



**ABLE ENGINEERING HOLDINGS LIMITED**  
**安 保 工 程 控 股 有 限 公 司**

(Incorporated in the Cayman Islands with limited liability)  
(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 1627

**ENVIRONMENTAL  
SOCIAL AND  
GOVERNANCE  
REPORT**

**2019-2020**

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# ▶ 1 MESSAGE FROM CEO

Dear Stakeholders,

We are pleased to present the Group's ESG Report for the year ended 31 March 2020.

As a listed construction company with great vision, we recognise that sustainability is important for business as the world faces challenges issues especially the recent COVID-19 pandemic. The Group adopts a comprehensive approach in managing the environment impacts of the Group's construction activities and continuous put effort in developing innovative technology, aiming at enhancing safety, environmental protection, health, quality and efficiency in managing construction projects to create favourable conditions for our sustainable growth.

In construction industry, health and safety are always our primary management objectives. We are committed to providing a safe and comfortable working environment for our staff and help them and site workers in establishing the safety habits in order to minimise the risk of accident and injury at work. To cope with the outbreak of COVID-19, we implemented various anti-epidemic measures at the head office and construction sites and provided anti-epidemic supplies allowance to the staff to protect their health.

The Group strives to identify and minimise the unfavourable environmental impacts arising from our operations. During the year, we implemented the programmes of timber waste recycling and construction plastic waste recycling to enhance our staff and site workers' awareness of the environmental protection and cultivate them in waste sorting as habit and reuse materials as much as possible.

We appreciate every opportunity to communicate with our stakeholders to understand their expectation and concerns. We will continue to review the opportunities of our sustainability performance, improve operational efficiency and reduce adverse environmental impact.

I would like to thank our staff for their commitment and other stakeholders for their support in achieving our vision and mission together.

*By Order of the Board*  
*Dennis Cheung*  
*CEO*  
*Hong Kong, 16 October 2020*

# 2 OVERVIEW

## ABOUT THE COMPANY

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Able Engineering Holdings Limited (“Able” or the “Company”) has been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “HKEX”) since 2017, together with its subsidiaries (referred to as the “Group”). As a well-established multidiscipline construction company, the Group engages in building construction, repair, maintenance, alteration and addition works, building conversion, design and construction as well as fitting out works. The Group have more than 300 staff comprising managerial, professional, technical and supervisory grade working on various types of projects.

The Group is providing quality construction engineering services to both public and private sectors. Currently ongoing projects include but not limited to public and private housing construction, renovation and maintenance. With over 40 years of experience in Hong Kong, the Group has gained widespread recognition for its accomplishments from clients, and received a number of awards for architectural excellence, green building, occupational safety and more. The Group continues to work towards sustainable growth through communicating and cooperating with its key stakeholders.



(Residential development project at Kai Tak)

## ABOUT THE REPORT

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This Environmental, Social and Governance (“ESG”) Report (the “ESG Report”) is prepared in accordance with the ESG Reporting Guide (the “ESG Reporting Guide”) as set out in the Appendix 27 to the Rules Governing the Listing of Securities of HKEX. This ESG Report provides a detailed account of the Group’s sustainability performance, policies and strategies for the year ended 31 March 2020 (the “Reporting Period”), which is same as the financial year covered in the 2019/2020 Annual Report of Able. For information regarding the governance issue please refer to the “Corporate Governance Report” set out on pages 33 to 61 of Able’s 2019/2020 Annual Report published on 24 July 2020.

The Group acknowledges the importance of sustainable business practices to achieve business excellence and enhance long-term competitiveness. We focus on three environmental aspects and eight social aspects which are set out in the ESG Reporting Guide. The reporting scope of this ESG Report covers the following core business segments in Hong Kong:

- Building construction, repair, maintenance, alteration and addition works;
- Building conversion; and
- Design and construction and fitting out works

For environmental concern, this ESG Report is released online only. The English and Chinese versions of the ESG Report is available at the websites of HKEX ([www.hkexnews.hk](http://www.hkexnews.hk)) and our Company ([www.ableeng.com.hk](http://www.ableeng.com.hk)). Should you wish to provide any comments or suggestions on the ESG performances of the Group, please email us at [info@ableeng.com.hk](mailto:info@ableeng.com.hk).

Contents of this ESG Report are presented in English and Chinese. Should there be any discrepancies between the two versions, the English version prevail.

## ESG MANAGEMENT APPROACH

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The Board (the “Board”) of director (the “Director(s)”) of the Company recognises its overall responsibility in the ESG management of the Group. The Board and each of our Directors also acknowledge and understand their responsibility for preparing the ESG Report which give a balanced, consistent and quantitative report of the state of material ESG affairs of our Group.

ESG Working Group has been formed to report to the Board, monitor and review the Group’s sustainability issues in daily operations and update the ESG regulations. The ESG Working Group is led by the Directors and supported by designated members from different projects and departments who are responsible for implementing the Group’s ESG practices and collecting data for analysis and preparation of this ESG Report. Through various meetings and communication channels, our staff are fully communicated about our vision, motives and strategies on ESG and also well-educated and informed about ESG issues that are relevant to their day-to-day operations. We also periodically review the Group’s procedures and practices and to introduce and implement the appropriate measures to integrate ESG considerations in our daily operations and practices.

As a construction company, we views sustainability as an integral part of our business strategy. Therefore, we take all environmental, health and safety and quality requirements into consideration at planning, designing and construction stages. Operating procedures are formulated with an aim to ensure good work practices on site in all aspects including waste management, pollution control and safety. Innovative designs are also adopted to facilitate more effective and efficient project management. Same as previous years, the Group adheres to 3 principles on sustainability management: safety first, living up to society’s expectations and serving the community. Our approach also comes in 3 parts: establish professional operations methods, maintain good on-site work practices and adopt green design and innovation.

## STAKEHOLDER COMMUNICATION

The Group strives to maintain a stable and close relationship with our key stakeholders as we recognise the importance of the stakeholders' participation. Our key stakeholders include customers, suppliers and subcontractors, employees, shareholders and investors, government and regulatory authorities and the community.

