

Sustainability in action

2022/23



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Sustainability is about planning for the future and taking action at present.

Welcome to Kum Shing's 2022/23 Sustainability Report.

"Sustainability in Action" is the title of our Sustainability Report. It captures our efforts and aspirations towards sustainability. This year, by establishing a sustainability management system and publishing our first report, we are being transparent about our current progress and plans for advancing sustainability. In this Report, we expressed our sustainability values for the environment, people, and community across 3 key chapters: Environment, Social and Governance.

Upholding Responsibilities

As a dedicated specialist in energy infrastructure, we are fully aware of our responsibility to our people, clients, business partners, community, and the environment. We have made a strong commitment to integrating sustainability considerations into every facet of our business and providing sustainable solutions for our clients.

Sound governance serves as a foundational pillar of sustainability. The Board of Directors is dedicated to driving sustainability progress and has assigned specific responsibilities to the Sustainability Committee to ensure closer oversight and valuable insights for consistently enhancing Kum Shing's sustainability performance.

Taking Action

The global community is facing one of its greatest challenges to date with climate change, as highlighted in the latest report by the Intergovernmental Panel on Climate Change (IPCC). Hong Kong, like many other cities, is currently grappling with the impact of rising temperatures and more frequent extreme weather events. The devastating effects of super typhoons Hato in 2017, Mangkhut in 2018, and Saola in 2023, along with the "once-in-a-century" rainstorm, are still etched in our memories. Climate action can no longer be delayed; it must be promptly instated.

At Kum Shing, we take steps to decarbonise our operations and achieve net-zero carbon intensity by 2049/50. We also prioritise strengthening our efforts to help our clients meet their sustainability goals with holistic solutions and elevated services.

Sustainability will continue to be a fundamental principle in how Kum Shing operates. We genuinely hope that you will take the opportunity to read the details of this Report. Your support means a great deal to us. We are always open to your suggestions and ideas on how we can continue to improve.

Rex WONG JP

CEO



About this report

In this Section...

[Reporting Boundary](#)

[Reporting Frameworks](#)

[Reporting Principles](#)

[Confirmation and Approval](#)

[Contact Details](#)

This Sustainability Report provides an overview of Kum Shing Group Limited's aspirations and actions in environmental, social and governance aspects for its key stakeholders, including employees, clients, business partners, suppliers and the communities where it operates.





Kum Shing Group Limited (“Kum Shing” or “the Group”) is pleased to publish its first Sustainability Report (the “Report”) to outline its approach to sustainability, including strategies, policies, practices, and performances. This Report is prepared in English and is available on the corporate website (www.kumshing.com.hk).

Reporting Boundary

This Report covers the material issues identified for key operations of Kum Shing from 1 April 2022 to 31 March 2023 (“Year” or “FY2022/23”). Key operations refer to the office, project, and depot operations of 4 subsidiaries of the Group in Hong Kong, namely Kum Shing (K.F.) Construction Company Limited (“KFC”), Kum Shing Engineering Company Limited (“KSE”), Kum Shing E & M Limited (“KEM”) and Pro Logistics Limited (“PLL”), which contributed to the majority of the Group’s total revenue in the Year. Environmental key performance indicators (“KPIs”) include the office and depot operations of the 4 subsidiaries in Hong Kong, excluding project operations. The Group will continue to review its business operations and development and make appropriate adjustments to the reporting boundary based on the principle of materiality as appropriate.

Reporting Frameworks

Sustainability Reporting

This Report has been prepared with reference to the Global Reporting Initiative (GRI) Universal Standards 2021. The GRI is an international independent organisation providing widely used standards for sustainability reporting. We also prepared this Report with reference to the Hong Kong Exchanges and Clearing Limited (HKEX), Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”), which is adopted by major clients of Kum Shing. For details, please refer to Appendix C: Content Index.

Greenhouse Gas (“GHG”) Emissions Data

Our GHG emissions are reported with reference to the GHG Protocol published by World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), the International Standard for GHG Emissions ISO 14064, and the relevant local statutory guidelines where applicable.

Reporting Principles

We have applied the reporting principles as recommended by GRI Standards and HKEX ESG Reporting Guide during the preparation of this Report:

Materiality

We identified material sustainability issues through conducting a materiality assessment during the Year and made key disclosures in this Report.

Consistency

We adopt consistent methodologies in preparing the Sustainability Report and data, to allow meaningful comparisons over time.

Balance

We presented our sustainability performance in an objective manner for unbiased and comprehensive disclosure.

Quantitative

We record and disclose quantitative data where feasible, including information on the standards, methodologies, assumptions, and sources of conversion factors.

Confirmation and Approval

We acknowledge our responsibility to ensure the accuracy and reliability of the Sustainability Report. All information in this Report is sourced from the internal policy documents and statistical data of the Group. This Report has been reviewed and approved by the Board of Directors.

Contact Details

We welcome and value your feedback and suggestions on our Sustainability Report or sustainability performance.

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About Kum Shing

In this Section...

Who We Are

What We Do

How We Act

Hong Kong Energy Infrastructure Specialist



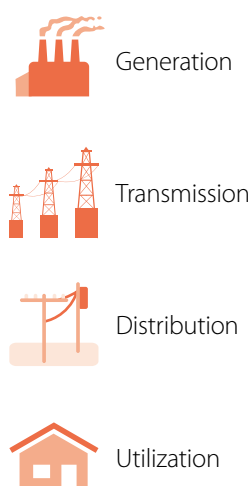
Who We Are

Kum Shing has been playing a leading role in the development, operation, and maintenance of Hong Kong's energy infrastructure for decades. Benefiting from its in-depth understanding of infrastructure related challenges and ability to follow through, Kum Shing is a private enterprise headquartered in Hong Kong providing comprehensive and multidisciplinary construction and engineering solutions to power utilities, transportation and public sectors companies, government departments and organisations in Hong Kong.

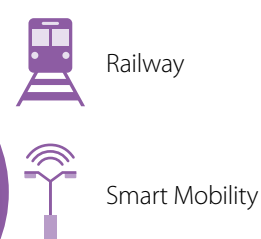
In the face of latest economic and technology trends, Kum Shing has invested substantially to integrate technology and design with its core business to help develop Hong Kong into a smarter and more sustainable city. Kum Shing is also actively exploring opportunities to expand regionally, through its consulting and investment arm, to engage in projects relating to infrastructure development.

What We Do

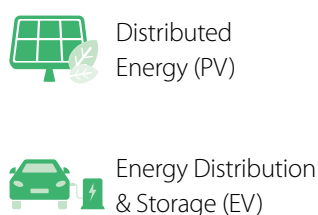
Add Value to the Conventional Power Industry



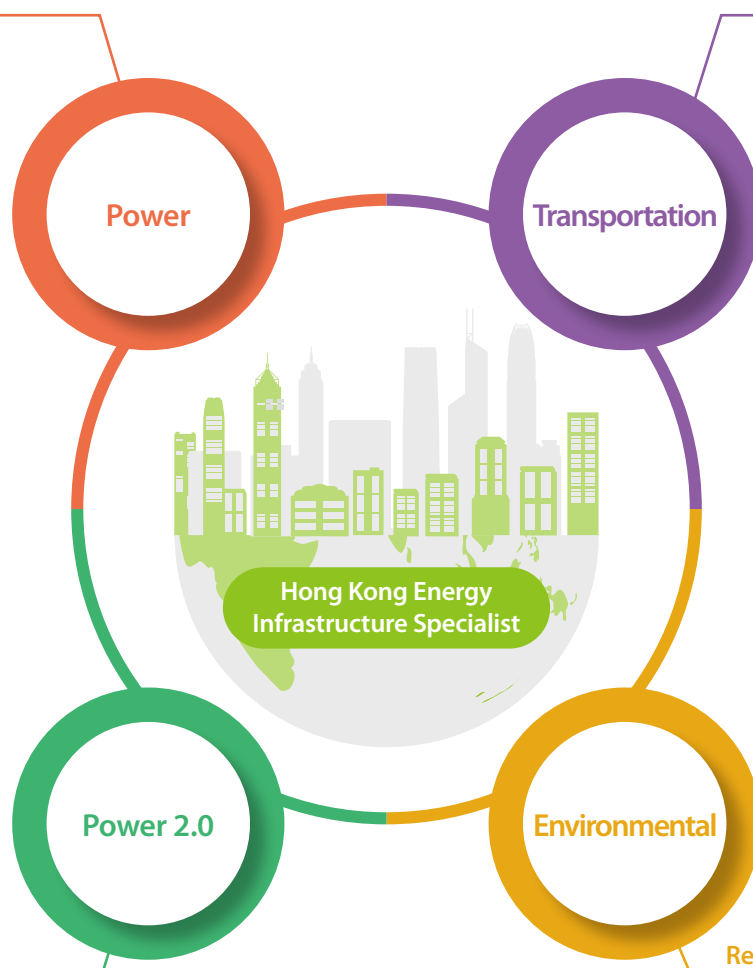
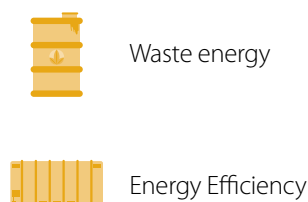
Extensive Experience in Power Systems



Smart Use of Energy



Reduce Carbon Footprint



How We Act

Our Vision and Mission



Vision

To enhance urban living in a smart and sustainable city through the development, operation and maintenance of power, transportation, and environmental assets in the Greater Bay Area.



Mission

We provide leading safety, high reliability, and value-for-money solutions to build enduring trust with our clients, employees, and other stakeholders.

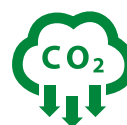
Our Values



Feature Story: Progressing the Path to Carbon Neutrality

Climate change has a profound impact on all regions across the globe. The IPCC of the United Nations has issued a global red alert, emphasising the undeniable fact that human-induced global warming has resulted in more frequent and intense extreme weather events worldwide. Scientific evidence unequivocally demonstrates that in order to avert the most severe consequences of climate change and ensure a livable planet, it is crucial to limit the rise in global temperature to 1.5°C above pre-industrial levels in the 21st century.

To achieve this vital goal, immediate and unified efforts are required on a global scale to significantly reduce GHG emissions over the next 20 to 30 years. The transition towards a net-zero world presents one of the most formidable challenges humankind has faced. Encouragingly, a growing alliance of nations, cities, businesses, and other institutions have committed themselves to achieving net-zero emissions, demonstrating their dedication to this pressing cause.

**Hong Kong's Goal****By 2050
Carbon Neutrality**

Hong Kong's Decarbonization Strategy 1



Net-zero Electricity Generation

Fossil fuels, including natural gas and coal, account for over 70% of Hong Kong's fuel mix for electricity generation. Progressively increase the use of zero-carbon energy is essential for electricity generation before 2050

Our Feature Story

Black Point Power Station Project In Tuen Mun P.13

Hong Kong's Decarbonization Strategy 2



Energy Saving and Green Buildings

Government's energy saving strategies in public systems are important to promote energy conservation and improve energy efficiency for buildings and infrastructure.

Our Feature Story

Public Lighting System Project in Kowloon and New Territories EastP.15

In 2019, electricity generation was the largest source of carbon emissions (66%), followed by transport (18%) and waste (7%). These 3 major emission sources together accounted for over 90% of the total emissions, and are therefore the 3 most critical areas of our decarbonisation work. The strategies for Hong Kong to achieve carbon neutrality before 2050 comprise: “net-zero electricity generation”, “energy saving and green buildings”, “green transport” and “waste reduction”.

As an energy infrastructure specialist based in Hong Kong, we are dedicated to realising our vision of creating a smart and sustainable city that enhances urban living through practical actions. In addition to decarbonising our operations, we play a part in contributing to Hong Kong’s carbon neutrality goal through proactively working closely with our clients and providing solutions to help reduce their carbon emissions throughout the development, operation and maintenance of power, transportation, and environmental assets.

Hong Kong’s Decarbonization Strategy 3



Green Transport

Popularisation of EVs and other new energy transport can help the transport sector achieve zero carbon emissions

Our Feature Story

EV Charging Facilities in Sheung Wan P.17

Hong Kong’s Decarbonization Strategy 4



Waste Reduction

Developing waste-to-energy facilities and promoting waste reduction and recycling will enable us to move away from reliance on landfills for municipal waste disposal

Our Feature Story

Chemical Waste Treatment Centre Project in Tsing Yi P.19

Strategy 1 Case Study: Net-zero Electricity Generation

Black Point Power Station Project in Tuen Mun

Currently, the local fuel mix for electricity generation primarily relies on fossil fuels such as coal and natural gas. In the medium term, the government plans to substitute coal with natural gas, which has lower carbon emissions, and zero-carbon energy sources for electricity generation, thereby substantially reducing carbon emissions. This endeavor necessitates the adoption of appropriate technologies.

Project Coverage:

In alignment with the government's strategic vision, we have assisted our client in the D1 and D2 Projects at Black Point Power Station in Tuen Mun. This is a significant step towards reducing carbon emissions from power generation and brings us closer to achieving our goal of carbon neutrality.

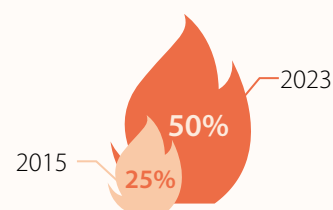
D1 Project

Built new gas-fired generation unit for D1

(One of the several projects includes the new Combined Cycle Gas Turbine unit)

Project Objective:

Reduce carbon emissions through increasing the ratio of natural gas in power's fuel mix from 25% in 2015 to around 50% in 2023



D2 Project

Constructed new gas-fired generation units and installed major equipment for D2

(Equipment includes gas turbine, generator, steam turbine and other plant facilities, as well as all electrical, control and instrumentation equipment)

Project Objective:

Further increase the proportion of natural gas power generation, phasing out coal-fired power generation in the future



Project Highlights:

Building a new generating unit requires efficient time management, precise execution, and effective teamwork. Alignment work, an essential aspect of equipment and pipe jointing, must be carried out with utmost accuracy to ensure error-free results. Hence, our project team has implemented stringent alignment guidelines. For instance, in the case of the gas turbine engine, which is one of the primary units weighing over 460 tons, our team successfully completed the alignment process within a span of just 6 weeks.



Align Gas Turbine
Engine Weighing
460+ Tons



6-week
Alignment
Process



Precise
Execution



Utmost
Accuracy



Effective
Teamwork

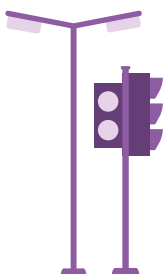
Strategy 2 Case Study: Energy Saving and Green Infrastructure

Public Lighting System Project in Kowloon and New Territories East

Improving energy saving management and energy efficiency of buildings and infrastructure is one of the government's priorities in the decarbonisation journey. Reducing the overall electricity consumption of buildings and infrastructure can help lower the cost of transition.

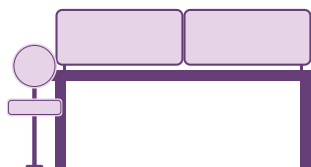
Project Coverage:

We have been appointed by our client to participate in the design, management, operation, installation and maintenance of public lighting system in Kowloon and New Territories East for the HKSAR Highways Departments.



57,000

Road and Village Lighting Points



2,600

Lighting Installation on
Illuminated Gantry Signs and
Roadside Directional Signs



5,600

Traffic Bollards



Associated Network of
**cables, Ducts, and
Peripheral Items**

Project Highlights:

One of the tasks in this contract aimed at reducing carbon emissions through replacing the conventional lighting with LED lights. LED lights are more energy-efficient, durable, and environmentally friendly compared with conventional lights. They have a longer service life, which reduces the number of lamps that will need to be disposed of in the future. LED lights are also mercury-free and more than 90% of their materials can be recycled, aligning with the principles of environmental protection and waste reduction. Additionally, LED lights offer higher color rendering, resulting in better illumination and a better experience for road users.

Due to the installation of multiple lighting fixtures at high traffic and major road junctions in Hong Kong, one of the most challenging tasks is to manage traffic arrangements. Our workers primarily carry out their work during the night to minimise disruptions to daytime traffic flow and prevent unnecessary traffic congestion.

LED Replacement in FY2022/23



6,333
LED Installed



664,960
Estimated Wattage Saving^{1,2}



2,912.52
Estimated Electricity Saving^{1,2}



Equivalent to Annual Electricity
Consumption of **882**
3-member Households



1,135.88
Tonne CO₂e Emissions Avoided³



1. Estimated wattage saving of each type of LED was calculated by subtracting power of LED light from power of replaced light of each type, then multiplying by respective number of replaced lights; the overall estimated wattage was the sum of estimated wattage saving of all LED lights.
2. Assumed 12 hours of lighting per day, 365 days of lighting per year for all installed LED lights.
3. Grid emission factor of CLP in 2022 was 0.39kg CO₂e/kWh.

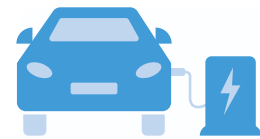
Strategy 3 Case Study: Green Transport

EV Charging Facilities Project in Sheung Wan

The government has set a long-term target of achieving zero carbon emissions from vehicles and transport sector by 2050. [Popularisation of electric vehicles \("EVs"\)](#) and new energy transport as effective alternatives to traditional fossil-fuel transport will be a key measure. It is important for Hong Kong to prioritise the development of EV charging infrastructure to keep up with the increasing sales and achieve carbon reductions.

Project Coverage:

Our EV Charger Project team is currently working with the HKSAR Electrical and Mechanical Services Department on the EV Charging Facilities for the Rumsey Street Car Park in Sheung Wan. The team supplied and installed 110 chargers and related low voltage power supply systems for private electric vehicles in this multi-storey car park.



Project Highlights:

Several systems will be implemented to facilitate the efficient utilisation of energy in these facilities and enhance convenience for EV drivers, such as power load management system, power remote control system and parking management system.



