



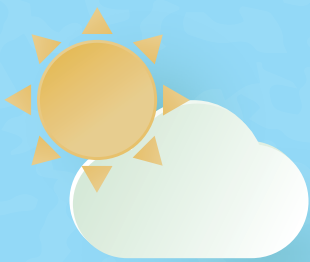
建聯集團有限公司*

Chinney Alliance Group Limited

(Incorporated in Bermuda with limited liability)


Stock Code : 385

Environmental, Social and Governance Report 2023



** for identification purpose only*

Contents



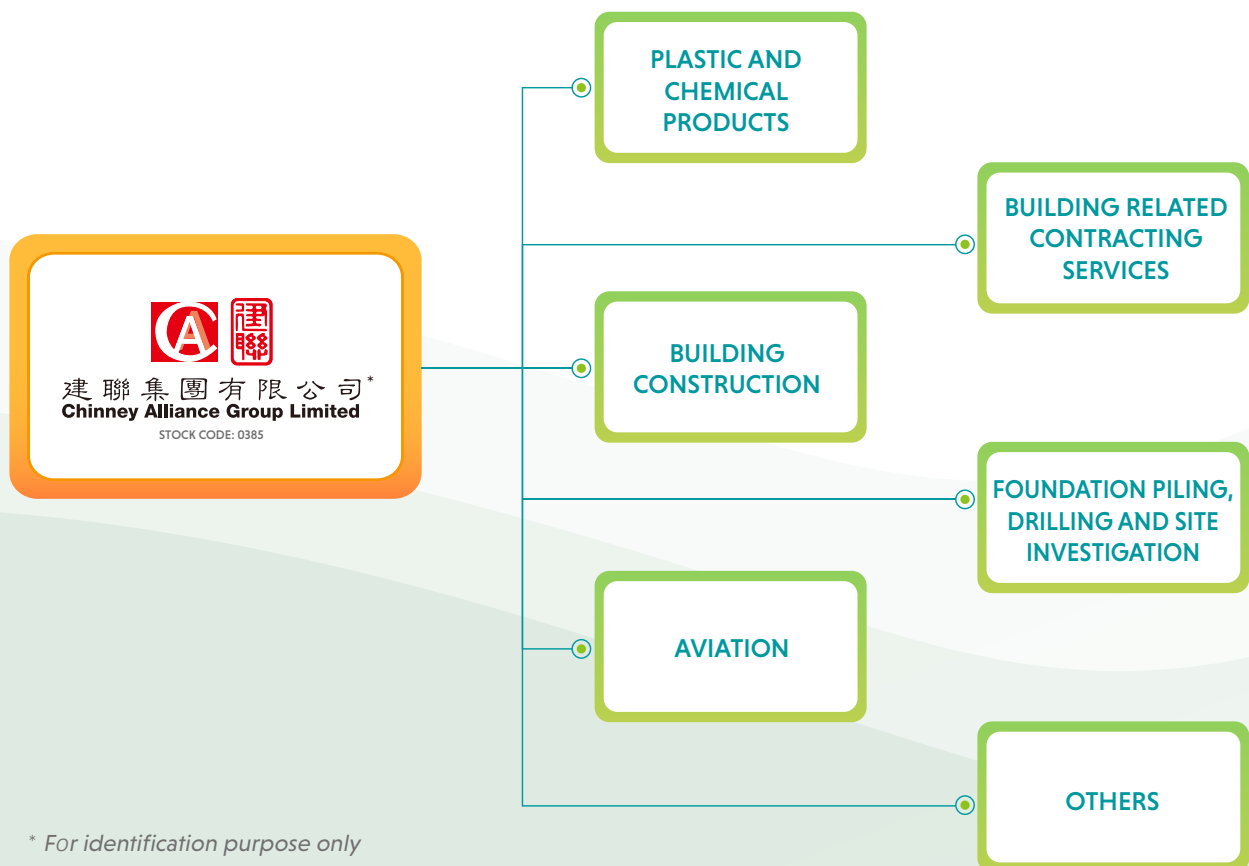
1	About this Company	2
2	About this Report	3
3	Corporate Statement	6
4	Stakeholder Engagement and Materiality Assessment	8
5	Quality Services	10
	5.1 Sustainable Value Chain	10
	5.2 Quality Control	11
6	Environmentally Conscious Operations	13
	6.1 Energy Consumption and GHG Emissions	15
	6.2 Water Management	18
	6.3 Waste Management	19
	6.4 Noise Management	20
	6.5 Climate Risk Management	20
7	People-oriented Culture	24
	7.1 Safe Workplace	26
	7.2 Talent Acquisition and Development	30
	7.3 Ethical Corporate Image	35
8	Community Investment	36
9	Performance Table	40
10	ESG Content Index	44



1 About this Company

Chinney Alliance Group Limited (the "Company", collectively with its subsidiaries, the "Group") is an investment holding company headquartered in Hong Kong with business operations in Hong Kong, Macau and Chinese Mainland. Since 1993, Chinney Alliance Group Limited has been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (Stock Code: 0385).

The Group primarily works in the fields of building construction, foundation piling, drilling and site investigation, provision of building-related contracting services, trading and distribution of plastic and chemical products, distribution and installation of aviation system and other hi-tech products, and other businesses which include property holding and development.



* For identification purpose only



2 About this Report

Reporting Standard, Period and Scope

The Group publishes the eighth Environmental, Social and Governance (“ESG”) report (the “Report”) this year to report non-financial information and communicates with the stakeholders about the Group’s social responsibility and ESG performance from 1 January 2023 to 31 December 2023 (“the Reporting Period”).

This Report is prepared in accordance with the Appendix C2 – Environmental, Social and Governance Reporting Guide (“ESG Guide”) of the Rules Governing the Listing of Securities on the Stock Exchange (“the Listing Rules”). The Group follows the four core reporting principles of materiality, quantitative, balance and consistency as stated in the ESG reporting Guide when preparing this Report. Details are illustrated as follows.

Materiality

The Group identifies the material ESG issues, covering environmental and social aspects that are sufficiently important to investors and other stakeholders.

Quantitative

This Report discloses the ESG key performance indicators (“KPIs”) in quantitative terms whenever feasible.

Balance

This Report provides an unbiased picture of the issuer’s performance, avoids selections, omissions, or presentation formats that may inappropriately influence a decision or judgement by the report readers.

Consistency

The Group adopts consistent methodologies to allow for meaningful year-on-year comparisons of ESG data over time.



According to the principles and guidelines of the Corporate Governance Code as outlined in Appendix C1 of the Listing Rules, information about corporate governance is covered in the Company's 2023 annual report, which is available on the Company's website (<http://chinneyalliancegroup.etnet.com.hk>) or the Stock Exchange's website (www.hkexnews.hk).

A content index is provided at the end of this Report to direct readers to specific topics that is related to the ESG Guide.

The scope of this Report covers the Group's core business operations in Hong Kong by its respective principal subsidiaries:

- (i) Chinney Construction Company, Limited ("Chinney Construction") and Chinney Builders Company Limited ("Chinney Builders"), both are engaged in building construction;
- (ii) Shun Cheong Electrical Engineering Company Limited ("Shun Cheong") which is engaged in building-related contracting services; and
- (iii) Jacobson van den Berg (Hong Kong) Limited ("Jacobson"), which is engaged in the trading and distribution of plastic and chemical products.

The environmental and social performance of the Group's subsidiary, Chinney Kin Wing Holdings Limited, which is engaged in foundation piling, drilling and site inspection business and is listed on the Main Board of the Stock Exchange (Stock Code: 1556), is disclosed in its own 2023 ESG report.



Contact Details

The Group welcomes any comments or suggestions from our stakeholders. If you have any comments, please contact the Group at:

Chinney Alliance Group Limited
23rd Floor, Wing On Centre,
111 Connaught Road Central,
Hong Kong

Tel: (852) 2877 3307

Email: general@chinneyhonkwok.com



3 Corporate Statement

The board of directors of the Company (the "Board") is delighted to present its 2023 ESG Report, which highlights the Group's progress in sustainability during the Reporting Period. As Hong Kong is gradually recovering from the COVID-19 pandemic, we persist in seizing the opportunities in our business development while maintaining our dedication to sustainability. The Board oversees the Group's ESG management strategy and material ESG issues identified through the stakeholder engagement and materiality assessment exercise. The Board is also ultimately responsible for identifying, evaluating, and managing the risks pertaining to ESG and climate-related issues. Furthermore, the Board is responsible for formulating ESG management plans, and monitor the progress made against the targets and initiatives as set out in the plans. To reinforce the Board's and senior management's obligations for ESG topics and enhance the integration of the ESG management into our business operations, we have examined our ESG governance structure during the Reporting Period.

