



興勝創建控股有限公司

HANISON CONSTRUCTION HOLDINGS LIMITED



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 commit providing superior service and dedication to continuous improvement
- To create values for all stakeholders
- To grow our people with commitment

VALUES



EXCELLENCE Continuous quality improvement



PROFESSIONALISM Expertise with reliability



INTEGRITY Honesty and respect



CARE Care our people, clients, and community



TEAMWORK Collaboration in teams



INNOVATION Advance in processes, technologies, and deliverables



PARTNERSHIP Business partnering relationship with all



SUSTAINABILITY Ongoing efforts in sustaining environment and the nature





CSR Statement

Hanison Construction Holdings Limited endeavours to construct and manage for a brighter and greener prospect.

As a construction and services group, we serve our customers and business partners with quality, efficiency and reliability. We attempt to build the principles of sustainable development into different aspects of our business.

This means doing business with integrity, aspiring to the highest levels of standards of corporate management, safety and health, managing our environmental impacts, and committing to deliver on our full range of social responsibilities.

As a socially responsible corporation, the Management has set clear direction and takes full responsibility for Hanison Construction Holdings Limited's performance in corporate governance, business ethics, health and safety, the environment, equal opportunity, and other social issues.



CONTENTS

	Page
Company Profile	04-05
Managing Director's Message	06
Project Highlights	07-08
About This Report	09
CSR Management	
CSR Governance	10
CSR Frameworks	11
Stakeholders Engagement	12-13
Materiality Analysis	14
Operating Practices	
Subcontractors	15-16
Customers	17
Compliance	17
Case Study – Innovation and Development Department	18-19
People	
Employee Engagement	20-26
Health and Safety	27-29
Training and Development	30-32
Case Study – Hanison Foreman Training Programme (HFTP)	33-35



Environment

Greenhouse Gas	36-37
Waste Management	37-38
Energy	39-40
Water	40
Environmental Management Initiatives	41-42
Case Study – Fo Tan Lok Lam Road Residential Redevelopment Project	42-43

Community

Highlighted Figures	44
Volunteering	45-47
Donation and Sponsorship	48
Site Community Relations	49-51
Social Enterprise Partnership	51
Case Study – TWGHs Enhanced Home Service	52-53

Awards And Recognition 54-55

Certificates 56

Appendices

Materiality Analysis	57
HKEx ESG Reporting Guidelines Index	58

Assurance Statements

HKCSI GHG Verification Statement	59
HKQAA Verification Statement	60

Company Profile

Hanison Construction Holdings Limited (HCHL) was incorporated in the Cayman Islands in September 2001, and the securities of which have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since January 2002 (Stock Code: 896). The principal business and operations of the Company and its subsidiaries (collectively the Group) are based in Hong Kong. The subsidiaries have been actively involved in construction and construction related businesses in Hong Kong since 1989. Today, they are engaged in a variety of businesses: construction, interior and renovation works, supply and installation of building materials, property development, property investment, property agency and management, and trading of health products.



Peninsula East

Construction business is the initial and principal business of the Group. Hanison Construction Company Limited (HCCL) and Hanison Contractors Limited (HCL), as established since 1989, are wholly-owned subsidiaries of HCHL. Since the first building project of constructing an 8-storey commercial and residential complex in Discovery Bay, the Group has been actively participating in public and private construction sectors in Hong Kong.

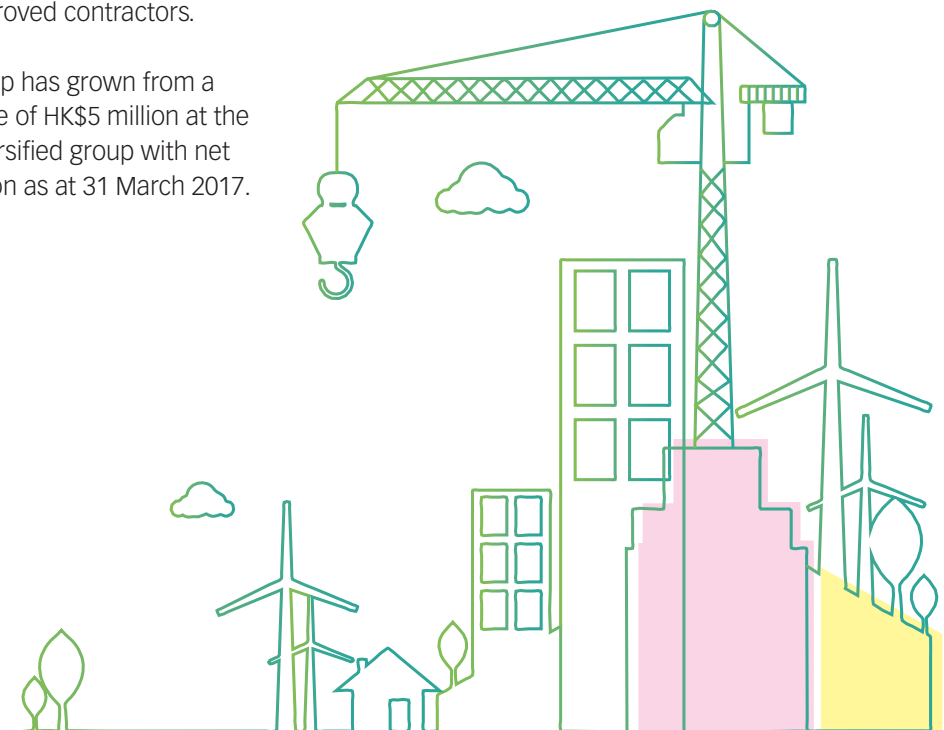
The construction division has completed a range of development projects for public and private sectors, including residential blocks, commercial complexes, industrial buildings, schools, and recreational facilities. The division is experienced in infrastructure, utilities, site formation, interior and renovation, maintenance works, and "design-and-build" projects. Customers also include HKSAR Government and renowned listed companies.



The Grampian

HCCL is an approved contractor in public works registered with the Development Bureau, HKSAR Government. In addition, HCCL and HCL are both registered with the Buildings Department as registered general building contractors and Hong Kong Housing Authority as approved contractors.

Throughout the years, the Group has grown from a small entity with net asset value of HK\$5 million at the time of establishment to a diversified group with net asset value of HK\$3,066.6 million as at 31 March 2017.



Managing Director's Message



Mr. Stewart Wong, Managing Director gave his opening remarks in Group's Annual Dinner 2017

Looking back the past year, there were lots of anxieties and uncertainties in Hong Kong and the global economy. Hong Kong has fallen into binary confrontation, in which, local and international market uncertainty and downfall occurred. There were companies cutting their budget in various areas to reduce operational costs, or even exercised lay-off certain numbers of headcounts. With the professionalism and diligence of Hanison team, our business is still growing steadily and in sustainable manner.

Despite the economic hard times, Hanison has increased the investment on operating practices, people, environment, and community areas for enhancing our stakeholders' engagement. The new establishment of Innovation and Development Committee aims at finding and facilitating the application of advanced technology in construction projects so as to achieve greater efficiency and higher safety and quality standard. On the other hand, Hanison Construction Company Limited has launched a new Hanison Foreman Training Programme as an internal training for freshly hired Foreman Assistants and Assistant Foreman staff with lesser experiences.

This year, Hanison has started partnering with Tung Wah Group of Hospitals Enhanced Home and Community Care Services to provide free home maintenance or enhancement for underprivileged who are difficult to move. Staff can utilise their working skills in voluntary services.

In recent years, Hanison has been issuing CSR Report annually for engaging our stakeholders and reporting our CSR performances of construction division mainly. Our efforts are highly appreciated by our staff, clients, subcontractors, shareholders, community and other stakeholders. In line with the requirements under listing rules of the Hong Kong Exchanges and Clearing Limited, Hanison Construction Holdings Limited (HCHL) will be the reporting company commencing with year 2016/2017. Since Hanison Group has been operating diversified and numerous businesses in different subsidiaries, it is planned to include our subsidiaries in future reporting on gradual basis.

As recommended by the Hanison CSR Committee and approved by senior management and the Board of Directors, Hanison will expand the reporting scope to cover one more subsidiary every year from 2017/2018. In 2016/2017 reporting, we have included Hanison Construction Company Limited (HCCL) and Hanison Contractors Limited (HCL) under construction business mainly.

We promise to keep on investing essential resources in upgrading our operating practices, people, environment, and community performances while incorporating CSR elements in our daily business operation. It would not succeed without every stakeholder's recognition and support. Therefore, I call upon you to join hands with Hanison for nurturing a better tomorrow.

Wong Sue Toa, Stewart
Managing Director

Project Highlights

COMMENCE IN 2016/2017

Kai Tak Secondary School Development Project

Commencement Date:
7th March 2017

Client: Architectural Services
Department



Tai Po Sport Centre, Community Hall and Football Pitches Development Project

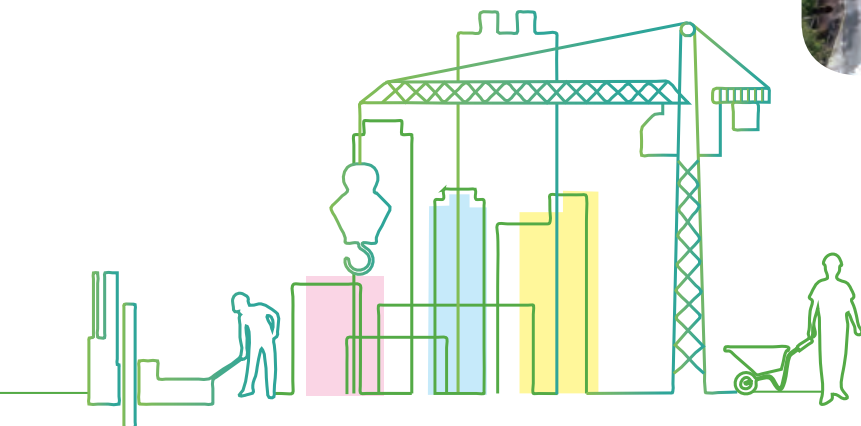
Commencement Date:
1st February 2017

Client: Architectural Services Department

Sheung Shui Choi Yuen Road Public Housing Estate Project

Commencement Date:
11th April 2016

Client: Hong Kong Housing Authority



IN PROGRESS IN 2016/2017

Shatin Shek Mun Estate Phase 2 Public Housing

Commencement Date:
30th October 2015

Client: Hong Kong Housing Authority



Ho Man Tin Sheung Foo Street Residential Development

Commencement Date:
14th August 2015

Client: Easy Merit Holdings Limited
(Under Wheelock Properties
(Hong Kong) Limited)



Fo Tan Lok Lam Road Residential Development

Commencement Date:
26th January 2015

Client: Eltara Limited

Operation and Maintenance of Chai Wan Public Fill Barging Point and Mui Wo Temporary Public Fill Reception Facility

Commencement Date:
13th April 2015

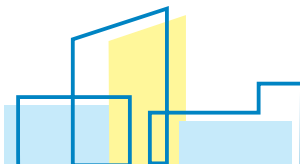
Client: Civil Engineering and
Development Department

Yau Tong Tung Yuen Street Residential Development

Commencement Date:
22nd April 2014

Client: Framenti Company Limited
(under Wheelock Properties (Hong Kong) Limited)

COMPLETE IN 2016/2017



Kowloon Tong Inverness Road Residential Development

Completion Date:
16th June 2016

Client: Panatiff Limited (under ChinaChem Group)

About This Report

This report highlights the construction division's business under Hanison Construction Holdings Limited (HCHL). It consists of corporate social responsibility performance of 2 companies, Hanison Construction Company Limited (HCCL) and Hanison Contractors Limited (HCL), between 1st April 2016 and 31st March 2017 (the reporting period), covering our head office and construction sites. The report is reviewed and adopted by our Board of Directors.



