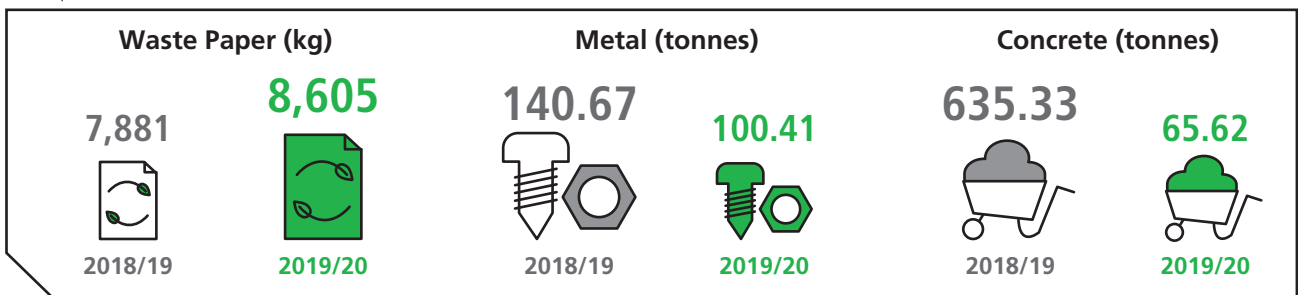
We encourage employees to reduce, reuse and recycle. Papers are on the priority of our recycling efforts. The Group has set the following targets for waste paper collection: for head office, recycling amount should be at least 500 kg/quarter; 20 kg/month for sites with construction floor areas less than 20,000 m²; and 40 kg/month for sites with floor areas above 20,000 m². During the reporting year, we continued to have achieved these targets.

As a regular exercise throughout the year, we have a collection box in head office for collecting second-hand items from employees for donation to local NGO partners including Redress and Christian Action. Moreover, the manufacturers collect all the used printer cartridges and toner bottles⁷ for recycling.

Hazardous Waste Produced in 2019/20



Recycled Items

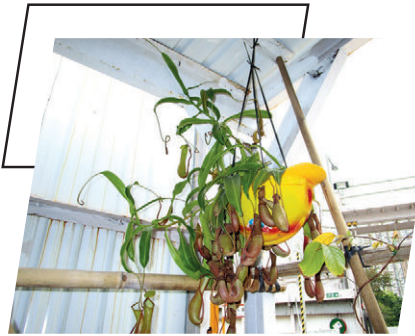


⁷ All used printer cartridges and toner bottles were collected for recycling.

Environmental Compliance

The Group identifies and recognises the possible adverse environmental impacts that its operations would bring about. To mitigate those impacts, we have implemented operational procedures and measures to manage and control different environmental aspects including noise, air pollution, water pollution, waste, chemical and dangerous goods, mosquito and site hygiene. All those procedures are provided with training whenever applicable, and we require our frontline workers and subcontractors to strictly follow through. Regular inspections and audit exercises are conducted to evaluate environmental performance on sites. During the reporting year, the Group complied with applicable environmental regulations relating to air pollution, water pollution, waste and chemical waste. There was one non-compliance case relating to mosquito larvae and pupae found at a site resulting in a fine of HK\$7,000.

Greening at Sites and Offices



Case Study

Green Buildings: 3 Projects subject to BEAM Plus Certification

During the reporting year, there were three ongoing construction projects to be subject to assessment for “BEAM Plus for New Buildings” Certification. The three projects were the construction of Public Rental Housing Development at Choi Yuen Road Sites 3 & 4, Sheung Shui; Sports Centre, Community Hall and Football Pitches in Tai Po; and Residential & Commercial Development in Kennedy Town. As the main contractor, Hanison is responsible to coordinate, execute, implement and comply with the specifications on green building performance criteria under the categories of Site Aspects, Material Aspects, Energy Use, Water Use, Indoor Environmental Quality, and Innovations and Additions, in order to achieve the desired overall assessment grades upon completion.

▲ Sports Centre, Community Hall and Football Pitches in Tai Po



▲ Public Rental Housing Development at Choi Yuen Road Sites 3 & 4, Sheung Shui



We care about the sustainable development of the local communities where Hanison operates in. In an effort to contribute to a healthy, caring and energetic community for the residents and our future generations, Hanison always actively participates in community services and operates consciously in the mutual interests of the community and the company.



COMMUNITY



COMMUNITY

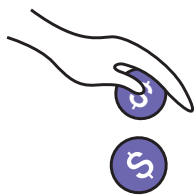
Unprecedented Challenges in 2019/20

Shortly after the commencement of financial year 2019/20, the local community has been facing an exceptionally difficult time owing to the social movement and the COVID-19 outbreak in Hong Kong. As the social movement erupted in the second half of 2019, we have either postponed or cancelled many community activities in consideration of chaotic traffic conditions and safety risks for participants. In particular, activities that involved students and schools, as well as outdoor events, were severely affected. Then it came the abrupt outbreak of COVID-19 virus at the beginning of 2020, which has literally put the world into a pause. While the local community reacted vigilantly by adopting infection control and hygiene measures, such as social distancing, the livelihood of local citizens, especially the underprivileged, are substantially threatened.

Due to the unprecedented challenges in the reporting year, Hanison unavoidably ceased or paused the participation in some scheduled and planned community activities and volunteer services, e.g. UNICEF Charity Run and “Run for Survival” held by Ocean Park Conservation Foundation Hong Kong. Instead, we continued to support the community needs in form of monetary donations or sponsorships to non-governmental or charity organisations. As anticipated, the COVID-19 pandemic and social instability will continue to trouble the local economy and community in 2020 and beyond, Hanison will remain flexible to adapt to new modes to serve the emerging community needs.

As mentioned in the People Section, Hanison has implemented stringent hygiene measures at workplace to safeguard the health and safety of employees and surrounding community. At the close of this financial year, our operations recorded no confirmed COVID-19 cases.

