

Corporate Citizenship - Staff Development and Personal Growth



The Group organises different training programmes from time to time and strongly encourages its staff to maintain life-long learning and value adding.

Core Thought and Work Focus

The Group has persisted in its core thought of “human resources and culture are the most precious wealth” and combined the establishment of a talent team with the creation of a corporate culture. Besides, by inheriting the “people first” principle, it has placed the emphasis of the human resources work on “cultivating and using people” so as to provide its staff with simple and harmonious human relationship, challenging jobs, vast development opportunities and benefits satisfactory to staff. For this year, the total number of staff of the Group exceeded 2,600 (excluding employees of associated companies) of which 2,460 people are based in Hong Kong and around 150 people are based overseas.

Staff Learning and Self-improvement

The Company has given its full support to its staff for lifelong learning and self-improvement and provides dedicated funds of approximately HK\$500,000 each year to establish the “Education Fund (育才基金)” which provides subsidies to staff for them to participate in education for academic qualifications or occupational training. Meanwhile, the Company also customises training programmes in accordance with job requirements and staff interests and makes full use of quality education and training resources such as the Company’s training centre to offer diversified and practical training which covers corporate system, management knowledge, occupational skills, quality management, team building and communication skills. During the period, more than 3,200 staff attended the training programmes. The training has

been conducted in a flexible and diversified manner, including internal sharing, external training, outdoor practice, visits and discussions. Staff members have been highly enthusiastic in participating in the training and their initiative to learn has created a regular practice within the Group to proceed with active improvement. In 2005, the Company organised the “Professional Certificate Course in Contract Management” for its site staff. Various experienced management staff acted as lecturers for the course to facilitate staff to enrich their expertise in contracts. Subsequent to this, in line with the development of the Company’s international operations, the Company invited experienced training consultancy to organise the “Workplace English Interactive Improvement Scheme (職業英語互動提升計劃)”, which effectively improved the ability and practical skills of staff in English.

Overall Development and Creation

“Incorporating personal pursuits into the long-term development of the enterprise” is a long-term objective for human resources and a value the Group has persisted in. Through the mature “Trainee Engineer Scheme A Training Programme” and the “Apprentice Training Programme”, the Company has provided opportunities for staff to work in different capacities so as to increase the overall quality of staff and maintain a reserve for constructing a talent team for the Company. The Company has also leveraged on its edge in operating and developing overseas markets with a view to widening the international horizon of its staff. With its far-sighted staff exchange and rotation system, the Company has selected and sent its outstanding staff to work and learn overseas so as to implement the Group’s international plan for cultivating talents. Meanwhile, the Group has also endeavoured to implement the “Staff Good Recommendation Scheme (員工良好建議計劃)” to encourage staff to take the initiative to think and actively innovate so as to make recommendations on the development of the Group.

Performance Appraisal and Incentive Mechanism

All departments of the Group are required to determine their business benchmarks and plans as the important basis for performance appraisal in accordance with the annual financial planning and budgeting formula launched by the finance department. The Group deeply recognises that the result of a system depends on its implementation.

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Therefore, the Company has committed to implement all incentive mechanisms, including the "Site Contracting Responsibility System" and the "Department Operation and Management Target Responsibility System". Through the implementation of those systems, the Group makes it clear to people in charge of departments/projects the consistency of business benchmarks and the requirements for the development of the Group. The staff salary review is based on individual's skills knowledge, performance and contribution, the overall performance of the Company, the prevailing economic environment and market trend.

Charitable, Community and Interesting Events

The Group advocates a corporate culture of working positively, working creatively and healthy life. To improve and mould the personal quality and values of staff, the Group has been active in organising its staff to participate in all kinds of charitable and community events such as "Lifeline Express - Walkalong West Rail for Light", "Community Chest Green Day" and "Community Chest Walkathon". Meanwhile, the Company has also performed its social responsibility and commitment by donating charitable funds so as to express its care for the underprivileged in the society. The Group also organise various activities for staff after work, including various activity groups, competitions, shooting trips, parties and picnics. These activities have enriched the after-hours life of staff and provided opportunities for communication and exchanges and are an integral part of team construction and staff relationship construction.