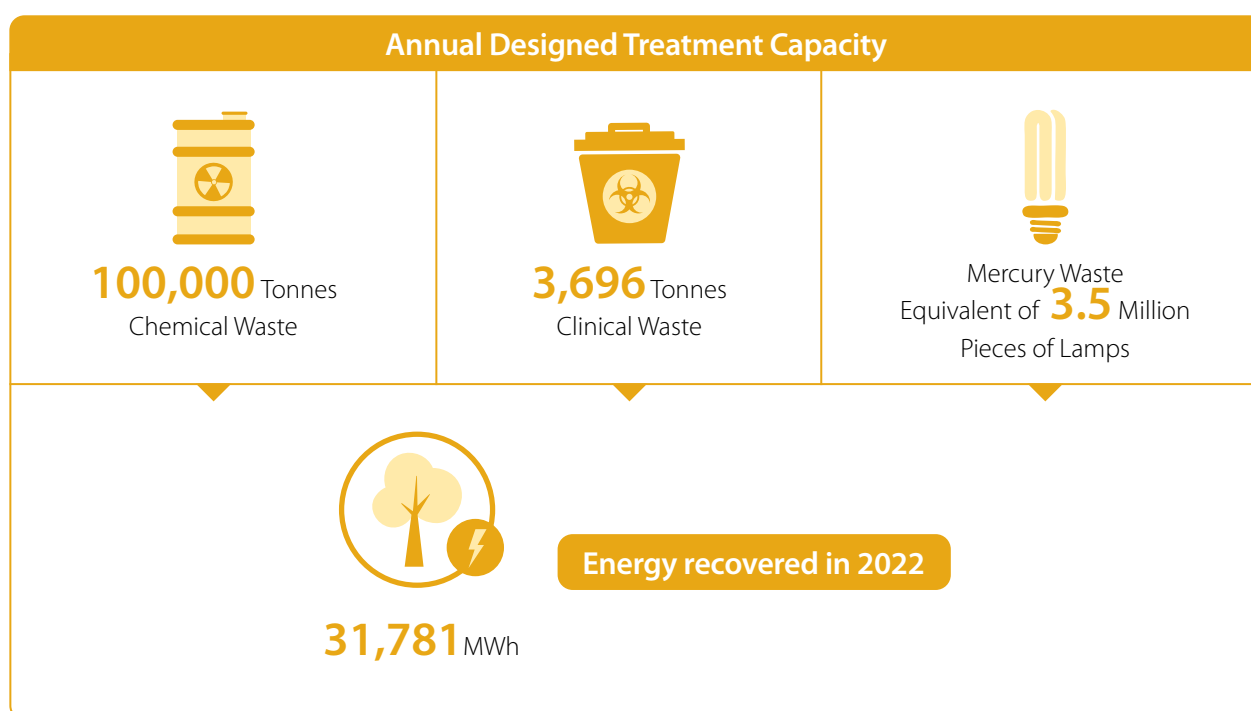
Strategy 4 Case Study: Waste Reduction

Chemical Waste Treatment Centre Project in Tsing Yi

The government has introduced the [Waste Blueprint for Hong Kong 2035](#). It outlines a multi-pronged approach that combines promoting waste reduction, separation and recycling, as well as the development of adequate waste-to-energy facilities, with the aim to reducing the reliance on landfills for municipal waste disposal.

Project Coverage:

Chemical waste loads are continuously increasing in tandem with population expansion. We have been collaborating with our partner under a design-build-operate contract on a new chemical waste treatment facility and incineration line at the Chemical Waste Treatment Centre (CWTC) for the HKSAR Environmental Protection Department over the past 3 years. The CWTC, with the new generation clinical waste sterilisation system installed, which is the largest in Asia, enables non-stop handling of clinical waste surges during the epidemic.



Project Highlights:

To enhance the operational efficiency of the existing facilities, we extensively employed asset information modeling (AIM) and building information modelling (BIM) techniques. The installation and implementation of the new generation clinical waste sterilisation system (CWSS), the largest in Asia, enables non-stop handling of clinical waste surges during the maintenance period of the existing incinerator, and even during the epidemic.

Building a modern and environmentally friendly incinerator is a complex and demanding task. The efficient coordination of logistics and mobilisation of lifting resources posed challenges in the project. Our CWTC Project team had to sprint against the clock using their expertise and experience to ensure the tasks were completed precisely. In addition, our project team completed the lifting and installation of the 3 large-scale waste heat boilers, weighing more than 150 tons in total, during the construction phase.

To convert waste into energy, the waste heat boilers are a crucial component of the incinerator under construction. These will utilise the hot exhaust gases from the incineration process to heat up the water in the water tubes. The generated steam will then be used to drive the steam turbine and generator, thereby producing power to support the operation of CWTC.



[Watch the CWTC project video](#)



Approach to Sustainability

In this Section...

Sustainability Governance

Risk Management

Stakeholder Engagement

Materiality Assessment

Being a leading energy infrastructure specialist, with the aim to enhancing urban living in a smart and sustainable city, Kum Shing is determined to take solid steps and work closely with its stakeholders towards sustainability.



Sustainability Governance

Governance Structure



The Board of Directors (the “BOD”)

The BOD, being the highest governance body of Kum Shing, has the overall responsibility for sustainability and climate-related matters. It is chaired by the Group’s Chief Executive Officer (“CEO”) and composed of Executive Directors and Non-executive Directors. The BOD ensures sustainability and climate-related matters are incorporated into governance, strategy, decision making, risk management and reporting.

The Group Executive Management Committee (“GEMC”)

The GEMC oversees the Group’s strategic direction on sustainability and climate-related matters and approves major priorities to improve sustainability performance and reporting. Chaired by the Group’s CEO, the GEMC comprises Executive Directors, Directors and senior executives.

The Sustainability Committee

The Sustainability Committee, appointed by the BOD, undertakes the responsibility of overseeing the management of the Group's sustainability and climate-related matters. It is chaired by the Chief Operating Officer ("COO") and composed of the senior management of key Business Support Functions. As outlined in the Terms of Reference of the Sustainability Committee, the Sustainability Committee meets at least once a year and has the following roles and responsibilities:

Roles and Responsibilities of The Sustainability Committee

Develop and refine sustainability and climate-related strategies, goals, policies, practices, and performance, and make recommendations to the GEMC

Identify and review the sustainability and climate-related issues, risks, and opportunities for the GEMC's oversight

Review, evaluate and approve stakeholder engagement, materiality assessment and Sustainability Report

Provide updates to the GEMC on sustainability and climate-related matters

During the Year, the Sustainability Committee conducted stakeholder survey and reviewed the material issues identified through the materiality assessment, led sustainability reporting, and reviewed and updated the Group's policies on sustainability matters for CEO's endorsement. We plan to communicate all sustainability-related the Group's policies to all employees through making email announcements and having them available on the corporate intranet.

Moving ahead, to achieve continual advancement of sustainability performance, we will enhance the collective knowledge, skills, and experience of the BOD through regular training activities, and develop a sustainability strategy that aligns with our business objectives and stakeholders' concerns.

Risk Management

Risk Management Framework

Effective risk management serves as one of the foundations of good corporate governance and long-term growth and success of the Group. The risk management framework and procedure are overseen by the GEMC. At the strategic level, macro risks are identified and evaluated, while the risks associated with health, safety and environment are specifically monitored at an operational level.

Material Risks

During the Year, the material risks identified are as follows:

Risk	Risk Description	Risk Responses
Legal Requirements	Non-compliance with the latest changes in statutory and regulatory requirements	<ul style="list-style-type: none">Regularly review the latest changes in statutory and regulatory requirements
		<ul style="list-style-type: none">Keep all relevant parties abreast of the latest changes in statutory and regulatory requirements through regular meetings and discussions
		<ul style="list-style-type: none">Conduct periodic training with all Business Line Department Heads and Project Managers on the importance of compliance with statutory and regulatory requirements
New Clients	Undue delay in meeting the needs and requirements of new clients in the initial period	<ul style="list-style-type: none">Perform detailed study to identify specific client requirements in tendering phase
		<ul style="list-style-type: none">Formulate custom-made mobilisation plan to meet new client's requirements at Director-in-charge level
		<ul style="list-style-type: none">Establish close contact with new clients to ensure prompt response to feedback

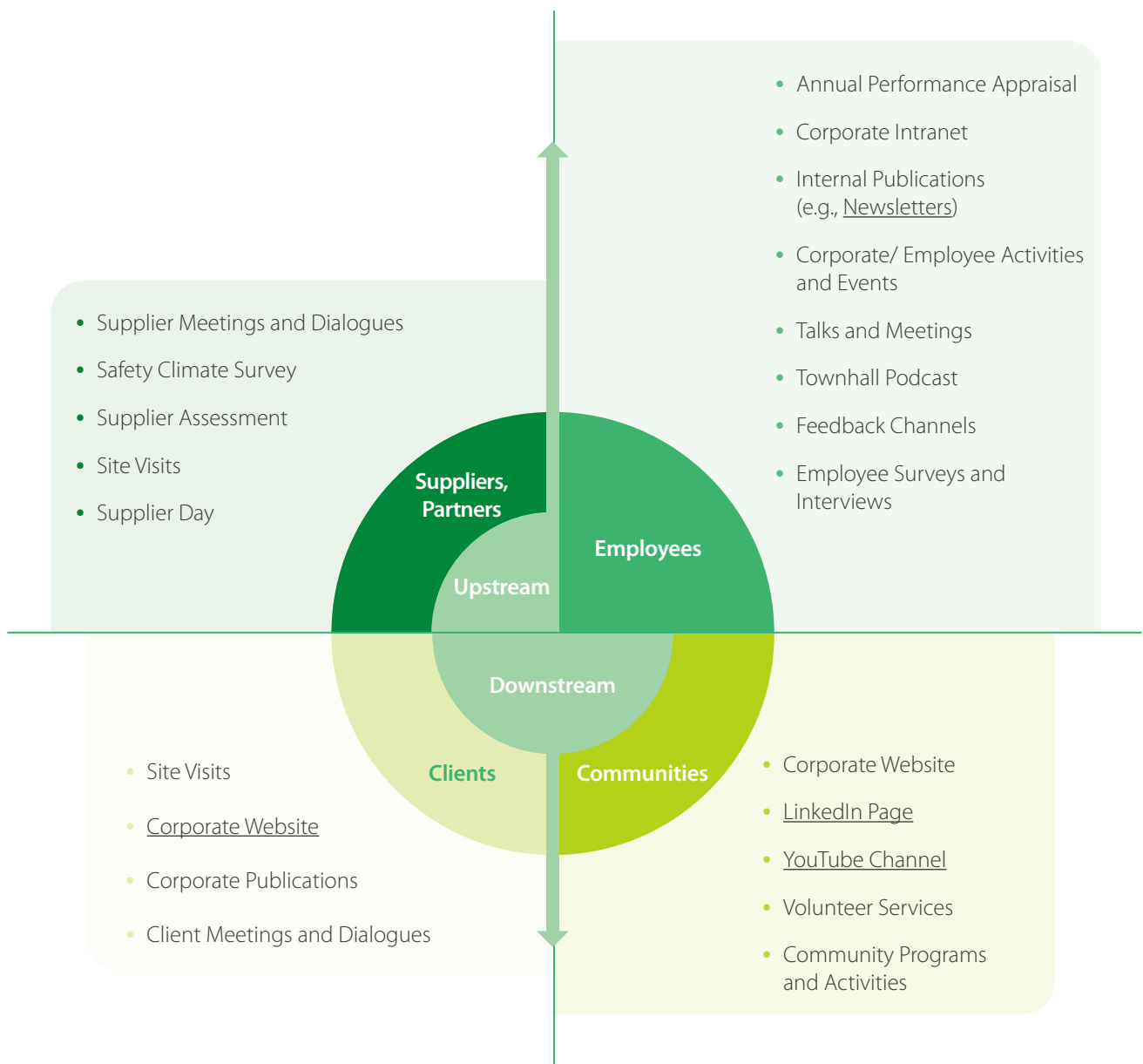
Moving forward, we plan to integrate sustainability issues into our risk management system to enable a more comprehensive identification, assessment and mitigation of sustainability-related risks and opportunities, strengthening our responses to emerging challenges and business resilience.

Stakeholder Engagement

We believe in open, transparent, and timely communication with stakeholders along the value chain to foster trust and collaboration in the pursuit of operational excellence and sustainability. By continuously engaging with our stakeholders, we are able to understand their views and expectations on our operation and development, informing our business strategy to create long-term value for stakeholders.

We regularly engage our key stakeholders through a variety of channels:

Engagement Channels for Key Stakeholders

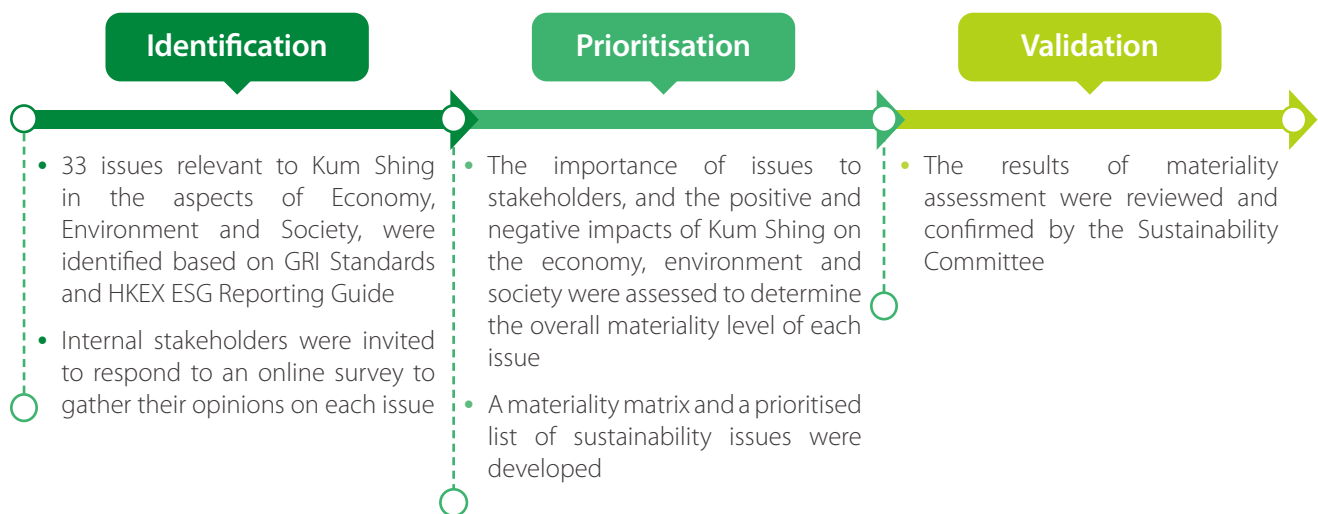


Materiality Assessment

We conducted a materiality assessment during the Year to ensure our Sustainability Report aligns with global best practices of reporting and sustainability management. The assessment helps us to gain a more in-depth understanding of Kum Shing's sustainability issues that stakeholders concern and supports the development and refinement of our approach to sustainability and daily practices, ensuring that we consider the material risks and opportunities that lie ahead.

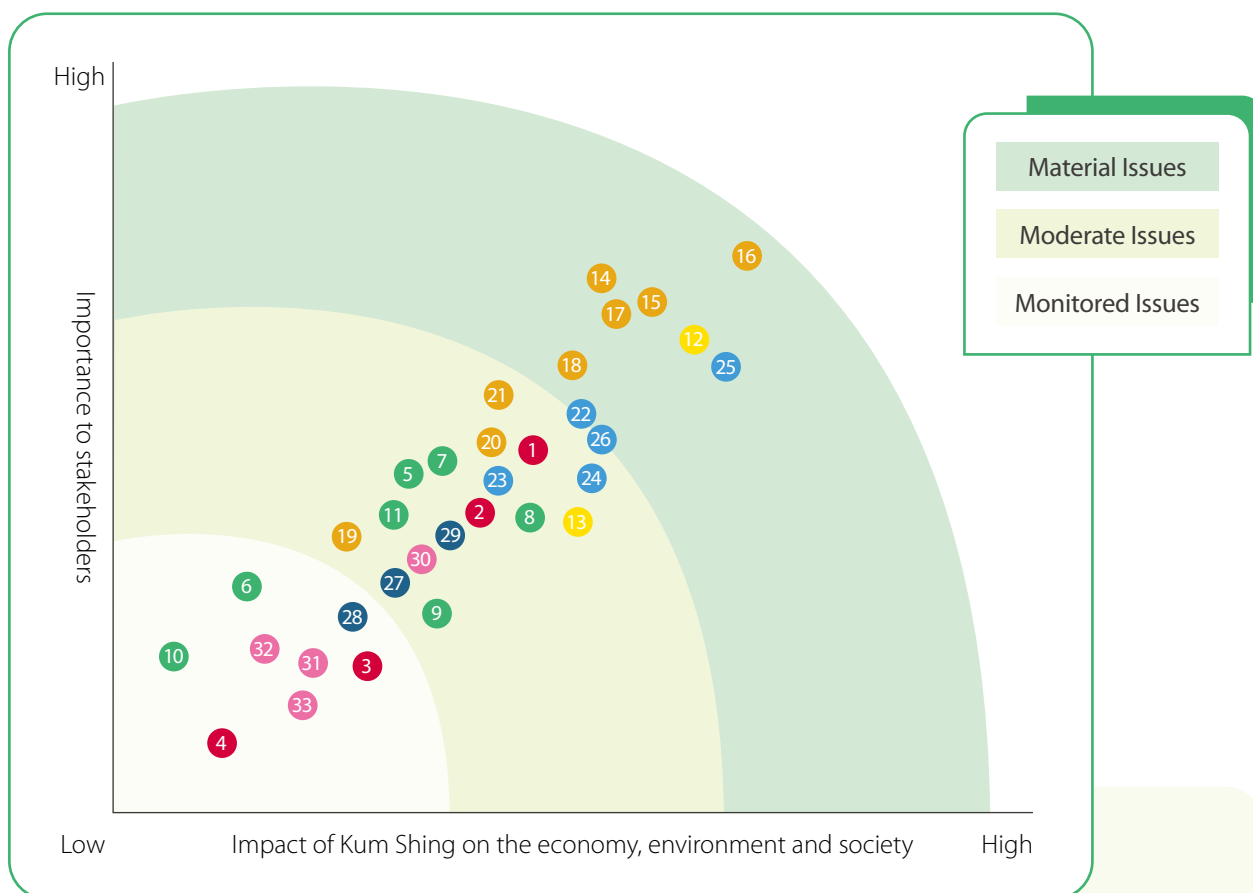
Assessment Process

We adopted the 3-step process of Identification, Prioritisation and Validation for the materiality assessment, which was facilitated by an independent third-party consultancy.



