



**CHINNEY KIN WING
HOLDINGS LIMITED**
建業建榮控股有限公司*

(Incorporated in Bermuda with limited liability)
Stock Code : 1556



Environmental, Social and Governance Report 2023

* For identification purpose only

Contents



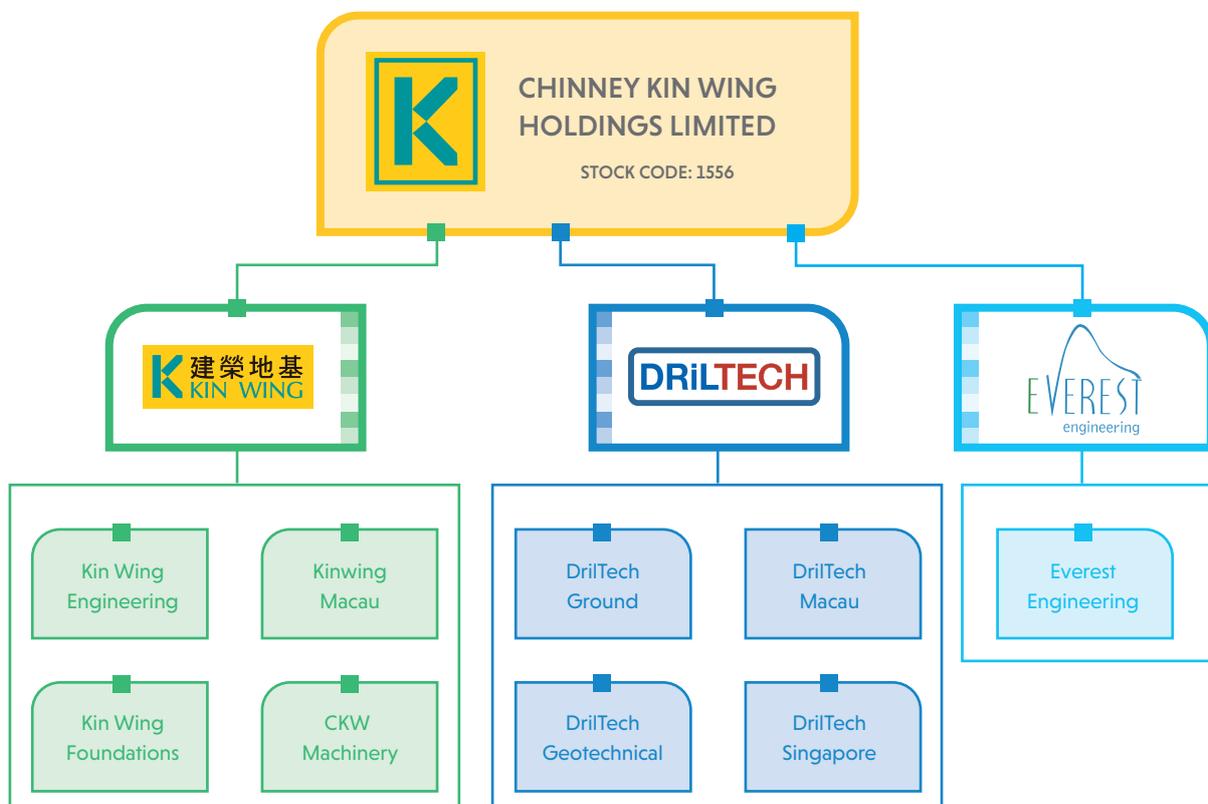
1	Company review	2
2	About this report	3
3	Chairman's statement	5
4	Corporate governance	7
	4.1 ESG governance	7
	4.2 Business ethics	10
5	Awards & recognition	11
6	Stakeholder engagement and materiality assessment	14
7	Building a resilient team	17
	7.1 Employment and labour standards	17
	7.2 Providing a safe and healthy workplace	18
	7.3 Providing an inclusive and harmonious workplace	19
	7.4 Nurturing a capable team	21
8	Delivering quality foundation services	25
	8.1 Managing supply chain	25
	8.2 Assuring quality and responsible services	25
	8.3 Innovation	26
9	Promoting sustainable operations	29
	9.1 Energy & greenhouse gas (GHG) emission	30
	9.2 Water management	32
	9.3 Waste management	32
	9.4 Noise management	35
	9.5 Climate risk management	35
10	Contributing to the community	38
11	Performance table	40
12	ESG content index	45

1 Company review

Chinney Kin Wing Holdings Limited (along with its subsidiaries hereinafter called “the Group” or “Kin Wing”) was formed in 1994 and accredited by the Buildings Department, Works Branch of Development Bureau, and Housing Authority as a listed contractor that has been delivering consistent high quality foundation work. Since 2015, the Group has been listed on the Main Board of The Stock Exchange of Hong Kong Limited (“the Stock Exchange”) (Stock Code: 1556).

With operations spanning in Hong Kong and Macau, the Group has distinguished itself as the premier engineering firm with competence in foundation construction. We are comprised of nine major subsidiary companies that perform a variety of foundation services including:

- (i) piling construction and related ancillary services;
- (ii) socketed H-piling, mini-piling;
- (iii) drilling and site investigations;
- (iv) site formation and basement construction.



2.1 Reporting year and scope

This Environmental, Social and Governance (“ESG”) Report (the “Report”) covers the Group’s ESG-related information and activities during the financial Reporting Year from 1 January 2023 to 31 December 2023 (“the Reporting Year”).

The reporting scope covers the Group’s operations in Hong Kong which comprises piling construction and other ancillary services, as well as drilling and site investigation. The subsidiaries in Macau have been excluded from this Report due to their minimal and insignificant impact on the overall environmental and social aspects.

2.2 Reporting framework

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

Materiality

Kin Wing identifies the material ESG issues, covering environmental and social aspects that are significant to investors and other stakeholders.

Quantitative

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

Balance

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

Consistency

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

According to the principles and guidelines of the Corporate Governance Code as outlined in Appendix C1 of the Listing Rules, information about corporate governance is covered in the Group’s 2023 Annual Report.

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

2.3 Contact details

The Group values every stakeholder's opinion in assisting us to improve our sustainability management and performance. If you have any comments or suggestions regarding the Report, please contact us as set forth below:

Chinney Kin Wing Holdings Limited
Room 2308, 23/F, Wing On Centre
111 Connaught Road Central
Hong Kong

Tel: (852) 2877-3307

Email: enquiry@chinneykinwing.com.hk



3

Chairman's statement

To all stakeholders,

On behalf of the Board of Directors of Chinney Kin Wing Holdings Limited (the "Board"), I am pleased to present our 2023 ESG Report, which provides a comprehensive view of the measures we undertook to promote sustainability over the year.

As Hong Kong is recovering from the pandemic, the Group continues to seize opportunities from the resumption of social and economic activities while maintaining our commitment to sustainable development and creating shared value with our stakeholders. The Board has the overall responsibility to oversee the Group's ESG management strategy and material ESG issues, and has implemented various initiatives to support our ESG commitments. For instance, our "5H" Core Values prioritise five focuses including Honesty, Harmony, Hardworking, Heart, and Happy, which have been integrated throughout our sustainability efforts revolving our people, our supply chain, the environment, and the community.

We are dedicated to minimising the ecological footprint of our business operations. We ensure all our projects adhere to the guidelines and criteria set forth by the ISO 14001 Environmental Management Systems and ISO 50001 Energy Management Systems. Our commitment to achieving energy conservation and effective waste management have been recognised through obtaining the Energywi\$e and Wastewi\$e certifications by the Hong Kong Green Organisation Certification for multiple projects. In response to the emerging focus on climate change, we performed a detailed climate change assessment with scenario analysis to further understand the potential impacts of climate change on our operations and enable us to devise mitigation and adaptation strategies. We have also taken major steps to strengthen our climate-change management and disclosures with reference to the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD").

We believe creating a safe and healthy working environment for our employees is one of our top priorities while providing foundation construction services. The Group conforms to the regulations and criteria specified by the ISO 45001 Occupational Health and Safety Management System, ensuring a secure and healthy work environment for our employees. We have also implemented innovative safety and health measures such as utilising smart monitoring systems and other technologies to avoid the occurrence of safety and health related hazards.

To cultivate a skilful workforce and facilitate the professional development of the younger generation in our industry, we continuously devote resources in the Chinney Kin Wing Academy ("CKW Academy") for training and development. The CKW Academy focuses on enhancing employee competence through comprehensive training, knowledge sharing, and skill development. In addition, we aim to optimise operational efficiencies across all departments within the Group through providing specialised trainings to department heads. These strategic initiatives aim to boost productivity, streamline operations, and enhance project efficiency.

