

WHARF REAL ESTATE INVESTMENT COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1997

SUSTAINABILITY REPORT 2021



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MESSAGE FROM THE CHAIRMAN

GRI 102-14

This is the fifth Sustainability Report of Wharf Real Estate Investment Company Limited ("Wharf REIC" or, together with our subsidiaries, "the Group"), which demonstrates our continuous effort to address environmental and social challenges. We are committed to striding purposefully along our sustainability journey even under the remarkably challenging time today.

Ever since the COVID-19 crisis, global attention on environmental issues has reached new heights. From countries solidifying their commitment to decarbonisation under COP26, to world leaders making carbon neutrality pledges and businesses promoting environmental, social and governance ("ESG") financing, the disruptive impacts brought by COVID-19 have indeed constituted a wake-up call for businesses to prioritise a more balanced approach in operation and community investment. We see the business community trying to adapt to the new normal in every aspect. The Group also reacted to the rapidly evolving risk landscape, has accelerated the transition from crisis recovery to resilience building and more innovative thinking.

In response to the plans of the Central Government and Hong Kong SAR Government to achieve carbon neutrality before 2060 and 2050 respectively, and the increasingly stringent ESG disclosure requirements from The Stock Exchange of Hong Kong Limited ("HKEX"), the Group has reinforced the governance structure in pursuit of a more tenable business development path. We continue to operate in alignment with our long-standing mission of "Building for Tomorrow", thereby fulfilling the rising expectations of corporate responsibility and maintaining our capabilities to generate long-term values for our stakeholders in a post-pandemic future.

As a responsible corporate citizen, we endeavour to go beyond legal compliance in sustainability and proactively meet the ever-changing international trends and industry initiatives. The Group has integrated 11 of the 17 United Nations Sustainable Development Goals ("UNSDGs") into our strategies to help overcome the global challenges. In recognition of our efforts, the Group remains a constituent member of the Hang Seng Corporate Sustainability Index and was awarded the CSR Index Plus Mark by Hong Kong Quality Assurance Agency. In 2021, we introduced relevant new policies to affirm our commitment to embed ESG considerations into our long-term business strategy.

2021 was the fifth warmest year on record as greenhouse gas ("GHG") emissions continued to surge. Signs of climate change acceleration abounded this year and businesses cannot afford to overlook environmental action anymore. With the integration of climate-related risks into our existing risk management system and the guidance from our Climate Change Policy Statement, the Group is developing measures to control and mitigate climate-related risks that may have significant impacts on our businesses, thereby strengthening our resilience and adaptive capability to climate change. In addition, we disclose our progress in climate actions in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"), which highlight our efforts in climate change management.



To step up our environmental ambitions, the Group has set long-term targets to reduce our environmental footprint by 2030. The concerted efforts of our businesses have contributed to significant reduction in the Group's GHG emission, water consumption as well as electricity intensity in investment properties, compared to the baseline year of 2014. In 2021, we have also formulated the Environmental Policy to outline our initiatives to limit the environmental impacts where we operate. We are confident that our targets and policy formulations can facilitate our path to decarbonisation.

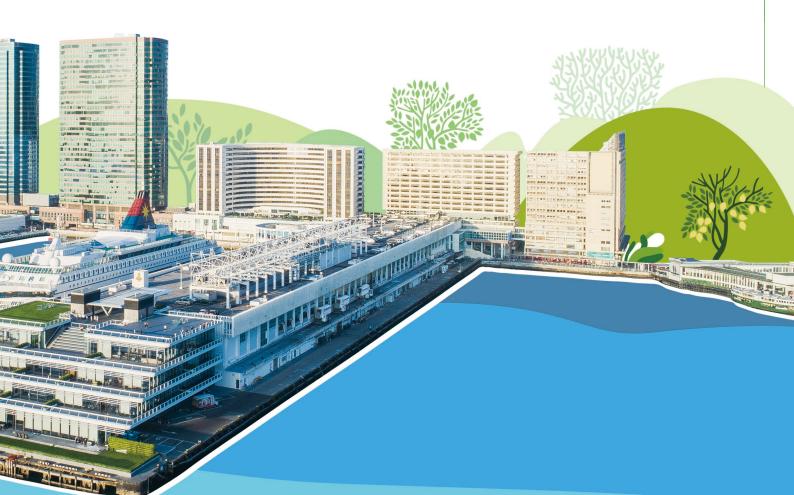
The Group strongly believes collective actions with our stakeholders can support mutual growth. On this front, the Group has formulated the Supplier Code of Conduct, which spells out the environmental and social considerations that should be taken into account in our supply chain, ensuring we conduct businesses in a responsible manner. Striving for service excellence, we have also established a Quality Policy Statement to guide our employees in a quality management framework. To monitor our performance, we regularly survey and value our customers' feedback to create a better customer experience. In 2021, our investment properties operations in Hong Kong achieved an overall customer satisfaction rate of 97%.

We strive to create a significant and positive impact on the society through our flagship business-in-community programme Project WeCan ("WeCan"), which continues to provide educational opportunities and career exposure to disadvantaged students, benefitting 80,000 students since its commencement in 2011. We realise the importance of philanthropy in emergency relief, especially during the unprecedented pandemic. Therefore, Wharf Emergency Relief Fund donated an additional HK\$5 million to the Anti-NCP Rainbow Fund of The Community Chest and HK\$2.5 million to The Community Chest to instantly relieve those experiencing financial hardships due to the fifth wave of COVID-19 outbreak. A HK\$5 million donation was also made to support the students of the 82 WeCan partner schools whose families have been affected by the fifth wave.

Last but not least, we would like to express our appreciation for the joint efforts of our stakeholders along the way helping to build a greener world. Their active participation in the stakeholder engagement process has facilitated our sustainability management across our business operations. We will continue to maintain close communications with our stakeholders and fulfil their expectations, preparing us to overcome different conundrums in the future.

Stephen T H Ng

Chairman and Managing Director Hong Kong



ABOUT THIS REPORT

Reporting Standards GRI 102-54

This Sustainability Report (the "Report") is prepared in accordance with the Environmental, Social and Governance Reporting Guide (Appendix 27) issued by HKEX ("HKEX ESG Reporting Guide"), Core option of the Global Reporting Initiative Sustainability Reporting Standards ("GRI Standards"), the G4 Construction and Real Estate Sector ("CRE") Disclosures and with reference to relevant metrics of the Sustainability Accounting Standards Board ("SASB") real estate industry-specific sustainability accounting standards and TCFD's recommendations. We also support and align the Group's sustainability strategies with the UNSDGs. For more details of our commitment towards the UNSDGs, please refer to the Our Sustainability Approach chapter in the Report.

To structure the content, the Report follows the four Reporting Principles in the HKEX ESG Reporting Guide. Through industry evaluation and materiality assessment, we identified sustainability concerns that are important and relevant to the Group's business. Material issues are prioritised for disclosure. The Report includes both qualitative and quantitative data and information to show the Group's prior and current sustainability performance. Unless otherwise specified, the data is calculated using consistent methodologies.

Report Scope GRI 102-6, 102-46, 102-49, 102-50

The report scope includes the sustainability policy, management measures and performance of Wharf REIC's business in Hong Kong, Mainland China and Singapore for the period between 1 January and 31 December 2021. The reporting period of the Report aligns with the reporting period of our financial reporting.

Operation	Location	Business Unit ("BU")
Investment Properties	Hong Kong	 Harbour City Times Square Plaza Hollywood Wheelock House Crawford House Gateway Apartments
	Singapore	Wheelock PlaceScotts Square Mall
Leisure and Hospitality	lity Hong Kong	 The Murray, Hong Kong ("The Murray")
		 Marco Polo Hongkong Hotel Marco Polo Gateway Hotel Marco Polo Prince Hotel
		Pacific Club
	Mainland China	Niccolo SuzhouMarco Polo Changzhou
Transportation	Hong Kong	 The "Star" Ferry Company, Limited ("The "Star" Ferry")

In comparison to the reporting scope of the year ended 31 December 2020, Niccolo Suzhou is newly added to the report scope and Gateway Apartments has been recategorised from Leisure and Hospitality to Investment Properties.

The Group considers three primary elements for determining the reporting boundary – the significance of revenue contribution; ESG impacts; and management ownership of the assets. This method enables us to capture the significant sustainability impacts and respective performance from our business operations in the Report. We also take into account our operational control over the assets to guarantee that the performance and impacts are fully caused by our operating policies and practices. Over 90% of our investment properties, leisure and hospitality, and transportation businesses are represented by the entities included in the report scope. The reporting scope of this Report covers the major business assets mentioned in our Annual Report 2021.

Report Assurance GRI 102-56

The Board of Directors of Wharf REIC (the "Board") has approved the Report. To further reinforce the reliability, the Report has also been independently verified by the Hong Kong Quality Assurance Agency ("HKQAA") to obtain reasonable assurance with reference to the International Standard on Assurance Engagements 3000 (Revised) ("ISAE 3000 (Revised)"). Please refer to page 72 for the verification statement issued by HKQAA.

Report Publication Date and Feedback GRI 102-53

This Report is published on 26 May 2022. To reduce paper consumption, the Report is only made available online unless specific requests for a hard copy are received from the shareholders.

Any feedback on the Report and our sustainability approach are welcomed. If any, please contact us at csr@wharfreic.com.

2021 AT A GLIMPSE



Our 2030 Long-term Environmental Targets and Progress up to 2021

Overall GHG Emissions

To reduce 30% by 2030 using 2014 as baseline



reduced over 20%

Water Consumption

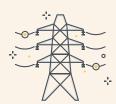
To reduce 18% at Hong Kong operations by 2030 using 2014 as baseline



reduced **12%**

Electricity Intensity

To reduce 27% at investment properties in Hong Kong by 2030 using 2014 as baseline

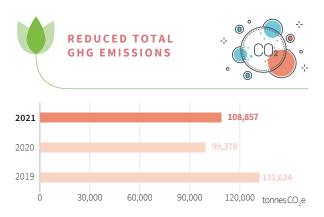


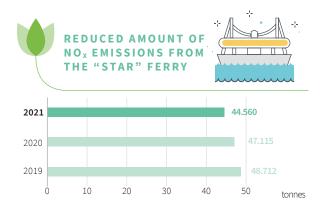
reduced over 20%

Waste Diversion

To divert waste away from landfills

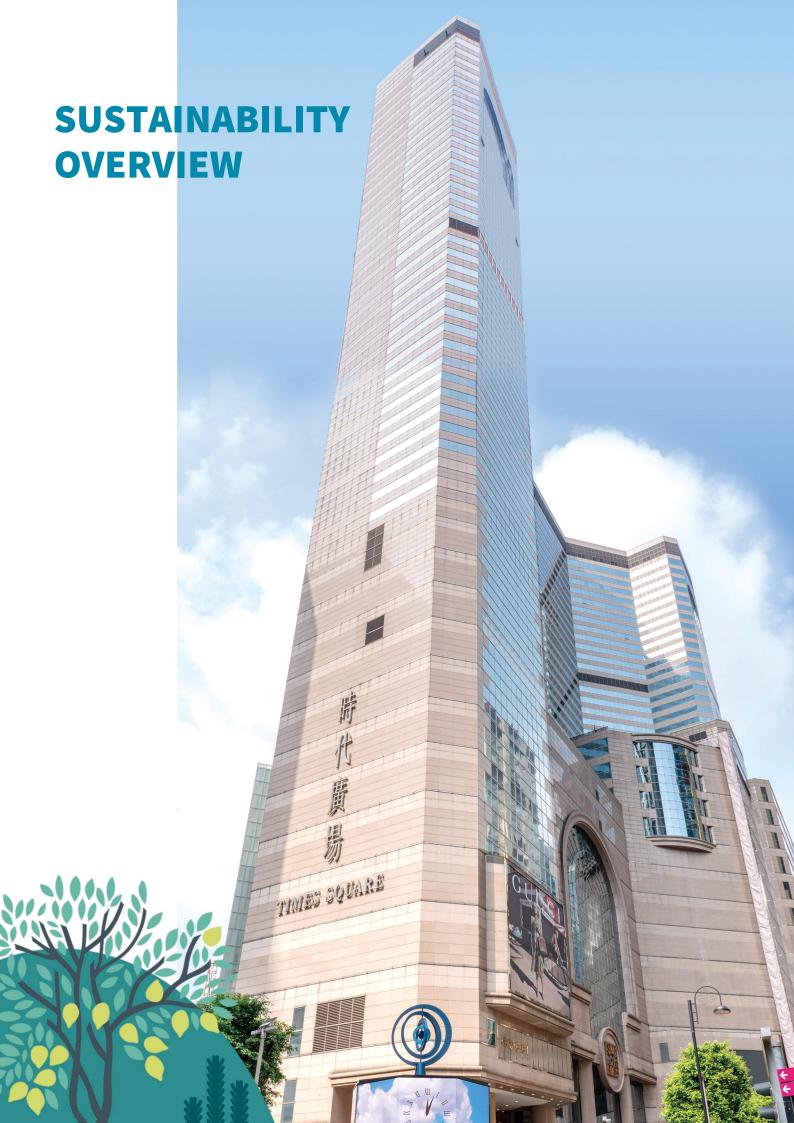












SUSTAINABILITY OVERVIEW

About Our Business

Our Core Value GRI 102-4, 102-6

Wharf REIC principally engages in developing, investing and managing a diversified portfolio of signature properties across Hong Kong, Mainland China and Singapore with business activities in investment properties, leisure and hospitality, and transportation. We strive to offer excellent one-stop lifestyle experiences and provide employment opportunities for our community. Our long-standing mission of "Building for Tomorrow" enables us to enhance our business performance while pursuing sustainable growth in the communities where we operate. For details of our commitment on sustainability, please refer to our Vision and Mission Statement.

Our Presence and Impact GRI 102-7, 201-1, 203-1; HKEX KPI B8.1, B8.2

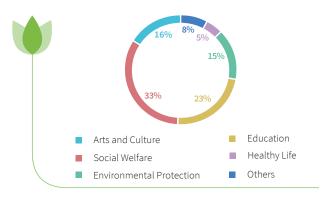
We continue to create positive impact on the economy and society through prudent management in 2021. Our contribution in 2021 are highlighted as below:

Community Contributions





What We Supported (in terms of number of events)



Our Business Overview GRI 102-2, 102-7, 102-10

Wharf REIC holds a portfolio of six premier quality properties 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\$257 billion as of 31 December 2021 and a total revenue of HK\$11.6 billion in 2021. Our customers are mainly tenants and shoppers at investment properties, hotel guests for leisure and hospitality, and individual passenger for transportation. For more information on our business operations, please refer to the Business Review section of our Annual Report 2021.

Direct Economic Value







APPROXIMATELY 2,900 EMPLOYEES



902 MILLION



- The Group's total number of employees.
- 2 Staff costs included defined contribution pension schemes costs for the year ended 31 December 2021 of HK\$51 million, which included MPF Schemes after a forfeiture of HK\$2 million.

Our Governance

The Group strongly believes that strong corporate governance and excellent business practices are critical to sustainable business growth. The Group's Compliance Policy Statement sets the requirements and approach to legal compliance in our business operations. To ensure a high level of accountability, the Group maintains a strict and robust system to manage risks, monitor performance and enforce business conduct.

Governance Structure and Risk Management

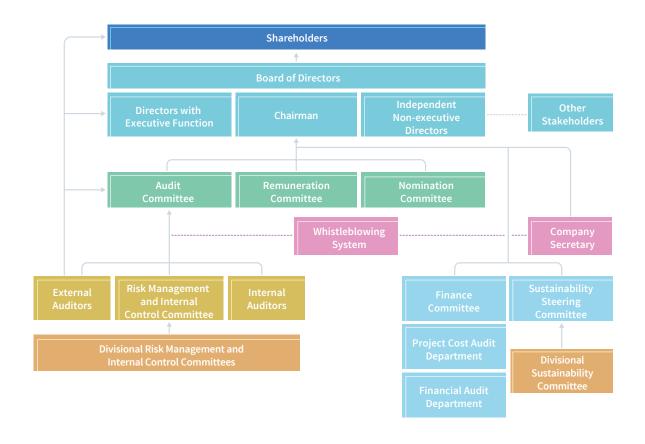
GRI 102-18, 202-2, 405-1

The Board is responsible for directing the Group's strategy and development, including Wharf REIC's sustainability strategy

and reporting. The Board comprised of committees with diverse industry backgrounds, including property investment, mall management, public service, hospitality, entertainment, entrepreneurship, academia, banking, finance and accounting and property valuation and surveyor. The diversity of the Board supports strategy development to ensure the operational effectiveness and the expectations for business performance are aligned across the Group.

Composition of Wharf REIC's Board of Directors³

		Age		Gender		Ethnicity	
	≤50	61-70	≥71	Male	Female	Chinese	Non-Chinese
Number	1	2	7	9	1	9	1
%	10%	20%	70%	90%	10%	90%	10%



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 2021 (P.75 to 79).

In a competitive and ever-changing environment with varying risk exposures, a robust, comprehensive and responsive risk management and internal control system is integral for successful business operation. In addition to traditional risk types, ESG-related risks (including climate-related risks) are also integrated into our risk management framework for assessment on a regular basis to provide a holistic review of risks faced by our business operations. The Group formulated the Compliance Policy Statement that set out our requirements and approach to legal compliance in our business operations.

The Group's Chairman also serves as Managing Director of Wharf REIC. For details on how conflicts of interest are prevented and mitigated, please refer to the Corporate Governance Report in Wharf REIC's Annual Report 2021.

The Corporate Governance Report and Directors' Report in Wharf REIC's Annual Report 2021 lay out our corporate governance and risk management model, including the composition of executive and non-executive members, independence, tenure of members on the governance body, number of other significant positions and commitments held by each member and the nature of the commitments, under-represented social groups, competencies relevant to the impacts of the organisation, and stakeholder representation. Apart from this, details of the nomination and selection processes and criteria for the highest governance body and its committees, the processes implemented to ensure that conflicts of interest are prevented and mitigated, and remuneration polices are also disclosed.

For details on how important matters, including critical concerns raised through grievance mechanism and whistleblowing channel, are communicated to the Board, please refer to the Board Effectiveness section and the Risk Management and Internal Control System section of the Corporate Governance Report in the Group's Annual Report 2021. During the reporting year, there was no substantiated case being reported to the Audit Committee.



Number of employees received anti-corruption training:

OVER **1,070** TRAINEES





Total number of hours of anti-corruption training:

864 HOURS



Ethical Business Operations GRI 205-2, 205-3; HKEX B7.1, B7.2, B7.3

The Group is committed to upholding high standards of business ethical behaviour and professional conduct across all our business operations. The Group strictly complies with all applicable anti-corruption laws and regulations⁴. In 2021, we revisited our policies and guidelines in relation to anti-corruption and have formulated the Group's Anti-Corruption Policy that reaffirms our ethical values. The policy applies to all personnel of the Group, including employees at all levels and others who may provide services to or act on behalf of the Group, aims at establishing a concrete anti-corruption culture throughout our value chain.