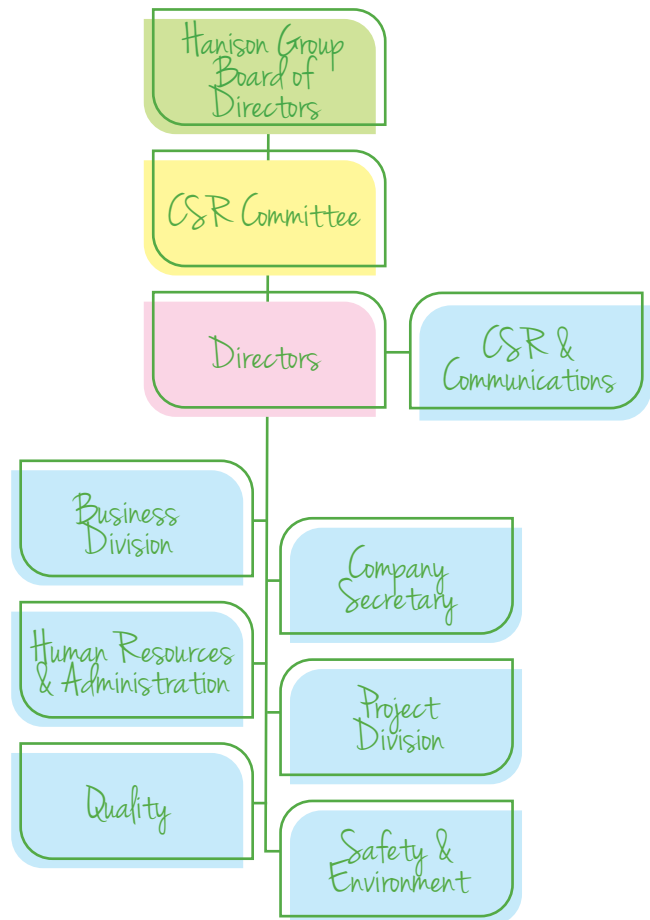
As construction business is the core business of HCHL in terms of workforce size and turnover rate (refer to Annual Report 2016/2017), the reporting scope mainly covered construction business of 2016/2017. We will extend to other business units year by year. This report takes the Environmental, Social and Governance (ESG) Reporting Guide issued by the Hong Kong Exchanges and Clearing Limited as reference. An independent verification of the content of this report was conducted by Hong Kong Quality Assurance Agency.



CSR Management

CSR GOVERNANCE

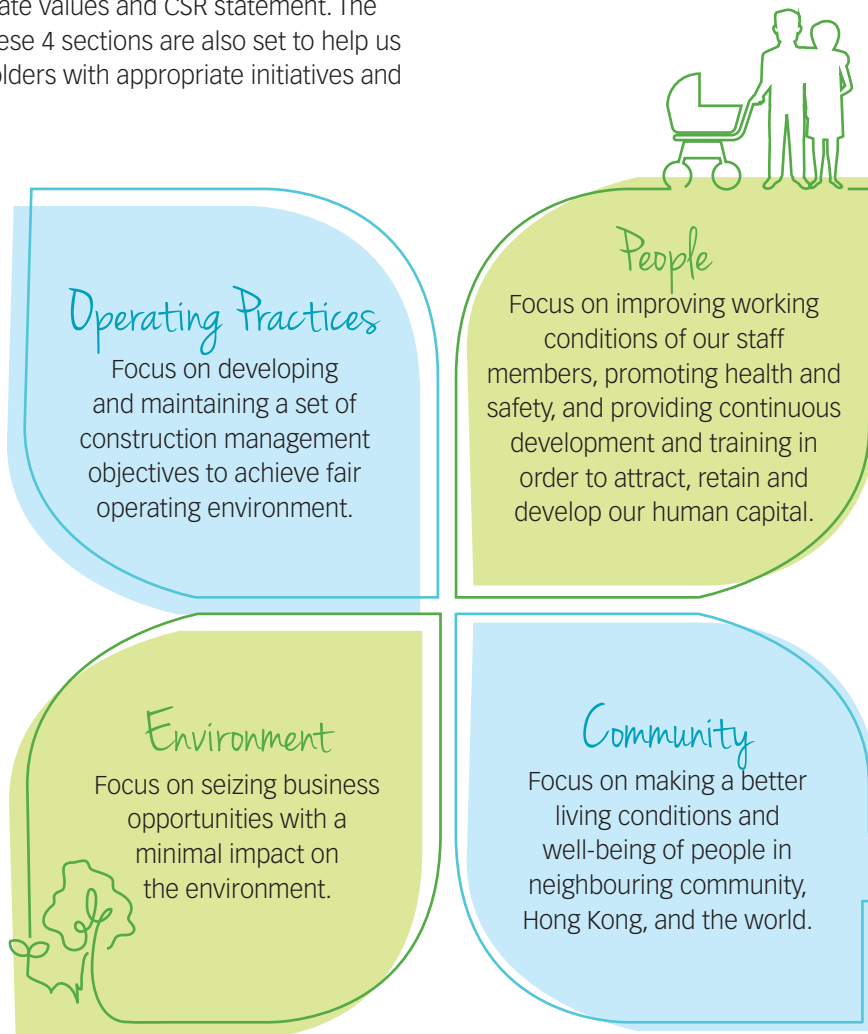
Corporate Social Responsibility (CSR) Committee was established in 2013 as a formal structure in Hanison Group. From 2016/2017 onwards, it is under the governance of Hanison Construction Holdings Limited (HCHL) Board of Directors. The Board of Directors fully empowers CSR Committee to set direction, strategies, policies and action plans for Hanison CSR, while the Board is responsible for monitoring the performance and accountability of CSR Committee. CSR Committee consists of representatives from different divisions and departments that involve directors and department or functional managers. CSR and Communications Department is responsible for execution and coordination.



CSR Committee members

CSR FRAMEWORK





We have identified 4 sections of CSR framework aligned with our corporate values and CSR statement. The objectives of these 4 sections are also set to help us engage stakeholders with appropriate initiatives and programmes.



STAKEHOLDERS ENGAGEMENT

We have set Key Performance Indicators (KPIs) for different stakeholders' engagement in 2016/2017.

STAKEHOLDERS	CONCERN AREAS	RELEVANT KEY PERFORMANCE INDICATORS (KPIs)
 <p>Business Partners</p>	<ul style="list-style-type: none"> Compliance Fair Operating Health and Safety 	<ul style="list-style-type: none"> Factory Visit Health Check Safety Induction Salary Payment Sub-worker Training Tool-box Talk
 <p>Clients</p>	<ul style="list-style-type: none"> Contract Requirement Quality 	<ul style="list-style-type: none"> Customer Satisfaction Survey ISO 9001 Quality Management System
 <p>Community</p>	<ul style="list-style-type: none"> Neighbourhood NGOs Partnership 	<ul style="list-style-type: none"> Christian Action Gingko House Hong Kong Playground Association Medecins Sans Frontieres Project Ambassador Senior Citizen Home Safety Association The Lok Sin Tong Benevolent Society Kowloon UNICEF YM Balloon Young Entrepreneurs Development Council

STAKEHOLDERS	CONCERN AREAS	RELEVANT KEY PERFORMANCE INDICATORS (KPIs)
 <p>Employees</p>	<ul style="list-style-type: none"> Compensation and Benefits Health and Safety Training and Development 	<ul style="list-style-type: none"> OHSAS 18001 Occupational Health and Safety Management System Staff Activities Staff Well-being Programmes Training Programmes
 <p>Environment</p>	<ul style="list-style-type: none"> Head Office Sites 	<ul style="list-style-type: none"> Green Initiatives ISO 14001 Environmental Management System ISO 50001 Energy Management System
 <p>Government</p>	<ul style="list-style-type: none"> Anti-corruption Compliance Environment 	<ul style="list-style-type: none"> Anti-corruption Talk Environment Policy and Initiatives Internal Code of Conduct Relevant Laws and Regulations Review
 <p>Shareholders</p>	<ul style="list-style-type: none"> Compliance Financial Performance 	<ul style="list-style-type: none"> Annual General Meeting Annual Report Website Update

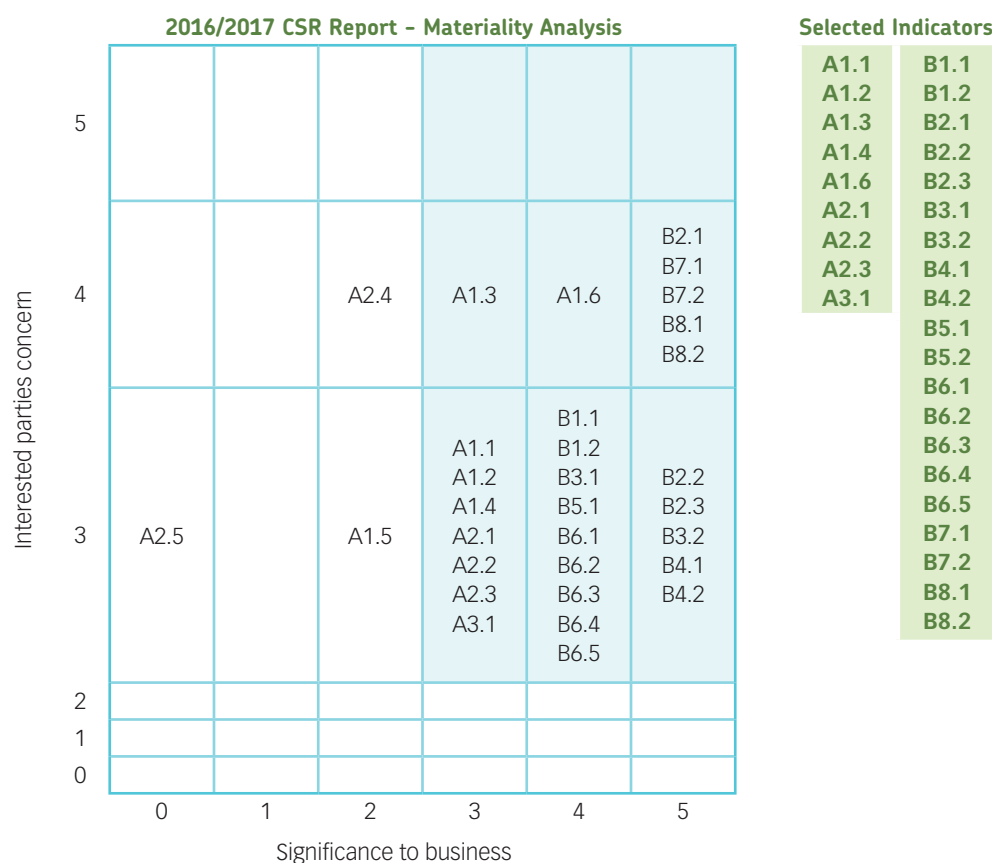
In 2016/2017, the theme of CSR Committee is “Care – Caring our Stakeholders, Environment and Community.” We have extended engagement groups from employees and subcontractors to others.

MATERIALITY ANALYSIS

As this report only covered defined scope in construction division solely the stakeholders of Hanison Construction Company Limited (HCCL) and Hanison Contractors Limited (HCL) were invited to participate in the materiality analysis. The internal ratings are reviewed by CSR Committee annually; the external ratings are decided by the scoring of our stakeholders on annual basis.

A total of 58 questionnaires were sent to construction division stakeholders via email. Ultimately, 23 completed questionnaires were received. The average score (approximate number) of each item was counted as the final rating of the external part.





There are 29 indicators selected for reporting in 2016/2017, within which 4 more indicators are included compared with those in 2015/2016. Labour Standard including Human Rights Issue and some Environmental Issue indicators are selected for the first time. Over the recent years, more and more indicators have been selected and are reported that has reflected the complexity and continuous improvement of Hanison Group in reporting.

