



WHARF

Established 1886

WHARF REAL ESTATE INVESTMENT COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1997



SUSTAINABILITY REPORT 2022



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MESSAGE FROM THE **CHAIRMAN**



MESSAGE FROM THE CHAIRMAN GRI 2-22

Wharf Real Estate Investment Company Limited (“Wharf REIC” or, together with our subsidiaries, “the Group”) released the sixth Sustainability Report, which highlights our commitments and ongoing efforts in our sustainability journeys.

The global environmental and social challenges such as climate change and COVID-19 have heightened the focus on environmental, social and governance (“ESG”) issues for investors and corporations. Over the year, the Group has been resuming pandemic recovery and is attaining a resilient and sustainable development in our operations in response to the fast-changing environment.

In addition to the Central Government’s and Hong Kong SAR Government’s pledges to carbon neutrality by 2060 and 2050 respectively, the world leaders reaffirmed their commitment to limiting global temperature rise to 1.5°C at The 27th Conference of the Parties of the United Nations Framework Convention on Climate Change (“COP27”). Meanwhile, The Stock Exchange of Hong Kong Limited (“HKEX”) and the International Sustainability Standards Board (“ISSB”) have been tightening ESG disclosure requirements. From requiring companies to align with the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”), to coming up a comprehensive global baseline of sustainability-related disclosure standards. In light of this, the Group maintains its robust governance structure while upholding its long-standing mission of “Building for Tomorrow” and accelerates the transition to low-carbon development.

To meet the increasing demands of corporate responsibility and create long-term values for our stakeholders in a post-pandemic era, the Group strives to be at the forefront of sustainable development, proactively embracing evolving international trends and industry initiatives. We have incorporated 11 of the 17 United Nations Sustainable Development Goals (“UNSDGs”) into our strategy. Also, the Group’s effort is widely recognised by the capital market. This year, apart from participating in the S&P Corporate Sustainability Assessment, we continued to be a constituent member of the Hang Seng Corporate Sustainability Index, maintained our HKQAA Sustainability Rating at AA+, and achieved an A rating from MSCI ESG Rating.

Along with the incorporation of climate-related risks into our existing risk management system and the formulation of our Climate Change Policy Statement, the Group explores strategic measures to control and mitigate climate-related risks that may have adverse effects on our business and pursues climate-linked opportunities, thus enhancing our resilience and capacity to adapt to climate change. Additionally, we continuously enhanced our disclosure in climate change management in accordance with the TCFD recommendations.

By establishing the long-term 2030 environmental targets, we are able to quantify our contributions and impacts on the environment. We are pleased to announce that our progress was on track with different business units’ coordinated efforts. The Group makes an effort to reduce emissions and manage energy use. Star Ferry is participating in Pilot Scheme for Full Electric Ferry, while Harbour City, Times Square and Plaza Hollywood installed solar photovoltaic panels on rooftops to support renewable energy development. We remain committed to supporting low-carbon transition with our targets, policies and initiatives, as well as ESG-linked financing.

Our sustainability efforts extend to our partners. We are conducting pilot exercise to gather emission data from our value chain to prepare for Scope 3 greenhouse gas (“GHG”) emission reporting and decarbonisation. In order to assure that we operate our business responsibly, the Group considers environmental and social factors in our supply chain. We also aspire to service excellence and provide the best customer experience by frequently surveying our customer’s feedback. Our Hong Kong Investment Properties obtained an overall of 97% in customer satisfaction during the reporting year.

To future-proof our business, we engage and empower our employees. In addition to talent attraction and engagement, we endeavour to nurture our employees with training opportunities, and offer them a safe, healthy and inclusive workplace. The Group’s injury rate is reduced significantly, achieving an overall rate of 2.5 per 100 employees.

In line with the Group’s Business-in-Community philosophy, we actively support youth development, help those in need, and promote arts and culture in the community. The Group is dedicated to supporting underprivileged secondary school students through our flagship programme Project *WeCan* (“*WeCan*”) with donations and a wide range of activities. In 2022, over 87,000 students and 82 schools benefitted from the collaboration of over 70 partner organisations. Since 2019, the Group has helped those suffering from the pandemic through the “Wharf Emergency Relief Fund” and donating to charitable organisations.

The successful implementation of our ESG strategies requires full support from our stakeholders. We would like to thank all of you for your efforts in contributing to a more sustainable world. Moving forward, we will continue to refine our ESG management with stakeholders’ feedback, getting prepared for upcoming sustainability challenges.

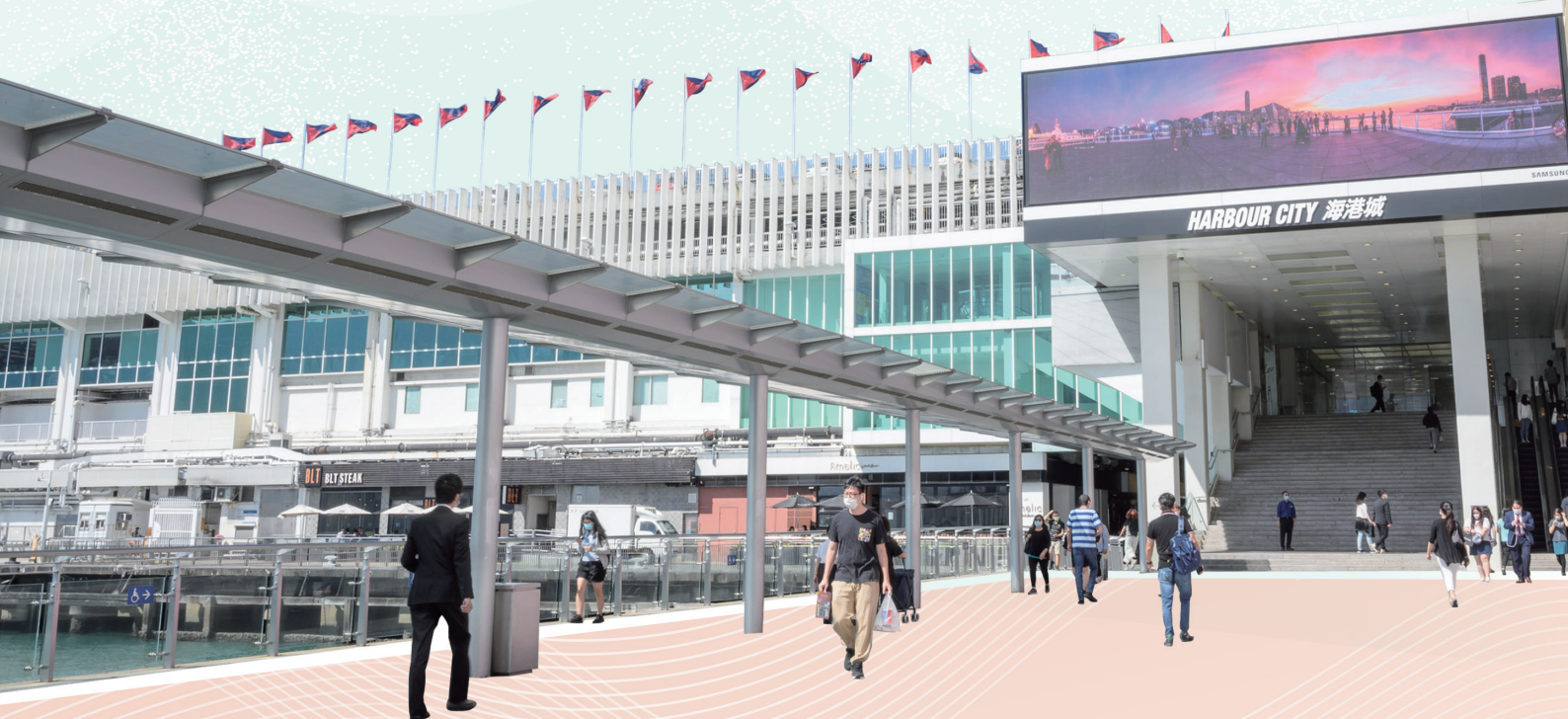
Stephen T H Ng

Chairman and Managing Director
Hong Kong

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ABOUT THIS REPORT

Report Standards 2-2

The Sustainability Report (the “Report”) has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (Appendix 27) issued by HKEX (“HKEX ESG Reporting Guide”), the latest GRI Standards 2021 (“GRI Standards”) and the GRI G4 Construction and Real Estate Sector (“CRE”) Disclosures. The Report is also with reference to selected metrics of the SASB real estate industry-specific sustainability accounting standards and the recommendations of TCFD.

The Report adheres to the four reporting principles listed in the HKEX ESG Reporting Guide and the eight principles required by GRI Standards. Unless otherwise specified, we use consistent methodologies to compile the quantitative data presented in the Report.

HKEX ESG Reporting Guide		GRI Standards			
Materiality	Quantitative	Accuracy	Balance	Clarity	Comparability
Balance	Consistency	Completeness	Sustainability Context	Timeliness	Verifiability

Report Scope 2-2, 2-3, 2-6

In line with the reporting period of our Annual Report 2022, the Report provides information about our sustainability-related policies, management practices, and performance in Hong Kong, Mainland China and Singapore, from 1 January to 31 December 2022. This year, in order to give a complete picture of our sustainability, we address specifics in the following operations:

Operation	Location	Business Unit (“BU”)
Investment Properties	Hong Kong	— Harbour City
		— Times Square
		— Plaza Hollywood
		— Wheelock House
		— Crawford House
		— Gateway Apartments
Leisure and Hospitality	Hong Kong	— Wheelock Place
		— Scotts Square
		— The Murray, Hong Kong, a Niccolo Hotel (“The Murray”)
		— Marco Polo Hongkong Hotel*
		— Marco Polo Gateway Hotel* (“Gateway Hotel”)
		— Marco Polo Prince Hotel* (“Prince Hotel”)
Transportation	Mainland China	— Pacific Club
		— Niccolo Suzhou Hotel (“Niccolo Suzhou”)
Transportation	Hong Kong	— Star Ferry

* Collectively “Marco Polo Hotels”

Comparing to the reporting scope of the year ended 31 December 2021, Marco Polo Changzhou is removed due to cessation of business after February 2022.

To better present our comprehensive ESG performance, our reporting boundary is determined by the significance of revenue contribution, ESG impacts, and management ownership of the assets. These elements enable us to identify the significant sustainability impacts and respective performance from our business operations in the Report. As such, Suzhou International Finance Square and other non-material assets are not included and over 90% of the Group’s businesses are covered in the report scope. For details of the report scope of the financial reporting, please refer to our Annual Report 2022.

Report Assurance 2-5

The Board of Directors of Wharf REIC (the “Board”) has approved the Report, and the Hong Kong Quality Assurance Agency (“HKQAA”) has independently verified it in order to obtain reasonable assurance with reference to the International Standard on Assurance Engagements 3000 (Revised) (“ISAE3000 (Revised)”), and regarding GHG emission, the International Standard on Assurance Engagement 3410. The verification statement can be found on page 80.

Report Publication Date and Feedback 2-3

This Report is published on 3 April 2023. To reduce paper consumption, the Report is only made available online unless specific requests for a hard copy are received from the shareholders.

To continuously improve the quality of the Report and our sustainability approach, we would like to receive feedback on it. If any, please contact us at csr@wharfrec.com.

2022 at a Glance

Continue to Receive Accolades of



Hang Seng Corporate
Sustainability Index
Series Member 2022-2023



SEHK:1997



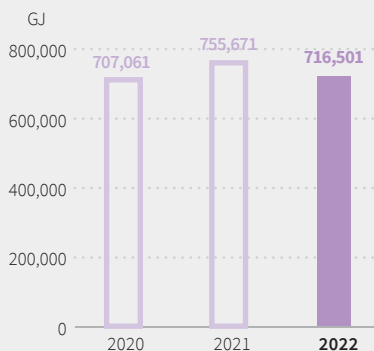
Work-related Fatality

0

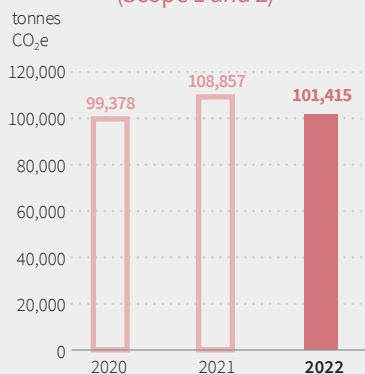
CASE
for 3 consecutive years



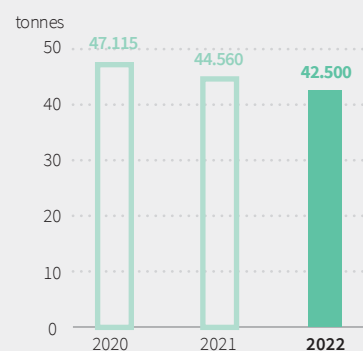
Reduced Amount of Purchased Electricity Consumption



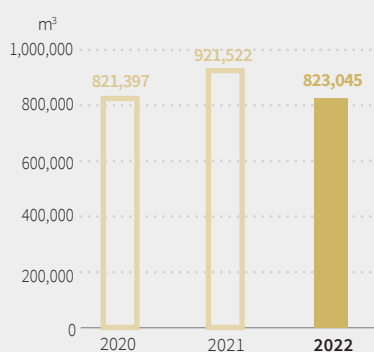
Reduced Total GHG Emissions (Scope 1 and 2)



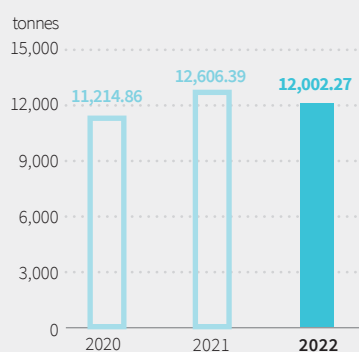
Reduced Amount of NO_x Emissions from Star Ferry



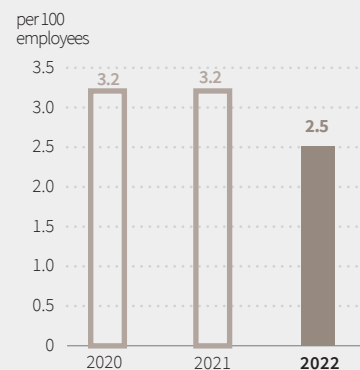
Reduced Total Water Consumption



Reduced Amount of Waste to Landfills



Reduced Injury Incident Rate



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ABOUT OUR BUSINESS

Our Business Overview GRI 2-1, 2-6

Wharf REIC, a publicly listed company with headquarter in Hong Kong, holds a portfolio of six premier quality assets in Hong Kong, including Harbour City, Times Square, Wheelock House, Crawford House, The Murray and Plaza Hollywood, and two luxurious commercial properties Wheelock Place and Scotts Square mall in Singapore. This portfolio occupies approximately 12.3 million square feet of gross floor area ("GFA") and has a total value of HK\$242.6 billion as of 31 December 2022 and a total revenue of HK\$11.6 billion in 2022. Our customers are mainly tenants and shoppers at investment properties, hotel guests for leisure and hospitality, and individual passengers for transportation. For more information on our business operations, please refer to the Business Review section of our Annual Report 2022. There are no significant changes in the Group's sectors, value chain, and other relevant business relationship compared to the previous reporting period.

Our Core Value

Wharf REIC develops, invests, and manages a broad portfolio of properties across Hong Kong, Mainland China, and Singapore with business operations in investment properties, leisure and hospitality, and transportation. We have been upholding our long-standing mission of "Building for Tomorrow", which encourages us to seek sustainable growth in the communities while achieving business success. We endeavour to offer excellent one-stop lifestyle experiences and provide employment opportunities for our community and create job opportunities for society. For details of our commitment to sustainability, please refer to our Vision and Mission Statement.

Our Presence and Impact

GRI 2-6, 3-3, 201-1, 203-1; HKEX KPI B8.1, B8.2

We continue to create positive impact on the economy and society through prudent management in 2022. Our contribution in 2022 are highlighted as below:

Direct Economic Value

TOTAL ASSETS

HK\$

255.3

BILLION



REVENUE

HK\$

12,459

MILLION



EMPLOYEES¹

APPROXIMATELY

2,800

EMPLOYEES



STAFF COST²

HK\$

950

MILLION



UNDERLYING NET PROFIT

HK\$

6,175

MILLION



Community Contributions

DONATIONS

HK\$

44

MILLION



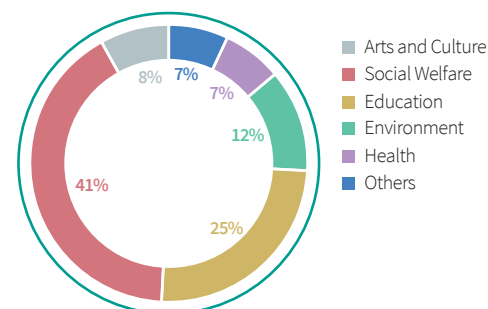
SPONSORSHIP

VENUE AND
ADVERTISING SPACE
FOR MORE THAN

200 CHARITABLE EVENTS



What We Supported (in number of events)



¹ The Group's total number of employees reported in Annual Report 2022. Under the Report's scope, the total number of employees is 2,679.

² Staff costs included defined contribution pension schemes costs for the year ended 31 December 2022 of HK\$53 million, which included MPF schemes after a forfeiture of HK\$2 million.

GOVERNANCE

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GOVERNANCE

Our Governance Approach

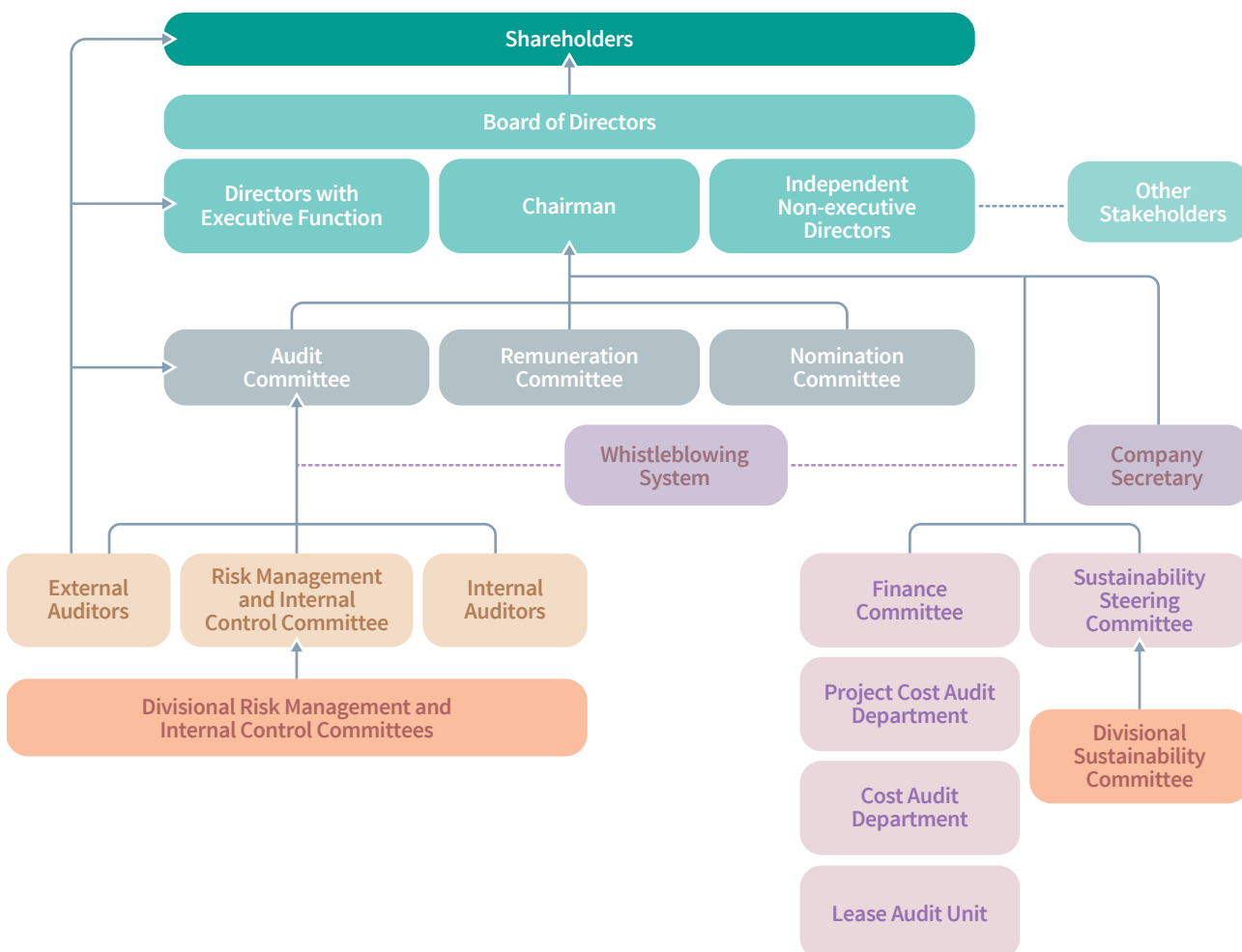
Corporate governance and excellent business practices are determinants of sustainable business growth. The requirements and approach to legal compliance in our business operations are set forth in the Compliance Policy Statement. The Group manages and monitors risks and upholds ethical business conduct through a strict and robust system to reach a high level of accountability.

Governance Structure and Risk Management GRI 2-9, 2-12, 3-3, 202-2, 405-1

The Board oversees the Group's strategy and development, including Wharf REIC's sustainability strategy and reporting. The Board is formed by experienced specialists from various industries, including property investment, mall management, public service, hospitality, entertainment, entrepreneurship, academia, banking, finance and accounting, property valuation and surveyor, wealth management and manufacturing. Diversified expertise provides broader viewpoints, enabling the Group to operate effectively and drive for positive influence. For further information on the composition of the Board, please refer to the Corporate Governance Report and Directors' Report in the Group's Annual Report 2022.

Composition of Wharf REIC's Board of Directors³

	Age			Gender		Ethnicity	
	50–60	61–70	>=71	Male	Female	Chinese	Non-Chinese
Number	2	3	7	10	2	11	1
%	17%	25%	58%	83%	17%	92%	8%



³ All members of the Board of Directors are hired from the local community, i.e. Hong Kong and Mainland China. The profile of the Board of Directors is outlined in the Annual Report 2022 (P. 77 to 82).

A robust, comprehensive and responsive risk management and internal control system is fundamental for the Group to operate in an active business environment with diverse risk exposures. The Group's Compliance Policy Statement is in place to outline the standards and approach to adhere to relevant laws and regulations. To manage risks, we integrate risks into our Enterprise Risk Management ("ERM") framework for regular assessment, in order to obtain a comprehensive view of risks faced by our business operations.

Ethical Business Operations

GRI 2-25, 2-27, 3-3, 205-2, 205-3; **HKEX** KPI B7.1, B7.2, B7.3

The Group upholds the highest standards of ethical business behaviour and professional conduct across all our business operations. We do not tolerate any form of bribery, extortion, fraud, or money laundering. We strictly abide by all relevant anti-corruption laws and regulations⁴.

The Group's Anti-Corruption Policy aims to establish a concrete anti-corruption culture throughout the value chain by requiring all personnel of the Group, including employees at all levels and others who may provide services to or act on behalf of the Group follow. Under the Group's anti-corruption framework, the Statement of Business Integrity and Code of Conduct, complementing the Group's Anti-Corruption Policy, clearly describe to our employees our ethical standards and requirements. All directors, officers and employees of the Group are required to comply with relevant policies regarding conflicts of interest, insider dealings, anti-competition and anti-corruption. To prevent unintentional non-compliance, we invite law enforcement agencies such as the Independent Commission Against Corruption ("ICAC") to deliver training to our employees and members of the Board regularly. In 2022, we conducted 1,060 hours of anti-corruption training for our directors and employees. The use of donations and sponsorships as disguised forms of bribery is forbidden by a set of due diligence procedures where all sponsorships and donations must be approved by the most senior personnel in every BU. For more details on our anti-corruption training, please refer to the Case Study on page 42.

Our Whistleblowing Policy and Procedures offers a confidential reporting channel of any suspected misconduct or malpractice to the Group without the fear of retaliation. It explicitly describes our commitment to whistle-blower protection, its implementation, compliant investigation procedures and follow-up actions. Whistleblowing reports received by the Internal Audit Department are regularly reviewed by the Audit Committee. During the reporting year, 3 partially valid complaints of non-critical matters raised through the whistleblowing channel were communicated to the Audit

Committee. The Group has taken appropriate follow-up actions and has strengthened control measures accordingly.

During the reporting year, there were no fines and penalties imposed regarding corruptive practices brought against the Group.



Our Sustainability Governance

Board Statement **GRI** 2-13, 2-14

The Board is committed to minimising the environmental and social impact brought by our operations in the light of sustainability risks. We aspire to aligning our ESG strategies and policies with our long-standing mission of "Business for Tomorrow".

The Board holds overall responsibility on ESG matters including strategy, management and disclosure. The Group's sustainability approach and performance are also discussed by the Board regularly. The Board provides insights to guide the Group's ESG practices by identifying key ESG risks (including climate-related risks) and opportunities in the annual risk assessment. The material issues identified in the regular stakeholder engagements will also be aligned with the development of our business strategy.

The Sustainability Steering Committee is delegated by the Board to manage sustainability matters. It is chaired by the Group's Chairman and constitutes key executives of functional units, meeting at least twice a year. It is responsible for monitoring and evaluating the Group's ESG performance, relevant goals and targets. ESG risks identified, relevant performance and material topics are reported to the Board annually for review. Meanwhile, the Divisional Sustainability Committee, the Cross-BU Sustainability Group and the Group Sustainability Team collaborate in implementing sustainability strategies across the Group.

Long-term 2030 environmental targets including GHG emissions, electricity and water consumption reduction, and diversion of waste from landfills are set. The progress is also closely monitored. We are actively implementing different measures to reach our goals.

