WHARF

Established 1886

THE WHARF (HOLDINGS) LIMITED

Stock Code: 0004



SUSTAINABILITY REPORT 2023



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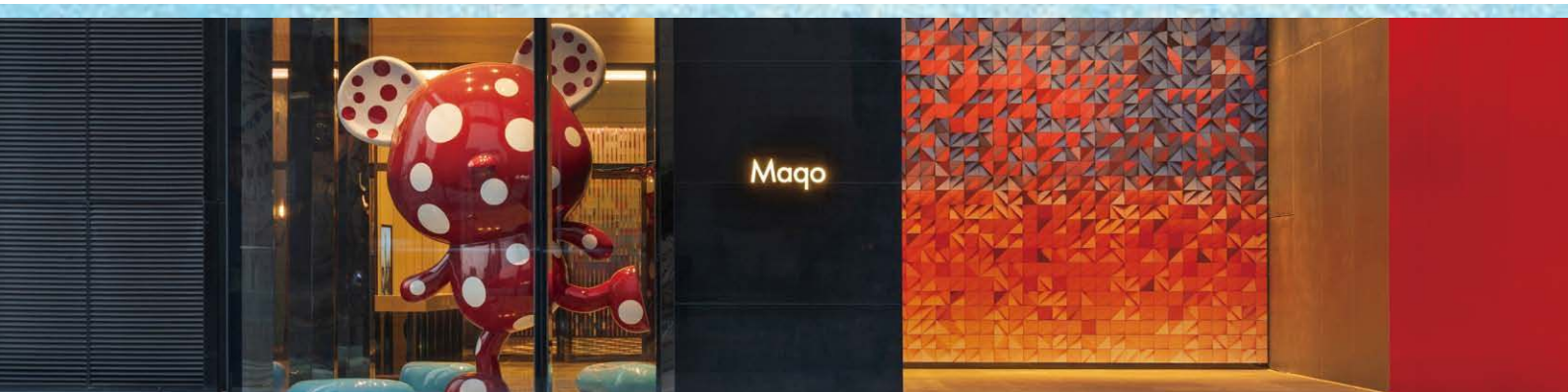
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The Report contains forward-looking statements which are based on judgements made with estimations, assumptions, projections and information available at the time of the material being prepared and are not guarantees of future performance.

Published by Group Sustainability Team
The Wharf (Holdings) Limited



Message From The CHAIRMAN

GRI 2-22



We are pleased to publish our tenth Sustainability Report of The Wharf (Holdings) Limited ("Wharf Holdings" or, together with our subsidiaries, "the Group") and reaffirm the Group's policies and commitments as well as sharing our sustainability initiatives during the reporting year.

During 2023, we saw the end of the pandemic with the global economy recovering amid the easing of travel restrictions. As the economy continues to recover, we remain steadfast with our sustainability agenda to ensure that our business development aligns with the Group's longstanding mission of "Building for Tomorrow" by optimising our environmental, social, and governance ("ESG") performance.

The International Sustainability Standards Board ("ISSB") finalised the first two sustainability standards around general sustainability-related and climate-related disclosures, which are expected to influence the future of ESG reporting. Besides, there is growing investors' concern about climate change and transition towards a low carbon economy.

The commitment of world leaders to limit global warming to 1.5°C remains clear, as seen at the 28th Conference of the Parties of the United Nations Framework Convention on Climate Change ("COP28"). To support global and local decarbonisation efforts, the Group continues to work towards our 2030 environmental targets, and we will periodically review and revise our targets when necessary, with a focus on reducing carbon emissions. Further to climate risk assessment and referencing the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"), we also referred to the ISSB sustainability standards this year. In addition to carbon emissions, we are also dedicated to achieving long-term targets in electricity consumption reduction, water conservation, and waste diversion. We continued to manage our environmental performance with an active and systematic approach. Our key properties are LEED-certified and most of our hotels have obtained Gold or Silver Certifications from EarthCheck, indicating the recognition of our ambition in environmental performance improvement.

In response to global challenges, we have integrated ESG risks into our business model to enhance business resilience and adopt improved risk management practices. To achieve this, we have implemented a series of ESG policies, and our operational strategy aligns with the United Nations Sustainable Development Goals ("UNSDGs"). We have received recognitions from MSCI ESG Ratings assessment with a rating of A and attained an AA+ rating from HSI ESG Rating. Alongside we also disclosed for the first time at CDP and obtained a Management Band Score of B- and will continue to participate in the S&P Corporate Sustainability Assessment.

The Group is committed to creating a safe, rewarding, and respectful working environment for our employees. Our goal is to cultivate a diverse and inclusive workplace. Through offering competitive compensations and various growth opportunities, we aim to attract and retain talented individuals. During the reporting year, we implemented a range of thematic programmes to promote the physical and mental wellbeing of our employees. We uphold high standards in health and safety management to protect the wellbeing of both our employees and customers during the post pandemic recovery. We have made consistent improvements in our safety and health performance, maintaining a low injury incident rate of 1.4 per 100 employees in 2023. We also promote diversity and equality at workplace, maintaining a good gender balance of our workforce.

We dedicate significant efforts to integrating ESG practices throughout our entire value chain. As part of our supply chain management system, we communicate our standards to suppliers and collaborate closely with them to promote responsible procurement in accordance with our Supplier Code of Conduct. Recognising that the quality of our products and services is crucial to our business success, we oversee the downstream segment of the value chain and conduct annual customer satisfaction surveys to understand their concerns.

In line with our Business-in-Community philosophy, we actively engage in initiatives that support youth development, assist those in need, and promote arts and culture in society. Despite the challenges posed by the relatively slow economic recovery, we continued to provide financial and volunteer support to the underprivileged secondary school students through our flagship programme, Project *WeCan* ("*WeCan*"). This programme has benefited over 93,000 students and 82 schools with the collaboration of more than 70 partner organisations.

In anticipation of future ESG challenges and to meet the increasing expectations of stakeholders, we continue improving our ESG performance and setting relevant goals. We will regularly monitor our ESG targets and strive to show demonstrable progress.

Lastly, I would like to express our heartfelt appreciation to all our stakeholders for their ongoing support on behalf of the Group. Our vision and mission will continue to guide us, and we remain committed to contributing to a more sustainable and inclusive future.

Stephen T H Ng
Chairman and Managing Director
Hong Kong

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About THIS REPORT

Report Standards GRI 2-2

The Sustainability Report (the "Report") has been prepared in accordance with the requirements of Environmental, Social and Governance Reporting Guide (Appendix C2) issued by The Stock Exchange of Hong Kong Limited ("HKEX ESG Reporting Guide"), the latest GRI Standards 2021 ("GRI Standards") and the GRI G4 Construction and Real Estate Sector ("CRE") Disclosures. The Report also refers to selected metrics of the SASB real estate industry-specific sustainability accounting standards and the IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures developed by ISSB.

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

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

ESG Data Management

The Group implements a robust and structured data management process to capture, manage and monitor our ESG data for effective application of the principles. The systematic approach covers ESG data collection, consolidation and analysis. ESG data monitoring and reporting, as well as ESG data review and approval are all encompassed in the ESG data management system. Three lines of defense have been established with clear roles and responsibilities at both Business Units ("BUs") and at corporate level to supervise the completeness, consistency and accuracy of our ESG data, and provide adequate internal control and independent verification.

Three lines of defence

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

The Report delivers our sustainability information including related policies, strategies and performance from 1 January to 31 December 2023, aligning with the reporting period of our Annual Report 2023 and covering the following operations:

* "Managed Hotels" refers to the hotels that are not owned by the Group. We offer management services to the owners of these hotels. Managed hotels which are owned by Wharf Real Estate Investment Company Limited ("Wharf REIC") are covered in Wharf REIC's Sustainability Report 2023.

In comparison to the report scope of the year ended 31 December 2022, Marco Polo Plaza, Cebu and Marco Polo Ortigas, Manila are newly added while 1 Plantation Road Residential Project and Kai Tak Residential Project are removed due to completion and amendment to the scope.

The Report focuses on most of the Group's operations in development and investment properties, leisure and hospitality, and logistics in Hong Kong and Mainland China. The reporting boundary is determined by the materiality of each entity to our business and operations, as well as the ESG impacts. For better demonstration, the Report contains companies that are under our direct control and supervision, in the development or operating phase, and have a major impact on the Group's ESG performance, in addition to operations that contribute significant revenue to the Group. Over 85% of our businesses are included in the report scope, while non-material joint ventures and assets are not included. Some entities listed in the report scope for the financial reporting are not included in the report scope of the Report. For details of the report scope of the financial reporting, please refer to our Annual Report 2023.

Report Assurance GRI 2-5

The Report has been approved by the Board of Directors of Wharf Holdings (the "Board") and independently verified by the Hong Kong Quality Assurance Agency ("HKQAA") to obtain reasonable assurance with reference to the International Standard on Assurance Engagements 3000 (Revised) ("ISAE3000 (Revised)"), and regarding greenhouse gas ("GHG") emission, the International Standard on Assurance Engagement 3410. Please refer to page 88 for the verification statement.

Report Publication Date and Contact for Feedback GRI 2-3

The Report is published on 10 April 2024. To reduce paper consumption, the Report is made available electronically online unless specific requests for a hard copy are received from individual shareholders.

We welcome feedback on the Report and our sustainability approach. If any, please contact us at csr@wharfholdings.com.



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About WHARF HOLDINGS GRI 2-1, 2-6

Our Business

Founded in 1886 and with headquarters in Hong Kong, Wharf Holdings is a publicly listed company engaging in a wide range of business operations, including property investment and property development in Hong Kong and Mainland China, and hospitality management in Hong Kong, Mainland China and the Philippines. The Group also engages in the operation of logistics business through Modern Terminals in Hong Kong. Our customers primarily consist of buyers under development properties; tenants, shoppers, and residents under investment properties business; hotel guests under leisure and hospitality; and corporate clients under logistics. There are no significant changes in the Group's sectors, value chain, and other relevant business relationship compared to the previous reporting period.

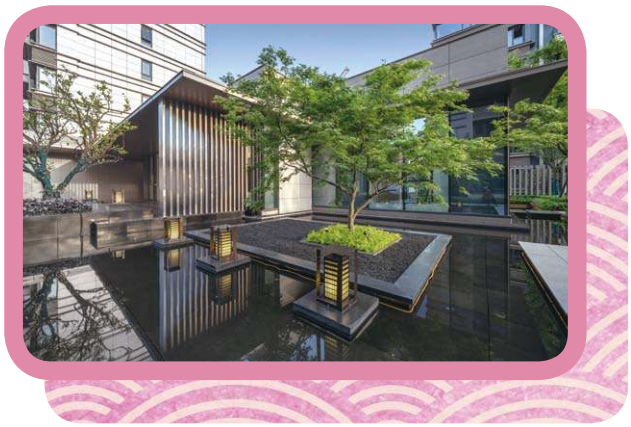
Mainland China Investment Properties

The Group's investment properties portfolio has established a prominent market presence in Mainland China. The Group's investment properties include the flagship IFS series, Shanghai Wheelock Square, Times Square series and Times Outlets series.



Mainland China Development Properties

The Group's development properties in Mainland China are primarily located in Chengdu, Hangzhou and Suzhou. The Group follows a selective land acquisition policy with a strategic focus to secure positive economic returns. The land bank of development properties in Mainland China stands at a total of 1.4 million square metre at the end of 2023.



Hong Kong Properties

The Group's exclusive Peak Portfolio in Hong Kong is composed of a rare collection of unique properties. In addition, the Group owns Kowloon Tong Residential Project and Kowloon East Portfolio.

Leisure and Hospitality

The Group operates 17 hotels, with a total of over 5,200 rooms and suites in Hong Kong, Mainland China and the Philippines. Our hotels operate under the business travel brand Marco Polo Hotels and the award-winning luxury Niccolo Hotels brand, four of which are wholly or partly owned by the Group. A new premium lifestyle brand Maqo was launched with its first hotel opened in Changsha in November 2023. The relevant information and performance of the hotel will be included for reporting in 2024.



Logistics

Modern Terminals, situated in a central location for global trade and transportation, has established itself as a prominent operator of container terminal services in Hong Kong and the Pearl River Delta. With an aim to deliver more efficient and cost-saving services to customers, it joined the Hong Kong Seaport Alliance to enhance the competitiveness of the Port of Hong Kong.



Our Core Value

As a prominent company in the industry, Wharf Holdings is guided by the long-standing mission of "Building for Tomorrow" with a proven track record in management and execution. Our sustainability vision and mission are integrated into our management approach. Apart from achieving financial success, the Group also commits to creating long-term shared value for the community and our stakeholders. The Group thrives to exceed its stakeholders' expectations, protect the natural environment, and create a positive social impact.

Our Presence and Impact

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

With a prudent management approach, the Group creates long-term value for stakeholders and contributes to local economies and communities. Our contributions in 2023 are highlighted as follows:

Economic Presence and Impact and Community Contributions



1 The Group's total number of employees, including those employed by managed operations. Under the Report's reporting scope, the total number of employees is 5,571.

2 Staff costs include contributions to defined contribution pension schemes of HK$186 million, which included MPF schemes after a forfeiture of HK$2 million.

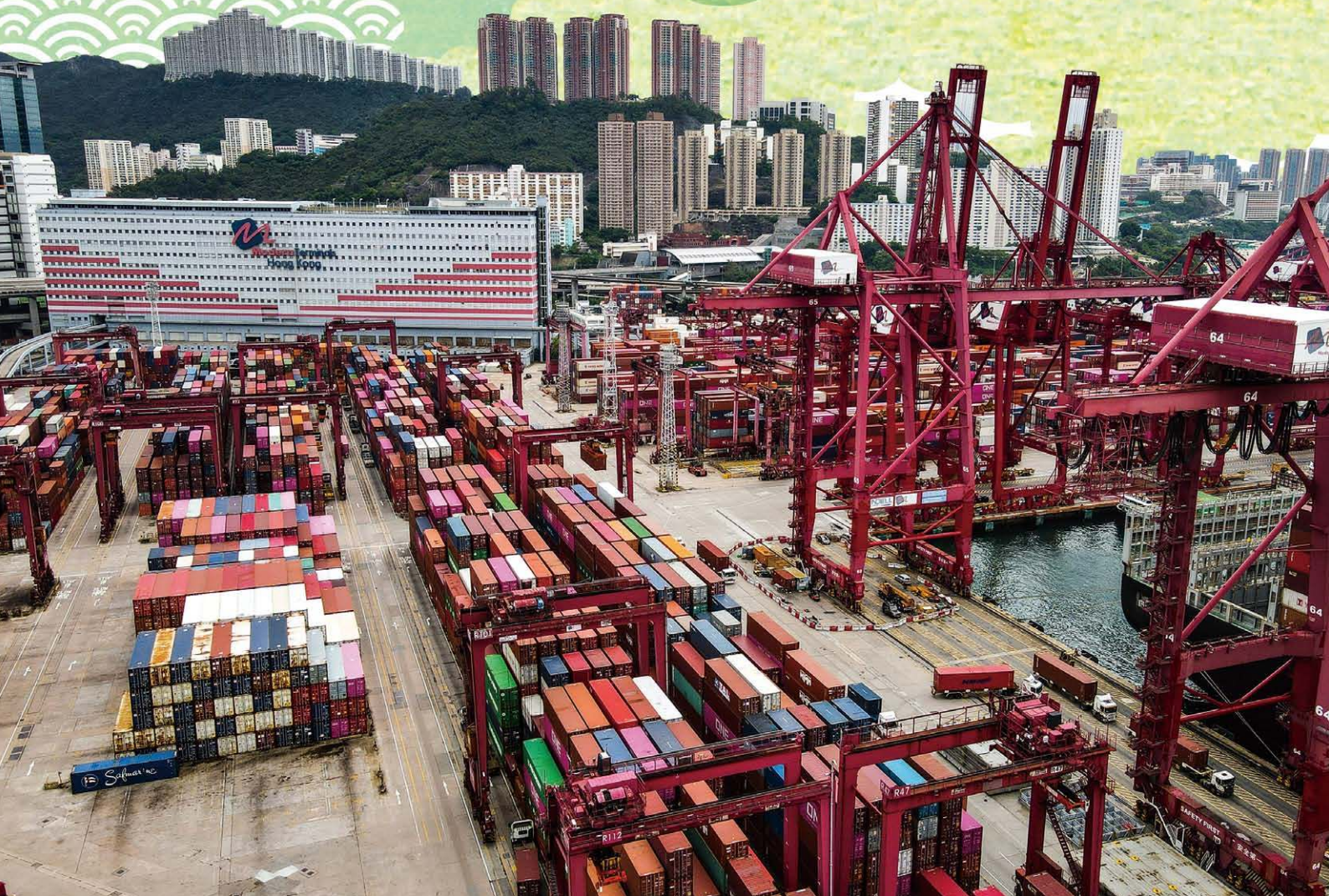
2023 at A GLIMPSE

3 MSCI disclaimer: The use by the Wharf (Holdings) Limited of any MSCI ESG research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of the Wharf (Holdings) Limited by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI. The use by the Wharf (Holdings) Limited of any MSCI ESG research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of the Wharf (Holdings) Limited by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

4 We pay men and women the same for doing the same job. Yet due to our business nature and business location, male staff in Hong Kong portfolio is significantly more that enlarged the gap for the Group.

