

# ChampionREIT

冠君產業信託

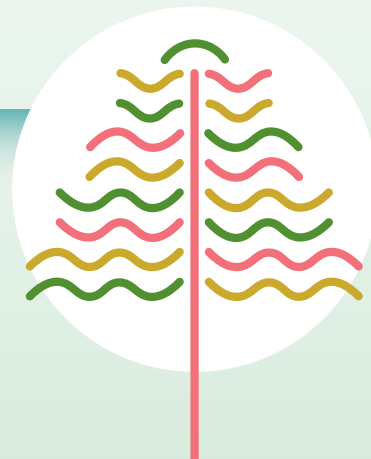
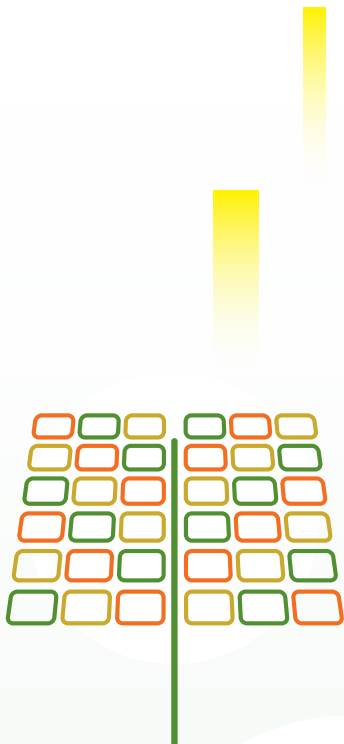
Champion Real Estate Investment Trust (stock code: 2778) is a Hong Kong collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

## Empowering Our Stakeholder Relationships 2021 Sustainability Report



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## About this Report

### Reporting Scope

The Sustainability Report 2021 of Champion REIT (the "Trust") covers the period from 1 January 2021 to 31 December 2021 and considers the business of our properties, Three Garden Road and Langham Place, of which the Trust has major ownership and operational control during the entire reporting period. The report provides an overview of the Trust's sustainability commitment, initiatives, progress and achievements in line with our 2030 Environmental, Social and Governance ("ESG") goals launched in 2019 to create sustainable values for our stakeholders and business.

### Reporting Standards

Preparation of this report follows the Stock Exchange of Hong Kong Limited ("HKEX")'s ESG Reporting Guide under Appendix 27 of the Main Board Listing Rules, satisfies the "comply or explain" provisions and follows the four reporting principles — Materiality, Quantitative, Balance and Consistency. 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 in accordance with the Task Force on Climate-related Financial Disclosures ("TCFD") framework.



## About Champion REIT

### Profile

Champion REIT is a real estate investment trust formed to own and invest in income-producing office and retail properties. The Trust's focus is on Grade A commercial properties in prime locations. It currently offers investors direct exposure to nearly 3 million sq. ft. of prime office and retail floor area. These include two Hong Kong landmark properties, Three Garden Road and Langham Place, as well as joint venture stake in 66 Shoe Lane in Central London. For details of our business performance and outlook, please refer to our 2021 Annual Report ([www.championreit.com/investor-relations/financial-reports](http://www.championreit.com/investor-relations/financial-reports)).

### Feedback

Your valuable feedback on our report and other sustainability issues is welcome. Please contact us at [info@eam.com.hk](mailto:info@eam.com.hk).





# Sustainability Statement from the Board

The Board assesses the sustainability risks and opportunities for the Trust and integrates sustainability into every facet of the Trust's operation through long-term strategies. To ensure a robust governance, our Sustainability Working Group reports quarterly to the Board on ESG progress, including stakeholder engagement, risk identification and the benchmarking of industry standards.

Along with the growing importance of sustainability in the corporate world, we infuse sustainability culture into our business decision process, from ESG task

prioritisation to the management of other material issues, gradually realising our 2030 ESG targets established in 2019. Besides our internal team, we strive to work with external stakeholders sharing the same mindset on sustainability, so as to benefit not only our business but also the wider community.

Every individual employee is an essential piece of puzzle that forms the Trust's sustainability blueprint. We believe, with both the internal and external supports, the Trust will reach new heights in our ongoing sustainability journey.

**Board of Directors**



# Message from the Sustainability Working Group



**We extend the sustainability impact through partnering with stakeholders and leveraging their power.**

Echoing to our report theme this year — “Empowering our stakeholder relationships”, the Trust spared no effort in playing the role as a sustainable influencer, joining hands with our tenants, customers, staff and the community for creating more impactful outcomes for a better future. Despite our small team size, we have extended the sustainability impact through partnering with the stakeholders and leveraging their power. Relevant resources devoted to the three main areas — climate risks and resilience, wellness, and women empowerment, underpin the Trust’s effort to drive key sustainability initiatives.

In view of the urgency in tackling extreme climate change that might affect our long-term business growth, we are committed to exploring possible solutions while placing much importance on taking the stakeholders’ interests into consideration. In order to build a low-carbon economy as stipulated in our 2030 target roadmap, we also identify mitigation and adaptation opportunities.

During the reporting year, we prioritised the well-being of our stakeholders and the multiple activities we have implemented under the ongoing “Champion our Wellness” initiative. We always aim to foster a diverse and inclusive community by advocating gender equality and providing assistance to the needy. In this vein, we initiated the Women Empowerment Programme “Champion Mothers”, providing business skill-sharing sessions to a group of mothers whose children have special educational needs.

Similar to past practices, we continue to expand our footprint in nurturing the next generation for a better future, providing ample opportunities wherever possible. For example, the Student Filming Competition unleashed the youngsters’ creative potential through video-taking at our Langham Place Mall.

In the years of turmoil and change, we remained steadfast in valuing sustainable development and attempted to integrate it with our business. We secured the first sustainability-linked loan and a sustainability-linked swap to align our financial planning with sustainability objectives. In order to have a more comprehensive view on the Trust’s performance on sustainability, we conducted a new round of stakeholder engagement and materiality review to solicit opinions from our tenants, investors and staff.

Our ongoing holistic ESG integration was recognised by several accolades and prestigious associations. In addition to the BEAM Plus Existing Building Final Platinum certification, Langham Place Mall was awarded the international EDGE green building certification, making it the first property in Hong Kong to receive this recognition. Three Garden Road is the first existing building in Hong Kong to have achieved the WELL Building Platinum Standard.

In alignment with our long-term goals, we managed to shepherd the business whilst seizing opportunities that could maximise shareholders value, such as the first joint venture overseas acquisition of 66 Shoe Lane in London and the opening of our new beauty concept store Langham Beauty in 2021.

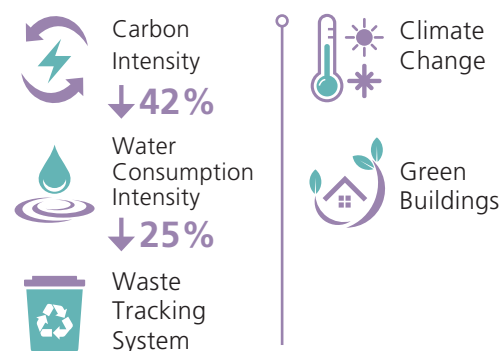
Stepping into a new year, we will maintain our perseverance to bring positive impacts to our stakeholders, transforming potential risks into opportunities for the Trust’s dynamic and sustainable development in the long run.

**Sustainability Working Group**

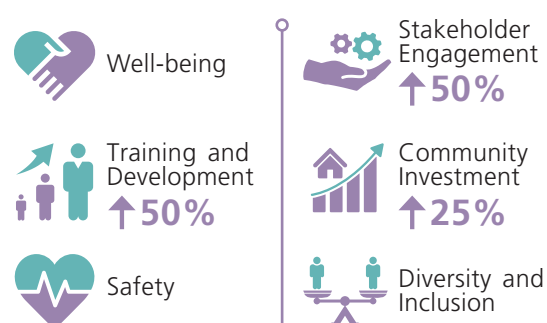
# Sustainability At-a-glance

## Highlights of 2030 ESG Targets

### Environment



### Social

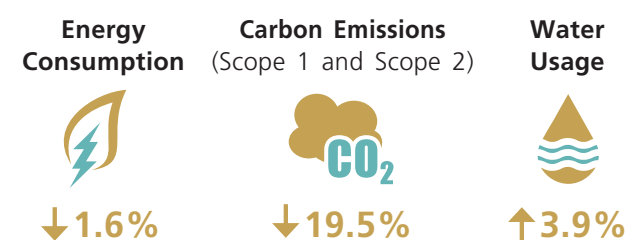


### Governance

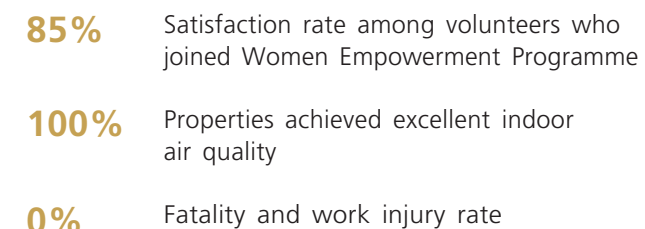


## Key Performance Indicators of 2021

### Environment Data



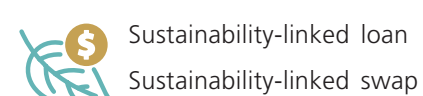
### Social Data



### Governance Highlights



### Sustainable Financing



## Sustainability Strategy

"Embracing sustainability helps us **better prepare for future, identify risks and opportunities**, ultimately **creating sustainable values** for our business, stakeholders and community as a whole."



## Sustainability Awards



### Hong Kong Management Association

Hong Kong Sustainability Award 2020/21

- Hong Kong Sustainability Grand Award
- Hong Kong Sustainability Award
- Special Recognition for Outstanding Sustainability Initiative (Social Dimension)
- Special Recognition for Outstanding Sustainability Initiative (Environmental Dimension)
- Special Recognition for Innovation
- Special Recognition for Best Response to COVID-19



### Bloomberg Businessweek Chinese Edition

ESG Leading Enterprise Awards 2021

- ESG Leading Enterprise Award
- Leading Social Initiative Award



### Finance Asia Asia's Best Companies 2021

- 2021 Most Committed to Social Causes



### Institute of ESG & Benchmark

2021 ESG Benchmark Awards

- The ESG Leader: Platinum
- Outstanding ESG Company (Criteria set by Fund Managers) — Platinum



### Hong Kong ESG Reporting Awards (HERA)

2021 HK ESG Reporting Award

- Newcomer Award Commendation

## Green Buildings and International Benchmark



### Global Real Estate Sustainability Benchmark (GRESB)

2021 Green Star Recognition  
Grade A Rating on Public Disclosure



Hang Seng Corporate Sustainability Index Series Member 2021-2022

Hang Seng Corporate Sustainability Index Series  
Constituent of Hang Seng Corporate Sustainability Benchmark Index for six consecutive years



WELL Building Core & Shell  
Platinum Standard  
Platinum (Three Garden Road)



BEAM Plus Existing Building  
Final Platinum  
(Langham Place Mall)



EDGE Green Building Certification Scheme  
Level 1: EDGE Certified  
(Langham Place Mall)  
The first property in Hong Kong to obtain EDGE Certification











# Sustainability Approach

## Progress of 2030 ESG Targets

In this reporting year, we strived to reach the 14 long-term ESG Targets under the 2030 blueprint for a more systematic and measurable sustainability performance with reference to nine of the United Nations' SDGs. In









conjunction with internal and external stakeholders, we will review the progress annually based on the key performance indicators outlined in the sustainability report.

