

Champion Real Estate Investment Trust (stock code: 2778) is a Hong Kong collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

ChampionREIT
冠君產業信託



2020

SUSTAINABILITY
REPORT

Act Collaboratively
Grow Sustainably

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About this Report

Reporting Scope

This report is the first standalone Sustainability Report of Champion REIT (the "Trust"), which promotes the Trust's journey to embrace sustainability in all aspects of our business. The report covers the period from 1 January 2020 to 31 December 2020 and considers all business operations of the Trust, including both of our properties, Three Garden Road and Langham Place. The report outlines the Trust's sustainability commitment, approach, progress and achievements in creating sustainable values for our stakeholders and business.

Reporting Standards

This report's preparation follows the Stock Exchange of Hong Kong Limited ("HKEX")'s Environmental, Social and Governance ("ESG") Reporting Guide under Appendix 27 of the Main Board Listing Rules. In our pursuit of a higher standard of information disclosure, we have ramped up our efforts to go beyond the mandatory reporting requirements of HKEX. We established our long-term ESG targets aligned with the United Nations' Sustainable Development Goals ("SDGs") and disclose them publicly through this report. To join other key industry players in the pursuit of a low carbon future, we have presented the climate-related disclosure in this report following the Task Force on Climate-related Financial Disclosures ("TCFD") framework.

Feedback

We welcome your valuable feedback on our report and other sustainability matters. Please contact us via info@eam.com.hk.



About Champion REIT

Profile

Champion REIT is a real estate investment trust formed to own and invest in income-producing office and retail properties. It is one of the 10 largest REITs by market capitalisation in Asia (excluding the Japanese region). The Trust's focus is on Grade A commercial properties in prime locations. It currently offers investors direct exposure to 2.93 million sq. ft. of prime office and retail floor area by way of two landmark properties in Hong Kong, Three Garden Road and Langham Place, one on each side of Victoria Harbour.



Message from CEO

“

As influencer, together with our stakeholders, we create positive ripple effects and bring lasting impacts to our community.

”



As a REIT, we not only manage brick and mortar businesses but also curate wellness hubs for our tenants and customers that foster their sustainable growth and well-being. While we faced unprecedented challenges in 2020, we have worked tirelessly to balance our stakeholders' needs with those of our broader community during this turbulent time. As always, we endeavour to embrace sustainability by collaborating with our stakeholders to create a win-win situation for all.

Our sustainability journey is driven by the Board and supported by our employees. Being the Chairman of the Sustainability Working Group, I devote my time to encouraging the working group members and every individual employee, to work with various stakeholders of the Trust for the most significant sustainability impacts. This year, we issued our first standalone Sustainability Report to disclose our ESG performance progress and enhance our existing information disclosure practices for full transparency.

We create a lasting ripple effect by influencing our stakeholders despite our team's relatively small size. During the COVID-19 outbreak, we introduced a solid set of anti-epidemic measures to safeguard our employees, tenants and visitors' health and safety. To address the local community needs, we launched the first-ever Entrepreneur in Action programme, providing young people with opportunities in this challenging time. We also collaborated with our tenants to offer CEO sharing and shadowing opportunities for students, further enhancing our strategic partnerships with tenants, and creating broader social impacts.

Stepping into this new year of sustainable development, we will be looking into climate-related issues and enhancing business resilience. We will continue our sustainability journey through collaborations with our customers, tenants and suppliers to create the positive ripple effects to our wider community.

Ms WONG Ka Ki, Ada
CEO and Chairman of
Sustainability Working Group



Sustainability Statement from the Board

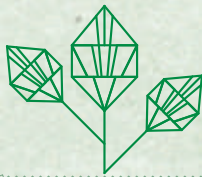
We strongly believe that sustainability is central to the Trust's long-term development. The Board is devoted to leading the Trust's sustainability-motivated direction and forming long-term sustainability strategies, integrating them into every facet of the Trust's operations.

We have added ESG matters to our quarterly Board meetings' regular agenda. Our Sustainability Working Group regularly reports to the Board on the Trust's sustainability progress. We prioritise our ESG tasks through stakeholder engagement, risk management and the benchmarking of industry standards.

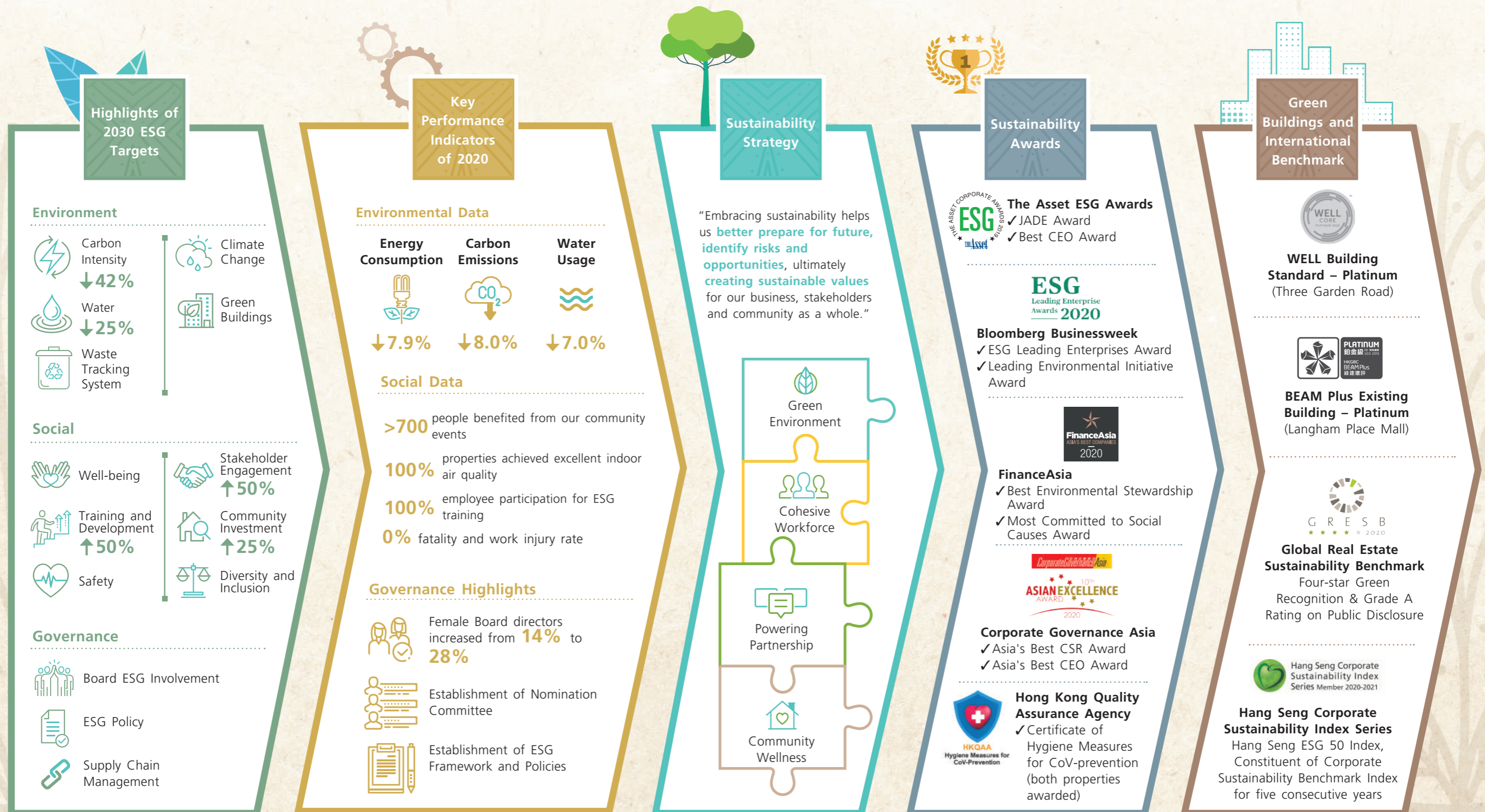
We have a strong commitment to building a sustainability culture in our team, with both a top-down and bottom-up approach. Besides our internal team, we strive to influence external stakeholders to work with us on our shared sustainability journey, operating with this mindset to benefit our business and the wider community.

Every individual employee is an essential piece of the puzzle that forms the Trust's sustainability blueprint. With our employees and partners' support and contribution, the Trust will reach new heights in our ongoing sustainability journey.

Board of Directors



Sustainability At-a-glance









Sustainability Approach

Progress of 2030 ESG Targets

Last year, we established our long-term goals in alignment with nine of the United Nations' SDGs. The Trust set 14 long-term ESG targets under the 2030 blueprint, making significant headway in our sustainability performance by implementing a systematic









and measurable approach. We strategically planned a series of sustainability initiatives for achieving these targets. As the key performance indicators progress, we will annually update the Sustainability Report.