System Discussion and Continued Improvement

The Group firmly believes that an enterprise's progress depends on real-time review and conduct revision. With the principle of fostering opening communication, the Company took action to collect opinions from all staff about the key management executives of the Group during the period. Objective evaluation has been made on the working performance of the management team and the present situation about the development of the Company. The people evaluated have also made effective improvement accordingly. In addition, the Group also conducts a survey

of the satisfaction of its staff each year to establish diversified communication channels and provide fundamental basis for system discussion and summation. Based on the result of the survey, the Group is proceeding with all follow-up tasks, discussing and implementing the corresponding improvement plans and making the system review as a routine system so as to provide strong support to continuously increasing the standard of project quality and management.



The Group strongly encourages its staff in participating various charitable events, namely "The Community Chest Walkathon". Shown in the picture is Mr. Donald Tsang (left), Chief Executive of the Hong Kong SAR, with Mr. Kong Qingping (right), Chairman of the Group.



The Group organises various recreational activities from time to time to raise staff morale and sense of belonging.

Corporate Citizenship - Environment Protection and Promotion

Apart from controlling costs, paying attention to safety and emphasising quality and progress, environmental protection is also an important element for a successful construction project. As a contractor responsible to the society, the Company implements green management when planning its construction works so as to create a good environment for the society. The Company has taken various measures for environmental protection to reduce pollution caused by the construction works to the



Staff members are very supportive of the event "Green Day" organised by the Group.



Trees conservation is also of high importance to environmental conservation. During the construction period, the Company built safety fencing around big trees for protection.

environment, reduce construction wastes, minimise the consumption of natural resources and continuously improve the environment management system of the Company. The Company's innovative environmental protection application, the intelligent multi-level working platform, for construction projects has won various awards. Besides, the Company's environmental management system has been used in sites, including the following measures for environmental protection:

- Automatic truck wheel washing machines and concrete vehicle washing wells which serve to reduce the concrete and cement sticking to surfaces of vehicles coming in and out of construction sites.
- The sewage processing plant will first purify the sewage before discharging and recycle the purified water at construction sites.
- Recycle cement facilities which serve to recycle the cement poured out of the goods compartment of the cement vehicle.

Through the joint efforts of all staff, the Company has achieved remarkable results. In 2005, the Company won various "Considerate Contractors Site" awards, "Site Cleanliness and Tidiness" awards, "Outstanding Waste Management Performance Grand Awards" awards and the Wastewi\$e Logo.

The Company has also requested the sub-contractors to comply with its environmental protection policy and will hold regular meetings with the sub-contractors to discuss issues related to the environment while a project is in progress. In addition, the Company will also organise regular promotional events for staff and sub-contractors to increase their awareness towards environmental protection and promote the conservation of resources. Besides, the Company has also encouraged its staff to study construction methods that can save energy and resources so as to achieve cost saving in the long term.

In 2005, the Company has also actively participate in environmental protection activities in the community. For example, it has organised the "China Overseas Environment Protection Day" and "Community Chest Green Day" and "Moon-cake Boxes Recovery". In addition, the Company has also organised the "Environmental Protection Knowledge Quiz Competition" and the "Environmental Protection Measures Exchange" to imbue site staff and sub-contractors with the latest news of environmental of protection.

Corporate Citizenship - The Group and Community



The Group raised funds for the construction of China Overseas Qinglong Primary School (青龍希望小學) in “Luban Family Festive Carnival 2005” (2005年魯班節合家歡聚嘉年華活動).



The Group's volunteers team organises various visits from time to time to show their love and concern to the needy.

