

2023

Environmental, Social and Governance Report



G&M Holdings Limited
信越控股有限公司
(Incorporated in Cayman Islands with limited liability)
Stock Code: 6038

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Message from the Chairman

In 2023, our business was back to normal after lifting of all pandemic measures that had been imposed over the previous three years. We have significant progress on our business as well as our ESG objectives. Thanks to the dedication and resilience of our employees, G&M's success in facing the challenges over the previous years has been possible.

This report is a mean to communicate our ESG actions and progress on our commitments and strategy. In this connection, we incorporate the ESG Reporting Guide of the Hong Kong Stock Exchange and Task Force on Climate-Related Financial Disclosure (TCFD) to enhance transparency and align data standards.

We have responsibility to embed ESG principles and risk management into everything we do. We uphold the highest ethical standard with honesty and integrity and operate with transparency and quality. We partnered with our clients and communities to solve their challenges and deliver our projects that leaves a positive and lasting impact on communities and our earth.

I am pleased to share some social and environmental progress and achievement from our sustainability efforts in 2023 with you:

- 32% less energy consumed as compared with 2020 and progressing to our 2025 target of 40% reduction.
- 27% less carbon emissions as compared with 2020 and progressing to our 2025 target of 40% reduction.
- Non-hazardous waste reduced 16.8% as compared with last year.
- 535kg of wastepaper was recycled.
- There was zero work-related injury and fatality incident over the past three years.
- No rework or recall on our project works relating to product quality and safety.

G&M and our clients are committed to improving the ESG performance now and into the future, and we are not alone. Our employees take all credits for our sustainability performance improvements, for devising and implementing the sustainable solutions to make our world better. Going ahead, we will continue to develop environmentally and socially conscious façade and other work solutions and provide more sustainability values for our clients, employees, communities, and investors.

Lee Chi Hung
Chairman and CEO

Reporting Approach

Reporting Standards

We are pleased to present the Environmental, Social and Governance (“ESG”) Report (the “Report”) of G & M Holdings Limited (the “Company” together with its subsidiaries as the “Group” or “G&M”) for the year ended 31 December 2023. This Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “Guide”) in Appendix C2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “HKEX”) (the “Listing Rules”) and has complied with all the mandatory disclosure requirements and “comply or explain” provisions of the Guide.

In this Report, we consider the reporting principles as proposed in the Guide for materiality, quantitative, balance and consistency for presenting the ESG information in a way that can meet better the expectation of our stakeholders. Through continuous engagement of our stakeholders and assessing the materiality of issues as concerned by our stakeholders, we determined the area of concern to be included in this Report. We strive to present quantitative data and information as much as possible to enable our stakeholders to have a better picture on our performance. Consistent methodologies are employed, and prior year adjustment will be made where necessary for meaningful comparison. We try our best to disclose both the positive and negative aspects of our ESG issues to provide an unbiased and balanced picture of our sustainability performance.

Reporting Scope

This Report aims to provide an annual update on the sustainability performance of the Group to our stakeholders, it discloses and highlights our commitments and performances on the environment, climate change, our people, our customers, our suppliers, and the community as guided by our sustainability strategy.

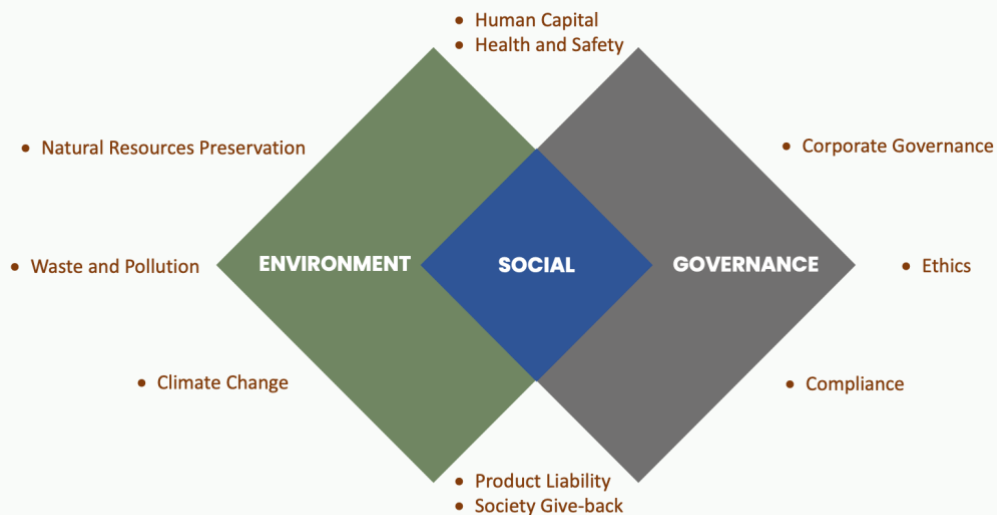
This Report covers the Group’s operations in Hong Kong, which consists mainly of the provision of one-stop design and build solutions, as well as repair and maintenance services in relation to podium façade and curtain wall works for the period from 1 January 2023 to 31 December 2023 (the “Reporting Year”). There is no significant change in the scope of this Report from that of 2022.

Sustainability Overview

Our ESG Strategy

G&M's ESG strategy is developed to ensure our commitment to sustainability is aligned with the Group's core values. Sustainability at G&M means protecting our environment, developing our employees, maintaining a strong culture and policy of safety, operating ethically, supporting our communities and being socially responsible. We are committed to acting ethically and contributing to the society and at the same time improving the quality of life of our employees and their family. As we continue our sustainability journey, we remain focused on integrating sustainability across our business to enhance our operations, with the objectives of creating long-term value for our stakeholders.

Our ESG strategy is also developed alongside the key issues focused by most ESG fund managers and investors as illustrated on the diagram below:



We implement the ESG risk management mechanism and internal control system in all our operations to ensure our sustainability objectives can be met.

Our Sustainability Approach

Sustainability Governance

The Board

The board of directors (“**Board**”) of G&M is the highest governing body overseeing the group’s corporate governance and risk management system for effective business operations. The Board holds overall responsibility on ESG matters although the management and execution of the environment and social issues are delegated to the top management and the ESG working group. The Board oversees the sustainability direction and strategy of the Group and reviews the ESG risks and opportunities, progress, and performance regularly with the ESG working Group.

The Board ensures our ESG framework is carried out effectively and consistently and the ESG process is continuously revisited and reviewed to meet our sustainability objectives and targets.

We have formulated environmental targets that relate to our long-term mission of “Delivering a sustainable world”. The Board regularly review the progress against these targets and revise the corresponding action plans where necessary to make sure we are on the track to achieve the goals.



The Risk Committee

G&M's Risk Committee comprises of an executive director and three independent non-executive directors of the Group. With the assistance of the top management and the ESG working group, it designs and monitors the risk management system. It assesses the significance of the ESG risks and climate-related risks and devises mitigation measures to alleviate such risks. It also identifies any potential climate-related opportunities for the business. It reports to the Board at least twice per year for the significant ESG risks and opportunities for the Group and the respective internal controls and mitigation measures applied to the risk areas.

The ESG Working Group

The ESG working group consists of the external ESG advisor, the Marketing and Tendering Manager, the Financial Controller, the Administration Officer, and Project Managers. The works and objectives of the ESG working group are as follows:

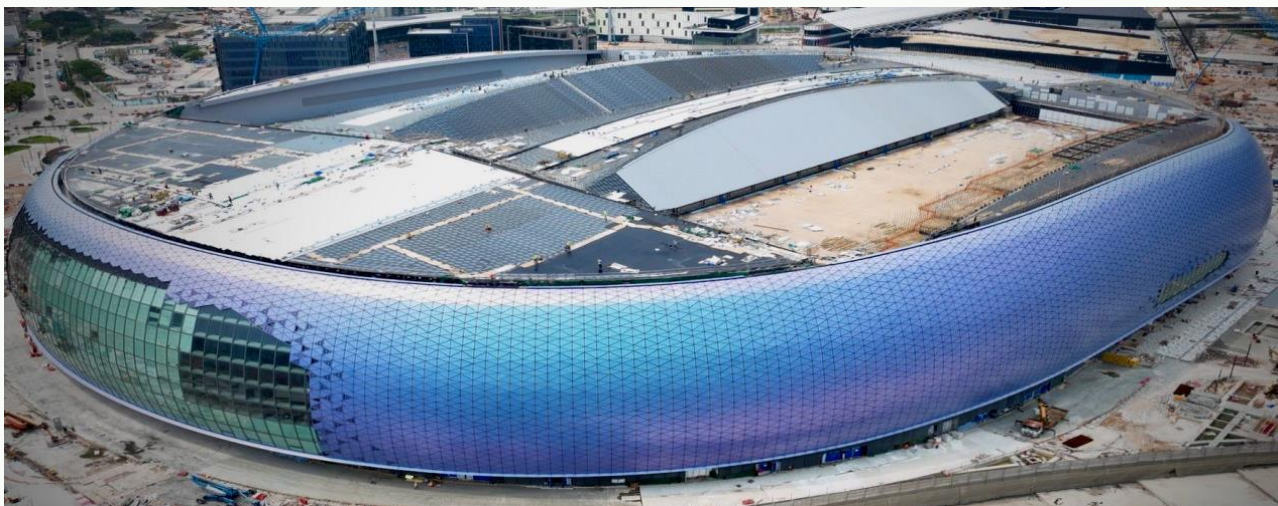
- Follows and reports to the Board and the Risk Committee on the ESG strategies, proposes ESG initiatives for addressing the ESG risks and for achieving the sustainability objectives.
- Engages and communicates with stakeholders to perform materiality assessment and formulating ESG strategies and initiatives.
- Coordinates with operational department staffs on initiatives and practices for delivery of the ESG objectives, and on ESG risks and opportunities as identified by the operational departments.
- Determines the Key Performance Indicators ("KPI") for measurement of ESG performances.
- Monitors the ESG activities for on-going development and improvement.
- Compiling the annual ESG report for the Board to approve.