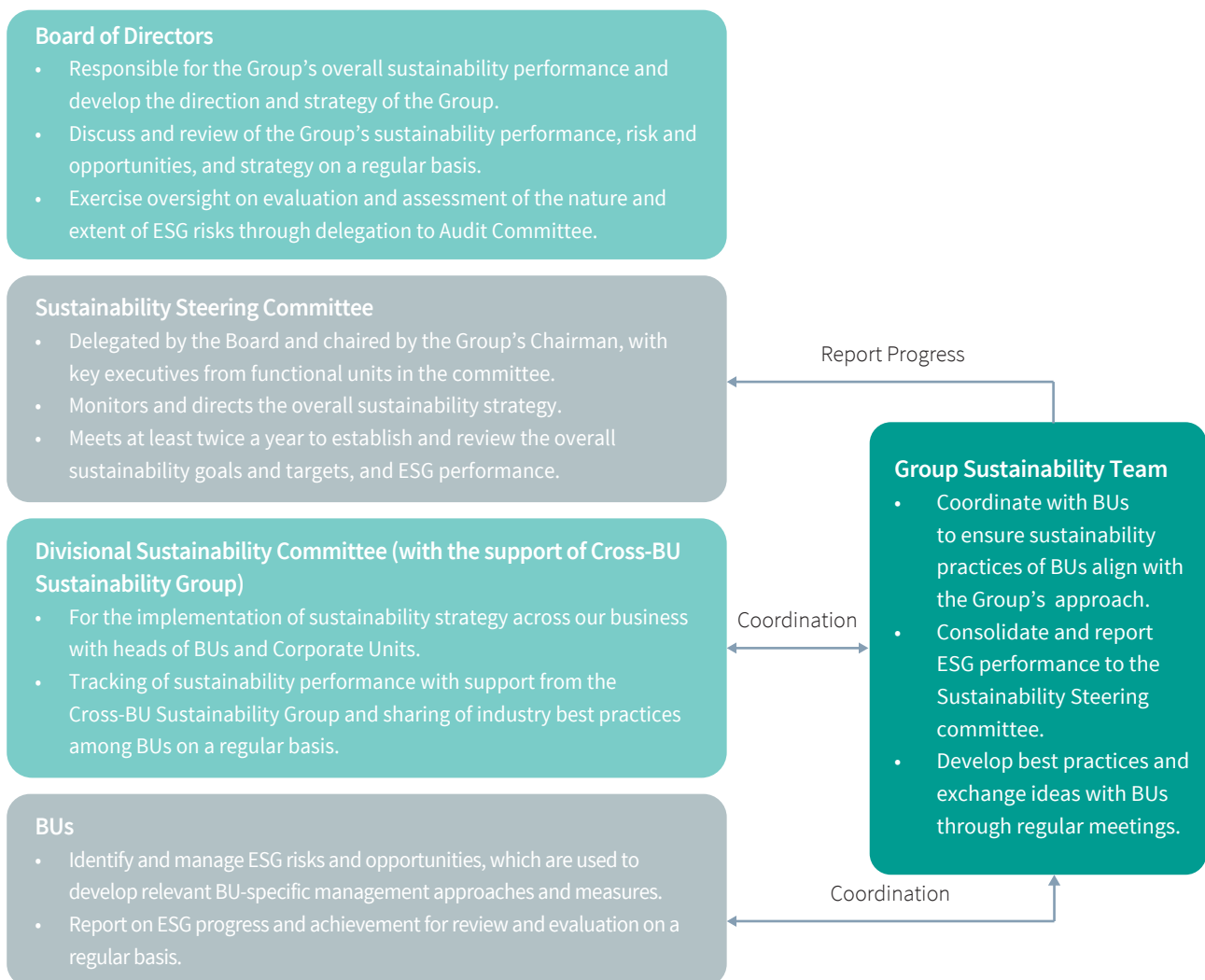
⁴ Please refer to Significant Laws and Regulations section for the list of laws and regulations relevant to our business operations.

Sustainability Governance 2-13, 2-14

Being recognised as one of the top performers in the real estate industry, Wharf REIC strives to deliver shared value to our stakeholders, society and the environment by incorporating sustainability in our business operations. We adopted smart business planning and execution throughout our sustainability governance structure to enhance our internal capacity.

The Group's Corporate Social Responsibility Guidelines have been in place to guide us in organising different ESG programmes and setting goals and commitments since 2016. For more effective management of sustainability, we formulated sustainability policies to strengthen the control of important ESG issues.

Our Sustainability Governance Structure



In order to identify, assess, and manage the relevant sustainability risk and risk interaction effectively, we have integrated the risks into our ERM framework.



Sustainability Policies GRI 2-23, 2-24

Our sustainability policies are aligned with the Group's key sustainability perspectives. They are approved and reviewed from time to time by the Sustainability Steering Committee. All business operations and employees at all levels abide by these policies. Stakeholders who may provide services to or act on behalf of the Group are also governed by selected policies. Policies are communicated to stakeholders through formal meetings and website, etc. Please refer to each policy for details on how it is embedded in the Group.

List of Sustainability Policies

- Anti-Corruption Policy
- Statement of Business Integrity
- Code of Conduct
- Compliance Policy Statement
- Climate Change Policy Statement
- Environmental Policy
- Green Procurement Policy
- Human Rights Policy
- Safety and Health Policy
- Quality Policy Statement
- Supplier Code of Conduct

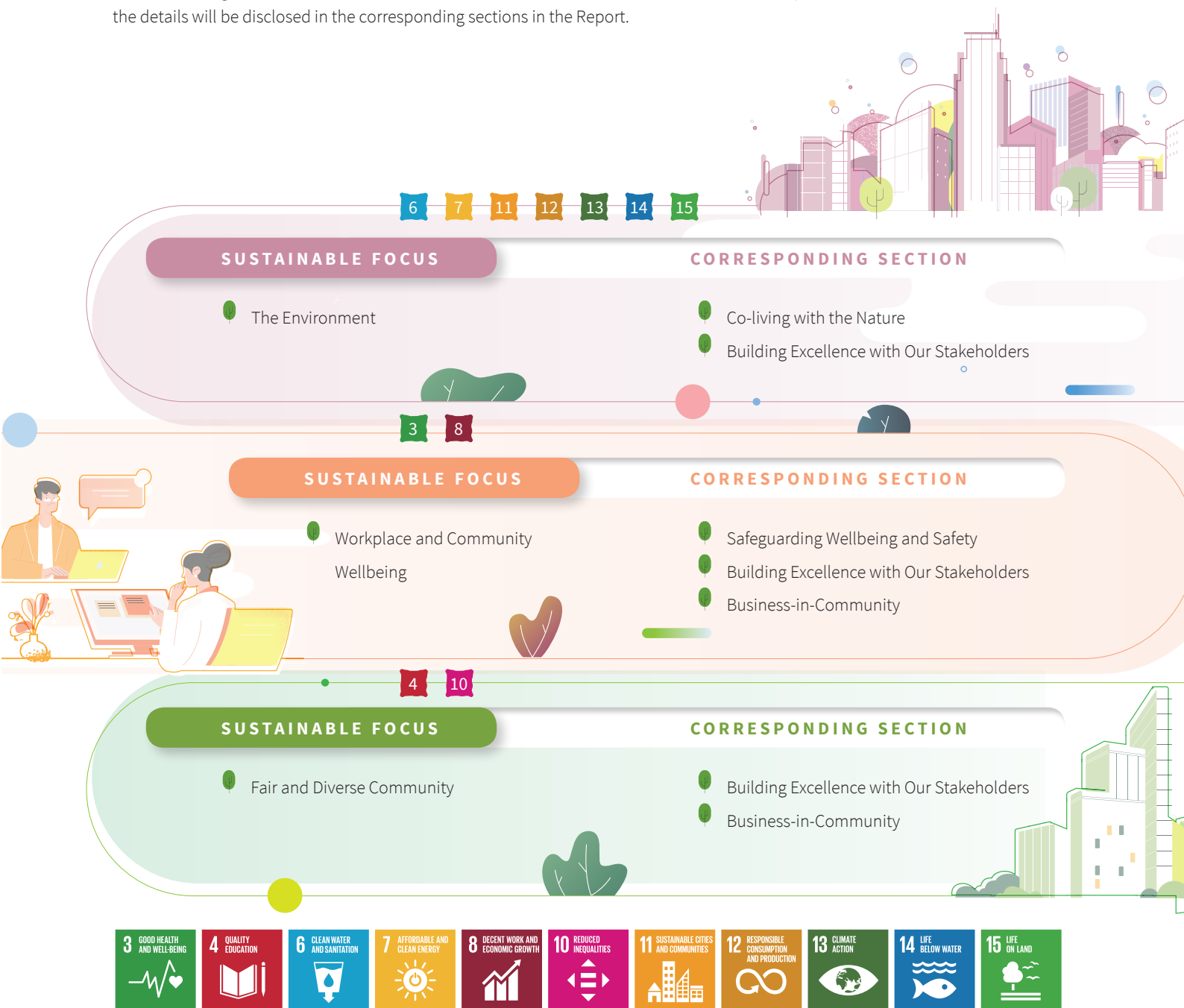
Sustainable Finance

Sustainable financing plays a key role in building a resilient society. With the announcement of Hong Kong's Climate Action Plan 2050, we are establishing a roadmap to support carbon neutrality, and sustainable financing is one of the key measures. By far, the Group has adopted sustainable financing to secure HK\$3,600 million to support the Group's ambition in sustainability.



United Nations Sustainable Development Goals

We strive to develop our ESG strategy with the UNSDGs, therefore, we have aligned our key sustainable foci with them. Following are the 11 UNSDGs we have identified out of the 17 which are relevant to our operations, and the details will be disclosed in the corresponding sections in the Report.



STAKEHOLDER ENGAGEMENT AND **MATERIALITY ASSESSMENT**

Stakeholder Engagement and Materiality Assessment

Stakeholder Engagement
Materiality Assessment

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18

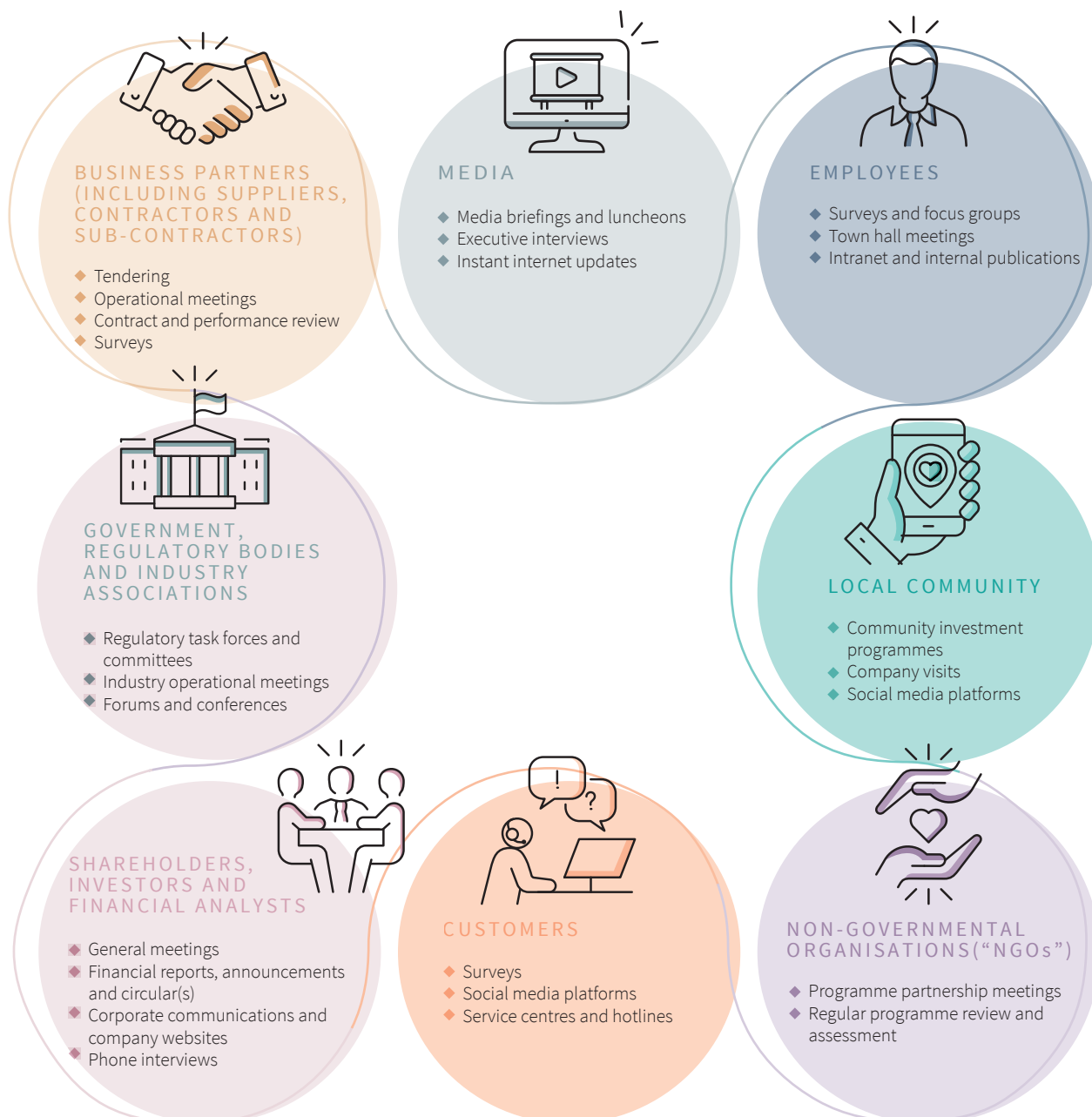


STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

Stakeholder Engagement 2-26, 2-29, 3-3

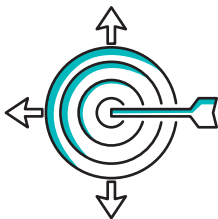

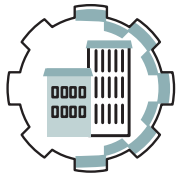
We value feedback and expectation from our stakeholders, therefore, Wharf REIC has established diversified engagement channels with different stakeholders for future improvement in our ESG performance. Our engagement with the stakeholders on different platforms will be carried out periodically.

Our Stakeholder Groups and Engagement Channels







Stakeholder Comments and Our Responses

We have appointed an independent consultant to conduct stakeholder engagement exercise in accordance with the AccountAbility AA1000 Stakeholder Engagement Standard 2015. To ensure a meaningful engagement was conducted, we had successfully engaged 684 stakeholders this year, including employees, suppliers, tenants, investors, and customers from online questionnaires, interviews, and focus group discussions. Our responses to each of the material topics can be found under corresponding chapters throughout the Report, and the table below outlines the key responses collected:

STAKEHOLDER FEEDBACK		OUR RESPONSES
Suppliers, tenants and investors suggested involving more stakeholders in sustainability initiatives to increase ESG awareness and further improve sustainability performance.	Sustainability Strategy 	We have been communicating with our stakeholders through different channels such as delivering newsletter to our suppliers and tenants to inform them of our latest development in sustainability performance and enhance the requirement for the suppliers.
Investors suggested disclosing more information on the roadmap of sustainability development and developing more ambitious environmental targets.	Sustainability Disclosure 	We understand that a roadmap is critical for our business operations and investors' evaluation. The Group has formulated carbon reduction and other environmental targets by 2030 and disclosed the progress. We will consider developing science-based emission reduction targets in the future.
Investors pointed out that Wharf REIC has not disclosed substantial green building policy development compared with local peers in Hong Kong.	Sustainable Building 	We have formulated various policies to improve our sustainability performance and enhance the built environment to achieve the 2030 environmental targets. We will study and consider developing formal policies for sustainable buildings.

Materiality Assessment 3-1, 3-2

We adopt a four-step materiality assessment to evaluate and prioritise stakeholders' views on the significance of an impact. The result assists us in enhancing our business practices and improving our decision-making.

Step 1 Identify		We identified potential material topics for disclosure with reference to the internationally accepted GRI Standards and the HKEX ESG Reporting Guide. Internal and external stakeholders were invited to participate in an online survey to identify the material topics.
Step 2 Prioritise		We reviewed local, regional and international peers' disclosure to identify industry practice and invited stakeholders to rank the materiality of various material topics. Feedback from the stakeholders regarding the Group's Sustainability Report was also considered. Internal and external views on significant impact were gathered to prioritise the issues. After analysing and consolidating the peer benchmarking and stakeholder engagement results, the overall materiality level of each sustainability issue and a prioritised list can be derived.
Step 3 Validate		The results of previous steps were discussed by the Group's Sustainability Steering Committee for confirmation and finalisation of the list of material issues for disclosure in this Report.
Step 4 Review		The sustainability issues and corresponding impact boundary are reviewed on a regular basis to ensure their relevance and materiality to the Group.

Material Topics and Corresponding Topic Boundary

Material Topics		Boundary and Impact	
		Within the Group	Outside the Group
Top five material topics			
17	Occupational Safety and Health ("OSH")	✓	✓
8	Energy	✓	✓
24	Customer Health and Safety	✓	✓
18	Training and Education	✓	✓
23	Community Investment and Engagement	✓	✓
Other material topics			
19	Equal Opportunities, Diversity and Inclusion	✓	✓
21	Employee Wellbeing*	✓	✓
12	Waste*	✓	✓
14	Sustainable Buildings*	✓	✓
6	Innovation*	✓	✓
25	Customer Privacy	✓	✓
1	Economic Performance*	✓	✓
9	Water	✓	✓
11	Greenhouse Gas and Emissions	✓	✓
26	Customer Satisfaction and Engagement*	✓	✓
4	Anti-corruption	✓	✓
15	Recruitment and Retention	✓	✓
3	Supply Chain Management*	✓	✓

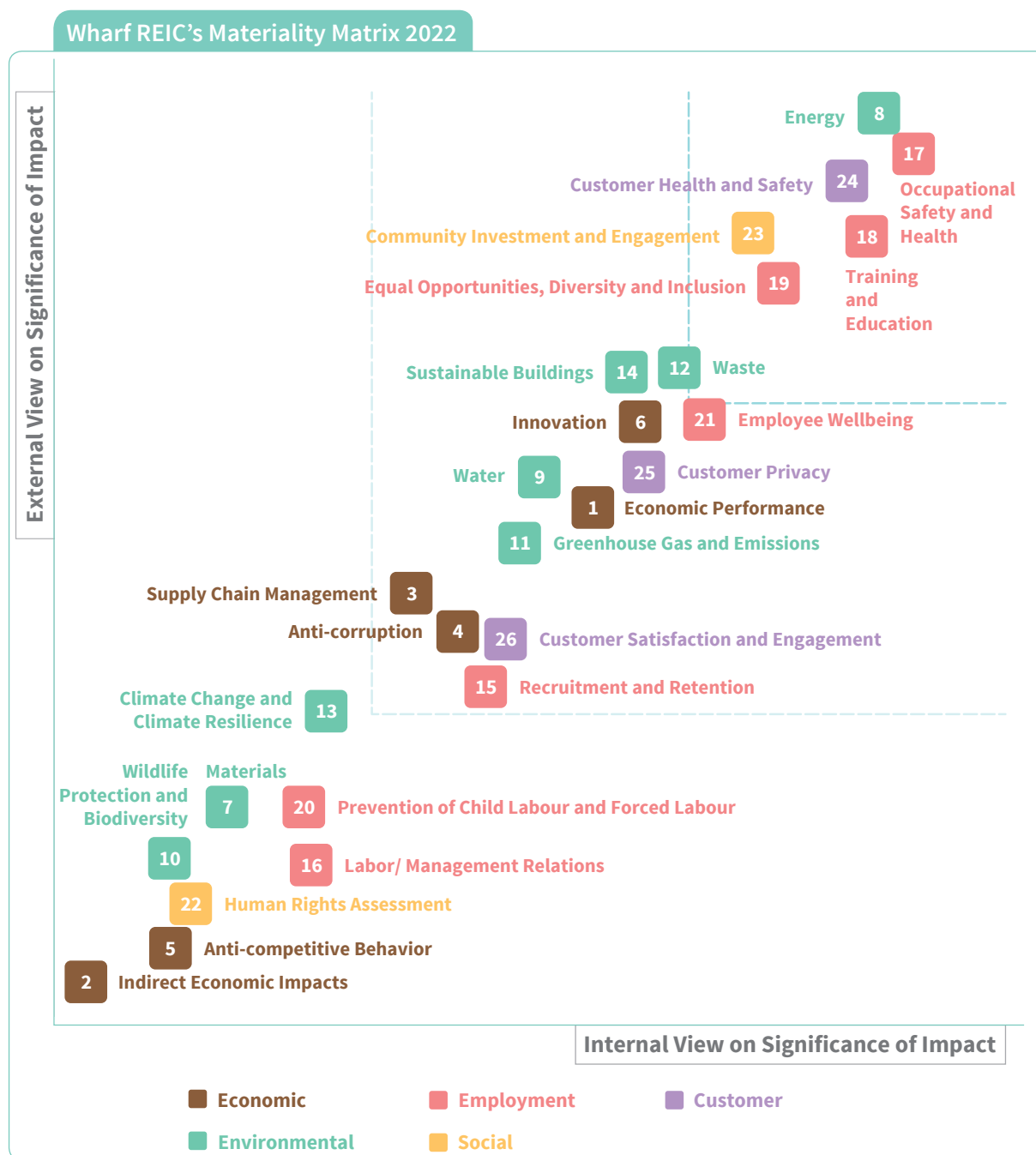
* Topics newly identified as material topic in the reporting year.

18 aspects are identified as material this year, compared to 16 in 2021 and 2020. "Occupational Safety and Health" is the most material aspect in 2022. "Indirect Economic Impacts" is no longer considered as material to Wharf REIC this year.

All material topics identified have actual, potential and positive impacts on either the economy, environment or people, except for "Water", "Waste", "Energy" and "Greenhouse Gas and Emissions" where the impacts are both positive and negative to the environment.

Wharf REIC's Materiality Matrix 2022

New criteria are introduced to determine whether a topic is material for reporting this year. The matrix below illustrates the 26 material topics by plotting the external view on significance of impact against internal view on significance of impact. The aspects in the top-right corner are considered to have significant impact by both internal and external stakeholders, and thus are prioritised for reporting. To avoid duplicating the indication of impact, the sizing difference of the individual points on the materiality matrix to indicate ability of Wharf REIC to create impact has been removed.



CO-LIVING WITH THE NATURE

Co-living with the Nature

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CO-LIVING WITH THE NATURE

UNSDGs addressed in this chapter:



Material topics addressed in this chapter:

• Energy • Water • Waste • Sustainable Buildings • Innovation

Commitment and Strategy

GRI 2-23, 2-24, 2-27, 3-3; **HKEX** KPI A1.5, A1.6, A2.3, A2.4





From climate change to exhaustion of non-renewable resources, the number of environmental problems we confront has reached a historic high, posing severe risks to our society. Policies, laws and regulations have been enacted by governments to combat these issues. As a responsible corporate citizen, the Group strictly abides by all applicable environmental laws and regulations⁵. Compliance is maintained by rigorous monitoring and analysis of environmental performance, risks, and the efficacy of control measures. During the reporting year, there were no confirmed incidents of non-compliance with environmental laws or regulations.

We know the Group's business operations and development have more or less brought detrimental impact to the environment in terms of energy consumption, GHG emissions, water consumption and waste production. To minimise the impact, the Group has

published environmental guidelines describing our principles and expectations since 2016. Through the implementation of the Group's Environmental Policy in 2021, we have strengthened our oversight in the areas of mitigating negative environmental consequences, monitoring compliance, and enabling communication to improve environmental performance.

The Group is committed to enhancing our environmental performance and exploring innovative ways in building a resilient business and sustainable future. Each BU has implemented its own set of environmental policies and procedures consistent with environmental principles established by the Group. The 2030 goals set by the Group cover a broad range of environmental aspects to demonstrate our commitment in improving our environmental performance. The Group's 2030 environmental targets and progress are shown in the table below:

Our 2030 Environmental Targets (2014 as Baseline Year) and Progress

	Overall Targeted Reduction	Progress in 2022
 Overall GHG emissions	-30%	On track
 Electricity intensity at investment properties in Hong Kong	-27%	On track
 Water consumption of Hong Kong operations	-18%	On track
 Waste diversion	To divert waste from landfills	On track

In the future, the Group will keep up our current efforts and explore the feasibility of establishing quantitative waste reduction and recycling targets.

⁵ Please refer to Significant Laws and Regulations section for the list of environmental laws and regulations significant to the Group's business operations.

Sustainable Buildings

The Group spares no effort in supporting the vision “Zero-carbon Emissions • Liveable City • Sustainable Development” of Hong Kong’s Climate Action Plan 2050. We will study about implementing sustainability strategies during construction and operation and review our approach for green building certifications. We endeavour to reduce our environmental impacts and improve our operating efficiency by adopting environmental management systems in accordance with international standards.

For example, Niccolo Suzhou has incorporated various green design features to minimise energy consumption during the construction phase and operation. We utilised mirrors and sheet metal to create a specular reflection in a neat order at Bar 115, reducing the energy needed for lighting while maintaining the opulent ambience. In addition, the Sky Pool is surrounded by window walls, allowing the use of natural lighting.



At Times Square, since the water misting system and fan system at the car park consume a tremendous amount of water and electricity, we installed indirect flush water cooling with a titanium cooling coil at the car park to increase the interior thermal comfort while reducing the amount of fresh water and electricity used, as well as the cost of maintenance. As a result, the project has been selected as a finalist for the Green Building Award in the Research and Planning category for 2021.

During the reporting year, Wheelock House and Crawford House obtained the ISO 14001: 2015 certification. Marco Polo Hongkong Hotel, The Murray and Niccolo Suzhou earned EarthCheck Gold, Silver and Bronze certification respectively. In recognition of our outstanding environmental management practices, some BUs were awarded the EnergyWi\$e Label, WasteWi\$e Label, and the Green Office Awards Labeling Scheme (“GOALS”). Under the Hong Kong Green Organisation Certification Scheme, Wheelock House and Crawford House have both been recognised as “Hong Kong Green Organisations”. For more details on our environmental awards and achievements, please refer to Featured Awards, Charters and Memberships section of the Report.



