

# Managing Change

Sustainability Report 2008



# Gammon at a Glance



Gammon is a leading construction and engineering services group. We have been building a wide range of construction projects in Asia for more than 50 years.

We are the market leading construction contractor in Hong Kong, where we are headquartered, and also operate extensively in Singapore, Macau and Mainland China. We also have group companies incorporated in Malaysia, Thailand, Vietnam, the Philippines and Indonesia and have completed projects in all of these countries.

With an annual turnover around US\$1 billion, we directly employ some 2,525 full-time staff, giving us one of the strongest construction teams in Asia.

We are a private company jointly owned by Jardine Matheson, an Asian-based conglomerate with extensive experience in the Region and Balfour Beatty, a world-class engineering, construction and services group.

With the support of our shareholders, we are able to deliver a unique combination of local presence, technical capability and financial strength.

## Our Brands



*Civil, foundations, building and maintenance services, and support services covering plant and equipment, concrete technology and steel fabrication*



*Specialist Public-Private Partnership business*



*Engineering design services and material technology*



*Electrical and mechanical contracting services*

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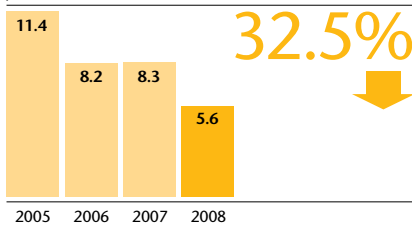
“Use Wisely, Waste Less, Emit Less”



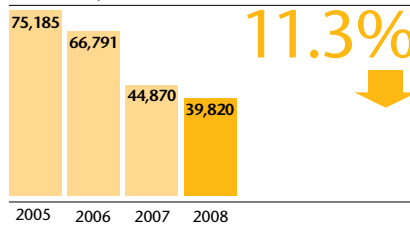
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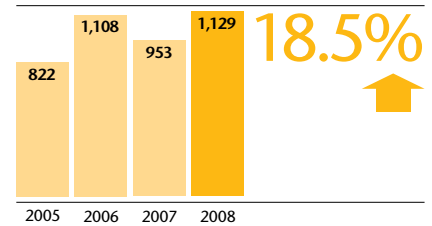
Accident Incident Rate  
per 1,000 workers



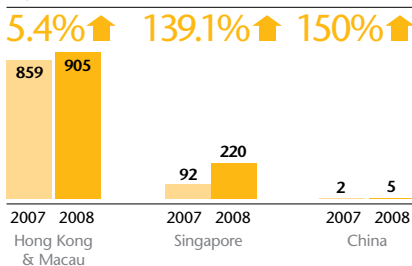
Greenhouse Gas Emissions  
tonnes CO<sub>2</sub> equivalent



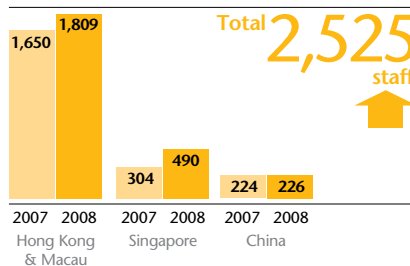
Group Turnover  
US\$ millions



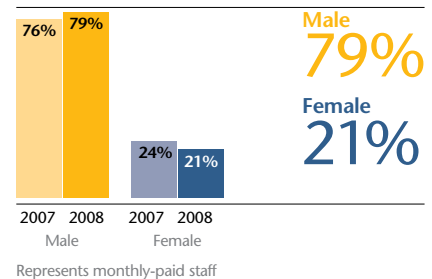
Turnover by Region  
US\$ millions



Employment by Region



Employment by Gender



Represents number of monthly-paid staff

The total number of staff including daily-paid workers was 4,201. Including subcontractors working on our sites the number swells to more than 8,730 people

# Chief Executive's Statement



*The challenge for us as a business and for the industry is to be equal to the demands stakeholders and the community will make whilst delivering sustainable and successful growth.*

**We are at a time when corporations and governments need to make courageous and considerate choices to secure the future for our children in both the near and long term.**

2008 was a year of two parts. It began with rapidly rising commodity prices and pressure on personnel resources as we struggled with growth. The year ended with falling prices, the credit crunch and rising unemployment. The financial crisis and ensuing downturn is causing turbulence and unease in the global economy. As many view the failure of corporate consciousness in the financial sector as a root cause, it is natural that sustainable principles and corporate responsibility are emerging at the forefront of public discourse.

The construction industry is being called upon as a vehicle for creating jobs and economic stimulus. I believe we must seize the opportunity to demonstrate our industry's role in sustainable development and produce more sustainable buildings, communities and infrastructure. Applying integrated approaches that consider longer-term societal values will yield benefits during the present downturn and long lasting value when conditions improve.

Gammon as a company was not immune to the downturn. Yet I am optimistic, because we pride ourselves in good governance and the ability to adapt and deliver products, services and innovation under challenging conditions. The rapidly changing business climate highlighted to us that business as usual is not an option and we need good risk management and closer engagement with all our stakeholders.

I believe the construction company of the future will be judged not just on what it builds, but how it builds. Gammon has long been a strong corporate sponsor of community programmes, but I foresee a greater

interaction with the communities in which we live and work. So we have revisited our commitment to build stronger connections with our communities and endeavour to manage our business in such a way as to have a positive impact on society overall.

Along with the financial crisis, the challenges of overstressing the earth's resources and of climate change are on local and international agendas with an increasing sense of concern. The construction industry must look to contribute through advancing energy conservation, carbon-critical designs, and life cycle planning and costing.

Whilst we work to meet these many challenges I believe we must also remain focused on resolving underlying issues for long-term sustainability. Human resources, imbalance in the procurement process, safety and quality of life remain the significant issues affecting our business. We cannot address these issues in isolation; it requires partnership and courage to transform our industry. I believe those who embrace social responsibility and the underlying tenets of sustainability will survive best.

Our prior years' reports encouraged a dialogue for change and growth that I still feel relevant. This report discusses the need to remain focused on long-term sustainability whilst managing change in the short-term.

**Thomas Ho**  
Chief Executive  
Gammon Construction Limited

May 2009



# Remaining Focused



Pacific Place Mall, Hong Kong.

*The risk profile for our business has changed; tight credit in the supply chain and the private sector, and imbalanced contract terms, mean our industry's capacity to take on supply chain risks is limited.*

Midway through 2008, private project funding dried up, material and energy prices dropped and governments began launching efforts to stimulate their economies to prevent a deeper economic downturn. This recession was met with a call to increase government infrastructure and construction projects.

In some respects, prospects for the construction industry may be brighter than most due to this balance of demand. However, the overall balance of risk is worsening mainly because of increased risk in the supply chain. Imbalanced contract terms mean our industry's capacity to take on supply chain risks is limited.

The reduction in available credit is the main source of increased risk in our supply chain. As a main contractor,

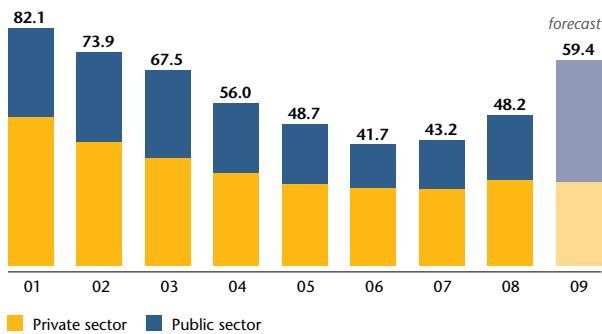
Gammon remains committed to customer delivery and hence is exposed to the costs of supplier default, a risk that is heightened in the current economic conditions.

Additionally, typical contract conditions in our core private sector markets leave the contractor to bear numerous risks, including for example of adverse ground and weather conditions. The reduced activity in the private sector is also causing significant margin pressure. The contractor is therefore having to finance increased levels of risk on a lower margin and does not benefit from any material interest income.

As a result, the ability of contractors to bear risk is reduced, except in cases where reasonable margins and contract conditions can be achieved.