The Group does not tolerate any form of bribery, extortion, fraud or money laundering. Under our anti-corruption framework, our Statement of Business Integrity and Code of Conduct supplementing the Group's Anti-Corruption Policy, outline our ethical expectations to our employees. All directors, officers and employees of the Group are also required to comply with relevant policies regarding conflicts of interest, insider dealings, anti-competition and anti-corruption. The Group invited representatives from the Independent Commission Against Corruption ("ICAC") to conduct trainings for our employees on a regular basis to enhance awareness and learn best practices to avoid breaching the laws inadvertently. In 2021, we conducted 864 hours of anti-corruption training for our directors and employees. All of the Board members received training on anticorruption. The Group has also established a set of due diligence procedures where all sponsorships and donations must be approved by the most senior personnel in every BU to prevent the use of donations and sponsorships as disguised forms of bribery.



Our Whistleblowing Policy and Procedures provide a confidential reporting channel for any suspected misconduct or malpractice to the Group without the fear of retaliation. It explicitly defines the responsibility for 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, there were no fines and penalties imposed regarding corrupt practices brought against the Group.

Our Sustainability Approach

Board Statement GRI 102-18

Understanding the adverse effect of sustainability risks, the Board has committed to minimising the environmental and social impact brought by our operations. With our long-standing mission of "Building for Tomorrow", we strive to align our strategies and policies with sustainable business development.

The Board oversees Wharf REIC's sustainability matters including strategy, management and disclosure. Regular meetings are held to discuss our approach and performance. BUs conduct risk assessment annually to identify key sustainability risks. The Board evaluates the nature and extent of the identified sustainability risks (including climate-related risks) and opportunities, and provides insights to guide the Group's sustainability practices. To identify the materiality of sustainability issues to our business, stakeholder engagements are held on a regular basis. The material issues identified will be aligned with the development of our business strategy.

The Board delegates the responsibility of effective management and execution on sustainability matters to the Sustainability Steering Committee, which is chaired by the Group's Chairman and constitutes key executives of functional units, meeting at least twice a year. The Committee monitors and evaluates the Group's sustainability performance and establishes relevant goals and targets. The progress is reported to the Board annually for review. At present, long-term environmental targets are set for 2030, covering reduction of GHG emissions, electricity intensity and water consumption, as well as diversion of waste away from landfills.

Sustainability Governance GRI 102-18, 102-19, 102-20

Being one of the leading companies in the real estate industry, we have been incorporating sustainability in our business operations to create values for our stakeholders, the environment, and the society. To enhance our internal capacity and take responsibility as a leading company, we adopted smart business planning and execution throughout our sustainability governance structure.

The Board holds overall responsibility of the Group's sustainability performance as the highest governance body. Guided by the Board and chaired by the Group's Chairman, the Sustainability Steering Committee examines and enhances the overall sustainability strategy through meetings and discussions at least twice a year. The Committee also assesses and monitors the progress of the ESG-related goals and targets.





The Divisional Sustainability Committee, comprising the Head of BUs and Corporate Units ("CUs"), oversees the sustainability performance of daily operations with the aid of the staff representatives in the Cross-BU Sustainability Group. Best business practices are also promoted across the BUs through quarterly meetings with the Cross-BU Sustainability Group.

The BUs are responsible for the identification and management of sustainability risks and opportunities. Relevant management approach and initiatives are implemented within the BUs responding to the sustainability risks identified. The Sustainability Team of the Group coordinates with BUs' executives on sustainability practices, and holds regular meetings to exchange ideas and best practices. The sustainability progress and achievements are reported to the Sustainability Steering Committee regularly. We have gradually integrated sustainability risks into our Enterprise Risk Management ("ERM") framework to better assess and manage the related sustainability risks and risk interaction.



Moreover, the Board attended training in forms of briefings, seminars and reading materials, etc. to enhance the understanding of sustainable development, goals and commitments, as well as the latest ESG trends and practices.

Board of Directors Sustainability Steering Committee Divisional Sustainability Committee (With the support of Cross-BU Sustainability Group) COORDINATION COORDINATION

Our Sustainability Governance Structure

We have been setting sustainability goals and commitments and organising different sustainability programmes in accordance with the Group's Corporate Social Responsibility Guidelines since 2016. To formalise our sustainability trajectory, the Group established sustainability policies to escalate the control of important sustainability issues.

Sustainability Policies

We have formulated the following sustainability policies in response to our sustainability foci, including the Anti-Corruption Policy, Environmental Policy, Human Rights Policy, Quality Policy Statement and the Supplier Code of Conduct in 2021. All sustainability policies are approved and reviewed from time to time by Sustainability Steering Committee. All of the sustainability policies are applicable to all business operations and employees at all levels. Certain policies also govern those who may provide services to or act on behalf of the Group. Please refer to individual policy for details on how each policy is embedded in the Group.

List of Sustainability Policies

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

Sustainable Finance

To support Hong Kong's Climate Action Plan 2050 and the market transition to a low-carbon economy, we are integrating our green efforts to draw up a roadmap to support carbon neutrality, and sustainable financing is key to the execution of this ambition. During the reporting year, the Group has raised its first sustainability-linked loan of HK\$1,600 million, with key performance indicators related to our Hang Seng Indexes ESG rating, as well as our key environmental performance.

ESG investing is growing fast, channelling capital to support a more resilient economy. The Group will grasp the opportunity and continue to explore other sustainable finance instruments to back our commitment to support carbon neutrality.

United Nations Sustainable Development Goals



With the aim to create long-term value in sustainable communities, we support the global movement of UNSDGs. We have prioritised 11 of the 17 UNSDGs, and integrated the initiatives into the Group's sustainability strategies to deliver positive outcomes to communities and the environment.

The Environment

- To contribute to UNSDG No.6 Clean Water and Sanitation's Target 6.3 to improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals by 2030, we ensure the water quality for customers and tenants, and proper wastewater treatment for environmental and public health benefits. Our investment properties in Hong Kong have been awarded certification under Quality Water Supply Scheme for Buildings by Water Supplies Department for many years.
- We actively identify the potential environmental and climate-related risks for our operations and adopt adaptive mitigation measures to develop our climate resilience as in UNSDG No.13 Climate Action, integrating climate change measures into our policies, strategies and planning. We have integrated sustainability and climate-related risks into our ERM framework for aligned management. To minimise our impact on climate change, we upgraded our equipment and formulated carbon reduction targets. For example, referencing UNSDG No.7 Affordable and Clean Energy's Target 7.a, we have re-engineered The "Star" Ferry's Silver Star to use a diesel-electric propulsion system ("DEPS") to reduce the emission of harmful air pollutants. We also minimise waste and conduct recycling activities to achieve a sustainable production line aligning with UNSDG No. 12.



CORRESPONDING SECTION



Co-living with the Nature



Building Excellence with Our Stakeholders

RELEVANT UNSDGS



















Workplace and Community Wellbeing

- UNSDG No. 3 Good Health and Wellbeing's Target 3.9 aims at reducing the number of deaths and illnesses from hazardous chemicals and air pollution. In response, Wharf REIC ensures all operational activities cause zero harm to our employees, contractors and tenants in compliance with international standards. In 2021, we recorded no work-related fatality cases in our workplace. We also have zero tolerance over forced and child labour. Workplace wellbeing is encouraged with work-life balance, safety and health, equal opportunities and human rights to align with various targets of UNSDG No. 8 in achieving full and productive employment for all women and men, including for persons with disabilities.
- To continue supporting the community during the COVID-19 pandemic, various preventive measures are implemented, and donations were made to ease the financial burden for the people in need.

CORRESPONDING SECTION

Safeguarding Wellbeing and Safety

Building Excellence with Our Stakeholders

Business-in-Community









Fair and Diverse Community

- To promote the inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status as stated in UNSDG No.10 Reduced Inequalities' Target 10.2, we are dedicated to providing a discrimination-free and harassment-free workplace with an inclusive culture to improve work performance of our employees. Fair and equal opportunities and benefits are offered to employees regardless of their age, disability, ethnicity, gender, family background, nationality, religion, or sexuality. A wide range of trainings are organised for our employees for their technical skills and career development. This year, we arranged a total of 84,730 training hours for our employees.
- Wharf REIC contributes to building a fair and healthy community by offering educational opportunities and resources to the underprivileged. With reference to the UNSDG No.4 $\,$ Quality Education in increasing the number of youths who have relevant skills for employment, decent jobs and entrepreneurship, we provide all-rounded and unbiased learning opportunities for the young generation while offering them platforms to excel their talents in a variety of fields. In 2021, Project WeCan partnered with 82 schools and benefitted 80,000 students.

CORRESPONDING SECTION

Building Excellence with Our Stakeholders

Business-in-Community

RELEVANT UNSDGS







Stakeholder Engagement GRI 102-40, 102-42, 102-43

We understand the significant impact from the feedback of stakeholders. Wharf REIC collects our stakeholders' suggestions and concerns through a range of communication channels for our continuous improvement in business operations.



Our Stakeholder Groups and Engagement Channels

SHAREHOLDERS, INVESTORS AND FINANCIAL ANALYSTS

- General meetings
- Financial reports, announcements and circular(s)
- Corporate communications and company websites
- Phone interviews



GOVERNMENT, REGULATORY BODIES AND INDUSTRY ASSOCIATIONS

- Regulatory task forces and committees
- ♦ Industry operational meetings
- Forums and conferences



EMPLOYEES

- Surveys and focus groups
- ♦ Town hall meetings
- Intranet and internal publications



NON-GOVERNMENTAL ORGANISATIONS

- Programme partnership meetings
- Regular programme reviews and assessments



MEDIA

- Media briefings and luncheons
- Executive interviews
- Instant internet updates



LOCAL COMMUNITY

- Community investment programmes
- Company visits
- Social media platforms



BUSINESS PARTNERS (INCLUDING SUPPLIERS, CONTRACTORS AND SUB-CONTRACTORS)

- Tendering
- Operational meetings
- Contract and performance review
- Surveys



CUSTOMERS

- Surveys
- Social media platforms
- Service centres and hotlines





Stakeholder Comments and Our Responses GRI 102-44

We commissioned an independent consultant to gauge stakeholders' opinions on our sustainability strategy and performance. The stakeholder engagement exercise was conducted in accordance with the AccountAbility AA1000 Stakeholder Engagement Standard 2015. To ensure meaningful engagement were conducted, we have engaged with over 570 stakeholders including employees, suppliers, tenants and investors, through our online survey, one-on-one interviews and focus groups. 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:

SUSTAINABILITY STRATEGY

8

Investors suggested incorporating net zero strategy and formulating carbon neutrality targets together with the disclosure of other environmental targets.

Stakeholders' feedback

Our responses

We recognise the importance to align our targets with Hong Kong's Climate Action Plan 2050. At present, the Group has formulated a carbon reduction target to be achieved in 2030. Other environmental targets to reduce electricity and water consumption and relevant to waste disposal have been formulated. For details of our targets and progress, please refer to the Co-living with the Nature chapter of the Report.

SUSTAINABILITY DISCLOSURE



Investors suggested establishing official environmental policies, discrimination and diversity policies, and disclosing details of the allocation of community investment.

Stakeholders' feedback

Our responses

We understand that sustainability policies are critical for our business operations and impact investors' evaluations. This year, we formulated five new policies covering a wide range of sustainability aspects.

We will also enhance our disclosure of community investment.

SUPPLY CHAIN MANAGEMENT



Suppliers would like the Group to consider sustainability initiatives such as digitalisation during the supplier engagement procedure and use of biodegradable materials in replacement of single-use plastic in hotel operations.

Stakeholders' feedback



We have been working on digitalisation of our daily operations. At present, we have been using virtual meetings and e-document internally to reduce our paper consumption. We will consider digitalising the procurement process in the coming future. We are also exploring the feasibility of replacing single-use plastic with more environmentally friendly materials in hotel operations to minimise our environmental impact.



Materiality Assessment GRI 102-46, 102-47, 102-49

A four-step materiality assessment was conducted to prioritise the disclosure of sustainability issues material to our stakeholders and business qualitatively and quantitatively. The result helps us to further refine our business practices and improve decision making.

STEP 1 IDENTIFY



 We identified potential material topics for disclosure referencing the internationally accepted GRI Standards and the HKEX ESG Reporting Guide.

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. Their opinions regarding the Group's Sustainability Report were also consolidated. 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 Identified and Corresponding Topic Boundary

	Yes

	Boundary and Impact		
Material Topics	Within the Group	Outside the Group	
Top Five Material Topics			
10 Water			
13 Effluents and Waste			
14 Environmental Compliance			
20 Training and Education			
34 Customer Privacy			
Other Material Topics			
3 Indirect Economic Impacts			
5 Anti-corruption			
7 Socioeconomic Compliance			
9 Energy			
12 Greenhouse Gas and Emissions			
17 Recruitment and Retention			
19 Occupational Safety and Health ("OSH")			
21 Diversity and Equal Opportunity			
Non-discrimination			
29 Impact Assessment on Local Communities			
32 Customer Health and Safety			

16 topics are identified as material this year, compared to 16 in 2020 and 19 in 2019. "Customer Privacy" remains as the most material aspect in 2021. In comparison to the list of material topics in 2020, stakeholders ranked "Water" and "Effluents and Waste" as more material this year, resulting in these two being included in top five highly material topics for the first time. On the other hand, stakeholders no longer considered "Economic Performance" and "Anti-competitive Behaviour" as material topics in comparison with other sustainability issues for Wharf REIC this year. All of the material topics identified have actual and potential positive impact on either the economy, environment and people, except for "Water", "Effluents and Waste", "Energy", and "Greenhouse Gas and Emissions" where the impacts are both positive and negative to the environment.

Wharf REIC's Materiality Matrix 2021

The significance of the 34 material topics is plotted in the materiality matrix with the influence on stakeholder decision against the significance to our business. The size of the bubble indicates the ability of Wharf REIC to create impact. The larger the bubble is, the higher the ability Wharf REIC can affect the outcome of the issue.



Significance to Business

Business Development and Corporate Governance

- Economic Performance
- Market Presence
- 3 Indirect Economic Impacts
- 4 Procurement Practices
- 4 Anti-corruption
- 6 Anti-competitive Behaviour
- Socioeconomic Compliance

Protecting Our Environment

- 8 Materials
- 9 Energy
- 10 Water
- Wildlife Protection and Biodiversity
- Greenhouse Gas and Emissions
- Effluents and Waste
- 4 Environmental Compliance
- Supplier Environmental Assessment
- Land Degradation, Contamination and Remediation

Nurturing Our People

- Recruitment and Retention
- 18 Labour/management Relations
- Occupational Safety and Health
- Training and Education
- Diversity and Equal Opportunity
- Non-discrimination
- ♠ Freedom of Association and
- Collective Bargaining

 Prevention of Child Labour
- Prevention of Forced or Compulsory Labour

Business-in-Community

- Security Practices
- Protection of Rights of Indigenous Peoples
- 4 Human Rights Assessment
- Impact Assessment on Local Communities
- Supplier Social Assessment
- influence on Public Policy

Products and Services

© Customer Health and Safety

33 Marketing and Labelling

Gustomer Privacy



CO-LIVING WITH THE NATURE



CO-LIVING WITH THE NATURE



Commitment and Strategy GRI 103, 307-1; HKEX KPI A1.5, A1.6, A2.3, A2.4; UNSDG 13

From climate change to the depletion of non-renewable resources, the number of environmental issues that we face has increased to unprecedented levels, causing threats to our society and affecting global economies and policies. Governments have implemented policies, legislations and regulations to tackle such issues. The Group as a responsible corporate citizen, strictly complies with all applicable environmental laws and regulations⁵. Through the use of energy, GHG emission, water consumption and waste produced in the Group's business operation and development, negative impact has been brought to the environment.

To manage our environmental issues effectively and prevent further potential negative impact, the Group has provided environmental guidelines outlining our principles and expectations since 2016. We have escalated our control by putting in place the Group's Environmental Policy for managing adverse environmental impacts, monitoring compliance as well as facilitating communications towards environmental performance. To ensure compliance, environmental performance, risks and the effectiveness of control measures are closely monitored and reviewed. During the reporting year, the Group did not observe any cases of non-compliance relating to environmental regulations.

The Group is dedicated to continuous improvement in our environmental performance, and consistently pursues routes to establish a more sustainable future. Individual BU has adopted its corresponding policies and procedures that adhere to the Group's environmental principles. To maintain continuous improvement of our environmental performance and to explore new opportunities for more sustainable achievements, the Group has formulated the 2030 long-term targets to cover a wider spectrum of environmental aspects. The infographic below illustrates our environmental targets.

The Group is committed to following Hong Kong's Climate Action Plan 2050 towards carbon neutrality in response to Hong Kong Government's vision of "Zero-carbon Emissions • Liveable City • Sustainable Development". We strive to establish environmental management systems that conform to international standards. During the reporting year, Wheelock House maintained the ISO 14001: 2015 Certification. Marco Polo Hongkong Hotel and Marco Polo Changzhou have both obtained EarthCheck Silver certifications while The Murray achieved EarthCheck Bronze certification. Our BUs have also been widely recognised for their best practices in environmental management and received various awards and green labels including Energywi\$e Label, Wastewi\$e Label and Green Office Awards Labelling Scheme ("GOALS"). Both Wheelock House and Crawford House have been recognised as "Hong Kong Green Organisation" under the Hong Kong Green Organisation Certification Scheme. Highlights of our environmental awards and achievements can be found in the Featured Awards, Charters and Memberships section of the Report.



In the future, the Group intends to expand our current sustainability work in order to come up with more comprehensive waste reduction and recycling targets.