Materiality Matrix

The results of materiality assessment are presented in the following matrix:



● Economy

1. Direct economic value
2. Financial risks and opportunities due to climate change
3. Indirect economic impacts
4. Economic impacts of procurement practices

● Environment

5. Greenhouse gases and other air emissions
6. Water and effluents
7. Waste
8. Energy
9. Materials
10. Biodiversity
11. Climate change

● Society – Business Ethics

12. Anti-corruption
13. Prevention of anti-competitive practices

● Society – Employees

14. Employment management system
15. Employer-employee relations
16. Occupational health and safety
17. Training and development
18. Diversity, equal opportunity and non-discrimination
19. Respect for the rights of association and collective bargaining
20. Prevention of child labour or forced labour
21. Respect for human rights

● Society – Customers

22. Product and service health and safety
23. Responsible marketing communications
24. Quality management and after-sales service
25. Data privacy
26. Protection of intellectual property rights

● Society – Suppliers

27. Supplier environmental assessment
28. Supplier social assessment
29. Sustainable procurement

● Society – Community

30. Community impact assessment and management
31. Community investment
32. Respect for indigenous rights
33. Participation in public policy

Material Issues and Impacts

We identified 9 material issues through the materiality assessment and this Report covers all material issues as shown below:

	Material Issues	Impact Boundaries by Stakeholder Group				Impacts and Responses
		Suppliers and Business Partners	Employees	Clients	Community	
16	Occupational health and safety	✓	✓			Social: People
15	Employer-employee relations		✓			
14	Employment management system		✓			
17	Training and development		✓			
18	Diversity, equal opportunity and non-discrimination	✓	✓			
22	Product and service health and safety	✓	✓	✓	✓	Social: Client
12	Anti-corruption	✓	✓	✓		Governance
25	Data privacy	✓	✓	✓		
26	Protection of intellectual property rights	✓	✓	✓		

Environment

In this Section...

Commitment and Policy Overview

Taking Climate Actions

Reducing Our Emissions

Optimising Use of Resources

To contribute to Hong Kong's target to reach carbon neutrality by 2050, Kum Shing strives to manage and reduce the carbon footprint and environmental impact of its operations responsibly and offer green solutions to the value chain.

Our Policies

- Corporate Sustainability Policy
- Corporate Climate Change Policy
- Corporate Environmental Policy

Our updated Corporate Environmental Policy outlines Kum Shing's commitment and approach to managing emissions, resource efficiency and environmental impacts. Its implementation is supported by an effective environmental management system, which is certified to the international standard, ISO 14001:2015. Under the lead of COO, the Corporate Health, Safety, Environmental and Quality Management ("HSEQ") Committee is responsible for maintaining the Occupational Health and Safety, Environmental and Quality (HSEQ) Management System, with the support of the Corporate Health, Safety and Environment ("HSE"). The Corporate HSEQ Committee comprises managerial representatives of Business Line Departments and Business Support Functions and Business Development.

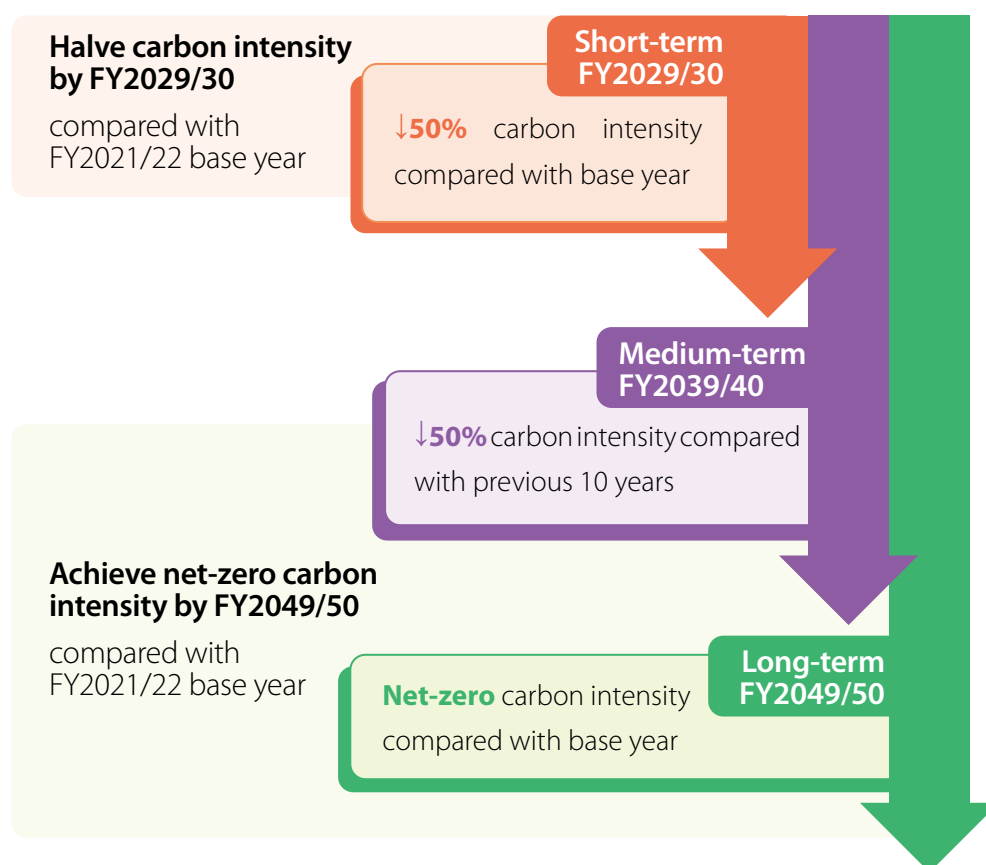
The success of the journey towards sustainable development requires collective actions. We endeavour to raise awareness among our stakeholders, including employees, suppliers, and business partners, and encourage them to embrace sustainability practices through various engagements and training.

To manage the environmental impacts in our projects, environmental impact assessment will be carried out at project commencement and appropriate on-site control measures will be undertaken. Adequate and suitable environmental personnel will be assigned for every major project to monitor statutory compliance in relation to environmental protection through regular on-site inspections, training, and various communication mechanisms.

Taking Climate Actions

The development of the carbon reduction roadmap has been an important starting point of our journey towards decarbonisation. In 2022, we kicked off our first GHG inventory assessment for FY2021/22 in compliance with the international standard, ISO 14064-1:2018. A third-party independent verification was conducted to ensure data credibility. The assessment covered office and depot business operations of 4 subsidiaries of the Group, including KFC, KSE, KEM and PLL. Short, medium, and long-term carbon reduction targets that are in line with the reporting boundary have been developed with corresponding action plans.

Our Carbon Reduction Goals



We remain fully committed to investing in carbon reduction efforts and the transition to carbon neutrality, despite the potential challenges and uncertainties ahead. Key carbon reduction opportunities at operational and project level focus on:

Operation



- Conduct energy audits and adopt energy saving measures



- Phase out diesel mobile generators



- Scale up the utilisation of renewable energy for headquarters



- Implement green procurement



- Perform electrification of operational assets and vehicle fleet



- Implement energy management system and practices in line with international practices

Project



- Extend GHG inventory assessment to selected or major projects



- Prioritise the use of locally sourced materials, plants or machinery to reduce transportation from points of material production to project sites



- Increase the use of electric plant and machinery



- Reduce waste generation



- Adopt smart construction or installation technologies and low carbon materials on site

Reducing Our Emissions

Carbon and Air Emissions

Reducing carbon and air emissions in daily operations is at the core of our strategy to combat climate change. We implement a series of measures to decarbonise our operations.

Introducing Sustainable Mobility

Gradual Electrification of Vehicle Fleet

In line with our commitment to innovation and new technologies, we continue moving towards a fleet of electric vehicles, with the aim to playing a part in cultivating a cleaner environment and decarbonised city. Kum Shing has more than 40 electric vehicles, 10% of the fleet, for daily business operations in the Year.



Introduced **40+** EVs for daily business operations

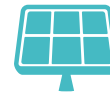


Eco-driving Promotion

Eco-driving helps reduce fuel consumption and carbon emissions. We organise eco-driving seminars to make employees and drivers aware of the impact of route optimisation and their driving behaviours on fuel conservation and vehicle efficiency. It provides them with tips on how to drive eco-efficiently.

Adopting Renewable Energy

We installed a 423kW photovoltaic ("PV") system on the rooftop of headquarters' office building in 2021 to produce zero carbon electricity for self-consumption. Solar powered LED flashing traffic warning lights are adopted at project sites.

**150.47 GWh**

Net generation of solar energy in FY2022/23



GHG Emissions ⁴	Unit	FY2022/23	FY2021/22	% change
Scope 1 – Direct GHG emissions	Tonnes CO ₂ e	1,266.74	1,673.41	↓24.30%
Scope 2 – Energy indirect GHG emissions	Tonnes CO ₂ e	250.84	302.81	↓17.16%
Scope 3 – Other indirect GHG emissions	Tonnes CO ₂ e	1,118.83	224.52	398.32%
Scope 1 & 2 GHG emissions	Tonnes CO ₂ e	1,517.58	1,976.22	↓23.21%
Scope 1 & 2 GHG intensity	Tonnes CO ₂ e/ HKD million revenue	0.80	1.29	↓37.98%
Scope 1 & 2 GHG intensity	Tonnes CO ₂ e/ employee	1.22	1.85	↓34.05%
Total GHG emissions	Tonnes CO ₂ e	2,636.41	2,200.75	19.80%
GHG intensity	Tonnes CO ₂ e/ HKD million revenue	1.38	1.44	↓4.17%
GHG intensity	Tonnes CO ₂ e/ employee	2.12	2.06	2.91%

Air Emissions ⁵	Unit	FY2022/23
Nitrogen oxides (NOx)	kg	4,928.05
Sulphur oxides (SOx)	kg	7.25
Particulate matter (PM)	kg	615.49

Waste

Our waste management approach is guided by the waste management hierarchy (prevent, reduce, reuse, recycle, recover and dispose) to minimise waste generation in our offices and project sites. All hazardous and non-hazardous waste is managed in accordance with statutory requirements and is collected by licensed contractors for proper treatment such as disposal or sold for recycling. Recycling facilities are set up at headquarters and offices in depot and project sites for collecting and sorting recyclables.

4. GHG inventory was calculated in accordance with ISO14064:2018 "Greenhouse gases — Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals". Global warming potential (GWP) referenced "Sixth Assessment Report" by IPCC.

5. Major source of the Group's air emissions included company-owned vehicles. Air emissions were calculated in accordance with "Appendix C: Reporting Guidance on Environmental KPIs" by HKEX.

Low Carbon Technology and Materials for Construction of Site Office

To achieve sustainable production, we employ low carbon technology and materials with high recycled content, such as fences made of recycled materials, in our projects as far as practicable.

Modular Integrated Construction (MiC) has been adopted for the construction of site office building of the Public Lighting System Project in Kowloon and New Territories East. This innovative construction method, adopting the concept of “factory assembly followed by on-site installation”, can reduce dust and noise nuisance to the surrounding environment and minimise construction waste.



In addition, wall Panels, which are made from palm fiber waste and other inorganic wastes and recycled materials, such as coal ash and slags, are adopted for the construction of site office building. These eco-friendly low carbon building materials generate only 10% carbon emissions of traditional cement materials during the manufacturing process.



MiC Technology Adopted for the Site Office Building



Wall Panels Made with Eco-friendly Low-carbon Building Materials



During the Year, the hazardous waste generated mainly included toner cartridge, while the recycled non-hazardous waste mainly included paper, plastics, metal, batteries and coffee grounds, and the landfilled non-hazardous waste mainly included paper.

Waste	Unit	FY2022/23
Total hazardous waste generated	Tonnes	0.08
Hazardous waste intensity	Tonnes/ HKD '000 million revenue	0.04
Hazardous waste intensity	Tonnes/ '000 employee	0.06
Total non-hazardous waste generated	Tonnes	21.43
Recycled waste	Tonnes	11.17
Landfilled waste	Tonnes	10.25
Non-hazardous waste intensity	Tonnes/ HKD million revenue	0.01
Non-hazardous waste intensity	Tonnes/employee	0.02

Construction Waste (Project Operations)	Unit	FY2022/23
Inert construction waste	Tonnes	46,818
Non-inert construction waste	Tonnes	1,482
Total construction waste generated	Tonnes	48,300



Optimising Use of Resources

Energy

Considering energy consumption constitutes a great proportion of carbon emissions, we employ a variety of energy management measures, from utilising renewable energy to driving behaviour change. To enhance energy efficiency, we have upgraded lighting systems to LED lights in offices, perform regular cleaning and maintenance of air-conditioning systems, fan coil units and dust filter, and give priority to purchasing office electrical appliances with higher energy efficiency.

Energy	Unit	FY2022/23
Direct energy consumption	GWh	4,803.84
Diesel	GWh	2,864.57
Petrol	GWh	1,939.27
Indirect energy consumption	GWh	643.18
Purchased electricity	GWh	643.18
Renewable energy⁶	GWh	150.47
Total energy consumption	GWh	5,597.49
Energy intensity	GWh/HKD million revenue	2.93
Energy intensity	GWh/employee	4.50

Water

We are committed to responsible water consumption and improving its efficiency. In addition to having dual flush toilets and water saving taps in place, we perform regular inspections and maintenance of water pumps and pipes to prevent water leakage.

6. Solar energy was generated by Group-owned solar panels and connected to feed-in grid.

Improving Wastewater Management

Trenching in open public areas is a common construction activity in our projects, while site constraints can make using a normal sedimentation tank difficult in some cases. To avoid discharging muddy water directly into the public storm water drainage system, a handy sedimentation tank has been designed and custom made for use on sites with limited spaces. It can be easily operated by one worker and sedimentation performance can be enhanced by means of connecting several tanks in different combinations.



Handy Sedimentation Tank

Cost-effectiveness



↓ Space Occupancy



↓ Fuel Consumption



↓ Manufacturing Costs



↓ Lifting Costs



↓ Material Consumption



↓ Project Time



↑ Improve Frontline Work Efficiency

Water	Unit	FY2022/23
Total water consumption	m ³	2,383.79
Water consumption intensity	m ³ /HKD million revenue	1.25
Water consumption intensity	m ³ /employee	1.92

Social: People

In this Section...

[Commitment and Policy Overview](#)

[Safeguarding Occupational Health and Safety](#)

[Creating a Fair and Ethical Workplace](#)

[Developing Our Talents](#)

Putting people at the heart of our business, we strive to build a safe, inclusive, and harmonious workplace to recruit, develop and retain our talented team.

Our Policies

- [Corporate Sustainability Policy](#)
- [Corporate Human Resources Policy](#)
- [Corporate Occupational Health and Safety Policy](#)
- [Human Rights Policy](#)
- [Employee Handbook](#)





Safeguarding Occupational Health and Safety

To ensure the health and safety of our employees and workers in offices and project sites, and achieve the goal of "zero harm", we have in place a robust HSEQ management system, which is certified to ISO 45001:2018, coupled with internal guidelines and procedures.

Management System



Guidelines and Procedures

A set of health and safety guidelines and procedures are developed and communicated to our employees and workers through various means such as meetings, training, etc., to mitigate and manage the risks associated with our offices and project sites.

Hazard and Risk Identification

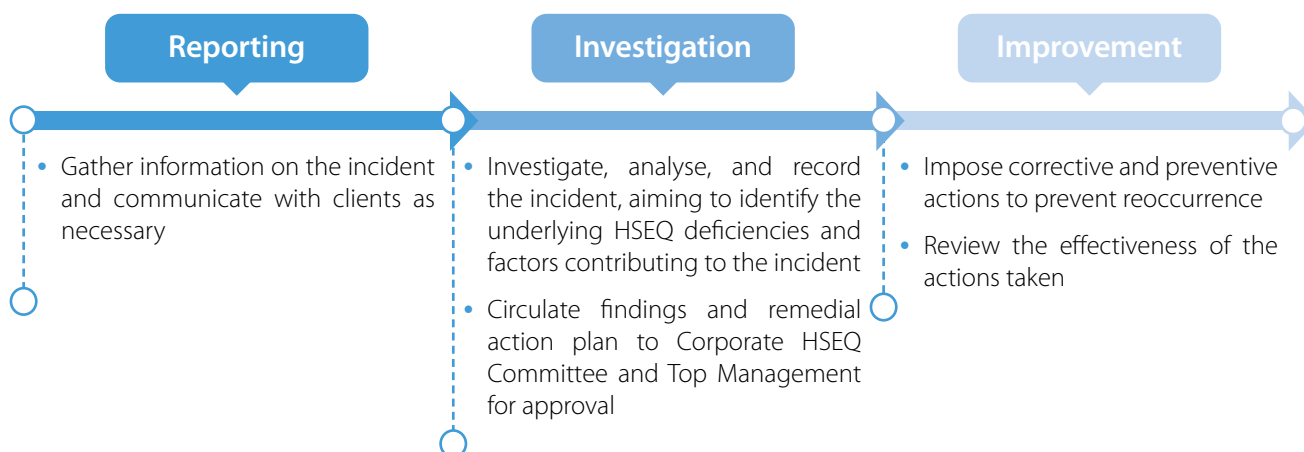
Risk assessments are carried out on a regular basis to identify potential hazards and undertake preventive measures. We obtain feedback and suggestions from employees, subcontractors and visitors on occupational health and safety ("OHS") matters through various communication channels such as management care walks, training, suggestion boxes, etc. This enables continual improvement of the management system. During the Year, we conducted over 530 management care walks on 30 projects with 54 management members.



