

# Alliance

Construction Materials Limited

A **CONCRETE** commitment to the  
Sustainable Growth of Hong Kong

## Sustainability Report 2013-2014



Alliance Construction Materials Limited

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# **Sustainability Report**

## **2013-2014**





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# About this report

This report is our third Sustainability Report since we started our reporting cycle in 2011. The Sustainability Report 2013-2014 describes Alliance's performance with respect to our major environmental, social, economic and governance issues.

## REPORT BOUNDARY AND SCOPE

The Sustainability Report 2013-2014 addresses the issues and impacts of Alliance's activities from 1<sup>st</sup> January 2013 to 31<sup>st</sup> December 2014 at our controlled assets where we have the ability to set workplace HSE and other sustainability standards and therefore enforce their application. At our non-operated assets, such as Anderson Road Quarry and Huidong Quarry, we provide our performance requirements and seek to influence the assets to follow them. An overview of our business is available at "Organizational Profile" on page 3.

## REPORT APPROACH AND APPLICATION OF G4 GUIDELINES

Stakeholders expect Alliance's Sustainability Report to be complete and the information presented to be accurate and balanced. To ensure the credibility and quality of the report, this report draws on the Global Reporting Initiative (GRI) G4 Guidelines. When preparing this report we were guided by the GRI principles of materiality, inclusion of stakeholders, sustainability context and completeness. Readers can consult the GRI Table on page 53 of this report.

## STAKEHOLDER INCLUSIVENESS

Alliance consulted internal and external stakeholders in early 2014 on the materiality of the subjects we address in this Sustainability Report. The objective, for engaging our stakeholders, was to identify and define those material issues to be addressed and disclosed in this report. Please refer to the materiality process on pages 9-12 for the results of the materiality analysis and the approach we used for this exercise.

In light of the results of this analysis, we have structured the report, set priorities in the treatment of those material issues and focused greater attention on putting the results in context.

## EXTERNAL ASSURANCE

The information contained in this report has been gathered and validated with extreme care. In addition an independent verification has been conducted by the HKQAA. An independent assurance statement is supplied on page 59.

## YOUR FEEDBACK

We are making our Sustainability Report available in a print version and on our website. You can download the report in PDF format from [www.concrete.hk](http://www.concrete.hk)

We value your feedback and comments in helping us shaping our sustainability future. Please contact us for any enquires.

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# Message from CEO



## Dear Stakeholders,

I am privileged to present our Sustainability Report, one of our most important documents that summarizes our achievements during the reporting year of 2013-2014. This report outlines our efforts in upholding our responsibilities towards business sustainability, in particular our thinking about how to make Alliance a sustainable building materials supplier.

2014 is a special year for the Alliance community as it is our 10th Anniversary. As the CEO of Alliance it is of great satisfaction to see Alliance grow up, embrace a good value system, and seek higher aspirations. It is our ambition to embed sustainability into everything we do. After having walked the sustainability journey over the last 10 years, I am proud to see that sustainability has become a natural part of Alliance's identity and strategy.

This is our third sustainability report, and we have significantly improved our approach by migrating to the new GRI G4 reporting framework as well as continuing to have the report assessed by an independent third party. In preparing for this report we have reviewed the sustainability issues identified by both ourselves and our stakeholders, which are most relevant to us. To prioritize those material issues, we engaged our stakeholders in a materiality assessment process, resulted in a guiding framework which in turn will further improve our sustainability performance. For this I must thank our stakeholders

for their valuable feedback and comment towards our business sustainability, which will shape our future.

As we continue to integrate more fully sustainability into a business strategy we are making good progress toward meeting our goals of excellent business practices. For example, in occupational health and safety performance which is always our priority, we have achieved a remarkable record of maintaining a Zero Lost Time Injury rate in the entire business. While in environmental and climate protection we have continued reducing our carbon footprint and also invested financially to upgrade our pollution control facilities; minimizing the environmental impacts to our surrounding areas.

We also recognize that there are shortfalls in our performance and we will not allow ourselves to become complacent. While reviewing the wide spectrum of sustainability aspects, we find increasing pressures from: climate change threats; technological breakthroughs that push for increased transparency; the shortage of land and other resource, and, the challenges that arise from the shortage of skilled labor. All of these are pushing us to re-think and be innovative about our business sustainability. In the year ahead, we will continue setting ambitious goals for ourselves and will engender a more collective and coordinated approach to the management of our sustainability risks. This report will provide a baseline for how our performance around our key issues must improve as we move forward.

On behalf of Alliance I invite you to review our report and learn more about all we have to offer.

David Hogan  
Chief Executive Officer



## Company Portrait



### Organizational Profile

Alliance Construction Materials Limited is a Joint Venture company owned by Cheung Kong Infrastructure Holdings Limited (CKI) and the HeidelbergCement Group. Headquartered in Hong Kong, Alliance was established in 2004 and is one of the leading building materials manufacturers and suppliers providing aggregates and ready-mixed concrete to local construction projects. We currently operate 2 quarries in Hong Kong, 1 quarry in Guangdong Province in PRC and 8 concrete batching plants with 14 production lines in Hong Kong. As at December 2014, we had 283 full-time employees and 141 contract drivers.

In this reporting period our business continued to grow. We reached full production in the newly developed Huidong Quarry in the Mainland, while also increasing the supply from our partnering supplier Tai Shing Quarry in the Pearl River Delta region. To ease the challenges from cross boundary transportation, we set up an aggregates delivery depot in Hong Kong. With the aggregates delivery depot and the application of an upgraded ERP system we improved greatly the efficiency of the aggregates logistics process and thereby satisfying both internal and external demand for aggregates products.

The construction of our new production facility, a mega concrete batching plant and aggregates storage facility on Tsing Yi Island, commenced in mid of 2014. This new production facility will come into operation in 2015, and will provide us with additional production capacity, strengthening our leading position in the local building materials market.

## Company Portrait

### Alliance Value-added Process



Our quarry sites produce a diverse range of aggregates products that are primary ingredients for concrete and asphalt, as well as other construction works. The crushing plants in our quarries also accept surplus rocks from local development projects, which turns the waste into usable materials. The quarry restoration works create safe and usable land for future development for the community.

The eight concrete batching plants are strategically located ensuring the shortest delivery distances to the construction sites, thus maintaining a highest delivery efficiency while also minimizing the greenhouse gas emissions from the delivery process.

Alliance has the largest EURO V mixer truck fleet in Hong Kong which provides the highest delivery capacity that continues to satisfy our customer needs. These EURO V trucks help us support our climate protection initiatives by reducing our carbon emissions as well as enhancing fuel efficiency.

As well as offering our customers the necessary technical support, our Technical Support Team carries out internal quality controls in both quarry and concrete production lines.

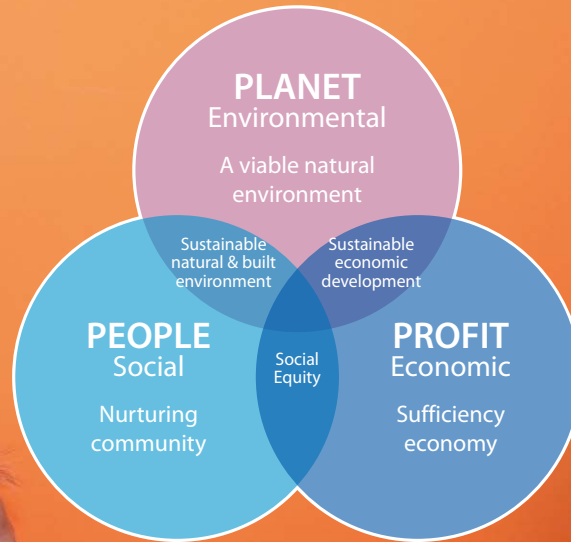
By applying the preventive and predictive maintenance approach our Engineering Team maintains the reliability of our production facilities.

The Customer Service Centre has optimized the efficiency of the entire concrete production and delivery processes, while maintaining the highest degree of customer focus.



# Company Portrait

## Values, Principles, Guidelines



Alliance has envisioned itself to be a leading building materials supplier in Hong Kong by striving for excellence in everything we do. We aimed to achieve this by applying the sustainability concept of balancing the triple bottom line.

To realize our vision we embed principles of sustainability into our business decisions. Our values, corporate principles and actions all pivot around the 3 "Ps", PEOPLE, PLANET, and PROFIT.

**PEOPLE:** We supply building materials to construct and develop Hong Kong for the well being of the people living here. While carrying out our business we respect the rights of people, including our employees and the communities where we may have had an impact.

**PLANET:** We endeavor to prevent or minimize our environmental footprint in order to support the protection of our planet.

**PROFIT:** Profit is important for the sustainable development of Alliance, our employees, customers, business partners, and other stakeholders. Under our ethical business principles and behavior, we seek innovative ways to generate profit while offering development opportunities to our business partners and stakeholders.

# Company Portrait

<u>CORE VALUES</u>	<u>PRINCIPLES</u>
LEADERSHIP	<ul style="list-style-type: none"> <li>We create a high performance culture through excellence in cost and margin control, and strive for the highest standards in the quality of our products and services, occupational health and safety, and environmental protection. We will continuously improve everything we do; and our performance is always measured.</li> </ul>
OWNERSHIP	<ul style="list-style-type: none"> <li>We recognize the success of our business is directly related to our employees and subcontractors throughout the company.</li> </ul>
ACCOUNTABILITY & RESPONSIBILITY	<ul style="list-style-type: none"> <li>Our way of doing things is identified by accountability and responsibility by all; passion, high energy and timeliness, respect and teamwork.</li> </ul>
TRUST, HONESTY & INTEGRITY	<ul style="list-style-type: none"> <li>We are honest, we always do the right thing in meeting legal requirements and social expectations. We will maintain clear and open communication throughout the company and with all our stakeholders.</li> </ul>
RESPECT	<ul style="list-style-type: none"> <li>We respect the rights of all stakeholders and will treat each other as we want to be treated.</li> </ul>
TEAMWORK	<ul style="list-style-type: none"> <li>We emphasize teamwork in achieving greater results.</li> </ul>
INNOVATION	<ul style="list-style-type: none"> <li>We always challenge the way we do business and seek out innovative means to meet our commitments.</li> </ul>
CARING	<ul style="list-style-type: none"> <li>We demonstrate our good corporate citizenship through caring for the community especially to those vulnerable groups, caring for our employees and the environment.</li> </ul>

We have a set of commonly-held values that helps us define our culture and beliefs. Our documented principles and policies/guidelines assist our employees to understand what is right or wrong and then to act in certain ways. For our stakeholders, they are the reference points for the community to understand our beliefs and principles, providing basic information about how we operate and about our perspectives on ethical issues.

## POLICIES / GUIDELINES

- Employment Policy
- Anti-harassment Policy
- Racial Equality Policy
- Anti-Bullying Policy
- Disability Equality Policy
- Training & Development Policy
- Occupational Health & Safety Policy
- Business Integrity & Ethic Policy
- Code of Conduct
- Fair Competition Policy
- Quality Policy
- Purchasing Policy
- Green Purchasing Guideline
- Employee Volunteer Policy
- Environment Protection Policy
- Energy Management Policy

# Corporate Governance

## Responsible Corporate Governance



The Executive Committee members (from left to right) Mr. Nelson Pang, Mr. Jan Vencalek, Mr. David Hogan, Mr. Kevin Gluskie, Mr. Lambert Leung, Mr. Ivan Chan, Miss Ophelia Ng, Mr. Ross Chow, Mr. Vincent Yu, Miss Lilian Wong, toasting in the Alliance's 10th Anniversary Ceremony.

Our Corporate Governance is systematic in directing and controlling of the business. It contributes to not only corporate prosperity but also to our responsibility. The goal of our corporate governance is to focus on the long-term creation of the value for our owners by incorporating opportunities and risks resulting from climate change and the push for a green economy. Our sustainability management involves setting our strategic goals. The management team keeps track of the realization of our goals, they supervise the management and communicating with our stakeholders about such as issues as our performance and stewardship of the environment and our communities.

The Board of Directors of Alliance are appointed from our parent companies (Anderson Asia / Cheung Kong Infrastructure & PICON / HeidelbergCement) and is our highest governance body that carries out the fiduciary, equitable, statutory and contractual duties; whereas the Executive Committee is responsible to the management of the business and reports directly to the Board of Directors.

The Risk Management Steering Committee that is chaired by our CEO, and comprises of the senior management team members who have the role of overseeing the sustainability of the business through policy and strategy setting, implementation of determined actions and, performance review and reporting.

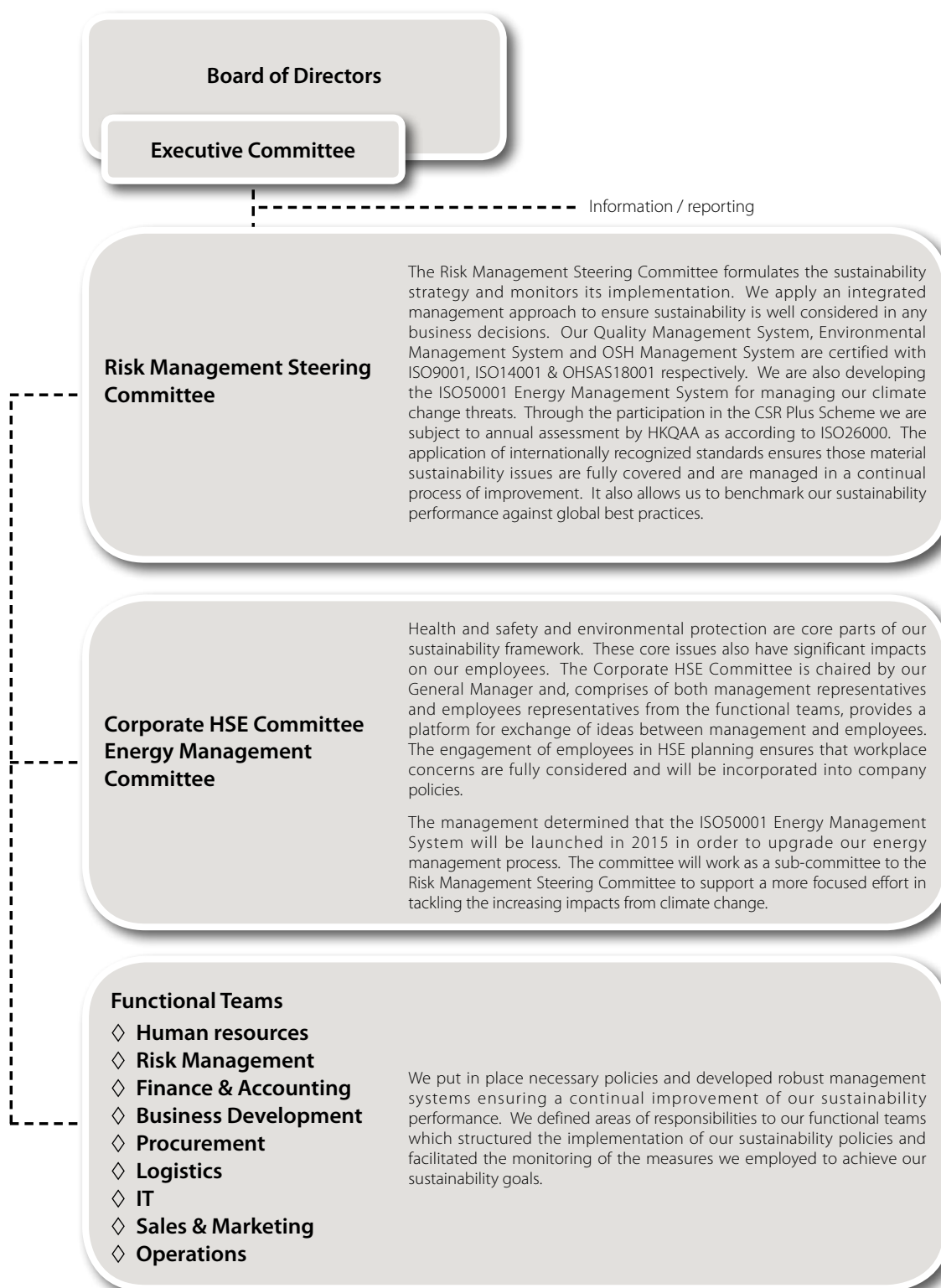
Being a joint-venture company Alliance is required to adhere to the sustainability policies of both parent companies, and is subject to a series of internal audits and controls.