Overview of Climate-related Risks of Wharf REIC





INVESTMENT PROPERTIES



LEISURE AND HOSPITALITY



More frequent flooding events caused or amplified by heavy rain and sea level rise, damaging infrastructure and facilities. Rise in average temperature and decrease in water resource

Impact

- 1 Temporary closure of shopping malls and office buildings
- Tenant complaints and compensation requests
- 3 Maintenance cost for damage repair of facilities
- 4 Higher operational cost for charge of utilities and cooling equipment
- 5 Reputation damage and property devaluation

Mitigation Measures

- 1 Implement best practices in water damage prevention (i.e. install flood gates, alarm system, waterproofing works)
- 2 Invest in energy-efficient equipment and retrofitting buildings and adopting renewable energy sources
- 3 Increase staff preparedness by conducting regular emergency drills
- 4 Integrate risk mitigation measures during refurbishment

PHYSICAL RISKS



Increased severity and frequency of extreme weather events and storm surges causing supply chain disruption, demand implication and damage to infrastructure and facilities

Impact

- 1 Higher operational costs to fix damaged facilities
- 2 Drop in business demand due to business disruption and reputation loss

Mitigation Measures

- 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

Carbon Tax, tightened climate policies and regulations to support international decarbonisation efforts

Impact

- Higher economic incentive to change in behaviour towards less emission intensive technologies
- 2 Higher operation costs to adhere to new requirements
- 3 Expectations from tenants and shoppers for compliance of facilities
- 4 Potential penalty for non-compliance

Mitigation Measures

- 1 Invest in renewable energy if possible to significantly reduce the carbon footprint affecting the business
- 2 Carry out carbon audit to benchmark performance of buildings
- 3 Formulate carbon emission target and reduction plan
- Formulate a plan to retire low energy efficiency equipment

TRANSITION RISKS



Inability to stay ahead of stakeholders' increasing interest towards sustainability

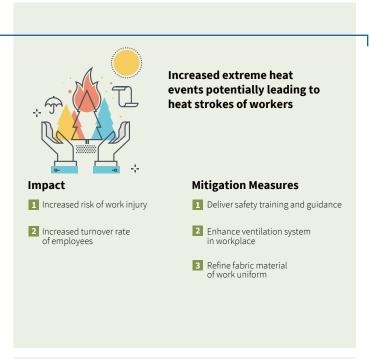
Impact

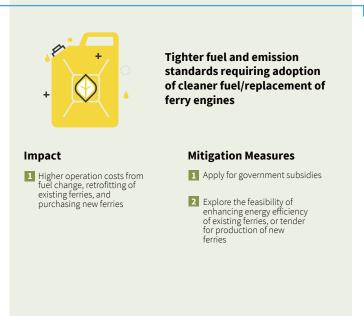
- 1 Loss of competitive advantage
- 2 Loss of reputation

Mitigation Measures

- 1 Sustain proactive collaboration with EarthCheck
- 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







Climate Risk and Resilience Management

GRI 201-2; **HKEX** KPI A4.1; **UNSDG** 13

Global momentum towards mitigating the climate crisis has been building steadily, with progress being made on nearly every front. In response to the global call for action, the Group has increased its efforts to develop long-term low-carbon climate resilient strategies, expand our capacity for managing climate risk, and increase transparency regarding climate-related information.

The Group demonstrates the commitment to mitigate climate change and strengthen our climate resilience by adopting the Climate Change Policy Statement. To understand different nature of climate-related risks and opportunities, we leverage our existing ERM framework and risk assessment processes to monitor, assess, and manage climate-related risks across our portfolio, as well as to integrate climate change into our business strategy.

Enterprise Risk Management



Integrating climate-related risks into our existing ERM framework allows us to better assess and manage potential impact of climate-related risks and risk interaction.

The Group conducted a preliminary climate risk mapping exercise across our BUs in Hong Kong, Mainland China and Singapore, referring to the TCFD framework in order to gain a comprehensive view of our climate risk exposure. We assessed our exposure to material physical and transition risks associated with climate change, as well as their potential financial and nonfinancial consequences, with reference to the Intergovernmental Panel on Climate Change's ("IPCC") Representation Concentration Pathways ("RCPs") and reference reports⁶. In 2021, upon the release of the Sixth Assessment Report of IPCC7, we re-evaluated our climate-related risks and opportunities over the time frame to 2030 and 2100 with the updated climate information, trying to understand our resilience under different plausible climate scenarios, including the scenarios of business-as-usual and taking a more ambitious well below 2°C or 1.5°C pathway. Following the exercise, potential risk mitigation measures were determined based on the findings. The overview of relevant climate-related risks and mitigation measures are disclosed on page 20-21.

The Group understands the importance of communicating our management approaches and strategies for climate change mitigation, adaptation and resilience to our stakeholders. We have summarised our climate-related work under the four core categories of governance, strategy, risk management and metrics and targets in the Alignment with the Recommendations of the Task Force on Climate-related Financial Disclosures section of this Report.

The Group aims to address climate urgency in a sense to future-proof our business development. We also strive to consolidate our current green efforts to remain on track to support carbon neutrality. In the future, the Group will continue to expand its reporting of GHG emissions for a more holistic picture, improve its climate-related disclosure in accordance with the TCFD recommendations, conduct analysis to better anticipate climate-related risks and opportunities imposing on our operations when appropriate tools are available, and take the required steps to further enhance our climate mitigation and adaptation capacity.

Climate Change Opportunities

While climate change imposes risks, there are also associated opportunities to the Group. When the Group actively pursues ways to decrease carbon footprint through enhancing energy efficiency, buying more renewable energy, adopting sustainable resource management and applying green technology in our operations, direct cost savings and reduction in energy costs are also resulted. Given the Group is committed to continuously improving our sustainability performance, we see opportunities in accessing the thriving market of sustainable finance.

We are eagerly looking forward to information of long-term regulatory regimes and carbon pricing. We expect to better manage climate-related risks and at the same time seize the corresponding business opportunities upon the transition to a low-carbon economy.

Climate change is definitely a disastrous threat, and the fight against it would not be cheap. Sustainable finance is essential to achieve our decarbonisation plan. The Group will continue to explore various sustainable finance instruments to back our commitment to support carbon neutrality.



⁶ IPCC 2014 Climate Change Synthesis Report (https://www.ipcc.ch/report/ar5/syr/), Hong Kong Observatory Climate Projections for Hong Kong (http://www.hko.gov.hk/en/climate_change/future_climate.htm) 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 (http://www.theccc.org.uk/publication/indicators-of-climate-risk-china-uk)

https://www.ipcc.ch/report/ar6/wg1/downloads/report/IPCC_AR6_WGI_Full_Report.pdf

Energy Management and Decarbonisation

GRI 302-1, 302-3, 302-4, 305-1, 305-2, 305-4, 305-5, CRE-1, CRE-3; **[HKEX]** KPI A1.2, A1.5, A2.1, A2.3; **[UNSDG** 7

The Group observed the growing sense of urgency on taking action to reduce carbon emission. According to the Hong Kong's Climate Action Plan 2050, buildings account for about 90% of Hong Kong's total electricity consumption, and over 60% of our carbon emissions is attributable to generating electricity for our buildings. As a result, the Group is making significant efforts on decarbonisation work in our operations, especially for carbon emissions coming from indirect energy consumption (Scope 2 emissions). The Group closely monitors and checks our energy consumption patterns in order to carry out comprehensive energy management for further improvements.

Major asset enhancements have been invested by the Group such as chiller upgrades to optimise operational efficiency across our portfolio. We have changed the air handling units at Harbour City and Times Square to Electronically Commutated (EC) plug fans plus variable speed drives. In Times Square alone, such replacement resulted in an estimated saving of electricity by 123,000 kWh per year. In addition, we replaced the air-cooled chiller system with a water-cooled chiller system at office and retail areas in Crawford House, contributing to around 455,060 kWh reduction in electricity consumption. Meanwhile, old air handling units were replaced by newer EC motor fan air handling units, which can reduce energy consumption and create a more comfortable environment by lowering noise and vibration levels during operation in Wheelock Place in Singapore.







The Group implements a variety of energy-saving initiatives, including optimising the operation of building facilities, and closely monitoring of our energy consumption patterns to avoid excessive electricity consumption. For instance, we adjusted the pressure setpoint and operating time of air handling units to an optimum level in order to reduce the operating electricity consumption at Times Square. At Wheelock House, we introduced a variable speed air-cooled chiller with a higher efficiency rate, which saved 233,387 kWh electricity in 2021 comparing to that of 2020. Harbour City adopted chilled water temperature reset in chiller plants and space temperature reset in air handling units to reduce energy consumption and carbon emission. To reduce the load on the air conditioning system, we reduce heat gain by setting the blinds to automatically go down when guests check out of their rooms at The Murray.

Marco Polo Hongkong Hotel and Marco Polo Gateway Hotel implemented an electricity saving programme. The floors, offices, and back of house sections with low occupancy are darkened and fan coil units are set to low speed. Marco Polo Changzhou additionally adjusted the operation time of refrigerators and heating equipment and switched off the lighting and equipment power supply of non-used floors.

Niccolo Suzhou incorporated the concept of energy conservation in architectural design, using various special design features to reduce energy used. For instance, the stellar flow at Bar 115 employs mirrors and sheet metal to produce specular reflection in pretty order, which saves energy used for illumination without losing the luxurious feel. The Sky Pool is surrounded by window walls, let the area be flooded in natural daylight to save energy.

Since 2014, at Harbour City, a total of 320 solar photovoltaic panels have been installed on the rooftops of three office buildings, and the production capacity of the installation has been connected to the CLP power grid to participate in CLP's Feed-in Tariff ("FiT") Scheme since 2018. Each kWh 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. By the end of 2021, the solar photovoltaic panel system of Harbour City has generated a total of 288,835 kWh of electricity. In addition to contributing to global climate change and carbon neutrality, it has also brought more than HK\$1 million revenue from the electricity sold through the FiT Scheme for Harbour City. With our investment and effort in renewable energy, Harbour City won the Merit Certification of "Smart Energy Award 2020" and was listed in the "Renewable Energy Partner list" for two consecutive years.



CASE STUDY





Innovative Implementations and Operation Upgrade Projects for Better Energy Utilisation

The Group has taken a proactive approach to energy conservation through lighting retrofits, routine evaluation and technical upgrades of operations, as well as exploring innovative means to maximise energy utilisation.

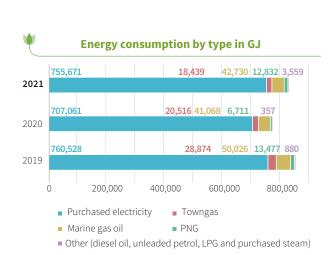
We have initiated multiple lighting retrofit projects at our investment properties. In 2021, we have replaced all the lighting of office lift lobby to LED lighting at Crawford House. At Harbour City, during the reporting year, we have saved 265,602 kWh of electricity by upgrading the traditional lighting to LED lighting at various areas including common areas in shopping mall, generator and switch rooms and pump house. Similarly, at Wheelock House, we completed the upgrading project which replaced fluorescent tubes with LED lighting in cargo lift lobbies and corridors, reducing 20,459 kWh of electricity consumption annually.

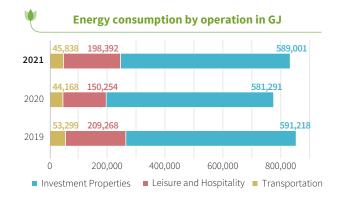
Harbour City has also carried out an upgrade project for the lighting system of Lower Car Park of Ocean Terminal. Traditional lightings in the parking areas and driving lanes have been replaced by LED lightings equipped with smart sensors. The use of motion sensing technology can reduce the energy consumption to a minimum level without affecting driving safety



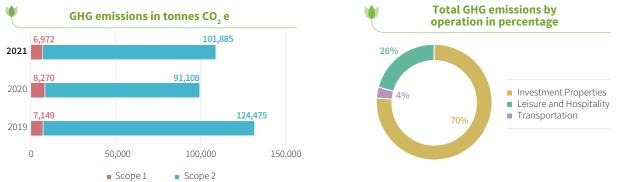
in the car park, successfully reduced the light power consumption at the Ocean Terminal Lower Car Park by about 65%. Since LED lighting is more energy-efficient and lasts 3 to 6 times longer than conventional energy-saving bulbs without toxic metal mercury, we believe the cost and time of the Technical Department spent on operation and maintenance would be greatly reduced as well as adverse environmental impact.

Along with upgrade projects, the Group has been investigating innovative ways to ensure long-term operations. In light of the significant water and electricity consumptions associated with the water misting system and fan system at the car park, Times Square introduced the use of indirect flush water cooling with a Titanium Cooling Coil at the car park in order to improve the car park's indoor thermal comfort while avoiding massive electricity and freshwater consumptions and saving maintenance costs. The project has been nominated a finalist in the Green Building Award 2021's Research and Planning Category.









Definition of the number of guest nights in this report has been revised from [number of guests x number of nights they are staying] to [total guest staying overnight + staff nights + total day guests/3 + total non-resident restaurant covers/4] as defined by EarthCheck, as such the intensity data in 2019 and 2020 have been restated accordingly.

Air Quality Management

HKEX KPI A1.1, A1.5, A3.1; **UNSDG** 13

In view of today's emission standards and regulations progressively getting more stringent, and growing concerns from the general public on the health risks caused by air pollution, we recognise our role in eliminating emissions of hazardous air pollutants in our fleet operations. The development of green technologies for ferries demonstrated outstanding potential and effectiveness in reducing air pollutants.



CASE STUDY





Upgraded Silver Star to be the Third Low-emission Green Ferry Operating in The "Star" Ferry

Over the past century, The "Star" Ferry has taken the initiative to upgrade its ferries for several rounds in an effort to improve the air quality of Hong Kong. Following the conversion of World Star and Morning Star into low-emission and environmentally friendly ferries, Silver Star officially joined the series of environmentally friendly ferries and resumed its service in 2021. Silver Star is the third low-emission green ferry in the fleet that operates daily service in Victoria Harbour, promoting the sustainable development of Hong Kong's green transportation.

Silver Star, which first sailed in 1965, is currently powered by two diesel-powered main generators that supply electricity to drive the propulsion engine. The new generators replaced the traditional two-stroke marine diesel engine. In addition, they comply with the emission standards of the International Maritime



Organization (IMO) Tier II and US Environmental Protection Agency (EPA) Tier III. Combined with low-sulfur diesel, the emission of black smoke and other harmful air pollutants from ferries can be significantly reduced.

After achieving the great success of Silver Star, we will continue our efforts in exploring the implementation of a clean power system for our remaining fleets and assessing the feasibility of adopting a ferry that is fully powered by electricity. We look forward to achieving new milestones and contributing to the sustainability and green development of Hong Kong's first generation of public transport.

Niccolo Suzhou also pays attention to manage the emission of air pollutants, especially for refrigerants. Niccolo Suzhou endeavours to manage it in every stage of the value chain. There are clear guidelines to forbid procurement of ozone depleting refrigerants and encourage the use of more environmentally friendly alternatives. The storage of refrigerants is also monitored to avoid decomposing when heated to emit toxic substances. We keep clear in-out record of refrigerants and conduct regular patrols of facilities to ensure no leakage. The disposal of waste containers is also in compliance with applicable regulations.

Water Stewardship

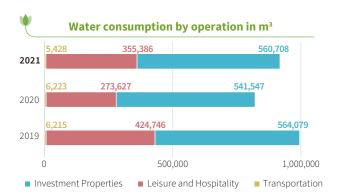
GRI 303-1, 303-4, 303-5, CRE-2; **HKEX** KPI A2.2, A2.4; **UNSDG** 6

Rapid increase in water consumption, degradation of water quality, and the challenges posed by climate change are placing ever-increasing stress on this critical natural resource globally. Because of the nature of our business, having access to a reliable clean water supply is vitally important to our operations. In light of this, the Group has continued its efforts to ensure that water is used responsibly and efficiently across all of our BUs. Our employees are obligated to adopt water conservation in our operations, as outlined in our Environmental Policy, BU-specific water management policy and guidelines.

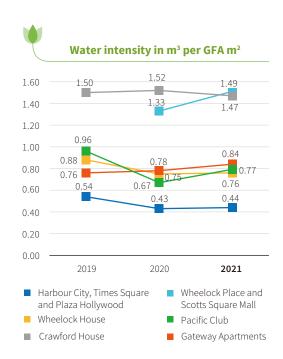
To achieve sustainable operations, the Group has explored innovations in optimising water resources management. For example, in view of the significant fresh water consumption caused by the water misting system at the car park, Times Square explored the indirect utilisation of flush water at B4/F car park to lower indoor temperature, eliminate huge consumptions of fresh water used for cooling and save expensive maintenance costs.

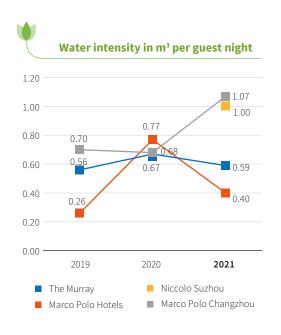
We conserve water by enhancing our operational processes. Due to the decrease in hotel occupancy rate during the COVID-19 pandemic, we implemented water saving programmes to reduce unnecessary water consumption. At Marco Polo Hongkong Hotel, the swimming pool was closed, and a proportion of our kitchen equipment were switched off at both Marco Polo Hongkong Hotel and Marco Polo Gateway Hotel.

We actively promote water reuse and recycling to maximise the use of available water resources and reduce our overall water consumption. At Crawford House, bleed-off water from the chillers was piped to the flush water tank for common area flushing.









Resource Management

GRI 306-2; **HKEX** KPI A1.3, A1.4, A1.6; **UNSDG** 12

In Hong Kong, we are facing a monumental waste problem that our landfill sites will be full to bursting with municipal solid waste. The Group continually explores ways to enhance our waste management and resource conservation efforts along our value chain. Under our Green Procurement Policy, our employees are strongly encouraged to reduce the usage of single-use disposable items and packaging, and be aware of the quantity of waste produced and post-consumption treatment or disposal method when making procurement decisions.

The Group implements various measures to promote waste minimisation and efficient use of resources. With a focus on reducing waste sent to landfills, the Group collaborates closely with our stakeholders to promote recycling at our properties. Moreover, we have implemented various types of recycling programmes throughout the year to encourage our tenants to participate in, including:

Operations	Key Recycling Programmes		
Wheelock House	"Central Cluster" paper recycling programme		
Harbour City	 Polyfoam Recycle Programme Food Waste Recycling Programme Computer Donation Programme 		
Times Square	 Shoe Box Recycling Programme Food Waste Recycling Programme Tetrapak and Beverage Cartons Recycling 		
Plaza Hollywood	► Food Waste Recycling Programme		
The Murray	Coffee Capsule Recycling		

To mitigate the plastic waste problem that has seriously devastated the environment, Times Square participated in the "Type 5 PP Plastic Recycling Pilot Campaign" organised by Hong Chi Association and Nestlé Hong Kong, placing plastic recycling bins at the car park. For our part, we spare no effort to promote the plastic reduction to create a sustainable environment for the next generation. For example, we endeavour to cut down plastic umbrella bag consumption.



