



CK ASSET HOLDINGS LIMITED

長江實業集團有限公司

(Incorporated in the Cayman Islands with limited liability)

STOCK CODE: 1113

BUILDING A  
**GREENER FUTURE  
TOGETHER**



Sustainability Report  
**2023**

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# ABOUT CKA

CK Asset Holdings Limited (“CKA” or the “Company”, together with its subsidiaries, the “Group”) began a new chapter of growth in 2015 following the strategic reorganisation of Cheung Kong (Holdings) Limited. The name “Cheung Kong” originates from the Yangtze River, which aggregates countless streams and tributaries. Inspired by the Yangtze’s unique power of synergy, the Group’s vision is to inspire societal improvement and contribute to the development of a brighter future through the combined efforts of many. This vision has been reinforced over the years by the Group’s founder and the current Chairman together with a dedicated management team whose diligence, perseverance and innovation have collectively contributed to the continuing success of the Group.

With its foundation laid over 70 years ago, the Group is a leading multinational conglomerate that has diverse capabilities with business activities presently encompassing property development and investment, hotel and serviced suite operation, property and project management, pub operation and investment in infrastructure and utility asset operation, as well as interests in three listed real estate investment trusts. The Group’s purpose is to enrich lives through an array of assets and services it

offers in the current and other sectors and geographies in which its businesses operate, and may operate as the opportunity arises, while sharing its corporate and financial successes with shareholders and creating long-term value for stakeholders through the sustainable development of its businesses.

One of the pillars of the strategy of the Group is to “**Embrace Innovation and Sustainability for Long-term Growth**”. The Group recognises the value of innovation and the importance of sustainability in driving corporate values throughout its journey. It makes ongoing efforts to support a strong innovation culture and to integrate environmental, social, and governance principles into its investment decisions and business operations to build an ethical corporate culture at all levels. The Group takes a special interest in projects that improve ecosystem performance and drive transformative change to reduce carbon emissions. It will continue to advance its transition to carbon neutrality and work proactively towards a sustainable future.

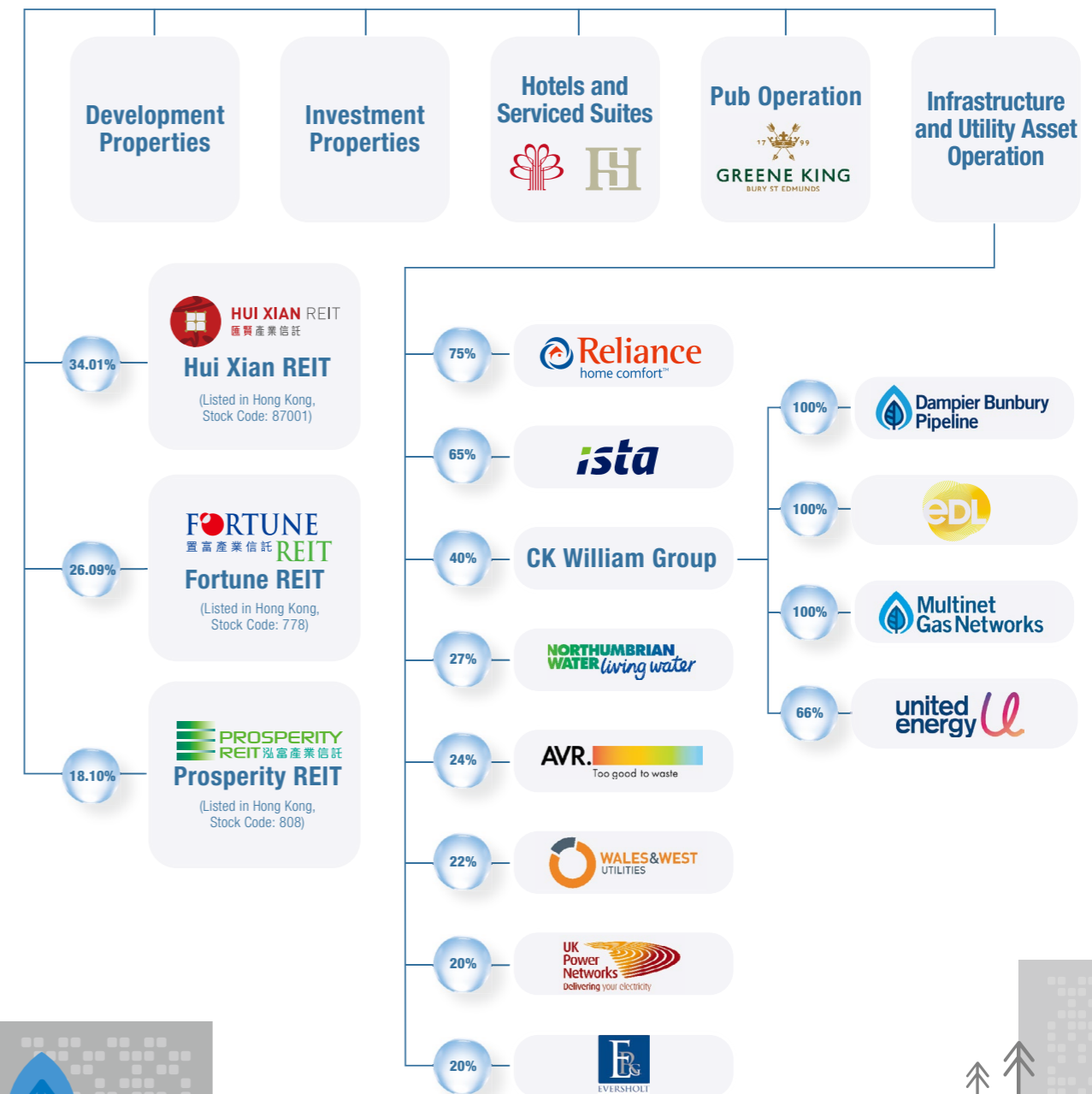
# GROUP STRUCTURE



## CK ASSET HOLDINGS LIMITED

(A limited liability Cayman Islands company registered and listed in Hong Kong)

Stock Code: 1113



## PROPERTY DEVELOPMENT



The Group has a strong market share in property development in Hong Kong and the Mainland, and an international presence represented by its operations in Singapore and the United Kingdom (“UK”). As at 31 December 2023, the Group had a development land bank (including developers’ interests in joint development projects but excluding agricultural land and completed properties) of approximately 74 million square feet (“sq.ft.”), of which 7 million sq.ft., 63 million sq.ft. and 4 million sq.ft. were located in Hong Kong, on the Mainland and overseas respectively.

## PROPERTY INVESTMENT



The Group’s property investment includes retail, office, industrial and other properties, primarily located in Hong Kong. As at 31 December 2023, the Group had an investment property portfolio of approximately 22 million sq.ft. (including share of joint ventures but excluding car parking spaces), of which 13.1 million sq.ft., 4.6 million sq.ft. and 4.3 million sq.ft. were located in Hong Kong, on the Mainland and overseas respectively.

## HOTEL AND SERVICED SUITE OPERATION



The Group’s hotel and serviced suite properties are mostly located in Hong Kong comprising Harbour Plaza Hotels & Resorts, Horizon Hotels & Suites and Sheraton Hong Kong Hotel & Towers.

## PROPERTY AND PROJECT MANAGEMENT



As at 31 December 2023, the Group managed approximately 267 million sq.ft. of completed properties. This is expected to grow steadily following gradual completion of the Group’s property development projects in the years ahead.

## PUB OPERATION

The Group’s subsidiary, Greene King Limited (“Greene King”), is a leading integrated brewer and pub retailer operating pubs, restaurants and hotels across England, Wales and Scotland. The operation of Greene King comprises three divisions: (i) pub company – Greene King operates food-led and drink-led destination pubs and restaurants and community-focused local pubs; (ii) pub partners – Greene King owns a portfolio of mainly drink-led pubs which are run as franchised or leased pubs; and (iii) brewing & brands – Greene King sells and distributes a wide range of beers including ale brands brewed in own breweries.



## INFRASTRUCTURE AND UTILITY ASSET OPERATION

As at 31 December 2023, the Group had interests in the following joint ventures which operate infrastructure and utility asset businesses (the “Infrastructure Investments”): (i) CK William JV (“CK William”) – an owner and operator of energy utility assets in Australia, the United States (“US”), Canada and the UK, (ii) CKP (Canada) JV (“Reliance”) – a building equipment and service provider under the consumer brand identity of “Reliance Home Comfort” in Canada, (iii) ista JV (“ista”) – a fully integrated energy management service provider operated by ista Group in Europe, (iv) UK Power Networks JV (“UKPN”) – a power distributor that serves London, the South East and East of England, (v) Northumbrian Water JV (“Northumbrian Water”) – a regulated water and sewerage company in England and Wales, (vi) Dutch Enviro Energy JV (“AVR”) – an operator of energy-from-waste business in the Netherlands, (vii) Wales & West Utilities JV (“WWU”) – a gas distributor that serves Wales and the South West of England, and (viii) UK Rails JV (“UK Rails”) – a rolling stock leasing company in the UK. The Group has a 40% interest in CK William, a 75% interest in Reliance, a 65% interest in ista, a 20% interest in UKPN, a 27% interest in Northumbrian Water, a 24% interest in AVR, a 22% interest in WWU and a 20% interest in UK Rails.



## INTERESTS IN REAL ESTATE INVESTMENT TRUSTS (“REITs”)

The Group has interests in three listed REITs, namely Hui Xian Real Estate Investment Trust, Fortune Real Estate Investment Trust and Prosperity Real Estate Investment Trust.



# MESSAGE FROM THE CHAIRMAN



I am pleased to present the Sustainability Report for 2023 (this “Report”), which summarises the Group’s sustainability strategies and management approach, and highlights our key initiatives and accomplishments during the year.

In 2023, the world experienced an unprecedented and alarming increase in the frequency and severity of extreme weather events, underscoring the need for accelerated action and adaptation to address the climate change crisis. As a responsible corporation and global citizen, we took significant steps during the year to further strengthen our business resilience and manage anticipated climate change risks and opportunities that may materially impact the Group’s operations and performance.

2023 was an important year in the Group’s sustainability journey and the Group made substantial progress towards our commitments and goals on sustainability. During the year, we made significant efforts to set Science Based Targets according to the Science Based Targets initiative (“SBTi”) criteria. We embarked on a comprehensive process to ascertain the scope 3 emissions of the Group’s property-related businesses. We also committed to the SBTi net-zero standard and submitted near-term and net-zero targets to SBTi for validation. We are actively working on a roadmap to achieve an overall reduction in our emissions, and a meaningful decarbonisation of our business operations, to achieve net zero and combat climate change.

In this Report, we have amplified our climate disclosures in line with the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”). Through our sustainability

disclosures, we aim to expand our engagement with stakeholders and to provide them with a clear understanding of the climate-related risks and opportunities that may materially impact the Group’s operations and performance, and of the actions that we are taking in response. We have also arranged for an independent verification of our sustainability performance information set out in this Report.

Our acquisition in 2023 of Civitas Social Housing PLC (“Civitas”), a real estate investment trust dedicated to investing in social care housing and healthcare facilities in the UK, facilitates the delivery of significant and quantifiable social impact benefits for the individuals that are supported through its social care housing and healthcare funds. We will continue to partner with local organisations and engage with local communities to support the United Nations Sustainable Development Goals, to expand our collective social impact and contribution towards the economic, social and environmental development of the communities in which our businesses operate, and to drive lasting positive change on a larger scale.

Sustainable development for long-term growth is a core strategy for the Group, and our pursuit of this strategy is defined by a three-pronged approach that seeks to foster close collaboration between the Board of Directors (“Board”), our employees and the wider community through a top-down, bottom-up and horizontal engagement. We continue to integrate environmental, social and governance principles into our investment decisions and business operations, and to build an ethical corporate culture at all levels as we work proactively to prioritise the delivery of long-term sustainable value creation for our stakeholders.

The Group also takes an interest in projects that seek to improve ecosystem performance and reduce carbon emissions. We are in the process of evaluating regenerative soil management projects with a view to making a solid contribution to the drive towards carbon neutrality.

The Group has a robust governance structure that is essential to our sustainability efforts. The Board oversees the Group’s long-term strategy on environmental, social and governance matters. It is supported by the Sustainability Committee, which advises the Board on the development of the Group’s sustainability strategy, and a dedicated Sustainability Working Group, which is tasked with the execution and management of this strategy through the implementation of sustainability policies and initiatives across the business.

The Group has established a comprehensive suite of policies which provides a clear framework on corporate governance, sustainable practices and ethical conduct. These policies are reviewed and updated regularly to ensure full compliance with changing legal and regulatory requirements and to align them with evolving sustainability standards and best practices. In 2023, the Group strengthened its existing policies on green procurement, cybersecurity and anti-harassment. We also adopted new policies on biodiversity, sustainable building and workforce diversity and established a privacy management programme across departments to further enhance personal data protection.

As a leading property developer, we recognise the importance of environmental protection and biodiversity conservation in sustainable development, and we seek to embrace sustainability and sustainable building considerations in our property development projects and property management businesses, in order to reduce the carbon footprint of the buildings that we develop or manage. To benchmark building performance, we seek to put in place targets by 2030 to obtain BEAM Plus platinum ratings for all of our wholly owned new commercial projects in Hong Kong, and we also seek to put in place targets to obtain BEAM Plus platinum ratings for our new development projects in Hong Kong, where appropriate, with a view to complementing our current commercial considerations and creating greater benefit for the Group, its customers and the community at large. We will continue to explore the use of technology and to collaborate with our suppliers, customers and other stakeholders in order

to achieve our sustainability targets and further embed sustainability innovations and improved efficiencies across our business operations and value chains.

The Group recognises that our employees are central to our continued success and future sustainability. We value the diversity of our employees and we have been actively working to create a more inclusive, respectful and supportive working environment for our employees. Through our new workforce diversity policy, we affirmed the Group’s commitment to embed diversity and inclusion within our workplace, culture, strategy and processes, and further committed to fostering gender empowerment, gender equality and gender diversity across our workforce, and providing equal opportunities in recruitment, training and development, compensation, and career and promotion opportunities. At the same time, the health and safety of our employees, suppliers and contractors is a particular priority for the Group and we continued to implement measures in 2023, such as training sessions on product safety and quality, health and safety, and environmental protection, to build on our sustainable safety culture.

My family has actively supported social progress throughout the years through the Li Ka Shing Foundation, with an emphasis on education and healthcare. These philanthropic endeavours complement the Group’s existing efforts in charitable contributions and sustainability. Insights into some recent projects undertaken by the Foundation are provided in this Report.

On behalf of the Board, I wish to express our profound gratitude and appreciation to our dedicated employees, valued customers, business partners, and stakeholders for their unwavering support to our sustainability journey throughout the year. As we navigate our business through a challenging global environment, we will continue to accelerate our ongoing efforts in building a greener future together by becoming better environmental stewards and ensuring a steady progress towards our sustainability targets.

**Victor T K Li**  
Chairman  
21 March 2024



# ABOUT THIS REPORT

This Sustainability Report (“Report”) is prepared, for the year ended 31 December 2023 (“Reporting Period”), with reference to the requirements under the Environmental, Social and Governance (“ESG”) Reporting Guide set out in Appendix C2 (“ESG Reporting Guide”) to the Rules Governing the Listing of Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (“SEHK”) and the Task Force on Climate-related Financial Disclosures (“TCFD”) recommendations.

This Report should be read in conjunction with the Company’s Annual Report 2023, which contains a comprehensive review of its financial performance and corporate governance, and with key policies of the Company as published on its website.

The reporting principles below, as set out in the SEHK’s ESG Reporting Guide, have been adhered to in preparing this Report:

## MATERIALITY

Materiality refers to the key sustainability issues which the Group’s activities have a significant impact with respect to the economy, environment, and community and which are of significant interest to stakeholders. Such sustainability issues, and the Group’s activities related to them, should be reported in the Sustainability Report to ensure that it remains pertinent and relevant. The Group has conducted a materiality assessment to prioritise these sustainability issues. Further details of these matters can be found under the chapter headed “Sustainability at the Company” in this Report.

## QUANTITATIVE

The Group has adopted the SEHK’s ESG Reporting Guide and relevant guidelines published by SEHK and other international organisations (such as the Greenhouse Gas Protocol) in measuring and presenting quantitative environmental and social key performance indicators (“KPIs”). Details of the standards, methodologies and assumptions used are described in the relevant sections of this Report.

## CONSISTENCY

There have been no material changes in the reporting approach and methodologies from those adopted by the Group in the previous reporting year.

## BALANCE

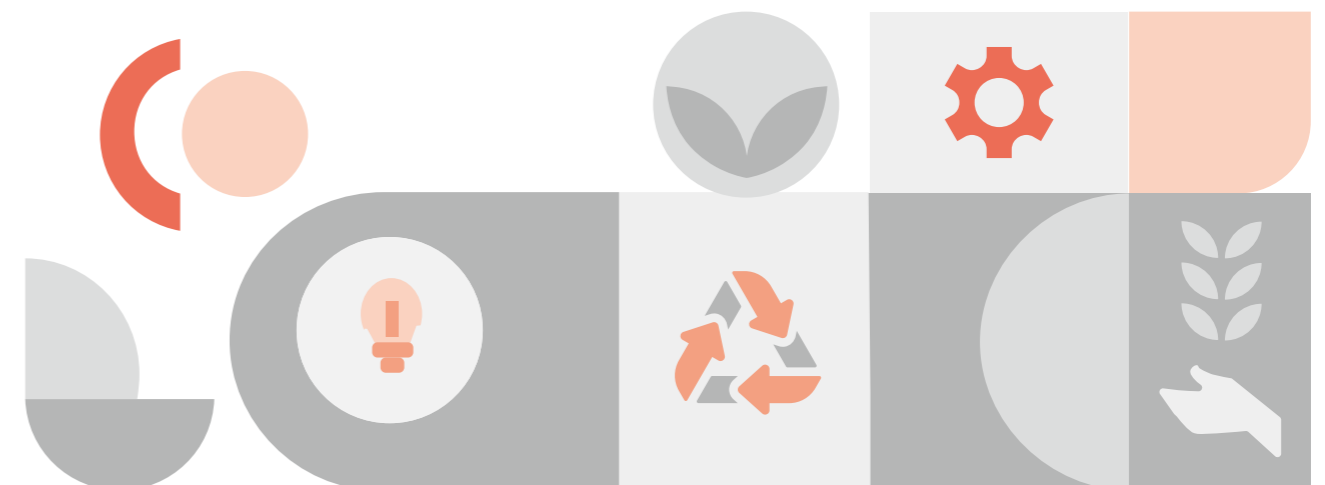
This Report aims to present a holistic and fair view of the sustainability performance of the Group. On this account, the Board of Directors (the “Board”) and the Sustainability Committee of the Company and the Sustainability Working Group (which consists of the management teams of various departments/business units/operating subsidiaries of the Group) have been involved in the reporting process.

This Report is divided into four sections, focusing on the Company’s overall approach to sustainability, the Company’s governance, the environment, as well as the Company’s engagement with its employees and the community. The Report covers the Group’s businesses currently encompassing property development and investment, hotel and serviced suite operation, property and project management and pub operation. Details of the Group’s management of relevant ESG issues and related KPIs are presented in this Report.

Please refer to the section titled “Achievements and Innovations of Infrastructure Investments” in “Additional Information” for information on the sustainability performance of the Group’s Infrastructure Investments. Relevant details are also available in the 2023 Sustainability Report of CK Infrastructure Holdings Limited.

An independent consultant has been retained, as in previous reporting years, to provide sustainability advisory services to the Company and to assist it with the preparation of this Report in accordance with the requirements under the ESG Reporting Guide.

**This Report is, by default, made available to the Group’s stakeholders online unless specific requests are received for hard copies to be provided, in order to reduce paper consumption and promote environmental protection.**



# HIGHLIGHTS

## Our Decarbonisation Progress

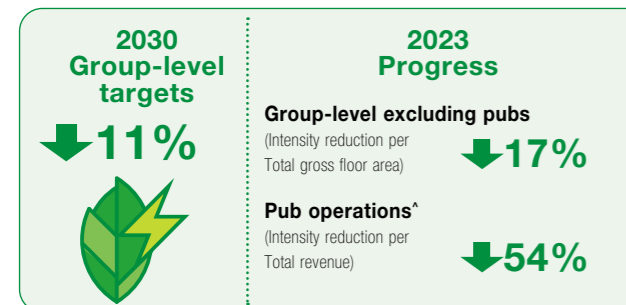
### Commitment to SBTi

- Submitted the following science-based targets (“SBTs”) for the Company’s property-related businesses:–
  - 46.8% reduction in absolute Scope 1 & 2 greenhouse gas (“GHG”) emissions by 2030 from a 2019 base year;
  - 42.0% reduction in absolute Scope 3 GHG emissions by 2030 from a 2021 base year;
  - 99.6% reduction in absolute Scope 1 & 2 GHG emissions by 2050 from a 2019 base year; and
  - 99.6% reduction in absolute Scope 3 GHG emissions by 2050 from a 2021 base year.
- Received SBTi’s validation of the following near-term SBTs for Greene King:–
  - 50% reduction in absolute Scope 1 and 2 GHG emissions by 2030 from a 2019 base year; and
  - 50% reduction in absolute Scope 3 GHG emissions within the same timeframe.
- Greene King: publicly committed to reaching carbon net zero by 2040, and is seeking SBTi’s approval for this target.

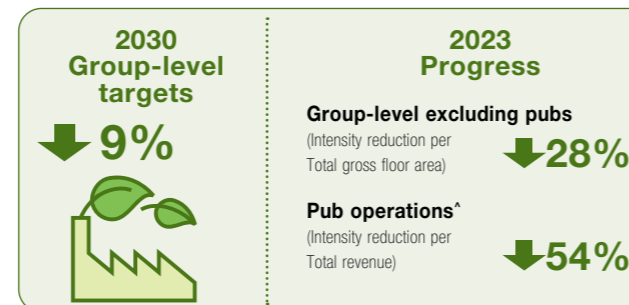


### Our Footprint

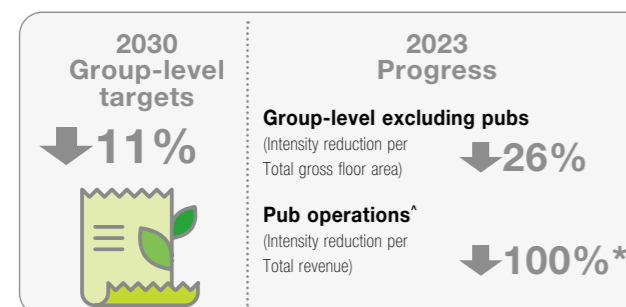
#### Electricity Consumption



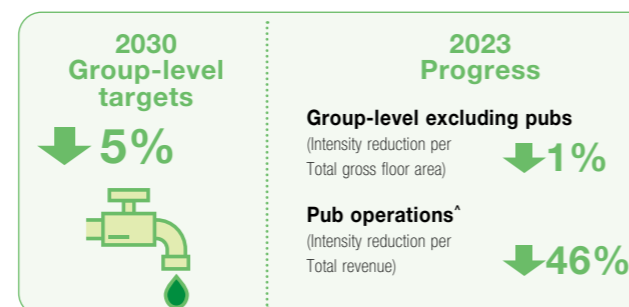
#### GHG Emissions



#### Paper Waste



#### Water Consumption



\* All pub operation’s paper waste has been collected and recycled during the year. No paper waste was recorded.  
 ^ 2020 (base year) intensity figures of pub operation were impacted by the COVID-19 pandemic.

## Green Buildings and Green Financing

### Our Achievement in Green Buildings

- LEED Operations and Maintenance: Existing Buildings – Platinum
  - Cheung Kong Center
- BEAM Plus (Existing Buildings) Comprehensive Scheme – Platinum
  - The Metropolis Tower
  - Ma On Shan Plaza
- WELL Certification – Platinum
  - Prosperity Millennia Plaza
- Set targets to obtain BEAM Plus Platinum ratings, where appropriate, for new development projects in Hong Kong, with a view to complementing our current commercial considerations and creating greater benefit for the Group, its customers and the community at large.
- 90 Managed Properties received the BOCHK Corporate Environmental Leadership Awards
- 28 Managed Properties received Wastewi\$e Certificates
- 49 green building certificates obtained



### Green Financing

- 2 additional sustainability-linked loans for an aggregate amount of HK\$5 billion (approx. 90% increase in dollar amount) obtained in 2023.
- HK\$10.5 billion of sustainability-linked loans obtained so far as at 31 December 2023.





## Our Governance

### Board Diversity

As at 31 December 2023

- o 56% Independent Non-executive Directors (“INEDs”)



- o 31% female Directors



### Policy Enhancement

- o Adopted new policies to enhance governance
  - o Anti-Harassment Policy
  - o Biodiversity Policy
  - o GenAI Use Policy
  - o Sustainable Building Guidelines
  - o Workforce Diversity Policy

- o Introduced new Privacy Management Programme to further enhance personal data protection as part of corporate responsibility



- o Revised and amended existing policies, in particular those in relation to cybersecurity and green procurement



### Management of Sustainability-related Risks

- o Improved ESG disclosures with 2023 Sustainability Report prepared in accordance with TCFD reporting principles.



## Our Employees

### Employee Health and Wellbeing

- o Zero work-related fatalities for the past 3 years

- o 9,364 lost days due to work-related injuries (decrease 9.3% from 2022)



### Training and Development

- o Conducted annual directors training on trending ESG-related topics such as Artificial Intelligence and ChatGPT, Collection and Use of Biometrics and Facial Recognition

- o 343,337 training hours completed (including at least 17,771.35 hours of ESG-related training)

- o 100% of Greene King’s employees received training; over 85% of the Group’s employees (excluding Greene King) received training in 2023

## Our Suppliers and Community

### Supplier Engagement

- o Sustainability training sessions on Product Safety and Quality, Health and Safety and Environmental Protection were provided to 55 suppliers and contractors involved in the Group’s property development business.
- o Supplier engagement platform was established by Greene King to support knowledge-building for suppliers as well as ESG data collection.

### Community Support

- o Greene King organised 32 different apprenticeship options to provide practical work experience and opportunities for youth from diverse backgrounds, with over 15,000 apprenticeships completed.
- o Civitas Social Housing Limited (“Civitas”, formerly known as Civitas Social Housing PLC) facilitates the delivery of specialist and supported social care housing for individuals with long-term care needs, generating positive, quantifiable social impact.

# AWARDS AND ACHIEVEMENT (SELECTED)

NOW Finance – Leadership Business Award 2023: The Coast Line Residence Award of Excellence (CK Asset Holdings Limited)



Hong Kong Economic Journal – Corporate Brand Awards of Excellence 2023: 顯卓多元地產業務大獎 (CK Asset Holdings Limited)



The Financial Times & Statista – Europe Climate Leaders (Greene King Limited)



CLP – Smart Energy Award 2023: Joint Energy Saving Award (4 consecutive years) (Citybase Property Management Limited)



TTG Travel Awards 2023 – Travel Hall of Fame (Harbour Plaza Hotels & Resorts)



Office of the Privacy Commissioner for Personal Data, Hong Kong – Privacy-Friendly Awards 2023: Gold Award (Goodwell Property Management Limited) & Silver Award (Citybase Property Management Limited)



2023-2024 Asia Pacific Property Awards – Best Hotel Interior Hong Kong (Hotel Alexandra) – Best Mixed Use Development Hong Kong (Wong Chuk Hang Station Package Three project) – Best Office Architecture Hong Kong (Cheung Kong Center II)





# SUSTAINABILITY AT THE COMPANY



## APPROACH TO SUSTAINABILITY

In its journey towards decarbonisation and sustainable development, the Group embraces a three-pronged approach that centres on effective corporate governance, environmental protection, and the well-being of employees and the community.

The Group acknowledges the imperatives of a just transition of the workforce and the

creation of decent work and quality jobs in the transition to a low-carbon economy. With the continuing aim of sustaining business growth whilst creating long-term value for all stakeholders and the wider community, the Group remains committed to enhancing the social well-being of employees and other stakeholders whilst respecting human rights along its entire value chain.



The three-pronged approach promotes dialogue between the Board, employees, and stakeholders, including business partners and customers, to drive cultural change, build strong relationships, and create a lasting impact within the Group, the industry, and the broader community.

In pursuit of its sustainability objectives, the Group has established a sustainability governance structure that builds upon its existing corporate governance practices. This structure assigns clear roles and

responsibilities for its constituent parties in order to enhance and promote trust, transparency and accountability, both internally and externally. The Group actively monitors and evaluates emerging and ongoing ESG issues, trends and best practices that may influence its performance across all operations. In addition, the Group has incorporated sustainability-related risks and opportunities, including those related to climate change, into the enterprise risk management system (“ERM System”), to provide a comprehensive and holistic risk programme.

## Responsible Investment

The Group strives to invest responsibly in order to make a positive impact on society and to mitigate the ESG-related risks of its underlying investments. As set out in the Company’s Corporate Social Responsibility Policy, the Group’s Investment Committee includes ESG performance as one of the primary considerations when evaluating potential investment opportunities. Throughout the due diligence process, relevant ESG aspects and performance criteria, including compliance with laws and regulations, labour supply and relations, supply chain and customers, environmental and social risks, management capability, integrity and financial management, are duly considered. Identified ESG issues are subjected to critical assessment and are integral to the overall investment decision-making process.

Formal committees are established to monitor the ESG performance of the invested businesses and provide recommendations for enhancing their ESG practices. The investee companies are required to report and disclose material and relevant ESG information and on their ESG performance at their board and board committee meetings. The implementation of these robust measures promotes greater transparency and accountability in the Group’s investment practices.

Below are some examples of the Group’s investments and their positive impacts:

### Infrastructure Investments

The Group’s existing Infrastructure Investments, such as Northumbrian Water, UKPN, ista and AVR, have taken various decarbonisation initiatives for combating climate change. Some of them have pledged to achieve net zero emissions ahead of their local governments’ requirements. Given the growing concerns around climate change and the rapid developments in the sustainability landscape,

the Group will closely monitor global trends in clean energy development and related investment opportunities. New initiatives in energy transition that are identified are reported to the Investment Committee, to stay abreast of the latest developments and make informed decisions.

Further information on the sustainability performance of the Group’s Infrastructure Investments can be found in the section titled “Achievements and Innovations of Infrastructure Investments” in “Additional Information” in this Report. Relevant details are also available in the 2023 Sustainability Report of CK Infrastructure Holdings Limited.

### Social and Affordable Housing

In the UK, through Civitas, the Group has made investments to create a diversified portfolio of supported housing and care facilities for working age adults together with accommodation for young people and children with long-term care needs. These investments are structured with the objective of creating sustainable impact and long-term value, underpinned by the integration of ESG factors into investment decisions. Regular engagement meetings with Housing Providers and Care Providers are conducted to provide ongoing support to ensure quality of property management and tenant services, check compliance with statutory obligations, review the environmental performance of the buildings in terms of energy efficiency, capture ESG and other impact metrics, and monitor continued financial stability.

Civitas is an early adopter of the Sustainability Reporting Standard for Social Housing in the UK. This standard defines 12 themes and 48 criteria for ESG reporting by housing associations, which are qualitative and quantitative and are identified as core and enhanced requirements for demonstrating strong ESG performance.

## Investments in Real Estate Investment Trusts

The Group's real estate investment trusts, such as Prosperity Real Estate Investment Trust ("Prosperity REIT") and Fortune Real Estate Investment Trust ("Fortune REIT"), have achieved remarkable milestones in sustainability. Prosperity REIT's flagship property, Prosperity Millennia Plaza, has been recognised with the prestigious WELL Certification — Platinum. Additionally, Prosperity REIT's Metropolis Tower has received a Merit Award for Facilities Management in the Green Building Award 2023, further highlighting Prosperity REIT's commitment to sustainable practices. Prosperity REIT was highly commended in the Royal Institution of Chartered Surveyors Hong Kong Awards 2023 as the "Facilities Management Team of the Year," a testament to its dedication and expertise in maintaining sustainable properties.

Fortune REIT also has an impressive track record in sustainability. Fortune REIT has achieved the highest rating of 5-Stars in the Global Real Estate Sustainability Benchmark ("GRESB") for three consecutive years. Furthermore, all of Fortune REIT's Hong Kong malls have obtained green building certifications, each with an excellent rating. Notably, Fortune REIT is the first real estate investment trust in Hong Kong to receive approval from the SBTi for its near-term emission reduction targets. Fortune REIT's commitment to environmental sustainability is further exemplified by being the first mall in Hong Kong to be certified green for renovation. The sustainability achievements of both Prosperity REIT and Fortune REIT demonstrate their strong commitments to responsible investment in property management.

## SUSTAINABILITY TARGETS

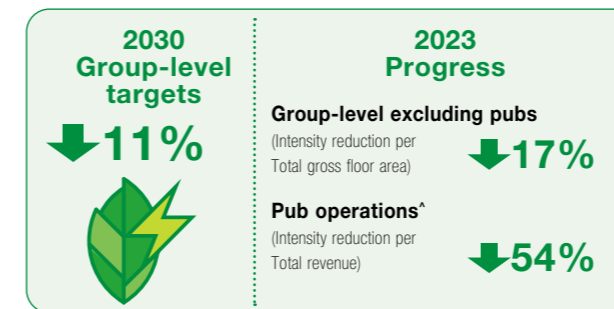
In 2021, as one of the Carbon Neutrality partners of the Government of the Hong Kong Special Administrative Region (the "HKSAR Government"), the Group achieved a significant milestone by setting its environmental targets for 2030. The targets, which facilitate the evaluation of the Group's efforts in combating climate change, affirm the Group's commitment to supporting the green economy and pursuing decarbonisation.

In the Reporting Period, the Group made substantial progress in reducing its Scope 1, 2, and 3 GHG emissions intensity compared to the base year (i.e., 2019/2020) and managed to surpass its targets ahead of schedule.