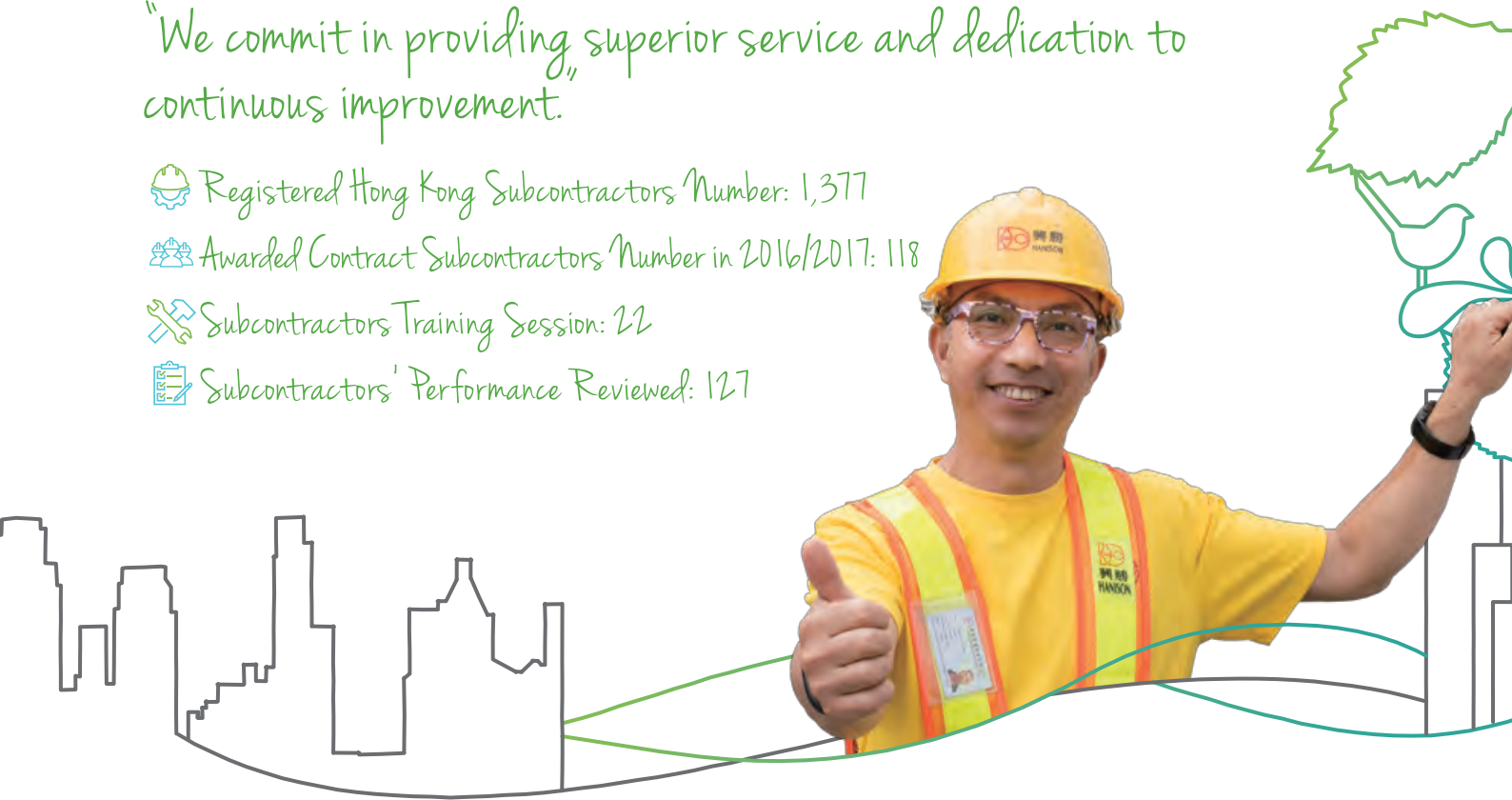


* For items details, please refer to appendix 1 page 57

Operating Practices

"We commit in providing superior service and dedication to continuous improvement."

-  Registered Hong Kong Subcontractors Number: 1,377
-  Awarded Contract Subcontractors Number in 2016/2017: 118
-  Subcontractors Training Session: 22
-  Subcontractors' Performance Reviewed: 127



The Group's construction division's subsidiaries, Hanison Construction Company Limited (HCCL) and Hanison Contractors Limited (HCL) have been implementing ISO 9001 Quality Management System in daily operation for quality control and improvement, as a benchmark with international standard. In addition, we also required our subcontractors and suppliers to highly uphold quality assurance by our tender policy, training and monitoring.

SUBCONTRACTORS

HCCL and HCL straightly required subcontractors to comply with laws, regulations and our internal guidelines. In the tender document for subletting, we incorporated the Group CSR statement to show the dedication of the Group in improving our CSR performance, a statement of Non-disclosure Agreement (NDA) to protect data privacy, and a set of our code of conduct about anti-corruption for subcontractors to follow through.

Apart from compliance, HCCL and HCL provided training for subcontractors and their frontline workers to enhance essential competence and general knowledge. There have 8 main subcontractors attended a human rights training conducted by an external professional association that the training raised their awareness in corporate social responsibility, and equipped them with fundamental human rights knowledge.



Quality check for building structure

Operating Practices

In 2016/2017, Quality Department had held 22 training sessions for subcontractors at 5 construction sites.

In March 2017, our subletting team visited Hong Kong United Reinforcement Engineering Limited, a local supplier of steel reinforcing bar cut and bend system in Tsing Yi. The system can enhance efficiency and quality, and releases the constraint of limited working space at sites. An appraisal was conducted covering the supplier's organisational governance, human rights, labour practices, the environment, fair operating practices, consumer issues and community involvement.



Hong Kong United Reinforcement Engineering Limited



Evaluation meeting



Quality check by site staff



Demonstration of work trades

Appraisals for subcontractors are conducted by Site Project Management Team to review their performances in environment and quality aspects. Subcontractors with dissatisfied overall performance would be excluded from the tender registration list. In 2016/2017, 127 subcontractors had been reviewed that the average rate was 79 points. Subcontractors with overall rating less than 70 out of 100 points are required to attend performance evaluation meeting. Apart from appraisal, partnering meetings are held with subcontractors from time to time for enhancing work collaboration.

CUSTOMERS

We care about customers' feedback and their satisfaction on our performances. Quality Department sends an official customer satisfaction survey to our clients for reviewing our performances. In 2016/2017, our overall average performance rating was 4.35 out of 5. The review covered our tendering and quantity surveying, project management, material and resources control, workmanship, environment, safety and security performances. On the other hand, 5 quarterly base performance reviews were received from Civil Engineering Development Department for Operation and Maintenance of Chai Wan Public

Fill Barging Point and Mui Wo Temporary Public Fill Reception Facility with good performance ratings.

We handle complaints from customers by rectifying the non-conformity within targeted timeframe, by complying with statutory regulations, customers' requirements and our internal rules and policies. In 2016/2017, 4 official complaints had been received regarding traffic management, environment and safety issues. All complaints were addressed immediately and solved with customers' satisfaction that all cases were closed.

COMPLIANCE

The Group rigorously complies with the applicable laws of Hong Kong related to our business operation. We have launched the Group Code of Conduct (CoC) which is reviewed on need basis. All our employees and subcontractors are required to follow through CoC in business operation.

The Prevention of Bribery Ordinance (Cap. 201 of HKSAR law) is incorporated in our CoC with internal guidelines and regulations stated. Staff can report suspected cases or complain to the management that they wonder if somethings are against our CoC. In addition, our New Staff Orientation has incorporated with a session on anti-corruption topic conducted by ICAC officers.

For protecting intellectual property rights, all hardware and software devices are purchased by the Group's IT Department as central control to ensure the Group is using software and devices with lawful licenses. IT policies are reviewed regularly by an independent third party to ensure they are updated and in compliance.

We care about data privacy and uphold the protection in handling subcontractors, customers and staff data. A statement of Non-disclosure Agreement devoted to the tender document throughout subletting and



ICAC prevention of corruption talk during New Staff Orientation

tendering practice for subcontractors is applied to safeguard data security. Unsuccessful tender documents normally would be destroyed within 6 months after submission. The job applicants' data are usually kept for 6 months and then will be destroyed securely if their applications are unsuccessful.

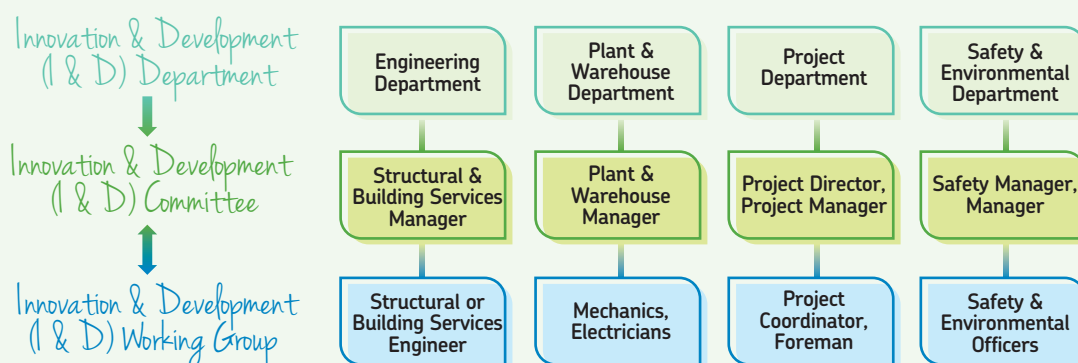
Before handing over the constructed buildings to our clients, the newly constructed buildings are required to obtain an occupation permit from Buildings Department of HKSAR Government to ensure the structure and building services system have met the "must" regulations. Therefore, the recall due to non-conformity is not applicable in construction business.

CASE STUDY – INNOVATION AND DEVELOPMENT DEPARTMENT

To meet the changes of technology and regulations in construction industry, Hanison Construction Division has newly established a department to put forward and implement innovative ideas, new technologies, plant and work methods in daily operation. Innovation and Development Department was set up in early 2016, directly under the supervision of a designated Project Director.



Innovation and Development Department



ORGANISATION STRUCTURE

Innovation and Development Committee is a cross-department committee at head office level to initiate, and test the feasibility of new technology and innovative ideas and applications. Members consist of management staff of Innovation and Development Department, Safety and Environmental Department, Plant and Warehouse Department, Building Services Engineers, and Structural Engineers of the Project Department.

Departments assign their technical frontline staff to form the I & D working groups. The members work together and make samples, based on the selected ideas or information from the committee, to test practicability of ideas and operational effectiveness. They will also give practical workflow enhancement ideas and give feedback on trial runs.

Since the establishment of the committee, there have been over 20 new ideas, materials or practices applied. They are at different development stages, including ideas development, samples preparation, tests and trial, feedback review, adoption, further development, specification writing, and implementation, etc.

The last stage of work will be I & D committee to collaborate with the project department to promote and incorporate the adopted items in the daily operation of project construction work.

SOME NEWLY ADOPTED INITIATIVES



1) Portable LED Light

LED lights are more durable and energy efficient. They are good for working places where the power supply is not yet ready and avoid electrical shock hazard.

2) Solar-energy Warning Lights for Road Work

The new solar-energy lights can save the workload of turning on and off manually and reduce the battery wastes.



3) Concrete Smoother

The Group has purchased 4 concrete smoothers to help workers enhance concreting process. This machine cost is low, can save workflow and with satisfactory performance.

4) Movable Working Platform

As requested by Labour Department, a working platform is compulsory for work-at-height to minimise the risk of fall from height.



Building Information Modeling (BIM) is a process involving the generation and management of digital representations of physical and functional characteristics of buildings or structures parts. The Group has set up a BIM team under Innovation and Development Department. The new technology is helpful in design coordination and preconstruction planning.

Different levels of training are provided to almost all construction staff according to their related BIM application at work. The project team staff needs to make changes and incorporate the technology in their daily work flow.

People

"Human assets, being the most valuable resources, and return on investment of our people are nothing but critical success factors to achieve our vision and to endure the continual growth of HCHL not solely in the past years but also in the years and decades ahead."



To continually facilitate talents attraction, retention, and development in the talent pipeline in HCHL from time to time, we have been investing and improving our people practices in terms of overall employee engagement and in response to the rapid changing business and fierce competitive environment as well as the varying generation of our workforce.

EMPLOYEE ENGAGEMENT



Benefits

- Company Vehicles for Designated Directors
- Dental Insurance
- Hanison ORSO Scheme Contribution
- Leave – Annual Leave, Paid Sick Leave, Paid Marriage Leave, Paid Paternity Leave, Paid Compassionate Leave, Paid 2 Saturday Leave Per Month
- Marriage and New Born Baby Coupons
- Medical Insurance
- MPF Scheme Contribution
- Obituary Money
- Personal Accident Insurance (D&D)

- Company Intranet
- Dispute and Complaint Handling
- Employee Experience Survey (Every 2 years)
- Employee Relations and Communication Committee
- Focus Group with Top Management
- GE Gathering and Apprentice Gathering
- HR Team Counselling
- New Staff Orientation
- Staff Handbook
- Staff Newsletters
- Suggestion Box



Communications



Compensation

- Competitive Basic
- Discretionary Performance Bonus
- Good Attendance Incentive
- Position and Work-related Allowances
- Position-based Overtime Pay

- Apprenticeship Programme
- External Training
- Graduate Trainee Training Scheme
- Hanison Forman Training Programme
- In-house Training
- Job Rotation
- The Hong Kong Institution of Engineers (HKIE) Graduate Engineer Training Scheme
- Training Sponsorship



Development



Recognition

- Long Service Award for 10-year, 15-year, 20-year, 25-year, 30-years of service
- Management Appreciation Letter
- Promotion
- Share Award Scheme for Eligible Employees
- Share Option Scheme for Eligible Employees

- Annual Dinner
- Christmas Party
- Corporate Discounts for Employees
- Health Talks
- Recreational Activities