Aspect (respective SDGs)	Focus Area	2030 Target	2021 Progress Update
<b>Environment</b>      	Energy and carbon emissions	<ul style="list-style-type: none"> <li>42% reduction on carbon intensity by 2030<sup>(1)</sup></li> </ul>	<ul style="list-style-type: none"> <li>Reduced 1.6% energy consumption and 19.5% carbon emissions respectively in 2021</li> <li>Installed over 60 solar panels at both properties that will generate an estimate of 25,700 kWh renewable energy per year</li> </ul>
	Water	<ul style="list-style-type: none"> <li>25% reduction on water consumption intensity by 2030<sup>(2)</sup></li> </ul>	<ul style="list-style-type: none"> <li>Recorded an increase of 3.9% of water usage in 2021 due to more tenants resuming work in office as COVID-19 eased</li> </ul>
	Waste	<ul style="list-style-type: none"> <li>Develop a well established waste tracking system to facilitate future waste management initiatives and minimize waste generated from operations</li> </ul>	<ul style="list-style-type: none"> <li>Collected over 14,400 kg food waste from both properties in 2021</li> <li>Collected food waste was equivalent to a reduction of 7.4 tonnes of greenhouse gas emissions</li> </ul>
	Climate change	<ul style="list-style-type: none"> <li>Develop Climate Resilience Policy and mitigation plan</li> <li>Reduce impacts of climate change</li> </ul>	<ul style="list-style-type: none"> <li>Reviewed climate-related risks and opportunities</li> <li>Drafted Managing Climate Risks and Resilience Policy and mitigation plan for specified risks as identified in the review</li> </ul>
	Green buildings	<ul style="list-style-type: none"> <li>Achieve the highest rating of green building certification</li> <li>Adopt at least one innovation of green building features every two years</li> <li>Establish a Green Lease Partnership Programme</li> </ul>	<ul style="list-style-type: none"> <li>Obtained Level 1: EDGE Certified (Langham Place Mall)</li> <li>The first property in Hong Kong to achieve EDGE Certification</li> </ul>

(1) Tonne CO<sub>2</sub> / square metre; compared to base year 2011

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








## Progress of 2030 ESG Targets

Aspect (respective SDGs)	Focus Area	2030 Target	2021 Progress Update
<b>Social</b>    	Well-being 	<ul style="list-style-type: none"> <li>Maintain IAQ Certification of Excellence Class every year for all premises</li> <li>Develop health and well-being policy</li> <li>Conduct well-being survey for both our employees and tenants</li> </ul>	<ul style="list-style-type: none"> <li>Achieved IAQ Certification of excellence class for Three Garden Road and Langham Place for over 10 consecutive years</li> <li>Conducted employee well-being survey with improvement plan</li> <li>Strengthened anti-pandemic measures, including the smart applications of cleaning and sanitising robot and UV disinfection for the handrails of escalators</li> <li>Arranged stretching exercise workshops for employees</li> </ul>
	Training and development 	<ul style="list-style-type: none"> <li>Increase 50% average training hours of our employees by 2030<sup>(3)</sup></li> <li>Develop training and development plan aligned with sustainability strategy</li> <li>Arrange sustainability related trainings to all Board members and employees</li> </ul>	<ul style="list-style-type: none"> <li>Achieved an increase of 22.3% average training hours compared with 2020</li> <li>Delivered ESG-related trainings to employees</li> </ul>
	Safety 	<ul style="list-style-type: none"> <li>Maintain zero fatality and work injury among our employees</li> </ul>	<ul style="list-style-type: none"> <li>Reported zero fatality and work injury in 2021</li> </ul>
	Stakeholder engagement 	<ul style="list-style-type: none"> <li>Increase 50% resources devoted to stakeholder engagement by 2030<sup>(3)</sup></li> <li>Develop ongoing stakeholder engagement plan</li> </ul>	<ul style="list-style-type: none"> <li>Conducted a new round of stakeholder engagement exercise by an independent ESG consultant</li> <li>Gained insights from stakeholders, especially investors and tenants</li> </ul>

(3) Compared to base year 2018



## Progress of 2030 ESG Targets

Aspect (respective SDGs)	Focus Area	2030 Target	2021 Progress Update
	Community investment 	<ul style="list-style-type: none"> <li>Increase 25% volunteer service hours by 2030<sup>(3)</sup></li> <li>Measure and report impacts of community investment</li> </ul>	<ul style="list-style-type: none"> <li>Average volunteer service hours increased 7% from base year</li> <li>Achieved satisfaction rate of 85% among volunteers of the Women Empowerment Programme</li> </ul>
	Diversity and inclusion 	<ul style="list-style-type: none"> <li>Promote gender equality through awareness training and sharing</li> </ul>	<ul style="list-style-type: none"> <li>Launched Women Empowerment Programme "Champion Mothers" and raised over HK\$100,000 from the charity sale</li> <li>Carried out Women's Day, Mother's Day and Father's Day celebration to recognise working parents</li> </ul>
<b>Governance</b>   	Board 	<ul style="list-style-type: none"> <li>Formally set up Nomination Committee</li> <li>Further enhance the Board's involvement in sustainability matters</li> </ul>	<ul style="list-style-type: none"> <li>The Board was actively engaged in formulating sustainability strategies</li> </ul>
	ESG Policy 	<ul style="list-style-type: none"> <li>Establish integrated ESG Framework and Policies</li> <li>Strengthen governance through best practices of documentation and regulatory procedures</li> </ul>	<ul style="list-style-type: none"> <li>Drafted Managing Climate Risks and Resilience Policy</li> </ul>
	Supply chain management 	<ul style="list-style-type: none"> <li>Develop a structured green procurement system</li> <li>Conduct supply chain risk assessments</li> </ul>	<ul style="list-style-type: none"> <li>To research on supply chain assessments</li> </ul>

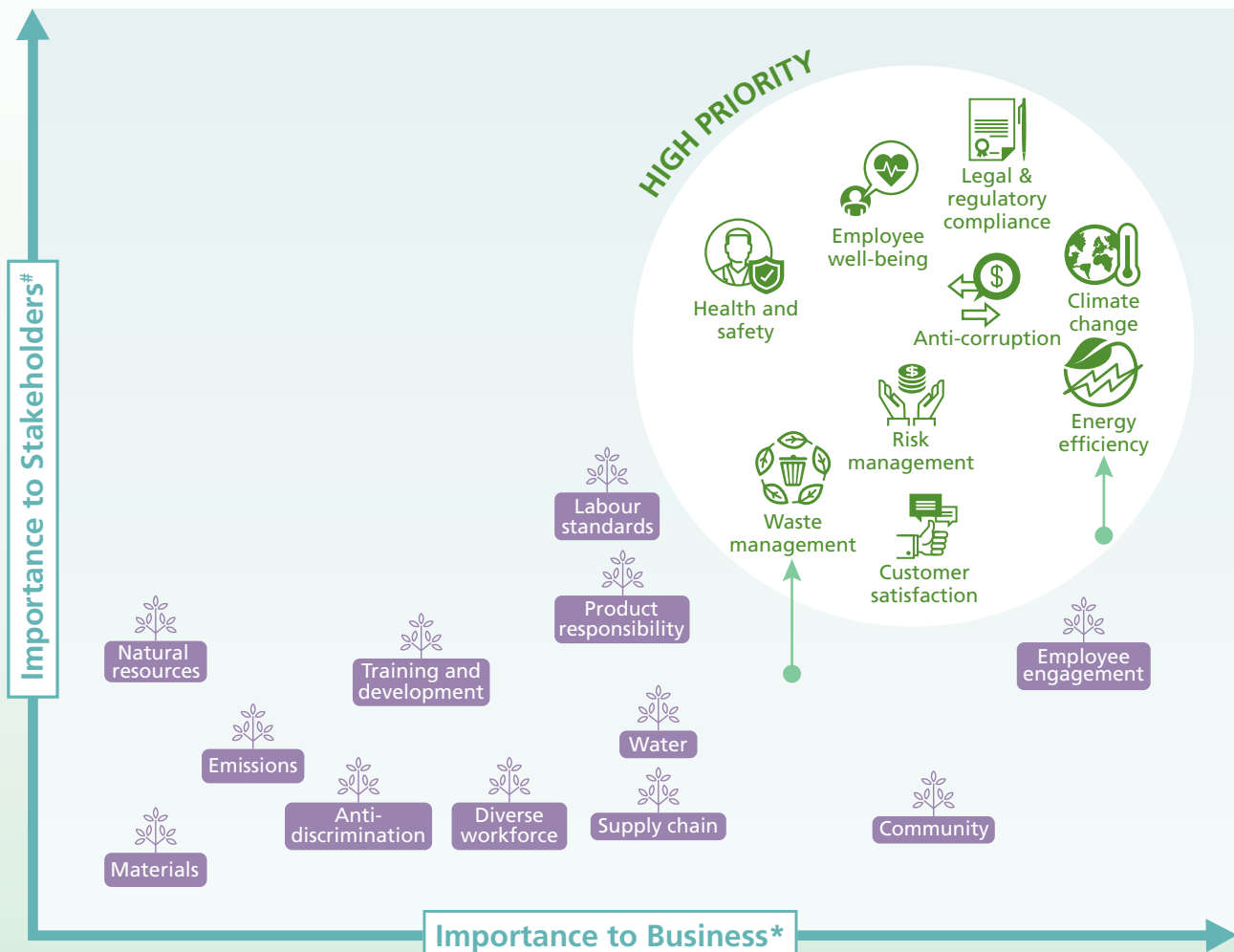
(3) Compared to base year 2018

## Materiality and Stakeholder Engagement

Continuous communication and active engagement with our stakeholders are of paramount importance. To keep abreast of the sustainability topics that concern our internal and external stakeholders, we employed a third-party independent ESG consultant to conduct a new round of materiality review in 2021 via online or phone interviews. This stakeholder engagement exercise was built up on the assessment carried out in 2018, providing new insights from stakeholders, in particular investors and tenants.

After soliciting our target groups, namely employees, tenants, suppliers, investors and the media, we identified 21 material topics (with reference to HKEX's ESG Reporting Guide). The exercise served to align with the materiality matrix at the group-level. We also presented the major adjustments to our Sustainability Working Group.

### Refreshed Materiality Matrix 2021:



















# Importance to stakeholders is determined by external stakeholders' rating of the material issues in terms of their importance to society and environment and their relevance to the Trust

\* Importance to business is determined by internal stakeholders' perceptions of the importance of the material issues to the Trust's business continuity and development as a whole

In view of the increased concerns among our valued stakeholders over green issues, "climate change" and "waste management" have been added to our high priority topics according to our findings. Details of our actions taken on the nine high priority issues identified

have been comprehensively disclosed in the report. To keep track of our journey to reach the sustainability targets and initiatives, we maintain continuous bilateral communication with the stakeholders concerned through different channels.

High Priority Topics	Impact and Boundary (Stakeholder Concerned Groups)	Mapping with 2030 Targets	Our Response
<b>Legal and regulatory compliance</b> 	All stakeholder groups	Targets of Board; ESG Policy; supply chain management	Please refer to page 15 of this report
<b>Climate change</b> 	All stakeholder groups	Targets of climate change	Please refer to pages 6, 11-12, 17-27 of this report
<b>Employee well-being</b> 	Employees	Targets of well-being	Please refer to pages 16, 28-31 of this report
<b>Energy efficiency</b> 	Employees, tenants and investors	Targets of energy and carbon emissions	Please refer to pages 17-24, 27 of this report
<b>Health and safety</b> 	All stakeholder groups	Targets of safety	Please refer to pages 16, 29, 32-34 of this report
<b>Anti-corruption</b> 	Investors and business partners	Targets of Board; ESG Policy; supply chain management	Please refer to page 15 of this report
<b>Risk management</b> 	Investors and business partners	Targets of Board; ESG Policy; supply chain management	Please refer to page 14 of this report
<b>Customer satisfaction</b> 	Tenants and employees	Targets of well-being: stakeholder engagement	Please refer to pages 32-34 of this report
<b>Waste management</b> 	Employees, tenants and investors	Targets of waste	Please refer to pages 25-26 of this report

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

## Alignment with the Group's and other Climate Change Strategies

To be on the same pace with the Group's strategy, we have been making gradual progress on achieving the Trust's 2030 target in the aspects related to sustainability, from sustainable finance, training and development, carbon intensity reduction to green innovation. In 2022, we aspire to spare no effort to drive improvement and transformation, including developing a more comprehensive renewable energy deployment plan and exploring possibilities on performing science-based target initiatives and scope 3 emissions' reduction.

In view of the rising concerns in society, we will also look for chances to undergo climate scenario analysis, as

recommended by the TCFD framework. The analysis helps effectively identify and assess potential implications of climate-related risks on business performance, with the plausible future conditions including downstream emissions, carbon price and expenditure on green building investment, while adhering to high contrast, balanced and science-based principles.





## Benchmark

Our proactive engagement with relevant stakeholders not only enables us to fulfill the sustainability requirements of our environmentally conscious stakeholders, but also helps meet the Trust's long-term sustainability commitment. We adopted best practices in adherence to the requirements of local and international sustainability indices and certifications, including Green Real Estate Sustainability Benchmark ("GRESB"), Hang Seng

Sustainability Corporate Index and other green building certifications, such as BEAM Plus and EDGE for our properties. By implementing measures in alignment with these benchmarks, and taking reference of our peers' performance, we could be able to discover new areas for improvements and further build our sustainability capacity.