With regard to legal compliance, it is our policy to set legal compliance as a baseline as we strive to operate to the highest possible standards. Our Code of Conduct requires our employees to exercise due diligence and adhere to ethical business principles. Our Compliance Officer who reports directly to the Executive Committee not only monitors our legal compliance status, but also coordinates with relevant legal parties and external experts for the training and promotion of legal compliance and ethical business enhancing the awareness of our employees.



# Corporate Governance

## Sustainability Management



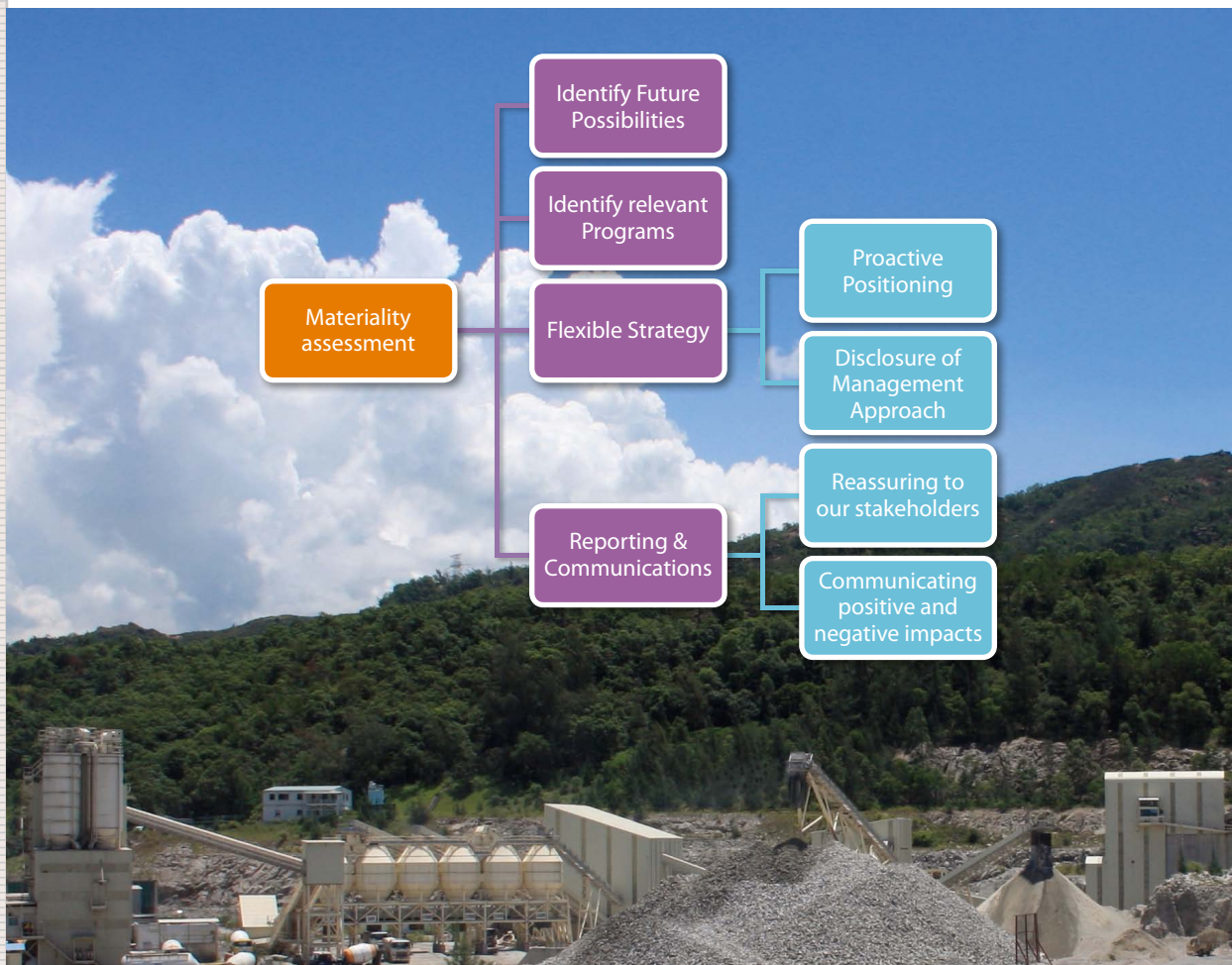
## Identified Material Aspects & Boundary

### Purpose Of Materiality Assessment

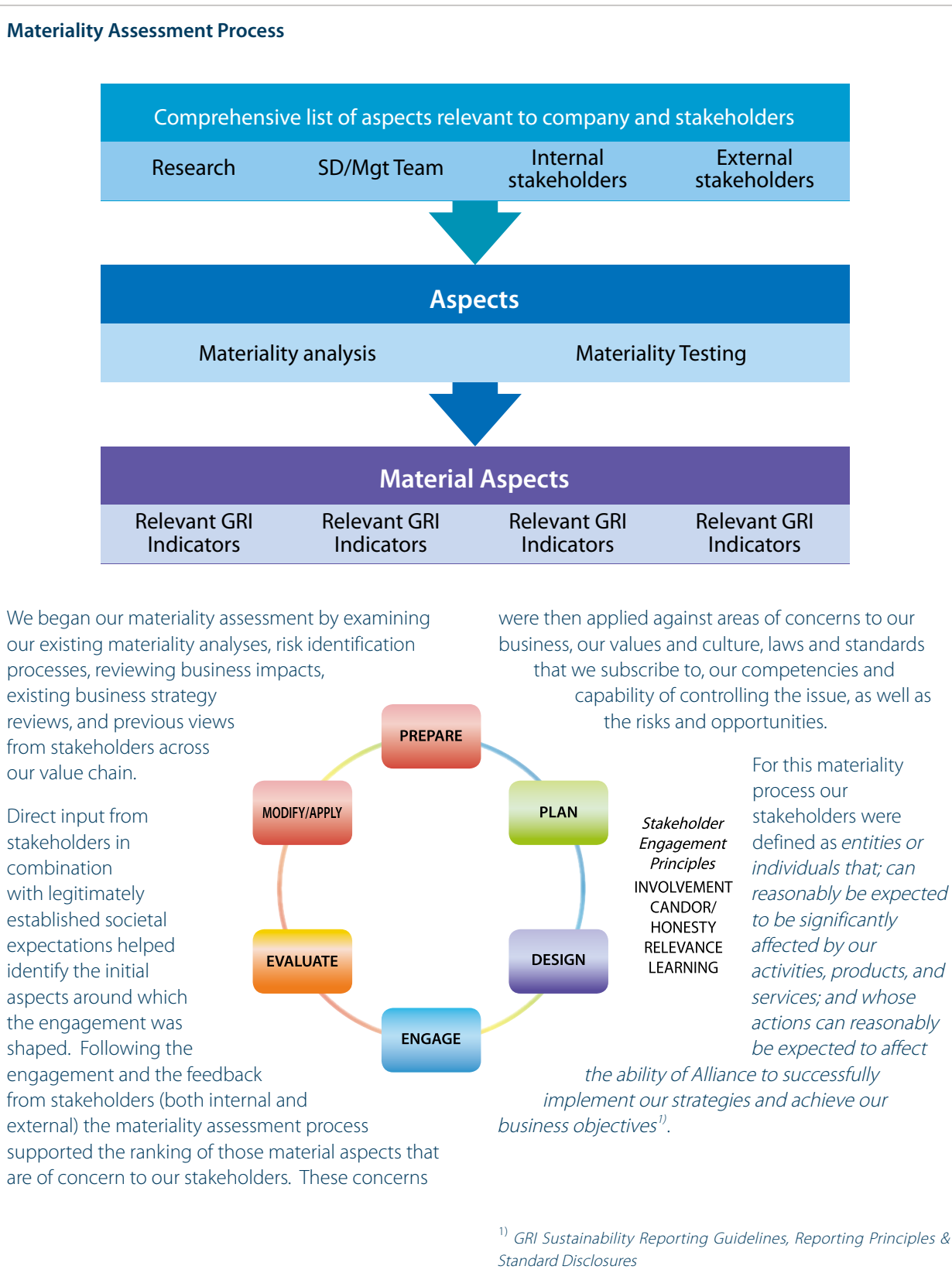
Sustainability reporting is a critical first step in implementing a strategy that can help us understand the possible impact we may have on our stakeholders. In addition, it supports the development of ways we might mitigate negative impacts on our economy, society and the environment. With the increasing demand from our stakeholders, we are seeing our business objectives increasingly becoming more in line with a sustainability strategy. To ensure that the major concerns our stakeholders have raised about our business are integrated into our strategy review and be fully addressed in our sustainability reporting we are migrating our reporting standard from GRI G3.1 to G4 Core where stakeholder inclusiveness is emphasized. We undertook a stakeholder engagement process whereby our stakeholders and the resulting materiality assessment have informed the development of this report and the formulation of our sustainability strategy.

There are four elements to the purpose of our Materiality Assessment:

- To design a responsive business strategy;
- To identify future possibilities and changes happening across the business landscape that affect our business;
- To develop relevant programs or initiatives that support the business and our sustainability strategy;
- To ensure the findings of the Materiality Assessment feed in to the reporting and communication process allowing the business strategy and programs to be shared with stakeholders.



# Identified Material Aspects & Boundary





## Identified Material Aspects & Boundary

### Gathering Of Material Aspects Relevant To Both Alliance And Our Stakeholders

-  **What are the priority issues?**
-  **How to incorporate into strategy?**
-  **How to communicate with stakeholders?**

#### Preparation & Planning

We started our Materiality Assessment Process with a management workshop in early 2014 in which the management team discussed widely the economic, social and environmental aspects around our business, identifying what we believe to be Alliance's material aspects as well as the stakeholders we believe to have significant affect on and influence to our business. The management team also began the identification of what we believe our stakeholders would be most interested in, or concerned with, in terms of our operations and performance.

#### Background Research

In order to have a more comprehensive picture of the business landscape we carried out background research of the building materials industries both in Hong Kong and other regions of the world. The research allowed us to review what is happening across the sector and be aware of other companies' performance in the areas of particular concern.

#### Stakeholder Identification

Alliance has undergone three cycles of the reporting process, helping us to ensure awareness of CSR issues relevant to the company and thereby increasing our ability to integrate CSR in to business processes. Our management team has become increasingly aware of the stakeholders that are important to the company's performance. Coupled with initiatives taken by our parent companies and other companies in the industry sector we were able to identify a list of stakeholders and their areas of concern as well as those stakeholders who would be open to sharing their perspectives on material issues.

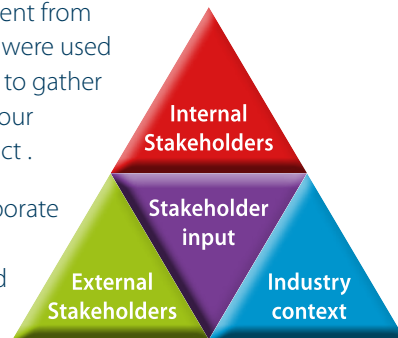
#### Stakeholder Engagement

A combination of different methods including, questionnaire, a questionnaire plus interview, and an invitation to comment from stakeholder's respective area of expertise, were used in the stakeholder engagement as means to gather as much feedback as feasibly possible on our performance, reporting and areas of impact .

The questionnaire was designed to incorporate both the key issues identified by the management team with key aspects listed by the GRI G4. The questions included asking stakeholders to rank those aspects

they believed could have a significant impact on Alliance's ability to achieve its business strategy, as well as ranking the overall impact or significance of the aspects. This approach was used to support the process of determining both relevance and significance, of the material aspects, to both the business and to stakeholders. Employees and key customers were asked to fill in a questionnaire with both closed and open-ended questions.

For the key internal and external stakeholders we engaged a third party to carry out: one-on-one interviews and to further explore their feedback on the questionnaire, discuss the aspects they ranked and to have in-depth discussion on top issues they selected; while also collecting their feedback on our Sustainability Reporting.



## Identified Material Aspects & Boundary



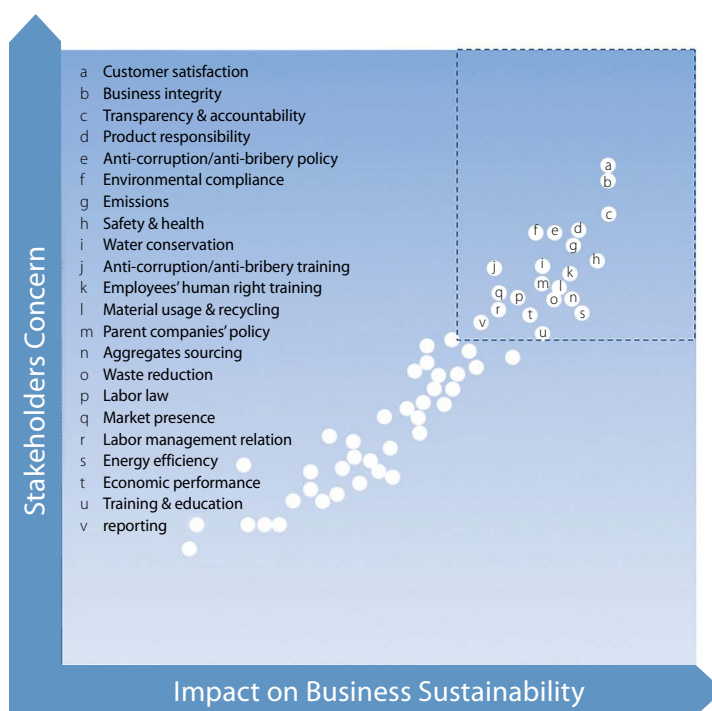
### Materiality Analysis

The material issues identified by the stakeholders were consolidated and ranked. The conversations from the interviews were reviewed and used to support or highlight the qualitative explanation behind the prioritized aspects.

Using this information whereby stakeholders had indicated the material aspects that are of concern to them as well as ranking these aspects in terms of their priority to the business, we held a follow up management session in October 2014.

### Materiality Testing

In the follow up management session we revisited the material aspects through a series of questions that highlighted their significance to the business. The results of the materiality analysis and materiality testing were then used to support the review of the business strategy and to structure the Sustainability Report.



Materiality Matrix resulted from stakeholder engagement

## Challenges & Strategy

### Sustainability Risks and Opportunities

Alliance aims to be the leading construction materials supplier in Hong Kong. We produce quality products and provide professional services that meet our **customers' expectations**, while contributing to the economic development of the community in a manner that aims to be **socially and environmentally responsible**.



In our last reporting cycle, we determined the five core elements of our Strategic Principles (p13 Sustainability Report 2011-2012). The five core elements support the effective allocation of management resources while keeping track of the progress of the associated action items. When carrying out the materiality testing and preparing for this report, the Strategic Principles were reviewed in order to confirm their continued suitability under the current business landscape. The review included the risks and opportunities, our stakeholders raised, which in turn could be generated from those identified material aspects.

Fundamental to Alliance's success is a high standard of corporate governance. Our stakeholders suggested that business integrity, transparency and accountability including anti-bribery and corruption, and fair competition to be material aspects. While reviewing these aspects within today's business environment, the Corruption Perception Index shows us that the risk of corruption in Hong Kong has been increasing these years. The approach of the competition law as well as the new and more stringent requirements in, for example, environmental law(s) has driven us to re-visit our risk profile and to review the effectiveness of existing control mechanisms.

Both quarrying and concrete industries are perceived as polluting. Faced with the actualization of "NIMBY", coupled with the problem of the shortage of land for building production facilities, we recognize that communicating proactively with stakeholders in our communities about our good neighbor practices are thus important elements to our overall sustainability strategy.

To tackle the imminent closure of Hong Kong quarries we have secured aggregates sources in Mainland China. Our expansion of operations in Mainland China also comes with challenges that include: product quality, occupational safety and health, environmental footprint and transportation which requires us to be more vigilant and

creative to our operations and management control, for example to enhance the efficiency of the cross boundary logistics.

Raised by many stakeholders were the issue of labor relations and the shortage of skilled labor, which have also been discussed, in recent years, within different industries across Hong Kong. Our answer to the question of how to attract and retain the employees is to make the positions we offer more appealing, that is a career rather than just a job. Our Decent Workplace Framework (p36 Sustainability Report 2011-2012) which, combined safety & health, equal opportunity, employee development, employee consultation and involvement, as well as work-life balance, will continue to play its role in our HR policy and be one of our sustainability priorities.