3

Chairman's statement

The Group is devoted to promoting a harmonious community, as we actively participate in community engagement activities. Our Community Investment Policy delineates our pledges to foster positive changes within the communities where we operate. We have extended support to non-governmental organisations ("NGOs"), further reinforcing our ongoing dedication to social responsibility.

On behalf of the Board, I would like to extend my heartfelt appreciation to our team for their invaluable efforts in advancing the Group's sustainable development objectives. Going forward, we will continuously evaluate and refine the corresponding sustainability policies and measures across our operations and supply chain to establish a sustainable value chain. The Group will actively seek to involve stakeholders and contribute to the community, demonstrating the Group's commitment and care for community matters.

Yuen-Keung Chan
Chairman



4

Corporate governance

4.1 ESG governance

Kin Wing believes a strong ESG governance structure will enable the Group to strategically integrate sustainability into our operations, hence building business resilience and fostering long-term growth. During the Reporting Year, we have reviewed our ESG governance structure to effectively incorporate the sustainable practices into our business operations and reassure the responsibilities of the Board and the senior managements on ESG matters. The structure and responsibilities of our ESG governance is illustrated below:

ESG Governance Structure	
The Board	<p>The Board is responsible for:</p> <ol style="list-style-type: none"> 1. Oversee the Group's ESG management strategy 2. Review the Group's material ESG issues identified by the materiality assessment 3. Assess and review ESG (including climate-related) risks 4. Approve the Group's ESG report
Execution Panel	<p>The Execution Panel is responsible for:</p> <ol style="list-style-type: none"> 1. Assist the Board to carry out the ESG management strategy 2. Review and approve the ESG targets, policies and initiatives
ESG Committee	<p>The ESG Committee is responsible for:</p> <ol style="list-style-type: none"> 1. Develop, implement and monitor the Group's ESG initiatives 2. Monitor the progress made against the Group's ESG targets and commitments 3. Monitor the latest development of ESG-related regulations and trends 4. Promote good ESG practices among the Group

The Execution Panel is formed by the senior management team. Meanwhile, the ESG Committee is chaired by the Managing Director, Mr. Yu Wing-Sang, and consists of representatives from various departments including Human Resources ("HR"), Safety, Environmental, Procurement, and Construction etc. This year, the ESG Committee held a total of 6 meetings to review the Group's environmental and safety performance, community contributions, and explore new opportunities on utilising technology etc.

4

Corporate governance

In particular, we have set up a sustainability strategy based on the Group's "5H" core values, in terms of Honesty, Harmony, Hardworking, Heart, and Happy during the Reporting Year. The five core values reflect our commitments and goals to drive sustainable growth, in alignment with the United Nations' Sustainable Development Goals ("SDGs"). We have identified 9 out of the 17 SDGs, which we believe are the most relevant to our business profile to integrate into Kin Wing's core values.



ESG Committee Meeting

4

Corporate governance

"5H" Core Values of Kin Wing

	Honesty	Harmony	Hardworking	Heart	Happy
Objectives	Upholding good corporate governance and business integrity to create long-term value for our stakeholders	Advocating a harmonious, fair, and inclusive working environment, showing respect to employees regardless of gender, racial minority and age, and creating autonomy in the workplace.	Enhancing our product quality through establishing and executing quality assurance systems and actively engaging with our suppliers	Expressing our care for the environment through minimising the environmental impacts of our operations and striving to build sustainable communities	Fostering a thriving workplace by prioritising the well-being and safety of our employees and support their professional development

Our Focus Areas	• Anti-corruption practices • Supply chain management	• Promoting a harmonious working environment through company activities and community services.	• Service quality and responsibility • Supply chain management • Innovation	• Resources management • Energy and GHG emission • Air quality control • Construction noise • Water management • Climate change • Waste management	• Employment standards • Occupational Health & Safety • Anti-discrimination, diversity and equal opportunity • Development and training
-----------------	--	---	---	--	--

Relevant SDGs



Relevant chapters	Corporate governance	Build a resilient team; Contributing to the community	Delivering quality foundation services	Promoting sustainable operations	Build a resilient team
-------------------	----------------------	---	--	----------------------------------	------------------------

4 Corporate governance

4.2 Business ethics

Kin Wing strictly abides by the anti-corruption laws and regulations (including bribery, extortion, fraud and money laundering) and prohibits any kind of unethical behaviour throughout our operations. Through the establishment of the Code of Conduct, Integrity Policy and Anti-Corruption Policy, we fully uphold the concept of integrity and fairness. All employees are informed in a timely manner to maintain the highest standard of business ethics, and they are required to disclose their affiliations and benefits received from work-related parties to avoid conflicts of interest.

In addition, we have formulated the whistleblowing procedure for employees and stakeholders to report any suspected issues of misconduct. Upon receiving the reported cases, the investigating officer will be appointed to conduct appropriate investigation arrangements and submit a final report with the findings and recommendations for change to the Audit Committee. The Audit Committee will then review and make recommendations to the Board. We ensure that all reported cases are treated confidentially and in fair manners. The whistleblowing procedures are regularly reviewed and monitored to ensure its effectiveness.

To maintain the practices of our anti-corruption policies and measures, the Group also provides regular anti-corruption training for all directors and employees. This year, we continued to participate in the ICAC Seminar on Managing Staff Integrity for Managerial and Supervisory Staff and take part in the Integrity Charter organised by ICAC to sign the commitment to uphold integrity.

During the Reporting Year, there were no non-compliance cases in relation to bribery, extortion, fraud and money laundering in Hong Kong. There were no legal cases regarding corrupt practices brought against the Group or its employees during the Reporting Year.



5

Awards & recognition

During the Reporting Year, Kin Wing has received the following awards and honours in recognition of our accomplishments in ESG performance.

Certification/Award	Organisation
<p>Occupational Health Award 2022-23 Joyful@Healthy Workplace Best Practices Award (Enterprise/Organisation Category) Outstanding Award</p> <ul style="list-style-type: none"> Kin Wing Engineering Company Limited Project: Foundation and Site Formation for Public Housing Development at Tai Wo Hau Road Phases 1 & 2 	<p>Occupational Safety & Health Council</p>
<p>5 Year Plus Caring Company Award (2016-2023)</p> <ul style="list-style-type: none"> Chinney Kin Wing Holdings Limited 	<p>The Hong Kong Council of Social Service</p>
<p>Hong Kong Green Organisation Certificate</p> <ul style="list-style-type: none"> Kin Wing Engineering Company Limited DrilTech Ground Engineering Limited DrilTech Geotechnical Engineering Limited 	<p>Environmental Campaign Committee</p>

5

Awards & recognition

Certificate of Participation in the 2022 Hong Kong Awards for Environmental Excellence (Awarded in November 2023)

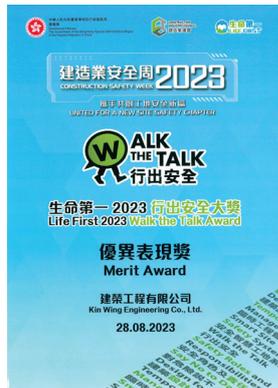
- Kin Wing Engineering Company Limited
- Project: Foundation and Site Formation for Public Housing Development at Tai Wo Hau Road Phases 1 & 2



Environmental Campaign Committee

Life First 2023 Walk the Talk Award

- Kin Wing Engineering Company Limited
- Project: Foundation and Site Formation for Public Housing Development at Tai Wo Hau Road Phases 1 & 2



Construction Industry Council

5

Awards & recognition

<p>CAPEX Contractors Construction Site Safety Award 2023 Silver Award</p> <ul style="list-style-type: none"> • Kin Wing Engineering Company Limited 	<p>Link Real Estate Investment Trust</p>
<p>Construction Safety Campaign 2023 – The 24th Construction Safety Award Best Refurbishment and Maintenance Contractor in Occupational Safety and Health (Silver Prize)</p> <ul style="list-style-type: none"> • DrilTech Ground Engineering Limited 	<p>Occupational Safety and Health Council, and the Labour Department</p>
<p>CEDD Construction Site Safety Award 2022 Silver Prize (Awarded in September 2023)</p> <ul style="list-style-type: none"> • DrilTech Ground Engineering Limited 	<p>Civil Engineering and Development Department</p>
<p>New Works Projects – Best Site Safety – Timely Report of Near Miss Incident (Foundation/Civil Engineering)</p> <ul style="list-style-type: none"> • Kin Wing Engineering Company Limited 	<p>Hong Kong Housing Authority</p>