We have engaged with different stakeholders to obtain their views on the importance of the environmental and social impacts towards the business and themselves. Below table are the most concern issues addressed by our key shareholders and the major communication channels used to engage stakeholders on an ongoing basis:

| Stakeholders                          | Most Concern Issues   | Major Communication Channels  |
|---------------------------------------|---|---|
| Customers                             | <ul style="list-style-type: none"> <li>Quality of works</li> <li>Compliance</li> <li>Business ethics</li> <li>Operational risk</li> </ul> | <ul style="list-style-type: none"> <li>One-on-one meetings</li> <li>Company website</li> <li>Online survey</li> </ul>   |
| Suppliers and Subcontractors          | <ul style="list-style-type: none"> <li>Health and safety</li> <li>Green practices</li> <li>Compliance</li> </ul>                          | <ul style="list-style-type: none"> <li>Meetings</li> <li>Training sessions</li> <li>Safety and environmental evaluation</li> <li>Online survey</li> </ul>   |
| Employees                             | <ul style="list-style-type: none"> <li>Health and safety</li> <li>Training and development</li> <li>Employee well-being</li> </ul>        | <ul style="list-style-type: none"> <li>Performance appraisals</li> <li>Training and development</li> <li>Employee engagement activities</li> <li>Meetings</li> <li>Email and instant communication channel</li> <li>Online survey</li> <li>Mobile applications</li> </ul> |
| Shareholders and Investors            | <ul style="list-style-type: none"> <li>Corporate governance</li> <li>Information disclosure</li> <li>Risk management</li> </ul>           | <ul style="list-style-type: none"> <li>Annual general meeting</li> <li>Annual Report, Interim Report and ESG Report</li> <li>Announcements/Circulars</li> <li>Company websites</li> <li>Newsletter</li> </ul>   |
| Government and Regulatory Authorities | <ul style="list-style-type: none"> <li>Compliance</li> <li>Employee protection</li> <li>Industry innovation</li> </ul>                    | <ul style="list-style-type: none"> <li>Industry collaboration consortium</li> <li>Communication on the relevant latest laws and regulations</li> </ul>  |
| Community                             | <ul style="list-style-type: none"> <li>Environmental impact</li> <li>Community support</li> </ul>   | <ul style="list-style-type: none"> <li>Community support activities</li> <li>Involvement in environmental protection activities</li> <li>Notice board</li> </ul>  |

## MATERIALITY ASSESSMENT

To better understand our sustainability impact and issues important to our stakeholders and the Group, we conducted a materiality assessment through online surveys. With reference to Global Reporting Initiative’s Sustainability Reporting Standards and the ESG Reporting Guide, 21 topics are identified, prioritised, validated and reviewed by key stakeholders including employees, suppliers, subcontractors etc. Based on the online surveys, the top 6 material issues addressed by our key shareholders are occupational health and safety, confidentiality and business ethics, anti-corruption, compliance, quality management and employee training and promotion.

|                             |        | ● Environment  | ● Employee | ● Operation   |
|-----------------------------|--------|--|------------|---|
| Significant to the Group    | High   | <ul style="list-style-type: none"> <li>● Pollution Management</li> <li>● Energy Consumption</li> <li>● Greenhouse Gas Emissions</li> <li>● Diversity and Equal Opportunities</li> </ul>  |            | <ul style="list-style-type: none"> <li>● Occupational Health and Safety</li> <li>● Confidentiality and Business Ethics</li> <li>● Anti-Corruption</li> <li>● Compliance</li> <li>● Quality Management</li> <li>● Employee Training and Promotion</li> </ul> |
|                             | Medium | <ul style="list-style-type: none"> <li>● Employee Engagement</li> <li>● Employment and Benefits</li> <li>● Technological Innovation</li> <li>● Precautionary Measures of Child/ Forced Labour</li> <li>● Community Investment and Participation</li> <li>● Participation in Green Building</li> <li>● Use of Materials and Construction Practices</li> </ul> |            | <ul style="list-style-type: none"> <li>● Waste Management</li> <li>● Complaint Handling</li> <li>● Contractors Management</li> <li>● Supply Chain Management</li> </ul>   |
|                             |        | Medium   |            | High  |
| Significant to Stakeholders |        |  |            |   |

# ▶ 3 THE ENVIRONMENT

## STRATEGY AND MANAGEMENT POLICIES OVERVIEW

The Group highly values the environmental responsibility as part of their business practices including environmental protection, resources use and continuously improvement on environmental management and policies. We are working to reduce the negative impact of production and operations on the environment by reducing the greenhouse gas (“GHG”) emission, energy and water consumption and waste in our daily operations.

We manage its environmental impacts systematically to drive continuous improvement. Certified to adhere to ISO 14001:2015, our Environmental Management Plan addresses the full scope of our environmental impacts. The Environmental Management Committee, headed by our directors, ensures all policies and procedures are implemented and reviewed with due diligence. Periodic committee meetings are convened to gather the perspectives of environmental supervisors, foremen and site agents along every project stage. Systematic monitoring and evaluation occur via monthly environmental reports submitted to the committee.

In order to improve energy efficiency to reduce unfavourable environmental impact of our operations, we have established a set of up-to-date Energy Management System (“EnMS”) in accordance with ISO 50001:2011 standard. The EnMS is to ensure all significant energy uses which result from the Group’s operations and activities are being strictly controlled. As a construction company, the Group acts as a pioneer in green construction and energy-saving innovations, to support energy saving and emission reduction.

During the Reporting Period, we have not encountered any environmental non-compliance that would have a significant impact on the environment.



(ISO 14001:2015 – Certificate No. E004)



(ISO 50001:2011 – Certificate No. EN001)



## GHG EMISSION

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We are committed to taking sustainable, long-term actions to manage the carbon footprint of its own operations. The ESG Report focuses on GHG emissions of CO<sub>2</sub>e (CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O) including both Scope 1 emissions (i.e. direct emissions from our office’s operations) and Scope 2 emissions (i.e. emissions from the generation of purchased electricity).

The GHG emission of the Group during the Reporting Period is as follows:

|                     | Unit                        | 2019/2020 | 2018/2019 |
|---------------------|-----------------------------|-----------|-----------|
| Direct (Scope I)    | Tonnes                      | 1,868.15  | 1,697.32  |
| Indirect (Scope II) | Tonnes                      | 1,215.05  | 1,848.53  |
| Total               | Tonnes                      | 3,083.20  | 3,545.85  |
| Intensity           | Tonnes per thousand revenue | 0.0020    | 0.0015    |

Scope I: Direct emissions from sources that are owned or controlled by the Group.

Scope II: Indirect emissions from the purchased electricity consumed by the Group.