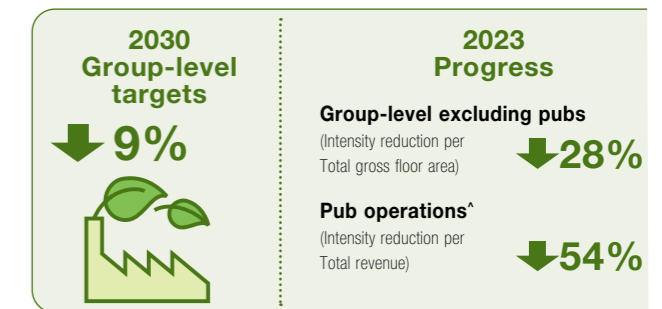
By implementing energy efficiency enhancements and promoting behavioural change, the Group's property management business, hotel and serviced suite operation, and offices collectively achieved a 17% reduction in electricity consumption intensity by gross floor area. Moreover, improvements in electricity grid emission factors contributed to a further reduction in GHG emissions.

The Group's pub operation business has invested in innovative technologies to improve energy efficiency and has implemented various energy and water conservation measures across its managed pubs. These initiatives have resulted in a 54% reduction in electricity consumption intensity, a 46% reduction in water consumption intensity, and a 54% reduction in GHG emissions intensity.

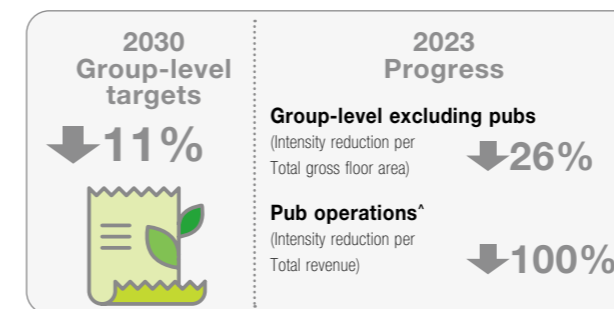
### Electricity Consumption



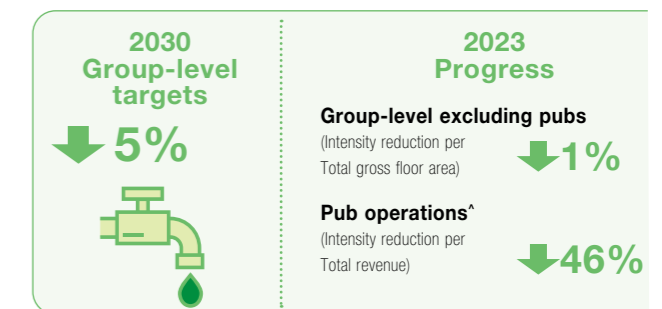
### GHG Emissions



### Paper Waste



### Water Consumption



Note: The above targets are based on 2019 figures in respect of the Group's property management operation, hotel and serviced suite operation and offices, and on 2020 figures in respect of the Group's pub operation. 2019 is adopted as the general base year for all operations except pub operation, as 2019 is considered to be a more representative year not being impacted by the COVID-19 pandemic. 2020 is adopted as the base year for pub operation as this business was not owned by the Group for a full year in 2019. The GHG emissions target is heavily linked to the electricity consumption target, as electricity consumption is the major source of the Group's GHG emissions.

\* All pub operation's paper waste has been collected and recycled during the year. No paper waste was recorded.

<sup>^</sup> 2020 (base year) intensity figures of pub operation were impacted by the COVID-19 pandemic.

The Group has engaged an independent consultant to conduct an assessment of its emissions along the value chain and to explore the feasibility of setting SBTs, according to the SBTi criteria, for its property development, property management and hotel and serviced suite businesses, as well as its offices. Establishing SBTs will align the Group's current emissions reduction targets with

the latest climate science, better reflect the Group's commitment to mitigating its impact on climate change and guide it in the low-carbon transition through innovation and sustainable growth.

The Group made a commitment to the SBTi in late 2023 and has submitted the following Scope 1 & 2 and Scope 3 emissions reduction targets for SBTi's validation.

Emissions	Near-Term Target	Net Zero Target
Scope 1 & 2	46.8% reduction in absolute Scope 1 & 2 emissions by 2030 from a 2019 base year	99.6% reduction in absolute Scope 1 & 2 emissions by 2050 from a 2019 base year
Scope 3	42.0% reduction in absolute Scope 3 emissions <sup>#</sup> by 2030 from a 2021 base year	99.6% reduction in absolute Scope 3 emissions <sup>#</sup> by 2050 from a 2021 base year

<sup>#</sup> Includes Scope 3 category 1 (purchased goods and services), category 2 (capital goods), category 5 (waste generated in operations), and category 13 (downstream leased assets).

Upon validation by the SBTi, these SBTs will supersede the Group's existing GHG emissions reduction targets and the Group will aim to disclose a more comprehensive emissions inventory to effectively monitor its progress towards achieving the SBTs.

## STAKEHOLDER ENGAGEMENT

The Group regards the opinions and comments of stakeholders as a vital element in improving its business and sustainability performance. Regular engagement, including social dialogue and negotiation, is conducted with key stakeholders through appropriate communication channels to acquire a better understanding of their priorities, concerns and expectations. This engagement enables us to develop or improve existing strategies to meet the evolving needs of the community, environment and businesses.

Key stakeholders and related engagement methods include, but are not limited to, the following:

<p><b>Employees</b></p> <ul style="list-style-type: none"> <li>o Performance review</li> <li>o Regular meetings and training</li> <li>o Emails, notice boards, hotlines, surveys and SMS</li> <li>o Intranet</li> </ul>	<p><b>Shareholders and investors</b></p> <ul style="list-style-type: none"> <li>o Regular reports and announcements</li> <li>o Regular general meetings</li> <li>o Official company website</li> <li>o Regular meetings with key investors</li> <li>o Attend to individual enquiries of shareholders via telephone/email</li> <li>o Attend to enquiries/reports from rating agencies and investors via telephone/email</li> </ul>
<p><b>Suppliers</b></p> <ul style="list-style-type: none"> <li>o Tendering</li> <li>o Supplier screening and assessments</li> <li>o Written comments and responses</li> <li>o Meetings, training and on-site visits</li> </ul>	<p><b>Government bodies</b></p> <ul style="list-style-type: none"> <li>o Compliance supervision</li> <li>o Routine reports and paid taxes</li> <li>o Onsite inspections</li> </ul>
<p><b>Tenants</b></p> <ul style="list-style-type: none"> <li>o Meetings</li> <li>o Newsletters and emails</li> <li>o Opinion surveys</li> <li>o Community events</li> </ul>	<p><b>Media</b></p> <ul style="list-style-type: none"> <li>o Interviews</li> <li>o Feedback and responses to media enquiries</li> <li>o Corporate news releases</li> <li>o Regular meetings with media</li> </ul>
<p><b>Customers</b></p> <ul style="list-style-type: none"> <li>o Customer satisfaction surveys</li> <li>o Customer service hotlines and emails</li> <li>o Community events</li> </ul>	

## MATERIALITY ASSESSMENT

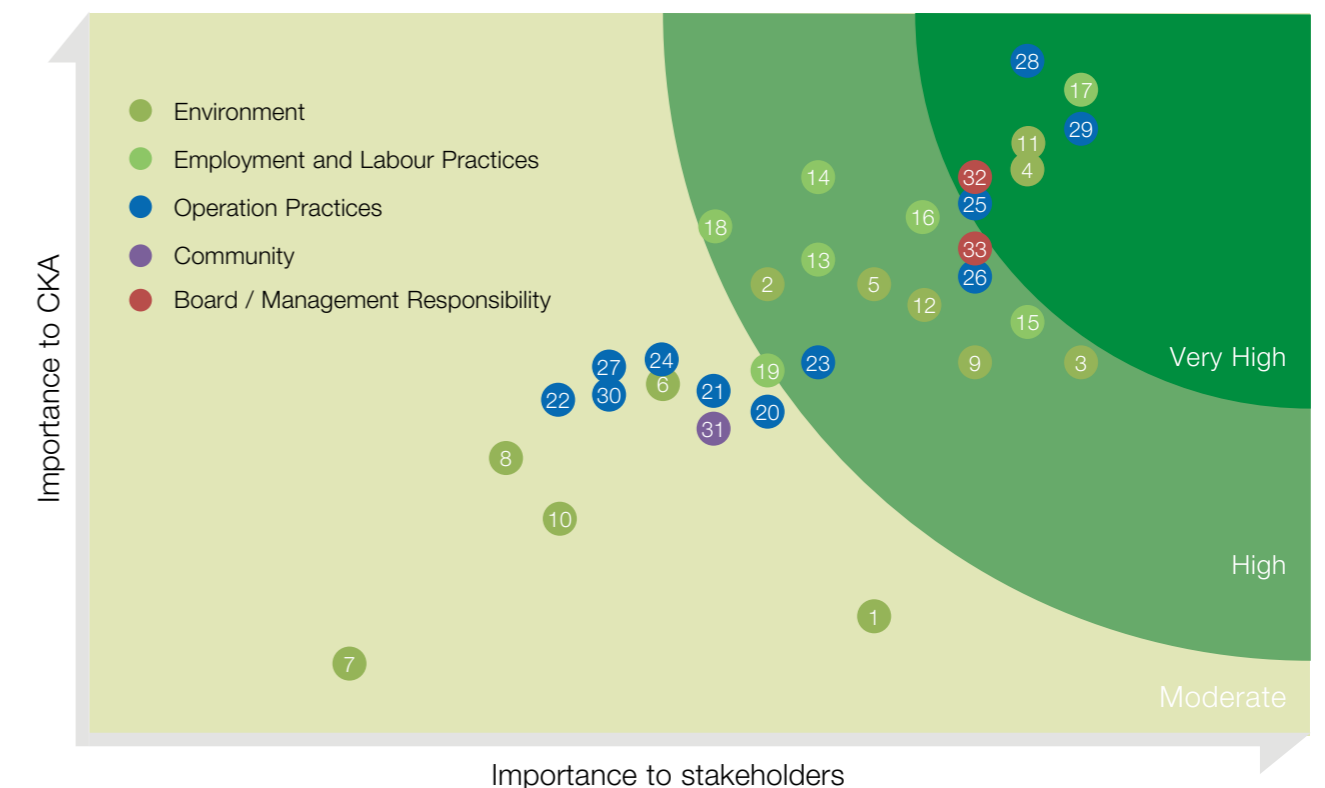
To gain insights into the evolving priorities and expectations of its stakeholders, the Group conducted a materiality assessment in 2023, with the support of an independent consultant. Going forward, the Group will continue to identify key stakeholder groups and understand their sustainability concerns and expectations.

The ESG topics included in the assessment are determined by the Sustainability Working Group and designated managers with consideration of various factors, including the nature of the Group's business, management input, results of past assessments, and widely recognised benchmarks and guidelines, such as the SEHK's ESG Reporting Guide and the Global Reporting Initiative Standards. After identifying material ESG topics for the assessment, an online assessment survey

was distributed to stakeholders to evaluate and prioritise topics that are material to the Group.

In 2023, in addition to internal stakeholders, the Group has expanded the scope of participation by inviting external stakeholder groups, such as suppliers, contractors, tenants and customers, to participate in the materiality assessment through the online survey. Respondents ranked 33 material topics pertaining to sustainability governance, environment, labour and employment, and operation practices based on their perceived importance. The outcomes of the engagement were reported to the Committee and were noted by the Board. Concerns have been addressed through this Sustainability Report and other communication channels, as appropriate.

The following matrix presents the material issues to the Group and its stakeholders in 2023:



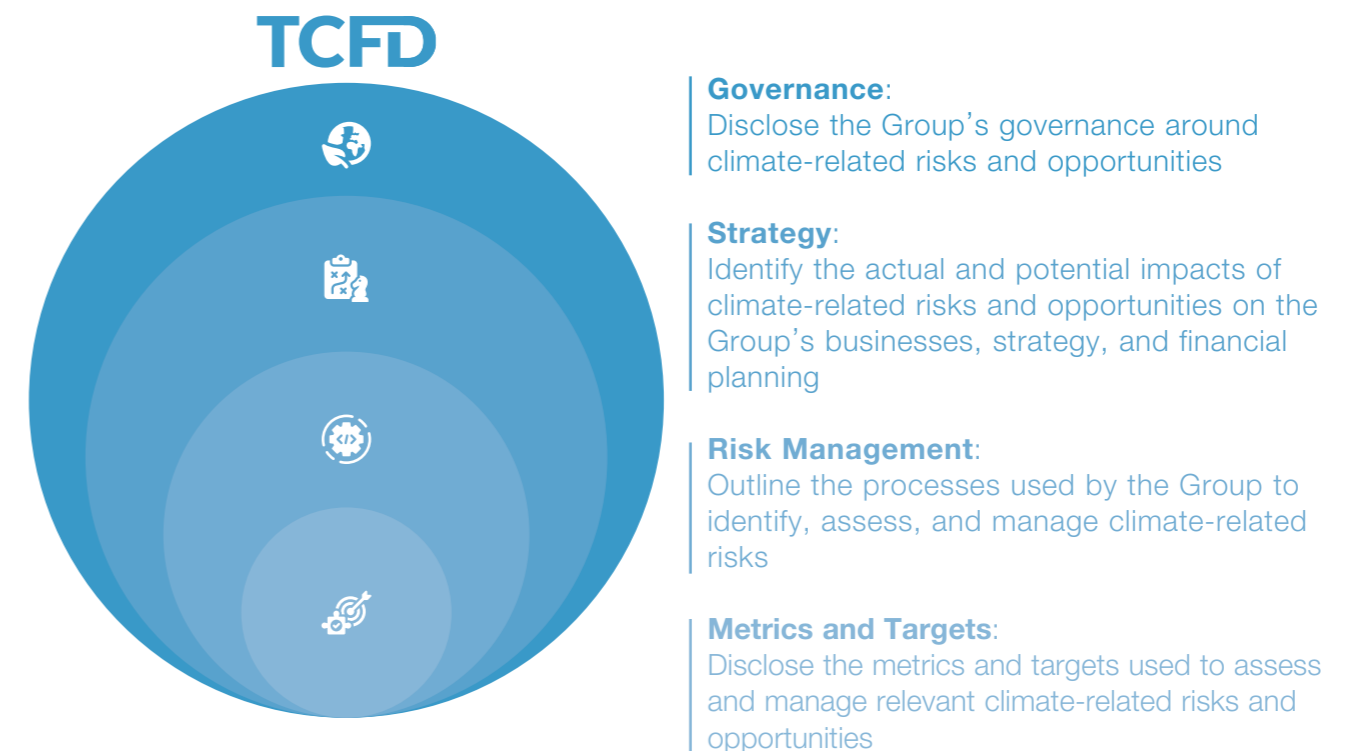
## Material Issues

Category	ESG Topics	Corresponding Report Section
Environment	1 Air pollution reduction	Managing Other Environmental Impacts
	2 Wastewater management	The Environment
	3 GHG emissions management	GHG Emissions
	4 Waste management and reduction	Waste Management
	5 Energy efficiency	Energy Efficiency
	6 Water efficiency	Water Efficiency
	7 Packaging materials management	Reducing the Use of Packaging Materials
	8 Biodiversity conservation	Managing Other Environmental Impacts; Achievements and Innovations of Infrastructure Investments
	9 Environmental target setting	Sustainability Targets
	10 Climate change mitigation	The Environment
	11 Sustainable building design	Green Buildings
	12 Sustainability qualification or recognition	The Environment; Employees and the Community
Employment and Labour Practices	13 Fair recruitment and dismissal processes	Talent Attraction and Retention
	14 Employee remuneration and benefits	Talent Attraction and Retention
	15 Equality, diversity and inclusion	Equality, Diversity and Inclusion
	16 Employee well-being	Employee Health and Well-being
	17 Occupational health and safety	Occupational Health and Safety
	18 Employee training and development	Training and Development
	19 Child and forced labour prevention	Human Rights
Operation Practices	20 Supply chain's environmental and social impact	Managing Supply Chain's Environmental Impact Managing Supply Chain's Social Impact
	21 Supplier selection and management	Supplier Management and Evaluation
	22 Green and responsible procurement	Managing Supply Chain's Environmental Impact
	23 Customer/tenant safety and well-being	Managing Products and Services Safety and Quality
	24 Customer/tenant service quality	Managing Products and Services Safety and Quality
	25 Data privacy and information security	Protecting Personal Data and Intellectual Property
	26 Intellectual property rights	Protecting Personal Data and Intellectual Property
	27 Responsible marketing	Responsible Marketing
	28 Anti-corruption	Business Ethics
	29 Cybersecurity	Cybersecurity and Crisis Management
	30 Innovative practices and technologies	The Environment
Community	31 Community investment and development	Community Investment and Development
Board/Management Responsibility	32 Board's governance in sustainability	Sustainability Governance Structure
	33 Sustainability policies	Sustainability Policies of the Group

## TCFD REPORTING

The Group acknowledges the importance of climate change and the potential risks and opportunities it presents, which could affect the prosperity and sustainability of its businesses. In pursuit of enhancing its comprehension of climate change's impact on the Group and proactively addressing potential climate-related risks, the Group has engaged an independent consultant this year to assist in evaluating the Group's resilience to climate change within the TCFD framework.

In 2015, the Financial Stability Board ("FSB") established the TCFD with the aim of creating standardised financial disclosures pertaining to climate-related matters. These disclosures are intended to offer valuable information to investors, lenders, insurers, and other stakeholders, aiding their decision-making processes. The TCFD framework comprises 11 disclosure recommendations that are categorised into four core elements: Governance, Strategy, Risk Management, and Metrics & Targets.

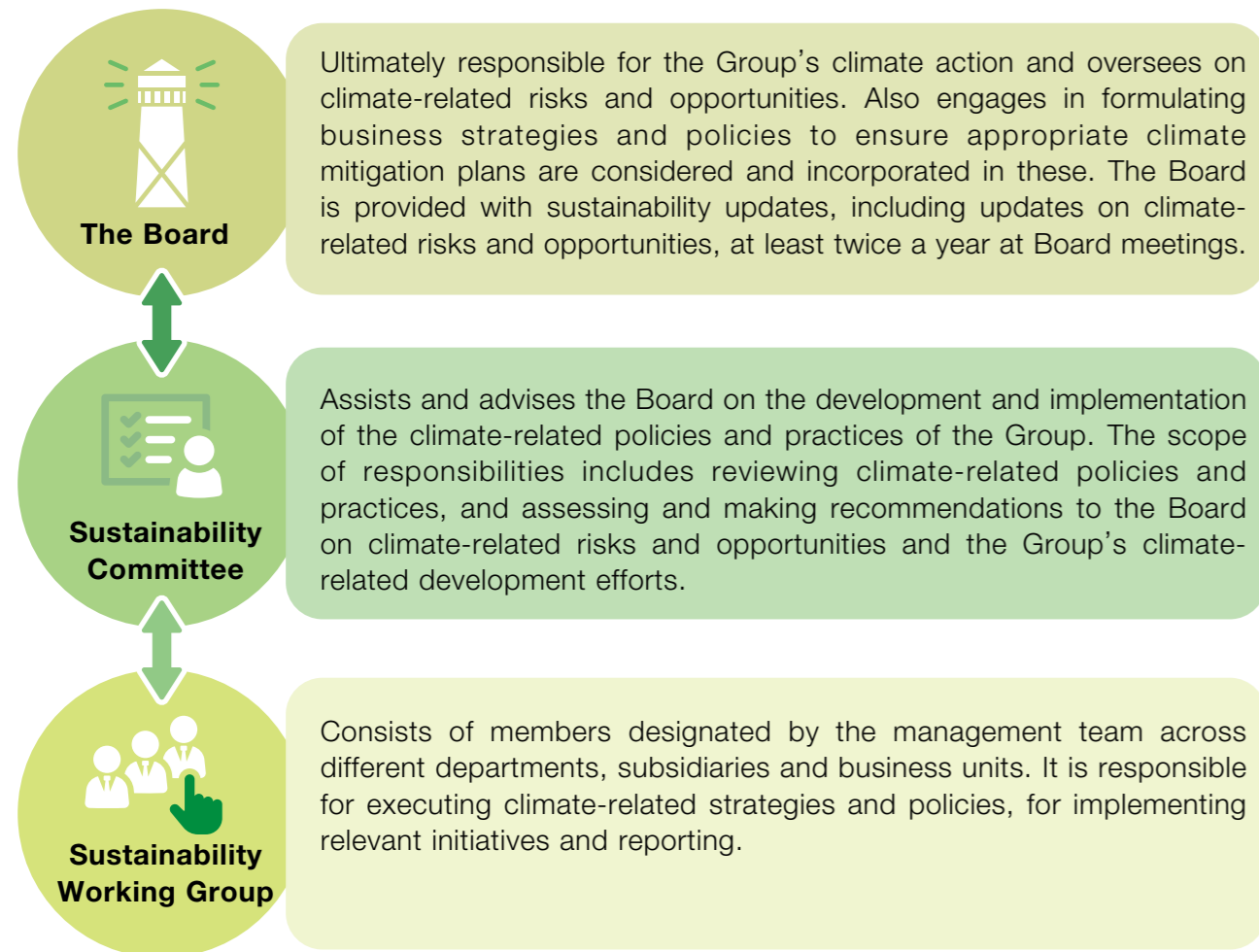


The following section provides the disclosures required in accordance with the TCFD recommendations. In 2023, the Group conducted a comprehensive assessment based on the reporting recommendations, data readiness, and peer benchmarking to identify the metrics for monitoring its performance in climate risk management. Moving forward, the Group aims to continuously enhance the comprehensiveness of its TCFD reporting. This is in response to the evolving expectations of stakeholders and regulatory requirements.

## Governance

### Disclose the Group's governance around climate-related risks and opportunities

The Group's dedication to combatting climate change is growing, accompanied by an increasing focus on the oversight of climate-related issues. To ensure effective management decisions, climate governance is integrated into the existing sustainability governance framework. This integration enables climate considerations to be thoroughly incorporated into decision-making processes. The governance structure for climate governance encompasses specific roles and responsibilities and these are outlined below:



The Sustainability Committee meets at least twice a year to discuss material sustainability and climate change topics and assumes responsibilities related to climate change as follows:



To enhance the decision-making process, the Sustainability Committee seeks professional advice from external experts whenever necessary. Regular ESG-related training is provided to Board members, key personnel of the Company, and the Sustainability Working Group to ensure they stay informed on current climate and sustainability-related issues.

The Group's Environmental Policy outlines its strategy and approach for managing the direct effects of climate change and promoting environmental awareness across the value chain. This includes engagement with suppliers, contractors, business partners, and, when applicable, customers and tenants. Furthermore, in accordance with the Supplier Code of Conduct, the Group encourages business partners and suppliers to proactively consider climate change risks to their operations and actively mitigate their environmental impacts.



## Strategy

The Group demonstrates its commitment to proactively identifying and evaluating the potential risks and opportunities arising from climate change, to ensure the strength and resilience of its business strategy and financial standing in the face of anticipated future changes.

In accordance with the TCFD recommendations, the Group has selected two climate scenarios to assess the effects of climate change on

its business operations, as proposed in the Hong Kong Exchanges and Clearing Limited's ("HKEX") Guidance on Climate Disclosures. The selected scenarios, namely the Turquoise and Brown Scenarios, encompass publicly available pathways from esteemed institutions such as the Intergovernmental Panel on Climate Change ("IPCC"), the International Energy Agency ("IEA"), and the Network for Greening the Financial System ("NGFS"). By utilising these scenarios, the Group

gains access to a broad spectrum of social, environmental, political, and economic factors that inform its analysis of climate scenarios, along with granular, location-specific research assumptions.





The Group has identified and prioritised a list of climate-related risks, including both physical and transition risks, that are material to its businesses and value chains. A summary of material climate-related risks and high-level potential business impacts is presented in the heatmaps below.

impact of physical risks on its operations will intensify over time, as indicated by climate scenarios. For example, there may be a higher frequency and severity of extreme weather events, which could potentially damage the Group's assets or result in increased expenses for insurance premiums or repair work.

To gain a comprehensive understanding of the potential impacts of physical risks, a thorough assessment has been conducted for key locations of the Group, namely Hong Kong, Shanghai, Beijing, and the UK, by using the latest available databases from climate institutions. The resulting heatmap provides a summary of the material physical risks for both the near-term (2030) and long-term (2050), the corresponding impacted geographic areas and industries, as well as the potential high-level business impacts identified by the Group.

### Physical Risks

Physical risks can be categorised as acute or chronic risks. Acute risks are event-driven, such as extreme weather events. On the other hand, chronic risks are the result of long-term shifts in climate patterns, such as the gradual increase in annual mean temperature. The Group recognises that the

 <b>Turquoise Scenario</b> (Representing a global mean temperature increase of 1.5°C to 2°C by 2100)	 <b>Brown Scenario</b> (Representing a global mean temperature increase of above 3°C by 2100)
<p>The Turquoise Scenario represents a future that is committed to combating climate change. The stringency of climate policies sets a high probability of limiting global warming to below 2°C. The reduction in CO<sub>2</sub> emissions occurs gradually with an accelerated global push for decarbonisation in the current decade by governments and businesses. This is achieved by an immediate and smooth policy reaction decarbonising the energy supply, accelerating electrification and switching to low-carbon fuels in industry, transport and buildings, deploying bioenergy with carbon capture and storage and increasing afforestation and reforestation.</p> 	<p>The Brown Scenario represents a future where business continues as normal with little to no climate action being taken. Only current policies and Nationally Determined Contributions ("NDCs") are implemented with limited investment and climate action. The physical impact of climate change is persistent, severe, and unpredictable due to feedback loops and systemic collapse of the ecosystem. Businesses are focused on climate adaptation and the risk from the transition is limited.</p> 



### Identified High-Level Business Impacts due to Physical Risks

Top Physical Risk Parameter	Estimated Impact on Asset Value in 2050	Hong Kong		The Mainland		United Kingdom		World Average Level	
		Brown Scenario	Turquoise Scenario	Brown Scenario	Turquoise Scenario	Brown Scenario	Turquoise Scenario	Brown Scenario	Turquoise Scenario
Chronic Risk	Increase in annual mean temperature	High	High	High	High	Medium	Medium	Medium	Medium
	Increase in total annual rainfall	High	High	High	High	Medium	Medium	Medium	Medium
	Decrease in average wind speed	High	High	High	High	Medium	Medium	Medium	Medium
	Sea level rise	High	High	High	High	Medium	Medium	Medium	Medium
Acute Risk	Increase in extreme hot weather	High	High	High	High	Medium	Medium	Medium	Medium
	Storm surge	High	High	High	High	Medium	Medium	Medium	Medium
	Increase in extreme cold weather	High	High	High	High	Medium	Medium	Medium	Medium
	Increase in dry spell days	High	High	High	High	Medium	Medium	Medium	Medium
	Increase in extreme rain days	High	High	High	High	Medium	Medium	Medium	Medium

Estimated Impact on Asset Value in 2050



### Transition Risks

Transition risks arise when governments and businesses take action to mitigate the impacts of climate change. These risks encompass various aspects such as policy and regulation, market dynamics, technological shifts, and reputational considerations. However, the low-carbon transition not only poses risks but also presents opportunities for the Group. For example, while the introduction of new climate regulations may require additional expenditure, it can also serve as an opportunity for the Group to develop greener, more energy-efficient properties, to reduce energy costs, and to respond to the evolving regulatory landscape, market trends and customer preferences.

In assessing the transition risks faced by the Group, the business nature and location are considered. A business dependency survey is taken by representatives of the Group's property development, property management, hotels and serviced suites, and pub operations in selected geographies to gain insights into the relevance of various transition risks to the respective businesses. The results of this survey are combined with qualitative and quantitative analysis based on the world's leading climate research and scenario datasets to produce heatmaps, which are used in evaluating the severity of climate-related business risks and in identifying opportunities for sustainable growth. The heatmaps below summarise the material transition risks under the two scenarios, their impact on various value chain components, and the potential high-level business impacts identified by the Group.



### Estimated Severity of Business Impact due to Transition Risks for Property Development & Property Management

Top Transition Risk Parameter	Estimated Severity of Business Impact in 2050 <i>R = Risk</i> <i>O = Opportunity</i>	Hong Kong		The Mainland		United Kingdom	
		Brown Scenario	Turquoise Scenario	Brown Scenario	Turquoise Scenario	Brown Scenario	Turquoise Scenario
Carbon price	(R) Policy & Legal: • Carbon price is expected to increase significantly under Turquoise Scenario which may lead to increases in operating costs of the business. • Unexpected changes in the local regulatory landscape and global trends may lead to uncertainties in business. (R/O) Technology; Reputation: • Increased pressure to invest in low-carbon technologies for logistics and operations to lower operating costs. • Company's competitiveness in the market can be enhanced if it becomes the first mover in the industry, to lower overall carbon emissions.						
Green building policy	(R) Market: • Increasing consumer demand for green buildings may impact costs and revenues and pose supply volatility risks for acquiring green building materials. (R) Reputation: • Lower competitiveness of assets if unable to meet consumers' changing demands, which may result in loss of reputation and public trust. (O) Resource Efficiency: • Gain consumer interest by implementing energy efficiency measures to match current demand trends for green building development and management.						
Carbon emissions for building materials	(R) Policy & Legal: • Emissions reduction requirements are expected to be more stringent, which will affect planning and design as well as the construction due to additional considerations for low-carbon building materials, in order to comply with new regulations. (R/O) Reputation: • Increased pressure to procure low-carbon materials (e.g., green steel or cement), to align with social expectations, which may lead to increased costs. • Improve the Company's brand value through sustainable procurement and manufacturing of materials used in construction.						
Greenhouse gas emissions	(R) Policy & Legal: • Energy efficiency regulations and decarbonisation requirements are expected to become more stringent, which will lead to an increase in operating costs (i.e., cost of upgrading equipment) to comply with new regulations. (R/O) Technology; Reputation: • Increased pressure to invest in advanced technologies to align with social expectations and compete with other market players. • Improve the Company's brand value by reducing GHG emissions of developed and managed properties, through the adoption advanced technologies or implementing energy efficiency initiatives.						
Investment in energy efficiency	(R) Technology; Reputation: • As investments in energy efficiency increase, new technologies are expected to become more widely adopted, requiring businesses to adjust their capital expenditure to align with market trends. • Lower competitiveness of products/services if unable to meet consumers' changing demands, which may result in loss of reputation and public trust. (R) Market: • The technologies that result from these investments may reduce asset valuations due to assets and technology becoming obsolete.						

Estimated Impact on Asset Value: Very High High Medium Low

### Estimated Severity of Business Impact due to Transition Risks for Hotels & Serviced Suites

Top Transition Risk Parameter	Estimated Severity of Business Impact in 2050 <i>R = Risk</i> <i>O = Opportunity</i>	Hong Kong	
		Brown Scenario	Turquoise Scenario
Consumer awareness of sustainable living	(R) Market: • Consumer pressure for green hotels and low-emission buildings, as well as sustainable services, which may impact costs and revenues, as well as pose supply volatility risk. (O) Product/Services: • Improve brand value by positioning hotel operations as being green and having sustainable procurement and services.		
Electricity price	(R/O) Technology: • Emissions reduction requirements are expected to be more stringent, which will affect planning and design as well as construction due to additional considerations for low-carbon building materials, in order to comply with new regulations. (O) Energy Source: • Adopt the use of renewable energy such as setting up on-site solar panels.		
Carbon price	(R) Policy & Legal: • The carbon price is expected to increase significantly under Turquoise Scenario which may lead to increases in operating costs of the business. • Unexpected changes in the local regulatory landscape and global trends may lead to business uncertainty. (R/O) Technology; Reputation: • Increased pressure to invest in low-carbon technologies for logistics and operations, to lower operating costs. • The company's competitiveness in the market can be enhanced if it becomes the first mover in the industry, to lower overall carbon emissions.		

### Estimated Severity of Business Impact due to Transition Risks for Brewing & Pub Retailing

Top Transition Risk Parameter	Estimated Severity of Business Impact in 2050 <i>R = Risk</i> <i>O = Opportunity</i>	United Kingdom	
		Brown Scenario	Turquoise Scenario
Carbon price	(R) Policy & Legal: • The carbon price is expected to increase significantly under Turquoise Scenario which may lead to increases in operating costs of the business. • Unexpected changes in the local regulatory landscape and global trends may lead to business uncertainty. (O) Resource Efficiency: • Invest in low-carbon technologies for logistics and operations, to lower operating costs.		
Consumer awareness of sustainable living	(R) Market: • Consumer pressure for sustainable sourcing and processing of materials, as well as sustainable services, which may impact costs and revenues, as well as pose supply volatility risk. (R) Reputation: • Lower competitiveness of products/services if unable to meet consumers' changing demands, which may result in loss of reputation and public trust.		
Greenhouse gas emissions	(R) Policy & Legal: • Energy efficiency regulations and decarbonisation requirements are expected to become more stringent, which will lead to an increase in operating costs (i.e., cost of upgrading equipment) to comply with new regulations.		

Estimated Impact on Asset Value: Very High High Medium Low

## Risk Management

The Group has integrated climate considerations into its existing risk management framework to effectively address climate-related risks and opportunities. This framework encompasses robust oversight by the Board, the Audit Committee, the Risk Management Task Force, and department heads within the Group, and is designed to ensure compliance with the Corporate Governance Code under the Listing Rules and the Group’s risk management policy. The Group’s Internal Audit Department conducts yearly risk assessments of the Group’s operations in collaboration with other business units and functional departments. In accordance with the Group’s risk management policy, it is the responsibility of these individual units and departments to manage risks, including climate-related and other business risks, in their daily operations.

The Group adopts a proactive approach to risk management by incorporating climate-related risks into its overall business and decision-making processes. This entails identifying significant climate-related risks when formulating strategic objectives and in conducting business planning and day-to-day operations. The Group evaluates material physical and transition risks by considering their potential impacts and the Group’s vulnerability to them in different climate scenarios using the methodology previously outlined in the “Strategy” section. To address these risks, the Group will ensure that appropriate risk mitigation plans are in place. For further details, please refer to the section headed “Risk Management and Internal Control” on pages 48 to 50 in this Report.