6

Stakeholder engagement and materiality assessment

The Group believes stakeholders' feedback is unequivocal to enhance sustainable growth on our business operations, hence we strive for active communication with stakeholders through a wide range of channels to further understand their diverse perspectives and concerns:

Stakeholder Group	Communication Channels
 Community	<ul style="list-style-type: none"> • Community activities
 Industry Association	<ul style="list-style-type: none"> • Interviews • Seminars
 Social media	<ul style="list-style-type: none"> • Interviews • The Group's website
 Suppliers and sub-contractors	<ul style="list-style-type: none"> • Site visits • Evaluations and assessments • Direct communication • ESG survey
 Clients	<ul style="list-style-type: none"> • Direct communication • The Group's website • Social media
 Employees	<ul style="list-style-type: none"> • Continuous communication • Performance appraisals • Meetings • Training and workshops • ESG survey
 Investors	<ul style="list-style-type: none"> • Face-to face meetings and teleconferences • Continuous communication • The Group's website • Annual Reports, Financial Reports and announcements • Investor briefings

6

Stakeholder engagement and materiality assessment



Shareholders

- General meetings
- Annual Reports, Financial Reports and announcements
- Direct communication
- Investor briefings
- The Group's website



Government

- Public consultation
- Continuous communication

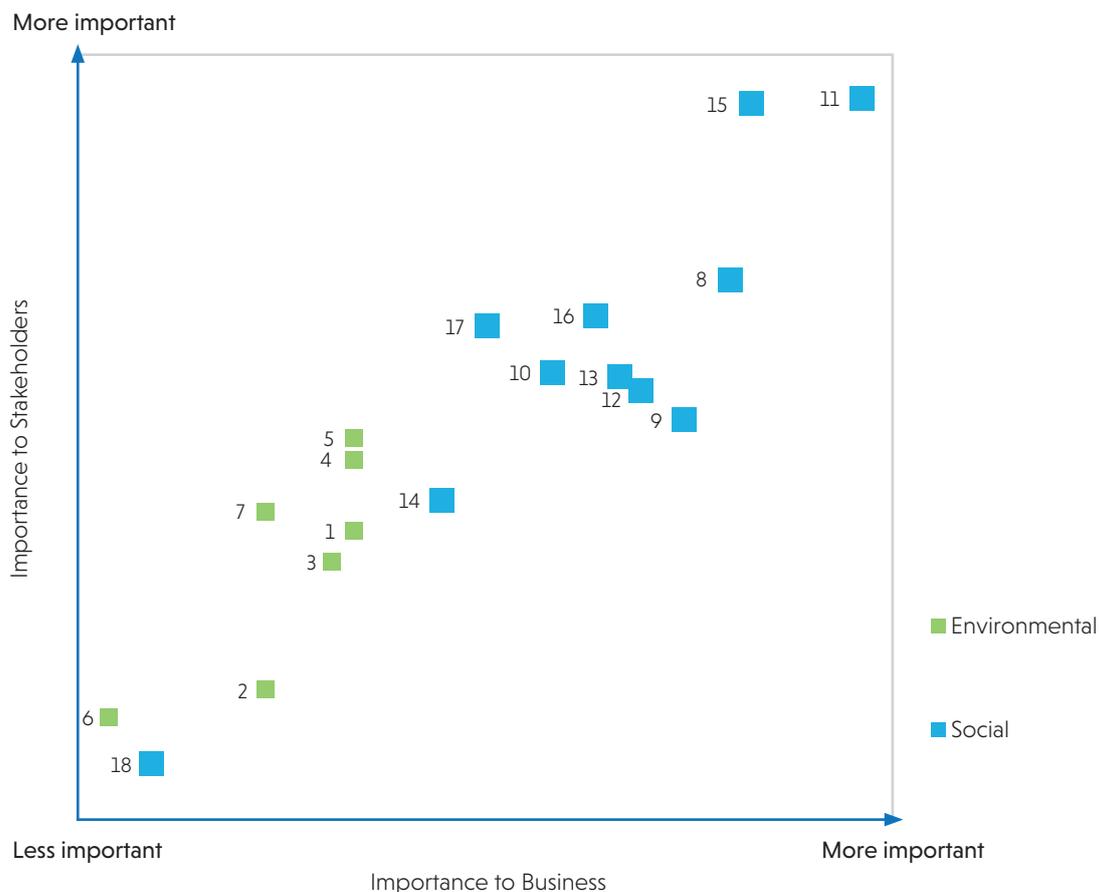
To understand and manage the material ESG issues of the Group, we have conducted a stakeholder engagement and materiality assessment exercise during the Reporting Year to identify ESG issues that are critical for Kin Wing's operations and sustainable development. By conducting a peer materiality review, we have assessed the ESG issues relevant to the industry peers. We have also reviewed the reporting requirements and sustainability guidelines such as the ESG Guide and the United Nation's SDGs to enable us to stay updated to the latest sustainability trends and ESG issues. As a result, 18 ESG issues have been selected for further analysis. Two new material ESG issues have been added, including "Climate change" and "Corporate governance", to align with the current disclosure requirements and their emerging importance to businesses.



6

Stakeholder engagement and materiality assessment

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



Environmental

1. Resources management
2. Energy and GHG emission
3. Air quality control
4. Construction noise
5. Water management
6. Climate change
7. Waste management

Social

8. Employment
9. Anti-discrimination, diversity and equal opportunity
10. Labour standards
11. Occupational health and safety
12. Development and training
13. Corporate governance
14. Supply chain management
15. Anti-corruption practices
16. Service quality and responsibility
17. Customer privacy
18. Community involvement

7

Building a resilient team

Ensuring our employees' safety and well-being, as well as enhancing their personal and professional growth is one of our top priorities among Kin Wing's sustainable development. Embedded in the "Happy" pillar of our "5H" core values, the Group is committed to fostering an inclusive and thriving workplace with career development opportunities for our employees.

Relevant SDGs:



7.1 Employment and labour standards

Kin Wing values our employees as the foundation of the Group's success and dedicates our efforts to ensure the safety and well-being of our employees while maintaining optimal operational efficiency. We adopt a people-centric approach, as detailed in the Staff Handbook, which specify guidelines to let our employees acknowledge essential aspects such as compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare, as well as our stance against human rights violation. We adhere to all relevant laws and regulations in Hong Kong regarding to employment. Throughout the Reporting Year, no non-compliance with employment laws and regulations were recorded.

To enhance our employees' awareness and knowledge on fair and transparent employment practices, we have organised site staff training to explain the Group's approaches including daily wages and overtime allowance for site workers.



Site staff training

Building a resilient team

The Group is committed to preventing human rights violations and do not tolerate any use of child or forced labour, as stated in the Staff Handbook. Before formal employment, our Human Resources Department is responsible for verifying the identity and age of all applicants. In case child labour is observed, we will terminate the contract instantly and conduct further investigation. In case forced labour is identified, we will end the infringement immediately and offer appropriate compensation. All verified instances must be recorded in a written report to avoid recurrence. During the Reporting Year, there were no instances of non-compliance regarding laws and regulations relating to child and forced labour and there were no incidents of child or forced labour in our operations.

7.2 Providing a safe and healthy workplace

Kin Wing promotes the motto "Work Happily and Return Home Safely" for all our employees, emphasising the importance of a secure and healthy work environment. To effectively manage our health and safety performance, the Group has implemented an accredited OHS System in accordance with ISO 45001:2018 Occupational Health and Safety Management System. During the Reporting Year, there were no non-compliance cases with relevant laws and regulations that occurred in Hong Kong regarding occupational health and safety.

The Group is dedicated to protecting the health and safety of our employees through setting up safety targets, including to achieve zero occupational deaths and less than 22 occupational incidents per 1,000 employees per year. To achieve the safety targets, we conduct stringent internal and external audits to mitigate organisational and individual safety risks. For example, regular cross-site inspections are conducted by registered safety inspectors from various projects, ensuring adherence to safety protocols. Additionally, 317 routine safety audits are carried out by members of the Execution Panel for each construction site this year and have prohibited 129 workers from re-entering the site after several warnings for their safety performance. We recorded zero occupational deaths and 13.35 occupational incidents per 1,000 employees throughout the year. To address and prevent re-occurrence of safety incidents, we have enhanced comprehensive method statements that provide clear guidelines on specific procedures and precautions during various work activities. In addition, we conduct risk assessments to identify potential hazards, evaluate associated risks, and implement appropriate control measures for mitigation.