The Group is dedicated to minimising the negative environmental impacts of our business operations. We have established environmental targets including energy, greenhouse gas emissions, water, and waste, and took the necessary actions to achieve our goals. We adhere to the standards and requirements of the ISO 14001:2015 Environmental Management Systems for our building projects. This year, we performed a comprehensive climate change assessment with narrative scenario analysis to further understand the potential impacts of climate change on our operations and enable us to devise mitigation and adaptation strategies. Additionally, we have taken major steps to strengthen our climate-change management and disclosures in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD").



We highly value the health and safety of our stakeholders during our daily operations. Our well-established occupational health and safety management system are complied with the regulations and criteria specified by the ISO 45001:2018 Occupational Health and Safety Management Systems. To ensure a secure and healthy work environment for our employees, we have organised various trainings and utilised technology to raise the safety awareness of our employees and the monitoring of safety conditions in our construction sites. In addition, we have adopted a wide range of preventive measures of health and safety-risks for our employees under different weather conditions.

The Group continues to dedicate our efforts in creating long-term values and positive impacts for our community. We support the community through monetary donations and participating in community engagement campaigns that benefits different social groups. In recognition of our continuous work on community services, Shun Cheong was awarded the 5 Years Plus Caring Company Award by the Hong Kong Council of Social Service.

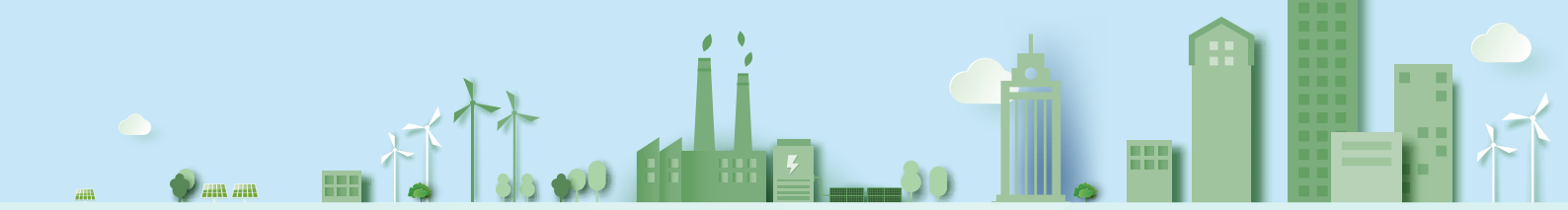
We are fully committed to pursuing sustainability and will continue to enhance our management procedures and apply innovative construction technologies in our projects to enhance social and environmental performances. To bring continuous enhancement to community development, employee wellness, and environmental protection, the Group will frequently engage stakeholders to further understand their needs and concerns. Going forward, we will keep incorporating sustainability into our business operations.

4 Stakeholder Engagement and Materiality Assessment

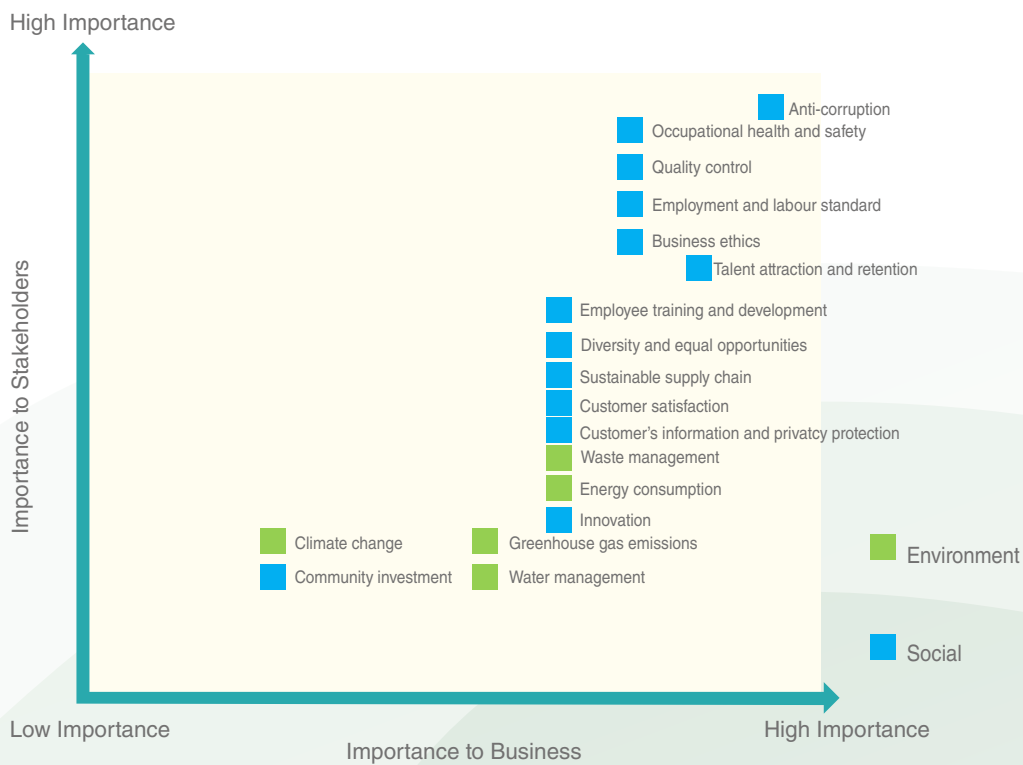
The Group dedicates resources to creating value for our stakeholders, including employees, suppliers, sub-contractors and the community which we operate in. We have established various communication channels to further understand the opinions and concerns of our stakeholders.

	Stakeholder Group	Communication Channels
	Employees	<ul style="list-style-type: none"> • Intranet and emails • Employee meetings • Employee trainings • Employee care activities • Employee interviews • Employee satisfaction surveys
	Suppliers	<ul style="list-style-type: none"> • Tendering processes • Meetings and conferences • Site visits
	Sub-contractors	<ul style="list-style-type: none"> • Tendering processes • Meetings and conferences • Site visits
	Community	<ul style="list-style-type: none"> • Voluntary services

To better understand and manage the material ESG issues of the Group, we have conducted a stakeholder engagement and materiality assessment exercise during the Reporting Period to identify ESG issues that are critical for the Group’s operations and sustainable development. By conducting a peer materiality review, we have assessed the ESG issues relevant to the industry peers. We have also examined the reporting requirements and sustainability guidelines of the ESG Guide and the United Nation’s Sustainable Development Goals to enable us to stay updated to the latest sustainability trends and ESG issues. As a result, eighteen ESG issues have been selected for further analysis. Three additional material ESG issues have been added, namely “Talent attraction and retention”, “Diversity and equal opportunities” and “Business ethics”, to align with the current disclosure requirements and their emerging importance to business operation.



The selected material ESG issues then were prioritised by the internal and external stakeholder groups, including employees (frontline and general staff, management and senior management), suppliers and sub-contractors through an online survey according to the importance from their perspectives. With the survey results, the material ESG issues were plotted in a matrix form to demonstrate the degree of importance to stakeholders relative to the degree of importance to the Group’s business operations. The materiality matrix has been reviewed and approved by the Board.



Environmental Aspects

1. Energy consumption
2. Greenhouse gas emissions
3. Water management
4. Waste management
5. Climate change

Social Aspects

6. Sustainable supply chain
7. Quality control
8. Occupation health and safety
9. Employment and labour standard
10. Employee training and development
11. Talent attraction and retention
12. Diversity and equal opportunities
13. Anti-corruption
14. Community investment
15. Innovation
16. Customer satisfaction
17. Customers' information and privacy protection
18. Business ethics



5 Quality Services

We believe delivering high-quality services create long-term value for our stakeholders and drives sustainable growth for our business operations. With the dedication to meet customers' expectation in terms of cost, timeliness and quality, we closely monitor the performance of our suppliers and sub-contractors during the procurement of sustainable resources and the quality control process.