Aspect	Focus Area	2030 Target	2020 Progress Update
     	Energy and carbon emissions	<ul style="list-style-type: none"> Reduce 42% carbon intensity by 2030⁽¹⁾ 	<ul style="list-style-type: none"> Reduced 7.9% and 8.0% energy consumption and carbon emissions respectively in 2020 Installed over 40 solar panels at Three Garden Road that will generate an estimated of 16,940kWh electricity annually Ongoing chiller plant retro-commissioning and optimisation at both properties
	Water	<ul style="list-style-type: none"> Reduce 25% water consumption intensity by 2030⁽²⁾ 	<ul style="list-style-type: none"> Achieved 7.0% reduction of water usage in 2020
	Waste	<ul style="list-style-type: none"> Develop a well established waste tracking system to facilitate future waste management initiatives and minimise waste generated from operations 	<ul style="list-style-type: none"> Collected around 10,000kg food waste from both properties in 2020 To build up a waste management database To replace and add all rubbish bins with recycling bins gradually To encourage tenants on sustainable packaging practices continually
	Climate change	<ul style="list-style-type: none"> Develop a Climate Resilience Policy and mitigation plan Reduce impacts of climate change 	<ul style="list-style-type: none"> Worked out the draft of Climate Resilience Policy and mitigation plan
	Green buildings	<ul style="list-style-type: none"> Achieve the highest rating of green building certification Adopt at least one innovation of green building feature in every two years Establish a Green Lease Partnership Programme 	<ul style="list-style-type: none"> Obtained BEAM Plus (Existing Building) – Platinum (Langham Place Mall) Became Signatory of Business Environment Council's Low Carbon Charter To use AI technology for enhancing energy efficiency

(1) Tonne CO₂ equivalent per square metre; compared to base year 2011








(2) Cubic metre per square metre; compared to base year 2014

Progress of 2030 ESG Targets

Aspect	Focus Area	2030 Target	2020 Progress Update
Social    	Safety 	<ul style="list-style-type: none"> Maintain zero fatality and work injury among our employees 	<ul style="list-style-type: none"> Reported zero fatality and work injury in 2020
	Well-being 	<ul style="list-style-type: none"> Maintain IAQ Certification of Excellence Class for all premises Develop Health and Well-being Policy Conduct well-being survey for both our employees and tenants 	<ul style="list-style-type: none"> Achieved IAQ certification of Excellence Class at Three Garden Road and Langham Place for over 10 consecutive years Strengthened anti-pandemic measures, including the smart applications of intelligent body disinfection stations, cleaning robots, UV disinfection for escalators, and utensil sanitiser at Langham Place's food court Achieved WELL Building Standard – Platinum (Three Garden Road) Conducted employee well-being survey with response rate of 64% Organised hand-made alcohol sanitiser and zentangle workshop for employees Arranged wellness Christmas wreath workshop for employees
	Training and development 	<ul style="list-style-type: none"> Increase 50% average training hours of our employees by 2030⁽³⁾ Develop training and development plan aligned with sustainability strategy Arrange sustainability-related training to all Board members and employees 	<ul style="list-style-type: none"> 100% employees received ESG-related training Developed training and development plan aligned with sustainability strategy To achieve 5%–10% increase on employee average training hours
	Stakeholder engagement 	<ul style="list-style-type: none"> Increase 50% resources devoted to stakeholder engagement by 2030⁽³⁾ Develop ongoing stakeholder engagement plan 	<ul style="list-style-type: none"> Built tenant partnerships through Entrepreneur in Action student summer programme to create larger social impacts

(3) Compared to base year 2018

Progress of 2030 ESG Targets

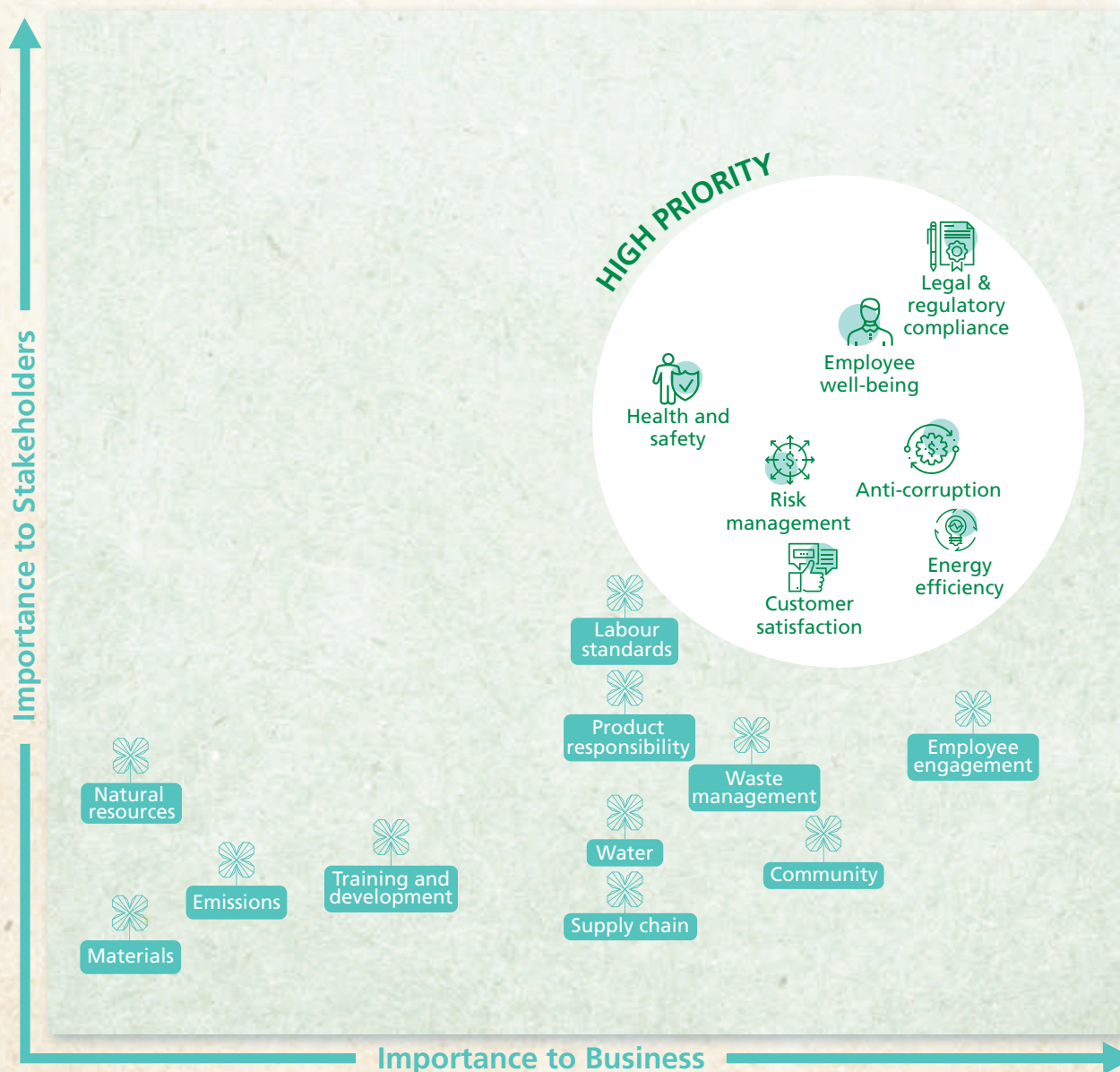
Aspect	Focus Area	2030 Target	2020 Progress Update
	Community investment 	<ul style="list-style-type: none"> Increase 25% volunteer service hours by 2030⁽³⁾ Measure and report impacts of community investment 	<ul style="list-style-type: none"> Average volunteer service hours increased 3% from base year Launched Entrepreneur in Action student summer programme during the pandemic Over 700 people benefited from our community events
	Diversity and inclusion 	<ul style="list-style-type: none"> Promote gender equality through awareness training and sharing 	<ul style="list-style-type: none"> Carried out Mother's Day and Father's Day celebrations Offered equal opportunity training in employees' monthly meeting Increased the proportion of female Board members from 14% to 28%
Governance  	Board 	<ul style="list-style-type: none"> Formally set up Nomination Committee Further enhance the Board's involvement in sustainability matters 	<ul style="list-style-type: none"> Set up Nomination Committee
	ESG Policy 	<ul style="list-style-type: none"> Establish integrated ESG Framework and Policies Strengthen governance through best practices of documentation and regulatory procedures 	<ul style="list-style-type: none"> Established ESG Framework, Environment Policy and Social Responsibility Policy
	Supply chain management 	<ul style="list-style-type: none"> Develop a structured green procurement system Conduct supply chain risk assessments 	<ul style="list-style-type: none"> Established Green Purchasing Policy To research on supply chain assessments

(3) Compared to base year 2018

Materiality and Stakeholder Engagement








We believe communication and engagement with our stakeholders are crucial to enhancing our business and sustainability performance, and to the prioritisation of ESG tasks. We conducted a materiality review in 2018 through focus groups, phone interviews and an online survey. A third-party ESG consultant performed the








materiality assessment, which engaged a large number of internal and external stakeholders. They included employees, tenants, suppliers, investors and the media. Through these extensive engagement sessions, 18 material topics were identified and summarised in the matrix.



We have prioritised our ESG tasks based on the results of the materiality assessment. Responses to each of the high priority issues have been comprehensively disclosed in the report. The high priority issues were given full consideration for the establishment of our 2030 ESG targets, which were taken as the key performance indicators of the 2030 ESG blueprint.

We continually maintain proactive communications with various stakeholders through different channels in order to review the effectiveness of our sustainability targets and initiatives.

High Priority Topics	Impact and Boundary (Stakeholder Concerned Groups)	Mapping with 2030 Targets	Our Responses
Legal and regulatory compliance 	All stakeholder groups	Targets of Board; ESG Policy; supply chain management	Please refer to page 14 of this report
Employee well-being 	Employees	Target of well-being	Please refer to pages 15, 24–26 of this report
Health and safety 	All stakeholder groups	Target of safety	Please refer to pages 15, 23, 25, 28, 30 of this report
Anti-corruption 	Investors and business partners	Targets of Board; ESG Policy; supply chain management	Please refer to page 14 of this report
Risk management 	Investors and business partners	Targets of climate change; Board	Please refer to page 13 of this report
Energy efficiency 	Employees, tenants and investors	Targets of energy and carbon emissions	Please refer to pages 16–21 of this report
Customer satisfaction 	Tenants and employees	Targets of well-being; stakeholder engagement	Please refer to page 29 of this report

Stakeholder Groups	Engagement Channels
Employees 	Meetings, satisfaction surveys, focus groups, competitions, activities, intranet, whistleblowing system
Unitholders, investors and analysts 	Annual General Meeting, roadshows, in-person and virtual meetings, conference calls, corporate websites, social media, emails, reports
Tenants 	In-person and virtual meetings, visits, conference calls, emails, satisfaction surveys
Customers 	Customer service hotlines, LP Club memberships, mobile apps, corporate websites, social media, emails
Suppliers and business partners 	In-person and virtual meetings, self-assessment, training and briefings, surveys
Media 	Media interviews, press releases, press conferences, surveys, ongoing dialogues, emails, conference calls
Non-governmental organisations and academic institutions 	Joint community events, surveys, seminars, ongoing dialogues

Benchmark

To continually enhance our ESG practices, we have kept local and international sustainability indices and certifications in mind. By working in alignment with the requirements of Green Real Estate Sustainability Benchmark, Hang Seng Sustainability Corporate Index, and green building certifications such as BEAM Plus, we

are able to go the extra mile in areas that we should improve upon, and build our sustainability capacity step by step. By participating in the indices and award certifications, we could take into account the benchmarking against our peers' performance for continuous improvement.