Operational Departments

We rely on our operational department staffs to carry out the ESG initiatives and deliver the desired results that we have targeted. Under our risk management system, staffs in each operations unit are responsible for identifying the risks and opportunities from their daily operations, including the ESG risks. They are responsible for maintaining an effective internal control system and devising mitigation measures to minimise the effects of their own risks. They are required to report the sustainability progress and performance regularly to the ESG working group for review and evaluation.

Stakeholders

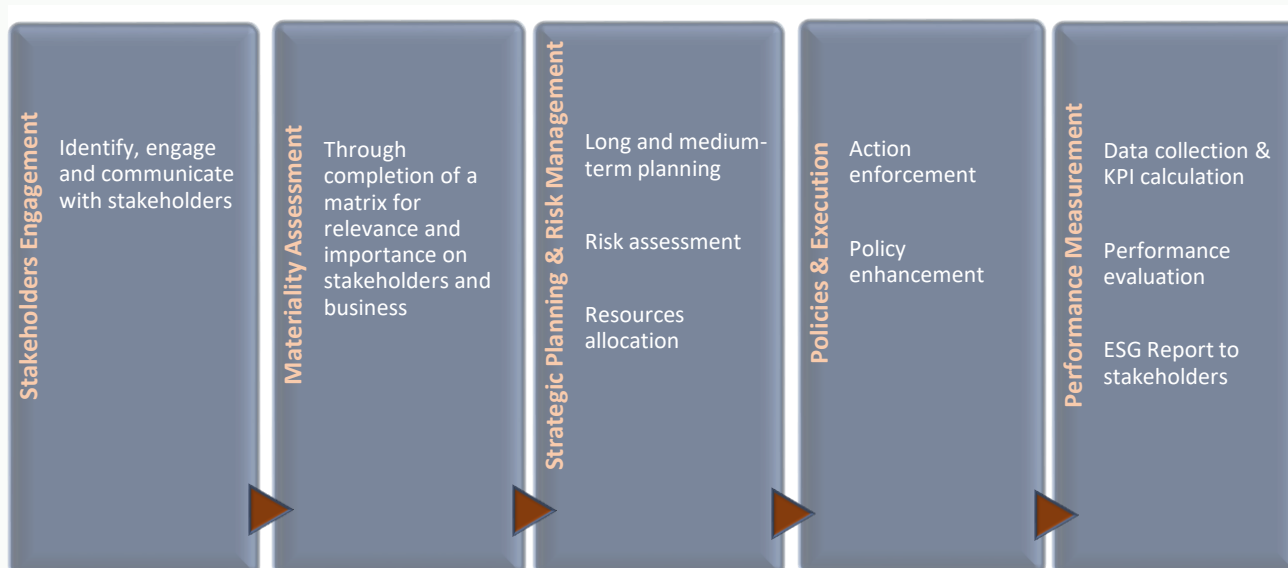
The ESG working group and the operational departments regularly contact with the engaged stakeholders to understand their interests and concerns about our sustainability development and performance.



G&M Framework for Creating Sustainable Values

Our ESG framework regulates how our objectives are translated into sustainability performance. After stakeholders are engaged and surveys are collected from the stakeholders, materiality assessment is carried out by plotting a matrix of relevance and importance, where the ESG issues of what are important to business (as considered by the top management) and what are important to stakeholders are identified. Through the assessment result, we identify the material ESG issues and the respective risks associated in our operations. We prioritise the material issues and focus such issues in the medium and long-term planning and ensure adequate manpower and financial resources are allocated to meet these strategic objectives. Existing policies are enhanced and improved where they are inadequate to meet the ESG objectives.

The ESG working group formulates ESG initiatives and takes actions for achieving the ESG objectives. It ensures the initiatives and action plans are properly executed by the operational departments. ESG data are accumulated continuously and analysed annually for evaluation of sustainability performance. A feedback mechanism on the ESG performance is in place for the Board to revise and update the ESG objectives based on the result, and the ESG process will be revisited periodically as a continuous process to reflect what we have achieved during the process.











Stakeholder Engagement

Stakeholder engagement is an essential process to identify the material ESG issues in our operations and is important in the sustainable development and value creation of our Group. We have been engaging key stakeholders to understand their concerns over our sustainability developments. Such engagement enables us to assess the priority of sustainability development and implementation of ESG initiatives. We perform a two-way communication with stakeholders through a variety of channels. As a result, we not only can identify the opportunities and challenges for formulating our business strategies, but also can enhance our corporate social responsibilities.

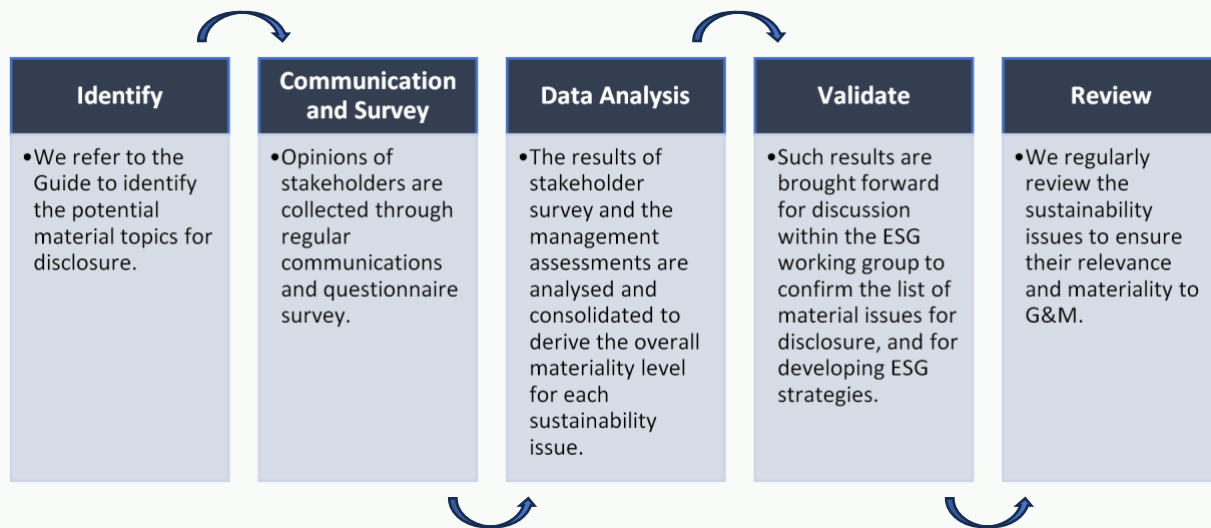
Our Stakeholder Groups and Engagement Channels

The chart below highlights the various communication channels with our stakeholders:

Stakeholders	Communication Channels	Stakeholders	Communication Channels
Employees 	<ul style="list-style-type: none"> • Staff appraisal meetings • Internal surveys • Department meetings • Staff welfare activities • Intranet and email communications • Seminars, workshops and trainings 	Shareholders & Investors 	<ul style="list-style-type: none"> • Shareholders and investors meetings • Company website and company enquiry email, fax, telephone
Customers 	<ul style="list-style-type: none"> • Customer meetings • Sales representatives and project coordinators • Surveys 	Industry Association 	<ul style="list-style-type: none"> • Representative in the Façade Association • Association's enquiry and survey • Seminars, industry regulations, technology updates
Suppliers & Subcontractors 	<ul style="list-style-type: none"> • Physical and phone meetings • Industry seminars • On-site briefings and trainings • Collaboration between project managers • Surveys 	Government & Regulators 	<ul style="list-style-type: none"> • Telephone enquiry hotline • Seminars on regulations • Government/regulators' announcements and publications • Government/regulators' surveys
Financial Institutions 	<ul style="list-style-type: none"> • Physical meetings and phone enquiries • Seminars 	Community & NGO 	<ul style="list-style-type: none"> • Participation in community activities • Charitable donation and corporate sponsorship • Community news

Materiality Assessment

We conduct a comprehensive materiality assessment annually to identify the relevant and important ESG aspects for developing our ESG strategy and reporting. Through the engagement with our stakeholders, we understand their concerns and we prioritise reporting those aspects that are important for them. We have adopted a systematic approach for this materiality assessment exercise, as follows:



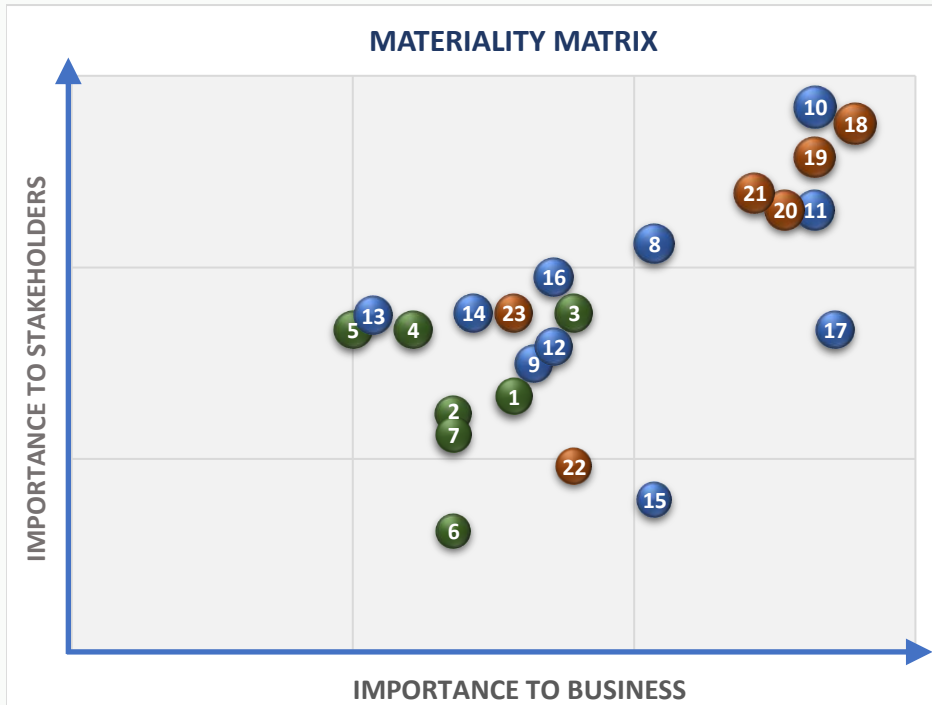
Material Issues and the priorities

The top management of the Company evaluates the importance of each identified ESG issues for the business, together with the result from the stakeholders’ survey and communications, we derive a ESG materiality matrix. From the materiality matrix, we have identified the following top 10 material ESG issues for the 2023 Reporting Year.

2023 Top 10 Material ESG Issues	1	Quality Assurance, Product Health and Safety
	2	Occupational Health and Safety
	3	Customer Satisfaction
	4	Employee Development and Training
	5	Customer Data Privacy Protection
	6	Infringement of Intellectual Property Right
	7	Anti-competition Behaviour
	8	Employment Practices
	9	Anti-corruption
	10	Energy Consumption

Materiality Matrix 2023

The following is the result of the materiality on the topics identified.



Our Environment	Our Social Sustainability	Our Responsible Governance
1 Air Pollutants and Greenhouse Gas Emissions	8 Employment Practices – recruitment, promotion, compensation and benefits, working hours, etc.	18 Quality Assurance, Product Health and Safety
2 Hazardous Waste and Non-hazardous Waste	9 Workforce and Employee Turnover Analysis	19 Customer Satisfaction
3 Energy Consumption	10 Occupational Health and Safety	20 Customer Data Privacy Protection
4 Water Consumption and Sources	11 Employee Development and Training	21 Infringement of Intellectual Property Right
5 Use of Packaging Materials	12 Sex and Racial Diversity and Equal Opportunities	22 Supplier Engagement Practices
6 Impacts of our Activities on Environment and Natural Resources	13 Human Rights and Anti-discrimination	23 Environmental and Social Responsibility Risks along Supply Chain
7 Impacts of Climate Change on our Company	14 Child Labour and Forced Labour	
	15 Community Investment	
	16 Anti-corruption	
	17 Anti-competition Behaviour	

Environmental Stewardship

Climate Risk and Resilience Management

Environmental Management

Emissions and Resources Management

Minimising Waste and Maximising Recycling

Water Management

Packaging Materials

The Environment and Natural Resources

Our 2025 Environmental Ambition



We incorporate climate change into our strategic plans. Climate risk management is integrated within our ERM framework which enables us to manage and monitor across our operations.



Climate Risk and Resilience Management

As the climate changes, weather becomes more volatile and extreme. It is more likely that we will experience extreme weather occasions such as typhoon, flooding, and extreme temperature fluctuation, etc. We realise the threat of climate change to business operations resulting to health hazards of employees, business disruption, direct damage to assets, and supply chain disruption. Taking pre-emptive steps on climate change resilience management can lower the operational and financial impacts and to the Group and protect the well beings of our employees.

We strive to manage the climate-related risks and opportunities posed to our business operations. We integrate the climate risk management into our enterprise risk management framework to identify and assess our climate-related risks and opportunities. Our operational departments identify and evaluate the climate-related risks and recommend appropriate internal control measures and risk mitigation actions. Our risk committee and senior management oversee the materiality and impacts of the risks related to our business. Our Board is ultimately responsible for the management of the climate-related risks and sets strategic actions to minimise their impact.

By referencing to the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”), G&M conducted a climate risk materiality assessment during the year to understand more on our climate risk exposures. We evaluate and report the material climate-related physical and transition risks, and their financial implications. We summarise our climate-related disclosures based on the TCFD recommendations under four core categories of governance, strategy, risk management, and metrics. Our climate-related targets and metrics relating to GHG emissions, energy consumption, and waste reduction are summarised on page 20 of this Report.

The following is a summary of climate related physical and transition risks identified and our mitigation measures implemented:

Physical Risks	Possible Impacts	Mitigation Measures
Increase in temperature and hot days	<ul style="list-style-type: none"> Workers working in hot weather may suffer from heat stress illness. Reduce outdoor working productivity. Loss in working days due to heat-related illness. 	<ul style="list-style-type: none"> Drinking water facilities are provided in the construction sites to reduce heat stress to workers. Guidelines are given to strengthen workers' awareness on heat stress related illnesses Site supervisors are required to closely monitor the work schedules and properly arrange workers' rest schedule.
Suspension of operations caused by typhoon and heavy rainfall	<ul style="list-style-type: none"> Disruption of services resulting in increase of labour cost and loss of revenue. Rescheduling recovery plan increases operation cost. 	<ul style="list-style-type: none"> Evaluate emergency recovery plan to catch up project progress. Better human resource planning in advance of the typhoon peril.
Disruption of supply chain due to inclement weather events	<ul style="list-style-type: none"> Shortage of materials impacting the work in progress. Higher alternative materials replacement costs. Damage to reputation due to delay in completion of works resulting in decrease of business 	<ul style="list-style-type: none"> Implementing emergency management procedures. Stronger tie with suppliers to ensure timely delivery, and availability of replacement materials.

Transition Risks	Possible Impacts	Mitigation Measures
Emerging government policies on net-zero or low carbon economy	<ul style="list-style-type: none"> Higher operational costs due to more stringent energy management initiatives and replacement of low carbon equipment. Implementation costs on adaptation of new business practices. 	<ul style="list-style-type: none"> Set carbon reduction target and plan. Ongoing training and education provided to employees on energy saving business culture.
Introduction of green construction regulations and practices	<ul style="list-style-type: none"> Additional regulatory requirements for safety, environmentally friendly materials, and structural design. Existing management and construction methods become outdated. 	<ul style="list-style-type: none"> Training of new requirements on regulations are provided regularly to our employees to ensure they can meet the new standards. Explore new environmentally friendly materials and construction methods.

Opportunities	Possible Impacts
Sustainable products and services	<ul style="list-style-type: none"> Developing climate-resilient facades and curtain walls may improve competitive position and may capitalise on shifting customer preferences. New markets through collaborating with the government as they work to shift to a lower carbon economy.
Climate resilience	<ul style="list-style-type: none"> In response to the associated climate change related risks, adaptive actions are developed to lower the operational costs by improving efficiency and production processes.

We are monitoring and addressing the climate-related risks to reduce the adverse impacts to our business. We will continue to strengthen our climate resilience by enhancing our efforts in climate mitigation and adaptation strategies.



Environmental Management

We recognise climate change, pollution and overexploitation of natural resources all pose substantial threat to the long-term sustainability of our natural environment. We are in the construction industry and are accountable for the environmental impacts we made by our operations. Our objective of making a greener environment is achieved by reducing carbon footprint via controlling energy consumption in our operations and minimising waste through efforts to reduce, reuse and recycle. We endeavour to diminish our impacts to the environment while providing high quality projects and services to our customers.

We manage the environmental risks by integrating the environmental protection and conservation considerations into our strategic business planning, project tendering, project planning and project execution. We have set out responsibilities and authorities of all operational departments to ensure that all environmental risk control measures and procedures are properly implemented.

Compliance with Laws

As fundamental to our environmental commitment, we have no appetite to violate any applicable laws and regulations in relation to environmental protection in Hong Kong. As most of our installation works are fulfilled by our subcontractors in the construction sites, we require them to strictly comply with all the relevant environmental laws and regulations and to take mitigation measures and actions to reduce adverse impacts to the environment.