5.1 Sustainable Value Chain

In terms of supplier management, the Group has established the Supply Chain Management and Supplier Assessment Procedures, which outlines an extensive range of strategies to effectively oversee and regulate the performance of suppliers and sub-contractors and protocols to manage environmental and social risks in the supply chain. We conduct supplier and sub-contractor assessments during the tendering process and review the listed suppliers and sub-contractors after the completion of each project. For instance, Shun Cheong includes social, ethical, environmental and gender equality criteria into its purchasing, distribution and contracting policies, as stated in its Social Responsibility Policy to uphold fair operating practices. Chinney Construction and Chinney Builders require candidates to provide certificates as evidence of adherence to the Group's standards for the tools, equipment and materials utilised and supplied to be considered and tendered as sub-contractors.

Aside from ensuring the quality of products and services through supplier selection and management, we monitor the environmental and social impacts caused by our suppliers thoroughly. In order to support the local economy, ensure efficient delivery of supplies and mitigate emissions resulting from transportation, the Group prioritises local suppliers whose supplies and raw materials are sourced within 800km of the construction site. During the Reporting Period, all suppliers of Chinney Construction, Chinney Builders and Shun Cheong are based in Hong Kong, while 61% of Jacobson's total number of suppliers are based in Hong Kong. Overall, the Group has over 97.6% of suppliers are based in Hong Kong by numbers. Furthermore, Chinney Construction and Chinney Builders endeavour to use eco-friendly sourcing materials such as timber certified by the Forest Stewardship Council ("FSC") for fulfilling their commitment to achieve sustainable sourcing. For example, FSC-certified timber was used by Chinney Construction for the renovation works of The Bauhinia/The Bauhinia Hotel (Central) at 119-121 Connaught Road Central in Hong Kong.

Location of our suppliers	Unit	2023
Hong Kong	no. of suppliers	584
Chinese Mainland	no. of suppliers	4
Other	no. of suppliers	13

Procured materials of Chinney Construction and Chinney Builders	Unit	2023
Total weight of materials	tonnes	41,791
Total weight of materials manufactured within 800km ¹	tonnes	27,770
% of materials manufactured within 800km ¹	%	66%

5.2 Quality Control

We have implemented a quality control system certified by ISO 9001:2015 Quality Management System at Chinney Construction, Chinney Builders and Shun Cheong to oversee quality assurance procedures and ensure the provision of high-quality services. Throughout the various stages of construction, project managers are responsible for ensuring that site operations strictly comply with the objectives and guidelines specified in the quality management manual and quality control system. To further ensure the safety and quality of our projects, quality audits are conducted upon their completion.

¹ Chinney Construction and Chinney Builders prioritise procuring materials manufactured within 800km, with the majority being concrete.



Chinney Construction and Chinney Builders have implemented measures to identify and control any outputs that do not meet the specified requirements. Depending on the nature of the nonconformity, we take appropriate actions, including:

- correcting the identified quality issue
- segregating or suspending the provision of nonconforming products or services
- informing the customer of the identified quality issue
- obtaining authorisation for acceptance under concession

To maintain high standards of the work quality carried out by sub-contractors, Chinney Construction and Chinney Builders installed biometric recognition system at each entrance of the construction sites with security turnstiles to ensure every person that enters the construction sites is authorised personnel from our sub-contractors. In addition, trainings were offered to all sub-contractors' staff to ensure that they understand and comply with the Group's site work procedures.

To ensure that we maintain the highest standards of customer protection, we have implemented a Social Responsibility Policy that governs the handling of customer issues. We are committed to ensuring that our customers are not subjected to any unfair or misleading marketing practices. Furthermore, we keep our customers fully informed of their rights and responsibilities when they receive our products and services. We take stringent measures to ensure that our products and services do not pose any harm to customers' health.

Safeguarding customers' data and privacy is also a top priority for the Group, so we adhere to the Group's data handling procedures as outlined in the Employee Handbook. All employees are prohibited from disclosing any confidential information of the Group to others or misusing the information without authorisation. We ensure the compliance with the Personal Data (Privacy) Ordinance (Cap. 486) when using customers' data and information. In case any complaints arise, we will conduct thorough investigations and take proactive measures to prevent reoccurrence. During the Reporting Period, we did not receive any complaints against our products or services.



6 Environmentally Conscious Operations

Minimising our environmental footprint while ensuring the sustainable use of resources is a top priority for the Group. We have implemented various initiatives to ensure that our operations are environmentally responsible across multiple areas, including greenhouse gas ("GHG") emissions, energy use, pollution control, as well as water, waste and noise management. The Group complies with all applicable environmental laws and regulations, including but not limited to:

- Air Pollution Control Ordinance (Cap.311)
- Waste Disposal Ordinance (Cap.354)
- Water Pollution Control Ordinance (Cap.358)
- Noise Control Ordinance (Cap.400)

There were no non-compliance cases regarding GHG emissions, water, waste and noise during the Reporting Period.

Chinney Construction, Chinney Builders and Shun Cheong have developed their respective Environmental Policy that guides our approach and strategy towards environmental sustainability. The policy ensures that we comply with all relevant environmental laws and regulations and adopt eco-friendly practices. In addition, Shun Cheong has implemented a Social Responsibility Policy that provides guidelines for incorporating environmentally responsible practices into our operations. Chinney Construction, Chinney Builders and Shun Cheong have implemented an environmental management system certified to the ISO 14001:2015 standards. In recognition of our ongoing efforts and commitment to environmentally sustainable practices, Chinney Construction and Chinney Builders have been awarded the Hong Kong Green Organisation Certification by the Environmental Campaign Committee and the HKCA Construction Environmental Awards by the Hong Kong Construction Association this year. We are committed to reducing the environmental impact of our building projects. In the coming years, we plan to obtain international green building certifications, such as BEAM Plus and the WELL building standard, to ensure that our building construction projects are in line with international sustainable practices.



Certificate of the Hong Kong Green Organisation by the Environmental Campaign Committee



Certificate of the HKCA Construction Environmental Awards by the Hong Kong Construction Association

The Group has set environmental targets to improve our environmental performance. We will diligently work towards achieving these targets.

Aspect	Target
Energy	Reduce electricity consumption intensity (per square meter Gross Floor Area ("GFA")) by 11% by 2030 against 2018
GHG Emissions	Reduce indirect carbon emission (Scope 2) intensity (per square meter GFA) by 11% by 2030 against 2018
Water	Reduce water consumption intensity (per square meter GFA) by 11% by 2030 against 2018
Waste	Improve the percentage reuse and recycling rate of construction and demolition materials

6.1 Energy Consumption and GHG Emissions

Electricity consumption from our construction sites and offices represents a significant contributor to our overall energy consumption. In line with their energy policy, Chinney Construction and Chinney Builders have implemented various measures to conserve energy and improve energy efficiency. These initiatives aim to minimise our environmental impact and reduce operational costs. Chinney Construction and Chinney Builders remain committed to reducing energy consumption and have pledged to uphold the Energy Saving Charter launched by the Environmental and Ecology Bureau. This includes promoting energy data transparency, sharing energy-saving measures and achievements etc.



Energy Saving Charter 2023 launched by the Environmental and Ecology Bureau

To track and evaluate the progress of our energy conservation efforts, we have engaged external audit firms to conduct annual energy audits for our construction projects. In addition, we regularly review our energy performance and system under the ISO 50001:2018 Energy Management Systems. We aim to enhance the energy use efficiency and minimise emissions for both our office premises and construction projects.