- ✓ Four-star Green Recognition
- ✓ Grade A Rating on Public Disclosure



Hang Seng Corporate
Sustainability Index
Series Member 2020-2021

- ✓ Hang Seng ESG 50 Index
- ✓ Constituent of Hang Seng Corporate Sustainability Benchmark Index for five consecutive years

Sustainability Governance

Board Governance

Under the robust governance structure for sustainability, the Board leads the direction of the Trust and is actively engaged in formulating the sustainability strategies for long-term development. The Board provides oversight to all sustainability matters, including 2030 ESG targets, risk management, climate resilience and critical sustainability initiatives. The Board proactively engages in ESG task prioritisation, progress review and recommendation. We arranged ESG-related training for the Board to keep up with the latest ESG trends. The proportion of women in the Board also increased from 14% to 28% this year, a move that we hope will bring about diverse views and insights regarding sustainable development of the Trust.

Sustainability Working Group

Our CEO chairs the Sustainability Working Group, composed of senior management from core functional teams, including investor relations, asset management, risk management, property management, marketing and corporate communications. The working group members possess different expertise and come from varying backgrounds, which help foster our advancing

sustainability journey. The working group paves the way towards the Trust's sustainability agenda under the Board's leadership. It established the Trust's 2030 ESG targets and implemented various initiatives for achieving the defined targets. Furthermore, the working group fuels critical sustainability topics such as risk management, climate resilience and stakeholder engagement. The working group regularly reports on the progress of different initiatives to the Board and gathers insights for further growth.

The working group members communicate and work closely with other employees, keeping them informed of the Trust's sustainability directed initiatives and engaging them in our sustainability journey. Sustainability training such as topics related to health and safety and climate change are provided to different employees regardless of their job nature and seniority, fostering a strong sustainability culture across the Trust. Employees are encouraged to share their ideas relating to sustainability, promoting the creative mindset of responsible development, and working together for the Trust's continuous success.

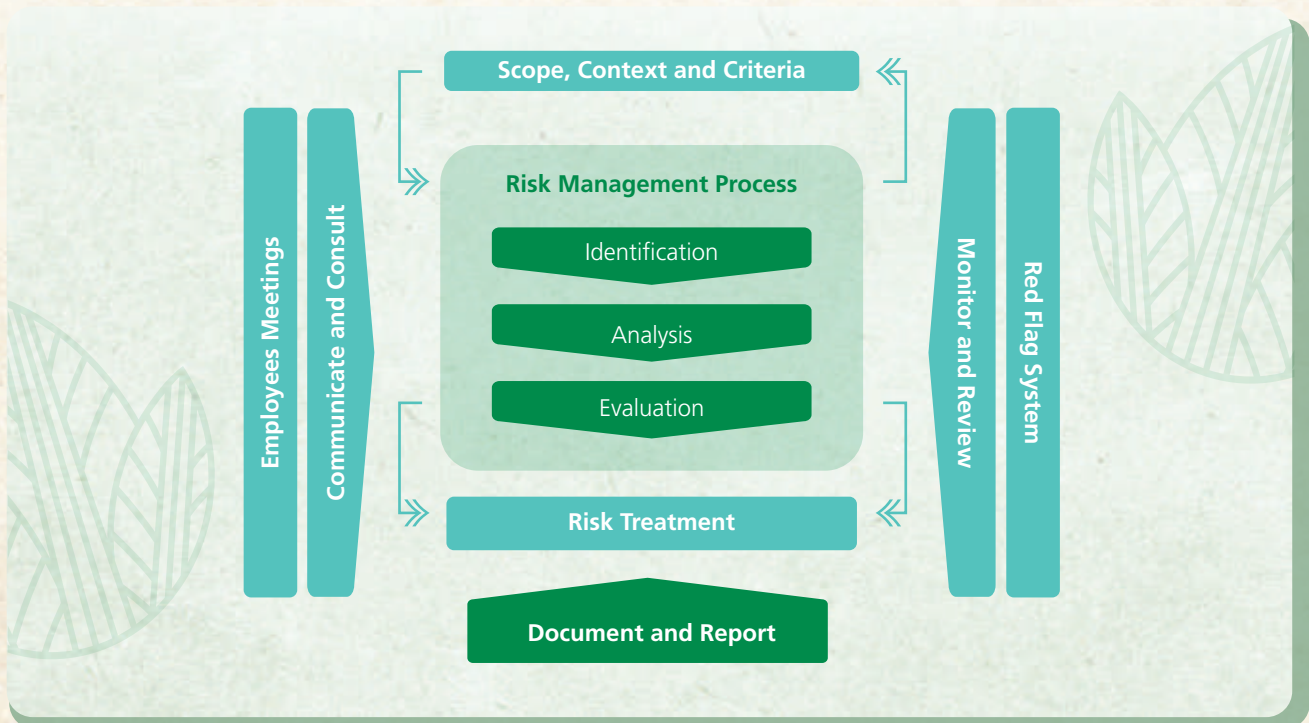


Risk Management

Our risk management framework is a critical driving force that enables the Trust to manage risks associated with its strategies and business objectives. With the adoption of an integrated top-down (for risks of corporate level) and bottom-up (for risks of operational level) approach in the risk management process, the Trust ensures comprehensive identification and prioritisation of all key risks, including ESG-related risks. We consider the ESG-related risks in our decision-making processes through the risk management process.

The Board oversees the risk management process, ensuring our directions and strategies for key risks are

aligned with the Trust's core value. Risk owners from different functional teams and key service providers are responsible for monitoring and reporting risks on the operational level. Our risk management team coordinates with risk owners to ensure the risk management process is in place and operating as stipulated under the Risk Management Policy. Guided by our CEO, the risk management team further consolidates and reports the results of risk management to the Audit Committee. The Audit Committee reviews and ensures all key risks are identified, analysed, evaluated, treated and monitored appropriately.



ESG Framework and Policies

The Trust has put a solid set of ESG-related policies and framework in place, providing overarching guidelines to integrate sustainability into every part of our operations. The procedures and framework cover environmental, social and governance aspects, namely ESG Framework, Environment Policy, Social Responsibility Policy and Risk Management Policy.



Per the policies and framework, we strive to maintain a high standard of corporate governance and fulfill the philosophy of responsible development regarding environmental protection and community contribution. Our ultimate goal is to continue our value creation journey for our environment, community and business.

Ethics and Integrity

We advocate responsible and ethical behaviour among our employees and suppliers, which is the foundation of the Trust's sustainable development. A culture of honesty, integrity and professionalism is entrenched across the Trust, ensuring the Trust operates in the

unitholders' best interests. Every individual employee is aware of their responsibility to ensure that business activities are conducted legally and are compliant with all regulatory and sustainability requirements.

We have put in place vigorous policies for the prevention of bribery, corruption and fraud. The Code of Conduct outlines our fundamental standard of behavioural requirements of all employees concerning bribery, law of obedience, conflicts of interest, etc. With this Code of Conduct in mind, we strictly prohibit employees from soliciting, accepting or offering bribes or any other form of unfair advantage. Whistleblowing mechanism is in place for reporting any wrongdoing of our employees in the workplace, such as suspected fraud, violating policies and procedures, and misappropriation of resources. We have set Anti-Money Laundering and Counter Terrorist Financing Procedures to ensure compliance with relevant statutory and regulatory requirements in relation to anti-money laundering and financing of terrorism in Hong Kong. We did not receive reports regarding any breach of the Code of Conduct and its relevant moral and ethical guidelines during the year.

We recognise the importance of ensuring proper conduct of our suppliers for mutually beneficial partnerships. Thus, we have established the Supplier Code of Conduct with the expectations of our suppliers' legal and sustainable practices, promoting accountable behaviours in the aspects of ethics, labour rights, environmental protection and management practices. We have incorporated the Supplier Code of Conduct into the tendering documents in the form of a question-and-answer checklist. Non-compliance will result in a requested correction plan or termination of collaboration. There were no non-compliance cases reported during the past year.

Response to COVID-19

“ We are mindful of the needs of our stakeholders and responded swiftly with great solidarity. ”



The persistent COVID-19 pandemic has undoubtedly presented significant impacts not only to our business but to all walks of life. We are mindful of the needs of our stakeholders and responded swiftly with great solidarity.

We take to heart the needs of our employees during the pandemic. The work-from-home policy and advanced IT support have helped employees to work remotely, efficiently and safely. We have also provided employees with preventive supplies such as surgical masks, reusable masks and hand sanitisers. Coronavirus information and health tips have been shared with employees constantly via email. Asides from physical health, employees' mental well-being is also our top concern. Online seminars promoting happiness and positive mindset as well as wellness workshops have been introduced to employees to boost morale.

We view tenants as our long-term strategic partners and work more closely than ever with them in this challenging time to create a positive working environment. Given the significant reduction in retail sales, we have allocated more resources to promotional activities, aiming to lift footfall and consumer sentiment. We provided a robust rental settlement method for our office tenants. We also received listed shares from one of our tenants, in place of cash, for rental payment to ease the tenant's short-term liquidity issues, intending to bridge our long-term strategic partnership with the tenant.

Wellness is a crucial concern of tenants nowadays, in addition to building hardware. We have stepped up our hygiene practices and preventive measures at our properties to provide tenants and visitors with a safe and wellness-enhancing environment. We maintain proactive communication with all tenants during the pandemic to provide prompt and appropriate assistance whenever and wherever it is needed.