## Metrics and Targets

In 2023, the Group took steps to identify the metrics that can be utilised to evaluate and address climate-related risks from GHG emissions and energy management perspectives, along with their associated qualitative financial impacts. The Group is actively working towards disclosing the metrics associated with climate-related opportunities and capital deployment and their associated qualitative financial impacts, with the primary objective of enhancing transparency for its investors.

The Group has disclosed the figures for selected metrics related to GHG emissions and energy management in order to better monitor its climate performance. These figures are available under “Performance Data Summary” in “Additional Information” on pages 128 to 132 of this Report.



Metrics Categories	Metrics	Unit of Measure	Associated Risks & Opportunities
GHG Emissions	Scope 1 emissions	tonnes CO <sub>2</sub> e	<b>All climate-related physical and transition risks</b>
	Scope 2 emissions	tonnes CO <sub>2</sub> e	
	Scope 3 emissions	tonnes CO <sub>2</sub> e	
	Total GHG emissions intensity (Scope 1+2+3) by gross floor area (“GFA”)	tonnes CO <sub>2</sub> e/sq.ft.	
	Total GHG emissions intensity (Scope 1+2+3) by revenue	tonnes CO <sub>2</sub> e/HK\$’000	

### Qualitative Financial Impact

#### Physical risks

**High GHG emissions** can be seen in the form of the **costs of climate change** itself. Climate change can lead to **extreme weather events (physical risks)**, such as hurricanes, floods, and droughts, which can damage infrastructure and property, disrupt supply chains, and harm human health. The potential physical risks might cause damage to the Group’s assets and equipment, leading to a decrease in asset value. Additionally, expenses will be incurred for recovering from business disruptions and for increased insurance premiums due to heightened climate-related risks.

#### Transition risks

Businesses that emit high levels of GHGs can face **financial risks** in the form of **1) stranded assets, 2) regulatory costs, and 3) reputational damage**:

- Stranded assets are investments that become **obsolete or lose value** due to changes in the market and, in the case of high-emitting companies, this can happen as a result of regulations or policies that limit GHG emissions. Companies that are not prepared for this transition may be **left with assets that are stranded and unable to generate revenue**, leading to significant financial losses.
- In addition, companies that emit high levels of GHGs may face **regulatory costs** in the form of carbon taxes or emissions trading schemes, which can increase the cost of business.
- Finally, high-emitting companies may also face **reputational damage** as consumers and investors become increasingly concerned about climate change and demand more sustainable practices from the businesses they support.

Metrics Categories	Metrics	Unit of Measure	Associated Risks & Opportunities
Energy Management	Direct energy consumption intensity by GFA	kWh/sq.ft.	<b>Transition risks:</b> ✓ Technology ✓ Market  <b>Opportunities:</b> ✓ Resource Efficiency
	Direct energy consumption intensity by revenue	kWh/HK\$'000	
	Indirect energy consumption intensity by GFA	kWh/sq.ft.	
	Indirect energy consumption intensity by revenue	kWh/HK\$'000	
	Total energy consumption intensity by GFA	kWh/sq.ft.	
	Total energy consumption intensity by revenue	kWh/HK\$'000	

### Qualitative Financial Impact

#### Short-term Financial Impact

- High energy consumption can result in increased costs for a business. The cost of energy is a significant expense for many businesses, and high consumption can lead to **higher utility bills**, which can reduce profitability and cash flow.
- Businesses with high energy consumption, such as the property development business, will be **more vulnerable to energy-related price increases**, which can further impact their financial performance.

#### Long-term Financial Impact

- High energy consumption is one of the primary drivers of GHG emissions and is closely related to the financial impact of high GHG emissions.
- High energy consumption can also result in the **depletion of finite resources**, such as fossil fuels. As these resources become scarcer, the cost of energy is likely to rise, which can impact the profitability of the Group's energy-intensive property businesses.

Environmental intensity targets for 2030 are established at the group level in order to showcase the Group's dedication to combating climate change and reducing its environmental footprint. These targets serve as guiding principles for the Group's business strategy, with a particular focus on four key areas: Electricity Consumption, Water Consumption, Paper Waste, and GHG Emissions.

In 2023, the Group engaged an independent consultant to assist it with exploring the feasibility of setting SBTs according to the SBTi criteria. A comprehensive process was undertaken to calculate the baseline

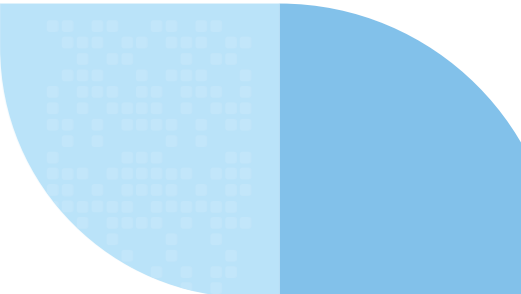
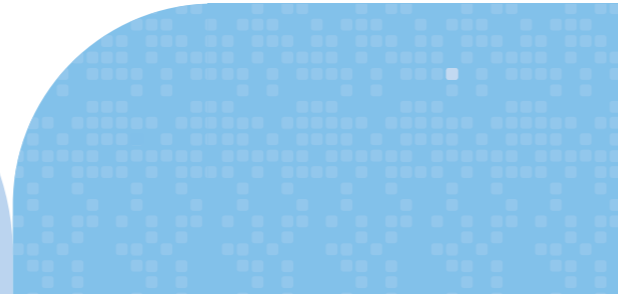
Scope 1, 2, and 3 emissions across the Group's property development, property management and hotel and serviced suite businesses, as well as its offices. The Group committed to the SBTi in late 2023 and has submitted its SBTs to the SBTi for validation.

For further details of the Group's 2030 environmental targets and its performance against these, as well as the SBTs submitted, please refer to the section headed "Sustainability Targets" on pages 22 to 23 in this Report.



# THE GOVERNANCE

▼ A hybrid Board Meeting combined virtual and in-person participation to reduce the need for business travel and save carbon emissions



Below are the Sustainable Development Goals (“SDG”) and the material ESG topics that are relevant to this chapter:



SDG 8.7: Prohibiting child and forced labour, modern slavery and human trafficking  
SDG 8.8: Protecting labour rights and promoting safe and secure working environments



SDG 16.5: Reducing corruption and bribery  
SDG 16.10: Protecting human rights and freedoms

## Material ESG Topics:

Board’s governance in sustainability

Sustainability policies



## SUSTAINABILITY GOVERNANCE STRUCTURE

The Group's sustainability governance structure is shown as below:



The Group's sustainability governance reinforces the Group's commitment to sustainable business development and enhances the Group's ability to manage sustainability issues, including climate-related risks and opportunities, which are relevant to the interests of the Group and its various stakeholders such as employees, shareholders, local communities, and the environment.

The respective roles of the Board, the Sustainability Committee and the Sustainability Working Group are as follows:

- The Board holds the ultimate responsibility for sustainability within the Group and is engaged in formulating strategies and policies to provide direction to the Group. The Board is provided with sustainability updates, including updates on climate-related risks and opportunities, at least twice a year, at Board meetings, which allows it to oversee the Group's sustainability performance and effective risk management and internal controls.
- The Sustainability Committee assists and advises the Board on the development and implementation of the sustainability policies and practices of the Group. The scope of its responsibilities includes reviewing the

Group's ESG policies and management approach, and evaluating and providing recommendations to the Board on the Group's sustainable development efforts, sustainability risks (including climate-related risks) and opportunities, and sustainability targets. It is also responsible for overseeing, reviewing, and evaluating actions taken by the Group in the furtherance of its sustainability priorities, goals, and targets. The Sustainability Committee may delegate certain responsibilities to working groups to discharge its responsibilities, as stated in its Terms of Reference. Further details regarding the Sustainability Committee's responsibilities are set out in the [Terms of Reference of the Sustainability Committee](#).

- The Sustainability Working Group was established in 2016 and its members are appointed by the management team across departments, subsidiaries, and business units within the Group. It is responsible for executing sustainability strategies and policies, and implementing relevant initiatives, and for reporting.

\* Mr. Ip Tak Chuen, Edmond was Deputy Managing Director before the re-designation with effect from 1 April 2024.

## CORPORATE GOVERNANCE AND SUSTAINABILITY POLICIES

The Company adopts and regularly reviews its comprehensive set of Corporate Governance Policies and Sustainability Policies. These policies provide frameworks and guidelines at the group level on sustainability-related matters. Under the Group's Policies, business units/operating subsidiaries within the Group may develop additional implementation policies and practices tailored to their specific business and operating circumstances.

In 2023, the Company reviewed several of these policies to strengthen its commitment to governance and sustainability. Specifically, the Shareholders Communication Policy was amended to permit hybrid meeting arrangements and to include procedures for whistleblowing; the Information Security Policy was revised to include sections on cybersecurity and vulnerability management, ensuring a prompt response to any cybersecurity incident; and the Environmental Policy was amended to include a green procurement section to foster environmentally-friendly practices along the Group's supply chain.

The Anti-Money Laundering Policy and Sanctions Compliance Policy were also published on the Company website.

In addition, in 2023 and the first quarter of 2024, the Group introduced certain new policies and guidelines to strengthen its sustainability efforts. These include (1) Anti-Harassment Policy, outlining policies and procedures for addressing harassment in the workplace; (2) Biodiversity Policy, outlining the Group's intent to protect biodiversity and natural resources through various measures; (3) GenAI Use Policy, establishing guidelines for the use of Generative Artificial Intelligence Tools by employees for work-related purposes and ensuring such tools are used in an ethical, responsible and lawful manner; (4) Sustainable Building Guidelines, defining a series of sustainability principles to be applied to the life cycle of the Group's buildings; and (5) Workforce Diversity Policy, underscoring the Group's commitment to creating an inclusive and supportive working environment for its employees.

Recognising personal data protection as a crucial part of corporate governance responsibilities, the Group has newly launched the Privacy Management Programme formulated on the basis of the best practices recommended by Office of the Privacy Commissioner for Personal Data, Hong Kong. This programme establishes a defined set of structures, controls, and mechanisms to allow the Group to continuously strengthen its existing personal data protection measures.

### Corporate Governance Policies of the Group



- Anti-Fraud and Anti-Bribery Policy
- Anti-Money Laundering Policy
- Board Diversity Policy
- Director Nomination Policy
- Employee Code of Conduct
- GenAI Use Policy
- Information Security Policy
- Media, Public Engagement and Donation Policy
- Policy on Appointment of Third Party Representatives
- Policy on Handling of Confidential Information, Information Disclosure, and Securities Dealing
- Procedures for Shareholder to Propose a Person for Election as a Director of the Company
- Sanctions Compliance Policy
- Shareholders Communication Policy
- Whistleblowing Policy – Procedures For Reporting Possible Improprieties

### Sustainability Policies of the Group



- Anti-Harassment Policy
- Biodiversity Policy
- Corporate Social Responsibility Policy
- Environmental Policy
- Health and Safety Policy
- Human Rights Policy
- Modern Slavery & Human Trafficking Statement
- Supplier Code of Conduct
- Sustainable Building Guidelines
- Workforce Diversity Policy

## BOARD AND BOARD COMMITTEES

The Board consists of 16 Directors, comprising seven Executive Directors and nine Independent Non-Executive Directors ("INEDs"). More than half of the Board are INEDs, and more than one of them have appropriate professional qualifications, or accounting or related financial management expertise. The Board is responsible for directing and guiding the strategic objectives of the Group and for overseeing and monitoring managerial performance.

The Board meets regularly and at least four times a year at approximately quarterly intervals. The Directors also consider and approve affairs and matters of the Company by way of written resolutions with the support of relevant information and explanatory materials necessary and sufficient for the Directors to make informed

decisions. Between scheduled meetings, the management of the Company provides the Directors with monthly updates and other information in order to enable the Directors to keep abreast of the business affairs of the Group.

The Directors, including those residing overseas, were able to attend all Board and Board Committee meetings during the Reporting Period through electronic communication channels such as video/audio conferencing. Arrangements were in place for Board and Board Committee meeting materials to be made available via a secured online platform, resulting in minimum use of paper. Conducting Board and Board Committee meetings in hybrid mode has also led to a lower carbon footprint by minimising the need for business travel associated with in-person meetings.



Conducting results announcement press conference virtually to lower carbon footprint.

Further, Directors have full access to information on the Group and independent professional advice, at the expense of the Company, whenever deemed necessary. They are at liberty to propose appropriate matters for inclusion in Board and Board Committee agendas.



## Board Composition

Accountable to the shareholders under the leadership of Mr. Victor T K Li, the Chairman of the Board (“Chairman”) and Managing Director, the Board leads, directs and supervises the Company’s affairs to enable its long-term success. Although the positions of Chairman and Managing Director are held by the same individual, all major decisions are made, in accordance with current practice, in consultation with members of the Board and relevant Board Committees and key personnel of the Group after thorough discussions. As at the date of this Report, the Board has a majority of INEDs. These nine INEDs have a balance of expertise, skills, experience and diversity of perspectives appropriate to the requirement of the Group’s business, and they will continue to provide their views and comments to Mr. Victor T K Li, as Chairman and Managing Director, as they have done so over the years.

The Chairman provides leadership for the Board and ensures effective performance of the duties of the Board and that all key and appropriate issues are discussed in a timely manner. Under the leadership of the Chairman, the Board determines the strategic directions of the Group, fosters the Group’s corporate culture in alignment with its purpose, values and strategy, and reinforces the Group’s vision and pursuit of success.

All Directors have made active contributions to the affairs of the Board and the Board has always acted in the best interests of the Group. In addition to regular Board meetings, the Chairman meets with the INEDs without the presence of other Directors twice every year. Executive Directors are in charge of different business units and functional divisions of the Group in accordance with their respective areas of expertise.

Biographical details of the Directors and key personnel of the Group are set out under the sections headed “Directors’ Biographical Information” and “Key Personnel’s Biographical Information” on pages 28 to 31 and 32 to 40 of the Annual Report 2023 of the Company, respectively. The Company maintains an updated list of Directors on the websites of HKEX and the Company. The Company has also posted on its website and/or the website of HKEX the Terms of Reference of its Board Committees, to enable shareholders and other stakeholders to understand the roles played by those INEDs who serve on the Board Committees.

Mechanisms ensuring independent views and input are available to the Board and are set out under the section headed “Corporate Governance Report” on pages 57 to 99 of the Company’s Annual Report 2023. The Board evaluates the said mechanisms annually.

No INEDs of the Company are involved in its daily management, have been financially dependent on the Group or have been in any relationship or circumstances which would materially interfere with their exercise of independent judgment.

In identifying suitable candidates for the appointment to the Board as INEDs, apart from independence, the Nomination Committee takes into account the Board’s composition, skills matrix, as well as diversity profile (including gender, culture, educational background, etc.), as outlined in the Board Diversity Policy. The Nomination Committee also reviews, on a timely basis, any changes in the Directors’ professional engagements, as well as other directorships or commitments, to ensure compliance with the independence criteria and their commitment and devotion to the Board.

In terms of gender diversity, the Board currently comprises five female Directors, representing about 31% of the Board. However, the Board is of the view that gender should not be the only driving factor in considering a candidate to the

Board. As mentioned above, the Nomination Committee takes into account various diversity aspects when identifying suitable candidates, and may adjust the proportion of female directors as and when appropriate.

## Board Committees

The Board is supported by five permanent Board Committees, namely, the Audit Committee, the Remuneration Committee, the Nomination Committee, the Sustainability Committee and the Executive Committee.

### Audit Committee

The Audit Committee comprises seven members, all of whom are INEDs, with more than one of the members possessing appropriate professional qualifications, or accounting or related financial management expertise. The principal duties of the Audit Committee include the review and supervision of the Group’s financial reporting, risk management and internal control systems, monitoring of the integrity of the Group’s financial information, review of the relationship with the Company’s external auditor and performance of corporate governance functions delegated by the Board. The Audit Committee is scheduled to meet four times a year.

### Remuneration Committee

A majority of the members of the Company’s Remuneration Committee are INEDs. The Remuneration Committee is chaired by an INED with another INED and the Chairman and Managing Director as members. The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Company’s policy and structure for the remuneration of Directors and the management, and on the

remuneration of INEDs. The remuneration packages of all Executive Directors and the management are determined with reference to various factors, including individual and the Group’s performance, and the corporate goals and objectives of the Board resolved from time to time. The Remuneration Committee has also considered the preparation for formulating remuneration packages taking account of the Company’s ESG performance. The Remuneration Committee is scheduled to meet once a year.

### Nomination Committee

A majority of the members of the Company’s Nomination Committee are INEDs. The Nomination Committee is chaired by an INED with another INED and the Chairman and Managing Director as members. The principal responsibilities of the Nomination Committee include reviewing at least once annually the structure, size, diversity profile and skills matrix of the Board; identifying suitable director candidates and making recommendation to the Board on the selection of individuals to be nominated as Directors; assessing the independence of INEDs; making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors; and reviewing the Director Nomination Policy and the Board Diversity Policy of the Company periodically. The Nomination Committee is scheduled to meet once a year.

### Sustainability Committee

The Sustainability Committee comprises three Directors, a majority of whom are INEDs, and the Company Secretary. The main duties of the Sustainability Committee are to oversee the management, and advise the Board on the development and implementation, of the sustainability initiatives of the Group, including reviewing the related ESG policies and practices, and assessing and making recommendations on matters concerning the Group’s sustainability development and ESG risks. It is supported by the Sustainability Working Group which comprises members from various departments, operating subsidiaries and business units of the Group. For details, please refer to the section headed “Sustainability Governance Structure” on pages 42 to 43 of this Report and the Terms of Reference of the Sustainability Committee. The Sustainability Committee is scheduled to meet twice a year.

### Executive Committee

The Executive Committee is chaired by the Chairman and Managing Director of the Company and comprises all Executive Directors and eight general managers/ business unit heads of the Group. The Executive Committee is responsible for discussing and making decisions on matters relating to the management and operations of the Company, assessing and making recommendations to the Board on acquisitions of or investments in businesses or projects; and reviewing and discussing any other matters as may from time to time be delegated by the Board.

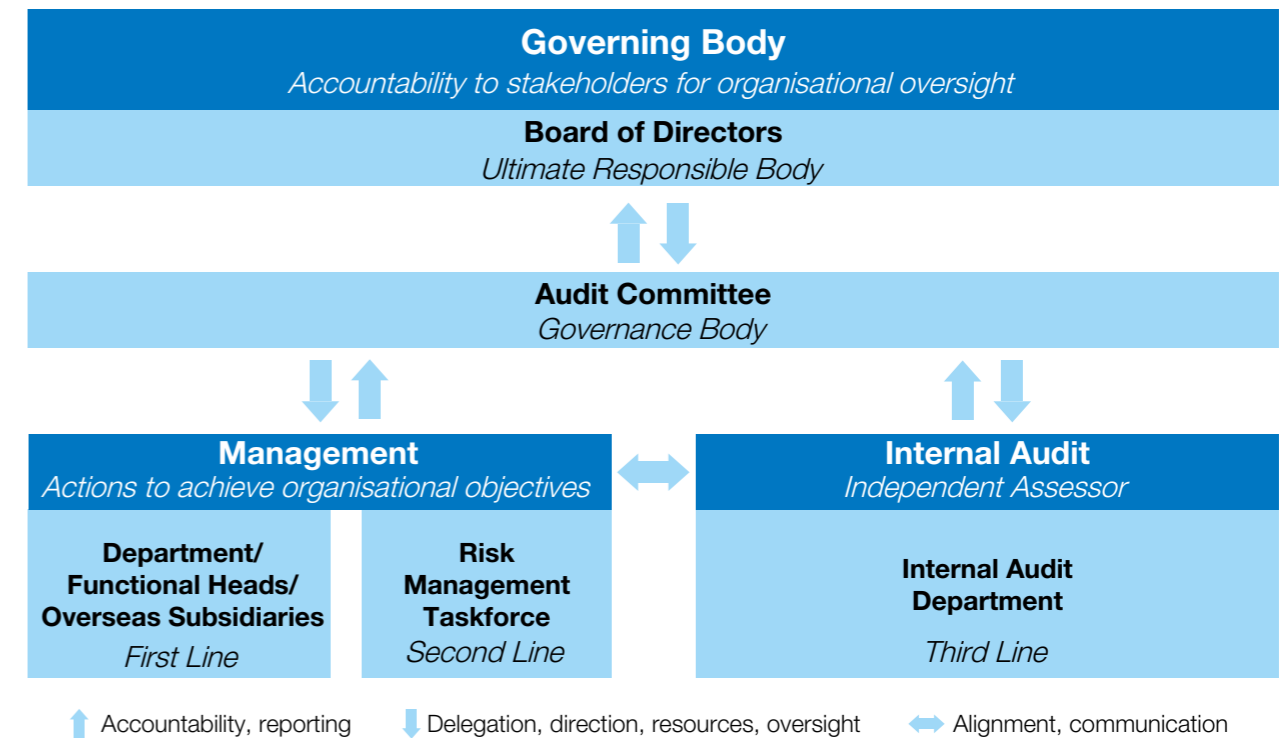
## RISK MANAGEMENT AND INTERNAL CONTROL

The Group maintains a robust internal controls system that is designed to provide reasonable assurance on the prevention, detection and handling of any material misstatement or loss and to manage the risk of failure in operating systems and in the achievement of its objectives.

A “Top-Down” approach is adopted for the Group’s risk management system. This is

manifested by strong oversight exercised by the Board, the Audit Committee, the Risk Management Taskforce and department heads in the establishment and maintenance of the ERM System which is defined in and supported by a risk management policy (“Risk Management Policy”).

### The governance structure for the Group’s ERM System



The ERM System defines the roles and responsibilities within the Group for risk management activity and describes the methodology and approach to risk identification and assessment that the Group has adopted. The ERM System also contains the established protocols for the communication of risks and measures to address such risks. The Board is ultimately responsible for determining and evaluating the risks that it is willing to take in achieving the Group’s objectives, ensuring effective risk management and internal controls systems are established and maintained, and overseeing these systems on an ongoing basis. The Audit Committee also plays a vital role in overseeing the ERM System on behalf of the Board. It reviews, on at least an annual basis, the Group’s ERM System and internal controls with the Risk Management Taskforce and the Internal Audit Department, to ensure that management has fulfilled its duties of establishing and maintaining an effective ERM System and internal controls. The Internal Audit

Department acts as an independent assessor of the ERM System and assesses the adequacy and effectiveness of the Group’s ERM System. It carries out an annual risk assessment of the Group’s operations and derives a yearly audit plan based on the risk ratings of various auditable areas. Audits of all major operations are performed at least once every five years.

In addition, the Risk Management Policy provides direction to management within the Group for applying consistent risk management practices in relation to which significant risks (including ESG risks) of the Group are identified, prioritised and addressed. It also serves to provide continuity in the Group’s risk management activities, by facilitating transitions as turnover of staff may take place.

For further details, please refer to the section headed “Risk management and internal control” on pages 79 to 86 under the Corporate Governance Report in the Annual Report 2023.

## Management of Sustainability-related Risks

Sustainability-related risks are incorporated into the Group's existing ERM System. The Sustainability Committee assists the Board with identifying and evaluating applicable sustainability-related risks, reviewing and reporting on the ESG risks as well as opportunities in the Group's business operations. The Group's management is

responsible for designing, implementing and monitoring its risk management and internal controls systems. Sustainability-related topics, such as climate change, compliance, supply chain management, employment practices and information security, are also included in the Group's risk factors, alongside other enterprise risks.

## BUSINESS ETHICS

The Group upholds high standards of business ethics and is committed to conducting its business with uncompromising integrity, honesty and transparency. Any form of bribery and fraud is strictly prohibited in all its business dealings.

All employees are required to keep conscious of the situations described in the Anti-Fraud and Anti-Bribery Policy and the Employee Code of Conduct, including facilitation payments, gifts and hospitality, and procurement of goods and services, to prevent breaches of relevant laws and regulations. Improper payments, kickbacks and other forms of bribery are strictly prohibited. Employees are required to disclose their interests, including those of their immediate family, in which any conflict of interest may arise, and they should decline advantages offered directly or indirectly in connection with their duties, should the acceptance of such advantages affect, or appear to affect, their objectivity, induce them to act against the Group's best interests or lead to complaints of bias. Employees are encouraged to discuss with their supervisors if they have concerns as to whether any business courtesy lies within the bounds of acceptable business practice, and to report any concerns regarding fraud and bribery. Relevant information on any actual or suspected breach of the Anti-Fraud and Anti-Bribery Policy will be documented for the review and follow-up of the Internal Audit Department.

The Group's Anti-Fraud and Anti-Bribery Policy and Employee Code of Conduct set out the minimum standards of ethical conduct to which all directors, officers, employees of the Group, or third-party representatives acting for or on the Group's behalf, are required to adhere. The Board has the overall responsibility for the Group's anti-fraud and anti-bribery framework (including values, code of conduct, risk management, internal controls, communication and training, oversight and monitoring), whilst the Executive Directors of the Company are responsible for ensuring the effectiveness of the Group's anti-fraud and anti-bribery mechanisms and, in particular, for investigating and addressing any material fraudulent activity or bribery committed within the Group. The Internal Audit Department performs regular internal audits on the Group's businesses, including assessing the risk of fraud and bribery.

The Independent Commission Against Corruption ("ICAC") has been invited to provide the Company's employees with annual anti-corruption training and regular refresher talks. With the training, employees have become acquainted with anti-corruption practices and conflicts of interest situations and more vigilant in identifying and mitigating the associated risks.

the latest governance- and sustainability-related information). In view of the recent technological development, external consultants were invited to participate in the annual directors' training 2023 to discuss the potential opportunities and possible risks arising from the use of AI and ChatGPT in the workplace, and the collection and use of biometrics and facial recognition for commercial purposes. Participants were provided with the option to attend the training in person or online, which encouraged the participation of directors and employees as well as reduced the carbon footprint from travelling.

The Directors are also, from time to time, provided with training and materials regarding sustainability and corporate governance (including board diversity), and updates on legal and regulatory development (including



Directors, senior management and employees participated in the annual training held in November.

During the Reporting Period, the Group provided all Directors with updated anti-corruption training materials covering issues relating to formulation of corporate anti-corruption policies and ethics training programme, to keep them abreast of the most up-to-date laws and regulations. In addition, all new permanent employees are required to attend anti-corruption seminars as part of the Group's orientation programme.

As stipulated in the Employee Code of Conduct, Anti-Fraud and Anti-Bribery Policy, and Media, Public Engagement and Donation Policy, it is the Group's general policy not to make any form of donation to political associations or individual politicians.

The Group is not aware of any material breach of laws and regulations relating to bribery, extortion, fraud and money-laundering that would have a significant impact on the Group during the Reporting Period.

### Whistleblowing Channel

In achieving and maintaining openness, probity and accountability, the Group has established the Whistleblowing Policy to provide clear and confidential reporting channels and guidance for the reporting of possible improprieties, as well as to reassure any person or entity making a genuine and good faith report that they are safe from any form of reprisal.

Employees and stakeholders who deal with the Group, such as customers, suppliers, creditors and debtors, are encouraged to report any suspected impropriety within the Group to the Audit Committee. Standard procedures are in place to ensure that all reports are properly filed and investigated. Where appropriate, members of the Group have established helplines operated by independent third parties to receive

reports confidentially and to follow up with appropriate investigation and necessary action.

Each report will be treated with strict confidentiality and will only be reviewed by the Audit Committee and relevant departments/functions or personnel, as instructed by the Chairman of the Audit Committee. In addition, the identity of the reporter is protected and will not be divulged unless required by any law or regulation from governmental or regulatory authorities.

The Group's Anti-Money Laundering Policy, Sanctions Compliance Policy and Whistleblowing Policy are available on the Company's intranet and/or website for stakeholder reference.



# THE ENVIRONMENT

▼ As a step towards net-zero commitment, Greene King will drive down its carbon footprint through procuring renewable energy (e.g. by the deploying of solar panels).

Below are the SDGs and material ESG topics that are relevant to this section:



**SDG 6.3:** Reducing water pollution and enforcing proper handling of hazardous waste  
**SDG 6.4:** Increasing water-use efficiency

**SDG 7.2:** Increasing adoption of renewable energy  
**SDG 7.3:** Increasing adoption of energy-efficient technology

**SDG 9.4:** Increasing resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes

**SDG 11.6:** Reducing environmental impacts from air pollutants and municipal solid waste

**SDG 12.2:** Practicing the efficient use of natural resources

**SDG 12.5:** Reducing waste generation through prevention, reduction, recycling and reuse

**SDG 13.2:** Integrating climate change measures into business strategy and planning

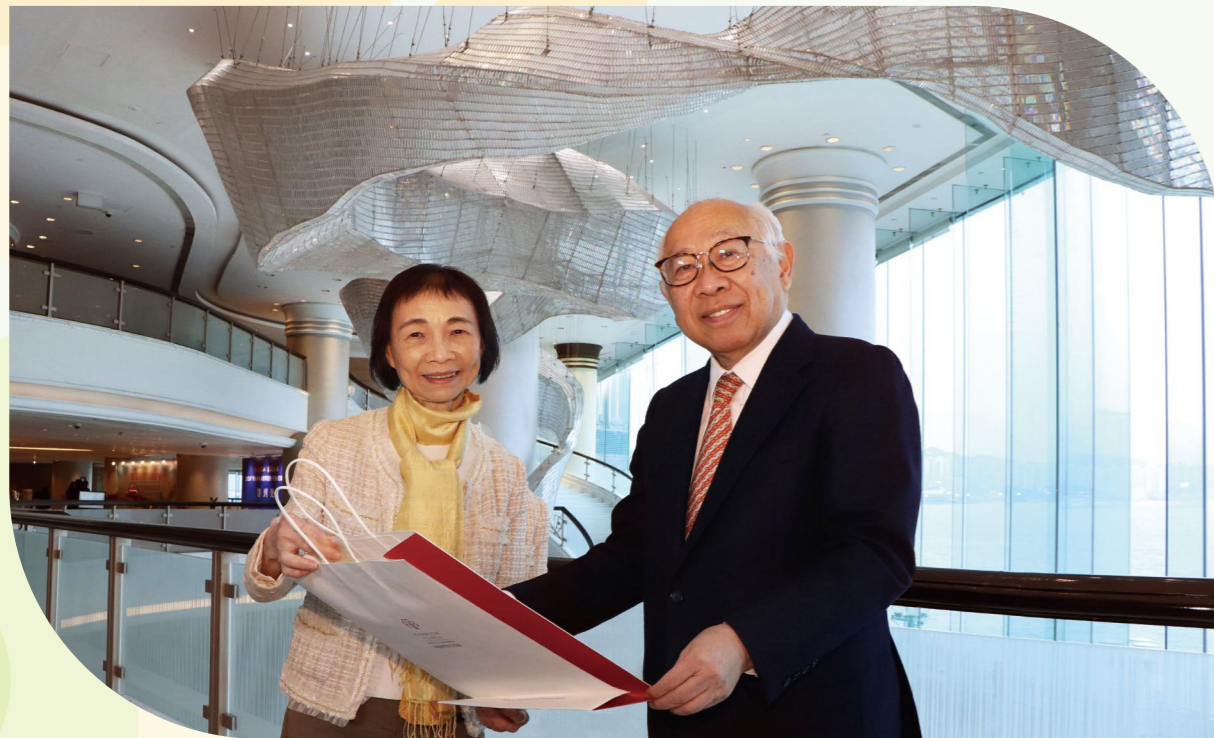
### Material ESG Topics:

- Sustainable building design
- Environmental target setting
- Waste management and reduction
- Energy efficiency
- Wastewater management
- GHG emissions management
- Climate change mitigation
- Air pollution reduction
- Water efficiency
- Innovative practices and technologies

Feature Story

# HARBOUR PLAZA HOTELS & RESORTS

## — CHANGING FOR THE BETTER BY GOING GREEN



**Ms. PC Koh**  
Executive Committee Member of CKA  
Finance Director of Harbour Plaza

**Mr. Raymond Chow**  
Executive Director and Executive Committee Member of CKA

### Harbour Plaza

The Harbour Plaza Hotels & Resorts group (“Harbour Plaza”) is a key player in the Asian hospitality industry. It operates 13 hotels across Hong Kong and the Mainland, with more than 9,700 guest rooms, suites and serviced suites. Harbour Plaza has won the Best Local Hotel Chain award from TTG Asia for 10 consecutive years since 2010, and in 2023, was inducted into The Travel Hall of Fame by TTG Asia, in recognition of its outstanding achievements and excellence in the hospitality industry, and highlighting its consistent track record of superior service quality.

As part of the Group’s strategy to embrace sustainability for long-term growth, Harbour Plaza is committed to integrating environmental,

social and governance principles into its business operations and throughout its supply chain. The commitment to work proactively towards a sustainable future will contribute to its long-term success and benefit its customers and the communities in which it operates.

Mr. Raymond Chow, Executive Director of CKA, and Ms. PC Koh, Finance Director of Harbour Plaza, both members of the Executive Committee of CKA, have been guiding Harbour Plaza in its ongoing efforts to embed sustainability across its hotels and resorts and to source and operate responsibly to reduce the environmental impact of its business.

### Going Green

“We are keen to uphold our reputation for high-quality services and products that exceed customer needs and expectations. To maintain our exceptional standards, we continue to review and adapt our operations and processes to improve profitability and to cater to changing demands from our customers, and this includes our approach to sustainability. We take this seriously and we collaborate actively with our suppliers, business partners, colleagues and customers to increase our social impact and contribute positively to our communities and the environment,” said Mr. Chow.