This year, the Group organised the Safety Night, with the objective to enhance communication with the frontline staff and further understand their needs in ensuring safety in the construction site. The event includes various talks aimed at raising the safety awareness among our frontline site workers and supervision staff in the construction site. In addition, we also provided safety trainings for working in confined space, using lifting devices, and first aid etc.

In recognition of our employees and external stakeholders' efforts in complying to the Group's safety rules and ensuring site safety, awards were presented to the personnel who has demonstrated outstanding safety performance at their projects. The Group have set up the Workers' Special Safety Bonus Scheme which will be launched in the coming year. The scheme will reward bonus to individuals and groups whose construction site have not reported any work-related injury cases for 6 consecutive months.

7

Building a resilient team



Awards were presented to outstanding employees and sub-contractors on DrilTech Safety Night 2023



Certifications were presented to the "Best Employee Award – Safety Star"

Case Study: Heatstroke prevention

As an engineering company, we understand our foundation workers are constantly exposed to the high ambient temperature, as they had to wear face masks and working under direct sunlight in the open space. This transpired to site workers having a difficult time breathing and have a higher risk of getting a heat stroke. In order to minimise the health risk due to high temperature, Kin Wing takes proactive measures to prevent heatstroke among frontline site workers.



Distributing herbal tea



Giving out watermelon



Offering ice cream



Providing mini fans

7.3 Providing an inclusive and harmonious workplace

Equal opportunity, diversity, anti-discrimination

Kin Wing is dedicated to upholding equality and diversity within the Group, ensuring our employees are treated fairly without discrimination. As outlined in the Staff Handbook, the Group strictly prohibits any form of discrimination. Throughout the recruitment and staff evaluation processes, the management evaluates applicants and employees solely based on their abilities, experiences, and qualifications, without considering factors such as gender, race, nationality, religion, or any other traits unrelated to the job requirements. For example, we employed retired staff on a part time basis regardless of their age to enhance competent manpower of the Group and contributing to creating a diverse workforce.

7

Building a resilient team

Employee benefit, welfare, well-being

We provide attractive benefits and welfare that are in line with best practices of the market. This year, Kin Wing has introduced new employee benefits and welfare measures, including an upgraded medical care plan, the addition of spouse birthday laisee, and the implementation of the upcoming Workers' Special Safety Bonus Scheme in construction sites. The scheme will offer bonuses to sites that maintained zero injury records as a reward.

Kin Wing supports the physical and mental well-being of employees through a wide range of activities. To ensure the wellness of our employees, we have provided blood pressure examinations and yoga classes, to monitor their health condition and encourage them to exercise regularly. This year, we have also provided shared bikes at one of our construction sites at Science Park to encourage our employees to cycle as means of transportation, motivating our employees to exercise and improve their physical health.

To promote the mental well-being of our employees, we have organised a training focusing on personal development and emotion management. During the training, employees can share work and personal experiences with each other, providing mutual support and learning methods to express emotions in a positive way.



Blood pressure examination



Yoga class



Shared bikes

To nurture work-life balance and engage with our employees, the Group has organised various employee activities. During the Reporting Year, we have held gatherings during holidays and special occasions, and activities for employees to participate with their families such as an eco-tour to allow employees to enjoy some downtime and creating lasting memories together.

7

Building a resilient team



Christmas and winter solstice dinner



Eco-tour in Yim Tin Tsai



Creative slogan competition to celebrate the 30th anniversary of Kin Wing



Photo contest to celebrate the 30th anniversary of Kin Wing

7.4 Nurturing a capable team

Kin Wing emphasises on cultivating a competent workforce to achieve long-term business success while supporting our employees' personal growth. The HR Department is responsible for managing and implementing employee training programs that are designed based on the specific needs and requests of our employees. Internal policies are established to guide initiatives on enhancing employees' knowledge and skills, such as providing training programs, mentoring and coaching, knowledge sharing platforms, and carrying out regular performance feedback and evaluation. The Group is dedicated to supporting our employees to excel in their roles and make valuable contributions to the Group.

The Group provides trainings for all levels of employees with different needs. New employees receive comprehensive orientation and induction training to familiarise them with the Group's operations and responsibilities. Senior staff members are offered job-specific training to enhance their operational and managerial skills. To cultivate a culture of continuous learning, the Group encourages employees to pursue further training and development opportunities by subsidising the fees for attending external training courses or obtaining certifications for professional skills. During the Reporting Year, the Group has provided a total of 16,576 hours of training to all employees.

Kin Wing's efforts to staff training and development is critical in maintaining its leadership position within the foundation and allied construction industries. The Group has established the CKW Academy (the "Academy") since 2022 to provide a central hub for competence development and knowledge

7

Building a resilient team

management, with the aim to expand the Group's talent pool and enhancing its overall competitiveness. The Academy offers four primary areas of service, including curriculum, coaching, knowledge update and knowledge repository, and provide events hosted in our specialised training centre known as "CKW Academy Hub".

In addition, we have provided "Train the trainer" sessions for our department heads to enhance their knowledge and skills in specific areas related to management roles. The training sessions covered general topics such as leadership, knowledge, and time management skills etc., as well as specialised topics such as technology utilisation and operation standardisation etc. for each department to enhance the operation efficiency.



Train the trainer

To cultivate a capable management team and promote effective communication throughout the organisation, regular Core Management Meetings were conducted every four months and the activity "Face to Face – from frontline to top management" were organised. We have brought together top-level management, managers, and supervisors from different departments with the aim to encourage the exchange of operational and managerial experiences, fostering greater collaboration and communication within the Group. By promoting teamwork and facilitating the sharing of valuable insights and expertise, these meetings aimed to enhance operational efficiency and integration across the organisation. Additionally, the Core Management Meetings provided employees with a valuable opportunity to gain a deeper understanding of the Group's objectives and potential career growth prospects.



Core Management Meetings



"Face to Face – from frontline to top management"

7

Building a resilient team

Case Study: The story of our employees

Kin Wing values our employees for their unwavering commitment and remarkable achievements while growing along with the Group. The sharing of our senior employees about their working experience demonstrated how they advance professional and personal development at Kin Wing. Through understanding the perspectives of our employees, we will continue to develop training and development strategies that address their needs, and appreciate their exceptional contributions to the Group.



Mr. Chan Ka Wah (陳家華)
Technical Director

I accidentally joined the foundation construction industry after graduation. The work environment was challenging, and I contemplated giving up from day one. As days turned into weeks, I decided to endure longer before resigning. Eventually, after over a year, I left my job and went on a long vacation in Europe. Upon my return, I decided to apply again at a foundation company and met Mr. Yu. Initially, he had no intention of hiring me, but a follow-up call changed everything. This led to a relationship that lasted for thirty years.

When Mr. Yu decided to establish a new company and asked if I was interested in joining, I agreed to join him in Kin Wing without any hesitation or questioning the salary or benefits. I wasn't dissatisfied with my previous

company. In fact, I learned a lot and had valuable experiences there. Hence, joining Kin Wing was a sense of gratitude, trust, and fate.

Kin Wing has achieved remarkable growth and results, relying on the leadership of our top management for providing strong support to the Group. In the turbulent economic cycle and the fiercely competitive construction industry in Hong Kong, the Group's success attributed to Mr. Yu's efforts in establishing and promoting a culture of diligence, integrity, and dedication within the Group. Even after Mr. Yu's departure from Kin Wing in 2003, there are colleagues who uphold the same principles and carry forward the Group's culture, which is evident from the unchanged positive image of the Kin Wing brand in the industry over the years.

I personally resonate with the company culture of diligence, integrity, and dedication advocated by Mr. Yu. Despite Kin Wing has faced numerous turbulent challenges, I have always believed that the Group can overcome them. This belief has been a driving force behind my continuous dedication to working for Kin Wing.

As I gained more working experience, I understand the importance of personal character. Individuals with questionable moral character and a lack of integrity often have a devastating impact on a team that outweighs their contributions and abilities. On the other hand, someone with less ability can still grow and improve. Therefore, I believe it is crucial for the management to have insight into colleagues' mindset to handle their character deviations in a timely manner. Since Mr. Yu's return to Kin Wing in 2011, he has consistently led us in this aspect.

