



Corporate Social  
**Responsibility**  
**Report**

2015-2016





## VISION

To be a renowned, creative and socially responsible building contractor of choice in Hong Kong.



## Excellence

Continuous quality improvement



## Professionalism

Expertise with reliability



## Integrity

Honesty and respect



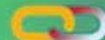
## Teamwork

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



## Care

Care our people, clients, and community

## MISSION

- Provide quality products and service with continuous improvement and innovation.
- Serve our clients with professionalism and build with "heart".
- Grow with our community in sustainable manner.
- Develop our employees via job satisfaction and career development.



## VALUES





## 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.



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## COMPANY PROFILE

Hanison Construction Company Limited (HCCL) and Hanison Contractors Limited (HCL) are wholly-owned subsidiaries of Hanison Construction Holdings Limited (HCHL). As the holding company, Hanison Construction Holdings Limited (HCHL) was incorporated in the Cayman Islands in September 2001 and was publicly listed on The Stock Exchange of Hong Kong Limited in January 2002 (Stock Code: 896). It is based in Hong Kong and is the holding company of the Group (comprising the Company and its subsidiaries).

As construction business is the initial and principal business of HCHL, HCCL and HCL are the leading companies established in HCHL in 1989. Since the first building project of constructing an 8-storey commercial and residential complex in Discovery Bay, Hanison has been being involved in both public and private constructions in the territory of Hong Kong.



*Choi Tak Estate*

Hanison Construction Company Limited (HCCL) is an approved contractor in works for HKSAR government departments. HCCL and HCL are both registered with the Buildings Department in Hong Kong as registered general building contractors and specialist contractors in the foundation and site formation class. Both companies are proficient in community infrastructure, site formation, "design and build" projects, road and drainage works. On top of government projects, customers include NGOs and well-known listed corporations.

## COMPANY PROFILE



*China Aircraft Services Limited  
Aircraft Maintenance Hanger*

With passion, professionalism and profound experience, Hanison Group has established a notable goodwill in local construction industry as a quality builder. Until now, construction business still lodges the greatest revenue in the Group's business, and the primary business in Hanison.

On the other hand, HCHL engages in other businesses including interior and renovation works, supply and installation of building materials like curtain walls, property development, property investment, property agency and management, health products.





## MANAGING DIRECTOR'S MESSAGE



At Hanison, we uphold our values and imply them in our daily business operations. As a corporation while developing our corporate social responsibility (CSR) at the beginning stage, Hanison keeps on sustainable development and improving our CSR performance in spite of the fact that construction industry has encountered various challenges in the past years and even years ahead.

In view of strong demand for private apartments and public housing in the territory of Hong Kong, there has been continual growth in Hanison's construction business since 2011. However, we face ongoing increase of staff cost that salary and wages have risen in recent years because of war for talents including experienced professionals and new entrants in the industry. And there is still a gap between manpower supply and demand in the industry. On the other hand, in the previous financial year, local economy has experienced downside due to political, social, economic instability and other worries. In construction industry, we even came across tightened contract requirements especially in public housing projects. Additional cost has thus been added to main contractors.

To respond to these challenges, Hanison Construction Company Limited (HCCL) and Hanison Contractors Limited (HCL) have offered competitive remuneration and launched numerous training programmes to

our employees for attraction, retention and talent development. To attract more new blood to join construction industry, Hanison has moved further in our training and development direction. In 2015, there were totally 11 new graduates joining the Engineering Graduate Training Scheme "A" in Building Services, Building, and Structural disciplines which have been approved by The Hong Kong Institute of Engineers in recent 2 years. Besides, we have offered internships to a group of IVE students under the "Industrial Attachment and Industry – Based Student Project Scheme" in 2015 and 2016. Moreover, a total of 11 students of Vocational Training Council have worked in HCCL and HCL; 2 of them have become our full-time employees after graduation.

In 2015/2016, Hanison continues focusing on promoting "Green" as a mean for environmental protection in our construction projects. To encourage construction site teams to generate innovative ideas and recognise their effort and contribution, we have launched "Green Initiatives Award Scheme" rewarding site teams for their successful implementation of self-initiated green innovation. Apart from sustaining the existing community projects, Hanison has explored and attempted various chances to engage staff and community. With the new establishment of corporate volunteer team, it is expected to bring tripartite relation and benefits to our company, staff, and community in long run.

Our continual efforts in implementing corporate social responsibility have been being so far supported and recognised by our senior management, employees of all levels, clients, subcontractors, suppliers, shareholders, community, and other stakeholders. Looking forward, Hanison will continue to grow and contribute in CSR and improve our performances to climb to next upper level.

**Wong Sue Tao, Stewart**  
Managing Director



## PROJECTS HIGHLIGHTS

COMMENCE IN  
2015/2016



### **Shatin Shek Mun Estate Phase 2 Public Housing**

Commencement Date:  
30<sup>th</sup> October 2015  
Client: Hong Kong  
Housing Authority



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

Commencement Date: 13<sup>th</sup>  
April 2015  
Client: Civil Engineering and  
Development Department

### **Ho Man Tin Sheung Foo Street Residential Development**

Commencement Date:  
14<sup>th</sup> August 2015  
Client:  
Easy Merit Holdings Limited  
(under Wheelock Properties  
(Hong Kong) Limited)



## PROJECTS HIGHLIGHTS

IN  
PROGRESS  
IN 2015/2016**Kowloon Tong  
Inverness Road  
Residential  
Development**

Commencement Date:  
6<sup>th</sup> February 2014  
Client: Panatiff Limited  
(under ChinaChem  
Group)

**Yau Tong Tung  
Yuen Street  
Residential  
Development**

Commencement Date:  
22<sup>nd</sup> April 2014  
Client: Framenti  
Company Limited  
(under Wheelock  
Properties (Hong  
Kong) Limited)

**Fo Tan Lok  
Lam Road  
Residential  
Development**

Commencement  
Date: 26<sup>th</sup> January  
2015  
Client: Eltara  
Limited

COMPLETE IN  
2015/2016**Sheung Wan 16 Connaught Road West  
Development**

Completion Date: 5<sup>th</sup> November 2015  
Client: China Merchants Property Development  
Company Limited

**Quarry Bay Tong Chong Street  
Redevelopment**

Completion Date: 29<sup>th</sup> January 2015  
Client: Novel Ray Limited (under  
Swire Properties Limited)

**Kowloon Tong  
Grampian Road  
Residential  
Development**

Completion Date:  
22<sup>nd</sup> July 2016  
Client: Grampian  
Development  
Company Limited





## ABOUT THIS REPORT

This report highlights Hanison Construction Company Limited (HCCL), and Hanison Contractors Limited (HCL) corporate social responsibility performance between 1<sup>st</sup> April 2015 and 31<sup>st</sup> March 2016 (the reporting period), covering head office and construction sites. The report takes the Environmental, Social and Governance 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

"Though the history of CSR in Hanison is still young, fortunately, with senior management support and CSR Committee established as an advisory board, our efforts in CSR are being recognised, which drive us to do more and do better."

Tom Ho  
Director  
CSR Committee Chairman



## CSR COMMITTEE



Corporate Social Responsibility (CSR) Committee of Hanison Construction Company Limited (HCCL) was established in 2013 as a formal structure in Hanison Group. With representatives of different divisions and departments in HCCL plus active involvement of participating directors and department heads, CSR Committee has created credibility and legitimacy in decision making on HCCL CSR directions and strategies.



## CSR MANAGEMENT

### CSR FRAMEWORK

To embrace our corporate values and align in our CSR directions, we have identified 4 pieces to engage our stakeholders and developed the CSR framework.



### STAKEHOLDERS ENGAGEMENT

The following Key Performance Indicators (KPIs) are set for 2015/2016 by the Committee to sustain and improve our CSR performances for engaging our stakeholders.