Helping people may not necessarily involve monetary contribution. We embrace imaginative ways to encourage our stakeholders to contribute to society. In light of the limited student opportunities in the job market, we launched our first-ever Entrepreneur in Action programme, helping tertiary students to master essential business skills. We also donated boxes of sanitising supplies to nursery schools and created Christmas wellness gift boxes for children in need. We hope to support the underprivileged during these difficult times.

The pandemic came as a shock to many businesses. Despite the shock, we must embrace the new normal and adapt to change by using technology to maintain business continuity and strength. People are less likely to leave home for physical meetings and visits. Accordingly, we launched the pioneering 360 degrees office virtual tour with a live chat function at one of our properties, Three Garden Road, in a bid to respond to the leasing needs of potential tenants.

The approach we adopted to fight the pandemic marries our core philosophy and culture of sustainability. We endeavour to create long-term shared values for our stakeholders, community and business.



We conducted frequent cleaning and sanitisation at our properties

Sustainability Initiatives

Green Environment

Related 2030 ESG Targets:

Energy and carbon emissions, Water, Waste, Climate Change, Green buildings

Related Material Topics:

Energy efficiency, Waste management, Water, Emissions, Natural resources, Materials, Legal and regulatory compliance


To keep up with industry standards, both our properties have been certified under the ISO 14001 Environmental Management System. We strictly adhere to regulatory requirements on environmental management, including Building Energy Efficiency Ordinance, Air Pollution and Waste Pollution Control Ordinance etc. To take our sustainability performance to the next level, we aim to build a Climate Resilience Policy for our business.



Climate-related Disclosure

Climate change is among the most significant risks and opportunities of our time, and we acknowledged the need to enrich our climate-related disclosure. As per TCFD's recommendations, we have made steady progress in consolidating disclosure under the categories of Governance, Strategy, Risk Management, Metrics and Targets. Moving forward, we will continue to anticipate and specify the potential impacts of climate change and enhance relevant disclosure and transparency.

We aim to preserve the environment through the way we operate. Since properties account for a large amount of energy consumption within our city, it is our utmost responsibility to save energy in our operations as an accountable building owner. Driven by our team's collaborative efforts, we have carried out a wide range of green initiatives at our properties for a greener and better future.

TCFD's Focus Areas	Our Approach
<p data-bbox="252 1453 395 1478">Governance</p> 	<p data-bbox="512 1257 715 1283">Board oversight</p> <ul data-bbox="512 1293 1431 1415" style="list-style-type: none"> The Board oversees the Trust's overall risk management process and management approach to climate-related issues. In particular, climate-related risks are one of the core aspects that the Board keeps a close eye on, helping the Trust to transform risks into opportunities. <p data-bbox="512 1453 1038 1478">Role of the Sustainability Working Group</p> <ul data-bbox="512 1489 1431 1610" style="list-style-type: none"> The Sustainability Working Group is responsible for implementing all climate-related strategies. The working group reports to the Board timely to align the management approach with all climate-related issues and the Trust's business objectives. <p data-bbox="549 1649 1286 1674">Please refer to page 12 for our sustainability governance structure.</p> <p data-bbox="512 1713 820 1738">Climate Resilience Policy</p> <ul data-bbox="512 1749 1431 1836" style="list-style-type: none"> We have been working on our Climate Resilience Policy, which presents a governance framework and provides pioneering guidelines on climate-related strategy formulation, risk management, metrics and targets, and disclosure etc.

TCFD's Focus Areas	Our Approach
<p data-bbox="272 708 373 736">Strategy</p> 	<p data-bbox="512 300 1075 327">Decarbonisation target with ongoing review</p> <ul data-bbox="512 331 1431 425" style="list-style-type: none"> • By assessing our assets and operations' exposures to climate-related impacts, we have set a 2030 long-term carbon emissions target and engaged our stakeholders to work on decarbonisation together. <p data-bbox="512 463 1062 491">Climate-resilient buildings and communities</p> <ul data-bbox="512 495 1431 589" style="list-style-type: none"> • We obtained green building certifications for our properties to ensure energy efficiency. We collaborated with our tenants and business partners to create a low carbon environment. <p data-bbox="512 627 810 655">Responsible investment</p> <ul data-bbox="512 659 1431 817" style="list-style-type: none"> • We are committed to delivering socially responsible investment returns to stakeholders, including, but not limited to, the unitholders and the wider community. We focus on premium assets in prime locations and look to diversify outside of Hong Kong, and have factored climate-related risks into the investment management process. <p data-bbox="512 855 756 883">Sustainable finance</p> <ul data-bbox="512 887 1431 946" style="list-style-type: none"> • We are looking into potential sustainability-linked loan facilities, offering positive incentives to align our financial flexibility with sustainability objectives. <p data-bbox="512 985 986 1012">Risks and opportunities identification</p> <ul data-bbox="512 1017 1431 1302" style="list-style-type: none"> • Climate change poses different potential risks and opportunities to our business. The physical risks, such as super typhoons and flooding, will disrupt our properties' smooth operation. Besides, we also recognise the potential financial impacts of transition risks. These include the tightening regulations regarding climate-related disclosure, the carbon neutral pledge by the Hong Kong Government, investors and customers' higher expectations of the Trust's actions against climate change, and the subsequent related reputational risks. We will continue to work on our risk-mapping processes to understand climate risks relevant to our business and curate measures that will enhance our resilience.

TCFD's Focus Areas	Our Approach
<p data-bbox="245 502 403 559">Risk management</p> 	<p data-bbox="507 300 863 327">Risk management processes</p> <ul data-bbox="507 331 1431 938" style="list-style-type: none"> • According to the Trust's risk management framework, the climate-related risks have been identified, measured, monitored and managed. Please refer to page 13 for more information on the Trust's risk management processes. We established a list of climate-related risks, and will assess the core risks and develop research for the non-core risks respectively. • We have managed environmental risks per the ISO 14001 Environmental Management System, including carbon emissions and energy management. • We have attached great emphasis to assessing climate-related risks during the investment process, proactively approaching and mitigating both short-term and long-term potential impacts on our business. An investment sustainability due diligence list is in place to evaluate any risks, including climate-related risks that might affect returns and sustainable development of the Trust's portfolio. • We have reviewed and updated our business recovery plan regularly to ensure normal operations are maintained and core business functions are executed properly in the event of any critical incidents. These incidents include potential extreme weather events caused by climate change.
<p data-bbox="252 1164 395 1221">Metrics and targets</p> 	<p data-bbox="507 968 922 995">Risk metrics and mitigation plan</p> <ul data-bbox="507 1000 1431 1251" style="list-style-type: none"> • Through the risk management process, we have established risk metrics according to the likelihood of the risks and the risks' impacts to our business. We will conduct assessment and scenario analysis of the core risks as we advance to understand the climate-related impacts on our business. • Based on the risk assessment findings, we will prepare a climate mitigation plan to better manage climate-related risks and formulate a solid strategy to transform risks into opportunities if they occur. <p data-bbox="507 1289 727 1317">2030 ESG targets</p> <ul data-bbox="507 1321 1431 1544" style="list-style-type: none"> • To support our sustainability commitment and work against climate change, we have established 14 targets under the 2030 ESG blueprint, in alignment with nine of the United Nations' SDGs. Responses to climate change and carbon intensity reduction are among our key performance indicators. We have gradually adopted possible metrics to reduce carbon footprint. Please refer to page 6 for more information. Moving forward, we will continuously review and build upon our long-term sustainability goals.

Leveraging Technology for Green Solutions

Renewable Energy

Our constant goal is to make our buildings smart and green. We have designed innovative solutions and technologies to develop our green initiatives further. We have generated renewable energy at Langham Place Mall, supporting daily operations by installing solar panels on the mall's rooftop. These panels provide up to 1,192kWh annually. To promote the broader use of renewable energy, we have extended our plan to use solar panels at Three Garden Road. In 2020, we have installed more than 40 solar panels on the rooftop of Three Garden Road, with the ability to generate around 16,940kWh annually. We could achieve an estimated annual saving of HK\$67,760 through the power companies' Feed-in Tariff Scheme by generating solar energy.

Internet of Things ("IoT")

IoT technology has been extensively applied to our properties to improve our environmental performance. We are using a pioneering demand-and-control ventilation system at Three Garden Road's carpark to enhance energy efficiency. The IoT supports wireless temperature and carbon dioxide ("CO₂") sensors that are more efficient for installation. This initiative helped us reach around 58% energy reduction annually. It also enabled us to win various innovative and green awards, such as the Leading Environmental Initiative Award by Bloomberg Businessweek.

Furthermore, we adopted a one-stop IoT property management solution at Langham Place Mall in partnership with HGC Global Communications Limited. This one-stop IoT solution has allowed us to closely monitor multiple environmental parameters, such as indoor temperature, humidity, air quality and water leakage, enabling us to maintain a wellness-enhancing environment and uphold a high standard of customer experience. The application could reduce construction waste compared to installing traditional signal wiring, which is also conducive to enhancing our energy efficiency.



Solar panels were applied to our properties for generating renewable energy



IoT sensors were installed at our buildings to enhance environmental performance

Chiller Plants

The chiller plant retro-commissioning and optimisation have been put into practice regularly at our properties for energy reduction. For example, we installed Variable Speed Drives (“VSDs”) to reduce chiller plants’ pump power. We have paved the way to combine chiller plants of two office towers at Three Garden Road to optimise energy usage in view of actual loading requirements. We are considering night load chiller installation at Langham Place to achieve high air-conditioning system efficiency during midnight.