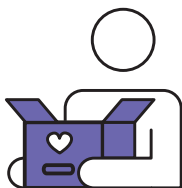
Donation and Sponsorship



Financial Sponsorship
and Donation:
HK\$376,790



Volunteers:
42 staff attendance



In-kind Donation:
150.52kg



Service Hours:
495.5 hours

Community Services

Tung Wah Group of Hospitals Jockey Club Tai Kok Tsui Integrated Services Centre



The Interior & Renovation Division collaborated with Tung Wah Group of Hospitals Jockey Club Tai Kok Tsui Integrated Services Centre to organise a series of community workshops and activities between May and July 2019, including a carpenter workshop, a flowerbed making workshop and a family day camp. In the carpenter workshop, our volunteers taught participants to make five wooden doubled-deck racks and two wooden carts, which were later used as furniture in the centre. The flowerbed-making workshop, sequel of the first one, shared with participants about greening at home. The finale of the programme was a visit to a farm in Yuen Long, where participants could learn more farming knowledge, see the animals and have fun with their family members.



Sponsorship to "Lifewire Run 2019"



Promoting Sustainable Life — Lai Chi Wo! Village Fest 2019

Participation in CityU Executive Mentoring Programme

To care local university graduates and promote Hanison as an employer of choice, our HR Director, Mr. Charles Chan has supported students of City University of Hong Kong (CityU) via CityU Executive Mentoring Programme and built good mentor-mentee relationship with the assigned student via career mentoring. Moreover, Charles helped as a workshop facilitator in the University Life Induction Facilitators (CityU) on 10 August 2019 for a group of freshmen.



Case Study

Young Professional Committee's "Family Fun Day"

Hanison Young Professional Committee, comprises the young professional talents in Hanison, organised their first community event "Family Fun Day" on 9 November 2019 in collaboration with Hong Kong Children & Youth Services, under the support from our business partners. The day camp, was held at Sai Kung Outdoor Recreation Centre, served to foster harmonious relations and enhance communications between family members. The event successfully attracted participation of 50 family members from the Northern district, including children aged between 6 and 14. Fun games and activities, artisanship workshops were arranged. All the families spent a happy and entertaining day.



Negative Impacts on Local Communities

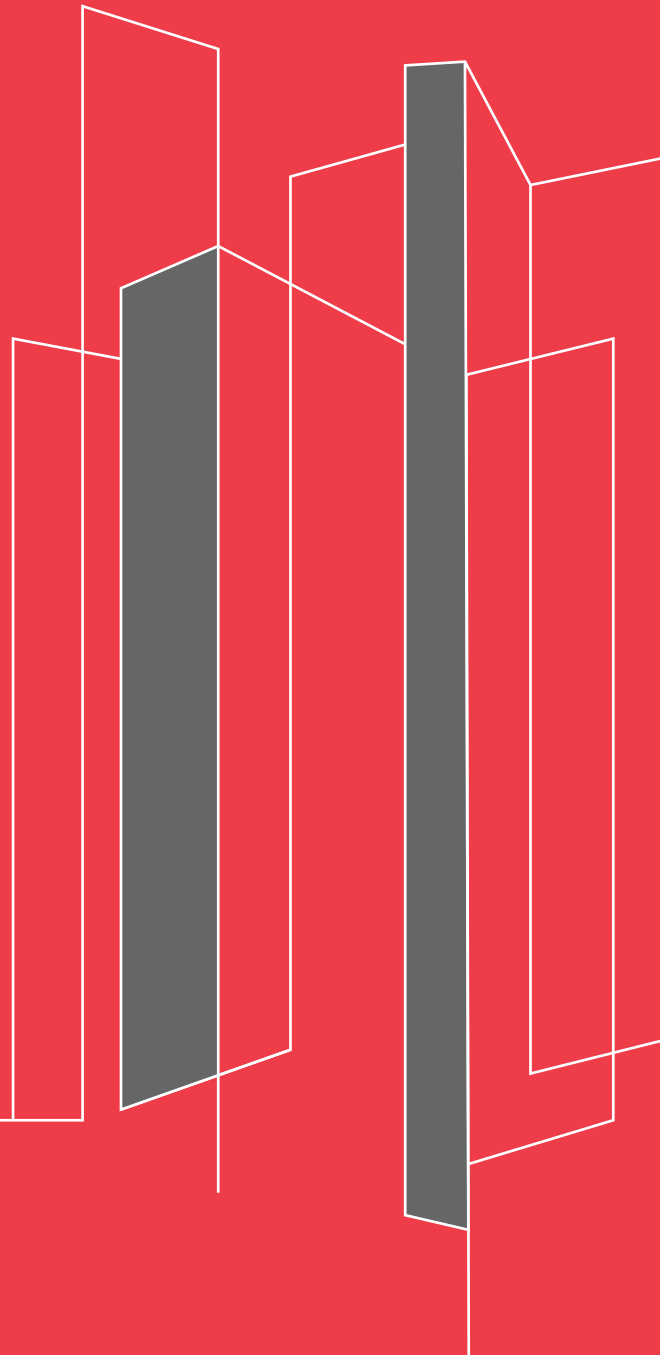
Hanison is mindful of the possible direct negative environmental impacts that would be brought about by construction works. Besides, we cherish a healthy and harmonious relationship with the community. As such, we carry out mitigation and preventive measures to minimise the impacts as far as possible. Meanwhile, we are keen to answer to the feedback from the community. The contacts of our community relations officers or delegated persons are made public on sites for easy access of the nearby residents.