Stakeholders	Engagement Channel	Main Concerns and Expectation	Relevant Key Performance Indicators (KPIs)
Clients	<ul style="list-style-type: none"> <li>Satisfaction Survey</li> <li>Emails</li> <li>Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Quality Assurance</li> <li>Meet Contract Requirement</li> </ul>	<ul style="list-style-type: none"> <li>ISO 9001</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Training and Talks</li> <li>Employee Experience Survey</li> <li>Staff Newsletter</li> <li>Emails/Intranet</li> <li>Training Programmes</li> <li>Recreational and Volunteering Activities</li> <li>Corporate Account - Promotional Campaign</li> <li>Staff Referral Scheme</li> </ul>	<ul style="list-style-type: none"> <li>CSR Awareness</li> <li>Health and Safety of Employees</li> <li>Training and Career Development Opportunities</li> <li>Employees' Well-being</li> </ul>	<ul style="list-style-type: none"> <li>CSR Talks</li> <li>Staff Competence Enhancement Programmes</li> <li>Employee Experience Survey Report</li> <li>Sports Activities</li> <li>BiciLine Eco-tour</li> <li>Health Check</li> <li>OHSAS 18001</li> </ul>

## CSR MANAGEMENT

Stakeholders	Engagement Channel	Main Concerns and Expectation	Relevant Key Performance Indicators (KPIs)
Community/ NGOs Partnership	<ul style="list-style-type: none"> <li>Sponsorship</li> <li>Voluntary Services</li> <li>Site Visits</li> <li>Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Contribution to Communities</li> <li>Environmental Performance</li> <li>Neighbourhood</li> </ul>	<ul style="list-style-type: none"> <li>UNICEF</li> <li>Christian Action</li> <li>Hong Kong Clean Up</li> <li>Hong Kong Playground Association</li> <li>Project Ambassadors</li> </ul>
Government/ Shareholders	<ul style="list-style-type: none"> <li>Annual General Meeting</li> <li>Annual Report</li> <li>Interim Report</li> <li>Website</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with Laws and Regulations</li> <li>Financial Performance</li> <li>Anti-corruption Performance</li> <li>Environmental Performance</li> <li>Contribution to Communities</li> </ul>	<ul style="list-style-type: none"> <li>Laws and Regulations Review</li> <li>Website Update</li> </ul>
Subcontractors/ Business Partners	<ul style="list-style-type: none"> <li>Trainings and Talks</li> <li>Emails</li> <li>Meetings</li> <li>Review Appraisal</li> <li>Audit</li> <li>Tender Requirement</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with Laws and Regulations</li> <li>Anti-corruption Performance</li> <li>Fair Operating and Effectiveness of Tender Process</li> <li>Quality Assurance</li> <li>Health and Safety of Subcontractors' Workers</li> <li>Engaging Subcontractors in Environmental Performance and Communities</li> </ul>	<ul style="list-style-type: none"> <li>Subcontractors' workers Trainings</li> <li>Labour Relations Officer Submission</li> <li>Quantity Surveying Team Checking</li> <li>Suppliers Factory Audit</li> <li>Safety Inductions</li> <li>Tool-box Talks</li> <li>Health Check</li> <li>OHSAS 18001</li> </ul>

In 2015/2016, employees and subcontractors are still our central engagement groups. In the meantime, we are improving the engagement performance of other stakeholders. CSR Committee keeps on focusing on "Environment" for the third consecutive year; hence key performance indicators for environment have been set for ongoing monitoring and improving.



## CSR MANAGEMENT

# ENVIRONMENTAL KEY PERFORMANCE INDICATORS (KPIs)

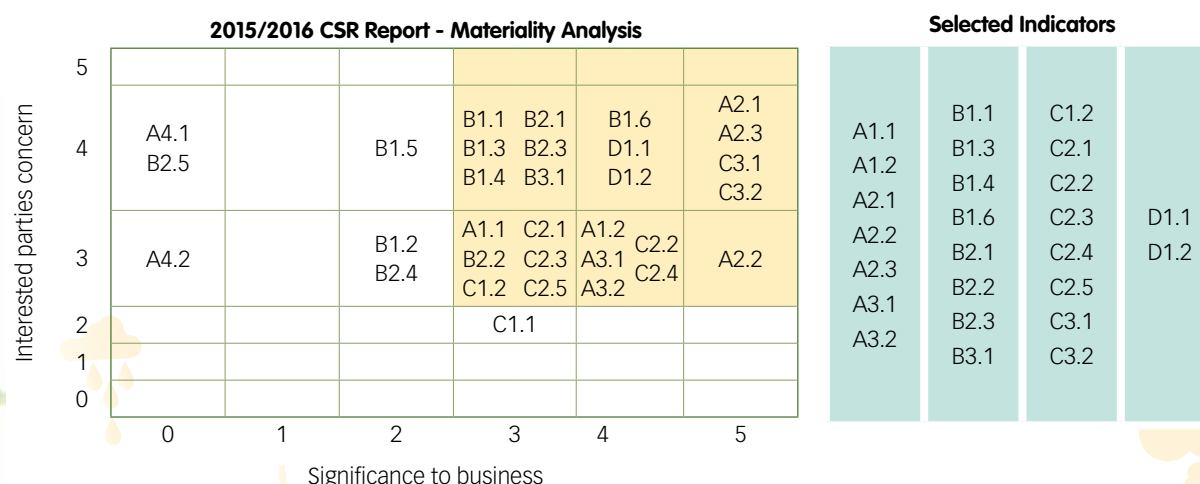
Apart from the importance of engaging stakeholders, HCCL and HCL keep on focusing on environment performance in 2015/2016.



Environment	Category	Relevant KPIs
Head Office	Recycling	Papers/Plastic/Aluminium/Glass/Battery Old Items Donation
	Energy Management	ISO 50001
	Environmental Management	ISO 14001
	Saving Water	Water Consumption
Sites	Energy Management	ISO 50001
	Environmental Management	ISO 14001
	Campaign	Green Initiatives Award Scheme
	Saving Water	Water Consumption

# MATERIALITY ANALYSIS

HCCL and HCL have been sharing common business nature and also share the same group of stakeholders. CSR Committee has reviewed the internal materiality analysis in 2015/2016 report. 65 questionnaires have been sent to different stakeholders, and 19 completed questionnaires were received. The average scoring (approximate number) of each item has been indicated in the form as external materiality analysis. More environmental related indicators are selected in 2015/2016 compared to those of last reporting year.



\* For items details, please refer to appendix p.49. This is the old version of ESG guidelines. For new version, please refer to appendix p.50.

## OPERATING PRACTICES



**"To provide quality service and product is one of the core values of Hanison. We have implemented system to control quality and acquired professional talents to ensure quality service."**

*George Cheung  
Director*

### QUALITY ASSURANCE

Hanison Construction Company Limited (HCCL) and Hanison Contractors Limited (HCL) implemented ISO 9001 Quality Management System in daily operation for quality control and improvement.

#### Steps of implementing quality management system

- 1) Identify the processes needed for the management system and their application
- 2) Determine the sequence and interaction
- 3) Determine criteria and methods required to ensure that operation and control of processes are effective
- 4) Ensure the availability of resources and information to support operation and monitoring of processes
- 5) Measure, monitor and analyse processes
- 6) Implement actions to achieve planned results and continual improvement of processes





## OPERATING PRACTICES

To ensure the quality, we also provide training and closely communicate with our subcontractors:

### Ensure high quality standard of work



Professional training and meeting with subcontractors' representatives and workers



Demonstrations of work trades ensure workers' understanding of the details of requirements



Random inspections ensure the quality of work meeting requirements



In 2015/2016, Quality Department had hold 29 trainings for subcontractors in 6 construction sites including the followings:

- Spatterdash
- Plastering and Rendering
- Waterproofing
- Precast Façade
- Curtain Wall
- Timber Door Installation
- Aluminium Window Installation
- Stone Works
- False Ceiling
- Painting
- Cabinetry Works
- Timber Flooring
- Glass Partition System
- Glass Balustrade
- Metal Works

## CUSTOMER SATISFACTION

HCCL and HCL highly regard quality as our core element in providing services and products. We handle complaints carefully and swiftly to address the problems and needs of our clients. By rectifying the non-conformity within targeted timeframe, complying with statutory laws in response to customers' requirement, contract terms and our internal regulations, we expect to serve our clients with satisfaction.

After project completion of each construction site, Quality Department will send an official evaluation form to our clients for reviewing our performances. In 2015/2016, we received a performance review conducted by Civil Engineering and Development Department, which rated our Operating and Maintenance of Chai Wan Public Fill Barging Point and Mui Wo Temporary Public Fill Reception Facility as good performance.

## OPERATING PRACTICES

**"Subcontractors are our important stakeholders as well as business partners. We encourage and assist our subcontractors' endeavour in corporate social responsibility performances."**

*C. W. Cheng*  
Assistant Manager (Subletting)



## SUBCONTRACTORS MONITORING



*Factory Visit at Golik Metal Industrial Company Limited at Tai Po*

There are 1,334 subcontractors registered under HCCL and HCL's tender list, in which 154 out of 1,334 subcontractors have been awarded with subcontract in 2015/2016. HCCL and HCL request subcontractors to comply with statutory ordinances, internal regulations and guidelines. In addition, CSR policy and related documents are incorporated in tender document or delivered to subcontractors

for awareness. In March 2016, our staff has visited Golik Metal Industrial Company Limited which is our mechanism re-bar cutting system supplier. During such visit, our staff got knowledge for the mechanism re-bar cutting system in Hong Kong which can enhance efficiency and quality, save manpower, and solve the problem of limited site space during construction operation.