Enhanced Use of Lighting

The enhanced use of lighting is one of our key initiatives to optimise our environmental performance. We have made gradual progress in upgrading the conventional lights previously in service to energy-efficient and more durable LED lights in the common areas of Three Garden Road and Langham Place, including staircases, corridors, lavatories and lifts. We fitted the atriums and lobbies of both our properties with large multi-story glass curtain walls that allow an abundance of natural light to pass through. Furthermore, we equipped our properties with daylight sensors that automatically dim or deactivate all non-essential interior lights when there is sufficient natural lighting to reduce energy consumption. We also installed occupancy sensors at Langham Place’s lavatories to adjust lighting based on footfall to minimise energy wastage. We further extended the night mode lighting schedule at the common lift lobbies and corridors of both properties for energy saving.

Ventilation and Air Conditioning System

Ventilation and air conditioning system is an important aspect of energy consumption in addition to lighting. With the adoption of advanced motor technology at Three Garden Road, we have installed the Electronic Commutated Plug Fan to enhance ventilation and the air conditioning systems’ efficiency, which will reduce overall energy consumption. At Langham Place, we equipped CO₂ sensors to minimise energy wastage, with which fresh air supply is adjustable based on footfall.



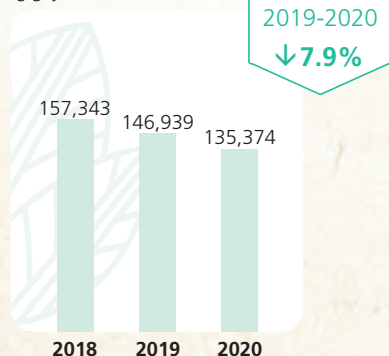
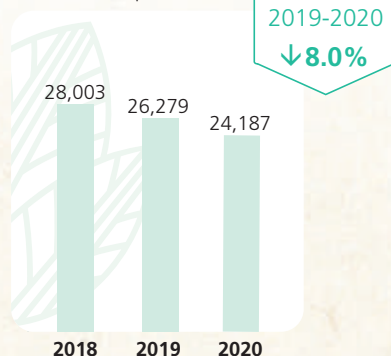
The glass curtain wall of Langham Place Mall allows abundant natural light to pass through



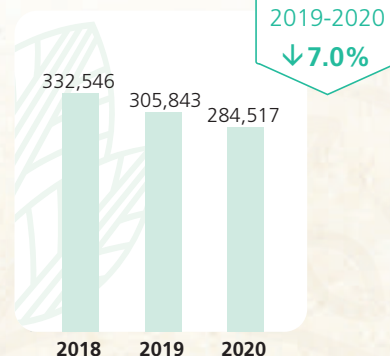
We transformed an outdoor area of Langham Place Mall into a blooming garden, which helps minimise carbon footprint

Energy Consumption

(gigajoule)

**Carbon Emissions**(tonne CO₂ equivalent)**Water Usage**

(cubic metre)



The above measurements are based on Three Garden Road and Langham Place. Water usage data of 2019 was adjusted according to the data from the Water Services Department, while water usage data of 2020 full year remains unavailable from the Water Services Department at the time of the report publication, thus the respective water usage is estimated. The data shall be updated in the next Sustainability Report.

We have continually supported the Energy Saving Charter on Indoor Temperature Scheme launched by the Environment Bureau. To underscore our commitment, both our properties maintain an average indoor temperature between 24°C and 26°C from June to September every year. In addition to our participation, we have encouraged our tenants to participate in the Charter for more positive environmental impacts. In 2020, a total of 59 tenants at Three Garden Road and Langham Place joined the scheme.

With the comprehensive energy reduction initiatives in place, the energy consumption reduction at our two properties in 2020 reached 7.9%.

Green House Gas (“GHG”) Emissions

We always endeavour to limit our carbon footprint in daily operations. We have set our carbon reduction target at 42% under the Trust’s 2030 ESG blueprint. The aforementioned energy-saving initiatives reflect our dedication to sustainability and reducing GHG. As environmental champion, we are devoted to absorbing carbon emissions by planting trees. There were 13 trees planted in Three Garden Road, which could absorb around 299kg CO₂ annually. In 2020, scope 1 and scope 2 emissions of our properties dropped by 8.0%, including direct and indirect emissions from electricity generated off-site.

Water Reduction

Our properties were upgraded with water-saving flow regulators for the faucets in lavatories, enhancing water efficiency and curbing water consumption effectively. At Three Garden Road, we recycle the water collected in an underground tank for irrigating our landscaped gardens. We have utilised IoT sensors to maintain our water leakage detection system. Not only does it mitigate the operational risks of our properties, but it also minimises water wastage. In 2020, the combined water usage at our properties decreased by 7.0%.



We became the signatory of the Low Carbon Charter of Business Environment Council

Waste Management

Comprehensive Recycling Initiatives

We continuously seek innovative ways to enhance waste management at our properties in order to relieve the burden on landfills. A great range of recycling initiatives have been put into effect to reduce waste. We placed recycling stations on every floor of our office and retail buildings to encourage our tenants and customers to recycle. There were about 100 recycling bins newly installed at Three Garden Road and Langham Place in total in 2020. To ensure the proper handling of recycled materials, we established effective separation and collection procedures of office and retail waste for third-party recycling. The most recycled items included plastic bottles, waste paper, fluorescent tubes, aluminium cans and reusable batteries. There was a drop by weight for recycled materials compared to 2019. However, this reduction was due to the lower occupancy rates and footfall at our properties during the ongoing COVID-19 pandemic.

Food Waste Recycling

In collaborating with the non-profit organisation Food for Good, we continue to collect food waste for recycling from the food court of Langham Place. We expanded the scheme to Three Garden Road in 2020. The combined food waste collected from our properties was around 10,000kg in 2020. To reduce waste at its source, we encourage food and beverage tenants to provide menu options that would minimise food waste, such as less rice and light portion options. We also promote the avoidance of condiment packages and the use of refillable containers among our food and beverage tenants.

Festival Items Recycling

Waste from festival celebrations and decorations is one of our top concerns. We have continuously held Lai See Reuse and Recycle Programme and Mooncake Re-gifting

Programme at our two properties in light of this concern. Non-profit organisations, such as St. James' Settlement, receive these recycled items. In support of the Natural Christmas Trees Recycling Programme organised by the Environment Bureau, we recycled the Christmas trees displayed at Three Garden Road. Similarly, under the Peach Blossom Trees Recycling Programme organised by the Environmental Protection Department, we have recycled the peach blossom trees showcased at both Three Garden Road and Langham Place annually.



Sufficient recycling bins were installed at our properties to encourage recycling behaviours



Mooncake Re-gifting Programmes were launched at both properties

Recycling Materials

Type	2018	2019	2020
Waste Paper (kg)	287,738	257,725	176,180
Fluorescent Tubes (kg)	952	504	443
Plastic Bottles (kg)	640	374	195
Aluminium Cans (kg)	269	208	326
Reusable Batteries (nos.)	545	170	46

Waste Paper Recycling

One of our key concerns is protecting the natural habitats of wild animals and biodiversity preservation. We endeavour to focus on forestry conservation through waste paper recycling. As such, we are dedicated to reducing paper use across all our operations by encouraging communication via electronic means. We distribute our corporate publications in electronic format to our unitholders as an alternative to hard copies. We distribute our standalone Sustainability Report in

electronic form only. We also offer a free waste paper collection service at Langham Place for our tenants to assist with recycling.

Waste Management Practices

To promote good waste management practices, we aim to establish a waste management database by systematically tracking the weight of collected waste and recycled materials to further review the effectiveness of our ongoing waste reduction strategies.

Case Study

Indoor Air Quality

3 GOOD HEALTH AND WELL-BEING



13 CLIMATE ACTION



We are making headway in our crucial goal of being a leader in advocating wellness in the real estate industry. We understand that one of the critical indicators for wellness in any office is indoor air quality. We relentlessly pursue excellent indoor air quality by closely monitoring various environmental parameters and factors. We have accordingly installed CO₂ sensors at our properties to monitor the CO₂ concentration constantly. The fresh air supply is continuously adjusted based on the CO₂ level to maintain satisfactory indoor air quality. To minimise

the CO₂ concentration within our buildings, we also planted trees at Three Garden Road to absorb CO₂. We take pride in achieving an Excellent Class of IAQ Certification Scheme organised by Environmental Protection Department at Three Garden Road and Langham Place for over 10 years. Three Garden Road also became the first existing building in Hong Kong to achieve the highest Platinum certification of WELL Building Standard. The judges highly evaluated its indoor air quality performance.



We provided outdoor social space for tenants to take a breath of fresh air



Achieved Excellent Class of IAQ Certification for over 10 years

100% common area maintained excellent indoor air quality



Cohesive Workforce

Related 2030 ESG Targets:

Well-being, Training and development, Safety, Stakeholder engagement, Diversity and inclusion

Related Material Topics:

Employee well-being, Health and safety, Anti-corruption, Labour standards, Employee engagement, Training and development, Legal and regulatory compliance

The long-term prosperous development of the Trust relies on our employees' collaborative efforts. We provide competitive remuneration and ample career development opportunities at our workplace to attract and retain the best talent. We take to heart our employees' mental and physical well-being by building a safe, healthy and engaging workplace. We view employees as our partners and encourage employee ownership to fulfill their full potential and thrive together with the Trust.

"We appreciate that Langham Place supports Fair Trade movement by offering Fair Trade Hong Kong free pop-up space to raise the awareness of human rights and gender equality, promoting inclusive communities for sustainable development, as well as combating climate change and its impact."

Maria Cheung,
Chief Executive of
Fair Trade Hong Kong



Fair Labour Practices

The Trust is in full compliance with the relevant labour laws and regulations to safeguard our employees' interests. We facilitate employment protection, competitive remuneration, training opportunities and a promising career path within our workplace. Our comprehensive employee benefit scheme covers, among other things, wage protection, rest days, paid holidays, sickness allowances, annual leave, maternity and paternity leaves, maternity protection, severance and long service payments. We explain the benefits that our employees are entitled to in the Employee Handbook, including our policies related to recruitment and promotion, as well as grievance. We continuously review our human resources policies to keep up with the latest market standards and trends.