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Corporate GOVERNANCE

Corporate Governance

An effective corporate governance structure and ethical business practices are the cornerstone in pursuing long-term business success. The Group not only adheres to legal requirements but also maintains a rigorous system to evaluate and address risks while upholding ethical conduct. This commitment goes beyond mere compliance and reflects the Group's dedication to maintaining a strong and principled business framework.

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

The Board reviews the Group's business strategies and oversees the performance, including Wharf Holdings' ESG strategy and reporting. Maintaining a diverse Board is crucial for the Group to remain at the forefront and foster sustainable and well-rounded perspectives. By embracing diversity in its Board composition, the Group ensures access to a wide range of experiences, backgrounds and expertise, including those from investment properties, property management, finance and accounting, public service, hospitality, media and entertainment, entrepreneurship, academia, and logistics and transportation. Details of the Board's composition can be found below. For further information on the composition of the Board, please refer to the Corporate Governance Report and Directors' Report in the Group's Annual Report 2023.

Composition of Wharf Holdings' Board of Directors[5]							
	Age			Gender		Ethnicity	
	<60	60-69	≥70	Male	Female	Chinese	Non-Chinese
Number	1	5	6	9	3	10	2
%	8	42	50	75	25	83	17

5 All members of the Board of Directors are hired from the local community, i.e. Hong Kong and Mainland China. The profile of the Board of Directors is outlined in the Annual Report 2023, pages 69 to 73.

Risk Management

The Group adopts a robust enterprise risk management ("ERM") framework and processes to identify, manage and monitor the business risks. With reference to the Strategy and Risk Management aspects of the IFRS S1 Standard, ESG and climate-related risks have been gradually integrated into the ERM framework for more effective management. We will consider further enhancing the assessment of the ESG and climate-related risks and opportunities to understand and manage their effects on our financial positions and performance, as well as our strategy, business models and value chain.

The Board as the highest governance body, has overall responsibilities for the Group's risk management and internal control systems to safeguard the interests of the company and its shareholders as a whole. The Board oversees and approves the Group's risk management and internal control strategies and policies, which evaluate and determine the nature and extent of the risks (including ESG and climate-related risks) that are compatible with the Group's strategic objectives and risk appetite.

Reporting to the Board, the Audit Committee is delegated with the authority and responsibility of ongoing monitoring and evaluation of the effectiveness of the relevant systems, with assistance of the Risk Management and Internal Control Committee. Effective risk management requires staff cooperation and execution wholeheartedly. We have also implemented the Compliance Policy Statement that clearly defines the standards and approach we follow to mitigate risk of non-compliance with relevant laws and regulations.

For further information on our risk management and internal control systems, please refer to the Corporate Governance Report in our Annual Report 2023.

Risk-based Thinking

It is essential to provide risk management training to employees to develop a risk-based management approach. The Group conducted training to enhance employee awareness of different business risks and teach them how to identify and evaluate risks. For instance, MLDP's Shanghai office organised a training to introduce internal control and risk management mechanism to staff. The training aimed at enhancing employees' awareness on and understanding of risk management and precaution through in-depth discussion and interactive activities. Suzhou office also offered a similar training to all staff of finance department, and 95% of participants were satisfied with the training.

Ethical Business Operations and Compliance

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

The Group is dedicated to maintaining high standards of business ethics and corporate governance. Our Anti-corruption Policy, Statement of Business Integrity and Code of Conduct form a holistic anti-corruption framework. The Group's Anti-corruption Policy states the ethical standards and expectations we embrace, and it applies to all personnel of the Group, including employees at all levels and others who may act on behalf of the Group. We strictly prohibit solicitation or acceptance of an advantage, any form of bribery, extortion, fraud, or money laundering in our operations. Our Business Code of Ethics and Code of Conduct lay out our expectations on designated business behaviours to prevent bribery, avoid conflicts of interest and protect the Group's assets, information, records and data. Employees are required to observe and follow all applicable policies and guidelines on conflicts of interest, insider dealing, anti-competition and anti-corruption. The Group also conducts due diligence process periodically to prevent any possible misconduct behaviours. The Group's Chairman and General Managers of BUs also take responsibility to approve all donations and sponsorships to prevent bribery and corruption.

Our Whistleblowing Policy and Procedures affirms our commitment to protecting whistle-blowers and outlines the processes for initiating and investigating complaints. The mechanism provides a confidential channel to encourage employees to report any malpractice and misconduct, which is crucial for maintaining the integrity and transparency of business operations. In 2023, we conducted ethical business conduct training for our directors and employees. All the Board members received training on anti-corruption. During the reporting year, 3 partially valid complaints regarding non-critical concern matters raised through the whistleblowing channel were communicated to the Audit Committee. The Group has taken appropriate follow-up actions and has strengthened control measures accordingly.

During the reporting year, the Group was not aware of any material non-compliance with relevant laws and regulations and no legal cases regarding corruptive practices were brought against the Group.

Total training hours on anti-corruption:

3,238 hours

Total training hours on anti-competition:

567 hours



Sustainability Governance

Board Statement GRI 2-13, 2-14

The Group strives to maintain a robust governance structure and build effective business management across operations. The Board is responsible for overseeing overall ESG matters, including strategy, management approach and reporting. The Group's sustainability risks and opportunities are discussed and evaluated at board meetings on a regular basis. The Sustainability Steering Committee, which is delegated by the Board and chaired by the Group's Chairman, meets at least twice a year to provide guidance, oversight, and monitoring of the Group's economic, environmental, and social impacts. The Divisional Sustainability Committee, Cross-BU Sustainability Group, and Group Sustainability Team work collaboratively to implement the Group's ESG strategies throughout the organisation. The materiality of relevant ESG issues is determined and evaluated through risk assessment exercises and ongoing stakeholder engagement activities. We also implement management initiatives to address any issues encountered in our operations. The identified sustainability risks, performance, and ESG material topics are reported to the Board on an annual basis for review.

To align with our long-standing mission of "Building for Tomorrow," we have established targets for carbon emissions, electricity and water consumption, and waste disposal. The Board provides oversight of the progress towards these targets on a regular basis.

Sustainability Governance Structure GRI 2-13, 2-14

ESG Risk Management

In our ERM framework, the increasingly stringent limitations and potential risks emerged from our business operations are proactively addressed and identified. We have integrated ESG and climate-related risks into our ERM framework and the Group's risk profile, in which they are effectively identified, assessed, managed and monitored.

Risk Profile

Operational	Environmental and Climate-related	Legal/Regulatory
Market	Business Strategic	Financial

ESG Risk Factor	Potential Impact	Our Response
Climate Change	• Climate change may lead to more frequent and severe extreme weather events, causing significant damage to infrastructure, agriculture, and ecosystems, leading to business interruption, higher maintenance costs and revenue loss • More stringent public disclosure requirements may lead to increased operating costs	• Utilise technology to minimise emissions and pursue innovative solutions • Establish and update our approach to climate-related risk mitigation and adaptation • Formulate decarbonisation strategies to transit to low-carbon operations • Enhance climate disclosure by reporting with reference to the TCFD recommendations and the IFRS S2 Standard
Environmental Compliance	• Tightened building energy codes and guidelines may lead to increasing capital investment and expenditures required in meeting these requirements • Failure to comply with regulations can lead to financial penalties, reputational harm, and potential litigation arising from controversies	• Increase capital investment and expenditures to meet these requirements • Update environmental policies to meet the latest standards and regulations
Ethics and Integrity	• Cases of money-laundering of fraud can pose negative impact on the Group's reputation and lead to fines and penalties • Cyber-attack and data breaches can result in reputational damage and legal liabilities	• Provide regular anti-corruption and other ethics and integrity training to staff • Ongoing review of infrastructure and systems to reduce cybersecurity risks
Health and Safety	• Failure to implement proper health and safety measures can increase the risk of accidents, injuries, and occupational illnesses among employees • Workplace incidents and injuries can lead to absenteeism, reduced employee morale, and decreased efficiency, impacting overall business operations	• Implement ISO 45001 Occupational Safety and Health ("OSH") Management System • Implement measures to safeguard the health and safety of customers and employees, including OSH policies and health and safety training
Supply Chain	• Supply chain disruption may limit resource availability and cause higher pricing, increasing material procurement expenditures • Supply chain environmental and social risks may cause controversies and reputational damage	• Adhere to the regulations of the jurisdictions in which we operate, as well as the standards outlined in the Supplier Code of Conduct • Conduct inspections and evaluate the sustainability performance of our suppliers

Sustainability Policies GRI 2-23, 2-24

Since 2016, the Group has implemented Corporate Social Responsibility Guidelines to provide guidance on our sustainability programmes, goals, and commitments. Our focus is on four key perspectives: environment, people, community, and corporate governance. To enhance the management of ESG, we have formally established sustainability policies that strengthen our control over crucial sustainability issues. These measures enable us to design a future-ready pathway for our operations.

Our sustainability policies are in alignment with the Group's key sustainability perspectives and are periodically approved and reviewed by the Sustainability Steering Committee. These policies are adhered by all business operations and employees at every level. Selected policies also extend to stakeholders who may act on behalf of the Group. We communicate these policies to stakeholders through formal meetings, company website, and other channels. For detailed information on how each policy is embedded within the Group, please refer to the specific policy documentation.

List of Sustainability Policies

- Anti-corruption Policy
- Statement of Business Integrity
- Code of Conduct
- Compliance Policy Statement
- Anti-money Laundering and Counter-terrorist Financing Policy
- Climate Change Policy Statement
- Environmental Policy
- Green Procurement Policy
- Human Rights Policy
- Safety and Health Policy
- Quality Policy Statement
- Supplier Code of Conduct

Sustainable Finance

To contribute to the Central Government's goal of achieving carbon neutrality by 2060 and Hong Kong's Climate Action Plan 2050, we are actively integrating our green initiatives to develop a roadmap that supports carbon neutrality. We recognise that sustainable financing plays a vital role in realising this ambition and are committed to leveraging sustainable financing mechanisms to support and implement our green objectives. Since 2019, the Group has actively pursued sustainable financing. We remain committed to exploring further opportunities in sustainable financing to support the implementation of our sustainability ambitions. By leveraging sustainable financing options such as sustainability-linked loans and green loans, we aim to drive positive environmental and social impact while achieving our sustainability goals. In particular, our ESG performance is tracked and reportable to our lenders periodically as part of the conditions of our sustainability-linked loans. Therefore, we place great emphasis to maintain and improve our ESG performance for access to more optimal financing available in the market.

Green or Sustainability-linked Loans

By end of 2023, the Group had raised HK$

14,800 million



UNSDGs

UNSDGs provide a framework for driving positive change, and we have aligned our key sustainability priorities with these goals. We prioritise the UNSDGs which are highly relevant to our operations to focus our support. Following are the UNSDGs we have identified out of the 17, and the details will be disclosed in the corresponding chapters in the Report.

Key Sustainable Foci	Corresponding Chapters	Relevant UNSDGs
The Environment	• Co-living with the Nature • Building Excellence with Our Stakeholders	6, 7, 11, 12, 13
Fair and Diverse Community	• Building Excellence with Our Stakeholders • Business-in-Community	4, 10
Workplace and Community Wellbeing	• Safeguarding Wellbeing and Safety • Building Excellence with Our Stakeholders • Business-in-Community	3, 8

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

The Group highly values the opinions of its stakeholders and maintains ongoing engagement with them. We utilise various platforms to periodically engage with stakeholders and actively seek their feedback in our decision-making and strategy-planning process.

Our Stakeholder Groups and Engagement Channels

Stakeholder Comments and Our Responses

To ensure a meaningful stakeholder engagement process, we have engaged an independent consultant to conduct exercises in accordance with the AccountAbility AA1000 Stakeholder Engagement Standard 2015. This year, we successfully engaged 1,043 stakeholders, including employees, suppliers, tenants, investors, and customers, through online questionnaires, interviews, and focus group discussions. The responses we received on each of the material topics can be found in the corresponding chapters throughout the report. The table below provides an overview of the key responses collected:

Materiality Assessment GRI 3-1, 3-2

To determine ESG topics that are the most relevant to our business and our stakeholders, we adopt a four-step materiality assessment process which underpins the preparation of the Report.

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



Material Topics and Corresponding Topic Boundary

Topics	Boundary and Impact	
	Within the Group	Outside the Group
Top eight material topics		
Customer Safety and Health	✓	✓
Anti-corruption	✓	✓
Employee Wellbeing	✓	✓
Innovation	✓	✓
Customer Engagement and Satisfaction	✓	✓
Customer Privacy	✓	✓
Sustainable Buildings	✓	✓
Climate Change and Climate Resilience	✓	✓
Other material topics		
Recruitment and Retention	✓	✓
Occupational Safety and Health	✓	✓
Energy	✓	✓
Waste	✓	✓
Greenhouse Gas and Emissions	✓	✓
Economic Performance	✓	✓
Anti-competitive Behaviour	✓	✓
Equal Opportunities, Diversity and Inclusion	✓	✓
Training and Education	✓	✓
Supply Chain Management	✓	✓
Other relevant topics		
Prevention of Child Labour and Forced Labour	✓	✓
Human Rights Assessments	✓	✓
Labour/Management Relations	✓	✓
Water	✓	✓
Materials	✓	✓
Indirect Economic Impacts	✓	✓
Community Investment and Engagement	✓	✓
Wildlife Protection and Biodiversity	✓	✓

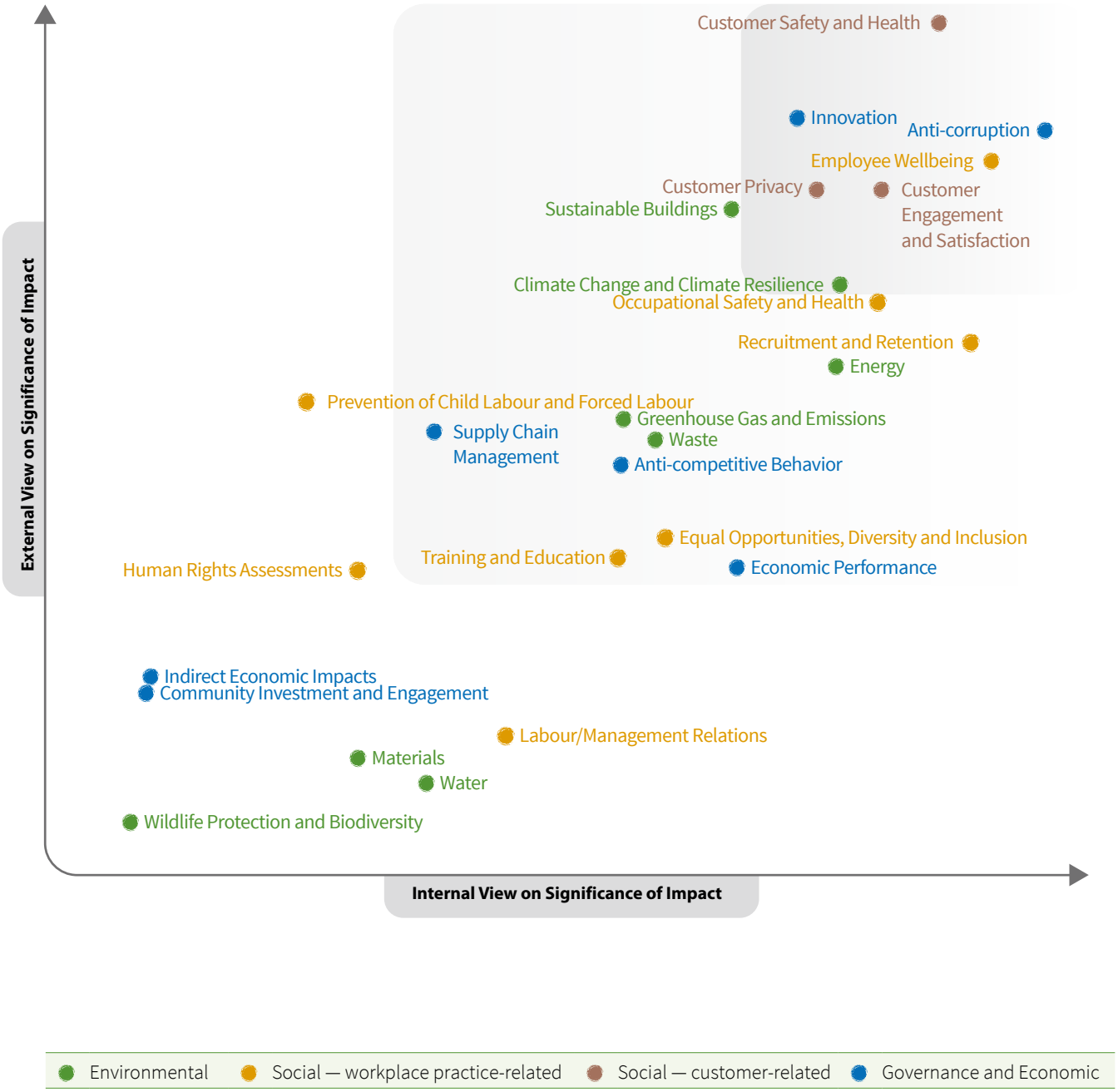
Environmental Social — workplace practice-related Social — customer-related Governance and Economic

18 topics are identified as material this year, same as 2022. “Customer Safety and Health” is the most material aspect in 2023, while two of the material topics of 2022, “Community Investment and Engagement” and “Water” are no longer considered as material based on results from stakeholder engagement.