*Re-bar cutting at factory*

## OPERATING PRACTICES

## DATA PRIVACY AND INTELLECTUAL PROPERTY RIGHTS

HCHL, HCCL and HCL rigorously comply with the applicable laws of Hong Kong with reference to business processes, buying lawful licenses for software and gears for intellectual property rights security. Such a practice is immutable and a strong obedience for all staff in HCCL, HCCL and HCL. On the other hand, a statement of Non-disclosure Agreement (NDA) devoted to the tender document throughout subletting and tendering practice for subcontractors has been applied for safeguarding data security.

## ANTI-CORRUPTION

Integrity is being one of the core values in HCHL, HCCL and HCL without negotiation. Honesty and respect are our commitment to stakeholders including government departments, customers, staff, suppliers and subcontractors, and the general public.

Accordingly, staff of all levels in HCHL, HCCL and HCL are expected and required to implement their accountabilities with goodness, commitment, and expertise. They have to refrain from good-looking in custom or actions that may interrupt the guidelines or passing on dishonor to the corporation.

In line with our value of integrity, the company Code of Conduct (CoC), reviewable on need basis, for the workforce in HCHL has been formulated and executed for a decade plus. In connection with the advice from the Independent Commission Against Corruption (ICAC), Prevention of Bribery Ordinance (Cap. 201 of HKSAR law), market best practice and inner concern, CoC is ready for the purpose of providing staff with the governance in conflict of interest, allowable acceptance of gifts or entertainment, and the control of confidential information.

In addition, a formal notice to our business partners, subcontractors and consultants with regard to Code of Conduct has been issued for their attentiveness and backing in leveling respectable partnership for objective and fair business practices corresponding to our commitment and manner in anti-bribery.

Moreover, we have partnered with ICAC officers for years to schedule talks on anti-corruption in general and, in particular, in the construction industry in the New Staff Orientation sessions. From time to time, we would display ICAC posters of fighting corruption in the office.



Anti-corruption talk conducted by ICAC officer in New Staff Orientation





## PEOPLE

**"To walk out the mission 'grow our people with commitment' and the value 'care our people' of HCHL, we 'put our people first' and emphasise the top priority of our human capital, being the most valuable assets, in line with other mission in order to sustain the development of the company in long run."**

*Charles Chan  
Director*

- 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.

### Mission of Hanison Construction Holdings Limited (HCHL)



*HCHL was recognised as Happy Company in 2015 and 2016 by Hong Kong Productivity Council*





*Charles Chan, Director, obtained "2015 Mental Health Month" certificate on behalf of HCCL from Labour and Welfare Bureau*

We supported the "2015 Mental Health Month" to promote public awareness of the importance of young people's mental health, and "Talent-Wise Employment Charter and Inclusive Organisations Recognition Scheme" to promote the employment of persons with disabilities, which are organised by Labour and Welfare Bureau.

HCHL, including HCCL and HCL, is an equal opportunity employer. We continuously facilitate the "Employer of Choice" (EoC) in the industry with improvements in the working conditions, enablement in staff health and work safety, and delivery of varied learning and growth opportunities for our workforce. It is substantial to attract, retain, and nurture talents throughout the talent pipeline. We offer competitive salary and benefits according to each position. This is without doubt a strategic direction consistent with business growth and corporate development facing competitive talent war in the territory.



*HCCL was awarded as Inclusive Organisation by Labour and Welfare Bureau in 2015*

## WORKING CONDITIONS

To welcome all new hires and facilitate their adaptation in the company and awareness of policies and benefits, ongoing New Staff Orientation (NSO) hosted by Human Resources Team for all new comers has been being organised on regular basis. This is paralleled by the updated Staff Handbook and Organisation Chart available on the company intranet to allow staff to get access for reading whenever or whichever they see necessary for reference and enquiry.



*New Staff Orientation*

## PEOPLE

As a token of recognition for staff's devotion and contribution to the company, a valuable gift and certificate are presented to entitled employees in the annual dinner. On the other hand, to express our care, the company issues a special gift to staff on their wedding or giving birth of new born baby.



*Long Service Award presentation in the Annual Dinner 2016*

Pleasant staff relation via communication is essential for the benefit of the company culture and morale as an important working condition. In 2015, a company-wide Employee Experience Survey (EES) was conducted by partnering with an independent external institute to collect the feedback and opinion from employees across the company. The overall response rate was higher than that of 2013. Few new initiatives as recommended in the EES summary report are being considered by the management as continual improvement.

In addition, the first and second issues of Hanison Staff Newsletter have been ready in April and October 2015 respectively and uploaded to the company intranet. All staff can easily read through the content including top management message, business movements, awards, staff interviews, company events or activities, and others.

In 2015, we kicked off the first "Quarterly Apprentices Gathering" in order to provide an occasion for two-way communication and facilitation of sharing for the group of apprentices. Free breakfast is served to all in a less formal atmosphere. And we invited different speakers from internal departments to conduct a talk each time as for apprentices' continuous learning.



*Apprentices Quarterly Gathering*



PEOPLE

As an ongoing facilitation of work-life-balance, in 2015 there have been few outdoor or sport activities organised so that staff and their family members got together for refreshment and happy time.



Eco-tour cycling in Nam Sang Wai



**"Staff can join bicycle eco-tour for free."**

Angel Liu  
Secretary

Bowling Fun Day



Beach Cleaning at Lamma Island



Soccer team



## PEOPLE

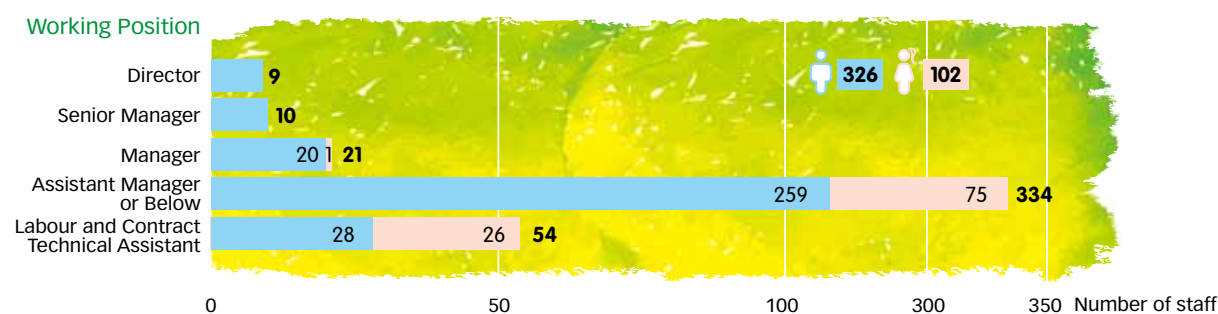
The company has been promising the younger peers of new blood to take part in different trade event in the territory of HKSAR. In 2015, our nominated apprentice, Yanny Tsui, was awarded by the Vocational Training Council one of the prize winners in the Outstanding Apprentice Award 2015. This is her second time receiving this recognition. The award has not only recognised Yanny for her industriousness and outstanding performance throughout apprenticeship training in HCCL, it also assured our commitment in younger peer group in the talent channel.

Headed by a Managing Director, and Executive Director and General Manager, the workforce of supporting and construction teams have been established for 26 years in the industry. There were a total of 428 employees in HCCL and HCL in year 2015. We have launched the Staff Referral Scheme (SRS) in late 2015 for facilitating attraction of new blood via internal referral to meet our manpower demand. The voluntary year-end turnover rate in 2015 was 18.14% that comprised of ordinary retirement.