Crawford House removed the umbrella bag dispensers placed at the entrance lobby

Resulting a 100% reduction in umbrella bag consumption

Harbour City, Times Square and Plaza Hollywood earned the Gold Award in Umbrella Bags Reduction Accreditation Programme organised by Greeners Action



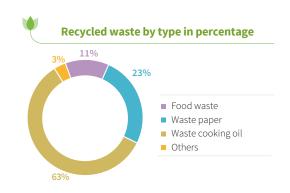
Moreover, to promote green shopping, Harbour City launched a reusable shopping bag rental service for customers without their own bags, therefore reducing the need to use disposable shopping bags.

To reduce the food waste sent to landfills, the Group supports food donation activities and recycling. Harbour City has installed food waste decomposers to handle food waste. Our hotel operations support the Foodlink Foundation by donating unconsumed edible food to disadvantaged groups to avoid food wastage. During the reporting year, a total 538 kg of surplus food was donated to Foodlink by our hotel operations. Times Square and Marco Polo Hongkong Hotel also transfer food waste to the O • Park 1, where the food waste will be converted to compost and biogas for electricity generation. Moreover, food decomposers are also placed in the offices of Harbour City and Plaza Hollywood to reduce the food waste sent to landfills and raise our office staff's awareness.

The Group also ensures that hazardous waste is being collected, handled and disposed of appropriately. Harbour City and Crawford House have on-going Computer and Communication Products Recycling Programme for tenants. Harbour City collected and donated over 1,200 kg of computers and electronic equipment to the Caritas Computer Workshop during the reporting year. Moreover, Gateway Apartments has been encouraging the staff to avoid printing hardcopies of documents. As a result, the amount of purchased printer toner has reduced by 22% in 2021 compared to 2020. Times Square also transported yard waste to Y•Park for transforming into useful materials such as wood beams, wood chips and sawdust, etc. during the reporting year.

We avoid generating large amount of waste during festival occasions, therefore, no new decorative red pockets were used for the peach blossom trees decoration during Chinese New Year at Pacific Club. Around 291 kg of tangerine plants were collected at Harbour City after the Chinese New Year in 2021. The tangerine plants were then sent to the Fung Yuen Butterfly Reserve and converted into food for the butterflies. Some of our BUs, namely Harbour City, Times Square, Plaza Hollywood and Pacific Club, also take part in the Tree Conservation Scheme by Hong Kong Environmental Protection Department to recycle peach blossom trees and Christmas trees after the holidays.





Enhancing Environmental Awareness

HKEX KPI A3.1; UNSDG 12

The key elements to protect the environment and natural resources are undoubtedly increasing environmental awareness and encouraging behavioural changes in the society. Thus, we have implemented various measures to cultivate the environmental consciousness of our employees. Our hotel operations have provided training to newly recruited employees, enabling them to understand the EarthCheck certification requirements and the sustainability approaches adopted in our daily activities. Besides, we encourage our staff to go green by participating in Earth Hour organised by WWF-Hong Kong and No Air Con Night organised by Green Sense.

With the aim to promote the habit of reducing plastics, reusing, and recycling waste, and in response to Waste Blueprint for Hong Kong 2035 published by the Government of HKSAR in February 2021, a new set of sustainability promotion displays with the theme of "Reduce, Reuse and Recycle" was launched at Harbour City, Times Square and Plaza Hollywood. We also organised various workshops for our stakeholders, for example, a "Denim Upcycling Workshop" was organised for tenants to introduce the problem of textile waste and to promote ecofriendly habits and sustainable use of resources.



To promote the environmental awareness of the food waste issue, in November 2021, a visit to O • PARK 1, the first organic resources recovery centre in Hong Kong was organised for our staff. During the visit, they learned about the conversion of food waste into compost and biogas. Online workshops are powerful and convenient, therefore, we organised two online bee's-wax food wrap workshops to encourage reducing the use of plastic cling film and to promote a sustainable lifestyle for our staff and tenants.



BUILDING EXCELLENCE WITH OUR STAKEHOLDERS

UNSDGs to be addressed in this chapter





Material topics to be addressed in this chapter

RECRUITMENT AND RETENTION • TRAINING AND EDUCATION • DIVERSITY AND EQUAL OPPORTUNITY NON-DISCRIMINATION • CUSTOMER PRIVACY

Commitment and Strategy

Collaboration with various stakeholder groups is very important for the Group to achieve sustainable end deliverables that meet stakeholders' expectations. We maintain solid relationships with stakeholders to excel in our business operations. We endeavour to provide excellent customer services and products while maintaining a favourable work environment for our employees and workers onsite.

To protect our employees' rights, the Group has developed employment policies that comply with applicable laws and regulations9. This year, we have formulated the Group's Human Rights Policy to foster equal opportunities, diversity and inclusion within the Group. A range of management systems and measures are in place to monitor and evaluate our products and services, as well as supply chain activities to ensure that the performances adhere to all applicable laws and regulations10 and reach the Group's standards and expectations.

We welcome stakeholders' opinions through a variety of platforms to continuously improve our operation. We also review and evaluate the effectiveness of our management approach regularly. During the reporting year, there were no incidents of breaches of applicable regulations and voluntary codes that resulted in a fine or penalty.



Cultivating Our Employees

Talent Attraction and Retention

GRI 102-8, 401-2, 401-3; **[HKEX]** KPI B1.1; **[UNSDG** 8

The Group values employees in our business operations. We offer fair and equal opportunities and benefits regardless of an employee's age, disability, ethnicity, gender, family background, nationality, religion, or sexuality. We assess candidates during recruitment based on their ability, work experience and associated qualifications.

To attract and retain talents, we provide competitive remuneration packages and benefits according to their experience and performance. Adhering to the BU's employment policy, our full-time employees in Hong Kong are entitled to top-up employer MPF contribution, paid leave, parental leave, employees' compensation insurance, group personal accident insurance for staff social, recreational and volunteering events, medical insurance, and long service awards. On the other hand, our full-time employees in Mainland China are entitled to the Five Social Insurance and One Housing Fund.

The Group hosted a variety of talent development programmes and award schemes for employees at all levels throughout the year. For example, Hong Kong Investment Properties have a four-year Apprentice Training Programme providing on-thejob training and tuition assistance for apprentices to attend higher diploma courses and craft qualification courses while working. The Mid-career Executives Development Programme develops the Group's management pipeline. Young potentials with several years of experience are recruited as Business Executives who undergo several cross-functional placements in different departments and are nurtured for filling up the managerial positions upon completion of training, while the Staff Recognition Programme acknowledges gratitude for the contribution and accomplishments of employees. We also award employees who demonstrate the best all-around services with the Star Service Award.

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

¹⁰ Please refer to Significant Laws and Regulations section for the list of product responsibility laws and regulations significant to the Group's business operations.

Inclusive and Engaging Workplace

The Group strives to promote a diverse and inclusive workplace and we treat every employee with dignity and respect regardless of age, disability, ethnicity, family background, gender or sexuality. We have established internal grievance mechanism for all employees to report on complaints or issues regarding discrimination, harassment, victimisation or vilification. We communicate relevant procedures and requirements with all employees through our intranet and employee handbook. We also convey information about preventing harassment at work via anti-harassment training. In addition, to cater for the needs of breastfeeding mothers, we have formulated a Breastfeeding Friendly Workplace Policy and established a nursery room in the workplace.

Engagement Channels

The Group communicates with employees through a range of channels. We gather opinions from employees and develop measures to address their concerns. These feedback and suggestions are taken into account by the senior management for improving BU's operation. Similarly, we seek to strengthen our relationship with employees by hosting events, including dialogues with general manager and mentors, birthday parties, Chinese New Year celebration and DIY workshops.



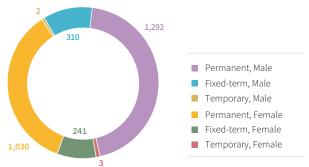
Engagement channels include staff newsletters, surveys, town hall meetings, social media platforms and the intranet.

Employee Distribution

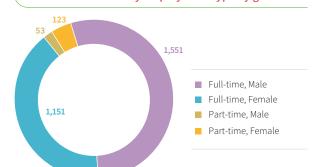
As of 31 December 2021, we have a total of 2,878 employees with the following distribution:







Total workforce by employment type by gender



Total workforce by contract type by region







Gender distribution of employees

Senior Management



2021	68%	32%
2020	60%	40%
2019	64%	36%
	Male	Female

Middle Management



2021	54%	46%
2020	56%	44%
2019	60%	40%
	Male	Female

General Staff



2019	Male 54 %	Female 46%
2020		46%
2021	560%	440%

Age distribution of employees

Senior Management



2021	0%	52%	48%
2020	0%	54%	46%
2019	Below 30 0%	30 - 50 57 %	51 or above 43 %

Middle Management



2021	5%	77%	18%
2020	2%	79%	19%
2019	2%	82%	16%
	Below 30	30 - 50	51 or above

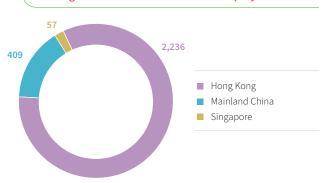
General Staff



2021	24%	48%	28%
2020	22%	48%	
2019	24%	48%	28%
	Below 30	30 - 50	51 or above



Region distribution of full-time employees



Total number of non-guaranteed hours employee by gender in 2021



All non-guaranteed hours employees come from Hong Kong, with 528 employees.

Our workforce is mainly made up of full-time permanent employees. Part-time employees are mainly from our investment properties for operational needs as well as the execution of seasonal mall events.

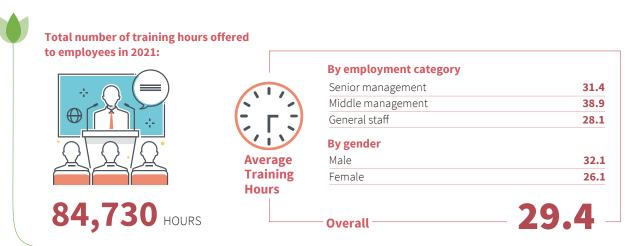
During the reporting year, the total number of workers who are not employees and whose work was controlled by the organisation was approximately 1,100, mainly the workers of our contractors. They are responsible for the security, cleaning and onsite technical support functions of mall operation.

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.

Talent Development GRI 404-1, 404-2; HKEX KPI B3.2; UNSDG 8

In light of the evolving business environment, professional development needs are also maturing that strengthening skills and knowledge of our employees is deemed necessary. Our BUs have launched a Training Sponsorship Scheme to assist full-time employees in attending job-related external courses, seminars and conferences. Furthermore, BUs have tailored training and development programmes in accordance with their specific needs, including topics on human rights, legislations and regulations, personal data privacy, workplace culture, anti-corruption, technical skills, environmental protection and OSH. This year, investment properties have implemented a new training series, Business Innovation in the New Era, aiming at enhancing the digital competence of employees as well as introducing the emerging technologies, business models and strategies formulation related to retail and property industry.

To welcome our new hires and assist them in adapting to the new working environment, orientation programmes introducing the company's background and culture are provided within the first month of their on-boarding. Staff employed by contractors and subcontractors are also engaged in our training programmes to ensure that they understand our standard for quality services.



Continuous learning is necessary to sustain our staff's expertise and the Group's competitive advantage. Our BUs arranged a series of job-specific training and leadership programmes to foster employees at all levels:

INVESTMENT PROPERTIES

- Yearly training plans covering topics such as leadership, management, creativity, personal effectiveness, language skills, job knowledge and customer services, etc. were formulated for
- Our employees are provided with workshops and seminars on topics such as property investment, building development, goods and service tax management, human resource management, and digital marketing to ensure they are well informed with the latest business and industry practices.



LEISURE AND HOSPITALITY

To enhance the management leadership skills, programmes such as Red Ring Leadership Philosophy Training and Selfmotivation Workshops were organised for the management level. For frontline employees it our hotel properties, webinars, functional training, cross 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



Partnering with Our Suppliers

GRI 102-9, 102-10, 204-1, 408-1, 409-1; **IHKEX** KPI B5.1, B5.2, B5.3, B5.4

Not only does the Group depend on our employees, but also other stakeholder groups including suppliers, to supply reliable and high-quality products and services. We collaborate with a wide variety of business partners in categories including food and beverages, services and facilities, engineering supply and maintenance, security, utilities and general supplies. Our business relationship with our suppliers is mostly medium to long-term and contractual, but can also be short-term, project-based or event-based, depending on the nature and needs.

We are committed to maintaining a high standard of ethical practices and we extend our standard to guide our suppliers. We communicate clearly with our suppliers that they are forbidden to offer gifts or hospitality to our employees, and request them to sign to acknowledge that they understand the specified clauses in the tender agreements. To strengthen the ability of our suppliers in dealing with ethical circumstances, workshops and training on work-related legal and regulatory controls and strategies were also organised by some BUs.

We have established a thorough vendor management system to assist BUs in evaluating the sustainability performance and technical capabilities of suppliers to ensure their compliance with applicable laws and regulations as well as our requirements. We require suppliers to provide certificates and evidence of documentation from relevant regulatory bodies. Additionally, we have adopted a traceability system at Niccolo Suzhou and Marco Polo hotels to check the country-of-origin labelling for all food items purchased. The Murray also performs on-site audits at food manufacturers to monitor the hygiene conditions of suppliers.



The table below shows information about the most significant 70% of our supply chain by geographical region.

Sector	Region	Number of Key Suppliers
Investment properties – Hong Kong and Singapore	Hong Kong Singapore Other	82 10 4
Leisure and hospitality – Hong Kong and Mainland China	Hong Kong Mainland China	231 57
Transportation – Hong Kong	Hong Kong	10

Green Procurement

The Group has established the Green Procurement Policy for guiding employees from all BUs and operations involving in procurement decision-making in sourcing environmentally friendly products and services. Our tender documents also include Green Purchasing Clause to motivate our suppliers to innovate and embrace green practices. The use of environmentally friendly products and materials is listed as a criterion when selecting suppliers. Our BUs are continuously searching for measures to consolidate shipments in both air and local transportation to lessen the environmental impacts from logistics. In 2021, we maintained our support to local procurement and achieved local sourcing on most of our products and services.

Delivering Quality for Our Customers

Customer Satisfaction [HKEX] KPI B6.2, 6.3, 6.4

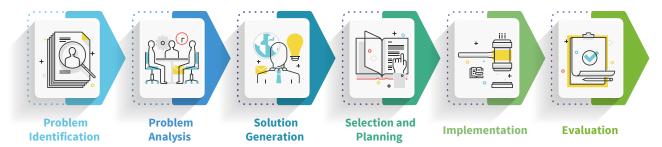
The Group has a reputation of providing outstanding customer service. We treasure our clients' feedback and are working actively to enhance our services to better meet their needs. As a result, we have built management systems and provided communication channels for customers to provide feedback. Customers' rights are fully protected by internal guidelines when we handle customer-related issues.

In our marketing communications, we keep honesty, openness and transparency as core principles. Managers examine all promotional materials prior to publication to ensure full compliance with all applicable guidelines and regulations. In addition, all advertising materials need to adhere to strict guidelines to preserve intellectual property rights. Patent and licensing regulations must be followed for all designs and images. To protect our intellectual property rights, we have also implemented registration and confidentiality measures.

Additionally, the Group also implemented Quality Policy Statement to reaffirm our commitment to provide high quality products and services. Specifically, we will follow a quality management framework to continuously improve performance of our products and services to fulfill customer needs.

To ensure customer complaints are responded and handled rapidly and appropriately, we have developed procedures and guidelines. We also analyse the incidents and take corrective steps to prevent future occurrences. For instance, to address client complaints and disputes, our hotel operations adopt a six-step problem-solving technique.

Six-step problem-solving technique



Throughout the year, various training courses were held to improve frontline staff's customer communication abilities. In terms of client complaints, we provided the Bold Recovery training course, which covers some key techniques to deal with them. To improve their communication abilities, Guest Contact Training was also provided to the employees. To maintain our service standards, Wharf Hotels hosted a "Understanding the Forbes Standard for Winning Service" training event to teach all frontline staff how to apply the Forbes service standard requirements in their daily tasks. During the reporting year, the Group received around 2,093 product-related complaint cases and 1,077 service-related complaint cases. None of them were related to violation of laws. All of the complaints were followed up immediately by our staff with actions like training to enhance job knowledge and skills and service standards to meet customers' expectations.



We have set up a variety of engagement channels to gather valuable input from customers on our products and services.









INVESTMENT PROPERTIES

LEISURE AND HOSPITALITY

TRANSPORTATION

MAJOR PRODUCT ORSERVICE CATEGORY

- Management and staff service
- Management and staff service
- Guest room tidiness
- Customer service
- Facilities and services
- Operational efficiency
- Product and service qualityProduct reliability
- Customer service
- Ferry frequencyPier and cabin environment

ENGAGEMENT CHANNEL

- Emails
- Letters
- Hotlines
- Focus groups
- Management services
- Annual opinion survey
- Interview

- Emails
- Letters
- Hotlines
- Company website
- Survey
- Phoné interview
- Annual focus groups
- Survey





PROPERTIES



HOTELS





THE "STAR" FERRY

OVERALL SATISFACTION RATE

Office tenants: **99%** Retail tenants: **96%**

90%

92%

Service: **75.9%** Ferry: **73.2%** Pier: **69.1%**

NO. OF RESPONSES COLLECTED/ NAME OF INDEX

187 office tenants and 363 retail tenants surveyed

ReviewPro Global Review Index 179 residents surveyed Customer Satisfaction Indices



In 2021, the Group was honoured with various quality and service awards in recognition of our efforts to provide high-quality services.









A	ward Highlights	
Times Squ	are	Top 10 My F
Plaza Hollywoo	od	Shopping Mall A
The	e Murray	Hong Kong Tou
	rco Polo Hongkong Hotel	Forbes Travel G
1	co Polo Gateway Hotel	Member's Choic
	arco Polo Prince Hotel	Travellers' Choi
	Pacific Club	Platinum Clubs
	The "Star" Ferry	Travellers' Choic



Customer Privacy GRI 418-1; HKEX KPI B6.5

To protect customer privacy, our internal guidelines for managing confidential customer information require physical access to sensitive locations such as data centers and server rooms to be tracked, and only authorised staff have access to confidential client data. We assign authorised employees to perform information communications technology ("ICT") maintenance. When it comes to the disposal of ICT equipment, we use secure practices like secure overwriting or physically destroying the storage device. We also appoint third-party auditor to conduct penetration test to evaluate the effectiveness of our security measures.

The Group adopted the Data Privacy Policy Statement, which outlines the Group's general approach to the collection, use, sharing, and protection of personal data. Policies of privacy and personal information collection are also available on BUs' websites. The policies presented on the Group's website are evaluated on a timely basis to guarantee that our personal data management is up-to-date and compliant with all relevant security and privacy standards. Our data breach team, which includes senior management, the head of communications



and IT manager, is in charge of dealing with actual or potential cybersecurity incidents. They create and carry out action plans, as well as communicate with those who are impacted. If any of the individuals affected are from the EU, the team will also notify the appropriate supervisory authority within 72 hours of the data breach. During this reporting year, there were no complaints concerning breaches of customer privacy and any losses of customer data

Examples of measures taken in different operations to safeguard customer privacy



INVESTMENT PROPERTIES

- Displayed notices on CCTV operation at malls to inform the public.
- Placed Data Privacy Policy Statement on website and at specific locations, and on application forms.