Equal Opportunities and Human Rights

Promoting equal opportunities for all, workplace diversity and inclusion are central elements of our business. We are motivated to recruit people from different backgrounds and provide them with equal opportunities to grow. Under our Equal Opportunities Policy, no job applicant or employee receives less favourable treatment or is disadvantaged on the grounds of gender, race, pregnancy, disabilities, marital status, family status, or any other personal identifier. We ensure that our workplace is free from discrimination, harassment, vilification and victimisation by promoting a friendly and inclusive culture.



We promoted respect for human rights by collaboration with Fair Trade Hong Kong



Employees celebrated Halloween and had fun together at our office

As a caring employer, we positively embrace human rights in accordance with the UN International Bill of Human Rights. We strictly prohibit using any and all forms of forced labour, human trafficking and child labour across our business operations and supply chain. We also promote human rights outside our workplace through supporting fair trade events. We offered free pop-up space at Langham Place Mall for Fair Trade Hong Kong to sell fair trade beauty products, promoting human dignity and fundamental rights in all spheres of life.

During the year 2020, we did not receive any reports of case related to equal opportunity and human rights violation, as well as non-compliance with labour standards.

Employees' Physical Health and Mental Well-being

Employees are, of course, our most important asset; thus, promoting the health and safety of our employees is at the heart of everything we do. A series of health and safety measures have been implemented, including office facility enhancement, safety guidelines, training to support employees' job duties, and routine emergency drills to reinforce safety awareness among our employees and service providers. Emergency procedures and crisis management plans are available for employees and service providers to report workplace health and safety hazards and incidents. We provide complimentary general clinic services to all our employees. Furthermore, we take occupational health and safety very seriously; all our employees were free from occupational fatality and injury in 2020.

During the COVID-19 pandemic, we made great strides in strengthening hygiene and precaution measures to prevent mass infection at our workplace. Epidemic-preventative supplies have been provided to our employees regularly, such as surgical face masks, reusable masks and hand sanitisers. Cleaning and disinfection of working stations have been arranged frequently and body temperature measures have remained in place. Work-from-home arrangement and advanced IT support have been provided to our employees, supporting them to work remotely, efficiently and safely. We also provided extra support for frontline teams, including training on the safe use of personal protective equipment, and offered food and beverage to enhance our staff's immune system.

In addition to employees' physical health, we are mindful of their mental well-being. Online training sessions on meditation and happiness were introduced to our employees, encouraging them to stay positive during the pandemic's testing times. We launched various workshops for employees to relax both mind and body, such as hand-made alcohol sanitiser and zentangle workshop and wellness Christmas wreath making workshop.

To build a positive workplace environment, we celebrate different festivals together with our employees. We rewarded the working mothers at our office with gifts on Mother's Day. We also celebrated Father's Day with Father-Child Look-Alike Photo Competition, intending to foster a diverse and inclusive working environment. We also dressed up and had fun together during Halloween and Christmas, enjoying the warmth and joy of different festivals with all employees.



Mental health training was offered to our teams to maintain a positive mindset

Employees' Training and Development

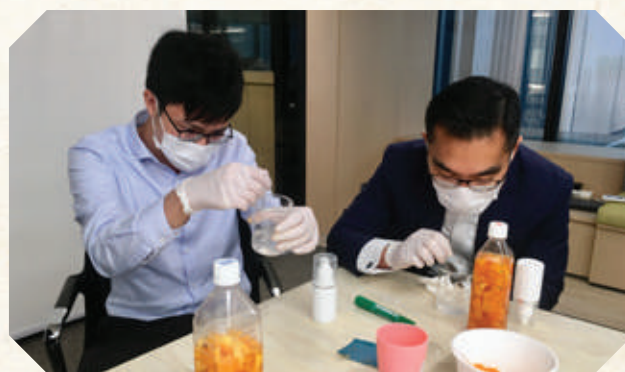
We provide employees with plenty of opportunities to grow and develop. Comprehensive training courses are provided to employees, ranging from communication skills, management skills and workplace relationship management to practical on-the-job skills. ESG-related training are continuously arranged for our employees, such as that for health and safety, anti-money laundering, corruption and cybersecurity. To broaden employees' horizons, we encourage them to participate in external seminars and training courses, acquiring broader knowledge and staying in line with the latest market trends. Employees are invited to share the insights of the external trainings in internal meetings to enrich our team's knowledge. We put forward the Study Subsidy Scheme for employees in all seniority levels, enabling their continuous study and development. Employees are also encouraged to apply for internal transfers based on their needs and capabilities, pursuing different fields of expertise, with the Trust's unwavering support.

Employees' Voice and Feedback

We recognise the importance of listening to the voices of our employees. We conduct employee satisfaction survey annually to understand their needs and expectations in order to build a rewarding work environment. In 2020, we integrated the employee well-being assessment with

the satisfaction survey to sharpen our focus on enhancing our employees' happiness. The survey response rate in 2020 was 64%.

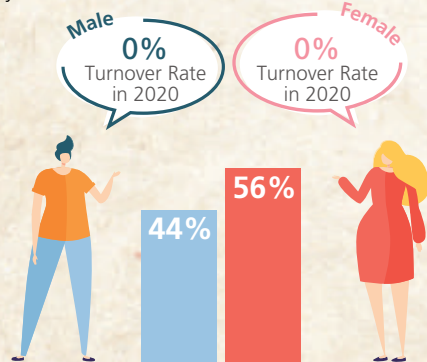
We set up an appraisal system, under which employees could give their supervisors feedback and exchange ideas on performance reviews and development through regular dialogue. We encourage employees to align their performance with the Trust's business and sustainability vision. The grievance handling procedure has been introduced to our employees, allowing them to raise job-related feedback and personal issues. All matters will be followed up thoroughly with confidentiality to protect employees' rights.



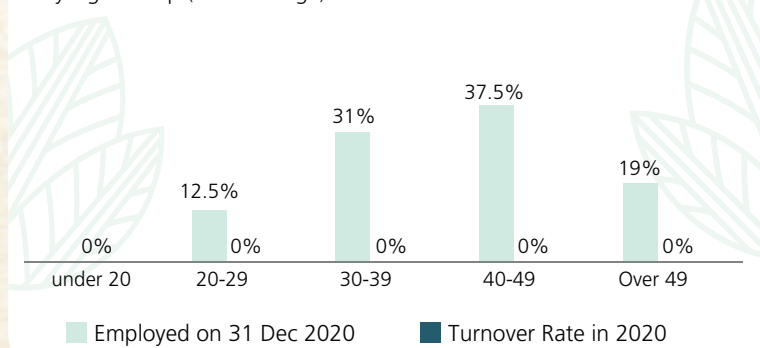
Employees joined the hand-made alcohol sanitiser and zentangle workshop to relax body and mind

Breakdown on Employees and Turnover Rate by Age Group and Gender

By Gender



By Age Group (Years of Age)



The table above refers to the percentage of employees working under the REIT Manager. As the REIT Manager delegates property management, lease management, marketing and promotion functions to various service providers, it hires a relatively small team of in-house staff.

Powering Partnership

Related 2030 ESG Targets:

Well-being, Safety, Stakeholder engagement, Supply chain management

Related Material Topics:

Legal and regulatory compliance, Health and safety, Anti-corruption, Customer satisfaction, Product responsibility, Supply chain



Ramps for wheelchair users were facilitated at Langham Place Mall to bring convenience to people in need

We build beneficial partnerships across the value chain with our suppliers, tenants and customers. We are committed to working together to sustain business and sustainability performance, continuing value creation and building a win-win scenario for all. To this end, we have developed a series of customer-centric initiatives, supply chain management measures and tenant-customer engagement activities.

Excellent Customer Experience

We seek to carry out an excellent customer experience by proactively identifying our customers' needs. Accordingly, we installed comprehensive customer-friendly facilities at our properties for user convenience. We launched multiple brand-new digital features, such as a self-ordering system at the food court, a mobile app and online channels for Langham Place Mall.



We supported induction loop system for the hearing aid users

We endeavour to provide value-adding customer service by promoting greater accessibility at our properties. Measures include tactile guide paths, a wheelchair borrowing programme, and leading services for those who are differently abled. Moreover, both our properties welcome guide dogs. At Langham Place, the concierge has a height suitable for wheelchair users, and induction loop system for hearing aid users is also in place. Our care for our disabled customers is an expression of our utmost respect for universal human rights. Langham Place Mall joined the Breastfeeding Friendly Community Initiative, launched by the Faculty of Medicine at the University of Hong Kong, by offering breastfeeding-friendly spaces to our employees and tenants. We have played an essential part in ensuring that the dignity of different people in our community is valued.

Protection of customer data is of paramount importance to the Trust. We take all the necessary steps to ensure that the collection and handling of personal information are lawful and appropriate. Our data protection policy is per the Hong Kong Personal Data (Privacy) Ordinance.



Three Garden Road is the first existing building in Hong Kong to achieve the highest Platinum WELL Building Standard

Wellness-enhancing Environment for Tenants

We place a strong emphasis on advancing the well-being of all our tenants. We pursued the WELL Building Standard at Three Garden Road, a global standard to promote building occupants' wellness in air, water, light, nourishment, movement, thermal comfort, sound, materials, state of mind and community involvement. The indoor air quality of both our properties is always kept at an excellent level to prevent the spread of contagious diseases and reduce indoor health risks. All our properties have been granted the Indoor Air Quality Certification Scheme — Excellent Class by the Environmental Protection Department. Apart from building hardware, we have launched various wellness-promoting events at our properties, such as music performances and the virtual running event.

The Musica del Cuore (Italian for "Music of the Heart") concert series is held at Three Garden Road to foster wellness culture by presenting some of the finest classical repertoires. Considering the social distancing rules due to the COVID-19 pandemic, we have shifted the music performances online to share the joy of music with more people.