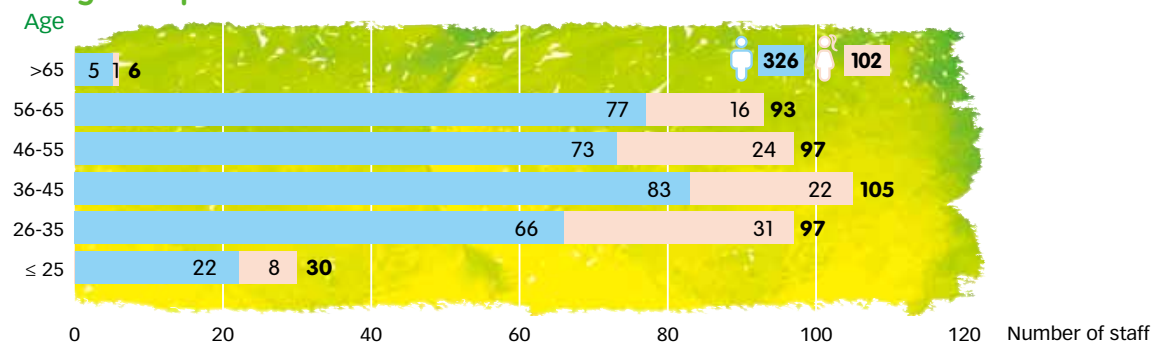


Yanny Tsui (left) and her supervisor attended the presentation ceremony

### Distribution of Working Position



### Distribution of Age Group



PEOPLE

HEALTH AND SAFETY



**“To protect company employees, project teams members’ safety and health is the responsibility of company management team. Hanison put safety and health as our priority to provide and promote safety and healthy working conditions and culture for our staff and subcontractors.”**

*T.H. Lun  
Director*

We commit that all works are to be carried out in a safe and healthy manner and that occupational health and safety is to be regarded as the highest priority in all operations. We play a positive role in promoting the safety awareness of employees in the construction industry and in turn, the safety culture in the industry. The safety culture will be massively lifted if it incorporated in daily operation.

Manpower resource is one of the cherished resources of our company. Accidents not only cause injuries to individual workers but also a hit to their family, the construction industry, and society. We set up a high safety and health standard to achieve zero fatality rate in 2014 and 2015.

We have been certified in OHSAS 18001 of Occupational Health and Safety Management System since 2008 with half-yearly occupational health and safety audit carried out by Hong Kong Quality Assurance Agency.

The OHSAS 18001 certification reviews and maintains company safety management system, therefore we can operate efficiently and develop continuously.

Site Fatality and Accident Rate

	Jan – Dec 2014		Jan – Dec 2015	
Company	HCCL	HCL	HCCL	HCL
Fatality	0	0	0	0
Accident Rate per thousand workers	4.24	16.42	7.02	16.81

\* Figures include direct staff and subcontractors’ workers

## PEOPLE

Construction is labour-oriented industry. Construction safety cannot be just a matter of safety awareness and practices of individual workers, but a collaborative endeavor of everyone involved. We always believe the implementation of high quality safety management system should go hand-in-hand in the workplace to achieve a more successful result.

### Occupational Health and Safety Practices

- Effective site safety management system with safe working cycle
- Morning exercise, safety briefing and hazard identification activities
- Weekly site safety inspection, monthly management safety inspection and surprise safety inspection
- Half-yearly internal occupational health and safety audit by Registered Safety Officers
- Half-yearly third party occupational health and safety audit by Registered Safety Auditors
- Safety management training courses for project management and supervisors
- Site occupational health measures include but not limited to regular blood pressure measurement for workers during induction, providing infrared thermometer and hand gel machine

### Review in 2015/2016



*Morning exercise with safety briefing*



*Bi-monthly corporate safety management meeting chaired by directors*



*Checking of personal protective equipment*



*Top management attended safety conferences*



PEOPLE



*Regular management safety and health inspection*



*Bi-annual internal and external safety audits*



*Regular blood pressure monitoring for workers whom are in need*



*Health corner kits at construction sites*



*213 frontline workers in 7 sites received medical examination conducted by Construction Industry Council*

## PEOPLE

Apart from construction site health and safety, we also care about our employees in head office. There were 2 health talks held in head office that a total of 63 employees from sites and head office had attended. We had invited a specialist to introduce prevention and symptoms of different influenza types, invited registered social workers to give a talk on hazardous impact of smoking, and Chinese massage and food nutrition in June and July 2015 respectively. Since 2013, HCCL has joined "Smoke-Free Company" campaign, organised by The Lok Sin Tong Benevolent Society Kowloon so as to encourage employees to quit smoking.



HCCL joined Smoke-Free Company in 2015/2016



Participants received body check in anti-smoking health talk to witness the adverse impact of smoking



Specialist is invited to introduce the types of influenza and effective preventions

Health is important at all times. To enhance respiratory infection prevention, we have implemented a number of measures at workplace including installing air sanitizers in washrooms and main areas of ventilation. The head office has obtained the status of "Good Class" in Indoor Air Quality Certificate Scheme accredited by Environmental Protection Department for the fourth consecutive years.



Head office obtained "Good Class" in Indoor Air Quality Certificate Scheme



Air sanitizer in washroom



PEOPLE

**Considerate Contractors Site Award –  
Silver Award under 21<sup>st</sup> Considerate  
Contractors Site Award Scheme (Non –  
Public Works Site – New Works Group B)**

**Kowloon Tong Grampian Road  
Residential Development**

**awarded by Development Bureau/  
Construction Industry Council**



**Proactive Safety Contractors Award 2014**

**awarded by Hong Kong Construction  
Association**



**Construction Industry Safety Award  
Scheme 2015/2016 – Silver Prize in the  
Safety Team category**

**Fo Tan Lok Lam Road  
Residential Development**

**awarded by Labour Department**





## PEOPLE

## TRAINING AND DEVELOPMENT

**“Develop our employees via job satisfaction and career development.”**

**Mission of Hanson Construction Company Limited (HCCL)**

We aim at providing our people with essential competence training and career development opportunities via numerous training and development interventions. Based on the concept of Input-Process-Output (IPO), employees of different groups are required or nominated to attend various training programmes with the ultimate outcome that they become motivated, skilled, and competent workforce in the talent pool.



With the Annual Training Plan in place after review and confirmation in quarterly HCCL Training Committee meeting, appropriate training programmes are sourced, planned, and proposed to target staff groups.

## Types of training

- (1) New Staff Orientation to accelerate participants' familiarisation of the company structure, businesses and policies
- (2) Internal training courses for identified groups of staff to prepare them with essential competence for executing daily tasks or satisfying precise requisites
- (3) Outward training programmes for skills advancement and getting ready for imminent development in new and future position



*Effective Presentation Skills for  
Technical Professionals Workshop*

## PEOPLE

To equip managerial and supervisory staff with competent presentation skills, a Presentation Skills Workshop was organised in August 2015.

On the other hand, there were drill exercise of Crisis Management (CM) and few subsequent awareness training classes for site teams held in 2015 as for preparing managers and supervisory staff in proper response to potential crisis. The drill and trainings were totally new to project personnel for their awareness.



*CM Drill in June 2015*



*Roving CM Awareness Trainings are held on sites since August 2015*

To enhance the awareness on corporate social responsibility in Hanison, apart from construction business unit, we had arranged awareness trainings for non-construction business division staff under Hanison Group. There were 88 staff who attended the training while 52 staff received the electronic information about CSR. CSR awareness training has been included in New Staff Orientation after the completion of trainings for employees who joined HCHL before October 2014.



*CSR Awareness Training*



*Job Fair at The Polytechnic University of Hong Kong*

HCCL regularly arranged job fair or recruitment talk at tertiary institutions to recruit fresh graduates from universities. In March 2015, we participated in the job fair organised by The Polytechnic University of Hong Kong.

In 2015, HCCL has been successfully approved by the Hong Kong Institution of Engineers (HKIE) to deliver another 2 Scheme "A" training to graduates for Building Engineering and Structural Engineering. With 3 Scheme "A" training programmes in place for graduates of engineering and construction disciplines, we aim at developing more young people to be

forthcoming capable construction professionals in the company and industry. In 2015/2016, 11 offers of Graduate Engineers Training Scheme "A" in 3 disciplines are available. There are 11 students of Vocational Training Council working in our companies under Industrial Attachment and Industry – Based Student Project Scheme as intern.

## PEOPLE

CASE STUDY - GRADUATE  
ENGINEERS AND  
APPRENTICES TRAINING  
PROGRAMMES

Scheme "A" training for graduate engineers:

## Building Services

## Building

## Structural

Disciplines	Training Areas						Period Need
Building Services	Introduction of Scheme "A" and Company	Professional and General	Building Services Practices, Design and Projects	Technical, Commercial and Management Aspects			104 weeks
Building	Introduction of Scheme "A" and Company	Professional and General	Producing Work	Planning Work	Pre-Contract Work	Post-Contract Work	104 weeks
Structural	Introduction of Scheme "A" and Company	Professional and General	Site Practice	Tendering and Subletting Practice	Design Practice		156 weeks

On-the-job training and part-time study for apprentices in 3 to 4 years:

## Construction Technician

## Quantity Surveyor

## Plant and Maintenance

## Building Services

Disciplines	Training Areas					
Construction Technician	Company Introduction	Safety and Environment	Construction Technology and Knowledge	Site Control	Quality and Inspection	Construction Management Skills
Quantity Surveyor	Estimating	Quantity Surveying				
Plant and Maintenance	Trade Skill Training – Fitting	Trade Skill Training – Fabrication – Machining and Welding	Trade Induction Training – Overhaul and Maintenance Construction Plant Facility			
Building Services	Installation and Maintenance of Building Services System	Testing	Engineering Drawing	Building Services System Knowledge		



PEOPLE

Our Graduate Engineers and Apprentices



"I have been joining the Scheme 'A' Training Programme for almost 1 year. As a Graduate Engineer, there is relatively more support from the company, and colleagues are willing to provide guidance. Among all programme elements, I think the monthly meeting with the Engineering Supervisor (ES) is the most beneficial part. The ES will review my work performance, offer suggestions and share his experiences. This is a credit to a freshman like me."