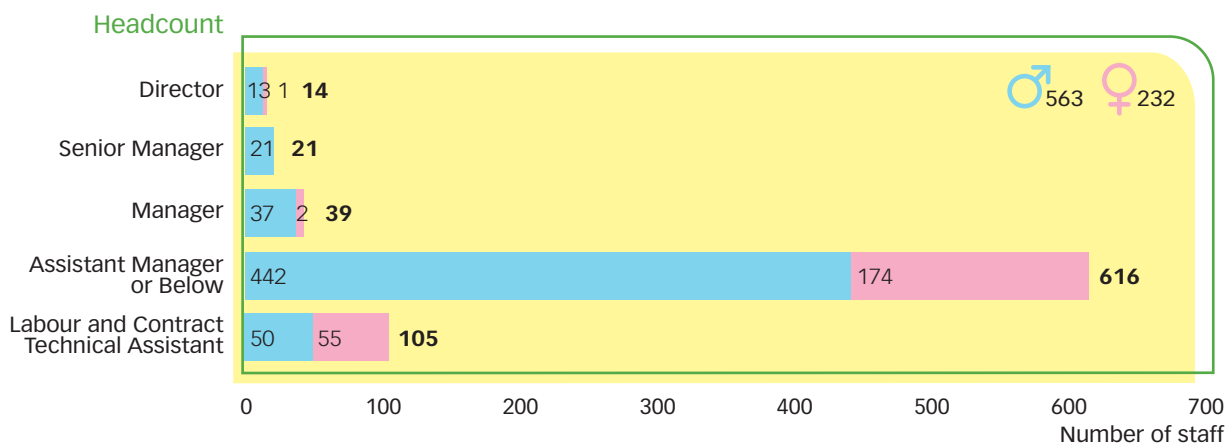


Well-Being

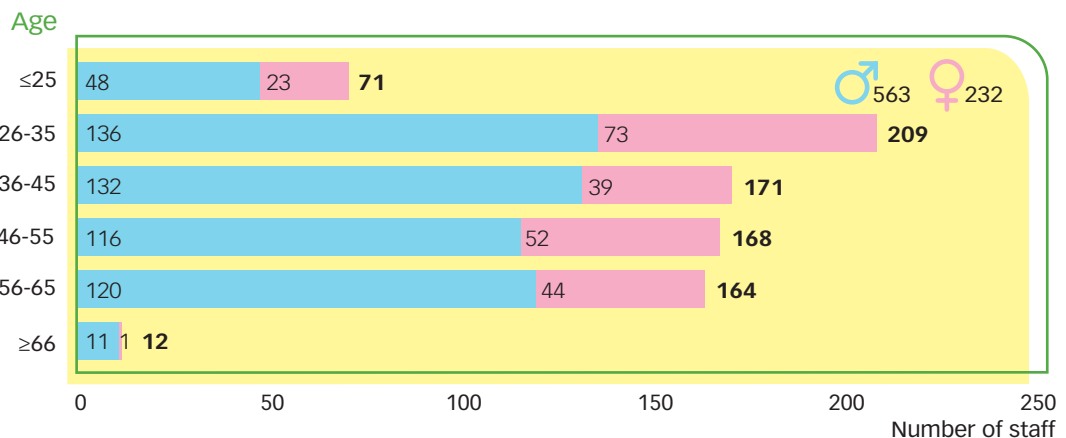
In terms of the workforce capacity in year 2016, there were a total of 795 employees in HCHL, within which, 527 were in Hanison Construction Company Limited (HCCL). The voluntary year-end turnover rates of HCHL and HCCL in 2016 were respectively 17.56% and 18% that comprised of ordinary retirement.

Hanison Group has assigned the Head of Human Resources to be the group gender focal point initiated by Women's Commission. The representatives had attended trainings and relevant seminars to equip relevant knowledge including the importance for gender sensitivity in workplace.

Distribution of Working Position in the Group



Distribution of Age Group in the Group





Communications

Essential, just-in-time, and quality communications help enhance employees' awareness and understanding in various aspects.



New Staff Orientation (NSO)



MPF Trustee HSBC sharing session



Focus group meeting with top management



Presentations by apprentices in quarterly gathering



Graduate Engineers gathering with directors

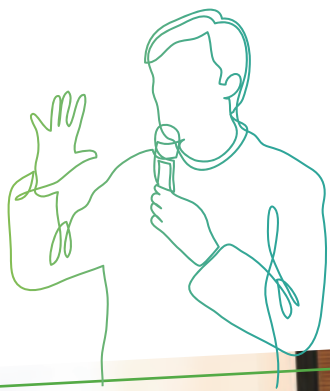


Summer Intern feedback session



Graduates Recruitment and Career Talk

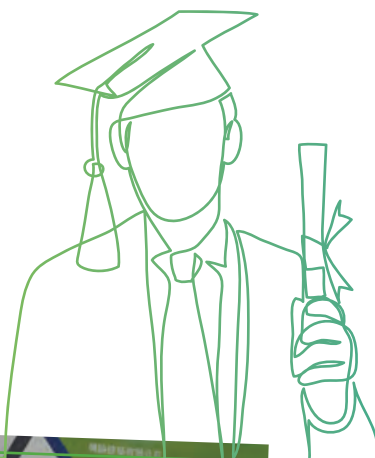
To secure our talent pipeline at different stages, we participate in annual recruitment fairs and career talks in local universities for hiring fresh graduates while promoting Hanison's employer brand.



Career talk at The Hong Kong Polytechnic University



Graduate Engineers sharing at career talk



Recruitment fair at The City University of Hong Kong



Hong Kong Construction Association Young Member Society recruitment fair at The City University of Hong Kong



Recognition

Recognition of all kinds can boost employees' morale and sense of belonging.



Long service award presentation in the annual dinner



Christmas party



Game booths in the annual dinner





Well-being

Healthy and happy employees can increase and sustain their productivity at work and thus contribute to the company and business performance.



Soccer team



Basketball team



CIC Happy Run 2017



Bowling fun day



Yoga class



Health talk about smoking and stress



Health talk for construction site staff

HEALTH AND SAFETY

Site Fatality and Accident Rate

In 2016

Fatality Rate



0

Accident Rate (per thousand workers)



HCCL
7.97

HCL
10.88

* Figures include direct staff and subcontractors' workers

We recognise the importance of the health and safety that it is regarded as the highest priority in all operations. We continue to promote and raise the health and safety awareness among employees in the construction industry by various means such as participating in external trainings, seminars and competitions. By providing a favourable working environment, we are creating diverse workplaces that bring out the full potential of every employee.

We have been working towards our goal of zero fatality rate for year 2015 and 2016. This goal helps us to eliminate potential hazards across our businesses and in the construction industry.

We have been certified with OHSAS 18001 Occupational Health and Safety Management System since 2008 with half-yearly occupational health and safety audit carried out by Hong Kong Quality Assurance Agency (HKQAA), to adopt viable and proactive occupational health and safety practices initiated by the construction industry in Hong Kong.

Construction safety is crucial to our business. Providing a safe working environment for our employees is vital to the success of the company. We believe a comprehensive occupational health and safety management system can optimise the performance.



Occupational Health and Safety Practices



Morning exercise with safety briefing



Hazard identification activity



Top and senior management attend a safety conference



Bi-monthly corporate safety management committee chaired by directors



Bi-monthly internal safety and environmental meeting with site safety and environmental officers



Independent safety inspection by external safety consultant



Regular management safety and health inspection



Bi-annual safety audit



Health check – blood pressure monitoring promotion campaign



Medical examination scheme for construction workers

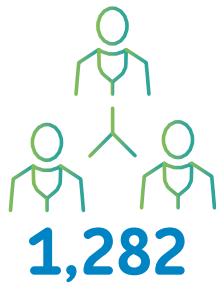
The Group cares about staff's health in head office. The air quality in head office is certified by Hong Kong Productivity Council and Environmental Protection Department of HKSAR Government that we obtained Excellent Class in 2016. HCHL also joined anti-smoking campaign organised by The Lok Sin Tong Benevolent Society, Kowloon for the first year, while HCCL was the third consecutive year to join the campaign to encourage smokers to quit smoking.



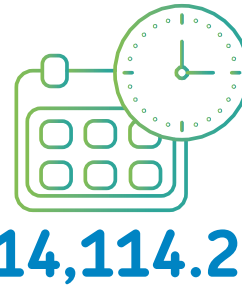
TRAINING AND DEVELOPMENT

In 2016

Number of trainees

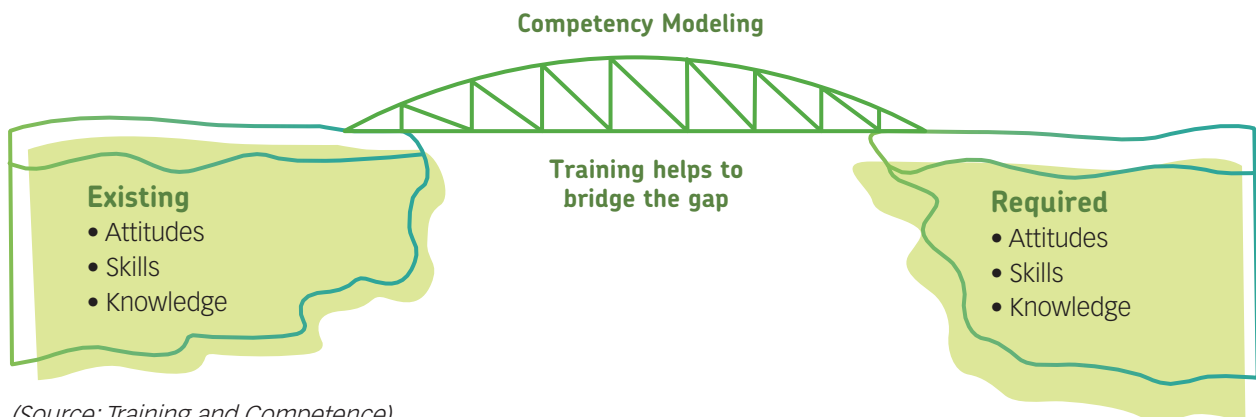


Number of hours of training received by employees



Talents nurture is an ongoing input in the whole talent pool. Being led by the Training Committee, the 'must' and required training and development programmes are scheduled, sourced, designed and delivered to target staff groups so as to meet continuing, just-in-time and foreseen needs. The needs are COMPETENCE comprising of Attitude, Skills, Knowledge (ASK).

Competency-based Training and Career Development



(Source: Training and Competence)

In addition to the current 3 streams of HKIE Scheme "A" training, namely Building, Building Services, and Structural Engineering, for newly recruited Graduate Engineer (GE), the company has developed a new in-house training and development programme, namely Hanison Foreman Training Programme in 2016.



Training Activities

- Construction Industry Council Apprentice Scheme Training
- Safety and Environmental Training
- Technical Skill Enhancement Training
- Others



Building Information Modelling (BIM) Training

Adoption of new construction technology has been a trend for more efficient and effective building projects management. BIM is one state-of-the-art technology being applied in the company.



BIM concept training



BIM application training on site



BIM software practical training





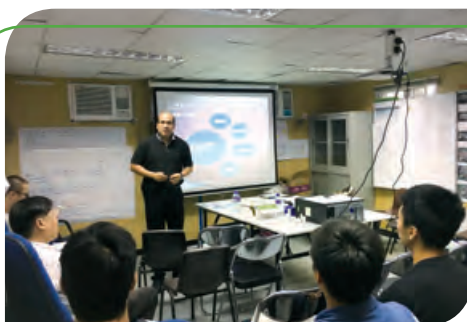
Crisis Management (CM) and Related Training



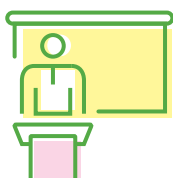
Crisis management training on sites



Crisis management drill – IT system breakdown



Prevention and handling of violence at workplace training on sites



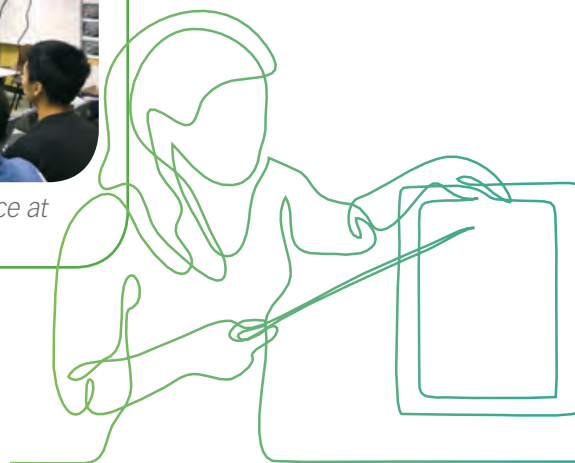
Other In-house Training



Preventing and managing sexual harassment at workplace training



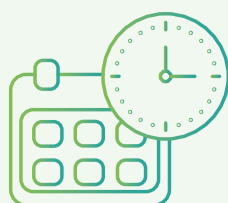
Human rights training for construction management teams



CASE STUDY - HANISON FOREMAN TRAINING PROGRAMME (HFTP)

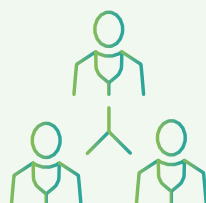
Figures

Programme Total
Training Hours



78.75

Number of Trainees



42

Number of Internal
Trainers



15

Site Visits



3

HFTP has been launched in 2016 in order to attract new blood from young generation and develop them in foreman career for meeting our internal manpower needs and future succession. This is a competence-based training programme for newly recruited Foreman Assistant and Assistant Foreman. All courses are designed and conducted by our internal professional and qualified teams who are the Subject-Matter-Experts (SME) in each identified competence within the whole syllabus of HFTP.