Noise Control Measures

Mosquitos Control Measures

Dust Control Measures

APPENDICES



Awards, Recognitions and Charters



Corporate Social Responsibility

2019

Happy Company



Issued by
Hong Kong Productivity Council
Company/Project
Hanison Construction Holdings Limited

Caring Company 10+



Issued by
The Hong Kong Council of Social Service
Company/Project
Hanison Construction Company Limited

April

May

Best Performance of School-Company Partnership Award

Issued by
Young Entrepreneurs Development Council
Company/Project
Hanison Construction Holdings Limited

Construction Industry Caring Organisation



Issued by
Construction Industry Council
Company/Project
Hanison Construction Company Limited

Caring Company

Issued by
The Hong Kong Council of Social Service
Company/Project
Hanison Construction Holdings Limited,
Hanison Interior & Renovation Limited

June

July

Good MPF Employer 2018-2019

Issued by
Mandatory Provident Fund Schemes Authority
Company/Project
Hanison Construction Company Limited,
Hanison Contractors Limited,
Hanison Interior & Renovation Limited,
Trigon Building Materials Limited

Outstanding Organisation with Holistic Management Systems

Issued by
Hong Kong Quality Assurance Agency
Company/Project
Hanison Construction Holdings Limited



October

The 10th Hong Kong Outstanding Corporate Citizenship



Issued by
Hong Kong Productivity Council
Company/Project
Hanison Construction Holdings Limited

Silver Award for Volunteer Service (Organization)



Issued by
Social Welfare Department
Company/Project
Hanison Construction Holdings Limited

CSR Advocate mark



Issued by
Hong Kong Quality Assurance Agency
Company/Project
Hanison Construction Holdings Limited

December

November

Awards, Recognitions and Charters



Occupational Health and Safety

2019

2019 Outstanding Safety Performance Award



Issued by
CR Construction Company Limited
Company/Project
Trigon Building Materials Limited/
The St. Regis Hong Kong — Supply and Installation of
Suspended Ceiling System

Construction Safety Week 2019 — Safety Video Competition, Specific Works Items: Electrical Installations Works — Gold Award

Issued by
Development Bureau,
Construction Industry Council
Company/Project
Hanison Construction Company Limited/
Construction of Sports Centre,
Community Hall and Football Pitches in
Area 1, Tai Po

April

May

Hong Kong Smoke-free Leading Company Awards 2019 — Certificate of Merit



Issued by
Hong Kong Council on
Smoking and Health
Company/Project
Hanison Construction
Company Limited

Occupational Health Award 2019-20

- Prevention of Pneumoconiosis Best Practices Award — Excellent Award;
- Prevention of Pneumoconiosis Best Practices Award — Innovative Improvement Measures Award;
- Joyful@Healthy Workplace Best Practices Award — Merit Award — Enterprise/Organisation Category

Issued by
Occupational Safety & Health Council
Company/Project
Hanison Construction Company Limited/
Construction of Sports Centre, Community Hall and Football
Pitches in Area 1, Tai Po

Mental Health Workplace Charter



Issued by
Department of Health
Company/Project
Hanison Construction
Holdings Limited

March

2020

December

2018 Hong Kong Awards for Environmental Excellence (Construction Industry) — Certificate of Merit



Issued by
Environmental Campaign Committee
Company/Project
Hanison Construction Company Limited/
Construction of Public Rental Housing Development
at Shek Mun Estate Phase 2, Shatin

25th Considerate Contractors Site Award Scheme — Outstanding Environmental Management and Performance Award (Public Works — New Works) — Merit



Issued by
Development Bureau,
Construction Industry Council
Company/Project
Hanison Construction Company Limited/
Construction of Sports Centre, Community
Hall and Football Pitches in Area 1, Tai Po



Environment

2019

April

May

Construction Safety Week 2019 — Safety Video Competition, Specific Works Items: Repair, Maintenance, Alterations and Additions Works — Bronze Award

Issued by
Development Bureau,
Construction Industry Council

Company/Project
Hanison Interior & Renovation Limited/
A&A Works for Ying Yu Building at No.
99–101, Lai Chi Kok Road, Kowloon



25th Considerate Contractors Site Award Scheme

- Considerate Contractors Site Award (Public Works — New Works) — Gold Award;
- Model Worker Award — Mr. Leung Kong Sang;
- Model Frontline Supervisor — Mr. Li Wai Man, Simon

Issued by
Development Bureau,
Construction Industry Council

Company/Project
Hanison Construction Company Limited/
Construction of Sports Centre,
Community Hall and Football Pitches in
Area 1, Tai Po

Quality Public Housing Construction and Maintenance Awards 2019 — New Works Projects — Best Site Safety — Timely Report of Near Miss Incident (Building)

Issued by
Hong Kong Housing Authority

Company/Project
Hanison Construction Company Limited/
Construction of Public Rental Housing Development
at Choi Yuen Road Sites 3 & 4, Sheung Shui

20th Construction Safety Promotional Campaign — Best Refurbishment and Maintenance Contractor in Occupational Safety and Health — Silver Award

Issued by
Occupational Safety and Health Council

Company/Project
Hanison Interior & Renovation Limited/
A&A Works for Ying Yu Building at No. 99–101,
Lai Chi Kok Road, Kowloon

November

June

Indoor Air Quality Certificate (Excellent Class)



Issued by
Environmental Protection Department
Company/Project
Hanison Construction Holdings Limited

HKCA Hong Kong Construction Environmental Awards — 2019 Environmental Merit Award

Issued by
Hong Kong Construction Association
Company/Project
Hanison Construction Company Limited

July

December

Certificates

HONG KONG CERTIFICATION SERVICES INTERNATIONAL LIMITED

ISO 5001:2011 Energy Management System

Hanison Construction Company Limited
(since 2013)



ISO 5001:2011
Certificate No.: CC 468

Hanison Contractors Limited
(since 2013)



ISO 5001:2011
Certificate No.: CC 469

HONG KONG QUALITY ASSURANCE AGENCY

OHSAS 18001:2007 Occupational Health and Safety Management System

Hanison Construction Company Limited
(since 2007)