For office premises:



For construction projects:

1 Installed photovoltaic panel to collect solar power and reduce electricity consumption

2 Utilised energy-efficient construction equipment and ultra-low sulphur diesel whenever possible

3 Encouraged sub-contractors to regularly carry out plant and equipment preventive inspections and maintenance to promote energy efficiency and prevent excessive energy consumption

8 Set clear energy conservation targets for construction sites. This year, we aimed to reduce energy consumption by 1% compared with 2022 using energy efficient plant and equipment

7 Developed working plan to ensure effective utilisation of devices during both closure and opening periods of plants, avoiding idle or duplicative handling situations

6 Planned the usage of temporary power on sites through sizing generators and other equipment accurately with regular reviews to ensure the efficient operation of equipment

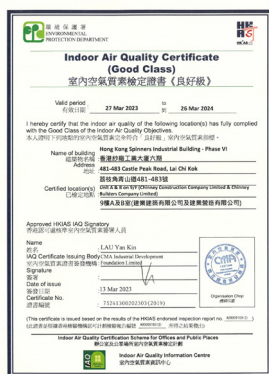
4 Prioritised direct energy supply from local electricity suppliers over self-operating tradition diesel generators whenever possible to minimise fuel consumption

5 Provided employee trainings, including induction trainings on environmental and energy management, to enhance their understanding of energy conservation practices





In addition, the Group is committed to ensuring and maintaining good air quality within our operations. We carry out routine maintenance every two months to ensure fresh air intake, which includes the cleaning of wire-mesh pre-filters. During the Reporting Period, we continued to conduct indoor air quality assessment in our offices. In recognition of our unwavering dedication to providing a clean and healthy working environment, we were honoured to receive the Indoor Air Quality Certificate from the Environmental Protection Department (“EPD”) and the IAQwi\$e Certificate from the Hong Kong Green Organisation Certification this year. We will continue to minimise the impacts of air pollution and strive to further improve the air quality for the well-being of our employees.



Indoor Air Quality Certificate (Good Class) by the EPD



IAQwi\$e Certificate (Good Level) by the Hong Kong Green Organisation Certification



Certificate of ISO 50001:2018 Energy Management Systems

6.2 Water Management

The Group primarily uses water for daily consumption at workplaces and construction sites. While water use may not have significant impact on our business operations, we consider water management to be a material issue and continuously strive to improve water efficiency. We employ water metering facilities to monitor water consumption at construction sites regularly and identify any unusual trends in water usage for further investigation. Additionally, we work towards reducing wastewater discharge to minimise pollution from surface runoff. Treatment facilities are set up in construction sites to manage wastewater and reuse the treated water for purposes such as wheel washing, site cleaning and dust suppression/control. During the Reporting Period, approximately 37,000 m³ wastewater were purified using the treatment facilities.



Wastewater treatment facilities in construction sites

CASE STUDY

Wastewater Treatment System for the Three Runway System Project

To enhance the water efficiency for the foundation works in Three Runway System Project (Hong Kong International Airport Contract 3805 – New Airport District Police Operational Base), Chinney Construction installed two sets of AquaSed, an advance wastewater treatment system, to treat and reuse wastewater.

During the treatment process, chemical agent is applied to the sedimentation tank with tilted plates to enhance the efficiency of the sedimentation process. Then, the suspended solids in the wastewater are removed. The facility can treat highly turbid wastewater discharged from construction sites, with a maximum inflow rate of 80 m³ per hour. The treated water is reused for other construction activities such as dust control.



AquaSed – Wastewater treatment system for construction sites

6.3 Waste Management

Construction and demolition ("C&D") waste is the primary type of waste relevant to the Group's buildings and construction business. We have implemented a Waste Management Policy, outlining our approach and strategy in ensuring effective on-site waste management. We carefully monitor and control the procurement of construction materials to prevent waste generation. During the construction phase, we segregate and store C&D waste on-site in designated areas for recyclable and non-recyclable waste.

In addition, we work with contracted recycling companies to ensure proper recycling of waste materials. During the Reporting Period, Chinney Construction partnered with a contracted recycling company to collect and reuse construction concrete rubble materials, effectively diverting a significant amount of waste from landfills and promoting sustainability to reuse the recovered materials for the daily cover, and building of the temporary roads for the garbage trucks delivering refuse to the landfill and land restoration. To minimise the amount of waste sent to landfills, we have set up recycling bins at strategic locations where materials such as cardboard, paper, metal and wood can be collected for recycling.



To minimise waste generation during construction, Chinney Construction has adopted the modular integrated construction (MiC) method in projects. This is achieved through the utilisation of prefabricated building components that are manufactured off-site and then assembled on-site. By adopting this method, material usage is optimised, and reduced the need for on-site cutting and alterations, resulting in a significant reduction in construction waste. In addition, it brings benefits such as reducing the dust generated and noise nuisance during the construction process.

6.4 Noise Management

To minimise the noise pollution generated during construction, the Group has implemented a series of noise management measures aimed at reducing the impact on the surrounding environment. These measures include:

- Scheduling construction activities to avoid sensitive hours
- Utilising high-quality mechanical equipment
- Installing noise barriers on-site to mitigate sound
- Avoiding machine idling to reduce noise generation

6.5 Climate Risk Management

The Group acknowledges the impact of climate change and the importance to enhance our awareness and readiness to climate change in response, as it presents various risks and opportunities across all our business operations. During the Reporting Period, we have carried out a narrative climate scenario analysis on our business operations in Hong Kong and enhanced climate-related disclosures with reference to the TCFD recommendations.

Governance

The Board oversees the Group's sustainability strategy and material ESG issues, including climate-related risks and opportunities. A Climate Change Policy is established to outline our approach and commitments for mitigating and adapting to climate-related risks in our business operations. We regularly review the policy to ensure its alignment with our sustainability strategy and to remain up-to-date with emerging climate change issues.

Strategy

The Group understands that climate change could lead to both physical and transition risks to our business. Through conducting the climate risk identification exercise and climate scenario analysis, we have identified acute physical risks including extreme wind, coastal flooding and riverine flooding, as highly relevant and poses significant impact to our business and supply chain. We have outlined the potential impact, its financial implications and the Group's mitigation strategies of each material physical risk below:

Risks	Potential impact	Financial implications	Mitigation strategies
Extreme wind/ typhoon	<ul style="list-style-type: none"> • Damage construction sites, equipment and materials, resulting in delays and additional costs • Endanger worker safety by creating unsafe working conditions, increasing the risk of accidents and injuries • May lead to breach of contract and legal liability due to interruptions 	<ul style="list-style-type: none"> • Increase in capital expenditure and operating expenses for repairs or replacement of damaged assets • Decrease in revenue due to construction delays and reduced productivity • Potential increase in insurance premiums • Increase in logistics and transportation costs 	<ul style="list-style-type: none"> • Performing pre-typhoon check at designated spots • Ensuring the stability of material and equipment by removing all movable objects or waste and lowering the jib of mobile crane • Relocating water-sensitive material and plants from low to higher elevation spot
Coastal flooding and riverine flooding	<ul style="list-style-type: none"> • Damage facilities and equipment situated in low-lying areas • Damage to construction sites, equipment and materials, resulting in delays and additional costs • Endanger worker safety by creating unsafe working conditions, increasing the risk of accidents and injuries • Disrupt supply chain, causing delays or interruptions in the delivery of materials and components, leading to delay in project timelines 		<ul style="list-style-type: none"> • Ensuring the construction site drainage system are functional and backed up with water pumps • Conducting regular checks and maintenance on emergency power supplies to ensure their reliability and functionally during emergency situations • Arranging regular inspection by registered electrical worker on plants' condition • Preparing emergency contact list for communication during typhoon and flooding



For transition risks, it is expected that the Hong Kong Government will introduce more stringent policies and regulations to mitigate GHG emissions and enhance climate risk disclosure, in line with the plans and targets outlined in the Hong Kong Climate Action Plan 2050 and the Stock Exchange's Guidance on Climate Disclosure. These tightening rules and standards will influence our approach to managing GHG emissions and hazards associated with climate change.

Transition risk	Potential impact	Financial implications
Policy and legal risk	<ul style="list-style-type: none"> • Increased ambition of national decarbonisation strategies and roadmaps • More stringent public disclosure requirements • Introduction of carbon pricing in operating markets 	<ul style="list-style-type: none"> • Increased capital investment and expenditures to support these strategies and concurrent decarbonisation programmes • Increased capital investment and expenditures to comply with the disclosure requirements • Increased incentives to attract green investment and diversity financing sources



Risk management

The Group takes climate-related factors into account when managing risks and making decisions. During the Reporting Period, we conducted a climate scenario analysis to assess the material climate risks to our business operations. The analysis covered our major business operations and projects in Hong Kong. In line with the TCFD recommendations, we have considered different climate-related scenarios, including the Intergovernmental Panel on Climate Change (“IPCC”) Representative Concentration Pathway (“RCP”) 4.5 (a relatively positive scenario with warming more likely than not to exceed 2°C) and RCP8.5 (a business-as-usual scenario with warming more than likely to exceed 2°C) scenarios to assess climate risks in the long-term (2050).