*Tommy Miu*  
Graduate Engineer (Building Services)

"This training programme provides lot of opportunities for me to experience different stages of construction work. Hanison also takes our needs into consideration by arranging different types of training for graduate engineers, delivered by experienced guests of different ambit to enhance our knowledge. I gain a lot by participating in actual construction project such as testing of different materials, drawing coordination with consultants and different subcontractors, programme planning, site quality, safety and environment requirement, etc."

*Gerry Lo*  
Graduate Engineer (Building)



"Hanison Quantity Surveying (QS) training step by step coaches apprentices the basic knowledge and elements for being QS. Our supervisors will train us according to our capability and keep on modifying for improvement. I have learnt the general techniques of QS and know more about construction industry."

*Timmy Lau*  
Apprentice (Quantity Surveying)

"Besides of the practical training, Hanison cares about the communications and the psychological quality of the trainees. There are regular gatherings which help us know more from each other and improve communication. In addition, we can update training situation and give feedback to the company which will be followed up. Therefore, we may find sense of presence in the company."

*Yanny Tsui*  
Apprentice (Quantity Surveying)



## PEOPLE

## Highlights

In annual 2015



Training activities and statistics are recorded:

- Construction Industry Council Apprentice Scheme Training: Construction Site Practices, Building Services, Mechanics, Quantity Surveying, Safety, and etc.
- Technical Skill Enhancement Training: Powered Access License (PAL) Card Training and Workshop issued by International Power Access Federation, Certificate of Competence in Safe Use of X-Ray Irradiating Apparatus, Concrete Repair Methods Course for Supervisory Personnel
- Safety and Environmental Training: Construction Industry Safety Training Certificate (Green Card), First-Aid, Occupational Safety Management, Construction Safety Supervisor Course, Safety Working Cycle, Environmental Officer Course, Use of Automated External Defibrillator, and etc.
- Other Skills Training: Crisis Management Training, General Insurance, Employee Law and Employee Engagement, Effective Presentation Skills for Technical Professionals, Supervisory Management

In line with our mission statements of HCHL and HCCL, HCCL and HCL will constantly focus on providing crucial and practical human capital management practices for talents attraction, retention, growth and engagement in the near future.



## ENVIRONMENT

**“We incorporate green concept in our daily operation on construction sites and head office. To enhance our green performance and benchmark with international standard, we go for systems certification and encourage green innovation.”**

*K.C. Chan  
Senior Safety and Environmental Manager*



## EMISSIONS

Hanison's Integrated (Quality and Environmental) Management System (IMS) Policy and Environmental Management System (EMS) provide framework to monitor and manage the environmental impacts that we have identified which are a priority for our business. The EMS aligns closely with Energy Management System (EnMS) and supports protecting natural environment and resources, combating climate change, preserving the biodiversity and ecosystem functions.

Being environmentally friendly means having a green lifestyle. The environmental initiatives have been communicated in Hanison through different channels (e.g. meeting, training, intranet, newsletter, and etc.) so as to raise staffs' environmental awareness.

Environmental training has been incorporated into the induction training for all new staff members and works for Hanison green policy, external environmental training has also been provided for staff members at supervisory and management levels.

Top management support and encourage project site to participated in environmental campaigns, collaborate with subcontractors to develop environmental initiatives in pursuit of best practices. HCCL Grampian Road Project won 21<sup>st</sup> Considerate Contractors Site Award Scheme Outstanding Environmental Management and Performance Bronze Award for Non – Public Works Sites – New Works Group B.



## ENVIRONMENT

*Dunbar Place Project achieved Platinum Final Rating of BEAM Plus V1.1 for new building, certified by Hong Kong Green Building Council*



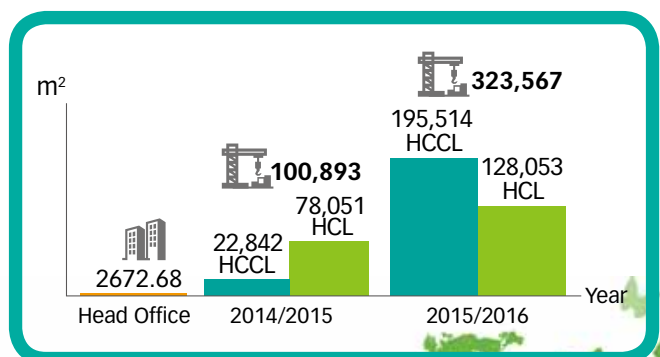
## WASTE

Measures have been taken to minimise construction wastes, project teams purchase approximate estimated amount of construction materials (e.g. concrete), and order at the right time with proper control and documentation on their flow to avoid over-ordering; raw materials are stored systemically and carefully used; destined area for materials recycling to enhance reusing timber and scaffoldings in other projects; other materials such as paper, concrete block and steel are collected by recycling company. Some project sites apply metal mould method to reduce the use of timber formwork where applicable.

We encourage staff to be environmental friendly by extending the recycling materials types from paper, plastic, aluminium to rechargeable and lithium battery. Collection point of used glass bottle is set in head office. The collected recycling wastes are handled by management office. Green procurement idea is adopted in head office and construction sites wherever appropriate. An electrical vehicle is purchased at Shek

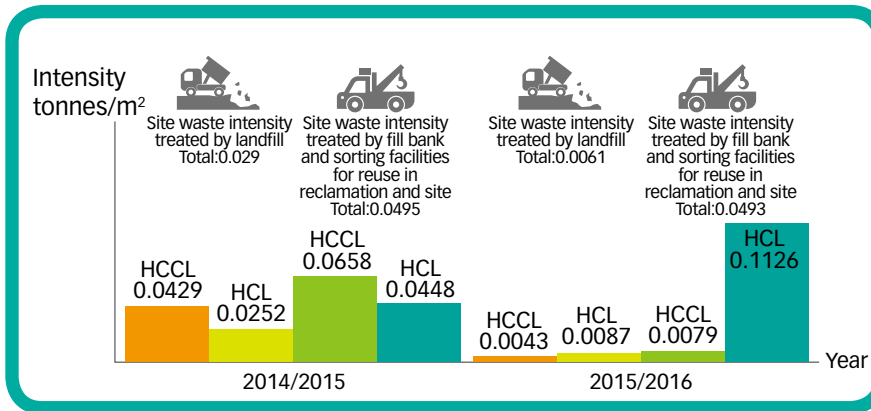
Mun Estate Phase 2 development project to reduce carbon emission. Besides, Hanson has developed several systems for building a paperless working environment at head office and sites.

## Construction Floor Area



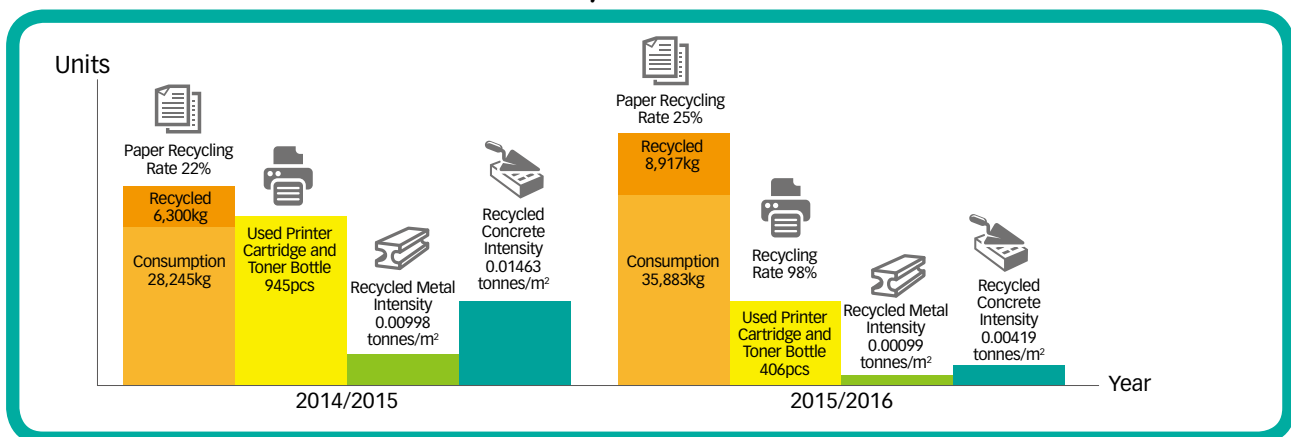
## ENVIRONMENT

### Data of Non-hazardous Waste Produced and Recycled



The site waste treated by landfill has significantly dropped from 0.029 tonnes/m² in 2014/2015 to 0.0061 tonnes/m² in 2015/2016. The site wastes treated by fill bank and sorting facilities for reuse in reclamation and site formation has similar rate of 0.0495 tonnes/m² in 2014/2015 and 0.0493 tonnes/m² in 2015/2016.