OHSAS 18001:2007
Certificate No.: CC 3496

Hanison Contractors Limited
(since 2007)



OHSAS 18001:2007
Certificate No.: CC 3497

Hanison Interior & Renovation Limited
(since 2007)



OHSAS 18001:2007
Certificate No.: CC 3498

ISO 14001:2015 Environmental Management System

Hanison Construction Company Limited
(since 2002)



ISO 14001: 2015
Certificate No.: CC 2269

Hanison Contractors Limited
(since 2002)



ISO 14001: 2015
Certificate No.: CC 2270

Hanison Interior & Renovation Limited
(since 2007)



ISO 14001: 2015
Certificate No.: CC 3344

ISO 9001: 2015 Quality Management System

Hanison Construction Company Limited
(since 1995)



ISO 9001: 2015
Certificate No.: CC 314

Hanison Contractors Limited
(since 1998)



ISO 9001: 2015
Certificate No.: CC 1270

Hanison Interior & Renovation Limited
(since 2001)



ISO 9001: 2015
Certificate No.: CC 2111

Key Environmental and Social Performance Indicators

Environmental Performance

	Unit	2019/20	2018/19
Greenhouse Gas Emissions			
Total GHG Emissions	tonnes CO ₂ e	2,336.92	3,075.84
Direct Emissions (Scope 1)	tonnes CO ₂ e	772.50	1,079.80
Indirect Emissions (Scope 2)	tonnes CO ₂ e	1,061.03	1,250.03
Other Indirect Emissions (Scope 3)	tonnes CO ₂ e	503.39	746.01
GHG Emissions Intensity	tonnes CO ₂ e/HK\$1 million revenue	2.65	1.62
Waste			
Chemical Waste	kg	3,470	1,530
Total Construction Waste	tonnes	67,512.71	153,849.16
Treated by Landfills	tonnes	4,266.37	9,981.57
Treated by Fill Banks and Sorting Facilities	tonnes	63,246.34	143,867.59
Construction Waste Intensity	tonnes/HK\$1 million revenue	80.44	84.97
Recyclables			
Printer Cartridges and Toner Bottles	nos.	455	278
Desktop Computers	nos.	20	N/A
Monitors	nos.	14	N/A
Uninterruptible Power Supply	nos.	5	N/A
Used Paper	kg	8,605	7,881
Metal	tonnes	100.41	140.67
Concrete	tonnes	65.62	635.33
Energy			
Total Energy Consumption	'000 kWh	4,915.85	6,788.20
Direct Energy Consumption (Fuel)	litre	292,189.99	208,878.72
Indirect Energy Consumption (Electricity)	kWh	1,834,724.00	2,395,362.00
Energy Consumption Intensity	kWh/HK\$1 million revenue	5,577.92	3,565.67
Water			
Total Water Consumption	m ³	27,900.27	123,798.05
Water Consumption Intensity	m ³ /HK\$1 million revenue	33.24	68.38
Materials			
Steel	tonnes	8,730.25	4,999.11
Concrete	tonnes	38,593.80	39,845.10

Notes:

- The Greenhouse gases covered in the calculation of GHG emissions include CO₂, CH₄, N₂O, HFCs, PFCs, and SF₆.
- The emission factors and Global Warming Potential (GWP) used in the calculation of GHG emissions have been made reference to applicable local and international guidelines and standards, such as "Guidelines to Account for and Report on Greenhouse Gas, Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong", IPCC Fourth Assessment Report.
- Direct Emissions (Scope 1) cover combustion of fuels for energy generation and mobile combustion, fugitive emissions (CO₂ fire extinguisher, refrigerant) and process emissions (acetylene combustion).
- Energy Indirect Emissions (Scope 2) cover electricity purchased for the operations at sites and offices.
- Other Indirect Emissions and Removals (Scope 3) cover: a) Transportation of major construction materials and C&D waste within Hong Kong; b) Electricity used for fresh water processing and sewage treatment; c) Major construction materials used (reinforced steel and concrete); d) Methane gas generation at landfills in Hong Kong due to disposal of paper waste.
- Revenues generated from the Construction, Interior & Renovation and Building Materials Division are taken into account for calculation of GHG emission intensity and energy consumption intensity while revenues generated from Construction, Interior & Renovation Division are taken into amount for calculation of water consumption intensity and construction waste intensity.
- Conversion factor used for converting fuel consumption data to kWh unit is sourced from the Energy Statistics Manual from the International Energy Agency.

Social Performance

	Unit	2019/20	2018/19
Employment			
Total Workforce (Group)	no. of people	547	611
Workforce by Gender (Group)			
Male	no. of people	356	410
Female	no. of people	191	201
Workforce by Employment Category (Group)			
Director	no. of people	14	14
Senior Manager	no. of people	18	17
Manager	no. of people	23	27
Assistant Manager or below	no. of people	414	460
Labour & Contract Technical Assistant	no. of people	78	93
Workforce by Age (Group)			
25 or below	no. of people	30	25
26–35	no. of people	131	159
36–45	no. of people	137	141
46–55	no. of people	125	135
56–65	no. of people	116	144
66 or above	no. of people	8	7
Turnover Rate by Age (Group)			
25 or below	%	29.33	2.60
26–35	%	28.37	5.51
36–45	%	9.49	3.37
46–55	%	8.66	1.53
56–65	%	11.95	1.07
66 or above	%	30.77	1.07
Turnover Rate by Gender (Group)			
Male	%	14.47	9.04
Female	%	19.02	6.13
Training			
Total No. of Employees Trained	frequency	141	230
Male	frequency	103	182
Female	frequency	38	48
No. of Employees Trained by Employee Category (Group)			
Director	frequency	3	9
Senior Manager	frequency	3	10
Manager	frequency	10	16
Assistant Manager or below	frequency	121	194
Labour and Contract Technical Assistant	frequency	4	1

Notes:

1. Employees are defined as persons who are in a direct employment relationship with the Group or its subsidiaries. The Group's total workforce includes employees hired under all of its operations including Construction Division, Interior & Renovation Division and Building Materials Division.
2. The training-related figures and all related calculations used were based on the records in calendar year ended on 31 December 2019, which is in line with the company's data record system.