## WASTE MANAGEMENT

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The Group is using “7R” (Refuse/Reduce/Reuse/Replace/Recycle/Reward/Review) strategy to manage waste in all construction projects. During the Reporting Period, we organised two recycling programmes, namely “Timber Waste Recycling Programme” and “Construction Plastic Waste Recycling Programme” to promote awareness of environmental protection and waste recycling to achieve the ultimate goal of waste reduction.

### TIMBER WASTE RECYCLING PROGRAMME

We had collaborated with executor (the recycler) of a research project of the Education University of Hong Kong to collect our timber waste from construction sites and utilise in the research project since December 2019. All foremen, environmental manager, environmental supervisor, engineers and related subcontractors played different roles in the timber waste recycling program. With fully supported by all staff and site workers, the amount of non-inert construction waste sent to the landfill was drastically reduced by a range of 50% to 70%.



(Timber Waste Collection Point)

### CONSTRUCTION PLASTIC WASTE RECYCLING PROGRAMME

During the Reporting Period, “Construction Plastic Waste Recycling Programme” was implemented in all of our construction sites to help our workers establish the habit of collection of recyclables. In order to motivate workers for participate, the Group has introduced incentives to benefit those participated staff and site workers of sub-contractors. In this recycling programme, we collected more than three tonnes of plastics which will be melted and pelletised to become raw material.

During the Reporting Period, the significant increase in the volume of inert construction waste was mainly due to the demolition work in one of redevelopment projects which was in its preliminary stage of development. Details of the wastes generated by the Group during the Reporting Period are as follows:

|  | Unit                        | 2019/2020  | 2018/2019 |
|--|-----------------------------|------------|-----------|
| Hazardous Waste                        | Tonnes                      | 0.08       | 6.84      |
| Hazardous waste intensity              | Tonnes per thousand revenue | 0.0000005  | 0.0000029 |
| Non-Hazardous Waste                    | Tonnes                      | 5,870.26   | 15,731.43 |
| Inert Construction Waste (Public Fill) | Tonnes                      | 178,217.80 | 71,656.90 |
| Non-hazardous waste intensity          | Tonnes per thousand revenue | 0.0038     | 0.037     |

## USE OF RESOURCES

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The Group has formed a complete set of resource management strategies and policy. An Energy Manual, among others, including Company Energy Procedures, Energy Operational Control Procedures and relevant guidance notes, has been developed and implemented to provide detailed instructions to ensure that all significant energy uses are controlled.

### ENERGY

The energy consumption of the daily office operation and construction activities for the Group is purchased electricity, petrol and diesel. The Group puts a high value on the energy consumption and has appointed a management representative with appropriate skills and competence to ensure the EnMS is implemented, maintained and continually improved, report the energy performance and promote awareness of the energy policy and objectives at all levels of the organization.

To achieve energy objectives and targets, the Group establishes the corresponding Energy Management Action Plan:

- Establish a regular inspection system for public areas, conduct safety hazard checks, and practice energy conservation
- Energy audit for all the offices
- Purchase Energy Star certified office equipment
- Installation of motion sensor light switches
- Set computers, photocopiers and printers in energy saving mode
- Green tips close to the switch panel to remind staff to turn off unused lights during lunch hour, overtime work and after normal operating hours
- Use video conferencing instead of business trips to reduce GHG emissions due to travel

During the Reporting Period, the energy consumption of the Group is as follows:

|                              | Unit                    | 2019/2020    | 2018/2019    |
|------------------------------|-------------------------|--------------|--------------|
| Purchased electricity        | kWh                     | 1,837,591.00 | 2,791,728.68 |
| Petrol                       | Litre                   | 32,610.44    | 64,042.66    |
| Diesel                       | Litre                   | 679,127.47   | 564,545.55   |
| LPG                          | Litre                   | –            | 26,731.03    |
| Total energy consumption     | GJ                      | 32,696.97    | 33,810.11    |
| Energy consumption intensity | GJ per thousand revenue | 0.021        | 0.014        |

## WATER

We are also committed to conserving water in the Group's operations and construction works to make contribution to the global water conservation.

Our water conservation strategies include:

- Post water saving tips in the rest room and pantry to remind staff of their water use behaviours
- Provide water use guidelines and trainings in the construction sites
- Rainwater collection and reuse for construction site washing

During the Reporting Period, the water consumption of the Group is as follows:

|                             | Unit                                | 2019/2020 | 2018/2019  |
|-----------------------------|-------------------------------------|-----------|------------|
| Water consumption           | M <sup>3</sup>                      | 48,465.18 | 107,559.04 |
| Water consumption intensity | M <sup>3</sup> per thousand revenue | 0.031     | 0.05       |

## ENVIRONMENT AND NATURAL RESOURCES

We acknowledge the obligation to protect the environment and conserve resources. The Group complies with all applicable environmental laws and regulations and make great efforts to reduce consumption of resources and energy. We adhere to the concept of green operation, resource conservation, low carbon and environmental protection to manage the Group's daily operations and project sites, and meanwhile transmits these innovative environmental protection concepts to our customers, suppliers and subcontractors, together to achieve natural resource protection.

### ACHIEVEMENTS

In view of the significant efforts on carry out green and low-carbon operations, the Group had won several awards in “2018 Hong Kong Awards for Environmental Excellence” and “Quality Public Housing Construction and Maintenance Awards 2019” during the Reporting Period.



(2018 Hong Kong Awards for Environmental Excellence )



(Quality Public Housing Construction and Maintenance Awards 2019)

## ►4 OUR PEOPLE

Believing that people are the cornerstone of the Group's success, we are committed to building a fair, safe and healthy workplace. We devote resources to ensuring work safety and assisting employees' career development.

### EMPLOYMENT POLICY AND LABOUR PRACTICE

The Group puts great emphasis on the protection of the legitimate rights and interests of all employee and complies with the Employment Ordinance, the Minimum Wage Ordinance, the Occupational Safety and Health Ordinance and all relevant employment laws and regulations in Hong Kong. Any forms of child and forced labour are strictly prohibited in our operations. Arrangements on remuneration, overtime payments, basic welfare such as leave, Mandatory Provident Fund ("MPF") are implemented according to statutory requirements. Medical insurance and study leave are also provided. All labour related policies are communicated to employees through internal documents, which are revised under authorisation of the Director when necessary for any changes in laws and regulations.

