

CORPORATE SOCIAL RESPONSIBILITY

SOCAM's Corporate Social Responsibility initiatives focus on three key areas – Community, Environment and our People – to realise the WE CARE Spirit across our business footprints in Hong Kong, Macau and the Chinese Mainland.

In each city we operate there are three CSR Steering Committee sub-groups that, in their own specialist area, devise and drive our caring projects in line with CSR policies and principles that are explicitly set out in our CSR manifesto.



► CARING FOR THE COMMUNITY

As in past years, our charitable and volunteering instincts led us to focus our contributions towards disadvantaged youths, through opportunities for education, and the elderly through personal support. SOCAM continually seeks meaningful community care programmes that are as rewarding to our employees in their positive results as they are to the recipients.

Pre-school Children of Migrant Workers in Shanghai

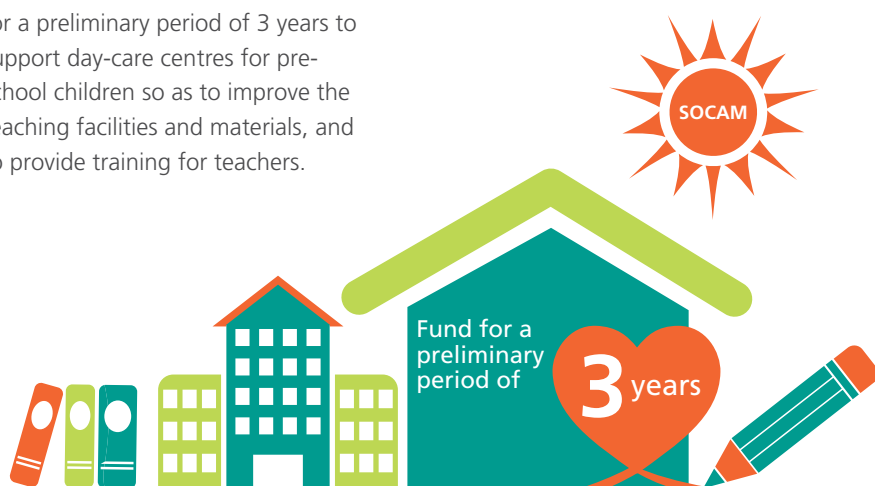
With the completion of the Four Seasons Hotel Pudong, Shanghai, SOCAM considered how best to reciprocate to the community around us. Sharing the same intentions, SOCAM's project partner, the Four Seasons Hotels & Resorts Group, and Wai Yin Association, a charitable organisation in Hong Kong, joined hands with SOCAM to participate in a charity project to promote the wellbeing and social development of young children of migrant workers in Shanghai. In November, the "Shui On Four Seasons Charity Fund" was established, in collaboration with the Shanghai Charity Foundation.

These young children of migrant workers are always of concern, as their parents leave their home towns and villages to work in Shanghai, they may be left unattended. The Fund is set up to help them receive proper education, become a part of the community and contribute to the community when they grow up.



Shanghai Charity Foundation – Shui On Four Seasons Charity Fund

SOCAM will contribute to the Fund for a preliminary period of 3 years to support day-care centres for pre-school children so as to improve the teaching facilities and materials, and to provide training for teachers.



AIDS Impacted Children in Central China

The Shui On Seagull Club, our employee-run volunteer organisation established in 1982, collaborated with the Chi Heng Foundation (CHF) in 2012, and launched a series of programmes to reach out to AIDS impacted children who need support for their health, living, education and psychological needs.

During the year, SOCAM supported the programmes both in monetary and volunteering terms. In addition to corporate donations, our volunteers provided support for affected families in Anhui and delivered daily necessities during the winter, when items such as rice, fuel, quilts etc. are most in need. An Art Exhibition was held to display the creations of AIDS orphans in the Art Counseling Programme, which provides psychological support to orphans with traumatic experiences.

In Hong Kong, our volunteers joined hands with CHF to organise a family drawing and art appreciation session for members of the Hong Kong Single Parents Association. An Art Album of the exhibits was offered for sale with the proceeds going to support CHF's programmes for AIDS impacted children in the Chinese Mainland.