Climate Risk and Resilience Management

GRI 3-3, 201-2; HKEX KPI A4.1

With our solid commitment to advocate decarbonisation and climate resilience, the Group strives to progress on our management practices and strategies for climate risk and resilience. We follow the TCFD recommendations on climate-related financial disclosures and disclose our efforts in managing climate related risks and opportunities under four core pillars, including governance, strategy, risk management, and metrics and targets.

As an industry leader, we will continue to explore the possible ways to improve our climate risk management capacity and climate disclosure.

Governance

The Board meets regularly to oversee our strategies and management approaches to climate-related risks and opportunities, and the disclosure of information. For details, please refer to the Board Statement of the Report.

Delegated by the Board, the Sustainability Steering Committee, which is supported by the Divisional Sustainability Committee Cross-BU Sustainability Group and ESG-related working staff in different BUs, is in charge of identifying, evaluating and managing climate-related risks and opportunities. For more details of our sustainability governance structure, please refer to Sustainability Governance section of the Report.

The Group has implemented the Climate Change Policy Statement to outline the sustainability guidelines in our business operations, aiming to alleviate our impacts on climate change and enhance our business resilience.

Strategy and Risk Management

As recommended by the TCFD framework, we conducted a scenario analysis and preliminary climate risk mapping exercise covering our BUs in Hong Kong, Mainland China, and Singapore to identify the climate-related risks and opportunities that may affect our business operations. Representative Concentration Pathways (“RCPs”) initiated by the Intergovernmental Panel on Climate Change (“IPCC”) and other reference reports⁶ were adopted to design our future climate scenarios. In addition, with reference to the Sixth Assessment Report published by the IPCC in 2021, we reconsidered the potential physical and transition risks under three plausible scenarios for climate change, including RCP 8.5, RCP 4.5, and RCP 2.6, over the selected time horizons to 2030 and 2100. After re-evaluating our climate risk assessment results, we updated our mitigation measures in different operations. Below are the scenarios and assumptions used to conduct our climate risk assessment.

Name of Scenario	4° Warmer Scenario	1.5-2° Warmer Scenario ⁷
Time frame	1. Shorter time frame until 2030 and 2. Long-term until 2100	
Referenced scenario	IPCC RCP 8.5	IPCC RCP 4.5 and RCP 2.6
Assumptions	<ul style="list-style-type: none"> No or little change of fuel mix of electricity generation Little policy or regulatory change that will not increase the cost of GHG emissions Higher cost of asset maintenance and more business disruption due to more frequent extreme weather events Higher cost to prevent flooding damaging assets Food security issue 	<ul style="list-style-type: none"> Electricity consumption to be provided by renewable energy⁸ Vigorous policy or regulatory change will increase the cost of GHG emissions, for example, carbon tax and carbon trade Significantly higher cost of retrofitting or renovation to meet regulatory change of building emissions standard Higher food costs
Operation	<ul style="list-style-type: none"> Investment Properties Leisure and Hospitality Transportation 	<ul style="list-style-type: none"> Investment Properties Leisure and Hospitality Transportation

⁶ IPCC's AR5 Synthesis Report: Climate Change 2014 and AR6 Synthesis Report: Climate Change 2023, Hong Kong Observatory Climate Projection for Hong Kong and Committee on Climate Change and China Expert Panel on Climate Change (2018) UK-China Co-Operation on Climate Change Risk Assessment: Developing Indicators of Climate Risk.

⁷ For Leisure and Hospitality, only assumption from IPCC RCP 4.5 were considered.

⁸ The projected renewable energy ratio will vary based on the business operation locations under the medium-low GHG concentration scenario. In Hong Kong, 20% electricity consumption to be provided by renewable energy and current proportion of renewable energy is only 0.1%. In Mainland China, 80% electricity consumption to be provided by renewable energy and the current progress is not sufficient enough and will lead to rise of 2.7-3.5°.

Climate-related Risks and Risk Management

By understanding the projected climate risks that are material to our business along our value chain, we can devise effective risk management strategies and mitigation measures, which will enable us to combat climate-related risks and minimise the financial and non-financial impacts.

Under our ERM framework, we recognise climate change as a strategic business risk and we have integrated climate-related risks and opportunities into our business strategy. We aim to










build longer-term resilience by understanding climate risks that may impact on our business through comprehensive risk assessment, management and monitoring.

Moreover, we have adopted an ISO 14001 Environmental Management System in our business operation. This provides a comprehensive framework and guidelines to minimise the climate change-related impacts on our day-to-day business operations.

Enterprise Risk Management



Overview of Climate-related Risks of Wharf REIC

BU	Risk Type	Risk	Impact	Mitigation Measures
 Investment Properties	Physical (Acute) 	<ul style="list-style-type: none"> • More frequent flooding events caused or amplified by heavy rain and sea level rise, damaging infrastructure, and facilities 	<ol style="list-style-type: none"> 1. Temporary closure of shopping malls and office buildings 2. Tenant complaints and compensation requests due to impact on tenants' operation and costs 	<ol style="list-style-type: none"> 1. Implement best practices in water damage prevention (i.e. install flood gates, alarm system, waterproofing works, regular maintenance on all ejector and sump pumps) 2. Invest in energy-efficient equipment and retrofitting buildings and adopting renewable energy sources
	Physical (Chronic)	<ul style="list-style-type: none"> • Rise in average temperature and decrease in water resource 	<ol style="list-style-type: none"> 3. Maintenance cost for damage repair of facilities, as well as extra manpower required for monitoring 4. Higher operational cost for charge of utilities and cooling equipment 5. Higher energy consumption 6. Reputational damage and property devaluation 	<ol style="list-style-type: none"> 3. Increase staff preparedness by conducting regular emergency drills 4. Integrate control measures for risk mitigation during refurbishment 5. Reduce water waste with water recycling and reuse
	Transition (Policy and Legal)	<ul style="list-style-type: none"> • Carbon tax, tightened climate policies and regulations to support international decarbonisation efforts 	<ol style="list-style-type: none"> 1. Higher economic incentive to change in behaviour towards less emission-intensive technologies 2. Higher operating costs to adhere to new requirements and monitoring 	<ol style="list-style-type: none"> 1. Invest in renewable energy, where possible, to significantly reduce the carbon footprint of our business 2. Use carbon credits to compensate for activities with carbon emission
	Transition (Market) 	<ul style="list-style-type: none"> • Rise in electricity and water charges • Higher material costs 	<ol style="list-style-type: none"> 3. Expectations from tenants and shoppers for compliance of facilities 4. Increase in utilities bill that will lower tenant and rental income 5. Potential penalty for non-compliance 	<ol style="list-style-type: none"> 3. Carry out carbon audit to benchmark performance of buildings 4. Formulate carbon emission target and reduction plan 5. Formulate a plan to retire low energy efficiency equipment 6. Keep track of stock availability and source for material in advance if possible
 Leisure and Hospitality	Physical (Acute) 	<ul style="list-style-type: none"> • Increased severity and frequency of extreme weather events and storm surges causing supply chain disruption, demand implication and damage to infrastructure and facilities 	<ol style="list-style-type: none"> 1. Higher operational costs to fix damaged facilities 2. Drop in business demand due to business disruption and reputational loss 	<ol style="list-style-type: none"> 1. Study, assess and implement resilience measures (e.g. typhoon resistant windows) 2. Arrange annual emergency preparedness meeting with executive staff and Emergency Response Team to formulate and amend crisis management and transition plan for extreme weather events 3. Build solid supplier relationships and diverse supplier base to ensure stable and timely delivery of products
	Transition (Reputation) 	<ul style="list-style-type: none"> • Inability to stay ahead of stakeholders' increasing interest towards sustainability 	<ol style="list-style-type: none"> 1. Loss of competitive advantage 2. Loss of reputation 	<ol style="list-style-type: none"> 1. Sustain proactive collaboration with EarthCheck 2. Obtain green building certifications 3. Integrate green building features into major renovations and new developments 4. Formulate strategies to achieve Paris Agreement emission targets 5. Closely monitor satisfaction of hotel guests 6. Inform hotel guests on sustainability initiatives
 Transportation	Physical (Acute) 	<ul style="list-style-type: none"> • Increased extreme heat events potentially leading to heat strokes of workers 	<ol style="list-style-type: none"> 1. Increased risk of work injury 2. Increased turnover rate of employees 	<ol style="list-style-type: none"> 1. Deliver safety training and guidance 2. Enhance ventilation system in workplace 3. Refine fabric material of work uniform
	Transition (Policy and Legal) 	<ul style="list-style-type: none"> • More stringent fuel and emission standards requiring adoption of cleaner fuel or replacement of ferry engines 	<ol style="list-style-type: none"> 1. Higher operational costs from fuel change, retrofitting of existing ferries, and purchasing of new ferries 	<ol style="list-style-type: none"> 1. Apply for government subsidies 2. Explore the feasibility of enhancing energy efficiency of existing ferries, or tender for production of new ferries

Climate Change Opportunities

The Group understands that climate change imposes various physical and transition risks and emerging opportunities on our businesses. The Group aims to reduce our carbon emissions in our business operations by optimising energy efficiency, increasing the use of renewable energy, transiting to sustainable resource management approaches, and adopting green and low-carbon technology. Through our unrelenting efforts to promote sustainability, we achieved direct cost savings and a reduction in energy costs.

Given the increasing awareness of sustainability, sustainable finance has rapidly grown in global capital markets in recent years. The Group utilises green investment to back our decarbonisation plans with the access of capital and diversify sources of financing for sustainable development. In 2022, the Group has raised HK\$500 million through sustainable financing to support our sustainable development.

We look forward to the opportunities associated with long-term regulatory regimes and carbon trading in the future, which allow us to explore the alternatives to combat climate change with the aid of sustainable financial instruments. In the context of global transition to a carbon neutral economy, we will continue to assess and manage climate-related risks and opportunities of our business.

Sustainable Finance

By far,

HK\$ **3,600** million raised



Metrics and Targets

The Group makes every effort to manage and assess the risks and opportunities posed by climate change. During the reporting year, we continuously monitored metrics used to assess climate-related risks — GHG emissions. More information is available in Performance Data Summary — Environmental Performance section.

To implement our steadfast commitment to climate change mitigation, we have established 2030 environmental targets, with the objectives to reduce overall GHG emissions and electricity consumption. Please refer to the Co-living with the Nature — Commitment and Strategy for more details.

Energy Management and Decarbonisation

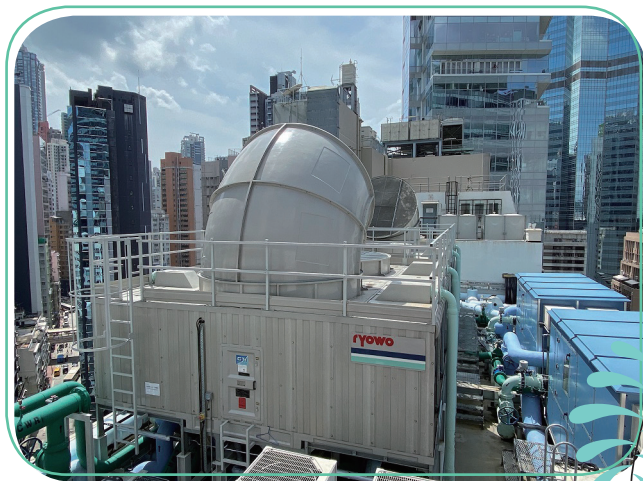
GRI 3-3, 302-1, 302-3, 302-4, 305-1, 305-2, 305-3, 305-4, 305-5, CRE-1, CRE-3;

HKEX KPI A1.2, A1.5, A2.1, A2.3

In the context of climate change, it has become evident to the Group that immediate action is required to improve the excessive carbon dioxide emissions from buildings, which account for 90% of Hong Kong's total electricity consumption and over 60% of our carbon emissions is attributable to generating electricity for our buildings, as stated in the Hong Kong's Climate Action Plan 2050. In light of this, the Group has been making notable effort throughout our business operations in decarbonisation, especially for reducing Scope 2 emissions. To implement thorough energy management and to enhance overall energy performance, the Group monitors and analyses our energy consumption trends on a regular basis.



The Group has made substantial investments in asset enhancements, such as chiller upgrades to maximise operating efficiency throughout our portfolio. For example, we have installed Electronically Commutated (“EC”) plug fans with variable speed drives in the air handling units at Harbour City and Times Square. It is anticipated that about 149,907 kWh of electricity is saved annually in Harbour City and 166,189 kWh at Times Square as a result of the upgrade. In addition, we substituted the air-cooled chiller system with a water-cooled chiller system in Crawford House’s office and retail areas, saving approximately 455,060 kWh of electricity consumption. We also upgraded the Chiller Management System and Supervisory Panels in Times Square. With the successful rearrangement of chillers operation optimisation at Plaza Hollywood, we were able to save 11.5% in electricity consumption from air conditioning usage in 2022 compared with 2021. At Wheelock Place in Singapore, we are progressively phasing out aged air handling units by adopting modern, more efficient EC motor fan air handling units of higher energy efficiency and less disturbance to the environment during operation. The Murray also had re-scheduled the chiller temperature control set point at overnight and early morning periods this year.



To further prevent unnecessary electricity consumption, the Group has implemented the following energy-saving measures in its investment properties and leisure and hospitality operations, such as optimising building facilities operations and tracking energy consumption trends.

Harbour City

- Optimised building services system by implementing chilled water temperature reset in chiller plants and space temperature reset in air handling units to lessen our impact on the environment
- Upgraded air handling units with more energy efficient model, which led to an energy saving of 206,464 kWh in 2022

Times Square

- Adjusted the temperature setpoint and operating time of air handling units to an optimum level
- Upgraded two ventilation fans at B6/F car park with variable speed drives
- Upgraded standalone variable air volume (“VAV”) Boxes to centralised model for one office floor

Plaza Hollywood

- Adjusted chilled water supply temperature during non-peak hours to save electricity consumption

Wheelock House

- Upgraded six passenger lifts and one cargo lift and replaced lightings in lifts in 2022

The Murray and Prince Hotel

- Programmed the curtain in each guest room to automatically draw when guests check out of their rooms to minimise heat absorption

Marco Polo Hongkong Hotel and Gateway Hotel

- Dimmed the lighting of guest floors, offices, and back-of-house sections during low occupancy period
- Switched off the kitchen equipment and boiler for swimming pool during low occupancy period
- Modified fan coil units to low speed

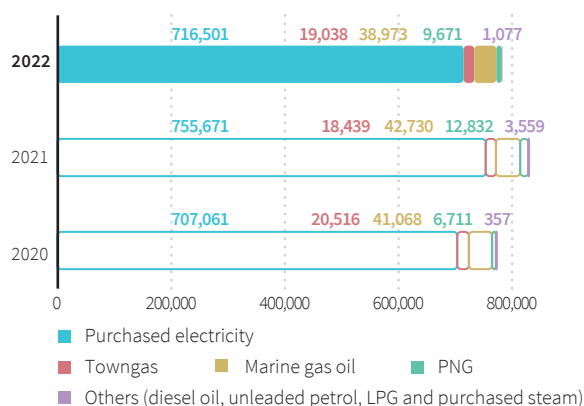
Since 2014, we have installed a total of 320 solar photovoltaic panels on the roofs of three office buildings at Harbour City. The energy generated from the installation is linked to the electricity grid in participation of the Feed-in Tariff ("FiT") Scheme launched by CLP since 2018. Each kilowatt hour of renewable energy output to the CLP power grid can obtain an on-grid

tariff, which can further support and promote the application of renewable energy. We also installed solar photovoltaic panels on rooftops of Times Square and Plaza Hollywood. In recognition of our commitment to adopting renewable energy, Harbour City obtained the Sustainability Vision Award of "Smart Energy Award 2022".

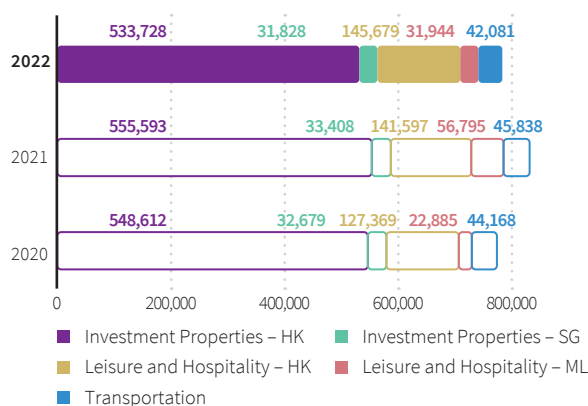
- Earned HK\$ **1.5** million in revenue from the sale of electricity under the FiT Scheme
- By the end of 2022, a total of **381,872** kWh of renewable energy has been generated



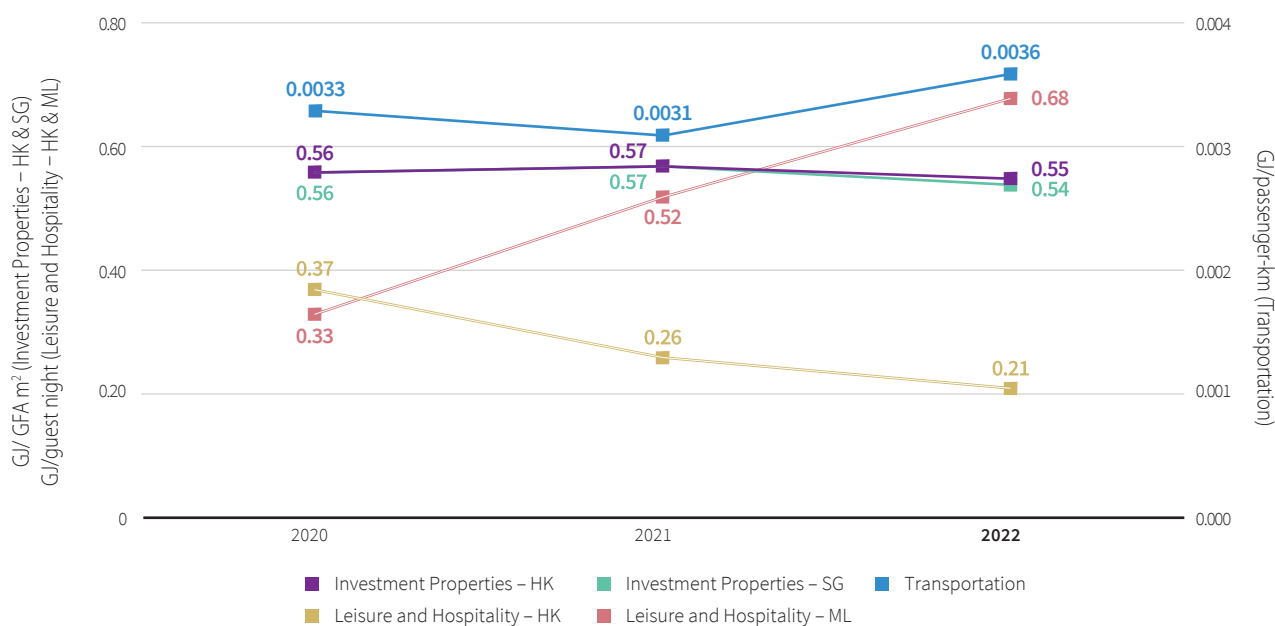
Energy consumption by type in GJ



Energy consumption by operation in GJ



Energy intensity by operation



Note: Definition of the number of guest nights in the Report is [total guest staying overnight + staff nights + total day guests/3 + total non-resident restaurant covers/4] as defined by EarthCheck.

CASE STUDY

LIGHTING UPGRADE PROJECTS FOR EFFECTIVE ENERGY UTILISATION

IN HONG KONG INVESTMENT PROPERTIES



Several of our investment properties have already launched projects of retrofitting their lights.

Harbour City:

- Replaced 1,130 traditional lighting with energy-efficient LED lighting in common areas in the shopping mall, generator room, switch rooms, and pump house
- Reduced electricity consumption by 106,776 kWh during the reporting year



Times Square:

- Upgraded to LED lightings with motion sensor at staircase for mockup and planned for implementation in 2023
- Upgraded light switches with LED indicator ones to motivate frontline staff to switch off lighting when leaving E&M rooms at 14/F Mechanical Floor



Wheelock House:

- Replaced 519 fluorescent tubes with 173 LED lights in the cargo lift lobbies and corridors
- Estimated to reduce up to 20% of electricity consumption per year



Crawford House:

- All lighting in the office lift lobby has been upgraded to LED lights



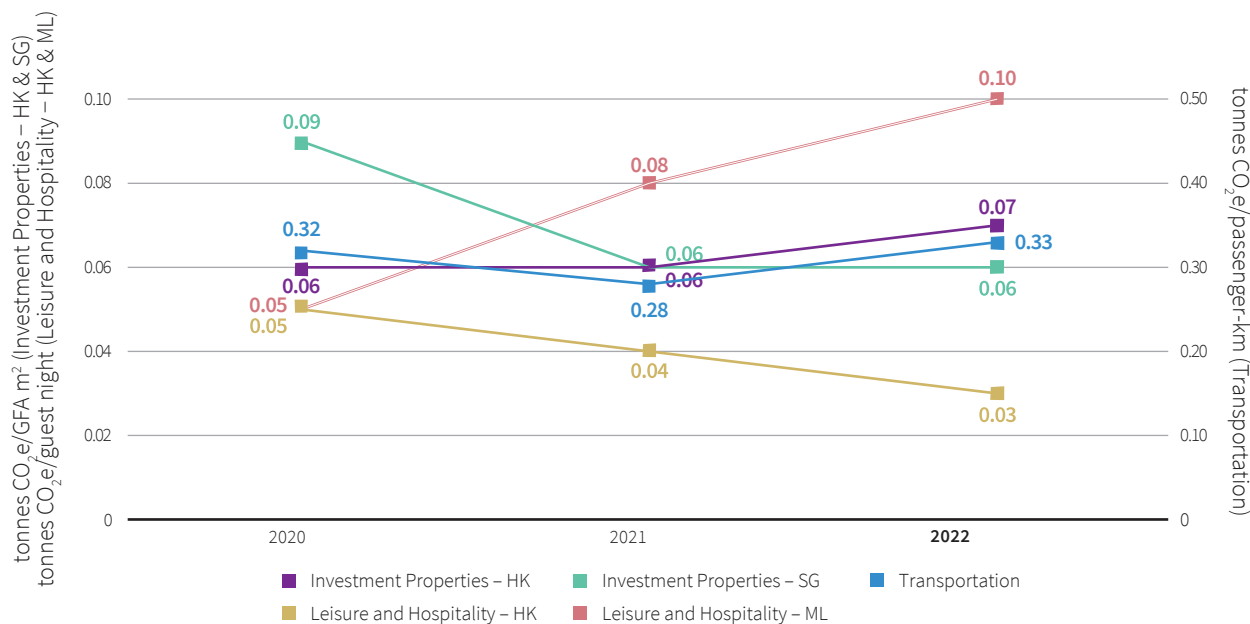
Furthermore, the lighting system at Ocean Terminal's Lower Car Park has undergone an upgrade project by Harbour City to replace conventional lighting with LED lighting with motion sensors at parking areas and roadways

- Saved 284,497 kWh in 2022
- Saved time and maintenance cost
- Adopted photometric sensing technology to minimise the energy consumption

Adopting LED lighting without toxic metal mercury could save the time and cost spent by the Technical Department on operation and maintenance and reduce negative impact on the environment with a longer lifespan.

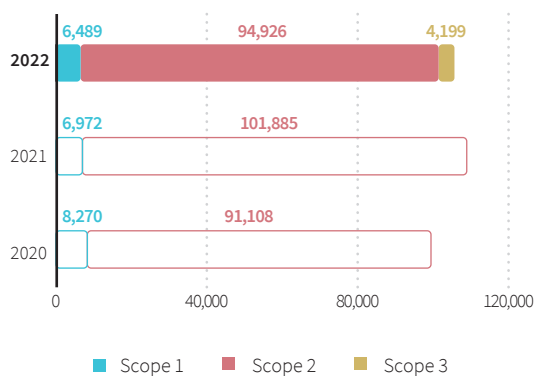


GHG intensity by operation



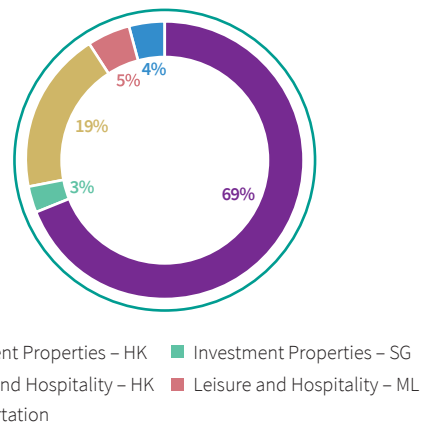
Note: Only Scope 1 and Scope 2 GHG emissions were included in intensity calculation for comparison between 2020 and 2022 data.

GHG emissions in tonnes CO₂e



Note: Scope 3 is newly collected in 2022.

Total GHG emissions (Scope 1 and 2) by operation in percentage



Air Quality Management

GRI 305-7; HKEX KPI A1.1, A1.5, A3.1

The Group recognises the significance of eliminating emissions of hazardous air pollutants in our transportation operations in response to growing public concerns on health risks caused by air pollution and relevant emission standards and regulations. We are constantly exploring for innovative green technologies in reducing air pollution from our business operations.

In addition, the Group is committed to providing healthy indoor environments in our operations. For example, at The Murray and Niccolo Suzhou, we have installed access panels in all guestroom ceiling areas and conducted deep cleaning work for all fan-coil units to maintain the air quality. Further, Niccolo Suzhou has also installed high energy ion coil purifiers in some rooms. The wings and filters of the air conditioning ventilation system are being cleaned and disinfected regularly. For more details on our achievements in indoor air quality, please refer to the Safe Premises and Services section in the Report.