We do not tolerate any discrimination or harassment based on age, gender, race, marital status, family status or disability. We strive to build respectful and harmonious relations among employees. We comply with the Sex Discrimination Ordinance, the Disability Discrimination Ordinance, the Family Status Discrimination Ordinance, the Race Discrimination Ordinance and other relevant laws, and take disciplinary measures in case of any breach of code of conduct, including verbal or written warning, demotion or dismissal.

Our Group high value employee's dedication and contribution to the Company. Employees with outstanding performance are commended and rewarded. Incentive trips are also organised to provide motivation and opportunities for employees to engage to the Company. Furthermore, the Group has continued to optimise its practices and daily management of employees' individual well-being with the aim to create a safe, healthy and comfortable work environment. We aim to provide competitive employee protection, reward and benefit packages that ensure our ability to attract and retain the talents we need.

Within the Reporting Period, the Group observed no incidents of violations of any relevant laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other employee benefits and welfare. There was also no cases of child and forced labour reported and we were continuously recognised as a "Caring Company".

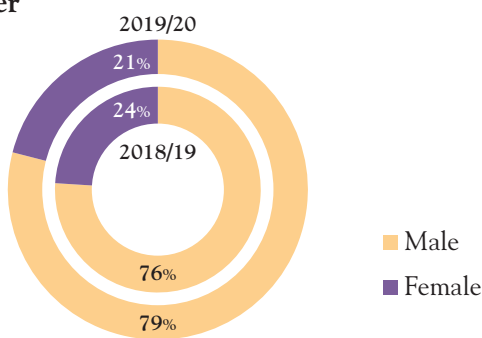


(Certificate of Caring Company)

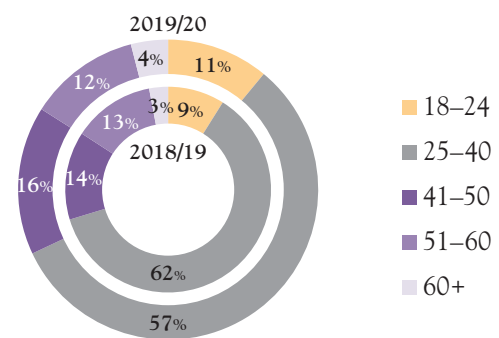
## EMPLOYEE PROFILE

As at 31 March 2020, the Group had 336 employees and all of them were based in Hong Kong, comprises of 40 employees in head office and 296 employees in construction sites. The detailed workforce demographics are presented below:

### By Gender



### By Age



Employee Turnover Rate (%) by gender and age group as at 31 March 2020 and 31 March 2019 are listed below:

|                           | 2019/20 | 2018/19 |
|---------------------------|---------|---------|
| <b>By Employment Type</b> |         |         |
| Head Office               | 68%     | 64%     |
| Construction Site         | 39%     | 31%     |
| <b>By Gender</b>          |         |         |
| Male                      | 37%     | 35%     |
| Female                    | 64%     | 33%     |
| <b>By Age</b>             |         |         |
| 18 – 24                   | 71%     | 47%     |
| 25 – 40                   | 41%     | 28%     |
| 41 – 50                   | 34%     | 49%     |
| 51 – 60                   | 41%     | 31%     |
| Above 60                  | 27%     | 78%     |

## EMPLOYEE SAFETY AND HEALTH

### OCCUPATIONAL SAFETY AND HEALTH POLICY

People are crucial to the sustainable development of our Group. The “Safety and Health Management Committee” chaired by the Directors is responsible for the coordination and implementation of the Group’s safety and health policy. The safety and health policy and system will be reviewed at least annually based on safety performance measurement, feedback from employees and safety audits or safety review results. The Safety and Health Management Committee will also ensure all members of the Group and sub-contractors are fully understand and comply with this policy and endeavour their efforts in implementing and conforming to the safety and health management system to prevent any accident and loss.

We are committed to ensuring a high level of occupational safety and health (“OSH”) performance of working environment for our people to prevent injury and illness, in compliance with all relevant legislation. The Group is also certified with OHSAS 18001:2007 Occupational Health & Safety Management System, which forms the basis of our safety manual.

Our safety and health policy and goal are:

- ensure compliance with international standards and legislations
- improve the effectiveness of the OSH management system
- assess and analyse OSH risks and minimise them
- promote awareness of OSH among employees and stakeholders
- establish targets and programs to measure and improve OSH performance
  - achieve zero fatal accident
  - accident frequency rate below 0.60 reportable accidents per 100,000 man-hours worked per annum



(OHSAS 18001:2007 – Certificate No. S002)

During the Reporting Period, the Group had provided 1,665 hours and 4,225 hours safety training for the employees and subcontractors respectively.



Below table summarised the Group's occupational safety and health Statistics for the two years ended 31 March 2020 and 2019:

|  | 2019/20    |                                    | 2018/19    |                                    |
|--|------------|------------------------------------|------------|------------------------------------|
|  | Our Group  | Construction Industry <sup>#</sup> | Our Group  | Construction Industry <sup>#</sup> |
| Number of Work – related Fatalities                          | 0 worker   | 14 workers                         | 1 worker   | 16 workers                         |
| Fatality Rate (per 1,000 workers)                            | 0          | 0.157*                             | 0.60       | 0.125**                            |
| Work – related Accidents (cases of over 3 lost days)         | 8 cases    | 2,732 cases                        | 16 cases   | 3,465 cases                        |
| Work – related Accident Rate (per 1,000 workers)             | 6.64       | 29*                                | 9.59       | 31.7**                             |
| Loss Time Injuries Frequency Rate (per 100,000 hours worked) | 0.25 hours | N/A                                | 0.36 hours | N/A                                |

\* Source: Occupational Safety and Health Statistics from the Labour Department

\* Industry statistics of year 2019

\*\* Industry statistics of year 2018

### “SAFETY • MY HABIT” CAMPAIGN

Since “Safety • My Habit” campaign launched in 2017, we keep to organise various activities to enhance our workers' safety standard and advocate good safety habits in their daily operations. We published updated guidelines for use of personal protective equipment and provided adequate protective equipment to our workers to establish the safety habits. Also, we organised “Good Habits Safety Competition” to effectively share good safety practices across the construction sites.

**“SAFETY FOOTWEAR PROTECTIVE STANDARD GUIDELINES”**

“Safety Footwear Protective Standard Guidelines” was published in April 2019 to highlight the provision of international standard footwear as the last risk management measure for foot protection. We provide 4 models of safety footwear meeting the standards for workers’ use and require all staff to wear appropriate safety footwear before entering our construction sites to avoid the compaction and crush of toes, the stab of feet, slip and other hazards.