Ms. Koh added that “in order to build a sustainable hotel business and keep up with changing market trends and customer behaviours, we have embraced sustainable initiatives in our operating model to move towards a greener hotel experience for our customers. As



Harbour Plaza was awarded “TTG Travel Awards 2023 – Travel Hall of Fame”

part of its sustainability commitment to conserve energy and reduce electricity consumption and costs, Harbour Plaza is a signatory to the “Energy Saving Charter” and “4T Charter” (namely “target”, “timeline”, “transparency” and “together”) organised by the Environment and Ecology Bureau of the Government.”

### Savouring Sustainability in Our Culinary Journey

“Nowadays, our customers are more conscious about sustainable products and offerings. In Hong Kong, the high cost of sustainable food procurement is a challenge to our competitive pricing. Despite that, we strive to operate



Sustainable sourcing of seafood for our restaurants.

sustainably and provide sustainable dining options for our customers. We choose local or regional suppliers, when we can, to reduce our overall carbon footprint. We also strive to purchase from sustainable sources. For example, we support and promote the use of sustainable seafood. In 2023, 30% of the seafood we purchased was certified by the Marine Stewardship Council or Aquaculture Stewardship Council. We would like to increase our sustainable procurement to 60% by 2028. To increase our sustainable offerings for customers looking for a greener meal with a lower carbon footprint, several of our restaurants have introduced vegan and plant-based meal options in their menus while special dietary meal options could also be arranged upon request for catering events,” Ms. Koh said.

Mr. Chow added that “As an effective means to minimise food waste at our restaurants when occupancy rates and foot traffic were down during

the pandemic travel restrictions, we promoted à la carte or set menus as a means to replace the traditional buffet and avoid food wastage from the leftovers of the buffet service. We will continue to monitor our food waste and look for further waste reduction initiatives. For example,

about two years ago, we started participating in a food waste recycling programme launched by the Environmental Protection Department to convert food waste into biogas for electricity generation with the residue being used as compost.”

## Combatting Waste by Reducing, Replacing, Reusing and Recycling

“To reduce our environmental footprint, we are intensifying our recycling efforts. We encourage our colleagues and customers to recycle through our soap recycling programme, our glass and plastic bottles recycling programmes, and our aluminium can recycling programme. We recycle used cooking oil from our kitchens and encourage office staff to use recycled paper as much as possible. We are currently also reviewing an initiative to recycle leftover oyster shells from our kitchen waste for use in the manufacturing of cement,” Ms Koh added.

Mr. Chow recalled, “Promoting and practicing the 4Rs in waste management – Reduce, Replace, Reuse and Recycle – is a key part of our green strategy, we have taken numerous steps to

implement this in our operations. We have replaced disposable toiletries with pump bottle dispensers to cut down on the use of single use plastic miniatures and to minimise waste at source. We also use natural ingredients and environmentally friendly bathroom amenities. Some of our hotels stopped using live Christmas trees as far back as 2007 and instead opted to decorate with reusable Christmas trees. This initiative was subsequently also adopted by the rest of our hotels in the following years.”

Ms. Koh added that “recognising the detrimental impact of single-use plastics on our environment, we are looking into how we can eliminate their use across all of our operations. This includes a complete cessation of using small plastic bottles for bathroom liquid amenities in guestrooms. Large pump bottles for these amenities have been installed in the bathrooms instead. Non-liquid amenities are no longer distributed in the bathrooms, but they could be made available upon request. We encourage our hotel guests to bring their own personal care items. Due to the imminent restriction in Hong Kong on the free distribution of plastic bottled water and the use of other plastic related products, we are exploring sustainable alternatives that better align with our commitment to environmental stewardship. We believe these changes not only comply with the law but also represent a significant stride in our ongoing journey towards sustainability.”



Reusable Christmas trees at Harbour Plaza hotels.

## Energy and Water Conservation

Mr. Chow notes that “in line with the Government’s vision of achieving carbon net zero by 2050, our hotel business has been implementing many measures to reduce the use of energy and progress towards carbon neutrality. Some of these are simple but effective, particularly in terms of lighting. We have significantly reduced the use of lighting in areas where they are not needed and during off-peak times. We have introduced dimmers in certain areas of our buildings and installed motion sensors to control lighting based on actual needs. We have also been replacing traditional incandescent lights with energy saving LED lights, which consume far less energy and have much longer lifespans. These initiatives have created significant energy savings of 15,000,000 kWh per year. Our hotel businesses have also commenced feasibility studies for solar panels installation. We are always looking to identify energy efficient practices. We inform our customers that we will only replace the bath towels if they are left on the floor and inside the bathtub, and that bed linen will be changed every third day. To tackle

water efficiency, we have installed water-efficient dual flush toilets in all the guestrooms of our two Harbour Grand hotels,” Mr. Chow said.

Ms. Koh added that “as part of our decarbonisation programme, we are looking into the feasibility of energy-saving retrofits that maximise our energy efficiency. For example, Harbour Plaza North Point has retrofitted its traditional gas cooking stoves with electrical ones and replaced its air-cooled chiller with a more energy efficient model. The replacement of the chiller helps to reduce about 102 tonnes of carbon emissions each year, bringing us a step closer to achieving our net-zero emissions target. Other hotels in the group have also started their sustainability journey to contribute towards our decarbonisation goals.”



Labels placed in guest rooms as gentle reminders for guests to support environmentally conscious practices.

## Changing for the Better

In the pursuit to reduce the environmental footprint of the hotel business, both Mr. Chow and Ms. Koh emphasised the role of technology. Mr. Chow noted that “our hotels have significantly reduced paper usage by leveraging on technology. We have replaced the in-room service directory and private dining menus with the use of QR codes and electronic hotel brochures that could be distributed online to anyone by simply pressing a button.” Acknowledging the benefits of technology in Harbour Plaza’s journey towards a greener and

more sustainable future, Ms. Koh added that “we are harnessing technology to reduce our carbon footprint, streamline our operations and improve communications, from the automated booking system, check-in and check-out processes.”

Harbour Plaza remains committed to engaging and collaborating with employees, customers and the community to combat waste and conserve water and energy. Mr. Chow noted that “we are constantly looking to reduce our impact on the environment without compromising on our customers’ experience and on our service levels.” Ms. Koh added that “Looking ahead, it is a collaborative effort to ensure that our hotels are operated as efficiently and sustainably as possible as we continue to advance on our green journey. At the same time, our hotels are changing for the better by adopting sustainability initiatives that ensure continuous environmental performance improvements.”



Hotel Directory and Private Dining Menu provided in digital form through QR codes.

Feature Story

# GREENE KING'S JOURNEY TO NET ZERO



**Left: Mr. Nick Mackenzie**  
Chief Executive Officer of Greene King

**Right: Mr. Ma Lai Chee, Gerald**  
Executive Committee Member and General Manager of Corporate Business Development Department of CKA  
Director of Greene King

Founded in 1799 and headquartered in Bury St. Edmunds, Suffolk, Greene King is the UK's leading pub company and brewer with a rich heritage spanning more than 220 years. It employs around 40,000 people and operates over 2,600 pubs, restaurants and hotels in towns, villages and city-centre high streets across England, Wales and Scotland.

Greene King strives to be the "Pride of British Hospitality" and the company's stated purpose is to "pour happiness into lives". This is underpinned by its environmental, social and governance programme, "Greene King For Good", which encompasses its ambition to build a sustainable business for the future and to care for its customers, its people, its partners and the communities in which it operates, helping people to live better lives through its community, charity and social mobility programmes.

## The Journey to Reach Net Zero

In April 2022, Greene King publicly committed to become carbon net zero by 2040. Greene King also committed to set near-term emissions targets in line with the SBTi criteria, reducing absolute Scope 1, 2 and 3 greenhouse gas emissions by 50% by 2030 from 2019 base year. In February 2023, Greene King announced that the SBTi had approved its near-term science-based emissions reduction target.

Both Mr. Nick Mackenzie, Chief Executive Officer of Greene King, and Mr. Richard Smothers, Chief Financial Officer of Greene King, are leading Greene King's efforts towards its net zero and science-based emissions reduction targets.

Mr. Mackenzie noted that "It's vital we play our part in this – it's the right thing to do, helps our customers make more sustainable choices and ensures the long-term commercial sustainability of our pubs and breweries across the UK."

Mr. Smothers added that "Greene King is a customer first business so it's important that the customer is always at the heart of our decision making. The business shift towards a data led net zero approach has proven this as consumers want to see transparency, honesty and credibility at the heart of brand claims. Science-based targets enable us to set and work towards a target knowing that investors and consumers respect the accreditation."

## Setting the Targets

It became apparent to the Greene King team that in order to set and create a credible roadmap to achieve the emissions reduction targets, it was important to have the support of the board. Having concluded the carbon footprint and feasibility study, Mr. Assad Malic, Greene King's Chief Communications and Sustainability Officer, arranged two full day workshop sessions to take the executive board through the findings and to discuss the implications and the recommendations. External consultants were invited to join the sessions.

Mr. Mackenzie recalled that "the attendees were robust in their challenging of the strategy. By putting data available at the time at the heart of the discussion, the Greene King team, supported by the external consultants, was able to provide assurances that it was possible to reach net zero. This was caveated in that whilst the 'glide path' to net zero was visible, specific initiatives were not fully explored at that point. Even with a roadmap now there are



Mr. Richard Smothers, Chief Financial Officer of Greene King

still unknowns as is the case for most, if not all, businesses who have net zero targets."

The board agreed to the recommendation to set the net zero and science-based emissions reduction targets, and it was agreed that 2040 would be the net zero target, ahead of the UK government target of 2050. Mr. Smothers recalled



that “before coming to the decision, we considered the expectations of our customers, the regulatory requirements and developments in the UK, the costs and costs savings over

time, the new business opportunities associated with decarbonisation, and the possible ways in reaching the targets.”

## Overcoming the Data Challenges

Mr. Mackenzie noted that “ensuring data accuracy and data collection for Scope 3 was a challenge as we needed to identify who had access to different data across the business and in what format. We held two workshop sessions with key stakeholders and Carbon Trust who calculated the footprint, providing the data and supporting evidence. A secondary independent Carbon Trust team then verified the data.”

Mr. Malic added that “the data collection process was challenging at the start but it has improved, particularly after Greene King implemented a software management system to manage all data and track against targets in 2023. We have a project team working to increase automation over time. A supplier engagement system went live in October 2023, and this enables us to collate supplier specific



Mr. Assad Malic, Chief Communications and Sustainability Officer of Greene King

data about our Scope 3 emissions. We are launching this in multiple phases and are separately launching a detailed ESG data system capable of holding data down to stock keeping unit (SKU) level.”

## Our Roadmap

Reacting to the news that the SBTi had verified Greene King’s targets, Mr. Mackenzie said that “we know the scale of what has to be done. The hard work starts now as we are just starting out on our journey and beginning to put our commitments into practice.” In order to achieve the targets, Greene King engages all of its key stakeholders from its value chain including its employees, suppliers and customers.

The Greene King team is aware that its journey towards the net zero and science-

based emissions reduction targets will require greater engagement with its suppliers. Mr. Malic explained that “When it comes to Scope 3 emissions, the focus has been to create a supplier engagement platform. This platform will enable the Greene King team to facilitate knowledge building for suppliers and data collection. The system launched in October 2023 at a conference for suppliers and has since made good progress.”

Mr. Malic added that “business functions and divisions have their own bespoke plans to follow to collectively support the overall group

goal. An example of this is food waste. Pub divisions will roll out a food waste measurement system that has been on trial, are expected to review pack sizes and menu optimisation through food waste lens and adopt social solutions such as Too Good to Go consumer food waste app. The new measurement solution will be supported with online training for all pub teams.”

Mr. Mackenzie noted that “as part of our

efforts to reduce Scope 2 emissions, we are in continuous discussions with our affiliate businesses about a group power purchasing agreement. We started to procure 100% renewable electricity from December 2023. It was decided that is the right time to do so now to support our growing reputation as a sector leader in the transition to net zero. It will also allow the business to credibly engage our customer base on the topic, with every pub powered by wind, solar or hydro energy.”

## Shaping a Low Carbon Future

Mr. Mackenzie was pleased to note that Greene King was named as one of Europe’s Climate Leaders for 2023 by the Financial Times and Statista in recognition of its transparent reporting of Scope 1 and Scope 2 emissions for the years 2016 to 2021 and of Scope 3 emissions for 2021, as well as its SBTi commitment.

Mr. Smothers noted that “Greene King can

adapt our business to create greater shared value for ourselves, our value chain and our partners through innovating and collaborating to create a long-term sustainable business. We believe we can play a central role in driving decarbonisation of food systems in the UK, working closely with suppliers to find solutions. This will enable us to deliver our ambition to help our customers to make more sustainable choices.”



Greene King received MCA Hospitality Awards 2024 – Sustainability Award. This award goes to a company or brand that has gone above and beyond in demonstrating its commitment to reducing its impact on the environment.

## GHG EMISSIONS

The Group is dedicated to growing its business whilst prioritising environmental preservation. It is devoted to enhancing environmental protection and conservation in collaboration with its business partners and customers. To showcase its environmental commitments and approaches, the Group has developed an Environmental Policy and a Corporate Social Responsibility Policy.

The Environmental Policy provides guidance on minimising and mitigating the direct and indirect environmental impacts resulting from the Group's day-to-day operations. It encompasses various activities such as climate change management, energy reduction, and waste management. The Corporate Social Responsibility Policy outlines the Group's social responsibility towards the environment. It includes a commitment to adhering to relevant laws and regulations concerning GHG emissions, discharges into water and land, and waste generation. The policy also emphasises proactive monitoring and management of resource usage to minimise the Group's environmental impact on natural resources.

To align with the Group's environmental commitment, its subsidiaries have been actively exploring ways to increase the use of renewable energy. For instance, Greene King's pubs have newly installed solar panels capable of generating over 120,000 kWh of electricity annually. It is expected that it will result in a reduction of approximately 25,000 kg of CO<sub>2</sub> emissions per year. Solar energy lightings are also installed at selected properties managed by the Group ("Managed Properties"). Additionally, our hotel businesses are conducting feasibility studies for the installation of solar panels. Setting an example,

Greene King, as a pioneer in the Group, has established targets to achieve 80% renewable electricity adoption by 2025 and 100% by 2030, demonstrating its dedication to reducing greenhouse gas emissions.

Where feasible, the Group has adopted innovative technologies across its businesses to facilitate its shift to a low-carbon business. The Group acknowledges that the low-carbon transition would gradually require significant operational adjustments and, consequently, the Group will provide necessary up-skilling and re-skilling programmes to assist its workforce in navigating and achieving a just transition.

Other initiatives implemented by the Group to manage and reduce emissions at its operations during the Reporting Period include:

### Non-construction-related

Replacing all gas heaters in South Horizons Residents' Clubs with electric heaters;

Setting up Technical Management Committee or Green Management Committee for monitoring energy and waste consumption, and establishing energy saving policy or providing directives, guidance on ESG initiative and implementation plan;

Conducting carbon audits annually in certain Managed Properties to monitor and manage overall GHG emissions;

Selecting environmentally-friendly refrigerants for air-conditioners and chillers in Managed Properties and hotel and serviced suite operation;

Extending the installation of charging facilities for electric vehicles ("EV") to pub carparks; and

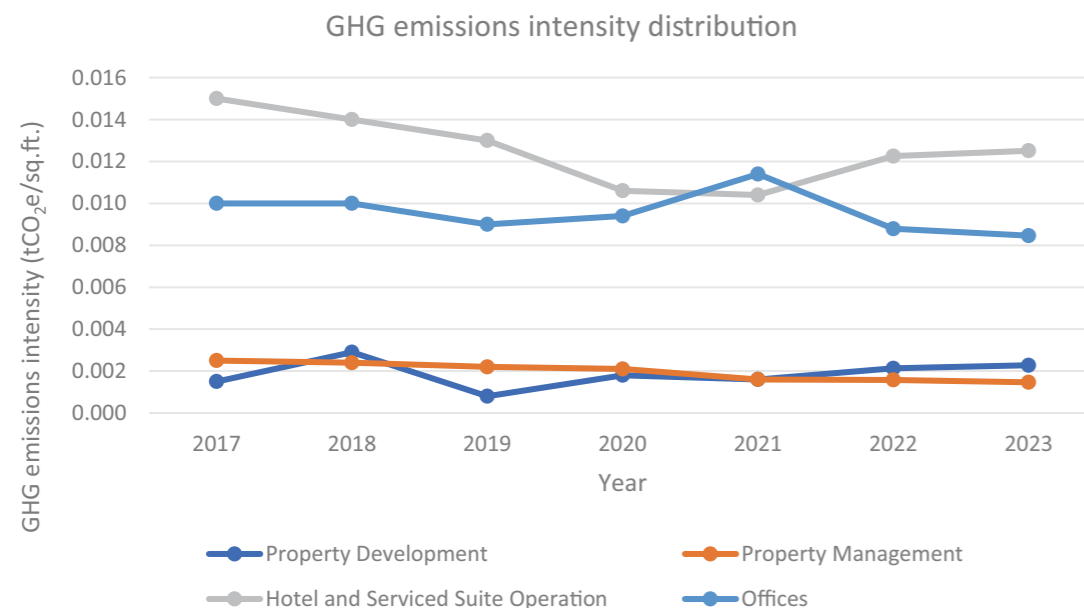
Adopting company-wide online sustainability training, regular company-wide communication and raising awareness by making environment and sustainability a pillar of our strategy.



## Construction-related

- Engaging consultants to provide oversight on sustainability and environmental issues to ensure sustainability and environmental target would be achieved in accordance with the Group’s planning permission requirements and local legislation;
- Requiring construction contractors to prepare monthly environmental monitoring reports on emissions performance;
- Promoting environmental awareness of contractors;
- Established an Environmental Management Plan to educate related staff and contractors on related environmental regulations, potential environmental impacts and control measures; and
- Providing environmental training to contractors to raise their awareness of noise and air pollution, sewage and waste production.

In 2023, the Group’s total GHG emissions (market-based method) were approximately 599,026 tonnes of carbon dioxide equivalent (“tCO<sub>2</sub>e”) (2022: 553,045 tCO<sub>2</sub>e), representing an increase by 8% compared to 2022. The increase in the Group’s total GHG emissions was mainly due to increased levels of business activity following the pandemic, especially in the property development and pub operation businesses.



Note: As the GHG emissions intensity of the pub operation is calculated on the basis of revenue earned, it is not directly comparable to other operations of the Group and therefore is not shown in the above chart. Please see the section “Performance Data Summary” for relevant data.

During the Reporting Period, the Group received the following awards and certifications regarding environmental management:

- 10 Managed Properties under the management of Citybase Property Management Limited (“Citybase”) have received the **Certificate of Excellence and Certificate of Merit** by “HSBC Living Business ESG Awards”. This programme assesses small and medium enterprises’ overall performance on ESG aspects. Applicants have to reach a standard score in an assessment and meet minimal requirements in all 3 pillars to be awarded;
- 6 Managed Properties of Hutchison Property Management Company Limited received the Energywise Certificates from the Environmental Campaign Committee in recognition of their energy-saving efforts;
- 9 Managed Properties of Goodwell, Whampoa Garden Management Limited, Hutchison Property Management Company Limited, Harbourfront Landmark Premium Services Limited, and Whampoa Property Management Limited received the **certification by The Hong Kong Green Organisation Certification** in recognition of their excellent green management efforts and commitments to the environment; and
- Citybase, Goodwell Property Management Limited (“Goodwell”), Hutchison Property Management Company Limited and Greene King have been accredited with the **ISO 14001 Environmental Management Systems Certification**;
- 90 Managed Properties under the management of Citybase and Goodwell have received the **BOCHK Corporate Low-Carbon Environmental Leadership Awards** from the Federation of Hong Kong Industries and Bank of China (Hong Kong) Limited, in recognition of their green initiatives;
- Greene King has been named as one of the **Europe’s Climate Leaders 2023** by The Financial Times and Statista in recognition of its transparent reporting of Scope 1 and 2 emissions for the years 2016 and 2021 and Scope 3 emissions (including over five Scope 3 categories) for 2021, annual reduction of emissions intensity of at least 3% during the 5-year period between 2016 and 2021, and commitment to SBTi.
- 18 Managed Properties of Goodwell received the **Hong Kong Green Mark Certificate of Tree Conservation Scheme 2023** from the Hong Kong Environmental Protection Association in recognition of their carbon reduction efforts through the recycling of Christmas trees and Chinese New Year plants;

## RESOURCE MANAGEMENT

Effective management of resources is a crucial component of controlling GHG emissions and in ensuring the sustainable growth and development of the Group's businesses. The Group consistently monitors and evaluates resource utilisation. Our aim is to achieve sustainable business expansion whilst minimising the consumption of natural resources and mitigating environmental impact.

### Energy Efficiency

The Group demonstrates its commitment to tracking and monitoring energy consumption in daily operations, with a strong determination to increase the adoption of innovative and energy-efficient technology. This approach aims to enhance energy efficiency and reduce overall energy consumption. Additionally, in order to foster awareness across the value chain, the Employee Code of Conduct and Supplier Code of Conduct both emphasise the importance of efficient resource consumption.

The Group has implemented initiatives as below to reduce electricity consumption, the most consumed form of energy of the Group:

- Adopting variable refrigerant volume ("VRV") system for air-conditioning and ventilation systems in the clubhouses and property management offices. Its intelligent energy-saving mode includes

variable frequency settings to reduce power consumption and minimise transmission energy loss, leading to an approximately 50% reduction in office energy consumption;

- Replacing over 1,000 pieces of 14W traditional fluorescent tubes with 3W Infrared Sensor LED tube in certain areas, leading to an 80% reduction in energy consumption within those areas;
- Joining CLP Power Hong Kong Limited's ("CLP") "ECO Building Fund" and replacing the fluorescent tubes with LED lighting tubes for most premises;
- Installing energy-efficient Electronic Ballast ("EB")-driven T5 fluorescent lamps;
- Promoting good housekeeping practices for energy-saving by displaying energy-saving reminders, posters or notes at prominent areas and/or nearby switches;
- Implementing a Building Management System for automatic control of building facilities, including air conditioners and lighting units, to reduce excessive or unnecessary use of energy in selected hotel and serviced suite operation and Managed Properties;

- Reviewing, monitoring and performing monthly analysis on electricity consumption in pub operations, hotel and serviced suite operation, Managed Properties and selected offices;
- Utilising energy-efficient office equipment and appliances, such as using LED lighting instead of fluorescent lamps, and equipping escalators with motion sensors to lower motor speeds when idle in selected Managed Properties and hotel and serviced suite operation;
- Installing voltage optimisation technology in managed pubs to optimise power levels and minimise energy losses;
- Adopting solar panels and energy lightings in selected Managed Properties;
- Operating service lifts for goods delivery only when necessary, and suspending a portion of guest lifts at midnight in selected hotels and serviced suites;

- Carrying out routine spot checks on lighting and equipment use after office hours in pub operation, Managed Properties and selected offices;
- Placing energy-saving labels and notices, and issuing circulars in selected offices, Managed Properties and hotels and serviced suites to encourage energy-saving amongst employees and tenants;
- Providing training to employees on energy-saving practices in pub operation and selected Managed Properties; and
- Organising activities, such as the Computer Recycling Programme, to promote environmental awareness of tenants in selected Managed Properties.



## Our ESG Story — Enhancing Energy Efficiency

### Energy-Saving Missions programme – Summer Saver Rebate 2023

Citybase actively participated in the Energy-Saving Missions initiative, organised by CLP, with the aim of promoting energy-saving practices among its tenants.

Under this initiative, all properties under Citybase located in Kowloon and the New Territories were invited to join the Summer Saver Rebate programme. By the year 2025, over 2 million residents will have smart electricity meters installed. Additionally, tenants with smart meters will receive incentives to encourage them to adjust their energy consumption behaviour and reduce electricity usage during peak demand periods, particularly on hot summer days.



Yuccie Square and Kingswood Villas' tenants queue to redeem prizes in the energy-saving promotion booth

### Investments in Innovative Technologies to Enhance Energy Efficiency

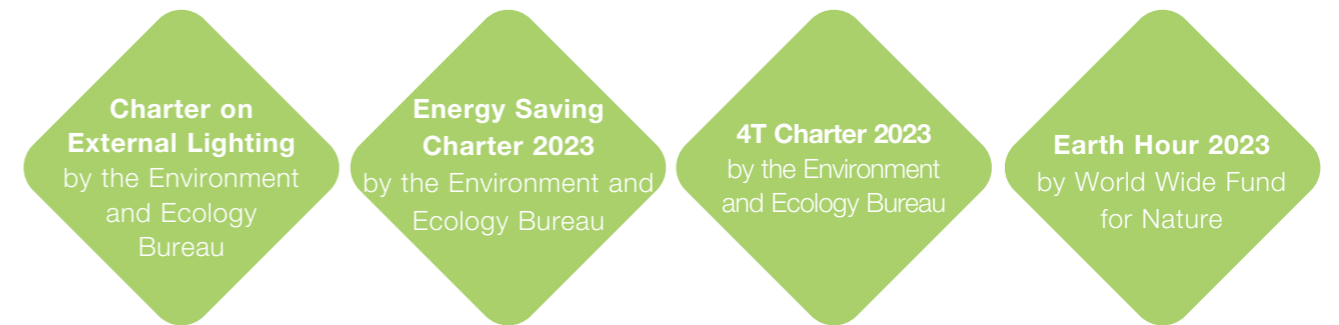
As part of its decarbonisation roadmap, Greene King has committed to installing energy-saving technology in 600 of its managed pubs. By the end of 2023, 308 were installed. The installations are carried out in phases, where the initial phase focuses on sites with higher energy intensity, and the initiative will be expanded to further sites in 2024.

Through this initiative, Greene King invests in a voltage optimisation

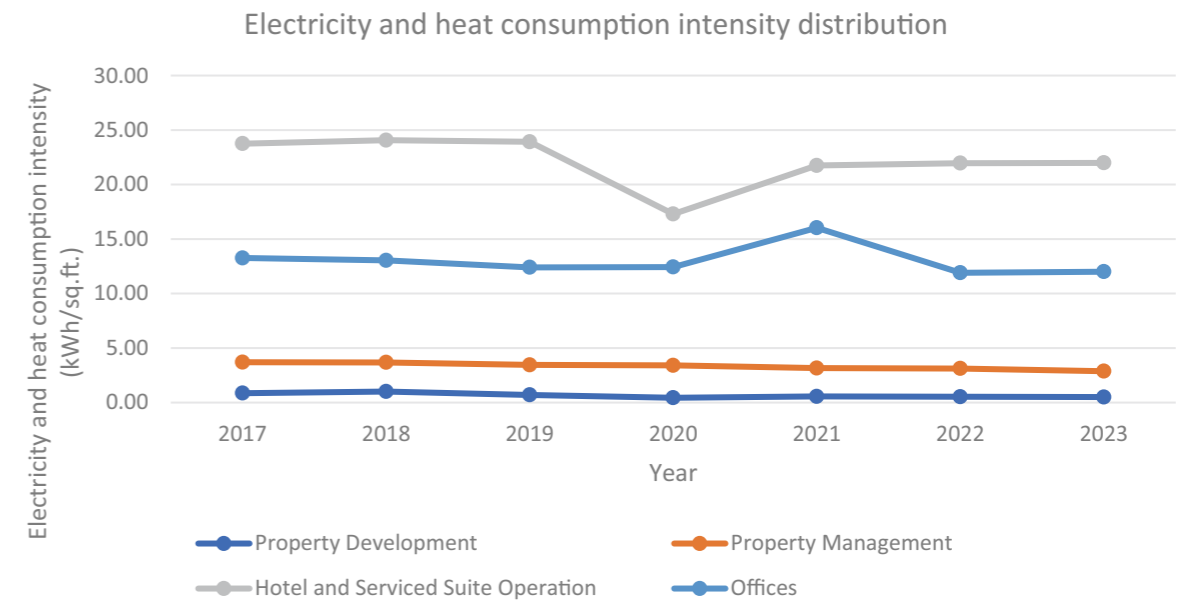
technology to be installed at each pub. This device is installed close to the building's electric distribution board and automatically regulates the incoming power supply by reducing the supply voltage to the amount required for the pub. As a result, the pub's energy use is optimised, reducing the associated energy costs and emissions.

Pilot trials in 2023 saw a successful reduction in electricity consumption at each pub, indicating that the investment is projected to recoup its cost within a relatively short time period.

Certain subsidiaries of the Group have signed the following charters to signify their support for energy reduction:



The total electricity and heat consumption of the Group in 2023 was approximately 978,087,450 kWh (2022: 977,474,186 kWh). The marginal rise in the Group's electricity and heat consumption can be attributed to year-on-year fluctuations.



Note: As the electricity and heat consumption intensity of the pub operation is calculated on the basis of revenue earned, it is not directly comparable to other operations of the Group and therefore is not shown in the above chart. Please see the section "Performance Data Summary" for relevant data.

## Water Efficiency

Water conservation is a critical topic within the Group's resource management strategy, reflecting its strong commitment to decreasing freshwater consumption and fostering water conservation across its value chain. Amongst the Group's various business segments, our property management business represents the largest water consumer, followed by pub operation and hotel and serviced suite operation.

Considering the nature of the Group's business and operating locations, sourcing water is not considered a significant concern

for the Group. Our property management business, hotels and construction activities exclusively rely on municipal water supplies. We do not draw from alternative water sources. According to the water stress testing and analysis conducted using World Resources Institute's Aqueduct Water Risk Atlas tool, operations in Hong Kong face a low to medium baseline water stress.

Despite this, the Group has taken proactive measures to reduce water consumption and optimise its utilisation across our operations:

Implementing water-saving technology, such as installing water-saving nozzles, taps with automatic sensors, and flow controllers on faucets in hotel and serviced suite operation, selected offices and Managed Properties;

Installing rainwater collection systems for landscaping or cleaning purposes in pub operation and selected Managed Properties;

Using sea water, instead of potable water, in flushing systems in selected hotels and serviced suites and Managed Properties;

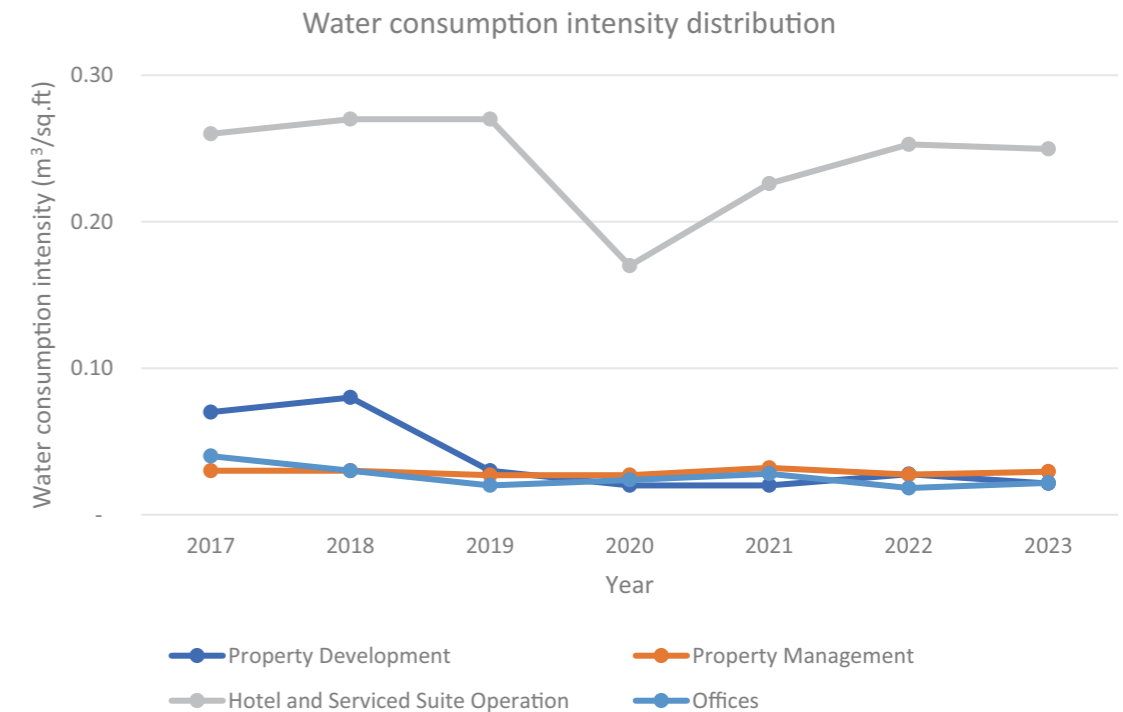
Inspecting pipe leakage on a regular basis in selected offices, hotels and serviced suites and Managed Properties;

Measuring and monitoring water usage through meters installed in selected Managed Properties and offices; and

Placing water-saving labels and signs to promote and raise awareness of water conservation in selected hotels and serviced suites and Managed Properties.



In 2023, the Group's total water consumption was approximately 10,941,821 m<sup>3</sup> (2022: 10,367,712 m<sup>3</sup>). The increase in water consumption is mainly driven by the reopening of clubhouse facilities under the property management business in Hong Kong and the Mainland, following the end of the pandemic.



Note: As the water consumption intensity of the pub operation is calculated based on revenue earned, it is not directly comparable to other operations of the Group and therefore is not shown in the above chart. Please see the section "Performance Data Summary" for relevant data.

## Waste Management

The Group acknowledges the impact of waste disposal resulting from its business activities and is committed to enhancing its performance in managing both hazardous and non-hazardous waste. In accordance with the Environmental Policy, the Group actively promotes practices that foster reuse and recycling in its daily operations, investigates the utilisation of sustainable materials, and adopts technologies to reduce waste generation. Furthermore, the Group

takes necessary precautions to ensure that the handling and disposal of any hazardous materials during operations comply with applicable regulations.

In addition to policies and initiatives, members of the Group regularly coordinate a diverse range of environmental awareness campaigns at their Managed Properties or hotels, aimed at promoting waste prevention and reduction.