We created the refreshing staircase painting at Three Garden Road, encouraging tenants to take the stairs for a healthy life

Tenant and Customer Satisfaction

Certified by the ISO 9001 Quality Management System, both our properties have a wide range of measures in place to monitor and enhance customer satisfaction. At Langham Place, we have set up a tenants-exclusive hotline to facilitate tenants' needs. We have also established a customer feedback system to collect compliments, complaints and general enquiries from our customers. In addition to the hotline and email communication, Three Garden Road has also set up an e-Concierge online system for tenants to obtain necessary information and share feedback with our team.

Our property management team conduct annual satisfaction survey to collect tenants' feedback on property management services. This will help us understand better tenants' needs for providing a superior experience. Our property management team reviews the survey results and determines the areas that need further management and improvement.

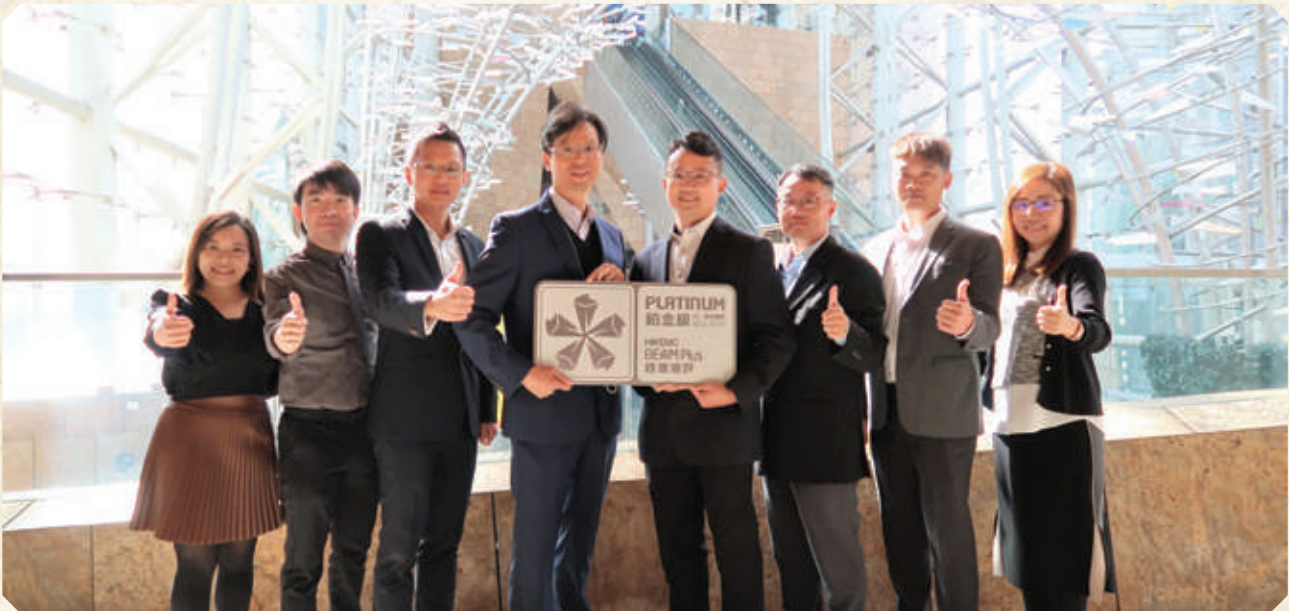
Engaging Suppliers for Greater Impacts

Our Supplier Code of Conduct outlines our expectations concerning ethics, labour rights, environmental protection and management practices. Clear procedures and guidelines are offered to suppliers, ensuring that we foster responsible behaviours and high-quality customer services aligned with the Trust's standard. Self-assessment and regular reviews are in place for quality assurance and

continuous improvement. In addition to this policy alignment, we require suppliers to stay in line with the ISO standards that we comply with, including ISO 14001 Environmental Management System, ISO 45001 Occupational Health and Safety Assessment System and ISO 9001 Quality Management System. We provide ongoing training to enhance suppliers' service standards, such as training related to anti-corruption, health and safety. We have stepped up our role in influencing our suppliers to make sustainability efforts. We established the Green Purchasing Policy to encourage responsible purchasing behaviours across the supply chain. We organise the recognition ceremony regularly to praise the suppliers with outstanding performance.

Continuing Value Creation with Tenants

We proactively connect with our tenants through various sustainability initiatives for broader environmental and social impacts. Sustainability suggestions and fit-out guidelines have been attached to the lease contracts to encourage our tenants to embrace sustainability in their operations. We proactively partnered with tenants to make social contributions in 2020, including the Blood Donation Campaign, Earth Hour, Lai See Reuse and Recycling Programme, and Mooncake Re-gifting Programme, amongst others. Going beyond promoting sustainability internally, we have been active in influencing external stakeholders to work together for creating long-term positive impacts.



Langham Place Mall received BEAM Plus Platinum certification and was featured as Green Shopping Mall

Case Study

Safeguarding Stakeholders' Health and Safety during the COVID-19 Pandemic

3 GOOD HEALTH AND WELL-BEING



11 SUSTAINABLE CITIES AND COMMUNITIES



We have ramped up efforts to safeguard our stakeholders' health and safety during the COVID-19 pandemic. A solid set of hygiene-strengthened measures have been taken, including increased frequency of deep cleaning and disinfection of all common areas, daily disinfection of the air and ventilation system, and complimentary fogging sanitisation treatment to all food and beverage tenants. Touchless hand sanitisers and body temperature measures have remained in place. Furthermore, we introduced pioneering and technology-centered initiatives at all our properties to enhance hygiene standards, including intelligent body disinfection stations, UV disinfection for escalator's handrails, cleaning robots and air purifiers at guest lifts, among other practices.

We conducted human-oriented measures at our properties to maintain the personal hygiene of tenants and customers. We first introduced the

hands-free step for customers to access toilet doors. We also installed a new handle design for toilet seat cover to foster a touchless environment, reducing virus transmission through touchpoints. We carried out customer-centric innovations, such as hygienic face mask holders and protective covers for roadshow tenants to use during meals at Langham Place Mall.

With our devoted efforts to provide a safe and reliable environment for employees, tenants and customers, both our properties received the Certificate of Hygiene Measures for the CoV-prevention Certification Scheme.



Hong Kong Quality Assurance Agency
Certificate of Hygiene Measures for CoV-prevention Certification Scheme



The pioneering hands-free step was introduced at toilet doors of Langham Place for a touchless environment

"Thanks the team at Langham Place for the unfailing support during COVID-19 outbreak, such as the collaboration on the eStore, demonstrating the true spirit of business partnership."

Janis Tam,
Managing Director of
Swire Resources Limited



Community Wellness

Related 2030 ESG Targets:

Stakeholder engagement, Community investment

Related Material Topics:

Community, Health and safety

It is our mission, always, to care for the underprivileged in our community. We proactively observe the local community's needs and try our utmost to provide the necessary assistance, especially for the disenfranchised. We support future leaders by providing opportunities for young people to grow and shine. Being a leader who strives to build a wellness hub within our properties, we also seek to promote our community members' physical and mental health.

Donating to the Needy

When COVID-19 first hit Hong Kong, there was a severe lack of preventative supplies available. We hoped to weather these difficult times together with underprivileged families. Subsequently, we sent boxes of hand sanitisers and anti-bacterial wet wipes to Hong Kong Christian Service Central Nursery School children. To share joy with the elderly during the pandemic, we delivered food donation to the Ming Yue District Elderly Community Centre of the Hong Kong Young Women's Christian Association ("YWCA"). Our team packed over 80 Christmas wellness gift boxes to continuously support the needy, and sent them to the children at the Hans Andersen Club to share the holiday joy. We guided our colleagues to pack brand-new and un-used items into the gift boxes. Not only did it benefit these people, but it also reduced waste to protect our environment. Furthermore, in partnership with The Boys' and Girls' Clubs Association of Hong Kong, we donated stationery to their members for two consecutive years. We also delivered to their members the anti-pandemic packs to fight the virus.

"Champion REIT prepared fabulous and practical Christmas gifts for our children, including interesting toys and useful stationeries. Each of the gifts carried the volunteers' great kindness and love to us. I am grateful for Champion REIT's thoughtful arrangement."

Winnie Yu,
Centre-in-Charge,
Diana Boyd Wilson Centre of
Hans Andersen Club



We sent boxes of anti-pandemic supplies to a local nursery school





Our colleagues prepared the Christmas gifts with recycling items for Hans Andersen Club's children

Taking Volunteerism Online

In addition to donations, we have actively engaged in different volunteer activities to give back to our community. Although social distancing rules under the pandemic kept us from physical human interaction, we have used technology to continue our community events. We interacted with the Hans Andersen Club's children at a virtual Christmas Party, continuing the wellness gift boxes event.

Our property management team also launched an online workshop with the members of The Boys' and Girls' Clubs Association of Hong Kong to teach the children making lanterns on the Eve of the Mid-Autumn Festival, promoting the awareness of reusing and recycling. The property management team also held online workshop to educate the children about basic first aid knowledge. Our volunteer team produced five creative videos supporting the World Alzheimer's Month promotion campaign launched by YWCA. We also engaged in the online question-and-answer and gifting activities every Wednesday in September to raise public awareness of dementia.



We supported the World Alzheimer's Month Promotion Campaign launched by YWCA

We continued sponsoring the giant LED TV's free airtime at Langham Place Mall for charitable organisations to broadcast their promotional videos every year. The organisations that we engaged this year include Hong Kong Arts Festival, World Wide Fund for Nature, Hong Kong Hereditary Breast Cancer Family Registry, The Community Chest of Hong Kong, Tung Wah Group of Hospitals and ifva of Hong Kong Arts Centre etc.



Anti-pandemic packs were donated to The Boys' and Girls' Clubs Association of Hong Kong

Promoting a Healthy Lifestyle

To advocate wellness and promote a healthy lifestyle in our community, we supported a virtual running event as a venue sponsor in collaboration with Victoria 612 for the V10 Series. We launched the event from mid-November to late December in a live race mode. Participants scanned the QR code to get immediate race results at each checkpoint. Over 240 runners participated in the race and captured their happy moments at the finish line — the painted staircase at our sponsored venue, Three Garden Road. We awarded Three Garden Road's tenants exclusively with cash coupon to encourage them to participate in the event and exercise while staying safe during the pandemic.