## Construction Market (Hong Kong)

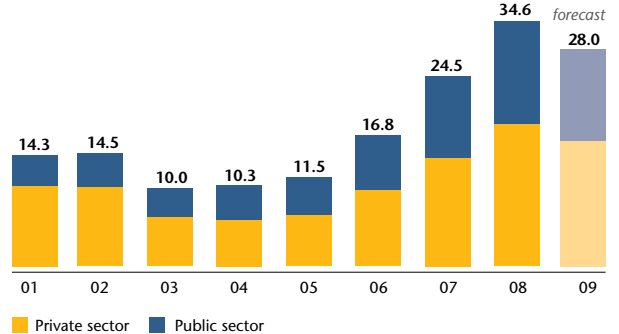
in HK\$ billions



Construction work performed by main contractors (excluding repair, maintenance, alterations and special trades). Information up to 2008 from Report on the Quarterly Survey of Construction Output issued by Census and Statistics Department, HKSAR Government. Forecast based on government estimate of HK\$39.4 billion from 2009/10 budget speech and internal estimate for private sector of HK\$20-30 billion

## Construction Market (Singapore)

in S\$ billions



Value of contracts awarded. Projected demand for 2009 is an upper bound figure published by the Building and Construction Authority, Singapore Government. The range is S\$22-28 billion

## Procurement

**“Is the industry positioned to capitalize on opportunities arising out of present day converging economic and environmental concerns?”**

The current economic climate highlights the need to evaluate our industry’s economic business models and innovate in pursuit of long-term sustainability. Integrated approaches to the pre-construction process need to be adopted because they produce the maximum value.

While life-cycle planning may be further off, facility and energy management, waste and carbon considerations are becoming the norm. However, the bid process is still restricting the submission of engineering alternatives and undervaluing safety, environment and innovation in award criteria. Consistency between the value and weighting of social and environmental aspects of development is needed to motivate and incentivize change.

Worldwide standards for green building and government commitments on climate change are advancing quickly. In Asia, we see China and Singapore enacting progressive Regulations and Codes for Environmentally Sustainable Buildings. In Hong Kong we run the risk of being left behind; our industry must continue to push for and value the adoption and application of innovation and best green building practice.

Once procured, the supply chain must be assured of security of payment. Inflationary risks must be fairly addressed in contracts and assurance that all parties will be treated fairly should be cascaded through the entire chain of supply.

Government efforts to stimulate the industry and generate more efficient payments are encouraging and include:

- Early release of retention,
- Partnering type contracts, and
- Earlier finalisation of accounts.

We call for a speedy implementation of these initiatives. Once in place and if managed successfully, consideration should be given to retaining these measures to make our industry more sustainable for the long term.

## Human Resources

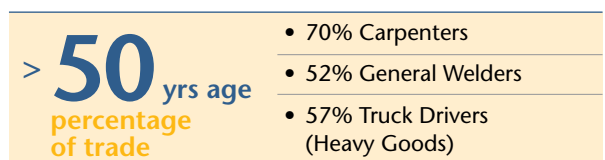
**“With industry unemployment currently at 11.2%, is now the time to worry about skills shortages?”**

Notwithstanding the current climate, the next few years will be critical for the industry. Competition for talent will intensify in the civil streams and project management. Contractors will need to redeploy their talent to cope with the shifts in their business portfolio resulting from changes in market demand. New competitors will enter our markets, adding further pressure. As the economy regains its vigor, talent retention will become even more challenging.

In Singapore, competitors from China, Hong Kong and Korea are entering the market. Engineering professionals, particularly senior roles, are in hot demand and often expect double-digit salary increases for career movement.

Despite the worsening unemployment rate in the construction industry, the need to inject new blood into the skilled labour force remains significant. The ageing workforce and a decline in the number of new entrants will be a significant factor affecting our industry’s ability to deliver and sustain itself in the long term.

A recent survey in Hong Kong revealed that the registered skilled labour is facing a serious aging problem with 32% over 50. Only 14% are under 30 years age, a historic low, and there is no prospect of improvement. In 10 years time





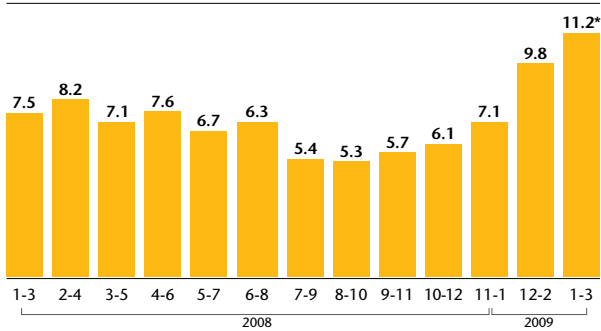
The Sentosa Gateway Project Team in Singapore.

this situation will only get worse. Innovative solutions and making the industry more attractive need to be explored, including technology, automation, pre-fabrication, education, a 5-day working week and a plan for imported labour.

Reversing the decline in frontline supervising tradesmen is critical to ensuring that we can build safely to the quality demanded. Pressing contractors and sub-contractors alike is the need to invest in upgrading the capability of foremen in core trades. In Singapore, this is additionally driven by new licensing requirements by the Building Construction Authority to upgrade safety and quality standards in the industry.

#### Industry Unemployment (Hong Kong)

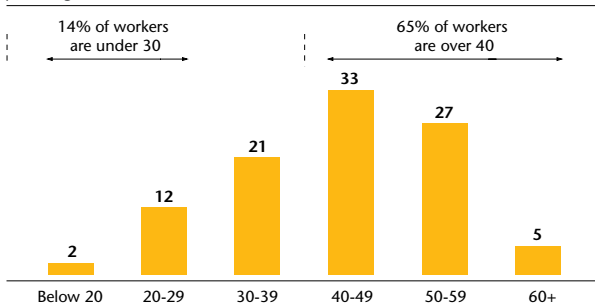
percentage by month



Source: Census & Statistics Department, HKSAR \*provisional figure

#### Industry Demographic (Hong Kong)

percentage



Percentage of Registered Construction Workers as at 30 November 2008. The total number of workers is about 220,000. Information from Construction Workers Registration Authority, HKSAR Government

These challenges can be met by ensuring that we structure our educational facilities to provide stimulating, practical and cross-discipline training. We must also provide opportunities for those entering our industry to see construction in terms of a career and a vehicle to address global development issues, like climate change and the realization of a sustainable economy.

## Safety

**“Increasing economic pressures may tempt compromising safety. Is the industry putting enough emphasis on safety of the workforce?”**

It is often the case that growth in construction output is accompanied by a rise in construction accidents. In the short and medium term, we expect keen competition and potential price cutting as companies bid for their survival. We should therefore be mindful not to add another human dimension to the existing financial crisis by sacrificing safety.

Worldwide research indicates that a majority of fatal and serious accidents could have been “designed out.” Designing safety into the construction process needs to be first considered at the concept stage, with all stakeholders prepared to assume accountability for safe design and for developing realistic construction programmes.

The design developments making the greatest contribution to safety are those of simplified detail and improved constructability. This holistic approach to design often improves durability, product quality and environmental impact, as well as, improves safety for those who construct and use the building. This in turn generates greater value for our customers and communities which surely must be our objective.

Presently, our industry invests significant resources in training our workforce. This is a valuable positive step and must continue. A highly skilled, effective and safe workforce is vital to the creation of a modern industry.

Further development is needed, however, to cultivate the safety skills of managers and supervisors in every sector of our industry: contractors, clients, designers and client’s agents. We need greater understanding and skills in the practice of safety management as a process. We cannot continue to rely upon our workers and frontline supervisors to be primarily responsible for working safely.

Good safety is not a cost. Research recently commissioned by Gammon and the Hong Kong Polytechnic University confirms that good safety enhances production in successful projects. It is integral with good design, good planning, good supervision and good implementation. Correctly integrated into a comprehensive management approach, safety adds value. It contributes to keeping costs low, programmes on track, attracting and retaining our workforce, and protecting the public.

# Corporate Leadership

## Gammon's Sustainability Framework



*We can only build a better future if we rise to today's responsibilities*

## Towards Sustainability

Viewed through the lens of sustainability, the material issues of our industry are inter-related. Hence, integrated approaches are needed. Embracing social responsibility, we must use active engagement as the means to change our industry's culture and economic model to properly value innovation, safety and the environment. The construction industry is a vital component in realising sustainable development and a low-carbon economy. Addressing these issues has the power to transform our industry, secure a skilled workforce and build a better future.