Based on data projections for 2050, for extreme wind/typhoon risk and coastal flooding risk, it is identified that the risk level under both RCP4.5 and RCP8.5 scenarios would be very high. For riverine flooding risk, it is identified as medium level for both RCP4.5 and RCP8.5 scenarios.

The Group will maintain an ongoing review the climate-related risks in our operations to enhance our resilience and preparedness in response to the associated hazards. In addition, we will regularly monitor market and regulatory changes to address transition risks.

Metrics and targets

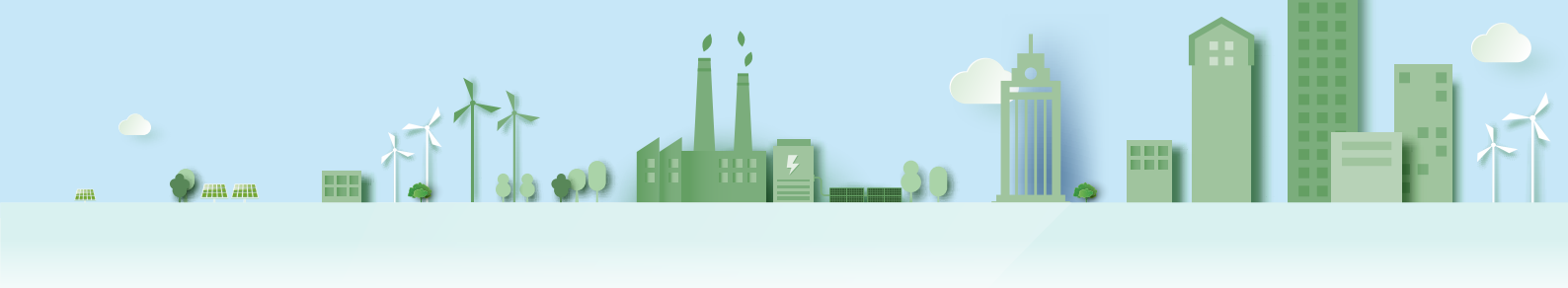
The Group has been disclosing our performance on GHG emissions in Scope 1 and 2 annually in accordance with the ESG Guide. In addition, we have established environmental targets covering energy, GHG emissions, water and waste. For GHG emissions, we aim to reduce carbon emission intensity (Scope 2) (per square meter GFA) by 11% by 2030 against 2018. Meanwhile, we target to reduce electricity consumption intensity (per square meter GFA) by 11% by 2030 against 2018. Moving forward, we will continue to monitor our progress towards these targets and implement strategies to enhance our environmental performance and efforts in addressing climate change.

7 People-oriented Culture

The Group believes that our employees are integral assets within our operations, which mobilise the sustainable growth of the Group. We are dedicated to fostering a secure and harmonious workplace that empowers our employees to thrive professionally. Moreover, Chinney Construction and Chinney Builders have established the Employee Handbook, while Shun Cheong has the Rules of Employment in place to carry out people-centric initiatives to safeguard the health and safety of our employees and enhance their well-being. During the Reporting Period, no non-compliance cases with laws and regulations regarding employment (including compensation and dismissal, recruitment, and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare) and labour standards were identified.

In recognition of the Group's efforts to provide quality working environment for our employees, we have been awarded the following employee-related and safety awards.

Certification/Award	Organiser
Employment	
 <p data-bbox="264 1556 667 1615">5 Years Plus Caring Company Award – Shun Cheong</p>	<p data-bbox="810 1234 1406 1272">The Hong Kong Council of Social Service</p>
 <p data-bbox="236 1942 695 2000">5 Years Plus Happy Company Award 2023 – Shun Cheong</p>	<p data-bbox="810 1648 1278 1686">Hong Kong Productivity Council</p>



Certification/Award	Organiser
 <p data-bbox="301 741 628 801"><i>Partner Employer Award 2023 – Shun Cheong</i></p>	<p data-bbox="810 405 1444 495">The Hong Kong General Chamber of Small and Medium Business</p>
 <p data-bbox="308 1167 624 1227"><i>Good MPF Employer 2022-23 – Chinney Construction</i></p>	<p data-bbox="810 833 1439 875">Mandatory Provident Fund Scheme Authority</p>

Talent development

 <p data-bbox="296 1680 633 1740"><i>Manpower Developer 2018-25 – Chinney Construction</i></p>	<p data-bbox="810 1321 1220 1364">Employees Retraining Board</p>
---	--

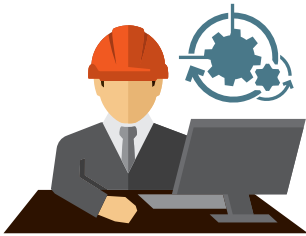


Certification/Award	Organiser
Health and Safety	
 <p data-bbox="161 813 770 902"><i>22nd Hong Kong Occupational Safety and Health Award – Safety Performance Award – Excellence Award (Construction Industry) – Chinney Construction</i></p>	<p data-bbox="810 459 1385 492">Occupational Safety and Health Council</p>
 <p data-bbox="161 1310 770 1400"><i>22nd Hong Kong Occupational Safety and Health Award – Safety Performance Award – Outstanding Award (Construction Industry) – Chinney Builders</i></p>	<p data-bbox="810 940 1385 974">Occupational Safety and Health Council</p>

7.1 Safe Workplace

The Group recognises occupational injuries and accidents are relatively prevalent within the construction industry, posing significant risks to our daily operations. Hence, we give utmost priority to occupational health and safety ("OHS") as a fundamental consideration in our operations. To ensure a safe working environment for our employees, we strictly adhere to all relevant laws and regulations in the jurisdictions where we operate our business. In accordance with the ISO 45001:2018 standards, we have established a comprehensive occupational health and safety management system. Chinney Construction and Chinney Builders have also formulated a Company Safety and Health Policy Statement to outline the commitments to providing a safe and healthy work environment. During the Reporting Period, there were no non-compliance cases with relevant laws and regulations that occurred in Hong Kong regarding occupational health and safety.

On-site measures for a safe workplace:



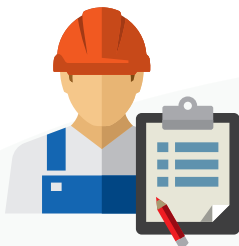
Identifying occupational health and safety risks



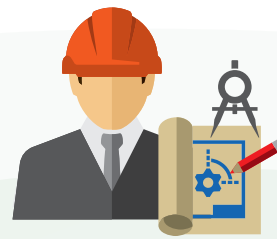
Guaranteeing the safe usage, handling, storage and transport of plant and substances on-sites



Providing health and safety training for employees and sub-contractors



Confirming that all employees adhere to the laws, regulations and practices relating to health and safety



Assigning Project Managers and Safety Managers to monitor safety policies and address all health and safety issues in construction projects



Reviewing Health and Safety policies and management system when necessary or at least once annually



Ensuring the appropriate allocation of resources to carry out the health and safety regulations



Imposing health and safety regulations and safety plan at the head office and all construction sites



To enhance the safety awareness and knowledge of our employees, we have offered various occupational health and safety trainings. Chinney Construction and Chinney Builders regularly conduct OHS lunch meetings, where safety information is shared among the top-level management. The training topics covered Automated External Defibrillator ("AED") training to our on-site personnel, equipping them with life-saving skills. Shun Cheong provided fire security training to raise workers' vigilance on fire-related incident in sites to maintain high quality work under safe working environment. This training included information on common accidental causes and precautionary measures, as well as introduction to the associated laws and regulations on occupational safety and health. Additionally, we offer training programs related to risk assessment and occupational health and safety supervision. These programs include courses for the Occupational Safety and Health Supervisor certification, covering topics such as construction site safety, basic safety management, accident prevention, and occupational health.