LEISURE AND HOSPITALITY

- Organised data privacy online workshop and webinar on EU General Data Protection Regulation ("GDPR") to enhance employees' awareness and knowledge.
- Firewall is in place to monitor the network traffic, in order to block abnormal and malicious traffic and prevent data leakage. Endpoint protection was also installed on computers and servers.





TRANSPORTATION

 Established policy and guidelines on handling the personal data of passengers including restrictive uses of CCTV surveillance records.

SAFEGUARDING WELLBEING AND SAFETY



SAFEGUARDING WELLBEING AND SAFETY







Material topics to be addressed in this chapter

OCCUPATIONAL HEALTH AND SAFETY . CUSTOMER HEALTH AND SAFETY

Commitment and Strategy

GRI 103 for 403, 416; **HKEX** KPI B2.1

Health and safety of employees and customers are of utmost importance to the Group. We are in compliance with all applicable laws and regulations including the Occupational Safety and Health Ordinance (Cap. 509 of the laws of Hong Kong). We strive to improve the robustness and effectiveness of safety risk management, enhance the safety culture across our BUs and engage both employees and customers to secure their health and safety.

We have established the Group's Safety and Health Policy, BU-specific safety management manuals and Safety and Health Committees to ensure every operating procedure meets our strict safety standards. In addition to regulatory requirements, we regularly update our health and safety standards in accordance with the social development as well as the changing needs of our employees and customers to achieve better health and wellbeing. This year, Wheelock House and Crawford House received the Safety Management System Award Certificate of Participation in "The 19th 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 cases with relevant laws and regulations.



Protecting People during the Pandemic

HKEX KPI B2.3: UNSDG 3

There is no doubt that COVID-19 pandemic has brought unprecedented challenges to our operations. Yet the Group has been responding promptly and effectively, striving to protect our people during this critical time. We have implemented a range of measures to ensure business continuity as well as to protect the health and safety of our employees. Since the very beginning of the outbreak, we have distributed medical supplies including hand sanitisers, multi-purpose cleaners and surgical face masks to our employees. Special work arrangements such as split-office, flexible working hours and work-from-home policy have been adopted to minimise the risk of transmission from mass gathering and commuting. Medical leave for vaccination and for booster shots is also offered to encourage employees to take the vaccine. At The Murray, staff enjoy soup specially prepared by Canteen Head Chef for their health benefit. Niccolo Suzhou shares information on vaccination appointments with employees to encourage timely vaccination, conducts daily COVID-19 nucleic acid testing for cold chain workers and disinfects public areas including staff dormitories and back of house corridors regularly. We also closely monitor the development of COVID-19 to adjust our preventive measures. When the fifth wave of COVID-19 raged recently, we have conducted more frequent cleaning and disinfection, and have offered rapid antigen test kits to our staff to protect them by "early identification and early isolation".

Apart from our staff, we also put efforts to ensure customer safety. We maintain social distancing between customers and employees by placing acrylic counter shields in shopping malls' concierge desks as protective barriers. In addition to thorough cleaning and disinfection of facilities, we increased the availability of hand sterilisers, and provided disposable mask bags and mask disposal bins in our malls. We set up equipment to measure visitors' body temperature at the entrances of our properties. To reduce transmission via surface contact, we have applied photocatalyst anti-bacterial and virus coating in elevators, event booths, equipment as well as on the ferries. We have also allocated staff to press elevator buttons for our customers during pandemic peak time. When there are suspicious or confirmed COVID-19 cases at hotel operations, a series of emergency procedures are implemented.

Safe and Healthy Workplace

GRI 403-1, 403-2, 403-5, 403-6, 403-7, 403-9; **[HKEX]** KPI B2.3; **[UNSDG]** 3

Our different businesses are manpower-intensive in nature, thus safe work environment remains as our top priority. The Group has adopted management approach, preventive measures, employee awareness building and incident handling in accordance with the Group's Safety and Health Policy. The Safety and Health Committee is responsible for executing preventive and remedial measures as well as monitoring safety and health performance of the operations. Safety management manuals, which cover standard operating procedures, OSH risk assessment, corresponding preventive measures and mandatory personal protective equipment for employees, have also been formulated by our BUs, in line with the Group's principles in managing OSH risks. We review and revise the manuals on a regular basis to ensure that our OSH management approaches align with the most updated legal requirements and industrial practices.

Our BUs strive to eliminate OSH hazards through comprehensive measures. The "Star" Ferry's Safety and Health Committee reviews and monitors all OSH issues in its operations by organising meetings periodically. Professional consulting firms are also hired to perform annual inspections and safety audits. Investment properties have also implemented regular crosscentre safety inspections in Hong Kong. After inspections, safety consultants and participating centres share the findings and best practices to facilitate continuous improvement and raise employees' awareness of OSH.





We offer personal protective equipment and OSH training for our employees to strengthen their capacity to manage OSH hazards. This year, Marco Polo hotels invited the Occupational Health and Safety Council to deliver presentations on employees' mental health at workplace. The "Star" Ferry conducted a typhoon safety drill to improve employees' understanding on the safety procedures under extreme weather and enhance their emergency preparedness as well as capability of alleviating their personal safety threats. Investment properties organised the "Smart Safety Week" with activities such as "OSH Video Contest" and "Hazard Hunt" to promote OSH awareness of frontliners.

We incorporated our OSH management approach to the supply chain in our procurement contract, which includes safety clauses concerning occupational injury and third-party safety management. We also offer safety training to enhance our contractors' OSH knowledge and skills as well as strengthen their safety precautions such as using chemicals in a safe manner and preventing injury occurrence.



Employee Wellbeing GRI 403-6; [HKEX] KPI B2.3; [UNSDG] 8

The Group values the wellbeing of our employees. We are committed to promoting work-life balance and advocating a positive working environment. At The Murray, chillout room is designed for employees to relax from work. We have also upgraded the female changing rooms in The Murray, providing multi-purpose space for resting and lactation.



To raise awareness on mental health issues and illness, The Murray organised a week-long "We Care" workshops for employees, focusing on four aspects – employees' health, work safety, community support for suicide prevention as well as listening to employees' feedback.

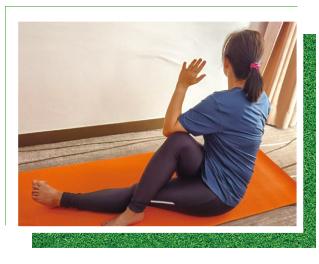


We also designed various recreational activities to promote well-being in workplace and cultivate a favourable, supportive and relaxing work environment. This year, Hong Kong investment properties organised the "Blissful Colours" Series of activities, with each colour representing a specific focus of topics, from building positive influence to emphasising on employees' personal growth and mental health. We offered yoga classes to encourage our employees to exercise and maintain their wellbeing, anti-gravity Kokeadma workshops that allow our employees to relieve their stress through decorating Kokeadma and positive Neuro-Linguistic Programming ("NLP") seminars to enhance the positivity and emotional health of employees.

"Blissful Colours" Series of Activities Highlights

Powerful Red Episode - Yoga Class

Participants learnt different stretching postures to help relieve tension in neck, shoulder, back as well as legs. They reflected that they enjoyed the relaxing yoga class and the stretching helped to reduce pressure and back pain.



Shining Orange Episode – Colourful Clock Workshop

Participants created unique abstract designs and amazing effects by mixing and pouring different colors of paint to assemble a colourful clock. The workshop enabled them to relieve stress and rediscover the simple joy of art-making with their families.



Safe Premises and Services

GRI] 416-2; **[UNSDG**] 3

The Group adheres to all applicable laws and regulations and adopts industry best practices. We strive to provide our customers with high quality, reliable and safe products and services.

Premise and Facility Safety

The Group has established comprehensive fire safety guidelines and provided trainings in compliance with fire service facilities and equipment regulations to ensure premise and facility safety. This year, Marco Polo hotels organised multiple sessions of fire safety training, demonstrating the standard fire extinguishing and evacuation procedures. We conduct annual maintenance and regular inspection to maintain the good standby conditions of fire safety equipment. We have also conducted fire drills for employees and tenants to facilitate a cooperative and efficient response in the situations of emergency. In addition, we perform daily patrol to ensure no blockages along the fire escape routes. Annual maintenance and inspections are also conducted to ensure that fire safety equipment is in good standby conditions and shows no signs of damage. Daily inspections of our shopping malls' finishes and exhibits are also led by our inhouse building inspectors and security personnel to ensure the safety of our customers.

During the pandemic, we also use different means to strengthen the hygiene condition of our premises to protect our customers. Please refer to the Protecting People during the Pandemic section.

Our BUs address customers' and tenants' increasing concerns on indoor air quality and strive to eliminate common indoor air pollutants to maintain indoor air quality. We have been awarded a number of Indoor Air Quality Certificates from EPD's Indoor Air Quality ("IAQ") Information Centre in recognition of our performance and achievements.

Crowd control is another crucial safety issue for our business operations. We have adopted effective crowd management and control measures. For instance, during special events, we have implemented barricades for pedestrians and allocated well-trained securities in public areas to deal with any crisis. We also assess the effectiveness of our crowd control measures through planning before and evaluations after events. To minimise potential safety risks to the building users or the public, we ensure hoardings are positioned at boundary of renovation areas in our properties. We have also carried out spot checks on renovation and fit out units to ensure safety of the public and tenants at common areas.

We are committed to creating a safe and hygienic shopping environment. We have installed a new food waste decomposer at Ocean Centre in Harbour City to reduce the volume of waste and control the garbage in the premise effectively to foster a healthy and cleaner shopping and working environment for our customers and tenants respectively.

Premises and Facility Safety Certifications





Harbour City

- 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)



Times Square

- 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 Tower 1–2
- Quality Water Supply Scheme for Buildings — Flushing Water (Gold) for Shopping Mall and Office Tower 1–2



Plaza Hollywood

- IAQ (Excellent Class) for 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)

Food Safety

The Group holds food quality and safety control in high regard. We strictly comply with all applicable standards, laws and regulations as well as adopting industry-leading practices. We follow nutrition and food allergy labelling regulations for all prepacked food products and the Food Safety Ordinance (Cap. 612 of the laws of Hong Kong). We have also formulated our food safety management system with reference to the industry standard ISO 22000 Food Safety Management System and/or the Hazard Analysis and Critical Control Points ("HACCP"). Food safety measures are tailored for each hotel in accordance with its business needs and expectations.

The Group also formulated the Quality Policy Statement to reassure our commitment to provide high quality and safe products and services that meet or exceed our customers' expectations.



To maintain the highest standards of food safety and hygiene at Niccolo Suzhou and our Marco Polo hotels, our Hygiene Managers collaborate with the representatives from the Purchasing and Culinary departments, conduct regular review of the performance of high-risk food supplies to assure consistencies in the quality of our food. In case of any breaches of the Group's standards are identified throughout our supplier performance evaluation, we request corrective actions from suppliers or terminate the business partnership if needed.

At Pacific Club, the Club Management organises bi-monthly sample testing of the water quality from filtered water taps, fish tanks and swimming pool on the Club premises. We conduct audits at food and beverage outlets in shopping malls. The audit emphasises on rodent control treatment as well as hygiene level of kitchens and lavatories. In case of any deficiencies being observed in our inspection processes, corrective actions from relevant parties are requested.

We also ensure food safety via offering proper training to our staff. This year, we organised food hygiene trainings for employees in Marco Polo hotels to raise their awareness and strengthen their knowledge of food safety, including the food hygiene standards, food allergies and pest control. In 2021, there was no violation of food safety-related regulations and voluntary codes that resulted in a fine or penalty.



BUSINESS-IN-COMMUNITY



BUSINESS-IN-COMMUNITY



Commitment and Strategy



The Group maintains active dialogues with the stakeholder groups in the community and values the positive influence we can bring to the community. We are dedicated to providing various support for the local community via different community investment programmes such as monetary donations, venue sponsorship, staff volunteering activities and the creation of employment opportunities. Nurturing the youth, promoting the arts and culture and supporting the needy are the three focus areas the Group expects to contribute to.

In 2021, we are honoured to attain awards from different organisations, including the Caring Company Logos from Hong Kong Council of Social Service, and the Distinguished Award from The Community Chest Corporate & Employee Contribution Programme. We have also been awarded Social Capital Builder Logo Award from Labour and Welfare Bureau's Community Investment and Inclusion Fund. 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:

236















Youth Development

GRI 203-1, 413-1; **HKEX** KPI B8.2; **UNSDG** 4, 10

We believe that the youth is the major component of economic and community development, therefore, we have been taking an active role to nurture the youth.

Project WeCan ("WeCan")

WeCan is one of the Group's significant Business-in-Community initiatives since 2011. The year of 2021 marked its 10th anniversary. The programme aims to provide students who are disadvantaged in learning with opportunities and exposure by pairing up each school with a partner who would provide financial and volunteer support in a multi-year collaboration.

To celebrate the important milestone of the *WeCan* 10th anniversary, a logo design competition was organised for all students from *WeCan* schools. The winning logo shows the spirit of *WeCan* – Care, Inheritance and Business-in-Community. A video and a collection of all Principals' stories had been produced for partners, schools and students to share their *WeCan* journey over the past 10 years.



Despite the pandemic, *WeCan* continued to provide support and opportunities for the students in the summer of 2021. The annual Job Tasting Programme in August had 100 students from 38 secondary schools participated to "taste" the life of a real workplace. The participants were required to go through normal application procedures, from preparing a cover letter to submitting a resume, attending a panel interview to working as

an intern, with an aim to prepare them for their future careers. Apart from the work assignment, seminars were arranged, and mentors were also assigned for students to widen their horizons and to instill in them the right work attitude.

The Career Exploration Day had also been moved online due to the pandemic and social distancing measures. At the "Key to Success" Chit-chat Session, corporate partners encouraged students to stay competitive and be more creative and innovative. Students also gained better understanding of different industries and had a taste of different jobs when participating in the job tasting sessions. In the industry sharing sessions, experts from different industries also shared with the students their success and challenges encountered.









Number of partner schools of WeCan

11

SCHOOLS IN 2011

82SCHOOLS
IN 2021



Number of students benefited from WeCan

10,000

STUDENTS IN 2011

80,000 STUDENTS IN 2021



Number of partner

organisations of WeCan







iPlan Mentorship Programme

As a partner organisation of *WeCan*, Harbour City dedicates to giving students of its *WeCan* partner school mentorship support by organising the iPlan Mentorship Programme. This 2-year programme aims to encourage students to step out of comfort zone and develop future skills. Apart from encouraging students to plan on their future careers, it has also promoted the traditional culture through activities this year. We organised a community exploration day, Friendly Community – Visiting the Traditional Shops. Not only did the students from Yan Oi Tong Chan Wong Suk Fong Memorial Secondary School visit shops in the traditional industries, but they also interviewed people working in these industries, such as tea houses and traditional women's clothing manufacturers.





Apart from the flagship *WeCan* programme, the Group organises tours and career talks for students from secondary schools, tertiary institutions and other educational institutions regularly, assisting the youths to shape their future. In 2021, a total of 25 career talks and hotel visits have been organised by our hotel operations. We also offer career advice through consultancy projects at local universities, helping them to clarify career goals and discover employment opportunities. Students can apply for the hotel internship placement to explore their interests and career.







CASE STUDY



Embracing Social Inclusion — the Youth with Special Needs

The Group believes every youth is a key building block of society, including teenagers with special needs. In view of the difficulties often faced by vulnerable groups in landing jobs, in 2020, Harbour City partnered with Lutheran School for the Deaf ("LSD") and launched a Summer Job Tasting Programme for hearing impaired Form 6 students. In 2021, we offered five Form 6 LSD graduating students with a one-week summer job tasting, providing them with opportunities to work in different departments and learn practical skills from real-life workplace.

Two of the students after graduation in the same year were offered part-time positions to work in the Technical Department of Harbour City since November 2021. Sincerely embracing the new joiners, our employees are more than happy to teach and show support to their younger fellows. Our employees have since been acquainted with new ways of communication such as typing on the phone and using basic sign language.

"Hearing impairments should not hamper the two graduates' efforts to achieve more in workplace. It is important to put ourselves in their shoes. We are happy to help as much as possible so that they can gradually hone expertise." said a colleague.

We see that the two LSD graduates are able to perform well and can get along with colleagues. When being asked about their feeling at work, they expressed in writing that "The happiest was having the caring help, support and understanding from our colleagues while developing technical skills."

The employment of the two hearing-impaired graduates at Harbour City does not only make our workplace an inclusive one, but also demonstrates to the public and our industry peers that the disabled can be embraced at work.





Arts and Culture

[GRI] 203-1, 413-1; [HKEX] KPI B8.2; [UNSDG] 4

The Group values the artistic and cultural development among the community and the young artists. Therefore, we launched The Wharf Young Art Programme, striving to unleash the younger generation's creativity and nurture their interest in the arts and culture. We aim to influence the public and promote artistic and cultural development in Hong Kong by holding an array of activities and programmes.







The Wharf Young Art Ambassadors

The Wharf Young Art Ambassadors Programme was launched to provide youths with learning opportunities and exposure in the art field by organising activities and recommending events presented by art or charitable organisations to students regularly. During the reporting year, 35 activities were organised for 1,648 participants. More information and updates on our upcoming events are available on our Facebook page: https://www.facebook.com/Wharf.ART/.

Among all the activities being held throughout the year, Traditional Embroidery Online Workshop was organised for Art Ambassadors in October 2021, striving to ingurgitate the traditional Chinese culture. Participants learnt the embroidery stitches and history of the traditional handicraft in the workshop. Apart from Chinese culture, we also encourage students to expose to foreign traditions, therefore, Art Ambassadors interested in classical music were invited to the concert Italia all' Opera in the 3rd edition of Italia Mia.

With the diversified development in the art field, in October 2021, we invited the Art Ambassadors to the Digital Art Fair Asia, the first-ever physical art fair in Hong Kong with a focus on the immersive art experience, new media art and NFT Crypto Art. Participants embraced the use of digital technology in a constantly evolving generation and appreciated the most exciting artwork by renowned cutting-edge artists at the fair.