Conducted **530+** care walks on **30** projects

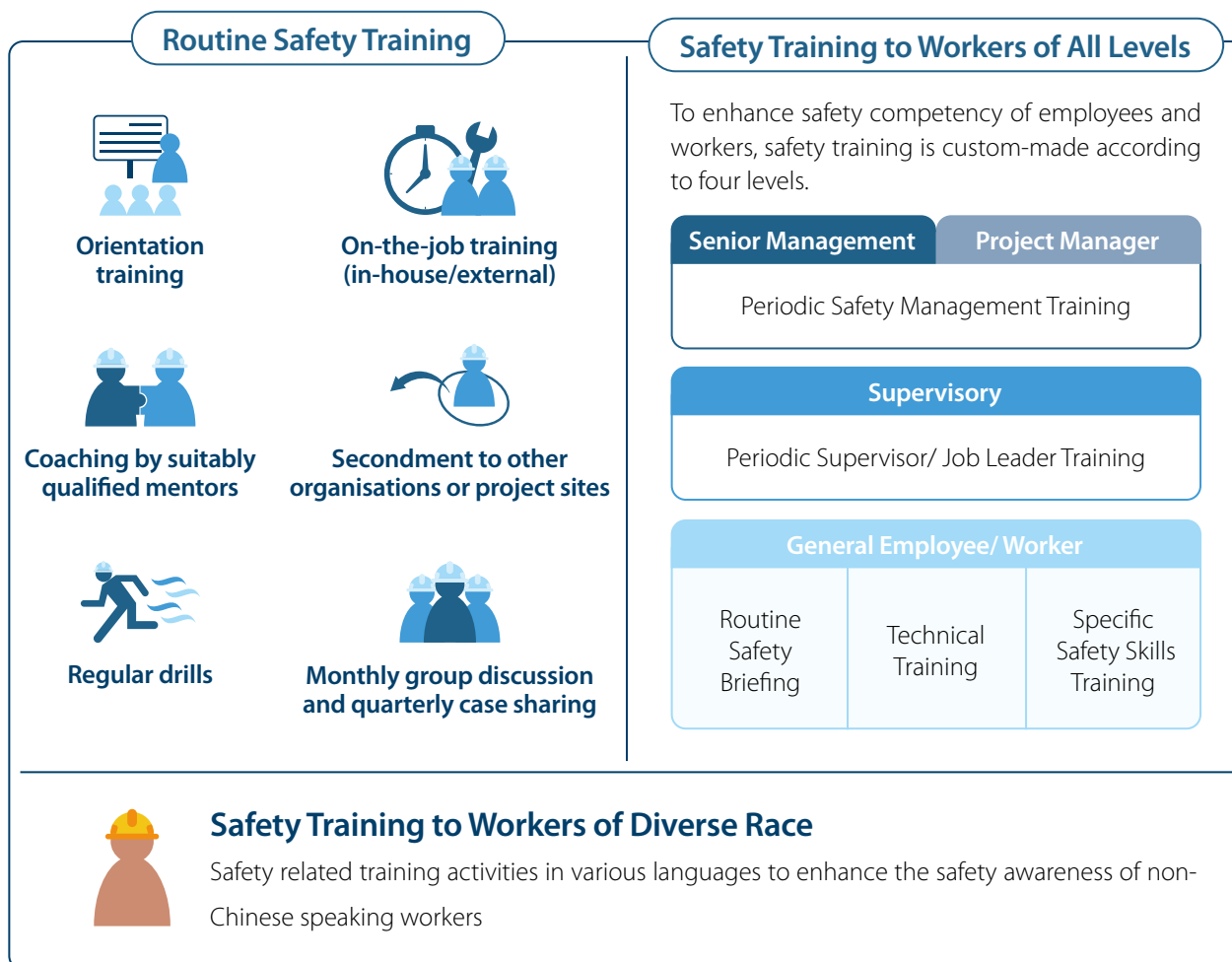
Incident Management

Our safety incident management is guided by internal guidelines and procedures:



Training and Promotions

With the HSEQ management system in place, we identify and deliver training and promotional activities to equip new and existing employees with necessary knowledge of hazards, risks and control measures associated with their work.



Employee Wellbeing

To protect the health and wellbeing of employees, we maintain good indoor air quality at headquarters through having air purifiers in place. During the COVID-19 pandemic, preventive measures were undertaken, including regularly arranging professional cleaning and disinfection service for offices. With the support of technology, we offered flexible working arrangements, such as work-from-home, to reduce the risk of infection and transmission from commuting and at workplace. Caring bags with rapid antigen test kits, masks, personal hygiene items and nutritional supplements were distributed to employees.

Safety Fund

To drive and support the development of safety initiatives, a safety fund has been set up with an amount not less than HK\$10 million since FY2019/20. A total of approximately HK\$3 million has been granted to over 20 health and safety initiatives, such as development of hydraulic winch, quick and easy installation of temporary lorry guard rails, reusable road marking for temporary traffic arrangements, and virtual reality safety training etc.



HK \$10 million granted for safety fund since FY2019/20

HK \$3 million granted for **20+** health and safety initiatives



Hydraulic Winch



Temporary Guard Rails



Reusable Road Marking



Virtual Reality Safety Training

Promoting Safety Innovation

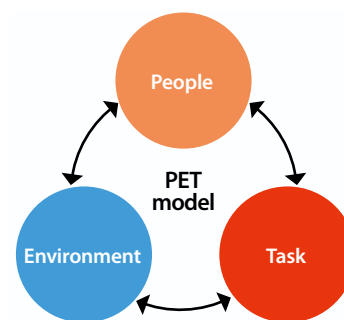
We organise internal award schemes, such as the Safety Innovation Award, to encourage and recognise safety innovation and efforts.

Safety innovation initiatives in trial run and adopted in our selected projects:



Subcontractor Safety

We adhere to our health and safety standards in managing our subcontractor through including HSEQ related clauses in supplier contracts for major projects. In the engagement processes, the HSEQ performance of our subcontractors is evaluated and managed through various programme and systems, such as periodic audit, and merit and de-merit systems. Apart from regular training, we have been promoting and adopting the concept of situational awareness with application of People, Environment and Task (“PET”) model for some major projects since 2021, with the aim to enhancing safety requirements and preventing our workers from safety hazards. An Annual HSEQ Convention with a series of small group sessions, themed situational awareness (工作處境，時刻警覺), were organised from late August to September 2022, engaging over 1,060 workers.



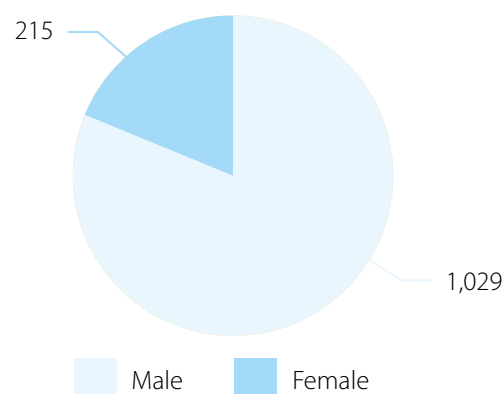
Engaging **1,060+** workers



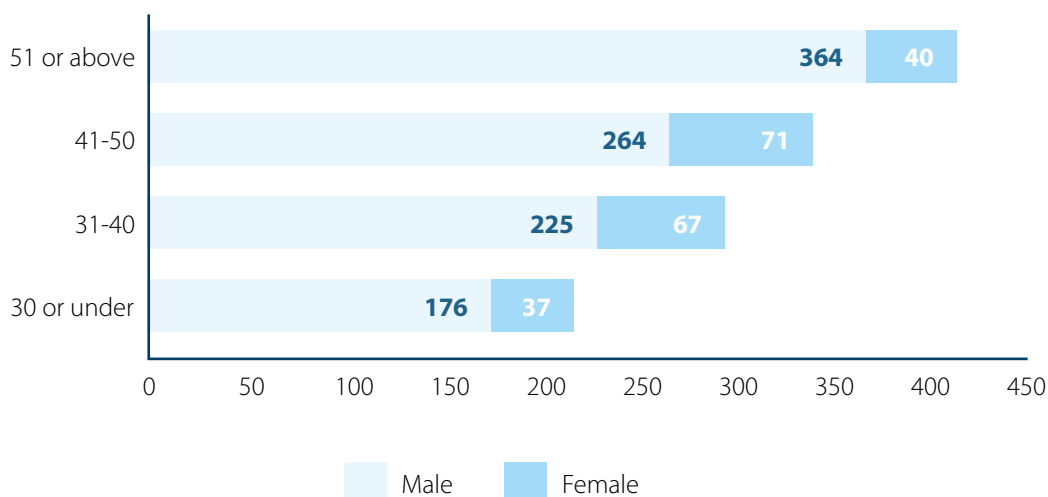
Creating a Fair and Ethical Workplace

To safeguard the rights of our employees, we have established human resources policies, procedures, and practices in relation to compensation and dismissal, recruitment, and promotion, working hours, rest periods, equal opportunity, diversity, non-discrimination and harassment, labour standards, and benefits and welfare. These are communicated to all employees through various channels. During the Year, we hired a total of 1,244 employees.

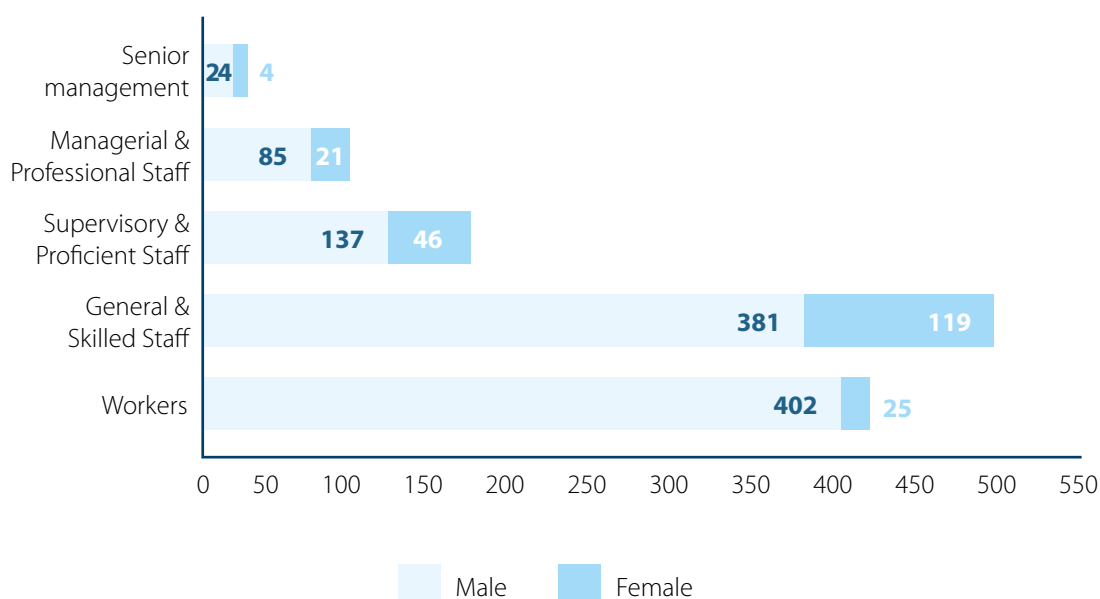
Employees by Gender



Employees by Age Group



Employees by Employee Category





Talent Attraction and Retention

We offer competitive remuneration packages and incentives to attract, retain and motivate talents that have a strong interest in the construction industry. Our employees can enjoy a range of benefits, such as paid leaves, discretionary bonus, medical insurance, health check-up, training and membership sponsorship, birthday packs and long service awards. To promote a motivating workplace, we uphold fairness in the process of recruitment and performance review and recognition, and regularly review remuneration and compensation packages, and other benefits.

During the Year, we conducted a staff survey on medical insurance companies and a focus group to review employment related policies and benefits. The leave policy for permanent full-time monthly-paid employees was enhanced and the discretionary bonus policy was adjusted.



Human Rights and Labour Standards

We respect and observe human rights at work and in business activities. Our Corporate Sustainability Policy and Human Rights Policy outline our commitment and approach to upholding human rights when dealing with employment matters, such as rights at work, non-discrimination, civil liberties and freedom of speech, freedom of association and collective bargaining, grievance, OHS, etc. We plan to communicate the policies to all employees through making email announcements and having them available on the corporate intranet.

We adopt zero tolerance approach to all forms of unethical employment practices, including child labour, illegal and forced labour, human trafficking, in any of our operations and along our supply chain. To prevent such practices, stringent checks to verify the authenticity of identity documents and control procedures are taken in the selection and employment processes.

We provide reasonable notice of significant operational changes to employees according to laws and regulations, corporate policies and employment contracts.



Diversity, Equity and Inclusion

We are committed to providing a harmonious workplace that is free of discrimination and harassment. Employees are treated equally in all aspects of employment regardless of gender, marital status, pregnancy, family status, race, religion, disability, or age. Believing that a diverse workforce can enrich our ideas and support high performance, we value and promote diversity and inclusive culture in the workplace.

Promoting Women Empowerment

Women outnumbered by men is a common phenomenon in the construction industry. We strive to encourage more women into the workforce and promote gender diversity and women empowerment in our operations. Female-friendly amenities, such as location facilities at our headquarters, adequacy of female washrooms and facilities at headquarters and project site offices are provided.

Diversified Professionals

Stereotypes and misconceptions that construction work is dirty and dangerous, or requires significant body strength, cause difficulties in recruiting suitable workers, particularly young people. This is one of the possible causes for construction labour shortage.

To bust these myths and reshape public perception towards the industry, a girl group, "Building Dreams Girls", positioning as the KOL of the construction industry, was formed in 2019. All Dream Girls are from different construction companies with different core professions. A social media page was created to showcase the image of female construction workers through sharing their daily work and professional knowledge. The page has already attracted the attention of 34,000 followers.



Building Dreams Girls enters its fourth year. Winny Chan, Environmental Officer in the Civil and Building department of Kum Shing, is one of the 4th generation Dreams Girls, since 2020. She shared fun facts and experience working in the industry in the Recruit magazine and worked to debunk the myths together with other Dream Girls. Michelle Ying, Assistant Engineer in the Power Systems Department joined Dream Girls in 2023.



[Read the interview
in magazine](#)

Breaking Gender Barriers

Even as the minority in the construction industry, women can make a difference to prove their value in various integral roles in this field. With this in mind, we provide opportunities to female employees to take on important roles to bring a pool of unique and fresh ideas and skillsets.

Ms Gloria Ng

Assistant General Manager, Lead Manager - Business Transformation

Joined Kum Shing in 2005 as Executive Assistant and was promoted to Senior Manager in 2017, Gloria has a broad range of experience in both business and supporting functions. In 2023, she was promoted to Assistant General Manager, carrying the title of Lead Manager - Business Transformation. Her focus was on driving Operation Excellence & Transformation via Project-F program, specifically in the areas of corporate planning, business process review and performance management.



20% of managerial employees were **female**

Supporting Retired Employees and Non-Local Workers

At Kum Shing, we value and prioritise the skills and expertise of our workforce. We believe in providing equal job opportunities to individuals with diverse levels of experience, including older workers who bring a wealth of knowledge and expertise to our team. During the Year, we hired a total of 37 retired employees, further enriching our workforce with their unique perspectives and expertise. To promote the construction industry to people of diverse races, we offer safety training in various languages to attract and support the construction workers of diverse races.



37 retired employees were hired



Local Snack and Free Gifts Served During the Non-local Workers' Annual HSEQ Convention Session



Employee Engagement

We engage our employees and make them feel connected through fostering 2-way communications and a supportive corporate culture. Communication channels include internal newsletters, updates via company intranet and social media platforms, Town Hall podcast, staff surveys and activities.

During the Year, we organised a variety of activities :



Lunar New Year Celebration



Prawn Fishing Activity during Dragon Boat Festival



Parent-child Candy Bag Workshop during Halloween



Snowy Mooncake Workshop during Mid-Autumn Festival



Parent-child Art Jamming Workshop during Father's Day



Lantern Riddles and Mooncake Distribution during Mid-Autumn Festival

Employees can raise their concerns to the Head of Human Resources, their respective Department Head or directly to the Group's CEO or COO if the concerns raised involve the Head of Human Resources.



Lyrics Competition for Kum Shing's 60th Anniversary



Coffee Gathering with CEO



Newborn Babies Celebration



Long Service Awards



Festive Party during Christmas



Lychee Distribution

Developing Our Talents

We offer diversified career paths, development programs, coaching and support structures, and agile opportunities as part of our efforts to upskill and build a diverse workforce. The Group launches a range of training programs to enhance employees' essential skills and knowledge for coping with the ever-changing business environment.

Nurturing the Young

As a thought leader in the field of energy infrastructure, Kum Shing is committed to investing in the next generation and nurturing new blood for the industry.



KS Academy

Established since 2008, the KS Academy leverages Kum Shing's core competencies to provide advanced technological and high value-added training. Courses were revitalised in 2021 to equip talented individuals with the latest knowledge and technical skills required in the industry and empower the next generation to be future-ready. Tailored technical courses include power networks, overhead line related operations, trenching and cable laying.



Diploma Apprenticeship Program



This program focuses on providing practical work experience to diploma and higher diploma graduates, where participants will have the opportunity to apply the skills and knowledge learnt in school. During the Year, we are partnering with the Vocational Training Council (VTC) for the first time to provide additional support and job opportunities for civil engineering students at the institution.

Internship Program

The 6-week internship program is open to all students with a diploma or above pursuing STEM-related disciplines. The program offers 3 major features: personal mentorship, inter-departmental working practice, and the opportunity to interact with the CEO and senior management team. Interns will gain valuable job exposure and expand their network in preparation for post-graduation career planning.





Developing Our Employees

We provide a variety of training programs and activities to ensure that our employees have the necessary knowledge and skills to excel in their roles and contribute to the success of the company. To encourage employees to pursue continuous learning, we offer scholarships of up to HKD120,000 during the Year.

Formal Training Schemes, Scheme "A"

We provide employees with a comprehensive career plan. Our engineering graduate training program, approved by The Hong Kong Institution of Engineers (HKIE), covers the 3 major fields of electrical engineering, mechanical engineering, and civil engineering. This program provides competitive salaries and benefits as well as on-the-job training in relevant professions.

Scheme "A" Programme approved by HKIE

Electrical engineering

Mechanical engineering

Civil engineering

Cultivating the Accreditation of 3 Qualified Professionals

Considering the responsibilities an engineer must bear, being accredited with professional qualifications is never easy, yet necessary for those who are determined to pursue a career in engineering. 3 employees have acquired the qualifications to become qualified professionals in 2022.