We recognized the threats of climate change and started Carbon Footprinting our operations in 2008, and have since continually sought ways to reduce our emissions. The pressures associated with the issues of climate change have both challenged and pushed businesses. For Alliance it has pushed us to seek new opportunities to innovate while up-holding our environmental responsibilities. Within Alliance and the wider building materials industries, reducing our environmental footprint is becoming a mandatory business goal. This trend allows us to innovate for new products as well as improving our operations' sustainability performance, allowing us to grasp new business opportunities while respecting the expectation for greater corporate responsibility to society. We also recognize that the issues our stakeholders have raised are not discrete. To address the issues we will take an approach whereby the issues are interrelated and therefore decisions or actions taken in one area will have an impact in others. For example the Sustainability Priorities identified on the next page resulted from the materiality testing and come together under the theme of "responsible sourcing of building materials".



## Challenges & Strategy

### Sustainability Priorities



Our Sustainability Priorities were derived from those material aspects that suggested by our stakeholders and, in turn, were tested against the relevance to our business, including: risks and opportunities to our business sustainability; our knowledge and capability to influence or control these aspects; the relevant law(s); rules or standards to which we subscribe, and; our sustainability strategic principles.

#### STRATEGIC PRINCIPLES

#### SUSTAINABILITY PRIORITIES

##### EXCELLENCE IN INNOVATION & QUALITY

##### Processes Optimization & Product Innovation

- ⇒ Maintaining the highest degree of customer focus
- ⇒ Offering our customers best quality products and services
- ⇒ Innovation in sustainable concrete performance

##### LEADING MARKET POSITION

##### Advocacy in Product Responsibility

- ⇒ Corporate social responsibilities as integral part of market positioning strategy
- ⇒ Product life-cycle impact assessment and minimization
- ⇒ Driving Product Responsibility stewardship in the industry

##### EMPLOYER OF CHOICE

##### Decent Workplace

- ⇒ Excellence performance in occupational safety & health
- ⇒ Employee training & development
- ⇒ Employee communication & involvement
- ⇒ Work-life balance

##### ENVIRONMENTALLY RESPONSIBLE BUSINESS

##### Reducing Environmental Footprint

- ⇒ Enhancing energy efficiency
- ⇒ Carbon reduction
- ⇒ Waste reduction
- ⇒ Natural resources conservation

##### COMMUNITY ENGAGED

##### Ethical Business & Caring

- ⇒ Good neighbor practices
- ⇒ Community dialogue
- ⇒ Employee volunteering & charity support
- ⇒ Ethical behavior & business practices



# Community

Taking on social responsibility as a core value of our business is the basis for operating responsibly. We play an important role in building Hong Kong and we see ourselves as a part of its growth.

## Community

### Our Approach to Community Development



Alliance has strong local roots and as such considers investing in our operations in Hong Kong for the long term as our responsibility to the community. We recognize the impacts we might have on neighboring communities and so our approach towards community development is always strategic, not philanthropic and is embedded into our core business strategy. Our community development approach is built upon 3 pillars: the societal needs; our stakeholders' views and concerns; and, our expertise and capability to address these aspects.

**Targeted Societal Needs:** Being one of the major building materials suppliers in Hong Kong we are in a good position to satisfy the booming housing and infrastructure needs. While we continued expanding our production capacity in the reporting period, our community development strategy was driven by our triple bottom line. Please see more information in the Environment Section on page 23 and Marketplace Section on page 43.

Extensive discussions have recently taken place on how the younger generations will fair in the future of Hong Kong. The skills mismatch, social mobility and low productivity in the workforce were raised by the "Thoughts for Hong Kong" publication of the HKSAR in 2013 as a result of their public engagement exercise on Population Policy.

While the education sector and the government are taking steps on education and vocational training and re-training, we have recognized that our community

is calling for greater collaboration between employers and education institutions. Our partnerships that support our aim of nurturing our young people and equipping them with the skills needed for their future career development are outlined below.

Although our stakeholders did not consider charitable donations or volunteering to be most material aspects to our business sustainability, our approach to "giving" is to foster a caring culture and a supportive environment for our people.

We respect the rights of our employees, business partners and the community and actively commit to promoting their fundamental human rights within our sphere of influence. Therefore we advocate for ethical business behavior and showcase our good practices through schemes such as the CSR Plus by HKQAA.

**Views and Concerns of Stakeholders:** We learned from our stakeholder engagement and our on-going dialogue with our neighboring communities that they have high expectations of our environmental performance, in particular for pollution control. The incorporation of our stakeholders' concerns and aspirations into our business decisions has resulted in our continual improvement of our environmental performance.

Communicating proactively with our community about our expertise and current good practices aims to support the change in perception toward our industry sector. Throughout this reporting period we reached out to different stakeholder groups, such as professional associations, NGOs and clients to share our experience and environmental studies relevant to the industry sector. At the Lam Tei Quarry site, we partnered with our client to develop means for on-going dialogue with our neighboring communities in order to resolve any conflicts while enhancing mutual understanding.

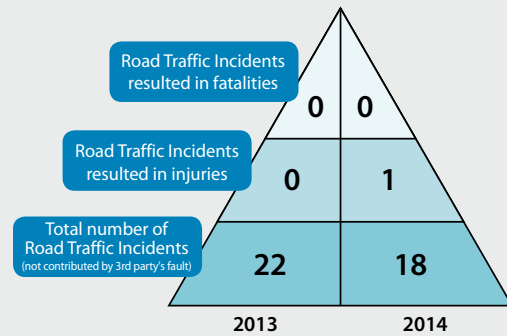


## Community

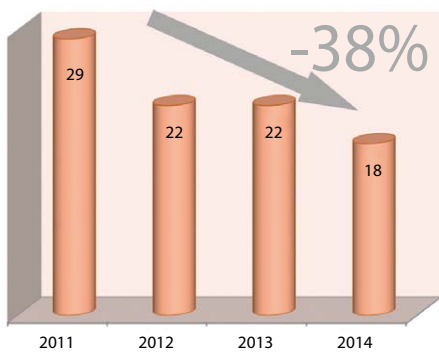
### Road Traffic Safety



Yearly Total Number of Road Traffic Incidents



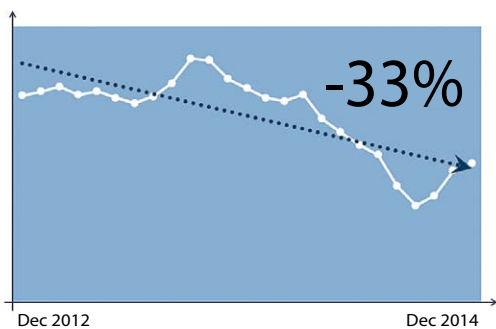
Comparison of Yearly Total Number of Road Traffic Incidents



We put in place the Traffic Safety Management Program across our operations by engaging Hong Kong School of Motoring for on-going driving safety training, and promotion, and post incident evaluation. Our regular auditing and other fleet management control measures support the enforcement of our policy towards road traffic safety, and the continual improvement of our fleet safety performance.

During this reporting period of 2013-2014 we recorded a downward trend in road traffic incidents. Our yearly total number of incidents declined from 29 in 2011 to 18 in 2014. The 12-months moving average incident frequency rate of our mixer truck fleet as of December 2014 was 2.5 per 1 million km travelled, a reduction of 33% as compare to December 2012.

12 Months Moving Average Mixer Truck Road Traffic Incident Frequency Rate per 1 Million KM Travelled



Our preventive maintenance program helps to reduce vehicle breakdowns, is an important element of fleet safety and programs such as the "wheel nut indicator" supported by regular inspections has eliminated the incident of truck wheel detachment from occurring in our fleet during the reporting period.



Wheel Nut Indicator

## Community

### Good Neighbor Practices



Recognizing that air emissions, noise, and water pollution are present in our operations, we understand how important it is to protect our neighbors from any environmental nuisance that result from our activities. Our approach is to prevent or isolate these emissions at their source. Through planning and proper design of our production facilities, such as the enclosure of the concrete production lines or the aggregates conveying systems inside the quarry, and the selection of low noise level machinery we are able to meet the most stringent pollution control standards as stipulated in relevant legislation.

Further, we continued to invest in the slurry treatment system that controls slurry water and has been proven successful in our Tsing Yi concrete plant. At the end of 2014 we had 5 out of 8 concrete batching plants installed with this system as well as incorporated in to our new concrete plant design.

In response to the launch of the new Air Quality Objectives for Hong Kong in 2014, we invested in upgrading the dust extraction system in selected concrete plants, thus reducing the dust emission concentration from site-specific emission points. We also developed site-specific Air Pollution Control Management Plans to enhance our site air emission monitoring and control processes. In addition, we reduced the air emissions from our mixer truck fleet operations by replacing the old trucks with the low emission EURO V trucks. At the end of 2014 75% of our mixer truck fleet had been replaced with EURO V trucks.

Local environmental and pollution impacts have been fully considered in the early planning stages

as we have developed an integrated approach to design and operations. This applies to our quarry sites, both in Hong Kong and in Mainland China. The quarry restoration goes hand in hand with the stone extraction to not only minimized the visual impacts, it eliminates the top soil erosion while also suppressing the transmission of pollutants to surrounding areas.

#### SIDE STORY Lam Tei Quarry



Rapid residential development within the Lam Tei quarry area had the potential to result in a stressed road

traffic network. The quarry management sought proactive ways to communicate with local residents to avert conflict. Dialogue with the community was undertaken with the assistance of the CEDD, the District Council and relevant government departments. As a result of the constructive engagement with local residents and other stakeholders, alternate traffic routes for diverting a portion of the traffic away from the quarry, eased the traffic burden on the major access roads. As for other environmental impacts such as the vibration from blasting, by implementing precise blasting techniques we minimized the impact to affected areas.

Our quarry management, as a community service, initiated regular street cleaning in the adjacent areas so as to minimize the dust emissions from traffic movements. Further, we arranged site visits for our neighboring communities and green groups in the reporting period which, allowed us to show our good neighbor practices to our stakeholders while providing opportunities for the exchange of ideas and enhancing mutual understanding.

# Community

## Nurturing our Younger Generations



The aim of our community development programs is to achieve win-win solutions. Our Hong Kong youth face market challenges including lack of experience

for finding employment and therefore face hurdles related to social mobility. The linkage between these development challenges faced by our youth and the problem of shortage of labor faced by our industry sector means the nurturing of our younger generations, preparing them for their future careers should add value to both the students, the marketplace, and the society as a whole.

Our approach is, that nurturing our youth by offering them jobs, internship opportunities, and mentoring means they can learn and develop their professionalism and positive attitude. They receive an opportunity to continuously explore real world business environment while discovering their own goal and position in life. Within the reporting period of 2013-2014, we continued our partnership with the Hong Kong Institute of Vocational Education (IVE) for both the summer internship program, the Professional Mentoring Program and the donation of scholarships to students while extending our internship program to accept students from other universities such as the Hong Kong Polytechnic University.

### SIDE STORY Summer Internship

The Summer Internship Program, launched in 2010, has become an integral part of our community development program. To allow the participating students to experience the real business practices, the program is structured to include job application and selection processes, orientation for new recruits, on-the-job training and placement, and subject to the internship duration, a job rotation arrangement. During the internship, students are required to work with permanent staff and are assigned with job tasks. They are also provided with opportunities to interact with senior levels so that they can learn the various dimensions of an organization.

From 2013 to 2014, altogether 17 students from IVE and other institutions had completed their summer internship in various departments within Alliance. During their final presentation to management the participating students shared that in addition to learning technical skills during the job placement, the internship program enabled them to appreciate the importance of teamwork. Further they remarked that the experience enhanced their interpersonal skills and working attitude giving them confidence as they start their career.





## Community

### PRACTICAL EXAMPLE Professional Mentorship Program

The Professional Mentorship Program is organized by the Department of Business Administration of Hong Kong Institute of Vocational Education (Kwai Chung) and aims to complement the students' academic life with a taste of real business practices and protocols. When matching program objectives with Alliance's community development goal of nurturing our youth, we considered mentoring as effective means of engagement. This approach provides them with one-on-one interactions with senior managers thus learning more in-depth understanding of Alliance, the industry as well as real world business.



Five of our managers completed two mentoring cycles in the reporting period of 2013-2014, who offered mentoring to 20 students. We kicked off the mentoring cycle by arranging site visits for the students so they could have greater understanding of our operations. During the 6-months program, the regular interactions between the managers and the students, whether it's a casual chat or a social gathering, provided opportunities for the exchange of ideas and sharing of experience.

### PRACTICAL EXAMPLE Scholarships Donation



We are honored to be invited by IVE to donate scholarships to their best performing students. In the year of 2013 and 2014 we donated 6 scholarships with a total of HKD17,000. The Scholarships intended to encourage those high achieving and self-motivated students who also demonstrate strong leadership abilities and outstanding personal qualities. Although the financial support to their studies was not major, we hope the recognition will support the students to achieve their full potential.

### PRACTICAL EXAMPLE Management Trainee Program



Our long-term business performance and development very much depends on our strategic succession planning and the cultivating of future leaders. Using a systematic management trainee program to develop the competencies of our young graduates, including the technical knowledge of the industry, management and leadership skills, and most importantly the core values of Alliance, is conveyed while working alongside our senior managers and other experienced practitioners.



# Community

## Charity and Volunteering



Meaningful work in the community through supporting charities, and volunteer work gives employees opportunities to hone their skills in new and challenging situations. By practicing in a charity run to raise funds for a selected vulnerable group, or to volunteer to help our elderly, employees will appreciate the real meaning of “giving”, which in turn fosters the caring culture within our organization.

We partnered with Charitas Hong Kong so we could have their professional support and guidance when planning our charity support and volunteering and to identify where we can add most value. Our Volunteer Team has also registered at the Agency for Volunteer Service, enjoying their training and volunteer referral services.

To promote greater participation by employees, we match the skills and interests of employees to the charity or volunteering opportunities. We have also supported our employees to do the volunteering during work hours. In 2013 and 2014 our volunteer team entered into 16 charity events, helped raise funds for local charities that included Agency For Volunteer Service, CHASE, Joyful (mental health) Foundation, Children’s Heart Foundation, UNICEF, and Sower Action. Other than supporting the fund raising events, we “give” our love and care through different means, for example our volunteers gave blood during the Blood Donation Campaign, visited the elderly home, we donated 22 sets used computers and other devices to Charitas Hong Kong, and made financial donations to selected charities.

## Community

### Ethical Business Practices

Being one of the major players in the building materials industries in Hong Kong, we have an advocacy role to push for good practices. Our Code of Conduct that governs our ethical business practices of our employees and supports the core values of Hong Kong where society has high expectation for integrity within businesses. It was also made clear from the stakeholder engagement we did in 2014 that our stakeholders would like to see Alliance be the market leader by demonstrating strong leadership qualities and practicing ethical business behaviors that support a just community.

After reviewing our risk profile in relation to ethical business practices, we and our stakeholders identified anti-bribery and anti-corruption and fair competition to be major areas of focus under the current climate in Hong Kong as well as the global business landscape. In addition to the on-going review of our corporate governance systems and the auditing from both parent companies, we promote within the organization the importance of business integrity through various means including training. We appointed a Compliance Officer who coordinates with external experts in delivering legal and other ethical business messages to our employees, so that we continuously improve our governance and reporting systems.

### Way Forward

We established our good neighbor practices, community dialogue, employee volunteering & charity support, and ethical behavior & business practices as our sustainability priorities under the strategic principle of Community Engagement. We believe we have progressed significantly with these sustainability priorities in this reporting period. Moving forward with our community development initiatives, we will continue to look for ways to embed the ethical business behaviors into our business practices. Our reporting and other means of communication allows our stakeholders to keep track of how we are upholding our responsibilities of doing our business in a fair and lawful manner. We will continue the investment in the best-in-class pollution control facilities and management systems throughout our production plants in order to realize our commitment towards good neighbor practices. Nurturing the young while caring for the senior and the vulnerable will be the focus of our people oriented community development program. Through partnering with more charity or volunteering organizations we will expand our community works and outreach to more vulnerable groups in need in the years to come.