## Governance

Gammon, although privately owned, works within a structure of corporate governance that encourages consistent practice aligned to reflect organizational transparency, integrity and accountability. Governance is vested in the Board of Directors and chaired by a Non-executive Director (a shareholder representative). The Board sets the strategies and policies that govern financial and non-financial matters. The Executive

## Corporate Social Responsibility

is about the way we manage and sustain our business to produce an overall positive impact on society through economic, environmental and social actions



*Implemented and measured through certified management systems, Balanced Scorecards and specific KPIs*



Committee (ExCo), comprising six full time Executive Directors, is responsible for day-to-day management of the Group's businesses, and reports directly to the Board.

Gammon's Risk Management and Compliance Committee assists the Board in its oversight of the reliability and integrity of internal controls and disclosure. Chaired by a shareholder's representative, this Committee reviews in greater detail the Group's legal compliance, health, safety and environmental compliance, insurance status, risk management, business continuity planning, information management systems and human resources matters.

### Code of Conduct

To sustain our business and allow it to develop and prosper requires that Gammon acts responsibly not only by complying with legal requirement but also in terms of how we treat employees and business partners as well as how we care for the environment. A set of business principles underpins our performance consistent with these beliefs. Guidelines to explain how these principles are translated into practice are promulgated in our Code of Conduct. This Code provides a framework for good business practices and strategies for preventing bribery, illegal acts and infringement of human rights.

### Sustainability to Gammon

We define sustainability as the pursuit of our long-term economic and business goals in an environmentally and socially responsible manner.

We operate under the accepted triple bottom line reporting captured in the World Commission of Environment and Development guidelines, with the addition of health and safety, thus forming our unique Quadruple Bottom Line. Risk to life and livelihood is an inherent factor within the construction industry and therefore necessitates and justifies health and safety becoming the fourth component in our sustainability framework.

### Corporate Social Responsibility

We see corporate social responsibility as the way we manage our business to produce an overall positive impact on society through economic, environmental and social activity. In 2008, reporting to the Chief Executive, Gammon established a CSR committee consisting of senior representatives from business units throughout the company.

The direction is to align our activities with business objectives better and incorporate CSR in our platform for growth. Through CSR we gain insights into the needs of our stakeholders and are better equipped to adapt the means, products and services we deliver.

<p><b>Business Objective 2012</b></p> <ul style="list-style-type: none"> <li>• Customer Focused</li> <li>• Coordinated Supply Chain</li> <li>• Industry leader in Innovation &amp; Quality</li> </ul>	<p><b>Focused Actions</b></p> <ul style="list-style-type: none"> <li>• Stakeholder Engagement</li> <li>• Contractor Management</li> <li>• Supply Chain Management</li> <li>• Contractor's Performance Rating</li> </ul>
<p><b>Business Objective 2012</b></p> <ul style="list-style-type: none"> <li>• Environmentally Responsible with benchmark projects</li> </ul>	<p><b>Focused Actions</b></p> <ul style="list-style-type: none"> <li>• Environmental Awareness</li> <li>• Responsible resource use</li> <li>• Waste Management</li> <li>• Energy Management</li> <li>• Environmental stewards</li> <li>• Carbon Footprinting</li> </ul>
<p><b>Business Objective 2012</b></p> <ul style="list-style-type: none"> <li>• Strong local Management</li> <li>• Community Engaged</li> </ul>	<p><b>Focused Actions</b></p> <ul style="list-style-type: none"> <li>• Community Involvement</li> <li>• Engaged with employees</li> <li>• Education partnership</li> <li>• Construction charity/support</li> <li>• Transparent reporting</li> </ul>
<p><b>Business Objective 2012</b></p> <ul style="list-style-type: none"> <li>• Technically competent</li> <li>• Integrated within the business</li> <li>• World class in S&amp;H</li> <li>• Employer of choice</li> </ul>	<p><b>Focused Actions</b></p> <ul style="list-style-type: none"> <li>• Six Point Safety Focus</li> <li>• Innovation teams</li> <li>• Training and new competence</li> <li>• Employee engagement</li> </ul>

**Commitment shown through being true to our Brand Values and transparent Sustainability Reporting**

# Health and Safety

“Duty of Care, Yourself and Your Community”



Focus on Safety; (centre) Senior Safety Advisor.



Personal commitment and engagement are needed to improve our safety culture.

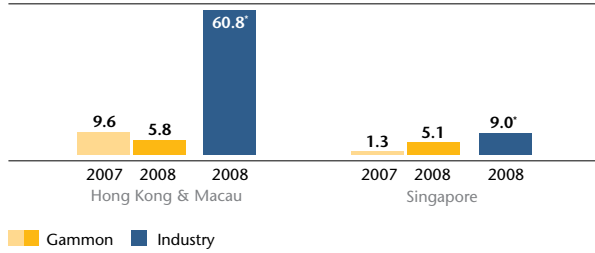
Duty of Care is our responsibility to workers, their families and the public who give us a licence to operate. **We remain focused** on driving towards Zero Harm by engaging everyone from the directors through to frontline workers.

With the support of our shareholders, we have embarked upon an initiative of Zero Harm.

Our commitment under this initiative is to deliver Zero fatalities, Zero disabling injuries and a target accident incident rate (AIR) less than 3.0 on or before the end of 2012.

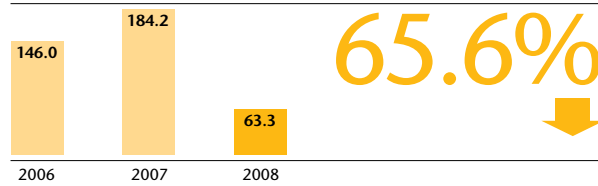
What makes this initiative special is that whilst we accept that more of the effort will come from ourselves, we are trying to engage with our designers, clients and supply chain to understand how their decisions and actions may impact upon safety and enlist their support in taking action, however small, to help meet our targets.

### Accident Incident Rate by Region per 1,000 workers



\*Industry accident incident rates are those reported for 1st three quarters of 2008 by Labour Department of HKSAR Government and Ministry of Manpower of Singapore Government.

### Accident Severity Rate total man-days lost/number of accidents



## Safety Performance for 2008

Groupwide data is collated on a monthly basis and regularly reviewed by Gammon’s senior management so that we can continually refine our strategies and improve performance.

Our group accident incident rate was 5.6 per 1,000 workers in 2008, the lowest we have ever recorded. Our group accident severity rate also dropped significantly compared to 2007.

The accident incident rate for Singapore increased in part due to adjusting the definition of reportable accidents to align with Hong Kong’s reporting standard. This was done to allow for fair comparisons of performance across the group.

Gammon continues to perform very well against industry benchmarks in Hong Kong and Singapore. This achievement has not gone unrecognized and in order to mark the occasion and celebrate in our successes, Gammon established a new award in 2008, the “Significant Safety

Achievement” trophy. To date the trophy has been won by five of Gammon’s major projects that have achieved the impressive 1,000,000 accident-free man-hours.

Our progress on safety is tempered by two fatalities, one in Hong Kong and one in Singapore. We deeply regret these losses and our hearts go out to their families. We have conducted thorough and independent investigations of the incidents, both internally and together with senior executives from our shareholders, and have implemented an improvement plan to prevent any reoccurrence. We also remain in touch with the families concerned and continue to offer all possible assistance.

## Six Point Safety Focus

Against the background of good achievements, we cannot be truly satisfied until we eliminate fatalities in our business which is why we are deeply committed to achieving Zero Harm.

We developed a “Six Point Safety Focus” action plan in 2008, which is detailed in the following pages.