(Safety footwear)

**“GUIDELINES FOR PROTECTIVE GLOVES”**

“Guidelines for Protective Gloves” was published in March 2020 to enhance workers’ awareness in putting on protective gloves at work and strength their knowledge in the use of different protective gloves in order to minimizing the risks of injury on the construction sites and boost a higher standard upon the use of work gloves in the industry.

**佩戴防護手套的“習慣”**  
HABIT

|  |  |  |  |  |
|--|--|--|--|--|
|  |  |  |  |  |
|  |  |  |  |  |

**A**

防磨手套  
Abrasion Resistant Gloves

**B**

防割手套  
Cut Resistant Gloves

**C**

防割手套  
Cut Resistant Gloves

**D**

防沖擊手套  
Impact Resistant Gloves

**E**

防電擊絕緣手套  
Electric Insulation Gloves

**F**

隔熱手套  
Heat Resistant Gloves

**G**

化學機液手套  
Chemical Protective Gloves

**“習慣”**  
HABIT 佩戴合適的防護手套施工  
to wear proper protective gloves for work

**ABLE ENGINEERING COMPANY LIMITED**  
安 保 工 程 有 限 公 司  
(Guidelines for Protective Gloves)



### “GOOD HABITS SAFETY COMPETITION”

The “Good Habits Safety Competition” (the “Competition”) was first launched in 2018, the Group continuously organised the Competition for the workers’ and supervisors of the construction sites to enhance their creativity in implementing the good health and safety practices. Two booklets of “Good Habits” were issued and distributed to the workers and supervisors to share the good practices implemented in the construction sites regarding health, safety and environmental during the Reporting Period.



(1<sup>st</sup> booklet of Good Habits)



(2<sup>nd</sup> booklet of Good Habits)

### COVID-19 PREVENTIVE MEASURES

To respond to the Hong Kong Government’s measures and regulations to control the outbreak of novel coronavirus (“COVID-19”), the Group continuously reviewed and updated the precautionary measures implemented in head office and construction sites. All office facilities including doors, furniture, photocopiers, carpets were regularly cleaned and disinfected. At the beginning of the outbreak of COVID-19, certain site works were even suspended in February 2020 to prevent the spread of COVID-19.

We strengthened the disinfection of the working environment and personal disinfection by educating workers. Information of anti-epidemic arrangement was provided at the site entrances. We required all workers measured their body temperature, filled up with health declaration form, disinfected their hands with specific sanitiser, and rubbed their shoes with the disinfectant carpets before entering the construction site. In addition, guidelines of handling the anti-epidemic waste (mainly worn masks) were provided to the staff to reduce the risk of spreading virus due to improper disposal of the used worn masks.



(Regular disinfection on site entrances)



(Information of anti-epidemic arrangement at site entrances)



(Hand sanitiser provided in head office)



(Guidelines of handling the anti-epidemic waste)

## WORK-LIFE BALANCE

The Group is dedicated to encouraging employees to maintain a work-life balance. Therefore, the Group always pay special attention to both the mental and physical health of staff. We encourage them to participate in sports activities and maintain a healthy lifestyle. We have various interest groups organising activities for our staff to take part and enhance communication as well as developing the peer-to-peer collaboration.



(Able Cup Soccer Competition 2019)



(Tai Po District Dragon Boat Racing 2019)



(Badminton interest group)



(Kam Tin Farm interest group)



(Basketball interest group)



(2020 Overseas Incentive Trip in Austria)

## EMPLOYEE DEVELOPMENT AND TRAINING

We are aimed to achieve a standard and quality production of works and to develop individual's potential, all staff are encouraged to attend seminars, lectures and training courses which related to the nature of their duties. We offers a comprehensive training scheme called "Engineering Graduate Training Scheme A", which is approved by the Hong Kong Institution of Engineers, for eligible graduates. In addition, the Company provides subsidy for employees to attend the relevant training courses/seminars on any individual application and arranged first aid course for interested employees to attend. The Company has also formed task groups led by assigned directors to provide more comprehensive and systemic training to employees from each discipline.

The average training hours completed per employee by gender and employee category are as follows:

| Average Training Hours (hours/employee) | 2019/20 | 2018/19 |
|---|---------|---------|
| <b>By Gender</b>                        |         |         |
| Male                                    | 12.36   | 18.44   |
| Female                                  | 11.98   | 13.68   |
| <b>By Employee Category</b>             |         |         |
| Office Staff                            | 3.41    | 5.57    |
| Site Staff                              | 13.48   | 18.75   |

In addition, total percentage of employees trained by gender and employee category are as follow:

| Percentage of Employees Trained | 2019/20 | 2018/19 |
|---------------------------------|---------|---------|
| <b>By Gender</b>                |         |         |
| Male                            | 81%     | 92%     |
| Female                          | 54%     | 72%     |
| <b>By Employee Category</b>     |         |         |
| Office Staff                    | 60%     | 69%     |
| Site Staff                      | 77%     | 89%     |

During the Reporting Period, although certain training courses were cancelled due to the social unrest and the COVID-19 pandemic since the second quarter of 2019/20, the Company organised a total of about 13 internal training courses covering different professional areas and 2 factory visits. Details of the internal training courses and factory visits are listed below:

| Month  | Topic of internal training course   |
|--------|---|
| Apr-19 | Codes of Conduct, Legal and Ethical Issues  |
|        | Housing Department Standard Working Procedure – Part I                                |
|        | Accident/Incident Investigation and Analysis  |
| May-19 | Housing Department Standard Working Procedures – Part II                              |
| Jun-19 | Housing Department Standard Working Procedures – Part III                             |
|        | Independence Commission Against Corruption (“ICAC”) Talk                              |
|        | Environmental Legislation and Waste Recycling   |
| Jul-19 | Overview on Electrical System   |
|        | Experience Sharing of Contract Administration by Specialist Fire Services Contractors |
|        | Route to Professional Engineer in HKIE Building Discipline                            |
| Aug-19 | Housing Department Common Construction Problems and Deficiencies Workshop             |
| Sep-19 | Warranties and Defects in the Construction Industry                                   |
| Nov-19 | Modular Integrated Construction   |

| Month  | Factory visited                                      |
|--------|--|
| May-19 | Program Metal Products (ZHUHAI) Co. Ltd. (珠海葆岡金屬製品廠) |
| Jan-20 | Kin Hing Door Engineering Limited (建興門業工廠)           |



(Internal training courses and factory visits)

# ►5 THE VALUE CHAIN

## MANAGEMENT OF SUPPLY CHAIN

We are committed to maintaining the highest quality standard of all our projects, through stringent quality control, subcontractor management and adopting new technologies. The performance of suppliers and subcontractors directly affects the quality of our construction projects. Therefore, we work closely with suppliers and subcontractors for the smooth operation of business and to fulfil all requirements specified in the contract. Half-yearly appraisal is conducted on the performance of our suppliers and subcontractor to ensure that all the suppliers and subcontractors in our lists meet our requirements in quality, environmental and safety standard.