### PRACTICAL EXAMPLE Anti-Corruption Training

Fairness and honesty are values that we embrace in our business. To ensure our employees' ethical business behavior, we translate these values into principles so that they can guide and motivate ethical conduct. As suggested by ICAC in cases they have investigated, the root of many problems lies in the failure of individuals to uphold a desirable standard of integrity. Thus our strategy for preventing corruption and unethical behavior has been focused on provision of necessary guidelines and information to employees and through regular training by experts who reinforce the legal requirements and appropriate ethical business behaviors. In the reporting period of 2013-2014 we incorporated the anti-corruption briefing into the Induction Training and provided this to 134 newly recruited staff. We'll also invite experts from ICAC to deliver training to management staff.



### PRACTICAL EXAMPLE Competition Law Training

The first economy-wide competition law was signed into law in 2012 and is expected to take full effect by mid-2015. Although there are still debates on the provisions of the Ordinance by different stakeholder groups, to prepare ourselves for the new legal regime, and most importantly to meet the society's expectation towards fair business conduct, we appointed a Compliance Officer who worked with legal experts on the necessary preparation. In this reporting period we have put in place our Fair Competition Compliance Policy and established our Fair Competition Compliance Manual that contains legal compliance guidelines assisting our employees to comply with the law. To ensure our employees would have thorough understanding of the competition law we also provided different levels of management staff the competition law training. In addition, the Fair Competition Compliance Bulletins we published providing our employees with information and case studies on how the provisions of the law would apply.



## Environment

We have made a strong commitment to deliver products and services in a sustainable way in order that we protect the environment and our planet's future.



## Environment

**Environmental Management in Alliance**

Building on our use of the ISO14001 accredited Environmental Management System to ensure our environmental impacts are fully addressed; Alliance aimed to manage all activities and facilities in a manner that minimizes our negative impacts while focusing efforts on driving for continual improvement of our environmental performance.

Further, we are working to reduce our climate change impacts by pushing towards a low carbon economy, reducing our waste, contributing to natural resources conservation and sustainable land use.

To address climate protection and carbon reduction, we have measured the carbon footprint of our operations since 2008 so we can reduce our carbon emissions by, for example, improving our energy efficiency. The carbon reduction goals we set for ourselves have helped to drive innovation in energy saving and additional carbon reduction initiatives. Our efforts have reflected positively in our energy efficiency improvements and the achievement of our carbon reduction targets.

An urgent matter for Hong Kong and society as a whole is waste management and waste to landfills. By improving our slurry water treatment system coupled with our other waste reduction measures we managed to reduce the waste that generated from our concrete plant operations. The treatment plant we installed at our concrete batching plants reclaimed aggregates from the plant wash making them available for recycling. The filter press machine also removed most of the water content from the waste volume which in turn reduced the leachate handled by landfill operators. Further, our crushing facilities in Hong Kong have continued to accept surplus rocks from local development projects and turn this waste material into usable aggregates, avoiding disposal at landfill sites or being transported to other regions.

In addition to contributing to local economic development, our quarry sites, both in Hong Kong and in Mainland China contribute to local land use planning. After completion of the aggregates extraction, we invest in the restoration of the quarry site to improve the environment in and around the site providing safe and usable land for future land use planning.

We see ourselves as one of the leading companies in the building materials industries and so we bear in mind our advocacy role for driving environmental initiatives. We shared our experience in carbon footprint, waste management, and quarry rehabilitation with industries via HKPC's CarbonSmart platform, and other events organized by, the Construction Industry Council, Chinese Manufacturers Association, HKGBC, BEC and other education institutions.





## Environment

### Energy and Climate Protection

Both quarrying and concrete production and delivery are energy-intensive operations, which emit a significant amount of Carbon emissions. To uphold our responsibilities towards sustainability, and adhere to the Carbon Roadmap, we have set a target of 15% reduction of our emissions by 2020 based on our 2007 baseline.

To minimize our emissions we focused our efforts in 3 major areas, they are:

- Improve the energy efficiency of our production lines;
- Reduce emissions from transportation; and
- Use local or regional materials minimizing the emissions from materials transportation.

We encourage our employees to practice energy saving in their daily routine. Our energy saving fund also motivates the teams to contribute innovative energy saving ideas. The modification of work practices and facilities has resulted in 18% reduction in the concrete production electricity intensity as compared to 2007.

To reduce the emissions from transportation, in concrete delivery we replaced our mixer truck fleet with the environmental friendly EURO V trucks, and the aggregates depot that opened in 2014 improved the efficiency of the aggregates delivery process, which in turn minimized the emissions from transportation.

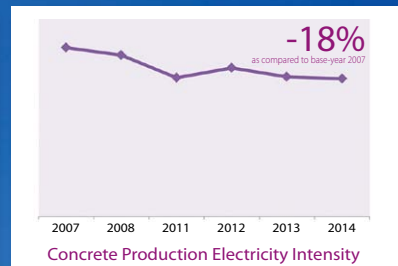
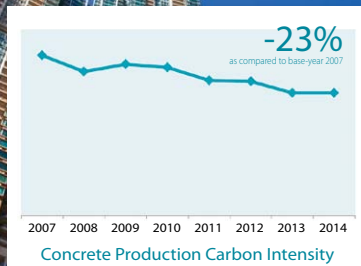
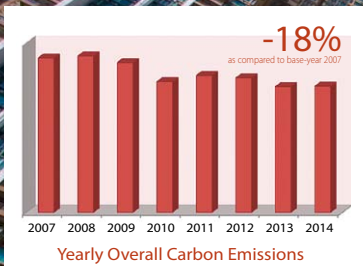
**“Our focus on the environment and sustainability will go hand in hand with our business growth”**



David Hogan  
Chief Executive Officer

Our Concrete Product Carbon Footprint Mark with its annual verification process ensures the integrity of our Carbon inventory. This includes origin of our materials as well as the emissions from materials transportation. The policy of using local or regional materials has allowed us to minimize the embodied Carbon of our concrete products.

To further enhance the effectiveness of our energy management we are currently developing the Energy Management System (EnMS), which we target to have the EnMS accredited to ISO50001 by end of 2015.





## Environment

### PRACTICAL EXAMPLE

#### Carbon Footprint

We identified the threats from climate change and have been determined to reduce our emissions since 2008. By using our 2007 level as a baseline we decided to reduce our Carbon Footprint by 10% by 2012 and 15% by 2020. These Carbon reduction goals have driven innovative energy saving ideas including; modify the load and haul process in the quarry; improved the efficiency of concrete delivery logistics, and; other energy saving initiatives in the production lines that allowed us to meet our 2012 targets in 2009.

Building on the success of Carbon Footprinting for our operations, we extended our Carbon Footprinting to the embodied Carbon of our concrete products. We received the first concrete product Carbon Footprint Mark in Hong Kong and can now provide verified data for local development projects' measuring their project Carbon Footprint.

To uphold our advocacy role in the industry, and supported by our customer focused principle, we developed the Concrete Carbon Footprint Calculator to provide our customers with a precise calculation of the embodied Carbon of the concrete products they aim to purchase. The Concrete Carbon Footprint Calculator was developed in 2013 by using the ISO14064 verified Carbon Footprint data. The calculator not only enables customers with verified and accurate data for their project Carbon Footprint, it facilitates active green purchasing by our customers.

### PRACTICAL EXAMPLE

#### Energy Saving Initiatives in Concrete Batching Plant



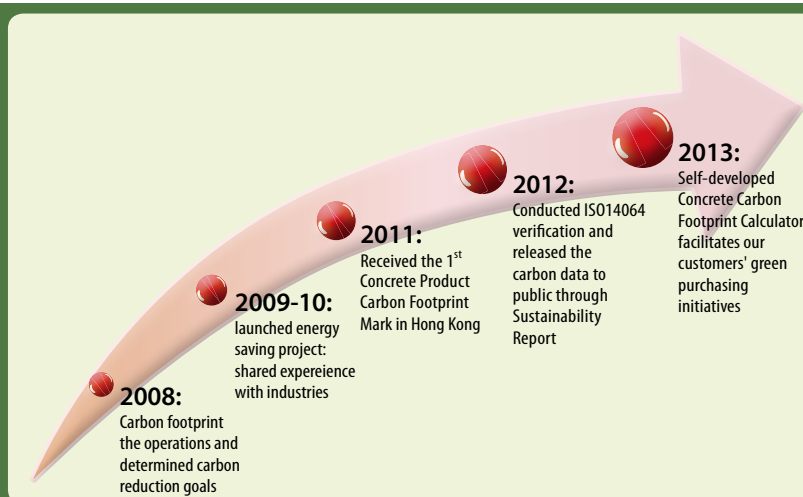
As a direct result of the energy audit we conducted in 2008, we identified several opportunities for improving our energy efficiency. These included: replacement of the T5 or LED lighting; installation of frequency inverter for heavy machinery, and; modification of operation flows. The energy saving fund we established also supports the energy saving investment by motivating our employees to contribute innovative ideas.

Through available studies and research in which we have invested over the last few years we have grown our understanding of how the concrete batching plants can achieve greater energy efficiency. For example, the translucent cladding structure that allows penetration of natural light reduced the energy required for illumination; the installation of a frequency inverter to heavy motors; the application of a PLC system to link the material conveyance system with the relevant machinery so we could reduce the energy consumption during idling times, and; the selection of suitably sized mobile machinery has reduced our diesel consumption.

Since the launched of our Energy Saving Project whereby we have modified our production facilities and processes, we have reduced the concrete production electricity intensity by 18% as compared to 2007 levels.

## Alliance's Carbon Footprint Journey

We have progressed in reducing our Carbon Emissions, and we help our customers make green choices when purchasing



## Environment

### Waste Reduction

We determined waste reduction to be one of the material aspects for our sustainability planning. By identifying the different waste sources from our operations, putting in place various control measures and waste reduction programs we aim to minimize our waste volume.

For construction waste that is generated from our construction projects such as demolition or construction of production facilities, or plant modification work, we partnered with our subcontractors for waste separation and recycling. The waste management program at our quarry sites controls the waste disposal through the use of a waste chit system, which is monitored jointly by the quarry management and the client.

In our concrete plants we installed a concrete reclaimer and filter press which both reclaims aggregates and water from the plant washout. This has greatly reduced the waste volume. In addition, we have a fluorescent lamp recycling program, chemical waste collection and recycling procedures in place to avoid the disposal of hazardous waste. Further, we donate old computers to charitable organizations, combined with our paper saving initiatives in our offices; all contribute to the achievement of our waste reduction goal.

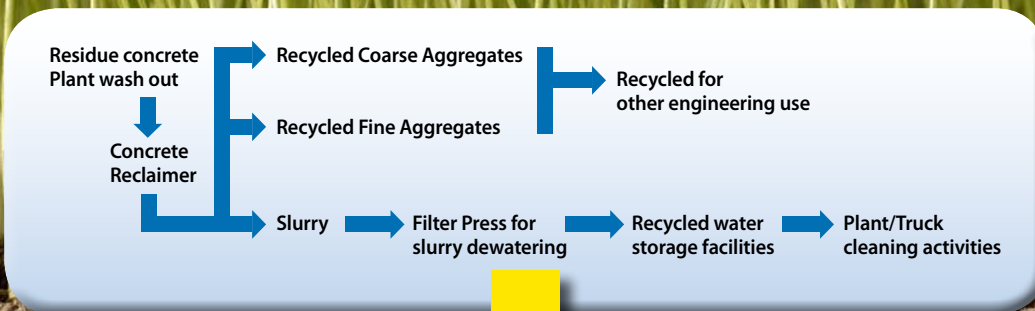
### PRACTICAL EXAMPLE

#### Reduction of Concrete Waste

We identified our major waste source as the concrete waste from residue concrete returned from customer sites and washout from concrete batching plants. Our first step is to eliminate the residue concrete at its source and then through engineering methods we further minimize the waste downstream. Our Customer Service Centre provides optimized order taking and delivery planning so we can provide our customers with accurate information and thereby reducing the concrete residue.

The slurry water treatment system we have in our concrete batching plants reduces the waste volume in 2 stages. When the plant washout passes through the concrete reclaimer, both coarse and fine aggregates are screened out for recycling purpose. The filter press machine, which is downstream, extracts significantly amount of water content from the slurry which, recycles the water for plant yard and truck cleaning activities as well as reducing the waste volume to be disposed of at landfill sites. Compared to traditional waste handling methods this system can reduce the waste volume by more than 50%.

## Our Sustainable Practices



**SOLID WASTE  
- 20%**

## Environment

### Resources and Natural Habitat Conservation



We understand natural resources are finite and we must extract or use them in a sustainable manner, therefore we are endeavoring to minimize the use of raw materials in both our products and our operations. For example, we use alternate cementitious materials in our concrete products. The Pulverized Fuel Ash (PFA) is a waste product of power stations. The use of PFA in concrete production prevents this waste material being disposed of at landfills and instead turns it into usable raw material for producing concrete. With our precise concrete engineering we are able to maximize the application of PFA within the specified allowable quantity in our concrete products. The increasing use of PFA in our concrete products also reduced the Carbon Footprint from the production of Portland Cement, which is a major ingredient for concrete.

Environmental benefits are considered in our green purchasing guidelines as we seek all opportunities to recycle the materials we consume. For example, we have employed a specialized contractor to collect and recycle our used lubricant. Although, not a significant amount, the recycling of paper waste and used safety helmets, has helped raise awareness with our employees about material conservation.

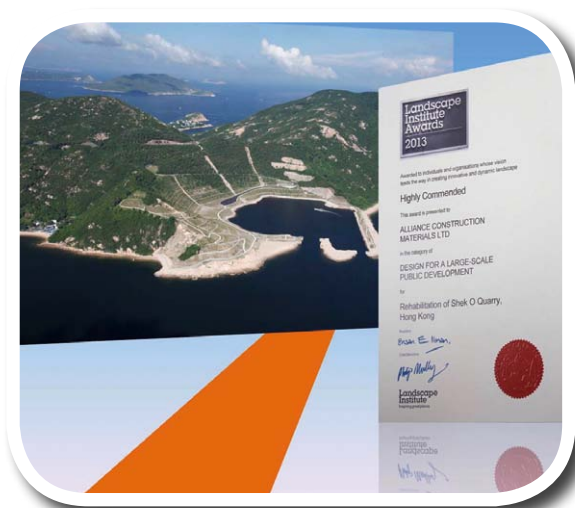
Adhering to our principle of efficiency, as well as aiming for the smallest of impacts while minimizing land area usage, our quarry sites' authorized raw material supply is always completely extracted in order to limit our utilization of the land area. Our production and plant facilities, both in the quarry sites and concrete batching plants, are also optimized to extract and process the raw material to the highest possible level of efficiency.

The crushing facilities within our quarry sites have also contributed to the redirecting of virgin rocks that extracted from local development projects such as the land formation works or tunneling projects. In

Lam Tei Quarry, with the assistance and coordination from various government departments, we accepted surplus material from 18 local development projects in 2013 and 2014 and processed 990,793 tonnes of virgin rocks.

For water conservation, we recycle the waste-water that is generated from our production plant activities. Our initiatives include: the waste water treatment system in our concrete batching plants consisting of a drainage system, sump pits, water pumps and pipelines, screening and filtration machineries, and storage tanks, and recycling of the waste-water for dust suppression, plant yard cleaning and truck washing. The pit design within our quarries, allows the surface runoff to flow in to the artificial lagoon, which was constructed for collecting water for dust suppression and other operational usage. These waste-water recycling systems minimizes our demand from natural water sources, while also reducing the waste-water discharged.

To address biodiversity and protection of natural habitats, our quarry restoration plan is an integral component of our approach. The quarry restoration plan applies to both the quarries in Hong Kong and in Mainland China and it defines the goals and timelines for the reintegration of the quarry into the surrounding landscape. We apply an early intervention whereby we begin to recultivate while the quarry is still in operation. The vegetation cover provides habitat for wild life, prevents the soil erosion while also improving the aesthetics of the landscape.