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



**Hang Seng Corporate Sustainability Index**  
Series Member 2021-2022

- ✓ **Constituent of Hang Seng Corporate Sustainability Benchmark Index for six consecutive years**

The key sustainable building certifications attained by our properties as at 31 December 2021:

Property	Type of Certification	Rating
<b>Three Garden Road</b>	WELL Building Core and Shell V2 Platinum Standard	Platinum
<b>Langham Place Mall</b>	BEAM Plus V2.0 Existing Building	Platinum
	Excellence in Design for Greater Efficiencies ("EDGE")	Level 1
<b>Langham Place Office Tower</b>	HK-BEAM for New Office Designs	not applicable

## Climate-related Disclosure

From the aforementioned review, among the three newly-added topics of the materiality matrix, climate change has been mentioned in all investor interviews, with its level of importance just slightly lower than that of the governance issues. For climate-related financial disclosures purpose, we have consolidated our steady progress based on the four thematic categories recommended by the Task Force on Climate-Related Financial Disclosures ("TCFD"), namely Governance, Strategy, Risk Management, Metrics and Targets. Details

are outlined in the "Sustainability Initiatives — Green Environment" section on pages 17–27.

Moreover, we have adopted innovative designs and green buildings with smart features in our pursuit of a climate resilience and low-carbon lifestyle. Moving forward, we will continue to identify potential climate-related impacts on business and ensure transparency and relevant disclosure in a timely manner.

# Sustainability Governance

## Board Governance

To ensure the Trust's long-term commitment to sustainability, the Board leads the Trust's sustainability direction while overseeing the formulation and integration of relevant policies into the Trust's robust corporate governance structure, from management, business units to individual employees. The Board reviews and advises on all sustainability matters, which include setting the 2030 ESG Targets, risk identification and management, climate resilience and other key sustainability projects, by proactively engaging in ESG task prioritisation, progress review and recommendation. Under the ever-changing landscape on the ESG trends, corresponding training were thereby arranged for the Board.

Advocating the initiative of diversity also adds value to the sustainable and balanced development of the Trust. The current proportion of women in the Board is 25%, emphasising the Trust's effort in instilling more diverse views and insights for a positive outcome.

## Sustainability Working Group

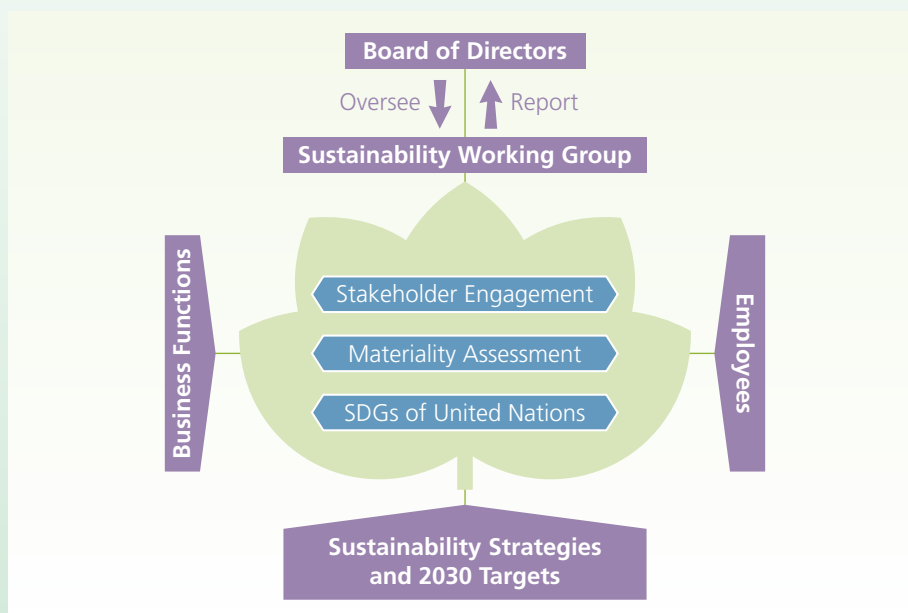
In view of the ever-changing landscape and the ESG-related risks, the Board has delegated the Sustainability Working Group to draw up the Trust's sustainability agenda. The working group, chaired by the CEO, comprises veterans of different expertise across the Trust.

Senior management from core functional teams, including investor relations, asset management, risk management, property management, marketing and corporate communications, work together in the group to foster our advancing sustainability journey.

The establishment of the Trust's 2030 ESG Targets, detailed consideration and implementation of various initiatives for achieving the defined targets would be the group's mandate. Also, insights on critical sustainability topics, such as risk management, climate resilience and stakeholder engagement would be gathered for the Board, along with the progress report on other initiatives regularly for potential growth.

Achieving our long-term sustainability target would need the assistance of cross-department collaboration and involvement from every individual employee. To keep them informed, we leverage various channels to disseminate useful information about our strategies and work. Sustainability training sessions on topics related to health and safety, and climate change are also provided to employees from different staff levels, in which free flow of ideas is encouraged to spark new insights.

Please refer to our Annual Report 2021 ([www.championreit.com/investor-relations/financial-reports](http://www.championreit.com/investor-relations/financial-reports)) for the details of our corporate governance approach.



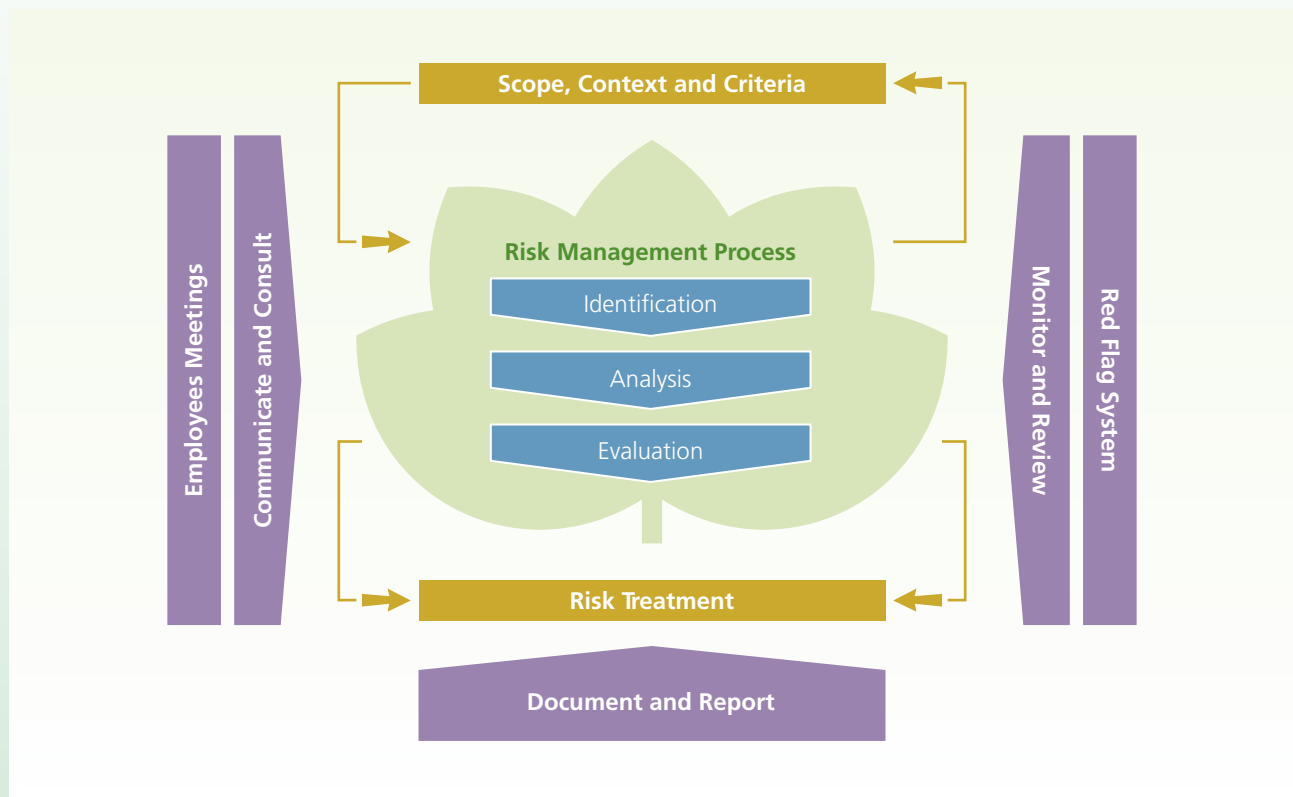
## Risk Management

A systematic risk management framework allows the Trust to effectively manage risks in association with its strategies and business objectives throughout the Trust's day-to-day operation. The framework is implemented across the individual functional units of the Trust (i.e. senior management of functional units) as well as its service providers (i.e. appointed property manager and building managers of Champion REIT's properties). With an integrated approach that combines top-down (for risks of corporate level) with bottom-up (for risks of operational level) in the risk management process, the Trust identifies and prioritises all key risks thoroughly, and ensures that they are managed with suitable systems and countermeasures.

Acknowledging the heightening importance of ESG-related risks that concern our stakeholders and unitholders, we are committed to continuously enhancing our risk management policy by taking into account the

ESG-related risks along with other material operational risks (including but not limited to governance and strategy, regulatory compliance, people and talent, technology and operations, and financial) in our decision-making processes.

The Board oversees the risk management process, linking our directions and strategies for key risks with the Trust's core value, while risk owners from different functional teams and key service providers are responsible for identifying, evaluating, monitoring and reporting risks on operational level. Our risk management team is accountable for coordinating with risk owners, ensuring that the risk management process operates as stipulated under the Risk Management Policy. The risk management team maintains its independence and reports their consolidated findings to the Audit Committee, which is guided by our CEO, with the role of reviewing the effectiveness of the overall risk management mechanism.



## ESG Framework and Policies

The Trust has a strong determination to pursue long-term sustainable development. We believe that providing a clear set of overarching guidelines enables the smoothness of integrating sustainability into every part of our operation. The following procedures and framework, covering environmental, social and governance aspects, are set to articulate the important principles:

### Environmental



- Environment Policy
- Green Purchasing Policy
- Managing Climate Risks and Resilience Policy (in progress)

### Social



- Social Responsibility Policy
- Equal Opportunity Policy
- Training and Development Policy

### Governance



- Risk Management Policy
- Whistleblowing Policy
- Anti-fraud, Bribery and Competition Policy
- Code of Conduct

Putting the above policies and framework in place formalises our commitment to maintain a high standard of corporate governance, working beyond the minimum regulatory requirements of environmental protection and community contribution, with the ultimate goal of creating positive values for our environment, community and business.

## Ethics and Integrity

Responsible and ethical behaviours among our employees and suppliers are fundamental to the Trust's sustainable development. To optimise the Trust's operation and

maximise the unitholders' interests, a culture of honesty, integrity and professionalism is entrenched in all spheres. We also ensure that employees at all levels take concerted efforts and uphold our values by conducting business activities in a legal manner whilst complying with all regulatory and sustainability requirements.

We observe vigorous policies for the prevention of bribery, corruption and fraud via the adoption of the Code of Conduct, which clearly spells out the Trust's fundamental standard of behavioural requirements of all employees regarding bribery, law of obedience and conflicts of interest. With close adherence to this Code of Conduct, we have no tolerance for any employees' misconduct related to soliciting, accepting or offering bribes and any other form of unfair advantage. A well-defined whistleblowing mechanism is also in place to encourage our employees to perform confidential reporting of any wrongdoing in the workplace, such as suspected fraud, violating policies and procedures, and misappropriation of resources.

In addition, we have set the 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. During the reporting period, no reports regarding any breach of the Code of Conduct and its relevant moral and ethical guidelines were received.

Our suppliers are made aware of the Trust's emphasis on proper conduct for mutually beneficial partnerships. By incorporating the annually-assessed Supplier Code of Conduct, which outlines our expectations of our suppliers' legal and sustainable practices, into the tendering documents in the form of a question-and-answer checklist, we aspire to espouse the centrality of accountable behaviours in the areas of ethics, labour rights, environmental protection and management practices. There were no significant non-compliance cases reported during the past year.



## Response to COVID-19

With the lingering impacts of COVID-19 that ripple across the world, our business and communities have undergone unprecedented challenges. To help accelerate recovery from the pandemic whilst safeguarding the health and safety of employees, tenants and customers, the Trust has responded with nimbleness, exploring innovative solutions and introducing timely measures to accommodate their needs and sustain business continuity.