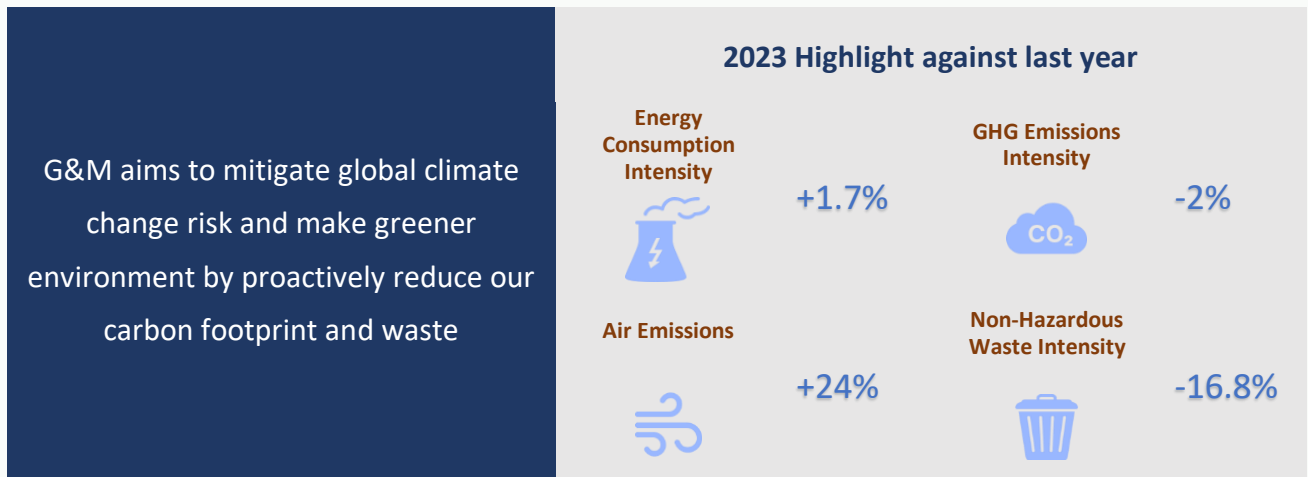
We require our staff and subcontractors in the construction sites to strictly comply with the following environmental laws and regulations:

Compliance of Environmental Regulations in Hong Kong

- Air Pollution Control Ordinance
- Noise Control Ordinance
- Waste Disposal Ordinance
- Public Health and Municipal Services Ordinance

During the Reporting Year, we were not aware of any non-compliance with the relevant laws and regulations that had a significant impact on the Group relating to air and greenhouse gas (“GHG”) emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

Emissions and Resources Management



Energy Consumption

Our business grew substantially by about 30% during the Reporting Year. Following the relaxation of all COVID-19 control measures in 2023, our customers accelerated their projects to catch up with the delays. We had to travel to project sites more frequently for supervision and meetings. As the result, using of company cars increased significantly and the fuel consumption inevitably increased by 23.6%.

Fuel consumption just accounted for about one quarter of our total energy consumption, the remaining three quarter laid with the electricity consumed in our offices and site offices. Despite longer office working hours were needed to meet the project deadlines, we always reminded our staff to save electricity whenever possible. On the other hand, due to less site offices were needed following the completion of certain projects carried forward from the previous year, our overall electricity consumption reduced by about 4% as compared with last year.

All in all, the Group’s total energy consumption and the energy consumption intensity only increased slightly by 1.7%, despite the significant increase of our business activities during the year.

We realise that it is our responsibility as a corporate citizen to minimise negative impacts on the environment by increasing energy efficiency to reduce carbon emissions. To meet this objective, we have implemented various measures in our daily operations. Some of the initiatives are summarised below:

- Monitor energy consumption monthly and investigate any significant difference.
- Set proper room temperature for air-conditioners.
- Computers are set to automatic standby or sleep mode.
- Turn off all electronic equipment and lighting when not in use.
- Maintain energy efficiency of motor vehicles by carrying out regular maintenance and repairs.
- Monitor the usage of motor vehicles to prevent unnecessary fuel consumption.

KPI – Energy Consumption

	Gasoline	Electricity	Total Energy Consumed	Energy Consumption Intensity *
	(kWh)	(kWh)	(kWh)	(kWh/staff)
2023	36,434	110,372	146,806	1,359
2022	29,467	114,932	144,399	1,337
Change	+ 23.6%	- 4.0%	+ 1.7%	+ 1.7%

* In terms of average number of staff during the year.

Greenhouse Gas (“GHG”) Emissions and Air Emissions

The Group’s GHG emissions mainly come from the following sources:

Scope 1 direct emissions – from fuel consumption of our motor vehicles

Scope 2 indirect emissions – from electricity consumption of our offices

Scope 3 other indirect emissions – from air business travel and paper waste disposed at landfills

In this Reporting Year, the Group’s Scope 1, 2 and 3 emissions accounted for approximately 13%, 65% and 22% of our total reported GHG emissions respectively. Due to the increase in the usage of motor vehicles for visiting project sites and business meetings, our Scope 1 emissions increased by 23.5%. However, the Scope 1 emissions accounts for only a relatively small portion of our total GHG emissions. The Scope 2 emissions decreased by 6.6% in this year as the result of less electricity was consumed during the Reporting Year due to less site offices were needed after the completion of certain projects. As the Scope 2 emissions accounts for most of the Group’s emissions, the total GHG emissions of this year decreases by 2.1%.

Most of our scope 3 emissions came from paper waste disposed at landfills. We had reduced our paper usage as an initiative for environmental protection. However, the reduction of the paper waste emissions was offset by the increase in business air travel needed for the expansion of business. All in all, the total Scope 3 emissions remains the same as last year.

KPI – GHG Emissions **

	Scope 1 Gasoline - Vehicles	Scope 2 Purchased Electricity	Scope 3 Paper Waste /Air Travel	GHG Total	GHG Intensity*
	(tonnes CO _{2-e})	(tonnes CO _{2-e})	(tonnes CO _{2-e})	(tonnes CO _{2-e})	(tonnes CO _{2-e} / staff)
2023	10.0	50.9	17.4	78.3	0.725
2022	8.1	54.5	17.4	80.0	0.740
Change	+ 23.5%	- 6.6%	-	- 2.1%	- 2.0%

* In terms of average number of employees during the year.

** The emissions factors for the calculation of air emissions and GHG emissions are obtained from the CLP Sustainability Report, Hong Kong Electric Sustainability Report, The Ministry of Ecology and Environment of People's Republic of China (2019) and Hong Kong Stock Exchange Reporting Guidance on Environmental KPIs.

We recognise our role in addressing the challenges of climate change and have made considerable efforts in developing climate mitigation measures to reduce our carbon footprint. To lower our GHG emissions released to the atmosphere, we have taken a number of measures. Our motor vehicles undergo routine repair and maintenance to maintain their performance and energy efficiency. We use high quality gasoline to increase fuel efficiency and reduce carbon emissions and air pollutants. In our offices, we make use of daylight whenever possible to reduce lighting costs and use LED lamps with high energy efficiency.

To minimize our undesired impacts on the environment from paper disposal, we had collected more than 535kg of wastepaper to recycle. We will continue to adopt various paper saving measures to manage paper usage, such as the use of electronic document, double sided printing, and use of recycle paper for draft documents, etc. We also made deliberate effort to select suppliers in vicinity locations to supply construction materials for our projects to reduce the visits by our staff to the suppliers by air travel. To further reduce our carbon footprints, we provide more remote conferencing and collaboration solutions to our customers, suppliers, subcontractors, and our staff by means of video conferencing. That means we can travel less for face-to-face meetings to reduce carbon footprints.

During the Reporting Year, we use more of our motor vehicles for the purpose of business expansion. The gasoline consumption and mileage were increased by approximately 24%. As a result, the air emissions from motor vehicles, including sulphur oxides (“SO_x”), nitrogen oxides (“NO_x”) and particulate matter (“PM”), were in-line increased by about 24% in average during the Reporting Year.

KPI – Air Emissions **

	NO _x (kg)	SO _x (kg)	PM (kg)
2023	3.01	0.0553	0.222
2022	2.43	0.0447	0.179
Change	+ 23.9%	+ 23.7%	+ 24%

** The emissions factors for the calculation of air emissions and GHG emissions are obtained from the CLP Sustainability Report, Hong Kong Electric Sustainability Report, The Ministry of Ecology and Environment of People's Republic of China (2019) and Hong Kong Stock Exchange Reporting Guidance on Environmental KPIs.

Minimising Waste and Maximising Recycling



As our construction projects are carried out by our subcontractors, we do not directly produce hazardous waste. Nevertheless, we always monitor our subcontractors to ensure that any hazardous waste is properly treated in compliance with the laws and regulations. For non-hazardous waste generated in the course of our business operations, we continue to adhere to the “reduce, reuse and recycle” principles.

We collect useful residual materials from construction sites for reuse in other projects. For special residual materials and equipment that cannot be reused, they would be sold to others for second life or disposed for recycling purpose. Non-hazardous construction waste generated is collected by our subcontractors and disposed at the designated places as required by the main contractors.