Three Garden Road was the venue sponsor for the meaningful virtual running event



The young intern students injected energy into our workplace

Youth Development

We believe our youth are the leaders of our future. Thus, in 2020 we continued to provide internship opportunities for local university students from the Hong Kong University of Science and Technology and City University of Hong Kong. The students joined us for our Entrepreneur in Action programme to gain new experiences and insights from the business world. We also recruited students to get involved in our projects throughout the year, helping them to achieve a better understanding of the business world. Despite the current challenging business environment, we are truly grateful to have the opportunity to help young people shine at the workplace and pursue a rewarding career in future.

"My internship with Champion REIT this summer was fascinating. This experience has beneficially contributed to my future career. The opportunity to join the job shadowing with CEO was also fruitful. I enjoyed hearing Ada talked about her passion for her job and the steps I could take to pursue my career goals and inspiration."

**Chloe Wu, Student
at the Hong Kong
University of Science
and Technology**



Case Study

The Real Champion — Entrepreneur in Action



Our Entrepreneur in Action programme inspired tertiary students to learn practical business skills

In addition to the internship opportunities mentioned previously, we launched the Entrepreneur in Action programme to provide learning opportunities for tertiary students facing the challenging business environment. The programme aimed to help students acquire and practise marketing and business skills and attracted over 270 participants from local and overseas universities. We conducted a virtual CEO sharing and briefing webinar for the programme. Our CEO and tenants' CEOs offered personal insights into entrepreneurialism during the webinar, and empowered students with valuable advice for a promising future career. We awarded the winning team of the programme with CEO shadowing and internship opportunities with our tenants.

In order to proactively take precautions against the pandemic and embrace technological trends, we conducted all engagement sessions online to reduce the risks associated with in-person meetings, including briefing, sharing and final presentations. Students were encouraged to execute their business and marketing plans by using online platforms to cater for the ever-changing business world.

> 270 Students joined

Every HK\$1 investment is equivalent to HK\$2.01 business benefit

We regarded the campaign as a great success. Helping people may not necessarily involve monetary contribution. We actively empower our youth and connect the community with untapped resources. The programme benefited not only the students, but also enabled us to fulfill corporate social responsibilities together with our tenants and strengthened our strategic partnerships.

"It was an unforgettable experience for me, joining the Entrepreneur in Action programme. I have learned that no matter what obstacles I met, there are always opportunities and solutions to get through any challenges. I successfully gained the internship opportunity after winning the programme, which showed that the programme was impactful and meaningful!"

Presley Ma,
Student at City University
of Hong Kong



Sustainability Recognitions and Charters

Category	Recognition	Organiser	Corporate Level	Property Level	
				Three Garden Road	Langham Place
Sustainability Benchmarks and Indices	<ul style="list-style-type: none"> Four-star Green Recognition Grade A on Public Disclosure 	Green Real Estate Sustainability Benchmark	✓		
	<ul style="list-style-type: none"> Hang Seng ESG 50 Index Constituent of Hang Seng Corporate Sustainability Benchmark Index for five consecutive years 	Hang Seng Corporate Sustainability Index Series	✓		
Building Certifications	WELL Building Standard Certification: Platinum	The International WELL Building Institute		✓	
	BEAM Plus EB V2.0 Comprehensive Scheme: Platinum	Hong Kong Green Building Council			✓
Overall Sustainability and Management Awards	ESG Corporate Awards: <ul style="list-style-type: none"> Jade Award Best CEO 	The Asset	✓		
	<ul style="list-style-type: none"> ESG Leading Enterprises Award Leading Environmental Initiative Award 	Bloomberg Businessweek	✓		
	Asia's Best Companies: <ul style="list-style-type: none"> Best Investor Relations Best CEO Best Environmental Stewardship Most Committed to Social Causes Best Managed Company 	FinanceAsia	✓		
	Asian Excellence Awards: <ul style="list-style-type: none"> Asia's Best CEO Asia's Best CSR Best Investor Relations Company Best Investor Relations Professional 	Corporate Governance Asia	✓		

Category	Recognition	Organiser	Corporate Level	Property Level	
				Three Garden Road	Langham Place
Excellence in Environment Awards	Big Innovation Awards (Internet of Things Energy Saving Project)	Business Intelligence Group		✓	
	Energywi\$e Certificate: Excellence Level	Environmental Campaign Committee		✓	
	Energywi\$e Certificate: Basic Level	Environmental Campaign Committee			✓
	Wastewi\$e certificate: Excellence Level	Environmental Campaign Committee		✓	
	IAQwi\$e Certificate: Excellence Level	Environmental Campaign Committee		✓	✓
	Indoor Air Quality Certificate: Excellent Class	Environmental Protection Department		✓	✓
	Hong Kong Green Organisation	Environmental Campaign Committee		✓	✓
	Outstanding Building Energy Efficiency Performance (Existing Building)	Electrical & Mechanical Services Department			✓
	Charter on External Lighting: Platinum Award	Environment Bureau		✓	✓
	Energy Saving Championship Scheme – RCx Technical Approach Merit	Electrical & Mechanical Services Department		✓	
	Gold Award – Innovation in Technology Management, Planning and Implement	Asia-Pacific Stevie® Awards		✓	
	Quality Water Supply Scheme for Buildings Fresh Water (Management System): Gold	Water Supplies Department		✓	✓
Certificate of Registration for Waste Cooking Oils Collector	Environmental Protection Department			✓	

Category	Recognition	Organiser	Corporate Level	Property Level	
				Three Garden Road	Langham Place
Excellence in Health and Safety Awards	Certificate of Hygiene Measures for CoV-prevention Certification Scheme	Hong Kong Quality Assurance Agency		✓	✓
	Honorable Managed Property Award	Kowloon West Regional Crime Prevention Office (Best Security Services Awards)			✓
	Outstanding Security Services (Industrial/Commercial Property Award)	The Hong Kong Island Regional Crime Prevention Office (Best Security Services Awards)		✓	
	Security Services Best Training Award: Gold	Vocational Training Council		✓	✓
Excellence in Community Care Awards	Best PR Campaign (Sustainability): Champion Our Wellness – Bronze Award	Marketing Magazine	✓		
	Caring Company	The Hong Kong Council of Social Service	✓	✓	✓
	ERB Manpower Developer Award Scheme – Manpower Developer	Employees Retraining Board			✓
	Fair Trade Award – Silver	Fair Trade Hong Kong	✓		

Performance Data Summary

Environment

Category	2020 Data
Energy consumption	↓ 7.9%
Carbon emissions (included scope 1 and 2)	↓ 8.0%
Water usage	↓ 7.0%
Food waste collection	Around 10,000kg

Social

Category	2020 Data
Total workforce by gender and age group	By gender Male: 44%; Female: 56%
	By age Under 20: 0%; 20–29: 12.5%; 30–39: 31%; 40–49: 37.5%; Over 49: 19%
Employee turnover rate by gender and age group	By gender Male: 0%; Female: 0%
	By age Under 20: 0%; 20–29: 0%; 30–39: 0%; 40–49: 0%; Over 49: 0%
Number of work-related fatalities in each of the past three years	0%
Lost days due to work injury	0
The percentage of employees trained by gender and grading	By gender Male: 100%; Female: 100%
	By grading Management: 100%; Non-management: 100%
The average training hours completed per employee	17.5 hours
Resources contributed to the focus area of community investment	Over 700 people benefited from our community events

ESG Reporting Guide Index

Aspect	KPI	Content	Page Number
A. Environmental			
A1 Emissions	A1	General disclosure	5, 6, 14, 16
	A1.1	The types of emissions and respective emissions data	21, 38
	A1.2	Greenhouse gas emissions in total and intensity	21, 38
	A1.3	Total hazardous waste produced and intensity	22, 38
	A1.4	Total non-hazardous waste produced and intensity	22, 38
	A1.5	Description of measures to mitigate emissions and results achieved	16–21, 36
	A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	22–23, 36
A2 Use of resources	A2	General disclosure	5, 6, 14, 16
	A2.1	Direct and/or indirect energy consumption by type in total and intensity	21, 38
	A2.2	Water consumption in total and intensity	21, 38
	A2.3	Description of energy use efficiency initiatives and results achieved	19–21, 36
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	21, 36
	A2.5	Total packaging material used for finished products and with reference to per unit produced	Not applicable to the Trust's business nature
A3 The environment and natural resources	A3	General disclosure	5, 6, 14, 16
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	16–23
B. Social			
B1 Employment	B1	General disclosure	5, 7, 14, 24
	B1.1	Total workforce by gender, employment type, age group and geographical region	26, 38
	B1.2	Employee turnover rate by gender, age group and geographical region	26, 38

Aspect	KPI	Content	Page Number
B2 Health and safety	B2	General disclosure	5, 7, 14, 24
	B2.1	Number and rate of work-related fatalities	25, 38
	B2.2	Lost days due to work injury	25, 38
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	15, 25, 30
B3 Development and training	B3	General disclosure	5, 7, 14, 24
B4 Labour standard	B4	General disclosure	5, 7, 14, 24
	B4.1	Description of measures to review employment practices to avoid child and forced labour	24
	B4.2	Description of steps taken to eliminate such practices when discovered	24
B5 Supply chain management	B5	General disclosure	5, 8, 14, 27
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	14, 27, 29
B6 Product responsibility	B6	General disclosure	27
	B6.2	Number of products and service related complaints received and how they are dealt with	29
	B6.4	Description of quality assurance process and recall procedures	29
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	27
B7 Anti-corruption	B7	General disclosure	14
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	14
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	14
B8 Community investment	B8	General disclosure	5, 8, 14, 31
	B8.1	Focus areas of contribution	31–34
	B8.2	Resources contributed to the focus area	31–34, 38

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