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

Wharf Holdings' Materiality Matrix 2023

The matrix below illustrates the 26 material topics by plotting the external view on significance of impact against internal view on significance of impact. The aspects in the top right corner are considered to have significant impact by both internal and external stakeholders, and thus are prioritised for reporting.



Environmental | Social — workplace practice-related | Social — customer-related | Governance and Economic

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Material and relevant topics addressed in this chapter:

- CLIMATE CHANGE AND CLIMATE RESILIENCE
- ENERGY
- WATER
- WASTE
- GREENHOUSE GAS AND EMISSIONS
- SUSTAINABLE BUILDINGS
- INNOVATION
- MATERIALS
- WILDLIFE PROTECTION AND BIODIVERSITY

Commitment and Strategy

GRI 2-23, 2-24, 2-25, 2-27, 3-3; HKEX KPI A1.5, A1.6, A2.3, A2.4

Our society is facing unprecedented environmental challenges such as climate change, water scarcity, and resource depletion. These issues have significant impacts on global economies, market trends, and government policies. To address these threats, governments are taking steps to develop policies, legislation, and regulations. The Group is committed to strictly adhering to all applicable environmental laws and regulations[6] to contribute to the resolution of these global problems.

Our Environmental Policy offers comprehensive guidelines for our BUs to operate in an environmentally responsible manner. These guidelines cover a range of areas such as compliance with regulations, pollution prevention, carbon emissions and resource management, biodiversity conservation, and stakeholder communication on environmental performance. In order to satisfy compliance standards, each BU has in addition established its own set of environmental guidelines and practices tailored to the size, location and nature of its business activities. To reduce the likelihood of adverse environmental impacts, we regularly evaluate our business operations' environmental performance, risks, control measures and management approaches. No case of material violation of environmental laws or regulation occurred in 2023.

The Group continues to strive to fulfil full compliance with all relevant laws and regulations in the future. We recognise the significance of adopting a long-term strategy to achieve sustainable improvements in our performance and eco-efficiency, going beyond mere compliance with minimum international and local ESG disclosure standards. In line with this commitment, we have established specific targets for 2030, aiming to progressively enhance various environmental aspects. We are evaluating to come up with more ambitious science-based targets in the future. We consistently monitor our operational environmental performance to facilitate our transition towards a more sustainable future. Moreover, each BU assumes responsibility for monitoring and evaluating the effectiveness of the initiatives implemented. The table provided below presents a summary of the Group's environmental targets and the progress made thus far.

Our 2030 Long-term Environmental Targets and Progress

	Baseline Year	Overall Targeted Reduction	Progress in 2023
GHG emission (Scope 1 and 2) intensity	2017	-25%	On track
MLIP's electricity intensity	2017	-20%	On track
Water management	2017	Reduce consumption	On track
Waste management	2017	Divert waste from landfills	On track

As part of our regular business practices, we integrated robust environmental management systems in line with international standards. During the reporting year, ISO 14001:2015 Certification was maintained by Chengdu IFS, Changsha IFS and Modern Terminals. Shanghai Times Square also achieved ISO 50001:2018 Certification for its energy management system.

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

Sustainable Buildings

Opting for sustainable construction not only brings about financial advantages like reducing maintenance expenses but also provides environmental benefits such as improved resource utilisation and waste reduction. We adhere to the highest industry benchmarks when it comes to designing and constructing eco-friendly buildings. In terms of property certification, we strive for the highest achievable level of LEED Gold or above in the Mainland China region through the LEED certification programme. As of the end of the reporting year, in terms of gross floor area ("GFA"), over 55% of our MLIP has obtained green certificates. We pledge to include sustainable practices across our hotel operations to further our mission. Nine of our hotels have been certified as environmentally responsible by EarthCheck, the world's leading standard for environmental certification and benchmarking programme, in recognition of our sustainability efforts in the travel and tourism industry.

In acknowledgement of our environmental initiatives, our BUs have also received several awards from international and local organisations. Please refer to Featured Awards, Charters and Memberships section of the Report for more details.

Furthermore, Modern Terminals has implemented a comprehensive strategy known as the Green Terminal Model to effectively implement its Corporate Environmental Policy. This approach considers the entirety of port operations and aims to address and minimise potential environmental risks. To tackle these challenges, we have developed action plans for environmental management. The Model is regularly reviewed and updated to align with market dynamics, the sustainability policies of the organisation, and the evolving understanding of environmental management practices.



In terms of GFA, over 55% of MLIP obtained green building certificates while the hotel operations' environmental efforts are also recognised by EarthCheck.

LEED Platinum (Existing Buildings: Operations and Maintenance)

- Chengdu IFS
- Changsha IFS
- Shanghai Wheelock Square

LEED Gold (Core and Shell)

- Wuxi IFS

EarthCheck Gold certification

- Niccolo Chengdu
- Niccolo Chongqing
- Marco Polo Wuhan
- Marco Polo Xiamen
- Marco Polo Lingnan Tiandi, Foshan

EarthCheck Silver certification

- Niccolo Changsha
- Marco Polo Parkside, Beijing
- Marco Polo Plaza, Cebu
- Marco Polo Ortigas, Manila

Climate Risk and Resilience Management

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

The Group is dedicated to articulating our strategies and management plans for addressing the risks and opportunities associated with climate change. We also commit to regularly updating our plans to stakeholders.

In our pursuit of a sustainable future, we aim to improve our climate-related disclosures in line with the recommendations of the TCFD and IFRS S2 Standard. Additionally, we are committed to investing in climate risk management wherever feasible.

Following the TCFD framework, our climate-related disclosures are organised into four core elements: governance, strategy, risk management, and metrics and targets. This structure ensures comprehensive coverage of our climate-related initiatives and demonstrates our commitment to transparency and accountability.

Climate-related Information Disclosure

Governance

The Board is responsible for supervising the handling of climate-related risks and opportunities. We have implemented proactive measures and created a strong sustainability governance framework to effectively address these risks and opportunities. For more details, please refer to the Board Statement in the Report.

With the authority delegated by the Board, and the assistance of the Divisional Sustainability Committee and the ESG-focused staff in the Group, the Sustainability Steering Committee convenes regularly to identify, assess, manage, and track significant climate-related risks and opportunities for the Group. Further information can be found in the Sustainability Governance section of the Report.

The Group has also established the Climate Change Policy Statement to guide our management approach and strategy on climate change mitigation, adaptation and resilience.

Strategy

The Group is committed to supporting the carbon neutrality pledge made by the Central Government and the Hong Kong SAR Government. In line with this commitment, the Group is consolidating its green efforts to provide support. We strive to understand the impacts brought by climate change to our business operations and thus continuously seek to advance the relevant studies, as well as our action plans and mitigation measures. The Group's 2030 environmental targets, together with our efforts in promoting sustainable building design, renewable energy adoption, operation efficiency and other initiatives, reflect our dedication in being an active part of the local and global low-carbon transition. Subject to the on-going development of our climate-related risk assessment and management practices, we will further study the feasibility and practicality of integrating the financial impacts of climate-related risk and other sustainability issues into our financial planning at the corporate and project levels.

Risk Assessment and Management

With technical assistance from a third-party consultant, we have updated the assessment methodology through a climate scenario analysis to reassess climate risks and opportunities across our BUs in Hong Kong, Mainland China, and the Philippines under two consolidated scenarios in accordance with the TCFD recommendations. The two consolidated climate scenarios are constructed based on public available scenarios which include Intergovernmental Panel on Climate Change (IPCC), International Energy Agency (IEA) and Network for Greening the Financial System (NGFS). Based on the revaluation of our climate risk assessment results, we have updated our mitigation measures across various operational areas. The following table outlines the scenarios and assumptions employed during our climate risk assessment.

Consolidated Scenario	Brown Scenario	Turquoise Scenario
Timeframe	• Short-term — till 2030 • Medium-to-long-term — till 2100	
Global Mean Temperature	• Global mean temperature rise of above 3°C by 2100	• Global mean temperature rise of 1.5°C to 2°C by 2100
Scenario Description	• The scenario represents the future that only current policies and nationally determined contribution are implemented with limited investments and climate actions to decarbonise. This would usually lead to high level of physical risk and low level of transition risks.	• The scenario represents the future that stringent and immediate policies will be implemented by the while companies are actively committed to climate action goals. This would usually result in high level of transition risks and low level of physical risks.

During the year, we have completed the physical risk assessment using the updated methodology, focusing on asset level risks. The assessment covered 24 material properties in our portfolio in Hong Kong, Mainland China and the Philippines using 10 physical risk parameters, including four acute risks (typhoon, river flood, rainfall flood and storm surge) and six chronic risks (drought, extreme heat, sea level rise, snowmelt, landslide and wildfire), in the time horizon of 2030, 2050 and 2100 under Brown and Turquoise Scenarios. The assessment was conducted based on a range of complex authoritative data sources including the IPCC's Sixth Assessment Report, satellite imagery, global climate models and others to reassess the potential physical risks under Brown and Turquoise Scenarios. Each asset received a climate risk score calculated based on its overall vulnerability to the 10 climate risks based on its geographical location. A higher score indicates a greater susceptibility of the asset to the negative impacts of the overall physical hazards.

The Group has made significant efforts to incorporate climate change into our strategic plans. The climate-related risks identified are integrated in our ERM framework, which facilitates the assessment and response to them and enables us to better manage and monitor them across our businesses. In addition, some BUs have obtained and implemented the ISO 14001 Environmental Management System, which ensures they are capable of handling climate-related risks in our daily operations in a systematic manner.

Based on the result of the physical risk assessment, the Group is further developing corresponding mitigation and adaptation plans for enhancing our business resilience in an era of climate change.

Overview of Climate-related Physical Risks of Wharf Holdings (2023 Methodology)

Risk Category	Potential Risk	Potential Business Impact	Time-Horizon
Acute Risk	Typhoon	1 *Increasing frequency and intensity of typhoon may cause significant losses due to property damage and maintenance fee* 2 *City wide disasters caused by typhoons may lead to business interruption*	Short-term to long-term
	Rainfall Flood	1 *Company assets may be damaged due to sudden flooding in the region resulting in temporary closure of property, which requires extra capital expenditure to resume operation*	Short-term to long-term
	River Flood	1 *Supply chains may be disrupted due to damaged infrastructure and delayed transportation*	Short-term to long-term
Chronic Risk	Extreme Heat	1 *Lead to productivity loss as extreme heat will impact employees' overall productivity, wellbeing, and performances* 2 *Affect tourism industry as tourist activities may be reduced significantly and affect tourists' willingness to visit due to the extreme weather*	Short-term to long-term
	Sea Level Rise	1 *Disrupt business operations, lead to loss of infrastructure and physical capital, and incur additional cost* 2 *May need to consider enhancing the resilience of the infrastructures such as building sea walls and emergency shelters*	Medium-to-long-term

Meanwhile, we are in the progress of conducting the updated transition risk assessment and expect to complete by 2024. The assessment features an industry-level risk review and a range of stakeholder engagement exercises, which will help identify business impact hotspots of relevant transition risks under the defined scenarios.

Overview of Climate-related Transition Risks of Wharf Holdings (2022 Methodology)

BU	Risk Type	Risk	Impact	Mitigation Measures
MLIP	Policy and Legal	*Execution of government policies to shift to a low-carbon economy*	1 Rising operational costs due to tightened requirements on energy management 2 Early retirement of equipment 3 Implementation costs for new practices/processes and installation of high efficiency equipment 4 Sudden and unexpected increases in energy costs non-compliance	1 Set carbon emission target and reduction plan for the Group 2 Implement energy management system 3 Formulate write-off plan for low energy efficiency equipment 4 Investigate potential of installing renewable energy capture facilities (i.e. solar panel) 5 Retrofit existing buildings to meet increasingly stringent energy efficiency standards
MLDP	Policy and Legal	*Tightened environmental regulations and codes of practice*	1 Additional design and regulatory requirements in development projects (i.e. apply precast system and Sponge City design code) 2 Phasing out of current management and construction methods due to the implementation of new regulations	1 Adopt higher standards for green construction code and conduct trial in projects 2 Increase precast system utilisation in residential development 3 Require contractors to utilize reusable concrete form panel 4 Provide training to staff and contractors to meet new regulations 5 Utilise local or nearby suppliers on a preferential basis 6 Explore the potential of adopting renewable energy for building services
Leisure and Hospitality	Reputation	*Inability to adapt to the rising interest in sustainability of stakeholders*	1 Loss of competitive edge to more sustainable competitors 2 Decrease in revenue and market reputation	1 Maintain active participation in EarthCheck 2 Pursue green building certification 3 Employ energy reduction initiatives 4 Prioritise sustainability in renovations and new developments 5 Monitor guest satisfaction and hotel reputation closely 6 Communicate with stakeholders on the sustainability initiatives implemented
Logistics	Policy and Legal	*Government policy on green energy for container vessels*	1 Increase in investment cost for new infrastructure to accommodate the use of green energy 2 Extended port stay 3 Operations affected during liquefied natural gas (LNG) bunkering as stringent safety regulations/procedures and substantial safety zones are mandated 4 Loss of business if failed to meet the changing market trend and customer demand on LNG vessels and shore power	1 Closely monitor the market trend and government's policy direction

The Group will further enhance its climate-related risk assessment, management and disclosure in the upcoming reports with more details available from the exercises we duly conducted.

Climate Change Opportunities

The Group is fully committed to facilitating the transition to a low-carbon economy by actively exploring methods to decrease our carbon footprint throughout our operations. We aim to achieve this by enhancing energy efficiency, incorporating renewable energy sources, adopting sustainable resource management practices, and embracing green technologies. By undertaking these measures, we anticipate not only direct cost savings but also a reduction in energy expenses.

Furthermore, considering the significant growth of sustainable finance in global capital markets, the Group recognises the opportunity to support our long-term commitment and decarbonisation plan. We continuously strive to enhance our ESG performance and promote carbon neutrality in order to adopt more sustainable financing instruments.

We look forward to developing our understanding of long-term regulatory frameworks, carbon pricing and carbon trading mechanism. In the context of transitioning to a low-carbon economy, we are determined to effectively manage climate-related risks and seize the associated business opportunities that lie ahead.

Metrics and Targets

The Group is fully dedicated to evaluating and addressing the risks and opportunities related to climate change. We conduct regular monitoring of our GHG emissions, including Scope 1, 2 and 3 emissions. We have initiated preparation to expand our Scope 3 inventories to ensure comprehensive data coverage. Further information can be found in the Performance Data Summary — Environmental Performance section.

To showcase our commitment to enhancing climate resilience, we have established 2030 targets for GHG emissions and energy. These targets can be found in the Co-living with the Nature — Commitment and Strategy section.



CASE STUDY

Continuous Sustainability Advancement through Sustainable Finance Opportunity for Chengdu IFS

The Group has been using sustainable financial instruments to raise funds for environmental and social projects. By end of 2023:

Shanghai Wheelock Square's Green Loan Raised	Chengdu IFS's Green Loan Raised	Changsha IFS's Green Loan Raised
HK$0.9 billion	HK$3.1 billion	HK$1.8 billion

Energy Efficiency and Renewable Energy

During the reporting year, Chengdu IFS, Changsha IFS and Shanghai Wheelock Square made significant efforts to contribute to the Group's decarbonisation plans, focusing on energy efficiency enhancement and sourcing from green energy.

Chengdu IFS	• Through application of motion sensors in equipment rooms and turning off certain light strips and LED screens, 480,000 kWh of energy were saved. • 15,506 kWh solar power was generated in 2023.
Changsha IFS	• The lightings of the janitor room inside restroom were replaced by T8-18W tube integrated with motion sensors. The T8-18W fluorescent tubes were replaced by T8-18W LED lightings with 3W power rating under standby mode. 4,862 kWh of electricity saving is achieved annually. • The wiring of 234 number of 40W lightings were modified and connected to Building Management System ("BMS"). The lightings adjacent to the curtain wall can be controlled by day-light sensor. 27,311 kWh of electricity saving is achieved annually.
Shanghai Wheelock Square	• 1,760 LED lightings of the circular walkway in the public area were replaced with 68,735 kWh of electricity saving achieved annually.



Water Circularity

Chengdu IFS has adopted multiple water recycling systems including the rooftop rainwater harvesting and the air-condition cooling water recycling system. The systems support Chengdu IFS' daily operations by reducing freshwater consumption effectively.

Enhanced Indoor Environmental Quality

The fresh air system of the office building in Chengdu IFS adopted electrostatic filtration to improve energy efficiency and make it easier to remove dust and other small particles. For the safety and comfort of the customers, Changsha IFS outfitted all air handling units ("AHU") and primary air units with UV sterilising lights. There is also a circulating UV sterilising system in all elevators to keep the air clean.