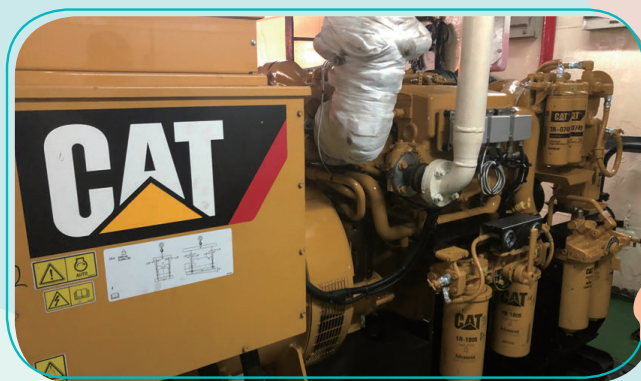
CASE STUDY

UPGRADED SILVER STAR TO BE THE THIRD LOW-EMISSION GREEN FERRY OPERATING IN STAR FERRY



Over the past century, Star Ferry has taken the initiative to modernise its ships by phases. Through equipment upgrades, the impact of emissions from our equipment operations on the environment has been reduced contributing to the improvement of Hong Kong's air quality. After World Star and Morning Star were converted into low-emission, environmentally friendly ferries, Silver Star joined the group of eco-friendly ferries and started operating again in 2021. The third low-emission green ferry in the fleet, Silver Star, provides daily service in Victoria Harbour and supports the growth of green transportation in Hong Kong.

Silver Star launched its first voyage in 1965 and currently her two primary generators are fuelled by diesel to power the propulsion engines. The novel generator substitutes the traditional two-stroke marine diesel engine. They also adhere to the Tier II emission standard by International Maritime Organization (IMO) and the Tier III emission standard by U.S. Environmental Protection Agency (EPA). With the combination of low-sulphur diesel, it can dramatically lower emissions of ferry smoke and other dangerous air pollutants.



Following the tremendous success of Silver Star, we will keep our efforts in investigating the deployment of a clean power system for our remaining fleets and we are participating the Pilot Scheme for Full Electric Ferry. We look forward to reaching new milestones and assisting Hong Kong's first generation of public transportation in developing sustainably and environmentally friendly.

Water Stewardship

GRI 3-3, 303-1, 303-3, 303-4, 303-5, CRE-2; **HKEX** KPI A2.2, A2.4, A3.1

Because of the rising water demand, water pollution, and climate-related risks, the Group acknowledges that pressure is being put on the world's water resources. Ensuring sustainable access to clean water is therefore critical for our operations, and responsibly consuming water is our aim. In accordance with the Group's Environmental Policy and BU-specific water management policy and guidelines, our employees are responsible for reducing water consumption by implementing water-saving measures in our operations.

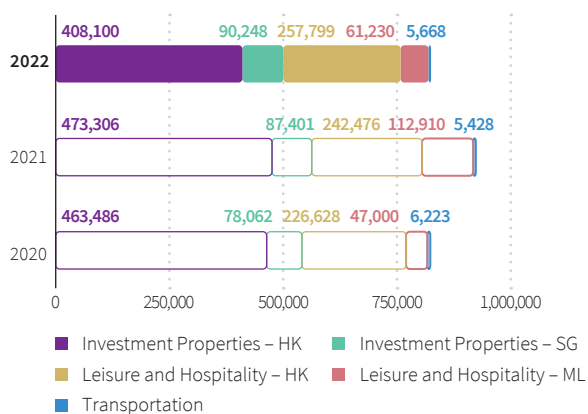
The Group has explored innovative approaches to optimise water resources management. For example, Times Square repurposed the flush water and condensate water at the B4/F car park to indirectly lower indoor temperature. This practice avoids consuming freshwater for cooling and reduces maintenance costs of the water misting system at the car park. At The Murray, we have installed two sets of pressure vessel

booster tanks at water pump plant room, which helps reduce guest floor water consumption by maintaining stable water pressure. At Wheelock House, we were able to achieve 32% of municipal water consumption reduction compared to 2021.

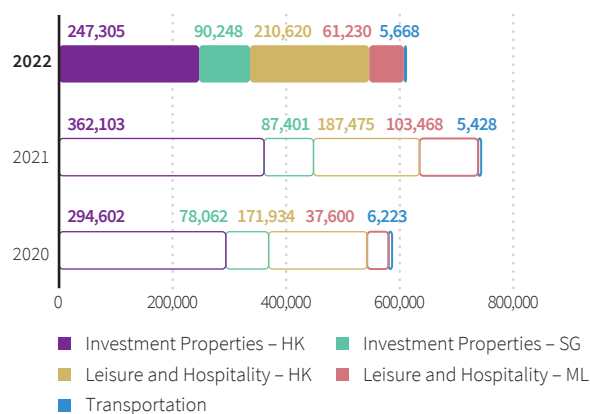
Regular update of our internal operating procedures has allowed us to identify areas for improvement in reducing water consumption. When the hotel occupancy dropped during the pandemic, we put in place water conservation measures like closing the swimming pool at the Marco Polo Hongkong Hotel, which has reduced 1% annual freshwater consumption.

In order to make efficient use of available water resources and reduce our overall water footprint, we encourage our employees and guests to conserve water like water reuse and recycling. At Crawford House, we pipe the bleed-off water from the chillers to the flush water tank for common area flushing.

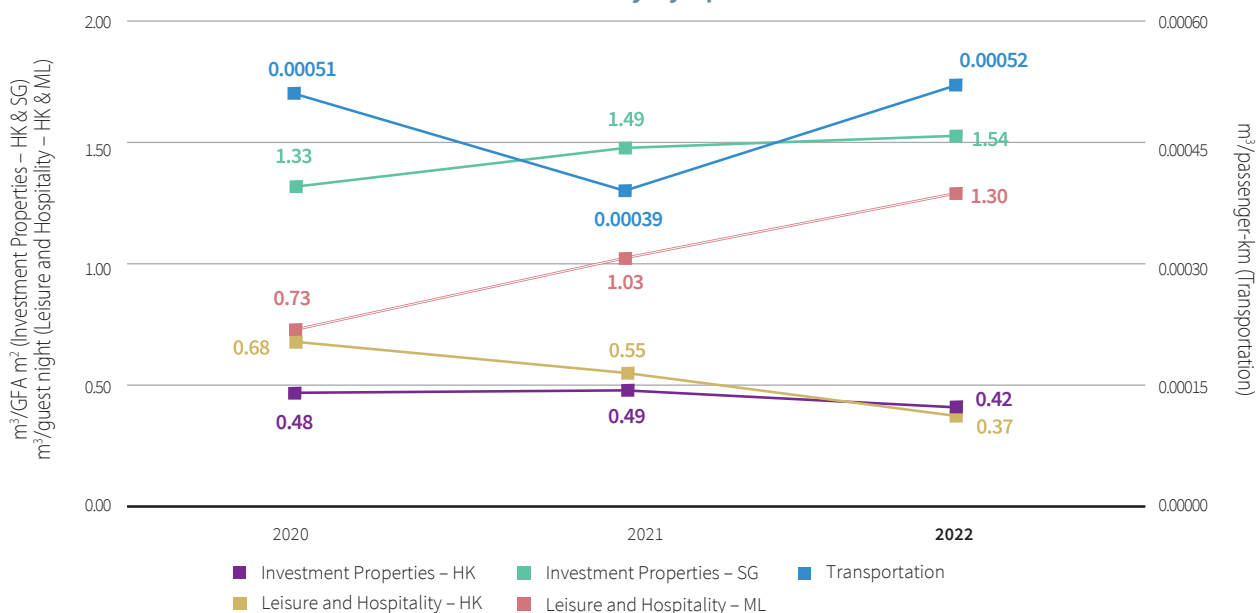
Water consumption by operation in m³



Water discharge to a third party by operation in m³



Water intensity by operation



Resource Management

GRI 3-3, 306-1, 306-2, 306-3; HKEX KPI A1.6, A3.1

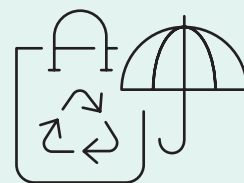
In Hong Kong, our landfills are soon to be saturated with waste. The Group is constantly looking for methods to improve our waste management and resource conservation along our value chain. The Group's Green Procurement Policy encourages our staff to reduce single-use disposable products and packaging, and consider the amount of waste produced, post-consumer treatment options, and disposal methods when making procurement decisions.

To support waste reduction and efficient use of resources, the Group has initiated a number of measures with our stakeholders to promote recycling at our properties. This year, we assisted tenants to donate over 30 pieces of office furniture in intact condition to 3 NGOs after office relocation, which helped reduce waste sent to landfills. In addition, we have implemented a wide range of recycling programmes throughout the year to encourage our tenants to participate, including:

Operations	Key Recycling Programmes
Harbour City	<ul style="list-style-type: none"> Food Waste and Glass Containers Recycling Programme Polyfoam Recycling Programme
Times Square	<ul style="list-style-type: none"> Food Waste and Glass Containers Recycling Programme Polyfoam Recycling Programme
Plaza Hollywood	<ul style="list-style-type: none"> Food Waste and Glass Containers Recycling Programme Polyfoam Recycling Programme
Marco Polo Hotels	<ul style="list-style-type: none"> Used Guest's Amenities Recycling Programme Glass Bottles Recycling Programme Food Waste Recycling Programme Fluorescent Lighting Tubes and Light Bulbs Recycling

To reduce the use of single-use plastic products, we have launched the No Plastic Campaign in Pacific Club. We continue to seek alternatives for takeaway containers such as using Bagasse Pulp to replace plastic container. We have also worked hard in reducing the use of plastic umbrella bags at our properties.

- **Wheelock House and Crawford House removed the umbrella bag dispensers placed at the entrance lobby and stopped distributing plastic umbrella bags**
- **Umbrella Bags Reduction Accreditation Programme organised by Greeners Action**
 - Diamond level accreditation — Wheelock House and Crawford House
 - Gold level accreditation — Harbour City, Times Square and Plaza Hollywood
 - Star Reduction Award — Wheelock House and Crawford House
 - Reduction Award — Times Square



The Group ensures that hazardous waste is being collected, handled and disposed properly. We continued our recycling of computers and communication products for tenants at Harbour City and Crawford House. During the reporting year, Harbour City collected and donated over 1,180 kg of computers and electronic equipment to the Caritas Computer Workshop. Recycled fluorescent light tubes from Marco Polo Hotels were collected by registered Environmental Protection Department's contractors and sent to a mercury treatment facility at the Chemical Waste Treatment Centre. Mercury-bearing powder and metal parts are heated up to recover the mercury for recycling, reducing harm to the environment.

We strongly encourage colleagues and tenants to reduce and recycle waste generated from festive celebrations. During the reporting year, we continued the partnership with a local paper recycler to collect different types of festive paper. Besides, Harbour City, Times Square and Plaza Hollywood launched a Mooncake Sharing and Mooncake Tin-containers Collection Campaign to collect mooncakes from colleagues and tenants. The mooncakes were donated to a local food charity, Food Angel, and shared with the underprivileged, while more than 140 mooncake tin containers were collected and sent to GREEN@COMMUNITY for proper recycling.



collected is sent to the food waste decomposer for processing. At Times Square, food waste is sent to O • Park 1, an organic resources recovery centre while food waste of Gateway Hotel is delivered to a EPD Organic Resources Recovery Centre for the generation of renewable energy. 295 tonnes of food waste was successfully collected and recycled this year.

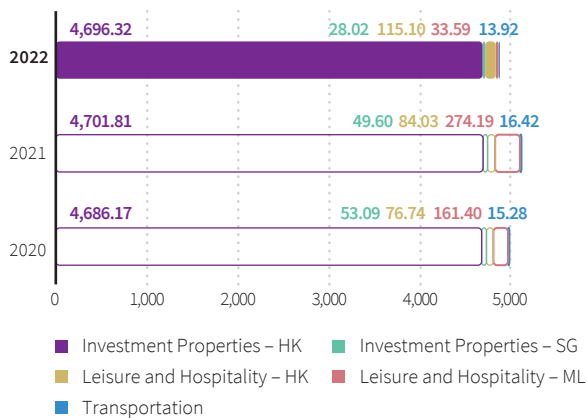
Moreover, The Murray, Marco Polo Hongkong Hotel and Gateway Hotel donate leftover edible food to Foodlink to avoid wastage. The food is further processed to serve other people in need like the hungry or social service centres. Our Investment Properties collaborated with Food Grace, a food recycling non-profit organisation, to support their food recycling and sharing programmes. Over 70 kg of leftover vegetables were collected from wet market and then distributed to the vulnerable.



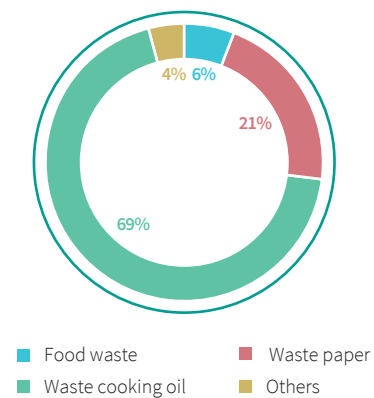
Food waste recycling is also one key strategy in our resource management. At Harbour City, Times Square and Plaza Hollywood, food waste recycling was promoted to food and beverage tenants through seminars, circulars as well as on-site visits which demonstrate to them the steps of food waste recycling. At Harbour City, two additional food waste collection points were established at BU's office and the food waste



Recycled waste by operation in tonnes



Recycled waste by type in percentage



Enhancing Environmental Awareness and Biodiversity HKEX KPI A3.1

It is important to foster environmental awareness among all stakeholders to achieve long term success. To draw the public's attention to the waste problem in Hong Kong, we continued to place exhibits themed with Reduce, Reuse and Recycle in Harbour City, Times Square and Plaza Hollywood to demonstrate upcycling products. In response to climate change, Hong Kong Investment Properties organised the "Greening Our City" exhibition in the shopping malls to publicly display the climate change related information. Collaborating with the Environmental Association, YMCA of Hong Kong and Green One Lab, free green workshops were delivered every weekend during the exhibition period to inspire the public to explore possibilities of old toys upcycling.

The Group also supported Earth Hour by WWF, encouraging colleagues, tenants and hotel guests to support the light-off event. In addition, we use technology to promote the concept of sustainable lifestyles, using Metaverse to draw public's attention to environmental issues. Plaza Hollywood launched a virtual world game to allow players to experience different environmental-related scenarios, such as planting crops, playing recycling games, and walking around the designated scenes to experience life in nature.

We also organised the Sustainability Awareness training for the Group during the reporting year. In hotel operations, over 70% of employees participated. To keep contractors' staff and

frontline staff abreast of shopping malls' work and relevant topics in supporting carbon neutrality, an online course themed "Low-carbon Lifestyle" was launched to guide its staff to support BU's environmental goals in implementations.

As stated in our Environmental Policy, we consider our biodiversity impacts and sustainability in procurement process and strive to minimise impacts on the ecosystem in our business activities. To help with the replanting of vegetation in Luk Chau Shan after wildfire, eight of the employee volunteers helped conduct caretaking work on the plantation enrichment programme during the reporting year. They removed weeds and pests to ensure the vegetation regrows healthily, assisting to restore the ecological balance.



BUILDING EXCELLENCE WITH OUR STAKEHOLDERS

Building Excellence with Our Stakeholders

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BUILDING EXCELLENCE WITH OUR STAKEHOLDERS

GRI 2-7, 2-8, 3-3, 401, 402, 404, 406, 417, 418; HKEX KPI B1

UNSDGs addressed in this chapter:



Material topics addressed in this chapter:

- Training and Education
- Recruitment and Retention
- Equal Opportunities, Diversity and Inclusion
- Customer Privacy
- Customer Satisfaction and Engagement
- Supply Chain Management

Commitment and Strategy

For the Group to establish a sustainable end output while matching stakeholders' expectations, collaborating with diverse groups of stakeholders is crucial. We preserve strong ties with all our stakeholders. While maintaining a positive work atmosphere for our employees and workers on-site, we make every effort to offer superior customer services and products.

The Group has established employment policies that adhere to relevant laws and regulations to protect the rights of our employees. We implemented the Group's Human Rights Policy to promote inclusion, diversity and equal opportunity within the Group. A variety of management systems and procedures are in place to monitor and assess our products, services, and supply chain operations. These ensure our businesses meet the standards and expectations of stakeholders, as well as all applicable laws and regulations. By reviewing and updating the current policy, the Group are dedicated to fostering an equitable environment for all stakeholders, including stakeholders with special needs. We aim to improve our business with more inclusiveness while avoiding violating those individuals' rights unintentionally in the future.

Through a range of venues, we encourage stakeholder feedback to help us constantly improve. For stakeholders to express their thoughts on our business, we set up both internal and external grievance mechanisms with remediation process. Wharf REIC also routinely assesses the efficiency of our management strategy according to the feedback. There were no instances of violations of applicable legislation and voluntary codes during the reporting year that led to a fine or penalty.

Cultivating Our Employees

Talent Recruitment and Retention

GRI 2-7, 2-8, 401-1, 401-2, 401-3, 402; HKEX KPI B1.1

Wharf REIC recognises the values of employees and how they contribute to the success of the Group and society. Regardless of an employee's age, disability, ethnicity, gender, family background, nationality, religion, or sexual identity, we provide fair and equal opportunities and benefits. During the recruitment process, we evaluate applicants only based on their skills, professional experience, and relevant qualifications.

We offer competitive compensation packages and benefits based on employees' experience and performance to entice and preserve talent. Subject to the BU's employment policy, our full-time workers in Hong Kong are eligible for benefits such as long service awards, paid leave, parental leave, employees' compensation insurance, group personal accident insurance for staff social, recreational and volunteer events, and top-up employer MPF contributions. On the other hand, our full-time employees in Mainland China are qualified for the One Housing Fund and Five Social Insurance.

The Group strives to maintain a healthy retention rate in the competitive market of Hong Kong with not only compensation packages but also career development opportunities. For employees at all levels, the Group held a range of talent development programmes and award schemes during the year. We have collaborated with external organisations to provide valuable learning opportunities, including the four-year apprentice training programme offered by Hong Kong Investment Properties which sponsors staff with the tuition fee and part-time day release for Certificate of Vocational Education (Building Services Engineering) and Higher Diploma in Building Services Engineering. The Mid-career Talent Acquisition Programme which provides young potentials experiences of working in cross-functional placements and chances to be nurtured as a managerial role.

Meanwhile, the Staff Recognition Programme expresses appreciation for the contributions and successes of employees. At Hong Kong Investment Properties, the Best Employee Award, Best Frontline Supervisor Award and Best Frontline Employee Award are awarded to deserving staff members every year whose performance and contribution go beyond their normal call of duty.



Engagement Channels

The Group uses a variety of approaches to connect with its employees. We solicit feedback from employees and create strategies to address their issues. The management considers these suggestions and recommendations to enhance BU's operations. Similar to this, through holding employee engagement activities like birthday celebrations, festival celebrations, DIY workshops, and dialogue with the General Manager and mentors, we hope to improve our relationship and fill the gaps in communication with the staff. Our BUs have applied intranet as a communication platform among staff to share corporate news and policies, as well as news on business development, highlights of training and development, and information and activities about corporate social responsibilities, etc. regularly.

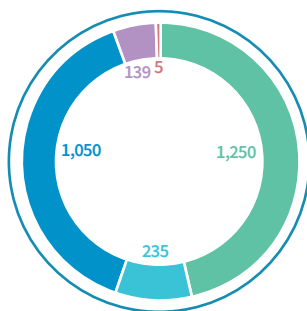
Engagement channels include staff newsletters, surveys, town hall meetings, social media platforms and the intranet.



Employee Distribution

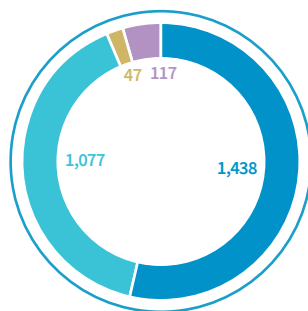
As of 31 December 2022, we have a total of 2,679 employees with the following distribution:

Total workforce by contract type by gender



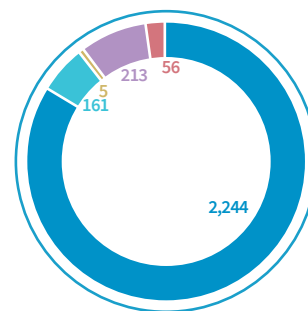
■ Permanent, Male ■ Permanent, Female
■ Fixed-term, Male ■ Fixed-term, Female
■ Temporary, Female

Total workforce by employment type by gender



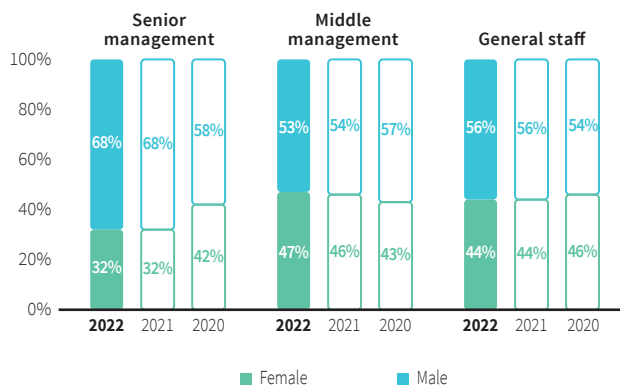
■ Full-time, Male ■ Part-time, Male
■ Full-time, Female ■ Part-time, Female

Total workforce by contract type by region

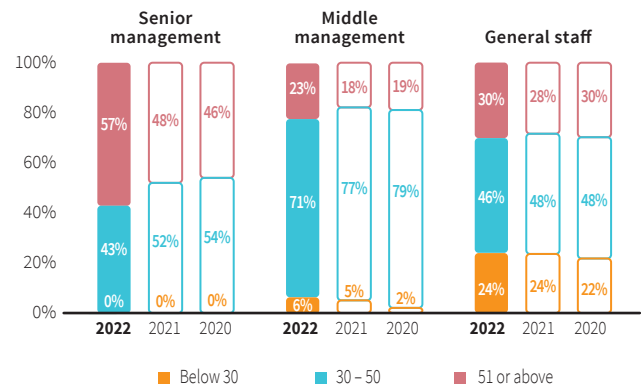


■ Permanent, Hong Kong SAR ■ Permanent, Singapore ■ Fixed-term, Mainland China
■ Fixed-term, Hong Kong SAR ■ Temporary, Hong Kong SAR

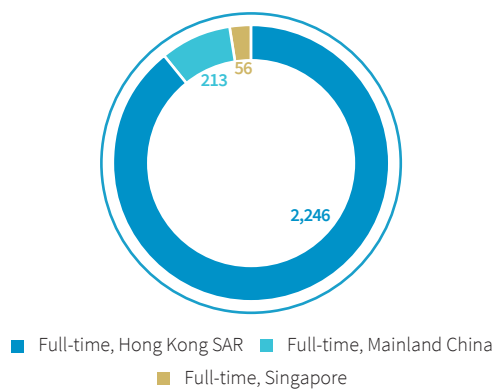
Gender distribution of employees



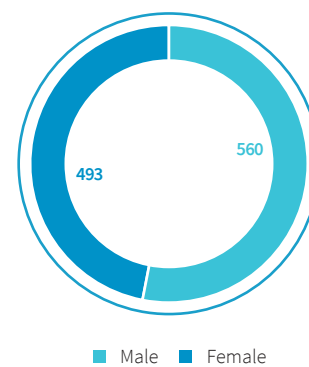
Age distribution of employees



Region distribution of full-time employees



Total number of non-guaranteed hours employee by gender



All non-guaranteed hours employees come from Hong Kong.

Our workforce mainly consists of our full-time employees and workers from our contractors. For operational requirements as well as the implementation of seasonal mall events, Hong Kong Investment Properties also employ part-time workers. During the reporting year, our contractors adequately provided support for technical issues, cleaning, and security operations of the malls. All contractors involved in our operations are under the Group's supervision and control.

There were no significant fluctuations in the number of employees and number of workers who are not employees during the reporting year in comparison to the last reporting year.

These graphics show a brief expression of the Group's workforce. For details, please refer to the Performance Data Summary — Employee Statistics section of the Report on page 64 to 68.

Diversity and Inclusion

Diversity in the workplace brings different perspectives and fosters innovation. Widening up of talent pool facilitates talent recruitment and complex decision making. The Group strives to have a well-balanced workforce, and our overall gender ratio maintains at a good range with over 40% female. We offer compensation packages and benefits based on an employee's experience and performance. Our gender pay ratio indicator also demonstrates our efforts in equality and fairness.

Gender Pay Ratio (Male : Female)

- Senior Management **1.05 : 1**
- Middle Management **1 : 1**
- General Staff **1.16 : 1**
- Overall **1.12 : 1**



Talent Development

GRI 404-1, 404-2, 405; HKEX KPI B3.2

The Group provides comprehensive learning opportunities and resources to employees to pursue continuous learning under the ever changing business environment and professional development demand. We have launched a Training Sponsorship Scheme to develop our employees' capabilities and expertise by attending outside courses, seminars, and conferences that are pertinent to their jobs. Additionally, BUs have created

training and development programmes that are specifically tailored to meet their needs. These programmes cover topics like leadership, management, people skills, human rights, laws and regulations, the privacy of personal information, workplace culture, anti-corruption, technical skills, environmental protection, and OSH. The following table shows the training focus in each sector.

Operation	Training Focus
Investment Properties — Hong Kong	Yearly training plans covering topics such as anti-corruption, leadership, management, creativity, personal effectiveness, language skills, job knowledge and customer services, etc. were formulated for different levels of staff.
Investment Properties — Singapore	Our employees are provided with workshops and seminars on topics such as property investment, building development, goods and service tax management, human resources management, and digital marketing to ensure they are well informed about the latest business and industry practices.
Leisure and Hospitality	To enhance leadership skills of management, programmes such as Red Ring Leadership Philosophy Training and Self-motivation Workshops were organised for the management level. For frontline employees in our hotel properties, webinars, functional training, cross-departmental training and workshops were organised to improve the quality of service delivered.
Transportation	External consultants were invited to hold training such as safety workshops, compliance workshops and webinars for ferry crews and the management.