We also provided training and guidelines to the subcontractors, covering not limited to our environmental management policy, but also the health and safety requirement. We expect our suppliers and subcontractors fully commit to our ESG practices and policies.

## PROCESS INNOVATION AND SAFETY

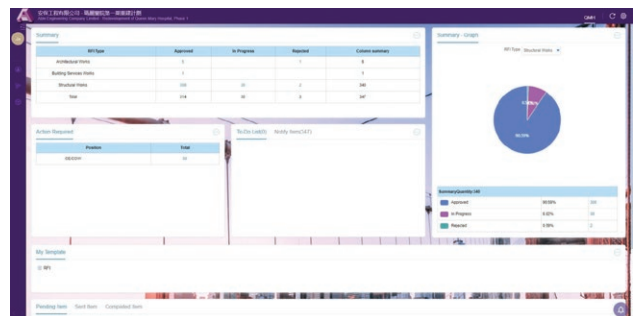
The Group keeps actively investing in innovation and technology so as to improve work efficiency, enhance work quality, protect environment and develop competitive advantage over our competitors.

### COLLABORATIVE RESEARCH PROJECT WITH POLYU

Able and The Hong Kong Polytechnic University (“PolyU”) jointly initiated the first collaborative research project to help Able’s senior management to fully understand the time and resources required for individual work processes, to realise the technical difficulties of performing particular tasks and to identify the root causes of construction delays. The research team is developing a computer simulating system for construction projects to calculate and forecast the construction processes and required man-hours on a daily basis. The management believes the research results will definitely help the Group to improve construction management and arrangement and enhance the market competitiveness.

### BIM DOCUMENT MANAGEMENT SYSTEM

Our Innovation and Technology Working Group has launched the BIM Document Management System for handling the huge amount of documentation during the projects. The system enables efficient on-site documentation management via its cloud platform and staff’s real-time access of the latest construction information via BIM Mobile App which boost up our efficiency in project management. With the integration of all inspection forms in the system, our staff can instantly send out forms and check the approval status of the forms at any time via computer or mobile devices. This platform simplifies the entire quality control procedures by properly record and store documents, clearly demonstrate the transfer process of documents, and at the same time greatly reduce paper consumption and mitigate the risk of documentation loss.



(BIM Document Management System)



## VIRTUAL REALITY SAFETY TRAINING CAVE

A large-scale Virtual Reality Safety Training Cave was installed at the construction site of the Queen Mary Hospital redevelopment project to allow construction workers to experience work-safe VR training. The construction site personnel could add various environmental elements to the aerial captured construction site 3D model and project them into the VR experience space to provide construction workers with realistic “Field training”. Through VR training, workers’ safety awareness will be enhanced.



(Work-safe VR training)

## DEVELOPMENT OF A ROBUST FIRE LIGHTWEIGHT CONCRETE FOR DRYWALL SYSTEM

Since 2017, we had collaborative works with technology research company on the Innovation Technology Fund Research (ITF) Project in order to develop a Robust Fire Resistant Lightweight Concrete for Drywall System (the “System”) for the purpose of reducing the dust level of the construction environment. We had overcome the challenge of drywall fire resistance performance and completed the ITF Project. At the date of the ESG Report, the System is still under trial run production in the Precast Factory and targeted to be in production in second half of 2020.

# ▶6 PRODUCT QUALITY AND RESPONSIBILITY

We persistently maintains high quality standards in its construction projects, aiming to fulfil all requirements specified in the contract and to meet the expectations of its customers, employees, subcontractors and suppliers. We adopt strict quality control practices to reduce variability and eliminate defects and manage quality through the implementation of our quality management system which is based upon the international standard of ISO 9001:2015 “Quality Management System Standard”. This exercise is spearheaded and supported by the Directors and all department managers and is reviewed annually to ensure its effectiveness and improvement.

Complementing the quality management system, we have formulated a quality policy and a hierarchy of documents to provide guidelines on how quality management should be performed to fulfil requirements of the relevant international standards. We also maintain an organised documentation system to keep all records of site works including inspection records and photographic evidence of specification compliance.

The Group upholds its product responsibility. Our operations do not involve any product advertising and labelling. During the Reporting Period, the Group was not aware of any non-compliance with laws and regulations that have a significant impact on the Group concerning health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.



(ISO 9001:2015 – Certificate No. Q030)

## BUSINESS ETHICS

We are committed to upholding the highest ethical standards when conducting business. We aim to protect fair competition by prohibiting any anti-competitive behaviours. For ensuring adherence to the “Competition Ordinance” (Cap. 619 of the Laws of Hong Kong), our employees are required to avoid exchanging competitively sensitive information with competitors; participating in price fixing, collective boycotts or market sharing arrangements; or imposing restrictions on customers, suppliers or subcontractors.

During the Reporting Period, there were no reported cases of non-compliance relating to anti-competitive behaviours.

## CONFIDENTIALITY

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We believe that maintaining confidentiality is essential for a company to build trust with its business partners. We are committed to safeguarding the confidentiality of information we process during the course of business and strictly adhere to Personal Data (Privacy) Ordinance. As stipulated in our “Code of Conduct” and “Employee Handbook”, employees are required to adequately safeguard data to prevent leakage, abuse or misuse of confidential information, including but not limited to clients’ information, tender information, sources of supply, etc. Employees shall not divulge any confidential or insider information of the Group for their own personal interest. To limit the access of confidential information, we follow the principle of “less privilege” when granting access rights. Minimum rights are granted to individuals adequate for them to perform their duties. For any system that handles confidential information, it must be protected with password-based access control.

In addition, “Corporate Information Disclosure Policies” has been set up to guide the employees for handling the inside information and preserve its confidentiality until proper dissemination via the electronic publication system operated by HKEX.