HKEx ESG Reporting Guide Content Index

			Section Reference	Page Number
Environmental				
Aspect A1: Emissions				
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.		Environment	40-48
KPI A1.1	The types of emissions and respective emissions data.		Air Emissions	43
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).		Greenhouse Gas (GHG) Emissions	42
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).		Hazardous Waste & Recyclables	46-47
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).		Waste Management	46-47
KPI A1.5	Description of measures to mitigate emissions and results achieved.		Emissions	42-43
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.		Waste Management	46-47
Aspect A2: Use of Resources				
General disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.		Environment Use of Resources	40-48 43-45
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).		Energy	43-44
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).		Water	45
KPI A2.3	Description of energy use efficiency initiatives and results achieved.		Energy	43-44
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.		Water	45
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.		Not applicable under the reporting scope	N/A
Aspect A3: The Environment and Natural Resources				
General disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.		Environment	40-48
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.		Environmental Management	41
Social				
Employment and Labour Practices				
Aspect B1: Employment				
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.		People Human Capital Management Diversity and Equal Opportunity	24-39
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.		Employment	32-36
KPI B1.2	Employee turnover rate by gender, age group and geographical region.		Employment	32
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.		Occupational Health and Safety	26-31
KPI B2.1	Number and rate of work-related fatalities		Occupational Health and Safety	27

			Page Number
			Section Reference
KPI B2.2	Lost days due to work injury.	Occupational Health and Safety	27
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Occupational Health and Safety	26-31
Aspect B3: Development and Training			
General disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Training and Development	37-39
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Training and Development	37-39
KPI B3.2	The average training hours completed per employee by gender and employee category.	Training and Development	37-39
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.	Child and Forced Labour	22
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Child and Forced Labour	22
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Child and Forced Labour	22
Operating Practices			
Aspect B5: Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management	19-21
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Management	19-20
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Supply Chain Management	19-21
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.	Operating Practices	17-22
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Quality Management and Assurance	18-19
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Quality Management and Assurance	18-19
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Property Rights/ Data Privacy	22
KPI B6.4	Description of quality assurance process and recall procedures.	Quality Management and Assurance	18-19
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Intellectual Property Rights/ Data Privacy	22
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.	Anti-corruption	21
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.	Anti-corruption	21
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-corruption	21
Community			
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.	Community	49-53
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health culture, sport)	Nil	N/A
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community	49-53

Global Reporting Initiative (GRI) Standards Content Index

GRI number in parenthesis '(GRI XXX)' indicates that this has not been identified as a material issue but data is available and has historically been disclosed. While data is generally reported according to GRI principles they may not fully comply with disclosure requirements. All GRI Standards are 2016 version unless otherwise specified.

GRI Standards	Disclosures	Content Reference/Supplementary Information	Page Number
GRI 102: General Disclosures			
Organization Profile			
102-1	Name of the organization	Company Profile	04
102-2	Activities, brands, products, and services	Company Profile	04
102-3	Location of headquarters	Company Profile	04
102-4	Location of operations	Hong Kong	04
102-5	Ownership and legal form	2019/2020 Annual Report	N/A
102-6	Markets served	Company Profile About this Report Types of Customers: Developers, Contractors, Facilities/ Buildings Owners	04 08-09
102-7	Scale of the organization	Employment 2019/2020 Annual Report	32 N/A
102-8	Information on employees and other workers	Employment Key Environmental and Social Performance Indicators	32-39 59-60
102-9	Supply chain	Supply Chain Management	19-21
102-10	Significant changes to the organization and its supply chain	No significant changes to the organisation and its supply chain	N/A
102-11	Precautionary Principle or approach	CSR Committee, Risk Management 2019/2020 Annual Report — Risk Management and Internal Control (p.76)	12
102-12	External initiatives	Awards, Recognitions and Charters Certificates	55-57 58
102-13	Membership of associations	Member of Hong Kong Construction Association Member of Hong Kong Industrial Safety Association Member of Hong Kong Green Building Council	N/A
Strategy			
102-14	Statement from senior decision-maker	CSR Policy Statement Managing Director's Message	inner front cover 05
Ethics and Integrity			
102-16	Values, principles, standards, and norms of behavior	Vision, Mission and Values	01
Governance			
102-18	Governance structure	CSR Committee, Risk Management 2019/20 Annual Report — Board Composition (P.61-62)	12
102-19	Delegating authority	CSR Committee, Risk Management	12
102-20	Executive-level responsibility for economic, environmental, and social topics	CSR Committee, Risk Management	12
102-21	Consulting stakeholders on economic, environmental, and social topics	Stakeholder Engagement Materiality	14 15-16
102-22	Composition of the highest governance body and its committees	2019/2020 Annual Report — Board Composition (p.60-66) Board and Committees (p.67-76)	N/A
102-23	Chair of the highest governance body	2019/2020 Annual Report — Chairman and Managing Director (p.64)	N/A
102-24	Nominating and selecting the highest governance body	2019/2020 Annual Report — Nomination Committee (p.70)	N/A
102-25	Conflicts of interest	2019/2020 Annual Report — Board of Directors (p.59-62)	N/A
102-32	Highest governance body's role in sustainability reporting	Reporting Principles CSR Committee, Risk Management Materiality	10 12 15-16