Wharf REIC aims to create a diversified workplace for employees to develop their careers and explore and unleash their potential. We provide fair and equal opportunities, and formulate suitable training sessions and programmes for employees based on their business needs and development goals. We believe a capable and diversified workforce would benefit corporate development and contribute to the success of the Group. The following graphic shows the training hours offered during the reporting year.

Total Number of Training Hours Provided to Employees:

75,866 hours



Average Training Hours



Overall Average Training Hours

28.3 hours

By Employment Category

- Senior Management: **29.5** hours
- Middle Management: **39.4** hours
- General Staff: **26.6** hours



By Gender

- Male: **30.0** hours
- Female: **26.3** hours



By Age Group

- Below 30: **39.2** hours
- 30–50: **30.0** hours
- 51 or above: **17.7** hours



The Group is aware of the contribution of our employees. We regularly provide awards to outstanding employees to recognise their efforts and motivate them to achieve higher standards. To recognise our employees with outstanding performance, Associate of the Quarter and Associate of the Year programme are in place in Marco Polo Hotels, and 16 associates were awarded in 2022. Our Investment Properties in Hong Kong also award certificates of Long Service Award to employees who have consecutively worked in the Group for years and Star Awards to whom have achieved outstanding performance in serving customer.

The Group provides all new joiners with orientation programmes which allow them to better adapt to the new working environment by introducing the background and culture of the Group. To ensure timely delivery, orientation is offered within the first month of employment at our hotel operations. The workers employed by contractors are also required to participate in the orientation programmes to better understand our requirements and standards of quality service. At The Murray, monthly meetings and daily online communication are performed to share the learning solutions and hotel product information, and identify training needs and provide on-the-job training to the employees.

The Group is committed to offering training and development opportunities to our employees for fulfilling their career aspirations and development needs. We organise an array of training programmes covering leadership, management, supervisory, creativity, personal effectiveness, team building and language. Besides, in-house training courses on business ethics, and quality of service are arranged to strengthen employees' job capability. In Niccolo Suzhou, "Train The Trainer" and "Cross Exposure Between Sister Hotels" training for hotel trainers and frontline employees are arranged. Company sponsorship can be offered for various job-related short courses and safety and technical training, to facilitate the employees' working proficiency.

CASE STUDY

Training and Development

Competition Law Leadership Meeting

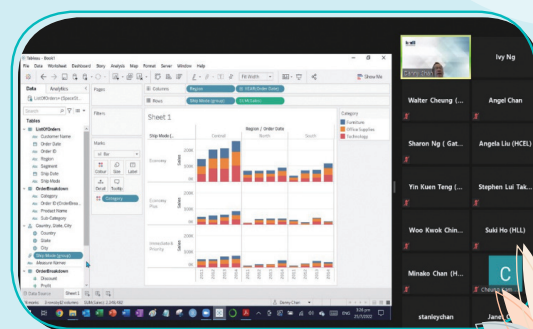
To consolidate our employees' knowledge of the Competition Ordinance, the Marco Polo Hongkong Hotel provides training on the Ordinance through various activities, including case study, introduction of the infringement notice and commitment, first conduct rule, second conduct rule and merger rule.

The Art of Workplace Values Workshop

The workshop was arranged for talents to understand and apply "story telling" framework to create clear, concise, and impactful presentation materials, and to share effective ways of motivating and engaging different generations of different values to work together for driving results and value co-creation for the team, department and company.

Tableau for Data Visualization & Business Analytics

3 sessions of e-learning were organised for staff members to learn how to use Tableau effectively for data management and analysis for improving work efficiency as well as getting business insights through data visualization.

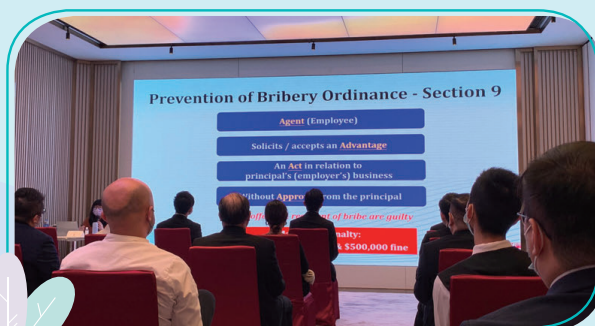


Be Niccolo Brand Service

To enhance our service quality and performance of our staff, The Murray provides specific training for new joiner with the Niccolo Brand Service Culture. The training content developed based on five pillars, including building brand loyalty, Niccolo philosophy & DNA, mission & promise, Niccolo hotels & values and signature.

Corruption Prevention Integrity Training by ICAC

The Murray understands anti-corruption training is one of the compliance training mandated by government laws and company policies, which can help the organisation recognise and mitigate associated risks. To raise awareness of potential bribery risk situations and ensure we follow the correct antibribery procedures, we have invited ICAC to host the Corruption Prevention Talk for general colleagues.



Partnering with Our Suppliers

[GRI] 2-6, 3-3, 204-1, 308-1, 408-1, 409-1, 414-1; [HKEX] KPI B5.1, B5.2, B5.3, B5.4

The Group maintains a close relationship with our suppliers to establish a sustainable value chain with high reliability and quality of products and services. We work with business partners from areas of food and beverages, services and facilities, engineering supply and maintenance, security, utilities, and general supplies. The types of business relationships with our suppliers vary from the different lengths of time-based to project-based contracts according to the nature and demand of their supplies.

The Group is committed to maintaining a high standard of ethical practices covering all the services and products we provide. To reduce the risk along our value chain, the Group follows the Supplier Code of Conduct to outline the basic ESG requirements and expectation for all our business partners. It consists of guidance for suppliers in areas of business ethics, whistleblowing, environment, human rights and labour practices and data privacy. Acknowledgement is required to demonstrate they understand the specified clauses in the tender agreements.

To further ensure the quality of supply and effectiveness of risk management, we provide training sessions and seminars on legal and regulatory strategies and controls in the workplace.

In practice, to help BUs in assessing the technical ability and sustainability performance of suppliers to assure their compliance with both our criteria and any applicable laws and regulations, we have built a comprehensive vendor management system to control the supply chain risk in our enterprise risk management. We demand vendors to present certifications and proof of documentation from pertinent regulatory bodies. Further, a traceability system for food labelling and on-site audit practices for food manufacturers are implemented in our hotels to ensure food quality and hygienic conditions.

To continue supporting our local community, 99% of our key suppliers are local suppliers.

Sector	Region	Number of Key Suppliers	
		2021	2022
Investment Properties	Hong Kong	82	83
	Singapore	10	10
	Other	4	4
Leisure and Hospitality	Hong Kong	231	227
	Mainland China	57	29
Transportation	Hong Kong	10	10

Green Procurement

To further ensure adverse environmental impacts are minimised during our procurement process, the Group follows the Green Procurement Policy to integrate responsible supply chain management into procurement decision-making in our BUs. Under the Policy, all thing being equal, suppliers using environmentally friendly products and materials would be favoured during selection. We also collaborate with suppliers by adding Green Purchasing Clause in our tender documents to motivate them to enhance their green practices and provide more green procurement options to the Group.

We regularly assess the risk and negative environmental and social impacts along the value chain of Wharf REIC. We refer to the Green Procurement Policy and develop a procedure to detect adverse impacts and screen suppliers. For any potential negative impacts detected, immediate counteractions would be formulated to mitigate the impact as well as prevent further incidents. As of the end of 2022, 23% of new suppliers in our hotel operations are screened by the procedure and there is no case of negative environmental and social impacts along the supply chain.

Percentage of New Suppliers Screened with Environmental and Social Criteria in 2022	
New suppliers screened by environmental criteria	23%
New suppliers screened by social criteria	9%

Delivering Quality for Our Customers

Customer Satisfaction

GRI 417-3; HKEX KPI B6.2, 6.3, 6.4

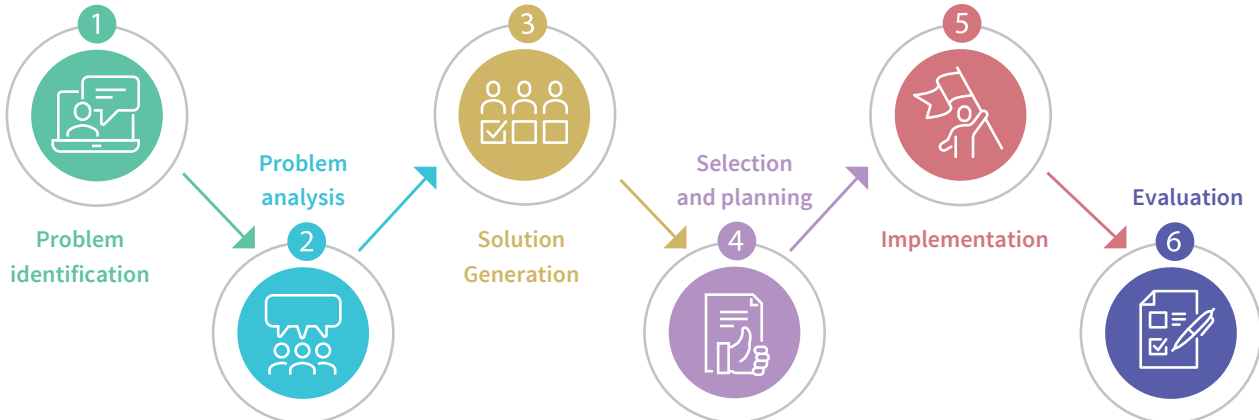
Providing high-quality service and fulfilling customers' expectations are the major goals of Wharf REIC. The Group also puts into practice the Quality Policy Statement to underline our dedication to providing top-notch products and services. To fulfil customer demands, we will specifically adhere to a quality management framework to continually enhance the performance of our products and services. During the reporting year, our BUs maintain a high standard throughout all operations and deliver outstanding services to enhance customers' experience.

We maintain honesty, openness, and transparency as guiding principles in all our marketing communications. Before information is published, managers thoroughly check all promotional materials to ensure that all rules and laws are adhered to. Additionally, to protect intellectual property rights,

certain rules must be followed while creating any advertising materials. All designs and images must adhere to patent and license laws. We have also put in place registration and secrecy procedures to safeguard our intellectual property rights. During the reporting year, there are no incidents of non-compliance concerning marketing communications found.

The Group is also seeking opportunities to enhance our services by keeping close communication with customers to adopt their suggestions and understand their complaints about our operations. We apply a highly responsive and rapid approach to handle customers' feedback with internal procedures. Their thoughts are emphasised and investigated, and correction procedures would be formulated to prevent future occurrences. Hence, we encourage customers to share their thoughts through our communication channels which ensure that they are fully protected by internal guidelines while the issues are being handled. For instance, to address client complaints and disputes, our hotel operations adopt a six-step problem-solving technique.

Six-step problem-solving technique



To ensure the standards of our customer service, we organise numerous trainings to improve frontline staff's service quality and communication skills with customers. For instance, Hong Kong Investment Properties held an event called "Keep Smiling" to encourage all frontline employees to wear a special smiling face mask. This helped remind our employees of the importance of smiling in front of customers.

During the reporting year, the Group received 3,723 product-related and 820 service-related complaint cases, and none of them was substantial. No complaint case was related to violations of laws. Instant responses were applied to every complaint with standard steps. To strengthen employees' complaint handling skills, in Macro Polo Hotels, 103 guest-contact staff received a customer service e-learning programme about compliant handling to enhance their job knowledge, abilities and service standards to satisfy consumers.

We frequently conduct customer satisfaction surveys or service review meetings to get input and determine where our service quality may be improved. To evaluate industry best practices, we also study international standards for customer satisfaction for our hotel operations. A qualitative feedback review session will be held to gather suggestions from our customers on how to improve the customer experience, helping to further ensure the quality of our services.

	Investment Properties	Hotels	Gateway Apartments
Overall satisfaction rate	Office tenants: 97 % Retail tenants: 96 %	90 %	92.5 %
Number of responses collected/Name of index	190 office tenants and 378 retail tenants surveyed	ReviewPro Global Review Index	37 residents surveyed



The Murray named Five-star Hotel in Forbes Travel Guide 2022 Star Award

The Murray has been named the Five-star Hotel in Forbes Travel Guide's 2022 Star Award due to the excellent customer service with a spirit of "New Encounters. Timeless Pleasures" to discerning travellers. The Murray also provides unique experiences with its new luxury styles, tastes and cultures.

2022 Award Highlights

Times Square	Top 10 My Favourite Shopping Mall Award by Hong Kong Economics Times
Plaza Hollywood	Shopping Mall Awards 2020–2021 — "My Favourite Kids Shopping Mall" by U Magazine
The Murray	Forbes Travel Guide 2022 Star Award — Five-star Award Hotel
Marco Polo Hongkong Hotel	Forbes Travel Guide 2022 Star Award — Recommended Hotel
	Italian restaurant Cucina — "Four-star Restaurant" by Forbes Travel Guide 2022 Star Award
Gateway Hotel	Member's Choice — Most Recommended Award by Trip.com
Star Ferry	Travellers' Choice Winner 2022 by TripAdvisor
Pacific Club	Platinum Clubs of the World — Top 100 City Clubs
Gateway Apartments	Kowloon West Best Security Services Awards 2021 — Honorable Managed Property Award

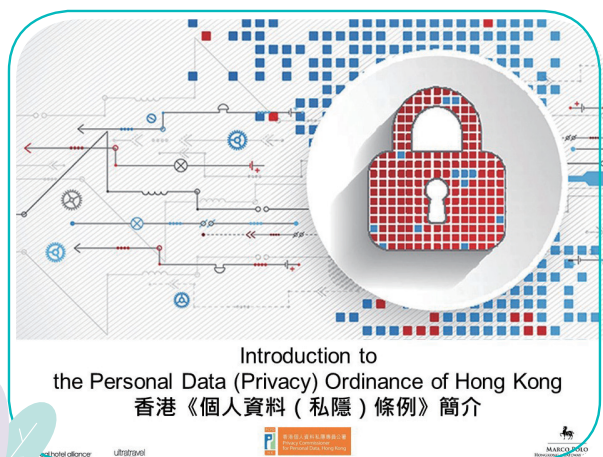
Customer Privacy

GRI 418-1; HKEX KPI B6.5

Our internal policies for safeguarding customer privacy mandate keeping records of physical access to sensitive places like data centres and server rooms, and only authorised workers have access to client's personal data. We delegate authorised personnel to handle information communications technology ("ICT") maintenance. For the disposal of ICT equipment, security procedures are implemented to prevent the leakage of sensitive information, including secure overwriting, or physically destroying the storage device. We employ third-party auditors to provide external penetration tests on the ICT to identify potential efficacy.






Our Data Privacy Policy Statement demonstrates the Group's standardised approach to collecting, using, sharing and protecting personal data. The websites of BUs also provide access to their privacy and data collection policies. To ensure that our current handling process of personal data complies with all applicable security and privacy standards, the Group regularly evaluates the policies posted on its website. Our data breach team is responsible for handling any internal reports of actual or suspected data protection incidents. The team will decide on the best course of action and inform the individuals who are potentially impacted. Regarding the European Union ("EU") General Data Protection Regulation, if the impacted individual resides in the EU, we will notify the appropriate supervisory body of a data breach within 72 hours. There were no complaints of breaches of client privacy or data losses during the reporting year.



To demonstrate our commitment to protecting customer privacy, we implement procedures in our daily operations, such as obtaining consent from clients before collecting and using their information, applying authorised personnel to monitor our security practices and providing training to employees on treating customer sensitive information properly. At Marco Polo Hongkong Hotel and Gateway Hotel, a data privacy workshop was hosted for our employees to enhance their awareness and knowledge of data privacy.

The following table shows the measures for dealing with customer privacy in each BU.

Examples of Measures Taken to Safeguard Customer Privacy

Investment Properties 	<ul style="list-style-type: none"> — Displayed notices on CCTV operations at malls to inform the public. — Placed data privacy policy statement on the website and at specific locations, and on application forms.
Leisure and Hospitality 	<ul style="list-style-type: none"> — Organised data privacy online workshop and webinar on EU General Data Protection Regulation to enhance employees' awareness and knowledge. — Firewall is in place to monitor the network traffic, block abnormal and malicious traffic and prevent data leakage. Endpoint protection was also installed on computers.
Transportation 	<ul style="list-style-type: none"> — Established policy and guidelines on handling of the personal data of passengers including restrictive uses of CCTV surveillance records.

SAFEGUARDING WELLBEING AND SAFETY

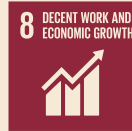
Safeguarding Wellbeing and Safety

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SAFEGUARDING WELLBEING AND SAFETY

UNSDGs addressed in this chapter:



Material topics addressed in this chapter:

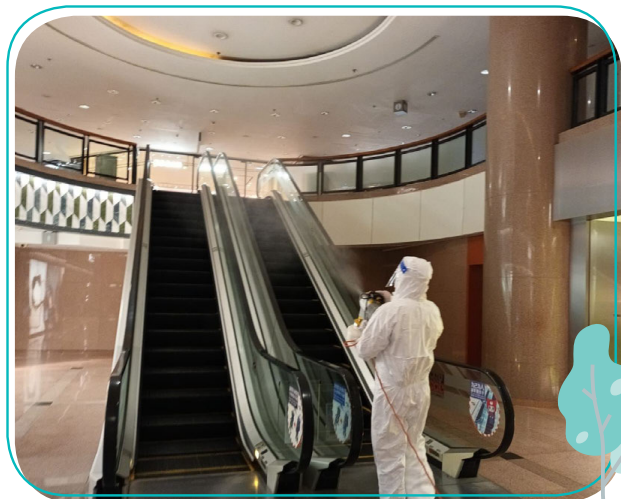
- Occupational Health and Safety
- Customer Health and Safety
- Employee Wellbeing

Commitment and Strategy

GRI 2-23, 2-24, 2-25, 3-3; **HKEX** KPI B2.1

The Group considers the safety and health of our employees and customers as a high priority. We strictly adhere to the Occupational Safety and Health Ordinance (Cap. 509 of the laws of Hong Kong) and other applicable laws and regulations. We endeavour to improve the robustness and effectiveness of safety hazard management, promote the safety culture across all our BUs, and engage employees and customers in safeguarding their safety and health.

To ensure the compliance of operating procedures with our stringent safety requirements, we have established the Group's Safety and Health Policy, BU-specific safety management manuals and Safety and Health Committees. Apart from regulatory requirements, our safety and health standards are updated regularly with the latest social development and needs of our employees and customers for a better health and wellbeing culture. This year, Wheelock House and Crawford House received the Safety Performance Award Trophy of Outstanding in "The 20th Hong Kong Occupational Safety & Health Award". Throughout the past three years, there were no work-related fatality cases in Hong Kong, Mainland China and Singapore and zero non-compliance with relevant laws and regulations.



Protecting People During the Pandemic

HKEX KPI B2.3

Our commercial operations were facing unprecedented difficulties due to the COVID-19 outbreak. We have been reacting quickly and efficiently to protect our people during this crucial time while ensuring our business continuity. To reduce the risk of COVID-19 transmission at work, we adopted specific work arrangements such as split office, work-from-home policy and flexible working hours. Medical supplies including surgical face masks and Rapid Antigen Test ("RAT") kits were distributed to our employees and RAT centre was also established for employees to conduct self test, while other sanitary items and protective partitions are still in place. Disinfection is conducted periodically to maintain a hygienic working environment. We also closely monitor the development of COVID-19 to adjust our preventive measures.

Aside from protecting our employees, we have also implemented measures to ensure customer safety. During the 5th wave, visitors' body temperature was measured at the entrances of our properties. Acrylic counter shields have been put in place as protective barriers to practice social distancing at the concierge desk of shopping malls. Additionally, our disinfection team uses ion spray on antiseptic carpets at key entrances and disinfects high-risk areas including escalator handrails, toilets, and entrances regularly. There are also 4 Disinfection Robots patrolling and disinfecting in Harbour City to protect our customers.

For the air handling equipment, Harbour City has carried out regular filter disinfection and maximised the fresh air flowrate to the malls and offices. As for Times Square, over 70% of air handling units for office towers were equipped with air purifiers, facilitating fully automatic disinfection work without the need of access to fan rooms of full-floor tenants for manual disinfection.

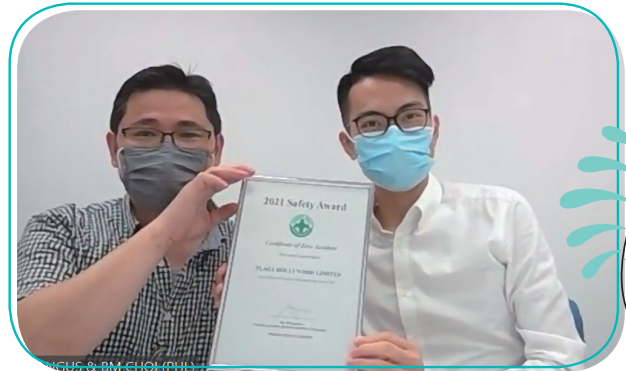
Safe and Healthy Workplace

GRI 3-3, 403-1, 403-2, 403-5, 403-9; **HKEX** KPI B2.1, B2.3

Creating a safe working environment is a must in operating business. The Group has established the Safety and Health Policy and implemented management strategies, preventive measures, employee awareness building and incident handling procedures to maintain a safe workplace. Safety and Health Committees have been formed at BUs, and regular meetings are held to discuss OSH-related issues, review causes of work-related injuries, and consider the corresponding precautionary and safety measures to be implemented. Safety management manuals have been established by our BUs aligning the Group's OSH principles, covering standard operating procedures, OSH risk assessment, corresponding safety measures, and mandatory personal protective equipment for employees. We regularly review and revise the manuals to ensure that our OSH management approaches adhere to the latest legal requirements and industry best practices.

Our BUs adopt various comprehensive measures to eliminate OSH hazards and minimise risks. Star Ferry's Safety and Health Committee holds regular meetings to monitor and assess OSH issues in its operations, while annual inspections and safety audits by professional consulting companies are also carried out. Additionally, regular cross-centre safety inspections are conducted for investment properties in Hong Kong. Safety consultants and participating centres are invited to share their findings and best practices after inspections, aiming to foster continuous improvement and raise employees' awareness of OSH. Inspection reports are compiled for review and improvement works will also be carried out promptly.

To improve our employees' ability to manage OSH hazards, we offer personal protective equipment and OSH training. This year, Marco Polo Hotels invited the Occupational Health and Safety Council to deliver presentations on occupational mental health. A typhoon safety drill was organised by Star Ferry so that employees understand more about the safety procedures under extreme weather, be prepared for the emergency, and have the capability to alleviate personal safety threats. Investment Properties held Webinars on Safety Precautions in Fitting Out Sites. It also provides training sponsorship for obtaining safety-related licenses to raise employees' awareness of safety.



Our OSH management approach is incorporated into the supply chain by including safety clauses about occupational injury and third-party safety monitoring in the procurement contract. We also provide safety training to improve the OSH knowledge and skills of our contractors and strengthen their safety precautions, such as applying chemicals safely and avoiding injuries.

Online OSH Award Ceremony Demonstrating Work Safety Effectiveness

Hong Kong Investment Properties held the Online OSH Award Ceremony in recognition of the employees' efforts in establishing a safe and healthy working environment, and to encourage them to achieve the goal of zero accidents.

With the emphasis on OSH, the total number of work-related injuries in Harbour City, Times Square, Plaza Hollywood, and Gateway Apartments has been greatly reduced. Plaza Hollywood has achieved the zero accident target and received the Zero Work-related Accident Award, while Harbour City and Times Square were awarded the Improvement Award.

Harbour City also attained the Best OSH "Edutainment" Award and "Top Viral" Award in the OSH Video Contest. The short film "When You Walk Don't Watch" raises employees' safety awareness by reminding them of the major cause of trip and fall at workplace, relevant precautionary measures and the proper actions to be taken.



Employee Wellbeing

GRI 3-3, 403-6, 403-7; HKEX B2.3

We are dedicated to advocating a productive workplace and a good work-life balance. To build a healthier, more resilient, and happier working environment, we have organised a variety of recreational activities to manage employees' physical and mental health. At The Murray, a chillout room is designed for employees to unwind after a long day of work and the female restrooms offer multifunctional space for nursing and sleeping. The Murray also promotes happy workplace culture by inviting employees to join The Murray Yoga Club and practice yoga and meditation on a regular basis.

Highlights

Employee Physical and Mental Health Plan: "WELL Living"

Hong Kong Investment Properties has launched a new theme "WELL Living" in the second quarter of 2022 to encourage our employees to inspire the importance of mental health, positivity, gratitude, and enjoyment of life. 4 thematic series with different experiential events and workshops were held for our employees.

"Play WELL" Series

Fascia Relaxation Class

"Play WELL" encourages employees to have fun in the classroom and seek new experience and excitement. The 6 relaxation classes aimed to let our employees relax and stretch out their stiff bodies. A peanut massage ball was distributed before the class and participants used it to relieve the fascia tension of different body parts. They also learned a series of office stretching exercises to relieve pain during work breaks.



"Eat WELL" Series

Animal-shaped Cookies Workshop

Energising the body and spreading happiness by eating well is a series of food workshops where our employees learn to make delicious confectionery and festive food. Employees made animal cookies at home with their families in the "Animal-shaped Cookies Workshop". The workshop stimulated participants' creativity and offered them precious family time.



“Love WELL” Series

Mosaic Box Workshop

“Love WELL” encourages empowered self-love and sharing love with loved ones. The “Mosaic Box Workshop” allowed employees to experience mosaic art by decorating the boxes in their patterns. Participants unleashed their creativity and felt healed while spending time with family at home.