During the Reporting Period, the Group was not aware of any violation of relevant laws and regulations that had a significant impact on the Group relating to privacy matters.

# ▶ 7 ANTI-CORRUPTION

The Group believes that honest, integrity and fair play are the important company’s assets. We strictly abide by relevant anti-corruption and anti-bribery laws and regulations relating to anti-corruption, such as the “Prevention of Bribery Ordinance” (Cap. 201 of the Laws of Hong Kong) and also obtained ISO 37001:2016 anti-bribery management systems certification.

The Group had implemented “Anti-Bribery Policy” and “Code of Conduct” to prevent any corruption related practices. Also, a “Whistleblowing Policy” was in place for employees to report any case of suspected unethical behavior. The Group’s Employee Handbook was reviewed and updated to incorporate the latest operational codes, policies and procedures during the Reporting Period.

On 19 June 2019, in order to maintain the staff’s awareness of anti-corruption practices, we invited the representatives from ICAC to hold talks on anti-corruption with specific matters of interest relating to our business for different level of staff.

During the Reporting Period, there were no case prosecuted for violating relevant laws.



(ISO 37001:2016 – Certificate No. AB009)

## ►8 COMMUNITY INVESTMENT

Being a responsible construction company, we recognise our responsibilities for not only contributing to the industry's development but also serving the community. We understand that our responsibilities to society is to bring long-term benefits to the present and even the next generation through social activities and community investment.

During the Reporting Period, we sponsored PolyU to set up a Endowed Professorship, named Able Endowed Professorship in Construction Health and Safety. Through this Endowed Professorship, we aim to push forward academic researches, and to implement the vision of health and safety in local construction projects.

Same as previous years, our Group participated various community and public welfare affairs and fundraising activities to payback the society.

### CARITAS COMPUTER REFURBISH PROJECT

In July 2019, we donated 40 desktops, 15 LCD monitors and 21 printers from our completed projects to support the Caritas Computer Refurbish Project to help those deprived people and non-project making organisations.

### SOWERS ACTION CHALLENGING 12-HOUR 2019

On 27 October 2019, we organised a total around 130 employees, to join the 42km, 26km, 12km race, and won four awards namely, Corporate Participation Gold Award, Corporate Team Fundraising Bronze Award, Corporate Team Best Participation Award, and Corporate Team 42km Race Bronze Award.

We donated to the "SOWERS ACTION" with total amount of HK\$200,640.



(Sowers Action Challenging 12-Hour 2019)



### CONSTRUCTION INDUSTRY SPORTS DAY 2019

On 8 December 2019, over 100 of our employees and their family members precipitated in the Construction Industry Council Sport Day hosted by Hong Kong Construction Charity Fund.



(Construction Industry Sports Day 2019)

### GOLDEN 100 HONG KONG

Golden 100 Hong Kong, a large-scale 100km mountain race in Hong Kong hold on 24–27 December 2019, was drawn our Employee’s attention. All proceeds from this charity event were denoted to Lui Lai Hung Educational Foundation to promote early childhood education, to support the livelihood of children from grass-roots background and safeguard their rights.

Our employees demonstrated the strong team spirits in proactively volunteering services even they did not take part in the race at the racing day.



(Golden 100 Hong Kong)



### CONSTRUCTION INDUSTRY HAPPY RUN 2020

On 12 January 2020, around 60 of our employees joined “Construction Industry Happy Run 2020”, the annual construction industry charity event. The event included 10km and 3km running race and all proceeds from the event were donated to the Construction Charity Fund and the Construction Charity Fund Integrated Services Center for charity purposes. We were happy to be awarded the Greatest Number of Participants.

## ► 9 AWARDS AND CERTIFICATIONS

During the Reporting Period, certain members, project teams and employees of the Group had been recognised for their efforts in various ESG areas. We were proud to share the following major awards/certifications granted:

| Name of Project/<br>Company   | Name of Organisation/<br>Event  | Name of Award  |
|---|---|--|
| Construction of<br>Subsidised Sale Flats<br>Development at<br>Texaco Road | 2018 Hong Kong Awards for<br>Environmental Excellence                 | Construction Industry –<br>Certificate of Merit  |
|   |   | Young Green Leader Award – Ms<br>Man Wing Yan, Miranda   |
|   | Construction Safety Promotional<br>Campaign 2019                      | Best Program for Work Safety<br>in Hot Weather and Employees’<br>Health Protection – Merit                                 |
|   | The 18th Hong Kong<br>Occupational Safety and Health<br>Award         | Work Safe Behaviour Award –<br>Merit   |
|   | Quality Public Housing<br>Construction and Maintenance<br>Awards 2019 | New Works Projects – Best Site<br>Safety – Safety Innovation   |
| New Works Projects – Outstanding<br>Site Foreman – LEE Ping Chi           |   |  |
| Redevelopment of Queen<br>Mary Hospital Phase 1                           | Good Housekeeping Competition<br>2019                                 | Good Housekeeping<br>(Construction Category) – Merit   |
|   | Occupational Health Award<br>2019 – 2020                              | Joyful@Healthy Workplace Best<br>Practices Award – (Enterprise/<br>Organisation Category) –<br>Outstanding award           |
|   |   | Prevention of Pneumoconiosis<br>Best Practices Award –<br>Innovative Improvement<br>Measures Award and Excellence<br>Award |
|   |   | Hearing Conservation Best<br>Practices Award – Innovative<br>Improvement Measures Award<br>and Excellence Award            |

| Name of Project/<br>Company   | Name of Organisation/<br>Event                                  | Name of Award  |
|---|---|--|
| Construction of Subsidised Sale Flats Development Shatin Area 16, Wo Sheung Tun Street, Fo Tan and Footbridge Improvement Works at Siu Hong Road, Tuen Mun                            | Construction Safety Promotional Campaign 2019                   | Competition on Safety Culture – Best Safety Culture Site – Merit   |
|   |   | Competition on Safety Culture – Best Safety Culture Activity Team – Merit  |
|   | Quality Public Housing Construction and Maintenance Awards 2019 | New Works Projects – Best Site Safety – Active Site Safety Improvement (Building)  |
|   |   | New Works Projects – Outstanding Contractors – The Innovative Use of BIM Technology (Main Contractor) – Highly Commended |
| Construction of Public Rental Housing Development at Lai Chi Kok Road – Tonkin Street Phases 1&2  | Quality Public Housing Construction and Maintenance Awards 2019 | New Works Projects – Outstanding Contractors – The Innovative Use of BIM Technology (Main Contractor) – Highly Commended |
|   |   | New Works Projects – Best Site Safety – Safety Innovation  |
| Construction of Public Housing Development at Tung Chung Area 39  | Quality Public Housing Construction and Maintenance Awards 2019 | New Works Projects – Outstanding Contractors – The Innovative Use of BIM Technology (Main Contractor) – Highly Commended |
| Construction of Public Rental Housing Development at Eastern Harbour Crossing Site Phase 7 and Demolition of Ex-Tung Wah Lung Kong Ms Fung Yiu Hing Memorial Primary School, Chai Wan | Quality Public Housing Construction and Maintenance Awards 2019 | New Works Projects – Best Site Safety – Timely Report of Near Miss Incident (Building)                                   |