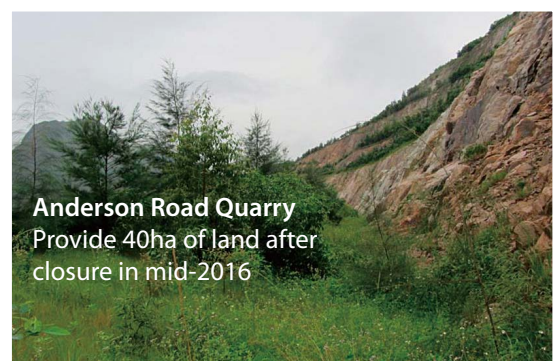
## Environment

### Quarry Restoration and Sustainable Land Use

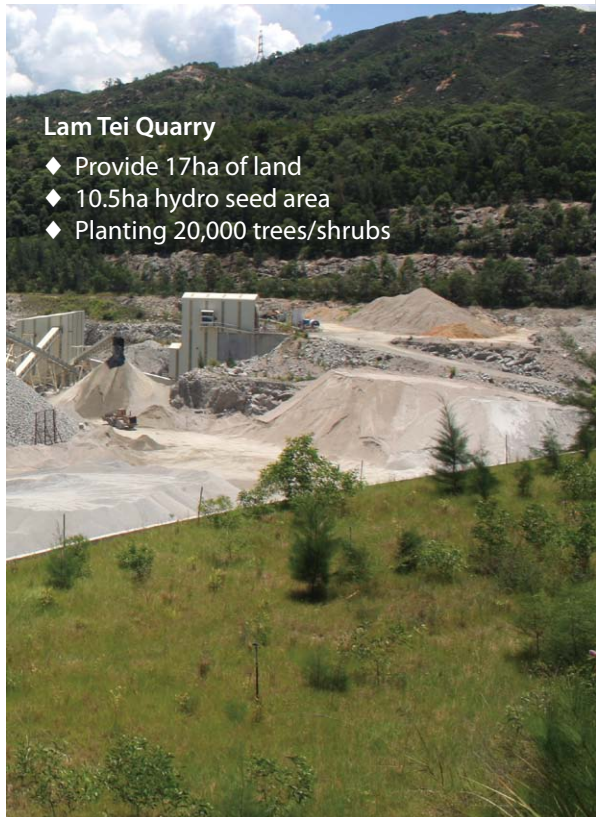


The Policy Address in recent years, including 2013 and 2014, has repeatedly highlighted the challenge we face due to the shortage of land. The quarry rehabilitation in which we are actively involved, should provide practical examples of how to balance the conservation of our natural environment while providing land for housing and infrastructure development in order to support economic and social needs.

Alliance and our joint venture partner under the rehabilitation contracts with CEDD operate the two remaining quarries in Hong Kong, namely Anderson Road Quarry and Lam Tei Quarry. As well as the rock extraction and processing, the core of the quarrying works is the quarry restoration which includes the formation of a new landform, the provision of landscaped green cover, the development of a self-sustaining ecosystem with a similar biodiversity to the surrounding environment, and formation of a safe and natural land platform for future land use.



**Anderson Road Quarry**  
Provide 40ha of land after closure in mid-2016



#### Lam Tei Quarry

- ◆ Provide 17ha of land
- ◆ 10.5ha hydro seed area
- ◆ Planting 20,000 trees/shrubs

## Environment

### INTERVIEW

Learning from past experience, when planning the next phase of the rehabilitation of Lam Tei Quarry in 2007 an integrated approach was adopted. To achieve the objective of providing a natural environment for future land use in the most sustainable way possible, our considerations included how to blend the final landscape with the surrounding vegetation, mitigate the visual impact of the rock quarry faces, slope safety and other geotechnical requirements, and more importantly the sustainability of the whole system over the long term.

We reduced the bench height from 15m to 10m for better screening of the rock faces. Also by changing the berm design that allowed the trapping of more



water, we increased the water retention and reduced dependency on irrigation, making the whole system more water-friendly. We carefully selected suitable species for planting increasing the use of native species local to the area. This arrangement will ensure better blending with surrounding vegetation, while also improving the biodiversity. We also improved the soil conditions, for example the soil we use for

planting consists of 1 part of soil conditioner and 3 parts of Completely Decomposed Granite. All these arrangements plus the new designs aimed to increase the reliability of planting in the long term.

The rehabilitation of a stone quarry is never an easy task. To establish vegetation successfully in such a harsh environment, with rock faces exposed, water retention difficulties and poor soil were the major challenges we experienced.

Like other rehabilitation projects here in Hong Kong, there are many factors that will lead to the ultimate success of the rehabilitation of Lam Tei Quarry. On top of the technically-related factors, the active involvement of stakeholders throughout the process is crucial. For example, when designing a visually acceptable layout, while overcoming all the geotechnical and other drainage design demands the early involvement of different stakeholders as well as ensuring effective communication for mutual understanding was required. This is to ensure the smooth construction process and a mutually acceptable outcome. The educating and training of staff to understand the motives and objectives of landscaping were important if we were to ensure our staff would carry out the tasks correctly while also motivating them to accept the duties required for conserving these habitats.

There are no definite answers to the debate of how to place value between economic development and conserving the natural environment. In the situation of Hong Kong where scarce land resources is a common issue, society has to consider reaching a healthy balance. When applied to quarry rehabilitation, through careful selection of suitable sites, active involvement of all stakeholders, appropriate design which emphasizes new habitat creation and increasing biodiversity instead of just planting, and educating those directly involved in the rehabilitation projects, will lead to the success of the quarry rehabilitation, adding net positive value to the society as a whole.



In Lam Tei Quarry we can see that the rock faces are better screened now, and the environment is much more acceptable. Of course, it will take time for biodiversity to take hold and create a flourishing habitat. Once the habitat becomes established the environment will be more pleasant for its future use.



**“Our objective is to provide a natural environment for the future use of the quarry in the most sustainable way possible.”**

Janet E Forbes

Ecologist, Land Restoration Consultant

## ENVIRONMENTAL PERFORMANCE INDICATORS

GRI Code	Description	Item
<b>MATERIALS</b>		
G4-EN2	Percentage of materials used that are recycled input materials	% of PFA in total cementitious materials used
<b>ENERGY</b>		
G4-EN3	Energy consumption within the organization	Litres of diesel used Litres of petroleum used Electricity consumption KWH
G4-EN6	Reduction of energy consumption	% of diesel consumption per 1m3 concrete reduced (yearly comparison) % of diesel consumption per 1m3 concrete reduced (compare with 2008)(#2007 data not available for comparison) % of electricity consumption per 1m3 concrete reduced (yearly comparison) % of electricity consumption per 1m3 concrete reduced (compare with 2007) % of diesel consumption per ton of aggregates reduced (yearly comparison) % of diesel consumption per ton of aggregates reduced (compare with 2008) (#2007 data not available for comparison) % of electricity consumption per ton of aggregates reduced (yearly comparison) % of electricity consumption per ton of aggregates reduced (compare with 2007)
<b>WATER</b>		
G4-EN8	Total water withdrawal by source	Total water consumption (m3) per year
G4-EN10	Percentage and total volume of water recycled and reused	m3 of rainwater/waste water collected and reused/recycled
<b>EMISSIONS, EFFLUENTS, AND WASTE</b>		
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	Total scope 1 carbon emissions (tonnes CO2-e)
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Total scope 2 carbon emissions (tonnes CO2-e) Total carbon emissions (tonnes CO2-e)
G4-EN18	Greenhouse gas (GHG) Emissions intensity	Carbon intensity - concrete (tonnes CO2-e per m3 concrete) Carbon intensity - aggregates (tonnes CO2-e per ton aggregates)
G4-EN17	Other relevant indirect greenhouse gas emissions by weight (Scope 3)	Total scope 3 carbon emissions (tonnes CO2-e)
G4-EN19	Reduction of greenhouse gas (GHG) Emissions	Carbon reduction as compare with 2007 - concrete Carbon reduction as compare with 2007 - aggregates Carbon reduction as compare with 2007 - overall
G4-EN23	Total weight of waste by type and disposal method	Tonnes of construction waste/special waste from concrete plants to landfills Tonnes of construction waste from LTQ to landfills Litres of chemical waste handled by licensed collectors Tonnes of scrapped metal sold Kg of paper waste disposed/recycled
G4-EN24	Total number and volume of significant spills	No. of significant chemical / cement spilt cases



	2012	2013	2014
	18.97%	20.51%	22.36%
	4,262,166	3,892,731	4,124,091
	82,957.00	84,861.00	90,284.00
	7,097,040	6,721,689	5,628,586
	-1.84%	-10.34%	0.56%
	-4.87%	-14.71%	-15.19%
	21.09%	-16.91%	-1.20%
	-0.40%	-17.24%	-18.24%
	-26.63%	-7.95%	5.91%
	-34.28%	-39.50%	-35.93%
	1.60%	-3.12%	38.99%
	-1.24%	-4.32%	32.98%
	347,764.80	314,643.69	331,587.27
	138,584	137,944	148,448
	11,538.91	10,406.83	11,081.90
	4,132.90	4,245.13	3,612.86
	15,835.64	14,806.34	14,856.50
	0.00865	0.00788	0.00790
	0.00228	0.00222	0.00360
	163.83	154.39	161.74
	-16.05%	-23.50%	-23.32%
	-11.46%	-13.83%	39.60%
	-12.95%	-18.61%	-18.33%
	56,812.68	61,391.49	105,839
	0	0	0
	10,600	13,000	10,400
	99.41	67.80	8.62
	282.40	405.65	268.83
	0	0	0

# Workplace

Within Alliance we ensure our workplaces support a safe, happy, and non-discriminatory environment. We fully engage our employees and their rights are always respected.



## Workplace

### Caring Company



Our employees are fundamentally important for us to realize our goal of striving for operational excellence. To ensure the quality of our human resources is thus critical for maintaining our leading position in the industry. As well as the training and development initiatives we have for our employees, our Code of Conduct defines our values and provides guidance to our employees to ensure their professionalism when carrying out their duties.

We respect the rights of our people. Our Decent Workplace Framework which supports a caring culture ensures our workplaces are safe, free from harassment and are non-discriminatory. Under our performance based human resources policy, employees are offered fair and equal opportunities. Our continual investment in employees' training develops the competence of our employees, and allows them to achieve their full potential.

Due to the nature of our operations, occupational safety and health is the top priority within our Decent Workplace Framework. We endeavored to improve our OSH performance and push for

a positive safety culture within the organization. When we benchmark our incident prevention performance both locally and globally with industries, we understand that although we have maintained a low accident frequency rate compared with industries here in Hong Kong, we cannot be complacent to our safety performance. When benchmarking globally with other countries such as the UK, we must step up our effort in order to achieve our ultimate goal of a "Harm Free" workplace.

Combined with our continuous management works under the plan-do-check-act cycle of our OHSAS18001:2007 accredited safety management system, we also seek innovative ways for enhancing the leadership skills of employees and translating our health and safety commitment to action. Following the kick-off of the Safety Leadership Program in 2012, we entered the second stage of the Program in 2013 when external experts were invited to provide training and on-site coaching to selected workplace leaders. The Safety Leadership Program aims to inspire our workplace leaders toward behavior based in safety management concepts as well as enhancing their

communication and other health and safety management skills.

As for employee involvement and consultation, a vital ingredient for building a robust organizational culture, we look for all possible opportunities to encourage active "voice out" from our employees and we listen actively to their concerns and suggestions. We have our Staff Opinion Survey, Stakeholder Engagement and HSE Climate Survey that are systematic means to allow our employees to express their views towards different aspects of the company. The HSE committees and other meeting arrangements, which we have at different levels, allow the exchange of ideas on workplace issues. The management also initiates communication with employees whenever possible. For example, the monthly management site visit, carried out by our CEO and the General Managers, provides the most senior level face-to-face interactions with the frontline employees.

Being a caring Company, we care about the health of our employees. The free body-check and flu vaccination we offered to our employees and owner drivers, the continuous promotion and education of health topics such as quit smoking, body weight management, and balance diet, and the leisure activities we organized for employees and their family members are initiated to support work-life balance within our Decent Workplace Framework.





## Workplace

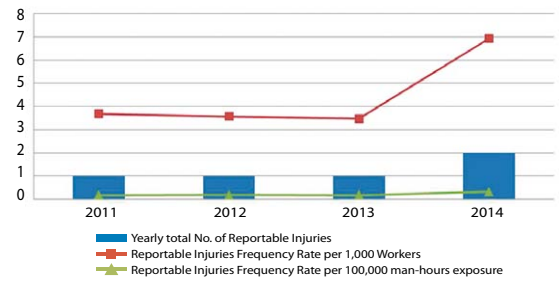


Occupational Safety and Health

### Selected Occupational Safety & Health Statistics

	2013	2014
Fatalities	0	0
Total No. of Reportable Injuries	1	2
Breached of Legislation	0	0
Dangerous Occurrence	0	0
Sites with OHSAS 18001 certification	100%	100%
OSH Awards Received	10	11

Yearly Reportable Injuries Statistics

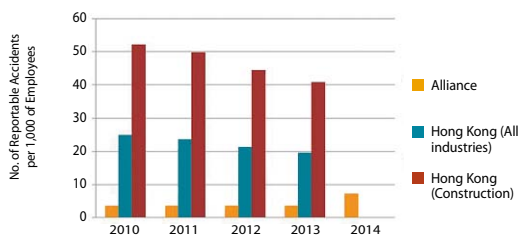


Yearly Total No. of lost Days & Severity Rate

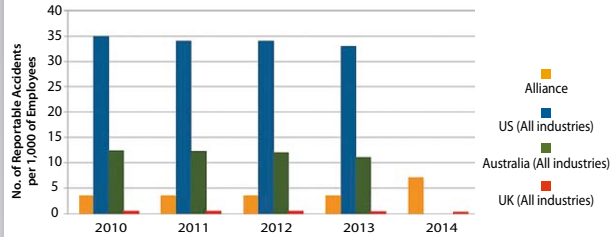


### Benchmarking

Safety Statistic Benchmarking (Hong Kong)



Safety Statistic Benchmarking (Other Countries)



Source of information: Occupational Safety & Health Statistics 2013, Labour Department Hong Kong News Release, USDL-14-2183, 4 Dec 2014, BLS, US Health & Safety Statistics 2013/14, HSE, UK Australian Workers' Compensation Statistics 2012-13, Safe Work Australia

## Workplace

### Occupational Safety and Health

Occupational safety and health (OSH) has been our prime objective since our establishment in 2004. Our belief in OSH is “all incidents are preventable and have to be prevented, and our employees have the right to go home safely after their shift”. To translate our belief into action we developed the OSH management system which is accredited by OHSAS18001 to ensure that our workplace safety and health issues are managed systematically and are subject to independent audit. We also recognize the importance of fostering a positive safety culture within the organization and, by referring to the DuPont Bradley Curve (reported in page 37, Sustainability Report 2011-2012) we determined our pathway to OSH excellence. The Safety Climate Survey we carry out once every two years since 2007 assessing our overall safety and health performance, generated performance indicators for us to determine where we are on our pathway to OSH excellence.

According to the most recent Safety Climate Survey we did in 2014, we have significantly improved the reliability of legal compliance, performed well in accident prevention, while a more proactive safety management approach was also confirmed. When reviewing the overall HSE Profile that derived from the survey, we concluded that we are struggling between the independent stage and the interdependent stage as according to the DuPont Bradley Curve. This conclusion explained well the rationale behind our investment in the Safety Leadership Program that was launched from 2012 to 2013.

OSH will remain our top priority with best practice initiatives put in place to help drive for a positive safety culture and behavior across our operations so we may realize our commitment towards excellent occupational safety and health.

#### PRACTICAL EXAMPLE

#### Safety Leadership Program



Resulting from the OCDI Safety Culture assessment in 2012 where we identified the need for developing and transforming the leadership skills of our workplace leaders, we developed a one-year Safety Leadership Program in 2013. We nominated 20 workplace leaders to attend the program. The program began with a leadership assessment in which a 360° feedback from managers, peers and subordinates was provided to each trainee. The assessment allowed the trainees to understand their safety leadership gaps. A safety behavior professional was invited to help the trainees understand and utilize the leadership best practices to influence or enhance the culture, and then translate these best practices into safety leadership behavior. During the yearlong training program, workshops and regular on-site coaching were provided to the trainees to help them maintain their momentum.

At the end of the program those that attended the Safety Leadership program, were more able to influence positively their teams to apply safety practices.