GRI Standards	Disclosures	Content Reference/Supplementary Information	Page Number
102-35	Remuneration policies	2019/2020 Annual Report — Employees and Remuneration Policy (p.57)	N/A
102-36	Process for determining remuneration	2019/2020 Annual Report — Employees and Remuneration Policy (p.57) Remuneration Committee (p.72-73)	N/A
102-38	Annual total compensation ratio	2019/2020 Annual Report — Directors' and Employees' Emoluments (p.98)	N/A
102-39	Percentage increase in annual total compensation ratio	2019/2020 Annual Report — Directors' and Employees' Emoluments (p.98)	N/A
Stakeholder Engagement			
102-40	List of stakeholder groups	Stakeholder Engagement	14
102-41	Collective bargaining agreements	Not Applicable	N/A
102-42	Identifying and selecting stakeholders	Stakeholder Engagement	14
102-43	Approach to stakeholder engagement	Stakeholder Engagement Materiality	14 15-16
102-44	Key topics and concerns raised	Stakeholder Engagement Materiality	14 15-16
Reporting Practice			
102-45	Entities included in the consolidated financial statements	2019/2020 Annual Report — Group Structure (p.4) Operations under Property and Health Division are not entirely covered by this report	N/A
102-46	Defining report content and topic Boundaries	About this Report	08-10
102-47	List of material topics	Materiality	15-16
102-48	Restatements of information	Nil	N/A
102-49	Changes in reporting	Nil	N/A
102-50	Reporting period	Reporting Period and Scope	08-09
102-51	Date of most recent report	October 2019	N/A
102-52	Reporting cycle	Annual	N/A
102-53	Contact point for questions regarding the report	For enquiry	Inner back cover
102-54	Claims of reporting in accordance with the GRI Standards	Reporting Standards	10
102-55	GRI content index	GRI Standards Content Index	63-66
102-56	External assurance	Report Assurance Assurance Statements	10 67-68
(GRI 201) Economic Performance			
103	Management approach	2019/2020 Annual Report — Chairman's Statement (p.6-13) Operations Review (p.13) Financial Review (p.50-57) Not a material issue but data available and historically reported	N/A
201-1	Direct economic value generated and distributed	2019/2020 Annual Report — Financial Highlights (p.5) Chairman's Statement (p.6-13)	N/A
201-3	Defined benefit plan obligations and other retirement plans	2019/2020 Annual Report — Retirement Benefits Schemes (p.117)	N/A
(GRI 202) Market Presence			
103	Management approach	2019/2020 Annual Report — Employees and Remuneration (p.57) Not a material issue but data available and historically reported	N/A
202-2	Proportion of senior management hired from the local community	All senior management (director grade) are hired from local community (nationality: Chinese)	N/A
(GRI 203) Indirect Economic Impacts			
103	Management approach	Not a material issue but data available and historically reported	N/A
203-1	Infrastructure investments and services supported	Community	49-53
(GRI 204) Procurement Practices			
103	Management approach	Supply Chain Management Not a material issue but data available and historically reported	19-21

GRI Standards	Disclosures	Content Reference/Supplementary Information	Page Number
204-1	Proportion of spending on local suppliers	Supply Chain Management	19-20
GRI 205 Anti-corruption			
103	Management approach	Anti-corruption	21
205-2	Communication and training about anti-corruption policies and procedures	Anti-corruption	21
205-3	Confirmed incidents of corruption and actions taken	Anti-corruption No confirmed incidents of corruption	21
(GRI 206) Anti-competitive behavior			
103	Management approach	Not a material issue but data available and historically reported	N/A
206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	Anti-competitive Behaviour	22
(GRI 301) Materials			
103	Management approach	Environmental Management Not a material issue but data available and historically reported	41
301-1	Materials used by weight or volume	Materials	45
(GRI 302) Energy			
103	Management approach	Environmental Management Not a material issue but data available and historically reported	41
302-1	Energy consumption within the organization	Energy Non-renewable fuel types used include diesel and petrol	43-44
302-3	Energy intensity	Energy	43-44
302-4	Reduction of energy consumption	Energy	43-44
(GRI 303) Water and Effluents 2018			
103	Management approach	Environmental Management Not a material issue but data available and historically reported	41
303-5	Water consumption	Water	45
(GRI 305) Emissions			
103	Management approach	Environmental Management Not a material issue but data available and historically reported	41
305-1	Direct (Scope 1) GHG emissions	Greenhouse (GHG) Gas Emissions	42
305-2	Energy indirect (Scope 2) GHG emissions	Greenhouse (GHG) Gas Emissions	42
305-3	Other indirect (Scope 3) GHG emissions	Greenhouse (GHG) Gas Emissions	42
305-4	GHG emissions intensity	Greenhouse (GHG) Gas Emissions	42
305-5	Reduction of GHG emissions	Greenhouse (GHG) Gas Emissions	42
(GRI 306) Effluents and Waste			
103	Management approach	Environmental Management Not a material issue but data available and historically reported	41
306-2	Waste by type and disposal method	Waste Management	46-47
306-3	Significant spills	Zero non-compliance	N/A
306-4	Transport of hazardous waste	Hazardous Waste & Recyclables	46-47
306-5	Water bodies affected by water discharges and/or runoff	No water bodies and related habitats are significantly affected by water discharges and/or runoff. All discharge on sites are licensed.	45
(GRI 307) Environment Compliance			
103	Management approach	Environmental Management Not a material issue but data available and historically reported	41
307-1	Non-compliance with environmental laws and regulations	Environmental Compliance	48
GRI 401 Employment			
103	Management approach	Human Capital Management Employment	24-25 32-35
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employment	32-35