[Read the story in Kum Shing's newsletter](#)



Ivan Hon, Senior Project Engineer in the Electrical & Mechanical Department



Robin Lau, Senior Manager in the Electrical & Mechanical Department (left)
Garry Fang, Senior Project Engineer in the Process & Plant Department (right)

Kum Shing provided comprehensive support that reinforced their determination to become qualified professionals. They were grateful for the opportunity to engage in projects in different fields, the encouragement from their supervisors, and the unique corporate culture.

Grooming Employees for Leadership



Continuous learning is always emphasised as the key success and growth in Kum Shing.

Dr Steven Lau

Executive Director – Power Systems & Urban Facilities

Dr Steven Lau joined Kum Shing as a site supervisor in 1986. After more than 35 years' service with a strong background in engineering, administration, and management, he now oversees the Power Systems Department, Urban Facilities Department, and manpower supply business. Steven also strives to pursue new business opportunities across various areas, including smart city infrastructure facilities information management, talent platform and DfMA logistics.

Q: How does Kum Shing support your career growth and professional development?

Continuous learning is always emphasised as the key success and growth in Kum Shing, both for the organisation and its staff development, as highlighted by top management. Enlightened and encouraged by the Chairman, Steven took the bold step of pursuing his first tertiary education on a part-time basis while also being promoted to a junior management role. During his study, top management provided a more flexible work schedule, allowing him to seamlessly balance his work and study. In addition, the management offered more job opportunities to improve his management skills and broaden his horizons, preparing him to become a visionary leader in future.

Upon graduating with his first degree, Steven realised the need to further develop his management skills, leading him to pursue higher-level management education with the endorsement of the Chairman. During this aspiration, Steven was promoted to a senior management position and given the opportunity to oversee the corporate functions by rotation. This experience allowed him to acquire a deeper understanding of administrative skills and support the daily operations of the company. Meanwhile, this job rotation also equipped Steven with the holistic and professional management capabilities required to be a business leader within the organisation.

Now in a top management position, Steven is committed to continuing the culture of continuous learning promoted by the company. Taking on the challenge of pursuing a doctoral degree in management, he hopes to not only inspire further development among employees, but also foster a "lead by example" culture of continuous learning.

Kum Shing is the only private enterprise in Hong Kong that offers comprehensive and multidisciplinary engineering solutions to the entire electricity supply system.

Ir Eric Wong

Director - Head of Process & Plant

Ir Eric Wong joined Kum Shing as an Assistant Construction Manager in 2004. Over the course of his 20-year service, he has held various management positions in engineering projects and the corporate functions of the company. Currently, Eric serves as the Head of Process & Plant, overseeing the business of power generation and environmental projects.



Q: How does Kum Shing support your career growth and professional development?

Kum Shing is the only private enterprise in Hong Kong that offers comprehensive and multidisciplinary engineering solutions to the entire electricity supply system. Kum Shing also provides customised and specialised services to a wide range of clients. Instead of staying at single department, Eric was given the opportunities to manage projects at different stages of electricity system, including generation and transmission, as well as different engineering disciplines such as civil, mechanical and electrical. He also worked with different types of clients such as power utilities and the public sector. This has equipped Eric with great versatility of competency. His 3 years of experience in corporate functions has also fostered a holistic approach to dealing with challenges, progressing him as one of the young leaders in the company.

Training Activity	Training Focus
Orientation Training	• Corporate background and policies
	• Human resources practices
	• Integrated Management System, including HSEQ practices, emergency procedures, etc.
	• Anti-corruption
	• Office tour
Human Resources Training	• Business management skills, including problem solving, communication, and presentation skills
	• Project management skills
Knowledge Sharing Seminars	• Hong Kong's infrastructure development and opportunities

Social: Clients and Suppliers

In this Section...

Commitment and Policy Overview

Delivering Quality to Our Clients

Engaging with Our Suppliers

We endeavour to deliver excellent quality services to clients with our 3 core values of Integrity, Sincerity, and Commitment, and meet their needs in the evolving market landscape.

Our Policies

- Corporate Sustainability Policy
- Corporate Quality Policy
- Sustainable Purchasing Policy
- Vendor Code of Conduct



Delivering Quality to Our Clients

Ensuring Quality Services

We implement quality policies and procedures, and adopt quality management system, which is certified to international standard, ISO 9001:2015, by independent third party, to ensure the quality of services provision. The management system and quality related matters are overseen by the Corporate HSEQ Committee. To seek continual improvement in our quality performance, The Committee meets on a regularly basis to review the objectives and targets set and formulate improvement strategies.

Delivering Reliable Power Supply in the Railway Projects

Since 2008, we have been committed to providing exceptional services in the railway industry. For more than a decade, we have been dedicated to serving our client with the highest standards of quality and safety. Our top priorities are to deliver unparalleled service on time that meets their expectations and ensure the safety of commuters.

 Airport Express	<ul style="list-style-type: none"> • Cable Joints Replacement
 Disneyland Resort Line	<ul style="list-style-type: none"> • Emergency Cable Repair
 East Rail Line	<ul style="list-style-type: none"> • EAL Signaling System Upgrade • Power Supply Systems Maintenance • Archaeological Investigation
 Island Line	<ul style="list-style-type: none"> • Auto Changeover System Replacement • Power Supply System Engineering Work
 Kwun Tong Line	<ul style="list-style-type: none"> • Auto Changeover System Replacement • DC Fuse Monitoring Engineering Works • Obsolete Power Changeover Equipment & Provision of Bypass Switch Replacement
 South Island Line	<ul style="list-style-type: none"> • Engineering, Procurement and Construction of Power Supply System
 Tseung Kwan O Line	<ul style="list-style-type: none"> • Rectifier Transformers Replacement
 Tsuen Wan Line	<ul style="list-style-type: none"> • Auto Changeover System Replacement • DC Fuse Monitoring Engineering Works • EPC of Traction Transformer & Rectifier Circuit Works • Obsolete Power Changeover Equipment & Provision of Bypass Switch Replacement
 Tuen Ma Line	<ul style="list-style-type: none"> • Traction Power Cables Replacement • Power Supply Systems Maintenance • Auxiliary Power Supply Systems for Trains • Modification of Train Layout
 Tung Chung Line	<ul style="list-style-type: none"> • EPC of Power Supply System for Extension Line
 Light Rail	<ul style="list-style-type: none"> • Auxiliary Transformer Replacement • Provision of Electrical Power to CCTV • Power Cable Replacement
 High Speed Rail	<ul style="list-style-type: none"> • Traction Power Supply & Check Meter Systems Maintenance • Access Security Enhancement

Enhancing Trains and Accessibility

Locomotives play an essential role in the hauling of engineering wagons. Led by skilled engineers from the Electrical & Mechanical Department, dedicated teams have been undertaking the task of conducting modification works for 16 locomotives stationed at Pat Heung Depot and Tai Wai Depot. The project aims to enhance performance of parking brake system within these locomotives, ensuring their safe operation on the Tuen Ma Line, which includes a newly opened section with a steep gradient.

Our railway project teams have been involved in designing, modifying, supplying, and installing bench chairs in trainsets, converting them into multi-purpose areas to meet the diverse needs of society. Additionally, the teams are responsible for designing and installing new batteries with a lifespan of over 10 years, aiming to improve the availability of train services and reduce operating costs.



Seizing Golden 2 Hours Every Night

While most might consider 2 hours every early morning insignificant, to us they are golden. Our railway project teams work tirelessly to maintain the power supply networks, while our Civil Engineering teams are hard at work erecting noise barriers, upgrading platform safety, and performing maintenance on the railway. All of this is accomplished within those two precious hours every night.



[Watch our railway engineering expertise video](#)



Maintenance Works for Operating Railway



Railway Noise Barriers Installation



Providing Round-the-clock Services

Our dedicated railway project teams have been providing emergency repairing services for power cables since 2018 up until the present day. With unwavering commitment, we have successfully executed a series of urgent repair services across the extensive MTR network, encompassing AEL, TCL, and Urban Lines. These repairs have covered cables ranging from low voltage to 33kV, ensuring that the railway power system is maintained to the utmost serviceable standard.

To achieve round the clock services in railway projects, our project teams must be well-planned, highly coordinated, and work together seamlessly during day and night. With their sophisticated skills, they are able to complete their work promptly and efficiently.

Our mission is to guarantee the highest level of railway service for passengers in the next morning each and every day, and we work tirelessly to ensure that this mission is achieved. Therefore, our client can continue to provide service to the passengers on a railway network spanning over 260 kilometers, with over 5 million daily patrons, and a service availability of more than 99% every day.



Ensuring the Uninterrupted Flow of Power Supply

We are unwavering in our commitment to supporting our client to provide the city with a seamless flow of electricity, from the very moment it is generated, transmitted, and distributed, all the way down to the final mile metering.

Our team is constantly on the go, managing over 100 active construction sites for cable lines every single day, ensuring that 20 electrical circuits are put into service per month, making sure that high voltage is turned safely without a hitch for domestic use. With a staggering 480,000 technical man hours dedicated to plant maintenance every year, we guarantee that the reliability of power supply is never compromised. Our multi-professional teams also construct, maintain and overhaul 1,100 overhead line poles and 13,000 cable joints cum terminations each year, ensuring that each installation is done securely and expertly.



100+ Active
Construction Sites Every Day



20 Electrical
Circuits Per Month



[Watch our energy hero video](#)



480,000 Technical
Man Hours Every Year



1,100
Overhead Line Poles
Per Year



13,000
Cable Joints
Per Year



Overhead Line Works



Cable Trenching And Installation Works

Improving Community Relations in Construction Projects

Trenching in open public areas is a common construction activity in our projects. For those sites where construction work is expected to have a significant impact on the surrounding neighbourhood, we will be appointing a full-time "Trenching Ambassador" to take care of the people and communities affected by our works. Our ambassadors will work tirelessly to address the safety and environmental needs of those individuals, as well as collect and handle their feedback and suggestions in a thoughtful and caring manner.



In our Integrated Management System, we collect and measure client satisfaction through multiple channels, including project meetings, client surveys, performance appraisals, and feedback. The Corporate HSE is responsible for collecting, analysing, and monitoring this information. If any unsatisfactory issues or client complaints arise, the COO-led Corporate HSE team will review and investigate the matter, and then take prompt and long-term actions to address and resolve the issue. During the Year, there were no client complaints about the services provided.

Valuing honesty, openness, and transparency in our corporate communications, we ensure the integrity and accuracy of production data through established management requirements and procedures. Corporate communications materials are reviewed by management prior to publication.

Despite the unprecedented challenges posed by the pandemic, our workers remained unwavering in their commitment to ensuring the construction process remained on track. We have successfully replaced a staggering 14 kilometers of sewers, which is equivalent to the total track length of 35 standard sports grounds. The upgrade of the sewage system is of paramount importance to maintain the highest standards of sanitation in our precious community.

Project Highlights:

- Detailed planning and expectation management to ensure that engineering works to be carried out on the busy streets were clearly understood by all stakeholders
- Adopted various trenchless construction technology, such as tunnel boring machine (TBM) and coring, which significantly minimised impacts on traffic and the public
- Adopted a formidable technological arsenal, such as 3D laser scanner, Building Information Modelling (BIM) and an electronic document management system, with capabilities in reserve to meet any issue
- Employed CCTV, AI and mobile surveillance camera to assist monitoring site and confined space work and multiple work fronts

Adopted Technologies

Trenchless Construction Technology



Tunnel Boring Machine



Tunnel Coring

Formidable Technological Arsenal



3D Laser Scanner



Building Information Modelling



Electronic Document Management System

Site Monitoring Tools



CCTV



AI Camera



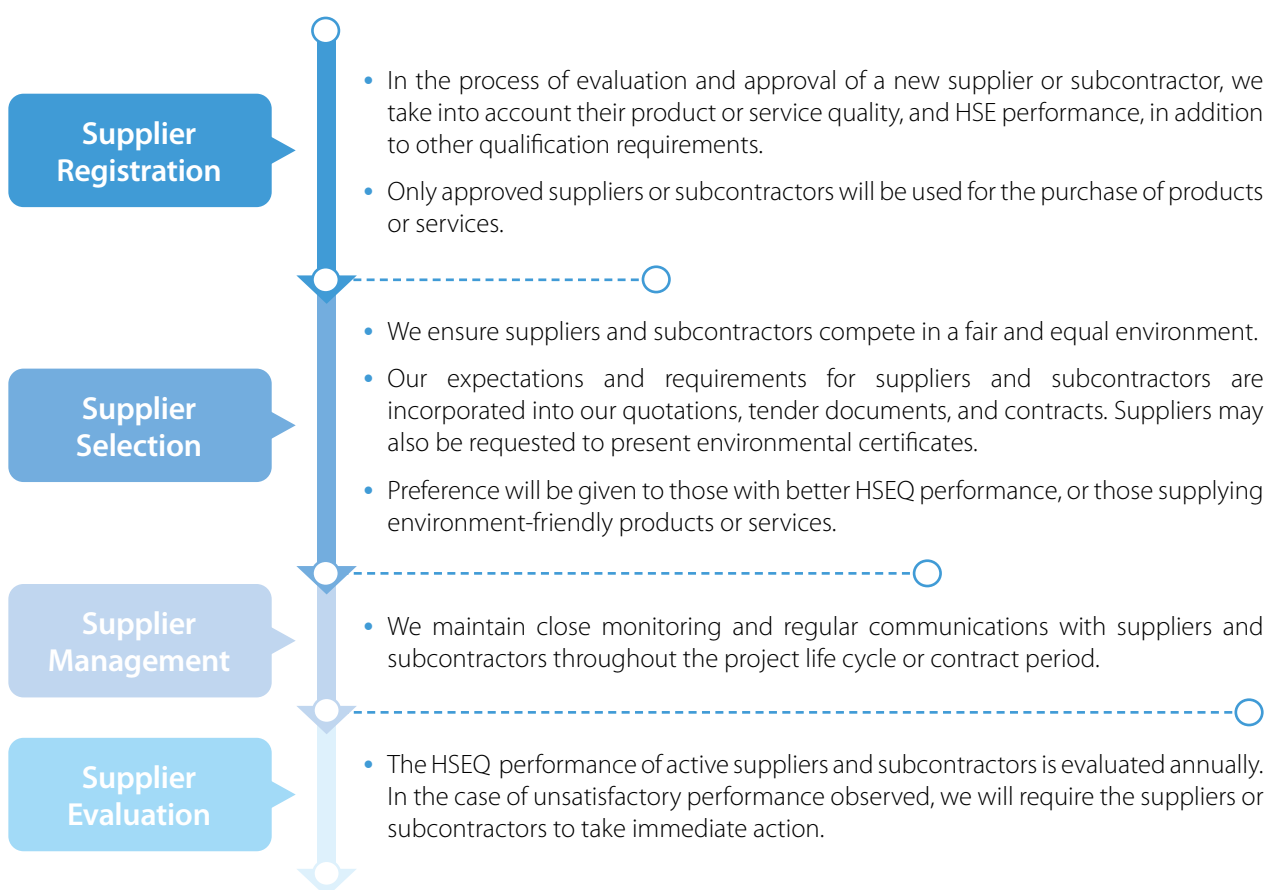
Mobile Surveillance Camera

Engaging with Our Suppliers

We strive to build long-term relationships with our partners and suppliers for mutual benefit and prosperity and promote good working practices along the supply chain. We are actively engaging with our suppliers to collaboratively build a future that is both better and more responsible.

Supplier Management

Our procurement processes, supplier selection, management and evaluation are guided by a set of internal policies and procedures.



To improve the monitoring and management of sustainability risks along the supply chain, we have developed the Vendor Code of Conduct and plan to communicate it to all our active suppliers and subcontractors. Key subcontractors will be required to adhere to the sustainability requirements and sign an acknowledgement at the time of engagement.

Sustainable Procurement

Guidelines on sustainable procurement are included in the Sustainable Purchasing Policy and procurement procedures. At the project level, evaluating the environmental impact is crucial throughout all stages of the project's life cycle, starting from the acquisition of raw materials. Preference ratings will be given to suppliers and subcontractors with better HSEQ performance, or those supplying environment-friendly products or services. We prioritise green procurement by purchasing tools and equipment with higher resource efficiency, and selecting and sourcing locally supplied materials whenever possible. This practice not only reduces carbon emissions produced during transportation, but also supports the local economy by using nearby resources.

Social: Community

In this Section...

Commitment and Policy Overview

Focus: Driving towards a Sustainable City

Focus: Supporting the Next Generation

Focus: Fighting the Virus Together

Focus: Serving the Community

Being a socially responsible company, we are driven to create shared values for stakeholders and bring positive impacts to the communities we serve.

Our Policies

- Corporate Sustainability Policy
- Community Investment Policy

As outlined in our Corporate Sustainability Policy and Community Investment Policy, we are dedicated to a variety of community engagement and investment initiatives, such as community projects, charity work, volunteer services, etc.



Community Investment	FY2022/23
Total number of employee volunteers	40
By focus area of contribution	
Environment	5
Culture	25
Charitable causes	10
Total number of volunteering hours	245
By focus area of contribution	
Environment	35
Culture	150
Charitable causes	60
Total amount of donation (HKD)	1,095,616
By focus area of contribution	
Environment	10,000
Culture	5,000
Charitable causes	109,266
Education	899,650
Health	66,700
Sports	5,000

Focus: Driving Towards a Sustainable City

“Sustainable Transportation to a Net-Zero Future” Forum

Kum Shing organised a forum titled "Sustainable Transportation to a Net-Zero Future" at its headquarters in November 2022. The forum aimed to provide a platform for communication and knowledge exchange among industry partners to promote zero-emission transportation and foster partnerships. The event was a great success with the presence of government officials from the HKSAR Environmental Protection Department, Transport Department, and the Chairman of Panel on Environmental Affairs of the Legislative Council. It was also attended by representatives of various EV partners, such as CLP Power, electric vehicle brands BYD, MG, and Ev Dynamics, charger providers, and local transport sectors, including taxi, bus, and minibuss. The forum marked an important step towards the development of smart cities by emphasising the significance of zero-emission transportation.