## Workplace

### Harm Free Workplace



#### Lost Time Injury (LTI) Free Days as at 31 Dec 2014

Site / Team	LTI Free Days
Lamma Concrete Plant	3,896
Head Office Support Teams	3,284
Lam Tei Quarry	3,071
Kwun Tong Concrete Plant	2,356
Yau Tong Concrete Plant	2,330
Laboratory & Field Testing	1,435
West Kowloon Concrete Plant	1,187
Tsing Yi Concrete Plant	1,168
Chai Wan Concrete Plant	945
Lam Tei Concrete Plant	545
E&M	24

We believe that "all accidents are preventable and have to be prevented" in order to protect our employees from being injured while working for us. We set ourselves an ultimate safety and health target of Zero Injury in the entire business. We understand that to achieve this tough, while meaningful goal we have to strive for a Harm Free Workplace where risks and hazards will be identified and eliminated at their sources. Programs such as the 5S system for improving the workplace housekeeping, SMART Program to encourage the reporting of workplace hazards, sub-contractor control program to eliminate safety risks and hazards being introduced from external parties, and all the training and promotional activities were thus

established in support of the attainment of a Harm Free Workplace.

#### 5S Housekeeping Program

We recognized the importance of good housekeeping to not only maintaining a clean and tidy working environment, but also the removal of potential hazards from the workplace. We developed the 5S management system and received the certification so that sites are subject to regular audits by an independent party. In the reporting period, we continued to upgrade the system. Focus had been made on ensuring the competence of employees. In addition to incorporating the 5S into induction training for new recruits, frontline operatives were nominated to attend 5S Leader Training. Altogether 19 employees completed the training and acquired the Green Belt / Blue Belt 5S qualifications.

#### SMART Program

The self-developed Safety Management Reporting Tool (SMART Program) continued running well in all the operation teams. In 2013 and 2014, we received altogether 1,261 Hazard Identification Reports from our employees. The removal of these potential hazards from our workplaces should have reinforced the importance of prevention.

#### HSE Training and Promotion

One of the elements that supports our self-regulatory safety and health management is the provision of training to ensure our employees' competence while promoting continuously the importance of safety and health. In this reporting period we have provided 232 safety induction training sessions to newly recruited employees, site workers and visitors; 2,572 man-trained internally on various safety and health topics, 14,167 man-trained for on-site tool-box talks; we also arranged for our employees to attend training courses organized by external training providers, totaling 171 man-trained counted; making the average safety and health training per employee as 25.27 hours. Being an expert in quarrying and well experienced in the heavy mobile plants operations, we were recognized by the Labour Department as a training provider for the training of dumper and front-end loader operators, as we are able to satisfying the relevant legal requirements.

In addition to our internal safety and health promotion, we also encourage our employees to take part in external events. For example we have 57 employees signed up for the Safety Pal during the Zero Incident Declaration event, where the government is promoting workplace safety in the communities.



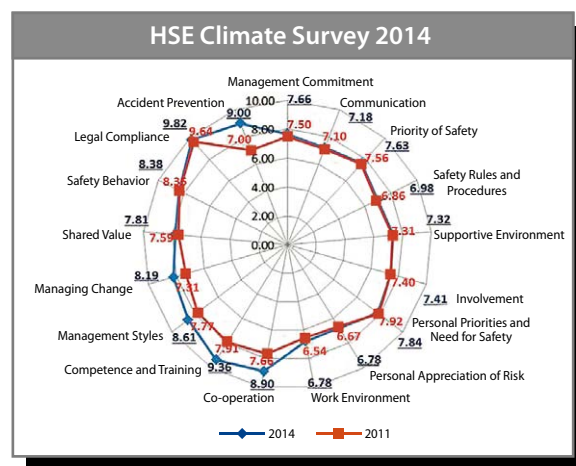
## Workplace

### Employees Involvement and Consultation

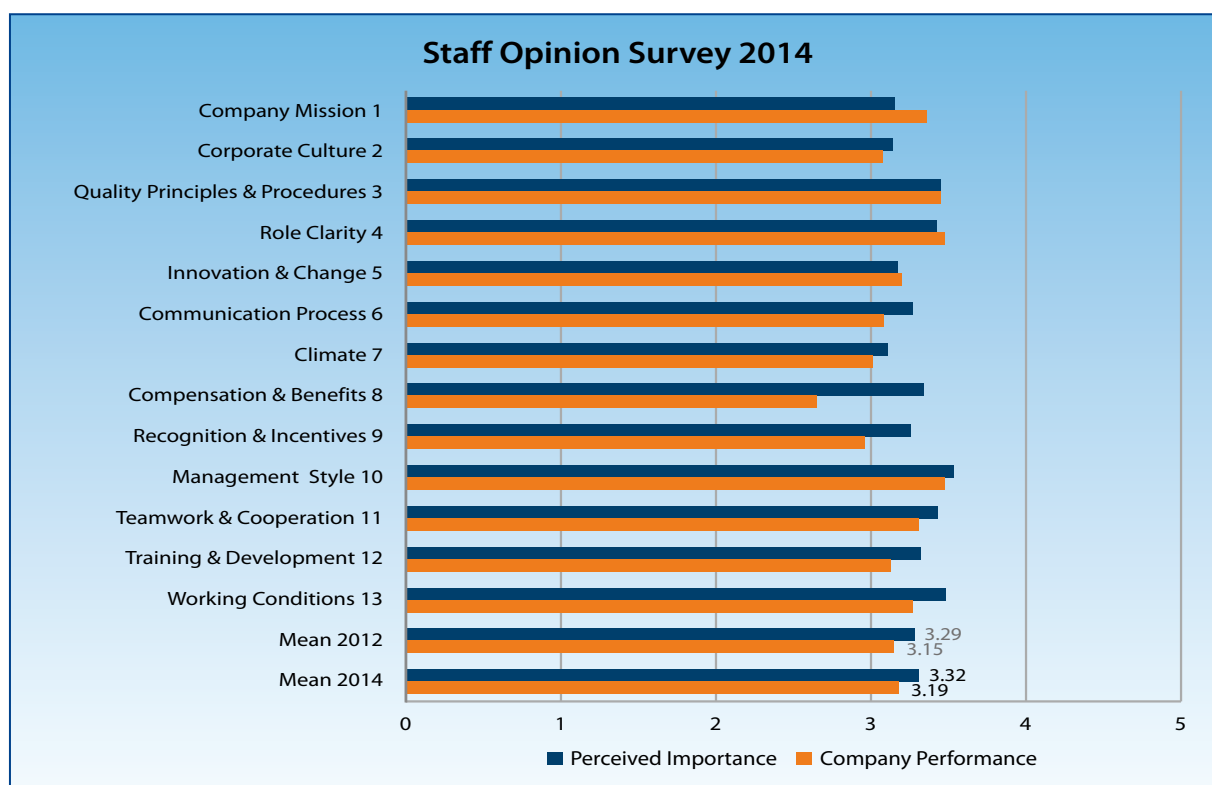
We value employee involvement and participation and as such established effective means of communication within the organization to encourage exchange of ideas and ensure that employees' feedback will be collected and well considered in business planning. On top of the meetings and other communication means, we conduct formal employee surveys which are completely anonymous, ensuring we receive open and honest feedback from our staff. The high response rate of 81% in the Staff Opinion Survey 2014 tells us that employees hold a positive view of the purpose of the surveys.

In 2014 we conducted both the HSE Climate Survey and the Staff Opinion Survey, which are conducted once every two years. These regular surveys allowed us to understand how the employees perceived the company performance in different dimensions, while enabling comparisons over times. Results of both surveys confirmed that employees hold positive views to our Decent Workplace Framework and are supportive of good practices we put in place in the organization.

Through these surveys we also identified areas for



greater attention. For example despite the positive results reflected in our accident prevention, we continued looking for ways to improve the work environment as this was of concern by our employees. We also have our human resources focus on those elements as the survey showed the biggest gap between "perceived importance" and "company performance" in the Staff Opinion Survey.



## Workplace

### Employees Training and Development

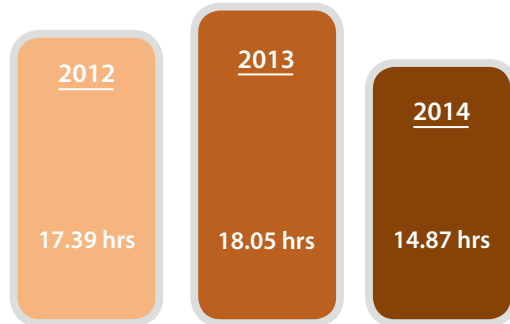
Investing in our people and encouraging them to perform to their full potential are crucial to ensure that our business thrives over the long term. Our training and development policy allows us to provide on-the-job training and other necessary education to our employees, satisfying both the organization and individual's training and education needs.

Under our performance management program our staff have the opportunity to discuss their training and development plan in the annual performance review. Results of the review will form major input for the on-going employee training and development planning. We also have the structured management trainee program to develop our young talents, preparing them for their future job placement.

We encourage life-long learning in our employees, to enrich their skills and knowledge for future career development. For example we have sponsored 12 employees to undertake external training courses which organized by recognized institutions. Altogether HKD602,000 has been invested in the reporting period of 2013-2014.



### Yearly Training Hours per Employee



### Equal Opportunities



We continued working on our objective of "Equal Opportunity & non-discrimination". Under our policy and our Code of Conduct we assure our employees a workplace that is free from any discrimination and that every employee will be offered with fair development opportunities under our performance based appraisal system.

We also have our professionally administered grievance system for handling any workplace discrimination or harassment concerns, and to

ensure no reprisals against anyone raising a complaint.

In 2013 we issued a policy on disability equality in addition to the existing policies on equal opportunity. To raise awareness of good management practices, in November 2013 we invited the Senior Training Officer from Equal Opportunities Commission to conduct 2 training classes to 40 managers. The training covered concepts under the anti-discrimination legislation, the Family Status Discrimination Ordinance and the Race Discrimination Ordinance. During the training, managers learned about potential unlawful acts and also advised on how to prevent discriminations in the workplace.



## Workplace

### Employees Health Management

We offer our employees and owner drivers free medical checks every year to help them monitor their health. Recognizing the common health problems for truck drivers such as the obesity, unhealthy meals, and stress, we educate our drivers and encourage them to develop healthy habits by sharing through our seasonal Driving Safety Newsletters health related information.

To tackle the risks from seasonal flu, we also offer our employees, drivers and their family members the seasonal flu vaccination. In 2013-2014 331 employees and family members had enjoyed the free health services we arranged for them.



### Work Life Balance



Work Life Balance is one of the core elements of our Decent Workplace Framework as well as a core part of our employee health management. To assist our employees to handle work stress and to maintain a healthy living style, we organize regular recreational and social activities for our employees and their family members. In addition to the leave entitlement and the annual leave planning, where we ensure that employees will have no problems to take the needed time to rest, we provide training in areas such as time management training, body weight management, healthy diet, and stress management. We educate our employees and reinforce the importance of maintaining a healthy Work Life Balance.



## WORKPLACE PERFORMANCE INDICATORS

GRI Code	Description	Item
<b>MARKET PRESENCE</b>		
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	% of employee receiving wages higher than minimum wage Comparison of entry wage to minimum wage
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	% of local hired employees
<b>EMPLOYMENT</b>		
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Total number of employee New employees hired (by age group) New employees hired (by gender) Employee turnover rate (by age group)(%) Employee turnover rate (by gender)(%)
G4-LA3	Return to work and retention rates after parental leave, by gender	% of employees entitled to maternity leave / paternity leave Number of employee taken maternity leave / paternity leave Retention rate after parental leave
<b>OCCUPATIONAL HEALTH AND SAFETY</b>		
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Number of work related fatalities Number of reportable injuries Number of lost days Reportable injuries frequency rate (no. of incident per 1000 employees) Reportable injuries frequency rate (no. of incident per 100,000 man-hours) Incident severity rate (no. of lost days per 100,000 man-hours)
G4-LA8	Health and safety topics covered in formal agreement with trade unions	Total number of man-hour trained in health and safety topics Number of employees taken free medical exam Number of employees taken free flu vaccination
<b>TRAINING AND EDUCATION</b>		
G4-LA9	Average hours of training per year per employee by gender, and by employee category	Training hours per year per employee (internal training) Training hours per year per employee (external training)
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Assistance on transitioning to a non-working life retiree offered temporary
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	% of employees receiving annual appraisal (as at October)
<b>DIVERSITY AND EQUAL OPPORTUNITIES</b>		
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	% of male employees % of female employees % of employees by age: <30 % of employees by age: 30-50 % of employees by age: >50 % of employees (minority group)
<b>HUMAN RIGHT</b>		
G4-HR3	Total number of incidents and discrimination and corrective actions taken	Number of incident of discrimination
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	Number of cases
G4-SO4	Communication and training on anti-corruption policies and procedures	% of employees trained
G4-SO5	Confirmed incidents of corruption and actions taken	Number of cases reported

	2012	2013	2014
	100%	100%	100%
	110%	115%	115%
	100%	100%	100%
	282 (98% permanent employees, 2% contract employees) 32(<30), 50(30-50), 42(>50) 10(female), 114(male) 6.74(<30), 17.38(30-50), 15.96(>50) 2.13(female), 37.94(male)	279 (97% permanent employees, 3% contract employees) 15(<30), 54(30-50), 29(>50) 7(female), 91(male) 6.45(<30), 17.56(30-50), 12.19(>50) 1.08(female), 35.13(male)	283 (96% permanent employees, 4% contract employees) 14(<30), 29(30-50), 17(>50) 7(female), 53(male) 2.83(<30), 10.25(30-50), 6.71(>50) 1.77(female), 18.02(male)
	100%	100%	100%
	0	1 (female employee)	1 (female employee)
	NA	100%	100%
	0	0	0
	1	1	2
	565	371	14
	3.59	3.59	7.06
	0.15	0.15	0.28
	87.14	54.23	1.97
	4,274.25	3,481.25	3,669.75
	118	115	60
	85	86	70
	12.22	13.25	11.21
	5.17	4.80	3.21
	4	7	11
	100%	100%	100%
	85.46%	84.23%	83.39%
	14.54%	15.77%	16.61%
	14.54%	11.83%	12.37%
	46.10%	45.52%	42.05%
	39.36%	42.65%	45.58%
	0.35%	0.36%	1.06%
	0	0	0
	0	0	0
	100%	100%	100%
	0	0	0

# Marketplace



We aim to deliver **QUALITY AGGREGATES** and **SUSTAINABLE CONCRETE SOLUTIONS** satisfying the society's need for sustainable housing and infrastructure. Through innovation and operational excellence we **ENHANCE VALUE** to our customers.



## Marketplace

### Striving for Leading Position in the Market



In this reporting period, the market continued its rapid growth with the launched of major infrastructure projects. Our combined focus of striving for operational excellence, the continuous effort to upgrade our production-lines, our management systems, and retaining our talented people, allowed us to harness the opportunities of this business growth which has reflected positively in our sales and production volume.

While we expect continued growth due to the government's planned housing development, we have identified the major challenges that both Alliance and the building materials industry will have to tackle in order to have fruitful results.

For raw materials supply, in particular with aggregates, the uncertainties as a result of the soon to be closed Hong Kong quarries, has led to the market to rely more heavily on supplies from Mainland China. The major challenges from aggregates supply include, product quality control, the efficiency of cross-boundary logistics that impact the stability of supply,

and the increasing cost of both the materials and the transportation.

In this reporting period, our Huidong Quarry in Mainland has reached its full production capacity. Also, our partnered supplier, Tai Shing Quarry has its production capacity increased. To ensure the traceability of the aggregates supply and maintain a high level of control of product quality, we applied the highest degree of quality control and quality assurance at our aggregates supply sources in the Mainland. This allows them to meet the ISO9001:2008 and the newly launched CS3 standard. As for logistics of the aggregates supply, we strategically located the aggregates depot in Hong Kong, while also optimizing our ERP system. In combination, these enhance the efficiency of the aggregates supply and delivery, ensuring a stable supply of quality aggregates to the Hong Kong market.

The concrete market is hampered by the shortage of land for building additional production facilities, which will significantly hinder development of the industry. We have successfully started the construction of our new concrete plant on Tsing Yi Island, making us more able to satisfy the demand for concrete and maintain the highest degree of customer service in the years to come.

The strong economic trend towards "green" products and services makes innovation more critical to our overall business success. Our High Performance Concrete Products which offer our customers and building designers different structural or environmental performance options while supporting the innovation for green building designs. Our self-developed Carbon Footprint Calculator which provides our customers with a precise prediction of the embodied carbon of the concrete products they are going to purchase, thus supporting their proactive green purchasing.