GRI Standards	Disclosures	Content Reference/Supplementary Information	Page Number
401-3	Parental leave	Parental Leave in 2019/20	33
GRI 403	Occupational Health and Safety 2018		
103	Management approach	Occupational Health and Safety	26-31
403-1	Occupational health and safety management system	Occupational Health and Safety	26-31
403-5	Worker training on occupational health and safety	Occupational Health and Safety	26-31
403-6	Promotion of worker health	Occupational Health and Safety	26-31
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety	26-31
403-9	Work-related injuries	Occupational Health and Safety Thorough investigative process is carried out for every incident which covers necessary information of the injuries and fatalities	26-31
GRI 404	Training and Education		
103	Management approach	Human Capital Management Training and Development	24-25 37-39
404-1	Average hours of training per year per employee	Training and Development	37-39
404-2	Programs for upgrading employee skills and transition assistance programs	Corporate Social Responsibility Report 2015-2016	N/A
404-3	Percentage of employees receiving regular performance and career development reviews	Training and Development	37-39
(GRI 405)	Diversity and Equal Opportunity		
103	Management approach	Not a material issue but data available and historically reported	N/A
405-1	Diversity of governance bodies and employees	Diversity and Equal Opportunity	36-37
(GRI 406)	Non-discrimination		
103	Management approach	Non-discrimination Not a material issue but data available and historically reported	37
406-1	Incidents of discrimination and corrective actions taken	Non-discrimination	37
(GRI 408)	Child Labor		
103	Management approach	Child and Forced Labour Not a material issue but data available and historically reported	22
408-1	Operations and suppliers at significant risk for incidents of child labor	Child and Forced Labour	22
(GRI 409)	Forced or Compulsory Labor		
103	Management approach	Child and Forced Labour Not a material issue but data available and historically reported	22
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Child and Forced Labour	22
(GRI 413)	Local Communities		
103	Management approach	Community Not a material issue but data available and historically reported	49-53
413-1	Operations with local community engagement, impact assessments, and development programs	100%	N/A
413-2	Operations with significant actual and potential negative impacts on local communities	No significant negative impacts on the local communities	N/A
(GRI 418)	Customer Privacy		
103	Management approach	Intellectual Property Rights/Data Privacy Not a material issue but data available and historically reported	22
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No substantiated complaints	N/A
(GRI 419)	Socioeconomic Compliance		
103	Management approach	Not a material issue but data available and historically reported	N/A
419-1	Non-compliance with laws and regulations in the social and economic area	Public Health and Municipal Services Ordinance, Cap. 132 Factories and Industrial Undertaking Ordinance, Cap.59 Total number of non-compliance cases with the above ordinances: 4 Total fines: HK\$50,000	N/A

Assurance Statements



1

GHG Verification Statement: VC 003/2020

The inventory of greenhouse gas emission in the reporting period from 1st April 2019 to 31st March 2020 of

Hanison Construction Company Limited,

Hanison Contractors Limited,

Hanison Interior & Renovation Limited,

Trigon Building Material Limited and

construction sites

Addresses were listed on the subsequent pages

has been verified in accordance with ISO 14064-3: 2006 and the GHG Programme, namely the “Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Industrial Purposes) in Hong Kong, 2010 edition, by EMSD and Environmental Protection Department” and meet the requirements of

ISO 14064-1: 2006 Standard

From the Reporting Organization,	Quantity of Emissions
Direct GHG Emissions:	772.50 Tonnes of CO ₂ e
Energy Indirect GHG Emissions:	1061.03 Tonnes of CO ₂ e
Other Indirect GHG Emissions	503.39 Tonnes of CO ₂ e
Total GHG Emissions:	2336.92 Tonnes of CO ₂ e

Verified by

24 June 2020

Page 1 of 6 (Total 6. pages)

Authorized by

Hong Kong Certification Services International Limited

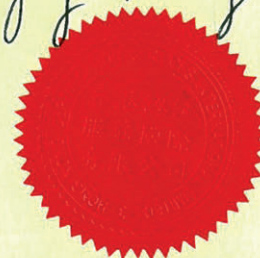
香港認證服務國際有限公司

Room 1605, 16/F Austin Tower, 22-26 Austin Avenue, Tsim Sha Tsui, Kowloon, H.K.

Tel: 2377 9547

Fax: 2957 8951

e-mail: hkcsi@hkcsi.com



Assurance Statements



香港品質保證局

VERIFICATION STATEMENT

Scope and Objective

Hong Kong Quality Assurance Agency ("HKQAA") was commissioned by Hanison Construction Holdings Limited ("HCHL") to undertake an independent verification for its Environmental, Social and Governance Report 2019-2020 ("the Report"). The Report illustrates HCHL's efforts and performance in environmental, social and governance (ESG) aspects for the financial year from 1 April 2019 to 31 March 2020.

The reporting scope covers HCHL's operations in Hong Kong including the head office as well as some project sites operated under Hanison Construction Company Limited (HCCL), Hanison Contractors Limited (HCL), Hanison Interior and Renovation Limited (HIRL), and Trigon Building Materials Limited (TMBL).

The aim of this verification is to provide a reasonable assurance on the reliability of the report contents. The Report has been prepared in accordance with the Global Reporting Initiatives ("GRI") Standards: Core option and the Environmental, Social and Governance Reporting Guide ("ESG Guide") issued by the Hong Kong Exchanges and Clearing Limited ("HKEx").

Level of Assurance and Methodology

The process applied in this verification was based on the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board. Our evidence gathering process was designed to obtain a reasonable level of assurance as set out in the standard for the purpose of devising the verification conclusion. The extent of this verification process undertaken covered the criteria set in the GRI Standards: Core option and the ESG Guide.

HKQAA's verification process included verifying the mechanisms for collecting, calculating and reporting the sustainability performance information, reviewing relevant documented information, interviewing responsible personnel with accountability for preparing the Report and verifying selected representative samples of data and information. Raw data and supporting evidence of the selected samples were thoroughly examined during the verification process.

Independence

HCHL is responsible for the collection and preparation of the information presented. HKQAA did not involve in the collection and calculation of data or the compilation of the reporting contents. Our verification activities were entirely independent and there was no relationship between HKQAA and HCHL that would affect the impartiality of the verification.