## Top 10 Performing Projects

Accident Free Man-hours as of 31 December 2008	
Venetian, Macau	1,946,880
CLP Emission Control Project, Hong Kong	1,312,342
Term Contract for Waterworks District E, Hong Kong	1,211,541
Penny’s Bay Reclamation Stage 2, Hong Kong	1,046,862
ITE West, Singapore	1,037,130
Gammon Pristine, Guangdong	820,560
Chinatown MRT Station, Singapore	722,056
Pacific Place Mall, Hong Kong	682,500
MRT Circle Line Contract 822, Singapore	644,159
WSD Facility Reprovision, Hong Kong	635,140



Penny’s Bay Reclamation Stage 2 celebrated the achievement of one million accident free man-hours.



Ma Yee Shui (centre), proudly accepted his “Lighthouse Club Safe Foreman Award”.



## 1 > Leadership

Every leader within Gammon is committed to Zero Harm and inspires the people under his or her direction to make it a personal priority. In 2008, Gammon's Directors conducted a total of 237 project visits to demonstrate their leadership commitment to Health and Safety. The 2008 Annual Safety Conference was attended by more than 500 participants, and included market leaders, as well as business partners.

“Market leaders in safety shall spread a caring culture and a greater sense of responsibility for our colleagues.”



Ada Y S Fung, Deputy Director (Development & Construction), Hong Kong Housing Authority.



### Site Safety Measures for Working in Hot Weather

Gammon's findings on hot weather working led the Construction Industry Council to issue guidelines for the Hong Kong construction industry in June 2008.

The voluntary guidelines are available on the CIC website and adopted by certain government and MTR contracts.

This is our roadmap to achieve Zero Harm and each element is being championed by a Director or Senior Manager from our businesses in Hong Kong and Singapore.

## 2 > Constructability

Removing risk at source must be our goal.

Whilst all engineers are trained to design for safety, “safety by design” goes further by involving everybody, from engineers to foremen, purposefully to consider safety during their part of the construction process. This removes ad hoc execution from the process; replacing it with planned, pre-determined and safe procedures. We recognize that injury can be significantly reduced by changes that require safety to be considered right from the inception of the design and at every step in the design process.

Gammon partnered with Hong Kong Polytechnic University to set up a Digital Construction Research Division centre in 2008. The aim is to use this new technology in virtual simulations to identify safety risks and as an interactive tool to promote safety practices.

## 3 > Near Miss and Audit

By analysing the root causes of events and providing preventive measures, the safety awareness of frontline employees can be improved.

In addition to our legal responsibilities, we recognize that we must look inwardly and honestly to identify strengths and weaknesses in our safety management system. In 2008, we launched a new process of compliance audits, called “Health Checks” focused on delivering safety at the workplace.

An independent party carries out Health Checks every two to three months, focusing on the physical conditions as well as compliance with our management procedures. An assurance checker then goes through the recommendations with the site manager who takes ownership to see them delivered. In 2008, a total of 53 audits were done and resulted in 552 findings.

We adopt a principle of “no secrets in safety” and actively encourage the sharing of lessons learnt, both within Gammon and the industry. “Safety Alerts” based on this learning are issued to improve the safety awareness of our frontline workers and adopt best practices.



#### 4 > Care and Engagement

Listening to and communicating with the frontline workforce is crucial. A Frontline Safety Committee was established in 2007 to gather more feedback and assist the company to formulate Health and Safety strategy. Various activities included lunch box meetings, tea time gatherings, as well as of our employees launching a frontline safety staff recognition programme.

Our responsibility and “Duty of Care” extends beyond our work sites to the families of our employees, especially those affected by construction injuries. We demonstrated this care by arranging family visits from senior managers and by our Gammon Safety Family Fun Day, which was held on 30 November. In excess of 1,500 staff and family members came together to learn about and promote our safety culture.



#### 5 > Belief in our Systems

Management attention needs to identify and focus on the real risks that prevail and remove or control them before work commences, making it easier for our workforce to work safely.

Gammon has a strongly developed safety management system, that is well recognized within the industry, independently audited and registered to OHSAS 18001.

We believe strongly that our system can help us deliver safety on projects, but only if it is used as a tool and a guide to help us deliver real safety at the workplace. As with any system, we can become diverted by the paperwork, which then becomes an end itself and diverts our attention from our real objective.

Our system is constantly kept under review for continuous improvement and simplification.

#### 6 > Role of Safety Team

We are fortunate in Gammon to have a very experienced, committed and diverse Safety Team. They provide invaluable advice and support to our managers to help them fulfill their legal and moral duty to ensure the safety of our workers. This is in addition to the team’s primary function of advice and formal site inspection to prevent unsafe working practices.

The Safety Team carries out a great variety of safety training and promotion activities to support our works and raise awareness of our safety message.

Many of the safety team are also engaged in our “Care and Engagement” programme through home visits and social events that spread the Gammon safety message outside work and to our workers’ families.



# Economic and Business

“Integrity, Value, Social Responsibility”



Integrity, value and social responsibility are fundamental to thriving in an economy that values social and environmental performance in addition to financial performance. **We remain focused** on building a profitable and sustainable future for Gammon, together with our supply chain partners and subcontractors, while contributing to economic and social development through our works.

(above, top) North Satellite Concourse Building Work, Hong Kong (and above) Shenzhen Western Corridor, Hong Kong.



## Balanced Scorecard

Gammon uses the balanced scorecard to maintain a comprehensive view of business and focus actions in our best long-term interest. This incorporates financial and business goals and factors key to our sustainability, which for 2008 included customers, staffing, safety, risk and procurement.

We firmly believe that our financial goals depend on our ability to deliver on our sustainability vision and social responsibilities. Therefore, employee remuneration is directly linked to balanced scorecard performance.

## Financial Performance

Group businesses continued to perform well in 2008, fuelled by good growth in both Hong Kong and Singapore. We have been able to manage geographic diversity in the growth of Singapore and maintain a balance of engineering disciplines: Civil, Building and Foundations.

As evidenced by turnover and market size, Singapore's contributions to Gammon is increasing. Hence we opened a foundation's business in Singapore. Whilst our market share in Hong Kong is strong, new markets are needed to sustain growth and mitigate the risks of an over dependence on the Hong Kong market.

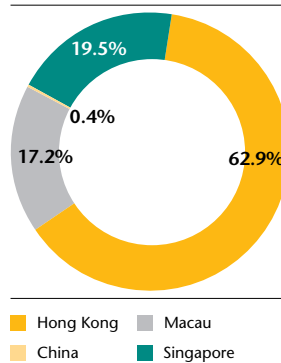
We closed the year with a record order-book. While the disruption in world financial markets is affecting our core markets, we are confident that the quality of our order-book with well respected and solid customers will provide protection against significant financial risk, while its quantity will sustain a high level of activity in the year ahead.

## Selected Completed Projects

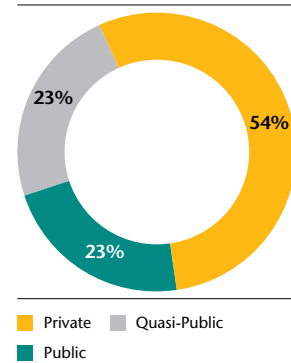


(above) One Island East, Hong Kong and (left) Sanlitun, Beijing.

Turnover by Location for 2008



Order Book



## Singapore Public Private Partnership

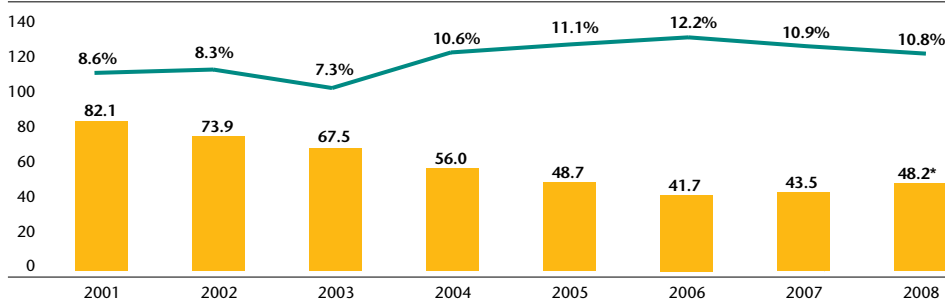
Gammon Capital commenced the group's first PPP in Singapore in August 2008. The 27-year contract involves the design, construction, financing and provision of facilities management services for the new Institute of Technical Education College West. The long term nature of the contract provided the opportunity to add value through a holistic consideration of the whole life of the facilities, optimising capital, operating, lifecycle and maintenance costs, which were proactively considered involving all stakeholders from the concept stage.