	Environmental Performance in 2023		
	Chengdu IFS	Changsha IFS	Shanghai Wheelock Square
GHG Emissions (tonnes CO_2e)	52,977	41,915	11,145
GHG (Scope 2) Intensity (tonnes CO_2e/m^2/ occupancy rate)	0.10	0.08	0.09
Energy Consumption (GJ)	347,203	269,192	73,962
Energy Intensity (GJ/m^2/occupancy rate)	0.68	0.50	0.56
Waste to Landfill (tonnes)	3,055	0	456

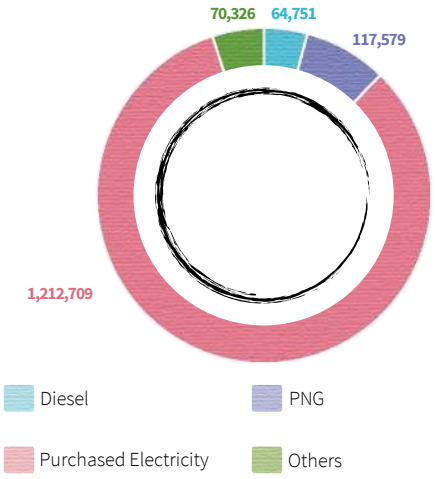
Energy Management and Decarbonisation

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

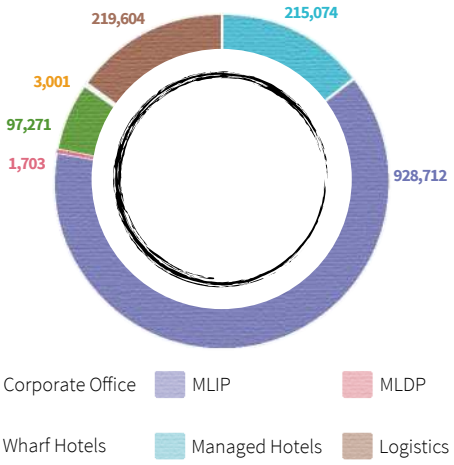
HKEX KPI A1.1, A1.2, A1.5, A2.1, A2.3, A3.1

As a socially and environmentally conscious real estate company, we recognise our duty to play a role in mitigating global carbon emissions and addressing the urgent issue of climate change. We understand that indirect energy consumption significantly contributes to our organisation's carbon footprint. Therefore, we are committed to making every possible effort to enhance the energy efficiency and cost-effectiveness of our business operations. For example, at Chongqing Times Square, gold halogen lamps in the courtyard have been replaced with LED lights and achieved 43.33% of energy saving. Dalian Times Square replaced heating, ventilation, and air conditioning ("HVAC") fan by electronically commutated ("EC") fan, saving a total of 64,112 kWh. Changsha IFS also applied motion senor light and saved 2,400 kWh of electricity. Chengdu IFS have recovered waste heat from boiler's smog, achieved a recovery of 2,306 GJ heat energy. Dalian Times Square has also replaced lightings with LED lights, such as using T8 LED with 15W to replace lightings with 36W, saving energy of 35,015.8 kWh.

Energy consumption by type in GJ



Energy consumption by operation in GJ



Notes:

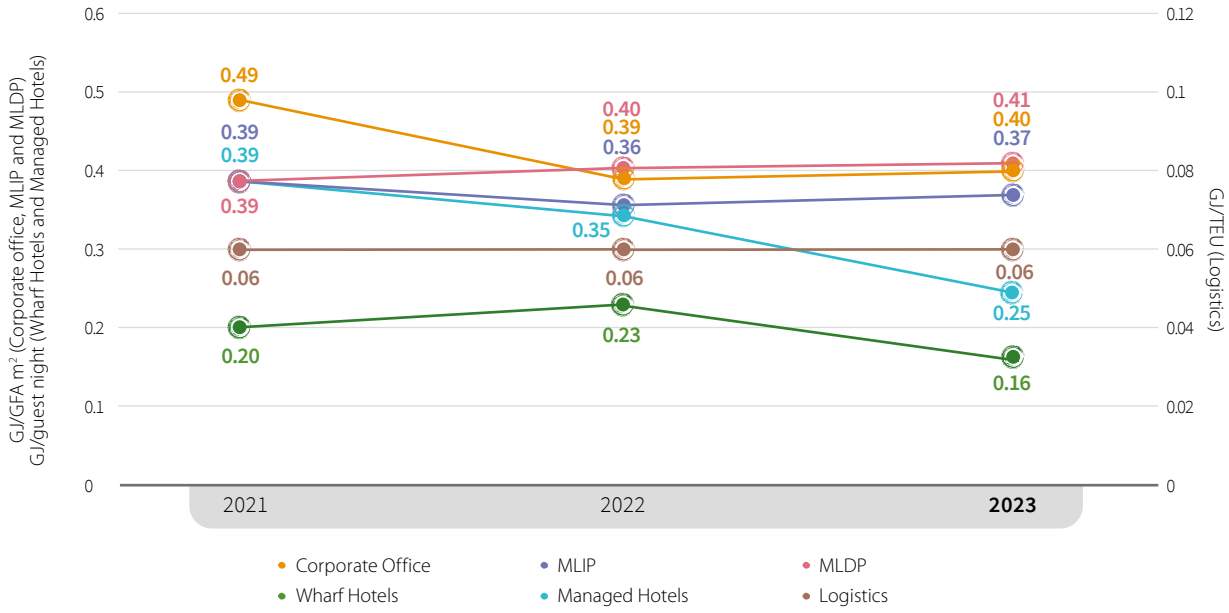
(1) Data presented in sustainability report is based on the report scope of the respective report, unless otherwise specified. Please refer to page 6 for 2023's report scope.

(2) MLDP refers to the management offices located in Chengdu, Shanghai, Hangzhou and Suzhou.

(3) Purchased electricity of Chengdu and Shanghai offices of MLDP, and Niccolo Chengdu and Niccolo Changsha is included in MLIP.

(4) Others refer to energy sources including unleaded petrol, LPG, towngas, purchased steam and heat.

Energy intensity by operation



Notes:

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

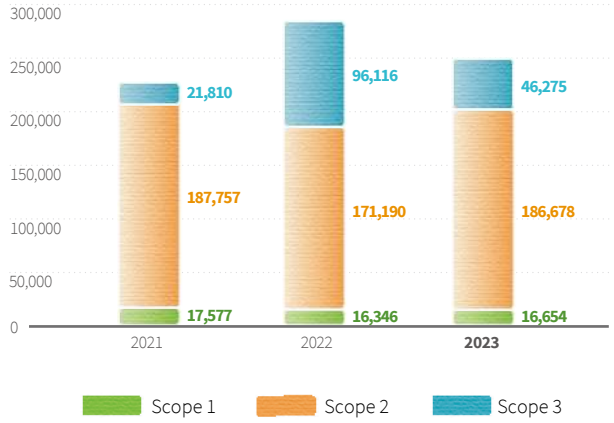
(2) The energy intensities of MLIP in 2021 and 2022 are restated to exclude tenants' consumption of Times Oultets Chengdu and Times Outlets Changsha to reflect the actual situation.

(3) Purchased electricity of Chengdu and Shanghai offices of MLDP, and Niccolo Chengdu and Niccolo Changsha is included in MLIP, and hence the energy intensity by operation.

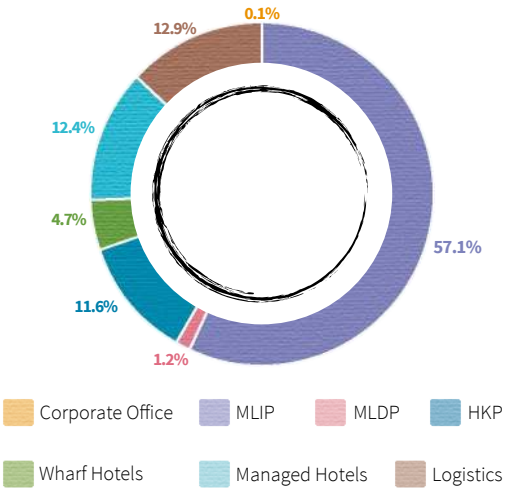


The Group has expanded the use of renewable energy in pursuit of our decarbonisation goals. Modern Terminals has completed the second phase of its solar panel installation project in 2023, tripling the annual power generated by renewable energy. In this phase, a total of 470 solar panels were installed on the rooftop of eight buildings which will generate about 291,000 kWh of electricity each year. Together with the 291 solar panels installed on its Warehouse Building in 2021 as phase one, Modern Terminals is generating 431,000 kWh of electricity and reducing 168 tonnes of carbon emission per annum. Our MLIPs including Shanghai Times Square, Chengdu IFS and Changsha IFS have installed solar panels in its premises, generating over 70,000 kWh in 2023.

Total GHG emissions in tonnes CO_2e



Total GHG emissions by operation in percentage

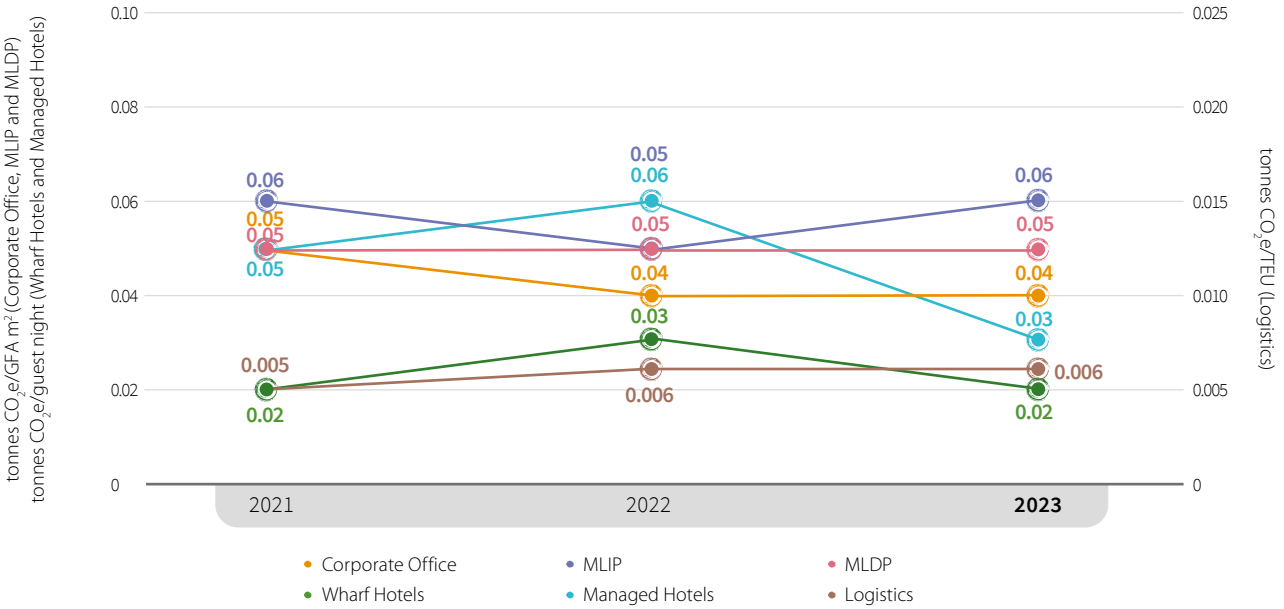


Notes:

(1) For definition of Scope 1, Scope 2 and Scope 3 emissions, please refer to footnote 6 to 9 on page 66.

(2) Purchased electricity of Chengdu and Shanghai offices of MLDP, and Niccolo Chengdu and Niccolo Changsha is included in MLIP, and hence the GHG emissions by operation.

GHG intensity by operation



Notes:

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

(2) Only Scope 1 and Scope 2 GHG emissions were included in intensity calculation for comparison between 2021 and 2023 data.

(3) The GHG intensities of MLIP in 2021 and 2022 are restated to exclude tenants' emissions of Times Oultets Chengdu and Times Outlets Changsha to reflect the actual situation.

(4) Purchased electricity of Chengdu and Shanghai offices of MLDP, and Niccolo Chengdu and Niccolo Changsha is included in MLIP, and hence the GHG intensity by operation.

Air Quality Management

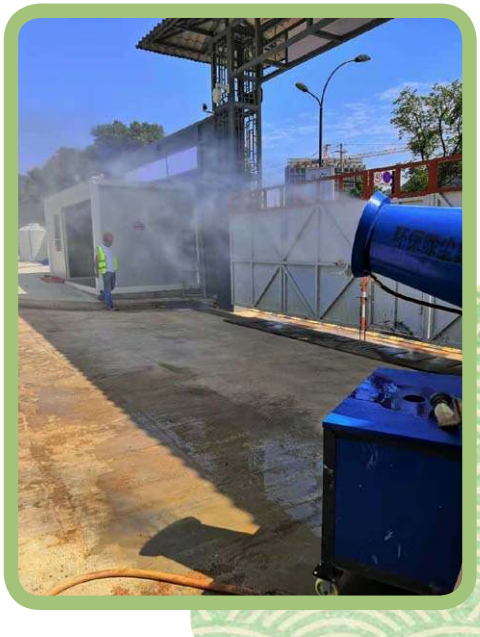
GRI 305-7; HKEX KPI A1.1, A1.5, A3.1

Ensuring air quality is a significant focus for us, as we are aware of the potential health risks associated with air pollution. Accordingly, the Group is committed to improving air quality across our operations, with the aim of safeguarding the health and wellbeing of all stakeholders, including employees, customers, and the general public. To achieve this, we are gradually replacing diesel-powered machinery with electric or green energy alternatives. At Modern Terminals, we actively support our contractors in adopting pure electric-driven tractors, which helps minimise diesel consumption and, consequently, reduce air pollution. Additionally, we have replaced all conventional rubber-tyred gantry ("RTGs") cranes with electricity-powered RTGs, further contributing to our efforts to improve air quality.

As part of our sustainable practices, we have implemented various measures across our properties. In Chongqing Times Square, all restaurants are equipped with hood fans and purifiers to maintain air quality. In an effort to minimise diesel usage, the oil boiler at Shanghai Times Square has been replaced with an air source heat pump. Furthermore, we are committed to strict compliance with national and industry-level emissions regulations and standards, ensuring that our operations meet the required environmental standards. At Modern Terminals, a trial of adopting Hydrotreated Vegetable Oil ("HVO") fuel was conducted. HVO is a greener fuel produced from waste, residue oils and fats. About 20,000 litres of HVO were used in three types of equipment, including the rubber-tyred gantry crane, reach stacker and empty stacker, for trial for about a month. We monitored the emission and operational efficiency during the trial to understand the potential benefits the new technology could bring us.



At MLDP, we have implemented measures to effectively control dust emissions at our construction sites and ensure they are kept at acceptable levels. We have required our contractors to optimise the use of dust suppression equipment to minimise the release of dust particles. In addition to the existing water-spraying washing machines, we have introduced environmentally friendly dust removing fog cannons to further prevent the dispersal of dust by wind. Moreover, to prevent vehicles from carrying dusty materials away from sites, we have established vehicle wheel and body washing facilities at the exits of our construction sites. Furthermore, we prioritise the use of enclosed vehicles for transporting construction materials and waste, minimising the potential for dust emissions during transportation. Shanghai Wheelock Square has implemented the Central Air Conditioning and Ventilation System Cleaning and Disinfection Project. It helps to prevent and control the occurrence and spread of airborne diseases, ensure indoor air and air conditioning ventilation system meet the required standards, and safeguard public health. The cleaning and disinfection of the air conditioning ducts, air supply outlets, return air outlets, and variable air volume ("VAV") filters have been conducted.



Water Stewardship and Conservation

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

The Group is aware of the importance of water as a life-sustaining resource and its scarcity[7], constantly exploring new ways to enhance water management and conservation.

We have maintained water conservation measures and are constantly re-evaluating our practices in an effort to reduce our water consumption. For example, in 2023, at Dalian Times Square, underground water was collected for planting and cleaning purpose, saving a total of 1,987 m^3 of fresh water. At Niccolo Chengdu, by reducing the valve opening of the angle valves in 85 kitchen faucets by 15%, we can conserve approximately 4,250 m^3 of water annually and achieving an saving of 4.1%. Niccolo Changsha has also saved around 800 m^3 of water by using water recovered from steam condensation in the laundry room to heat the boiler. Also, we have optimised our water tank cleaning process. By transferring the water to another tank instead of emptying the water tanks before cleaning, there is an annual saving of around 1,755 m^3 of water. Marco Polo Plaza, Cebu recovered overflow water from cooling tower, which was stored and pumped to the overhead flushing tank for flushing in guest rooms and public areas water closet. This water recovery initiative saved 7,442 m^3 water in 2023. Additionally, our construction sites have also set up sedimentation tanks for water filtration for reuse in wheel washing.



To ensure effective water management, we have placed significant emphasis on the identification and resolution of water leaks. At Times Outlets Chengdu, our staff conducts regular checks and records water meter readings to monitor water usage. Additionally, at Times Outlets Changsha, our team inspects water pipes and dripping faucets twice daily to identify any leaks. In the event of water leakages being detected, our engineering team is promptly notified to address and resolve the leaks.