In our offices, types of non-hazardous waste produced by us are mainly wastepaper, office supplies and general garbage. The non-hazardous waste is collected by the property management company of the building for further handling and disposal. In this year, the total non-hazardous waste generated was 620kg less than the previous year. This is mainly attributable to the reduction of paper usage in our offices. The intensity per average number of staff also dropped by 16.8%. In our offices, we encourage staff to save paper and put recycling bins next to printers and fax machines to collect wastepaper. We had collected 535kg of wastepaper for recycling in this year. We strive to adopt the best practices in our waste management and to dispose all waste responsibly, including recycling toner and ink cartridges to avoid pollution. We encourage our staff to reduce using single-use items to further reduce waste.

KPI – Non-Hazardous Waste

	Non-Hazardous Waste (tonnes)	Non-Hazardous Waste Intensity* (tonnes/staff)
2023	3.11	0.0288
2022	3.73	0.0346
Change	- 16.6%	- 16.8%

* In terms of average number of staff during the year.

Water Management

We do not consume too much water in our offices. Our water usage arises from drinking water and office cleaning. Water is supplied by municipal water supply, and we do not have any issues on sourcing water. It is not feasible for us to measure water consumption in our offices as water is supplied by the property management company where our offices locate. However, we still promote the awareness of our staff on saving water and reduce unnecessary wastage of water.

In our construction sites, water is supplied by the main contractors and consumed by our subcontractors. We do not have control over the source and consumption of water. However, we would remind our staff and subcontractors to follow the guidelines or practices for using of water in construction sites issued by the main contractors. In the Reporting Year, we have not encountered any issue on sourcing appropriate amount and type of water for our projects.

Packaging Materials

Due to our business nature, packaging materials are normally not required. We do not cause significant impact on the environment from usage of packing materials.

The Environment and Natural Resources

We are committed to preventing adverse environmental impact and conserving natural resources by integrating green concept in our daily operations. We engage subcontractors to carry out construction works in the construction sites. Our operations do not have significant direct impact to the environment. In the construction sites, we recognise that construction works may have significant impacts on our environment. We pay close attention to the works carried out by our subcontractors to ensure that they strictly comply with all laws and regulations for protecting the environment and natural resources. Although our operations in the offices do not cause significant impacts on the environment and natural resources, our staff are well aware of reducing, reuse and recycling of waste and save energy to conserve our environment.

Our project managers will ensure appropriate measures have been adopted by our subcontractors during the construction process to minimise the adverse impact to the environment, such as:

- Equipment is used in compliance with the permitted noise level and is maintained in good condition.
- Carry out construction works within the permitted work hours.
- Use noise barrier where necessary in operating noisy equipment.
- Segregate general wastes and construction wastes and dispose to rubbish collection points designated by the main contractors.

We strive to raise awareness of environmental protection among our staff and other stakeholders, in particular the subcontractors and the suppliers. We are dedicated to implementing and promoting environmental protection measures and practices to ensure sustainable of our business and make our future better.



Our 2025 Environmental Ambitions

Our 2025 Environmental Targets

To pursue our environmental excellence, we continuously explore opportunities to improve our environmental performance. We have set the financial year 2025 environmental targets against the 2020 base line to anchor our strategy for performance improvement.

Category	2020 Baseline	2025 Target
Energy consumption	214,592kWh	Reduce 40% to 128,800 kWh
CO ₂ emissions	108.2 tonnes CO _{2-e}	Reduce 40% to 65 tonnes CO _{2-e}
Waste	3.2 tonnes	Reduce 15% to 2.7 tonnes

Our Plans and Actions

- Gradually replace gasoline motor vehicles to electrical.
- Encourage our staff to use public transportation.
- Use more video conferencing to reduce land and air travels.
- Replace more energy-efficient appliances and lightings.
- Encourage our staff to save power in the office.
- Encourage our staff to use more paperless communication and reuse printed paper for drafts.
- Greener habits in the office to use fewer disposable items, and to recycle waste products where possible.

Our Progress in 2023

- We had consumed 32% less energy in 2023 as compared with 2020. We used LED lighting and adopted natural lights extensively and installed more energy-efficient appliances in our offices. We reduced fuel consumption by using less motor vehicles for business purpose.
- We had reduced 27% of carbon emissions in 2023 as compared with 2020.
- We had recycled 535kg of wastepaper.
- The amount of waste generated in 2023 has been 3% less than that of 2020, we have made a significant progress in 2023 by reducing 16.6% as compared with last year.



Social Sustainability

**Value Our People
Community Care**



Value Our People

Employment Practices and Labour Standards

Our success heavily relies on a strong and stable workforce. There is no doubt that our people are the most valuable asset in our business. We are committed to creating a working atmosphere that can help our staff enjoy their jobs and feel valued to enhance their engagement. We also strike a balance between work and personal life for our staff to increase their sense of belonging.

To uphold our employees' rights and benefits and to ensure competitive pay and career development opportunities, we have in place comprehensive human resources policies and procedures, including recruitment, dismissal, probation, promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. We always uphold a set of basic human resources principles as outlined below:

G&M's HR Principles

- Offer to our staff competitive employment terms and conditions in their respective region.
- Respect the human rights and privacy of our employee.
- Promote equal opportunities for employment, and fairly treat and not discriminate against each individual employee on their nationality, gender, marital status, race, religion, age, and physical or mental disability that are irrelevant to their work performance.
- Provide a workplace to our employees with good work-life balance, where they can accomplish their tasks with satisfaction and pride.
- No toleration of child labour and forced labour.
- Comply with all applicable laws and regulations on employment.

We respect all basic human rights and forbid any form of child or forced labour. Our employees are well protected on their rights that major terms and conditions of employment are comprehensively stated in their employment letters. The employment is voluntary and would not be changed arbitrarily without communicating with our staff. Our employees can work on their own free will and are free to leave the Group upon reasonable notice in accordance with their employment letter and the relevant human resources policies.

We also have policies and procedures for prohibiting the employment of child labour. Our human resources department will examine the applicant’s original identity document with photo to verify the age of applicant to prevent employment of child labour. We regularly review our employment practices to ensure we are in compliance with the Employment Ordinance and other regulations relating to child labour and forced labour. No case of child or forced labour was reported during the Reporting Year.

Our human resources policies and procedures are formulated in accordance with all relevant laws and regulations. We have strictly complied with the relevant labour laws and regulations on employment as set out in Hong Kong and the PRC.

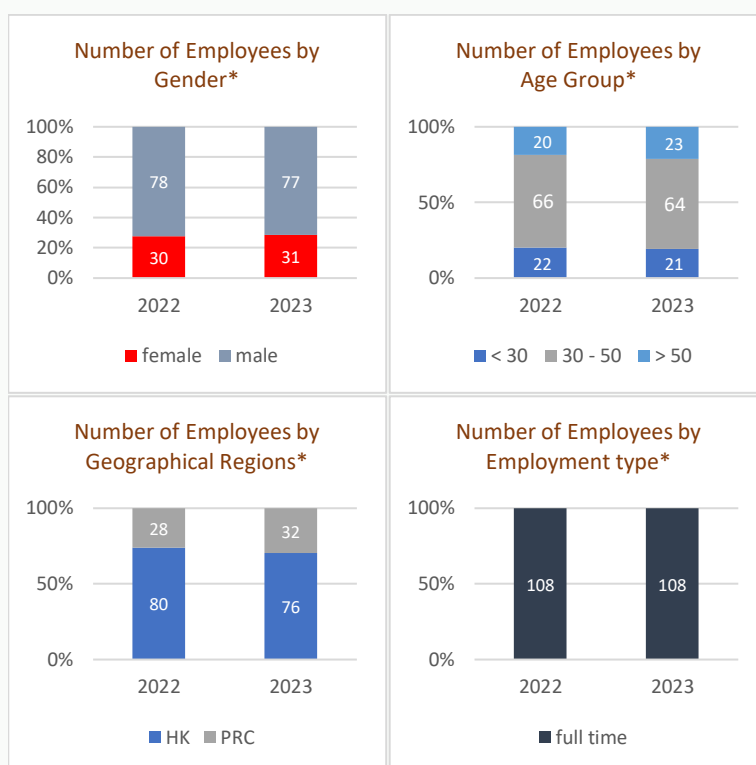
Compliance of Employment Regulations	Hong Kong	<ul style="list-style-type: none"> • Employment Ordinance • Employees’ Compensation Ordinance • Minimum Wage Ordinance • Mandatory Provident Fund Schemes Ordinance • Sex Discrimination Ordinance • Disability Discrimination Ordinance • Family Status Discrimination Ordinance • Race Discrimination Ordinance
	PRC	<ul style="list-style-type: none"> • Labour Law 《勞動法》 • Labour Contract Law 《勞動合同法》

During the Reporting Year, we were not aware of any non-compliance with the relevant laws and regulations that had significant impact on the Group relating to employment and labour standards.

Recruiting, Retaining and Rewarding our Talents

To maintain quality and stability in our workforce, we select candidates based on their knowledge, work experience, skill, attitude, and commitment on equality basis. To maintain our competitiveness, we try our best to attract and retain our talents. We treat them with respect, offer flexibility of work and competitive remuneration and benefits, and provide ample opportunities of professional development. As at 31 December 2023, we had a total workforce of 108 (2022: 108) people.