### Data of Recyclable Waste Collected

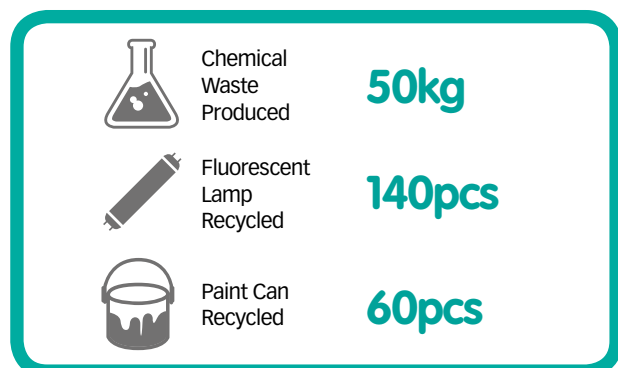


In 2015/2016, there was a significant drop in recycled metal and concrete as the total usage were greatly reduced in the building process and building stages of sites were different from previous year. Paper recycling rate has slightly increase 22% to 25% which show positive feedback on our green promotion in office and sites. In HCCL and HCL, we recycled 98% of the used printer cartridges and toner bottles, while the number used tremendous reduced in 2015/2016.

An Environmental Operational Control Procedure set up for hazardous waste handling 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/asbestos 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 resources recovery.

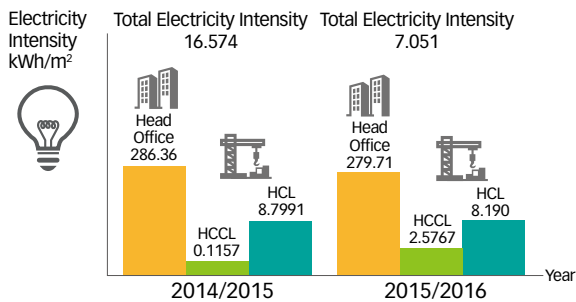
### Data of Hazardous Waste Produced and Recycled in 2015/2016



## ENVIRONMENT

## ENERGY EFFICIENCY

Hanison is building environmental sustainability into our business, an Energy Management System (EnMS) is set up and the trained employees are appointed to implement the system. Hanison's EnMS is certified to the international standard ISO 50001:2011. ISO 50001 International Standard is implemented and benchmarks the performance of Hanison in energy management.

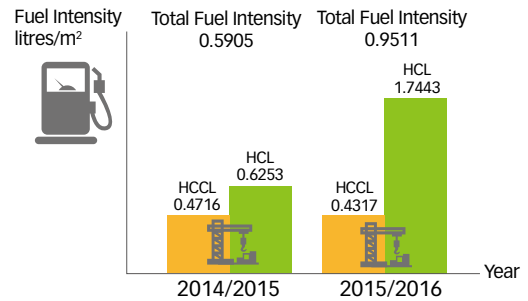


Total electricity consumption intensity has been reduced from 16.574 kWh/m² in 2014/2015 to 7.051 kWh/m² in 2015/2016, while an increase in fuel consumption compared to previous financial year.

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

- Use motion sensors and timers to control the lighting system
- Divide site office into different zones for better arrangement of lighting and air conditioning in order to reduce electricity consumption
- Introduce T5 fluorescent lamps or LED lightings to achieve energy saving
- Use solar powered lighting and mosquito killer in order to reduce battery usage

## Energy Consumption Data



Regarding the major energy consumption types are electricity and fuel used by offices and construction sites operation (plant and machine). They are selected to be monitored by providing consumption data to save energy.



Replacement of LED floodlight



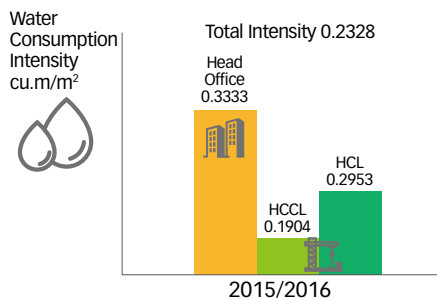


ENVIRONMENT

## WATER CONSUMPTION

Fresh water is a precious natural resource. To penetrate water saving practices in our daily operations, we recorded water consumption of the year 2015/2016 and adopt some initiatives and wastewater reuse system. For examples, surface runoff and gray water collection for vehicle washing and dust suppression; showering water recycled for toilet flushing; adopt water-free urinal on site.

### Water Consumption Data



Collect surface runoff and gray water for vehicle washing and dust suppression



Measure treated wastewater



Install water-free urinal



## ENVIRONMENT

## THE ENVIRONMENT AND NATURAL RESOURCES

We have identified and recorded environmental aspects in operational production, storage, waste management, distribution, product usage and disposal, etc. in Register of Environmental Aspects for monitoring our environmental impact. Apart from tracking our operating practice, we have procured and implanted green materials and devices at sites. An electric vehicle is procured and used at one of the construction site, while we will take green consideration in procurement for construction materials, such as purchasing FSC timber and papers, LED lights, etc.



*Recharge battery of electric vehicle at construction site*



*Emergency drill for employees and subcontractor workers*



*Mosquito control*

## CASE STUDY - GREEN INITIATIVES AWARD SCHEME

Hanison Construction Company Limited (HCCL) and Hanison Contractors Limited (HCL) launched green initiatives award scheme at construction sites since late 2014. The scheme aims to implement green ideas and initiatives in our daily operations and help green concepts growing in our company.

All construction sites are compulsory to join the scheme and the reviewing period is every 6 months. Judging criteria include effectiveness, innovative, cost, and participation rate. They cover water, energy, waste, noise, environmental resources, procurement, and community aspects.





## Environmental Features of Yau Tong Tung Yuen Street Residential Development Project

Yau Tong Tung Yuen Street Residential Development Project won concurrently for 2 times (December 2014 – November 2015) in Green Initiative Award Scheme.

### WATER



Recycle and reuse water for watering plants, toilet flushing, and floor cleaning



Drink boiled water instead of distilled bottle water



### POWER



Monitor electricity usage



Install motion sensors in electrical appliances



Use rechargeable devices



## WASTE



Recycle and reuse of papers



Recycle and handle construction waste



Planting at hoarding



## GREEN PROCUREMENT



Use aluminium formwork to reduce use of timber

## GREENING



Planting at site office



"Our project adopts various green initiatives which serve as one of the pioneer sites among HCCL and HCL. I am honour that our site is awarded the winner of Green Initiatives Award Scheme in 2014/2015, which recognise our team's effort in green performance."

Derek Wong  
Project Manager (right)  
Yau Tong Tung Yuen Street  
Residential Development Project

## COMMUNITY

### HIGHLIGHTED FIGURES



36

Staff and Family  
Members Volunteers



142,650

Financial Sponsorship



93

Service Hours



61kg

In-kind donation such as old  
clothes, electrical appliances,  
toys, household items, and etc.



8

Partners of Hanison in  
community investment  
programmes



**"We care about  
community as we are  
part of community.  
Hanison encourages  
staff volunteering to  
engage in community.  
We expect to utilise our  
company resources and  
staff competence and  
strengths to make a  
better world."**

*C.K. Yuen  
Director  
Vice-Chairman of CSR Committee*

### STAFF VOLUNTEERING

In 2015/2016, HCCL and HCL have taken a further step in community investment to contribute more in local society and help those who are in need. By establishing corporate volunteer team in March 2016, we engage our staff to build up their sense of belongings through staff volunteering. Volunteers can enhance their leadership and presentation skills by organising or assisting in different voluntary services. In September 2015, 11 staff volunteered to join "Moon

Cake Making Class" activity partnered with Hong Kong Playground Association, which disadvantaged families learnt how to make moon cakes and enjoyed festive games with our volunteers. In addition, we first joined Hong Kong Clean Up activity in October 2015 which was organised by Ecozine, an environmental magazine. 19 staff and their family members and friends cleaned up at Power Station Bay in Lamma Island, and collected around 40kg trash in 8 large bags.