### Caring for Employees

Employees' safety and health are our top priority. A number of measures were adopted to provide practical support for our colleagues. IT support that enables remote work is of paramount importance in the popularisation of the work-from-home policy and flexible working hours, which minimise social contact and protect our staff while keeping our physical office in normal operation. To protect our employees and enhance public health, we have provided employees with surgical masks and introduced an incentive scheme to boost vaccination among our employees and the public.

### Tenant Partnership

With the economy hit hard and the social distancing measures that lead to serious disruption on business activities, we leveraged appropriate resources to support our long-term strategic partners. Apart from rental relief measures that many landlords adopted, we supported our tenants through various marketing activities, including the launch of eStore to sell discounted vouchers and providing other premium offers to capture sales alongside the government's Consumption Voucher Campaign.

Due to the pandemic, tightened travel restrictions have been imposed by the government which keep visitors away. The Trust reacted swiftly by shifting its focus towards local consumption. This initiative was made

possible by partnering with our tenants on ground-breaking marketing campaigns.

To reassure our tenants and customers, we remained vigilant and adopted comprehensive technology-driven preventative measures in addition to the Government's standard COVID-19 restrictions, such as cleaning robots, UV disinfection of escalators' handrails and free fogging sanitisation treatment for our food and beverage tenants at both of our properties.

The emergence of the pandemic also heightened the wellness concerns among the employees and tenants. To preserve their mental health, apart from maintaining close bilateral communications to provide prompt assistance where needed, we deepened our efforts in holding mind and body wellness workshops for them, from express yoga workshop to hand-drip coffee experience.

### Support to the Community

We strive to demonstrate our love and care to the community. We reacted to the increased market demand for multimedia skills by organising a student filming competition in summer, with the aim to provide participants with a valuable opportunity to unleash their creative potentials. We also supported the underprivileged by partnering with charitable organisations and business partners to donate Christmas wellness gift boxes and provide job-and-life skills learning workshops.

In coping with the changes and adapting to the new normal, the measures we put in place not only keep the Trust anchored in these tides of changes, but also exemplify our dedication to creating shared values for all the parties concerned and facilitating long-term sustainable development.



*We continued taking stringent preventive measures to maintain the hygiene condition at our premises*



*A Green Therapy booth in Langham Place Mall to help improve visitors' well-being amid COVID-19*

# Sustainability Initiatives

## Green Environment



**Related SDGs:**

<b>7</b> AFFORDABLE AND CLEAN ENERGY 	<b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE 	<b>11</b> SUSTAINABLE CITIES AND COMMUNITIES 
<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 	<b>13</b> CLIMATE ACTION 	<b>17</b> PARTNERSHIPS FOR THE GOALS 

**Related 2030 ESG Targets:**

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

**Related Material Topics:**

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


In view of the globally increasing awareness on climate change and other ESG-related risks, the Trust has placed greater emphasis on the oversight of these risks, putting in place a robust social and governance framework to incorporate sustainability issues into the decision-making and operating process, and implementing a wide range of green initiatives at our properties to combat climate change and preserve the environment.


To minimise pollution and mitigate environmental impact, our approaches and commitments closely adhere to the regulatory requirements on environmental management under the ISO 14001 Environmental Management System, of which both our properties have been certified,


meeting the guidelines set in its Building Energy Efficiency Ordinance, Air Pollution and Waste Pollution Control Ordinance, etc. During the year, we incurred no fines for non-compliance with environmental laws and regulations.

### Climate-related Disclosure


Further to the discussion on climate-related disclosure under the Sustainability Approach section on Page 12, in addition to the preparation of the Climate Resilience Policy, we have been stepping up our efforts in emphasising transparency on climate-related disclosure, as recommended by TCFD.

TCFD's Focus Areas	Our Approach
<p><b>Governance</b></p> 	<p><b>Board oversight and the role of Sustainability Working Group</b></p> <ul style="list-style-type: none"> <li>The Board oversees the Trust's overall risk management process and management approach to core aspects, including discovering climate-related risks that may pose an impact on business performance; and to discover any possibilities for mitigating risks to an acceptable level and transforming the risks into opportunities.</li> <li>The Sustainability Working Group, delegated to implement all climate-related strategies, reports to the Board on a timely basis to keep track of the management approach.</li> </ul> <p>Please refer to Page 13 for our detailed sustainability governance structure.</p> <p><b>Climate Resilience Policy</b></p> <ul style="list-style-type: none"> <li>In response to the Consultation Conclusion on the Management and Disclosure of Climate-related Risks by Fund Managers issued by the Securities and Futures Commission in August 2021, we have been reviewing our draft on Climate Resilience Policy, taking the climate-related risks into consideration in our investment and risk management processes, and making appropriate disclosures.</li> </ul>

TCFD's Focus Areas	Our Approach
<p data-bbox="272 917 373 942"><b>Strategy</b></p> 	<p data-bbox="512 442 1118 468"><b>Decarbonisation targets with ongoing review</b></p> <ul data-bbox="512 476 1430 597" style="list-style-type: none"> <li>• After setting our 2030 sustainability blueprint in 2019, we continue to closely monitor our performance, engaging internal and external stakeholders via multitudes of channels, such as stakeholder engagement exercise, with the aim of achieving our long-term targets.</li> </ul> <p data-bbox="512 636 1091 661"><b>Climate-resilient buildings and communities</b></p> <ul data-bbox="512 670 1430 825" style="list-style-type: none"> <li>• Being the owner of Grade A properties, the Trust made climate resilience a top priority on the path to reaching our sustainable goals by 2030. Apart from obtaining green building certificates for all our properties, we worked with our tenants and business partners in making necessary changes to our climate strategies while enhancing their well-being.</li> </ul> <p data-bbox="512 863 823 889"><b>Responsible investment</b></p> <ul data-bbox="512 898 1430 1053" style="list-style-type: none"> <li>• Charged with the objective of providing investors with stable and sustainable distribution, we extended our commitment to be a socially responsible investors for our properties and investment portfolio. With a focus on Grade A commercial properties in prime locations, our investment decision will place greater emphasis on climate-related risks.</li> </ul> <p data-bbox="512 1091 767 1117"><b>Sustainable finance</b></p> <ul data-bbox="512 1125 1430 1378" style="list-style-type: none"> <li>• In June 2021, we secured our first five-year HK\$3.0 billion unsecured sustainability-linked term and revolving credit facilities backed by eight banks. This provided financial flexibility and aligned with our sustainability objectives. Please refer to page 36 for further details.</li> <li>• In October 2021, we entered Sustainability-Linked Swap with DBS Bank (Hong Kong) to provide a hedge against potential interest rate or currency risks related to the Trust's debt portfolio. Please refer to page 36 for further details.</li> </ul> <p data-bbox="512 1417 1007 1442"><b>Risks and opportunities identification</b></p> <ul data-bbox="512 1451 1430 1606" style="list-style-type: none"> <li>• With business exposed to both risks and opportunities relating to climate change, we are taking steps to formulate related policies that will enhance our resilience, and to understand better the overall landscape towards the potential consequences of failure to address these risks together with the potential benefits brought by the opportunities.</li> </ul>

TCFD's Focus Areas	Our Approach
	<p><b>Transition risks</b></p> <ul style="list-style-type: none"> <li>• In view of the emerging requirements on climate-related disclosure, including the tightening regulations, the carbon neutral pledge and the Municipal Solid Waste Charging Scheme by the government of the HKSAR, we seek advice from external consultancies and relevant parties for better adjustment of strategies and policy formulation.</li> <li>• A positive corporate branding and reputation is beneficial to the Trust's sustainable development. In this regard, we compare ourselves with our peers and global benchmarks to identify room for improvement that enables us to meet the high expectations of the statutory bodies, investors and customers' high expectations.</li> </ul> <p><b>Physical risks</b></p> <ul style="list-style-type: none"> <li>• Increased severity and frequency of extreme weather conditions, such as super typhoons and flooding, could disrupt our properties' smooth operation. To mitigate these climate-related risks, the utilisation of sustainable resources has been curated to enhance our resilience.</li> </ul>
<p><b>Risk Management</b></p> 	<p><b>Risk management process</b></p> <ul style="list-style-type: none"> <li>• Climate-related risks have been identified, analysed, evaluated, treated, monitored and reviewed, and recorded and reported in accordance with the Trust's risk management framework. Please refer to page 14 of the Sustainability Governance section for more information on the Trust's risk management process.</li> <li>• Environmental risks are managed with reference to the ISO 14001 Environmental Management System, including carbon emissions and energy management.</li> <li>• We have put in place an investment sustainability due diligence list to evaluate and mitigate any potential risks, regardless of its short-term or long-term impacts on our business and sustainable development.</li> <li>• In preparation for any critical events caused by climate change, such as extreme weather, our business recovery plans have been reviewed and updated regularly to ensure business continuity and proper execution of core business functions amid these conditions.</li> </ul>



TCFD's Focus Areas	Our Approach
<p data-bbox="204 625 443 655"><b>Metrics and Targets</b></p> 	<p data-bbox="512 434 943 463"><b>Risk metrics and mitigation plan</b></p> <ul data-bbox="512 470 1431 689" style="list-style-type: none"> <li data-bbox="512 470 1431 561">• Acknowledging the critical role of our business in reducing environmental impacts, criteria, including likelihood and impact, were used to rank the priority of relevant risks under our robust risk management framework.</li> <li data-bbox="512 597 1431 689">• A comprehensive scenario analysis and assessment will then be conducted to develop a climate mitigation plan that facilitates effective risk management and strategic planning to transform risks into opportunities as they arise.</li> </ul> <p data-bbox="512 725 743 755"><b>2030 ESG Targets</b></p> <ul data-bbox="512 761 1431 1044" style="list-style-type: none"> <li data-bbox="512 761 1431 917">• In response to climate change and carbon intensity reduction, which serve as part of our key performance indicators, we have been making significant progress in reducing carbon footprint through adopting possible metrics after the establishment of the 14 targets under the 2030 ESG Blueprint. Please refer to pages 6–8 for more information.</li> <li data-bbox="512 953 1431 1044">• Looking forward, we will continue monitoring and reviewing our performance built upon our long-term sustainability goals, in alignment with nine of the United Nations' SDGs.</li> </ul>

## Energy Management

### *Developing Green Initiatives by Smart Technology*

#### *Renewable Energy*

To make our business a driver of sustainability, we have integrated environmental-related initiatives into every aspect of our daily operations. At property level, we make our buildings smart and green by deploying smart and renewable technologies. To turn goals into actions and improve the energy efficiency, we installed renewable energy features, for example, solar photovoltaic systems to promote the generation of electricity from sunlight. We also support the daily operations of both our properties to comply with the Building Energy Efficiency Ordinance, Code of Practice for Energy Efficiency of Building Services Installation and relevant ISO standards, namely Environmental Protection Department Practice Note for Professional Persons and ISO 14001. For the sake of reducing carbon emissions, as in 2021, 22 and 42 solar panels have been installed on the rooftop of Langham Place Mall and ICBC Tower of Three Garden Road respectively, with the ability to generate around 25,700 kWh renewable energy per year. To further promote broader use of renewable energy, more than 22 and 24

solar panels are planned to be installed on the upper roof of Langham Place Office Tower and Champion Tower of Three Garden Road respectively, contributing over 20,000 kWh energy output. Altogether, the generation of renewable energy in both buildings could achieve an estimated annual Feed-in Tariff of HK\$171,000 under the power companies' Feed-in Tariff Scheme.



*Solar panels were installed in both properties of the Trust to generate renewable energy*

### *Chiller Plants and Ventilation System*

Serving as another form of contribution to energy conservation, variable speed drives have been installed for condenser water pumps in both the Langham Place Mall and Office Tower to reduce power consumption of chiller plant operation apart from the application of temperature reset strategy. Decreasing the frequency of pumps from 50 Hz to 45 Hz could save about 30% of pump power. About 211,400 kWh of pump power could be saved in the Mall and 182,408 kWh of energy could be saved in Office Tower. We have also deployed the automatic control logic of pressure reset of variable air volume system to cut the energy consumption of air conditioning supply.

In addition, Electronically Commutated Plug Fan ("EC Plug fan") is the latest energy saving technology applied in the ventilation system at Three Garden Road, which advanced our energy saving performance. Comparing with traditional centrifugal fan, the EC plug fan stands out by its higher energy efficiency, lower maintenance cost thanks to the installation of maintenance-free bearings, and higher stability in providing ventilation, for which more than one unit of EC plug fans are installed instead of one blower of traditional centrifugal fan.