## Our ESG Story — Waste Reduction Initiatives

### Supporting Residential Buildings in Adopting Smart Bins Technology for Food Waste

Four residential buildings (Lynwood Court, Laguna City Phase 3, The Beaumont, and The Beaumont II) and two shopping centres (Belvedere Square and Laguna Plaza) have installed smart bins to collect food waste. This initiative demonstrates a proactive approach towards effective waste management, as the smart bins efficiently separate food waste from other types of waste.



Posters to support occupants in identifying recyclable and non-recyclable food waste

### Waste Recycling Stations

Goodwell is actively engaged in the community recycling network, a programme developed by the Environmental Protection Department (“EPD”) to promote waste reduction, recycling, and to foster a culture of green living in the community. As part of their commitment to this initiative, Goodwell has strategically placed recycling booths throughout their Managed Properties, providing residents with convenient access to proper waste separation and recycling practices.

In view of the upcoming Municipal Solid Waste Charging Scheme, EPD has introduced smart recycling bins in several estates as pilot sites. These bins allow residents to try out the new community smart recycling facility and earn GREEN\$ points for gift redemption, promoting waste reduction and recycling habits in their everyday lives. In 2023, three of Goodwell’s Managed Properties served as pioneers and joined the scheme to provide an opportunity for our residents to gain a deeper understanding of smart recycling.



Goodwell, collaborating with EPD, engaged residents at its managed properties in various recycling programmes to foster a culture of green living.

### Advancing Waste Management Initiatives at Greene King

Greene King has implemented a number of initiatives to promote circularity and raise its employees’ and customers’ awareness of effective waste management.

Greene King is a signatory to the Courtauld Commitment 2030, a voluntary agreement that enables collaborative efforts throughout the entire food chain in the UK to achieve global environmental goals. As part of this initiative, Greene King commits to reducing its food waste by 50% by 2030. To achieve

this target, it distributes good quality food to food banks at the end of trading periods, and partners with food waste app, Too Good to Go, to sell surplus meals at discounted prices. Any remaining food waste is converted into energy and fed back to the national grid.

Partnering with co-cre8, Greene King encourages patrons’ active participation in waste reduction efforts through the recurring Tub2Pub recycling campaign. Through this initiative, customers can take their clean and empty plastic sweets and biscuit tubs to 1,600 Greene King-managed pubs across the UK, diverting the waste from landfills and raising funds for charity. These tubs would be recycled into plastic granules which can be used in new, UK-made products. Over the past two years, over 5,000 kg of plastic from 48,000 tubs were collected, and £11,308 of funds were raised for Greene King’s charity partner, Macmillan Cancer Support.



Greene King won the The Publican Awards-Best Sustainable Pub Company 2024. This award recognises a pub company that demonstrates a significant and concerted effort to reduce its waste.

In 2023, Greene King donated 500 used tablets from its managed pubs to 2second Chance, a non-profit organisation that provides services in electronic waste recycling. The tablets donated by Greene King are refurbished at 2second Chance for resale, thereby diverting them from landfills and contributing to a circular economy. This collaboration with 2second Chance also provides opportunities for unemployed and disabled individuals to participate in training programmes, where they learn how to refurbish the used tablets. This programme enables the development of their digital skills to enhance their future employment opportunities. The refurbished tablets are offered for sale at affordable prices to improve access to digital devices for those with financial constraints. Greene King’s donation has supported 2second Chance in providing 233 hours of valuable experience for 40 trainees, and the proceeds from the tablet sales enabled 2second Chance to extend this positive impact to more individuals in need.

Additional waste management initiatives, to support the Group’s environmental commitment, have been introduced, as follows:

### Hazardous waste

- Requiring all hazardous waste to be fully sealed and properly labelled before being collected by a qualified hazardous waste collector;
- Segregating storage areas for hazardous waste;
- Establishing standard procedures for hazardous waste management; and
- Requiring contractors at property development projects to establish hazardous waste management procedures and ensure all hazardous materials are handled properly in a lawful manner and in accordance with contractual requirements.

- including the adoption of strict procurement management to minimise over-ordering of materials; use of prefabricated or precast units; reusing and recycling construction materials such as timber, rubble, steel and other metals;
- Repairing, reusing or donating old fixtures and furniture to sister hotels or charity organisations;
- Monitoring and reporting waste of managed pub operation on refuse league tables, creating competition for positive performance by promoting higher recycling rates and minimising general waste;
- Launching environmental awareness programmes on waste separation and reduction at certain Managed Properties and hotel and serviced suite operation;

### Non-hazardous waste

- Requiring contractors at property development projects to submit a waste management plan for monitoring their own waste management procedures and for their implementation;
- Sorting and segregating domestic waste into recyclable and non-recyclable bins prior to collection by local authorities or contractors;
- Providing different containers/recycling bins to collect and separate recyclables such as paper, aluminium cans, plastic bottles, recyclable batteries and food waste at different offices, construction sites, hotels of the Harbour Plaza Hotel Management Group, certain Managed Properties, and pubs;
- Minimising waste production within the property development business through different actions,

- Encouraging employees to utilise e-workflow, FormalDoc, and e-mail for communication and administration work at offices, property management and hotel and serviced suite operation; and
- Members of the Group have participated in various waste management initiatives, such as the Tree Conservation Scheme organised by the Hong Kong Environmental Protection Association, the Natural Christmas Trees Recycling Programme and Peach Blossom Trees Recycling Programme organised by the Environmental Protection Department. In addition, 28 Wastewi\$e Certificates have been awarded to certain Managed Properties in recognition of their efforts in reducing waste generation.

In 2023, the Group’s total generated hazardous waste and non-hazardous waste were approximately 934 tonnes (2022: 820 tonnes) and 158,613 tonnes (2022: 120,283 tonnes) respectively. The Group’s hazardous waste has increased due to higher amounts of waste oil and paint and chemical waste being generated by brewery activities in its UK pub operation. The increase in non-hazardous waste can be attributed to higher levels of construction activities in 2023, leading to an increase in general construction waste being sent to landfill.

## Reducing the Use of Packaging Materials

Whilst packaging materials may not be the primary source of waste for businesses, the Group places great importance on reducing packaging waste. Both the Group’s hotel and serviced suite operation and pub operation have implemented initiatives to minimise their environmental impact by actively reducing and substituting packaging materials whenever possible.

The pub operation in the UK has made significant strides in this area. The use of packaging materials within the pub operation has been regularly reviewed and managed. Since 2020, the pub operation has proudly achieved the Carbon Trust’s Zero Waste to Landfill Standard, effectively diverting waste

generated from being sent to landfills. To achieve this, the pub operation has adopted a closed-loop recycling system, which involves collecting, recycling, and reusing packaging materials such as takeaway utensils, glass bottles, and aluminium cans. Additionally, the pub operation seeks sustainable alternatives whenever feasible, such as replacing plastic straws with biodegradable polylactic acid straws, contributing to a more sustainable closed-loop solution.

The Group’s hotel operation also strives to reduce its packaging waste by taking the following initiatives to lower the corresponding environmental pollution:

Reducing the use of disposable items and excessive packaging, such as providing shopping bags only upon request, providing bathroom liquid amenities in large pump bottles instead of small plastic ones, and providing non-liquid bathroom amenities without external cardboard packaging;

Using compostable or biodegradable materials in the production of takeaway food containers, bathroom amenities packaging, laundry bags and garbage bags; and



Using paper bags from Forest Stewardship Council (“FSC”)-certified paper.

In 2023, the total packaging materials used by hotel and serviced suite operation and pub operation were approximately 6,347 tonnes (2022: 14,128 tonnes). Hotel and serviced suite operation reported a decline in packaging material use following the easing of the mandatory quarantine scheme in Hong Kong. Moreover, there was an adjustment in the reporting system for packaging materials in the pub operation, resulting in a significant change in the reported figure for packaging materials.



## GREEN BUILDINGS

With a commitment to providing high-quality buildings whilst minimising environmental impact and prioritising occupants' well-being, the Group strives to incorporate green building principles into both new and existing structures. By integrating the latest sustainable measures, innovations, and modern technologies whenever possible, the Group aims to create environmentally responsible spaces.

To achieve this goal, the Group aligns its approach with recognised green building standards such as Building Environmental Assessment Method ("BEAM") or Leadership in Energy and Environmental Design ("LEED"). Sustainable design, materials, and construction methods take precedence in building projects, ensuring that relevant practices and standards are applied to optimise resource efficiency and minimise waste production. The Group's Environmental Policy serves as a guiding framework, outlining its dedication and approach to achieving green buildings. In early 2024, the Company also formally adopted its Sustainable Building Guidelines, setting out practices and sustainable measures to be adopted throughout the life cycle of its buildings – from land acquisition, planning and design, material sourcing, construction, management and maintenance, to demolition.

Examples of sustainable measures adopted by the Company include Building Information Modelling ("BIM") and precast façades. BIM has been fully embraced to enhance design and streamline communication and collaboration between various departments, including contractors and construction teams, through the use of computerised systems. Simultaneously implementing precast façades

enables effective reduction of construction waste, time saving in construction processes, and minimisation of environmental pollution caused by conventional construction methods. Additionally, computerised monitoring is implemented across different housing estates and shopping malls to optimise management practices. For example, during non-peak hours, the system automatically increases the air-conditioning temperature, whilst during busy periods with high occupancy rates, the temperature is lowered to achieve energy efficiency.

On top of this, to enhance the use of renewable energy and reduce carbon emissions, solar panel shelters as dual-functional phone-charging stations will be provided at the promenade in the Kai Tak project and over 250 EV charging facilities will be installed for all car parking spaces.

During the Reporting Period, the Group's existing managed buildings, "Ma On Shan Plaza" and "The Metropolis Tower", attained the Final Platinum rating under the BEAM Plus Existing Buildings Version 2.0 Comprehensive Scheme A and B, respectively. Moreover, "Seaside Sonata" was also awarded the Final Gold rating of BEAM Plus New Buildings Version 1.2 in recognition of its efforts in sustainability and green building management. "Prosperity Millennia Plaza" has also been awarded Platinum grading under the WELL Certification by the International WELL Building Institute. Furthermore, all of the Group's ongoing property development projects in Hong Kong were registered with BEAM Plus New Buildings. The Company endeavours to obtain certifications from relevant building environmental assessment standards equivalent to BEAM Plus.

## Our ESG Story – Green Building Development

### Grand Jeté Development – Integrating natural elements into urban architectural design

Jointly developed by the Company and Sun Hung Kai Properties Limited, the low-density large-scale residential project Grand Jeté in Tuen Mun, Hong Kong, incorporates and harmonises natural elements into its architectural design, emphasising a connection with the natural environment and sustainable practices.

Grand Jeté is located in a natural hillside, enjoying spectacular surrounding mountain and sea views. The four residential towers form a circular shape, intelligently bringing the outside in to allow all residents to enjoy the natural environment from the inside,

regardless of whether their flat faces the sea or the mountain. The Club Relaxation private clubhouse features a biophilic design, providing different communal facilities that contain elements of nature, manifesting in the design's essence of bringing 'nature into life'.

Recognising its exceptional architectural design, Grand Jeté received the following awards in the 2023 PropertyGuru Asia Property Awards:

- Winner - Best Condo Development (Hong Kong)
- Highly Commended - Best Condo Architectural Design (Hong Kong and Macau)

### Green Lease

In order to reduce the carbon footprint of buildings, the Group has included a green lease clause into its standard lease, where appropriate, with a view to complementing its current commercial considerations and creating long term benefit for the Company, its tenants and the community at large. This clause commits both the landlord and tenant to implement environmentally-friendly measures, such as energy conservation, waste disposal and recycling, and water-saving measures, fostering a shared responsibility for sustainability. Additionally, to guide tenants and their design and construction teams during fit-out work, a comprehensive Green Fit-out

Guideline has been established by Cheung Kong Center Property Management Limited for its tenants. This guideline presents a range of sustainable measures and initiatives for consideration. By incorporating these measures, the Group aims to create a collaborative environment in which all stakeholders actively contribute to reducing environmental impacts and promoting sustainable practices within buildings. The leased and tenanted business of Greene King launched engagement programmes to showcase various tools to its tenants. These include a simple carbon footprint calculator, which also offers advice on emissions reduction methods.



Below is a list of the buildings, developed or managed by the Group or currently under development, that have obtained green building certificates.

**BEAM New Buildings**

No.	Property Name	Platinum
1	City Point	✓
2	Trinity Towers	✓

**BEAM Plus New Buildings**

No.	Property Name	Platinum	Gold	Bronze
3	Ocean Pride Development		✓	
4	My Central		✓	
5	Seaside Sonata		✓	
6	Sea to Sky		✓	
7	Harbour Glory			✓
8	La Lumière			✓
9	Cheung Kong Center II	Provisional Platinum		
10	Wong Chuk Hang Station Package 3		Provisional Gold	
11	Siu Sau Tsuen Project			Provisional Bronze

**LEED Operations and Maintenance/WELL Certification: Existing Buildings**

No.	Property Name	Platinum
12	Cheung Kong Center (LEED)	✓
13	Prosperity Millennia Plaza (WELL)	✓

**BEAM Plus Existing Buildings V2.0 Comprehensive Scheme**

No.	Property Name	Platinum
14	The Metropolis Tower	✓
15	Ma On Shan Plaza	✓

**BEAM Plus Existing Buildings V2.0 Selective Scheme**

No.	Property Name	Excellent	Very Good	Good	Satisfactory
16	China Building	✓			
17	The Hub	✓			
18	The Whampoa	✓			
19	The Harbourfront	✓			
20	99 Cheung Fai Road	✓			
21	Hutchison Logistics Centre	✓			
22	Aberdeen Centre (Commercial)	✓			
23	Watson Centre	✓			
24	Rambler Plaza	✓			
25	Chun Fai Centre	✓			
26	9 Chong Yip Street	✓			
27	Fortune City One	✓			
28	Jubilee Square	✓			
29	Ma On Shan Plaza	✓			
30	Metro Town	✓			
31	New Treasure Centre	✓			
32	Prosperity Center	✓			
33	Prosperity Place	✓			
34	Prosperity Millennia Plaza	✓			
35	The Metropolis Tower	✓			
36	Trendy Centre	✓			
37	Fortune Metropolis	✓			
38	Laguna Plaza	✓			
39	Caribbean Square	✓			
40	+Woo			✓	
41	Belvedere Square			✓	
42	Centre de Laguna			✓	
43	Smartland			✓	
44	Hampton Loft			✓	
45	Lido Avenue			✓	
46	Fortune Malls			✓	
47	Rhine Avenue			✓	
48	Tsing Yi Square			✓	
49	Waldorf Avenue			✓	

## Our ESG Story — Engaging the Community in Environmental Conservation

### Kids Go With Goodwill 2023 – Island South Exploration X Ocean Park

To promote biodiversity conservation to the public and to nurture our next generation with the notion of environmental preservation, Goodwell continued to collaborate with Ocean Park Hong Kong to organise “Kids Go With Goodwill 2023 – Island South Exploration X Ocean Park” in July 2023. 300 residents from 15 properties managed by Goodwell were

invited to join an “Island South Discovery” Boat Trip expedition to discover the beautiful coastline of Island South.

Afterwards, participants returned to Ocean Park and took part in an environmental-themed exploration mission. Apart from winning prizes, they also learned ways to protect nature and care for the planet.



Residents of Goodwell’s Managed Properties participated in the “Kids Go With Goodwill 2023 – Island South Exploration X Ocean Park” event, jointly organised by Goodwell and Ocean Park Hong Kong.

### Landscaping in Managed Properties

The Group’s property management companies are dedicated to providing residents with a comfortable environment and actively promoting the importance of environmental sustainability to the public. To achieve this, they are incorporating more green elements in the planning and management of horticultural efforts.

In 2023, more than 11 Managed Properties, including Laguna City, DeerHill Bay, and Cheung Kong Center, were honoured with the prestigious Best Landscape Award for Private Property Development 2023 by the Leisure and Cultural Services Department. This recognition highlights the excellent landscape

design and horticultural maintenance efforts undertaken by these properties.

Apart from external recognition, Citybase also takes pride in hosting the internal Best Landscape Award programme. This initiative acknowledges Managed Properties that demonstrate exceptional landscape design and maintenance, whilst encouraging the infusion of an environmentally-friendly perspective into their landscape planning. By recognising and promoting outstanding landscapes, Citybase aims to inspire and encourage a sustainable approach to landscape design in all its properties.



Award-winning landscaping

## MANAGING OTHER ENVIRONMENTAL IMPACTS

The Group acknowledges the significance of environmental conservation throughout its value chain and is committed to promoting sustainability, environmental and biodiversity awareness to employees and the community. This commitment is strengthened by the Biodiversity Policy, newly established in early 2024 to uphold the protection of natural habitats in the Group’s business activities. In addition to minimising any potential adverse impact of its business activities on natural habitats by undertaking impact assessments and implementing mitigation plans, the Group also proactively engages with various stakeholders to raise their awareness of environmental protection and biodiversity conservation. The objective is to empower stakeholders to initiate or sustain their efforts in safeguarding the environment through a wide range of approaches, cultivating a collective commitment to environmental stewardship.

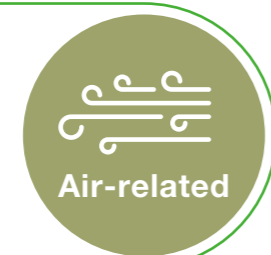
Furthermore, the Group is committed to minimising various forms of environmental pollution, including air pollution, noise pollution, and light nuisance, arising from its daily business operations, construction projects, and renovation activities.

Recognising the potential for light nuisances stemming from external lighting at hotels, serviced suites, and Managed Properties, the Group has implemented initiatives to reduce light pollution. These measures include implementing summer and winter control modes for external lighting, turning off external lights at midnight, and utilising lighting designs that comply with local statutory requirements. These efforts aim to mitigate the negative effects of light pollution.

In addition to adhering to relevant laws and regulations and conducting environmental impact assessments before commencing construction projects, the Group has implemented proactive and remedial actions to mitigate the impact of construction on both the environment and the public, including:

Installing water spray and wheel washing facilities at the entrances to minimise airborne dust; and

Covering stockpiles with anti-dust nets during early construction periods.



Air-related



Noise-related

Developing construction noise management plans;

Using noise barriers to reduce construction noise; and

Providing noise management training to contractors’ staff.

The Group also prioritises the reduction of pollution and disruption caused by renovation activities conducted within offices, pubs, hotels, serviced suites, and Managed Properties. Comprehensive guidelines have been established for contractors engaging in renovation projects. The businesses carefully monitor and approve the materials used, with a preference for eco-friendly

options. Renovation works are scheduled and organised to minimise interference with office hours and to limit disturbance to hotel guests, tenants, and employees. Additionally, supplementary measures, such as the installation of physical dust barriers, ventilation fans, and wooden partitions, are implemented, as needed, to prevent the spread of dust during renovations.

## Regulatory Compliance

The Group places a strong emphasis on compliance with laws and regulations, considering it a top priority. Mechanisms are in place to ensure regulatory compliance across its operations. To stay up to date with the latest regulatory developments, the Group actively monitors changes in these and provides related training to its personnel. In addition to proactive preventive measures, the Group implements effective monitoring systems and mechanisms to ensure ongoing regulatory compliance. The Group is not aware of any material non-compliance with laws and regulations relating to air and

GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste that would have a significant impact on the Group during the Reporting Period. The Group is not aware of any significant negative environmental impacts along its supply chain, and there have been no instances of material non-compliance that would have a notable impact on the Group. By prioritising compliance, the Group demonstrates its commitment to responsible and sustainable operations, safeguarding the environment, and fulfilling its legal obligations.



# EMPLOYEES AND THE COMMUNITY

▼ As part of its community engagement programme, United Energy sponsors the iconic Around the Bay cycling event in Victoria, with this year's event including a family ride around Albert Park Lake.

Below are the SDGs and the relevant material ESG topics in this section:



**SDG 3.4:** Promoting mental health and well-being  
**SDG 3.9:** Reducing work-related injuries and fatalities from hazardous chemicals and air, and water pollution.



**SDG 4.1:** Facilitating free, equitable and quality education opportunities for children and young people  
**SDG 4.4:** Equipping youth and adults with technical and vocational skills



**SDG 5.1:** Eliminating all forms of discrimination against women and girls  
**SDG 5.5:** Providing equal job opportunities to women



**SDG 8.5:** Providing decent work for women and men  
**SDG 8.8:** Protect labour rights and promote safe and secure working environments

## Material ESG Topics:

- Employee remuneration and benefits
- Occupational health and safety
- Fair recruitment and dismissal processes
- Equality, diversity and inclusion
- Employee well-being
- Employee training and development
- Child and forced labour prevention
- Cybersecurity



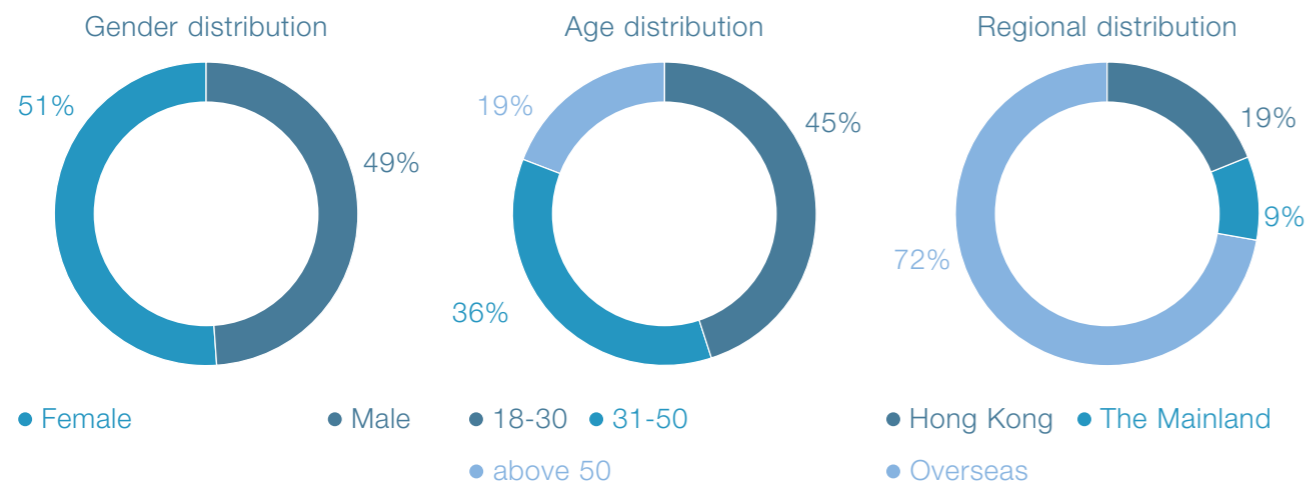
## EMPLOYMENT AND LABOUR PRACTICES

The Group values its employees as the driving force behind its success. The Group is committed to maintaining a diverse, inclusive, and safe workplace that fosters personal growth and professional development. The Group's employment and labour practices prioritise fair treatment, equal opportunities, and the protection of workers' rights. The Group adheres to local labour laws and regulations, providing competitive compensation and benefits packages, promoting work-life balance, and fostering a culture of respect and collaboration.

The values the Group inculcates in its employees – candour, courtesy, integrity, an ability to deal with change and respect

for humanity, personal dignity and privacy – guide each of its members to cultivate a culture of excellence, collaboration, and ethical conduct. Through these values, the Group empowers its employees to embody the highest standards of professionalism, foster open and honest communication, and approach challenges with adaptability and resilience.

The Employee Code of Conduct upholds the Group's values by establishing guidelines and expectations for employees, ensuring that their conduct aligns with the Group's principles. The document is accessible to all individuals through the intranet and the Company's website.



## Equality, Diversity and Inclusion

The Group recognises that fostering equality, diversity, and inclusion is not only a moral imperative but also a strategic business one. The Group is committed to building a culture in which every individual feels valued, respected, and empowered to contribute their unique perspectives and talents.

The Group actively strives to create an inclusive work environment that embraces diversity in its many forms, including race, colour, national or social origin, ethnicity, religion, age, disability, sex, sexual orientation, gender, political opinion or any other status protected by applicable law. The Human Rights Policy works to maintain workplaces that are free from discrimination or harassment. Any form of discrimination or harassment is strictly not tolerated and will be subject to serious disciplinary action, including dismissal. The Group advises individuals to report suspected discrimination or incidents of harassment to their supervisors and/or the Human Resources Department to ensure a prompt and thorough investigation. No retaliation will be taken against any employee and they can raise concerns without fear of reprisal.

To reinforce our commitment, the Group has newly established an Anti-Harassment Policy in 2023 to outline policies and procedures for addressing incidents of harassment, including sexual harassment, in the workplace and at

work-related events. The Anti-Harassment Policy provides clear definitions of harassment and sexual harassment, provides guidelines on appropriate conduct, and outlines ways to respond to related incidents, ensuring that every individual is treated with dignity and respect. This Policy affirms the Group's steadfastness in maintaining a workplace that upholds the highest standards of fairness, and equality, reflecting the Group's core values and principles and allowing its people to thrive professionally and personally.

In addition, in January 2024, the Group formally launched its Workforce Diversity Policy, committing to establishing a diverse and inclusive workplace where individual differences are respected and employees are treated with dignity. The Workforce Diversity Policy also strengthens the Group's commitment to fostering gender empowerment, equality and diversity across its workforce.

The Group is determined to provide equal opportunities for all employees, ensuring fair and unbiased recruitment, promotion, compensation processes, and other terms of employment, as set out in its Employee Code of Conduct. Relevant details on equal opportunities are also provided in the employee handbooks of the Group's subsidiaries.

## Our ESG Story — Workforce Diversity

### Fostering Everyday Inclusion at Greene King

Greene King has established policies relevant to gender equality and publishes annual reports on gender pay gap monitoring. Its Inclusion and Diversity Policy was launched in 2022, and was followed up with a Gender Identity Policy which was launched in 2023. Greene King's commitment to diversity and inclusion is also demonstrated through its establishment of an Inclusion and Diversity Governance Council, support for employee affinity groups, mentorship programmes on female leadership, and awareness campaigns on diversity and inclusion.

Four employee volunteer-led groups, comprising people from all kinds of roles, from all parts of the business and from all different backgrounds, focusing on making a difference:



Greene King launched a new Gender Identity Policy in 2023 to further its commitment to inclusion and diversity.



#### UNITY

Our Black, Asian and ethnic minority-focused community group, where 'diversity is their identity', focused on true inclusion for all



#### VILLAGE GREENE

Our LGBTQ+ focused community group is there to help make Greene King a great place for LGBTQ+ team members to work



#### GREENE SKY

Our female community group is focused on supporting and developing women and highlighting the impact they have across Greene King



#### ABILITY

Our disability community focused group is aimed at supporting Greene King in truly being a Disability Confident Employer and positively impacting the experiences of our team members with visible and non-visible disabilities

On World Menopause Day in October 2023, Greene King launched its Menopause and Menstruation Support Policy, strengthening its everyday inclusion and gender parity commitments. The new policy aims to normalise conversations, enhance understanding, and provide guidance on menopause and menstruation amongst team members and line managers in order to show meaningful support to each other and create an inclusive work environment for everyone to be themselves.

Greene King launched its Reverse Mentoring Programme in 2022, where colleagues across the company's diverse community groups are assigned as mentors to share their views and experiences with members of the executive board and senior leaders. The programme flips the normal hierarchy of mentoring and allows leaders to gain new perspectives on the business and deepen their understanding

of the challenges and opportunities there are for people from underrepresented backgrounds. Following the successes of the first three cohorts of the programme, Greene King expanded the programme to its wider leadership team with the fourth cohort starting in September 2023.

With regard to gender equality in its workforce, Greene King has set out its goal to have women comprise 50% of its senior management roles by 2030. To work towards this ambition, building on the current strategies and programmes, Greene King is rolling out additional initiatives to cultivate and nurture existing talent to enhance succession planning. Furthermore, training on inclusive hiring will be implemented with the aim of increasing the representation of women in its recruitment processes.

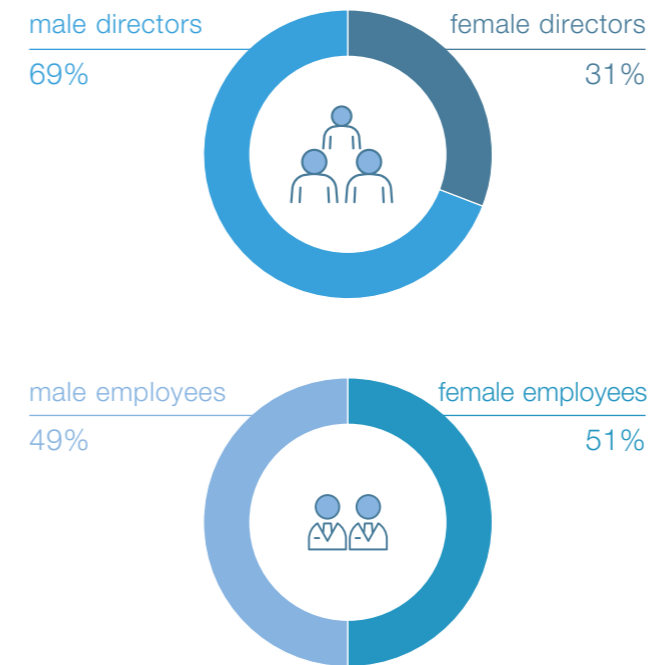
### Family-Friendly Arrangements and Activities

As part of the Group's promotion of inclusiveness in the workplace, its head office has implemented a number of family-friendly arrangements, such as 14 weeks of maternity leave and up to five days of fully paid paternity leave, a dedicated breastfeeding room and exclusive-use fridge within its premises, aiming to empower and support working mothers in their maternal responsibilities. In addition, the Group's head office has introduced a new leave arrangement that grants our employees increased flexibility for managing personal or family matters during working hours. Understanding that unforeseen circumstances or important family commitments may arise, this arrangement enables our employees to strike a balance between their personal and work lives, providing overall well-being and job satisfaction. Regular social, recreational activities and interest classes are also regularly arranged for its employees and families.



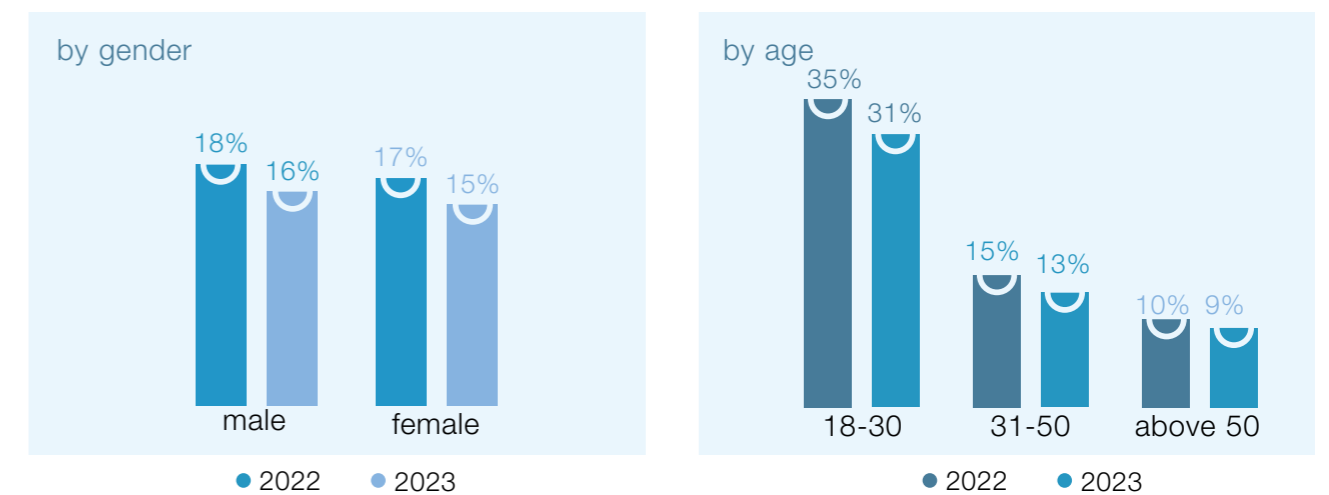
CK Group Autumn EcoPark & BBQ Family Day – Whilst enjoying farming activities at Tai Tong Organic Ecopark, colleagues and families also learned about the importance of natural conservation.

As at 31 December 2023, the director and employee profile, by gender, are approximately



The Company was one of the contributing sponsors of 30% Club Boardroom Forum.

The turnover rates among the Group's full-time employees are as follows:





## Human Rights

The Group firmly believes in upholding and respecting fundamental human rights within the communities in which it operates, and prohibits the use of all forms of child or forced labour, including prison labour, bonded labour, any form of slavery and any form of human trafficking throughout its value chain. The Group is deeply committed to ethical conduct and integrity, and to ensuring that its business practices and operations align with internationally-recognised human rights standards. Robust policies and effective processes have been implemented to safeguard human rights across our business operations, including the Group’s Human Rights Policy and Modern Slavery and Human Trafficking Statement, as well as the Supplier Code of Conduct, to guide our business partners, suppliers, and contractors. These policies were developed with consideration of a number of international charters and conventions, such as the United Nations (“UN”)’s Declaration on Human Rights and the International Labour Organisation (“ILO”)’s 1998 Declaration on Fundamental Principles and Rights at Work.

Preventive, monitoring and control measures are in place to ensure the Group’s compliance with applicable employment and labour laws and regulations. The Group is not aware of (i) any material non-compliance with laws and regulations relating to employment and labour practices, occupational health and safety that could have a significant impact on it during the Reporting Period; or (ii) any incident that had a significant impact relating to the use of child or forced labour during the Reporting Period.

## Talent Attraction and Retention

With the employees as its most valuable asset, the Group places great emphasis on attracting and retaining talent. The Group has implemented a comprehensive approach to talent attraction and retention, offering competitive compensation and benefits packages that reflect the skills and expertise of the workforce. The compensation and benefits packages include, but are not limited to, medical, life and disability insurance, retirement schemes, and employee discounts for permanent and contract employees.