Artist impression of Institute of Technical Education College West (ITE).

In striving for Greenmark Platinum status, the design included a comprehensive approach to passive and active design to deliver highly environmentally sustainable facilities, including selection of building orientation and envelope to minimize heat gain, use of high-efficiency chillers and lighting and other aspects such as the provision of extensive landscaping, green roofs, solar hot water, waterless urinals and rainwater harvesting. Campus connectivity has been optimised to reduce the need for lifts and escalators. In the construction works we are applying pre-cast and system formwork elements to minimize waste and are adopting material recycling where practical. The project is an exciting opportunity to add value under a new and growing procurement approach which demonstrates our commitment to sustainable development and our broader capabilities.

## Hong Kong Construction Market in HK\$ billions



Overall market size Gammon's market share \*2008 4th quarter data provisional

Construction work performed by main contractors (excluding repair, maintenance, alterations and special trades). Information from Report on the Quarterly Survey of Construction Output issued by Census and Statistics Department, HKSAR Government

2007 market share adjusted due to updated turnover data

## Risks and Opportunities

In the extraordinary financial market situation that emerged during 2008 our strong financial position provides comfort to our clients such that they are not unduly exposed to counter-party risk, triggered by financial risk, when dealing with Gammon.

## Selected Projects Secured



Mole, Singapore.



VTC, Hong Kong.



iSquare, Hong Kong.

We continue to exercise prudent financial risk management in the transactions we undertake, considering and mitigating the risk of party default, price fluctuation and interest and exchange rates, in addition to the availability of credit.

A Risk Committee comprising directors and the Group Risk Manager meets regularly to review both strategic and operational risks, in order to seek improvements and ensure that identified risks and controls remain valid. Each quarter changes in risk and priority are reported to a Risk Management and Compliance Committee chaired by our shareholder, adding another perspective to the process.

During 2008 we focused on identifying and managing opportunities related to business and engineering decisions and to issues of direct relevance to sustainability. By this, we aim to facilitate more systemic progress, thus releasing efficiencies in design, construction methods, use of materials and energy, and in minimizing waste and environmental impacts.

## Innovations

Vital to our sustainability are innovation and continuous improvement. We believe in the importance of being a technology enabled, learning organization. More than ever we need to be environmentally attuned and compliant. We have a public responsibility as well as a client commitment to deliver projects making most efficient and sustainable use of available resources. In the construction industry, being ahead means not just acting on new business trends, but setting them.

Research and development work is undertaken through Gammon's Innovation Centres that are aligned with the company's core businesses. Presently there are seven such centres in Hong Kong and Singapore, promoting innovation and collecting improvement ideas from every tier of the business.

A clearly established central resource plays a coordinating role in communicating initiatives across the business, promoting activities that stimulate innovation and engaging with Balfour Beatty's Innovation Forums in Europe to ensure there is a global reach. Funds are made available for research and development at the Innovation Centres.

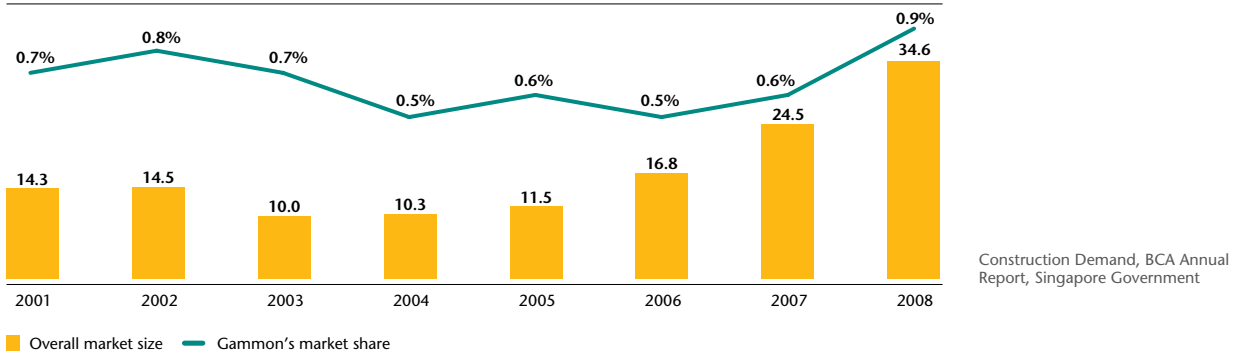
In October 2008, a new Innovation Intranet site was launched. The site is designed to improve communication and encourage wider involvement across disciplines.

Gammon's Innovation Competition was revamped for 2008 to broaden participation. In 2008, staff, subcontractors and sponsored students made around 60 entries, 20 more than last year. Entries covered a wide range of technical and business process improvements, with 31 costing less than HK\$10,000 to implement.





Singapore Construction Market  
in S\$ billions



Gammon donated of HK\$1.65 million to HK Polytechnic University for research into virtual simulations to identify safety risks. The donation helps to ensure that joint efforts continue to deliver quality innovations that prove vital to the construction industry.

Innovation is a key management theme at Gammon. We believe that we are strong at “on-the-job” innovation; and working continuously to improve methods, processes and designs.

### Meeting expectations

Gammon believes we can contribute positively to the sustainability agenda by meeting or exceeding stakeholder expectations. To gauge how we are doing in the eyes of others we actively solicit feedback from stakeholders during business or industry communications. We also have formal survey mechanisms in place to monitor the views not only of our own staff but also our customers and suppliers.

It is particularly important in regions where there is business growth to get the balance of our responsibilities right so that we do not detract from our overall corporate and social objectives. We recognize that meeting societies’ expectations can enhance our future growth and the aspirations of our employees and shareholders. Every year we ask our customers on all our projects for their views, either anonymously, in strict confidence or openly.

A key area of growth for Gammon is Singapore, and the results of surveys in 2008 as compared to 2007 show solid gains in key areas.

We are embedding more CSR principles into our business practices and we regard all feedback on progress from our stakeholders as of the outmost value in helping us to refine our present and future plans.

<b>Overall Customer Satisfaction* – Singapore</b>	
2007 – 3.70	> 2008 – <b>4.00</b>
<b>Using Gammon on next project</b>	
2007 – 4.22	> 2008 – <b>4.32</b>
<b>Recommending Gammon to Others</b>	
2007 – 4.13	> 2008 – <b>4.43</b>

\*Score out of 5.0 maximum

### Engagement and Growth

Senior Management meets twice a year to review strategies and progress and discuss inputs from the customer engagement which is conducted throughout the year. The management team invites younger colleagues to attend, and meets with them to learn, communicate and debate issues and formulate strategy and direction.

Monthly messages from the Chief Executive to staff are posted at work-sites for all, including subcontractors, to read. The director and management site visits ensure that an open channel for dialogue is active from top to bottom.

# Social Responsibility

“Connected, Contributing, Caring”



(from left to right) Central Rat Race, Elderly Visit with Tung Wah Group of Hospitals and the Singapore Green Race Team.



Connected, contributing and caring embodies our desire to build stronger connections with society through education, skills development and by supporting those who work to improve quality of life. **We remain focused** because these are the key ways to developing the partnerships, skills and motivation needed to realise sustainability.

We view corporate social responsibility (CSR) to be about the way we manage and sustain our business to produce an overall positive impact on society through economic, environmental and social activity. Interactions with our staff, business partners, the community and the environment have been core to our practice and in 2008 we reviewed our policies and designated champions throughout Gammon’s operations to review stakeholder engagement and endeavour to focus efforts in line with our core values and sustainability objectives. Focus statements throughout this report explain our view of the linkage between CSR and our sustainability.

## Stakeholders

Gammon has long recognized that the long-term success of our business depends not only on the continued delivery of high quality service, but also on demonstrating achievement in fulfilling our wider responsibilities. Our commitments therefore must stretch beyond the benefits created by our projects.