The programme covers different aspects of site works including safety, environment, quality, energy, building services, and specific topics such as underground utilities etc. Participants learn relevant concepts and theories in classes. Then, they are guided by tutors to observe the reality at sites. Finally, they are required to apply what they have learnt at work. The overall feedback from participants is positive indicating that the training programme can help our staff understand the full picture of construction workflow, practical knowledge and skills of different site works.



PROGRAMME HIGHLIGHTS



Technical concept and basic knowledge shared by in-house subject-matter-experts



Environmental aspects monitoring at site



Safety aspects monitoring at site



Quality check for building construction

SHARING FROM TRAINEES

“ I think the programme widens my exposure and teaches me to consider the work process in long-term and analyses things with full picture. It helps me enhance my construction knowledge. ”

Ronson Yuen, Assistant Foreman



“

I can apply the knowledge learnt from training in real working environment, which I think the regulations, procedure requirement and quality standard of material check are useful for me. The speakers are professional and well-prepared, that I like the tutors who used site examples to illustrate safety issues. ”

Mark Ng, Foreman Assistant

“

This programme enhances my basic construction knowledge; each and every part can help my work a lot. After joining the programme, I notice and am aware of many minor actions even trivial but in fact are important for the whole. For example, I learnt the water-proof works should be done properly before installing the windows, which I was not aware in the past. ”

Hung Kwok Ping, Foreman Assistant



Environment

"Hanison follows a strict protocol as part of the Integrated Management System (IMS) Policy and Environmental Management System (EMS) in accordance with ISO Standard 14001. It is to support protecting of natural environment and resources, combating climate change, preserving the biodiversity and ecosystem functions programmes have subsequently been developed and reviewed half yearly to assist in achieving our objectives and targets."

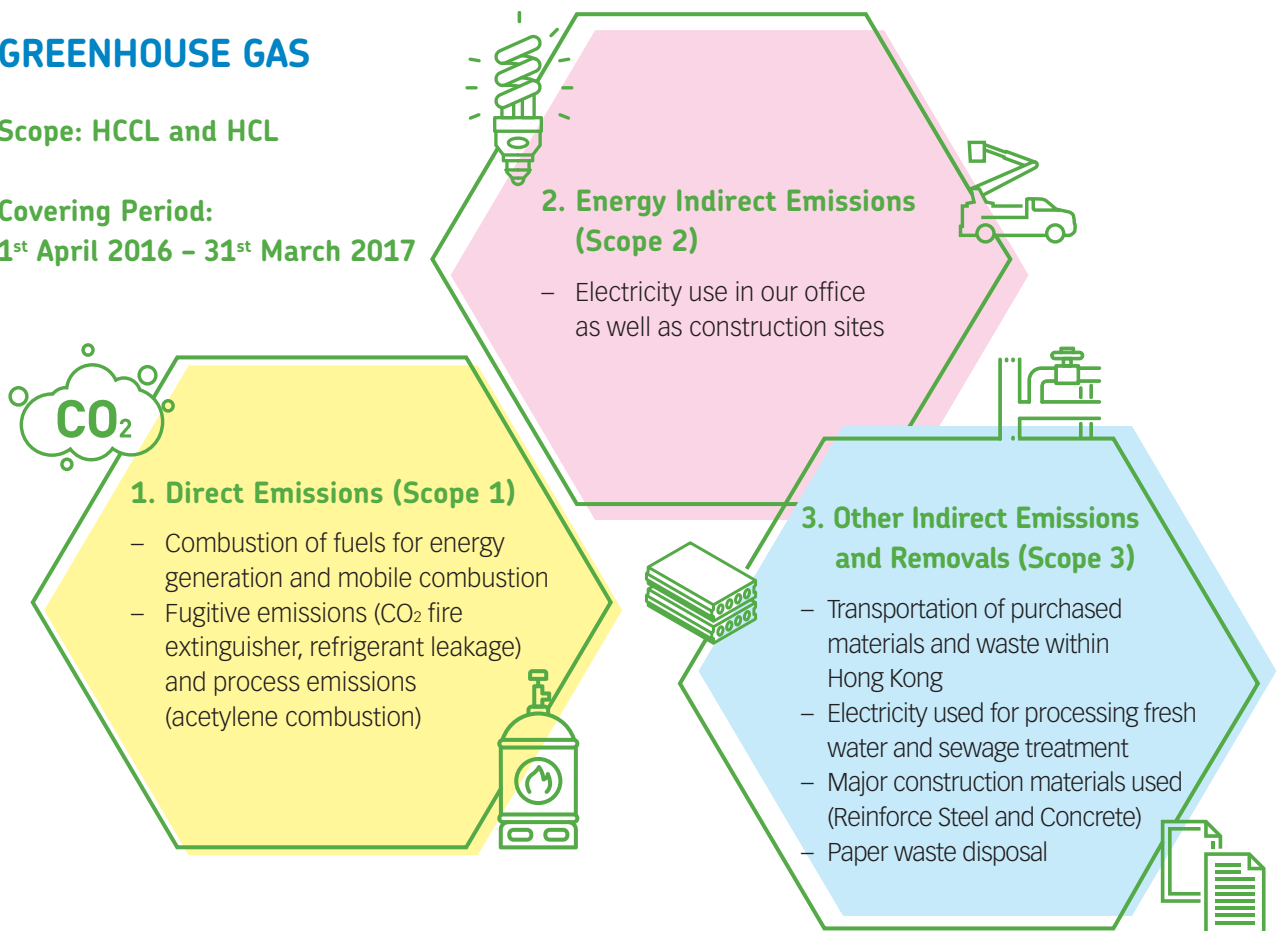


GREENHOUSE GAS

Scope: HCCL and HCL

Covering Period:

1st April 2016 – 31st March 2017

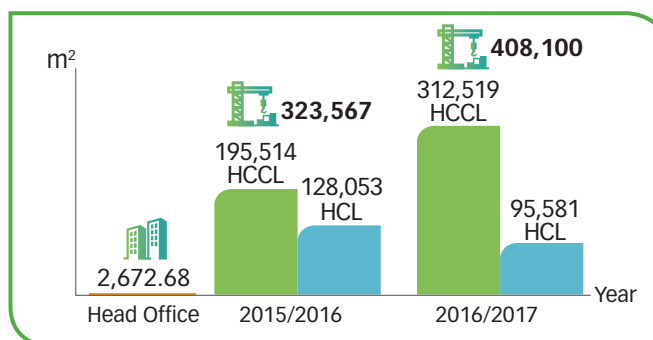


Type of GHG (Scope 1)	CO ₂	CH ₄	N ₂ O	PFC	HFC	SF ₆	Total Direct GHG Emissions
Direct GHG Emissions (in tonnes of CO ₂ e)	1,686.11	0.626	15.332	0	0	0	1702.07

GHG Emission Sources (Scope 2)	Imported Electricity	Imported Heat	Imported Steam	Total Energy Indirect GHG Emissions
Energy Indirect GHG Emissions (in tonnes of CO ₂ e)	1,910.11	0	0	1,910.11

GHG Emission Sources (Scope 3)	Construction Site	Other Emissions	Total Energy Indirect GHG Emissions
Other indirect Emissions (in tonnes of CO ₂ e)	40.226	350.100	390.326

Construction Floor Area



WASTE MANAGEMENT

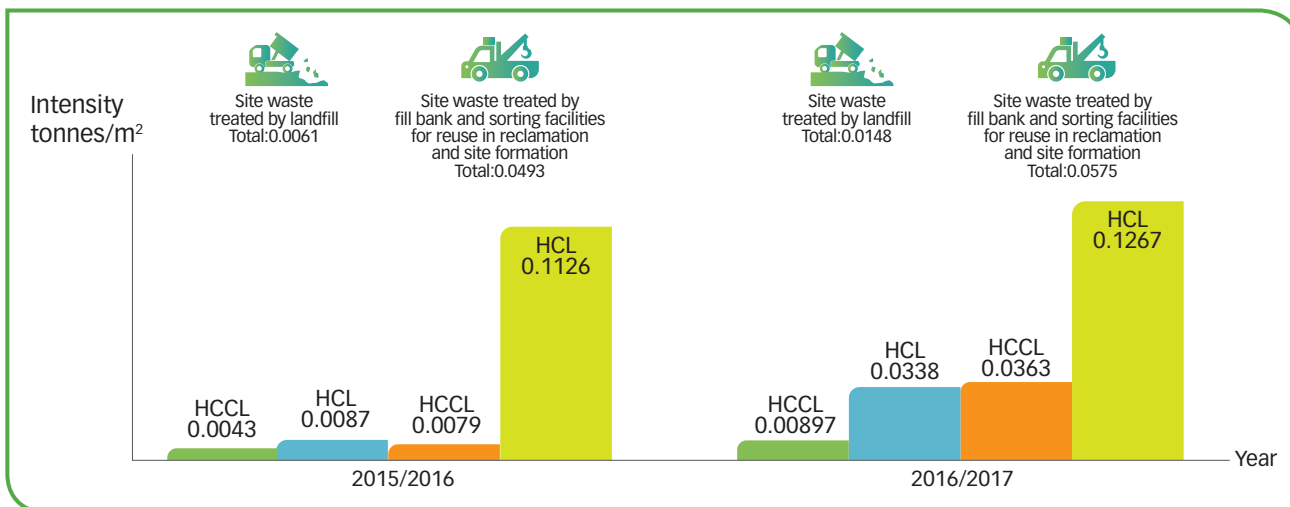
Wastes are well managed on-site. Waste handling, transportation and disposal procedures are implemented to ensure waste management process is both environmentally acceptable and in full compliance with statutory and contractual requirements.

Prior to work commencement, there is on-site sorting and segregation system for construction and demolition waste. Inert and non-inert waste are identified before any disposal. Materials at source will be sorted into the following categories: hard rock and large broken concrete suitable for reuse on the site or recycling at a designated location; metals, paper and plastics, waste timber, waste concrete, chemical waste, inert and non-inert waste suitable for disposal at public fill reception facilities and landfills.

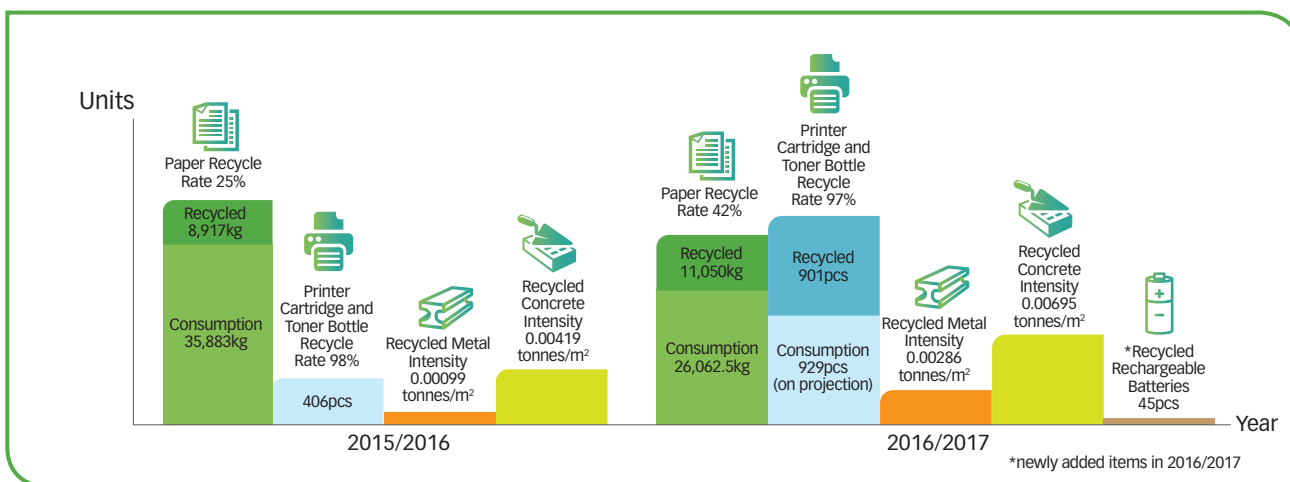
Environmental Operational Control Procedure was set up for hazardous waste handling, which may be produced during construction process. All construction sites are registered as a Chemical Waste Producer from Environmental Protection Department, proper labelling, packaging, storage and disposal of chemical waste are done on construction sites.