### **Smart Lighting**

Electricity accounts for most of our buildings' energy consumption. With energy reduction being one of our key initiatives, we have accelerated our efforts in enhancing the use of lighting through gradually retrofitting conventional lights to more energy-efficient and durable LED lights, some of them with dimming control in the common areas and working areas of both

our properties, including lavatories and chiller plant rooms. To optimise our environmental performance, we replaced the 1,000 W parabolic aluminised reflector lighting at the atrium with that of 80 W, which gives the same lighting illuminance but uses less energy. The estimated annual energy saving is 77,500 kWh. The lighting system in chiller plant rooms of the Langham Place Mall were replaced with LED smart lighting tubes. With the use of wireless power switch and motion sensors, the lights can be dimmed or switched off automatically.

Adhering to our 2030 ESG goals and our commitment to maintaining a wellness-enhancing environment, we continuously improve our environmental measures through monitoring relevant indoor environmental data.



*We retrofitted the LED lights with lower wattage ones at the atrium of Three Garden Road to drive energy efficiency*



## CASE STUDY

### Smart Weather Station

7 AFFORDABLE AND CLEAN ENERGY



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



13 CLIMATE ACTION



Accurate climate-related data is crucial to optimise our control strategies related to energy efficiency. With the weather station installed on the upper roof of Champion Tower at Three Garden Road, timely data impactful to indoor thermal conditions, air quality and amount of natural lights, as well as temperature, humidity, wind, rainfall and sunshine can be collected instantly for our efficient operation and swift action.

#### Objectives

For achieving our 2030 ESG Targets, a 42% carbon intensity reduction is one of the key performance indicators. Our team is proactively exploring green and smart technology initiatives to reduce energy consumption and carbon emissions in our endeavour to fulfill this long-term goal. Implementing the retro-commissioning on our building performance using a smart weather station is one of the most innovative initiatives implemented to reduce carbon footprint.

#### Design and Implementation

By installing the smart weather station, atmospheric conditions can be measured to provide timely data which is useful for analysing the solar photovoltaic system performance and performing dynamic heating, ventilation, and air conditioning (“HVAC”) control of our buildings. Weather and climate-related information such as solar radiation, air temperature, humidity, wind speed and direction, and rainfall are collected through the smart weather station for retro-commissioning usage. To date, the collected information is utilised to formulate or improve relevant measures that help optimise photovoltaic solar system performance and HVAC control. Apart from energy efficiency, the instant and accurate weather information brought by this system also enhance the safety of the building system (e.g. gondola), daily operation and management.

#### Stakeholder Engagement

To maximise energy efficiency and foster sustainable business, the property management team and service providers have been fully engaged in driving the green initiatives.

#### Application

As mentioned, the data collected from the Smart Weather Station facilitates our utilisation and analysis in every aspect. One example would be integrating the solar radiation data collected into our renewable energy system. Through leveraging and correlating the data with the photovoltaic output, the system’s performance can be closely monitored. In 2021, we installed 42 photovoltaic solar panels on the upper roof of ICBC Tower of Three Garden Road with an estimated annual energy generation of 16,940 kWh.

#### Positive Environmental Outcomes

So far, the Smart Weather Station supported the retro-commissioning of the HVAC system, which involves a chilled water supply temperature reset, and chiller plant control optimisation, air handling unit supply air temperature reset. The estimated annual energy savings is 1,430,000 kWh. This pioneering initiative enhances the overall energy efficiency of our buildings and helps us achieve our climate objectives.



*The data collected from Smart Weather Station facilitates our formulation of climate measures*

## Feasibility Study — Electric Vehicles Charging Stations

In view of the recent popularisation of electric vehicles (“EVs”), we are planning to install 26 and 20 additional EV charging stations in Langham Place and Three Garden Road respectively to promote reduction of carbon emissions and facilitate distribution of charging facilities.

## Supporting Green Initiatives

We believe that joint efforts are necessary to achieve our long-term energy reduction goals. Therefore, we actively supported the call from the Government and other organisations to participate in various green campaigns.

### Energy Saving Charter and 4T Partnership

As a keen supporter of the “Energy Saving Charter Scheme” launched by the Environment Bureau, Langham Place and Three Garden Road maintained an average indoor temperature between 24°C and 26°C during June to September in 2021. We also continued to encourage our tenants to participate in the scheme, which was joined by more than 60 shopping mall and office tenants to create more positive impacts on environmental protection.

Responding to the Environment Bureau’s call for low-carbon transformation, the two properties also joined the 4T (Timeline, Transparency, Together, Targets) partnership dialogue platform to set the decarbonisation targets, namely energy saving, electric vehicle adoption, renewable energy, waste reduction and recycling by 2025.

### World Environment Day and Earth Hour 2021

In the meantime, Three Garden Road’s participation in the World Environment Day 2021 also received welcoming supports from our tenants, who climbed the stairs when two outdoor escalators were suspended for a few hours on designated dates to reduce carbon footprint.

To further underscore our commitment, both our properties joined the “Earth Hour 2021” campaign organised by World Wide Fund for Nature by dimming or switching off non-essential lights for an hour on 27 March 2021. With all these unwavering efforts, the electricity intensity of our portfolio fell by 1.6% in 2021 with a reduction of absolute electricity consumption by over 619,600 kWh.



*We strived to integrate environmental concepts into the daily life of the tenants and visitors*



## Green House Gas (“GHG”) Emissions

In the pursuit of our 2030 emissions reduction target, the aforementioned energy-saving initiatives demonstrated our dedication to sustainability and reducing GHG. Apart from limiting our carbon footprint in daily operations, we also apply a long-term approach to absorb carbon emissions through planting trees. In 2021, scope 1 and scope 2 emissions of our properties dropped by 19.5% compared with 2020.

### Way Forward

In 2022, aside from the ongoing chiller plant retro-commissioning and optimisation with cloud-based building operating system, and the replacement of EC Plug fans, we aim to install more solar panels on the rooftop of Champion Tower at Three Garden Road and the upper roof of Langham Place Office Tower for extending the use of renewable energy. We will also install variable speed drives (“VSD”) on condenser water pumps for power reduction, in addition to constant energy audit and exploration of measures that facilitate energy enhancement.

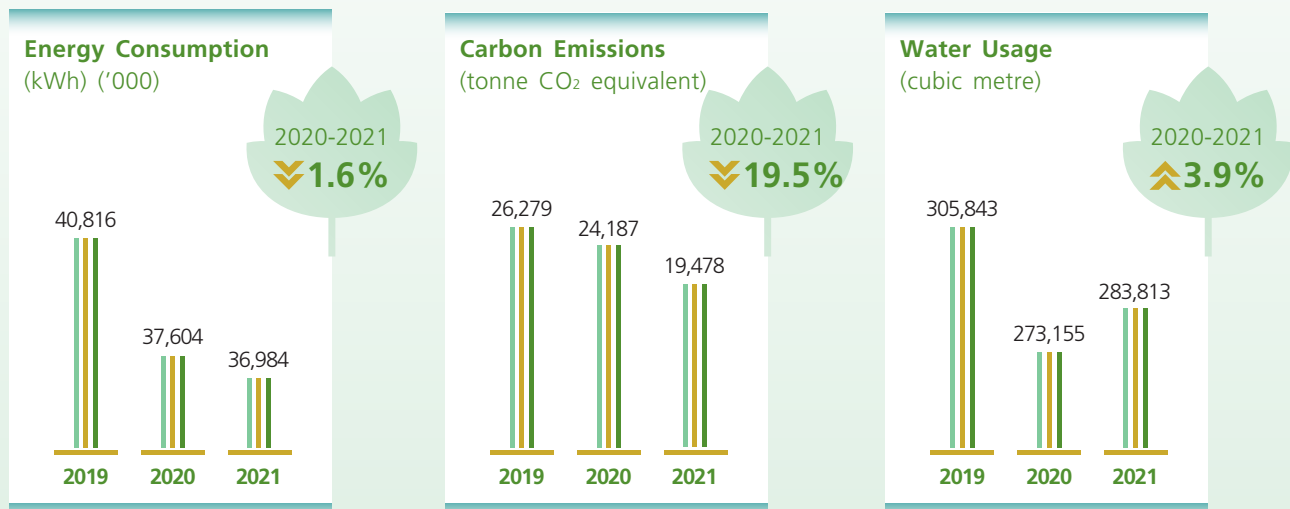
## Resource Management

### Water Reduction

We strive to reduce water usage wherever possible. We have adopted a wide range of measures to reduce water consumption at our properties, while promoting the concept of water conservation among our employees and other stakeholders. At Langham Place, we equipped the washbasins in lavatories with infra-red sensor low-flow faucets to reduce the total water consumption.

### Way Forward

Replacement of the food and beverage tenants' kitchen faucets with aerators and pre-rinse valve is planned for 2022. We will also formulate a water programme and discuss with tenants regarding their water reduction commitments.



*Note: The above measurements are based on Three Garden Road and Langham Place. Water usage data of 2020 were adjusted according to the latest data from the Water Services Department. Water usage data of 2021 marked an increase compared with 2020 as more tenants resuming work in office as COVID-19 eased.*

## Waste Management

### **Waste Management System**

With a shortage of land in the city, landfill space plays an essential part in the sustainable waste management chain and should be conserved by all means that can reduce the bulk volume of waste disposal. As an environmental champion, we have rolled out a number of campaigns and allocated resources for the promotion of good waste management practices. We envision to develop a waste management database to track the weight of collected waste and recycled materials in a systematic manner.

### **Ongoing Recycling Campaigns and Initiatives**

At the property level, we continue to undertake recycling campaigns to reduce municipal waste. In the reporting year, sufficient recycling bins were installed at prominent spots on our properties so that our tenants and customers from the office tower and shopping mall could dispose unnecessary yet clean items at their convenience. Meanwhile, effective separation and collection procedures of office and retail waste for third-party recycling were introduced during the period. As a result, more than



*A total of 9,800 PET bottles have been collected during Langham Place's recycling campaign*

170,000 kg of materials, ranging from paper, plastics, metals, glass bottles to electrical waste such as batteries, fluorescent tubes and computer equipment were recycled. Although the total volume of recycled materials declined slightly amid the lingering COVID-19, we noticed an increasing awareness among our tenants and customers.

We are also committed to working with both the internal and external parties to provide more incentives to enhance the green awareness among our tenants and customers so as to achieve their corporate social responsibility goals. In collaboration with the World Green Organisation, Langham Place hosted a recycling competition for clean PET bottles in which 9,800 clean PET bottles have been collected for recycling. The top three tenants with the highest number of bottles recycled were rewarded with limited-edition premiums.

### **Festival Items Recycling and Upcycling**

While waste from displays and decorations are an inevitable part of the mall's festival promotions, we strive to give a new life to the used materials whenever possible. With the support of our property's management team, we continue to organise the Lai See Reuse and Recycle Programme and Mooncake Re-gifting Programme to collect the recycled items for reuse. We participate in the Christmas Trees and Peach Blossom Trees Recycling Programme led by the Environmental Protection Department to recycle the trees showcased at our buildings every year.

### **Food Waste Management**

Given our business nature, food leftovers account for most of our waste. To help reduce the burden on landfills, we have implemented a structured recycling programme and invited our food and beverage tenants to reduce food waste at source.

We collected food waste from the food court at Langham Place and some tenants at Three Garden Road. The food waste collected will then be delivered to the organic resources' recovery centre (O • PARK1) for conversion into biogas for electricity generation with anaerobic digestion technology.

In 2021, over 14,400 kg of food waste collected was delivered to O • PARK, equivalent to a reduction of 7.4 tonnes of green house gas emission. We believe food waste recycling has a positive impact on our business. Moving forward, we will reach out to more tenants and non-profit organisations for collaboration on food waste reduction.

We managed to recycle an adequate amount of materials as shown in the following table:

Type	Unit	2019	2020	2021
Waste Paper	kg	257,725	176,180	183,171
Fluorescent Tubes	kg	504	443	302
Plastic Bottles	kg	374	195	1,054
Aluminium Cans	kg	208	326	541
Reusable Batteries	nos.	170	46	166

### Way Forward

In 2022, we plan to establish a waste management database to record the weight of waste and recycled materials collected from each floor on a regular basis. The initiative will help keep track of the source of waste and review the effectiveness of the current waste management strategies.

We also closely monitor and keep abreast of updates on waste management regulations, including HKSAR's Municipal Solid Waste Charging Scheme and circular economy principles.