Art Exhibition

**Mr. Chung To,
Chairman &
Founder of Chi
Heng Foundation**

In addition to sponsoring educational opportunities for AIDS orphans, our work is about strengthening communities and the ability of extended families to provide and care for these children, thereby mainstreaming them into society and reducing their marginalisation.

Youth Development

SOCAM continues to focus on youth development and knowledge exchange. In 2012, SOCAM continued to facilitate exchanges with university students from different cities following a series of scholarships offered in Hong Kong and the Chinese Mainland in 2011. Personal exchanges with youths are often the best form of education. SOCAM senior executives have been active in a series of mentorship programmes with Po Leung Kuk,

University of Hong Kong as well as the Hong Kong University of Science and Technology.

Working in SOCAM was a valuable, eye-opening experience for me as I gained practical knowledge which I obviously cannot get from lectures. I learnt what a commercial organisation does to reach out to the community, protect the environment and enrich the lives of its employees.



Miss Alva Lau Wing Ka, SOCAM CSR Ambassador from The Chinese University of Hong Kong

We receive positive feedback from students returning from our sponsored exchange programmes. A "SOCAM CSR Ambassador" was selected and awarded an internship opportunity to apply her learning in further developing SOCAM's CSR initiatives. The participating students at The Chinese University of Hong Kong benefit from our scholarship to focus on CSR research worldwide in 2011. We also welcomed a student mission from Sichuan University who was under one of our sponsored exchange programmes.

“Corporate care and support are integral to development of university students. I am thankful to the contribution of Shui On in realising our exchange tour to Japan.”



Mr. Xu Ce, a student of Dalian University of Technology on our sponsored exchange programme.

Creating Community Bonds

The Shui On Seagull Club seeks to create bonds between low income families in the local community and the elderly who lack family care. Volunteers from low income families are trained to pay home visits to the elderly to express their care and concern, to serve them festive feasts and run small errands.

Outdoor activities, museum visits and festive dinners were organised for them and single parent families. SOCAM colleagues took part in a number of charity and sports events. They raced in the MTR Hong Kong Race Walking, Standard Chartered Hong Kong Marathon, Run for the Chest and Wai Yin Association 30th Anniversary Charity Walk. A blood donation day, moon cake donation and Fai Chun Charity Sales were

organised to offer help to people in need.

Volunteer service

No. of staff participation **466**

No. of volunteer hours **2,679**



Standard Chartered Hong Kong Marathon

Staff Quarters for Hong Kong Immigration Department at Kwai Chung – BEAM Platinum

10%
annual energy consumption reduction

12.1%
peak electricity demand reduction

35.3%
annual water saving by using water efficient devices

48%
reduction in annual sewage volumes through application of dual-flush systems



Comply with EMSD's Code of Practice for Energy Efficiency of Lift and Escalator Installations 2007

Average daylight factor
>2%

for normally occupied spaces



Comply with EMSD's Code of Practice for Energy Efficiency of Electrical Installations 2007

► CARING FOR THE ENVIRONMENT

SOCAM seeks to continually improve its environmental performance as a prime obligation to the betterment of society in general.



Staff Quarters for Hong Kong Immigration Department at Kwai Chung

Attaining the highest possible environmental certifications for our projects, and accreditation for our management system, helps us to integrate our operational measures of resources conservation, waste management and innovative working practices into our business strategy and practices. At each stage, from planning through design and construction to operation and maintenance, we seek to minimise our impact on the environment.

Building Certifications

Our property and construction projects continue to achieve recognition from internationally recognised building assessment schemes like LEED (Leadership in Energy and Environmental Design)

of the U. S. Green Building Council and BEAM (Building Environmental Assessment Method) of BEAM Society in Hong Kong.

During the year, Staff Quarters for Hong Kong Immigration Department achieved BEAM Platinum standard, while another project, Energising Kowloon East Office, achieved BEAM Plus Platinum rating in the provisional assessment. In the Chinese Mainland, the development of Dalian Tiandi Lots D14 and D22 has achieved LEED Gold Level of Core & Shell in the provisional assessment and Silver Level of Core & Shell certification respectively.