Breakdown of Our Workforce

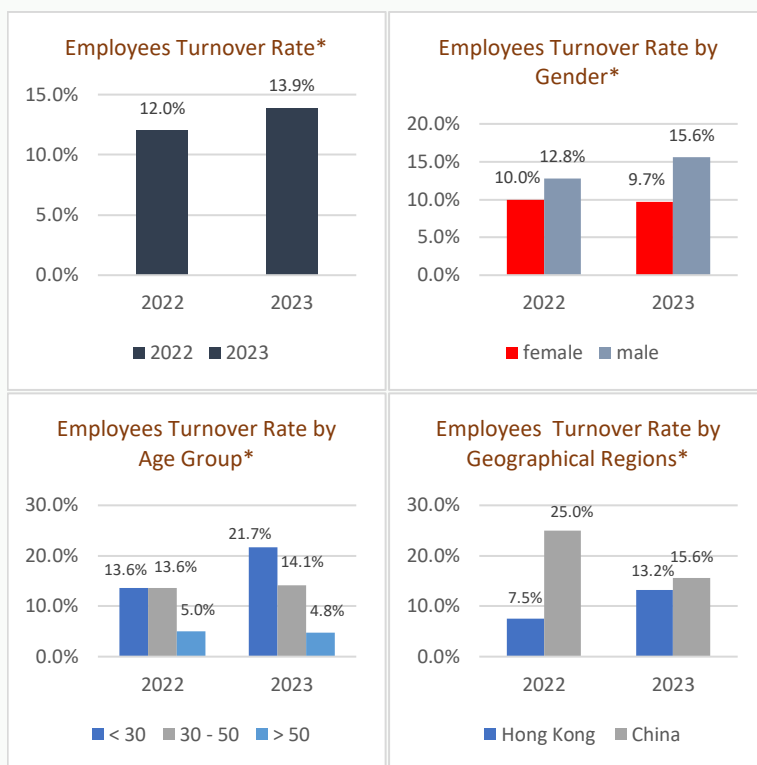


* The number of employees is expressed as headcount.

Our talents are rewarded in accordance with their individual qualification, working experience and work performance. We adopt a pay-for-performance approach to ensure our talents are remunerated and rewarded in proportion to their performance. Our talents are rewarded with attractive performance bonus at the end of financial year relative to their contributions and the business performance for the year. We also grant share options to selected employees as incentives for their contribution to the success of our business.

Annual performance appraisal is carried out through formal communication and meeting between our talents and their supervisors. It also forms a basis for discretionary bonus, salary increment, and promotion. Through this performance appraisal review, training and development needs of our talents can also be identified to enhance their professional development and competency.

Turnover Rate of Our Workforce



* The calculation of turnover rate is the number of employees in the specified category who left during the year divided by the total number of employees in the specified category.

Work-life Balance

Employee engagement in the workplace is important for building a stable and engaged workforce. We endeavour to ensure a good work-life balance for our talents to increase their sense of belonging to the Company.

We aim to create a working environment where every employee can balance work with family life, by using different leaves to support their needs for family care, self-development, and the like. Currently, we have policies of pay leaves and no-pay leaves to cater for the needs of our employees. Our employees will be entitled 11 to 21 days of pay annual leave upon the third year of employment. Apart from annual leave, we offer some family-care support leaves, such as marriage pay leave and festive pay leave, and flexible part-time work and sabbatical no-pay leaves. We also provide full pay leaves to our employees when they need to attend examinations for professional certification courses or attend job related short courses.

We try our best to be flexible and accommodating for such events and unexpected situations such as typhoon, large scale traffic disruptions, perils of epidemic, etc. We allow our employees to work from home or leave office earlier if personal safety is a concern.

To enhance our staff's relationship and to take a break from busy works, we celebrate birthdays of staff every month in our offices by holding birthday parties, and celebrate Christmas and other festivals with lunch or dinner gatherings at restaurants with games and lucky draw. We organised monthly lunch gatherings for our PRC staff to build better work relationships. After the relaxation of COVID-19 measures, we arranged a 4-day annual company vacation trip in China for our PRC staff and their family to revitalize from their busy work. We hosted an annual dinner to recognise the dedication and efforts of all staff and to show our gratitude to our business partners.

We encourage our staff to participate in sports and recreation activities to keep their physical wellness, relieve stress and promote mental wellness. We acquired fitness centre corporate membership nearby the workplace for all staff in Hong Kong and they were free to use the fitness facilities at any time. We also sponsored our Hong Kong staff and their families to participate in charitable fund-raising sports events, such as the Hong Chi Climbathon, Tai Mo Shan charity trail run, and Outward Bound Multi Race. Participating in these events not only can benefit our staff's wellness but can also promote community care. For our PRC staff, they had regular gatherings to play badminton and basketball to maintain a healthy lifestyle.



Staff Training and Development

We understand a skilled workforce allows us to keep pace with industry trends and advancements. Staff training and development not only enhance the skills and knowledge of our talents but also contribution to the overall growth and success of our business. We support our talents in their career and self-development through on-the-job training and a wide range of external training courses.

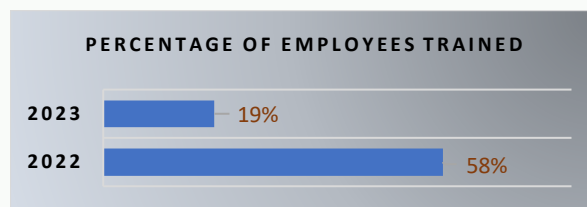
To help our talents acquiring necessary skills to meet the changing needs of our industry, we build a culture of knowledge sharing within the Group. The wealth of knowledge brings from our senior staff can provide practical training to our workforce effectively.



We also encourage our talents to pursue continuing education and training and subsidise them to attend external training and education courses. Usually upon satisfactory completion of the recognised and approved vocational or professional courses, the course fees will be fully reimbursed to the staff.

	Percentage of Employees Took Part in Training		Average Training Hours (hours/employee)	
	2023	2022	2023	2022
Gender				
- Female	24%	22%	0.7	1.1
- Male	76%	78%	2.1	4.5
Employment Category				
- directors and management	29%	10%	1.2	4.5
- general staff	71%	90%	1.8	3.5

It was a busy year for us to catch up the tight schedule of projects after the relaxation of the pandemic measures. As such, we had difficulty to arrange the similar amount of training courses for our talents as in the previous year. During the Reporting Year, we had provided various external and internal training courses to 19% (2022: 58%) of our workforce. The average number of training hour per employee was 1.7 hours (2022: 3.5 hours).



During the Reporting Year, we had offered external trainings to our talents for specific needs of their job, and for their career development. The following is the summary of external training and development courses conducted:

Types of External Training Courses

- Building Information Modelling courses
- Occupational Safety and Health Supervisors (construction) courses
- Occupational Safety and Health on Accident Investigation course
 - Construction work safety and site safety training courses
 - Work safety of bamboo scaffolding courses
- Induction workshop for practitioners in the construction industry
 - Computer software training courses
 - Courses on HK listing rules updates and compliance
- Courses on taxation, company secretarial and audit matters

Offering Organisations

- HK Institute of Construction
- Occupational Safety & Health Council
 - Law Firm
- Professional Accounting Firm
 - Others

Health and Safety

It is not uncommon to incur accidents during construction process. We care about our people, our subcontractors, and anyone who are likely to be affected by our operations, including the publics, as well as our company reputation by providing a safe and healthy workplace to them. We aim to establish and maintain a safe environment, systematic procedures, stringent supervision and sufficient training to our staff and subcontractors' workers to complete the construction work without any accident, injury, or death.

We have set up a Safety Committee to help ensure the workplace safety. The safety committee conducts regular risk assessments to identify potential operational health and safety hazards at our construction sites and implement appropriate measures to mitigate risks identified. We also have an enterprise level Risk Committee composing of Board members to constantly assess and review the potential health and safety risks and the related internal control policies and measures, where corrective action plans and risk mitigation measures are devised where necessary. These systematic procedures help promote a healthy and safe workplace to prevent accidents from time to time.

Ensuring Workplace Safety

We have in place our safety handbook, the “Safety Plan”, that stipulates safety control measures and in-house rules for our staff and subcontractors to follow. For every construction site, a safety supervisor is assigned to each construction project to provide safety courses and safety instructions to workers and carry out site safety inspection.

We also maintain an internal accident injury reporting policy and internal record of accidents. All accidents are required to be reported to the project management team immediately after the occurrence. Where the accidents involve workers of subcontractors, the project management team may issue warning letter to the subcontractors for improving their safety standards after investigation. The safety history of the sub-contractors is part of our performance appraisal during the tendering process to ensure they comply with our safety standard and instruction.

To maintain a safe and healthy working environment for our staff, we carry out regular safety inspection at our workplaces and regular review the existing facilities to ensure our staff’s safety. We have also implemented policies and measures to maintain the quality of our working environment, such as the prohibition of indoor smoking, regular office cleaning and first aid kit in the office.

Fostering Safety Minds

We complement our safety handbook with briefings and trainings to our staff. We provide regular safety trainings to our staff and subcontractors’ workers working in the construction sites to raise their awareness on safety. We provide safety induction training on the industry safety standards and legislations to all new hires. We also expect our sub-contractors to follow strictly our safety policies and we include such requirements in our tender document and the sub-contractor contract. Our safety supervisor on each construction project provides safety briefings and instructions to the workers of our subcontractors to align our safety expectations with their works.

Compliance with Laws

Our staff and subcontractors are strictly required to comply with the following laws and regulations.