The following measures will also be adopted for waste reduction by phases:

- Replace rubbish bins with recycling bins on each floor and relocate recycling bins to more eye-catching locations
- Remind customers to avoid over-ordering and food leftovers
- Encourage food and beverage tenants to provide different menu options to minimise food waste (e.g. "less rice" option, light portion, fewer number of main courses in banquet menus)
- Encourage food and beverage tenants to avoid condiment packets (e.g. use refillable bottles or single-use containers instead)



## CASE STUDY

### First EDGE Green Building Certification in Hong Kong

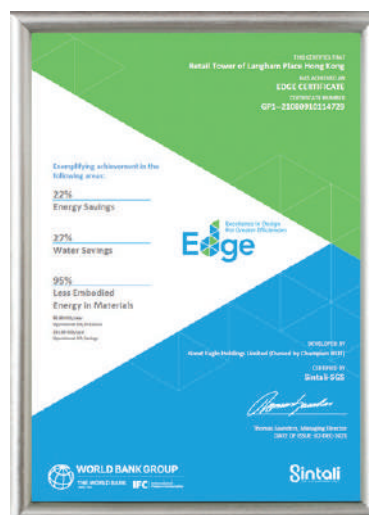


Throughout the years, the Trust spares no effort to enhance business resilience by staying vigilant of possible impact of climate change. Our endeavour to build an effective resource management and collaborate with our customers, tenants and other relevant stakeholders has been recognised by renowned green building certifications both locally and internationally. In December 2021, Langham Place Mall became the first in the property sector in Hong Kong to attain Level 1 of Excellence in Design for Greater Efficiencies (“EDGE”) conferred by the International Finance Corporation, a member of the World Bank.

As the first-ever property to receive the certification in Hong Kong, the Mall achieved at least 20% reduction in energy, water and embodied energy in materials. Observing the EDGE framework has not only helped reduce carbon emissions and saved operational costs, but also paved the way for the Trust to align its strategy with the United Nations' SDGs and our 2030 ESG Targets. The recognition validates the building's sustainability credentials, strengthening the Trust's commitment towards resource efficiency.

“We are proud to have certified Langham Place Mall as it serves as an example in the community of what is possible with green buildings. It is becoming more and more important for companies to show their sustainability commitments and take meaningful action on climate change. Champion REIT is leading the way and we hope many will follow.”

Thomas Saunders,  
Managing Director  
Sintali



## Cohesive Workforce



### Related SDGs:



### Related 2030 ESG Targets:

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

### Related Material Topics:

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

As we are emerging from the COVID-19 pandemic and entering a new era of work, the competition for attracting and retaining talent has become more intense. We are committed to maintaining a superb workforce by offering competitive remuneration packages and ample career development opportunities based on rigorous recruitment benchmarking.

We believe that the well-being of employees means more than work-life balance. Building a safe, healthy and engaging workplace remains the priority in our vision to foster a holistic employee well-being, which encapsulates both the mental and physical aspects. We encourage employee ownership, unleash their full potential and grow with the Trust, as part of our long-term talent retention strategy. To guide our actions in the above matters, we advocate the people value in full compliance with relevant laws and regulations.

### Fair Labour Practices

Apart from adhering to the relevant labour laws and regulations closely, including the International Labour Organisation Conventions on Employment and Employment Ordinance of Hong Kong, we also safeguard our employees' interests through competitive remuneration, training opportunities, welfare packages and a promising career path. Our comprehensive employee benefit scheme is outlined in our Staff Handbook, covering wage protection, rest days, paid holidays, sickness allowances, annual leaves, maternity and paternity leaves, maternity protection, severance and long service payments. We explain the policies regarding staff benefits and handling of staff complaints and grievances in the Employee Handbook to all new recruits. We will review our labour practices regularly so as to comply with the latest regulations across our operations.

### Diversity, Equal Opportunities and Non-discrimination

Promoting workplace diversity and inclusion boosts the Trust's team cohesion and competitiveness. As a responsible employer, we pay special attention to ensuring equality in employment opportunities. Job candidates are evaluated based on their abilities, regardless of their gender, race, pregnancy, disabilities, marital and family status or other discriminatory factors.

Envisioning a diverse workforce that is free of discrimination, harassment, vilification and victimisation, the Trust's Equal Opportunities Policy guides our workplace practices alongside regulatory compliance. We carry on with our commitment to building an inclusive workforce, who value each other's voice. In 2021, we received no complaints about being mistreated or disadvantaged from job applicants or employees.



*We collaborated with Fair Trade Hong Kong to offer hand-drip coffee workshop and coffee ground tie-dyeing experience for tenants to enhance their awareness on green concept*



We also advocate anti-discrimination to our new employees and conduct regular training to keep our staff up to date of the policy. Our efforts to support equality and inclusion go beyond the workplace. Through engaging our stakeholders and other organisations, such as Fair Trade Hong Kong, we hope to strengthen work dignity and fundamental rights in all spheres of life.

Abiding by the UN International Bill of Human Rights, we have implemented stringent policies prohibiting forced labour, human trafficking and child labour in any form across our business operations and supply chain. During the reporting year, we did not receive any report related to violation of equal opportunities or and human rights, or non-compliance with labour standards.

### Employees' Physical Health and Well-being

The pandemic has heightened the importance of workplace well-being, which encompasses physical and mental health. Leveraging the positive correlation between employee well-being, and business performance, we strive to raise the standard of our health and safety measures whilst upholding our core values. One recent example would be the adoption of Mental Health Workplace Charter to promote mental well-being at our properties.

A series of health and safety measures adhering to the city's Occupational Safety and Health Ordinance has been introduced over the years, including office facility enhancement, safety guidelines, staff training and routine emergency drills. A reporting mechanism is also in place to manage health and safety matters at employees and

service providers' levels. When health and safety hazards are identified, the corresponding party will follow the emergency procedures and activate crisis management plans. We also provide complimentary general clinic services to all our employees. During the reporting period, the Trust maintained an impeccable record of zero occupational fatality or injury.

Despite the increasing COVID-19 vaccination rate, we continued to implement hygienic and precautionary measures with reference to the Centre for Health Protection's "Health Advice on Prevention of COVID-19 in Workplace". In addition to providing epidemic prevention supplies, such as surgical face masks and hand sanitisers, regular cleaning and disinfection of work stations, body temperature checks as well as flexible working arrangements remained in place in 2021. Responding to the Government's call to boost the vaccination rate, we worked with multiple parties to incentivise our employees to receive the shots against COVID-19.

The persistent pandemic has prompted the Trust to refine our Employee Wellness programme under the theme of mental health. In addition to training on positive mindset, we organised express yoga workshops jointly with a tenant for participants to soothe their stress and anxieties.

Striking a balance between family and professional life is no easy job. Honouring the efforts of our working mothers and fathers, we celebrated Women's Day, Mother's Day and Father's Day to foster a happy workplace and enhance their sense of belonging.



*Various wellness workshops were held to balance the team members' physical and mental health*



*On the Global Wellness Day, professional fitness trainers were invited to share tips on upper body stretching with our staff for mind and body relaxation*





*We prepared healthy fruits and gift coupons for our working fathers to appreciate their contribution to the workplace and their respective family*



*We curated the fruit sandwich hand-made workshop for working mothers to promote diversity and inclusion*

## Training and Development

Staff training and development help build relationships between the organisation and employees. Ascertaining the benefits it may bring, such as the enhancement in productivity and self-satisfaction, which creates a more efficient and engaged workforce that is critical to the Trust's growth, we strive to provide ample opportunities for our employees to grow and develop. Courses under a comprehensive and structured training programme, ranging from communication and management skills, workplace relationship to practical on-the-job techniques, are offered on an ongoing basis.

To deepen employee's knowledge in ESG-related risks, we brought forth related trainings that cover health and safety, anti-money laundering and cybersecurity. Anti-corruption training was provided to all new joiners while our Code of Conduct spells out the Trust's standard of behavioural requirements of all employees regarding

bribery, law of obedience and conflicts of interest. Attendants learned to exercise their judgement through the course which in turn will help the Trust hold a strong position as an asset management leader in the industry.

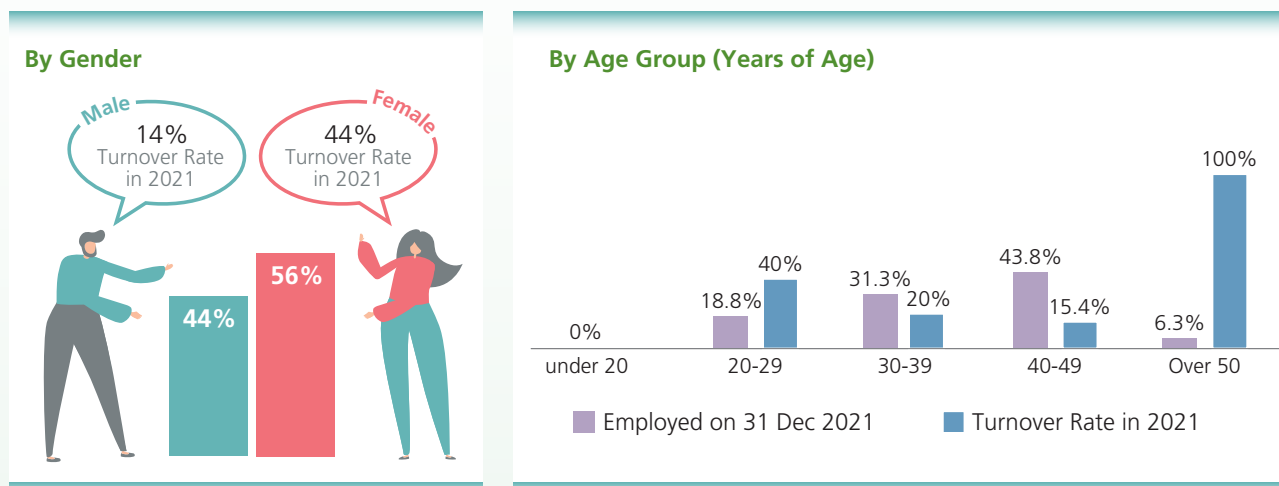
To better monitor employees' learning progress, each staff member formulates an annual training plan with their supervisors at the beginning of the year. Their learning performance will be evaluated at the end of the year to celebrate their achievements and look for any upskill or reskill possibilities. Advocating lifelong learning, we encourage colleagues to participate in external seminars and training courses. Employees are invited to share their takeaways and insights from the training during internal meetings, which help boost employee satisfaction and influence team learning. The Study Subsidy Scheme made available for senior staffers serves to encourage their continuous learning.

## Employees' Voice and Feedback

Being attentive to the employees' concerns is of paramount importance in retaining talent and instilling a sense of belonging. We leverage various communication channels, such as the employee satisfaction survey and well-being assessment, to understand their needs and expectations. The data collected are vital for shaping and refining our focus on building a rewarding work environment.

Furthermore, an appraisal system is designed to allow two-way communication between the employees and their supervisors. In line with the Trust's business and sustainability vision, employees can make use of the grievance handling procedures in strict confidentiality.

### Breakdown on Employees and Turnover Rate by Gender and Age Group (Years of Age)



*Note: 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. This may result in misleading high turnover rates in case where single employees in any one category need to be replaced.*



## Powering Partnership



**Related SDGs:**

- 3 GOOD HEALTH AND WELL-BEING**
- 5 GENDER EQUALITY**
- 11 SUSTAINABLE CITIES AND COMMUNITIES**
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION**
- 17 PARTNERSHIPS FOR THE GOALS**

**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

Positive co-partnership is fundamental to making the Trust and our managed properties the preferred choice for our customers, investors, and other relevant stakeholders, while prolonged suppliers' alliance and high-quality customer services forge business continuity and elevate customer experience respectively. To this end, we demonstrate our value to them through the provision of customer-centric initiatives, supply chain management measures and tenant-customer engagement activities.

### Customer-first Experience

We pride ourselves on exceeding customer expectations. Delivering outstanding customer services consistently remains an important priority across our operations. In 2021, we worked closely with the property management team to deploy technologies such as intelligent disinfection stations, cleaning and sanitising robots and automatic sensors.

Going the extra mile in customer service, we created a barrier-free environment for people with disabilities on our properties where feasible. We continued to improve the accessibility of the premises by installing features such as tactile guide paths, wheelchair ramps and induction loop system for people using hearing aid. Furthermore, accessible toilets and parking spaces, and suitable height at the Langham Place's concierge were introduced at the premises. In addition to the special motion projection lightings, both our properties welcome guide-dogs and provide wheelchair rental services. Our staff members are trained to assist visually and hearing-impaired individuals.

The Trust's strict data protection policy, in accordance with the Hong Kong Personal Data (Privacy) Ordinance, governs our practices in collecting and handling of personal information. We take all necessary and appropriate steps to protect customers' data according to the law.