Obtaining the ratings has brought perceptible benefits to our environment as exemplified by our projects' green achievements:



Energising Kowloon East office

Energising Kowloon East Office – BEAM Plus Platinum (Provisional)

- 33% or 48,500 kWh/year reduction of annual energy consumption
- 37% reduction in peak electricity demand
- 57% or 805,000 L/year reduction in fresh water consumption by harvesting rainwater for irrigation
- 22% or 51,600 L/year reduction in flushing water demand by using low flow urinal and dual flush toilets
- 69% or 10,500 kg of construction waste will be recycled or reused
- 50% of building materials are prefabricated

	Dalian Tiandi Lot D14 – LEED Gold Level of Core & Shell (Provisional)	Dalian Tiandi Lot D22 – LEED Silver Level of Core & Shell
 <p>Water saving with recycled use of waste water</p>	45%	77%
 <p>Percentage of regularly occupied area designed to enjoy daylight to reduce the use of artificial lighting</p>	75%	79%
 <p>Use of recycled content in construction materials to reduce material wastage</p>	18%	13.2%
 <p>Percentage of energy saving with the adoption of LOW-E glass, high-efficiency lighting, air-conditioning, pump and ventilation systems as well as renewable energy</p>	14%	13%

CORPORATE SOCIAL RESPONSIBILITY REPORT

We also target to achieve the following certifications for our projects on completion:

Property Projects	LEED Certification
Guangzhou Parc Oasis	Silver Level of Core & Shell for clubhouse
Shenyang Project Phase I	Silver Level of Core & Shell for commercial portion
Dalian Tiandi Huangnichuan	Silver Level of Neighbourhood Development
Construction Projects	BEAM Certification
West Kowloon Law Courts Building, Hong Kong	BEAM Plus Gold
Town Park, Velodrome-cum-Sports Centre, Tseung Kwan O, Hong Kong	BEAM Platinum
Sports Centre, Community Hall and District Library in Area 14B, Sha Tin, Hong Kong	BEAM Plus Platinum

ISO 50001 Energy Management

Our construction arm, Shui On Building Contractors (SOBC), a leading building contractor in Hong Kong, prides itself on being one of the first contractors accredited with ISO 50001 in Energy Management in 2012.

Our project sites were an early mover in the application of energy saving

devices like timer control and motion sensor for electrical appliances and lighting systems, adoption of LED lighting, and solar power water heater systems. To comply with the ISO requirement, we have further identified significant energy use and adopted energy management plans through a series of baseline performance indicators and energy targets. Supported by regular audits and management reviews, as well as comprehensive training and

promotion among staff, our energy management systems are proven to be effective in the continual improvement of our environmental performance.

Our green commitment is driving us further with planning underway for a carbon audit for our office and some sites in Hong Kong. With the planned audit, we seek to effectively reduce greenhouse gas emission.



ISO 50001 Audit Report

Management and staff showed commitment to the implementation of the energy management system. Innovative design and effective procurement of energy services and products were demonstrated.



ISO 14001 Audit Review

Shui On's strength lies in its top management commitment in environmental protection and sustainable development; willingness to work with clients, regulatory bodies and interested parties for environmental concerns; positive attitude of staff towards environmental protection and dedicated management support; effective environmental, operational and monitoring control on site.

Conservation of an Ancient Miao Village in Chongqing

With a view to conserving the precious nature and culture of the ancient Miao Village, Shi Quan Zhai, the Chongqing branch of the Shui On Seagull Club has taken timely action to support the conservation campaign of the local government.

Shi Quan Zhai is a quiet village, home to some five hundred residents



Conservation project

who are still living in the wooden houses and using the utensils their ancestors have used since the Ming Dynasty. To better equip the village and its residents in facing up to the development of the area into a tourist spot, our volunteers promote waste management knowledge to

the villagers who are yet to be aware of the potential impact of tourism. Our focus throughout has been to conserve the original atmosphere and historic interests of the Village, in conjunction with local government and the villagers themselves.