Chemical waste such as paint cans and fluorescent lamps can be recycled, to reduce the environmental risk from improper disposal of these lamps as well as recovering resources.

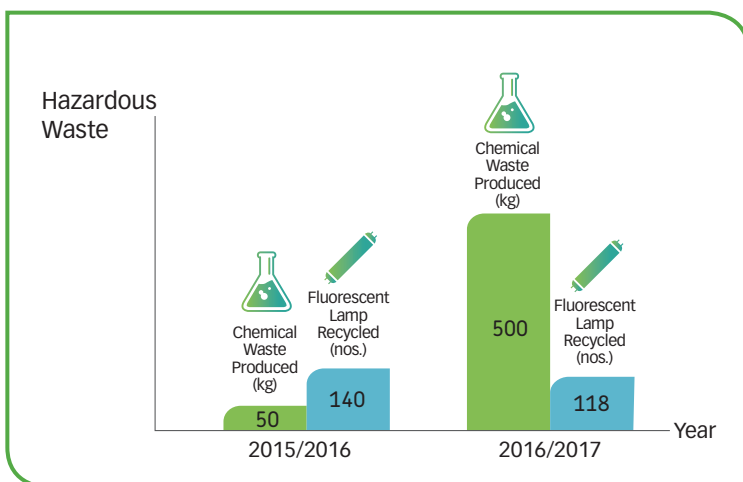
Data of Non-hazardous Waste Produced and Recycled



Data of Recyclable Waste Collected



Data of Hazardous Waste Produced and Recycled

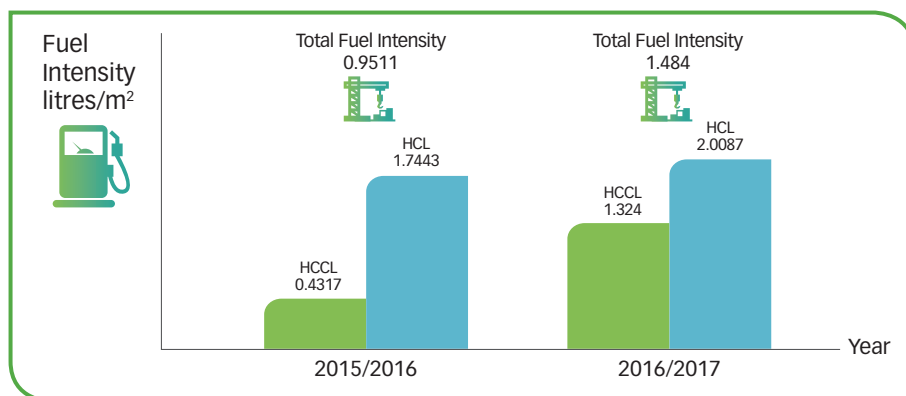
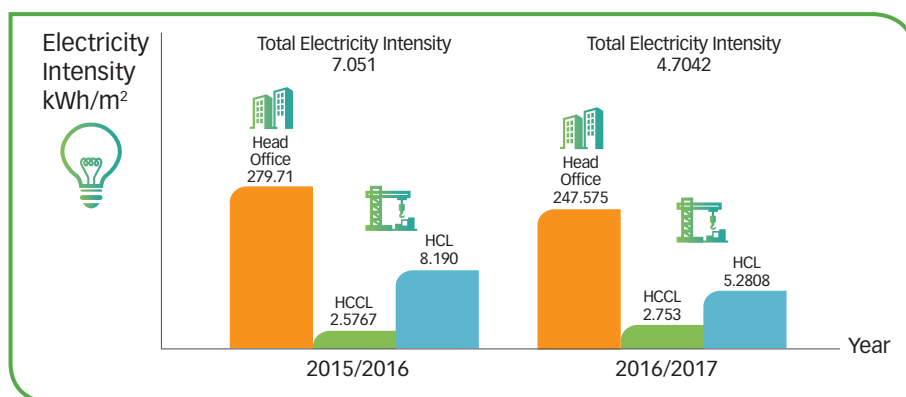


ENERGY

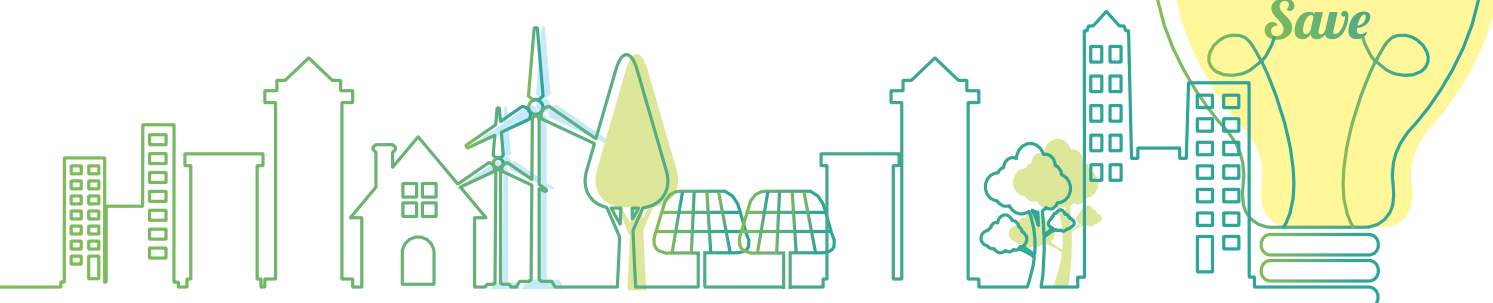
HCCL and HCL are awarded with the ISO Standard 50001 Energy Management System (EnMS) certification applicable to: (1) the construction of buildings; (2) construction of site formation, roads and drainage and foundation works; (3) building activities to keep, restore and improve the facilities of buildings and surroundings. The energy management system is implemented with annual review to assist in achieving our energy saving objectives and targets.

The significant energy consumption areas are electricity and fuel used by our office and construction sites, daily operation (plant and machine). Both areas are selected for being monitored with consumption data so as to control for energy saving.

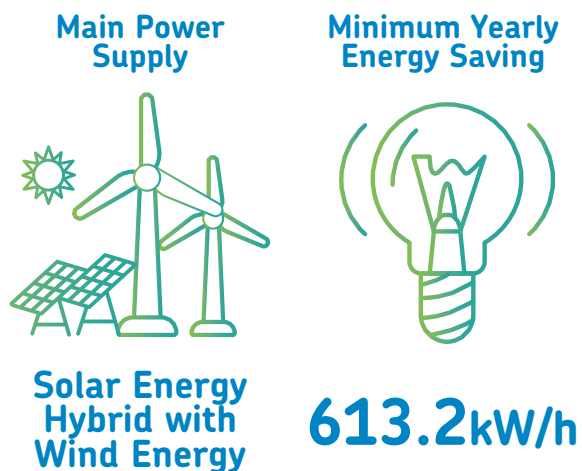
Energy Consumption Data



To penetrate energy saving practices in our daily operations, we adopt a series of green initiatives and renewable energy application.



Energy Saving Measures



Renewable energy (solar and wind) for lighting system

Sheung Shui Choi Yuen Road Public Housing Development Project won the Green Initiatives Awards for the period of May to November 2016. One of their initiatives in saving power is the renewable energy lighting system.

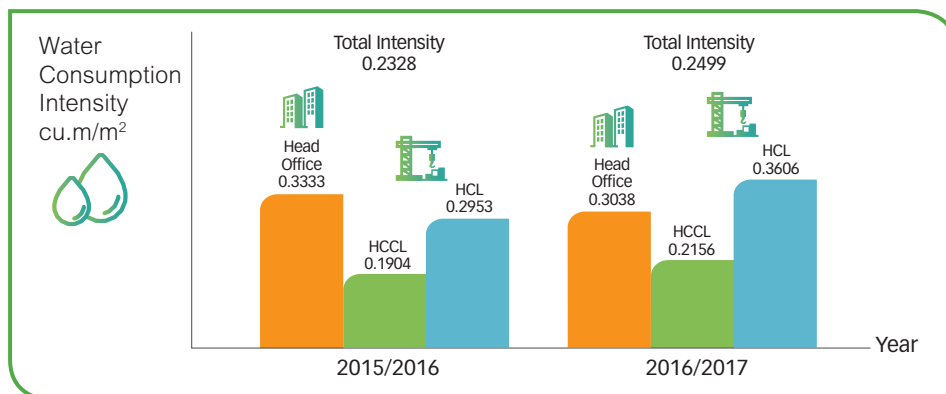
The system is designed to provide a renewable source of energy for approximately 100m long hoarding lighting. The system is capable of charging electricity and switching power supply between the system and the permanent electricity supply.

WATER

In compliance with the Water Pollution Control Ordinance, wastewater generated from construction activities such as surface run-off, concreting cleaning, site toilet must be treated by wastewater treatment facilities.

We adopted various water saving initiatives, such as installing water saving device, posting label at office to remind staff saving water. At construction sites, some sites use recycled water for planting, washing floors or vehicles to control dust level.

Water Consumption Data



ENVIRONMENTAL MANAGEMENT INITIATIVES (CONSTRUCTION OPERATIONS)



Waste recycling facility



Packaging materials (cardboard) recycling



Concrete recycling



Solar energy light for water barriers



Renewable energy water heater system



Food waste composter





Noise barrier



Noise enclosure for generator



Wastewater treatment facility



Construction site greening



Renewable energy lighting system

CASE STUDY -

FO TAN LOK LAM ROAD RESIDENTIAL REDEVELOPMENT PROJECT

The Group welcomes innovation and suggestion for the improvement on environmental areas. Participation of environmental performance assessment by external professional bodies can



Fo Tan Project won the Outstanding Environmental Management and Performance Award – merit in non-public works in 22nd Considerate Contractors Site Award Scheme

encourage sites to improve and understand the international standard or common trend. The awards from external parties recognise our staffs' effort and motivate us to have progressive improvement.



Fo Tan Project as "Green Initiatives Award" winner for December 2015 to May 2016

Achievement of Good Environmental Performance

	Green Initiative	Achievement
A) Environmental Nuisances Abatement	<ul style="list-style-type: none"> Dust Suppression Noise Monitoring 	<ul style="list-style-type: none"> No Complaint Received Noise Level < 70 dB(A)
B) Environmental Conservation	<ul style="list-style-type: none"> Wastewater Recycling System 	<ul style="list-style-type: none"> Save 20% Total Use of Construction Portable Water
C) Green Purchasing	<ul style="list-style-type: none"> Qualify for Green Building Credits with Certified Wood-FSC (Forest Stewardship Council) 	<ul style="list-style-type: none"> 100% Use of Construction Period
D) Waste Management	<ul style="list-style-type: none"> Reduction of Concrete Wastage by Forming Concrete Blocks 	<ul style="list-style-type: none"> 100% Recycle Rate of Concrete Wastage

Adopted Innovative Environmental Strategies, Installations and Measures

- 1) Energy monitoring system for the site office, tower crane and material hoist
- 2) Double-layer canopy for noise reduction and dust suppression
- 3) Water spray system with timer for dust suppression
- 4) Solar mosquito killers and lightings at hoarding



Energy monitoring system to help reduce the energy consumption

Community

HIGHLIGHTED FIGURES



Volunteers

 **42**
Staff

 **14**
Staff Family Members and Friends

 **1**
Subcontractor



Service Hours

 **281**
Staff

 **83**
Family

 **3**
Subcontractors



Financial Donation and Sponsorship
\$113,140



In-kind Donation

 **400pcs**
Towels

Old Items

 **48kg**
Clothes

 **32kg**
Toy

 **94kg**
Small Household Items

 **30kg**
Books

Home Maintenance Items



Light Switches/Power Cables/Faucets/Toilet Board **\$2,450**

Partner NGOs/Schools

 **9**



Hanison's 5 principles in community investment:



FOCUS – Align with our corporate values



BUSINESS – Utilise our business strength to map with social needs



LOCAL – Target small local community near our business



ENGAGEMENT – Engage our staff/subcontractors/clients



PARTNERSHIP – Partner with NGOs/neighbours

VOLUNTEERING

In 2016/2017, Hanison Group has further invested in community in terms of manpower, financial or in-kind supports, types and quantity of services. There were 8 services organised with a total of 57 corporate volunteers including staff, staff family members and friends, and subcontractors having contributed 367 service hours. We have partnered with several NGOs and jointly organised charity programmes serving elderly, children and youth, underprivileged, and schools.