“Live WELL” Series

Post-Pandemic Recovery Webinar

Employees’ personal growth and mental health are two of our key focus areas. We aimed to help participants in the transition of working from home to returning to the office as well as learning the ways to recover from COVID-19 by changing their eating habits. Professionals shared psychological support and nutrition knowledge with our employees in the webinar.



Safe Premise and Services

GRI 416-2

The Group complies with all applicable laws and regulations and employs industry best practices. We endeavour to offer our customers products and services with the highest level of quality, reliability, and safety.

Premise and Facility Safety

GRI 416-2

To guarantee the safety of the premises and facilities, the Group has established comprehensive fire safety guidelines and offered training in compliance with fire service facilities and equipment regulations. At Marco Polo Hotels, the standard fire extinguishing and evacuation procedures were demonstrated during the fire safety training sessions to boost employees’ understanding. To facilitate a cooperative and efficient response in emergency circumstances, we have conducted

regular fire drills for both employees and tenants. Star Ferry also conducted weekly fire drills to help Coxswain and Engineers to be familiar with the contingency plan onboard. Additionally, we patrol every day to make sure the fire escape routes are clear of obstructions. Fire safety equipment is ensured to be in good standby conditions and does not have any signs of damage through the annual maintenance and inspections. Our in-house building inspectors and security personnel also conduct daily inspections of shopping malls’ finishes and exhibits to guarantee the safety of our visitors.

Our BUs maintain indoor air quality while addressing the growing concerns about indoor air pollutants from our customers and tenants. We have received several Indoor Air Quality Certificates from the Indoor Air Quality (“IAQ”) Information Centre of EPD as a recognition of our performance and achievements.

CASE STUDY

Excellent Achievement in the Indoor Air Quality



Maintaining excellent indoor environmental quality has been one of our key approaches to ensuring customers' health and safety. To achieve this, our shopping malls have made significant efforts in improving their IAQ over the years. Harbour City has taken steps including sanitising the air filter regularly, increasing the fresh air intake flow, as well as enhancing the air filter efficiency, to monitor and maintain the IAQ. In recognition of their achievement, Harbour City has been rated as the "Excellent Class" for IAQ under EPD's Indoor Air Quality Certificates for Offices and Public Places since 2007.

Times Square and Plaza Hollywood were also awarded the "Excellent Class" and "Good Class" for IAQ under the scheme in 2022. At Times Square, we have gradually installed RGF air purification system, which is designed to eliminate sick building syndrome risks, to our central air conditioning. Plaza Hollywood also adopts electrostatic air purify filters and conducts more frequent air intake filter cleansing to reduce dusts and particles.

We are committed to maintaining excellent IAQ in the future to ensure our valued customers and building occupants are well-protected at our premises.

Premises and Facility Safety Certifications

Harbour City	Times Square	Plaza Hollywood
<ul style="list-style-type: none"> • IAQ (Excellent Class) for public areas in office towers • IAQ (Good Class) for public areas in shopping malls • HKQAA Anti-Epidemic Hygiene Measures Certification • HKQAA Hygiene Control System Certification • Quality Water Supply Scheme for Buildings — Fresh Water (Management System) (Gold) • Quality Water Supply Scheme for Buildings — Flushing Water (Gold) 	<ul style="list-style-type: none"> • IAQ (Excellent Class) for public areas in office towers • HKQAA Anti-Epidemic Hygiene Measures Certification • HKQAA Hygiene Control System Certification • Quality Water Supply Scheme for Buildings — Fresh Water (Blue) for Shopping Mall • Quality Water Supply Scheme for Buildings — Fresh Water (Gold) for Office Towers 1-2 • Quality Water Supply Scheme for Buildings — Flushing Water (Gold) for Shopping Mall and Office Tower 1-2 	<ul style="list-style-type: none"> • IAQ (Excellent Class) for the management office • IAQ (Good Class) for public areas in shopping malls • HKQAA Anti-Epidemic Hygiene Measures Certification • HKQAA Hygiene Control System Certification • Quality Water Supply Scheme for Buildings — Fresh Water (Management System) (Gold) • Quality Water Supply Scheme for Buildings — Flushing Water (Gold)

Another essential safety issue for our commercial operations is crowd control. For the security and wellbeing of our customers, we have implemented efficient crowd management and control measures. For example, we have installed pedestrian barricades and assigned trained security personnel in public spaces to handle any crises during special events. We plan the crowd control strategies and assess them after events. Hoardings are also placed at the boundary of the renovation areas in our properties to reduce potential safety risks to the building's users or the general public. To protect the public and tenants in common spaces, we perform spot checks on renovation and fit-out units.

We are dedicated to fostering a clean and secure shopping environment. Food waste decomposers have been installed in Harbour City to reduce the volume of waste and control the garbage effectively. Our customers can enjoy a clean shopping experience while proving a healthy working environment for our tenants.

Food Safety

To ensure food quality and for safety control, we employ industry best practices and rigorously adhere to all applicable laws and regulations, including nutrition and food allergy labelling regulations for all pre-packed food products and the Food Safety Ordinance (Cap. 612 of the laws of Hong Kong). Additionally, Pacific Club adopts ISO 22000 Food Safety Management System, while our hotel operations tailored its food safety measures to its needs and expectations and referred to the Hazard Analysis and Critical Control Points ("HACCP").

Good quality management is what differentiates us in the competitive market. Our Quality Policy Statement indicates our inspiration to provide high-quality and safe products and services that meet or exceed our customers' expectations.

Our Hygiene Managers collaborate with representatives of Purchasing and Culinary department to maintain the highest standards of food safety and hygiene at Niccolo Suzhou and Marco Polo Hotels. They ensure the consistency of the food quality by reviewing the performance of high-risk food supplies regularly. We require suppliers to take corrective action or terminate the business partnership if any violations of the Group's standards are identified in the supplier performance evaluation.

The Pacific Club's Club Management performs bi-monthly water quality sample testing for filtered water taps, fish tanks and swimming pools. Meanwhile, audits at food and beverage outlets in shopping malls emphasise rodent control treatment and the hygiene level of kitchens and lavatories. If any deficiencies are identified throughout our inspection processes, we request corrective actions from relevant parties.

Employees' awareness forms an important part to guarantee food safety and therefore Marco Polo Hotels organised food hygiene training for employees to raise their awareness and strengthen their knowledge on food hygiene standards, food allergies and pest control. No violation of food safety-related regulations and voluntary codes resulted in a fine or penalty in 2022.



BUSINESS-IN- COMMUNITY

Business-in-Community

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BUSINESS-IN-COMMUNITY

UNSDGs addressed in this chapter:



Material topics addressed in this chapter:

- Community Investment and Engagement

Commitment and Strategy

GRI 2-24, 2-25, 3-3, 413-1; **HKEX** KPI B8.1

The Group cherishes the positive contribution we can make to the community and keeps frequent communication with the various stakeholder groups in the community. We are committed to providing various forms of assistance for the community through different community investment programmes, including monetary donations, venue sponsorships, staff volunteerism, and the creation of employment opportunities. The Group aims to contribute to society in three focus areas, namely youth development, promoting the arts and culture, and community care.

We are honoured to attain awards from different organisations in 2022, including the Social Capital and Sustainability Grand Award and Social Capital Builder Logo Award from the Home and Youth Affairs Bureau's Community Investment and

Inclusion Fund, and the Caring Company Logos from The Hong Kong Council of Social Service. Furthermore, the Wharf Group received the Second Top Donor Award presented by The Community Chest in recognition of our philanthropic efforts.



Number of events and activities advocating for economic development, social welfare, education, sports, environmental protection and health:

217



Youth Development

GRI 3-3, 203-1, 413-1; **HKEX** KPI B8.2

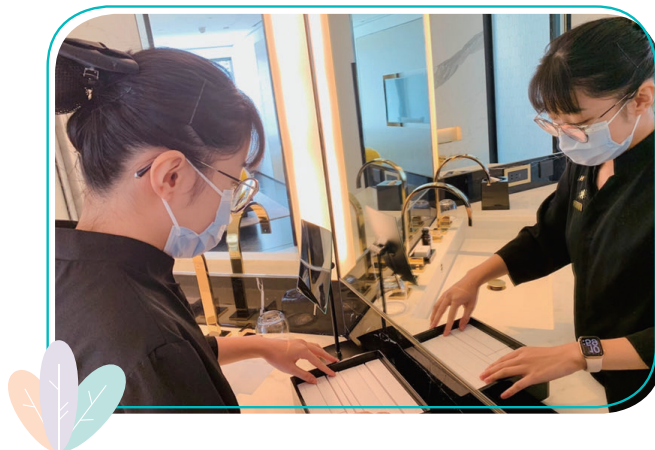
We have been taking an active role in fostering youth development as it is the key component of our economic and community development.

Project WeCan (“WeCan”)

Since 2011, *WeCan* has been a flagship Business-in-Community programme for the Group. The programme pairs up each school with a partner organisation who would provide financial and volunteer support in a multi-year collaboration in order to give learning-disadvantaged children nurturing opportunities and exposure.

WeCan has been focusing on career planning for youth development. The annual Job Tasting Programme is a leading prominent programme providing students with a precious opportunity to explore their vocational choices, and 134 students from 33 schools seized the opportunity to get a taste of working in the real world in 2022. The participants can better understand the companies and job details of different job positions from a wide spectrum of industries, including hospitality and Investment properties in Hong Kong. Participants have to go through normal application procedures in the Job Tasting Programme, including submitting job applications and attending interviews. To help the students adapt to the jobs, a mentor will be assigned to each participant. Performance appraisal is also conducted on the last working day to give feedback to the students.

Another joint-school programme, Career Exploration Day was also hosted in 2022. Career Exploration Day aims at offering students the opportunity to explore their potentials and career interests through various career-related activities. Offering in 4 rounds, the event attracted over 6,000 students to join both online and on-site. Our hotel operations showed support by sharing with students industrial knowledge and introducing job opportunities in a hotel, for instance, The Murray introduced its recruitment procedures and requirements to 500 participants online and over 50 students on-site.



Overview of WeCan

Number of partner schools

82



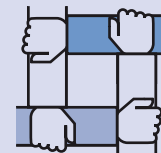
Number of students benefited

87,000+



Number of partner organisations

72



Virtual Company Visit and Career Planning Sharing

Despite the uncertainties brought by the pandemic, *WeCan* continues to provide learning and exposure opportunities for students through company visits. The students can learn from the visit some in-depth information on requirements for entering the industry and the prospect, which help students to start thinking of their own career path. For 2021/22, our BUs supported by offering 37 company visits to 2,300 students.



We also held Career Talks and Recruitment Fair for tertiary students, both face-to-face and online, aiming to provide more opportunities and channels for them to apply for jobs. Experienced professionals and recruiters shared information about career opportunities in careers booths.



iPlan Mentorship Programme (“iPlan”)

Harbour City, as a *WeCan* partner organisation, is committed to providing mentorship support to students at *WeCan* partner school. The two-year programme, iPlan, seeks to motivate students to step out of their comfort zone and develop future abilities.

The 2022/2024 iPlan kickstarted in September, with 10 experienced mentors to take care of 11 selected students from Yan Oi Tung Chan Wong Suk Fong Secondary School. In addition to encouraging students to plan for their future careers, iPlan fosters students to have self-understanding and self-challenge. A Self-understanding Workshop was held as the first programme to guide participants in setting targets for the coming two years.



Arts and Culture

GRI 3-3, 203-1, 413-1; HKEX KPI B8.2

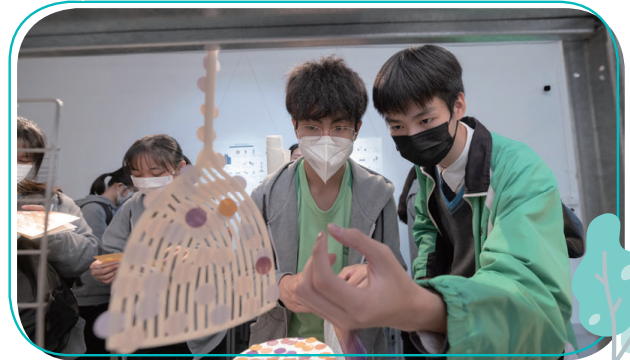
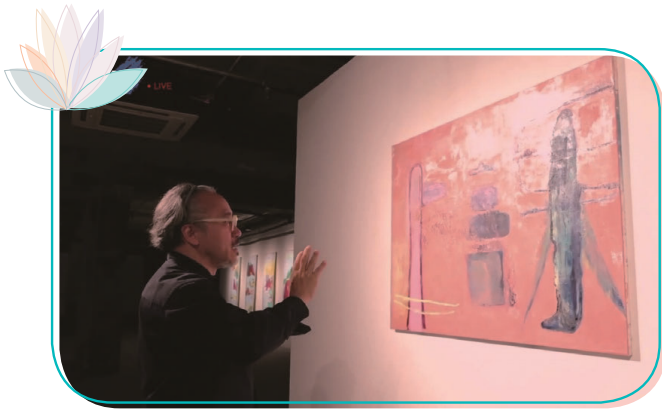
The group is committed to supporting the community and cultural growth. To foster the interest in arts and culture of the younger generation and to unleash their creativity, we established The Wharf Youth Art Programme. By hosting a variety of events and programmes, we strive to enlighten the public and encourage the growth of artistic and cultural communities in Hong Kong.

The Wharf Young Art Ambassadors

With the aim to provide students with learning opportunities and exposure in the art field, we have launched The Wharf Young Art Ambassadors Programme. We organise arts and cultural activities for and recommend events presented by art or charitable organisations to students regularly. During the reporting year, 20 activities were organised for close to 900 participants. More information and updates on our upcoming events are available on Wharf Art's Facebook and Instagram pages.

An online docent and sharing of "Dialogue with Nature" was held for the Art Ambassadors in November 2022, striving to facilitate cultural exchanges between Hong Kong and Japan through art. The coordinator and producer of the exhibition, Ms. Joey Li, was invited to guide the participants and share the details of the Echigo-Tsumari Art Triennale 2022. Ambassadors were encouraged to contemplate the relationship between humankind and nature and bask in the wonders surrounding them.

We also invited the Art Ambassadors to the Digital Art Fair Xperience Hong Kong 2022, which is the world's leading Web 3.0 fine art fair with a focus on art created for every demographic that wishes to appreciate, create, and collect digital and NFT artworks. We aim to educate the new generation of artists and inspire the young generations with innovative art forms.



The Wharf Hong Kong Secondary School Art Competition

Since 2011, the Group has been presenting The Wharf Hong Kong Secondary School Art Competition every year to encourage the younger generation to venture outside of the classroom and broaden their horizons. The theme for the 2021–22 edition was “Space≠Place”, and the winning pieces were exhibited at Harbour City, Times Square and Plaza Hollywood. The Group has also been running The Wharf Art Scholarship Scheme since 2013, under which top 18 winners of the Art Competition are eligible to apply for funding to pursue a bachelor’s degree in creative art at a local or overseas tertiary institution of their own choice. As of 2022, 19 students have received scholarships to study creativity relevant disciplines in reputable universities.



Architectural Design Internship Programme

Another significant project for community investment is the Architectural Design Internship Programme. The programme was established by The Wharf ArchDesign Resource Trust. Outstanding architecture postgraduate students can take advantage of the programme’s worldwide placement opportunities and expand their exposure and experience abroad. Award recipients have first-hand exposure to cutting-edge architectural design. The Group has already awarded 41 outstanding architectural postgraduates to intern in reputable architectural firms around the globe. Sharing sessions for the programme awardees to share their academic and internship experiences with WeCan students as well as winners of The Wharf Art Scholarship Scheme had also been organised to support architectural wisdom passes on.

Cultural Heritage

Little Sailor Experience Tour

Star Ferry, which has voyaged Victoria Harbour for over 120 years, not only it is a mode of transportation, but also a landmark in Hong Kong’s history to be cherished. To preserve this important cultural heritage, the best way is to share with the young generation its history, as well as the work of a sailor at Star Ferry. We launched the programme Little Sailor Experience Tour in 2022, in which professional sailors will share with the participants their daily routine and demonstrate navigation skills and some other basic knowledge including stand watch, operating mooring ropes, emergency escape training, identify light/signal card.



The “Star” Ferry Photo Competition

To celebrate the 25th anniversary of the establishment of HKSAR and Star Ferry approaching 125th anniversary, The “Star” Ferry Photo Competition was organised in June 2022 for photography enthusiasts to share their encounters with Star Ferry through the lens. Over 1,300 entries which recorded the valuable memories with Star Ferry were submitted. The winning entries were exhibited at the 3 piers to raise awareness of the cultural heritage.



Community Care

GRI 3-3, 203-1, 413-1; HKEX KPI B8.2

The Group embraces diversity of the community and adheres to the motto “Stronger Together”. We are committed to striking a balance between self-care and community care. In order to promote the redistribution of resources to the needy, we organise a variety of community service initiatives. We uphold our commitment to corporate social responsibility by actively encouraging employee volunteerism and participating in corporate philanthropic responsibility.

Fight COVID-19

We are aware of the impact the pandemic outbreak has had on Hong Kong’s economy and people’s livelihoods. In response to the fifth outbreak in 2022, the Group spared no efforts in supporting pandemic relief in Hong Kong. The Wharf Emergency Relief Fund made a special donation of HK\$12.5 million to The Community Chest Rainbow Fund and the “WeCan-CARE! A Pandemic Relief Fund” of Project WeCan to help students and families suffering from financial plight.

Healthy and Happy Ageing

The Group is also concerned for Hong Kong’s aging population. Star Ferry pays attention to the elderly’s ferry-ride experience and provides age-friendly facilities for them. Priority seats are available on the ferries and in the waiting areas at the docks while handrails are installed on the ferries. To make the ferries more accessible for the elderly, we have added call bells and anti-slip strips to the ramps.

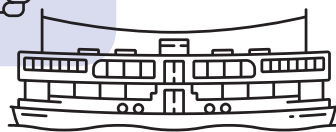
From 2005 onwards, we have provided free ferry rides to over 25 million passengers with the fare forgone exceeding HK\$63 million.

- Amount of fare receipt forgone in 2022:

over HK\$ **2.4** million

- Number of beneficiaries in 2022:

over **700,000** people



Hong Kong Investment Properties has been providing retired individuals with re-employment opportunities through the Bright Senior Ambassador Programme to extend their social contribution. These senior ambassadors provide excellent services to shoppers in Harbour City, Times Square and Plaza Hollywood. Their diverse knowledge and experience over the course of their pre-retirement careers are also valuable for the young colleagues to learn from.

Volunteer Activities

359 employees took part in 28 community activities and volunteering work in 2022. Our Investment Properties operation was awarded the Top Ten Highest Volunteer Hour Award (Group 2: Corporate with 101–999 full-time employees) in the Hong Kong Volunteer Award 2022 by the Agency for Volunteer Service in appreciation of our volunteer work.

Virtual Solar-Powered Jar Lights DIY Workshop @ The Hong Kong Society for the Deaf

In order to strengthen the interpersonal skills of hearing-impaired students during the Omicron-driven school suspension, Hong Kong Investment Properties’ volunteer team delivered a virtual solar-powered jar lights DIY workshop with The Hong Kong Society for the Deaf. Our volunteers spent some interactive fun time and delivered the importance of renewable energy with 17 hearing-impaired children.



Fung Yuen Butterfly Reserve Conservation @ Environmental Association Ltd

Fung Yuen Butterfly Reserve is the only butterfly conservation area in Hong Kong with more than 200 species of butterflies. With the aim to maintain the ecological balance of valuable species habitats, our volunteer team cooperated with Environmental Association Ltd and removed invasive alien plants, which harm native plants, reduce the biological diversity, and affect the ecosystem.



Food Distribution @ Thye Hua Kwan Active Ageing Centre

Our investment properties in Singapore has partnered with Food Bank Singapore to support the elderly from Thye Hua Kwan Active Ageing Centre. 8 staff volunteers have distributed 50 food bundles and social bonds were created by showing love and care via chit-chat with the elderly.



LOOKING FORWARD

Against a backdrop of unending climate-induced disasters and ESG being put under the spotlight, and to be in line with the Governments' decarbonisation targets of 2050 and 2060, the Group is devoted to strengthening sustainability in our operations, and exploring ways to enhance our initiatives for evaluating and managing carbon emissions and climate risks in the operations. Environmental targets are formulated and ESG initiatives are being implemented to ensure sustainable development are incorporated into our business decisions. As a leading property investor in Hong Kong and Mainland China, we will continue to disclose our ESG data, alongside aims at meeting our stakeholders' expectations and adhering to the international standards. Looking forward, the Group will continue its effort in extending the support and care for our community. We aim at creating positive impact and instilling sustainable values to the communities in which we operate.



		Investment Properties									Leisure and Hospitality						Transportation		
		Total	Investment Properties — HK			Investment Properties — SG			Leisure and Hospitality — HK			Leisure and Hospitality — ML			SF				
	Unit	2022	2021	2020	2022	2021	2020	2022	2021	2020	2022	2021	2020	2022	2021	2020	2022	2021	2020
Material Used ¹⁰																			
Material used by type ^{[GRI] 301-1; [HKEX] KPI A2.5}																			
Refrigerants	Tonnes	1.09	1.07	2.33	0.64	0.65	1.14	0.00	0.00	1.11	0.45	0.36	0.08	0.00	0.06	0.00	0.00	0.00	0.00
Paper	Tonnes	943.72	840.51	110.01	831.78	749.71	88.18	24.76	21.30	1.28	63.99	47.23	17.13	19.56	17.84	2.89	3.63	4.43	0.53
Plastics	Tonnes	2.04	4.01	6.30	0.01	0.04	0.00	N/A	N/A	N/A	1.41	2.95	4.78	0.62	1.02	1.52	N/A	N/A	N/A
Waste Management ^{11,12}																			
Waste by type and disposal method ^{[GRI] 306-1, 306-3, 306-4, 306-5; [HKEX] KPI A1.3, A1.4, A1.6}																			
General refuse to landfill	Tonnes	12,002.27	12,606.39	11,214.86	9,764.39	10,754.42	9,434.60	N/A	N/A	N/A	1,872.55	1,447.00	1,349.85	0.29	21.56	35.54	365.04	382.48	394.91
Incinerated waste	Tonnes	1,082.77	656.07	883.16	N/A	N/A	N/A	1,044.01	553.10	800.24	N/A	N/A	N/A	38.76	102.97	82.92	N/A	N/A	N/A
Waste collected for recycling																			
Non-hazardous waste																			
Waste paper	Tonnes	1,022.12	1,180.48	1,234.40	927.76	14,020.70	1,138.14	26.08	43.96	34.37	54.21	58.42	47.57	4.29	12.05	2.84	9.78	10.29	11.48
Plastics	Tonnes	14.00	22.87	6.26	12.04	17.73	3.40	0.29	0.56	0.33	0.29	0.28	0.29	1.30	4.21	2.21	0.08	0.09	0.09
Metals	Tonnes	35.99	34.87	37.35	34.91	32.553	35.50	0.15	0.51	0.37	0.67	0.77	0.98	0.19	0.96	0.44	0.07	0.08	0.11
Food waste	Tonnes	295.44	547.37	445.96	235.76	296.77	267.09	0.53	3.72	16.76	33.03	0.00	10.18	26.12	246.88	151.93	N/A	N/A	N/A
Glass	Tonnes	20.52	36.94	21.34	4.57	9.90	6.30	0.15	0.23	0.61	14.34	17.47	11.24	1.46	9.39	3.16	0.00	0.00	0.00
Soap	Tonnes	0.34	0.33	0.08	N/A	N/A	N/A	N/A	N/A	N/A	0.34	0.33	0.08	0.00	0.00	0.00	N/A	N/A	N/A
Clothes	Tonnes	0.77	1.06	0.65	0.35	0.60	0.13	0.00	0.00	0.00	0.42	0.46	0.52	0.00	0.00	0.00	0.00	0.00	0.00
Hazardous waste																			
Waste cooking oil	Tonnes	3,368.65	3,521.64	3,237.16	3,356.80	3,244.85	3,231.43	0.00	0.00	0.00	11.62	6.07	4.91	0.23	0.72	0.82	N/A	N/A	N/A
Waste industrial oil	Tonnes	2.90	3.09	2.52	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2.90	3.09	2.52
Other ¹³	Tonnes	126.22	47.44	6.94	124.13	43.71	4.95	0.82	0.63	0.64	0.18	0.23	0.99	0.00	0.00	0.00	1.09	2.87	1.08
Total waste generated	Tonnes	17,971.99	18,388.55	17,090.68	14,460.71	15,457.17	14,020.70	1,072.03	602.71	853.32	1,987.65	1,531.03	1,426.61	72.64	398.74	279.86	378.96	398.90	410.19
Construction waste to landfill	Tonnes	2,248.68	–	–	2,248.68	–	–	N/A	–	–	N/A	–	–	N/A	–	–	N/A	–	–
Water Consumption																			
Water consumption by source ^{[GRI] 303-5; [HKEX] KPI A2.2}																			
Municipal Water	m³	788,868	885,991	785,963	408,100	473,306	463,485	56,071	51,871	42,628	257,799	242,476	226,627	61,230	112,910	47,000	5,668	5,428	6,223
Recycled Water	m³	34,177	35,531	35,434	0	0	0	34,177	35,531	35,434	0	0	0	0	0	0	0	0	0
Total water consumption	m³	823,045	921,522	821,397	408,100	473,306	463,485	90,248	87,402	78,062	257,799	242,476	226,627	61,230	112,910	47,000	5,668	5,428	6,223
Water intensity ^{[GRI] CRE-2; [HKEX] KPI A2.2}																			
By number of employee	m³/no.	307.22	320.20	295.15	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
By revenue (HK\$ million)	m³/ HK\$ million	66.06	57.44	52.94	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Employee Statistics