We recognize how importance it is for our business partners to support our operational excellence. To ensure our business partners will understand our business goals while encouraging them to head in the same direction, we engage with our business partners during various stakeholder engagement processes. These engagement opportunities help us push for continual improvement across different dimensions of sustainability through supplier/sub-contractor enlisting and assessment processes.

## Marketplace

### Securing Aggregates Reserves



Huidong Quarry continued improving its production facilities and processes and has reached its full production and delivery capacity in 2014

Having identified the challenges resulting from the shortage of local aggregates supply we focused on our aggregates reserves. We reported in our last Sustainability Report on the progress of the Huidong Quarry development. Huidong Quarry increased progressively its production volume, and in 2014, it reached full production capacity.

As for our partnering quarry, the Tai Shing Quarry, it continued its expansion over the last two years. The third production-line commenced the operations in 2014, and production capacity increased significantly supporting us with both the aggregates supply and our concrete business.

As well as assisting both quarries to put in place the quality management system and received the ISO9001:2008 certification, we set up an on-site material testing laboratory in both quarries. Our experienced technicians carry out quality control testing as according to the newly launched CS3 standard. These quality control testing not only ensures the best quality of the aggregates that supply to both our aggregates customers and our concrete production-lines, it also provides instant feedback to the quarry operators on any quality control problems. This ensures prompt rectification and for continual improvement of quality control and assurance.



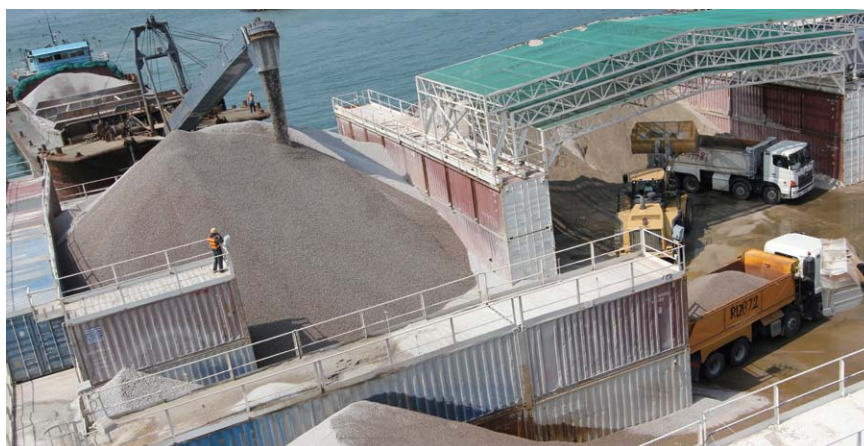
With the third production line commenced its operations, production capacity of Tai Shing Quarry increased significantly in 2014





## Marketplace

### Improving the Efficiency of Aggregates Supply Logistics

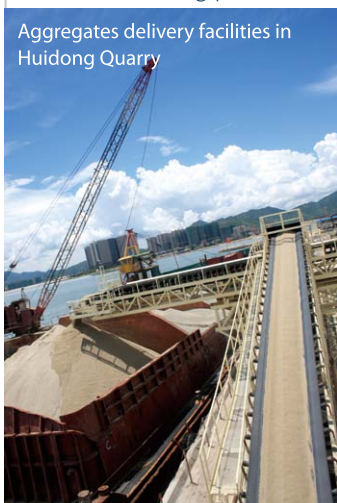


The increasing aggregates supply from Mainland China come with cross-boundary transportation and other logistics difficulties. We included improving logistics efficiency into our business planning and within this reporting period have implemented several initiatives into our operations.

The aggregates delivery facilities, which consist of aggregates storage yards, mechanical aggregates loading facilities, and all the seafront facilities for mooring of aggregates barges and sea vessels, at the Huidong Quarry have all commenced operations.

Within Hong Kong boundary, we established an aggregates delivery depot. The aggregates delivery depot, connects with the aggregates barges from Mainland China and then with land transportation within Hong Kong. This connectivity has allowed us to deliver the aggregates to our customers' site and our concrete batching plants with high efficiency. We are also ensured of the most stable aggregates supply even under adverse weather or other cross-boundary transportation interruptions.

Aggregates delivery facilities in Huidong Quarry



Mirroring from the success of our Customer Service Center where our resources management systems were optimized, we upgraded our ERP



Fully enclosed conveyor belts and stone fine storage yard in Huidong pier

system for aggregates sales and supply and launched this optimized system in 2014.

We have put great emphasis on environmental controls when planning our aggregates delivery facilities so as to satisfy both the operational needs and protect our neighboring communities from any environmental nuisance. For example the aggregates loading conveyor belts in our Huidong Aggregates Delivery Pier are fully enclosed to minimize the dust emissions. We also invested in building the enclosed stone fine storage yard preventing the dust impacting surrounding areas especially on windy days. In our aggregates delivery depot in Hong Kong, we applied the best practices and put in place various pollution control measures such as: the wheel washing facilities, which prevent muddy materials being carried on to public roads by our trucks, the water spraying dust suppression system at all stockpiles and on the haul road and plant yard; the enclosure of stone fine stock, and; the regular road cleaning in the adjacent areas. All these enabled us to satisfy the market demand while not compromising our commitment to protect the environment.

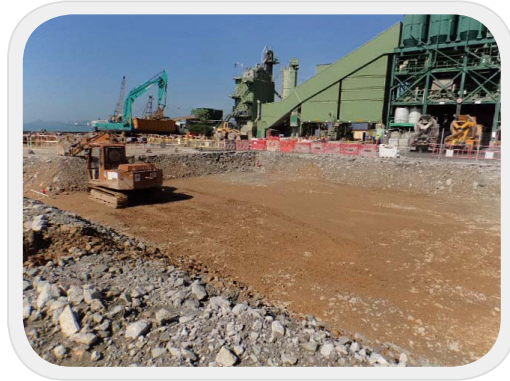


## Marketplace

### Upgrading the Concrete Production Capacity

To cope with the growing demand while maintaining the highest degree of customer satisfaction, the upgrading of our concrete production capacity has been a major focus in recent years.

We commenced the construction of a new mega concrete batching plant and aggregates storage facility on Tsing Yi Island in 2014. At the same time the construction of another large scale concrete batching plant in an adjacent area will also be launched in late 2015, with new production capacity expected to come on stream in 2016. Planning for a mega concrete batching plant and aggregates storage facility in the New Territories is also well advanced. The best in class production facilities, coupled with their strategic locations will improve significantly our productivity and capability after their commencement; making us more capable in the market.



We also improved the facilities in our existing production lines. For example, we improved the water management system in Yau Tong Concrete Plant, also upgraded the cement and/or aggregates loading and conveying systems in various concrete batching plants. These improvements not only enhanced the operational flow and the production efficiency, but also improved the pollution control performance.

To upgrade the competence of our people is core to our improvement planning. We partnered with the Concrete Producers Association and Hong Kong Productivity Council to organize the concrete technology training for the production and technical staff, thus refreshing them with the most updated concrete mixing and testing knowledge.

### Productivity and Quality Excellence



生產力及品質獎  
PRODUCTIVITY AND  
QUALITY AWARD

We strengthened our data analysis in this reporting period. The increase in sample size, improvement in data analysis efficiency and accuracy, enabled us to not only better monitor both the raw materials performance and the final products quality, but also the prediction for any production process adjustment needs, ensuring the consistence of product quality and performance.

To ensure consistent productivity we endeavored to minimize the interruption to production-lines due to equipment breakdown. We replaced the old maintenance management system with a new asset management system. The new system consists of asset management functions and preventive maintenance monitoring tools. The application of the new system improved our inventory control, while the statistical analysis of the equipment status enabled us to set appropriate replacement times for major components, preventing downtime due to sudden equipment breakdown. Coupled with the new technologies we applied in equipment inspections such as the infrared imager, and ultrasonic measurement we maintained a continuous downward trend in the equipment breakdown rate and the utilization of the production lines was well above 90% in this reporting period.

## Marketplace

### Sustainable Concrete Solutions

**Sustainable Concrete Solutions**

Alliance recognizes the "Building Green" need and is innovative in sustainable concrete solution.

We help our customers to "Building Green Home with Grey Concrete", supporting creative and effective sustainable development of Hong Kong.

**Enhancing Values to our customers**

- ◆ Our strategically located concrete batching plants and our EURO V mixer truck fleet ensure the shortest delivery distance, and minimize the carbon emissions from the transportation process;
- ◆ Our High Performance Concrete and other patented concrete products provide sustainability benefits within the life cycle of buildings and structures, while also reduce the concrete's embodied carbon.
- ◆ Our FoamCrete™ has the lightweight, free-flowing and self-leveling characteristics that help ease engineering difficulties in early construction phase;
- ◆ The EarlyCrete™ if applied to highway projects enables the re-opening to traffic within 6 hours;
- ◆ We also produce High Performance Concrete with the compressive strength over 100MPa which helps the building designer to achieve optimized space while reduced the size of the concrete structure.

We seek to provide good quality products with better quality and service delivery along with environmental benefits to our customers, the end users, and the community.

Our Sustainable Concrete Solutions that help our customers to "Build Green Houses with grey concrete" are resulted from:

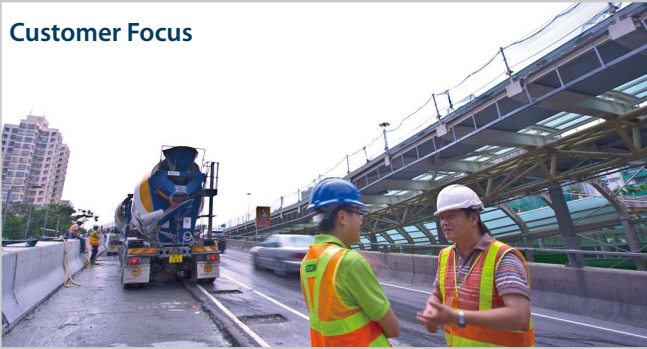
- ◆ The raw materials for our concrete products are from responsible sources and are either locally manufactured, or are regional materials imported from within 800km from Hong Kong;
- ◆ Our production facilities and design engineering allow us to produce concrete with recycled and secondary aggregates;
- ◆ The application of supplementary cementitious materials reduces the embodied carbon of our concrete products;

Committed to our responsible stewardship of the environment while satisfying our customers' requirements for their green building rating, we have reduced the environmental impacts from the entire life of the concrete. We provide, to our customers, verified Carbon Footprint data for both embodied carbon of our concrete products and the greenhouse gas emissions from our operations.

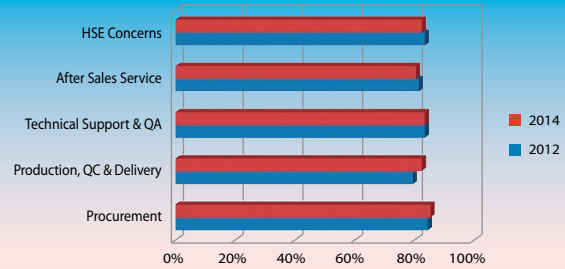


## Marketplace

### Customer Focus



### Customer Satisfaction Survey



Our customer-focused commitment is delivered by means of quality products and services, and effective communication with our customers throughout the process from project planning to after sales.

In order to understand our customers' needs, we have dedicated Customer Service Managers to take care of every project. Our well-trained Customer Service Officers manage our customer orders in a professional manner. By using Information Technology systems we work with our customers for the production delivery planning and closely monitor the delivery progress.

Our technical team, which consists of a HOKLAS accredited laboratory and field testing team, carries out physical tests for aggregates and concrete that sampled both in our production lines and in the customers' site. Our optimized concrete batching and quality control systems allowed us to capture full production data for on-going analysis and feedback to the production process. All these ensuring the products we deliver meet high quality specifications. We also provide professional advice to our customers to help solving any technical problems they may have in their project.

We are keen to listen to our customers. Being a key stakeholder group, we engage our customers in every stakeholder engagement process to understand their expectations towards our sustainability performance. The annual Customer Satisfaction Survey also provides us valuable feedback on whether our customers are satisfied with what we offered and how we can improve further our performance, upholding our customer-focused commitment.

### 2014 Hong Kong Call Centre Association (HKCCA) Award

Since the establishment of our Customer Service Centre in July 2011, it has become an important point for connecting with our customers. On top of the information technology systems, we also emphasize the quality of our people who provide the human touch to our customers. We determined the performance standards, put in place operational guidelines and procedures, have regular review meetings with our customer service officers focusing on the service standards and performance, while also establishing the performance monitoring mechanism, such as the telephone manner of the staff. This provides our customer service staff clarification of their roles and performance requirements.



Through the provision of training to our staff, combined with the internal review we enhanced their capacity for providing professional services to our customers, as well as the effectiveness to communicate internally with other teams on production and logistics issues.

Never under estimating the stress our staff may experience when working in a call-centre, the work arrangement that allowed short breaks of the staff in the common rest area, and pleasantly decorated working environment, allowed the release of stress which in turn contributes to maintaining productivity. All these efforts and the performance level we maintained enabled us to receive the Merit Award in the 2014 HKCCA Award.



## Marketplace

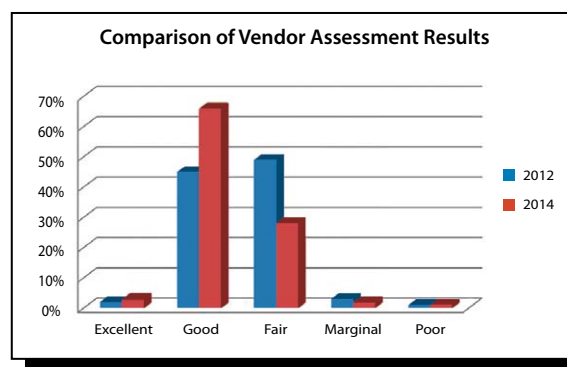
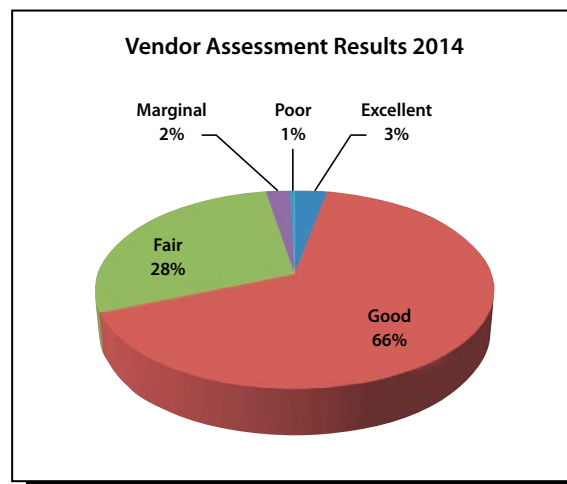
### Partnering for Success

Our approach to vendors management emphasizes mutual communication and through performance management and partnership growth. Our Code of Conduct, which guides our ethical business practices and behavior of our employees, ensures a fair competition among our listed vendors. Our ethical business practices and the continued business growth in the reporting period enabled us to expand our partnership with more suppliers. From 2013 to 2014 we have 115 new vendors assessed and enlisted as our approved vendors.

While legal compliance is the basis for our purchasing of goods and sub-contracting; we seek all opportunities to upgrade our standards, driving the continual improvement of both ourselves and our vendors. Through pre-enlisting screening and the annual assessment of our listed vendors we ensure our vendors' performance including environmental performance and their occupational safety and health standards are up to our expectations. Our local purchasing practice also minimizes the risk of infringing on human rights as human rights protection is enshrined in the Basic Law.

To uphold our environmental responsibilities through the supply chain, we published the Green Purchasing Guidelines and applied this to our purchasing of goods. For example the evaluation of the energy label has been a standard criterion for us to purchase electrical appliances; we also assess the fuel consumption and emission performance when selecting the mixer trucks and other vehicles.

Effective communication is crucial for ensuring mutual understanding and trust. In the reporting period we initiated to establish regular dialogue with our major suppliers. For example our fuel supplier organized us fuel saving and biodiesel seminars once they knew we were looking for carbon reduction solutions during our regular dialogue; through regular sharing sessions the admixture supplier updated us on their new concreting technologies and their innovation in new product development. For other suppliers we also engaged them during our stakeholder engagement processes and other communication means.