Promoting behavioural changes is essential for the long-term success of our water conservation efforts. We actively encourage our staff and customers to reduce their water consumption in their daily routines. In MLDP office's pantries, signs are placed near water taps to remind employees to turn them off when not in use. At our hotel operations, newly hired staff undergo EarthCheck training to ensure they understand how to implement water-saving practices in their daily tasks. Additionally, we invite our hotel guests to participate in our green programme for guest room linens, where linens and towels are only changed upon request to avoid unnecessary washing.



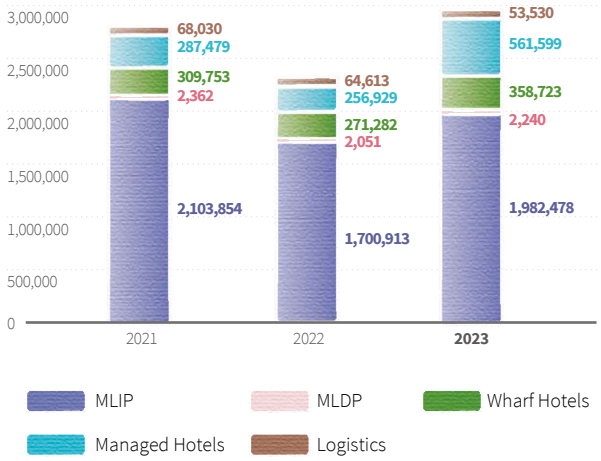
Effluent Management

We place great importance on effluent management and spillage prevention at Modern Terminals, prioritising water quality and public safety. To minimise the impact of our operations on water quality and biodiversity, we have implemented various measures. Underground fuel interceptor facilities have been installed to monitor the quality of effluent treatment before discharge. Regular inspections and assessments are conducted to ensure compliance with relevant regulations regarding effluent quality and facility maintenance.

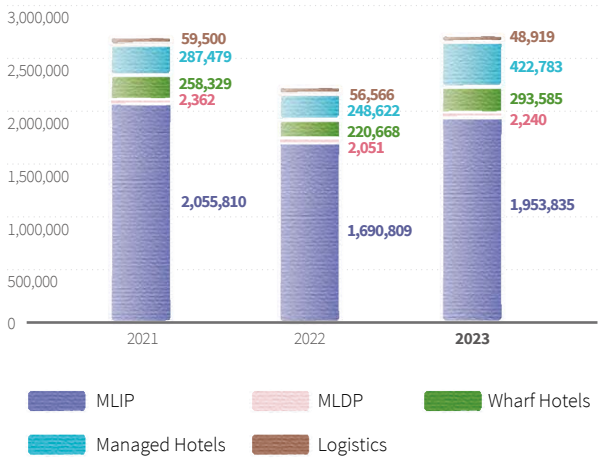
To address any potential chemical spillage incidents, we have established a robust internal management system and comprehensive emergency response guide. These provide clear steps to be taken in such situations, ensuring that the environment remains unaffected. Additionally, to enhance the preparedness of our employees during emergencies, routine emergency drills are conducted, and our employees undergo emergency response training.

7 The Group initiated a water stress risk assessment using the Aqueduct tool developed by the World Resources Institute for our key properties. We are studying the results and will disclose more information in the future.

Water consumption by operation in m³



Water discharge to a third party by operation in m³



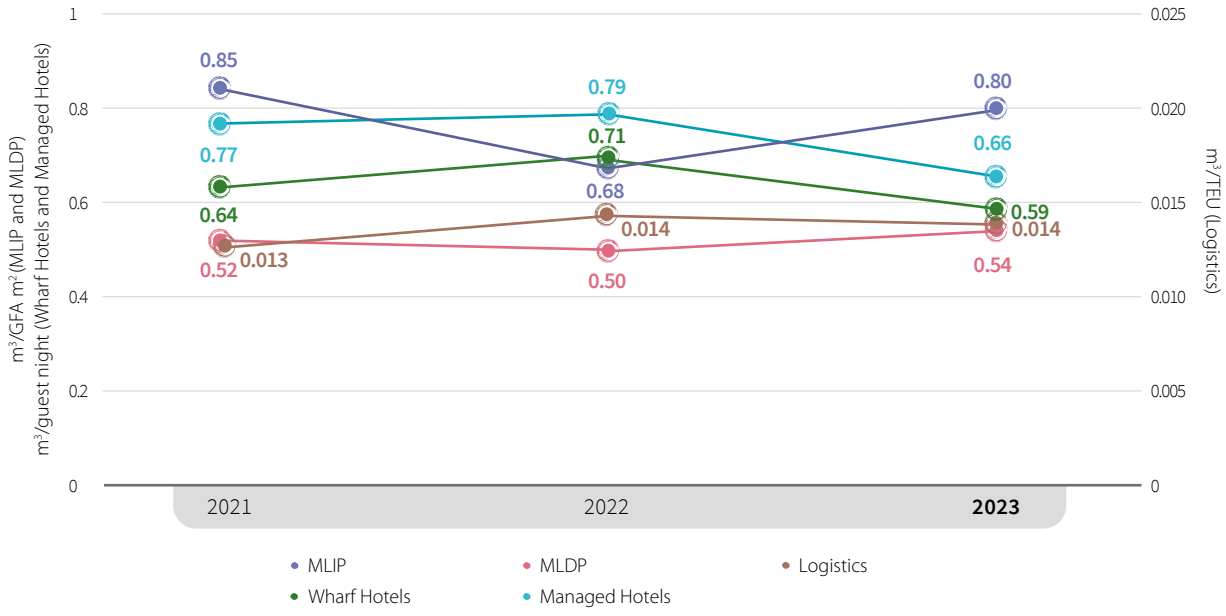
Notes:

(1) Corporate Office and WHML do not have a separate meter and its consumption is included in the bills of Harbour City. Please refer to Wharf Real Estate Investment Company Limited's Sustainability Report 2023 for details.

(2) Chengdu and Shanghai offices of MLDP do not have a separate meter and their consumptions are included in MLIP.

(3) The water consumption and discharge of MLIP in 2021 and 2022 are restated to exclude tenants' consumption of Times Oultets Chengdu and Times Outlets Changsha to reflect the actual situation.

Water intensity by operation



Notes:

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

(2) The water intensities of MLIP in 2021 and 2022 are restated to exclude tenants' consumption of Times Oultets Chengdu and Times Outlets Changsha to reflect the actual situation.

Waste Management and Resource Conservation

GRI 3-3, 306-1, 306-2, 306-3, 306-4; HKEX KPI A1.6, A3.1

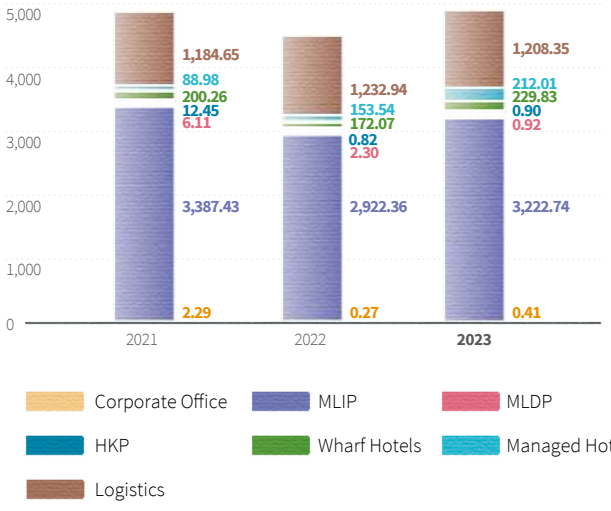
As urbanisation and global population continue to increase, waste management has become an undeniable issue that affects all sectors of society. The Group acknowledges the importance of acting for resource conservation. We have implemented various initiatives and dedicated significant efforts to waste management practices and the efficient use of resources. In accordance with our Green Procurement Policy, we are committed to minimising the use of single-use disposable items and closely monitoring the amount of waste generated and disposed of.

Our BUs have been making steady progress in reducing paper usage with the goal of transitioning to a paperless office. We actively engage with our stakeholders to gather tenants' feedback and conduct performance reviews of our employees, all of which are now digitally recorded. Patrol records, facility maintenance, and repair documentation are also maintained digitally. For example, we actively encourage our colleagues to embrace green office practices, promoting paper-saving measures and recycling initiatives. For instance, at our Shanghai office, the paper usage reduced by 80,000 pieces compared to that of 2019. We also endeavour to promote resource recovery and reuse, including putting environmental protection posters at printing machines to encourage printing on double sides and setting up a waste paper recycling corner.

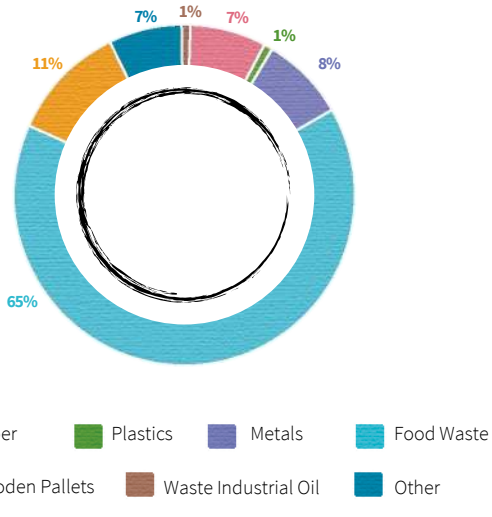
We constantly improve sorting and recycling across our business operations to lessen the burden of landfills. Different types of recycling facilities are available and accessible to our shoppers and tenants in MLIPs. In addition to the common recyclables, i.e., paper, plastics and metal, batteries, household chemicals and linen collection facilities are provided to facilitate waste recycling. We also extended our influence on our tenants. At Shanghai Wheelock Square, new tenants are encouraged to participate in waste recycling and introduced to our recycling facilities, so that we can jointly reduce the waste sent to landfill. At MLDP, we have placed recycling bins in a number of areas and informed staff about garbage sorting and recycling. We have also appointed approved contractors to ensure building materials, such as scrap wood and rebar at our construction sites, are recycled properly.

At our hotel operations, we put emphasis on food waste management. At Marco Polo Xiamen, guidelines on food waste recycling are posted on hotel's environmental notice board to keep colleagues updated on the latest food waste recycling arrangement. With the common goal of waste reduction and resource conservation, our three Niccolo hotels collected used capsules in hotel rooms and restaurants and participated in the Nespresso pod recycling programme which aims to give a second life for both capsules and coffee.

Recycled waste by operation in tonnes



Recycled waste by type in percentage



Note:

(1) Other consists of cell batteries, industrial batteries, fluorescent lamps, light bulbs, glass, soaps, electrical appliances and components, used ink cartridge, scrap tyres, waste cooking oil, waste filter and waste rag.

Enhancing Environmental Awareness and Biodiversity

HKEX KPI A3.1

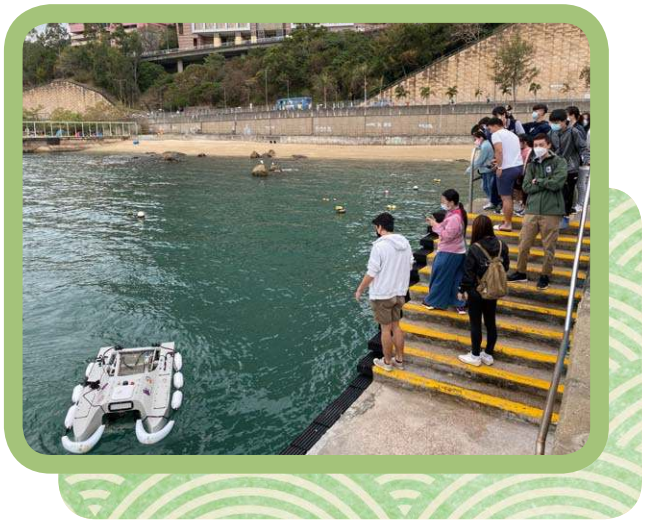
In the long run, we must continue to enhance our employees' environmental awareness to improve our environmental performance. We engage our employees in activities and training and provide them with guidelines to promote green living. During the reporting year, we provided various sustainability awareness training to our employees, with up to 20% of employees participated. Wharf Limited organised two eco-visits, namely WWF Hoi Ha Wan Marine Centre, and WWF Island House and Garden Tour plus Lip Balm and Moss Ball Workshop respectively. Our staff and their family members participated in the two activities to learn marine environment and eco-marine conservation, as well as appreciate the heritage and sustainable living. MLDP focused on environmental awareness building among their employees, during the reporting year, organised five sessions of training to their staff in different regions in Mainland China.



Modern Terminals has organised several workshops to raise awareness. For example, a face-to-face workshop was held in July 2023 to teach colleagues how to purify the air by making a Tillandsia bonsai. During the workshop, the characteristics of Tillandsia and the trend of sustainable development and air pollution problem in Hong Kong were introduced. Chongqing Times Square also organised three major themed urban eco-art exhibitions with an aim to promote and raise awareness about urban environmental protection and foster a sense of environmental consciousness towards nature and animals. A total of 11 volunteers from Dalian Times Square participated in a water resource conservation workshop with children in the community school. They learned about the reasons for water scarcity, how to protect water resources correctly in daily life and made a water purification device together.

We understand biodiversity loss is a pressing issue that actions must be taken to enhance awareness and adopt responsible sourcing. Our Environmental Policy has outlined our commitment in minimising impacts and considering sustainability in procurement process and our business operations. Our hotel operations have been an early supporter entering into Say No to Shark Fin Pledge since 2012. We source from suppliers of sustainable seafood whenever possible. Additionally, we use Nespresso Coffee, which is produced using Rainforest Alliance-endorsed practices for sustainable farming management and community resilience.

We also support the prevention of deforestation. We focus on increasing the procurement of FSC/CFCC/PEFC-certified products such as office paper and evaluate products using virgin wood. Our MLDP consciously assesses and selects materials used in each building project to minimise virgin material, such as virgin wood used. At hotel operations, we will continue instil responsible sourcing concept in relevant employees for sourcing goods such as coffee, tea and chocolates, etc.



To raise our employees' awareness on eco system and biodiversity, Modern Terminals partnered with WWF-Hong Kong and a start-up called Clearbot to launch the Modern Terminals Cares for the Ocean programme. A total of eight educational sessions were conducted between November 2022 and May 2023, involving various stakeholders including employees and their families, alumni of Modern Terminals Summer Fitness Programme, and students from Cotton Spinners Association Secondary School. Participants observed marine litter collection by the sponsored Clearbot, engaged in coastal clean-ups, and collected water samples for microplastic analysis. Nearly 180 participants gained a deeper understanding of marine conservation.

Building Excellence
WITH OUR STAKEHOLDERS

Commitment and Strategy 39
Nurturing Our Employees 39
Partnering with Our Suppliers 47
Delivering Quality for Our Customers 48



Material and relevant topics addressed in this chapter:

- RECRUITMENT AND RETENTION
- EQUAL OPPORTUNITY, DIVERSITY AND INCLUSION
- CUSTOMER PRIVACY
- CUSTOMER ENGAGEMENT AND SATISFACTION
- TRAINING AND EDUCATION
- LABOUR/MANAGEMENT RELATIONS
- SUPPLY CHAIN MANAGEMENT

Commitment and Strategy

GRI 2-7, 2-23, 2-24, 2-25, 3-3; HKEX KPI B1, B4

The Group recognises the importance of involving stakeholders who play an active role in the Group's sustainability development. We strive to deliver top-notch services to our customers and promote a positive working environment for all stakeholders, including our employees and suppliers, in order to enable the sustainable growth of the Group.

The Group maintains policies in accordance with all applicable laws and regulations to protect the interests of our employees, suppliers and the Group. To enforce these policies and ensure their full compliance across our business operations, we have also established numerous management systems and processes to monitor and evaluate our products and services, as well as supply chain activities. The Group also maintains our Human Rights Policy to promote inclusivity, diversity and equal opportunities, aiming for higher standards and meeting the expectations of our Group and stakeholders. The Group is committed to creating an equal, discrimination-free and fair community and preventing infringements on the rights of all stakeholders, especially those with special needs. We also aim to broaden the inclusiveness of our operations and avoid infringing on the rights of stakeholders in our future development.

To enhance our operations, we regularly assess the progress of our management approach using various engagement channels to gather stakeholder viewpoints. We have established both internal and external grievance mechanisms for stakeholders to express their thoughts on our business, and we have systematic mechanisms in place to provide remediation if appropriate. During the reporting year, there were no violations of applicable laws and voluntary norms that resulted in fines or penalties.

Nurturing Our Employees

Talent Attraction and Retention

GRI 401-1, 401-2, 402

The Group recognises the critical role of employees in our success. We are committed to cultivating a fair and inspiring workplace. During the recruitment and selection process, candidates are evaluated based on their relevant skills, qualifications, and work experience. We place great importance on addressing employment-related issues, including grievances, non-discrimination, principles and rights at work, working conditions, OSH and staff development. We also uphold human rights and adhere to the Group's Human Rights Policy and other relevant policies.

We understand that offering reasonable and competitive compensation and benefits is essential for attracting and retaining valuable talents. We regularly review remuneration packages and make necessary adjustments. We provide compensation packages for employees that take into account market relativity, average income levels in society, national salary guidelines and surveys.