## COMMUNITY

"Thank you very much for the donation and staff involvement of Hanson Construction Company Limited. Service users did really enjoy the activity. We hope that we can build up a long-term relationship to serve the public."

*Hong Kong Playground Association*



*Staff volunteers joined with participants to make moon cake and festive decoration*



"Volunteers are helpful and enthusiastic."

*Participant*



"I am impressed that all participating colleagues are so diligent in cleaning up the beach under the big sun."

*Ruby Tang  
Project Department*

"Cleaning the beach is an educational event."

*Eva Lee  
Quantity Surveying Department*



*Staff and their family members cleaned the beach as it is meaningful and educational for children*



## COMMUNITY

## DONATION AND SPONSORSHIP

A total of HK\$142,650 financial sponsorship was contributed to various charitable organisations namely UNICEF and Christian Action which are supported for the second consecutive year. We fully sponsored 40 staff and their family members to join UNICEF Charity Run 2015 for achieving aids-free generation, and have become sponsor of Senior Citizen Home Safety Association in March 2016 and Christian Action "Season of Love 2015" to support local elderly care services and help disadvantaged families and children in Hong Kong and mainland China respectively. Apart from financial donation, we continue the "Old Items Collection" for Christian Action. A total of 61kg of unwanted items including old clothes, electrical appliances, toys, household items were collected from our staff in 2015/2016. Also, 6 staff joined Christian Action "Season of Love 2015" Charity Sale as helpers that they ultimately sold 76 sets of thermos mug and raised approximately HK\$10,000 for the event.

*"Season of Love 2015" Charity Sale**Association for the Rights of Industrial Accident Victims Walkathon 2015**UNICEF Charity Run 2015*

Apart from partnering with NGOs and charitable institutions to provide community services, HCCL and HCL also support the community through appointing social enterprises as our suppliers. Since January 2014, we have appointed Gingko House, a social enterprise which promotes senior citizens employment, as our meal provider. We also engaged TWGHs BiciLine Cycling Eco Tourism Social Enterprise as partner for providing staff recreational activities.



## COMMUNITY

To improve construction industry safety level and maintain sustainable development, HCCL and HCL support industry through providing sponsorship and training opportunities. We wholly sponsored 8 staff and their family members to join Walkathon organised by Association for the Rights of Industrial Accident Victims in December 2015. The purpose was to raise fund for victims' family of industrial accident. With donation to the charity fund of Construction Industry Council (CIC), 4 of our staff also joined the CIC Sports Day in April 2015. Usually every year, we offer university students who are studying in construction related disciplines to visit our construction site. In November 2015, there were about 60 students and teachers of City University of Hong Kong joining a site visit at our Ho Man Tin residential project.

## PROJECT COMMUNITY RELATIONS

We have been facilitating to maintain good neighborhood relationship with local community near our construction sites. A new position, "Project Ambassador" has been recruited for selected sites and for handling public enquiries or complaints, as well as organising community events. In Shatin Shek Mun Estate Phase 2 project, our Project Ambassador has arranged regular meetings with relevant parties to update the latest construction progress and handle communication directly. In February 2016, the site management team has also distributed red packet envelopes to residents in Shek Mun Estate Phase 1 before Lunar New Year. HCCL and HCL will keep on strengthening our public relations initiatives at site level and engaging local community.



*Our staff introduced and explained the project to students on site*



*Cheque presentation for CIC Charity Fund*



*Distribution of red packet envelopes*





## COMMUNITY

### CASE STUDY – PARTNERING WITH NGOs/Social Enterprises

HCCL and HCL establish community investment with its 5 principles:

#### LOCAL

Target small local community near our business

#### ENGAGEMENT

Engage our staff/subcontractors/cilents

#### BUSINESS

Utilise our business strength to map with social needs

#### FOCUS

Align with our corporate values

#### PARTNERSHIP

Partner with NGOs/ neighbours

Hanison aims at engaging staff via organising staff activity. In the meantime, we partner with NGOs. Both initiatives have created collaboration. In 2015/2016, we have organised 2 recreational activities for staff and their family members which were provided by TWGHs and BiciLine Cycling Eco-Tourism Social Enterprise (BiciLine).



*Nam Sang Wai Trip in 2015*



*Lau Fau Shan Trip in 2016*

In offering fun and enjoyment to our staff, we also support social enterprises at the same time. BiciLine aims at creating employment and growth opportunities for young people through eco-tourism and cycling, which also provides a unique service. As a way of enjoying cycling fun and knowing more about eco-system in Hong Kong, we appointed BiciLine to host our staff recreational activity in this regard.



## COMMUNITY

There were a total of 76 staff and their family members who joined 2 activities on 1<sup>st</sup> May 2015 and 19<sup>th</sup> March 2016. Their feedback was positive with much appreciation to the professionalism and work attitude of those young tour-guides. Hanison will continue to explore partnership with NGOs and social enterprises in staff engagement programmes so as to create win-win situation.

"Thank you for Hanison's support to our social enterprise, which lets more Hanison staff know us and gives more job opportunities to our guides. We, as a social enterprise, are facing difficulties. Fortunately, with the support of Hanison participating into our tour services, not only does it increase job opportunities of our tour guides but it also expands their horizon. Our staff can share the knowledge while also learning from the participants in return. The purchase of our services also benefits the local small businesses, which brings win-win situation. From May 2015 to May 2016, Hanison brought 20 job opportunities to our guides and helped saving 234,686g carbon emission\*, that makes the world greener."  
(\*calculation of journeys in bikes instead of cars)

*Tung Cheuk Lam  
Tourism Officer  
TWGHs. BiciLine Cycling  
Eco-Tourism Social Enterprise*



COMMUNITY



## AWARDS AND RECOGNITION

Hanison Construction Company Limited has obtained Caring Company issued by Hong Kong Council of Social Services for the seventh consecutive years in 2015/2016.



Hanison Construction Company Limited has obtained CSR Index for the third consecutive years in 2015/2016, issued by Hong Kong Quality Assurance Agency.



Hanison Construction Company Limited was awarded Social Caring Pledge issued by Social Enterprise Research Institute, a non-profit making organisation facilitated by talented scholars and industrial achievers who share common vision in promotion and development of CSR.