In relation to employment, the Group has established policies and guidelines, and adheres to local employment laws and regulations. These policies cover various aspects including recruitment, compensation,

dismissal, and employee benefits and welfare, such as working hours, rest period, and equal opportunities, to safeguard the rights of the Group and its employees. The Group is committed to upholding equal opportunities and non-discriminatory practices throughout its employment procedures. Policies and arrangements are reviewed periodically to enhance the work environment, as deemed appropriate. Examples of this are the implementation of Greene King’s Agile Working Policy and Flexible Working Policy, with the aim of promoting a healthy work-life balance.

Employee performance is evaluated through a fair, consistent, and transparent procedure on a regular and ongoing basis. The process is designed to measure the alignment of individual

performance with the Group’s objectives, whilst also offering support for employees’ career growth. Remuneration is subject to annual review, to be in line with both the employee’s performance and market standards. Performance reviews are complemented by open feedback channels, such as suggestion boxes, one-on-one check-ins between employees and managers, and employee engagement surveys, enabling the Group to gather valuable feedback from its employees to help identify areas of improvement in the work environment and inform decision-making processes.

In addition, the Group offers a range of benefits to support the well-being and welfare of its employees. These include health and wellness programmes, professional development opportunities, and employee assistance programmes. By providing a supportive and inclusive work environment, the Group aims to foster a culture of growth and engagement that not only attracts top talent but also encourages their long-term commitment.

To attract talent, the Group’s subsidiaries host and participate in a variety of recruitment events. Internal job postings and staff referral schemes are also in place to encourage employee growth and facilitate internal talent mobility within the Group. During the Reporting Period, members of the Group also organised and facilitated a diverse array of internships, placements and apprenticeship programmes across a wide range of sectors, including hotel hospitality, pub operation, and property management. These initiatives not only provided opportunities for students to gain practical and valuable work experience but also created a platform for attracting talent.



## Our ESG Story — A Recognised Employer

### Good MPF Employer Award

In 2023, CK Asset Holdings Limited, Hui Xian Asset Management Limited, Cheung Kong Center Property Management Limited, E-park Parking Management Limited, Horizon Hotels & Suites Limited, e-Smart System Inc., Citybase, Goodwell, and Resort Clubs Limited, continued to receive the “Good MPF Employer 5 Years+” Awards presented by the Mandatory Provident Fund Schemes Authority. The awards recognise compliance with the requirements of the MPF and efforts in providing additional retirement protection for employees.



CKA and a number of its subsidiaries received the “Good MPF Employer 5 Years+” Award.



### Good Employer Charter

In 2023, Sheraton Hong Kong Hotel & Towers, one of the hotels under the Group, continued to be a signatory to the Good Employer Charter and pledged to adopt and improve employee-oriented human resources management practices and implement family-friendly employment measures by supporting employees to fulfil their work and family needs simultaneously.

Sheraton Hong Kong Hotel & Towers received the Good Employer Charter signatory certificate from the Labour Department.

### Best Pub Employer 2023

Greene King was named Best Pub Employer (501+ employees) in the Publican Awards 2023, recognising its role in promoting equity, diversity, and inclusion for its teams and the wider hospitality industry, as well as its strong staff retention levels, career progression, and training opportunities.



Greene King received the Best Pub Employer Award in the Publican Awards 2023.

## Training and Development

The Group has established a comprehensive training and development programme to enhance the skills, knowledge, and capabilities of its workforce to help them to excel in their roles. The Group’s support for employee development is provided through organising training courses and, where they are eligible, providing sponsorships or offering training or examination leave to employees who participate in any external training courses, professional seminars or examinations. The Group’s commitment to training and development extends to all levels of the organisation, as the Group believes that investing in employees’ professional growth not only benefits them individually but also contributes to the collective success of the Group as a whole. By nurturing a learning culture, the Group empowers its employees to reach their full potential and adapt to the evolving needs of the industry.

During the Reporting Period, the Group organised diverse training programmes to cater for employees’ needs and support their career growth. These programmes encompass a range of areas, including technical training in fields such as data protection, engineering, building design, quality control and compliance, as well as development of essential soft skills such as customer services, leadership, communication and engagement. In addition, the Group actively promotes employee well-being by organising training focused on mental health and occupational health and safety. The Group also provides sponsorships for its employees to obtain qualifications (e.g., certifications for vocational education or diplomas in business-

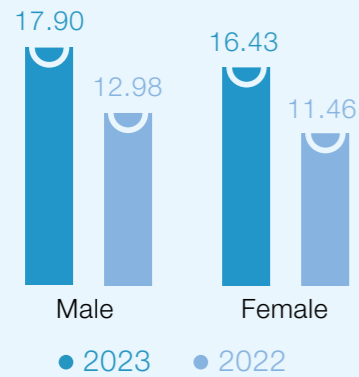
related studies) to enhance their skillsets in their respective areas. Corporate orientation programmes were organised to assist all new joiners with adjusting to their new work environment and the Group’s corporate culture.

The Group also provides training courses on sustainability to its employees, raising their awareness of sustainability matters and equipping them with the fundamental knowledge to help them to contribute to the Group’s sustainability vision. As an example, Citybase conducts ISO 14001 Awareness Training for relevant employees and works with the Electrical and Mechanical Services Department (“EMSD”) to organise briefing sessions on the Energy Saving Charter 2023 and the 4T Charter.

The Group continues to leverage e-learning platforms to conduct training programmes virtually. As an example, Greene King utilises an internal online portal which assigns compliance learning to employees based on their roles and makes various learning courses available online, including on technical skills, leadership and personal and team well-being.

In 2023, Citybase and Harbour Grand Hong Kong, being one of the hotels under Harbour Plaza Hotel Management Group, received the titles of Super Manpower Developer and Manpower Developer, respectively, from the Employees Retraining Board for their achievements in manpower training and development.

Average training hours completed per employee



The average training hours completed per employee by gender are 17.90 hours (2022: 12.98 hours) for males and 16.43 hours (2022: 11.46 hours) for females; and by employee category 10.22 hours (2022: 7.12 hours) for managerial grades or above and 17.87 hours (2022: 12.78 hours) for non-managerial grades.

Note: Approximately 88% (2022: 67%) of the Group's male employees and 88% (2022: 64%) of its female employees participated in training organised by the Group in 2023 (excluding employee data of pub operations).

## Employee Health and Well-being

The Group prioritises the health and well-being of its employees and has implemented a wide range of initiatives and programmes aimed at supporting their physical, mental, and emotional well-being. The Group and its subsidiaries have organised various activities, including sports events, leisure classes, and health-related workshops, to promote physical fitness and healthy lifestyles. A variety of fruits and nutritious refreshments are regularly served at the office for employees to enjoy during their day-to-day work.

The Group is also committed to addressing the mental and emotional well-being of our employees. By encouraging open communication and building a culture of trust, the Group and its subsidiaries promote a positive work environment where employees feel valued, supported, and equipped with the tools they need to thrive both personally and professionally. During the challenging COVID-19 period, anxiety and stress were common for those who tested positive, especially those in self-quarantine. With the help of the employee relations officer, the Group provided colleagues tested positive with support and assistance on their road to recovery. The Group also encouraged colleagues to seek professional help through online webinars and mental health resources.

In 2023, the Group's property management companies participated in various charters and schemes relating to employee health and well-being, including the Happiness-at-Work Promotional Scheme, the Mental Health Workplace Charter, and the Joyful@Healthy Workplace Charter, to emphasise the importance of mental well-being in the workplace and demonstrate their commitment to providing a joyful and positive working atmosphere for employees. Three of Citybase's Managed Properties were awarded the Occupational Health Award by the Hong Kong Occupational Safety and Health Council ("OSHC") to recognise their efforts in promoting healthy eating, physical activity, and mental well-being. Furthermore, a few properties managed by Hutchison Property Management Limited has been awarded the Joyful@Healthy Workplace Best Practices Award by the OSHC to recognise their significant efforts in promoting physical and mental well-being in the workplace.



Colleagues and families took time to participate in the CK Group bowling competition.

## Our ESG Story — Health Talks and Well-being Activities

### Leisure and Sports Activities

In 2023, the Group and its subsidiaries organised an array of engaging activities for employees. These included sports activities and competitions as well as health and wellness classes such as yoga. By offering these diverse activities, the Group aims to foster a supportive and well-rounded work environment that promotes employee well-being, team building, and work-life balance.

During the year, the Group's subsidiaries also arranged various leisure activities and interest classes, such as culture sharing classes, to provide employees with opportunities to engage in activities that promote well-being and personal growth. Family-friendly events, such as a parent-child cooking competition and BBQ Family Day, were also organised.



Throughout the Reporting Period, the Group organised different leisure and sports activities such as tea making and badminton competitions.



Colleagues celebrated the Chinese New Year with traditional calligraphy.

### Caring Visit for Staff

Initiated by Goodwell's Safety and Health Management Committee ("SHMC"), a series of caring visit activities were held for the frontline employees of Goodwell. During the visit to over 40 of its Managed Properties, members of the SHMC introduced various topics on safety

and health to frontline employees, in order to establish awareness of these issues and create a vibrant and safe working environment. Frontline employees were also provided with stretching exercise aids to enhance their physical and mental well-being.



Members of Goodwell's SHMC visited over 40 Managed Properties to provide safety and health information to frontline employees.

### Health and Well-Being Resources

Employees of the Group and its subsidiaries were provided with health and wellness webinars hosted by AXA. In 2023, there were seven webinars in the Wellness Webinar Series, covering a variety of topics from reducing risks of diseases to well-being in the workplace.

The Group's subsidiaries in property management and hotel and serviced suite operation have engaged with the Labour Department and relevant health and safety professionals to deliver informative sessions aimed at promoting safe and healthy working environments.

Circulars on health and well-being tips and resources are shared with employees regularly to promote awareness and support employees in making informed choices and adopting healthy habits that contribute to their overall well-being.

As part of its Well-being Week, Greene King hosted health talks, with topics covering physical and mental health, and conducted physical activities for employees, such as yoga.

## Occupational Health and Safety

The health and safety of people is of paramount importance at the Group, and the Group is committed to providing a safe and healthy work environment for its employees and contractors. The Group's Health and Safety Policy guides each subsidiary and individual in adhering to safe working practices and complying with or exceeding all applicable laws and regulations on health and safety. The implementation of the Health and Safety Policy is reviewed regularly and internal audits to ensure proper health and safety practices are implemented across the Group's operations. The Employee Code of Conduct also sets norms on health and safety to guide employees' practices within the workplace.

Safety Committees or similar oversight bodies are established in subsidiaries across all the Group's businesses, including property management companies, hotel and serviced suite operation, and pub operation. These committees hold regular meetings to monitor and review health and safety performance, assess potential workplace risks and hazards, and discuss relevant issues arising in their respective businesses. Safety Management Systems are in place across subsidiaries, and safety consultants are engaged to conduct safety training and safety inspections. During the Reporting Period, the Group's property management companies have been accredited under the ISO 45001:2018 Occupational Health and Safety Management System Standard.

The Group enforces health and safety protocols in every office and construction site, ensuring the highest level of protection for our employees and contractors.

To minimise the potential health effects arising from office operations, emergency preparedness measures are in place, including the presence of first aid kits, fire extinguishers, and defibrillators. Furthermore, to prevent injuries during

manual handling or accessing elevated areas, mechanical aids like trolleys, carts, ladders, and step stools are made available. When entering construction sites, employees are equipped with suitable personal protective equipment such as safety helmets, dust masks, and goggles to ensure their safety and well-being.

The Group's property development companies collaborate closely with contractors to adhere to rigorous safety standards and regulations and cultivate a secure work environment at construction sites. Routine inspections and thorough risk assessments are conducted to uphold the Group's safety standards and mitigate potential hazards associated with construction activities. Contractors are required to establish and maintain a robust safety management system with regular oversight. To maintain a safe working environment at construction sites, regular safety audits are carried out to assess and verify the efficiency, effectiveness and reliability of the safety management system, accompanied by the formulation of improvement action plans when necessary.

Both contractors and office employees receive regular technical safety training and engage in toolbox talks, which serve to heighten safety awareness and equip them with essential knowledge to minimise the risk of occupational hazards arising. Recognising that significant incidents have occurred at construction sites managed by other developers, contractors have been reminded about the crucial importance of safety when working on construction sites. The Company has also organised a series of webinars for its employees and contractors during the Reporting Period, addressing topics such as safety rules, the proper usage of personal protective equipment and working arrangements under various weather conditions. These webinars aimed to promote adherence to safety protocols among all personnel involved in construction operations.

During the Reporting Period, there were 9,364 lost days (2022: 10,329.5 lost days) due to work-related injuries for employees directly employed by the Group. The Group and its property management companies have set up targets or KPIs to reduce the number of lost days due to work-related injuries and maintain zero work-related fatalities. There were no work-related fatalities in each of the past three years including the Reporting Period.

Greene King, the Group's pub operation business, has quality assurance programmes in line with the Managing for Health and Safety (HSG65) guidance published by the UK Health and Safety Executive and compliant with the ISO 45001:2018 Standard. Greene King has received the order of distinction under the Royal Society for Prevention of Accidents ("RoSPA") scheme for 18 consecutive years of outstanding safety performance.

In 2023, property management companies under the Group participated in the Heart Caring Charter to actively engage management and staff in the prevention of cardiovascular and cerebrovascular



Site safety notice board on a construction site to emphasise the importance of occupational health & safety to our employees and contractors.

diseases, and received the Occupational Health Award from the OSHC for their efforts in promoting a safe and healthy working environment. Citybase, Goodwell and Hutchison Property Management Company Limited also received a number of awards in the Best Property Safety Management Award from the OSHC for their outstanding achievement in occupational safety and health.



Goodwell received a number of awards in the Best Property Safety Management Award, including Best Property Safety Management Award in Occupational Safety and Health (Merit Award), Safety Culture Award (Silver Award), and Best Promotion Award for Light-Duty Working Platform (Merit Award).

## SUPPLY CHAIN MANAGEMENT

The Group collaborates closely with its suppliers to deliver products and services that meet the highest standards of quality and sustainability across its diverse business operations. In order to effectively manage its wide network of business partners and suppliers, the Group has a Supplier Code of Conduct in place to establish guidelines and quality standards encompassing regulatory compliance, health and safety, labour practices, environmental protection and human rights. This code aims to promote sustainability efforts, social well-being and sound governance practices amongst all suppliers of the Group.

Furthermore, the Group advises its business partners and suppliers to draw guidance from various Group policies, including the Environmental Policy, Human Rights Policy, and Modern Slavery and Human Trafficking Statement, which underscore the Group's commitment to proactively managing environmental and social risks within its supply chain. The Group acknowledges the importance of mitigating the risk of excessive dependence on any single supplier to maintain supply chain stability and business resilience.

During the Reporting Period, 50% (2022: 51%) of the Group's purchases were attributable to the Group's five largest suppliers, of which 34% (2022: 37%) were in Hong Kong, 1% (2022: 2%) in the Mainland and 15% (2022: 12%) in the UK.

### Supplier Management and Evaluation

Comprehensive policies and procedures are implemented to govern the supplier selection, approval and evaluation processes, in order to ensure suppliers meet the Group's standards and quality requirements. Within the Group's hotel and property management businesses, these procedures establish a fair and transparent tendering and procurement process that grants equal opportunities to all potential suppliers. The Group regularly assesses and monitors the performance of its suppliers to verify compliance with the Group's product and service standards, as well as contractual obligations. In cases of unsatisfactory performance or violations of the Supplier Code of Conduct, disciplinary actions, such as warning letters or termination of the business relationship, may be taken.

Subsidiaries of the Group have established relevant policies and procedures to engage with suppliers in developing a sustainable supply chain network. For example, the Group's property management, hotel and serviced suite operation and pub operation businesses have set out specific conditions for tenders/quotations, as well as rules on health and safety and environmental protection for contractors.

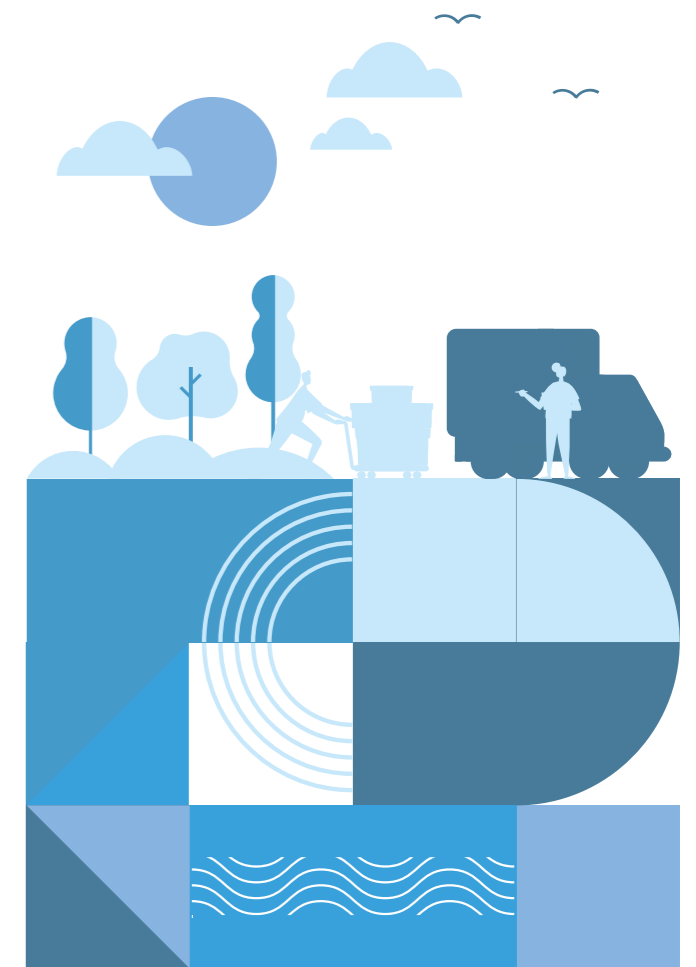
In 2023, Greene King launched Greene King Engage, a supplier-facing platform to enable effective engagement with its suppliers for addressing ESG areas of improvement and

for building collaboration and innovation in the wider sector to reach net zero. The platform enables Greene King to share knowledge, training resources, business requirements, and policies with suppliers, encompassing various ESG practices. Furthermore, suppliers will have the opportunity to share information, targets, and initiatives to help realise mutual benefits and enable the development of more sustainable supply chains.

With regard to construction projects, to maintain an impartial tendering process, a dedicated Tender Committee has been established to oversee supplier and contractor selection procedures. The Tender Committee evaluates bids based on thorough analyses and recommendations provided by external independent consultants and internal project staff. Furthermore, regular meetings are held with suppliers and contractors to identify and address key issues in the supply chain.

The Group's Property Development Department takes proactive measures to ensure the safety and quality of products and services delivered by organising a set of training sessions specifically designed for suppliers and direct contractors. Topics covered in the training include Product Safety and Quality, Health and Safety, and Environmental Protection. These training sessions, attended by 55 of the Company's suppliers and contractors in 2023, aimed to foster a culture of continuous improvement, with a strong emphasis on enhancing safety standards and

maintaining superior quality. By equipping suppliers and direct contractors with the necessary knowledge and skills, the Group strives to create a collaborative environment that prioritises safety and consistently delivers products and services of the highest quality.



## Managing Supply Chain's Environmental Impact

The Group recognises the significant role that supply chain activities play in environmental protection and their contribution to the Group's sustainability goals. As set out in the Environmental Policy, the Group is committed to raising awareness of environmental issues and promoting sustainable practices across its value chain by partnering with relevant industry groups and environmental organisations as appropriate.

The Environmental Policy also strengthens the Group's support for green and sustainable procurement. This includes the avoidance of single-use disposable items, minimisation of the use of packaging, and sourcing of materials with sustainable certificates or labels. For instance, the Group's property development projects have sourced timber certified by the FSC for construction work; property management companies and offices have purchased paper certified by the FSC and the Programme for the Endorsement of Forest Certification; offices have procured computer equipment that is certified by the Electronic Product Environmental Assessment Tool; and Harbour Plaza Hotel Management Group have sourced frozen Canadian lobsters and snow crabs certified by the Marine Stewardship Council, as well as Norwegian salmon certified by the Aquaculture Stewardship Council.

The Group actively encourages its business partners and suppliers to identify and manage the impacts of climate change on their operations, as well as to take measures to minimise their environmental footprint. This includes adopting practices that promote efficient resource consumption and effective waste management.

As a leading pub company and brewer in the UK, Greene King recognises the necessity for the hospitality industry to collaborate with farmers to explore alternative farming methods in order to accelerate emissions reduction on a larger scale. In 2023, Greene King announced its partnership with Fischer Farms, a sustainable food supplier in the UK that specialises in the vertical farming technique to grow high-quality leafy greens and herbs. This vertical farming technology enables year-round production of crops in stacked trays placed under cover, optimising space utilisation. The farm, which operates under strict bio-security measures, has a small land footprint compared to conventional farming methods and relies on sustainable energy sources. By maintaining precise control over light, temperature, and irrigation, the vertical farm creates a simulated environment that provides optimal growing conditions, resulting in high-quality, sustainable crops. This new local supply of fresh, vertically farmed greens also reduces the costs and emissions associated with importing them from abroad.



## Managing Supply Chain's Social Impact

Alongside the environmental aspect, the Group extends its influence to its business partners and suppliers in the social aspect and encourages them to adhere to high standards of ethical conduct, professionalism, and protection of, and respect, for human rights.

The Supplier Code of Conduct outlines the Group's requirements for its business partners and suppliers to implement and ensure compliance with anti-corruption policies and programmes, to comply with all local and national legislation and to avoid all forms of corruption and bribery. Business partners and suppliers are expected to disseminate and educate the requirements of the Supplier Code of Conduct to their employees, agents, sub-contractors, and suppliers, and hold them accountable for any non-conformance acts. If non-conformance to the Supplier Code of Conduct is identified, the Group will attempt to work with the business partner or supplier concerned to correct the situation and expects the business partner or supplier concerned to develop a corrective plan. Failure to develop and implement such a plan may result in termination of the business relationship.

The Group actively promotes the adherence of its business partners and suppliers to the Group's established standards and expects business partners and suppliers to respect internationally recognised human rights principles, such as the UN Declaration on Human Rights, the ILO 1998 Declaration on Fundamental Principles and Rights at Work, and abide by the UN Guiding Principles on Business and Human Rights, aiming to safeguard the rights and dignity of all employees and foster a work environment that is safe, equitable and inclusive. Business partners and suppliers are expected to take proactive measures to minimise instances of harassment and discrimination, mitigate health hazards within their operations, prohibit any illegal labour practices, and uphold the principles of freedom of association and the right to collective bargaining for their employees, as stipulated in the Supplier Code of Conduct. As a testament to its commitment to protecting employees' collective bargaining power, Greene King has established a Collective Bargaining Agreement which covers approximately 400 individuals across its operational areas.

## PRODUCT AND SERVICE RESPONSIBILITIES

The Group is committed to delivering high-quality products and services, ensuring strict adherence to applicable government laws and regulations, and to fulfilling the needs of our valued customers.

The Group is not aware of any incidents of non-compliance with relevant laws and regulations in relation to health and safety, advertising, labelling and privacy matters relating to the products and services provided by the Group that could have a significant impact on the Group during the Reporting Period.

### Maintaining Products and Services Safety and Quality

The Group has implemented suitable procedures and controls, tailored to its businesses, to ensure the consistent delivery of high-quality products and services to customers.

In the property development business, the oversight and monitoring of construction works carried out by contractors is the primary responsibility of respective project teams. The Development Department, Construction Management Department and Construction Audit & Quality Assurance Department are responsible for quality assurance and control

at different stages of the construction process. The audit team of the Construction Audit & Quality Assurance Department conducts regular construction audits with reference to contract specifications, local/international standards, local statutory requirements and industry best practices. Prior to sourcing raw materials, the Group's architects and consultants incorporate specific requirements into the construction contracts. The procurement process is closely monitored and verified by designated employees of the Group to ensure that the raw materials adhere to its stringent quality standards before being utilised in construction. Any issues identified must be promptly addressed by the contractors. At the handover stage, multiple departments, including the Customer Service Department, thoroughly re-examine and inspect all units before they are handed over to purchasers. Relevant quality policies are established by the management and a comprehensive set of checklists is employed to ensure that the units meet specified standards. This includes checking over for missing or damaged items, equipment errors, and adherence to acceptable workmanship standards. To facilitate a smooth transition and settlement for the buyers, follow-up services, such as utilities and telecommunication setups, are provided. In addition, the Company

organises a set of training sessions on safety and quality assurance for our employees, suppliers and direct contractors to equip them with the competencies for upholding exceptional safety and quality standards, creating a culture of excellence in property development projects.

In the property management business, a code of practice and work instructions for employees are established and put into effect, to define a benchmark for delivering high-quality services. To assess and evaluate the quality of service delivery, regular internal meetings and mystery customer engagements are carried out. Internal audits are conducted regularly to ensure compliance with the Group's standards and regulations.

Customer inputs are collected through a variety of communication channels, such as opinion boxes, tea gatherings, hotlines, or formal and informal meetings, to continuously improve the quality of our products and services. In addition, customer satisfaction surveys are conducted annually to gather feedback from customers. In 2023, our property management companies reached a 94% overall satisfaction rate in the annual customer satisfaction survey hosted by the Managed Properties. This result reflects our dedication to delivering exceptional services to customers and to exceeding their expectations.

In the hotel and serviced suite business, regular inspections are conducted by department heads across different areas, including hotel rooms, public spaces, restaurants and kitchens, to ensure that our products and services meet safety and hygiene standards. Furthermore, to uphold food safety and ensure the highest quality

standards, suppliers are required to provide a health certificate to the receiving department upon delivery of high-risk food products. Standard procedures are established to streamline the receipt and handling of customer feedback, and any complaints received are logged and forwarded to relevant department heads for prompt resolution and improvement, as appropriate.

In the pub operation business, the implementation of the Hazard Analysis Critical Control Point System and Quality Management System guarantees the safety of raw ingredients utilised and the food produced, and ensures that products and services offered maintain a consistently high level of quality, providing customers with safe and enjoyable consumption experiences. To provide transparency to customers, Greene King provides allergen information on menus, to cater to the specific dietary needs of guests with allergies or intolerances. The Group continuously seeks opportunities to cooperate with and engage in discussions with local authorities on food safety issues. Furthermore, in 2023, Greene King has partnered with Best Bar None to launch a multi-site accreditation scheme, reaffirming its responsibility to deliver safety and welfare practices by ensuring that its managed pubs are welcoming and safe for its team members, customers, and communities.

In 2023, a total of 27,743 written complaints were received in relation to products or services provided, and were properly handled according to relevant policies and procedures. There had been no products sold or shipped that were subject to recalls for safety and health reasons.

Construction	Sourcing Raw Materials	Handover	Supplier Training
Conduct audits with reference to contract specifications, local/international standards, local statutory requirements and industry best practices	Ensure that raw materials adhere to the Group's stringent quality standards	Thoroughly re-examine and inspect all units before they are handed over to purchasers	Organise quarterly training on product quality to ensure suppliers and contractors are aware of the Group's standards



During the Reporting Period, regarding products and services, the Group received a number of awards and certifications in recognition of its achievements and excellence in its services, including, but not limited to, the following:

- Citybase, Goodwell, Hutchison Property Management Company Limited, Cayley Property Management Limited, Hutchison Logistics Centre Management Limited, South Horizons Management Limited, Whampoa Garden Management Limited and Whampoa Property Management Limited have been accredited with the ISO 9001 Quality Management System Certification for consistently providing services that meet customer and regulatory requirements;
- Harbour Plaza was the winner of the Best Local Hotel Chain by TTG Asia;
- At Harbour Plaza North Point, Greens Café and The Point received the “QTS Scheme Certification Mark (Restaurant Category)”, while at Harbour Plaza Metropolis, Senzuru Japanese Restaurant and Promenade Restaurant received the “Outstanding QTS Merchant Merit” from Hong Kong Tourism Board to recognise these accredited restaurateurs for their sustained excellent performance;
- Harbour Plaza 8 Degrees, Kowloon Harbourfront Hotel, and The Kowloon Hotel have received the “Quality Wedding Merchant” qualification from ESDlife in recognition of the exceptional quality of their wedding services;
- Three staff members of Laguna Verde, one of Goodwell’s Managed Properties, attained the Outstanding Practitioners Award in the Property Management Week by Hong Kong Institute of Certified Property Managers, for their outstanding performance within the property industry;
- In Sheraton Hong Kong Hotel & Towers, the Celestial Court Chinese restaurant was awarded a diamond in the Meituan 2023 Black Pearl Restaurant Guide, while the Oyster & Wine Bar received the two-glass ‘Best of Award of Excellence’ from the Wine Spectator to recognise its well-curated list of wine selection and deep commitment to providing best wine experience for guests;
- Hutchison Property Management Company Limited received the Best Facility Management Strategy Award in the IFMA Asia Pacific Award of Excellence for their exceptional performance in delivering quality facility management services;
- Goodwell was awarded the Team Award – Field & Special Service (Merit Award) and Smart Service Award (Merit Award) under the Hong Kong Association for Customer Service Excellence Customer Service Excellence Award 2022.
- One property managed by Citybase received the Best Facility Management Technology Award in the IFMA Asia Pacific Award of Excellence, recognising its advanced technological applications in facilities management;

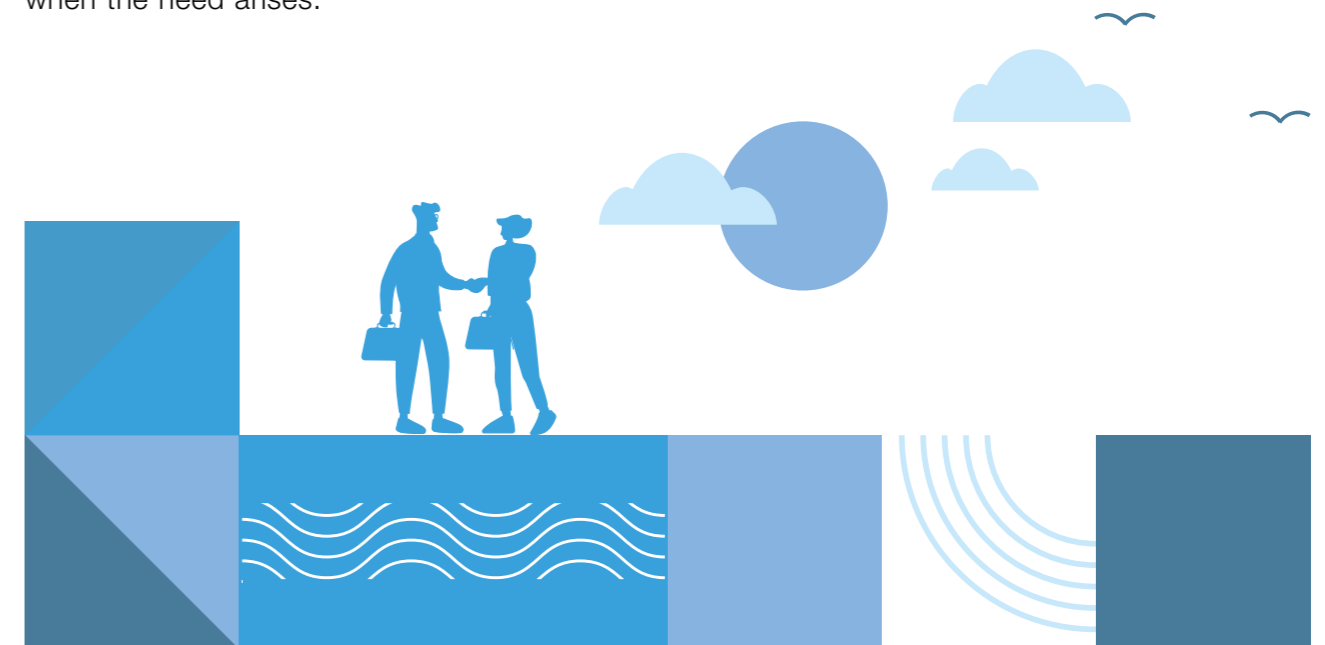
## Responsible Marketing

The Group is dedicated to providing the public with accurate and up-to-date information whilst ensuring that all marketing and sales materials comply with applicable statutory requirements and guidelines, including the Residential Properties (First-hand Sales) Ordinance and the Personal Data (Privacy) Ordinance.

The Group’s Media, Public Engagement and Donation Policy establishes a framework for managing corporate communications, donations and sponsorship activities. This policy governs the approach for engaging with the media and the public, the appropriate use of the Group logo and the disclosure of information on the Company website to ensure effective and coherent communication of corporate messages to its key stakeholders. Employees are encouraged to seek guidance and support from the Corporate Affairs Department or the marketing or administrative departments within their respective business units, as and when the need arises.

In the development of marketing and sales materials, the Group implements an internal controls system to ensure consistent and compliant messaging, where all promotional and marketing materials are to be reviewed and signed-off by external legal counsels as well as reviewed and/or approved by relevant internal departments, such as the Legal Department, and senior management before publication. This rigorous review process guarantees that our marketing and sales materials align with the Group’s brand standards, adhere to relevant rules and regulations, and effectively communicate our value proposition to the target audience.

Sales staff or marketing letters are only sent to buyers that have given consent for the Group to use their personal data for direct marketing purposes. Additionally, regular in-house training is provided to relevant staff to ensure they are equipped with the knowledge and skills necessary relating to responsible marketing and advertising practices.



## Protecting Personal Data and Intellectual Property

The Group is committed to safeguarding the personal data of its customers and employees, as well as protecting its intellectual property rights. To achieve this, relevant privacy policies, such as the Employee Code of Conduct and the Information Security Policy, have been implemented. These policies encompass measures that address the protection, collection and use of personal data, as well as intellectual property protection. The Company's subsidiaries may establish supplementary policies or statements to enhance their protection of personal data. For example, the Group's hotel and serviced suite business has developed its own Privacy Policy, which focuses on protecting customer personal data by outlining procedures for data collection, use, retention, disclosure, transfer, security and access. To ensure transparency, a Personal Data Statement has been prepared and made accessible on the website of the hotel and serviced suite operation to inform customers of the specific policies and practices implemented to ensure data protection.