Conclusion

Based on the verification results and in accordance with the verification procedures undertaken, HKQAA has obtained reasonable assurance and in the opinion that:

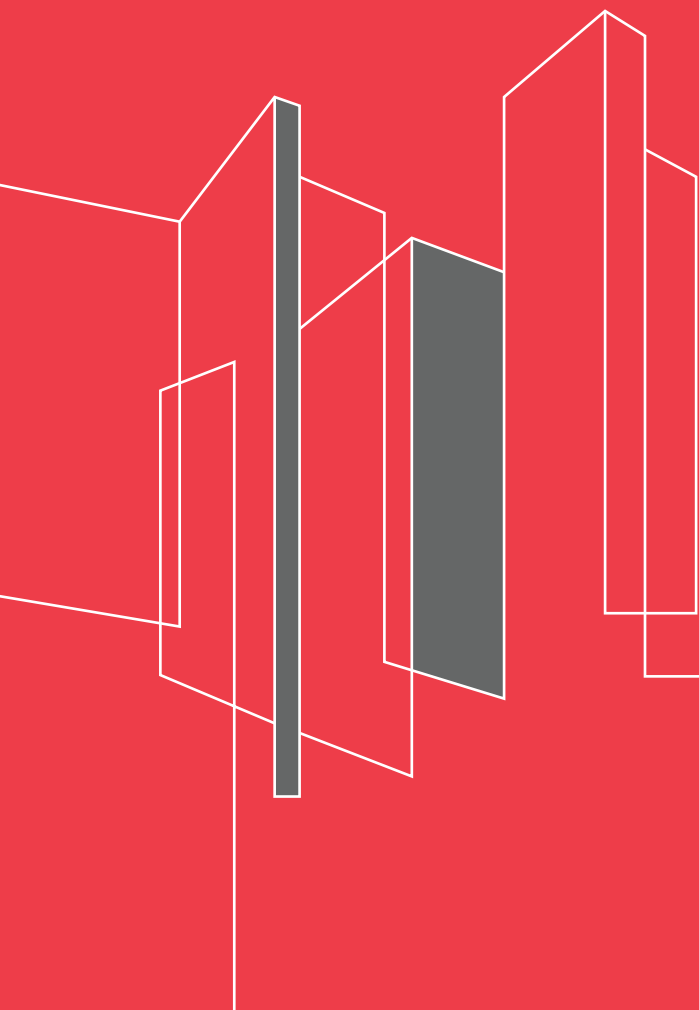
- The Report has been prepared in accordance with the GRI Standards: Core option and the ESG Guide of HKEx;
- The Report illustrates the sustainability performance of HCHL, covering all material aspects, in a balanced, comparable, clear and timely manner; and
- The data and information disclosed in the Report are reliable and complete.

Nothing has come to HKQAA's attention that the selected sustainability performance information and data contained in the Report has not been prepared and presented fairly and honestly, in all material aspects, in accordance with the verification criteria.

In conclusion, the Report reflects truthfully of HCHL's sustainability performance that is commensurate with the sustainability context and materiality of the company.

Signed on behalf of Hong Kong Quality Assurance Agency

Connie Sham
Head of Audit
August 2020



Report

www.hanison.com/eng/CSR/Reports.aspx?sm=c18



Feedback On This Report

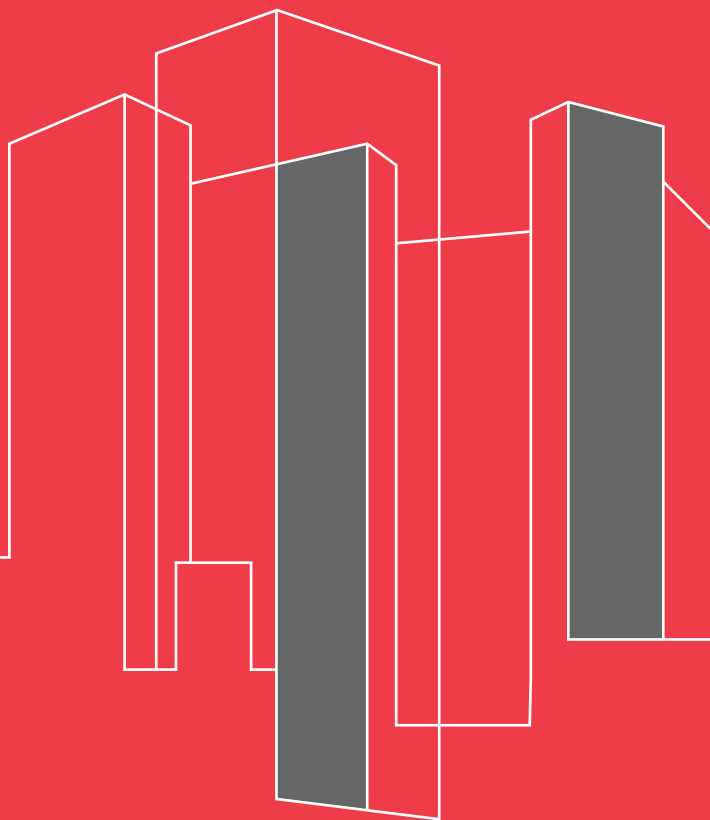
<https://zh.surveymonkey.com/r/JGK7QGD>

For enquiry

please contact Corporate Social Responsibility and Communications Department

Tel: 2437 0848

Email: csrc@hanison.com



興勝創建控股有限公司

HANISON CONSTRUCTION HOLDINGS LIMITED

Incorporated in the Cayman Islands with limited liability
Stock Code: 896

www.hanison.com

Tel: 2414 3889

Fax: 2415 2080

Email: general@hanison.com

Address: 22/F, Kings Wing Plaza 1, 3 On Kwan Street,
Shek Mun, Shatin, N.T., Hong Kong