Teaming Up for Shoreline Clean-up

Our volunteer team joined the "Construction Industry Shoreline Clean-up Day" as part of our efforts to help preserve the environment. During the event, we gathered with other volunteers at Whitehead of Wu Kai Sha and worked together to clean up the beach. We believe that our contribution can make an impact in creating a better, cleaner environment for everyone to enjoy.



Focus: Supporting the Next Generation

Investing in Youth through Scholarship Grants

Kum Shing continued its commitment to supporting the next generation by providing scholarships to academically outstanding students at the Hong Kong Baptist University Affiliated School Wong Kam Fai Secondary and Primary School, allowing them to pursue further studies at top universities overseas.



Supporting Charitable Causes for the Kids

The Kum Shing Young Professional Club (YPC) joined the All in For the KIDS charitable poker game in 2022 to raise funds for young patients with rare diseases through Lifewire, a local crowdfunding platform. Over 70 participants from local engineering companies supported the challenge, including 4 members of YPC and the Group's CEO. The event raised a total of HK\$400,000, making it a resounding success in supporting a great cause.

Kum Shing is dedicated to aiding the "Lok Sin Tong Charity Candy Campaign 2023" in raising money for children with special education needs and those from underprivileged families.



Paving the Way for Youth in the Greater Bay Area

Kum Shing collaborates with universities and local institutions to guide the younger generation. In 2020, Mr Rex Wong, the Group's CEO drove the formation of the Youth of Guangzhou and Hong Kong Association (YGH) to provide opportunities for the next generation in Hong Kong. YGH was created by young Hong Kong leaders and offers valuable opportunities for young people to better understand Mainland China as they forge their own career paths in the Greater Bay Area.



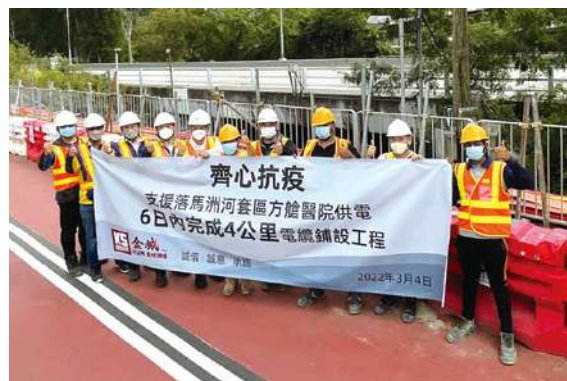
Focus: Fighting the Virus Together

Providing Swift Power Supply to Community Isolation Facilities

Over 250 employees of Kum Shing worked tirelessly to ensure stable and reliable power supply in various community isolation facilities in Hong Kong amidst the pandemic. The Distribution Circuits team in Power Systems Department successfully deployed a power connection to an isolation facility in Tsing Yi overnight. Additionally, they worked hard to complete cable laying for an isolation facility in Lok Ma Chau Loop in record time. The Electrical & Mechanical Department team supported in the last mile by connecting high voltage transformers at various locations.



[Watch video on our effort in fighting the virus](#)



Supporting Local Sewage and Waste Treatment

Despite the challenges posed by the pandemic, Kum Shing's teams remain steadfast in their work. The Civil Building team supported the HKSAR Drainage Services Department in non-stop operation to upgrade the drainage system in various districts, while the Waste Treatment Project team in Tsing Yi has been supporting the HKSAR Environmental Protection Department to increase capacity to handle the massive amount of clinical waste.





Sending Love and Care through "Love Fleet" Campaign

We participated in the "Love Fleet" campaign, a joint effort by The Y Elites Association, Hong Kong United Youth Association, and other local youth organisations. They provided free transportation for healthcare workers and delivered anti-epidemic items to schools and people with special needs. Mr Ivan Wong, the Group's Vice Chairman, led the volunteer team in delivering masks and sanitisers to schools across different districts, while Kum Shing's fleet carried healthcare workers to provide vaccination services to people at home.



Focus: Serving the Community

Inheriting and Unleashing Lo Pan's Spirit

Kum Shing continued to participate in the "Lo Pan Service Month 2022" organised by the Construction Industry Council (CIC). As part of the "Construction Industry Lo Pan Rice Campaign," our volunteer team distributed meal boxes and fortune bags to underprivileged communities in To Kwa Wan and Yau Ma Tei, embodying the Lo Pan's spirit of compassion and dedication towards social responsibility.





Shining Kindness through Scholarship and Fund Raising Programs

The WKF Foundation Service-Learning Scholarship

Enable students at the Hong Kong Polytechnic University to continue their service with elderly and disabled people, migrant children, and students with special needs in remote communities in Mainland China, Cambodia, Rwanda, and Vietnam



Oxfam Trail Walker

2 trail walker teams from Kum Shing participated, and together with other participants, we successfully raised close to HK\$12 million through this charitable hiking activity for various poverty alleviation and emergency relief projects



Community Chest “Skip Lunch Day”

Support services for street sleepers, residents in cage homes and cubicles



Community Chest “Love Teeth Day”

Support social welfare agencies of the Community Chest to strengthen oral care services for the recipients



We have been honoured with Caring company for consecutive +15 years for our continual commitment in caring for the Hong Kong community. Mr Rex Wong, JP, the Group's CEO, is always dedicated to creating positive impacts to industry and society. He was recently awarded The Young Industrialist Awards of Hong Kong by the Federation of Hong Kong Industries, recognising his significant achievements. This award celebrates not only personal leadership, but also the creation of value, impact, and contribution to economic and social development.



Governance

In this Section...

Commitment and Policy Overview

Corporate Governance

Legal Compliance

Anti-corruption

Data Privacy and Intellectual Property Rights

We place great emphasis on good corporate governance, business ethics, transparency, accountability, and integrity. Believing that these values are critical for long-term business success and building trust with stakeholders, we strive to uphold them in every aspect of our operations.

Our Policies

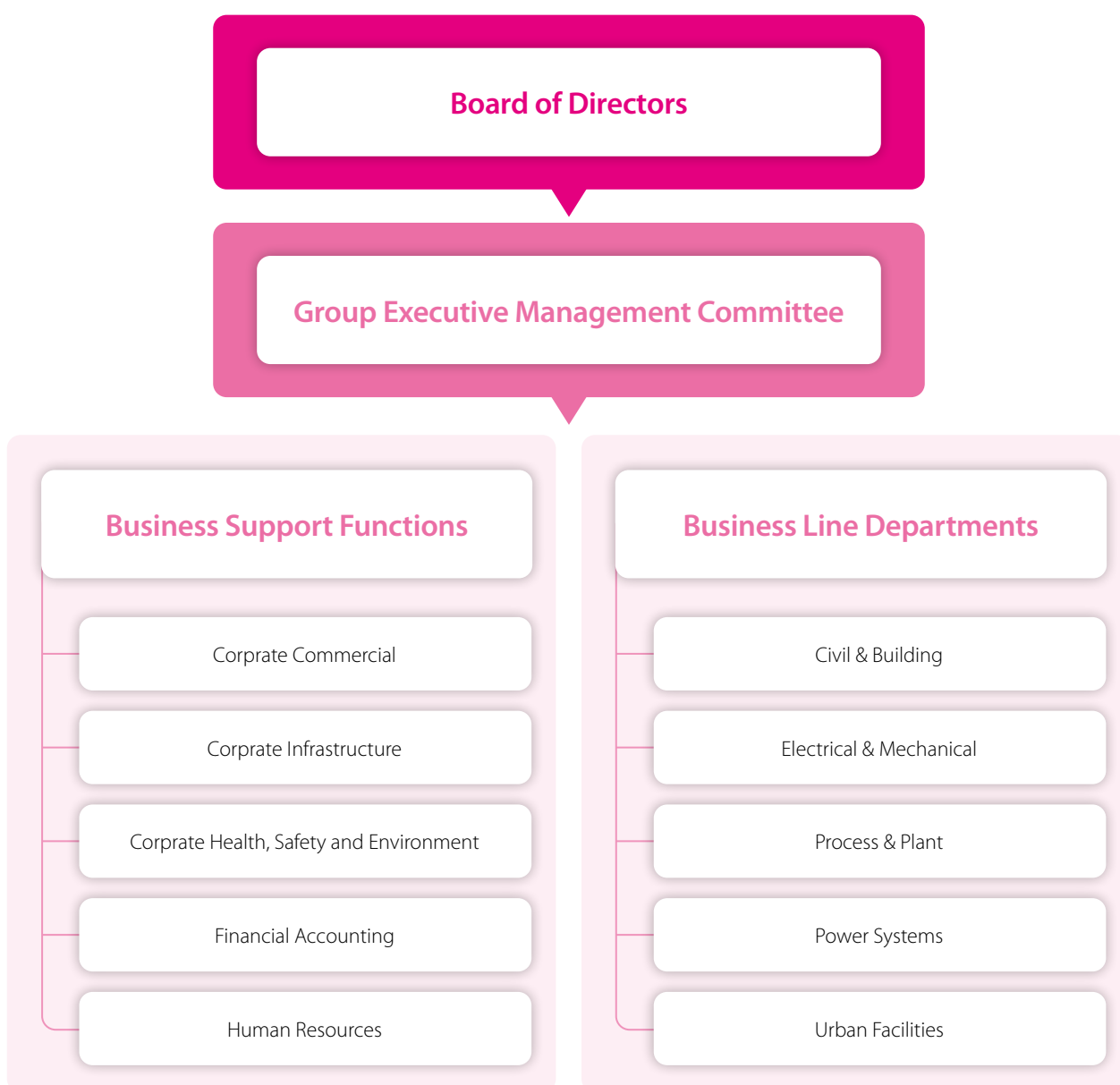
- Corporate Sustainability Policy
- Anti-fraud Policy
- Whistleblowing Policy
- Information Security Policy
- Privacy Policy
- Code of Conduct
- Employee Handbook

Corporate Governance

Governance Structure

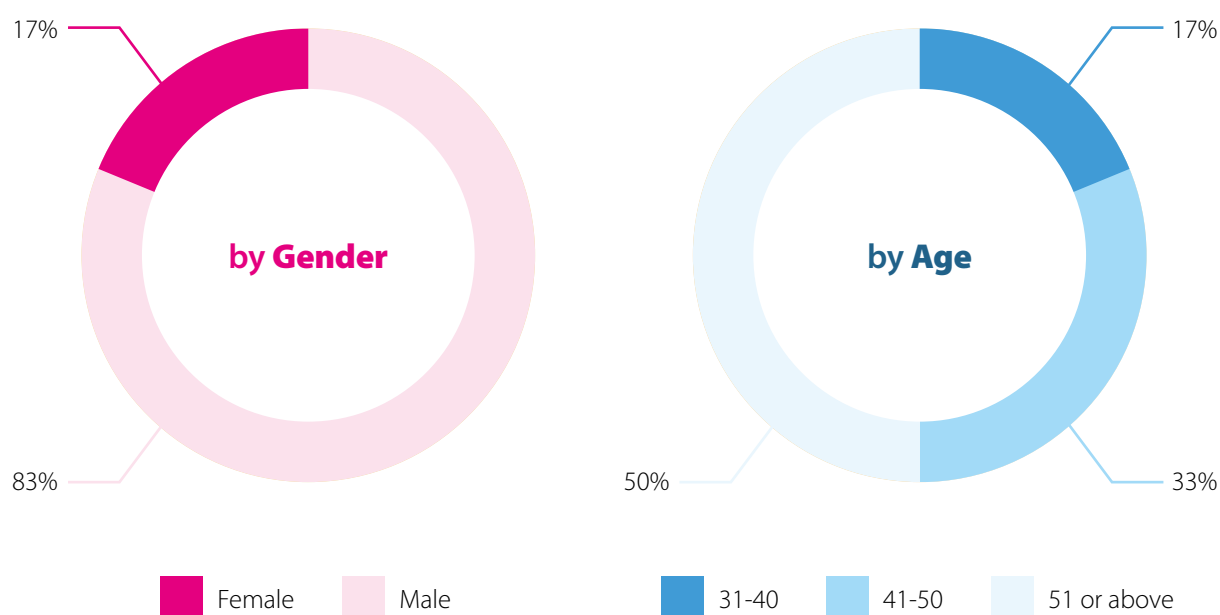
The BOD is the highest governance body of Kum Shing, providing oversight and strategic direction to the Group. It is responsible for ensuring that the Group operates in a responsible and effective manner, with the ultimate goal of promoting its long-term success. It is chaired by the Group's CEO and composed of Executive Directors and Directors. Through its leadership and guidance, the BOD plays a crucial role in shaping the Group's culture and ensuring that its affairs comply with the highest standards of ethics and integrity.

The day-to-day business is managed by the GEMC, which is chaired by the Group's CEO and comprises Executive Directors and Non-executive Directors. The GEMC is responsible for overseeing the strategy, policies, risk management, and financial performance of Kum Shing, and is directly accountable to the BOD. The responsibilities are discharged through delegation to Business Support Functions and Business Line Departments.



The 6 members of the BOD have specific competencies and experience relevant to the Group's operations, such as accounting and finance, architecture, civil engineering, electrical and mechanical. Gender, age, cultural, educational background, ethnicity, professional experience, skills, knowledge, and length of service are considered when reviewing the BOD's composition. The performance of the BOD based on a number of factors is reviewed each year. The BOD are requested to declare their and their connected entities' direct or indirect interest.

Breakdown of 6 BOD Members



Remuneration Policy

We believe that fair and properly structured remuneration can help align the interests of Directors, senior management, and employees with those of the Group and its shareholders. As delegated by the BOD's, the Group's Human Resources function scrutinises the remuneration policies and other remuneration matters applied within the Group, including the remuneration of the Executive Directors, Senior Management, and employees. The remuneration packages comprise fixed and variable components. The variable components are linked to the Group's business performance and individual performance in the forms of performance bonus, incentive bonus, etc.

To encourage commitment and continuous improvement, the remuneration and incentives are based on objective criteria, reflecting performance, complexity, responsibility, and values created. The remuneration packages are regularly assessed in terms of appropriateness to the role and responsibility, and with reference to major industry players or companies.

Legal Compliance

Violations of laws and regulations could pose adverse impacts on our business operations, performance, financial position, and reputation. We put in place internal policies, guidelines, and procedures to ensure we operate in compliance with all applicable laws and regulations and ethical business practices.

Aspects		Number of Cases
Environment		No reported cases
Social: People	• Employment practices and labour standards	No reported cases
	• Occupational health and safety	No reported cases
Social: Client	• Product and service responsibility (including health and safety impacts of products and services)	No reported cases
Governance	• Anti-corruption	No reported cases
	• Data privacy	No reported cases

Anti-corruption

As part of our commitment to ethical business conduct, we strictly prohibit any form of corruption, bribery, extortion, fraud, and money laundering. Employees at all levels are required to adhere to the Anti-fraud Policy and the Code of Conduct and take steps to prevent violations. Guidelines on dealing with situations involving potential corruption are provided. These include, but are not limited to, avoidance of conflict of interests, prohibited payments and offers, restrictions on gifts and hospitality, handling of company information, records, and assets. Regular reminders on anti-corruption are also communicated to major suppliers and subcontractors.

We value integrity and transparency as crucial elements in building trust with our stakeholders. As such, we have established the Whistleblowing Policy and procedures that enable employees and other stakeholders, including suppliers, business partners and clients, to raise concerns about any misconduct, malpractice, or irregularity through a confidential reporting channel. Once a report is received, an assessment will be conducted to decide whether the case will proceed to investigation. All reports and investigations will be dealt with promptly and fairly and in accordance with the appropriate procedures. The identities and information reported by them are treated with strict confidentiality and are only disclosed when we are required to do so by law or regulation, or when we refer the matter to the appropriate regulators or law enforcement authorities. This ensures whistleblowers can report any concerns or issues without fear of reprisals.

Training is another critical component of our efforts to foster a culture of ethical behavior and prevent misconduct. We have an Independent Commission Against Corruption (ICAC) online training that is mandatory for our new employees and directors to attend. The training facilitates their understanding of our policies and their roles and responsibilities in combating corrupt practices.

During the Year, there were no confirmed legal cases of corruption brought against the Group or its employees. It is planned to require all staff members to attend the ICAC online training once every year.

Data Privacy and Intellectual Property Rights

At Kum Shing, we take information security and data privacy seriously, and make every effort to keep our data safe. Internal policies and guidelines are put in place to guide our employees on proper data management, from collection, storage, use to disposal, with clearly defined responsibilities. Our major subcontractors are required to comply with the same requirements and acknowledge their responsibilities through signing an undertaking.

We have implemented physical, electronic, and managerial procedures to safeguard data privacy based on “need-to-know” and “need-to-use” basis. The usage of information technology (“IT”) equipment, data and software is strictly regulated to prevent information from loss, damage, or theft. Physical access to system storage, server room or network control room is controlled in accordance with procedural requirements. Access to electronic information resources and systems is confined to authorised staff. Data disposal is monitored by the Corporate Infrastructure.

Special security controls and additional firewall are adopted for departments handling confidential or personal data to prevent data leakage due to cyber security threats. A penetration test is conducted to evaluate the effectiveness and vulnerability of physical security controls based on internal procedural requirements. The Corporate Infrastructure will send regular email reminders on information security to employees.

Our data breach team, consisting of an Executive Director appointed by the CEO, the Head of Brand, Marketing and Communications, and the Head of Corporate Infrastructure, is responsible for managing internal reports regarding actual or potential data protection incidents. The team will develop appropriate action plans and decisions, and will also notify individuals who may be affected.

Cybersecurity Training

In today's digital age, cybersecurity threats have become more sophisticated and prevalent than ever before. To foster security-conscious culture throughout Kum Shing, we provide all our employees with mandatory cybersecurity training. This online training series is designed to educate our employees on the latest cybersecurity threats, provide them with practical tips on how to identify and prevent cyber attacks, and ensure that they understand the importance of keeping data safe.

Cybersecurity Online Training Series

Your Role: Internet Security and You	Safe Surfing	Internet Security for Remote Work
Common Threats	Social Engineering Red Flags including Phishing Email Attack	2-Factor Authentication Attack
Cyberspace Mars	Breach Prevention	Multi-Factor Authentication: First Steps
Data Classification	Data Privacy Basics	Security Awareness

We promote and protect intellectual property ("IP") rights and prohibit misuse and unauthorised disclosure violation of IP related laws and regulations. To prevent infringement of privacy and intellectual property rights, the Corporate Infrastructure will thoroughly check the integrity of new software application before release for use.