The achievements and success of an individual often depend on their moral character and abilities, no matter which train or ship they boarded on. In this era of open information and reputation, being unrecognised for one's talent is no longer prevalent. In a healthy working environment, if a person is willing to work hard with dedication and possesses good character, others will take notice and recognise their efforts. If one feels stagnant, it may be time to reflect on their interpersonal development. Continuous learning of knowledge and skills is necessary, while character development must start from within through regular self-reflection. It is firmly believed that only individuals with good moral character will make correct judgments and decisions for the team, avoid dead ends, and propel themselves to greater heights.

7

Building a resilient team



Mr. Tse Wai Kwong, Ronnie (謝偉光)
Assistant General Manager (Tendering)

Over the past 16 years, I have been a part of the Kin Wing family, experiencing growth and opportunities. I witnessed the adoption of computer software and overcame challenges as a team. With a focus on employee development, the introduction of BIM systems and the transition to the tendering department demonstrated our commitment to innovation. Kin Wing's investment in training and fostering a positive culture has inspired collaboration and nurtured potential.



Mr. Chen Kong Wa (陳江華)
Senior Superintendent

"Life becomes extraordinary with the right platform". This quote deeply resonates with my 13-year journey at Kin Wing. With the support of the management team, I fearlessly embraced challenges and gained valuable experiences. Kin Wing provided learning platforms, prioritised safety through an independent monitoring team, and emphasised talent development with the CKW Academy. Joining Kin Wing has been both challenging and rewarding, reinforcing the importance of a conscientious enterprise.



Mr. Chiu Siu Pang (朱少平)
Chief Land Surveyor

Since joining Kin Wing, I have grown from a Surveyor to Chief Surveyor over the course of 23 years. I learnt that collaboration and effective communication have been crucial in our surveying work. As technology advanced, we utilise various tools from basic instruments to sophisticated software and hardware. The Group's investment in these resources has greatly supported our work. I am grateful for the Group's trust and my colleagues' efforts, and will continue striving for Kin Wing's success.

8

Delivering quality foundation services

Kin Wing aims to maintaining high standards of quality of our services. Our commitment to delivering excellence is reflected in one of our "5H" core values – "Hardworking", which we have actively engaged with our suppliers to promote a sustainable supply chain and have a robust quality assurance system to ensure the quality of our services exceed client's expectation. In addition, we have employed innovation technologies in our operations to achieve continuous improvement in our operations and services.

Relevant SDGs:



8.1 Managing supply chain

With a robust network of suppliers for services and raw materials like concrete and steel, Kin Wing continues to be a prominent market leader in the piling construction sector. Our partnerships with suppliers, contractors, and sub-contractors play a vital role in our business operations. To facilitate the development of a sustainable supply chain, the Group has put stringent supply chain assessment policies and procedures in place. As guided by our Main Contract and Sub-contract Management Policy, we conduct evaluation assessments to identify and mitigate compliance risk in all ESG aspects. We also actively seek collaborations with suppliers who emphasise on the principles of sustainability.

The Procurement Department oversees the procurement of qualified goods and materials. During the tendering process, apart from evaluating material quality, pricing, and on-time delivery, we also consider environmental and social factors in our quotation analysis. We actively explore green construction materials such as CIC green concrete and rebar, GGBS concrete, and materials with third parties accredited carbon disclosure etc. Furthermore, the Group is developing a Green Procurement Policy based on the BEAM Plus New Buildings Assessment Tool to minimise our environmental footprint during procurement, such as prioritising local suppliers to promote local economic growth and reduce emissions from transportation. In 2023, 97% of the total number of suppliers of Kin Wing are from Hong Kong.

8.2 Assuring quality and responsible services

Kin Wing dedicates our efforts to provide top-quality and responsible services. We continue to provide our foundation construction services as guided by the internal Quality Policy and an effective Quality Management System complying with the requirements and standards of the ISO 9001:2015 Quality Management System.

Delivering quality foundation services

The Group assigns both the Procurement Department and the Health & Safety Department to guarantee the raw materials procured comply with relevant safety and construction regulations. In case of any materials failed to fulfil the regulations' requirements, the Procurement Department will promptly cease the usage of materials and procures qualified material replacements. Meanwhile, the Quality Assurance Department is responsible for conducting quality checks to ensure that both materials and workmanship meet internal standards throughout the project. Upon acceptance of a tender by the client, we appoint project managers to allocate necessary resources and engineers to oversee the execution of technical tasks. These quality control measures ensure that Kin Wing consistently delivers projects of the highest quality in our operations.

In terms of ensuring the quality of our equipment, the Group has implemented standards for the acquisition of Quality Powered Mechanical Equipment (QPME), which refers to construction equipment items that are new, notably quieter, and more environmentally friendly and efficient by QPME Labels. As part of internal due diligence, the Procurement Department is also responsible for submitting all relevant certifications for the procured items to the Quality Assurance Department for verification.

We have put forth efforts to establish effective customer engagement and maintain active communication with contractors and clients. Our project team proactively address and resolve customer complaints, taking necessary actions as required. During the Reporting Year, we have received no complaints against our products and services.

Kin Wing is committed to protecting personal privacy and information of all personnel and business entities within our operations, including suppliers, sub-contractors, clients, and employees. To ensure the protection of personal information, we have implemented a comprehensive set of guidelines as stated in the Staff Handbook. The guidelines state the responsibilities of our employees in handling private information to mitigate the risk of data breaches and conflicts of interests, hence preserving the trust of Kin Wing's valued customers. During the Reporting Year, the Group has fully complied with relevant laws and regulations relating to privacy matters.

8.3 Innovation

Innovation plays a crucial role in advancing sustainable development and driving positive change in the construction industry. Kin Wing recognises the importance of innovation in addressing material ESG issues that affect our business and stakeholders. Hence, we strive to leverage technology and innovation to enhance the efficiency and safety of Kin Wing's operation.

To ensure the safety in project site, we have an innovative high-security parking card activation system in place, which utilises RFID technology to address security concerns associated with traditional machine startup methods such as keys. By using RFID-IC chip electronic cards, the system ensures that the machines will only be activated with appropriate cards. This eliminates the risk of unauthorised individuals without proper safety training to operate the machines, which can lead to accidents. The split-type main unit, which can be installed anywhere on the machine without the need for cables, further enhances site safety and security.

To further improve construction safety, we have implemented Haulerbot, a machine with patented pedrail mobility mechanism, to reduce accidents during the transportation of construction materials with its stability while moving across terrains. Its remote-control smart mobility allows operators to control the Haulerbot from a safe distance, minimising risks of our site workers getting injured.

Case Study: Smart Site Safety System

During the Reporting Year, Kin Wing have implemented a Smart Site Safety System ("SSSS") to enhance safety protocols during the design and construction stages of one of our projects. The SSSS consists of a centralised management platform ("CMP"), which records and responds to signals and alerts from the SSSS. These signals and alerts are closely monitored by our safety supervisors. We analysed the data to gain valuable insights to facilitate any necessary investigations. The innovative system also introduced several key features that enable us to manage potential hazards, including:

1. Digitised tracking system for site plants, powered tools and ladders

A digitised system has been utilised for tracking site plants, powered tools and ladders in real-time. Each item is assigned a unique digital code for easy monitoring. Users can access certification, examination, checking and maintenance records by scanning the code on their mobile devices.

2. Alert system for mobile plant operation danger zone

Multiple sensors are installed on mobile plants such as excavators, crawler cranes and mobile cranes to provide a 360° coverage of the danger zone perimeter. The sensors detect potential hazards in the surrounding area, ensuring the safety of workers and personnel.



A 3D aerial-view with a full coverage of 360° around the machine is displayed



VR safety simulation training

3. Virtual reality ("VR") safety training

VR simulations offer construction workers immersive and interactive safety training experiences, equipping them with vital skills and knowledge to handle hazardous situations effectively. Our VR training modules include working at height, hot works, lifting operations, excavation, foundation works and housekeeping.



9

Promoting sustainable operations

Kin Wing is dedicated to promoting long-term environmental sustainability across its operations, with the goal of contributing to a greener and more resilient future. Our environmental approach, aligned with the "Heart" pillar of our "5H" core values, demonstrates our commitment to caring and be thoughtful of the environment. By integrating sustainable practices into our operations, we strive to reduce our environmental footprint and encourage the development of sustainable communities.