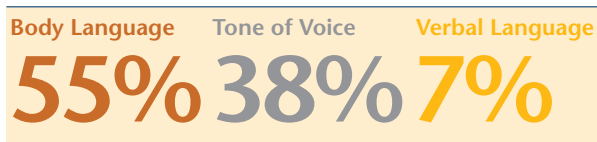
Shareholders, customers, workforce, supply chain and community represent our key stakeholders. We engage with these groups to stay in tune with their expectations and encourage open dialogue and partnership.

In addition to open dialogue, we also use systematic approaches such as opinion and satisfactions surveys, as well as, conferences and workshops. This report is one part of our dialogue with stakeholders on the material issues for our industry. We received, in 2008, a commendation for Demonstration of Integrity in Reporting for our 2007 Sustainability Report "Dialogue for Growth" from ACCA Hong Kong.

## Customers

We believe we must focus on the broader needs of customers and not simply the structures that we build for them. We want to build "trust" as we differentiate ourselves through a consensus-building approach and a responsive attitude that puts us ahead in anticipating those needs.

### Connection with Customers



### Customer Satisfaction

<b>Remember Your behaviour makes a Difference:</b>
Ask, listen, involve
Build mutual respect
Focus on the customer and the task
Use positive language
Always do what you say you will do



Building bridges and relationships. Hikers' Bridge allows for safe access during construction.

Our projects provide us a valuable opportunity to engage the wider community, as society's view of construction can be critical and as much of our work is in urban areas and impacts the wider community surrounding our sites. Partnering to engage with communities enhances communication and has the power to yield creative solutions that promote harmony. Working with Hong Kong University and the local hikers group, access to a popular trail was retained. Proactive approaches with the community surrounding a major rail project led to engaging with local school children and resolved issues of the temporary removal of a nearby handicap access ramp during construction.



Extraordinary heavy rain on 7 June 2008 resulted in flooding of North Lantau Highway, Hong Kong. Though not part of that highway's maintenance contract, Gammon rapidly deployed to remove the danger and disruption to the public resulting in a letter of appreciation from the Director of Highways.



## Workforce

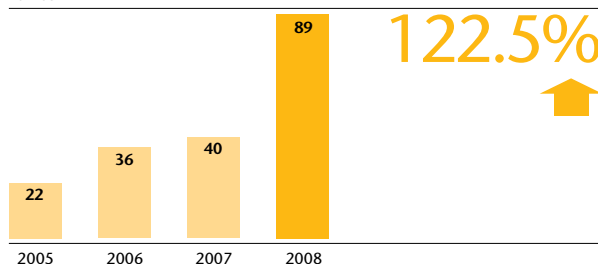
Our employees, monthly and daily paid, are key to meeting our stakeholder expectations, ensuring safety, delivering innovation and building relationships with our suppliers, subcontractors and communities. In this report we discuss how the shortage of new blood at the bottom and frontline are risks to our long-term succession planning and sustainable growth. Particularly important are persons with key technical skills and leadership qualities as they innovate, manage our works and are the “heart and face” of Gammon.

“ Attracting, retaining, and developing talent is an important risk mitigation strategy. ”

## Attracting and Developing Talent

The company has made a number of proactive moves in talent attraction, development and retention to meet future business needs. For example, our graduate and fellow recruitment process has been revamped and enhanced, making advertisements more attractive, simplifying the selection process and including line managers during selection. Gammon also reinforced its partnership with Chu Hai College, Hong Kong Institute of Vocational Education and the Construction Industry Council Training Academy to boost graduate intake at the junior level via career talks, summer placements and scholarships.

Graduate Recruitment  
number



Gammon looks upon graduate recruitment as its main conduit for bringing in new blood. In 2008, 89 post-secondary graduates were hired for Hong Kong, Singapore, China and Macau, and 40 technician and craft apprentices hired in Hong Kong. In addition, 32 university fellows have been recruited. Fellowships are unique 1-year programmes that provide students with an opportunity to work in construction and participate in various company functions.

We believe the best ways to keep good people is through engaged managers, challenging work and personal growth. Line managers are responsible to engage and to be personally involved in career planning. To also aid retention, we adopted a comprehensive review mechanism to ensure our total employment offer stays competitive in the market.

To develop our people, an integrated career planning process has been introduced that includes direct line managers in mentoring, coaching and planning to support both the company’s succession needs and the employees’ development. Training roadmaps have also been prepared to launch in 2009 to support the learning and development paths of different types of employees. Job rotations, international assignments and talent exchange with clients and partners are also arranged to foster challenging career paths and personal growth.



Top management uses every opportunity to recognize the growth and achievements of our people. Every month outstanding employees are featured in our Chief Executive memo to all staff.

## Employee Feedback

Getting feedback from our staff about what is important to them and how satisfied they are helps us to understand their feelings about company strategies and direction. In 2008, two staff opinion surveys were conducted. A total of 2,532 respondents participated and provided 1,441 open comments in addition to the survey questions. While overall performance in employee satisfaction remains robust with most questions seeing an improving trend in rating, we must not be complacent and several areas deserve attention for improvement.

## Our Community Culture

At Gammon we consider ourselves an integral part of the communities within which we operate and have a long history of contributing to the wider community. More and more we see wider social responsibilities on the agendas of our customers and amongst our employees who believe society needs the support and skills of those in the business community.

In 2008 our charity projects increased compared to 2007, and we are heartened that socially minded Gammon staff are more actively involved in planning and executing these activities. Moreover, there has been a heightened focus on



## Charitable Organisations supported by Gammon



project-driven engagement, often collaborating with NGOs to make a positive difference in the communities in which we work. A prominent example is the Civil Division's partnership with the Tung Wah Group of Hospitals to arrange caring activities, including visits with the elderly and children from low-income single-parent homes.

### Environmental Care

Gammon's regional campaign of "Building in an Environmentally Responsible Manner" promotes the need for natural resource conservation and our ethic of environmental responsibility. Caring for the environment and resources we inevitably use drives efficiency and keeps us in step with our customers and societies' aspirations on good resource management. In keeping with this in 2008, Gammon sponsored and participated in the Ocean Conservancy International Coastal Cleanup to promote awareness and respect for the environment.



*Gammon was a gold sponsor with Ocean Conservancy and Discovery Channel: 49 Gammon staff and family participated. The team was the largest sent by a corporate organization and demonstrates our desire for a more "active" contribution.*

The first day of November 2008 Gammon Singapore sent 21 teams of 88 enthusiastic staff to participate in three activities – the CGS Green Race and the Jigsaw Puzzle Challenge organized by the National Environmental

Agency (NEA), and the OSIM Corporate Triathlon. The Green Race promoted using only public transport or walking to various destinations all over Singapore; 12 Gammon teams raced against 20 other teams.

### Sichuan earthquake

Combining our corporate donations and staff members' fund raising efforts HK\$804,609 was donated to the Red Cross International for the Sichuan earthquake relief. Thanks to the efforts of our Secretarial Club and Young Professional Group who helped to organize the fund raising activities.

Employees also contributed in personal ways and increasingly express their aspirations to spread their knowledge and skills to benefit those in need. As part of a Sowers Action working group, one of Lambeth's Assistant Design Engineers visited schools in Lincang, Yunnan in August 2008 to inspect progress and basic structural stability and suggest improvements.

### Long-term commitment

We believe that our corporate responsibility does not fluctuate, thus nor should our commitment towards community relationships or social issues. The activity for which we have the longest history is the Sedan Chair Race, in which Gammon has participated in for 22 consecutive years. Our donations to the community provide us a way to extend our reach, and assist those that provide for improving quality of life.

As a company we give back to our communities because it is the right thing to do. We delight in the returns for our employees and their families and benefits to our family culture. Gammon is proud to have been awarded the Caring Company logo for the third year running. We see this accolade as an impetus to further our mission to better improve our work in the community in which we live and work.

### Our goals for the future

Moving forward, Gammon will adopt a three-pronged approach in supporting our community. First, we aim to increase the volume and variety of projects we undertake. Second, Gammon hopes to engage more of our staff to spearhead more diversified community projects, a move that also empowers our staff to be accountable and dedicated. Finally, through awareness we aim to develop a stronger CSR culture in Gammon, which is essential for the sustainability of our long-term business.