The Wharf Hong Kong Secondary School Art Competition

The Group has introduced The Wharf Hong Kong Secondary School Art Competition since 2011 to encourage the youngers to step out of their classrooms and broaden their horizons. The highlighted theme in the 2020/21 edition was "Tales of the Ocean" in collaboration with WWF-Hong Kong, and the winning entries were exhibited in Harbour City, Times Square, Plaza Hollywood and WWF Island House. We have also launched The Wharf Art Scholarship Scheme since 2013, where the top 18 entrants of the Art Competition will be eligible to apply for the Scholarship Scheme in undertaking a bachelor programme in creative art in a local or overseas tertiary institution. To date, 18 students have been awarded scholarships to study creative related subjects in renowned institutions.

Architectural Design Internship Programme

The Architectural Design Internship Programme is another major community investment project. The programme provides international placement opportunities for outstanding architecture postgraduates, supporting them to gain international exposure and experience. Awardees are offered hands-on experience in cutting-edge architectural design. Up to date, 29 outstanding architectural postgraduates have already completed their internship overseas.

Through this programme, we also expect to see architectural wisdom being pass on to those much younger. To this end, we arranged sharing sessions occasionally for the programme awardees to talk about their academic and internship experiences with *WeCan* students as well as recipients of The Wharf Art Scholarship Scheme.

Community Care

GRI 203-1, 413-1; **[HKEX]** KPI B8.2; **[UNSDG** 10

We value different groups in the community and we believe in the motto of striking a balance between self-care and community care – "Stronger Together". We organise various community caring activities to support redistribution of resources to the needy. We proactively foster employee volunteerism and engage them in different volunteering work to honour our commitment in corporate philanthropic responsibility.

Fight COVID-19

We understand that the pandemic outbreak has hammered all sectors in Hong Kong and upended people's livelihoods. Therefore, Wharf Emergency Relief Fund made a special donation of HK\$5 million to The Community Chest's Anti-NCP Rainbow Fund to help individuals and families in financial hardship due to the fifth wave of COVID-19 outbreak. In April 2022, an additional HK\$2.5 million donation was made to The Community Chest. We also donated HK\$5 million to support the students in the 82 Project *WeCan* schools whose families have been affected by the fifth wave of COVID-19. Apart from this, The "Star" Ferry offered free ad space at Central and Tsim Sha Tsui piers for "Together, We Fight the Virus!" campaign.

Healthy and Happy Ageing

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

The Group is also cautious of the ageing population in Hong Kong. We have committed to undertaking the social responsibility in caring for the elderly and have held different programmes and activities for them.

The "Star" Ferry Free Ride Activities

Being one of the important transportations between Hong Kong Island and Kowloon, The "Star" Ferry has been providing free ferry rides for passengers aged 65 or above holding the Hong Kong Senior Citizen Cards. Non-Hong Kong residents using Personalised Octopus Cards or Elder Octopus Cards and equivalent proofs of age are also eligible.

We also pay attention to the ferry experience of the elderly. Besides the handrails installed on the ferries, priority seats are provided on the ferries and waiting concourses at the piers. We also installed call bells on the ferries and anti-slip strips on the ramps to enhance the ferries' accessibility for the elderly.

Bright Senior Ambassador Programme

The Group has been offering re-employment opportunities for retired citizens via the Bright Senior Ambassador Programme since 2010, aiming to extend their contribution to society. With their diverse backgrounds, not only do they assist shoppers in Harbour City, Times Square and Plaza Hollywood, but they also share their valuable experience with our colleagues.





Amount of fare receipt forgone in 2021

OVER HK\$

2.8 MILLION





Number of beneficiaries in 2021

0\/[[

870,000 PEOPLE

Christmas Connection with Community

To celebrate the Christmas with the elderly, staff volunteers from Hong Kong investment properties prepared 850 lunchboxes and distributed anti-epidemic items to nearly 300 grass-root elderly people in December 2021 in collaboration with Food for Good.



Volunteer Activities

In 2021, 382 employees of the Group participated in 36 community activities and volunteering work organised. In recognition of our volunteering services, our investment properties operations received the 9th Hong Kong Volunteer Award – Certificate of Merit from the Agency for Volunteer Service



Tree Regeneration Workshop @ Post Tree Lifestyle

Tree Regeneration Workshop for our employees and their children was organised with Post Tree Lifestyle, an integrated tree recycling and processing centre in Hong Kong. Participants visited Kowloon Park to learn about the relationship between trees and the city, and the importance of the ecosystem. They made office furnishing using the discarded wood, aiming to upcycle the discarded material and promote circularity of resources.

Countryside Clean-up Day @ Evangelical Lutheran Church Social Service

Since the end of 2017, the Agriculture, Fisheries and Conservation Department has already removed all rubbish bins along the country park trails to encourage the public to take their litter home. Hong Kong investment properties organised Countryside Clean-up Day with Evangelical Lutheran Church Social Service – Hong Kong to restore cleanliness in the countryside and promote the message of "leave no trace". More than 150 pieces of trash along the countryside trails were picked up after Chung Yeung Festival.

Mini Flower Plaque Workshop @ The Boys' and Girls' Clubs Association of Hong Kong (BGCA)

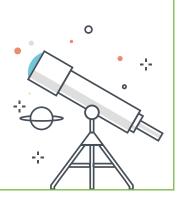
To raise the ethnic minority children's interest in the local traditional culture, Hong Kong investment properties organised the Mini Flower Plaque Workshop with BGCA. Not only did the children make flower plaques with our volunteering group, but they were also encouraged to practice their Chinese language via interactive companion exchanges on interesting topics, helping them to better integrate into the society.





LOOKING FORWARD

The Group has always been committed to enhancing sustainability performance across our business operations. To achieve the 2050 and 2060 decarbonisation vision set by the Governments, we are exploring ways to upgrade our decarbonisation plans to evaluate and manage carbon emissions in our operations. Currently, we have formulated environmental targets and implemented relevant initiatives, ensuring the incorporation of ESG considerations into our business decisions. As a leading property investor, we will continue to disclose our ESG data to meet our stakeholders' expectations and the international standards. Looking forward, we aim to continue creating a positive impact and promoting sustainable values to the communities in which we operate.





Key for Data Performance Table

Operation	Location	Business Unit	Acronym
Investment Properties	Hong Kong	Harbour CityTimes SquarePlaza Hollywood	WEL
		 Wheelock House* 	WH
		 Crawford House* 	СН
		 Gateway Apartments** 	Apt
	Singapore	Wheelock PlaceScotts Square Mall	WESPL
Leisure and Hospitality	Hong Kong	 The Murray Marco Polo Hongkong Hotel Marco Polo Gateway Hotel Marco Polo Prince Hotel Pacific Club 	Collectively as "HK Hospitality"
	Mainland China	Niccolo Suzhou***Marco Polo Changzhou	Collectively as "ML Hospitality" ****
Transportation	Hong Kong	 The "Star" Ferry 	SF

In the tables of this section, the totals are rounded figures.

- ables of this section, the totals are rounded figures.

 Wheelock House and Crawford House are owned by Wharf REIC while managed by a third party. Environmental data of Wheelock House and Crawford House are included in the performance data tables whilst social data are not included.

 Gateway Apartments has been recategorised from Leisure and Hospitality to Investment Properties.

 Niccolo Suzhou is newly added to the 2021 reporting scope.

 The data of ML Hospitality in 2021 have included Niccolo Suzhou, whereas data in 2020 and 2019 have only included Marco Polo Changzhou.

Environmental Performance

Air Emissions

Air emissions by type and source in tonnes GRI 305-7; HKEX KPI A1.1

	Emi	Emission From Ferries ¹¹			Emission From Vehicles and Others12			
	2021	2020	2019	2021	2020	2019		
NO _x	44.560	47.115	48.712	0.079	0.085	0.122		
SO _x	0.038	0.036	0.038	0.0004	0.0005	0.001		
PM	1.156	1.227	1.248	0.0005	0.0002	0.0005		

GHG Emissions¹³

GHG emissions in tonnes CO₂e GRI 305-1, 305-2; HKEX KPI A1.2

		Direct (Scope 114) GHG Emissions			Indirect (Scope 215) GHG Emissions			
		2021	2020	2019	2021	2020	2019	
Investment Properties	WEL	279	1,636	410	67,889	63,905 ¹⁶	88,47716	
	WH	591	0.47	1	2,314	2,608	3,068	
	CH	0	0	0	1,451	2,198	3,232	
	Apt	11	11	11	3	3	2	
	WESPL	1	1,587	N/A	3,784	3,708	N/A	
Leisure and Hospitality	HK Hospitality	1,700	1,228	1,736	17,848	15,058	24,288	
	ML Hospitality	913	411	833	8,115	3,154	4,803	
Transportation	SF	3,477	3,397	4,158	481	474	605	
Total		6,972	8,270	7,149	101,885	91,108	124,475	

GHG Intensity GRI 305-4, CRE-3; HKEX KPI A1.2

		GHG Intensity (tonnes CO ₂ e/unit)				
	2021	2020	2019			
By number of employee	37.82	35.71	45.70			
By revenue (HK\$ million)	6.79	6.41	8.20			

Energy Consumption

Energy consumption by source in GJ¹⁷ GRI 302-1; HKEX A2.1

			Inv	estment Propert	ies		Leisure and	Hospitality	Transportation	Total
		WEL	WH	СН	Apt	WESPL	HK Hospitality	ML Hospitality	SF	
Diesel oil	2021	160	14	0	0	17	31	7	0	229
	2020	125	7	0	0	0	19	4	0	155
	2019	405	8	0	0	N/A	41	4	0	458
Unleaded petrol	2021	0	0	0	0	0	94	27	0	121
,	2020	0	0	0	0	0	132	32	0	164
	2019	0	0	0	0	N/A	225	157	0	382
Liquefied	2021	0	0	0	0	0	35	0	0	35
petroleum	2020	0	0	0	0	0	38	0	0	38
gas ("LPG")	2019	0	0	0	0	N/A	40	0	0	40
Marine gas oil	2021	0	0	0	0	0	0	0	42,730	42,730
Ü	2020	0	0	0	0	0	0	0	41,068	41,068
	2019	0	0	0	0	N/A	0	0	50,026	50,026
Towngas	2021	0	0	0	203	0	18,236	0	0	18,439
	2020	0	0	0	211	0	20,305	0	0	20,516
	2019	0	0	0	211	N/A	28,663	0	0	28,874
Piped natural gas	2021	0	0	0	0	0	0	12,832	0	12,832
("PNG")	2020	0	0	0	0	0	0	6,711	0	6,711
	2019	0	0	0	0	N/A	0	13,477	0	13,477
Purchased steam	2021	0	0	0	0	0	0	3,174	0	3,174
	2020	0	0	0	0	0	0	0	0	0
	2019	0	0	0	0	N/A	0	0	0	0
Purchased	2021	536,128	11,732	7,356	019	33,391	123,201	40,755	3,108	755,671
electricity	2020	523,90518	13,222	11,142	019	32,679	106,875	16,138	3,100	707,061
	2019	562,24618	13,804	14,544	019	N/A	142,085	24,576	3,273	760,528
Total	2021	536,288	11,746	7,356	203	33,408	141,597	56,795	45,838	833,231
	2020	524,030	13,229	11,142	211	32,679	127,369	22,885	44,168	775,713
	2019	562,651	13,812	14,544	211	N/A	171,054	38,214	53,299	853,785

Energy intensity GRI 302-3, CRE-1; HKEX KPI A2.1

	Energy Intensity (GJ/unit)			
	2021	2020	2019	
By number of employees	289.52	278.73	296.45	
By revenue (HK\$ million)	51.94	50.00	53.22	

Material Used²⁰

Material used by type in tonnes GRI 301-1; [HKEX] A2.5

			Inv	Investment Properties			Leisure and Hospitality		Transportation	Total
		WEL	WH	СН	Apt	WESPL	HK Hospitality	ML Hospitality	SF	
Refrigerants	2021	0.20	0.45	0.00	0.00	0.00	0.36	0.06	0.00	1.07
· ·	2020	1.14	0.00	0.00	0.00	1.11	0.08	0.00	0.00	2.33
	2019	0.27	0.00	0.00	0.00	N/A	0.09	0.00	0.01	0.37
Paper	2021	728.68	14.81	5.66	0.56	21.30	47.23	17.84	4.43	840.51
	2020	87.95	0.16	0.05	0.02	1.28	17.13	2.89	0.53	110.01
Plastics	2021	0.04	N/A	N/A	0.00	N/A	2.95	1.02	N/A	4.01
	2020	N/A	N/A	N/A	0.00	N/A	4.78	1.52	N/A	6.30

Waste Management

 $\textbf{Waste by type and disposal method in tonnes} \qquad \textbf{GRI} \textbf{306-2}, \textbf{306-3}, \textbf{306-4}, \textbf{306-5}; \textbf{HKEX} \textbf{KPIA1.3}, \textbf{A1.4}, \textbf{A1.6}$

			Inv	estment Proper	ties		Leisure and	l Hospitality	Transportation	Total
		WEL	WH	СН	Apt	WESPL	HK Hospitality	ML Hospitality	SF	
General refuse to landfill	2021 2020 2019	10,547.93 9,251.77 ²¹ 14,048.88 ²¹	114.79 100.27 169.61	92.63 82.52 94.05	0.00 ²² 0.00 ²² 0.00 ²²	N/A N/A N/A	1,447.00 ²² 1,349.85 ²² 2,560.95 ²²	21.56 35.54 60.51	382.48 394.91 727.25	12,606.3 9 11,214.86 17,661.25
) Incinerated waste	2021	N/A	N/A	N/A	N/A	553.10	N/A	102.97	N/A	656.07
incinerated waste	2021	N/A N/A	N/A N/A	N/A N/A	N/A N/A	800.24	N/A N/A	82.92	N/A N/A	883.16
	2019	N/A	N/A	N/A	N/A	N/A	N/A	141.19	N/A	141.19
Waste collected for recycling	Į									
Non-hazardous waste	,									
Waste paper	2021	1,031.21	17.79	4.74	2.02	43.96	58.42	12.05	10.29	1,180.48
ridote pape.	2020	1,130.70	3.02	2.03	2.39	34.37	47.57	2.84	11.48	1,234.40
	2019	1,504.42	14.43	7.56	2.00	N/A	198.90	7.77	11.66	1,746.74
Plastics	2021	16.31	0.30	0.27	0.85	0.56	0.28	4.21	0.09	22.87
	2020	2.51	0.22	0.05	0.56	0.33	0.29	2.21	0.09	6.26
	2019	3.28	0.19	0.10	0.47	N/A	1.08	3.82	0.08	9.02
Metals	2021	32.23	0.09	0.003	0.23	0.51	0.77	0.96	0.08	34.87
	2020	35.20	0.01	0.01	0.23	0.37	0.98	0.44	0.11	37.35
	2019	43.24	0.00	0.16	0.14	N/A	1.66	0.97	0.13	46.30
Food waste	2021	296.77	N/A	N/A	0.00	3.72	0.00	246.88	N/A	547.37
	2020	267.09	N/A	N/A	0.00	16.76	10.18	151.93	N/A	445.96
	2019	381.54	N/A	N/A	0.00	N/A	96.28	355.23	N/A	833.05
Glass	2021	7.23	0.00	0.00	2.62	0.23	17.47	9.39	0.00	36.94
	2020	1.50	0.00	0.00	4.83	0.61	11.24	3.16	0.00	21.34
	2019	25.47	0.00	0.00	1.69	N/A	40.78	4.06	0.00	72.00
Soap	2021	N/A	N/A	N/A	N/A	N/A	0.33	0.00	N/A	0.33
	2020	N/A	N/A	N/A	N/A	N/A	0.08	0.00	N/A	0.08
	2019	N/A	N/A	N/A	N/A	N/A	0.32	0.00	N/A	0.32
Clothes	2021	0.00	0.00	0.00	0.60	0.00	0.46	0.00	0.00	1.06
	2020	0.00	0.00	0.00	0.13	0.00	0.52	0.00	0.00	0.65
	2019	0.00	0.00	0.00	0.54	N/A	0.99	0.00	0.00	1.53
Hazardous waste										
Waste cooking oil	2021	3,244.85	N/A	N/A	N/A	0.00	6.07	0.72	N/A	3,251.64
	2020	3,231.43	N/A	N/A	N/A	0.00	4.91	0.82	N/A	3,237.16
	2019	5,111.96	N/A	N/A	N/A	N/A	8.42	1.23	N/A	5,121.61
Waste industrial oil	2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3.09	3.09
	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2.52	2.52
	2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3.93	3.93
Other ²³	2021	36.00	0.10	6.12	1.49	0.63	0.23	0.00	2.87	47.44
	2020	3.45	0.08	0.00	0.70	0.64	0.99	0.00	1.08	6.94
	2019	35.63	0.00	0.00	0.37	N/A	1.47 ²⁵	0.00	0.45	37.92
rand total	2021	15,212.53	133.07	103.76	7.81	602.71	1,531.03	398.74	398.90	18,388.5
L) + (2) + (3)	2020	13,923.65	103.60	84.61	8.84	853.32	1,426.61	279.86	410.19	17,090.68
	2019	21,154.42	184.23	101.87	5.21	N/A	2,910.85	574.78	743.50	25,674.86

Water Consumption

Water consumption by source in m³ GRI 303-3; HKEX KPI A2.2

		ı	Municipal Wate	r		Recycled Water	
		2021	2020 ²⁶	2019	2021	2020	2019
Investment Properties	WEL	397,622	389,407	487,975	0	0	0
,	WH	18,677	18,349	21,388	0	0	0
	CH	25,887	26,676	26,394	0	0	0
	Apt	31,120	29,053	28,322	0	0	0
	WESPL	51,871	42,628	N/A	35,531	35,434	N/A
Leisure and Hospitality	HK Hospitality	242,476	226,627	345,676	0	0	0
	ML Hospitality	112,910	47,000	79,070	0	0	0
Transportation	SF	5,428	6,223	6,215	0	0	0
Гotal		885,991	785,963	995,040	35,531	35,434	0

Water intensity GRI CRE-2; HKEX KPI A2.2

	W	Water Intensity (m³/unit)				
	2021	2021 2020 2019				
By number of employee	320.20	295.15	345.50			
By revenue (HK\$ million)	57.44	52.94	62.02			

- Air emissions refer to the release of air pollutants namely nitrogen oxides ("NOx"), sulphur oxides ("SOx") and particulate matter ("PM"). Emission from ferries data are confined to The "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.
- 12 These data are confined to air emissions from vehicles, towngas, diesel oil and unleaded petrol, and are calculated based on the methodology with published emission factors from the HKEX Reporting Guidance on Environmental KPIs.
- 13 CO₂, CH₄ and N₂O are included in the calculation of GHG emissions.
- 2021 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 and LPG, and emission from refrigerant 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.
- 2021 Scope 2 emissions are indirect GHG emissions from the generation of purchased or acquired electricity and towngas 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 (0.592 kg CO₂e/unit). GHG emissions by electricity purchased in Mainland China in this Report was 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 emissions by electricity purchased in Singapore in this Report was calculated based on grid emission factor from Energy Market Authority of the Singapore Government. GHG emissions from purchased steam in Mainland China was calculated based on the emission factor stated in UK Government GHG Conversion Factors for Company Reporting (0.17073 kg CO₂e/kWh).
- 16 WEL's 2019 and 2020 Scope 2 emissions was restated to reflect actual electricity consumption in Harbour City and Times Square.
- 2021 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. 2021 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.
- 18 WEL's 2019 and 2020 electricity consumption was restated to reflect actual situation in Harbour City and Times Square.
- 19 Gateway Apartments has been recategorised to Investment Properties. Electricity consumptions of Gateway Apartments was included in WEL's (i.e. Harbour City) figure.
- 20 Paper and plastics for business general use and packaging material use are included in materials used.
- 21 WEL's 2019 and 2020 general refuse to landfill data was restated to reflect actual situation in Times Square.
- 22 General refuse data of Gateway Apartments, Marco Polo Gateway Hotel and Marco Polo Prince Hotel have been included in WEL's (i.e. Harbour City) figures.
- 23 Other of hazardous waste includes cell batteries, industrial batteries, fluorescent lamps, light bulbs, electric appliances/components and waste ink cartridge.
- 24 Data was restated to include waste cartridge arising from Marco Polo Hongkong Hotel in 2019.