Lunch sharing on safety information and AED training

We are aware that our employees may face health and safety risks while working in construction sites under different weather conditions. During summer, the Group has implemented various precautionary measures for heatstroke prevention, such as offering energy-boosting beverages, providing water refill stations and non-edible ice cubes for employees in construction sites. During winter, we have distributed heating pads to combat the frigid weather. To safeguard our employees from extreme weather events including thunderstorm, we have set up a warning system to alert employees under extreme weather conditions to stay in a secure location.



Heatstroke prevention measures

Given the joint efforts of the Group and our employees, we filed zero fatal incidents in the workplace during the Reporting Period and there have been no recorded fatal accidents in our operations over the past three years. In 2023, Chinney Construction successfully accomplished its target of maintaining zero fatal accidents and achieving a cumulative frequency rate of less than 0.58 for every 100,000 man-hours worked. During the Reporting Period, the Group has recorded an injury rate of 4.77 per 1,000 employees, resulting a total of 675 lost days.

CASE STUDY

Safety Monitoring System and Measures for Construction Sites

To prevent the occurrence of health and safety incidents in construction sites, Chinney Construction and Chinney Builders have utilised technology to enhance the monitoring of machineries and our employees.

1. Installing Panoramic Monitoring Devices

We have implemented an advanced safety alert system called the I-Vision Smart Monitor System 5.0, which utilises cutting-edge technology to redefine safety measures. One of the key features of this system is the integration of a 360° bird view camera detection system. By installing this state-of-the-art technology, we enable our employees to have heightened awareness of their surroundings, especially when operating moving machinery. The panoramic monitor provides a comprehensive view, enhancing safety and minimising potential risks. This implementation underscores our commitment to prioritising employee well-being and ensuring a secure working environment.



Panoramic monitoring in moving machines

2. 360 Cloud Management System

We plan to implement a robust 360 Cloud Management system for one of our construction sites in the coming year to monitor the safety use, handling, storage and transport of plant and substances. Through the management system, we will be able to access real-time locations of machineries in construction sites through mobile devices and computers. This will facilitate us to maintain sufficient supervision on construction activities and lower the risk of safety hazards. In addition, the system will send and record safety alerts which enable us to monitor the trend of safety incidents to implement mitigation measures to avoid similar incidents to occur.



360 Cloud Management System



Furthermore, we have supported government-backed coronavirus job retention schemes, ensuring that our employees receive the necessary assistance during these challenging times. As society gradually recovers from the pandemic, the Group remains dedicated to prioritising the health and safety of our workforce. To promote hygiene practices, we have provided protective and disinfectant products such as face masks and hand sanitisers throughout our premises.

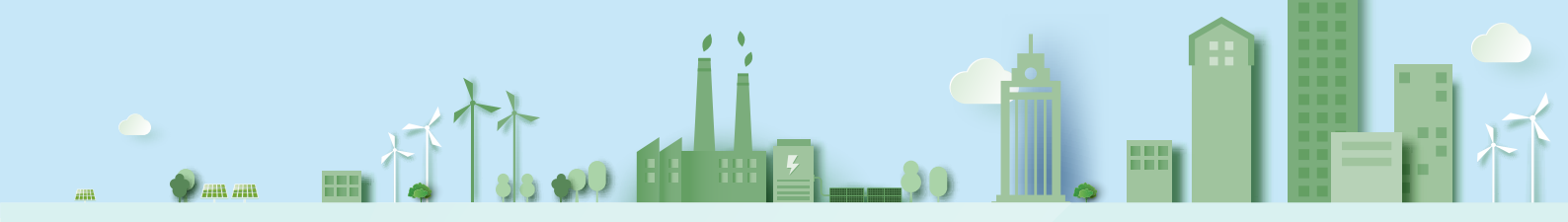


Distributing protective and disinfectant products and installing smart sanitising station in our offices

7.2 Talent Acquisition and Development

Diversity and Equal Opportunities

The Group places significant importance of our employees and the distribution of talent resources. We promote a diverse, inclusive and anti-discrimination workplace that facilitates employees from different backgrounds to thrive. For instance, Shun Cheong have established an Equal Opportunities Policy to guide our operations to fully comply with the relevant ordinances and guidelines such as Sex Discrimination Ordinance, Disability Discrimination Ordinance, Family Status Discrimination Ordinance and Race Discrimination Ordinance to eliminate discrimination and harassment in employment. In line with our strategy to attract and retain talented individuals, we provide competitive wage packages, prospects for advancement, reasonable work hours and rest periods to acknowledge the valuable contributions of our employees.



We adopt a fair and unbiased approach to make position-related decisions of talents during the recruitment progress based on consistent selection criteria, such as their skills and qualifications instead of their gender, ethnicity, religion or other characteristics, regardless of whether it pertains to recruitment, promotion or transfer. To prevent workplace discrimination, the Group has established a comprehensive complaint mechanism, which confidential investigation will be held by relevant departments upon receipt of complaint and proceed to taking necessary actions to eliminate discriminatory acts.

Employment and Labour Standard

The Group strictly prohibits child and forced labour. Chinney Construction and Chinney Builders have formulated the Prevention of Child and Forced Labour Policy, while Shun Cheong follows the guidelines set out in the Social Responsibility Policy and Rules of Employment to prevent human rights violations. The Human Resources Department is responsible to verify the authenticity of age, identification, work authorisation documents and other relevant materials when recruiting talents to prevent any form of illicit employment. In addition, we strictly regulate the conduct of our suppliers and contractors as stated in the Supplier Code of Conduct, and forbid the use of any form of child or forced labour practices. During the Reporting Period, no non-compliance cases regarding child and forced labour were found.

Employee Training and Development

We support our employees' continuous learning for both personal and professional growth and established a robust Training Policy to allocate resources on training to enhance their knowledge and skills to effectively perform their duties. We have organised a range of training courses, covering practical knowledge and technical skills on surveying, environmental regulations and health and safety etc. In addition to internal training, the Group also provides economic incentives to motivate and reward employees for their educational pursuits by subsidising the fee of the external training courses. The funding for these incentives is derived from the Safety Fund organised by the Group. During the Reporting Period, employees of Chinney Construction and Chinney Builders have been trained for 1,392 training hours, while employees of Shun Cheong have been trained for 888 hours.



Employee Well-being

The Group believes that providing comprehensive benefits and welfare enhance the satisfaction of our employees. We have offered a wide range of employee benefits, including but not limited to medical and hospitalisation insurance, group travel insurance, and provided different types of leaves including annual leave, marriage leave, maternity and paternity leave, condolence leave. Furthermore, we review the compensation system annually and provided year-end double pay.

To cultivate a friendly and inclusive working environment, we strive to arrange inter-departmental activities that foster the cohesiveness within the Group. For example, we have organised Lunar New Year's gathering, BBQ parties, birthday parties, badminton competition etc. to gather with our employees to enhance team bonding and communication.

CASE STUDY

E&M Safety Walk and Carnival Fair 2023

The E&M Safety Walk and Carnival Fair, jointly organised by The Hong Kong Federation of Electrical and Mechanical Contractors Limited and the Federation of Hong Kong Electrical & Mechanical Industries Trade Unions, is held annually for over 20 years to assemble employers, employees and government bodies in the E&M sector to cultivate safety, while providing an opportunity for participants to have a leisure time. This year, Shun Cheong have participated in the event and enjoyed activities such as a short hike, BBQ, OHS quiz, and lucky draw etc.



Employees participated the carnival with families

CASE STUDY

“Happy Shun Cheong” Photo Competition

This year, Shun Cheong have organised a photo competition with the theme “Happy Shun Cheong” to encourage employees to share moments of joy and happiness about their surroundings and experiences. Through organising the competition, we aimed to spread positive energy among our employees, and created opportunities to engage with employees.



Promotion poster of the competition and award presentation



The Hong Kong Institution of Engineers ("HKIE") Fundraising Cycling and Run

In March, employees of Chinney Construction and Chinney Builders participated in the HKIE Fundraising Cycling and Run. This event was part of the Hong Kong Engineers Week 2023, which aims to enhance the visibility of the engineering profession and showcase the diversity of the engineering work. Through participation of this event, we supported our employees to engage in physical exercise and to collaborate to raise funds in nurturing upcoming engineering professionals.