## CERTIFICATE

### HONG KONG CERTIFICATION SERVICES INTERNATIONAL LIMITED

#### ISO 50001:2011 Energy Management System



**Hanison Construction  
Company Ltd**  
2013

ISO 50001:2011  
Certificate No.: CC 468



**Hanison  
Contractors Ltd**  
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 Ltd**  
2007

OHSAS 18001:2007  
Certificate No.: CC 3496



**Hanison  
Contractors Ltd**  
2007

OHSAS 18001:2007  
Certificate No.: CC 3497

### HONG KONG QUALITY ASSURANCE AGENCY

#### ISO 14001:2004 Environmental Management System



**Hanison Construction  
Company Ltd**  
2002

ISO 14001:2004  
Certificate No.: CC 2269



**Hanison  
Contractors Ltd**  
2002

ISO 14001:2004  
Certificate No.: CC 2270

### HONG KONG QUALITY ASSURANCE AGENCY

#### ISO 9001:2008 Quality Management System



**Hanison Construction  
Company Ltd**  
1995

ISO 9001:2008  
Certificate No.: CC 314



**Hanison  
Contractors Ltd**  
1998

ISO 9001:2008  
Certificate No.: CC 1270



## APPENDIX

## MATERIALITY ANALYSIS ASSESSMENT IN 2015/2016

		Internal Assessment	External Assessment
<b>Subject area A</b>	<b>Workplace Practices</b>		
<b>Aspect A1</b>	<b>Working conditions</b>		
KPI A1.1	Total workforce by employment type, age group and geographical region.	3	3
KPI A1.2	Employee turnover rate by age group and geographical region.	4	3
<b>Aspect A2</b>	<b>Health and safety</b>		
KPI A2.1	Fatality number and rate.	5	4
KPI A2.2	Lost days due to work injury.	5	3
KPI A2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	5	4
<b>Aspect A3</b>	<b>Development and training</b>		
KPI A3.1	Description of training activities provided and if relevant, the percentage of employees trained by employee category (e.g. senior management, middle management etc.).	4	3
KPI A3.2	The average training hours completed per employee by employee category.	4	3
<b>Aspect A4</b>	<b>Labour standards</b>		
KPI A4.1	Description of measures to review employment practices to avoid child and forced labour.	0	4
KPI A4.2	Description of steps taken to eliminate such practices when discovered.	0	3
<b>Subject area B</b>	<b>Environmental Protection</b>		
<b>Aspect B1</b>	<b>Emissions</b>		
KPI B1.1	The types of emissions and respective emission data.	3	4
KPI B1.2	Green house gas emissions in total (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).	2	3
KPI B1.3	Total hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).	3	4
KPI B1.4	Total non-hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility, per store).	3	4
KPI B1.5	Description of measures to mitigate emissions and results achieved.	2	4
KPI B1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and result achieved.	4	4
<b>Aspect B2</b>	<b>Use of resources</b>		
KPI B2.1	Energy consumption by type (e.g. electricity, gas or oil) in total (kwh in '000s) and intensity (e.g. per unit of production volume, per facility).	3	4
KPI B2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	3	3
KPI B2.3	Description of energy use efficiency initiatives and results achieved.	3	4
KPI B2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	2	3
KPI B2.5	Total packaging material used (in tonnes), and if applicable, with reference to per unit produced.	0	4
<b>Aspect B3</b>	<b>The environment and natural resources</b>		
KPI B3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	3	4
<b>Subject area C</b>	<b>Operating Practices</b>		
<b>Aspect C1</b>	<b>Supply chain management</b>		
KPI C1.1	Number of suppliers by geographical region.	3	2
KPI C1.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	3	3
<b>Aspect C2</b>	<b>Product responsibility</b>		
KPI C2.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	3	3
KPI C2.2	Number of products and service related complaints received and how they are dealt with.	4	3
KPI C2.3	Description of practices relating to observing and protecting intellectual property rights. (CCW)	3	3
KPI C2.4	Description of quality assurance process and recall procedures.	4	3
KPI C2.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	3	3
<b>Aspect C3</b>	<b>Anti-Corruption</b>		
KPI C3.1	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.	5	4
KPI C3.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	5	4
<b>Subject area D</b>	<b>Community Involvement</b>		
<b>Aspect D1</b>	<b>Community investment</b>		
KPI D1.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	4	4
KPI D1.2	Resources contributed (e.g. money or time) to the focus area.	4	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

## APPENDIX

## HKEx ESG REPORTING GUIDELINES INDEX

(KPIs in old version)

A. Environmental		
Aspect A1 Emissions		
KPI A1.1 (KPI B1.1)	The types of emissions and respective emissions data	Emission p.33
KPI A1.3 (KPI B1.3)	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Data of Hazardous Waste p.35
KPI A1.4 (KPI B1.4)	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 p.35
KPI A1.6 (KPI B1.6)	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Waste p.34-35
Aspect A2 Use of Resources		
KPI A2.1 (KPI B2.1)	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	Energy Efficiency p.36
KPI A2.2 (KPI B2.2)	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Water Consumption p.37
KPI A2.3 (KPI B2.3)	Description of energy use efficiency initiatives and results achieved	Energy Efficiency p.36
Aspect A3 The Environment and Natural Resources		
KPI A3.1 (KPI B3.1)	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Energy Efficiency p.36 The Environment and Natural Resources p.38 Case Study p.38-40
B. Social		
Aspect B1 Employment and Labour Practices		
KPI B1.1 (KPI A1.1)	Total workforce by employment type, gender and age group*	Working Conditions p.22
KPI B1.2 (KPI A1.2)	Employee turnover rate*	Working Conditions p.22
Aspect B2 Health and Safety		
KPI B2.1 (KPI A2.1)	Number and rate of work-related fatalities	Nil case reported in covered period
KPI B2.2 (KPI A2.2)	Accident rate per thousand workers*	Health and Safety p.23
KPI B2.3 (KPI A2.3)	Description of occupational health and safety measures adopted, how they are implemented and monitored	Health and Safety p.23-26
Aspect B3 Development and Training		
KPI B3.1 (KPI A3.1)	Description of training activities provided*	Training and Development p.28,32 Case Study p.30-31
KPI B3.2 (KPI A3.2)	Total training hours for employees*	Training and Development p.32
Aspect B5 Supply Chain Management		
KPI B5.1 (KPI C1.1)	Number of subcontractors issued with tender*	Subcontractors Monitoring p.16
KPI B5.2 (KPI C1.2)	Description of practices relating to engaging subcontractors where the practices are being implemented, how they are implemented and monitored*	Quality Assurance p.14-15 Subcontractors Monitoring p.16
Aspect B6 Product Responsibility		
KPI B6.1 (KPI C2.1)	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Nil case reported in covered period
KPI B6.2 (KPI C2.2)	How to dealt with complaints*	Customer Satisfaction p.15
KPI B6.3 (KPI C2.3)	Description of practices relating to observing and protecting intellectual property rights	Data Privacy and Intellectual Property Rights p.17
KPI B6.4 (KPI C2.4)	Description of quality assurance process and recall procedure	Customer Satisfaction p.15
KPI B6.5 (KPI C2.5)	Description of consumer data protection and privacy policies, how they are implemented and monitored	Data Privacy and Intellectual Property Rights p.17
Aspect B7 Anti-corruption		
KPI B7.1 (KPI C3.1)	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	Nil case reported in covered period
KPI B7.2 (KPI C3.2)	Description of preventive measures and whistle-blowing procedure, how they are implemented and monitored	Anti-corruption p.17
Aspect B8 Community Investment		
KPI B8.1 (KPI D1.1)	Focus areas of contribution on environmental concerns, labour needs, health, sports, children and youth development and community*	Community p.41-46
KPI B8.2 (KPI D1.2)	Resources contributed (e.g. money or time) to the focus area	Community Highlighted Figures p.41 Donation and Sponsorship p.43-44

\* Modified descriptions

## ASSURANCE STATEMENT



### VERIFICATION STATEMENT

#### Scope and Objective

Hong Kong Quality Assurance Agency (HKQAA) has been commissioned by Hanison Construction Company Limited (HCCL) to conduct an independent verification of its Corporate Social Responsibility Report 2016 (herein referred to as "the Report"). The Report stated HCCL's sustainability performance and efforts towards sustainable development for the period from 1st April 2015 to 31st March 2016.

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 (ESG) Reporting Guide.

#### Methodology

The process used in this verification was based on current best practices. The Report was reviewed against the following criteria:

- The principles of completeness, accuracy, neutrality, comparability and responsiveness; and
- SEHK's ESG Reporting Guide

The verification procedure included reviewing relevant documentation, interviewing responsible personnel with accountability for preparing the Report and verifying the selected representative sample of data and information consolidated in the Report. 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 HCCL's sustainability performance 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 HCCL'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 horizontal line.

P C Chan  
Chief Operating Officer  
6 September 2016



## ASSURANCE STATEMENT



## VERIFICATION STATEMENT

**Scope and Objective**

Hong Kong Quality Assurance Agency (HKQAA) has been commissioned by Hanison Contractors Limited (HCL) to conduct an independent verification of its Corporate Social Responsibility Report 2016 (herein referred to as "the Report"). The Report stated HCL's sustainability performance and efforts towards sustainable development for the period from 1st April 2015 to 31st March 2016.

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**Signed on behalf of Hong Kong Quality Assurance Agency**

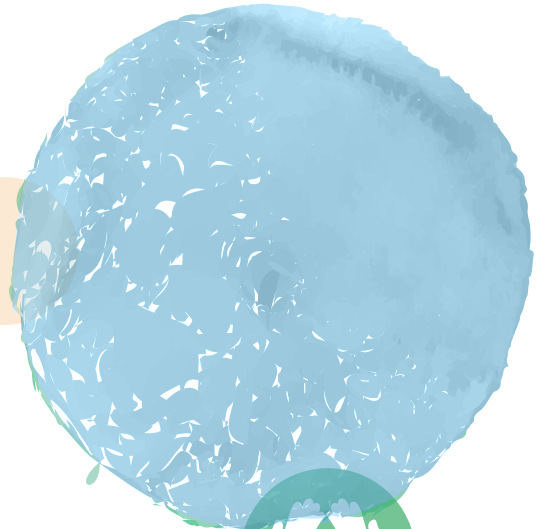
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P C Chan

Chief Operating Officer  
6 September 2016



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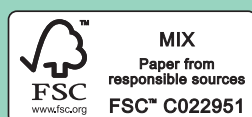
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