Employee Statistics

Employee Distribution

Total workforce by gender, employment type and contract type **GRI**102-8; **HKEX** KPI B1.1

		Hong Kong	Mainland China	Singapore	Total
2021	Male	1,347	229	28	1,604
	Female	1,065	180	29	1,274
	Full-time	2,236	409	57	2,702
	Part-time	176	0	0	176
	Permanent	2,265	0	57	2,322
	Fixed-term	142	409	0	551
	Temporary	5	0	0	5
2020	Male	1,397	85	35	1,517
	Female	1,130	94	42	1,266
	Full-time	2,397	179	61	2,637
	Part-time	130	0	16	146
	Permanent	2,445	0	61	2,506
	Fixed-term	80	179	0	259
	Temporary	2	0	16	18
019	Male	1,484	99	N/A	1,583
	Female	1,172	125	N/A	1,297
	Full-time	2,523	224	N/A	2,747
	Part-time	133	0	N/A	133
	Permanent	2,571	15	N/A	2,586
	Fixed-term	80	202	N/A	282
	Temporary	5	7	N/A	12

Gender distribution of permanent contract employees GRI 102-8; HKEX KPI B1.1

		Hong Kong	Mainland China	Singapore	Total
2021	Male	1,264	0	28	1,292
	Female	1,001	0	29	1,030
2020	Male Female	1,348 1,097	0	30 31	1,378 1,128
2019	Male	1,424	8	N/A	1,432
	Female	1,147	7	N/A	1,154

Gender, age and minority group distribution of employees by employment category²⁵ in 2021 in number and percentage **GRI** 405-1; **EKEX** KPI B1.1

		Male	Female	Below 30	30-50	51 or Above	Minority Group ²⁶	Non- minority Group
Hong Kong	Senior management	27 (71%)	11 (29%)	0 (0%)	17 (45%)	21 (55%)	11 (29%)	27 (71%)
	Middle management	149 (57%)	114 (43%)	9 (3%)	202 (77%)	52 (20%)	4 (2%)	259 (98%)
	General staff	1,171 (55%)	940 (45%)	436 (21%)	1,030 (49%)	645 (30%)	89 (4%)	2,022 (96%)
Mainland China	Senior management	6 (67%)	3 (33%)	0 (0%)	9 (100%)	0 (0%)	3 (33%)	6 (67%)
	Middle management	24 (53%)	21 (47%)	7 (16%)	38 (84%)	0 (0%)	3 (7%)	42 (93%)
	General staff	199 (56%)	156 (44%)	150 (42%)	156 (44%)	49 (14%)	1 (0.3%)	354 (99.7%)
Singapore	Senior management	1 (33%)	2 (67%)	0 (0%)	0 (0%)	3 (100%)	0 (0%)	3 (100%)
	Middle management	7 (25%)	21 (75%)	1 (4%)	19 (68%)	8 (28%)	0 (0%)	28 (100%)
	General staff	20 (77%)	6 (23%)	2 (8%)	11 (42%)	13 (50%)	16 (62%)	10 (38%)
Overall	Senior management	34 (68%)	16 (32%)	0 (0%)	26 (52%)	24 (48%)	14 (28%)	36 (72%)
	Middle management	180 (54%)	156 (46%)	17 (5%)	259 (77%)	60 (18%)	7 (2%)	329 (98%)
	General staff	1,390 (56%)	1,102 (44%)	588 (24%)	1,197 (48%)	707 (28%)	106 (4%)	2,386 (96%)

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

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⁶ Minority group refers to the ethnic minority at our operation locations.

New Employee Hires

Gender and age distribution of new employee hires in number and percentage^{27,28} **GRI** 401-1

		Hong Kong	Mainland China	Singapore	Total
2021	Male Female	341 (25%) 273 (26%)	158 (69%) 98 (54%)	2 (7%) 6 (21%)	501 (31%) 377 (30%)
	Below 30 30–50 51 or above	225 (51%) 278 (22%) 111 (15%)	140 (89%) 99 (49%) 17 (35%)	1 (33%) 6 (20%) 1 (4%)	366 (60%) 383 (26%) 129 (16%)
2020	Male	203 (15%)	19 (22%)	3 (9%)	225 (15%)
	Female	174 (15%)	15 (16%)	1 (2%)	190 (15%)
	Below 30	163 (33%)	18 (50%)	0 (0%)	181 (34%)
	30–50	141 (11%)	14 (13%)	4 (11%)	159 (11%)
	51 or above	73 (10%)	2 (6%)	0 (0%)	75 (9%)
2019	Male	301 (20%)	44 (44%)	N/A	345 (22%)
	Female	285 (24%)	26 (21%)	N/A	311 (24%)
	Below 30	219 (38%)	32 (54%)	N/A	251 (40%)
	30–50	247 (18%)	33 (26%)	N/A	280 (19%)
	51 or above	120 (16%)	5 (13%)	N/A	125 (16%)

Regional distribution of new employee hires in number and percentage GRI 401-1

	Hong Kong	Mainland China	Singapore	Total
2021	614 (25%)	256 (63%)	8 (14%)	878 (31%)
2020	377 (15%)	34 (19%)	4 (5%)	415 (15%)
2019	586 (24%)	70 (21%)	N/A	656 (23%)

Employee Turnover

 $\textit{Gender and age distribution of employee turnover in number and percentage}^{29} \quad \boxed{\textbf{GRI}} \texttt{401-1}; \\ \boxed{\textbf{HKEX}} \texttt{KPI B1.2}$

		Hong Kong	Mainland China	Singapore	Total
2021	Male	488 (36%)	111 (48%)	5 (18%)	604 (38%)
	Female	435 (41%)	91 (51%)	8 (28%)	534 (42%)
	Below 30	273 (61%)	79 (50%)	2 (67%)	354 (59%)
	30–50	440 (35%)	97 (48%)	9 (30%)	546 (37%)
	51 or above	210 (29%)	26 (53%)	2 (8%)	238 (30%)
2020	Male	341 (24%)	40 (47%)	8 (23%)	389 (26%)
	Female	281 (25%)	51 (54%)	4 (10%)	336 (27%)
	Below 30	255 (52%)	51 (142%)	1 (7%)	307 (57%)
	30–50	211 (16%)	30 (27%)	6 (16%)	247 (17%)
	51 or above	156 (21%)	10 (32%)	5 (20%)	171 (21%)
2019	Male	430 (29%)	75 (76%)	N/A	505 (32%)
	Female	434 (37%)	69 (55%)	N/A	503 (39%)
	Below 30	319 (56%)	82 (139%)	N/A	401 (64%)
	30–50	367 (27%)	49 (39%)	N/A	416 (28%)
	51 or above	178 (24%)	13 (33%)	N/A	191 (25%)

²⁷

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

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.

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

²⁸ 29

Regional distribution of employee turnover in number and percentage GRI 401-1; HKEX KPI B1.2

	Hong Kong	Mainland China	Singapore	Total
2021	923 (38%)	202 (49%)	13 (23%)	1,138 (40%)
2020	622 (25%)	91 (51%)	12 (16%)	725 (26%)
2019	864 (35%)	144 (44%)	N/A	1,008 (36%)

Parental leave – return to work rate³⁰ **GRI** 401-3

	Hong Kong	Mainland China	Singapore	Overall
2021	100%	0%	100%	97%
2020	100%	100%	N/A	100%
2019	98%	100%	N/A	98%

Parental leave – retention rate by gender³¹ **GRI** 401-3

		Hong Kong	Mainland China	Singapore	Overall
2021	Male	82%	N/A	N/A	82%
	Female	69%	0%	100%	68%
2020	Male	88%	100%	N/A	89%
	Female	93%	75%	N/A	89%
2019	Male	97%	100%	N/A	97%
	Female	75%	100%	N/A	78%

Health and Safety

Injury rate by gender and region per 1,000 employees^{32 33} **GRI** 403-9

		Hong Kong	Mainland China	Singapore	Overall
2021	Male	28	44	0	30
	Female	37	33	0	35
2020	Male	31	35	0	30
	Female	38	0	0	34
2019	Male	35	20	N/A	34
	Female	36	24	N/A	35

	Hong Kong	Mainland China	Singapore	Overall
2021	32	39	0	32
2020	34	17	0	32
2019	38	15	N/A	35

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%

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

 $^{132 \}qquad \text{Injury rate (per 1,000 employees)} = \text{Total injury cases in the category / Total number of employees in the category} \times 1,000$

There was no incident of occupational disease recorded in Hong Kong, Mainland China and Singapore in 2019, 2020 and 2021.

Lost day rate by gender and region in percentage³⁴ GRI 403-9; HKEX KPI B2.2

		Hong Kong	Mainland China	Singapore	Overall
2021	Male	0.11%	0.43%	0.00%	0.14%
	Female	0.44%	0.13%	0.00%	0.38%
2020	Male	0.51%	0.96%	0.00%	0.53%
	Female	0.36%	0.00%	0.00%	0.33%
2019	Male	0.49%	0.00%	N/A	0.45%
	Female	0.13%	0.02%	N/A	0.12%

	Hong Kong	Mainland China	Singapore	Overall
2021	0.25%	0.29%	0.00%	0.25%
2020	0.45%	0.46%	0.00%	0.44%
2019	0.34%	0.01%	N/A	0.31%

Absentee rate by gender and region in percentage^{35 36} **GRI** 403-9

		Hong Kong	Mainland China	Singapore	Overall
2021	Male	1.33%	0.55%	4.34%	1.30%
	Female	2.38%	0.62%	1.47%	2.09%
2020	Male	1.73%	1.52%	4.55%	1.78%
	Female	2.15%	0.72%	2.58%	2.05%
2019	Male	1.87%	0.17%	N/A	1.75%
	Female	1.84%	0.65%	N/A	1.71%

	Hong Kong	Mainland China	Singapore	Overall
2021	1.77%	0.58%	2.96%	1.63%
2020	1.91%	1.10%	3.59%	1.90%
2019	1.86%	0.42%	N/A	1.73%

Training and Education

Percentage of employees trained by gender and employment category **IHKEX** KPI B3.1

		Hong Kong	Mainland China	Singapore	Overall
2021	Male	79.4%	100.0%	64.3%	82.1%
	Female	72.1%	100.0%	82.8%	76.3%
	Senior management	78.9%	100.0%	66.7%	82.0%
	Middle management	83.7%	100.0%	85.7%	86.0%
	General staff	75.2%	100.0%	61.5%	78.6%
2020	Male Female	75.7% 66.7%	92.9% 86.2%	31.4% 28.6%	75.6% 66.9%
	Senior management Middle management General staff	73.8% 78.7% 70.8%	100.0% 100.0% 88.4%	66.7% 35.7% 23.9%	76.0% 75.3% 71.1%
2019	Male	86.9%	100.0%	N/A	87.7%
	Female	82.1%	100.0%	N/A	83.8%
	Senior management	71.7%	100.0%	N/A	75.5%
	Middle management	86.1%	100.0%	N/A	86.8%
	General staff	84.9%	100.0%	N/A	86.1%

 $^{24 \}qquad \text{Lost day rate (in percentage)} = \text{Total lost days in the category} / \text{Total number of days scheduled to be worked of all employees in the category} \times 100\%$

³⁵ Lost day rate and absentee rate of WEL in 2019 was recalculated to reflect the actual situation.

³⁶ Absentee rate (in percentage) = Total absentee days in the category / Total number of days scheduled to be worked of all employees in the category × 100%

FEATURED AWARDS, CHARTERS AND MEMBERSHIPS

GRI 102-12, 102-13

Selected Awards and Recognitions

Organisers	Awards and Recognitions	Business Units
Hang Seng Index Company Limited	A constituent member of Hang Seng Corporate Sustainability Index	Wharf REIC
Hong Kong Quality Assurance	Sustainability Rating – AA+	Wharf REIC
Agency	CSR Index Plus	Wharf REIC
The Hong Kong Council of Social Service	Caring Company Logo	The "Star" Ferry (15 years plus), Pacific Club and Gateway Apartments (10 years plus), WEL, Harbour City, Times Square, Plaza Hollywood, Marco Polo Hongkong Hotel, Marco Polo Gateway Hotel and Marco Polo Prince Hotel (5 years plus), Wharf REIC and The Murray
	List of Barrier-free Companies/Organisations	Harbour City, Times Square and Plaza Hollywood
Labour and Welfare Bureau – Community Investment and Inclusion Fund	Social Capital Builder Logo Award	Wharf REIC, WEL, Marco Polo Hongkong Hotel, Marco Polo Gateway Hotel, Marco Polo Prince Hotel and The "Star" Ferry
Employees Retraining Board	ERB Manpower Developer Award Scheme	WEL (Since 2013), The Murray, Marco Polo Hongkong Hotel, Marco Polo Gateway Hotel, Marco Polo Prince Hotel and The "Star" Ferry (Since 2010)
Mandatory Provident Fund Schemes Authority	Good MPF Employer Award	WEL, The Murray, Marco Polo Hongkong Hotel, Marco Polo Gateway Hotel and Marco Polo Prince Hotel
Occupational Safety & Health	Mental Health Friendly Supreme Organisation	WEL
Council	Joyful @ Healthy Workplace Best Practices Award	Marco Polo Hongkong Hotel, Marco Polo Gateway Hotel and Marco Polo Prince Hotel
EarthCheck	Silver Certification	Marco Polo Hongkong Hotel and Marco Polo Changzhou
	Bronze Certification	The Murray
Environmental Campaign Committee	Hong Kong Awards for Environmental Excellence Certificate of Merit (Hotel and Recreational Clubs Sector)	Pacific Club
	Hong Kong Awards for Environmental Excellence – Energywi\$e Certificate	Harbour City (Basic Level) and The "Star" Ferry (Good Level)
	Hong Kong Awards for Environmental Excellence – Wastewi\$e Certificate	Plaza Hollywood (Good Level) and The "Star" Ferry (Excellence Level)
	Hong Kong Green Organisation Certification – Green Organisation Label	Wheelock House, Crawford House, Plaza Hollywood and The "Star" Ferry
	Hong Kong Green Organisation Certification – Carbon Reduction Certificate	Harbour City, Plaza Hollywood and The "Star" Ferry
Promotion Happiness Index Foundation and Hong Kong Productivity Council	Happy Company – 5 years plus	WEL and The "Star" Ferry
UNICEF HK	Breastfeeding Friendly Premises – Gold label	Harbour City, Times Square, Plaza Hollywood
	Breastfeeding Friendly Workplace – Certification of Appreciation	WEL, Harbour City, Times Square and Plaza Hollywood
TripAdvisor	Travellers' Choice Winner 2021	Marco Polo Gateway Hotel, Marco Polo Prince Hotel and The "Star" Ferry
Platinum Clubs of the World	Top 100 City Clubs	Pacific Club
Greeners Action	Umbrella Bags Reduction Accreditation Program – Gold Level	Harbour City, Times Square and Plaza Hollywood
CLP	Renewable Energy Partner 2021	Harbour City
Singapore Building and Construction Authority	Green Mark Gold Award	Wheelock Place
Forbes Travel Guide	Recommended Hotel	Marco Polo Hongkong Hotel
	Four-Star Restaurant – Cucina	Marco Polo Hongkong Hotel
	Sharecare Health Security VERIFIED®	The Murray and Marco Polo Hongkong Hotel (Cucina)

Organisers	Awards and Recognitions	Business Units
The Hong Kong Jockey Club Charities Trust	Jockey Club Age-friendly City Partnership Scheme	Wharf REIC and The "Star" Ferry
CTgoodjobs	Best Change Leadership Strategy Award	The Murray
	Best Employee Engagement Strategy Award	The Murray
Ctrip	Best Partnership Hotel Award	Marco Polo Changzhou

Selected Memberships and Charters

Organisations	Nature of Memberships/Name of Charters	Business Units
Employers' Federation of Hong Kong	Corporate Member	The "Star" Ferry
Occupational Safety and Health	Corporate Member	The "Star" Ferry
Council	Green Cross Group Member	WEL
	Joyful@Healthy Workplace Charter	Marco Polo Hongkong Hotel, Marco Polo Gateway Hotel, Marco Polo Prince Hotel and The "Star" Ferry
Hong Kong Green Shop Alliance	Member	Wharf REIC, Harbour City, Times Square and Plaza Hollywood
Labour Department	Occupational Safety Charter	WEL and The "Star" Ferry
Equal Opportunities Commission	Equal Opportunity Employer Recognition Scheme	Marco Polo Hongkong Hotel, Marco Polo Gateway Hotel and Marco Polo Prince Hotel
	Member	WEL
Quality Tourism Services Association	Corporate Member	The "Star" Ferry
Office of the Privacy Commissioner for Personal Data	Member	WEL
Hong Kong General Chamber of Commerce	Full Member	The Murray, Marco Polo Hongkong Hotel, Marco Polo Gateway Hotel and Marco Polo Prince Hotel
Hong Kong Hotels Association	Full Member	The Murray, Marco Polo Hongkong Hotel, Marco Polo Gateway Hotel and Marco Polo Prince Hotel
The Society of the Golden Keys of Hong Kong	Adherent Member	The Murray, Marco Polo Hongkong Hotel, Marco Polo Gateway Hotel and Marco Polo Prince Hotel
UNICEF HK	Say Yes to Breastfeeding	Marco Polo Hongkong Hotel, Marco Polo Gateway Hotel and Marco Polo Prince Hotel
Environmental Bureau	Charter on External Lighting	Plaza Hollywood and Pacific Club
Environmental Bureau & Electrical and Mechanical Services	Energy Saving Charter	Harbour City, Times Square, Plaza Hollywood and The "Star" Ferry
Department	4Ts Charter	Harbour City, Plaza Hollywood and The "Star" Ferry
Environmental Protection Department	Carbon Reduction Charter & Carbon Audit Green Partner	Pacific Club
	Glass Container Recycling Charter	Times Square, Plaza Hollywood and Pacific Club
United States Chamber of Commerce	Corporate Member	Niccolo Suzhou
Italian Chamber of Commerce	Corporate Member	Niccolo Suzhou
European Chamber of Commerce	Corporate Member	Niccolo Suzhou
Singapore National Employers Federation	Corporate Member	WESPL

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: Safety and Health

- 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)

ALIGNMENT WITH THE RECOMMENDATIONS OF TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

TCFD published a voluntary framework to allow companies to incorporate climate-related risks and opportunities into their risk management and strategic planning processes in 2017. Continuing with last year's practice, Wharf REIC aligns the Group's public disclosure with the TCFD recommendations under the four thematic areas of governance, strategy, risk management, and metrics and targets.