During the Year, there were no substantiated complaints concerning breaches of client privacy and losses of client data.

Appendixes

Appendix A: Key Statistics

Environmental Performance

Indicator	Unit	FY2022/23
GHG emissions⁷		
Scope 1 – Direct GHG emissions	Tonnes CO ₂ e	1,266.74
Scope 2 – Energy indirect GHG emissions	Tonnes CO ₂ e	250.84
Scope 3 – Other indirect GHG emissions	Tonnes CO ₂ e	1,118.83
Scope 1 & 2 GHG emissions	Tonnes CO ₂ e	1,517.58
Scope 1 & 2 GHG intensity	Tonnes CO ₂ e/ HKD million revenue	0.80
Scope 1 & 2 GHG intensity	Tonnes CO ₂ e/ employee	1.22
Total GHG emissions	Tonnes CO ₂ e	2,636.41
GHG intensity	Tonnes CO ₂ e/ HKD million revenue	1.38
GHG intensity	Tonnes CO ₂ e/ employee	2.12
Air emissions⁸		
Nitrogen oxides (NO _x)	kg	4,928.05
Sulphur oxides (SO _x)	kg	7.25
Particulate matter (PM)	kg	615.49
Waste		
Total hazardous waste generated	Tonnes	0.08
Hazardous waste intensity	Tonnes/ HKD '000 million revenue	0.04
Hazardous waste intensity	Tonnes/ '000 employee	0.06
Total non-hazardous waste generated	Tonnes	21.43
Recycled waste	Tonnes	11.17
Landfilled waste	Tonnes	10.25
Non-hazardous waste intensity	Tonnes/ HKD million revenue	0.01
Non-hazardous waste intensity	Tonnes/employee	0.02

7. GHG inventory was calculated in accordance with ISO 14064:2018 "Greenhouse gases — Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals". Global warming potential ("GWP") referenced "Sixth Assessment Report" by IPCC.

8. Major source of the Group's air emissions included company-owned vehicles. Air emissions were calculated in accordance with "Appendix 2: Reporting Guidance on Environmental KPIs" by HKEX.



Indicator	Unit	FY2022/23
Energy		
Direct energy consumption	GWh	4,803.84
Diesel	GWh	2,864.57
Petrol	GWh	1,939.27
Indirect energy consumption	GWh	643.18
Purchased electricity	GWh	643.18
Renewable energy	GWh	150.47
Total energy consumption	GWh	5,597.51
Energy intensity	GWh/ HKD million revenue	2.93
Energy intensity	GWh/ employee	4.50
Water		
Total water consumption	m ³	2,383.79
Water consumption intensity	m ³ / HKD million revenue	1.25
Water consumption intensity	m ³ / employee	1.92
Construction Waste (Project Operations)		
Inert construction waste	Tonnes	46,818
Non-inert construction waste	Tonnes	1,482
Total construction waste generated	Tonnes	48,300



Social Performance

Total Workforce ⁹	FY2022/23
Total number of employees (headcount)	1,244
By gender	
Male	1,029
Female	215
By age group	
30 or under	213
Male	176
Female	37
31 – 40	292
Male	225
Female	67
41 – 50	335
Male	264
Female	71
51 or above	404
Male	364
Female	40
By employee category	
Senior Management	28
Male	24
Female	4
Managerial & Professional Staff	106
Male	85
Female	21
Supervisory & Proficient Staff	183
Male	137
Female	46
General & Skilled Staff	500
Male	381
Female	119
Workers	427
Male	402
Female	25

9. Total number of employees hired by KFC, KSE, KEM and PLL of the Group at the end of the Year, excluding the BOD.



Total Workforce ⁹	FY2022/23
By employment type	
Full-time	1,239
Male	1,024
Female	215
Part-time	4
Male	4
Female	0
Non-guaranteed hours	1
Male	1
Female	0
By employment contract	
Permanent	819
Male	648
Female	171
Contract basis	425
Male	381
Female	44

Other Workers ¹⁰	FY2022/23
Total number of other workers (full time equivalent)	1,645
By most common types of workers	
Subcontractor's workforce for construction works	1,645

10. Total number of other workers (subcontractor's workforce for construction works) of the Group at the end of the Year.



New Hires ¹¹	FY2022/23	
Total number and rate of new hires	655	52.65%
By gender		
Male	564	54.81%
Female	91	42.33%
By age group		
30 or under	135	63.38%
31 – 40	172	58.90%
41 – 50	147	43.88%
51 or above	201	49.75%
By employee category		
Senior Management	5	17.86%
Managerial & Professional Staff	24	22.64%
Supervisory & Proficient Staff	56	30.60%
General & Skilled Staff	246	49.20%
Workers	324	75.88%

Employee Turnover ¹²	FY2022/23	
Total number and rate of employee turnover	380	30.55%
By gender		
Male	319	31.00%
Female	61	28.37%
By age group		
30 or under	87	40.85%
31 – 40	107	36.64%
41 – 50	91	27.16%
51 or above	95	23.51%
By employee category		
Senior Management	4	14.29%
Managerial & Professional Staff	14	13.21%
Supervisory & Proficient Staff	38	20.77%
General & Skilled Staff	165	33.00%
Workers	159	37.24%

11. New hire rate = number of new employees of the category / total number of employees of the category at the end of the Year x 100%.

12. Employee turnover rate = number of turnover of the category / total number of employees of the category at the end of the Year x 100%.

Ratio of Basic Salary of Female Employees to Male Employees¹³

FY2022/23

By employee category

Managerial & Professional Staff

1 : 1.21

Supervisory & Proficient Staff

1 : 1.41

General & Skilled Staff

1 : 1.25

Workers

1 : 1.69

Parental Leave

FY2022/23

Total number of employees that were entitled to parental leave

1,590

Male

1,317

Female

273

Total number of employees that took parental leave

8

Male

8

Female

0

Total number of employees that should return to work after parental leave ended

8

Male

8

Female

0

Total number of employees that returned to work after parental leave ended

8

Male

8

Female

0

Return to work rate of employees that took parental leave¹⁴

100%

Male

100%

Female

NA

Total number of employees that returned to work from parental leave in the prior Year

18

Male

16

Female

2

Total number of employees retained 12 months after returning to work from parental leave in the prior Year

16

Male

14

Female

2

13. Basic salary means fixed, minimum amount paid to an employee for performing his or her duties, excluding any additional remuneration, such as payments for overtime working or bonuses.

14. Return to work rate of employees that took parental leave = total number of employees that returned to work after parental leave ended / total number of employees that should return to work after parental leave ended x 100%.

Parental Leave	FY2022/23
Retention rate of employees that took parental leave¹⁵	88.89%
Male	87.50%
Female	100%

Occupational Health and Safety (Employees)	FY2022/23
Employees covered by an occupational health and safety management system (headcount)	
Total number of employees covered by the system	1,244
Total number of employees covered by the system that has been internally audited	1,244
Total number of employees covered by the system that has been audited or certified by an external party	1,244
Work-related fatalities	
Total number of work-related fatalities	0
Rate (per 200,000 hours worked)	0
Rate (per 1,000 employees)	0
High-consequence work-related injuries	
Total number of high-consequence work-related injuries	0
Rate (per 200,000 hours worked)	0
Rate (per 1,000 employees)	0
Recordable work-related injuries (including fatalities)	
Total number of recordable work-related injuries ¹⁶	5
Rate (per 200,000 hours worked) ¹⁷	0.46
Rate (per 1,000 employees) ¹⁸	5.87
Days away from work injuries (number of personnel) ¹⁹	5
Work-related ill health	
Total number of work-related ill health	0
Number of hours worked²⁰	
Total number of hours worked	2,191,421

15. Retention rate of employees that took parental leave = total number of employees retained 12 months after returning to work from parental leave in the prior Year / total number of employees that returned to work from parental leave in the prior Year x 100%.

16. Main types of recordable work-related injuries for employees included manual handling.

17. Rate of recordable work-related injuries per 200,000 hours worked for employees = number of recordable work-related injuries for employees / number of hours worked for full-time employees x 200,000.

18. Rate of recordable work-related injuries per 1,000 employees = number of recordable work-related injuries / total average number of employees during the Year x 1,000.

19. "Days Away From Work Injuries" refers to the number of personnel who sustains work-related injury and is unfit to perform any work on any day after the occurrence of the injury. "Any day" is any calendar day which includes rest days, weekend days, leave days, public holidays or days after ceasing employment. It does not include the day the injury incident occurred. "Days Away From Work Injuries" excludes fatalities which were included in "Lost Time Injury".

20. Number of hours worked for full-time employees = total average number of full-time employees during the Year x 9 hours per day x 286 days.

Occupational Health and Safety (Other Workers ²¹)		FY2022/23
Other workers covered by an occupational health and safety management system (full time equivalent)		
Total number of other workers covered by the system		1,645
Total number of other workers covered by the system that has been internally audited		1,645
Total number of other workers covered by the system that has been audited or certified by an external party		1,645
Work-related fatalities		
Total number of work-related fatalities ²²		1
Rate (per 200,000 hours worked) ²³		0.04
Rate (per 1,000 other workers) ²⁴		0.85
High-consequence work-related injuries		
Total number of high-consequence work-related injuries		0
Rate (per 200,000 hours worked)		0
Rate (per 1,000 other workers)		0
Recordable work-related injuries		
Total number of high-consequence work-related injuries ²⁵		10
Rate (per 200,000 hours worked) ²⁶		0.38
Rate (per 1,000 other workers) ²⁷		8.53
Days away from work injuries (number of personnel) ¹⁹		10
Work-related ill health		
Total number of work-related ill health		0
Number of hours worked ²⁸		
Total number of hours worked		5,210,524

21. The scope of other workers included subcontractor's workforce for construction works.

22. The case of work-related fatality was related to supplier's logistic worker fell from height.

23. Rate of work-related fatalities per 200,000 hours worked for other workers = number of work-related fatalities for other workers / number of hours worked for other workers x 200,000.

24. Rate of work-related fatalities per 1,000 other workers = number of work-related fatalities for other workers / total average number of other workers during the Year x 1,000.

25. Main types of recordable work-related injuries for other workers included manual handling.

26. Rate of recordable work-related injuries per 200,000 hours worked for other workers = number of recordable work-related injuries for other workers / number of hours worked for other workers x 200,000.

27. Rate of recordable work-related injuries per 1,000 other workers = number of recordable work-related injuries for other workers / total average number of other workers during the Year x 1,000.

28. Number of hours worked for other workers = total average number of other workers at the end of the Year x 9 hours per day x 286 days.

Occupational Health and Safety (Employees and Other Workers Combined)		FY2022/23
Employees and other workers covered by an occupational health and safety management system		
Total number of employees and other workers covered by the system		2,889
Total number of employees and other workers covered by the system that has been internally audited		2,889
Total number of employees and other workers covered by the system that has been audited or certified by an external party		2,889
Work-related fatalities		
Total number of work-related fatalities		1
Rate (per 200,000 hours worked) ²⁹		0.03
Rate (per 1,000 employees and other workers) ³⁰		0.49
High-consequence work-related injuries		
Total number of high-consequence work-related injuries		0
Rate (per 200,000 hours worked)		0
Rate (per 1,000 employees and other workers)		0
Recordable work-related injuries		
Total number of high-consequence work-related injuries		15
Rate (per 200,000 hours worked) ³¹		0.41
Rate (per 1,000 employees and other workers) ³²		7.41
Days away from work injuries (number of personnel) ¹⁹		15
Work-related ill health		
Total number of work-related ill health		0
Number of hours worked ³³		
Total number of hours worked		7,401,945

29. Rate of work-related fatalities per 200,000 hours worked for employees and other workers = number of work-related fatalities for employees and other workers / number of hours worked for employees and other workers x 200,000.

30. Rate of work-related fatalities per 1,000 employees and other workers = number of work-related fatalities for employees and other workers / total average number of employees and other workers during the Year x 1,000.

31. Rate of recordable work-related injuries per 200,000 hours worked for employees and other workers = number of recordable work-related injuries for employees and other workers / number of hours worked for employees and other workers x 200,000.

32. Rate of recordable work-related injuries per 1,000 employees and other workers = number of recordable work-related injuries for employees and other workers / total average number of employees and other workers during the Year x 1,000.

33. Number of hours worked for employees and other workers = total average number of employees and other workers at the end of the Year x 9 hours per day x 286 days.



Employee Trained ³⁴	FY2022/23	
Total number and rate of employees trained	745	59.89%
By gender		
Male	593	57.63%
Female	152	70.70%
By employee category		
Senior Management	28	100%
Managerial & Professional Staff	102	96.23%
Supervisory & Proficient Staff	172	93.99%
General & Skilled Staff	323	64.60%
Workers ³⁵	120	24%

Training Hours ³⁶	FY2022/23	
Total and average training hours	12,570.55	10.10
By gender		
Male	11,746.43	11.42
Female	824.12	3.83
By employee category		
Senior Management	108.17	3.86
Managerial & Professional Staff	817.64	7.71
Supervisory & Proficient Staff	2,095.52	11.45
General & Skilled Staff	5,349.22	10.70
Workers ³⁵	4,200.00	8.4

34. Employee trained rate = number of employees trained in the category / total number of employees of the category at the end of the Year x 100%.

35. The number of workers trained only included the data of KEM.

36. Average training hours = total hours of training received by employees of the category / total number of employees of the category at the end of the Year.



Employee subject to regular performance and career development review ³⁷	FY2022/23	
Total number and rate of employees subject to regular performance and career development review	817	65.68%
By gender		
Male	646	62.78%
Female	171	79.53%
By employee category		
Senior Management	28	100%
Managerial & Professional Staff	106	100%
Supervisory & Proficient Staff	183	100%
General & Skilled Staff	500	100%
Workers	NA	NA

Employee received regular performance and career development review ³⁸	FY2022/23	
Total number and rate of employees received regular performance and career development review	817	100%
By gender		
Male	646	100%
Female	171	100%
By employee category		
Senior Management	28	100%
Managerial & Professional Staff	106	100%
Supervisory & Proficient Staff	183	100%
General & Skilled Staff	500	100%
Workers	NA	NA

37. Rate of employee subject to regular performance and career development review = number of employees subject to regular performance and career development review in the category / total number of employees of the category at the end of the Year.

38. Rate of employee received regular performance and career development review = number of employees received regular performance and career development review in the category / number of employees subject to regular

Supply Chain Management	FY2022/23
Total number of suppliers	759
By category	
Suppliers	240
Subcontractors	200
Service providers	319
By geographical region	
Hong Kong	700
Mainland China	13
Other regions	46
Rate of suppliers where the procurement practices are being implemented	100%
By geographical region	
Hong Kong	100%
Mainland China	100%
Other regions	100%

Anti-corruption	FY2022/23	
Total number and rate of directors or employees received anti-corruption training³⁹	426	34.16%
By director or employee category		
The BOD & Senior Management	30	96.77%
Managerial & Professional Staff	75	70.75%
Supervisory & Proficient Staff	171	93.44%
General & Skilled Staff	150	30.00%
Total and average training hours on anti-corruption per director or employee⁴⁰	71.00	0.06
By director or employee category		
The BOD & Senior Management	5.00	0.16
Managerial & Professional Staff	12.50	0.12
Supervisory & Proficient Staff	28.50	0.16
General & Skilled Staff	25.00	0.05

39. Rate of directors or employees received anti-corruption training = number of directors or employees trained in the category / total number of directors or employees of the category at the end of the Year x 100%.

40. Average training hours on anti-corruption = total hours of training received by directors or employees of the category / total number of directors or employees of the category at the end of the Year.