TWGHs Wong Cho Tong Elderly Home visit



Volunteers played games with elderly





The Lok Sin Tong Benevolent Society Kowloon elderly visit

There were 3 visits to elderly home and public housing estates organised by Tung Wah Group of Hospitals, Senior Citizen Home Safety Association, and The Lok Sin Tong Benevolent Society Kowloon.



Staff and their family members joined the service



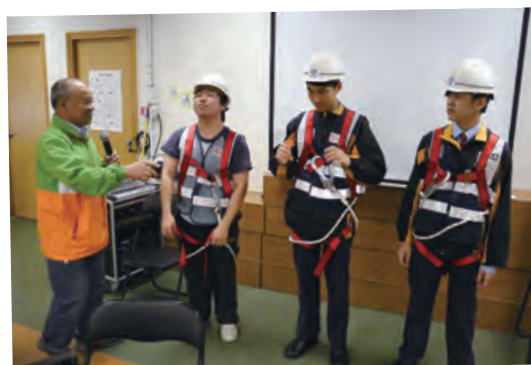
Senior Citizen Home Safety Association elderly visit



Hong Kong Playground Association special education need (SEN) students outdoor activity

For children and youth, an outdoor barbeque was jointly organised with the Hong Kong Playground Association for 9 primary students with special education need (SEN). Programmes were set by the registered social workers to train SEN students in discipline and emotion control.

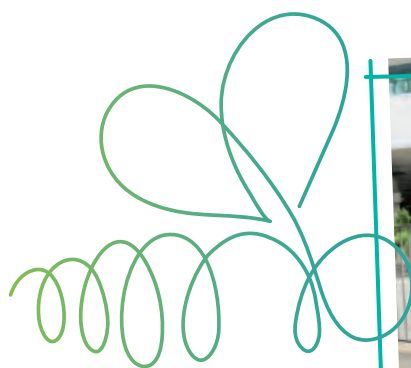




Students experienced personal safety equipment in workshop

We joined Young Entrepreneurs Development Council "School-Company-Parent Programme" 2016/2017 and partnered with Chi Lin Buddhist Secondary School

Meanwhile, the Group also joined the School-Company-Parent Programme for the first time, which was organised by Young Entrepreneurs Development Council (YEDC). The Group has nominated 5 Company Ambassadors to attend pre-service training before the programme started, and then coordinated with teachers for preparing workshops for 24 Form 5 students within 6 months. Our staff shared about the construction industry, company background, and job interview skills so as to let students acquire hands on experience in organising event. We have been awarded "Great Entrepreneurial Spirit" in the programme by YEDC.



The Lok Sin Tong Benevolent Society Kowloon flag selling activity



Staff volunteers helped flag selling

DONATION AND SPONSORSHIP

A total of HK\$113,140 donation and sponsorship was made to various NGOs, associations and identified groups. It was the third consecutive year for Hanison Group to sponsor staff and their family members to join UNICEF Charity Run and the second year to join MSF Orienteering respectively. In addition, we have also made donation to The Lok Sin Tong Benevolent Society Kowloon via joining walkathon and flag selling day. We donated to St. James Settlement Food Bank via sponsoring Chinachem Eco-walk, and Senior Citizen Home Safety Association for the first time in 2016/2017.



Sponsorship for Chinachem Eco-walk as a donation to St. James Settlement



The Lok Sin Tong Benevolent Society Kowloon Walkathon



Unicef Charity Run 2016



MSF Orienteering Competition 2017

SITE COMMUNITY RELATIONS

Under the Group's CSR Committee direction and strategic plan, we treasure our relationship building with local community. Therefore, our head office and all construction sites have partnered with selected NGOs or schools nearby to carry out community investment programmes so as to contribute to different groups.



Project	Partner	Program
Fo Tan Lok Lam Road Residential Development Project	Stewards Pooi Kei Primary School	• Hoarding Art Gallery
Ho Man Tin Sheung Foo Street Residential Development Project	Tung Wah Group of Hospitals	• Enhanced Home Services • Elderly Home Visit
Shatin Shek Mun Public Housing Estate Phase 2 Development Project	HKBU Affiliated School Wong Kam Fai Secondary and Primary School	• Hoarding Art Gallery
Sheung Shui Choi Yuen Road Public Housing Estate Development Project	Hong Kong Children and Youth Services	• Making Rice Dumplings for Elderly



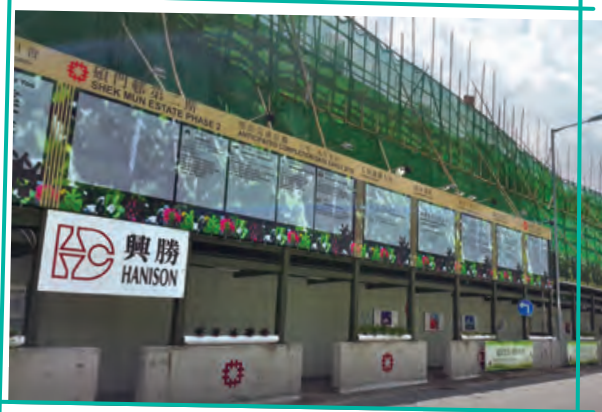
Prize presentation ceremony

Hoarding Arts Gallery activity at Fo Tan Residential Development Project with Stewards Pooi Kei Primary School



Shek Mun Public Housing Estate Phase 2

Apart from community investment programmes, our construction sites will assign staff to handle public enquiries or complaints. For example, we have a Project Ambassador for Shatin Shek Mun Public Housing Estate Phase 2 Development Project. The Project Ambassador keeps in touch with residents, the estate management office, and schools nearby to update them about our project progress. He has to liaise with them regularly to address their concerns and maintain good neighborhood. The Shek Mun Estate site had respectively delivered red packet envelopes before Lunar New Year and fruits before Mid-Autumn Festival to Shek Mun residents as seasonal greetings.



Hoarding Arts Gallery



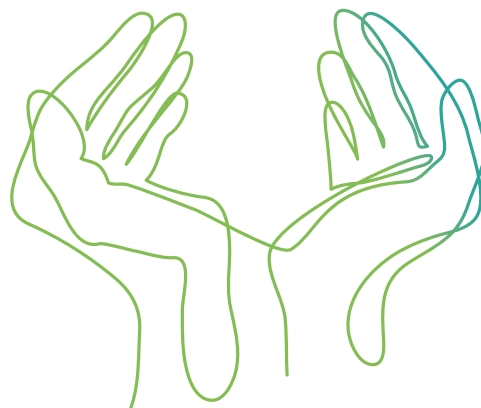
Presentation ceremony for HKBU Affiliated School Wong Kam Fai Secondary and Primary School students



60 university students and professor in Engineering Faculty of The City University of Hong Kong visited Shek Mun project



Deliver fruits in Mid-Autumn Festival



Deliver red packet envelopes in Lunar New Year to residents near Shek Mun Estate project

SOCIAL ENTREPRISE PARTNERSHIP

The Group welcomes partnership with social enterprises which can provide excellent services to enhance our business operation. The Group has appointed Gingko House, a social enterprise to encourage elderly employment, as staff messing service provider since 2013. In 2016/2017, we firstly invited YM balloon, a social enterprise which employs people with hearing impairment and trains them as professional specialist in balloon arts, to make balloon arts for staff and guests in the Annual Dinner 2017.



YM Balloon Booth

CASE STUDY -

TWGHs ENHANCED HOME SERVICE

Hanison Group's construction division has joined Enhanced Home Services organised by Tung Wah Group of Hospitals (TWGHs) for the first time since April 2016. The service targeted people with difficulty in physical movement that they included elderly, physically-disabled, and long-term patients. Ho Man Tin Sheung Foo Street Residential Development Project was the pioneer site to join, and helped the target group who lived in Ho Man Tin area.

We had organised 2 services in April and November 2016 respectively. A total of 26 staff and subcontractors' employees joined the team serving 12 cases at Ho Man Tin Estate, Oi Man Estate, and Chun Man Court. With the support from HCCL's Plant Maintenance and Warehousing Team and Ho Man Tin Project site colleagues, we helped to fix and replace the damaged or poor-functioning water pipes, sinks, faucets, toilet seats in kitchens and washrooms, as well as repairing electric wires, switches or lights.



Volunteer taught elderly how to use the electrical appliances



Volunteers were fixing air-conditioner parts



Happy face with beneficiary

In-kind Sponsorship

Some of the Sponsored Items



Glass



Light Switch



Toilet Board



Faucet



Socket

FEEDBACK FROM STAFF

“Volunteer service is meaningful. I am glad that I can help the needy on behalf of the company for the first time.”

Man Chi Pan, Senior Mechanic



“I am impressed by the old lady's happiness. It is a meaningful event because I can help people in need.”

Kwong Wai Yip, Mechanic

FEEDBACK FROM TWGHS

“Positive feedback is received in general. Staffs agree that this service could really help the deprived elders.”

FEEDBACK FROM BENEFICIARY

“It is great to receive help from the skillful people from Hanison.”

“The volunteers are friendly and helpful.”

“They have done a good job for me. Appreciated!”

“I am impressed that they have done a decent work.”

“I really appreciate that they did provide home maintenance for free. Very touching!”



Volunteer helped to check the condition of electrical appliances

Awards And Recognition

2017



April

Hanison Construction Holdings Limited
Hanison Construction Company Limited

- Hong Kong Productivity Council Happy Company 2017



March

Hanison Construction Holdings Limited

- Medicine San Frontier International Orienteering 2017 "Top 10 Most Supporting Organisations"

June

Hanison Construction Company Limited

- Excellent Class of Indoor Air Quality Certificate Scheme in 2016



March

Hanison Contractors Limited
Fo Tan Lok Lam Road Residential Development Project Construction Industry Safety Award Scheme 2016/2017

- Silver Prize in the Building Sites (Private Sector) Category
- Merit Prize in Safety Team Category



March

Hanison Construction Holdings Limited
Hanison Construction Company Limited

- Hong Kong Council of Social Services Caring Company

May

Hanison Construction Holdings Limited

- Hong Kong Quality Assurance Agency CSR Advocate



June

Hanison Construction Company Limited

- Senior Citizen Home Safety Association Community Engagement Award



March

Hanison Interior & Renovation Limited (HIRL) –
Takan Lodge Renovation Project

- Occupational Health and Safety Council "Joyful @ Healthy Workplace Best Practices Award – Excellence Award" under "Branch/ Small and Medium Enterprise (SME) Category"



February

Million Hope Industries Limited

- China Vanke Outstanding Quality Award 2016

2016

December

Hanison Construction Company Limited

- Hong Kong Construction Association
Hong Kong Construction Environmental
Award – Merit 2015



October

Hanison Estate Services Limited, Hanison Interior and Renovation Limited, Trigon Building Materials Limited, Retailcorp Limited, Collezione Wine Cellars Limited, and Hantex Engineering Limited

- "2015/16 Good MPF Employer"



May

Hanison Contractor Limited
Fo Tan Lok Lam Road Residential
Development Project

- 22nd Considerate Contractors Site Award
– Silver in non-public works –
new works (Group B)
- Outstanding Environmental
Management & Performance Award –
Merit in non-public works –
new works (Group B)

Yau Tong Tung Yuen Street Residential
Development Project

- 22nd Considerate Contractors Site Award
– Merit in non-public works –
new works (Group B)