Compliance with Health and Safety Laws and Regulations	Hong Kong	<ul style="list-style-type: none"> • Factories and Industrial Undertaking Ordinance • Occupiers Liability Ordinance • Occupational Safety and Health Ordinance • Construction Sites (Safety) Regulation • Construction Workers Registration Ordinance
	PRC	<ul style="list-style-type: none"> • Prevention and Control of Occupational Diseases Law 《職業病防治法》

For the past three years, the Group recorded zero work-related fatality incident, as well as zero injury incident on our employees. During the Reporting Year, we were not aware of any significant non-compliance with above laws and regulations that have a significant impact on the Group relating to providing a safe working environment and protecting employees from occupational hazards.



We aim to make our business more sustainable by making positive impacts to the communities

Community Care

We are committed to investing and strengthening relationships in the communities in which we live and work. Through financial donations or sponsorships, we prioritise in supporting charitable activities that provide long-term and sustainable results that have a positive impact on our communities. Apart from direct financial donations to charitable organisations, we support our colleagues and their families to participate in charitable fund-raising activities. Our total amount of donations and sponsorship for the year was HK\$26,750 (2022: HK\$19,200). We are looking forward to participating more in different philanthropic activities in the community and will continue our dedication to support the community and the needy.

Care for Children and The Underprivileged

In this year, we continued to focus on helping the children and the underprivileged in the world. We made donations to the following charity organisations that supports underprivileged children and the poverty.

World Vision Hong Kong

World Vision is a worldwide charitable organisation sponsoring children living in poverty, and providing relieves for those suffering from poverty, hunger, health, and war, etc. By donating to World Vision, we hope we could make an effort to relief the pains of those in need.

Save The Children Hong Kong

Save The Children is a worldwide charitable organisation aiming to create a world in which children can survive against hunger and diseases, learn from a quality basic education, and be protected against violence and war. We believe every child deserves a future. By supporting Save The Children, we hope we could make an effort to build a better future and a sustainable world to the children.

Sponsoring our staff for charitable fundraising sports activities

We sponsored thirteen of our staff and their family on participating the following outdoor fundraising races for helping the development of teenagers and those intellectual disables.

Outward Bound Multi Race 2023

Funds raising from this race are used for sponsoring the youth of underprivileged to take part in Outward Bound courses. Outward Bound enables the youths to discover and develop their potential to care for themselves, others, and the world through challenging experiences from outdoor training.

Hong Chi Climbathon 2023

The goal of this charity race is to raise funds for Hong Chi Association projects. The Hong Chi Association aims to educate, train, and empower people with intellectually disabilities and to give them every opportunity to develop physically, intellectually, socially, spiritually, and emotionally.

Run As One Lantau Island Charity Run 2023

This race is organised by Wheel For Oneness to raise funds for programmes that enhance the leadership skills of teenagers and promote their positive development.



Responsible Governance

Responsible to Customers and Public

Responsible Sourcing

Ethics and Compliance



Responsible To Customers and Public

Commitment to Customers

Our customers' success is our success, we are dedicated to providing our works and services that build on customer satisfaction. We make every effort to meet our customers' requirements in all possible ways and to provide products and works with quality, safety, and reliability. To support our clients on their sustainability objectives, we provide sustainable services ranging from structural calculation and shop drawings, sourcing and procurement of materials, arrangement for material fabrication and processing, installation works and post-completion repair and maintenance services.

On tendering and delivering projects to our customers, our staff must abide by certain principles set by the Company as follows:

- Customers' satisfaction on safety, quality and durability is the priority.
- Provide safe and reliable products and services that comply with international recognised quality standards and legal requirements.
- Provide innovative products to support our customers.
- Minimise impact to the public and the environment when we deliver the projects to our customers.

Product Safety

Safety is at the top of the table among our quality assurance measures. This is the utmost important as people would be in danger if our façade and curtain wall construction work was defective. We have to ensure the safety of our workers when the projects are in progress, and the safety of the public when the projects are in progress as well as after completion. When our engineers design the projects, safety features will be incorporated as a top consideration. Detail proposals with structural calculation, shop drawings, fabrication techniques and installation methods have to be approved by our qualified project architects.

It is the job and responsibility of our staff to uphold the following safety policies on provision of products and services:

- Comply with international quality standards, such as ISO9001:2015 and legal requirements.
- Mitigate any risk of injury that might occur to the people using our products when an accident occurs.
- Design the product to assure that it is not harmful to the public using the product.
- Uphold the Company's risk management system to continuously identify, assess, report, and improve safety issues.

During the Reporting Year, there was no delivered project recalled or needed for rework for the reasons of safety and health. There was also no major complaint on the project works by our clients, and minor defects had been dealt with and remedied by the project manager during the construction process.

Quality Assurance

We are dedicated to maintaining and providing first-class products and services that builds on client satisfaction and meeting the sustainability requirements of our clients. Our business is operating under a set of procedures that complies with the ISO 9001:2015 quality standard to monitor our work processes for meeting our customers' quality requirements. Also, people in the public can rest assure to use our products for years and decades that can improve their quality of life.

For each project, a project management team, leading by a project manager, is set up to oversee and manage the project, and to communicate with customers and subcontractors to ensure the quality of projects. Our qualified design engineers are responsible for system design and structural calculation to assess the feasibility of the design and installation works, which will be submitted to customers and the Buildings Department for approval. Curtain walls must meet the specific requirements as set out in the Building (Construction) Regulations and are required to undergo a series of tests by independent laboratories to confirm the performance meets the stringent safety standard as required by the Buildings Department. All materials used for each project must be specified or approved by the clients before the project starts.

During the work in progress, our project manager will handle all dissatisfaction and complaints made by our clients and will remedy the situation quickly at site. The project manager will seek instruction from the top management for any material issue, such as the need for re-work as demanded by the client.

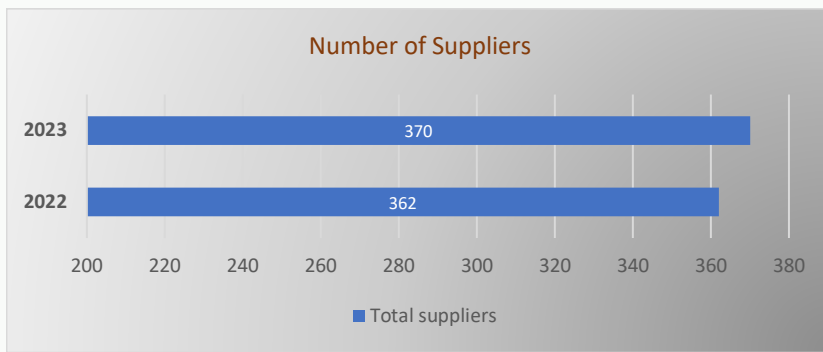
After completion of projects, G&M provides a defects liability period to our customers subject to terms set out in the contracts and provides a warranty on certain aspects such as glazing and waterproofing works. Since we involve in every stage of design and build, we can effectively monitor the progress of the project and minimise the possibility of having significant deviation from the original design.

During the Reporting Year, we were not aware of any non-compliance with relevant laws and regulations that had a significant impact on the Group relating to product responsibility.

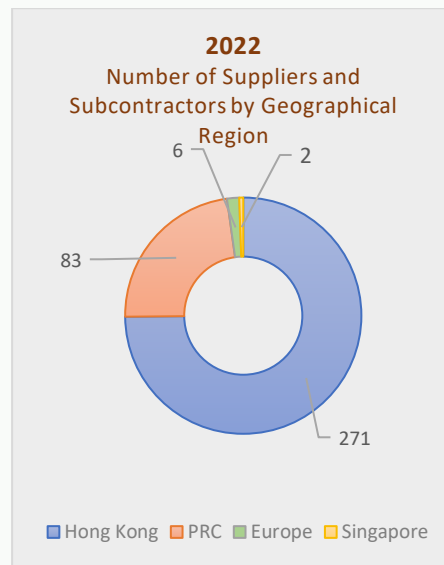
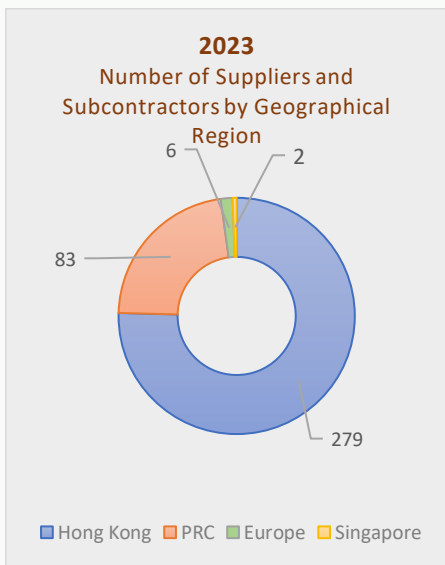
Responsible Sourcing

The supply chain is a key for how we deliver quality products and services to our customers. We realise there are environmental and social issues within our supply chain. We address supply chain challenges through risk management, responsible sourcing, and closely monitoring the suppliers and subcontractors. To ensure operational efficiency, to reduce risks in purchasing logistics, and to reduce carbon footprint in transportation, local suppliers are given priority in the selection process. We are committed to doing business with suppliers and subcontractors who share our values on environmental and social sustainability and limit our risks across our value chain.