Nursery facilities in the mall to support the breastfeeding friendly initiative



Assistance notice for wheelchair users at staircases is equipped in the mall

## Curating Wellness-enhancing Environment for Tenants

We place a strong emphasis on delivering economic value while caring for our tenants and society by addressing their needs and challenges. The practice of creating shared values is testified by the fact that Three Garden Road has become the first existing building to receive the highest Platinum WELL Building. It is a global certification which encourages building occupants to put effort into advancing the overall wellbeing of building and space. During the year, we incorporated smart building facilities to prevent the spread of viruses amid rising health and safety concerns.

All our properties have been granted the Excellent Class in Indoor Air Quality Certification Scheme by the Environmental Protection Department. Measures we took to improve the hygiene at our premises included additional UV disinfection of the handrails of escalators.

Complimentary fogging disinfectant services and regular sanitisation of seating areas were offered to all food and beverage tenants at Langham Place Mall. Moreover, as a people-centric operator, we installed toilet seat lifter handlers and touchless door openers. We also conducted daily disinfection of air filters. Free surgical mask covers were available for free at the food court.

In 2021, the Trust worked together with tenants to roll out various wellness events at our properties. Apart from the hand-drip fair trade coffee workshops mentioned above, we leveraged the enthusiasm surrounding the Tokyo 2020 Olympic Games to promote exercising among tenants. We also organised a wellness tea workshop for tenants at Three Garden Road in collaboration with our partners. Participants enjoyed herbal tea in a variety of flavours while Olympians and Chinese medical doctors shared their experiences in mental wellness and stress management.



*The aroma of hand drip coffee freshened up tenants' mind throughout the workday*



*Participants enjoyed various types of herbal tea, deepening their relaxation journey*



*The sharing from the Olympians and Chinese medicine practitioners brought a new perspective to the participants on maintaining mental wellness*



## Tenant and Customer Satisfaction

Positive feedback from our tenants and customers is one of our most valuable resources in enhancing the Trust's credibility and its business sustainability. Equipped with measures certified by the ISO 9001 Quality Management System, we aim to meet or surpass customers' expectations by constantly monitoring and enhancing our facilities. Our exclusive tenant hotline and the customer feedback system at Langham Place drive us to achieve excellent service standards by thoroughly identifying our tenants' needs and collecting customer suggestions and feedback in a fair, transparent, and timely manner. For a responsive follow-up, a communication and notification system has been implemented at the mall for any suspected COVID-19 cases detected to conduct immediate disinfection. Aside from standard hotline and email communications, Three Garden Road also leveraged an e-Concierge online system for tenants' easy access on necessary information, and any feedback is always welcome.

We appreciate fresh perspectives and views from customers and tenants. In this vein, our property management team conducts a satisfaction survey every year. We invite our tenants to rate various aspects, including the services delivered and facilities, and we achieved a satisfaction rate of over 75% among our tenants. We treasure this opportunity to better understand tenants' needs, further improving our business practices.

## Value Creation with Tenants

To maximise positive environmental and social impacts, we proactively partner with our tenants through adopting various sustainability initiatives. For broader social contributions, we have acted beyond textual sustainability suggestions and fit-out guidelines attached to the lease contracts by going external. We encourage our tenants to participate in the Blood Donation Campaign, Earth Hour, Lai See Reuse and Recycling Programme and Mooncake Re-gifting Programme. We believe, with our joint efforts, we can work together for creating long-term positive impacts.



*The Tokyo Olympics fueled the team's passion for healthy exercise and a can-do spirit*

## Caring and Engaging Suppliers for Greater Impacts

We recognise the possible reputational environmental risks that our suppliers might cause. Rather than simply monitoring them, we engage with them to ensure our corporate sustainability strategy is followed. We provide clear procedural guidelines bound by our Supplier Code of Conduct, ensuring their behaviour and customer service align with our expectations. These expectations are in due consideration with ethics, labour rights, environmental protection, and social risks, in addition to integrity and management practices. Self-assessment and regular reviews are put in place for quality assurance and further improvement. Other coercive drivers also include requiring suppliers to work according to our ISO standards (ISO 14001 Environmental Management System, ISO 45001 Occupational Health and Safety Assessment System and ISO 9001 Quality Management System). Besides, we offer trainings related to anti-corruption, health and safety to elevate service quality. We also established the Green Purchasing Policy to facilitate their responsible procurement activities. Recognition Ceremonies are held regularly for those suppliers with remarkable performance to incentivise best practices further.

In close adherence to Cap. 509 Occupational Safety and Health Ordinance, we improve working environments by purchasing equipment, such as air cooling fans, portable waist fans for heat stroke prevention, electric pallet jacks and working platforms to minimise the risks of manual handling and falling from height respectively. We strive to create working conditions that are free of risk and hazards; therefore, we upgraded our system to ensure technical staff work within safety precautions, with control measure information in mind. In 2021, our spending on goods and services for our operations in Hong Kong was sourced from around 50 local suppliers.

## Way Forward

Langham Place plans to invite all major contractors to join the Safety Charter Ceremony next year to sign off the commitment to achieve the goal of zero accidents and occupational injuries. At the staff level, the ongoing stretching programme encourages staff to do some stretching exercises upon commencement of work to prevent occupational injury.

We also plan to implement measures to recommend suppliers to avoid using volatile organic compounds emitted materials. Instead, we recommend they only use recycled and environmentally friendly materials. We will also recommend green materials during the outfitting process and state them in the tenant handbook.



*Air Cooling Fan was provided in the working area for the team to stay cool in scorching temperatures*





## CASE STUDY

### Sustainability-linked Loan and Swap

11 SUSTAINABLE CITIES AND COMMUNITIES






17 PARTNERSHIPS FOR THE GOALS



Sustainable finance is one of the core elements in integrating ESG criteria into our business and investment decisions, given its ability to create positive ripple effects for our investors and other relevant stakeholders in the long run. Securing a sustainability-linked financial product can provide financial flexibility and drive ESG performance of the Trust, thereby aligning with our 2030 targets.

In the reporting year, we have signed our first five-year HK\$3.0 billion unsecured sustainability-linked loan, with the proceeds used for refinancing and general corporate funding purposes. Eight local and international banks played a part in backing the loan. The pre-determined sustainability-linked performance targets are aligned with the Trust's key performance indicators in its 2030 ESG plan:

1.  Reduction of carbon intensity
2.  Attainment of WELL Building Standard
3.  Retainment of its listing on the Hang Seng Corporate Sustainability Benchmark index

This financial flexibility will reinforce our commitment to pursue sustainable goals whilst serving as a milestone in recognising the Trust's economic value and business benefits brought by the effort of embracing sustainability.

On top of the loan, we also demonstrate our commitment via sustainability-linked swap. Our emphasis on promoting social diversity and inclusion aligns with DBS Bank (Hong Kong)'s philosophy in leveraging resources for women's empowerment. In this direction, we agreed to a cross-currency swap transaction with the bank to provide a hedge against possible interest rates or currency risks related to our debt portfolio. Under this swap, we are eligible to receive its sponsorship when meeting key performance targets related to women empowerment. To make this happen, we have partnered with St. James' Settlement to initiate the Women Empowerment Programme — Champion Mothers. Through this partnership, the Trust reached another milestone in being recognised as more socially conscious.



## Community Wellness



### Related SDGs:



### Related 2030 ESG Targets:

Stakeholder engagement,  
Community investment

### Related Material Topics:

Community, Health and safety

We do not base our sustainability commitments merely on financial incentives. We always remember our role in society and our responsibility for building a better landscape for all. With this mission in mind, we aspire to promote physical and mental well-being among our stakeholders, regularly evaluating the local community's needs and providing the necessary assistance. We champion youth development and community engagement to support those who are less fortunate.

### Youth Development

Supporting youth development is intertwined with our business. Despite the challenging business environment, our mission to help young people rise and shine never ceases. To nurture our future leaders, we strive to provide business knowledge by hosting internship opportunities and student summer programme for university students. During their tenure with the Trust, they have gained fruitful and worthwhile experiences that broaden their horizons in the real estate industry and to prepare them better for their future career.

"My internship experience at Champion REIT was valuable for my future career. The friendly and supportive working environment enabled me to gain my greatest enjoyment in every assigned task."

Melissa Chan,  
Student from the Hong Kong  
Polytechnic University  
(right of photo)

"Internship at Champion REIT was such a fruitful experience, allowing me to apply the knowledge learnt in school to real life situation and enhance problem solving ability."

Lily Wong,  
Student from the  
City University of Hong Kong  
(left of photo)





## CASE STUDY

## Student Filming Competition

11 SUSTAINABLE CITIES AND COMMUNITIES



17 PARTNERSHIPS FOR THE GOALS



Realising the growing importance of multimedia skills in daily life and work, we organised the “Magical Langham Place in Your Lens” Student Filming Competition during summer. This competition not only provided a platform for students to realise their creative potential, but also served as a medium to practise and improve their video-taking skills by transforming their ideas into video.

Participants were required to film in Langham Place Mall to showcase how people of all ages and backgrounds embrace joyful and magical moments

“I would like to express my gratitude towards Champion REIT for giving me this rare opportunity to acquire additional and precious learning resources. Filming is not an easy job as it requires multitudes of work including pre-preparation, post-production, constant communication and so on. I hope to improve my yesterday self and be a better version of myself tomorrow.”

Lilian Lam,  
Student from the  
City University of Hong Kong  
(centre of photo)

through going around the mall. The event received a positive response with number of high-quality entries with multiple genres, from original drama, music video, and animation. To congratulate their remarkable performances, highlights from the winning videos were shown on the large screen at the mall to reach a wider audience.

The competition actualised our long-standing mission to support youth development. In the future, we will continue to nurture the young generation while creating shared value with our stakeholders.



## Social Empowerment

Extending inclusivity for all is indispensable for the society to reach sustainable development goals. We thereby embrace this concept not only in the workplace, but also in social level by encouraging employees to actively participate in community services with their skills and expertise. For the sake of economic stability and sustainable economic growth, empowering social mobility of the less fortunate is the key to reach social integration — and this is also one of the goals the Trust wishes to attain.

“Champion REIT has prepared caring Christmas gifts for children at the Hans Andersen Club. The gifts were thoughtful with multitudes of choices, ranging from toys, stationery, handmade pouches and decorations. The children were filled with surprises and laughter when they unwrapped the presents. We are grateful for the efforts made by Champion REIT’s colleagues, for bringing them joy and the festive atmosphere.”

Keith Chan,  
Centre-in-Charge,  
Chuk Yuen Centre of the  
Hans Andersen Club

## Extending Warmth through Donations

For the second consecutive year, we partnered with the Hans Andersen Club, sending over 120 Christmas gifts to spread the love and care to underprivileged children at the Chuk Yuen Centre and the Diana Boyd Wilson Centre and their families. We also encouraged our colleagues to reduce, reuse and recycle by packing unwanted items into gift boxes, thereby creating positive environmental impacts. This activity serves as a win-win situation as we can spread the festive cheer while reducing waste. Furthermore, our property management team engaged with the Boys’ and Girls’ Clubs Association (“BGCA”) of Hong Kong to hand out gift packs for those in need. We believe that there is an inadequate provision of social care services for elderly persons with dementia. The team supported an initiative dedicated to this cause by giving board games to those patients at the elderly centre of the Young Women’s Christian Association (“YWCA”) for their training use.

## Volunteering Services

We endeavour to bring our colleagues through volunteering activities. Under the Women Empowerment Programme “Champion Mothers” in partnership with St. James’ Settlement, our volunteers shared job skills to the women with special educational needs children. Our property management team took part in the voluntary work at BGCA in August and at YWCA to visit the elderly with dementia respectively.



*This “from-waste-to-resources” campaign brought smiles to the children at Hans Andersen Club*



## CASE STUDY

## Women Empowerment Programme "Champion Mothers"

5

GENDER  
EQUALITY

11

SUSTAINABLE CITIES  
AND COMMUNITIES

17

PARTNERSHIPS  
FOR THE GOALS

In partnership with St. James' Settlement, the Women Empowerment Programme "Champion Mothers" ("Programme") aims to support mothers with special educational needs children and limited work experience, to unleash their potential by providing skill-learning workshops and opportunities for them to have a taste of running a business, as well as a chance to exchange views on maintaining a work-family balance by buddying up with our female colleagues.

To realise these initiatives, we ran three handcraft workshops, including organic peanut brittle, aroma stones and coin bags, along with various business skills sharing sessions, enabling participants to learn and have fun together.