**LOCAL VENDORS** 95%

**NEW VENDORS ASSESSED & ENLISTED** 115

## Selected Awards and Recognitions

### 2013

Gold Award, CEDD Construction Site Safety Award 2012 (Lam Tei Quarry)

HKCA Proactive Safety Contractor Award

Silver Award, The HK Federation of Insurers Award for Excellence in OSH, 12th Hong Kong OSH Awards

OSH Annual Report Award, 12th Hong Kong OSH Awards

Safety Performance Awards, 12th Hong Kong OSH Awards (Alliance)(Lam Tei Quarry)  
(Lam Tei Concrete Plant)(Anderson Road Workshop)(Concrete Services Ltd.)

Safety Merit Award, Considerate Contractor Site Award Scheme (Lam Tei Quarry)

Productivity & Quality Award, Hong Kong Awards for Industries

Silver Award (Manufacturing), 2012 Hong Kong Awards for Environmental Excellence

HKCA Environmental Merit Award

Environmental Merit Award, Considerate Contractor Site Award Scheme  
(Lam Tei Quarry)

CSR Advocate Mark, HKQAA CSR Index

5 Years+ Caring Company Logo



## Selected Awards and Recognitions

### 2014

Gold Award, CEDD Construction Site Safety Award 2013 (Lam Tei Quarry)

HKCA Proactive Safety Contractor Award

Excellence Award, Prevention of Pneumoconiosis Best Practices Award (Lam Tei Quarry)

Safety Performance Awards, 13th Hong Kong OSH Awards (Alliance)(Lam Tei Quarry)  
(Lam Tei Concrete Plant)(Anderson Road Workshop)(Concrete Services Ltd.)

Safety Merit Award, Considerate Contractor Site Award Scheme (Lam Tei Quarry)

Bronze Award, Good Housekeeping Promotional Campaign (Lam Tei Quarry)

Green Medal & 5 Year+ Entrant, Hang Seng Pearl River Delta Environmental Award

Class of Excellence Wastewise Label, 2013 Hong Kong Awards for Environmental Excellence

HKCA Environmental Merit Award

Environmental Merit Award, Considerate Contractor Site Award Scheme  
(Lam Tei Quarry)

CSR Plus Mark, HKQAA CSR Index

5 Years+ Caring Company Logo





# GRI Table

## General Standard Disclosure

GRI Code	Description	External Assurance	Cross-reference / Direct answer
<b>Strategy and Analysis</b>			
G4-1	Statement from the most senior decision-maker of the organization	✓	Message from CEO p.2
<b>Organizational Profile</b>			
G4-3	Name of the organization	✓	Company Portrait p.3
G4-4	Primary brands, products and service	✓	Company Portrait p.3
G4-5	Location of organization's headquarters	✓	Company Portrait p.3
G4-6	Number of countries where the organization operates	✓	Company Portrait p.3
G4-7	Nature of ownership and legal form	✓	Company Portrait p.3
G4-8	Markets served	✓	Company Portrait p.3
G4-9	Scale of the organization	✓	Company Portrait p.3
G4-10	Number of employees	✓	Company Portrait p.3
G4-11	Percentage of employees covered by collective bargaining agreements	✓	Not a legal requirement in Hong Kong. We do not have collective bargaining agreements with any unions, but have put in place various employee engagement mechanisms such as the stakeholder engagement process, staff opinion survey, HSE climate survey, corporate HSE Committee and site IMS committee, for joint staff consultation.
G4-12	Organization's supply chain	✓	Partnering for Success p.50
G4-13	Significant changes during the reporting period regarding size, structure, ownership or organization's supply chain	✓	No significant changes during the reporting period regarding size, structure, ownership. Operational changes reported in various sections in Marketplace p.43-50
G4-14	Explanation of whether and how the precautionary approach or principle is addressed by the organization	✓	Challenges & Strategy p.13-14
G4-15	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	✓	About this report p.1 Company Portrait p.6 Challenges & Strategy p.13-14
G4-16	Memberships in associations and/or national/international advocacy organizations	✓	We currently have memberships in BEC, HKGBC, HKCMA, CQA & CPA
<b>Identified Material Aspects and Boundary</b>			
G4-17	Entities included in the organization's consolidated financial statements or equivalent documents	✓	Company Portrait p.3
G4-18	Process for defining report content and the aspect boundaries	✓	About this report p.1 Identified Material Aspects & Boundary p.9-12
G4-19	Material aspects identified in the process for defining report content	✓	Material Aspects p.12 Sustainability Priorities p.14
G4-20	Aspect boundary within the organization for each material aspect	✓	Identified Material Aspects & Boundary p.9-12
G4-21	Aspect boundary outside the organization for each material aspect	✓	Identified Material Aspects & Boundary p.9-12

GRI Code	Description	External Assurance	Cross-reference / Direct answer
G4-22	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement	✓	Environmental Performance Indicators p.31 Workplace Performance Indicators p.41 GRI Table p.53
G4-23	Significant changes from previous reporting period in the scope and boundary	✓	About this report p.1 Identified Material Aspects & Boundary p.9-12
<b>Stakeholder Engagement</b>			
G4-24	List of stakeholder groups engaged by the organization	✓	Identified Material Aspects & Boundary p.11
G4-25	Basis for identification and selection of stakeholders with whom to engage	✓	Identified Material Aspects & Boundary p.11
G4-26	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	✓	Identified Material Aspects & Boundary p.11 We conduct stakeholder engagement process once every two years as according to our reporting cycle. We also collect feedback from selected stakeholder groups regularly, such as annual appraisals for staff, staff opinion survey, and customer satisfaction survey.
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting	✓	Identified Material Aspects & Boundary p.11-12 Challenges & Strategy p.13-14
<b>Report Profile</b>			
G4-28	Reporting period	✓	About this report p.1
G4-29	Date of most recent previous report	✓	About this report p.1
G4-30	Reporting cycle	✓	About this report p.1
G4-31	Contact point for questions regarding the report or its contents	✓	About this report p.1
G4-32	GRI Content Index, the 'in accordance' option the organization has chosen and the reference to the External Assurance Report if any	✓	GRI Table p.53
G4-33	Policy and current practice with regard to seeking external assurance for the report	✓	About this report p.1 Verification Statement
<b>Governance</b>			
G4-34	Governance structure of the organization	✓	Corporate Governance p.7
<b>Ethics and Integrity</b>			
G4-56	Organization's values, principles, standards and norms of behavior	✓	Company Portrait p.6

# GRI Table

## Specific Standard Disclosure

Material Aspects	GRI Code	Description	External Assurance	Cross-reference / Direct answer
<b>ECONOMIC PERFORMANCE INDICATORS</b>				
Economic performance		<b>DMA</b>	✓	Company Portrait p.3-5
	G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	✓	Challenges & Strategy p.13-14
			✓	Energy and Climate Protection p.25
			✓	Sustainable Concrete Solutions p.48
Market presence		<b>DMA</b>	✓	Corporate Governance p.7-8
	G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	✓	Workplace Performance Indicators p.41-42
	G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	✓	Workplace Performance Indicators p.41-42
<b>ENVIRONMENTAL PERFORMANCE INDICATORS</b>				
Materials		<b>DMA</b>	✓	Environmental Management in Alliance p.24 Resources and Natural Habitat Conservation p.28
	G4-EN2	Percentage of materials used that are recycled input materials	✓	Environmental Performance Indicators p.31-32
Energy		<b>DMA</b>	✓	Environmental Management in Alliance p.24
			✓	Energy and Climate Protection p.25
	G4-EN3	Energy consumption within the organization	✓	Environmental Performance Indicators p.31-32
	G4-EN6	Reduction of energy consumption	✓	Environmental Performance Indicators p.31-32
Water		<b>DMA</b>	✓	Environmental Management in Alliance p.24
			✓	Resources and Natural Habitat Conservation p.28
	G4-EN8	Total water withdrawal by source	✓	Environmental Performance Indicators p.31-32
	G4-EN10	Percentage and total volume of water recycled and reuse	✓	Environmental Performance Indicators p.31-32
Emissions		<b>DMA</b>	✓	Environmental Management in Alliance p.24
			✓	Energy and Climate Protection p.25
	G4-EN15	Direct greenhouse gas (GHG) emissions (scope 1)	✓	Environmental Performance Indicators p.31-32
	G4-EN16	Energy indirect greenhouse gas (GHG) emissions (scope 2)	✓	Environmental Performance Indicators p.31-32
	G4-EN17	Other indirect greenhouse gas (GHG) emissions (scope 3)	✓	Environmental Performance Indicators p.31-32
	G4-EN18	Greenhouse gas (GHG) emissions intensity	✓	Environmental Performance Indicators p.31-32
	G4-EN19	Reduction of greenhouse gas (GHG) emissions	✓	Environmental Performance Indicators p.31-32



This report was prepared in accordance with the CORE requirements of Global Reporting Initiative (GRI) Guidelines.

Material Aspects	GRI Code	Description	External Assurance	Cross-reference / Direct answer
Effluents and Waste	<b>DMA</b>		✓	Environmental Management in Alliance p.24
			✓	Waste Reduction p.27
		G4-EN23 Total weight of waste by type and disposal method	✓	Our current data collection systems allowed us to report the construction and industrial waste from our concrete batching plants and quarry sites that are disposed of at the landfills. Environmental Performance Indicators p.31-32
		G4-EN24 Total number and volume of significant spills	✓	Environmental Performance Indicators p.31-32
Products and services	<b>DMA</b>		✓	Environmental Management in Alliance p.24
		G4-EN27 Extent of impact mitigation of environmental impacts of products and services	✓	Energy and Climate Protection p.25-26
			✓	Quarry Restoration and Sustainable Land Use p.29
			✓	Sustainable Concrete Solutions p.48
Compliance	<b>DMA</b>		✓	Corporate Governance p.7-8
		G4-EN29 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	✓	1 case (discharged of polluted water to sea) recorded in 2014 resulted in HKD10,000 fine.
<b>LABOR PRACTICES AND DECENT WORK PERFORMANCE INDICATORS</b>				
Employment	<b>DMA</b>		✓	Caring Company p.34
		G4-LA1 Total number and rates of new employee hires and employee turnover by age group, gender and region	✓	Workplace Performance Indicators p.41-42
		G4-LA3 Return to work and retention rates after parental leave, by gender	✓	Workplace Performance Indicators p.41-42
Labor / Management relations	<b>DMA</b>		✓	Caring Company p.34 Employees Involvement and Consultation p.38
		G4-LA4 Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	✓	No collective bargaining agreements in place. Our internal communication process, and the employee involvement and consultation mechanisms allow the efficient communication of significant changes to employees. Effectiveness of the existing communication was recognized by employees in the formal surveys as reported in p.38.
Occupational health and safety	<b>DMA</b>		✓	Caring Company p.34
			✓	Occupational Safety and Health p.36
		G4-LA5 Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	✓	We have the Corporate HSE Committee formed as according to the COP for Safety Management published by Labour Department in which 50% of the committee members are employees representatives nominated from different functional teams, covered 100% of our employees.
		G4-LA6 Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	✓	Workplace Performance Indicators p.41-42

# GRI Table

## Specific Standard Disclosure

Material Aspects	GRI Code	Description	External Assurance	Cross-reference / Direct answer
Training and education	<b>DMA</b>		✓	Caring Company p.34
			✓	Employees Training and Development p.39
	G4-LA9	Average hours of training per year per employee by gender, and by employee category	✓	Workplace Performance Indicators p.41-42
	G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	✓	Employees Training and Development p.39 Workplace Performance Indicators p.41-42
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	✓	Workplace Performance Indicators p.41-42	
Diversity and equal opportunities	<b>DMA</b>		✓	Caring Company p.34
			✓	Equal Opportunities p.39
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	✓	Workplace Performance Indicators p.41-42	
Supplier assessment for labor practices	<b>DMA</b>		✓	Partnering for Success p.50
	G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	✓	Partnering for Success p.50
<b>HUMAN RIGHTS PERFORMANCE INDICATORS</b>				
Non-discrimination	<b>DMA</b>		✓	Caring Company p.34
	G4-HR3	Total number of incidents of discrimination and corrective actions taken	✓	Workplace Performance Indicators p.41-42
Human rights grievance mechanisms	G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	✓	Workplace Performance Indicators p.41-42
<b>SOCIETY PERFORMANCE INDICATORS</b>				
Local communities	<b>DMA</b>		✓	Our Approach to Community Development p.16
	G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	✓	Alliance adopts an integrated approach in its CSR management. The Risk Management Steering Committee which chaired by CEO takes up the leading role in determining the policy and strategies as well as the community engagement and other CSR programs. These programs cover the entire operations and the engagement programs for individual sites will base on the risks and needs of the affected areas.
			✓	Community p.15-22
G4-SO2	Operations with significant actual and potential negative impacts on local communities	✓	Community p.15-22	

This report was prepared in accordance with the CORE requirements of Global Reporting Initiative (GRI) Guidelines.

Material Aspects	GRI Code	Description	External Assurance	Cross-reference / Direct answer
Anti-corruption	<b>DMA</b>		✓	Our Approach to Community Development p.16
			✓	Ethical Business Practices p.22
	G4-SO4	Communication and training on anti-corruption policies and procedures	✓	Ethical Business Practices p.22
			✓	Workplace Performance Indicators p.41-42
	G4-SO5	Confirmed incidents of corruption and actions	✓	Workplace Performance Indicators p.41-42
Anti-competitive behavior	<b>DMA</b>		✓	Our Approach to Community Development p.16
			✓	Ethical Business Practices p.22
	G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	✓	None
Compliance	G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	✓	None
<b>PRODUCT RESPONSIBILITY PERFORMANCE INDICATORS</b>				
Customer health and safety	<b>DMA</b>		✓	Customer Focus p.49
	G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	✓	No incident of non-compliance with relevant regulations and other voluntary codes in the reporting period.
Product and service label	<b>DMA</b>		✓	Customer Focus p.49
	G4-PR5	Results of surveys measuring customer satisfaction	✓	Customer Focus p.49



## Verificaton Statement

### Scope and Objective

Hong Kong Quality Assurance Agency ('HKQAA') was commissioned by the Alliance Construction Materials Ltd ('ACML') to provide independent assurance of the ACML Sustainability Report 2013-2014 ('the Report') which was prepared in accordance with the Core option of the G4 Sustainability Reporting Guidelines issued by the Global Reporting Initiative (GRI). The Report states ACML's major activities and achievements on sustainable development from 1 January 2013 to 31 December 2014.

### Assurance Methodology

The assurance process used is based on our management procedures, and was carried out with reference to the GRI's relevant Guidelines, aiming to assess the Report's adherence to GRI's principles of Stakeholder Inclusivity, Materiality and Responsiveness. In addition, reliability of sampled sustainability information and data was verified against the International Standard on Assurance Engagement 3000 – *"Assurance Engagement Other Than Audits or Reviews of Historical Financial Information"* for a reasonable level of assurance.

The assurance process consisted of:

- ◇ reviewing sampled documents
- ◇ checking the data management mechanism
- ◇ communication with or interviewing relevant personnel responsible for compiling the data
- ◇ verifying the selected representative samples and examining the supporting evidence, including raw data that supports the report contents
- ◇ undertaking analytical procedures over the reported data

Accuracy and reliability of the aggregated data was sample tested. The processes for data collection, aggregation, estimation, calculation and internal vetting were reviewed and examined in order to confirm the extent of robustness. Detail verification results and recommendations are stated in a separate report provided to ACML.

## Independence

HKQAA was not involved in collecting and computing the reporting data, and in the development of the Report. HKQAA's activities are independent from ACML.

## Conclusion

The verification team confirmed that the Report which was prepared based on factual statements and the data contained within the Report are accurate.

Based on the evidence sampled, the verification team observed that the information presented in the Report has provided a material and complete representation of the performance of ACML in the context of sustainable development. It is a fair and honest representation of initiatives, targets, progress and performance on ACML's sustainable development achievements.

To conclude, the Report is able to provide an adequate and reasonable account of ACML's sustainability performance on material aspects during the reporting period, and to demonstrate satisfactory disclosure of ACML's sustainability performance according to the Core option of the GRI's G4 Sustainability Reporting Guidelines.

**Signed on behalf of Hong Kong Quality Assurance Agency**



**Ronnie Ng**  
Assistant General Manager  
3<sup>rd</sup> June 2015



**Thomas Ma**  
Verification Team Leader  
3<sup>rd</sup> June 2015