Community Investment	FY2022/23
Total number of employee volunteers	40
By focus area of contribution	
Environment	5
Culture	25
Charitable causes	10
Total number of volunteering hours	245
By focus area of contribution	
Environment	35
Culture	150
Charitable causes	60
Total amount of donation (HKD)	1,095,616
By focus area of contribution	
Environment	10,000
Culture	5,000
Charitable causes	109,266
Education	899,650
Health	66,700
Sports	5,000

Appendix B: Memberships and Major Awards

Association and Membership			
 <p>CONSTRUCTION INDUSTRY COUNCIL 建造業議會</p> <p>Member</p>	 <p>香港建造商會 HKCA</p> <p>Member</p>		
 <p>BUSINESS ENVIRONMENT COUNCIL 商界環保協會</p> <p>Council Member</p>	 <p>HKGBC 香港綠色建築議會</p> <p>Institutional Member</p>	 <p>GREEN COUNCIL 環保促進會</p> <p>Corporate membership - bronze</p>	
 <p>HKFEMC 香港機電工程商聯會</p> <p>Member</p>	 <p>THE HONG KONG E&M CONTRACTORS' ASSOCIATION</p> <p>Member</p>	 <p>香港註冊承建商商會 THE HONG KONG REGISTERED CONTRACTORS ASSOCIATION</p> <p>Member</p>	
 <p>cie HONG KONG 香港照明學會 CIE (Hong Kong) Limited</p> <p>Member</p>	 <p>Hong Kong Institution of Highway and Transport 香港公路學會</p> <p>Member</p>		
 <p>香港工業總會 FHKI Federation of Hong Kong Industries</p> <p>Member</p>	 <p>香港中華總商會 CGCC The Chinese General Chamber of Commerce, Hong Kong</p> <p>Member</p>	 <p>商 廠</p> <p>Member</p>	 <p>HKGCC Hong Kong General Chamber of Commerce 香港總商會 1861</p> <p>Member</p>

*Names not listed in particular order

Awards and Recognitions



Awards and Recognitions

1. The 28th Considerate Contractors Site Award Scheme (CCSA)

- Merit Award – Distribution Cable Installation Works for CLP Power (OA 4600008489)
- Merit Award – Outstanding Environmental Management and Performance Awards
- Model Frontline Supervisor and Model Worker Awards

2. The 23rd Construction Safety Promotional Campaign

- Silver Award – Outstanding Supervisor of Confined Space Works in Occupational Safety and Health – CLP Trenchless (OA 600008473)

3. Life First 2022 Award

- Excellence Award (Distribution Trenching and Cable Laying Works)
- Merit Award (Distribution Overhead Line Works in Hong Kong)

4. HKCA Construction Safety Award 2022

- Proactive Safety Contractor Awards

5. HKCA Hong Kong Construction Environmental Awards

- Merit Award

6. Hong Kong Green Awards

- Silver Award – Environmental, Health and Safety Award (Large Corporation)

7. CLP Power COO Grand Award

- Best SHE Performed Contractor of the year 2021



Issuing/ Organising Authority

HKSAR Development Bureau

Occupational Safety and Health Council

Construction Industry Council

Hong Kong Construction Association

Hong Kong Construction Association

Green Council

CLP



Appendix C: Content Indexes

GRI Content Index

GRI Standard	Description		Reference/ Remark	Page No.
GRI 2: General Disclosures 2021	2-1	Organisational details	About Kum Shing	7-10
	2-2	Entities included in the organisation's sustainability reportings	About this Report	4-6
	2-3	Reporting period, frequency and contact point		
	2-4	Restatements of information	There were no restatements of information for the Year.	/
	2-5	External assurance	There was no external assurance for the Year.	/
	2-6	Activities, value chain and other business relationships	About Kum Shing Social: Clients and Suppliers	7-10, 55-64
	2-7	Employees	Appendix A: Key Statistics - Social Performance	81-92
	2-8	Workers who are not employees		
	2-9	Governance structure and composition	Governance - Corporate Governance	76-77
	2-10	Nomination and selection of the highest governance body	Omitted due to confidentiality constraints. As a private company, we considered the details about nomination and selection process of the BOD as confidential, and therefore did not publicly disclose such information.	/
	2-11	Chair of the highest governance body	Governance - Corporate Governance	76-77
	2-12	Role of the highest governance body in overseeing the management of impacts	Approach to Sustainability - Sustainability Governance	22-23
	2-13	Delegation of responsibility for managing impacts		
	2-14	Role of the highest governance body in sustainability reporting		
	2-15	Conflicts of interest	Governance - Corporate Governance	76-77
	2-16	Communication of critical concerns	Approach to Sustainability - Sustainability Governance	22-23
	2-17	Collective knowledge of the highest governance body		



GRI Standard	Description	Reference/ Remark	Page No.
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	Governance - Corporate Governance	/
	2-19 Remuneration policies	As a private company, we considered the details about the performance evaluation and remuneration of the BOD as confidential, and therefore did not publicly disclose such information.	
	2-20 Process to determine remuneration	Omitted due to confidentiality constraints.	
	2-21 Annual total compensation ratio	As a private company, we considered salary related information as confidential, and therefore did not publicly disclose such information.	/
	2-22 Statement on sustainable development strategy	Approach to Sustainability - Sustainability Governance	22-23
	2-23 Policy commitments	Approach to Sustainability - Sustainability Governance Social: People - Creating a Fair and Ethical Workplace Governance	22-23, 45-50, 75-80
	2-24 Embedding policy commitments	Approach to Sustainability - Sustainability Governance Social: People - Creating a Fair and Ethical Workplace Governance	22-23, 45-50, 75-80
	2-25 Processes to remediate negative impacts	Social: People - Creating a Fair and Ethical Workplace Governance	45-50, 75-80
	2-26 Mechanisms for seeking advice and raising concerns	Social: People - Creating a Fair and Ethical Workplace Governance - Anti-corruption	45-50, 78
	2-27 Compliance with laws and regulations	Governance - Legal Compliance	77-78
	2-28 Membership associations	Appendix B: Memberships and Major Awards	94
	2-29 Approach to stakeholder engagement	Approach to Sustainability - Stakeholder Engagement	25
	2-30 Collective bargaining agreements	The Group did not involve in any collective bargaining agreements for the Year.	/
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Approach to Sustainability - Materiality Assessment	26-28
	3-2 List of material topics		



GRI Standard	Description	Reference/ Remark	Page No.
Economic			
GRI 205: Anti-corruption 2016	3-3 Management of material topics	Approach to Sustainability - Materiality Assessment Governance - Anti-corruption	26-28, 78
	205-1 Operations assessed for risks related to corruption	Governance - Anti-corruption	78
	205-2 Communication and training about anti-corruption policies and procedures		
	205-3 Confirmed incidents of corruption and actions taken		
Environmental			
GRI 302: Energy 2016	3-3 Management of material topics	Environment - Taking Climate Actions Environment - Reducing Our Emissions Environment - Optimising Use of Resources	29-38
	302-1 Energy consumption within the organisation	Environment - Optimising Use of Resources	37-38, 81-82
	302-2 Energy consumption outside of the organisation	Appendix A: Key Statistics - Environmental Performance	
	302-3 Energy intensity		
	302-4 Reduction of energy consumption	Environment - Taking Climate Actions Environment - Reducing Our Emissions Environment - Optimising Use of Resources	29-38
	302-5 Reductions in energy requirements of products and services	Not applicable to our operations.	/
	GRI 303: Water and Effluents 2018	3-3 Management of material topics	Environment - Optimising Use of Resources
303-1 Interactions with water as a shared resource		No significant water stress was identified in our operations during the Year.	/
303-2 Management of water discharge-related impacts			
303-3 Water withdrawal		Environment - Optimising Use of Resources	37-38, 81-82
303-4 Water discharge		Appendix A: Key Statistics - Environmental Performance	
303-5 Water consumption			



GRI Standard	Description	Reference/ Remark	Page No.
GRI 305: Emissions 2016	3-3 Management of material topics	Environment - Taking Climate Actions Environment - Reducing Our Emissions Environment - Optimising Use of Resources	29-38
	305-1 Direct (Scope 1) GHG emissions	Environment - Reducing Our Emissions	32-36
	305-2 Energy indirect (Scope 2) GHG emissions	Appendix A: Key Statistics - Environmental Performance	81-82
	305-3 Other indirect (Scope 3) GHG emissions		
	305-4 GHG emissions intensity		
	305-5 Reduction of GHG emissions	Environment - Taking Climate Actions Environment - Reducing Our Emissions Environment - Optimising Use of Resources	29-38
	305-6 Emissions of ozone-depleting substances (ODS)	ODS were not major emissions in our operations.	/
GRI 306: Waste 2020	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Environment - Reducing Our Emissions Appendix A: Key Statistics - Environmental Performance	32-36, 81-82
	3-3 Management of material topics	Environment - Taking Climate Actions Environment - Reducing Our Emissions	29-36
	306-1 Waste generation and significant waste-related impacts		
	306-2 Management of significant waste-related impacts		
	306-3 Waste generated	Environment - Taking Climate Actions Environment - Reducing Our Emissions	32-36, 81-82
	306-4 Waste diverted from disposal		
GRI 308: Supplier Environmental Assessment 2016	306-5 Waste directed to disposal		
	3-3 Management of material topics	Social: Clients and Suppliers - Engaging with Our Suppliers	64
	308-1 New suppliers that were screened using environmental criteria		
	308-2 Negative environmental impacts in the supply chain and actions taken		



GRI Standard	Description	Reference/ Remark	Page No.
Social			
GRI 401: Employment 2016	3-3 Management of material topics	Approach to Sustainability - Materiality Assessment Social: People - Creating a Fair and Ethical Workplace	26-28, 45-50
	401-1 New employee hires and employee turnover	Appendix A: Key Statistics - Social Performance	82-92
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social: People - Creating a Fair and Ethical Workplace	45-50
	401-3 Parental leave	Appendix A: Key Statistics - Social Performance	82-92
GRI 402: Labour/ Management Relations 2016	3-3 Management of material topics	Approach to Sustainability - Materiality Assessment Social: People - Creating a Fair and Ethical Workplace	26-28, 45-50
	402-1 Minimum notice periods regarding operational changes	Social: People - Creating a Fair and Ethical Workplace	45-50
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topics	Approach to Sustainability - Materiality Assessment Social: People - Safeguarding Occupational Health and Safety	26-28, 40-44
	403-1 Occupational health and safety management system	Social: People - Safeguarding Occupational Health and Safety	40-44
	403-2 Hazard identification, risk assessment, and incident investigation		
	403-3 Occupational health services		
	403-4 Worker participation, consultation, and communication on occupational health and safety		
	403-5 Worker training on occupational health and safety		
	403-6 Promotion of worker health		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		
	403-8 Workers covered by an occupational health and safety management system	Appendix A: Key Statistics - Social Performance	82-92
	403-9 Work-related injuries		
	403-10 Work-related ill health		



GRI Standard	Description	Reference/ Remark	Page No.
GRI 404: Training and Education 2016	3-3 Management of material topics	Approach to Sustainability - Materiality Assessment Social: People - Developing Our Talents	26-28, 51-54
	404-1 Average hours of training per year per employee	Appendix A: Key Statistics - Social Performance	82-92
	404-2 Programs for upgrading employee skills and transition assistance programs	Social: People - Developing Our Talents	51-54
	404-3 Percentage of employees receiving regular performance and career development reviews	Appendix A: Key Statistics - Social Performance	82-92
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics	Approach to Sustainability - Materiality Assessment Social: People - Creating a Fair and Ethical Workplace	26-28, 45-50
	405-1 Diversity of governance bodies and employees	Appendix A: Key Statistics - Social Performance	76-77, 82-92
GRI 405: Diversity and Equal Opportunity 2016	405-2 Ratio of basic salary and remuneration of women to men	Appendix A: Key Statistics - Social Performance As a private company, we considered salary related information of the BOD and senior management as confidential, and therefore did not publicly disclose such information.	82-92
GRI 406: Non-discrimination 2016	3-3 Management of material topics	Approach to Sustainability - Materiality Assessment Social: People - Creating a Fair and Ethical Workplace	26-28, 45-50
	406-1 Incidents of discrimination and corrective actions taken	Social: People - Creating a Fair and Ethical Workplace	45-50
GRI 407: Freedom of Association and Collective Bargaining 2016	3-3 Management of material topics	Social: People - Creating a Fair and Ethical Workplace	45-50
	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Freedom of association and collective bargaining was not considered material to our operations.	/
GRI 408: Child Labour 2016	3-3 Management of material topics	Social: People - Creating a Fair and Ethical Workplace	45-50
	408-1 Operations and suppliers at significant risk for incidents of child labour	Social: People - Creating a Fair and Ethical Workplace Child labour was not identified as a significant risk in our operations.	45-50



GRI Standard	Description	Reference/ Remark	Page No.
GRI 409: Forced or Compulsory Labour 2016	3-3 Management of material topics	Social: People - Creating a Fair and Ethical Workplace	45-50
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Social: People - Creating a Fair and Ethical Workplace Forced labour or compulsory labour was not identified as a significant risk in our operations.	45-50
GRI 413: Local Communities 2016	3-3 Management of material topics	Approach to Sustainability - Materiality Assessment Social: Community	26-28, 65-74
	413-1 Operations with local community engagement, impact assessments, and development programs	Social: Clients and Suppliers - Delivering Quality to Our Clients Social: Community	56-63, 65-74
	413-2 Operations with significant actual and potential negative impacts on local communities	Approach to Sustainability - Materiality Assessment Social: Clients and Suppliers - Delivering Quality to Our Clients Social: Community	26-28, 56-63, 65-74
GRI 414: Supplier Social Assessment 2016	3-3 Management of material topics	Social: Clients and Suppliers - Engaging with Our Suppliers	64
	414-1 New suppliers that were screened using social criteria		
	414-2 Negative social impacts in the supply chain and actions taken		
GRI 416: Customer Health and Safety 2016	3-3 Management of material topics	Approach to Sustainability - Materiality Assessment Social: Clients and Suppliers - Delivering Quality to Our Clients	26-28, 56-63
	416-1 Assessment of the health and safety impacts of product and service categories	Governance - Legal Compliance	77-78
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Social: Clients and Suppliers - Delivering Quality to Our Clients	56-63
GRI 417: Marketing and Labelling 2016	3-3 Management of material topics	Social: Clients and Suppliers - Delivering Quality to Our Clients	56-63
	417-1 Requirements for product and service information and labelling	Marketing and labeling were not considered material to our operations.	/
	417-2 Incidents of non-compliance concerning product and service information and labelling		
	417-3 Incidents of non-compliance concerning marketing communications		



GRI Standard	Description	Reference/ Remark	Page No.
GRI 418: Customer Privacy 2016	3-3 Management of material topics	Approach to Sustainability - Materiality Assessment Governance - Data Privacy and Intellectual Property Rights	26-28, 79-80
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Governance - Data Privacy and Intellectual Property Rights	79-80

HKEX ESG Reporting Guide Content Index

Aspects, General Disclosure and KPIs	Description	Reference/ Remark	Page No.
Mandatory Disclosure Requirements			
Governance Structure	(i) A disclosure of the board’s oversight of ESG issues.	Approach to Sustainability - Sustainability Governance	22-23
	(ii) The board’s ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer’s businesses).		
	(iii) How the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer’s businesses.		
Reporting Principles	Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer’s stakeholder engagement.	About this Report Approach to Sustainability – Materiality Assessment	4-6
	Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.	About this Report	
	Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.		
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report.		26-28



Aspects, General Disclosure and KPIs	Description	Reference/ Remark	Page No.
A1 Emissions			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Approach to Sustainability - Sustainability Governance Environment Governance - Legal Compliance	22-23, 29-38, 77-78
A1.1	The types of emissions and respective emissions data.	Environment - Reducing Our Emissions Appendix A: Key Statistics - Environmental Performance	32-35, 81-82
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and intensity.		
A1.3	Total hazardous waste produced and intensity.		
A1.4	Total non-hazardous waste produced and intensity.		
A1.5	Description of emission target(s) set and steps taken to achieve them.	Environment - Taking Climate Actions Environment - Reducing Our Emissions Environment - Optimising Use of Resources	29-38
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Environment - Taking Climate Actions Environment - Reducing Our Emissions	30-35



Aspects, General Disclosure and KPIs	Description	Reference/ Remark	Page No.
A2 Use of Resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Approach to Sustainability - Sustainability Governance Environment	22-23, 29-38
A2.1	Direct and/or indirect energy consumption by type in total and intensity.		
A2.2	Water consumption in total and intensity.	Environment - Optimising Use of Resources Appendix A: Key Statistics - Environmental Performance	36-38, 81-82
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Environment - Taking Climate Actions Environment - Reducing Our Emissions Environment - Optimising Use of Resources	29-38
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Environment - Optimising Use of Resources No issue in sourcing water was identified during the Year.	36-38
A2.5	Total packaging material used for finished products and per unit produced.	Not applicable to our operations.	/
A3 The Environment and Natural Resources			
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	Approach to Sustainability - Sustainability Governance Environment	22-23, 29-38
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environment	29-38
A4 Climate Change			
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Approach to Sustainability - Sustainability Governance Environment - Taking Climate Actions	22-23, 30-31
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Environment - Taking Climate Actions	30-31





Aspects, General Disclosure and KPIs	Description	Reference/ Remark	Page No.
B1 Employment			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Approach to Sustainability - Sustainability Governance Social: People - Creating a Fair and Ethical Workplace Governance - Legal Compliance	22-23, 45-50, 77-78
B1.1	Total workforce by gender, employment type, age group and geographical region.	Appendix A: Key Statistics - Social Performance	81-82
B1.2	Employee turnover rate by gender, age group and geographical region.		
B2 Health and Safety			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Approach to Sustainability - Sustainability Governance Social: People - Safeguarding Occupational Health and Safety Governance - Legal Compliance	22-23, 40-44, 77-78
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Appendix A: Key Statistics - Social Performance	82-92
B2.2	Lost days due to work injury.		
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Social: People - Safeguarding Occupational Health and Safety	40-44
B3 Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Approach to Sustainability - Sustainability Governance Social: People - Developing Our Talents	22-23, 51-54
B3.1	The percentage of employees trained by gender and employee category.	Appendix A: Key Statistics - Social Performance	82-92
B3.2	The average training hours completed per employee by gender and employee category.		



Aspects, General Disclosure and KPIs	Description	Reference/ Remark	Page No.
B4 Labour Standards			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Approach to Sustainability - Sustainability Governance Social: People - Creating a Fair and Ethical Workplace Governance - Legal Compliance	22-23, 45-50, 77-78
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Social: People - Creating a Fair and Ethical Workplace	45-50
B4.2	Description of steps taken to eliminate such practices when discovered.		
B5 Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Approach to Sustainability - Sustainability Governance Social: Clients and Suppliers - Engaging with Our Suppliers	22-23, 64
B5.1	Number of suppliers by geographical region.	Appendix A: Key Statistics - Social Performance	82-92
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Suppliers - Engaging with Our Suppliers	64
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.		
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.		





Aspects, General Disclosure and KPIs	Description	Reference/ Remark	Page No.
B6 Product Responsibility			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Approach to Sustainability - Sustainability Governance Social: Clients and Suppliers - Delivering Quality to Our Clients Governance - Legal Compliance Governance - Data Privacy and Intellectual Property Rights	22-23, 56-63, 77-78, 79-80
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable to our operations.	/
B6.2	Number of products and service-related complaints received and how they are dealt with.	Social: Clients and Suppliers - Delivering Quality to Our Clients	56-63
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Governance - Data Privacy and Intellectual Property Rights	79-80
B6.4	Description of quality assurance process and recall procedures.	Social: Clients and Suppliers - Delivering Quality to Our Clients	56-63
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Governance - Data Privacy and Intellectual Property Rights	79-80
B7 Anti-corruption			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Approach to Sustainability - Sustainability Governance Governance - Legal Compliance Governance - Anti-corruption	22-23, 77-78, 79-80
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Governance - Anti-corruption	79-80
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.		
B7.3	Description of anti-corruption training provided to directors and staff.		



Aspects, General Disclosure and KPIs	Description	Reference/ Remark	Page No.
B8 Community Investment			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Approach to Sustainability - Sustainability Governance Social: Clients and Suppliers - Delivering Quality to Our Clients Social: Community	22-23, 56-63, 65-74
B8.1	Focus areas of contribution.	Social: Community	65-74, 82-92
B8.2	Resources contributed to the focus area.	Appendix A: Key Statistics - Social Performance	

STAY TUNED AND FOLLOW US



We welcome and value your feedback and suggestions on our Sustainability Report or sustainability performance.

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