Disclosure Area	TCFD Recommended Disclosure	Information disclosed by Wharf REIC	References
Governance	Disclose the organisation's governance around climate-related risks and opportunities.	Through regular meetings, the Board provides oversight of our climate-related risks and opportunities and sustainability matters including strategies, management and disclosures.	Board Statement, page 10
		Delegated by the Board, the Sustainability Steering Committee identifies, evaluates and mitigates the climate-related risks and opportunities with the support of the Divisional Sustainability Committee and the respective sustainability governance body in each BU.	Sustainability Governance, page 10-11
		The Group has formulated a Climate Change Policy Statement to provide guidance on tackling climate change while enhancing our climate resilience and adaptation capabilities.	Climate Change Policy Statement
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses,	The Group discloses the identified potential climate-related risks, the associated financial and non-financial impacts posed on our operations, coupled with potential risk mitigation measures.	Climate Risk and Resilience Management, page 20-22
	strategy, and financial planning where such information is material.	Energy-efficient equipment has been installed in our BUs to reduce our GHG emissions and gradually achieve decarbonisation in our business operations.	Energy Management and Decarbonisation, page 23-25
		The Group's assets introduce appropriate adaptation measures to increase our resilience to climate-related risks and physical impacts of climate change.	Climate Risk and Resilience Management, page 20-22
Risk Management	Disclose how the organisation identifies, assesses, and manages climate-related risks.	A preliminary climate risk mapping exercise with all the BUs has been conducted, identifying physical and transition risks, potential impacts and the relative mitigation measures.	Climate Risk and Resilience Management, page 20-22
		The Group incorporated climate-related risks into our enterprise risk management system to better identify, assess and manage risks in a more systematic manner.	Sustainability Governance, page 10-11
		Environmental management system has been adopted to identify and manage climate-related risks in all business operations.	Co-living with the Nature – Commitment and Strategy, page 19
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and	Metrics used to assess climate-related risks including GHG emissions (Scope 1 and Scope 2) are monitored regularly and disclosed in our annual sustainability report.	Energy Management and Decarbonisation, page 23-25
	opportunities where such information is material.		Performance Data Summary, page 54
		We have formulated new environmental targets including GHG emission reduction target.	Co-living with the Nature – Commitment and Strategy, page 19

GRI STANDARDS TABLE, HKEX ESG REPORTING GUIDE AND SASB STANDARDS CONTENT INDEX

		HKEX ESG	SASB	
Disclosure		Reporting Guide	Standards	Page Number/Remarks
	ral Disclosures 2016	Curuc	Standards	r age reamper/remarks
	ional profile			
102-1	Name of the organisation			Wharf Real Estate Investment Company Limited
102-2	Activities, brands, products, and services			About Our Business (page 7-9)
102-3	Location of headquarters			Hong Kong
102-4	Location of operations			About Our Business (page 7-9)
102-5	Ownership and legal form			Publicly listed company
102-6	Markets served			About Our Business (page 7-9)
102-7	Scale of the organisation		IF-RE-000.A, IF-RE-000.B	About Our Business (page 7-9)
102-8	Information on employees and other workers	KPI B1.1		Cultivating Our Employees (page 31-34)
102-9	Supply chain	KPI B5.1, B5.2, B5.3, B5.4		Partnering with Our Suppliers (page 35)
102-10	Significant changes to the organisation and its supply chain			About Our Business (page 7-9); Partnering with Our Suppliers (page 35)
102-11	Precautionary principle or approach			Our Sustainability Approach (page 10-17); The Group applies a precautionary approach to avoid negative impacts on the environment.
102-12	External initiatives			Featured Awards, Charters and Memberships (page 62-63)
102-13	Membership of associations			Featured Awards, Charters and Memberships (page 62-63)
Strategy				
102-14	Statement from senior decision-maker			Message from the Chairman (page 2-3)
Ethics and	l integrity			
102-16	Values, principles, standards, and norms of behaviour	KPI B7.2		Our Sustainability Approach (page 10-17
Governan	ce			
102-18	Governance structure			Our Sustainability Approach (page 10-17
102-19	Delegating authority			Our Sustainability Approach (page 10-17
102-20	Executive-level responsibility for economic, environmental, and social topics			Our Sustainability Approach (page 10-17
Stakehold	ler engagement			
102-40	List of stakeholder groups			Our Sustainability Approach (page 10-17
102-41	Collective bargaining agreements			Collective bargaining agreements do not apply to the Group's operations
102-42	Identifying and selecting stakeholders			Our Sustainability Approach (page 10-17
102-43	Approach to stakeholder engagement			Our Sustainability Approach (page 10-17
102-44	Key topics and concerns raised			Our Sustainability Approach (page 10-17
Reporting	practice			
102-45	Entities included in the consolidated financial statements			2021 Annual Report: Independent Auditor's Report (page 87-89)
102-46	Defining report content and topic boundaries			About This Report (page 4); Our Sustainability Approach (page 10-17)
				odotamaomely rippiodem (page 10 11)

Disclosure		HKEX ESG Reporting Guide	SASB Standards	Page Number/Remarks
102-48	Restatements of information	Guide	Stanuarus	For information restated, we have put
				remarks in respective information to indicate the restatement and reason.
102-49	Changes in reporting			About This Report (page 4); Our Sustainability Approach (page 10-17)
102-50	Reporting period			About This Report (page 4)
102-51	Date of most recent report			Published in May 2021, Sustainability Report 2020 is the most recent report.
102-52	Reporting cycle			Annual
102-53	Contact point for questions regarding the report			About This Report (page 4)
102-54	Claims of reporting in accordance with the GRI Standards			This report has been prepared in accordance with GRI Standards: Core option.
102-55	GRI content index			GRI Standards Table, HKEX ESG Reporting Guide and SASB Standards Content Index (page 66-71)
102-56	External assurance			Verification Statement (page 72)
200: Econo	mic			
201: Econo	mic Performance 2016			
103	Management approach			About Our Business (page 7-9); 2021 Annual Report – Chairman's Statemen (page 7-9)
201-1	Direct economic value generated and distributed	KPI B8.2		About Our Business (page 7-9); 2021 Annual Report – Directors' Report (page 72-86)
201-2	Financial implications and other risks and opportunities due to climate change	GD A4 KPI A4.1	IF-RE-450a.2	About Our Business (page 7-9); Climate Risk and Resilience Management (page 20-22)
201-4	Financial assistance received from government			No financial assistance received from the government in 2021
202: Marke	t Presence 2016			
103	Management approach			Our Sustainability Approach (page 10-17
202-2	Proportion of senior management hired from the local community			Our Governance (page 8-9)
203: Indire	t Economic Impacts 2016			
103	Management approach	GD B8		Business-in-Community (page 46-53)
203-1	Infrastructure investments and services supported	KPI B8.1, B8.2		About Our Business (page 7-9); Business-in-Community (page 46-53)
204: Procui	ement Practices 2016			
103	Management approach	GD B5		Partnering with Our Suppliers (page 35)
204-1	Proportion of spending on local suppliers	KPI B5.1		Partnering with Our Suppliers (page 35)
				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.

		HKEX ESG Reporting	SASB	
Disclosur		Guide	Standards	Page Number/Remarks
	-corruption 2016			
103	Management approach	GD B7		Our Governance (page 8-9); Our Sustainability Approach (page 10-17)
205-2	Communications and training about anti- corruption policies and procedures	KPI B7.3		Our Governance (page 8-9); Our Sustainability Approach (page 10-17)
205-3	Confirmed incidents of corruption and actions taken	KPI B7.1		In 2021, there were no confirmed incidents of corruption.
300: Envi	ronmental			
301: Mate	erial 2016			
103	Management approach	GD A2, A3		Co-living with the Nature – Commitment and Strategy (page 19); Resource Management (page 28-29)
301-1	Materials used by weight or volume	KPI A2.5		Performance Data Summary (page 55)
302: Ene	rgy 2016			
103	Management approach	GD A2, A3		Co-living with the Nature – Commitment and Strategy (page 19); Energy Management and Decarbonisation (page 23-25)
302-1	Energy consumption within the organisation	KPI A2.1	IF-RE-130a.2	Energy Management and Decarbonisation (page 23-25); Performance Data Summary (page 55)
302-3	Energy intensity	KPI A2.1		Energy Management and Decarbonisation (page 23-25); Performance Data Summary (page 55)
CRE-1	Building energy intensity	KPI A2.1		Energy Management and Decarbonisation (page 23-25); Performance Data Summary (page 55)
302-4	Reduction of energy consumption	KPI A2.3		Energy Management and Decarbonisation (page 23-25)
303: Wat	er and Effluents 2018			
103	Management approach	GD A2, A3	IF-RE-140a.4	Co-living with the Nature – Commitment and Strategy (page 19); Water Stewardship (page 27)
303-1	Interactions with water as a shared resource	KPI A2.4, A3.1		Water Stewardship (page 27)
303-2	Management of water discharge-related impacts	KPI A3.1		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.
303-3	Water withdrawal	KPI A2.2	IF-RE-140a.2	Water Stewardship (page 27); Performance Data Summary (page 57)
				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	KPI A2.2		Water Stewardship (page 27); Performance Data Summary (page 57)
303-4	Water discharge			Water Stewardship (page 27)
303-5	Water consumption	KPI A2.2		Water Stewardship (page 27); Performance Data Summary (page 57)

Disclosure		HKEX ESG Reporting Guide	SASB Standards	Page Number/Remarks
305: Emiss		Guide	Standards	Page Number/Remarks
103	Management approach	GD A1, A3		Co-living with the Nature – Commitment and Strategy (page 19); Energy Management and Decarbonisation (page 23-25)
305-1	Direct (Scope 1) GHG emissions	KPI A1.1, A1.2		Energy Management and Decarbonisation (page 23-25); Performance Data Summary (page 54
305-2	Energy Indirect (Scope 2) GHG emissions	KPI A1.1, A1.2		Energy Management and Decarbonisation (page 23-25); Performance Data Summary (page 54
305-4	GHG emissions intensity	KPI A1.2		Energy Management and Decarbonisation (page 23-25); Performance Data Summary (page 54
CRE-3	GHG emissions intensity from buildings	KPI A1.2		Energy Management and Decarbonisation (page 23-25); Performance Data Summary (page 54
305-5	Reduction of GHG emissions	KPI A1.5		Energy Management and Decarbonisation (page 23-25)
305-7	NOx, SOx, and other significant air emissions	KPI A1.1		Performance Data Summary (page 54
306: Waste	2020			
103	Management approach	GD A1		Co-living with the Nature – Commitment and Strategy (page 19); Resource Management (page 28-29)
306-1	Waste generation and significant waste- related impacts	GD A1		Resource Management (page 28-29)
306-2	Management of significant waste-related impacts	GD A1, A1.6, A3.1		Resource Management (page 28-29)
306-3	Waste generated	KPI A1.3, A1.4		Resource Management (page 28-29); Performance Data Summary (page 56
306-4	Waste diverted from disposal	KPI A1.6		Performance Data Summary (page 56
306-5	Waste directed to disposal			Performance Data Summary (page 56
307: Envir	onmental Compliance 2016			
103	Management approach			Co-living with the Nature – Commitment and Strategy (page 19)
307-1	Non-compliance with environmental laws and regulations			In 2021, the Group received no fines o non-monetary sanctions for incidents of non-compliance.
400: Socia	l			
401: Emplo	oyment 2016			
103	Management approach	GD B1		Building Excellence with Our Stakeholders – Commitment and Strategy (page 31); Cultivating Our Employees (page 31-34)
401-1	New employee hires and employee turnover	KPI B1.2		Performance Data Summary (page 59
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees			Cultivating Our Employees (page 31-34)
401-3	Parental leave			Performance Data Summary (page 60

		HKEX ESG Reporting	SASB	
Disclosur		Guide	Standards	Page Number/Remarks
402: Labo	Management Relations 2016 Management approach			Building Excellence with Our Stakeholders – Commitment and Strategy (page 31); Cultivating Our Employees (page 31-34)
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 change of the company.
403: Occı	ipational Health and Safety 2018			
103	Management approach	GD B2		Safeguarding Wellbeing and Safety (page 40-45)
403-1	Occupational health and safety management system	KPI B2.3		Safeguarding Wellbeing and Safety (page 40-45)
403-2	Hazard identification, risk assessment, and incident investigation	KPI B2.3		Safeguarding Wellbeing and Safety (page 40-45)
403-5	Worker training on occupational health and safety	KPI B2.3		Safeguarding Wellbeing and Safety (page 40-45)
403-6	Promotion of worker health	KPI B2.3		Safeguarding Wellbeing and Safety (page 40-45)
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	KPI B2.3		Safeguarding Wellbeing and Safety (page 40-45)
403-9	Work-related injuries	KPI B2.1, B2.2	!	Safeguarding Wellbeing and Safety (page 40-45); Performance Data Summary (page 60)
404: Traii	ning and Education 2016			
103	Management approach	GD B3		Building Excellence with Our Stakeholders – Commitment and Strategy (page 31); Cultivating Our Employees (page 31-34)
404-1	Average hours of training per year per employee	B3.2		Cultivating Our Employees (page 31-34)
404-2	Programmes for upgrading employee skills and transition assistance programmes			Cultivating Our Employees (page 31-34)
405: Dive	rsity and Equal Opportunity 2016			
103	Management approach			Our Sustainability Approach (page 10-17); Building Excellence with Our Stakeholders – Commitment and Strategy (page 31); Cultivating Our Employees (page 31-34)
405-1	Diversity of governance bodies and employees	KPI B1.1		Our Governance (page 8-9); Our Sustainability Approach (page 10-17); Performance Data Summary (page 58)
406: Non-	discrimination 2016			
103	Management approach			Building Excellence with Our Stakeholders – Commitment and Strategy (page 31); Cultivating Our Employees (page 31-34)
406-1	Incidents of discrimination and corrective actions taken			In 2021, there were no recorded incidents of non-compliance with anti discrimination legislations.

		HKEX ESG Reporting	SASB	
Disclosure		Guide	Standards	Page Number/Remarks
408: Chil	d Labour 2016			
103	Management approach	GD B4		Building Excellence with Our Stakeholders – Commitment and Strategy (page 31); Cultivating Our Employees (page 31-34)
408-1	Operations and suppliers at significant risk for incidents of child labour	KPI B4.1, B4.2		Child labour is not material to our business. The relevant KPIs are therefore not disclosed.
409: Ford	ed or Compulsory Labour 2016			
103	Management approach	GD B4		Building Excellence with Our Stakeholders – Commitment and Strategy (page 31); Cultivating Our Employees (page 31-34)
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	KPI B4.1, B4.2		Forced labour is not material to our business. The relevant KPIs are therefore not disclosed.
413: Loca	l Communities 2016			
103	Management approach			Business-in-Community – Commitment and Strategy (page 47)
413-1	Operations with local community engagement, impact assessments and development programmes			Business-in-Community (page 46-53)
416: Cust	omer Health and Safety 2016			
103	Management approach	GD B6		Safeguarding Wellbeing and Safety – Commitment and Strategy (page 41); Safe Premise and Services (page 44-45
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	KPI B6.1, B6.4		In 2021, there were no recorded incidents of non-compliance.
417: Marl	ceting and Labelling 2016			
103	Management approach	GD B6		Building Excellence with Our Stakeholders – Commitment and Strategy (page 31); Delivering Quality for Our Customers (page 36-39)
417-3	Incidents of non-compliance concerning marketing communications	KPI B6.2, B6.3		In 2021, there were no recorded incidents of non-compliance.
418: Cust	omer Privacy 2016			
103	Management approach	GD B6		Building Excellence with Our Stakeholders – Commitment and Strategy (page 31); Delivering Quality for Our Customers (page 36-39)
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	KPI B6.5		In 2021, there were no recorded incidents of non-compliance.
419: Soci	oeconomic Compliance 2016			
103	Management approach			Our Sustainability Approach (page 10-17
419-1	Non-compliance with laws and regulations in the social and economic area			In 2021, Marco Polo hotels received an infringement notice issued under section 67 of the Competition Ordinance (Cap. 619) regarding anticompetitive conduct in the sale of tourist attractions and transportation tickets in Hong Kong.

VERIFICATION STATEMENT

GRI 102-56



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 2021 ("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 1^{st} January 2021 to 31^{st} December 2021.

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 Core Option of the Global Reporting Initiative Sustainability Reporting Standards ("GRI Standards"), the GRI G4 Construction and Real Estate Sector 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").

Level of Assurance and Methodology

The process applied in this verification was based on the International Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements Other Than Audits or Reviews of Historical Financial Information 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 extent of verification covered the GRI Standards, the GRI G4 Construction and Real Estate Sector Disclosures, the ESG Guide and SASB Standards.

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 and in accordance with the verification procedures undertaken, HKQAA has obtained reasonable assurance and is in the opinion that:

- The Report has been prepared in accordance with the GRI Standards: Core Option and GRI G4 Construction and Real Estate Sector Disclosures;
- The Report has complied with all mandatory disclosure requirements and "comply or explain" provisions outlined in the ESG Reporting Guide;
- The Report disclosure is aligned with the SASB Standards;
- 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.

Wharf REIC has been working diligently to continue reinforcing its management mechanism to uphold the integrity and reliability of the sustainability data. In conclusion, the disclosures in the Report reflects most prudently the sustainability performance of Wharf REIC in the past year.

Signed on behalf of Hong Kong Quality Assurance Agency

Connie Sham *Head of Audit*

April 2022