Green Engagement

We continue to encourage all colleagues to 'think green' through creative initiatives. These include a series of internal campaigns and activities:

- Green office campaigns: a series of promotional display and quiz games were used to encourage support in saving paper and energy in our daily office operations.
- Recycling campaigns were organised on a regular basis for the collection of used paper, glass bottles, used clothes and accessories.
- Competition: essay and photo competitions among our employees were held to promote the appreciation and sharing of nature and a green lifestyle.



Action Seedling Programmes



Beijing tree planting



Green office – plant adoption

Mr. Chan Kwan Yuen, Project Mechanic at Tuen Mun Area 18 project.

"We are keen to introduce new tools to help ensure a safe and efficient working environment for everyone working at Shui On Sites. Some examples include the H-Shape storage system installed for safe storage of steel formworks and the temporary refuse chute alert system. Training and monitoring are provided and we are happy to see that safety awareness of all workers is ever rising. Together with our practice of the safe working cycle, it earned the Project Mechanic team a Gold award for the Best Safety Culture Activity Team in the Construction Safely Promotional Campaign 2012."



► CARING FOR OUR PEOPLE

In nurturing our talents, SOCAM promotes safety and work/life balance along with offering learning opportunities in professional and personal development at all employee levels.

Safety is Foremost

Keeping the accident rate at a single-digit level for the fifth consecutive year demonstrates our Construction Division's continual commitment to safety. In 2012, the accident rate was 6.75 cases per thousand workers compared to the industry average of 50 cases per thousand workers in 2011.

This achievement is a result of a strong management commitment, clear and easily understood health & safety systems with frequent inspections and encouragement for frontline project teams with sound safety awareness. This is supported by quarterly safety meetings, annual audits and management review as reported in the OHSAS 18001 audit.

Our safety culture is reinforced through a series of campaigns and events like the annual HSE Target Seminar, Sub-contractor HSE Workshop, a half-yearly survey by the Behavioural-based Safety Working Group, onsite briefing and promotional games with souvenirs to cultivate workers' risk assessment habits, tea with foreman, independent site inspections, a red-



On-site safety promotion

yellow card disciplinary system and sharing of good practices among sites. Workers with outstanding safety performance are rewarded with incentives.

In the 11th Hong Kong Occupational Safety and Health Award organised by the Occupational Safety and Health Council and Labour Department, SOCAM was recognised with silver awards in Safety Management System Award and Work Safe Behaviour Award, a merit award in Safety Culture Award and a Safety Performance Award which reward outstanding performance in Occupational Safety and Health over the past three years.

Work/life balance

The well-being of our employees is vital to the performance and values of the Company. SOCAM is a keen



Massage for good health

supporter of the Work/Life Balance Week, and seeks to instil its concept year-round. A series of wellness initiatives including healthy fruits and drinks sharing, art jamming, movie appreciation, birthday parties and talks on subjects such as spinal care and healthy massage all help to promote an awareness of personal health.

Regular recreational and volunteer activities serve to encourage our employees to spend their spare time meaningfully beyond the workplace. Our community service leave programme grants leave for staff participating in our community reach-out initiatives to facilitate work/



Art jamming for fun

life balance while contributing to the community.

Learning and Development

Lifelong learning forms part of the corporate culture of the Shui On Spirit and puts emphasis on the value of our human capital. With structured career development and training programmes and other campaigns focusing on self-learning, our people of all levels are well-equipped to excel at work and in personal development.

Structured career development programmes cover Management Cadet Programme, Management Trainee Programme, Graduate Engineer Programme and Apprentice Programmes which are critical in driving the business development of SOCAM across locations with the right mix of human assets.

Learning at SOCAM includes structured, formal training, casual exchanges among staff and self-learning of individuals. Matching the needs of all levels and professions, our training programme is comprehensive and covers:

- Executive Development Programme
- Advanced Management Programme
- Fundamental Management Programme
- Personal Effectiveness Programme
- New Employee Programme
- Professional Knowledge Programme
- E-learning Programme

More casual forms of exchange like Lunch and Learn Talks widen a general knowledge base on topics such as nutrition, wine tasting and magic. These help to create a learning culture for all, and are supported by self-learning facilities like a library, book exhibition and e-learning system.

Training hours in 2012

Internal
5,186 hours

External
6,564 hours