Data protection measures are periodically reviewed by the Information Technology ("IT") Department and the Internal Audit Department to ensure ongoing compliance with pertinent data privacy laws and regulations. Employees receive comprehensive training on policies and

practices relating to personal data protection. Access to personal data, regardless of their format, is limited to authorised employees strictly on a need-to-know basis. Personal data are securely and permanently destroyed or erased after their intended use and in compliance with applicable laws.

To further strengthen its data protection measures, the Group has developed and enacted a Privacy Management Programme ("PMP") that adheres to the recommended best practices outlined by the Office of the Privacy Commissioner for Personal Data, Hong Kong. The PMP adopts the accountability approach for handling personal data, recognising personal data protection as an integral aspect of corporate governance responsibilities that must be upheld throughout the entire organisation.

To ensure the protection of the Group's intellectual property rights, trademarks and domain names are registered in various jurisdictions. Immediate action is taken upon the discovery of scams or infringing articles or materials concerning the Group. Installation of software is exclusively carried out by authorised IT officers, not other employees, with written approval from the respective department head. In addition, annual assessment are conducted to identify any unauthorised software installations.

The PMP is comprised of three key components:



In 2023, Citybase and Goodwell received the Silver Award and Gold Award, respectively, in the Privacy-Friendly Awards 2023 by the Office of the Privacy Commissioner for Personal Data, Hong Kong, to recognise their commitment to and performance in protecting personal data privacy.



Citybase received the Silver Award in the Privacy-Friendly Awards of the Office of the Privacy Commissioner for Personal Data, Hong Kong.

## Cybersecurity and Crisis Management

As the Group increasingly embraces digital technology in its businesses, cybersecurity measures have become an essential element to safeguard its valuable and vulnerable data assets. A multi-layered security approach is in place to protect the Group's IT systems, which includes implementing preventive, detective, and corrective control measures such as firewalls, antivirus software, access control management, data encryption and regular patch updates. These measures aim to prevent and minimise the impact of potential cyberattacks, such as Distributed Denial of Service attacks, which could lead to significant business disruption and data breaches. The Group conducts regular vulnerability assessments, performed by third-party IT service providers, to ensure the resilience of its systems.

The Information Security Policy outlines the standards for implementing cybersecurity measures.

To address cybersecurity incidents and minimise associated business disruptions, the Group has established a comprehensive business continuity and incident response plan that provides clear procedures and guidance for identifying, responding to, and recovering from such incidents.

In addition, a series of cybersecurity awareness training modules are offered to employees of all levels annually to further strengthen the Group's defences against cybersecurity risks. The training modules are designed to equip employees with up-to-date information and effective strategies for identifying cyber threats and implementing protective measures. Topics covered in the training include ways to avoid phishing scams, introduction to ransomware, CEO frauds, and mobile device security.

## COMMUNITY INVESTMENT AND DEVELOPMENT

The Group values its relationship with the community and is committed to investing both time and resources to improve the quality of life in the community.

To demonstrate this commitment, the Group has established clear principles and a cohesive approach to making charitable contributions and donations, as outlined in its Corporate Social Responsibility Policy and the Media, Public Engagement and Donation Policy. The Group's community initiatives focus on areas such as employee volunteering, education, healthcare, elderly care, arts and culture, sports and disaster relief. Furthermore, the Group actively encourages and facilitates employees giving whilst participating in and positively impacting the communities in which they live and work, as well as other geographies worldwide.

The Group, together with its affiliates ("CK Group"), was awarded a total of 166 "Caring Company" logos under the "Caring Company Scheme" by the Hong Kong Council of Social Service in 2023, in recognition of its efforts in practicing corporate social responsibility in its businesses

through caring for the community, employees and the environment, the highest number of awards received by a commercial entity for 20 consecutive years.

The Harbour Grand Kowloon Hotel has received the Social Capital Builder Awards under the Community Investment & Inclusion Fund of the Labour and Welfare Bureau, recognising its contributions towards the development of social capital and the community in Hong Kong. The Group has also received a Certificate of Appreciation from the Commissioner for Labour for its support for the Greater Bay Area Youth Development Scheme for developing careers of young people in the Mainland cities of the Greater Bay Area.

Citybase and Goodwell have been granted certificates for their participation in the Jockey Club Age-friendly City Partnership Scheme by the Hong Kong Jockey Club Charities Trust, for their continuous achievements in empowering the elderly through the adoption of age-friendly practices or activities and for their provision of age-friendly products or services.

## Charitable Donation

The Group and its subsidiaries actively engage with charitable organisations worldwide to create positive change within their local communities. Set out below are highlights of some of the donations made in 2023.

The Community Chest of Hong Kong ("Community Chest") established the "The Community Chest Rainbow Fund – Medical Assistance Fund" in April 2022 to respond to the huge demand for medical needs to targeted beneficiaries that are ineligible for receiving assistance from existing public and private medical assistance schemes. The Fund is intended to improve the quality of life of these patients, lessen their financial burden in relation to medical care and help shorten their waiting time when seeking medical services. In 2023, CK Group and Li Ka Shing Foundation continued to jointly support the "The Community Chest Rainbow Fund". The Cheung Kong Matching Fund Donation Hotline was launched, in which, for every dollar the public donates through the hotline, CK Group and Li Ka Shing Foundation will donate HK\$2 to be directed towards people with the financial burden of medical care. This demonstrates CK Group's care for the underprivileged and its responsiveness to the needs of society.

Greene King, in partnership with Macmillan Cancer Support, has regularly organised fundraising events across pubs, support centres, breweries and depots, where financial support is directed towards cancer patients. For its long-term partnership with Macmillan Cancer Support, Greene King has been awarded the Gold Award for Most Effective Long-Term Commitment, the Gold Award for Best Collaborative Approach, and the Silver Award for Best Charity, NGO, or NFP Programme. During the Reporting Period, approximately 39,000 employees of Greene King participated in fundraising activities, resulting in a total of £3.8 million in funds raised.

In 2023, Greene King formed a strategic partnership with the Natasha Allergy Research Foundation, an organisation focusing on medical research, law and policies, and educating and raising allergy awareness to create positive change for people with food allergies. Greene King has pledged a six-figure sum in sterling over a three-year period to the Natasha Allergy Research Foundation to support vital medical research on causes and developing ways to prevent and treat allergic diseases.



Members of CK Group were awarded a total of 166 "Caring Company" logos in 2023.



The CK Group & Li Ka Shing Foundation participated in the Community Chest 2:1 matching donation campaign in 2023.

Goodwell supported the 55 Push Up Challenge by the Neighbourhood Advice-Action Council (“NAAC”), a new fundraising activity to enhance public awareness of healthy lifestyles and to encourage public donations. In the activity, Goodwell successfully raised HK\$11,090 to support NAAC’s non-subsidised elderly services and hostel for handicapped persons. Goodwell also attained the “Top Creative Award” in this meaningful event.



Goodwell’s participation in the 55 Push Up Challenge.

In 2023, Citybase donated 50 boxes of ASTM Level 3 Standards compliant masks to the Caritas Cheng Shing Fung District Elderly Centre (Sham Shui Po).

During the Reporting Period, the Group donated approximately HK\$8 million to various charitable organisations.



Citybase’s mask donation to the Caritas Cheng Shing Fung District Elderly Centre (Sham Shui Po).

## Our ESG Story: Sharing with Communities In Need

### Mooncake Madness 2023

At the Mid-Autumn Festival, Cheung Kong Center Property Management Limited partnered with Feeding Hong Kong to collect surplus mooncakes or mooncake vouchers from tenants, for donation to various charities.

Through this initiative, tenants were invited to contribute to the reduction of food waste while creating a positive impact in society by sharing festive joy with low-income families and senior residents.

### New Life Psychiatric Rehabilitation Association (“NLPRA”) Kwai Shing Sheltered Workshop – Food Sharing Project

In order to raise awareness of food waste issues and to advocate surplus food donations, a food-sharing project was launched in Kwai Shing with the sponsorship of the Food Sharing Fund. Mr. Vincent Chua, the General Manager

of Goodwell, led his volunteer team to visit the NLPRA centre in Kwai Shing and gave gift bags containing rice, nutritious food, and other products of NLPRA to around 100 elderly residents to show support and care.



Goodwell’s volunteer team at the NLPRA centre in Kwai Shing, participating in NLPRA’s the Food Sharing Project.

### Local Second-hand Platform

To extend social support to the community, Hutchison Property Management Company Limited collected second-hand goods, such as handicraft sets, stationery and toys,

and gave these goods to low-income families in Kowloon City District through the S.K.H Holy Carpenter Church Community Centre.



333 Learning Companion Leadership Programme supported by the Group.

## Community Enrichment and Support

Alongside financial contributions, the Group and its subsidiaries have actively engaged in a range of initiatives, charitable events, and volunteer services to make a positive impact on the community.

### Supporting the community

With the aim of supporting the education of underprivileged children, since the establishment of the We R Family Foundation in 2010, CK Group and Li Ka Shing Foundation have donated over HK\$92 million and have been providing professional advice to support the operation and development of the “333 Learning Companion Leadership Programme” (“333 Programme”). The 333 Programme provides academic assistance, moral education and family and emotional support to encourage the

whole-person development and development of the competitiveness of underprivileged children from low-income families. The 333 Programme has also helped to foster harmony between peers of these children and their families, in addition to focusing on conduct and academic performance. In 2023, CK Group donated in total HK\$6.7 million in support of the 333 Programme to support over 9,500 children and 9,000 families in 89 participating primary schools in 9 service districts.

Since 2020, Harbour Plaza Hotel Management Group has engaged in a soap recycling programme to collect, sanitise, and recycle lightly used soap and other sanitation amenities from hotels. The items are distributed to underprivileged communities, with a particular focus on Asia.

## Our ESG Story: Measuring the ESG Impact of Social and Affordable Housing

Civitas, managed by Civitas Investment Management Limited (“CIM”) and privatised by the Group in 2023, exemplifies how it integrates measurable ESG performance and social impact into its Social and Affordable Housing investment strategy. By embedding these principles into its investment processes and outcomes, Civitas has the unique opportunity to create a substantial and positive influence on a larger scale.

Recognising the importance of accountability and transparency, Civitas actively pursues external evaluation from independent specialised social advisory firms. These esteemed partners provide invaluable insights, challenging Civitas to continuously improve its practices and conducting comprehensive performance reviews to measure its tangible achievements. Through its collective efforts, Civitas strives to make a lasting difference and contribute to a more sustainable and inclusive future.

### Social and Affordable Housing Investment Strategy

Studies across the UK and the European Union have found evidence of the long-term shortage of social and affordable housing, with the key contributing factor being the lack of financial resources. Understanding the vital role of long-term private capital in boosting additional supply, CIM, through Civitas, has become a pioneer in bringing private capital into the social and affordable housing sector.

Civitas is currently the largest provider of healthcare housing catering to individuals requiring specialised care in the UK. Its focus is placed on enabling these individuals to reside in community-based settings where they can receive the necessary support to improve their quality of life.



Castle House, Todmorden

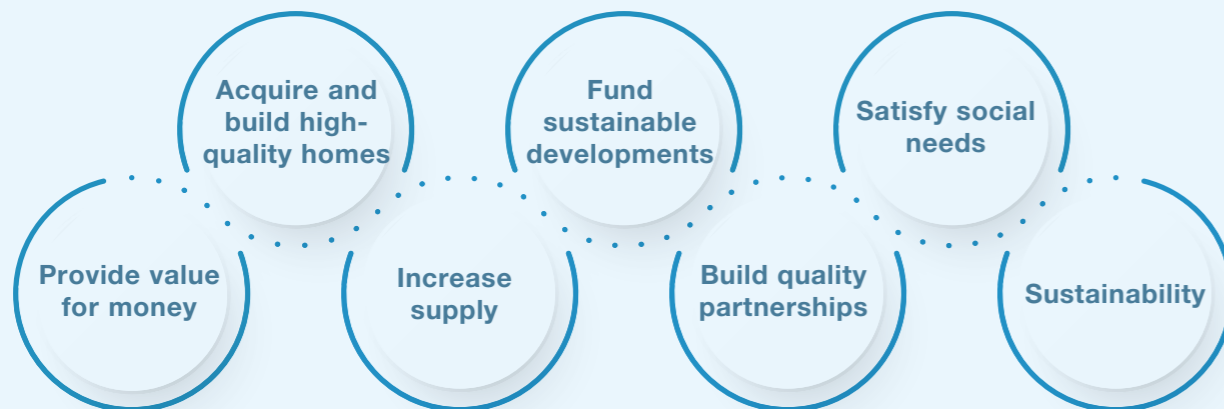
## Impact Objectives

Specific objectives are implemented in Civitas' Social and Affordable Housing investment strategy in order to ensure that its investments generate a positive impact on society ("ESG Impact Objectives"). These objectives are formulated with and evaluated by specialist social impact advisors, such as The Good Economy and Sonnet Advisory.

Provide high-quality, energy-efficient residences incorporating the latest innovative technologies specifically designed to cater to individuals with lifelong care needs.

Advance environmental protection measures through resource-efficiency schemes to enhance carbon savings and provide a roadmap for enhancing the environmental performance of the existing portfolio.

Prioritise developments that address the needs of individuals requiring extensive care, whilst contributing to other societal needs, such as creating new jobs and skills locally, fostering growth in the low-carbon sector, and engaging in local community events.



Enable cost-effective utilisation of public health, care, and housing budgets by facilitating the transition of vulnerable individuals from institutional and residential settings.

Drive the construction of new housing that would otherwise not be built, while also acquiring and transforming private sector homes into social housing to offer secure residences for vulnerable individuals within existing communities.

Partner with approved providers and care providers and ensure that they have the capability to deliver high-quality services for residents. In addition, actively support and monitor the implementation of environmental protection strategies/efforts.

Establish and implement ESG policies that incorporate commitments to internationally-recognised best practices.



Members of CIM were invited to the House of Lords by Lord Palmer of Childs Hill on behalf of The National Learning Disabilities & Autism Awards, which Civitas sponsored in 2023.

## ESG Impact Measurement and Management

In Civitas' investment strategy, ESG impact is taken into consideration at every stage of the investment process.

Pre-Investment	Due Diligence	Post-Investment
<ul style="list-style-type: none"> <li>Verify demand in areas of need</li> <li>Potential sites or projects, as well as the track record of approved providers, care providers, and developers, are screened and reviewed against the ESG Impact Objectives</li> <li>Require sustainability to be embedded into the design and/or building works specifications</li> </ul>	<ul style="list-style-type: none"> <li>Conduct due diligence to assess the quality of service, financial resilience, and governance of the approved providers and care providers</li> <li>Review design specifications and build contracts to ensure alignment with the ESG Impact Objectives</li> <li>Benchmark financial aspects of the project, such as rent and affordability, to ensure it offers good value for money</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing monitoring to identify and resolve any issues that arise</li> <li>Review health and safety data and care provider delivery</li> <li>Continuous support and feedback to ensure sustained ESG impacts and long-term sustainability</li> <li>Regular independent impact reports to establish transparency and accountability in communicating impacts generated on society</li> </ul>

### Providing Employment Opportunities

Greene King recognises its important role in reversing worries about a lack of opportunities, by offering people the chance to find long-term rewarding careers in their local communities, regardless of their background. Through its Untapping Potential programme, Greene King has supported nearly 150 prison leavers into employment since 2019 and is committed to recruiting 300 more prison leavers into roles by 2025 as part of its Untapping Potential report. Alongside the Releasing Potential Programme, Greene King has organised 32 different apprenticeship options to provide practical work experience and opportunities for youth

from diverse backgrounds, with over 15,000 apprenticeships completed to date.

Harbour Plaza Hotel Management Group has launched a programme dedicated to supporting refugees into employment. The programme provides job opportunities, comprehensive training, and valuable mentorship to refugees, enabling them to develop essential job and life skills to facilitate their integration into the job market. In September 2023, Harbour Plaza Hotel Management Group proudly welcomed and hired four refugees as part of this initiative.

### Volunteering

The Group continues to engage its employees to positively contribute to the community through various volunteering opportunities. In 2023, a total of 1,311 employees have spent 13,315 hours in a variety of volunteer services.

The Citybase volunteer team has organised

the Love For You 2023 activity in partnership with the Caritas Shing Fung District Elderly Council (Sham Shui Po) to pay visits to the elderly community and provide them with emotional support. Similarly, Whampoa Garden Management Limited organised joint activities with H.K.M.E.A. Cheng Yu Tung



The Citybase volunteer team visiting the elderly community.

Social Centre for the Elderly to help empower the disadvantaged communities and address their needs and enhance community cohesion and harmony. Its volunteers visited the elderly residents of Whampoa Garden to offer them support and encouragement and foster the spirit of mutual help in the community. Harbourfront Horizon All-Suite Hotel and Harbourview Horizon All-Suite Hotel have also continued to support the “Anti-Deception Chinese Opera

Show” to raise senior residents’ awareness of anti-deception measures.

In addition, Harbour Plaza Hotel Management Group organised a pastry-making workshop in collaboration with the Hong Kong Employment Development Service (“HKEDS”), where volunteers worked with youth with special educational needs to bake various pastries at the HKEDS Wong Tai Sin Centre.



Volunteers from Harbour Plaza Hotel Management Group engaged with youth with special educational needs through a pastry-making workshop.

### Community Activities

In 2023, the Group organised events with Tsz Shan Monastery, including New Year Flower Offerings and Buddha’s Birthday Celebration, to celebrate and share the joy of New Year and Buddha’s Birthday with the community. Cheung Kong Center Property Management Limited also organised the Blood Donation Day at Cheung Kong Center.



Blood Donation Day at Cheung Kong Center

Jointly organised by Cheung Kong Center Property Management Limited and Cheung Kong Group's Christian Fellowship, "Living Water@Workplace" Christmas Carol 2023 returned to the main lobby area of Cheung Kong Center. The energetic choir in smart red outfits spread the Christmas joy and happiness through classic and contemporary songs and carols. Colleagues, tenants and visitors soaked up the seasonal atmosphere at lunchtime on the last two business days before Christmas.



Goodwell's annual flagship event, "Lunch Banquet for Seniors 2023", was held on 15 November with record-breaking participation of around 500 elderly residents from 10 Goodwell Managed Properties having an enjoyable afternoon together with a series of lion dance and singing shows. The banquet demonstrates Goodwell's commitment to serving its occupants with a caring spirit and supporting their well-being.



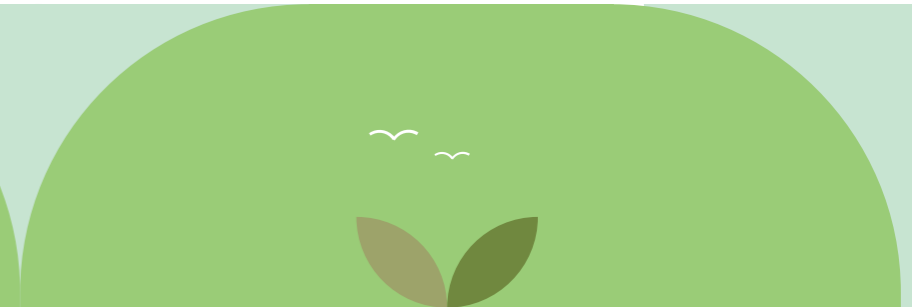
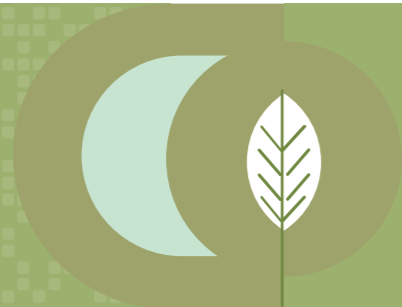
"Living Water@Workplace" Christmas Carol 2023 marked the 10th year of the annual carolling events.

"Lunch Banquet for Seniors 2023", Goodwell's annual flagship event.



# Additional Information

▼ *United Energy lineworkers inspecting powerlines overlooking Port Phillip Bay, Melbourne.*



## PERFORMANCE DATA SUMMARY

Environmental KPIs <sup>(Note 1)</sup>	Unit	Property Development <sup>(Note 2)</sup>		Property Management <sup>(Note 3)</sup>		Hotel and Serviced Suite Operation <sup>(Note 4)</sup>		Offices		Pub Operation	
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>GHG emissions <sup>(Note 5)</sup></b>											
Total GHG emissions (location-based method) <sup>(Note 6)</sup>	tCO <sub>2</sub> e	107,550	84,723	244,596	240,901	95,672	93,712	4,062	4,612	147,319	129,098
Total GHG emissions (market-based method) <sup>(Note 7)</sup>	tCO <sub>2</sub> e	107,550	84,723	244,596	240,901	95,672	93,712	4,062	4,612	147,147	129,098
Direct GHG emissions (Scope 1)	tCO <sub>2</sub> e	–	–	9,154	7,198	15,414	15,471	557	699	71,289	68,262
Energy indirect GHG emissions (Scope 2) (location-based method)	tCO <sub>2</sub> e	–	–	232,630	231,038	78,637	76,581	3,226	3,596	62,244	59,147
Energy indirect GHG emissions (Scope 2) (market-based method)	tCO <sub>2</sub> e	–	–	232,630	231,038	78,637	76,581	3,226	3,596	62,071	59,147
Other indirect GHG emissions (Scope 3) <sup>(Note 8)</sup>	tCO <sub>2</sub> e	107,550	84,723	2,811	2,665	1,621	1,660	279	317	13,787	1,689
Total GHG emissions intensity (location-based method) <sup>(Note 9)</sup>	tCO <sub>2</sub> e/sq.ft.	0.0023	0.0021	0.0015	0.0016	0.0125	0.0123	0.0085	0.0088	N/A	N/A
	tCO <sub>2</sub> e/HK\$'000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.0063	0.0062
Total GHG emissions intensity (market-based method)	tCO <sub>2</sub> e/sq.ft.	0.0023	0.0021	0.0015	0.0016	0.0125	0.0123	0.0085	0.0088	N/A	N/A
	tCO <sub>2</sub> e/HK\$'000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.0063	0.0062
<b>Waste generated</b>											
Non-hazardous waste	tonnes	<sup>(Note 10)</sup> 155,161.4	116,583.8	110.2	125.6	111.8	108.5	57.7	65.5	3,171.6	3,400.0
Hazardous waste	tonnes	46.2	41.6	6.3	5.2	–	–	1.0	0.9	881.0	772.4
<b>Waste recycled</b>											
Concrete, steel and metals, mixed rock and soil and other construction waste	tonnes	176,936.85	168,221.92	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Paper	tonnes	3.20	2,051.53	5,980.3	6,255.0	63.1	43.9	36	22	4,321.4	4,504.2
Glass bottles	tonnes	–	–	131.6	150.2	<sup>(Note 14)</sup> 42.3	24.9	0.492	0.097	21,346.0	21,077.8
Aluminium cans	tonnes	0.0017	0.0012	493.4	301.3	0.3	0.02	0.001	0.001	272.0	175.0
Plastic bottles	tonnes	0.0065	0.0046	357.8	332.6	<sup>(Note 14)</sup> 16.8	7.3	0.015	0.013	255.5	144.9
Food	tonnes	–	–	<sup>(Note 12)</sup> 16.6	–	<sup>(Note 14)</sup> 297.9	92.1	1.9	1.9	10,176.0	10,849.8
Other wastes recycled	tonnes	–	–	25.5	8.5	–	–	3.7	5.4	39,634.7	18,266.8
<b>Energy consumption</b>											
Total energy consumption	kWh	<sup>(Note 11)</sup> 70,319,713	91,223,239	492,140,919	486,161,853	223,428,762	217,839,780	7,283,419	7,665,477	627,098,904	646,752,451
<b>Direct energy consumption</b>											
Gasoline/Petrol	kWh	1,266,861	1,816,140	5,364	7,524	118,877	85,752	1,168,838	1,089,558	5,267,978	2,477,273
Diesel	kWh	45,407,686	68,145,010	146,677	172,574	26,886	24,515	278,380	247,619	17,739,205	32,217,098
Natural gas and town gas	kWh	–	–	11,977,495	9,809,855	55,115,000	49,795,556	86,725	79,559	281,247,113	290,127,594
Other fuels (Gas oil, Kerosene, LPG)	kWh	7,423	N/A	N/A	N/A	N/A	N/A	N/A	N/A	23,159,377	16,072,988
<b>Indirect energy consumption</b>											
Non-renewable electricity and heat purchased	kWh	23,637,743	21,262,089	480,011,383	476,171,900	168,167,999	167,933,958	5,749,477	6,248,740	299,685,231	305,857,498
On-site renewable electricity generated	kWh	–	–	–	–	–	–	–	–	4,050	–
Off-site renewable electricity purchased	kWh	–	–	–	–	–	–	–	–	831,567	–
Total energy consumption intensity	kWh/sq.ft.	1.48	2.27	2.95	3.19	29.22	28.49	15.21	14.60	N/A	N/A
	kWh/HK\$'000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	27.01	30.89
Direct energy consumption intensity	kWh/sq.ft.	0.98	1.74	0.07	0.07	7.23	6.53	3.20	2.70	N/A	N/A
	kWh/HK\$'000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	14.10	16.28
Indirect energy consumption intensity	kWh/sq.ft.	0.50	0.53	2.87	3.12	21.99	21.96	12.00	11.91	N/A	N/A
	kWh/HK\$'000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	12.91	14.61
<b>Water consumption</b>											
Total water consumption	m <sup>3</sup>	986,530	1,100,252	<sup>(Note 13)</sup> 4,909,501	4,180,847	1,909,529	1,933,224	10,423	9,569	3,125,838	3,143,819
Water consumption intensity	m <sup>3</sup> /sq.ft.	0.02	0.03	0.03	0.03	0.25	0.25	0.02	0.02	N/A	N/A
	m <sup>3</sup> /HK\$'000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.13	0.15
<b>Packaging material</b>											
Total packaging material used for finished products	tonnes	N/A	N/A	N/A	N/A	<sup>(Note 15)</sup> 35	63	N/A	N/A	<sup>(Note 16)</sup> 6,312	14,066

Notes:

- (1) Environmental data of 2022 include 25 construction sites, 202 Managed Properties, 16 hotels and serviced suites in Hong Kong, all pubs, breweries and self-occupied offices. Environmental data of 2023 include 27 construction sites, 199 Managed Properties, 16 hotels and serviced suites in Hong Kong, all pubs, breweries and self-occupied offices. The 2022 figures have been adjusted to enhance data accuracy and align with our commitment to transparent reporting. “-” represents 0 in value for the KPI, and “N/A” means that the KPI is not relevant for reporting in the operation concerned or was not reported in the previous financial year.
- (2) The data of property development business are provided by contractors of property development projects.
- (3) The data of the property management business only include consumptions and emissions in common areas as well as airconditioning systems in Managed Properties which are under the control of the Group.
- (4) The data of hotel and serviced suite operation include consumption and emissions from tenants and hotel and serviced suite guests.
- (5) Carbon emissions are calculated with reference to the Greenhouse Gas Protocol published by the World Resources Institute and the World Business Council on Sustainable Development, the Global Warming Potential Values from the IPCC Fifth Assessment Report published by the IPCC, the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong, published by the Environmental Protection Department and the Electrical and Mechanical Services Department, UK Government GHG Conversion Factors for Company Reporting published by the Department for Business, Energy & Industrial Strategy in the UK, and other national and local grid emission factors. Emission factors are updated on an annual basis, in order to reflect the actual situation regarding emissions.
- (6) Location-based method for Scope 2 emissions is defined by the Greenhouse Gas Protocol as a method for quantifying Scope 2 emissions using the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data).
- (7) Market-based method for Scope 2 emissions is defined by the Greenhouse Gas Protocol as a method for quantifying Scope 2 emissions based on the electricity that companies have chosen to purchase. This method uses emission factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy bundled with attributes about the energy generation, or for unbundled attribute claims.
- (8) All property development projects were undertaken by contractors. Therefore, the related GHG emissions are reported under Scope 3 Other indirect GHG emissions.
- (9) Intensities are calculated using the following metrics according to the nature of each business segment:
  - a. Property Development: Total gross floor area of construction projects;
  - b. Property Management: Total gross floor area of Managed Properties;
  - c. Hotel and Serviced Suite Operation: Total gross floor area of hotels and serviced suites;
  - d. Offices: Total gross floor area of self-occupied office; and
  - e. Pub Operation: Total revenue of pubs and breweries.
- (10) The increase in non-hazardous waste in the property development business is due to different stages of construction activities in 2023 compared to 2022, resulting in an increase in general construction waste to landfill.
- (11) The decrease is due to different stages of construction activities in 2023 compared to 2022.
- (12) Starting in July 2023, Cheung Kong Center Property Management Limited participated in the Food Waste Collection pilot scheme organised by EPD. No food waste was collected and recycled in 2022.
- (13) The increase in water consumption in the property management business is driven by the reopening of clubhouse facilities in Hong Kong and the Mainland.
- (14) The amount of recycled glass, plastic, and food increased in 2023 compared to 2022 as more hotels managed by the Group participated in EPD-organised recycling programmes for respective materials.
- (15) The easing of social gathering restrictions and mandatory quarantine scheme by the HKSAR Government resulted in a drop in demand for packaging materials used in hotel and serviced suite operation in 2023. In addition, in anticipation of the forthcoming restrictions by the HKSAR Government on the use of disposable plastic tableware in 2024, the hotel and serviced suite operation has implemented measures to reduce the quantity of takeaway packaging materials used.
- (16) In 2023, the pub operation in the UK has implemented a new reporting system for packaging materials, which led to a significant change in the amount of packaging materials reported.

Social KPIs <sup>(Note 1)</sup>	Unit	The Group	
		2023	2022
<b>Workforce profile</b>			
Total workforce	Number	56,972	54,677
By gender			
Male	Percentage	49%	49%
Female	Percentage	51%	51%
By employment type			
Permanent	Percentage	42%	44%
Part time & Temporary	Percentage	57%	55%
Contract	Percentage	1%	1%
By age group			
18–30	Percentage	45%	45%
31–50	Percentage	36%	36%
Above 50	Percentage	19%	19%
By geographical region			
Hong Kong	Percentage	19%	19%
The Mainland	Percentage	9%	10%
Overseas	Percentage	72%	71%
<b>Turnover rate among full-time staff</b>			
By gender			
Male	Percentage	16%	18%
Female	Percentage	15%	17%
By age group			
18–30	Percentage	31%	35%
31–50	Percentage	13%	15%
Above 50	Percentage	9%	10%
By geographical region			
Hong Kong	Percentage	14%	15%
The Mainland	Percentage	7%	5%
Overseas	Percentage	22%	27%
<b>New employee hires</b>			
Total number of new employee hires	Number	3,548	N/A <sup>(Note 2)</sup>
By gender			
Male	Number	1,984	N/A
Female	Number	1,564	N/A
By age group			
18–30	Number	852	N/A
31–50	Number	1,519	N/A
Above 50	Number	1,177	N/A
By employee category			
Managerial grade or above	Number	98	N/A
Non-managerial grade	Number	3,450	N/A
By level of experience			
Fresh graduates	Number	241	N/A
Experienced hire	Number	3,307	N/A

Social KPIs <sup>(Note 1)</sup>	Unit	The Group	
		2023	2022
<b>Health and safety</b>			
Lost days due to reported work-related injuries for employees directly employed by the Group	Lost days	9,364.0	10,329.5
Number of work-related fatalities <sup>(Note 3)</sup>	Number	–	–
<b>Training and development</b> <sup>(Note 4)</sup>			
Percentage of employees trained by gender			
Male	Percentage	88%	67%
Female	Percentage	88%	64%
Percentage of employees trained by employee category			
Managerial grade or above	Percentage	92%	60%
Non-managerial grade	Percentage	87%	67%
Average training hours per employee by gender			
Male	Hours	17.90	12.98
Female	Hours	16.43	11.46
Average training hours per employee by employee category			
Managerial grade or above	Hours	10.22	7.12
Non-managerial grade	Hours	17.87	12.78
Average amount spent per full-time employee for training and development	HKD	108.71	N/A
<b>Product responsibility</b> <sup>(Note 5)</sup>			
Number of product-and service-related written complaints received	Number	<sup>(Note 6)</sup> 27,743	25,004

Notes:

- (1) Unless otherwise specified, social data of 2022 and 2023 include property development, property management, hotel and serviced suite operation, offices and pub operation that are operated by the Group.
- (2) "N/A" denotes new social KPIs in 2023 that were not reported in 2022.
- (3) Number of work-related fatalities of the Group for the year 2021 is zero.
- (4) Training data of pub operation is excluded. Due to the nature of food and beverage industry, pub operation employs a significant portion of part-time & temporary staff in its workforce, the composition of which is considerably different from that of other operations of the Group. Therefore, training data of pub operation are not directly comparable to, and may not be meaningfully consolidated with other operations of the Group.
- (5) There were no products sold or shipped subject to recalls for health and safety reasons in 2022 and 2023.
- (6) Mainly represents reported cases from pub operation. The increase in number of complaints was mainly from pub operation, following the resumption of business activities.



**VERIFICATION STATEMENT**

**Scope of Verification**

Hong Kong Quality Assurance Agency ("HKQAA") conducted an independent verification for the Sustainability Report 2023 ("the Report") of CK Asset Holdings Limited ("CKA"). The scope of HKQAA's verification covered the sustainability performance and information of CKA for the period from 1<sup>st</sup> January 2023 to 31<sup>st</sup> December 2023 in providing a limited level of assurance.

The Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide ("ESG Guide") contained in Appendix C2 to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with reference to the recommendations from the Task Force on Climate-related Financial Disclosures ("TCFD").