Subject to each BU's policy, eligible employees can enjoy various benefits, such as voluntary employer contributions to the MPF for employees in Hong Kong, free pre-employment health checks, counselling services, outpatient and hospitalisation coverage, discounted dental services, subsidised meals, meal allowance and more. Some BUs also provide regular health checks. In Hong Kong, eligible employees also enjoy better than statutory sickness allowance, annual leave and enjoy public holidays. In Mainland China, we make contributions according to the requirements of each city for Five Social Insurance and One Housing Fund.

Recognition and Appreciation

In addition to employee benefits, we recognise that creating a supportive and inclusive environment boosts morale, attracts talent, and retains employees. During the reporting year, the Group implemented various measures and activities to foster positive relationships with our employees and attract potential new recruits.

2023 Colleague Annual Party — NI Staycation



To appreciate our colleagues' efforts for 2022 and celebrate Niccolo Chengdu's eighth Anniversary, an annual party with performance show, delicious food and lucky draw was held.

Music SPA — Singing Bowl Workshop



The Singing Bowl workshop offered a moment of peace and tranquillity for our staff. They also learned the techniques in sound therapy and meditation, leading to increased focus and positivity.

Happy Ice-cream Day



To show appreciation for our employees' hard work during the hot summer, Modern Terminals distributed ice-cream and herbal tea to its employees and contractors' workers.

Blood Pressure Workshop



In the workshop, our employees from Chengdu IFS had their blood pressure and blood oxygen levels measured to help them understand their blood pressure and manage their health effectively.

Yoga Class



Employees of our MLIP were coached by yoga tutors on yoga exercises, which can relieve their shoulder and neck tension, maintain spinal health, and develop good exercise habits.

Appreciation Buffet Lunch



Marco Polo Lingnan Tiandi, Foshan invited employees to buffet lunch in order to show our appreciation and develop good communication and relationships between our management teams and frontline employees.

Please visit our corporate website's career section to learn more about available positions.

Diversity, Equity and Inclusion ("DEI")

GRI 2-7, 2-8, 3-3, 401-1, 401-2, 405-1, 406-1

DEI has become an emerging focus in human capital management. The Group adheres to all applicable anti-discrimination laws and maintains a zero-tolerance approach towards workplace discrimination. We ensure equal opportunities for employees regardless of their gender, age, family background, race, religion, nationality, sexual orientation, or disability. Our focus is on evaluating individuals based on their experience, skills, and relevant qualifications to foster diversity in the workplace.

We are committed to fostering an inclusive working environment that embraces equitable employment and welcomes individuals from diverse backgrounds. We recognise that gender diversity in the workplace brings different perspectives that facilitate complex decision-making and strive to achieve a well-balanced workforce. We closely monitor the Group's gender ratio and pay attention to any significant changes. In the reporting year, the overall gender ratio of the Group remained within a favourable range, with over 40% female representation. To encourage new mothers returning to work, we provide breastfeeding room with refrigerating facilities to enable the lactating employees a private space for lactation breaks.

Showing Care for Female Colleagues on International Women's Day

To show care and appreciation for female colleagues, our MLIP organised employee activities during International Women's Day. At Changsha IFS, a pearl jewelry DIY workshop was held for colleagues to experience the joy of opening oysters, selecting and polishing pearls, and crafting their own pearl accessories. Through these hands-on activities, colleagues created pearl rings, necklaces, brooches, and other jewelry items to share as gifts with their loved ones, conveying holiday greetings and blessings.

Our hotel operations also arranged Women's Day activities. At Marco Polo Jinjiang, flowers and chocolate were distributed to female colleagues to show our appreciation. In addition to flower distribution to female colleagues, lipstick DIY workshop was arranged at Marco Polo Wuhan.





We enforce relevant policies and integrate inclusive ideas into our operational practices. If any suspected cases of discrimination are identified and reported, we take immediate action with zero tolerance and implement measures to prevent similar incidents in the future. In the reporting year, no incidents of discrimination were reported within the Group.

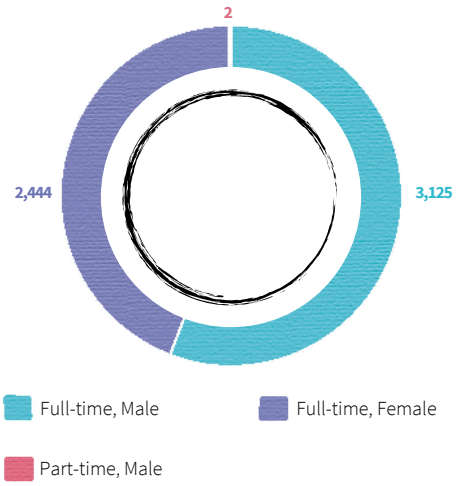
To assess the effectiveness of our diversity and inclusiveness policies, we continuously track changes and trends of our employee statistics. For detailed information of our workforce, please refer to the Performance Data Summary — Employee Statistics section, pages 67 to 70.

Employee Composition

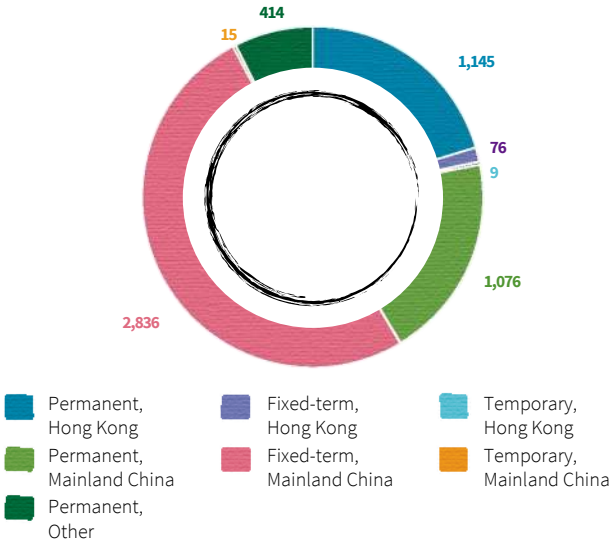
GRI 2-7, 2-8, 3-3, 405-1; HKEX KPI B1.1

As of 31 December 2023, we have a total of 5,571 employees with the following distributions:

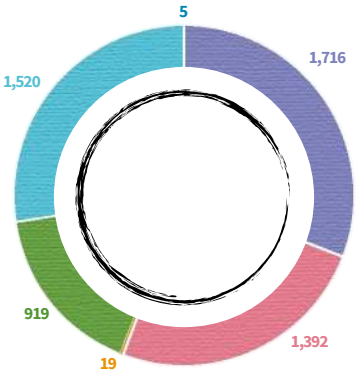
Total workforce by employment type by gender



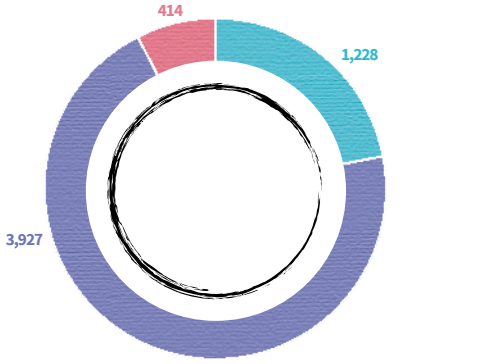
Total workforce by contract type by region



Total workforce by contract type by gender



Region distribution of full-time employees



There is no non-guaranteed hours employee in the Group in the reporting year. As shown, our workforce is mainly made up of permanent and fixed-term full-time employees. There are 2 part-time employees.

At the end of the reporting year, the total number of workers who are not employees and whose work is controlled by the Group is approximately 4,000. The majority of workers who are not employees are contractors' workers hired for the cleaning, security, and onsite operation and technical support functions in MLIP and Logistics.

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

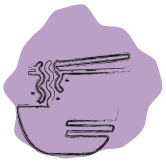
Engagement Channels

Promoting effective communication and fostering a positive organisational culture is vital for the success of both individuals and the company. The Group actively encourages employee engagement by maintaining regular communication and organising events that promote a respectful work environment. Throughout the reporting year, we have conducted various activities to stay connected with our employees, such as baking classes, art workshops, virtual sports challenges, festive celebrations, and team-building exercises.

To address concerns raised by our employees, we have established an employee complaints procedure aimed at swiftly resolving issues. Upon receiving complaints, we conduct thorough investigations and take comprehensive actions to address them appropriately. If necessary, we reassess our human resources policies and management approach to ensure that we are continuously improving and meeting the needs of our employees.


Internal Newsletters


Staff Surveys


Luncheons


Town Hall Meetings


Company Intranet



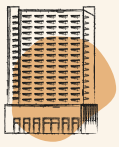
Employee Training and Development GRI 3-3, 404-1, 404-2; HKEX KPI B3.2

The Group offers a diverse range of training programmes to enhance employees' capabilities and expertise in the ever-changing business environment. For new hires, we provide orientation programmes to familiarise them with our corporate structure, culture, mission, and values. Additionally, our BUs conduct annual evaluation to identify the knowledge, skills, and abilities required for training of current staff members.



To foster a culture of continuous learning within the Group, we actively encourage full-time employees to participate in professional qualifications, job-related training courses, seminars, and conferences organised by third-party organisations. These initiatives are supported by the Training Sponsorship Scheme or Policy.

The training focus of different business operations are listed as below:

Operation	Training Focus
Corporate Office 	• Human resources analytics • Personal data protection • Strategy development • Anti-corruption • Corporate regulatory and compliance
MLIP 	• Leadership skills • Team building • Application of law • Core job duties • Emergency handling • Service culture • Supervisory and coaching skills • OSH and mental wellness
MLDP 	• Project management • Land surveying and mapping • Architectural and community design • Organisational design management • Office automation • Understanding on industry related taxation, laws, and regulations
Leisure and Hospitality 	• Red Ring Leadership • Engage to Connect • Introduction to Forbes Services and customer service • Business Code of Conduct • Product introduction and sales • Crisis management • Language proficiency • Corporate regulatory and compliance
Logistics 	• Leadership and personal effectiveness • OSH • Operator Competency Course • Anti-corruption, environmental protection, and other technical skills relevant to the job

Corporate Office — Climate Finance and Understanding ISSB Training

Effective implementation of ISSB standards across the Group is critical for ESG data management. In addition, the increasingly popular climate finance may induce business opportunity. In view of this, experts from WWF-Hong Kong and Deloitte China were invited to give the Group's finance and accounting teams a talk to gain an understanding of the topics.



MLIP — Emergency Handling Training

We offer a range of simulation exercises and training in order to provide employees and their families with more knowledge about disaster prevention and self-rescue. These include exercises for building fire escapes, earthquake emergency shelter, storm experience, and mudslide holographic experience. Through these activities we aim to strengthen the knowledge and skills of employees and their families in disaster prevention, enabling them to respond calmly and safely in the face of disasters and contribute to their own safety and the safety of others.



MLDP — Taxation-related Training

The Group has operations in different regions that clear understanding of those taxation regimes by our relevant employees would be necessary for our business operations and their professional development. MLDP organised several trainings on VAT, Cross-border Tax Risk, Foreign Income Tax Exemption, etc. during the reporting year.

Leisure and Hospitality — Live Bold Leadership Development Programme



In order to foster management leadership skills of our employees, our hotels have organised this programme to build leadership effectiveness for high potential future leaders through a comprehensive learning framework. Under this 12-18-month programme, employees could participate in various activities to obtain valuable leadership experience. The programme is developed for employees to improve their leadership skills in four areas, namely "Leading people", "Exceptional results", "Personnel effectiveness" and "Strong relationship". In 2023, a total of 69 talents have been nominated into this program, including 29 talents of Young Leaders Track and 40 talents of Mid Management Track, strengthening their leadership skills.

Logistics — Leadership Skill Enhancement Programme



This programme aims to strengthen and reinforce leadership skills and help to continue the professional development of the newly joined or newly promoted middle management. This is a 2-day programme conducted in our office in a face-to-face classroom format. The training content covers the role of an experienced leader, core leadership and communication skills, delegation, coaching, performance management and influencing skills

Partnering with Our Suppliers

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

The Group maintains strong partnerships with suppliers to ensure the delivery of high-quality services to our customers. We rely on a diverse range of suppliers to support various aspects of our business operations, including food and beverage, service and facilities, engineering supply and maintenance, operational services, utilities, and general supplies.

To evaluate and monitor our suppliers' performance in terms of environmental protection, labour rights, and health and safety, we have implemented a stringent vendor management system. Throughout the year, we conduct regular on-site inspections to gather first-hand information from our business partners. In order to prevent unexpected negative impacts, we have established standardised processes along the value chain to detect environmental and social risks. This includes qualitative identification of risks, quantitative risk assessment, and implementing risk-controlling responses based on the operational practices of each BU.

Green Procurement

We prioritise suppliers who align with our ESG requirements and place great emphasis on ethical business conduct. Our Green Procurement Policy guides all BUs and operations in enhancing supplier selection based on environmental and social considerations. In line with this policy, we assess the environmental impacts of suppliers during the selection process. When all other factors are equal, we favour suppliers who have more comprehensive internal ESG practices. We also prioritise the use of environmentally friendly materials and evaluate suppliers' environmental performance, including energy efficiency, water consumption, and waste management. In 2023, our procedure has screened 97% of new suppliers across our MLIP and MLDP operations. We are pleased to report that there have been no cases of significant negative environmental and social impacts within our supply chain. With green and responsible sourcing in mind, we implemented measures to support biodiversity and prevention of deforestation. Please refer to Enhancing Environmental Awareness and Biodiversity section for additional information.

Enhancing Sustainability Performance by our Quantity Surveying Professionals

Quantity surveyors plays a critical role in promoting sustainability. They involve in all stages of building projects that their conscious decision-making can contribute to enhance environmental performance. At pre-qualification stage, suppliers and contractors' environmental credentials experience and certifications are reviewed. By conducting cost-benefit analysis, our quantity surveyors assess upfront costs of green technologies such as solar photovoltaic systems and green roofs. The incorporation of clauses such as waste sorting requirement and enclosed vehicles to convey construction materials into contracts ensure contractors undertake environmental measures.

Material selection is also important in minimising environmental impacts. We consciously select low-impact building materials such as recycled or reclaimed wood, low volatile organic compounds ("VOC") paint and precast concrete units that incorporate recycled aggregates, etc.

Percentage of New Suppliers Screened by Environmental and Social Standards in 2023	
New suppliers screened by environmental standards in MLIP and MLDP	97%
New suppliers screened by social standards in MLIP and MLDP	97%

In 2023, we continued sourcing our products and services from local suppliers with nearly all being locally sourced. During the reporting year, there were no significant changes in our supply chain. The table below shows the number of suppliers in different regions, which represents about 70% of the most significant spending of BUs' supply chain.

Operation	Region	Number of Key Suppliers	
		2023	2022
MLIP	Mainland China	**177**	155
MLDP	Mainland China	**45**	39
Leisure and Hospitality	Mainland China	**162**	155
	The Philippines	**26**	N/A
	Other	**8**	N/A
Logistics	Mainland China	**0**	1
	Hong Kong	**13**	9

Delivering Quality for Our Customers

Customer Satisfaction

GRI 417-3; HKEX KPI B6.1, 6.2, 6.3, 6.4

We are committed to delivering high-quality products and services that meet customers' expectations and achieve total customer satisfaction. We regularly advise and train our staff to ensure they meet the highest service standards. For example, our hotels provide training courses on service etiquette and hotel products to equip frontline employees with the necessary knowledge and skills to deliver high-quality services.

In all our marketing communications, we prioritise honesty, integrity, and openness. We thoroughly review all promotional materials to ensure compliance with applicable advertising and intellectual property laws. We strictly adhere to patents and licensing restrictions to prevent infringement. We have implemented registration and confidentiality measures to protect our intellectual property rights.

Throughout the reporting year, there were no incidents of material non-compliance related to marketing communications across all our operations.

To ensure superior customer service and high-quality products, the Group has established a Quality Policy Statement to guide employees in enhancing the performance of our products and services. We also place great emphasis on customer feedback. We actively engage with our customers and encourage them to provide feedback on our services through various channels, including:

Engagement Channel	MLIP	MLDP	Leisure and Hospitality	Logistics
Internet and emails	✓	✓	✓	✓
Customer service hotlines	✓		✓	
Social media platform	✓	✓	✓	✓
Focus group discussion	✓		✓	
Interviews	✓	✓	✓	✓
Online survey	✓		✓	
Mystery shopper	✓			

We highly value customer feedback as it provides valuable insights for improving our products and services. We have established an effective and responsive mechanism to handle customer feedback. In our hotel operations, we employ a six-step problem-solving technique to address complaints and disputes. This ensures that customer concerns are promptly and effectively resolved.

Six-step Problem-solving Technique



During the reporting year, the Group received 1,943 product-related and 623 service-related complaint cases[8], and none of them was substantial. No complaint case was related to violation of laws. All the complaints, on service shortfall or room defects in majority, were handled properly and swiftly.