Relevant SDGs:



The Group recognises the impact of its construction works and daily operations on the environment, including greenhouse gas emissions ("GHG"), air pollution, water consumption, waste disposal and noise pollution. We have established an environmental management system that is certified to the internationally recognised ISO 14001:2015 Environmental Management System. Our Environmental Policy and Energy Policy detail our approach and strategy in reducing our environmental footprint. We have also implemented an Energy Reduction Policy that includes comprehensive measures for reducing our energy consumption. Our operations comply with all relevant environmental laws and regulations, including but not limited to:

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

To enhance the awareness and responsibilities in environmental conservation, the Group provides regular training to our site management, frontline staff and sub-contractors regarding our environmental policies, and relevant laws and regulations. During the Reporting Year, there were no non-compliance cases in relation to GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste in Hong Kong.

The Group has established a set of environmental targets on energy, GHG emissions, water and waste to enhance environmental performance. This year, we continue to monitor the progress and ensure that we are well on track to achieve the Group's environmental targets.

9

Promoting sustainable operations

Aspect	Target	Progress in 2023
Energy	Reduce energy consumption intensity (per meter bored pile) by 26% by year 2030 against year 2020	Reduced 25.00% in 2023 as compared to 2020
GHG Emission	Reduce carbon intensity (per meter bored pile) by 26% by year 2030 against year 2020	Reduced 22.28% in 2023 as compared to 2020
Water	Reduce water consumption intensity (per meter bored pile) by 18% by year 2030 against year 2020	Reduced 39.58% in 2023 as compared to 2020
Waste	Improve the reuse and recycling rate of construction and demolition materials	Increased 11.98% in 2023 as compared to 2020

9.1 Energy & greenhouse gas (GHG) emission

Energy

Energy consumption is one of the most significant environmental issues to the Group. To manage and optimise our energy consumption, we have implemented an energy management system that is certified to the internationally accredited ISO 50001:2018 Energy Management System. In addition, we have introduced various measures to mitigate energy consumption and improve overall efficiency.

Guided by our Energy Reduction Policy, we have implemented a variety of initiatives in our offices and construction sites to reduce energy consumption and improve energy efficiency. Each construction site can customise the policy with applicable measures according to its nature and location.

Case Study: Use of solar energy at construction site



PV panels installed in our construction sites



To enhance energy efficiency, the group has introduced solar energy systems in our construction sites to utilise solar energy as an alternative energy source. Currently, construction sites without electricity supply have strong reliance on diesel fuel generator for operations. Hence, the group is committed to exploring alternative energy sourcing options. By installing solar PV panels, we can reduce fuel consumption.

9

Promoting sustainable operations

During the Reporting Year, several of our projects received the Energywi\$e certificate from the Environmental Campaign Committee of the Hong Kong Green Organisation Certification, as a testament to our continuous efforts in promoting sustainable energy practices.



Energywi\$e certificate of the Hong Kong Green Organisation Certification

Greenhouse gas (GHG) emission

The Group's daily operations involve the consumption of fuel and electricity, which results in the emission of GHGs and other air pollutants, including nitrogen oxides ("NOx"), sulphur oxides ("SOx") and particulate matter ("PM"). We conduct annual reviews of our GHG emissions performance and strive to achieve our GHG emissions target. The Group has made significant efforts to reduce GHG emissions and air pollution by transitioning to more sustainable fuel options.

We have implemented the following measures to reduce carbon footprints and the emission of air pollutants at construction sites:

- Increase the proportion of cleaner and lower carbon fuel, such as biodiesel, in our fuel consumption mix
- Suppress and control dust emissions at construction sites by employing various methods such as water spraying, adding dust control curtains and using low-dust equipment
- Conduct regular environmental monitoring and audit ("EM&A") to ensure air emission levels during construction works comply with regulatory limits
- Install photovoltaic lighting in 60% of our construction site office area to reduce electricity usage and carbon emissions

Case Study: Adopting electric work vehicles in our fleet



EV chargers and EV vehicles in our construction sites

To support the wider adoption of electric work vehicles in our operations, the Group have started to use EV vehicles and installed EV chargers in our depot. The transition to using EV vehicles help on reducing our fuel consumption and transform to using renewable sources. Hence, it facilitates the Group to lower greenhouse gas emissions.

9.2 Water management

Wastewater management is another material environmental issue that is important to our business. The Group strictly adheres to the standards set by the Environmental Protection Department ("EPD") to prevent water pollution. Regular inspections are carried out to ensure the quality of water discharge meets the required standards.

We optimise water resources at our construction sites to reduce water usage. We have installed on-site treatment facilities, such as sedimentation tanks, to treat and recycle the wastewater generated from washing activities at our construction sites. The treated water can then be reused for various purposes, including dust suppressing during construction activities and cleaning on-site machinery and vehicles. During the Reporting Year, approximately 11,616 m³ of construction water was reused. In case there is surplus treated water, we assure the treated water is discharged appropriately into the designated public stormwater drainage system, as stipulated in the EPD's approved discharge license.

In addition, the Group has implemented various measures to enhance the efficiency of water consumption in our construction sites, such as the installation of water-efficient throttle and taps that have obtained water efficiency labels.

9.3 Waste management

Kin Wing recognises that construction and demolition ("C&D") waste, general waste and lubricant oil make up most of the waste generated from our daily operations, while our non-hazardous waste primarily consists of C&D waste. To reduce waste generation through improving resource utilisation, we have implemented waste management measures for construction works in accordance with the ISO 14001:2015 Environmental Management System and uphold the "5R" principles (Reduce, Reuse, Recycle, Refuse and Repair). The Group has set a target to recycle at least 30% of waste per project site, which demonstrates the Group's dedication to optimising resources use and minimising waste generation.

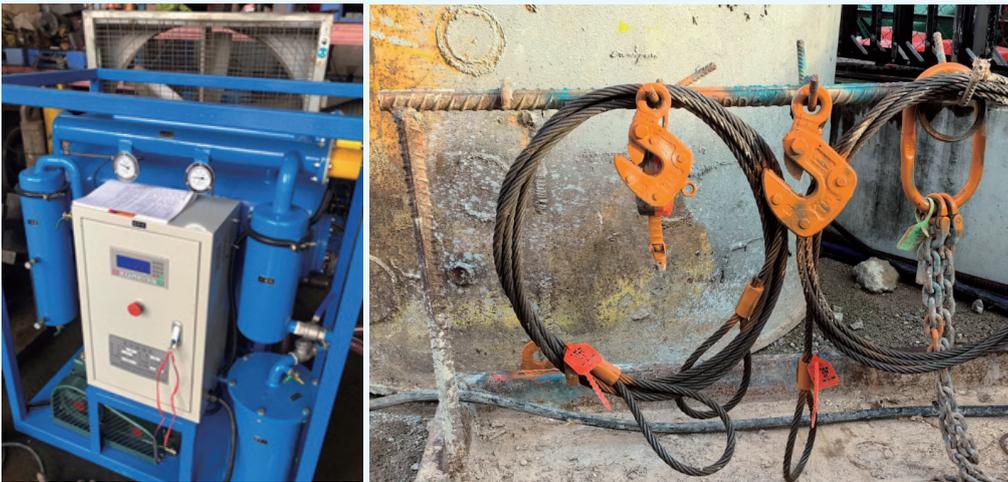
Kin Wing has implemented a digital documentation system – Digital Works Supervision System ("DWSS") – to reduce paper consumption and waste while improving communication in daily operations. This system is available to employees and workers at construction sites, as well as the HR and Procurement Department. During the project planning stage, the Group will list out types of waste generated, areas and facilities designated for waste sorting and procedures for waste handling. Site environmental officers will be assigned to oversee the implementation of the Waste Management Plan and record the amount of waste generated to evaluate its effectiveness.

Case Study: Material utilisation

Kin Wing cherishes every resource we have. A Material Management System has been established to monitor and utilise precious consumables like wires and shackles, pump oil and bearing wood for bored pile stabiliser.

All lifting appliances and lifting gear ("LALG") such as wires and shackles will be tracked. After recalibration, these LALG can be reused in new construction sites. Filtering machine has been provided in our depot to treat dirty pump oil which allows the pump oil to be used for another 1-2 cycles. The company has been switching for bearing wood to permanent steel structure inside the bored pile stabiliser in order to reduce consumable wood.

The Group have saved approximate HK\$1.5 million due to the reuse of LALG, pump oil and reduced bearing wood consumption.