# Environment

“Use Wisely, Waste Less, Emit Less”



(above) Tamar Green Roof (from left to right) Students doing “green site office” study, FSC Timber and Transplanting trees disrupted by construction.



“Use wisely, waste less, emit less” embodies our ethic of respect for the environment and the natural resources we affect and use, including diligence in avoiding, minimizing and reusing waste. These principles drive innovation and efficiency and we **remain focused** on reducing environmental impacts and improving sustainability.

Environmental issues are increasingly shaping the context of our business. The cost of materials, impacts from noise, energy use and waste, as well as rising concerns about climate change all have implications for our operations and value chain. At Gammon we are expected to make responsible choices. For our own sustainability, we must understand our impacts, monitor trends and endeavour to lead in our markets. Our customers rely on Gammon to perform to world-class standards and bring solutions to complex projects. This expectation extends to the environment.

## Commitment

We work closely with external stakeholders and industry groups to further debate on climate change, building standards, waste and environmental management. We work internally to implement best practice and with our supply chain to bring solutions to our markets. We explore abroad and with universities to further R&D and develop skills needed in the future. Through all this, we seek to broaden understanding and realise the visions of building in an environmentally sustainable manner.

## Taking Ownership

Our ISO14001 certified environmental management system provides a framework for control. More importantly, our Chief Executive drives sustainability from the top by personally challenging every employee to contribute.

We recognize the degree of control we have on environmental matters depends on the works undertaken and the delivery process. With our own offices, facilities, and equipment we have opportunities to optimise performance so as to minimize environmental impacts. On our projects we influence environmental performance through working methods, procurement and relationships with stakeholders.

Procurement that involves design and preconstruction can provide sustainable solutions to improve buildability, energy efficiency, waste minimization and the wise use of resources. At the WSD reservoir project at Hong Kong University, innovative design to house the reservoirs inside the slope retained the hillside and three historic structures. Since we will be operating the ITE (West) facility in Singapore for 27 years, we are not only responsible for the design but also the long-term maintenance of the facilities. This provides us with the opportunity to additionally influence environmental performance during the operation of the facilities.



### The Hong Kong – Guangdong Business Coalition on the Environment Clean Air Charter

Gammon is very proud to be one of few businesses independently certified in compliance. Certification took two years and demonstrates the tangible ways we are following through on the Charter's six points.



Solar water heating and greening are most recent additions to the Gammon "green site office".

## Gammon Group Environmental Performance

per HK\$1m Turnover	2007 Achievement <sup>(1)</sup>	2008 Target	2008 Achievement <sup>(2)</sup>
Electricity Usage (kWh)	+22.5%	15% Reduction	-26.8%
Diesel Usage (litres)	-37.6%	15% Reduction	-21.4%
Petroleum Usage (litres)	-31.7%	–	-30.4%
CO <sub>2</sub> (e) calculated from energy usage (kg)	-22.2%	–	-25.1%
Water Usage (cubic metres)	+3.3%	9% Reduction	+8.9%
Landfill Waste (tonnes)	-74.1%	5% Reduction	-37.1%
Public Fill Waste (tonnes)	+10.5%	–	-45.1%

Notes: (1) % reduction figures compared with total for 2006 (2) % reduction figures compared with total for 2007



## Performance Monitoring

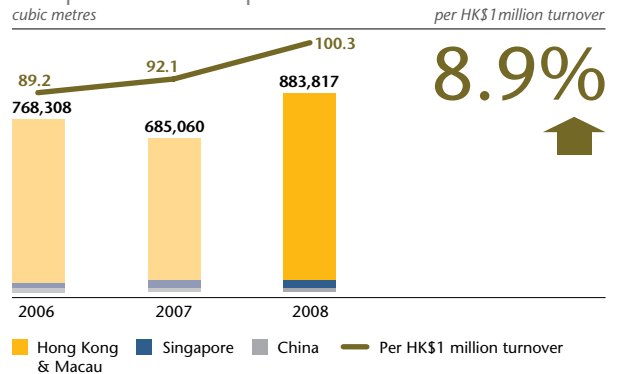
The nature of our works varies from year to year and we strive to reduce environmental impacts over the long-term, even as turnover and the quantity of work increases. Thus, we monitor our performance based on absolute totals and indicators normalized based on turnover value. Data is collected monthly from every project and business unit on energy and fuel consumption, water use and waste generation. The data was used to quantify our direct environmental impacts and manage resources better.

We treat compliance as the minimum acceptable performance standard for our business. Regrettably, in 2008 we received one legal non-compliance in Hong Kong resulting in a HK\$20,000 fine for dust control, and 4 minor composition fines in Singapore. We take all incidents seriously, therefore we promptly took corrective actions and investigated causes to ensure lessons are learnt and recurrence prevented.

## Commitment to Climate Change

Climate change dialogue intensified in the past year and for our industry the topic centred on carbon-critical designs, building energy efficiency, transport and a low-carbon economy. Whilst Gammon has always looked for efficient designs, both direct and indirect transport and energy usage are increasingly coming to the fore. We are committed to understanding our contribution, taking measures when we have control and promoting best practices for our industry. Where we have influence, we are working with stakeholders to understand indirect contributions, advocate standards and begin pushing for lower-carbon decisions within our supply chain.

### Group Water Consumption



We estimate our carbon footprint by calculating carbon dioxide equivalent CO<sub>2</sub>(e) from electricity and fuel usage. During the year we reduced our CO<sub>2</sub>(e) intensity by 25.1% measured as kg per unit of turnover. We have reduced our total CO<sub>2</sub>(e) emissions by 52% from our 2005 baseline, whilst increasing our turnover by 37%.

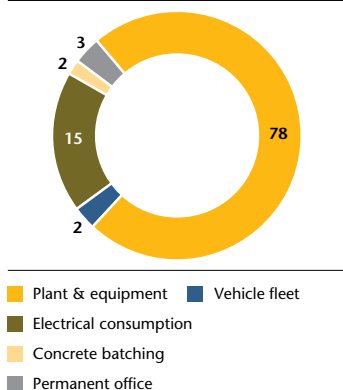
Group electricity, diesel and petroleum use decreased significantly compared with 2007. We convert usage to a common energy unit of gigajoules (GJ) so we can compare total energy used. In 2008, our total energy use per HK\$1m turnover decreased 22% compared to 2007 and represents a 5,050 tonne reduction in CO<sub>2</sub>(e) emissions.

## Gammon's Carbon Strategy

Our fixed assets, temporary site offices and transport fleet are within our control and hence Gammon's carbon reduction strategy begins with energy efficiency in our operations and transport. We continue to improve energy efficiency in our offices, workshops and batching facilities and share our experience.

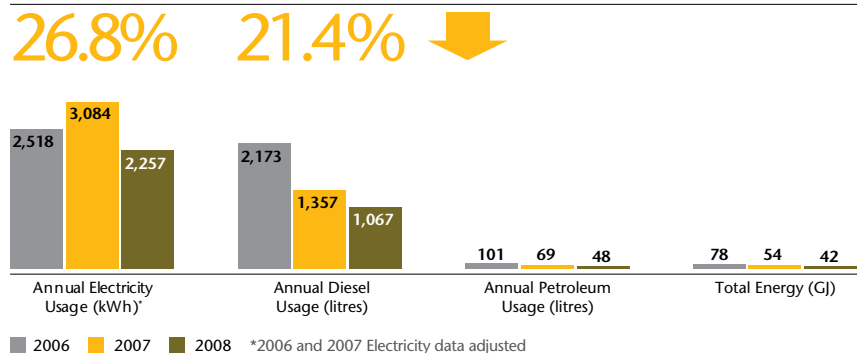
### CO<sub>2</sub> Equivalent from Hong Kong, Macau and Singapore Operations

percentage

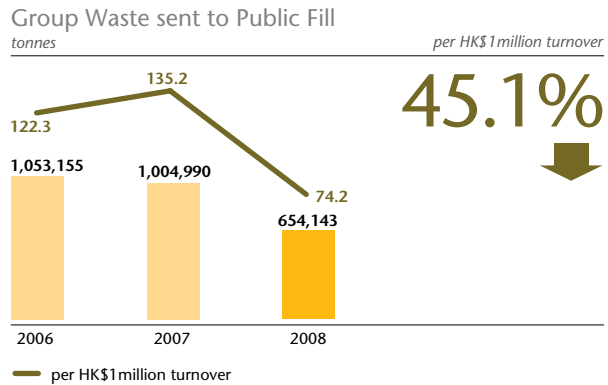
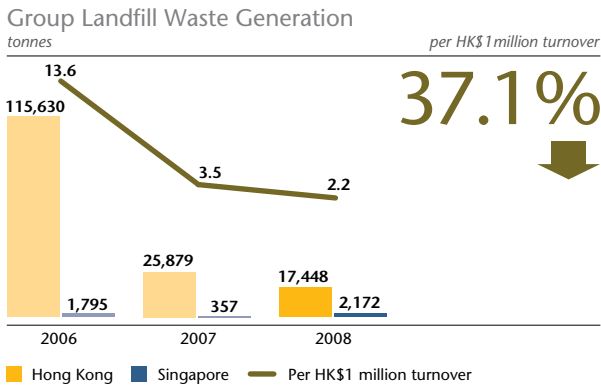