Participants of the HKIE Fundraising Cycling & Run

Construction Industry Happy Run 2023

The Construction Industry Council ("CIC") held the "Construction Industry Happy Run 2023" in January. Participants from Chinney Construction and Chinney Builders joined the event which promoted a healthy lifestyle, including the enhancement of physical health and well-being. The event also provided an opportunity for employees to enjoy the time exercising together and facilitate team bonding.



Participants of the Construction Industry Happy Run 2023



7.3 Ethical Corporate Image

The Group is dedicated to conducting its business in an ethical manner, following the principles of transparency and integrity. The Group has adopted a Company Code of Ethics (the "Code") that prohibits employees from seeking or accepting any advantages and ensure our employees maintain the highest level of integrity. Under the Integrity Management Policy, the Group prohibits any forms of bribery and corruption in accordance with the Prevention of Bribery Ordinance (Cap. 201), the Competition Ordinance (Cap. 619) and other integrity-related laws in Hong Kong.

To avoid and eliminate corporate misconduct, we have established anti-corruption policies and a whistle-blowing mechanism, enabling our employees to anonymously report any suspected cases of corruption to management. The whistle-blowing mechanism is formulated to sustain a high standard of corporate governance and provoke stakeholders' vigilance to retain professionalism, integrity, impartiality and honesty at all times. All employees should report immediately to the responsible director in case of any dishonesty or illegal act against the Group's property, revenue or employees by others, for further investigation and proceeding. All cases will be treated in strictly confidential to protect whistle-blowers' identities.

The Group has arranged a series of anti-corruption and integrity training courses for all directors and employees. These trainings cover topics suggested by the Independent Commission Against Corruption ("ICAC") to avoid corruption within the group companies and maintain integrity. The ICAC topics incorporate Anti-Corruption Legislations and Integrity Requirements for Consultants, Integrity Management Training for NEC Project Teams, Introduction of Integrity Management System, Introduction of Corruption Prone Areas and Preventive Measures in Construction Industry, Integrity Risk Management Series #4 – Tendering, and Integrity Risk Management Series #5 – Recruitment of Workers etc. In case of any misconduct reported, the Group will initiate a thorough investigation and adopt appropriate disciplinary actions regarding the severity of the events. During the Reporting Period, no non-compliance cases with relevant laws and regulations on anti-corruption were reported.

To safeguard intellectual property rights, the Code restricts any misconduct related to intellectual property rights such as unauthorised sensitive information leakage or sharing internal data with third parties. Employees are required to obtain prior consent when using any products and goods owned by the Group. There were no convictions of laws and regulations concerning product responsibility, relating to the Prevention of Bribery Ordinance, Personal Data (Privacy Ordinance) and Patents Ordinance in 2023.



8 Community Investment

As a responsible corporate citizen, we acknowledge the importance of creating long-term values for our community and are dedicated to engaging the community through organising and participating in various charitable activities in collaboration with different NGOs. We actively encourage all our employees to contribute back to the community. To foster a harmonious environment and positive development in every communities where we operate in, we have formulated the Community Investment Policy which provides guidance in distributing our resources across multiple areas of contribution, including health, and the well-being of elderly and other underprivileged groups etc. The Chinney's Volunteers Group ("CVG") has been established by Chinney Construction with the aim of making a positive contribution since 2017. The CVG currently consists of members from different departments, and the Administration Department takes charge of organising the CVG's events. In 2023, as a recognition of our continuous work on community services, Shun Cheong was awarded the 5 Years Plus Caring Company Award by the Hong Kong Council of Social Service.

The Group continues to support the community through monetary donations. During the Reporting Period, Chinney Construction donated HKD20,000 to the Pneumoconiosis Mutual Aid Association to support the implementation of training and promotion initiatives to enhance the awareness and understanding on pneumoconiosis and related cancers among the construction industry, as well as to promote preventive measures of the lung disease. To increase the public's awareness of welfare and community service, Shun Cheong have participated in the 2023 Tung Wah Flag Day and successfully raised HKD1,455 for the charity.



2023 Tung Wah Flag Day

CASE STUDY

Construction Industry Lo Pan Rice Campaign

Since our participation of the 18 Districts Lo Pan Rice Campaign last year, we have acknowledged the importance of caring for underprivileged groups in our community. Hence, Chinney Construction and Chinney Builders took part in the Construction Industry Lo Pan Service Months 2023 – CIC x HKCA “Lo Pan Boxed Meal” in 2023, to distribute the “Lo Pan Boxed Meal” boxes and goodies bags to a wide range of beneficiaries, including underprivileged families, the unemployed, singleton elderlies, two-elder families, the disabled, ethnic minorities and homeless people.

This campaign was a collaborative effort between the Hong Kong Construction Association (HKCA) and the Construction Industry Council (CIC). The aim of the campaign is to advocate the spirit of Master Lo Pan, the patron saint of Chinese builders and carpenters, to spread care and hope to the community.



Certification of 18 Districts Lo Pan Rice Campaign and snapshots from the campaign



CASE STUDY

Animal Shelter Visit

Volunteers of Chinney Construction and Chinney Builders have visited an animal shelter of HK Saving Cat And Dog Association Limited to help cleaning the shelter of stray and abandoned cats. Through participating the event, we hope to show our care in animal welfare and support the work of animal rescue in Hong Kong.



Chinney Construction volunteers visiting an animal shelter

CASE STUDY

Elderly Visit to Celebrate Dragon Boat Festival

In 2023, Shun Cheong collaborated with Tung Wah Group of Hospitals (TWGH) to organise an elderly visit to Hui Lai Kuen Home for the Elderly to celebrate Dragon Boat Festival. Our volunteers played a significant role in this event to accompany the elderlies and creating joyful memories while playing entertaining games and making artwork together.



Visit to Hui Lai Kuen Home for the Elderly and artwork created with the elderlies

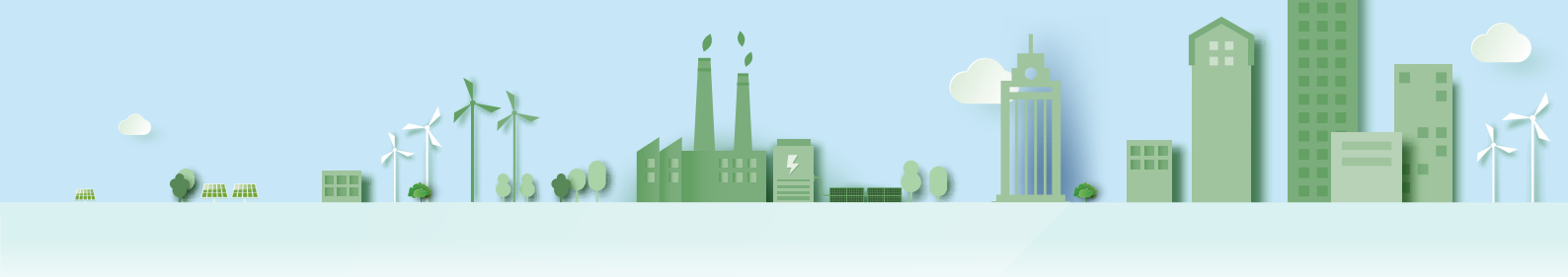
9 Performance Table

Environmental Performance	Unit	2023	2022
Greenhouse Gas (GHG) Emissions			
Scope 1: Direct emission ²	Tonnes of CO ₂ equivalent ("tCO ₂ e")	3,743	97
Scope 2: Indirect emission	tCO ₂ e	680	617
Total GHG emissions	tCO ₂ e	4,422	714
Total GHG intensity ³	tCO ₂ e/ Total GFA (m ²)	0.05	0.01
Energy Usage			
Electricity – Office	MWh	971	963
Electricity – Construction	MWh	866	619
Petrol	MWh	85	71
Diesel	MWh	24	25
Ultra-Low Sulphur Diesel ⁴	MWh	15,186	290
Total energy consumption	MWh	17,132	1,967
Total energy intensity ³	MWh/ Total GFA (m ²)	0.20	0.04

2 Scope 1 GHG emissions refer to direct emission of GHG from sources owned or controlled by the Group, which include (i) transportation and (ii) machinery usage. In 2023, there was a relatively high consumption in ultra-low sulphur diesel resulting in an increase of Scope 1 GHG emissions.