We procure building materials primarily from Hong Kong and the PRC suppliers, who supply aluminium, metal, and glass, and provide material fabrication services. Subcontractors are hired for podium façade installation works on the construction sites. We have a total of 370 suppliers and subcontractors on our approved suppliers list, within which, 75% of them from is from Hong Kong and 23% is from the PRC.



We regard suppliers and subcontractors as long-term partners and strive to maintain good relationship with them. We recognise that the supply chain is critical to our product quality and safety, financial performance, and business continuity. In this connection, we maintain a sizable supply chain base to mitigate the risks inherent in over-reliance on certain suppliers, and the climate change risks on delivery fulfilment.



G&M advocates green procurement practices. We expect our suppliers and subcontractors to be environmentally responsible and be able to meet the highest standards of ethical conduct regarding how they treat their workers. All our suppliers and subcontractors are required to comply with the relevant environmental and social laws and regulations. Terms and conditions on environmental and social issues are added in supplier and subcontractor contracts to increase their awareness on their environmental and social obligation.

Environmental and social responsibilities are part of the criteria for us on selecting suppliers and subcontractors. We prioritise suppliers and subcontractors who perform in line with our ESG standards and objectives, and who can demonstrate that they are environmentally and socially responsible. We also encourage our suppliers and subcontractors to evaluate their social and environmental risks to ensure they comply with the related laws and regulations.

When approving new suppliers and subcontractors, in addition to their company background, service scopes, technical capability, job references, quality, and safety records, we also pay attention to their environmental and social performance. The potential suppliers and subcontractors have to provide all necessary proofs relating to their qualification, technical standards, and the compliance of environmental requirements issued by the local authorities. The newly approved suppliers and subcontractors will be updated into the list of approved suppliers and subcontractors. The list of approved suppliers and subcontractors is reviewed and approved annually to ensure that only qualified suppliers and subcontractors can engage in our construction projects. Our procurement activities follow a set of fair and transparent quotation invitation process disallowing any conflicting of interest, bribery, and misconducts.

Through regular and intensive communication and long-term cooperation, the sustainable values of our Group and our business partners are aligning with our customers. Many of our supply chain policies, product quality and responsibility policies are developed and implemented in close collaboration with our customers and business partners. We will continue to develop and update sustainability policies and guidelines, to share best practices with the suppliers and subcontractors, and to monitor quality of their products and services.

Ethics and Compliance

Anti-Corruption

G&M strives to promote ethical culture across our business practice. Integrity, honesty, fairness, impartiality, and ethical business practices are our core values. We have zero risk appetite for any bribery or corruption acts on any circumstances from our staff at any levels or agents in the course of conducting our business affairs. The management, our staff and agents are required to strictly comply with the Prevention of Bribery Ordinance, which is clearly stated in the Group's policy. Through promoting this ethical culture to our people, we create a clean and fair business environment that set a solid foundation for the sustainable development of our business.

Under our policies, we require our staff to declare any situation that would reasonably be expected to give rise to a conflict of interest. We also have policies for the proper handling and reporting of conflict of interests encountered by staff. Guidelines about giving and receiving gifts and advantages among our business partners are also given to our staff to ensure all staff adhere to the company policy.

Regular anti-corruption training is provided to our directors and staff to raise their awareness and knowledge for anti-corruption. During the Reporting Year, one director and three senior management had attended the “Building a Clean and Fair Construction Industry Through Collaboration Anti-Corruption Summit and Commitment to Action Agenda”. This event was co-organised by the Independent Commission Against Corruption (“ICAC”), Development Bureau and the Construction Industry Council, and aimed to promote the corruption prevention awareness and integrity management as well as to build a probity culture in the construction industry. In addition, our senior management also completed the self-learning materials about the Integrity Risk Management on Tendering provided by the Hong Kong Business Ethics Development Centre of ICAC.

There is the whistleblowing policy in place to provide channels and guidance to our staff on reporting any misconduct, malpractice, or irregularity within the Group, in secured and confidential manner. All cases reported will be kept confidential and will be investigated thoroughly. Investigation reports will be sent to the Chairman and the Audit Committee where necessary. Appropriate corrective or disciplinary actions will be taken when a misconduct case is proven.

During the Reporting Year, there was no reported legal case regarding corrupt practices brought against the Group or our staff.

Prohibit Anti-competition

Fair business competition is fundamental to a healthy marketplace, and we are committed to free and open competition in doing our business. Healthy competition increases efficiencies, improves quality and services, and promotes innovations. We promote fair trade and anti-competition and strictly prohibits bid rigging. We have to abide by the Competition Ordinance in Hong Kong.

We have implemented the following measures to ensure fair competition:

Prohibit Anti-competition Measures

- We have internal regulations to monitor contract tendering in which bid rigging is forbidden.
- Our Code of Conduct prohibits employees in misappropriation and/or misuse of a competitor’s confidential information or making false statements about the competitors business practices. It also requires all employees to uphold business ethics and comply with the relevant anti-competition laws.
- Our whistle-blowing policy specifies the procedures for reporting illegal practice on bid rigging and any staff committed this illegal act is subject to severe penalties.

Non-infringement of Intellectual Property Right

We respect the legal rights of intellectual property (“IP”) owners, and our employees are required to obtain permission or appropriate licences from the owners of the IP right before use. We only use genuine products and materials as approved by the customers and strictly forbid to use any counterfeit materials infringing the intellectual property rights of the genuine brands.

We attach great importance to the use of IP and strictly comply with all laws and regulations relating to IP, such as:

Compliance with Intellectual Property Laws and Regulations	Hong Kong	<ul style="list-style-type: none"> • Prevention of Copyright Privacy Ordinance • Trademarks Ordinance • Patents Ordinance • Intellectual Property (Miscellaneous Amendments) Ordinance
	PRC	<ul style="list-style-type: none"> • Patent Law 《專利法》 • Copyright Law 《著作權法》

Protecting Customer Privacy

We do our best to prevent unfair competition by safeguarding the leakage of our confidential business information, such as the product planning and design, technical documents and information, supplier and customer information, and financial information, etc. We also endeavour to protect any sensitive personal data of our customers’ employees in our systems that may have come to our knowledge during normal business. We regularly review our policies and procedures to comply with the Personal Data (Privacy) Ordinance and other relevant laws and regulations.

We have the following measures for safeguarding customer data confidentiality:

Data Privacy Measures

- Staff are granted with appropriate access rights to business data in accordance with their seniority and functions and such rights will be reviewed annually.
- Password management policy is in place for all office computers.
- Staff are not allowed to operate other persons’ computer without proper approval.
- Confidential customer information is not allowed in computer shared files.
- Confidential customer data is kept by the responsible project personnel and the top management only.
- IT department prohibits browsing of the Company’s confidential information by unauthorised staff and third parties.
- Staff are educated and required to follow the latest customer data handling procedures.

The HKEX ESG Reporting Guide Checklist

ASPECTS	DESCRIPTION	PAGE REF
Mandatory Disclosure Requirements		
Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board’s oversight of ESG issues; (ii) the board’s ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer’s businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they related to the issuer’s businesses.	5-6
Reporting Principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer’s stakeholder engagement. Quantitative: Information on the standards, methodologies, assumptions and/ or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed. Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	3, 7-10
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	3

The HKEX ESG Reporting Guide Checklist (cont'd)

ASPECTS	DESCRIPTION	PAGE REF
A. Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	14-18
KPI A1.1	The types of emissions and respective emissions data.	16-17
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity.	16-17
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity.	Not applicable for disclosure
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.	18
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	20
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.	18-20
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	14-16, 19
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity.	15-16
KPI A2.2	Water consumption in total and intensity.	Not applicable for disclosure
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	20
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.	19
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable for disclosure
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	14-19
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	19
Aspect 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.	12
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.	13

The HKEX ESG Reporting Guide Checklist (cont'd)

ASPECTS	DESCRIPTION	PAGE REF
B. Social		
Employment and Labour Practices		
Aspect 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.	22-26
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	24
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	25
Aspect 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.	28-29
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	29
KPI B2.2	Lost days due to work injury.	29
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	28-29
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	27-28
KPI B3.1	The percentage of employees trained by gender and employee category.	27
KPI B3.2	The average training hours completed per employee by gender and employee category.	27
Aspect 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.	22-23
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	22-23
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	22-23

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ASPECTS	DESCRIPTION	PAGE REF
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	35-36
KPI B5.1	Number of suppliers by geographical region.	35
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.	35-36
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	35-36
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	36
Aspect 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.	33-34
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	34
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	34
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	38
KPI B6.4	Description of quality assurance process and recall procedures.	34
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	38
Aspect 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.	36-37
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	37
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	37
KPI B7.3	Description of anti-corruption training provided to directors and staff.	37

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ASPECTS	DESCRIPTION	PAGE REF
Community		
Aspect 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.	30
KPI B8.1	Focus areas of contribution.	30-31
KPI B8.2	Resources contributed to the focus area.	30

Contact Us

We welcome your comments and suggestions on our ESG initiatives and reporting for enhancing our sustainability values. Please share your views with us via email at gmk@gm-eng.com.hk.

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