“Social service” has always been the corporate aim of the Company. The Group has been dedicated in undertaking various types of engineering projects and also dedicated in setting up a good corporate civil model. The Group has been actively participated in various community activities, at the same time encouraging participation of the staff.

Under the eager participation of the staff, the Company gave full support to charity fund raisings such as “Walk for a Million of The Hong Kong Community Chest”, “Lifeline Express – Walkalong West Rail for Light” and “Nurturing with love – Fund-raising concert for AEFCHK” to provide help for those in need. At the same time, on the annual carnival of Luban Festival, the Group sponsored the fund raising for China Overseas Qinglong Primary School for the uneducated children in the PRC, to provide the children a better environment to study. The staff of the Company also set up a voluntary visit team and has made several visit to the elderly and organised “Love and Warmth to the home of the elderly” to offer them care. In addition to donations to local society, the Company also made donations for the Tsunami disaster in the South Asia, areas of natural disaster in Guangdong and UNICEF, with a hope to offer love and warmth for those who in need.

Besides eagerly participating in public welfare business, the Company also gave full supports to various cultural activities and has sponsored professional artist organizations in the Mainland China to perform in Hong Kong, such as “Cello Recital by Jian Wang”, “Hong Kong Moonlight Night”.

Corporate Citizenship - Prizes



** Hong Kong Occupational Safety and Health Award



State Technological Advancement Award Grade II



Wastewi\$e Scheme

Table for awards in 2005

Awards	Unit/Project	Issuing Authority
National Science and Technology Progress Award Second Prize	Construction Works Management Technology Study and System Application	State Council of the People's Republic of China
The "8th National Engineering Construction Enterprise Management Modernisation Achievement 1st Prize (第八屆全國工程建設企業管理現代化成果一等獎)"	Project Dynamic Management System (工程動態管理系統)	Construction Enterprise Management Association of China
Wastewi\$e Scheme	Offices of China State Construction Engineering (Hong Kong) Limited	Environmental Protection Department
Wastewi\$e Scheme	The Construction of Tai Kok Tsui Complex Phase 2	Environmental Protection Department
Wastewi\$e Scheme	Castle Peak Road Improvement between Ting Kau and Sham Tseng, Tsuen Wan	Environmental Protection Department
Wastewi\$e Scheme	Sha Tin Heights Tunnel and Approaches (joint operation)	Environmental Protection Department
Construction Safety Promotional Campaign Building Site Category of Competition on Safe Working Cycle (Gold Prize)	TWT398 Tai Ho Road Tsuen Wan, Superstructure	Occupational Safety & Health Council of Hong Kong etc.
Construction Safety Promotional Campaign Building Site Category of Competition on Safe Working Cycle (Bronze Prize)	New Kowloon Inland Lot 6196 Cornwall Street, Superstructure	Occupational Safety & Health Council of Hong Kong etc.
Construction Safety Promotional Campaign Civil Site Category of Competition on Safe Working Cycle (Bronze Prize)	Castle Peak Road Improvement between Ting Kau and Sham Tseng, Tsuen Wan	Occupational Safety & Health Council of Hong Kong etc.
Construction Safety Promotional Campaign Safe Working Cycle – Hazard Identification Activity Team (Silver Prize)	TWT398 Tai Ho Road Tsuen Wan, Superstructure	Occupational Safety & Health Council of Hong Kong etc.
Hong Kong Occupational Safety & Health Award** Safety Technological Achievement Award (Silver Prize)	Cyberport Residential Development for Phases RIII & RIVa (joint operation)	Occupational Safety & Health Council of Hong Kong etc.
2004 Hong Kong Outstanding Project Manager (二零零四年香港傑出項目經理) (Bronze Prize)*	Mr. William Tsang, project manager for Building 4, Science Park at Pak Shek Kok, Phase 1b	Chartered Institute of Building (Hong Kong)
Hong Kong Quality Circle Award	Xun An Engineering Company Limited	the 11th Hong Kong Quality Management & 1st Six Sigma Convention

* prizes awarded in 2005