| Name of Project/<br>Company   | Name of Organisation/<br>Event                 | Name of Award                                     |
|---|--|---|
| Conversion of the Former French Mission Building for Accommodation Use by Law – Related Organisations and Related Purposes at Battery Path, Central | 25th Considerate Contractors Site Award Scheme | CCSA (Public Works – Model Subcontractor) – Merit |
| Able Engineering Company Limited  | Caring Company                                 | Certificate                                       |
| Able Engineering Holdings Limited   | Caring Company                                 | Certificate                                       |

# ▶ 10 HKE<sub>x</sub> ESG REPORTING GUIDE INDEX

| Subject area, aspects, general disclosures and Key Performance Indicators (KPIs) | Section   | Page             |   |
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| <b>A. Environmental</b>  |   |                  |   |
| <b>A1</b>  | <b>Emissions</b>  |                  |   |
| <b>General disclosure</b>  | Information on:<br>(a) the policies; and<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. | The Environment  | 6 |
| <b>KPI A1.1</b>  | The types of emissions and respective emissions data  | GHG Emission     | 7 |
| <b>KPI A1.2</b>  | Greenhouse gas emissions in total and intensity   | GHG Emission     | 7 |
| <b>KPI A1.3</b>  | Total hazardous waste produced and intensity  | Waste Management | 7 |
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| <b>KPI A1.5</b>  | Description of measures to mitigate emissions and results achieved  | Waste Management | 7 |
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| <b>A2</b>  | <b>Use of Resources</b>  |   |
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| <b>KPI A2.1</b>  | Direct and/or indirect energy consumption by type in total and intensity   | Energy 9  |
| <b>KPI A2.2</b>  | Water consumption in total and intensity   | Water 10  |
| <b>KPI A2.3</b>  | Description of energy use efficiency initiatives and results achieved  | Energy 9  |
| <b>KPI A2.4</b>  | Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved | Water.<br>The Group has no issues in sourcing water. 10 |
| <b>KPI A2.5</b>  | Total packaging material used for finished products and with reference to per unit produced  | This KPI is not applicable due to industry nature. –    |
| <b>A3</b>  |  |   |
| <b>The Environment and Natural Resources</b>                                     |  |   |
| <b>General disclosure</b>  | Policies on minimizing the issuer's significant impact on the environment and natural resources.                                       | Environment and Natural Resources 11                    |
| <b>KPI A3.1</b>  | Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them     | Environment and Natural Resources 11                    |

| Subject area, aspects, general disclosures and Key Performance Indicators (KPIs) | Section   | Page                                  |    |
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| <b>General disclosure</b>  | Information on:<br>(a) the policies; and<br>(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. | Employment Policy and Labour Practice | 12 |
| <b>KPI B1.1</b>  | Total workforce by gender, employment type, age group and geographical region   | Employee Profile                      | 13 |
| <b>KPI B1.2</b>  | Employee turnover rate by gender, age group and geographical region   | Employee Profile                      | 13 |
| <b>B2</b>  | <b>Health and Safety</b>  |                                       |    |
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| <b>KPI B2.1</b>  | Number and rate of work-related fatalities  | Employee Safety and Health            | 14 |
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| KPI B3.1   | The percentage of employees trained by gender and employee category  | Employee Development and Training<br>20     |
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| <b>Labour Standards</b>  |  |   |
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| KPI B4.1   | Description of measures to review employment practices to avoid child and forced labour  | Employment Policy and Labour Practice<br>12 |
| KPI B4.2   | Description of steps taken to eliminate such practices when discovered   | Employment Policy and Labour Practice<br>12 |
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| <b>Supply Chain Management</b>   |  |   |
| General disclosure   | Policies on managing environmental and social risks of the supply chain.   | Management of Supply Chain<br>22            |

| Subject area, aspects, general disclosures and Key Performance Indicators (KPIs) | Section   | Page   |    |
|--|---|--|----|
| <b>B. Social</b>   |   |  |    |
| KPI B5.1   | Number of suppliers by geographical region  | All suppliers are Hong Kong based                  | –  |
| 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  | Management of Supply Chain                         | 22 |
| <b>B6</b>  | <b>Product Responsibility</b>   |  |    |
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| KPI B6.1   | Percentage of total products sold or shipped subject to recalls for safety and health reasons   | This KPI is not applicable due to industry nature. | –  |
| KPI B6.2   | Number of products and service related complaints received and how they are dealt with  | This KPI is not applicable due to industry nature. | –  |
| KPI B6.3   | Description of practices relating to observing and protecting intellectual property rights  | This KPI is not applicable due to industry nature. | –  |
| KPI B6.4   | Description of quality assurance process and recall procedures  | Product Quality and Responsibility                 | 24 |
| KPI B6.5   | Description of consumer data protection and privacy policies, how they are implemented and monitored  | Confidentiality                                    | 25 |

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| <b>B. Social</b>   |  |                                |
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| <b>General disclosure</b>  | Information on:<br>(a) the policies; and<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. | Anti-corruption<br><br>26      |
| <b>KPI B7.1</b>  | Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the case                                       | No such case noted.<br><br>–   |
| <b>KPI B7.2</b>  | Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored  | Anti-corruption<br><br>26      |
| <b>B8</b>  |  |                                |
| <b>Community Investment</b>  |  |                                |
| <b>General disclosure</b>  | 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.                 | Community Investment<br><br>27 |
| <b>KPI B8.1</b>  | Focus areas of contribution  | Community Investment<br><br>27 |
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**ABLE ENGINEERING HOLDINGS LIMITED**  
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