		Total			Hong Kong SAR			Mainland China			Singapore	
	2022	2021	2020	2022	2021	2020	2022	2021	2020	2022	2021	2020
Employee Distribution												
Total workforce by gender, employment type and contract type GRI 2-7; HKEX KPI B1.1												
Male	1,485	1,604	1,517	1,328	1,347	1,397	129	229	85	28	28	35
Female	1,194	1,274	1,266	1,082	1,065	1,130	84	180	94	28	29	42
Full-time	2,515	2,702	2,637	2,246	2,236	2,397	213	409	179	56	57	61
Part-time	164	176	146	164	176	130	0	0	0	0	0	16
Permanent	2,300	2,322	2,506	2,244	2,265	2,445	0	0	0	56	57	61
Fixed-term	374	551	259	161	142	80	213	409	179	0	0	0
Temporary	5	5	18	5	5	2	0	0	0	0	0	16
Non-guaranteed hours ¹⁴	1,053	0	0	628	0	0	425	0	0	0	0	0
Gender distribution of permanent contract employees GRI 2-7; HKEX KPI B1.1												
Male	1,250	1,292	1,378	1,222	1,264	1,348	0	0	0	28	28	30
Female	1,050	1,030	1,128	1,022	1,001	1,097	0	0	0	28	29	31
Gender, age group and minority group distribution of all employees by employment category ¹⁵ GRI 405-1; HKEX KPI B1.1												
Male												
Senior Management	32 (68%)	34 (68%)	30 (60%)	26 (70%)	27 (71%)	26 (57%)	5 (71%)	6 (67%)	3 (60%)	1 (33%)	1 (33%)	1 (33%)
Middle Management	181 (53%)	180 (54%)	162 (56%)	156 (56%)	149 (57%)	158 (58%)	17 (50%)	24 (53%)	5 (50%)	8 (27%)	7 (25%)	7 (25%)
General Staff	1,272 (56%)	1,390 (56%)	1,325 (54%)	1,146 (55%)	1,171 (55%)	1,261 (53%)	107 (62%)	199 (56%)	77 (47%)	19 (83%)	20 (77%)	27 (59%)
Female												
Senior Management	15 (32%)	16 (32%)	20 (40%)	11 (30%)	11 (29%)	20 (43%)	2 (29%)	3 (33%)	2 (40%)	2 (67%)	2 (67%)	2 (67%)
Middle Management	161 (47%)	156 (46%)	129 (44%)	122 (44%)	114 (43%)	113 (42%)	17 (50%)	21 (47%)	5 (50%)	22 (73%)	21 (75%)	21 (75%)
General Staff	1,018 (44%)	1,102 (44%)	1,117 (46%)	949 (45%)	940 (45%)	1,105 (47%)	65 (38%)	156 (44%)	87 (53%)	4 (17%)	6 (23%)	19 (41%)
Below 30												
Senior Management	0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)
Middle Management	20 (6%)	17 (5%)	6 (2%)	12 (4%)	9 (3%)	6 (2%)	4 (12%)	7 (16%)	0 (0%)	4 (13%)	1 (4%)	0 (0%)
General Staff	545 (24%)	588 (24%)	532 (22%)	436 (21%)	436 (21%)	489 (21%)	107 (62%)	150 (42%)	36 (22%)	2 (9%)	2 (8%)	15 (33%)
30–50												
Senior Management	20 (43%)	26 (52%)	27 (54%)	14 (38%)	17 (45%)	21 (46%)	6 (86%)	9 (100%)	5 (100%)	0 (0%)	0 (0%)	1 (33%)
Middle Management	244 (71%)	259 (77%)	230 (79%)	196 (71%)	202 (77%)	208 (77%)	30 (88%)	38 (84%)	10 (100%)	18 (60%)	19 (68%)	20 (71%)
General Staff	1,053 (46%)	1,197 (48%)	1,183 (48%)	992 (47%)	1,030 (49%)	1,126 (48%)	51 (30%)	156 (44%)	97 (59.1%)	10 (43%)	11 (42%)	16 (35%)
51 or above												
Senior Management	27 (57%)	24 (48%)	23 (46%)	23 (62%)	21 (55%)	25 (54%)	1 (14%)	0 (0%)	0 (0%)	3 (100%)	3 (100%)	2 (67%)
Middle Management	78 (23%)	60 (18%)	55 (19%)	70 (25%)	52 (20%)	57 (21%)	0 (0%)	0 (0%)	0 (0%)	8 (27%)	0 (0%)	8 (29%)
General Staff	692 (30%)	707 (28%)	727 (30%)	667 (32%)	645 (30%)	751 (32%)	14 (8%)	49 (14%)	31 (19%)	11 (48%)	15 (62%)	15 (33%)
Minority group ¹⁶												
Senior Management	11 (23%)	14 (28%)	14 (28%)	8 (22%)	11 (29%)	14 (30%)	3 (43%)	3 (33%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)
Middle Management	9 (3%)	7 (2%)	5 (2%)	8 (3%)	4 (2%)	3 (1%)	1 (3%)	3 (7%)	1 (10%)	0 (0%)	0 (0%)	1 (4%)
General Staff	122 (5%)	106 (4%)	109 (4%)	102 (5%)	89 (4%)	93 (4%)	6 (3%)	1 (0.3%)	2 (1.2%)	14 (61%)	16 (62%)	24 (52%)
Non-minority group												
Senior Management	36 (77%)	36 (72%)	36 (72%)	29 (78%)	27 (71%)	32 (70%)	4 (57%)	6 (67%)	5 (100%)	3 (100%)	3 (100%)	3 (100%)
Middle Management	333 (97%)	329 (98%)	286 (98%)	270 (97%)	259 (98%)	268 (99%)	33 (97%)	42 (93%)	9 (90%)	30 (100%)	28 (100%)	27 (96%)
General Staff	2,168 (95%)	2,386 (96%)	2,333 (96%)	1,993 (95%)	2,022 (96%)	2,273 (96%)	166 (97%)	354 (99.7%)	162 (99%)	9 (39%)	10 (38%)	22 (48%)

		Total			Hong Kong SAR			Mainland China			Singapore	
	2022	2021	2020	2022	2021	2020	2022	2021	2020	2022	2021	2020
New Employees Hires												
Gender, age and regional distribution of new employee hires in number and percentage ^{17 18} GRI 401-1												
Male	362 (24%)	501 (31%)	225 (15%)	304 (23%)	341 (25%)	203 (15%)	55 (43%)	158 (69%)	19 (22%)	3 (11%)	2 (7%)	3 (9%)
Female	352 (29%)	377 (30%)	190 (15%)	319 (29%)	273 (26%)	174 (15%)	24 (29%)	98 (54%)	15 (16%)	9 (32%)	6 (21%)	1 (2%)
Below 30	278 (49%)	366 (60%)	181 (34%)	224 (50%)	225 (51%)	163 (33%)	49 (44%)	140 (89%)	18 (50%)	5 (83%)	1 (33%)	0 (0%)
30–50	306 (23%)	383 (26%)	159 (11%)	273 (23%)	278 (22%)	141 (11%)	27 (31%)	99 (49%)	14 (13%)	6 (21%)	6 (20%)	4 (11%)
51 or above	130 (16%)	129 (16%)	75 (9%)	126 (17%)	111 (15%)	73 (10%)	3 (20%)	17 (35%)	2 (6%)	1 (5%)	1 (4%)	0 (0%)
Group overall	714 (27%)	878 (31%)	415 (15%)	623 (26%)	614 (25%)	377 (15%)	79 (37%)	256 (63%)	34 (19%)	12 (21%)	8 (14%)	4 (5%)
Employee Turnover												
Gender, age and regional distribution of employee turnover in number and percentage ¹⁹ GRI 401-1; HKEX KPI B1.2												
Male	477 (32%)	604 (38%)	389 (26%)	381 (29%)	488 (36%)	341 (24%)	92 (71%)	111 (48%)	40 (47%)	4 (14%)	5 (18%)	8 (23%)
Female	395 (33%)	534 (42%)	336 (27%)	348 (32%)	435 (41%)	281 (25%)	36 (43%)	91 (51%)	51 (54%)	11 (39%)	8 (28%)	4 (10%)
Below 30	305 (54%)	354 (59%)	307 (57%)	220 (49%)	273 (61%)	255 (52%)	85 (77%)	79 (50%)	51 (142%)	0 (0%)	2 (67%)	1 (7%)
30–50	379 (29%)	546 (37%)	247 (17%)	327 (27%)	440 (35%)	211 (16%)	41 (47%)	97 (48%)	30 (27%)	11 (39%)	9 (30%)	6 (16%)
51 or above	188 (24%)	238 (30%)	171 (21%)	182 (24%)	210 (29%)	156 (21%)	2 (13%)	26 (53%)	10 (32%)	4 (18%)	2 (8%)	5 (20%)
Group overall	872 (33%)	1,138 (40%)	725 (26%)	729 (30%)	923 (38%)	622 (25%)	128 (60%)	202 (49%)	91 (51%)	15 (27%)	13 (23%)	12 (16%)
Voluntary Turnover												
Gender, age and regional distribution of voluntary employee turnover in number and percentage												
Male	393 (26%)	–	–	297 (22%)	–	–	92 (71%)	–	–	4 (14%)	–	–
Female	352 (29%)	–	–	305 (28%)	–	–	36 (43%)	–	–	11 (39%)	–	–
Below 30	290 (51%)	–	–	205 (46%)	–	–	85 (77%)	–	–	0 (0%)	–	–
30–50	350 (27%)	–	–	298 (25%)	–	–	41 (47%)	–	–	11 (39%)	–	–
51 or above	105 (13%)	–	–	99 (13%)	–	–	2 (13%)	–	–	4 (18%)	–	–
Group overall	745 (28%)	–	–	602 (25%)	–	–	128 (60%)	–	–	15 (27%)	–	–
Parental leave — Return to work rate ²⁰ GRI 401-3	95%	97%	100%	95%	100%	100%	100%	0%	100%	N/A	100%	N/A
Parental leave — Retention rate by gender ²¹ GRI 401-3												
Male	80%	82%	89%	78%	82%	88%	100%	N/A	100%	N/A	N/A	N/A
Female	91%	68%	89%	91%	69%	93%	N/A	0%	75%	N/A	100%	N/A
Health and Safety												
Injury incident rate by gender and by region per 100 employees ^{22 23} GRI 403-9												
Male	2.6	3.0	3.0	2.6	2.8	3.1	3.1	4.4	3.5	0.0	0.0	0.0
Female	2.4	3.5	3.4	2.3	3.7	3.8	4.8	3.3	0.0	0.0	0.0	0.0
Group overall	2.5	3.2	3.2	2.4	3.2	3.4	3.8	3.9	1.7	0.0	0.0	0.0
Number of lost days by gender and by region												
Male	496	521	1,959	476	323	1,764	20	198	195	0	0	0
Female	571	1,025	936	560	973	936	11	52	0	0	0	0
Group overall	1,067	1,546	2,895	1,036	1,296	2,700	31	250	195	0	0	0
Lost day rate by gender and by region in percentage ²⁴ GRI 403-9; HKEX KPI B2.2												
Male	0.15%	0.14%	0.53%	0.16%	0.11%	0.51%	0.09%	0.43%	0.96%	0.00%	0.00%	0.00%
Female	0.24%	0.38%	0.33%	0.25%	0.44%	0.36%	0.06%	0.13%	0.00%	0.00%	0.00%	0.00%
Group overall	0.19%	0.25%	0.44%	0.20%	0.25%	0.45%	0.08%	0.29%	0.46%	0.00%	0.00%	0.00%
Absentee rate by gender and by region in percentage ²⁵ GRI 403-9												
Male	2.26%	1.30%	1.78%	2.33%	1.33%	1.73%	0.28%	0.55%	1.52%	5.28%	4.34%	4.55%
Female	2.64%	2.09%	2.05%	2.81%	2.38%	2.15%	0.25%	0.62%	0.72%	3.25%	1.47%	2.58%
Group overall	2.42%	1.63%	1.90%	2.53%	1.77%	1.91%	0.26%	0.58%	1.10%	4.38%	2.96%	3.59%

		Total			Hong Kong SAR			Mainland China			Singapore	
	2022	2021	2020	2022	2021	2020	2022	2021	2020	2022	2021	2020
Training and Education												
Average training hours per employee by gender, age group, and employment category GRI 404-1; HKEX KPI B3.2												
Male	30.0	32.1	19.4	30.6	31.6	20.6	29.1	37.3	7.1	5.2	15.5	1.1
Female	26.3	26.1	16.9	26.4	24.7	18.4	29.3	35.8	5.3	11.6	14.8	2.8
Below 30	39.2	–	–	41.6	–	–	31.5	–	–	2.7	–	–
30–50	30.0	–	–	30.6	–	–	28.2	–	–	10.1	–	–
51 or above	17.7	–	–	18.0	–	–	17.6	–	–	7.9	–	–
Senior management	29.5	31.4	8.2	30.3	25.8	7.5	30.1	50.4	9.1	18.3	45.7	16.4
Middle management	39.4	38.8	17.7	42.8	39.3	18.6	34.7	51.3	36.8	13.4	14.8	2.7
General staff	26.6	28.1	18.5	26.8	27.3	20.0	28.1	34.5	6.2	0.7	12.0	0.7
Group overall	28.3	29.4	18.3	28.7	28.6	19.6	29.2	36.7	4.2	8.4	15.1	2.0
Percentage of employees trained by gender and by employment category HKEX KPI B3.1												
Male	81.0%	82.1%	75.6%	80.1%	79.4%	75.7%	99.2%	100.0%	92.9%	39.3%	64.3%	31.4%
Female	78.9%	76.3%	66.9%	76.8%	72.1%	66.7%	100.0%	100.0%	86.2%	96.4%	82.8%	28.6%
Senior management	85.1%	82.0%	76.0%	83.8%	78.9%	73.8%	100.0%	100.0%	100.0%	66.7%	66.7%	66.7%
Middle management	86.5%	86.0%	75.3%	83.5%	83.7%	78.7%	100.0%	100.0%	100.0%	100.0%	85.7%	35.7%
General staff	79.0%	78.6%	71.1%	77.9%	75.2%	70.8%	99.4%	100.0%	88.4%	26.1%	61.5%	23.9%
Group overall	80.1%	79.5%	71.6%	78.6%	76.2%	71.7%	99.5%	100.0%	89.4%	67.9%	73.7%	29.9%
Employee Engagement												
Employee Engagement Survey												
% of employees participated	100%	–	–	100% ²⁶	–	–	100%	–	–	N/A	–	–
Gender Pay Ratio (Male : Female)	1.12 : 1	–	–	–	–	–	–	–	–	–	–	–

1

Air emissions refer to the release of air pollutants namely nitrogen oxides (“NO_x”), sulphur oxides (“SO_x”) and particulate matter (“PM”). Emission from ferries data are confined to Star Ferry. Emission data are calculated based on harbour craft emissions estimation methodology with published emission factors in Port of Los Angeles Inventory of Air Emissions 2005 Technical Report.

2

These data are confined to air emissions from vehicles, towngas and LPG and are calculated based on the methodology with published emission factors from the HKEX Reporting Guidance on Environmental KPIs.

3

CO₂, CH₄ and N₂O are included in the calculation of GHG emissions. Indirect (Scope 2) GHG emission newly includes calculation of location-based method in 2022, therefore data of location-based method is the same as that of market-based method in 2021 and 2020.

4

2022 Scope 1 emissions are direct GHG emissions from sources that are owned or controlled by the Group, such as the combustion of diesel, unleaded petrol, marine gas oil, towngas, refrigerant and LPG and are calculated based on Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong. Emission from combustion of PNG is calculated based on 2012 Guidelines to Defra/DECC’s GHG Conversion Factors for Company Reporting.

5

2022 Indirect (Scope 2) emissions: market based are indirect GHG emissions from the generation of purchased or acquired electricity, towngas and steam consumed by the Group, and are calculated based on the default factors provided by providers in Hong Kong, Power Assets (0.71 kg CO₂e/kWh), CLP (0.39 kg CO₂e/kWh) and The Hong Kong and China Gas Company Limited (0.588 kg CO₂e/unit). GHG emission by electricity purchased in Mainland China in this report is calculated based on China Eastern grid emission factor in 2012年中國區域電網平均CO₂排放因子 (0.7035 kg CO₂e/kWh). GHG emission by electricity purchased in Singapore in this report is calculated based on grid emission factor from Energy Market Authority of the Singapore Government. GHG emissions from purchased steam in Mainland China is calculated based on the emission factor stated in UK Government GHG Conversion Factors for Company Reporting (0.17073 kg CO₂e/kWh).

6

2022 Indirect (Scope 2) emissions: location based are indirect GHG emissions from the generation of purchased or acquired electricity, towngas and steam consumed by the Group and were calculated based on Hong Kong Territory-wide default value (i.e. 0.7kg/kWh), The Hong Kong and China Gas Company Limited (0.588 kg CO₂e/unit) and National Emission Factors for Mainland China (0.6101 kg CO₂/kWh). GHG emission by electricity purchased in Singapore in this report is calculated based on grid emission factor from Energy Market Authority of the Singapore Government. GHG emissions from purchased steam in Mainland China is calculated based on the emission factor stated in UK Government GHG Conversion Factors for Company Reporting (0.17073 kg CO₂e/kWh).

7

2022 Other indirect (Scope 3) emissions covers categories 1, 5 and 14 as categorised by GHG Protocol, and were calculated based on emission factors from UK Government GHG Conversion Factors for Company Reporting 2022.

8

2022 energy conversion factors used for diesel oil, unleaded petrol, LPG and marine gas oil are from CDP Technical Note: Conversion of fuel data to MWh. 2022 energy conversion factor used for PNG is from 2012 Guidelines to Defra/DECC’s GHG Conversion Factors for Company Reporting. Energy consumption of towngas was calculated based on formula provided by The Hong Kong and China Gas Company Limited. Energy consumption of purchased steam in Mainland China was calculated based on the energy conversion factors provided by Suzhou Industrial Park Lantian Fuel Gas Thermoelectricity Co Ltd.

9

Electricity consumption of Pacific Club in Leisure and Hospitality – HK are included in Investment Properties – HK’s (i.e. Harbour City) figure.

10

Paper and plastics for business general use and for packaging material use are included in materials used.

11

Waste paper, plastics, metals, soap, and waste cooking oil in BUs in Hong Kong are 100% recycled or treated by EPD-appointed waste collectors and recyclers. In the future, the Group will be carrying out studies to measure and monitor the waste produced and improve our recycling rate.

12

General refuse data for Prince Hotel and Gateway Hotel of Leisure and Hospitality – HK have been included in Investment Properties – HK’s (i.e. Harbour City) figure.

13

Hazardous waste in other category includes cell batteries, industrial batteries, fluorescent lamps, light bulbs, electric appliances/components, waste ink cartridge, and waste cooking oil.

14

Newly collected and disclosed in 2022.

15

This information is derived from BU’s own human resources system.

16

Minority group refers to the ethnic minority at our operation locations.

17

New hire rate (in percentage) = Total number of new hires in the category/Total number of employees in the category × 100%

18

New hire-related data are derived using the total number of new hires that were still working at the BUs as of 31 December of the respective year in the category.

19

Turnover rate (in percentage) = Total number of turnover in the category/Total number of employees in the category × 100%

20

Return to work rate (in percentage) = Total number of employees that did return to work after parental leave/Total number of employees due to return to work after taking parental leave × 100%

21

Retention rate (in percentage) = Total number of employees that returned to work after parental leave ended that were still employed as of 31 December 2022 in the category/Total number of employees took parental leave in the category × 100%

22

Injury incident rate (per 100 employees) = Total injury cases in the category/Number of all employees in the category × 100

23

There was no incident of occupational disease recorded in Hong Kong, Mainland China and Singapore in 2020, 2021 and 2022.

24

Lost day rate (in percentage) = Total lost days in the category/Total number of days scheduled to be worked of all employees in the category × 100%

25

Absentee rate (in percentage) = Total absentee days in the category/Total days scheduled to be worked of all employees in the category × 100%. Total absentee days has excluded the number of sick leave due to quarantine of COVID-19 close contact in 2022.

26

It refers to participation rate of hotel operations in Hong Kong.

FEATURED AWARDS, CHARTERS AND MEMBERSHIPS

GRI 2-28

Selected Awards and Recognitions

Organisers	Awards and Recognitions	Business Units
Hang Seng Indexes Company Limited	A constituent member of Hang Seng Corporate Sustainability Index	Wharf REIC
Hong Kong Quality Assurance Agency	Sustainability Rating — AA+	Wharf REIC
	CSR Index Plus	Wharf REIC
Home and Youth Affairs Bureau Community Investment and Inclusion Fund	Social Capital and Sustainability Grand Award	Wharf REIC
	Social Capital Builder Logo Award	Wharf REIC, Wharf Estates Limited ("WEL"), Marco Polo Hongkong Hotel, Gateway Hotel, Prince Hotel and Star Ferry
The Hong Kong Council of Social Service	Caring Company Logo	Star Ferry (20 years plus); Pacific Club (15 years plus); WEL, Harbour City, Times Square, Plaza Hollywood and Gateway Apartments (10 years plus); Wharf REIC, Marco Polo Hongkong Hotel, Gateway Hotel and Prince Hotel (5 years plus); The Murray
	List of Barrier-free Companies/Organisations	Harbour City, Times Square and Plaza Hollywood
Employees Retraining Board	ERB Manpower Developer Award Scheme	WEL (Since 2013), The Murray, Marco Polo Hongkong Hotel, Gateway Hotel, Prince Hotel and Star Ferry (Since 2010)
	ERB Manpower Developer Award Scheme — Grand Prize Award	The Murray
	ERB Manpower Developer Award Scheme — Super MD	Star Ferry
Mandatory Provident Fund Schemes Authority	Good MPF Employer Award	The Murray, Marco Polo Hongkong Hotel, Gateway Hotel and Prince Hotel
Occupational Safety and Health Council	Outstanding Award	Marco Polo Hongkong Hotel, Gateway Hotel and Prince Hotel
EarthCheck	Gold Certification	Marco Polo Hongkong Hotel
	Silver Certification	The Murray
	Bronze Certification	Niccolo Suzhou
Environmental Campaign Committee	Hong Kong Green Organisation Certification — Carbon Reduction Certificate	Harbour City, Times Square, Plaza Hollywood, Gateway Apartments and Star Ferry
	Hong Kong Green Organisation Certification — Energywise Certificate	Times Square (Excellent Level), Star Ferry (Good Level) and Harbour City (Basic Level)
	Hong Kong Green Organisation Certification — Wastewise Certificate	Gateway Apartments, Pacific Club and Star Ferry (Excellent Level), Plaza Hollywood (Good Level) and Harbour City (Basic Level)
	Hong Kong Awards for Environmental Excellence — Certificate of Merit	Times Square (Property Management (Commercial & Industrial)) and Pacific Club (Hotel and Recreational Clubs Sector)
Promoting Happiness Index Foundation and Hong Kong Productivity Council	Happy Company — 10 years plus	WEL and Star Ferry
UNICEF Hong Kong	Breastfeeding Friendly Premises — Gold label	Harbour City, Times Square and Plaza Hollywood
	Breastfeeding Friendly Workplace — Certification of Appreciation	WEL, Harbour City, Times Square and Plaza Hollywood
Tripadvisor	Travelers' Choice Winner 2022	Star Ferry

Organisers	Awards and Recognitions	Business Units
Platinum Clubs of the World	Top 100 City Clubs	Pacific Club
CLP Power Hong Kong Limited	Renewable Energy Certificate	Harbour City
	Smart Energy Award 2022 — Sustainable Vision Award and Renewable Energy Appreciation Token	Harbour City
Singapore Building and Construction Authority	Green Mark Gold Award	Wheelock Place
Enterprise Singapore and Singapore Tourism Board	SG Clean Programme Certification	Wheelock Place
Forbes Travel Guide	2022 Star Award — Five-star Hotel	The Murray
	2022 Star Award — Recommended Hotel	Marco Polo Hongkong Hotel
	2022 Star Award — Four-star Restaurant — Cucina	Marco Polo Hongkong Hotel
	Sharecare Health Security VERIFIED®	The Murray and Marco Polo Hongkong Hotel (Cucina)
Keep Well Event 2022	Keep Fresh Hotel in Art Exhibition	Niccolo Suzhou

Selected Memberships and Charters

Organisations	Nature of Memberships/Name of Charters	Business Units
Hong Kong Green Shop Alliance	Member	Wharf REIC, Harbour City, Times Square and Plaza Hollywood
Employers' Federation of Hong Kong	Corporate Member	Star Ferry
Occupational Safety and Health Council	Joyful@Healthy Workplace Charter	Marco Polo Hongkong Hotel, Gateway Hotel and Prince Hotel
	Corporate Member	Star Ferry
	Green Cross Group Member	WEL
Labour Department	Good Employer Charter	Marco Polo Hongkong Hotel, Gateway Hotel and Prince Hotel
	Occupational Safety Charter	WEL and Star Ferry
The Hong Kong General Chamber of Commerce	Full Member	The Murray, Marco Polo Hongkong Hotel, Gateway Hotel and Prince Hotel
Hong Kong Hotels Association	Full Member	The Murray, Marco Polo Hongkong Hotel, Gateway Hotel and Prince Hotel
UNICEF Hong Kong	Say Yes to Breastfeeding	Marco Polo Hongkong Hotel, Gateway Hotel and Prince Hotel
Environment and Ecology Bureau	Charter on External Lighting	Times Square, Plaza Hollywood and Pacific Club
Electrical and Mechanical Services Department	Energy Saving Charter	Harbour City, Times Square, Plaza Hollywood and The "Star" Ferry
	4T Charter	Harbour City, Plaza Hollywood and Star Ferry
Environmental Protection Department	Carbon Reduction Charter and Carbon Audit Green Partner	Pacific Club
	Glass Container Recycling Charter	Times Square and Pacific Club
Italian Chamber of Commerce	Corporate Member	Marco Polo Hongkong Hotel, Gateway Hotel, Prince Hotel and Niccolo Suzhou
Singapore National Employers Federation	Corporate Member	Wharf Estates Singapore Pte. Ltd.