**Level of Assurance and Methodology**

The process applied in this verification was based on the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board. Our evidence gathering process was designed to obtain a limited level of assurance for devising the verification conclusion.

Our verification procedures covered:

- review of the report compilation, stakeholder engagement and materiality assessment processes;
- examination of the raw data and supporting evidence of the selected samples; and
- evaluation of the mechanism for collecting, collating and reporting performance data.

**Independence**

CKA is responsible for preparing the report. HKQAA was not involved in calculating, compiling, or in the development of the Report. Our verification activities are independent from CKA.

**Conclusion**

Based on the verification results and in accordance with the verification procedures undertaken, HKQAA has obtained a limited level of assurance and is in the opinion that, nothing has come to the verification team's attention that

- The Report has not complied with all the mandatory disclosure requirements and "comply or explain" provisions outlined in the ESG Guide; and
- The Report has not been prepared with reference to the TCFD recommendations for disclosure.

**Signed on behalf of Hong Kong Quality Assurance Agency**

Connie Sham  
 Head of Audit  
 March 2024

## SEHK ESG REPORTING GUIDE INDEX

### Mandatory Disclosure Requirements

Description	References and Remarks
<b>Governance Structure</b>	
<p>A statement from the board containing the following elements:</p> <ul style="list-style-type: none"> <li>(i) a disclosure of the board’s oversight of ESG issues;</li> <li>(ii) the board’s ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer’s businesses); and</li> <li>(iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer’s businesses.</li> </ul>	<p><b>Message From The Chairman</b></p> <p><b>About This Report</b></p> <p><b>The Governance</b></p> <p><b>Sustainability at the Company</b></p>
<b>Reporting Principles</b>	
<p>A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report:</p> <p><b>Materiality:</b> The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer’s stakeholder engagement.</p> <p><b>Quantitative:</b> Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.</p> <p><b>Consistency:</b> The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.</p>	<p><b>About This Report</b></p> <p><b>Materiality Assessment</b></p> <p><b>Stakeholder Engagement</b></p>
<b>Reporting Boundary</b>	
<p>A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.</p>	<p><b>About This Report</b></p>

### “Comply or explain” Provisions

Subject Areas, Aspects, General Disclosures and KPIs	Description	References and Remarks
<b>A. Environmental</b>		
<i>Aspect A1</i>	<i>Emissions</i>	
General Disclosure	<p>Information on:</p> <ul style="list-style-type: none"> <li>(a) the policies; and</li> <li>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</li> </ul>	<p><b>GHG Emissions</b></p> <p><b>Resource Management</b></p> <p><b>Regulatory Compliance</b></p>
KPI A1.1	The types of emissions and respective emissions data.	Considering the nature of the Group’s business, besides GHG emissions, other air emissions were identified as immaterial in the Group’s direct operation.
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	<p><b>GHG Emissions</b></p> <p><b>Performance Data Summary</b></p>
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	<p><b>Waste Management</b></p> <p><b>Performance Data Summary</b></p>
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	<p><b>Waste Management</b></p> <p><b>Performance Data Summary</b></p>
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	<p><b>GHG Emissions</b></p> <p><b>Sustainability Targets</b></p>
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	<p><b>Waste Management</b></p> <p><b>Sustainability Targets</b></p>

<i>Aspect A2</i>		<i>Use of Resources</i>	
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	<b>Resource Management</b>	
KPI 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).	<b>Energy Efficiency</b>	<b>Performance Data Summary</b>
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	<b>Water Efficiency</b>	<b>Performance Data Summary</b>
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	<b>Energy Efficiency</b>	<b>Sustainability Targets</b>
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	<b>Water Efficiency</b>	Due to the Group's business nature and operation locations, the issue in sourcing water that is fit for purpose is not relevant to the Group. <b>Sustainability Targets</b>
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	<b>Reducing the Use of Packaging Materials</b>	<b>Performance Data Summary</b>
<i>Aspect A3</i>		<i>The Environment and Natural Resources</i>	
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	<b>Green Buildings</b> <b>Managing Other Environmental Impacts</b>	
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	<b>Green Buildings</b>	<b>Managing Other Environmental Impacts</b>
<i>Aspect A4</i>		<i>Climate Change</i>	
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	<b>The Environment</b> <b>TCFD Reporting</b>	
KPI A4.1	Description of the significant climate – related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	<b>The Environment</b>	<b>TCFD Reporting</b>

<i>B. Social</i>		
<i>Employment and Labour Practices</i>		
<i>Aspect B1</i>	<i>Employment</i>	
General Disclosure	Information on:  (a) the policies; and  (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	<b>Employment and Labour Practices</b>
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	<b>Employment and Labour Practices</b> <b>Performance Data Summary</b>
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	<b>Equality, Diversity and Inclusion</b> <b>Performance Data Summary</b>
<i>Aspect B2</i>	<i>Health and Safety</i>	
General Disclosure	Information on:  (a) the policies; and  (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to providing a safe working environment and protecting employees from occupational hazards.	<b>Employment and Labour Practices</b> <b>Employee Health and Well-being</b> <b>Occupational Health and Safety</b>
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	<b>Occupational Health and Safety</b> <b>Performance Data Summary</b>  Due to the low risk and rare occurrence of work-related fatalities in relation to the Group's business nature, the rate of work-related fatalities was not disclosed.
KPI B2.2	Lost days due to work injury.	<b>Occupational Health and Safety</b> <b>Performance Data Summary</b>
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	<b>Occupational Health and Safety</b>

<i>Aspect B3</i> <i>Development and Training</i>		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	<b>Training and Development</b>
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	<b>Training and Development</b> <b>Performance Data Summary</b>
KPI B3.2	The average training hours completed per employee by gender and employee category.	<b>Training and Development</b> <b>Performance Data Summary</b>
<i>Aspect B4</i> <i>Labour Standards</i>		
General Disclosure	Information on:  (a) the policies; and  (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	<b>Employment and Labour Practices</b>  <b>Human Rights</b>
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	<b>Human Rights</b>
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	<b>Human Rights</b>
Operation Practices		
<i>Aspect B5</i> <i>Supply Chain Management</i>		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	<b>Supply Chain Management</b>
KPI B5.1	Number of suppliers by geographical region.	<b>Supply Chain Management</b>  For consistency in reporting practices with the Group's Annual Report, the Group only reports on data related to the five largest suppliers.
KPI 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.	<b>Supply Chain Management</b>
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	<b>Managing Supply Chain's Environmental Impact</b>  <b>Managing Supply Chain's Social Impact</b>
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	<b>Managing Supply Chain's Environmental Impact</b>

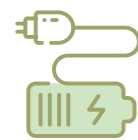
<i>Aspect B6</i> <i>Product Responsibility</i>		
General Disclosure	Information on:  (a) the policies; and  (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	<b>Product and Service Responsibilities</b>
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	<b>Maintaining Products and Services Safety and Quality</b> <b>Performance Data Summary</b>
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	<b>Maintaining Products and Services Safety and Quality</b> <b>Performance Data Summary</b>
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	<b>Protecting Personal Data and Intellectual Property</b>
KPI B6.4	Description of quality assurance process and recall procedures.	<b>Maintaining Products and Services Safety and Quality</b>
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	<b>Protecting Personal Data and Intellectual Property</b> <b>Cybersecurity and Crisis Management</b>
<i>Aspect B7</i> <i>Anti-corruption</i>		
General Disclosure	Information on:  (a) the policies; and  (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	<b>Business Ethics</b>
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	No concluded legal cases regarding corrupt practices brought against the Company or its employees during the Reporting Period.
KPI B7.2	Description of preventive measures and whistleblowing procedures, and how they are implemented and monitored.	<b>Business Ethics</b>
KPI B7.3	Description of anti-corruption training provided to directors and staff.	<b>Business Ethics</b>
<i>Aspect B8</i> <i>Community Investment</i>		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	<b>Community Investment and Development</b>
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	<b>Community Investment and Development</b>
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	<b>Community Investment and Development</b>

## ACHIEVEMENTS AND INNOVATIONS OF INFRASTRUCTURE INVESTMENTS

As a responsible investor, the Group understands the critical importance of environmental stewardship and the necessity of structural transformations in the global low-carbon transition. The Group is committed to accelerating the transition through its Infrastructure Investments, aiming to contribute to the journey towards a more environmentally friendly and resilient future.

As at 31 December 2023, the Group’s Infrastructure Investments include CK William, Reliance, ista, UKPN, Northumbrian Water, AVR, WWU and UK Rails – some of which have committed to net zero targets with various timeframes. As part of the strategy for sustainable value reaction, the Group’s Infrastructure Investments identified and pursued opportunities that help combat climate change, including:

### Investing in Green Transition Technology



United Energy is committed to progressing technological investments that provide customers with increased flexibility and the ability to participate in the energy transition. An example of this commitment to sustainable innovation is the pole top battery program which supports customer-owned renewable generation. This project has installed more than 20 pole top batteries, with each battery 30kW/66kWh, targeting network constraints and participation in wholesale electricity markets through an agreement with a retail partner. Once complete, over 1MW of capacity will be installed at 37 sites from this pole top battery fleet. By earmarking an investment of AU\$12.7 million by 2026, United Energy is poised to make significant contributions to the sustainability and efficiency of energy infrastructure. Together, Victoria Power Networks and United Energy’s focused investments are steering the energy sector towards a more sustainable and technologically sophisticated future.

### Expanding Electric Vehicle Infrastructure



UKPN is at the forefront of the UK’s charge towards a greener, more sustainable future with its Green Recovery programme, which has seen an investment of £28.3 million in 2023 into the support infrastructure for sustainable transportation. This investment is a strategic portion of the wider £66.1 million allocated to shovel-ready projects that are poised to strengthen the UK’s electric vehicle network, a vital step in addressing climate change and meeting the commitment to net zero by 2050.

The programme’s focus on sustainable transport comes at a critical juncture, as UKPN’s license areas anticipate a rise in electric vehicles from the current 130,000 to an estimated 4.5 million by the end of the decade. To support this surge, UKPN’s investment has led to the approval of 86 applications, unlocking 147MVA of capacity that will dramatically enhance the electric vehicle charging landscape, deploying fast local electric vehicle charges.

### Asset Modernisation and Integrity



WWU, a significant contributor to the UK’s gas transmission and distribution sector, has a substantial investment totalling around £144 million in 2023 for infrastructure upgrades. Following a similar 30-year plan, WWU initiated their program in 2002 with the objective of replacing all metallic gas mains and has set a target replacement rate of approximately 425 kilometers per year.

During the Reporting Period, the Group’s Infrastructure Investments have also made various achievements in managing water resources, supporting biodiversity conservation and low carbon transitions reflecting the Group’s commitment to creating positive impact to society.

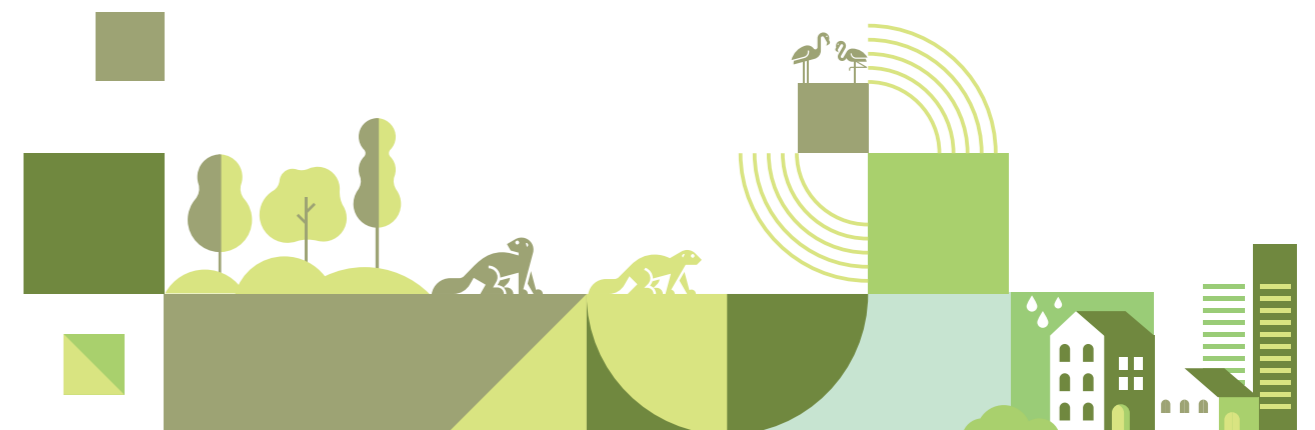
### Stewarding Water Resources

In August 2023, Northumbrian Water unveiled its updated Water Resources Management Plan (WRMP24), which outlines the company’s strategies to ensure the provision of clear drinking water from 2025 to 2050, even amidst severe drought conditions.

The WRMP24’s primary objective is to balance future water demand with supply,

pinpointing optimal solutions for impending challenges. A notable ambition articulated in the document is the company’s commitment to a 55% reduction in network leakage by 2050, a target that resonates with customer priorities.

Northumbrian Water has evaluated a breadth of supply and demand options to formulate a preferred plan and have considered factors such as extraction limits of raw water, the implications of climate change on water demand and availability, future consumption projections, customer water efficiency initiatives, and leakage reduction. The execution of this plan will position Northumbrian Water to meet projected domestic and commercial water needs over the next 25 years and beyond.





## Biodiversity Commitments

In collaboration with local ecologists, WWU is actively implementing various Biodiversity Net Gain (“BNG”) enhancements at its Bristol Depot, which forms part of the Bristol Wildlife Network Sites. Based on an initial assessment, WWU identified significant potential for enhancing the site’s biodiversity, ecosystem services, and amenity value. Extensive discussions with local planning authorities informed WWU’s

selection of BNG intervention options. The work is currently being executed in harmony with the natural environmental cycles of the site. It includes habitat improvements, such as managing dense scrub areas, planting native trees to create woodland habitats, establishing a thriving 100m<sup>2</sup> wildlife pond, and preserving valuable resources like a dead wood tree for biodiversity. It also retains a mature sycamore tree and attracts aphids and predators, including ladybirds, hoverflies, and birds.



WWU’s Biodiversity Net Gain enhancements aim to establish crucial wildlife corridors within a designated site network in Bristol.

## Low Carbon Transition

### Decarbonising Our Operations and the Wider Community

To help UK customers transition away from fossil fuels as fast as possible, UKPN kicked off the NeatHeat project to trial new boiler systems, Zero Emission Boiler (“ZEB”), in 30 homes across London, the South East and the East of England, offering a low emissions solution for homes which may be unable to install a heat pump.

Using the heating systems already present in many UK households, the ZEB charges up when electricity is cheaper or greener, rather than using carbon-intensive solutions such as gas or oil. With a high-density storage core, the ZEB charges up overnight during off-peak, efficiently storing this energy and releasing it whenever the thermostat calls for heat or hot water. Its software will also create a unique heating plan and a charging schedule to enable the most cost-efficient heating for the home.

The trial will allow UKPN to understand the charging pattern of the smart boiler and test optimisation mechanisms that will provide flexibility to the local electricity network and use existing infrastructure more smartly.

## Embracing Hydrogen Economy

UK Rails is actively collaborating with train manufacturers and network operators to investigate the potential of alternative fuels, such as hydrogen, in the rail industry. This collaborative effort explores the feasibility and viability of using alternative fuels as cleaner, more sustainable energy sources for trains. For example, in 2023, it completed a feasibility study on bringing hydrogen passenger trains to the UK, which involved exploring technical and safety requirements.

### Promoting Carbon Capture and Avoidance

The green credits produced by EDL are traded through local and national carbon markets monetising EDL’s ability to abate carbon. This activity underscores EDL’s commitment to environmentally sound practices and also demonstrates the tangible financial value of sustainable operations.

Reliance is deeply committed to reducing its environmental impact and has implemented various initiatives to promote sustainable practices. As part of these efforts, it has incorporated ten service vehicles equipped with XL Hybrid Systems. It also partnered with One Tree Planted to plant 22,000 trees across Canada in 2023, effectively supporting the offset of more than 3 times their paper usage. In addition to this, Reliance harvested and diverted 11,886 parts from the landfill.

## LI KA SHING FOUNDATION



## LI KA SHING FOUNDATION

李嘉誠基金會

As society rebounds to normal from COVID-19 in 2023, the Li Ka Shing Foundation (“LKSF”) continued to meet the urgent needs of the community and support a wide range of medical and educational services. Recognising the importance of both psychological and physical health of the general public in social development, LKSF remained attentive to the mental well-being of individuals by continuing its long-term support to projects like the Tsz Shan Monastery (“Monastery”) and Caritas Crisis Line.

Committing in advancing humanity through education and healthcare, Mr. Li Ka-shing (“Mr. Li”) founded LKSF in 1980. Believing that building social responsibility is as important as ensuring sustainability, Mr. Li calls for a paradigm shift in Asia’s culture of giving, encouraging greater individual philanthropy to create a more hopeful and promising future. To date, Mr. Li has invested over HK\$30 billion in projects sustaining this agenda, with over 80% of the projects in Mainland China and Hong Kong.



## Hong Kong

### Tsz Shan Monastery

Grounded in Chinese Buddhism, the Monastery strives to address evolving needs of the nature and social environment through the skilful and practical application of transcendent spiritual wisdom. To date, LKSF’s continued support for the Monastery exceeded HK\$3.3 billion.

Adhering to the principles of sustainable development, the Monastery cultivates a diverse array of rare plants and integrates environmental instruction to guide visitors and practitioners in fostering a more profound connection with nature. It opts for water offerings instead of incense burning to mitigate air pollution and also consistently refines energy-saving initiatives, including high window lighting, water recycling, and rainwater harvesting. Energy consumption at the Monastery is lowered even further by incorporating power-saving devices designed

with principles of quantum physics into air conditioning systems for a more efficient cooling process. As a dedicated advocate for vegetarian and plant-based diets, the Monastery prioritises carbon reduction and promotes sustainable, healthy eating.

Cultivating strong connections with diverse segments of society, the Monastery actively promotes and enhances the physical, mental, and spiritual well-being of the public. These include opportunities for regular engagement in ritual ceremonies for devoted followers, as well as water offerings, Zen calligraphy, mindful walks, and forest therapy for visitors, – all to increase awareness and inner-peace. The Monastery is especially committed to the support and development of youth, and provides training for young volunteers, along with education and opportunities for service. In addition, it collaborates with prominent institutions to offer interdisciplinary studies in Buddhism, as well as experiential learning in mindfulness, self-compassion, and resilience.



Committed to youth empowerment, the Monastery provides training for young volunteers and facilitates experiential learning. To date the Monastery have more than 2,000 registered volunteers, aiming to inspire the public to care for their body, mind, and spirit.

The Monastery received more than 300,000 visitors throughout the year, which is also the highest record since its opening in 2015.

The Tsz Shan Monastery Buddhist Spiritual Counselling Centre – Hong Kong’s first professional centre to integrate Buddhist teachings with counselling techniques – provides spiritual counselling to those in need, embodying the compassionate spirit of Bodhisattva Avalokitesvara. In addition, the Centre strives to develop “diversified” service models, expanding from individual counselling to group activities, volunteer orientation, community education and professional training. In terms of counselling services, the Centre is guided by the principles of “healing the mind with the mind and integrating compassion and wisdom.” In this way, it assists seekers in utilising the wisdom of Buddhism to understand the nature and conditions of suffering, to receive inspiring insights, as well as to resolve mental distress and regain peace of mind. Two special programmes include the “Life Care Project,” which involves participation of over 100 trained volunteers to provide consistent spiritual care and wellness programmes to social welfare and medical institutions, and the “Metta Scheme” patient subsidy project, which offers emergency short-term financial support to patients and caregivers in urgent financial need. Together, these programmes nurture lives with compassion and offer respite for families in crisis, thereby reducing the occurrence of social tragedies. In 2023, the total attendance at the Centre has reached 1.2 million.

The volunteers of the Monastery and Tsz Shan Monastery Spiritual Counselling Centre continue to offer a range of social services to the public and received numerous Hong Kong volunteer awards in 2023 from the Hong Kong Agency for Voluntary Service. It includes: Outstanding Non-commercial Organization; Non-commercial Organization Award Top 10 Highest Volunteer

Hours; Non-commercial Organization Award for Excellence (30,000 hours or more) and individual awards for excellence gold, gold, silver, and bronze awards, with 310 volunteers in total.

### The University of Hong Kong Li Ka Shing Faculty of Medicine GI and Liver Scan Subsidy Programme

Since 2021, LKSF has collaborated with the University of Hong Kong Li Ka Shing Faculty of Medicine to provide multiphasic cross-sectional imaging services, such as MRI and CT Scan services, for patients with urgent medical needs. Key objectives of these services are to shorten the waiting time for patients in public hospitals and to identify cancer cases at early stages. In this effort, LKSF has donated around HK\$10 million for gastrointestinal and liver scans. Due to the high recurrence rate of liver cancer, the project was expanded in 2023 to provide surveillance scanning services for patients who have undergone liver transplantation or hepatic resection, so as to improve survival rates of the patients.



The joint project with The University of Hong Kong in medical imaging contributes to enhancing the recovery rate of patients in public hospitals.

### Hong Kong Kidney Foundation Home Nocturnal Haemodialysis Programme

In September 2023, the LKSF made another donation to the Hong Kong Kidney Foundation to support the Nocturnal Haemodialysis Programme for patients with end-stage renal failure. LKSF has supported this project since 2021, and has granted a total of HK\$7 million, allowing qualified and trained patients to undergo haemodialysis at home. In this way, the programme helps patients improve quality of life and keep their health care needs from interfering with daytime careers.



### Caritas Family Crisis Line and Education Centre

Despite over society recovering and returning to normal following the Covid crisis, many lingering and hidden challenges surfaced in 2023 and required increased assistance from the Caritas Crisis Line and Education

### Supporting the Hong Kong Community Chest Medical Assistance Fund

Once again, in 2023, LKSF joined hands with CK Group to support The Community Chest’s TV fundraising show. Through a double-matching donation of HK\$3 million each from the Group and LKSF, a total of HK\$6 million was raised for the Community Chest Medical Assistance Fund, which supports underprivileged patients and targeted beneficiaries, including those with kidney disease needing peritoneal dialysis at home, children and adolescents with diabetes, and elderlies in need of cataract surgery. This contribution marks the 18<sup>th</sup> time that CK Group has launched the “CK Donation Hotline” to raise funds for the Community Chest.

Centre. The Centre continues to provide 24-hour service and follow-up services through the hotline, and has organised more physical events. These events aim to let the public understand that difficulties such as



The fortnight community events organized by the Caritas Family Crisis Line and Education Centre in 2023 provided experiential crisis education to public through exhibitions, DIY handicrafts, simulated lifestyle cafes, and storytelling.

indebtedness, extramarital affairs, break-ups, or strained parent-child relationships can be overcome, and hope rekindled. In 2023, more than 50,000 participants received services or participated in activities, with a further 220,000 benefitting from the online and multimedia educational information. Since 2008, the LKSF has donated over HK\$78.4 million to the Centre, and by the end of 2023, the Centre has handled a total of over 580,000 calls and served over 730,000 participants.

### Construction Industry Casualty Assistance Programme

In June 2022, LKSF launched the Construction Industry Casualty Assistance Scheme through the Hong Kong Construction Industry Care Centre. Through the Centre, LKSF provides financial assistance to victims and families of construction industry accidents to help those affected to overcome attendant difficulties. In addition to referred cases, LKSF also reached out to offer helping

hands to construction and industrial accident victims in need. Since the launch of the programme, 20 industrial accident victims or their families have received support.

### Li Ka Shing Foundation and Opera Hong Kong Young Artist Overseas Residency Fellowships

To support the cultivation of local young singers, LKSF donated HK\$1 million to Opera Hong Kong for the Li Ka Shing Foundation and Opera Hong Kong Young Artist Overseas Residency Fellowships. Sponsorships will be provided to accomplished vocalists under the age of 30 for short-term training programmes abroad. Upon completion of their overseas studies, the singers will participate in a performance. This project not only serves as a springboard to elevate young singers to international standards, but also provides opportunities to showcase their talents and promote diversification of Hong Kong's cultural development.



## Mainland China

### Shantou University

Established in 1981, Shantou University ("STU") received continued support by LKSF with a cumulative commitment of HK\$12 billion. STU is the first Higher Education Institutional Reform Prototype in Guangdong and has been listed in the Guangdong Funding Programme for Developing High-level Universities. To date, STU has cultivated over 200,000 students for society, including currently enrolled students and alumni.

In 2023, STU continued to invest in the cultivation of talented individuals, with 18

programmes selected into the national first-class programmes and 13 courses into the national first-class undergraduate course list. Ten disciplines are ranked in the top one percent on a global list based on Essential Science Indicators data, among which the Clinical Medicine discipline has stayed in the top one percent for 12 consecutive years and was ranked in the global top 3% in March 2023. Six majors in Shantou University Medical College ("SUMC") also ranked in the top 100 of the "2023 Best Chinese Majors Ranking" published by ShanghaiRanking

Consultancy. In terms of faculty quality, eight faculty members have entered the list of "Highly Cited Chinese Researchers 2022" published by Elsevier Data Repository, and 23 have entered the list of "World's Top 2% Scientists 2022" published by Stanford University.

STU has been expanding its international influence. The University ranked 52<sup>nd</sup> among the mainland Chinese universities at the 2024 Times Higher Education World University Rankings. In 2023, STU continued to accelerate programmes dedicated to regional technological development. The International Joint Research Centre for the Development and Utilisation of Important Marine Aquaculture Varieties in the South China Sea Region was newly approved as the International Science and Technology Co-operation Base of Guangdong Province.

SUMC is committed to the educational philosophy of cultivating students with high moral values and talents. It has actively promoted reforms and innovation in education and teaching, training high-quality

and pragmatic medical professionals with "excellent ethics and skills". So far SUMC has nurtured more than 60,000 healthcare providers for the region. All the affiliated hospitals of SUMC continue to improve the quality of medical care. The First Affiliated Hospital was selected as part of the inaugural group of key development units of Guangdong Provincial High-level Clinical Medical College. The Affiliated Cancer Hospital has been approved as a "Triple A" specialised hospital (the highest level of hospital assessment in China), becoming the first Triple A cancer hospital in the eastern, northern and western regions of Guangdong and bringing the number of SUMC Triple A hospitals to four. Furthermore, the Joint Shantou International Eye Centre has been endowed with the "National Key Clinical Specialty Competence Development Programme", first of its kind in Shantou city. In 2022, the public welfare project "Bright Eyes for All" was awarded as a model project of the national "San Xia Xiang" volunteer activities, a charity programme which brings scientific knowledge and offers medical service to rural residents.



Shantou University has nurtured over 200,000 students since its establishment in 1981.

### Cheung Kong Graduate School of Business

The Cheung Kong Graduate School of Business (“CKGSB”), established in 2002 with the generous support of LKSF, is dedicated to building itself into a new generation of business school from China, which aims to cultivate world-class business leaders with a global vision, social responsibility, innovative mindset and the ability to lead with empathy and compassion. CKGSB succeeded in incorporating Western management research findings and Chinese business practices and helped develop some of China’s most successful business leaders. Likewise, it has contributed original insights, new perspectives and innovative solutions for businesses. Today, CKGSB is spearheading collaborations with globally-renowned universities and institutions to jointly offer courses for global start-up founders. CKGSB’s influential alumni network comprises of 21,000 management professionals to date, many of whom are founders of companies, and a number of them listed in Economic Figures of China and Forbes.

Through CKGSB’s dedication to promote public welfare, more than 2,800 students have developed and implemented charity initiatives within their companies. Moreover, this year, CKGSB delivered another edition of the MBA Professor Training Programme for Western China to more than 500 professors from central and western regions of China in collaboration with the China National MBA Education Supervisory Committee. Also, through a series of NGO growth seminars, CKGSB has built a platform for social organisations to share their best practices

and knowledge on brand establishment and organisational operation. Additionally, CKGSB offered a free training programme to leaders of social organisations in the Guangdong-Hong Kong-Macau Greater Bay Area.

### Free Healthcare Services

Free medical services are long-term programmes supported by LKSF, and the programmes continue to expand with the efforts of medical staff and the support of LKSF. So far, LKSF has donated more than RMB1 billion, benefiting more than 10 million people.

### “Heart of Gold” National Hospice Service Programme

The “Heart of Gold” National Hospice Service Programme has been providing pain relief treatment, nursing care, counselling support, social resource connection, volunteer services for impoverished terminal cancer patients as well as hospice service promotion in Mainland China since 1998. To date, LKSF has donated nearly RMB1 billion to support 33 operating hospice centres in 29 provinces (including autonomous regions and municipalities) across the country, including the newly added Changzhi Hospice Centre in Shanxi Province in 2023. Currently, the project serves around 16,000 patients annually, and more than 249,000 patients have benefited from over 3.8 million service sessions since the programme’s inception. In addition, some 23,000 hospice volunteers have been recruited and have provided over 719,000 hours of volunteer service.



Volunteers from the Shantou University Medical College provide free medical services for the needy in rural areas.

### Li Ka Shing Foundation Shantou University Medical College Free Medical Aid Project

Coordinated by SUMC, the Li Ka Shing Foundation Shantou Medical College Free Medical Aid Project provides health care services in rural areas. Specific programmes cultivate students with high moral values, provide training for grassroots medical practitioners, support patients with rehabilitation needs in eastern Guangdong and subsidise patients with end-stage renal disease. In 2023, the subsidy programme was extended to needy patients with other chronic illnesses. To date, LKSF has donated a total of nearly RMB58 million, benefited more than 710,000 patients, and offered more than 14,200 free surgeries.

### Kumbum Tibetan Medical Hospital Free Medical Aid Project

The objective of the Kumbum Tibetan Medical Hospice Free Medical Aid Project is to provide assistance and health education to underprivileged patients in high-altitude areas where medical resources are limited, and to raise the public’s awareness of disease prevention and treatment. After the pandemic, free medicine services provided by the Kumbum Tibetan Hospital were resumed in many areas for better treatment in remote locales. In 2023, the programme held its second training course in fundamental Tibetan medicine to enhance the skills and capacity of Tibetan medical practitioners. Since 2005, LKSF has donated more than RMB30 million to 253 remote and impoverished Tibetan areas, benefiting over 240,000 farmers and herdsmen.

### Expansion of Chaozhou People's Hospital

It has always been the unshakable mission of LKSF to foster medical development and uphold public health. In May 2023, LKSF granted RMB100 million to support the construction project of a new inpatient building for the expansion of Chaozhou People's Hospital. The Chaozhou Municipal Government committed an equal amount to join hands with LKSF for community's healthcare. The new complex is expected to be completed in two years, with a total gross floor area of some 29,000 square meters and an estimated capacity of about 400 beds. It is expected that the new building will be an empowering force to local medical development, with an increasingly positive and significant influence in the long run. Chaozhou People's Hospital is an associated hospital of SUMC, one with which it has a close relationship, and it is an important centre for emergency and medical services, as well as teaching and scientific research in eastern Guangdong, offering a first-class intensive care unit (ICU) for those with critical illnesses.

### Supporting Flood Relief in the Beijing-Tianjin-Hebei and Northeast Regions and Aide Efforts after Gansu Earthquake

LKSF has always adhered to the spirit of mutual assistance between Hong Kong and the mainland, and has been paying attention to the developmental needs of the mainland. In the summer of 2023, a donation of HK\$30 million was provided to victims affected by the super typhoon Doksuri in the Beijing-Tianjin-Hebei Urban Agglomeration and Northeast China to rebuild their homes, through the Liaison Office of the Central People's Government in Hong Kong. Another donation of HK\$20 million was made in December 2023 through the Disaster Relief Account of the Liaison Office of the Central People's Government in Hong Kong to support the victims of the earthquake in Gansu Province.



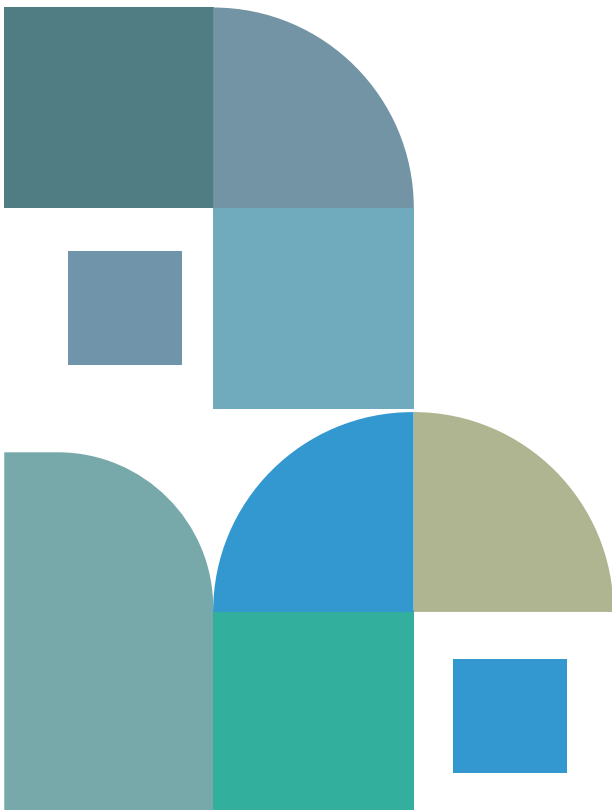
## Overseas

### Philanthropy Asia Alliance

Philanthropy Asia Alliance was officially launched in 2023, with members from around the world. As one of its participants, LKSF donated US\$25 million to support the Alliance, strengthening Asia as a force in promoting innovative solutions to address regional and global issues of concern. Besides, the Alliance will foster the development of the philanthropy ecosystem.

Existential challenges and sustainable development of humanity have become global issues around the world. The Alliance believes that dealing with complex situations requires collective action. Philanthropic capital will be influential and the Alliance will act as a catalyst. The Alliance focuses on three key areas: natural environment, education, and healthcare; and it prioritises initiatives such as "Planet, Peace, People, and Progress".





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