To ensure proper handling of both hazardous and non-hazardous waste, the Group utilises three-colour recycling bins to collect materials for recycling and to reduce waste to landfill. For hazardous waste, we recognise the inherent risks associated with chemical waste and, therefore, take special care in its handling and storage to minimise any potential harm to human health or environmental pollution. The Group ensures the safe disposal of chemical waste through licensed waste collectors who possess the specialised expertise required for handling hazardous materials.

Case Study: Digitalisation of waste management

In response to the need for sustainable waste management solutions, we have implemented smart recycling bins in one of our sites to streamline the waste collection process.

The smart recycling bins are designed to automatically sort and segregate different types of recyclable materials, such as plastic bottles, paper, and aluminium cans. Sensors are installed in these bins to detect the type of waste being disposed of and guide users through a user-friendly interface. This technology ensures that waste is properly sorted, reducing contamination. In addition, the smart bins can notify waste management personnel when they are reaching the capacity limit, enabling timely collection, and preventing overflow.

Furthermore, the data collected by these smart recycling bins is transmitted to a centralised data management system. Hence, Kin Wing can enhance the waste management process and set achievable targets for waste reduction and recycling through identifying trends and patterns in waste generation.



Smart recycling bins

During the Reporting Year, we received Wastewi\$e certificates from the Environmental Campaign Committee of the Hong Kong Green Organisation Certification in recognition of our efforts to protect the environment through waste reduction and recycling.

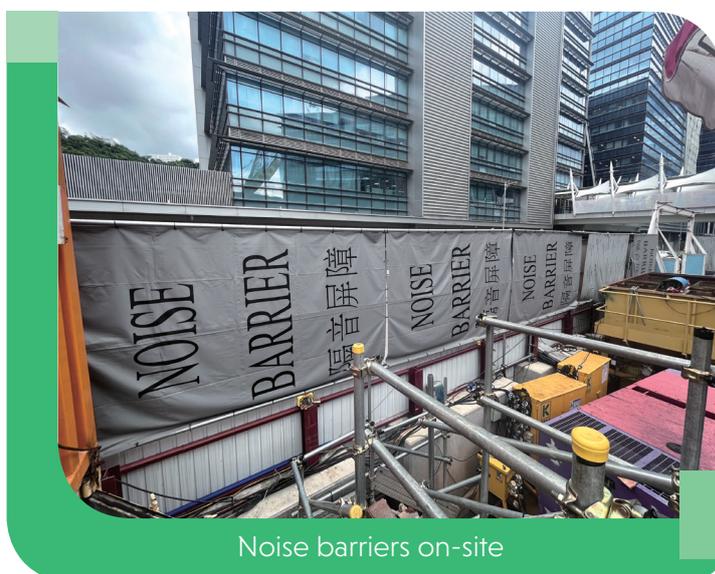


Wastewi\$e certificates of the Hong Kong Green Organisation Certification

9.4 Noise management

The Group is aware that piling construction and drilling from foundation services can potentially cause disturbance and noise pollution to the nearby community and the environment. To mitigate the impact of noise, we conduct all noise-sensitive activities within the permitted hours as stipulated by the EPD. We also regularly assess and monitor noise levels to ensure compliance with applicable laws and regulations. In addition, noise barriers have been installed at all construction sites to minimise noise levels from construction work.

In addition, the Procurement Department ensures that the equipment meets the relevant requirements set by the Electrical and Mechanical Service Department and the Environmental Protection Department of the Hong Kong Special Administrative Region ("HKSAR") government to avoid noise pollution caused by the equipment used in our operations.



Noise barriers on-site

9.5 Climate risk management

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

Governance

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

9

Promoting sustainable operations

Strategy

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

Risks	Potential impact	Financial implications	Mitigation strategies
Extreme wind/Typhoon	<ul style="list-style-type: none"> • Damage construction sites, equipment and materials, resulting in delays and additional costs • Endanger worker safety by creating unsafe working conditions, increasing the risk of accidents and injuries • May lead to breach of contract and legal liability due to interruptions 	<ul style="list-style-type: none"> • Increase in capital expenditure and operating expenses for repairs or replacement of damaged assets • Decrease in revenue due to construction delays and reduced productivity • Potential increase in insurance premiums • Increase in logistics and transportation costs 	<ul style="list-style-type: none"> • Ensuring the stability of temporary structure, and lowering the jib of mobile crane • Moving the machines at flooding plain and low elevation spot to a higher elevation spot • Ensuring water storage tank and wastewater storage tank have adequate space for rainwater storage • Ensuring the site drainage system are functional and backed up with water pumps • Monitoring construction sites during extreme weather regularly after all staff are evacuated
Coastal Flooding and Riverine Flooding	<ul style="list-style-type: none"> • Damage facilities and equipment situated in low-lying areas • Damage construction sites, equipment and materials, resulting in delays and additional costs • Endanger worker safety by creating unsafe working conditions, increasing the risk of accidents and injuries • Disrupt supply chain, causing delays or interruptions in the delivery of materials and components, leading to delay in project timelines 		

9

Promoting sustainable operations

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

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

Risk management

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

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

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

Metrics and targets

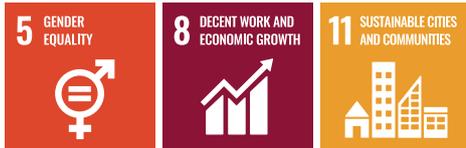
Kin Wing has been disclosing our performance on GHG emissions in Scope 1 and 2 annually in accordance with the ESG Guide. In addition, we have established environmental targets covering energy, GHG emissions, water and waste. For GHG emissions, we aim to reduce carbon intensity (per meter bored pile) by 26% by year 2030 against year 2020. Meanwhile, we target to reduce energy consumption intensity (per meter bored pile) by 26% by year 2030 against year 2020. Moving forward, we will continue to monitor our progress towards these targets and implement strategies to enhance our environmental performance and efforts in addressing climate change.

10

Contributing to the community

As Kin Wing upholds "Harmony" as one of our "5H" core values, the Group is fully committed to fostering a harmonious and inclusive community. As a responsible corporate citizen, we pay close attention to the needs of the community in which we operate and invest various resources in community engagement activities to address the concerns of our community.

Relevant SDGs:



The Group engages with the community through participating in various volunteer activities to create positive impacts during the Reporting Year. Through the establishment of our Community Investment Policy, we have reinforced our commitments to create a positive, better future in all the locations where we operate our business in and provide guidance on our resources allocation to different focus areas of contribution, including health, youth development and the environment etc. During the Reporting Year, we have a total of HK\$60,000 donations via charity and in-kind sponsorships and 32 man-hours of charity work.

Kin Wing also encourage our employees to actively participate in volunteer programs to give back to the community. We have set up a volunteer team and organised various voluntary events. For example, we have collaborated with Hong Kong Red Cross to organise a blood donation event at our office. Our continuous efforts in giving back to the community has been recognised as Kin Wing was awarded the 5 Years Plus Caring Company award by The Hong Kong Council of Social Service since 2016.



Blood donation



5 Years Plus Caring Company award

Case Study: Supporting services for the mentally handicapped

This year, our group donated a total of HKD\$60,000 to the Evangelical Lutheran Church Social Service – Hong Kong in providing assistant services to benefit the socially disadvantaged and the elderlies group. The funding supported Kwai Chung District Support Centre to launch a photography event for the mentally handicapped and their relatives to foster their interaction and social bonding, as well as to enhance their social belongingness.

In addition, the funding also supported the renewal of daily commodities such as bedding sets for Serene Court to maintain a hygienic and comfortable living environment for the elderlies in this care facility.

Case Study: Eco-lantern DIY workshop

In September, we have collaborated with Evangelical Lutheran Church Social Service – Hong Kong to organise an event for underprivileged children to create eco-friendly lanterns to celebrate the Mid-Autumn Festival. Throughout the event, our volunteers and tutors from the Tai Wo Youth Integrated Service Center have cooperated and taught children aged 6 to 10 years old to make cartoon animal lanterns to celebrate the Mid-Autumn Festival.