In order to gather feedback and identify areas for improvement in our service quality, we regularly conduct customer satisfaction surveys and service review sessions. We also consult international customer satisfaction benchmarks specifically for our hotel operations, enabling us to benchmark ourselves against industry best practices. Additionally, we actively seek insights from our customers to enhance their overall experience and ensure the highest level of service quality.

	MLIP	Leisure & Hospitality
Overall Satisfaction Rate	96%	95%
Number of Responses Collected/Name of Index	1,364 tenants surveyed	ReviewPro Global Review Index



8 These included all complaint cases logged and comments received from online platforms that following actions were taken.

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

The Group has implemented various data protection measures to ensure the secure handling of customers' personal information. We have established a Data Privacy Policy Statement, and BUs have implemented personal information collection statements to communicate our data collection objectives and obtain customers' consent before using their data. Our employee handbook stipulated the obligation of employees in maintaining data and information confidentiality, especially those in relation to our businesses and customers.

Our BUs have set internal standards for the management of client data, covering its collection, storage, and disposal. We maintain strict control over the use of Information Communications Technology ("ICT") equipment to safeguard data from loss, damage, or theft. Access to data centres and server rooms is closely monitored according to industry best practices, and only authorised employees are granted access to critical client data. In the reporting year, we provided over 600 hours of IT and cybersecurity training to our employees. We continuously explore opportunities to leverage the latest technology to optimise the processing of personal data.

Any internal reports regarding actual or suspected data protection incidents are handled by our data breach team. The team develops appropriate action plans and notifies individuals who may be affected. In compliance with the European Union ("EU") General Data Protection Regulation, we are obligated to report data breaches to the relevant supervisory authority within 72 hours if the affected person resides in the EU. There were no reported complaints of breaches of client privacy or data losses during the reporting year.

We have implemented initiatives within our BUs to enhance employee awareness of data privacy and their knowledge of handling practices. For example, all new employees in our hotel operations receive data protection training to ensure they have sufficient knowledge of customer privacy protection and understand our relevant practices to meet our service standards. MLIP also emphasised the importance of personal data protection in the employee code of conduct training. In the reporting year, we provided over 160 hours of data privacy training to our employees.

Selected IT Policies and Guidelines:

- Internet Use Policy
- Network Policy
- Confidential Data Security Policy
- Cybersecurity Guideline
- Data Security Incident Response Plan Guideline



Safeguarding
WELLBEING AND SAFETY

Commitment and Strategy 52
Safe and Healthy Workplace 52
Employee Wellbeing 53
Safe Product and Services 56



Material and relevant topics addressed in this chapter:

OSH

CUSTOMER SAFETY AND HEALTH

EMPLOYEE WELLBEING

Commitment and Strategy

GRI 2-23, 2-24, 2-25, 3-3

The Group places a high priority on the safety of both our employees and customers, ensuring compliance with all applicable laws and regulations. We continuously strive to improve our safety risk management practices, promote workplace safety awareness, and prioritise the wellbeing of our employees and customers.

In alignment with the Group's Safety and Health Policy and BU-specific OSH management manuals, each BU has a dedicated safety committee or manager responsible for overseeing their OSH performance. By fostering a safety-oriented culture throughout our operations, we aim to excel in our health and safety practices and provide our clients with high-quality products and services.

During the reporting year, there were no incidents of non-compliance with health and safety laws and regulations. This demonstrates our commitment to maintaining a safe and compliant working environment.

Safe and Healthy Workplace

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

Maintaining a safe and healthy workplace requires an efficient OSH management strategy. To support OSH prevention and control, we have established a Safety and Health Policy and a robust safety management system. This includes employee awareness training and incident investigations. The safety committees in each BU are responsible for implementing preventive measures and managing and reviewing OSH hazards specific to their operations.



In 2021, one incident of work-related fatality of employee was recorded at Niccolo Changsha. Follow-up actions, including immediate inspection, review of work procedures as well as enhancing regular safety training have been taken to avoid similar cases happening in the future. In 2022 and 2023, no case of occupational diseases and no work-related fatality of employees and contractors' workers was recorded for two consecutive years.

Our Safety and Health Policy and management system undergo regular reviews to ensure compliance with the latest regulatory requirements and industry standards. In 2023, Chengdu IFS and Changsha IFS maintained their ISO 45001:2018 certified OSH systems. Modern Terminals engages an independent party, HKQAA, to conduct an annual audit of its health and safety management system to ensure compliance with applicable laws and regulations.

ISO 45001:2018 CERTIFICATION Intertek ™ UKAS MANAGEMENT SYSTEMS 014

To mitigate adverse health and safety impacts, various measures have been implemented across our operations. MLDP has developed a construction risk management handbook, which thoroughly analyses potential workplace hazards and outlines preventive actions to facilitate efficient emergency response by employees. Environmental and OSH management manuals, based on the latest national standards and regulations, are implemented to ensure effective control measures on construction sites. Specialised working groups and efficient emergency response plans are in place to monitor and manage OSH risks based on designated accident categories, including construction accidents, site hygiene, dangerous items, and fire. Personal protective equipment is provided to protect employees and contractors from potential health or safety hazards. MLIP also includes adequate safety work procedures and safety suggestions in the employee handbook.

Cultivating a Safety Culture at Work

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

The Group recognises the importance of fostering a strong safety culture in the workplace, as it plays a crucial role in maintaining a healthy workforce. At Marco Polo Parkside, Beijing, all employees are mandated to participate in OSH training. This training familiarises them with relevant OSH standards and regulatory requirements. Various safety programmes are also implemented. For example, Chengdu IFS, Dalian Times Square, Shanghai Wheelock Square and Shanghai Times Square organised a first aid programme, with a total of 95 colleagues participated in cardiopulmonary resuscitation ("CPR") training and the use of Automated External Defibrillator ("AED") devices, handling airway obstructions, trauma bleeding control, fracture immobilisation, and other first aid skills. They have acquired relevant first aid knowledge and skills to better protect their own safety and the safety of others.

In 2023, the Group continued its efforts to enhance OSH practices through regular fire drills and safety training. These activities aimed to increase awareness and knowledge of OSH practices in the workplace. The training focused on accident prevention, proper use of fire fighting equipment and personal protection equipment, first aid techniques as well as control measures of heat stress.

Chengdu IFS conducted a series of "Safety Day" activities, which included online knowledge quizzes and hands-on experiences. These activities allowed employees to learn the safety tips while facing emergency such as traffic accident, heavy rain and flood, accidental drowning, and crowd stampede.

Additionally, at MLIP, we provided safety and health tips to employees on various topics such as hearing health and heatstroke prevention. These tips aimed to further emphasise the importance of safe work practices and promote a culture of safety among our employees.

Optimising OSH Management in Supply Chain

GRI 3-3, 403-7; HKEX KPI B2.2, B2.3

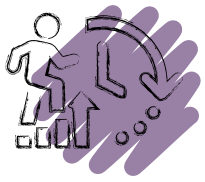
The Group has incorporated OSH provisions into supplier contracts to ensure strict adherence to our health and safety requirements throughout the supply chain. We assess the OSH performance of our contractors through our appraisal procedures. Furthermore, we provide a variety of training programmes aimed at enhancing the OSH expertise of employees working for on-site contractors. These training programmes cover areas such as chemical handling, heavy objects handling, good housekeeping, emergency preparedness, fire safety and heat stress assessment.

Total number of OSH training hours provided to our employees:

10,221 hours

Total number of OSH training hours provided to our contractors:

4,472 hours



Employee Wellbeing

GRI 3-3, 401-2, 403-6; HKEX KPI B2.3

The Group is dedicated to promoting work-life balance and prioritising employee wellbeing, in addition to maintaining a safe and healthy workplace. We place great importance on the physical and mental health of our employees, as it contributes to their overall wellbeing and enables them to thrive together as a team. In order to encourage a healthy and fulfilling lifestyle and foster strong relationships and support within our workforce and their families, we organised a variety of cultural and recreational activities throughout 2023. Some BUs even developed themed wellbeing programmes. For example, MLIP created the "BEST" Employee Wellbeing Programme, which allows our employee to experience a healthier and more fulfilling lifestyle, and to provide support towards a beautiful life journey at four unique thematic segments: Blissful, Exciting, Smiling, and Tasteful. Here are the highlights of our employee wellbeing activities in 2023:

Highlights

Happy@Work 2023



To promote workplace wellness, the Group participated in Happy@Work 2023 organised by the Hong Kong Employers' Federation, at which our employees teamed up to join a various team building activities and newly emerged sports. The team won the First Runner-Up of Best Photo Award, demonstrating their creativity and team spirit.

Health Talk — Care for Your Spine and Related Tension Headache



Poor posture at work is associated with a wide variety of health problems. Wharf Limited organised a talk given by registered physiotherapist to introduce to employees the causes and types of neck and back pain, tension headache and the prevention. All participants agreed they have gained more knowledge and started to pay more attention to correct posture.

"Extraordinary Children's Day"



MLIP celebrated an "Extraordinary Children's Day" that features a variety of parent-child activities to nurture a warm, family-oriented atmosphere. At the day, 12 family groups from Dalian Times Square visited a jungle. They enjoyed exploring a double-decker wooden structure with playful activities and engaged in various activities at Cool Joy Mini World. It was a joyful and meaningful parent-child experience, bringing independence and happiness to the children while celebrating the festival of Children's Day.

"Fun Sports Together"



With the aim to encourage our employees to remain inquisitive and embrace new adventures, our MLIP also organised exciting and fun sports workshops. Changsha IFS and Shanghai Times Square organised immersive war game activities to help employees to release stress while building team spirits through collaboration in the game.

"Turning Pressure and Negative Emotions into Delightful Life Experiences"



MLIP actively promotes mental wellbeing to all employees through various initiatives. The online psychological course "Turning Pressure and Negative Emotions into Delightful Life Experiences" received an exceptional response with over 1,700 employees participated to learn effective stress management and emotional regulation techniques.

"Artistic Imagination" Workshops



To unleash our employee's creativity through arts appreciation, our MLIP arranged various visits to art gallery, photo exhibition and cultural relics exhibition in the year. The workshop "Marvellous Day at the Art Gallery" was organised at Chongqing Times Square in which employees were bought to the exhibition featuring a variety of high-tech interactive techniques to present "Along the River during the Qingming Festival" into a scene where real and virtual people are intertwined.

Sports Interest Group



Our Suzhou office of MLDP has initiated the formation of a badminton interest group, aiming to promote physical and mental health while sharing the joy of badminton. We extended invitations to all colleagues, encouraging them to join this exciting group. Regular practices and activities are organized, providing opportunities for everyone to improve their skills, engage in friendly matches, and enhance teamwork. The badminton interest group not only fosters a healthy and active lifestyle but also strengthens the bonds among colleagues, creating a supportive and energetic work environment.

Tabata Class



Niccolo Chengdu arranged a Tabata Class to reinforce a wellbeing culture and promote work-life balance. A professional coach was invited to lead a series of Tabata exercises, providing an invigorating workout for all participants. Additionally, the coach delivered a wellbeing talk, sharing valuable tips for a healthy lifestyle. Colleagues thoroughly enjoyed the class, actively participating and embracing the opportunity to improve their physical wellbeing. The event not only fostered a sense of camaraderie but also equipped attendees with practical knowledge to enhance their overall health.

Safe Product and Services GRI 3-3, 416-2

Customer safety and health

GRI 3-3, 416-2; HKEX KPI B2.3

Our Group consistently provides customers with products and services that meet the most stringent safety standards. We conduct regular assessments of the safety of our offerings, placing special attention on food safety and equipment sanitation. This ensures that our quality management practices align with industry best practices. To further demonstrate our commitment to quality and safety, Chengdu IFS and Changsha IFS have maintained the ISO 9001:2015 Quality Management System.

Throughout the reporting year, the Group has implemented comprehensive safety and hygiene measures.

Safe Premises and Clean Environment

To ensure the safety and wellbeing of our clients within our properties, our BUs have implemented various measures. Regular fire drills and evacuation practices are conducted for our tenants to familiarise them with emergency procedures. Fire safety gear and equipment are strategically placed in designated areas, accessible to qualified staff in the event of an emergency. In 2023, Dalian Times Square carried out three fire safety inspections and provided training for its tenants, while Changsha IFS and Shanghai Times Square both conducted two full-scale fire drills. These inspections ensure that fire safety equipment, such as fire extinguishers and fire hoses, are always in proper working order. During the fire safety training sessions, tenants were instructed on the correct operation of fire safety equipment. Additionally, Chengdu IFS implemented a fire-fighting robot, incorporating technological advancements into our emergency management system, thus enabling more efficient and effective responses to potential incidents.

In order to ensure excellent indoor air quality within our facilities, we have implemented additional measures. To comply with national air quality regulations, we engage internationally or nationally recognised external organisations to conduct regular assessments of the air quality in our premises. Furthermore, we have increased the frequency of air-conditioning system cleaning in public areas of our facilities. For our hotel operations, Niccolo Chongqing conducts daily cleaning and disinfection of the air-conditioning systems in vacant rooms to maintain a high level of hygiene. Additionally, at Marco Polo Wuhan, all linens and towels provided to hotel guests are sterilised at high temperatures to ensure cleanliness and safety.

Food Safety

Our hotel operations maintain a high level of food safety to meet our guests' expectation. We have implemented an Operational Manual on Food Safety and Hygiene to ensure strict adherence to our requirements. Our hotel operations conduct weekly inspections using this manual to assess food safety and hygiene practices. Niccolo Chengdu has maintained a Health and Safety Committee that regularly evaluates the compliance of their food safety management system with Hazard Analysis and Critical Control Points (HACCP) principles and relevant legislation. Similarly, Niccolo Changsha and Marco Polo Parkside, Beijing have also adopted the HACCP-based Food Safety Management System.

In 2023, our three Niccolo hotels included food hygiene training in the orientation programmes for new hires and organised refresher training for existing employees to deepen their understanding of our food safety practices and standards. We also extend our food safety standards to our supply chain partners. During our procurement procedures, all suppliers are required to provide food safety certifications as evidence of their compliance with our health and safety standards. Additionally, we conduct monthly visits to suppliers to ensure ongoing compliance with our standards.



Business-
IN-COMMUNITY

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Material and relevant topics addressed in this chapter:

COMMUNITY INVESTMENT AND ENGAGEMENT

INDIRECT ECONOMIC IMPACTS

Commitment and Strategy

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

We actively contribute to the community through our Business-in-Community philosophy, with the aim of creating a positive social impact. Our focus areas for community support include community care, youth development, and arts and culture, and we undertake various initiatives in these areas. In 2023, we organised and participated in a total of 68 community activities involving different stakeholders.

Our commitment to corporate social responsibility has been recognised by the Hong Kong Council of Social Services. We have been honoured with the "10 Years Plus Caring Company Logo", and BUs also received "15 Years Plus Caring Company Logo" and "5 Years Plus Caring Company Logo" for our long-term dedication to caring for the community. Additionally, the Group has received the Social Capital Builder Logo Award from the Home and Youth Affairs Bureau's Community Investment and Inclusion Fund, further affirming our efforts in community investment and inclusion. We also showed full support to Dress Causal Day organised by The Community Chest. In 2023, nearly 500 staff participated and raised over HK$100,000.



5 years+ 商界展關懷 caringcompany Awarded by The Hong Kong Council of Social Service 香港社會服務聯會頒發

10 years+ 商界展關懷 caringcompany Awarded by The Hong Kong Council of Social Service 香港社會服務聯會頒發

15 years+ 商界展關懷 caringcompany Awarded by The Hong Kong Council of Social Service 香港社會服務聯會頒發

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

Philanthropic Donation to Support the Community

For the past 30 years, the Group has been actively involved in supporting those in need through The Community Chest. With our active support, the Wharf Group[9] was named "3rd Top Donor" in 2022/23 by The Community Chest.

Reaching Out to the Vulnerable

To provide care to the community, our BUs are dedicated to implementing different programmes for the vulnerable groups as well as responding to the community needs.

Blood donation is vital to the society's healthcare system, and the public is regularly urged to donate blood to replenish blood inventories. In view of this, Wharf Limited participated in a blood donation activity and encouraged the employees to donate blood to support. In partnership with local NGOs, our MLIP launched the "Happy Summer" volunteering programme in August 2023 for the disadvantaged children. The programme included handicraft workshops, interactive quizzes and games, with 72 staff volunteers creating a joyful summer experience for more than 90 children, while educating them on environmental topics.



The "Old Items Sprout New Life" public welfare programme was launched by the Chengdu IFS, with a total of 748 unused children's books, 258 stationery items, and 252 toys donated. After being carefully screened, cleaned and disinfected, these items were delivered to the Chengdu Jinjiang District Juanzi Community Service Centre, giving them a new purpose and promoting environmental conservation and sustainable development.



Our volunteer also accompanied hearing-impaired students in Chengdu to plant wisteria seedlings together. They collected tree bark and experienced the traditional papermaking process, including beating and pulping. Through these activities, they gained a deeper understanding of the planting process and practiced the concept of environmental conservation. This collaborative initiative not only provided valuable knowledge and skills to the hearing-impaired students, but also allowed them to relax with DIY activities.