"Thanks Champion REIT for giving us a meaningful experience. From participating in business training workshops, to preparing handmade products and running a pop-up store at Langham Place, I have broadened my horizons as well as discovered my abilities. I would like to express my sincere gratitude to be part of it as this initiative meant a lot to me!"

May Fung,  
One of the "Champion Mothers"

We also invited volunteers from our sponsor DBS Bank (Hong Kong) to share their practices in supporting social enterprises through integrative solutions. In preparation of the pop-up store at Langham Place Mall, participants also learnt relevant techniques of dealing with customers through immersive role-playing activities. To wrap up the programme, the pop-up store selling their handcrafted products offered them first-hand entrepreneurial experiences and allowed them to utilise their new skills acquired in these three months.

The campaign was successfully completed with a total charity sale of over HK\$100,000, enabling us to fulfil our corporate social responsibility obligations while strengthening our stakeholder partnerships.





# Sustainability Recognitions, Awards and Charters

Category	Recognition	Organiser	Corporate level	Property level	
				Three Garden Road	Langham Place
Sustainability Benchmarks and Indices	<ul style="list-style-type: none"> <li>Four-star Green Recognition</li> <li>Grade A on Public Disclosure</li> </ul>	Green Real Estate Sustainability Benchmark ("GRESB")	✓		
	<ul style="list-style-type: none"> <li>Constituent of Hang Seng Corporate Sustainability Benchmark Index for six consecutive years</li> </ul>	Hang Seng Corporate Sustainability Index Series	✓		
Building Certifications	WELL Building Core and Shell Platinum Standard	The International WELL Building Institute		✓	
	BEAM Plus Existing Building V2.0 Comprehensive Scheme — Final Platinum	Hong Kong Green Building Council			✓
	Excellence in Design for Greater Efficiencies ("EDGE" Level 1) post-construction certification	International Finance Corporation			✓





Category	Recognition	Organiser	Corporate level	Property level	
				Three Garden Road	Langham Place
Overall Sustainability and Management Awards	<ul style="list-style-type: none"> <li>Hong Kong Sustainability Grand Award</li> <li>Hong Kong Sustainability Award</li> <li>Special Recognition for Outstanding Sustainability Initiative (Social Dimension)</li> <li>Special Recognition for Outstanding Sustainability Initiative (Environmental Dimension)</li> <li>Special Recognition for Innovation</li> <li>Special Recognition for Best Response to COVID-19</li> </ul>	Hong Kong Management Association	✓		
	ESG Leading Enterprise Awards 2021 <ul style="list-style-type: none"> <li>ESG Leading Enterprise Award</li> <li>Leading Social Initiative Award</li> </ul>	Bloomberg Businessweek/ Chinese Edition	✓		
	2021 ESG Benchmark Awards <ul style="list-style-type: none"> <li>The ESG Leader — Platinum</li> <li>Outstanding ESG Company (Criteria set by Fund Managers) — Platinum</li> </ul>	Institute of ESG & Benchmark	✓		
	<ul style="list-style-type: none"> <li>Newcomer Award — Commendation</li> </ul>	Hong Kong ESG Reporting Awards 2021	✓		
	Asia's Best Companies 2021 <ul style="list-style-type: none"> <li>2021 Most Committed to Social Causes</li> </ul>	FinanceAsia	✓		
	Asian Excellence Awards 2021 <ul style="list-style-type: none"> <li>Asia's Best CSR</li> <li>Best in Environmental Responsibility</li> </ul>	Corporate Governance Asia	✓		
	10 Years Plus Caring Company 2021/22	Hong Kong Council of Social Service	✓		

Category	Recognition	Organiser	Corporate level	Property level	
				Three Garden Road	Langham Place
Excellence in Environment Awards	Facilities Management Team Award 2021 — Merit	CIBSE Hong Kong Region		✓	
	IFMA Asia Pacific Awards of Excellence 2020 (IoT On-demand Carpark Ventilation System) <ul style="list-style-type: none"> <li>• Facility Management Technology Award — Winner</li> <li>• Environmental Stewardship Award — Certificate of Excellence</li> <li>• Innovation Award — Certificate of Excellence</li> </ul>	The Hong Kong Chapter of International Facility Management Association (IFMA)		✓	
	Energywi\$e Certificate — Excellence Level	Environmental Campaign Committee		✓	
	Energywi\$e Certificate — Basic Level				✓
	IAQwi\$e Certificate — Excellence Level			✓	✓
	Hong Kong Green Organisation			✓	✓
	Wastewi\$e Certificate — Excellence Level			✓	
	10-Year Commitment to IAQ Certification Scheme		Environmental Protection Department		
	Commendation Scheme on Source Separation of Commercial and Industrial Waste 2020/21 — Certificate of Merit			✓	
	Indoor Air Quality Certificate — Excellent Class			✓	✓
	Outstanding Building Energy Efficiency performance (Existing Building)	Electrical & Mechanical Services Department			✓
	No Air Con Night 2020 — Certificate of Appreciation	Green Sense		✓	
	Quality Water Supply Scheme for Buildings — Fresh Water (Management System) — Gold	Water Supplies Department		✓	✓
	Certificate of Carbon Reduction	Environment Bureau		✓	
	Natural Christmas Trees Recycling Programme — Certificate of Appreciation			✓	
	Certificate of Peach Blossom Trees Recycling Programme				
	Certificate of Lai See Reuse and Recycle Programme	Greeners Action		✓	✓

Category	Recognition	Organiser	Corporate level	Property level	
				Three Garden Road	Langham Place
Excellence in Health and Safety Awards	Anti-Epidemic Hygiene Measures Certification	Hong Kong Quality Assurance Agency (HKQAA)		✓	✓
	Business Resilience & Community Contribution Awards 2021 — Gold Seal				✓
	Kowloon West Best Security Services Award 2020: <ul style="list-style-type: none"> <li>• Honorable Managed Property Award</li> <li>• Outstanding Managed Public Carpark Award</li> <li>• Five-Star Managed Property Award</li> </ul>	Kowloon West Regional Crime Prevention Office			✓
	2020 Security Services Best Training Award — Gold	Vocational Training Council		✓	✓
Excellence in Community Care Awards	Caring Company	The Hong Kong Council of Social Service	✓	✓	✓
	Fair Trade Award 2020 <ul style="list-style-type: none"> <li>• Silver Award</li> </ul>	Fair Trade Hong Kong	✓		
	Caring Company — List of Barrier-free Company/Organisation 2020/21	The Hong Kong Council of Social Service			✓

# Performance Data Summary

## Environment

Category	Unit	Data Period			
		2020		2021	
		Three Garden Road	Langham Place	Three Garden Road	Langham Place
<b>Energy Consumption</b>					
Direct	kWh	37,121	10,508	64,844	8,360
Indirect		17,408,570	20,147,614	17,066,099	19,844,862
<b>Total</b>		<b>17,445,691</b>	<b>20,158,122</b>	<b>17,130,943</b>	<b>19,853,222</b>
<b>GHG Emissions</b>					
Direct emissions — scope 1	tCO <sub>2e</sub>	9.2	2.6	16.0	2.1
Indirect emissions — scope 2		14,101.0	10,073.8	12,117.0	7,342.6
<b>Total</b>		<b>14,110.2</b>	<b>10,076.4</b>	<b>12,133.0</b>	<b>7,344.7</b>
<b>Water Management</b>					
Water usage	m <sup>3</sup>	175,907	97,247	179,537	104,276
<b>Waste Management</b>					
Hazardous	ton	0.4	0	0.2	0
Non-hazardous		901.0	2,847.0	907.0	2,774.0
<b>Total</b>		<b>901.4</b>	<b>2,847.0</b>	<b>907.2</b>	<b>2,774.0</b>
<b>Energy Generated and Consumed</b>					
Renewable energy generation	kWh	0	1,192	12,000 (Apr to Dec)	1,930
<b>Materials Recycled</b>					
Food waste collection	kg	2,465	7,581	6,932	7,579
Other recycling materials*		177,144	185,068		

\* Excluding reusable batteries

## Social

Category	Unit	Data Period	
		2020	2021
<b>Customer Satisfaction</b>			
Products and service-related complaints	Case	0	0
<b>Workforce Profile</b>			
Total workforce	Number	16	16
<b>By Gender (and rate)</b>			
Male	Number (%)	7 (43.8%)	7 (43.8%)
Female		9 (56.3%)	9 (56.3%)
<b>By Employment Contract type (and rate)</b>			
Full-time	Number (%)	16 (100.0%)	16 (100.0%)
Part-time		0 (0%)	0 (0%)
<b>By Age Group (and rate)</b>			
Under 20	Number (%)	0 (0%)	0 (0%)
20–29		2 (12.5%)	3 (18.8%)
30–39		5 (31.0%)	5 (31.3%)
40–49		6 (37.5%)	7 (43.8%)
Over 50		3 (19.0%)	1 (6.3%)

\* Figures may not add up to 100% due to rounding.



Category	Unit	Data Period	
		2020	2021
<b>Overall Turnover</b>			
<i>Computed as total yearly number of leavers / average number of headcounts in the reporting year</i>			
<b>By Gender (and rate)</b>			
Male	Number (%)	0 (0%)	1 (14.3%)
Female		0 (0%)	4 (44.4%)
<b>By Age Group (and rate)</b>			
Under 20	Number (%)	0 (0%)	0 (0%)
20–29		0 (0%)	1 (40.0%)
30–39		0 (0%)	1 (20.0%)
40–49		0 (0%)	1 (15.4%)
Over 50		0 (0%)	2 (100.0%)
<b>Training and Development</b>			
<b>The Percentage of Employees Trained by Gender and Employee Category</b>			
<b>By Gender</b>			
Male	%	100.0%	86.0%
Female		100.0%	89.0%
<b>By Employee Category</b>			
Managerial	%	100.0%	100.0%
Non-managerial		100.0%	71.0%
<b>Average Training Hours Completed per Employee by Gender and Employee Category</b>			
<b>By Gender</b>			
Male	Hours	18.4	11.9
Female		15.1	28.9

\* Figures may not add up to 100% due to rounding.

Category	Unit	Data Period	
		2020	2021
<b>By Employee Category</b>			
Managerial	Hours	18.0	30.8
Non-managerial		12.3	6.0
<b>Occupational Health and Safety</b>			
Work-related fatalities	Number	0	0
Lost days due to work injury and ill health		0	0
<b>Anti-corruption</b>			
Concluded legal cases	Number	0	0

# ESG Reporting Guide Index

Aspect	KPI	Content	Page Number
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	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	24, 45
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	26, 45
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	26, 45
	A1.5	Description of emissions target(s) set and steps taken to achieve them	17-24, 27, 43
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<b>A2: Use of Resources</b>	A2	General disclosure	5, 6, 15, 17
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in'000s) and intensity (e.g. per unit of production volume, per facility)	24, 45
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	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	24, 43
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable due to the Trust's business nature

Aspect	KPI	Content	Page Number
<b>A3: The Environment and Natural Resources</b>	A3	General disclosure	5, 6, 15, 17
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	17-27
<b>A4: Climate Change</b>	A4	General disclosure	5, 6, 17
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	17-20
<b>B. Social</b>			
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	B1.2	Employee turnover rate by gender, age group and geographical region	31, 47
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<b>B3: Development and Training</b>	B3	General disclosure	5, 7, 15, 28
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	47, 48
	B3.2	The average training hours completed per employee by gender and employee category	47, 48
<b>B4: Labour Standards</b>	B4	General disclosure	5, 7, 15, 28
	B4.1	Description of measures to review employment practices to avoid child and forced labour	28-29
	B4.2	Description of steps taken to eliminate such practices when discovered	28-29

Aspect	KPI	Content	Page Number
<b>B5: Supply Chain Management</b>	B5	General Disclosure	5, 8, 15, 32
	B5.1	Number of suppliers by geographical region	35
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored	8, 32, 35
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	35
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	35
<b>B6: Product Responsibility</b>	B6	General disclosure	32
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Not applicable due to the Trust's business nature
	B6.2	Number of products and service-related complaints received and how they are dealt with	34, 46
	B6.3	Description of practices relating to observing and protecting intellectual property rights	34
	B6.4	Description of quality assurance process and recall procedures	34
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	32

Aspect	KPI	Content	Page Number
<b>B7: Anticorruption</b>	B7	General disclosure	15
	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	15, 48
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	15
	B7.3	Description of anti-corruption training provided to directors and staff	30
<b>B8: Community Investment</b>	B8	General disclosure	5, 8, 15, 37
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	37-40
	B8.2	Resources contributed (e.g. money or time) to the focus area	37-40



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