### Group Energy Consumption KPI

per HK\$1 million turnover







Gammon dispatches our fleet of 50 concrete trucks using GPS. Combined with preventive maintenance, this optimises transport efficiency. We recognize that measures to improve transport and reduce fuel usage also contribute to addressing serious air pollution issues in Hong Kong.

Building on the success of our energy efficient “green site office” discussed in last year’s report, in 2008 via our innovation centres we tested and incorporated solar water heating, and are now testing energy efficient and solar lighting, as well as examining reducing generator sizes. These improvements are promoted throughout the company and the procurement department ensures they are considered when setting up new site offices.

We are challenged to find benchmarks within our industry and look to international commitments to frame our targets. With the dependence on diesel plant and equipment and limited control over the nature of works year to year, we continue to investigate and to define long term targets.



**Finding alternatives to Public Fill – Promoting Re-Use**  
 In order to make use of construction and demolition (C&D) materials generated by the Tamar Site, Gammon-Hip Hing Joint Venture identified four construction projects where such surplus inert C&D materials was used. Direct reuse of materials reduces transport in and around Hong Kong and reduces burden on Government fill operations.

## Waste

Waste management is a strategic part of our business planning and is considered from the very outset in the works we undertake. The nature of our works significantly influences the waste we must manage. We continue with efforts to minimize waste through design, offsite prefabrication, good sorting and smart procurement.

For waste sent to landfill we achieved a 37.1% reduction measured as tonnes per unit turnover compared with 2007. Waste sent to public fill, typically used by Government to form new land, was also reduced by 45.1% measured as tonnes per unit turnover. In 2008, we expanded our efforts to recycle inert waste instead of transporting it to public fill. We see a two-fold benefit to this approach: a reduced burden on government fill operations to manage the receipt and reuse of waste, and reduced transportation and resultant emissions.

## Material Management

We strive to prevent waste and pollution through conscientious procurement. In 2008, we supported the use of ultra low sulphur diesel to promote clean air and our decision to use it on all of our sites aligned with Hong Kong’s announcement on mandatory use in the construction industry. We continue to monitor fuel consumption for efficiency in all our plant and equipment and are working closely with our supply chain in automating the fueling process.

We are committed to contributing to responsible natural resource management with our supply chain. We remain focused on promoting the use of timber products obtained from independently certified legal and sustainable sources, such as those certified under the Forest Stewardship Council (FSC) scheme. We partner with our formwork subcontractors in giving preference to the use of timber products demonstrated as derived from well-managed sources. We also continue to work with designers to improve use of timber and steel.

# Verification Statement

The Business Environment Council (BEC) was commissioned by Gammon Construction Ltd (Gammon) to verify its 2008 Sustainability Report "Managing Change" (the Report) which involved checking the completeness of report scope and adequacy of data, as well as the accuracy and credibility of the information presented. BEC conducted sample checks of representative group-wide data and claims in the Report through document and data review and interviews with responsible personnel at the Hong Kong head office, as well as visits to selected sites in Hong Kong only. Our findings are set out as below.

## Completeness of the report scope

"Managing Change" provides a fair and balanced account of Gammon's sustainability commitments, performance and challenges in relation to its core business activities and key markets for the reporting period. The Report covers Gammon's approach to sustainability in working with business partners, the industry, and key stakeholders to address significant health and safety, social, environmental and economic issues. The Report also demonstrates how Gammon is remaining focused and taking the leadership to promote a more sustainable construction industry and society in the long run.

## Adequacy of data

The relevance and clarity of the Report's presentation of economic and business, social, health and safety, and environmental performance is considered adequate. In particular, the presentation of industry statistics is useful in presenting the sustainability challenges confronting Gammon and the construction industry. Indicators in the Report provide a useful insight into Gammon's sustainability performance monitoring and enable readers to compare performance over time as well as support analysis relative to other organisations.

## Accuracy of data

BEC is satisfied that the information presented in this Report is substantiated by the documents and data reviewed and interviews conducted during the verification process. The methods used and underlying assumptions

adopted to calculate quantitative data are adequately explained in the Report. BEC advised Gammon of some aspects of existing data collation and management systems in which the quality and completeness of environmental data requires some enhancement, and acknowledges Gammon's commitment to improvement on an ongoing basis. Recommendations to correct minor errors identified during verification and to improve consistency and clarity in the information presented have been incorporated into this Report to BEC's satisfaction.

## Opinion

BEC considers this Report an accurate and reliable presentation of Gammon's initiatives and achievements towards corporate sustainability in 2008. BEC encourages Gammon to consider the inclusion of the following aspects in the preparation of its future reports:

- To extend the scope of Gammon's existing stakeholder engagement in order to understand stakeholders' views and expectations on Gammon's sustainability reporting and integrate these into the structure and content of future reports.
- To present clearly Gammon's sustainability objectives and targets in both the short term and long term, as well as their progress status.
- To further adopt the reporting principles and improve the coverage of appropriate performance indicators with reference to GRI G3 Guidelines.



Kevin Edmunds  
Chief Operating Officer  
Business Environment Council



# Selected Awards and Recognition

## 2007 Hong Kong Awards for Industries: Technological Achievement Award

Development of Grade 100MPa high-performance concrete  
Gammon Construction Limited

## 2008

### Hong Kong Awards for Environmental Excellence – Construction Industry



Silver Award Link200, Joint Venture – Construction of Austin Station and the Railway Tunnels, from Jordan Road to East Tsim Sha Tsui Station (Leighton – Balfour Beatty – Kumagai – John Holland Joint Venture)  
Certificate of Merit Gammon Construction Limited – Design & Construction of Re-provisioning of WSD Facilities for the Proposed Centennial Campus of the University of Hong Kong

### Occupational Safety and Health Council

Good Housekeeping Silver Award and Good Housekeeping Best Performance Gold Award  
Design and Construction of Re-provisioning of WSD Utilities and Infrastructure Works for the Proposed Centennial Campus of the University of Hong Kong

### The Lighthouse Club Hong Kong Branch

Safe Foreman of the Year Award Winner – Mr Ma Yee Shui

### ACCA Hong Kong Awards for Sustainability Reporting

Commendation for Demonstration of Integrity in Reporting  
Gammon Construction Limited



## About this Report

We have used the Global Reporting Initiative G3 Guidelines (2006) only as a broad framework for certain sections and performance indicators. In parallel, we have also prepared this Report giving due consideration to BS8900: Guidance for Managing Sustainable Development (2006).



*This report is printed on FSC (Forest Stewardship Council) certified Natural White paper from well managed forests and controlled sources.*

*We would like to thank the members of Gammon staff who have contributed photographs to this publication:*

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*Designed by Sedgwick Richardson*



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*We value and encourage dialogue on our reporting mechanism. Feedback provides invaluable insight to judge how to best communicate what is important and of interest to our stakeholders so that in future we can establish better platforms for dialogue on relevant issues. We encourage questions or comments by contacting [environment@gammonconstruction.com](mailto:environment@gammonconstruction.com). This Report and other corporate information are available on our website at [www.gammonconstruction.com](http://www.gammonconstruction.com)*

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