Certificates

HONG KONG CERTIFICATION SERVICES INTERNATIONAL LIMITED

ISO 50001:2011 Energy Management System



**Hanison Construction
Company Limited**
2013

ISO 50001:2011
Certificate No.: CC 468



**Hanison
Contractors Limited**
2013

ISO 50001:2011
Certificate No.: CC 469

HONG KONG QUALITY ASSURANCE AGENCY

OHSAS 18001:2007 Occupational Health and Safety Management System



**Hanison Construction
Company Limited**
2007

OHSAS 18001:2007
Certificate No.: CC 3496



**Hanison
Contractors Limited**
2007

OHSAS 18001:2007
Certificate No.: CC 3497

HONG KONG QUALITY ASSURANCE AGENCY

ISO 14001:2004 Environmental Management System



**Hanison Construction
Company Limited**
2002

ISO 14001:2004
Certificate No.: CC 2269



**Hanison
Contractors Limited**
2002

ISO 14001:2004
Certificate No.: CC 2270

HONG KONG QUALITY ASSURANCE AGENCY

ISO 9001:2008 Quality Management System



**Hanison Construction
Company Limited**
1995

ISO 9001:2008
Certificate No.: CC 314



**Hanison
Contractors Limited**
1998

ISO 9001:2008
Certificate No.: CC 1270

1) MATERIALITY ANALYSIS ASSESSMENT IN 2016/2017

		Internal Assessment	External Assessment
Area A	Environmental		
Aspect A1	Emission		
KPI A1.1	The types of emissions and respective emissions data.	3	3
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	3	3
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	3	4
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	3	3
KPI A1.5	Description of measures to mitigate emissions and results achieved.	2	3
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	4	4
Aspect A2	Use of Resources		
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity.	3	3
KPI A2.2	Water consumption in total and intensity.	3	3
KPI A2.3	Energy use efficiency initiatives and results achieved.	3	3
KPI A2.4	Issues in sourcing water, water efficiency initiatives and results achieved.	2	3
KPI A2.5	Total packaging material used for finished products.	0	3
Aspect A3	Environment and Natural Resources		
KPI A3.1	Significant impacts of activities on the environment and natural resources and actions taken to manage them.	3	3
Area B	Social		
Aspect B1	Employment		
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	4	3
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	4	3
Aspect B2	Health and Safety		
KPI B2.1	Number and rate of work-related fatalities.	5	4
KPI B2.2	Lost days due to work injury.	5	3
KPI B2.3	Occupational health and safety measures adopted, how they are implemented and monitored.	5	3
Aspect B3	Development and Training		
KPI B3.1	Percentage of employees trained by gender and employee category.	4	3
KPI B3.2	Average training hours completed per employee by gender and employee category.	5	3
Aspect B4	Labour Standards		
KPI B4.1	Measures to review employment practices to avoid child and forced labour.	5	3
KPI B4.2	Steps taken to eliminate such practices when discovered.	5	3
Aspect B5	Supply Chain Management		
KPI B5.1	Number of suppliers by geographical region.	4	3
KPI B5.2	Practices relating to engaging suppliers, number of suppliers where practices implemented, how they are implemented and monitored.	4	3
Aspect B6	Product Responsibility		
KPI B6.1	Percentage of total products sold or shipped subject to recalls.	4	3
KPI B6.2	Number of complaints received and how they are dealt with.	4	3
KPI B6.3	Practices relating to observing and protecting intellectual property rights.	4	3
KPI B6.4	Quality assurance process and recall procedures.	4	3
KPI B6.5	Consumer data protection and privacy policies, how they are implemented and monitored.	4	3
Aspect B7	Anti-corruption		
KPI B7.1	Number of concluded legal cases regarding corrupt practices and the outcomes.	5	4
KPI B7.2	Preventive measures and whistle-blowing procedures, how they are implemented and monitored.	5	4
Aspect B8	Community Investment		
KPI B8.1	Focus areas of contribution.	5	4
KPI B8.2	Resources contributed.	5	4

* Rate the relevance/importance of the subject areas, aspects and indicators for your organisation on a scale from 0 to 5

Internal

- 0 – Not relevant
- 1 – Of little importance
- 2 – Somewhat important
- 3 – Important
- 4 – Very important
- 5 – Crucial

External

- 0 – Little importance
- 1 – Awareness amongst a few, but no real concern
- 2 – Broader awareness, but little concern
- 3 – Considerable concern amongst a minority
- 4 – Considerable concern amongst many
- 5 – High level of widespread concern

2) HKEx ESG REPORTING GUIDELINES INDEX

Area A Environmental		
Aspect A1 Emission		
KPI A1.1	The types of emissions and respective emissions data.	Greenhouse Gas p. 36-37
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 p. 36-37
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Data of Hazardous Waste Produced and Recycled p. 38
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Data of Non-Hazardous Waste Produced and Recycled p. 38
KPI A1.5	Description of measures to mitigate emissions and results achieved.	Environment p. 36-42
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Waste Management p. 38
Aspect A2 Use of Resources		
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Energy Consumption Data p. 39
KPI A2.2	Water consumption in total and intensity.	Water Consumption Data p. 40
KPI A2.3	Energy use efficiency initiatives and results achieved.	Environmental Management Initiatives p. 39-40
KPI A2.4	Issues in sourcing water, water efficiency initiatives and results achieved.	Water p. 40
KPI A2.5	Total packaging material used for finished products.	Not applicable since the finished products are buildings or projects
Aspect A3 Environment and Natural Resources		
KPI A3.1	Significant impacts of activities on the environment and natural resources and actions taken to manage them.	Environment p. 41-43
Area B Social		
Aspect B1 Employment		
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	People p. 22
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	People p. 22
Aspect B2 Health and Safety		
KPI B2.1	Number and rate of work-related fatalities.	Site Fatality and Accident Rate p. 27
KPI B2.2	Lost days due to work injury.	Site Fatality and Accident Rate p. 27
KPI B2.3	Occupational health and safety measures adopted, how they are implemented and monitored.	Occupational Health and Safety Practices p. 28-29
Aspect B3 Development and Training		
KPI B3.1	Percentage of employees trained by gender and employee category.	Training and Development p. 30
KPI B3.2	Average training hours completed per employee by gender and employee category.	Training and Development p. 30
Aspect B4 Labour Standards		
KPI B4.1	Measures to review employment practices to avoid child and forced labour.	Subcontractors p. 15 Compliance p. 17
KPI B4.2	Steps taken to eliminate such practices when discovered.	Subcontractors p. 15 Compliance p. 17
Aspect B5 Supply Chain Management		
KPI B5.1	Number of suppliers by geographical region.	Operating Practices p. 15
KPI B5.2	Practices relating to engaging suppliers, number of suppliers where practices implemented, how they are implemented and monitored.	Subcontractors p. 15-16
Aspect B6 Product Responsibility		
KPI B6.1	Percentage of total products sold or shipped subject to recalls.	Compliance p. 17
KPI B6.2	Number of complaints received and how they are dealt with.	Customers p. 17
KPI B6.3	Practices relating to observing and protecting intellectual property rights.	Compliance p. 17
KPI B6.4	Quality assurance process and recall procedures.	Customers p. 17
KPI B6.5	Consumer data protection and privacy policies, how they are implemented and monitored.	Customers p. 17
Aspect B7 Anti-corruption		
KPI B7.1	Number of concluded legal cases regarding corrupt practices and the outcomes.	Nil reported case
KPI B7.2	Preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Compliance p. 17
Aspect B8 Community Investment		
KPI B8.1	Focus areas of contribution.	Community p. 45-51
KPI B8.2	Resources contributed.	Community p. 44



GHG Verification Statement: VC 001/2017

The inventory of greenhouse gas emission in the reporting period from 1st April 2016 to 31st March 2017 of

Hanison Construction Company Limited, Hanison Contractors 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:	1702.69 Tonnes of CO ₂ e
Energy Indirect GHG Emissions:	1910.11 Tonnes of CO ₂ e
Other Indirect GHG Emissions	390.33 Tonnes of CO ₂ e
Total GHG Emissions:	4003.13 Tonnes of CO ₂ e

Verified by

07 July 2017

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





VERIFICATION STATEMENT

Scope and Objective

Hong Kong Quality Assurance Agency (HKQAA) has been commissioned by Hanison Construction Holdings Limited (HCHL) to conduct an independent verification of its Corporate Social Responsibility Report 2017 (herein referred to as "the Report"). The Report stated the sustainability performance of the construction division of HCHL, mainly Hanison Construction Company Limited (HCCL) and Hanison Contractors Limited (HCL), and efforts towards sustainable development for the period from 1st April 2016 to 31st March 2017.

The aim of this verification was to provide assurance on the completeness and accuracy of the information stated in the Report. The Report covers the Key Performance Indicators that defined in The Stock Exchange of Hong Kong Limited's (SEHK) Environmental, Social and Governance Reporting Guide (ESG Reporting Guide).

Independence

HKQAA was not involved in collecting and calculating data, or in the development of the Report. HKQAA's verification exercises are independent from HCHL. There is no relationship between HCHL and HKQAA beyond the contractual agreement for providing the verification service.

Methodology

The verification process included reviewing of relevant documentation, interviewing responsible personnel with accountability for preparing the reporting contents and verifying the selected representative sample of data and information. Raw data and supporting evidence of the selected samples were thoroughly examined.

Conclusion

Based on the outcome of the verification process, it is opined that the Report covers the Key Performance Indicators of the ESG Reporting Guide.

The information presented in the Report provided a structured, balanced and consistent representation of the sustainability performance of HCHL in the context of sustainable development. We are satisfied that the Report includes factual statements and the data contained within the Report is accurate and reliable. It is a fair and honest representation of HCHL's initiatives, targets, progress and performance on its sustainable development achievements.

Signed on behalf of Hong Kong Quality Assurance Agency

A handwritten signature in black ink, appearing to be 'P. C. Chan', is written over a faint, stylized background graphic.

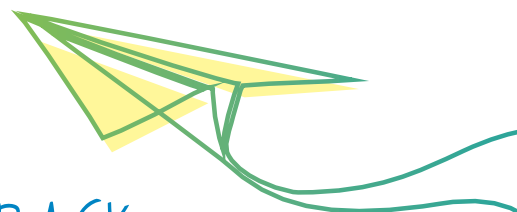
P. C. Chan

Chief Operating Officer
28 August 2017

ONLINE REPORT



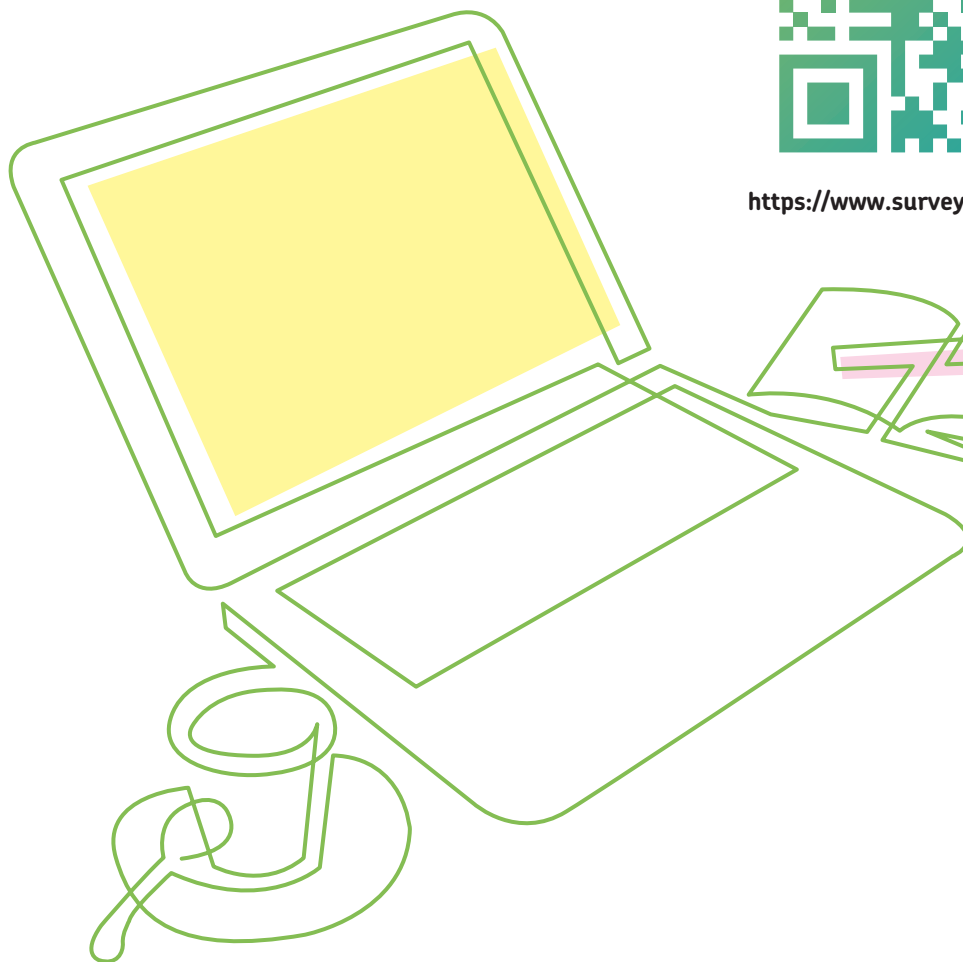
<http://www.hanison.com/eng/CSR/Reports.aspx?sm=c18>



FEEDBACK ON THIS REPORT



<https://www.surveymonkey.com/r/2JHWRJY>





Hanison Construction Holdings Limited
www.hanison.com

Tel: 2414 3889
Fax: 2415 2080
Email: general@hanison.com
Address: Unit 1, 4/F, Block B, Shatin Industrial Centre,
5-7 Yuen Shun Circuit, Shatin, N.T., Hong Kong