Volunteer activity



Eco-lantern DIY workshop to celebrate Mid-Autumn Festival

11

Performance table

Environmental Performance	Unit	2023	2022
Greenhouse Gas (GHG) Emissions			
Scope 1: Direct emission ⁽¹⁾	tonnes of CO ₂ equivalent ("tCO ₂ e")	25,527	25,465
Scope 2: Indirect emission ⁽²⁾	tCO ₂ e	194	216
Total GHG emissions	tCO ₂ e	25,721	25,681
Total GHG intensity	tCO ₂ e/M' Revenue (HKD)	12.12	14.22
	tCO ₂ e/production of bored piles (m) ⁽³⁾	2.79	3.14
Energy Usage			
Electricity	MWh	524	497
Petrol	Litre ("L")	37,445	33,929
	MWh	363	326
Ultra-Low Sulphur Diesel	L	4,458,944	4,159,517
	MWh	47,725	45,588
B5 Biodiesel	L	5,210,601	5,486,019
	MWh	50,658	53,336
Total energy consumption	MWh	99,270	99,747
Total energy intensity ⁽²⁾	MWh/M' Revenue (HKD)	46.78	55.23
	MWh/production of bored piles (m) ⁽³⁾	10.8	12.18

11

Performance table

Environmental Performance	Unit	2023	2022
Water Consumption			
Total water consumption	m ³	123,974	175,072
Water consumption intensity	m ³ /M' Revenue (HKD)	58.42	96.94
	m ³ /production of bored piles (m) ⁽³⁾	13.43	21.37
Non-hazardous Waste			
Construction and demolition waste (sent to landfill/ Sorting Facilities)	tonnes	234,954	245,501
Construction and demolition waste (sent to Recycling Facilities/other Construction Sites for reusing) ⁽⁴⁾	tonnes	513,945	56,972
Recycled metal ⁽⁵⁾	tonnes	1,226	545
General refuse	tonnes	652	899
Total non-hazardous waste intensity	tonnes/M' Revenue (HKD)	353.81	168.28
	tonnes/production of bored piles (m) ⁽³⁾	81.34	37.10

11

Performance table

Environmental Performance	Unit	2023	2022
Hazardous Waste			
Total hazardous waste disposed	tonnes	23.6	9.7
Total hazardous waste intensity	tonnes/M' Revenue (HKD)	0.011	0.005
	tonnes/production of bored piles (m) ⁽³⁾	0.003	0.001

- Note (1): Scope 1 GHG emissions refer to direct emission of GHG from sources owned or controlled by the Group, which include (i) transportation and (ii) machinery usage.
- Note (2): Scope 2 GHG emissions refer to indirect GHG emissions resulting from the consumption of the electricity which the Group purchased.
- Note (3): The production of bored piles in 2022 was 8,191m and 2023 was 9,230m.
- Note (4): Recycling of C&D waste is subject to the construction stage. In 2023, projects were in the excavation and lateral support ("ELS") stage, resulting a large amount of soil excavation available to be recycled. Meanwhile in 2022, most of the projects are in the beginning stage with fewer large scale soil excavations. Hence, there is relatively high volume of recycled C&D waste in 2023.
- Note (5): As the majority of metal debris typically occurs during the ELS stage, which involves extensive welding. Given most projects were in the ELS stage in 2023, there are more metal waste available to be recycled compared to 2022, resulting in relatively high volume of recycled metal in 2023.

11

Performance table

Social Performance		Unit	2023	2022
Workforce Profile				
Total workforce		No. of people	674	612
By gender	Male	No. of people	570	519
	Female	No. of people	104	93
By age group	< 31	No. of people	109	78
	31-50	No. of people	368	335
	> 50	No. of people	197	199
By employment type	Full-time employee	No. of people	665	609
	Part-time employee	No. of people	9	3
By employment category	Senior Management	No. of people	17	14
	Management	No. of people	44	28
	Frontline and general staff	No. of people	613	570
By geographical region	Hong Kong	No. of people	674	612
Employee Turnover Rate				
By gender	Male	%	32.8	30.0
	Female	%	28.8	50.5
By age group	< 31	%	43.1	64.1
	31-50	%	28.8	28.4
	> 50	%	32.5	29.6
By employment type	Senior Management	%	11.8	7.1
	Management	%	13.6	7.1
	Frontline and general staff	%	34.1	35.3
By geographical region	Hong Kong	%	32.2	33.3

11

Performance table

Social Performance		Unit	2023	2022
Percentage of Employees Trained				
By gender	Male	%	85	85
	Female	%	15	15
By employment category	Senior Management	%	3	2
	Management	%	6	4
	Frontline and general staff	%	91	94
Average Training Hours Completed by Employees				
By gender	Male	Hours	26.57	26.31
	Female	Hours	13.77	13.33
By employment category	Senior Management	Hours	52.52	30.04
	Management	Hours	23.67	24.89
	Frontline and general staff	Hours	23.89	24.17
Occupational Health and Safety				
Lost days due to injuries		Days	649	348
Rate of injuries ⁽⁶⁾		per 1,000 employees	13.35	3.27
Number of fatalities		No. of people	0	0
Rate of fatalities		per 1,000 employees	0	0
Number of Suppliers				
Hong Kong		suppliers	566	543
China (including Macau)		suppliers	16	15
Other		suppliers	2	1

Note (6): The increase of figures indicate the enhanced reporting procedure, where over 40% of reported cases were minor injuries related to manual handling operation.

A: Environmental

Aspects	Descriptions	Sections in the Report/Remarks	Page number
A1: Emissions			
General Disclosure	<p>General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p>	<p>(a) Promoting sustainable operations (b) Promoting sustainable operations</p>	29
KPI A1.1	The types of emissions and respective emissions data.	<p>Performance table</p> <p>Emissions of nitrogen oxides, sulphur oxides and particulate matter from gaseous fuel and vehicles are not determined to be highly material issues for the Group</p>	40
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity.	Performance table	40
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity.	Performance table	42
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.	Performance table	41
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Promoting sustainable operations	30-32
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Promoting sustainable operations, Waste management	30, 32-34

Aspects	Descriptions	Sections in the Report/Remarks	Page number
A2: Use of Resources			
General Disclosure	General Disclosure		
	Policies on the efficient use of resources, including energy, water and other raw materials.	Promoting sustainable operations	30-33
KPI A2.1	Direct and/or indirect energy consumption by type in total (kWh in '000s) and intensity.	Performance table	40
KPI A2.2	Water consumption in total and intensity.	Performance table	41
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Promoting sustainable operations	30-31
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Water management	30, 32
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Packaging materials are determined to be not applicable for the Group's business operations	N/A
A3: The Environment and Natural Resources			
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Promoting sustainable operations, Waste management	30-34
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Promoting sustainable operations	30-34
A4: Climate Change			
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate risk management	35-37
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate risk management	35-37

B: Social

Aspects	Descriptions	Sections in the report/Remarks	Page number
Employment and Labour Practices			
B1: Employment			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	(a) Employment and labour standards, Providing an inclusive and harmonious workplace (b) Employment and labour standards, Providing an inclusive and harmonious workplace	17-20
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Performance table	43
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Performance table	43
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.	(a) Providing a safe and healthy workplace (b) Providing safe and healthy workplace	18
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the Reporting Year.	Providing a safe and healthy workplace, Performance table	18, 44
KPI B2.2	Lost days due to work injury.	Providing a safe and healthy workplace, Performance table	18, 44
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Providing a safe and healthy workplace	18-19
B3: Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Nurturing a capable team	21-24
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Performance table	44
KPI B3.2	The average training hours completed per employee by gender and employee category.	Performance table	44

Aspects	Descriptions	Sections in the report/Remarks	Page number
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.	(a) Employment and labour standards (b) Employment and labour standards	17, 18
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employment and labour standards	17, 18
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Employment and labour standards	17, 18
Operating Practices			
B5: Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Managing supply chain	25
KPI B5.1	Number of suppliers by geographical region.	Managing supply chain, Performance table	25, 44
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Managing supply chain	25
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Managing supply chain	25
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Managing supply chain	25

Aspects	Descriptions	Sections in the report/Remarks	Page number
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.	(a) Assuring quality and responsible services (b) Assuring quality and responsible services	25, 26
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	During the Reporting Year, there were no products sold or shipped subject to recalls for safety and health reasons	N/A
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Assuring quality and responsible services	25, 26
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual property rights are determined to be not a highly material issue to the Group	N/A
KPI B6.4	Description of quality assurance process and recall procedures.	Assuring quality and responsible services	25, 26
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Assuring quality and responsible services	25, 26
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.	(a) Business ethics (b) Business ethics	10
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Year and the outcomes of the cases.	Business ethics	10
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Business ethics	10
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Business ethics	10

Aspects	Descriptions	Sections in the report/Remarks	Page number
Community			
B8: Community Investment			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Contributing to the community	38, 39
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Contributing to the community	38, 39
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Contributing to the community	38, 39