3 The GFA included all construction sites, offices and warehouses. The GFA of 2022 and 2023 are 36,327m² and 84,261m² respectively.

4 The usage of Ultra-low sulphur diesel ("ULSD") is subject to the heavy machinery usage, which includes crawler cranes, excavators, and generators etc. In 2023, the significant increase in the usage of ULSD was attributed to the extensive use of heavy machinery for the bored pile construction works of foundations in the Three Runway System Project (Hong Kong International Airport Contract 3805 - New Airport District Police Operational Base).



Environmental Performance	Unit	2023	2022
Water Consumption			
Total water consumption ⁵	m ³	130,333	13,234
Water consumption intensity ³	m ³ / Total GFA (m ²)	2	0.26
Wastewater			
Total wastewater discharged ⁵	m ³	37,400	12,577
Wastewater discharged intensity ³	m ³ / Total GFA (m ²)	0.44	0.25
Non-hazardous Waste⁶			
C&D waste disposed ⁷	Tonnes	1,081	2,364
C&D waste diverted from landfill ⁷	Tonnes	1,819	5,033
Non-hazardous waste intensity ^{3,8}	Tonnes/ Total GFA (m ²)	0.03	0.14

5 The water consumption and wastewater discharged is subject to the types of construction work. In 2023, a project involved bored pile construction works of foundation, resulting in relatively high water consumption and wastewater discharged.

6 In 2023, 649 tonnes of C&D waste were recycled or reused on sites or in other projects, instead of disposed.

7 In 2023, the significant decrease of C&D waste disposed and diverted from landfills was attributed to the near completion stage of projects, resulting in fewer waste generated.

8 The calculation of non-hazardous waste intensity did not include C&D wastes recycled or reused on sites or in other projects.



Social Performance		Unit	2023	2022
Workforce Profile				
Total workforce		No. of people	1,886	1,369
By gender	Male	No. of people	1,617	1,142
	Female	No. of people	269	227
By age group	< 31	No. of people	404	306
	31-50	No. of people	874	613
	> 50	No. of people	608	450
By employment type	Senior Management	No. of people	16	15
	Management	No. of people	47	45
	Frontline and general staff	No. of people	1,823	1,309
By geographical region	Hong Kong	No. of people	1,861	1,344
	Chinese Mainland	No. of people	4	3
	Others	No. of people	21	22
Employee Turnover Rate				
By gender	Male	%	32	26
	Female	%	26	32
By age group	< 31	%	43	41
	31-50	%	30	26
	> 50	%	26	19
By employment type	Senior Management	%	0	13
	Management	%	4	2
	Frontline and general staff	%	32	28
By geographical region	Hong Kong	%	31	27
	Chinese Mainland	%	0	0
	Others	%	33	23

Social Performance	Unit	2023	2022
--------------------	------	------	------

Percentage of Employee Trained

By gender	Male	%	82	82
	Female	%	18	18
By employment category	Senior Management	%	2	3
	Management	%	5	7
	Frontline and general staff	%	93	90

Average Training Hours Completed by Employees

By gender	Male	Average hours	1.17	2.19
	Female	Average hours	1.43	2.33
By employment category	Senior Management	Average hours	2.25	4.02
	Management	Average hours	2.57	6.83
	Frontline and general staff	Average hours	1.13	2.03

Occupational Health and Safety

Lost days due to injuries	Days	675	1,928
Rate of injuries	per 1,000 employees	4.77	10.96
Number of fatalities	No. of people	0	0
Rate of fatalities	per 1,000 employees	0	0

Number of Suppliers

Hong Kong	no. of suppliers	584	603
Chinese Mainland	no. of suppliers	4	6
Other	no. of suppliers	13	16



10 ESG Content Index

A: Environmental

Aspects	Descriptions	Sections in the Report/ Remarks	Page number
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.	Environmentally Conscious Operations	13
KPI A1.1	The types of emissions and respective emissions data.	Emissions of nitrogen oxides, sulphur oxides and particulate matter from gaseous fuel and vehicles are determined to be not highly material issues for the Group	N/A
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity.	Performance Table	40
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity.	There was no significant information on hazardous waste during the Reporting Period.	N/A

Aspects	Descriptions	Sections in the Report/ Remarks	Page number
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.	Performance Table	41
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Energy Consumption and GHG Emissions	15
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Waste Management	19
A2: Use of Resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Environmentally Conscious Operations	13
KPI A2.1	Direct and/or indirect energy consumption by type in total (kWh in '000s) and intensity.	Performance Table	40
KPI A2.2	Water consumption in total and intensity.	Performance Table	41
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Energy Consumption and GHG Emissions	15
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Water Management	18
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Packaging material are determined to be not applicable for the Group's business operations	N/A



Aspects	Descriptions	Sections in the Report/ Remarks	Page number
A3: The Environment and Natural Resources			
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Environmentally Conscious Operations	13
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmentally Conscious Operations	13
A4: Climate Change			
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Risk Management	20
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Risk Management	20

B: Social

Aspects	Descriptions	Sections in the report/ Remarks	Page number
---------	--------------	------------------------------------	-------------

Employment and Labour Practices

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.	(a) Talent Acquisition and Development (b) People-oriented Culture, Talent Acquisition and Development	24, 30
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Performance Table	42
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Performance Table	42

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.	Safe Workplace	26
---------------------------	--	----------------	----



Aspects	Descriptions	Sections in the report/ Remarks	Page number
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Safe Workplace, Performance Table	26, 43
KPI B2.2	Lost days due to work injury.	Safe Workplace, Performance Table	26, 43
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Safe Workplace	26

B3: Development and Training

General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Talent Acquisition and Development	30
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Performance Table	43
KPI B3.2	The average training hours completed per employee by gender and employee category.	Talent Acquisition and Development, Performance Table	30, 43

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.	Talent Acquisition and Development	30
---------------------------	---	------------------------------------	----

Aspects	Descriptions	Sections in the report/ Remarks	Page number
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Talent Acquisition and Development	30
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Talent Acquisition and Development	30

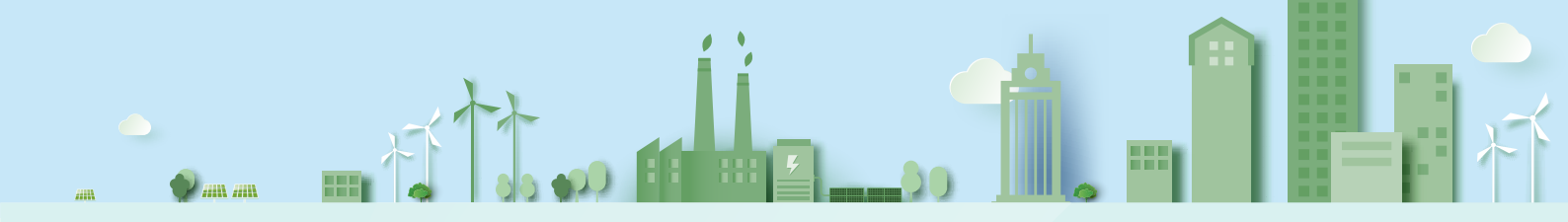
Operating Practices

B5: Supply Chain Management

General Disclosure	Policies on managing environmental and social risks of the supply chain.	Sustainable Value Chain	10
KPI B5.1	Number of suppliers by geographical region.	Sustainable Value Chain, Performance Table	10, 43
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Sustainable Value Chain	10
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Sustainable Value Chain	10
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Sustainable Value Chain	10



Aspects	Descriptions	Sections in the report/ Remarks	Page number
B6: Product Responsibility			
General Disclosure	<p>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p>	<p>(a) Quality Control (b) Quality Control, Ethical Corporate Image</p>	11, 35
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Products recalls are determined to be not applicable for the Group's business operations	N/A
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Quality Control	11
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Ethical Corporate Image	35
KPI B6.4	Description of quality assurance process and recall procedures.	Quality Control	11
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Ethical Corporate Image	35



Aspects	Descriptions	Sections in the report/ Remarks	Page number
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.	Ethical Corporate Image	35
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.	Ethical Corporate Image	35
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Ethical Corporate Image	35
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Ethical Corporate Image	35



Aspects	Descriptions	Sections in the report/ Remarks	Page number
Community			
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 Investment	36
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment	36
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment	36