SIGNIFICANT LAWS AND REGULATIONS

Environment

Aspect A1: Emissions

- Air Pollution Control Ordinance (Cap. 311 of the laws of Hong Kong)
- Waste Disposal Ordinance (Cap. 354 of the laws of Hong Kong)
- Noise Control Ordinance (Cap. 400 of the laws of Hong Kong)
- Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste
- Environmental Protection and Management Act (Cap. 94A of the laws of Republic of Singapore)

Aspect A2: Use of Resources

- Water Pollution Control Ordinance (Cap. 358 of the laws of Hong Kong)
- Energy Conservation Act 2012 (Cap. 92C of the laws of Republic of Singapore)

Aspect A3: The Environment and Natural Resources

- Environmental Impact Assessment Ordinance (Cap. 499 of the laws of Hong Kong)
- Environmental Protection Law of the People's Republic of China
- Environmental Protection and Management Act (Cap. 94A of the laws of Republic of Singapore)

Social

Aspect B1: Employment and Aspect B4: Labour Standards

- Employment Ordinance (Cap. 57 of the laws of Hong Kong)
- Sex Discrimination Ordinance (Cap. 480 of the laws of Hong Kong)
- Disability Discrimination Ordinance (Cap. 487 of the laws of Hong Kong)
- Family Status Discrimination Ordinance (Cap. 527 of the laws of Hong Kong)
- Race Discrimination Ordinance (Cap. 602 of the laws of Hong Kong)
- Labour Contract Law of the People's Republic of China
- The Employment Act (Cap. 91 of the laws of Republic of Singapore)

Aspect B2: Health and Safety

- Occupational Safety and Health Ordinance (Cap. 509 of the laws of Hong Kong)
- Law of the People's Republic of China on Prevention and Control of Occupational Diseases
- Workplace Safety and Health Act (Cap. 354A of the laws of Republic of Singapore)

Aspect B6: Product Responsibility

- Fire Services Ordinance (Cap. 95 of the laws of Hong Kong)
- Hotel and Guesthouse Accommodation Ordinance (Cap. 349 of the laws of Hong Kong)
- Food Hygiene Code published by the Government of the Hong Kong Special Administrative Region
- Food Safety Law of the People's Republic of China
- Food Hygiene Law of the People's Republic of China
- Ferry Services Ordinance (Cap. 104 of the laws of Hong Kong)
- Trade Descriptions Ordinance (Cap. 362 of the laws of Hong Kong)
- Law of the People's Republic of China on Protection of Consumer Rights and Interests
- Consumer Protection Legislations in Hong Kong and logo guidelines
- Personal Data (Privacy) Ordinance (Cap. 486 of the laws of Hong Kong)
- Consumer Protection (Trade Descriptions and Safety Requirements) Act (Cap. 53 of the laws of Republic of Singapore)
- EU General Data Protection Regulation

Aspect B7: Anti-corruption

- Prevention of Bribery Ordinance (Cap. 201 of the laws of Hong Kong)
- Competition Ordinance (Cap. 619 of the laws of Hong Kong)
- Telecommunications Ordinance (Cap. 106 of the laws of Hong Kong)
- Prevention of Corruption Act (Cap. 241 of the laws of Republic of Singapore)

HKEX ESG REPORTING GUIDE

INDEX TABLE

HKEX ESG Reporting Guide Index Table

Subject Areas, Aspects, General Disclosures and KPIs	Section/Page Number/Remarks
A. Environmental	
A1: Emissions	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Governance, page 9–14; Co-living with the Nature — Commitment and Strategy, page 21; Energy Management and Decarbonisation, page 26–30; Resource Management, page 33–35; Environmental Policy; Compliance Policy Statement
KPI A1.1 The types of emissions and respective emissions data.	Energy Management and Decarbonisation, page 26–30; Air Quality Management, page 30–31; Performance Data Summary, page 62
KPI A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Energy Management and Decarbonisation, page 26–30; Performance Data Summary, page 62
KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Performance Data Summary, page 63
KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Performance Data Summary, page 63
KPI A1.5 Description of emission target(s) set and steps taken to achieve them.	Co-living with the Nature — Commitment and Strategy, page 21; Energy Management and Decarbonisation, page 26–30; Air Quality Management, page 30–31
KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Co-living with the Nature — Commitment and Strategy, page 21; Resource Management, page 33–35; Performance Data Summary, page 62–63
A2. Use of Resources	
General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Governance, page 9–14; Co-living with the Nature — Commitment and Strategy, page 21; Energy Management and Decarbonisation, page 26–30; Water Stewardship, page 32; Resource Management, page 33–35; Environmental Policy
KPI A2.1 Direct and/or indirect consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Energy Management and Decarbonisation, page 26–30; Performance Data Summary, page 62
KPI A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Water Stewardship, page 32; Performance Data Summary, page 63
KPI A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Co-living with the Nature — Commitment and Strategy, page 21; Energy Management and Decarbonisation, page 26–30

Subject Areas, Aspects, General Disclosures and KPIs		Section/Page Number/Remarks
KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.		Co-living with the Nature — Commitment and Strategy, page 21; Water Stewardship, page 32
KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.		Performance Data Summary, page 63
A3: The Environment and Natural Resources		
General Disclosure Policies on minimising the issuer’s significant impact on the environment and natural resources.		Governance, page 9–14; Co-living with the Nature — Commitment and Strategy, page 21; Energy Management and Decarbonisation, page 26–30; Water Stewardship, page 32; Resource Management, page 33–35; Environmental Policy; Climate Change Policy Statement; Green Procurement Policy
KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.		Air Quality Management, page 30–31; Water Stewardship, page 32; Resource Management, page 33–35; Enhancing Environmental Awareness and Biodiversity, page 35
A4: Climate Change		
General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.		Climate Risk and Resilience Management, page 23–26; Climate Change Policy Statement
KPI A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.		
B. Social		
B1: Employment		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.		Building Excellence with Our Stakeholders, page 36–46; Human Rights Policy; Code of Conduct; Compliance Policy Statement
KPI B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.		Cultivating Our Employees, page 37–42; Performance Data Summary, page 64
KPI B1.2 Employee turnover rate by gender, age group and geographical region.		Performance Data Summary, page 65
B2: Health and Safety		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.		Safeguarding Wellbeing and Safety, page 48–53; Safety and Health Policy; Compliance Policy Statement

Subject Areas, Aspects, General Disclosures and KPIs	Section/Page Number/Remarks
KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Safeguarding Wellbeing and Safety, page 48
KPI B2.2 Lost days due to work injury.	Performance Data Summary, page 65
KPI B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Safeguarding Wellbeing and Safety, page 48–53
B3: Development and Training	
General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Cultivating Our Employees, page 37–42
KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Performance Data Summary, page 66
KPI B3.2 The average training hours completed per employee by gender and employee category.	Cultivating Our Employees, page 41; Performance Data Summary, page 66
B4: Labour Standards	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Building Excellence with Our Stakeholders, – Commitment and Strategy, page 37; Human Rights Policy; Compliance Policy Statement
KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.	Human Rights Policy
KPI B4.2 Description of steps taken to eliminate such practices when discovered.	Human Rights Policy
B5: Supply Chain Management	
General Disclosure Policies on managing environmental and social risks of the supply chain.	Partnering with Our Suppliers, page 43; Green Procurement Policy; Supplier Code of Conduct
KPI B5.1 Number of suppliers by geographical region.	Partnering with Our Suppliers, page 43
KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Partnering with Our Suppliers, page 43; Green Procurement Policy; Supplier Code of Conduct
KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Partnering with Our Suppliers, page 43; Green Procurement Policy
KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Partnering with Our Suppliers, page 43; Green Procurement Policy

Subject Areas, Aspects, General Disclosures and KPIs		Section/Page Number/Remarks
B6: Product Responsibility		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.		Delivering Quality for Our Customers, page 44–46; Quality Policy Statement; Data Privacy Policy Statement; Compliance Policy Statement
KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.		No products sold or shipped were subject to recalls for safety and health reasons during the reporting year.
KPI B6.2 Number of products and service related complaints received and how they are dealt with.		Delivering Quality for Our Customers, page 44
KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.		Delivering Quality for Our Customers, page 46
KPI B6.4 Description of quality assurance process and recall procedures.		Delivering Quality for Our Customers, page 44; Quality Policy Statement
KPI B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.		Delivering Quality for Our Customers, page 46; Code of Conduct; Data Privacy Policy Statement
B7: Anti-corruption		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.		Ethical Business Operations, page 11; Anti-Corruption Policy; Compliance Policy Statement; Statement of Business Integrity; Code of Conduct
KPI B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.		Ethical Business Operations, page 11
KPI B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.		Ethical Business Operations, page 11
KPI B7.3 Description of anti-corruption training provided to directors and staff.		Ethical Business Operations, page 11
B8: Community Investment		
General Disclosure		
Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.		Business-in-Community, page 54–61
KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).		About Our Business, page 8; Business-in-Community, page 54–61
KPI B8.2 Resources contributed (e.g. money or time) to the focus area.		About Our Business, page 8; Business-in-Community, page 54–61

GRI STANDARDS AND SASB SECTOR STANDARDS INDEX TABLE

Statement of use	Wharf Real Estate Investment Company Limited has reported in accordance with the GRI Standards for the period 1 Jan 2022 to 31 Dec 2022.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	GRI G4 Construction and Real Estate Sector (CRES)

GRI 2: General Disclosures 2021

GRI Standards	Disclosure	SASB Standards	Location and Remarks/Omission
2-1	Organisational details		Cover Page of SR; About Our Business, page 7–8
2-2	Entities included in the organisation's sustainability reporting		About This Report, page 4–5
2-3	Reporting period, frequency and contact point		About This Report, page 4–5
2-4	Restatements of information		Performance Data Summary, page 62–66
2-5	External assurance		About This Report, page 5; Verification Statement, page 80
2-6	Activities, value chain and other business relationships	IF-RE-000.A, IF-RE-000.B	About This Report, page 4–5; About Our Business, page 7–8; Partnering with Our Suppliers, page 43; 2022 Annual Report — Business Review, page 13–35
2-7	Employees		Cultivating Our Employees, page 37–42; Performance Data Summary, page 64–66
2-8	Workers who are not employees		Cultivating Our Employees, page 37–42
2-9	Governance structure and composition		Governance, page 9–14; 2022 Annual Report — Corporate Governance Report, page 52–73
2-10	Nomination and selection of the highest governance body		2022 Annual Report — Corporate Governance Report, page 52–73
2-11	Chair of the highest governance body		2022 Annual Report — Corporate Governance Report, page 53
2-12	Role of the highest governance body in overseeing the management of impacts		Governance, page 9–14; 2022 Annual Report — Corporate Governance Report, page 60
2-13	Delegation of responsibility for managing impacts		2022 Annual Report — Corporate Governance Report, page 60, 63–64
2-14	Role of the highest governance body in sustainability reporting		Governance, page 9–14
2-15	Conflicts of interest		2022 Annual Report — Corporate Governance Report, page 62
2-16	Communication of critical concerns		No critical matters were raised during the reporting year.
2-17	Collective knowledge of the highest governance body		Governance, page 11 The Board was offered training in the forms of briefings, seminars and reading materials, etc. to enhance their knowledge in sustainable development, goals, and commitments, the latest ESG trends and reporting requirements during the reporting year.
2-18	Evaluation of the performance of the highest governance body		This information is treated as confidential.
2-19	Remuneration policies		This information is treated as confidential.

GRI Standards	Disclosure	SASB Standards	Location and Remarks/Omission
2-20	Process to determine remuneration		This information is treated as confidential.
2-21	Annual total compensation ratio		This information is treated as confidential.
2-22	Statement on sustainable development strategy		Message from the Chairman, page 2–3
2-23	Policy commitments		Governance, page 9–14; Co-living with the Nature — Commitment and Strategy, page 21; Building Excellence with Our Stakeholders, page 36–46; Safeguarding Wellbeing and Safety — Commitment and Strategy, page 48; Sustainability Policies
2-24	Embedding policy commitments		Governance, page 9–14; Co-living with the Nature, page 20–35; Building Excellence with Our Stakeholders, page 36–46; Safeguarding Wellbeing and Safety, page 47–53; Business-in-Community, page 54–61; Sustainability Policies
2-25	Processes to remediate negative impacts		Governance, page 9–14; see the Commitment and Strategy of each section of this report.
2-26	Mechanisms for seeking advice and raising concerns		Stakeholder Engagement and Materiality Assessment, page 15–19
2-27	Compliance with laws and regulations		Governance, page 9–14; Significant Laws and Regulations, page 69 Co-living with the Nature — Commitment and Strategy, page 21; Compliance Policy Statement; In 2022, there was no non-compliance with relevant laws and regulations.
2-28	Membership associations		Featured Awards, Charters and Memberships, page 67–68
2-29	Approach to stakeholder engagement		Stakeholder Engagement and Materiality Assessment, page 15–19
2-30	Collective bargaining agreements		Collective bargaining agreements do not apply to the Group's operations.

GRI 3: Material Topics 2021

GRI Standards	Disclosure	SASB Standards	Location and Remarks/Omission
3-1	Process to determine material topics		Stakeholder Engagement and Materiality Assessment, page 15–19
3-2	List of material topics		Stakeholder Engagement and Materiality Assessment, page 15–19
200: Economic			
201: Economic Performance 2016			
3-3	Management of material topics		About Our Business, page 8; 2022 Annual Report — Chairman's Statement, page 7–9
201-1	Direct economic value generated and distributed		About Our Business page 8; 2022 Annual Report — Financial Highlights, page 10
201-2	Financial implications and other risks and opportunities due to climate change	IF-RE-450a.2	About Our Business, page 8; Climate Risk and Resilience Management, page 23–26
201-4	Financial assistance received from government		Subsidies (HK\$48 million) from Employment Support Scheme under the Anti-epidemic Fund from the government of HK SAR were received in FY2022.

GRI Standards Disclosure		SASB Standards	Location and Remarks/Omission
202: Market Presence 2016			
3-3	Management of material topics		Our Sustainability Governance, page 11–14;
202-2	Proportion of senior management hired from the local community		Governance, page 9–14;
203: Indirect Economic Impacts 2016			
3-3	Management of material topics		Business-in-Community, page 54–61
203-1	Infrastructure investments and services supported		About Our Business, page 8; Business-in-Community, page 54–61
204: Procurement Practices 2016			
3-3	Management of material topics		Partnering with Our Suppliers, page 43; Green Procurement Policy; Supplier Code of Conduct
204-1	Proportion of spending on local suppliers		Partnering with Our Suppliers, page 43 Based on the principle of materiality, the Report includes the number of suppliers whom are the most significant 70% by spending in our BUs' supply chain.
205: Anti-corruption 2016			
3-3	Management of material topics		Governance, page 9–14; Our Sustainability Governance, page 11–14; Anti-Corruption Policy; Code of Conduct; Statement of Business Integrity
205-2	Communications and training about anti-corruption policies and procedures		Governance, page 9–14; Our Sustainability Governance, page 11–14
205-3	Confirmed incidents of corruption and actions taken		In 2022, there were no confirmed incidents of corruption.
300: Environmental			
301: Material 2016			
3-3	Management of material topics		Co-living with the Nature — Commitment and Strategy, page 21; Resource Management, page 33–35
301-1	Materials used by weight or volume		Performance Data Summary, page 63
302: Energy 2016			
3-3	Management of material topics		Co-living with the Nature — Commitment and Strategy, page 21; Energy Management and Decarbonisation, page 26–30
302-1	Energy consumption within the organisation	IF-RE-130a.2	Energy Management and Decarbonisation, page 26–30; Performance Data Summary, page 63
302-3	Energy intensity		Energy Management and Decarbonisation, page 26–30; Performance Data Summary, page 63
CRE-1	Building energy intensity		Energy Management and Decarbonisation, page 26–30; Performance Data Summary, page 63
302-4	Reduction of energy consumption		Energy Management and Decarbonisation, page 26–30
303: Water and Effluents 2018			
3-3	Management of material topics	IF-RE-140a.4	Co-living with the Nature — Commitment and Strategy, page 21; Water Stewardship, page 32
303-1	Interactions with water as a shared resource		Water Stewardship, page 32
303-2	Management of water discharge-related impacts		Our wastewater is treated by municipal water treatment facilities before discharge to waterbodies. Thus, the Group has no minimum standards set for quality of effluent discharge.

GRI Standards	Disclosure	SASB Standards	Location and Remarks/Omission
303-3	Water withdrawal	IF-RE-140a.2	Water Stewardship, page 32; Performance Data Summary, page 63 There is no withdrawal of surface or groundwater. All water consumed in Hong Kong, Mainland China and Singapore are purchased and distributed by the Government's municipal water supplies department.
CRE-2	Building water intensity		Water Stewardship, page 32; Performance Data Summary, page 63
303-4	Water discharge		Water Stewardship, page 32
303-5	Water consumption		Water Stewardship, page 32; Performance Data Summary, page 63
305: Emission 2016			
3-3	Management of material topics		Co-living with the Nature — Commitment and Strategy, page 21; Climate Risk and Resilience Management, page 23–36; Energy Management and Decarbonisation, page 26–30; Climate Change Policy Statement
305-1	Direct (Scope 1) GHG emissions		Energy Management and Decarbonisation, page 26–30; Performance Data Summary, page 62
305-2	Energy Indirect (Scope 2) GHG emissions		Energy Management and Decarbonisation, page 26–30; Performance Data Summary, page 62
305-3	Other indirect (Scope 3) GHG emissions		Energy Management and Decarbonisation, page 26–30; Performance Data Summary, page 62
305-4	GHG emissions intensity		Energy Management and Decarbonisation, page 26–30; Performance Data Summary, page 62
CRE-3	GHG emissions intensity from buildings		Energy Management and Decarbonisation, page 26–30; Performance Data Summary, page 62
305-5	Reduction of GHG emissions		Energy Management and Decarbonisation, page 26–30
305-7	NOx, SOx, and other significant air emissions		Air Quality Management, page 30–31; Performance Data Summary, page 62
306: Waste 2020			
3-3	Management of material topics		Co-living with the Nature — Commitment and Strategy, page 21; Resource Management, page 33–35
306-1	Waste generation and significant waste-related impacts		Resource Management, page 33–35
306-2	Management of significant waste-related impacts		Resource Management, page 33–35
306-3	Waste generated		Resource Management, page 33–35; Performance Data Summary, page 63
306-4	Waste diverted from disposal		Performance Data Summary, page 63
306-5	Waste directed to disposal		Performance Data Summary, page 63
308: Supplier Environmental Assessment 2016			
3-3	Management of material topics		Partnering with Our Suppliers, page 43; Green Procurement Policy; Supplier Code of Conduct
308-1	Percentage of new suppliers that were screened using environmental criteria.		Partnering with Our Suppliers, page 43

GRI Standards	Disclosure	SASB Standards	Location and Remarks/Omission
400: Social			
401: Employment 2016			
3-3	Management of material topics		Building Excellence with Our Stakeholders — Commitment and Strategy, page 37; Cultivating Our Employees, page 37–42
401-1	New employee hires and employee turnover		Cultivating Our Employees 37–42; Performance Data Summary, page 65
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		Cultivating Our Employees, page 37–42
401-3	Parental leave		Performance Data Summary, page 65
402: Labor/Management Relations 2016			
3-3	Management of material topics		Building Excellence with Our Stakeholders — Commitment and Strategy, page 37; Cultivating Our Employees, page 37–42
402-1	Minimum notice periods regarding operational changes		We do not have a fixed notice period. Depending on commercial and/or other aspects of business sensitivity, reasonable notice is normally allowed for any significant operational changes of the company.
403: Occupational Health and Safety 2018			
3-3	Management of material topics		Safeguarding Wellbeing and Safety, page 47–53
403-1	Occupational health and safety management system		Safeguarding Wellbeing and Safety, page 47–53; Safe and Healthy Workplace, page 49; Safety and Health Policy
403-2	Hazard identification, risk assessment, and incident investigation		Safeguarding Wellbeing and Safety, page 47–53; Safe and Healthy Workplace, page 49
403-5	Worker training on occupational health and safety		Safeguarding Wellbeing and Safety, page 47–53; Safe and Healthy Workplace, page 49
403-6	Promotion of worker health		Safeguarding Wellbeing and Safety, page 47–53; Employee Wellbeing, page 50–51
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Safeguarding Wellbeing and Safety, page 47–53
403-9	Work-related injuries		Safeguarding Wellbeing and Safety, page 47–53; Performance Data Summary, page 65
404: Training and Education 2016			
3-3	Management of material topics		Building Excellence with Our Stakeholders — Commitment and Strategy, page 37; Cultivating Our Employees, page 37–42
404-1	Average hours of training per year per employee		Cultivating Our Employees, page 37–42; Performance Data Summary, page 66
404-2	Programmes for upgrading employee skills and transition assistance programmes		Cultivating Our Employees, page 37–42
405: Diversity and Equal Opportunity 2016			
3-3	Management of material topics		Governance, page 9–14; Building Excellence with Our Stakeholders — Commitment and Strategy, page 37; Cultivating Our Employees, page 37–42
405-1	Diversity of governance bodies and employees		Governance, page 10; Cultivating Our Employees, page 37–42; Performance Data Summary, page 64

GRI Standards Disclosure		SASB Standards	Location and Remarks/Omission
406: Non-discrimination 2016			
3-3	Management of material topics		Building Excellence with Our Stakeholders — Commitment and Strategy, page 37; Cultivating Our Employees, page 37–42
406-1	Incidents of discrimination and corrective actions taken		In 2022, there were no recorded incidents of non-compliance with anti-discrimination legislations.
408: Child Labour 2016			
3-3	Management of material topics		Building Excellence with Our Stakeholders — Commitment and Strategy, page 37; Cultivating Our Employees, page 37–42; Human Rights Policy
408-1	Operations and suppliers at significant risk for incidents of child labour		Child labour is not material to our business. The relevant KPIs are therefore not disclosed.
409: Forced or Compulsory Labour 2016			
3-3	Management of material topics		Building Excellence with Our Stakeholders — Commitment and Strategy, page 37; Cultivating Our Employees, page 37–42; Human Rights Policy
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour		Forced labour is not material to our business. The relevant KPIs are therefore not disclosed.
413: Local Communities 2016			
3-3	Management of material topics		Business-in-Community — Commitment and Strategy, page 55
413-1	Operations with local community engagement, impact assessments and development programmes		Business-in-Community, page 54–61
414: Supplier Social Assessment 2016			
3-3	Management of material topics		Partnering with Our Suppliers, page 43; Green Procurement Policy; Supplier Code of Conduct
414-1	Percentage of new suppliers that were screened using social criteria		Partnering with Our Suppliers, page 43
416: Customer Health and Safety 2016			
3-3	Management of material topics		Safeguarding Wellbeing and Safety — Commitment and Strategy, page 48; Safe Premise and Services, page 51–53
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		In 2022, there were no recorded incidents of non-compliance.
417: Marketing and Labelling 2016			
3-3	Management of material topics		Building Excellence with Our Stakeholders — Commitment and Strategy, page 37; Delivering Quality for Our Customers, page 44–46; Code of Conduct
417-3	Incidents of non-compliance concerning marketing communications		In 2022, there were no recorded incidents of non-compliance.
418: Customer Privacy 2016			
3-3	Management of material topics		Building Excellence with Our Stakeholders — Commitment and Strategy, page 37; Delivering Quality for Our Customers, page 44–46; Code of Conduct; Data Privacy Policy Statement
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		In 2022, there were no recorded incidents of non-compliance.

VERIFICATION STATEMENT



Scope and Objective

Hong Kong Quality Assurance Agency ("HKQAA") has been commissioned by Wharf Real Estate Investment Company Limited ("Wharf REIC") to undertake an independent verification for its Sustainability Report 2022 ("the Report"). The scope of this verification covers the sustainability performance data and information of Wharf REIC's business in Hong Kong, Mainland China and Singapore for the period of 1st January 2022 to 31st December 2022.

The aim of this verification is to provide a reasonable assurance on the reliability of the report contents. The Report has been prepared in accordance with

- the Global Reporting Initiative's Sustainability Reporting Standards ("GRI Standards"),
- the GRI G4 Construction and Real Estate Sector ("CRE") Disclosures, and
- the Environmental, Social and Governance Reporting Guide ("ESG Guide") of The Stock Exchange of Hong Kong Limited.

It also provides disclosures with reference to

- the standards for real estate industry set by the Sustainability Accounting Standards Board ("SASB Standards"), and
- the recommendations from the Task Force on Climate-Related Financial Disclosures ("TCFD").

Level of Assurance and Methodology

The process applied in this verification is based on:

- The International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information.
- The International Standard on Assurance Engagements (ISAE) 3410, Assurance Engagements on Greenhouse Gas Statements issued by the International Auditing and Assurance Standards Board.

The verification process was designed to obtain a reasonable level of assurance in accordance with the standard for the purpose of devising the verification conclusion. The verification procedures performed included reviewing the stakeholder engagement, materiality assessment processes and data management mechanism, checking of relevant supporting evidence and interviewing responsible personnel with accountability for preparing the Report. Raw data of the selected samples were thoroughly examined during the verification process.

Independence

Wharf REIC is responsible for the preparation and presentation of the Report. HKQAA's verification activities are independent from Wharf REIC. There is no relationship between HKQAA and Wharf REIC that would affect the impartiality in providing the verification service.

Conclusion

Based on the verification results, HKQAA's verification team concluded that:

- The Report has been prepared in accordance with the GRI Standards;
- The Report has complied with the mandatory disclosure requirements and "comply or explain" provisions specified in the ESG Reporting Guide;
- The Report disclosure is aligned with the SASB Standards and TCFD recommendations;
- The Report illustrates Wharf REIC's sustainability performance, covering all material and relevant aspects and topics, in a balanced, comparable, clear and timely manner; and
- The data and information disclosed in the Report are reliable and complete.

In conclusion, HKQAA has obtained reasonable assurance and is in the opinion that Wharf REIC has disclosed its sustainability performance in a transparent manner. The information included in the Report are objective, responsive and free from material misstatement.

Signed on behalf of Hong Kong Quality Assurance Agency

Connie Sham
Head of Audit

March 2023



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