Our volunteer also placed a visit to Chongqing Yuzhong District Welfare Home during the Mid-Autumn Festival. They participated in a traditional Chinese medicine class with the elderly, experienced wellness exercises together, accompanied them during haircuts, played games, and presented Mid-Autumn Festival gifts. Through these activities, the volunteers were able to provide warmth and care, allowing the elderly residents to feel cherished and loved.

9 The Wharf Group includes Wharf Real Estate Investment Company Limited and the Group.

Youth Development

The Group places a strong emphasis on youth development as a key focus of our community support initiatives. In 2023, we have launched a diverse array of youth development programmes to provide the younger generation with support and opportunities to unlock their full potential.

WeCan

The Group continues to prioritise and support *WeCan*, which is the flagship youth development initiative of the Wharf Group. It seeks to provide support to students who face disadvantages in their learning journey by offering opportunities for educational and career development. The programme establishes partnerships between schools and organisations, with the partner organisation offering financial assistance and volunteer support for a multi-year collaboration. This collaboration aims to empower the students and create a conducive environment for their growth and success.

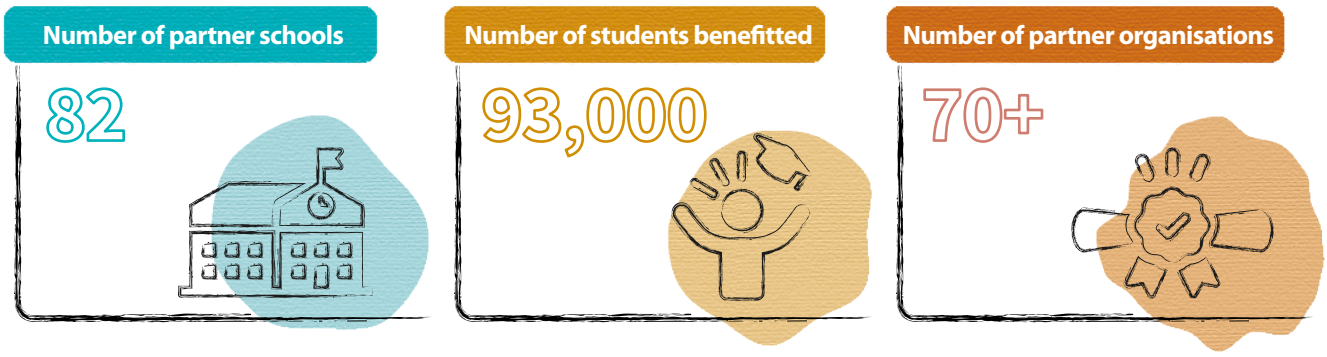
Language Enhancement Programme

This summer, more than 370 students from 47 *WeCan* Schools attended the Write! *WeCan* English Programme jointly organised by *WeCan* and the South China Morning Post ("SCMP"), which aimed to nurture their interest in English and equip them with essential writing and research skills. During the programme, experienced tutors from the SCMP shared their knowledge of various writing skills with students. By offering courses of different levels for students with varying English proficiency, the programme helped them identify and focus on areas they needed to improve. In addition to the cultivation of effective writing skills, participating students also honed their research and communication skills. These invaluable skills are not only pivotal for academic success, but also essential for the advancement of future careers.

Company Visit

A Company Visit programme is designed to provide students with a unique opportunity to learn about various industries, companies, and job roles. Through the programme, we partnered with 24 companies across a diverse range of industries, including hotel, law, aviation, retail, accounting, banking and property management. Nearly 2,000 students were given with a chance to engage with professionals, learn about their duties, and gain insights into their industries. Such experience and knowledge gained will prove invaluable to students as they chart their future career paths.





Major Joint-school Programmes	Launch Year	Number of Participants as of 2022/2023 School Year (Students)
Job Tasting Programme	2012	1,760+
Company Visit	2013	36,300+
Young Innovators Bazaar	2013	7,770+
Language Enhancement Programme	2014	3,000+
Career Exploration Day	2015	43,400+

Job Tasting Programme

During the summer holidays of 2023, we organised a Job Tasting Programme with more than 140 secondary students from 43 schools. The summer job tasting lasted between 1 to 4 weeks across a broad spectrum of industries, including food and beverage, hospitality, aviation, accounting, law, real estate, retail, customer service, and marketing. Some students were given the opportunity to participate in a job shadowing programme, allowing them to follow the day-to-day activities of senior management staff in order to gain a profound understanding of their roles and responsibilities. At the end of the internship, supervisors provided valuable feedback through a performance appraisal. This helps students with their future career planning.



Apprenticeship Programmes at MLIPs

In 2023, Changsha IFS and Chengdu IFS, in collaboration with academic institutions, launched apprenticeship programmes in the property industry. These programmes, provided 22 students who are passionate about commercial property, with specialised training and mentorship, preparing them for successful careers in our industry.

Charity Trip of Music Classroom by Niccolo Changsha

In support of youth education and the development of art and culture, Niccolo Changsha initiated a charity trip of the Music Classroom. Collaborating with the Mango V Foundation, we joined musician Deng Jianchao and Tian Dingfeng on a trip to Bai Lu Hu. We provided live music performances for children and organised a donation event for the Music Classroom. Through this endeavour, we strive to make a positive impact on the lives of youth and support their artistic aspirations.



Modern Terminals Summer Fitness Programme

In its sixth edition, the Modern Terminals Summer Fitness Programme 2023 includes a range of activities, encompassing sports training, a half-day adventure, a personal development day camp, and a closing ceremony. This year, we are delighted to have 30 participants, consisting of 20 alumni members and 10 first-time participants. To ensure smooth operations, we have partnered with the Chinese YMCA of Hong Kong New Territories Centre, an esteemed NGO partner and supported by members of the “Modern Volunteer Force” who provided on-site assistance as part of Modern Terminals’ CSR efforts. A survey conducted among participants revealed that 100% of them expressed their intention to continue engaging in the sports, while 95% stated that the sports training deepened their understanding of the respective sports.



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

The Group holds the belief that arts and culture have the power to create a lively society and enhance people's quality of life. To promote the significance of art and culture, we allocate substantial resources to organise exhibitions in collaboration with various artists. These exhibitions aim to raise public awareness about the important role that art and culture play in our society. Furthermore, we provide support and in-kind sponsorship to nurture young talents, recognising their potential and encouraging their artistic development.

Art On! Summer Attack 2023 Urban Environmental Art Season

Chongqing Times Square collaborated with the world-renowned Italian art group Cracking Art, Chongqing Art Grand Market "Open June," and TNC ("The Nature Conservancy") to launch exhibitions. Three art exhibitions were organised with an urban environmental theme, raising awareness and promoting environmental consciousness towards the city, nature, and animals. This urban environmental art exhibition has gained significant publicity and attention, with a total exposure of over 13 million through online mainstream media and offline advertising placements.



Art Museum Wonder Day

In July 2023, a total of 10 families (30 people) of Dalian Times Square visited the Dayun Bookstore Art Museum and explored the five exhibition halls, including the Collection Exhibition Room, Mobile Exhibition Room, Local Culture Exhibition Room, and Artist Studios. They also had the opportunity to create a cultural and creative art sticker featuring the Big Dipper constellation. Through the visit and appreciation, participants expanded their aesthetic horizons and enhanced their artistic literacy.



"Everyday Wonder" — Changsha IFS Public Art Project

Guided by the Changsha Municipal Bureau of Culture, Tourism, Radio, Film and Television, and co-hosted by the Furong District Bureau of Culture, Tourism and Sports of Changsha and Changsha IFS, in collaboration with China's leading contemporary art institution UCCA Lab, Italian environmental art organization Cracking Art, and cultural and artistic exchange platform KUÀ Studio, the"Everyday Wonder— Changsha IFS 2023 Art Project" was presented to the citizens of Changsha from April to August 2023. This four-month-long art extravaganza, themed "Art Party" and "Art Regeneration," showcased seven sets of artworks and exhibitions from 15 (groups of) domestic and international participating artists/groups, shaping a diverse and joyous art gathering for Changsha with a shared and open interactive approach.



The Group understands sustainability is not a “nice-to-have” for the few. It has become a pervasive influence across society, shaping investment landscapes and business practices. To fulfil our responsibility towards climate change and align with the decarbonisation plans set by the Hong Kong and Central Governments for 2050 and 2060, the Group is dedicated to enhancing our ESG performance. Winning the fight against the climate crisis will not be easy, purpose-led actions must be taken collaboratively to avoid disastrous consequences. We are actively exploring strategies to evaluate and effectively manage our carbon emissions at different businesses. By realising the climate-related risks within our operations, we can seek the most feasible way to mitigate these risks and minimise emissions.

In line with our enduring mission of “Building for Tomorrow”, we are committed to supporting and caring for our community. We have implemented ESG initiatives to ensure that sustainability is ingrained within our business practices. Stakeholders’ expectations are getting higher, we will continue to improve ESG data management to ensure data quality and increase transparency to meet their expectations.

Structural change of global ESG landscape continues; we will keep on investing in high-quality and sustainable development to stay ahead, addressing environmental and social concerns raised by our stakeholders to future-proof our businesses, and making positive contributions to society to “Building for Tomorrow”.

Appendix
I. PERFORMANCE DATA SUMMARY GRI 2-4

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

* Electricity, water and GHG Emissions (Scope 1, 2 and 3) of MLDP cover only management offices. Data from construction sites in Hangzhou, Suzhou and HKP are included in the calculations of GHG Emissions (Scope 3) and waste. WHML does not have a separate water meter and its consumption is included in the bills of Harbour City. Data of waste generation from WHML is also included in Harbour City. Please refer to Wharf Real Estate Investment Company Limited's Sustainability Report 2023 for details.

** For 2023 reporting scope, Marco Polo Plaza, Cebu and Marco Polo Ortigas, Manila are newly added while 1 Plantation Road Residential Project and Kai Tak Residential Project are removed due to completion and amendment to the scope.

Environmental Performance

		Total			Corporate Office			MLIP			MLDP			Wharf Hotels			Managed Hotels			Logistics		
	Unit	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Air Emissions[1]																						
Air emissions by type and source GRI 305-7; HKEX KPI A1.1																						
NO_x	tonnes	**1.384**	1.363	1.660																		
SO_x	tonnes	**0.029**	0.041	0.053																		
PM	tonnes	**0.076**	0.080	0.095																		
GHG Emissions[5]																						
Scope 1, Scope 2 and Scope 3 GHG emissions GRI 305-1, 305-2, 305-3, 305-4, CRE-3; HKEX KPI A1.2																						
Direct (Scope 1) GHG emissions[6]	tonnes CO_2e	**16,654**	16,346	17,577	**55**	53	54	**3,286**	4,099	3,064	**67**	62	73	**4,050**	3,029	3,477	**4,119**	2,006	1,742	**5,077**	7,097	9,167
Energy indirect (Scope 2) emissions[7]	tonnes CO_2e	**186,678**	171,190	187,757	**251**	262	258	**138,013**	129,432	144,507	**135**	165	141	**7,582**	6,603	7,009	**24,475**	17,066	16,094	**16,222**	17,662	19,748
Other indirect (Scope 3) GHG emissions[8][9]	tonnes CO_2e	**46,275**	96,116	21,810	**6**	6	N/A	**1,185**	1,369	N/A	**2,727**	12,633	4,412	**203**	170	N/A	**267**	236	N/A	**11,000**	13,050	15,636
Category 1: Purchased goods and services	tonnes CO_2e	**586**	580	N/A	**6**	6	N/A	**410**	426	N/A	**4**	4	N/A	**79**	70	N/A	**71**	54	N/A	**16**	20	N/A
Category 2: Capital goods	tonnes CO_2e	**31,021**	12,915	N/A	**0**	0	N/A	**48**	244	N/A	**1,648**	12,595	N/A	**1**	0	N/A	**13**	76	N/A	**0**	0	N/A
Category 3: Fuel and energy related activities	tonnes CO_2e	**13,562**	13,005	N/A	**N/A**	N/A	N/A	**0**	0	N/A	**1,041**	0	N/A	**0**	0	N/A	**0**	0	N/A	**10,965**	13,005	N/A
Category 5: Waste generated in operations	tonnes CO_2e	**1,106**	964	N/A	**N/A**	N/A	N/A	**727**	699	N/A	**34**	34	N/A	**123**	100	N/A	**183**	106	N/A	**19**	25	N/A
Total (Scope 1, 2 and 3) emissions	tonnes CO_2e	**249,607**	283,652	227,144	**312**	321	312	**142,484**	134,900	147,571	**2,929**	12,860	4,626	**11,835**	9,802	10,486	**28,861**	19,308	17,836	**32,299**	37,809	44,551
GHG Intensity																						
Total (Scope 1, 2 and 3) emissions per number of employee	tonnes CO_2e/no.	**44.80**	54.83	42.70																		
Total (Scope 1, 2 and 3) emissions per HK$ million revenues	tonnes CO_2e/HK$ million	**13.17**	15.70	10.15																		
Energy Consumption																						
Energy consumption by source[2] GRI 302-1; HKEX KPI A2.1																						
Diesel oil	GJ	**64,751**	88,946	117,093	**66**	56	72	**326**	412	426	**N/A**	N/A	N/A	**41**	34	277	**3,689**	91	114	**60,629**	88,353	116,204
Unleaded petrol	GJ	**3,449**	2,820	3,048	**618**	604	598	**596**	383	431	**823**	768	895	**111**	191	106	**570**	326	433	**731**	548	585
Liquefied petroleum gas ("LPG")	GJ	**13,220**	6,633	7,459	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**6,954**	N/A	N/A	**6,266**	6,633	7,459
Towngas	GJ	**2,514**	2,623	2,748	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**2,514**	2,623	2,748
Piped natural gas ("PNG")	GJ	**117,579**	120,911	117,612	**N/A**	N/A	N/A	**46,279**	58,931	46,536	**N/A**	N/A	N/A	**49,236**	43,077	49,706	**22,064**	18,903	21,370	**N/A**	N/A	N/A
Purchased electricity[3][4]	GJ	**1,212,709**	1,083,939	1,202,968	**2,317**	2,420	2,377	**847,781**	793,265	886,366	**792**	810	724	**47,883**	45,214	47,998	**164,472**	79,494	83,529	**149,464**	162,736	181,974
Purchased steam and heat	GJ	**51,143**	52,550	80,522	**N/A**	N/A	N/A	**33,730**	36,118	38,252	**88**	61	172	**N/A**	N/A	N/A	**17,325**	16,371	42,098	**N/A**	N/A	N/A
Total	GJ	**1,465,365**	1,358,422	1,531,450	**3,001**	3,080	3,047	**928,712**	889,109	972,011	**1,703**	1,639	1,791	**97,271**	88,516	98,087	**215,074**	115,185	147,544	**219,604**	260,893	308,970
Energy intensity GRI 302-3, CRE-1; HKEX KPI A2.1																						
Energy consumption per number of employee	GJ/no.	**263.03**	262.60	287.92																		
Energy consumption per HK$ million revenues	GJ/HK$ million	**77.33**	75.20	68.44																		
Water Consumption and Wastewater Discharge																						
Water consumption by source GRI 303-5; HKEX KPI A2.2																						
Municipal water	m^3	**2,858,351**	2,228,650	2,761,790	**N/A**	N/A	N/A	**1,889,701**	1,633,775	2,094,166	**2,240**	2,051	2,362	**358,723**	271,282	309,753	**554,157**	256,929	287,479	**53,530**	64,613	68,030
Captured rainwater	m^3	**8,366**	8,436	6,008	**N/A**	N/A	N/A	**8.366**	8,436	6,008	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Underground water	m^3	**84,411**	57,668	N/A	**N/A**	N/A	N/A	**84,411**	57,668	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Recycled water	m^3	**7,442**	1,034	3,680	**N/A**	N/A	N/A	**N/A**	1,034	3,680	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**7,442**	N/A	N/A	**N/A**	N/A	N/A
Total water consumption	m^3	**2,958,570**	2,295,788	2,771,478	**N/A**	N/A	N/A	**1,982,478**	1,700,913	2,103,854	**2,240**	2,051	2,362	**358,723**	271,282	309,753	**561,599**	256,929	287,479	**53,530**	64,613	68,030
Total wastewater discharge	m^3	**2,721,362**	2,218,716	2,663,480	**N/A**	N/A	N/A	**1,953,835**	1,690,809	2,055,810	**2,240**	2,051	2,362	**293,585**	220,668	258,329	**422,783**	248,622	287,479	**48,919**	56,566	59,500
Water intensity GRI CRE-2; HKEX KPI A2.2																						
Water consumption per number of employee	m^3/no.	**531.07**	443.80	521.05																		
Water consumption per HK$ million revenues	m^3/HK$ million	**156.13**	127.09	123.85																		

		Total			Corporate Office			MLIP			MLDP			HKP			Wharf Hotels			Managed Hotels			Logistics		
	Unit	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Material Use[10]																									
Material use by type GRI 301-1; HKEX KPI A2.5																									
Refrigerants	tonnes	**1.78**	1.00	0.48	**N/A**	N/A	N/A	**0.28**	0.32	0.10	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**0.42**	0.23	0.16	**1.09**	0.40	0.18	**0.05**	0.05	0.04
Paper	tonnes	**614.72**	608.53	681.48	**6.15**	6.79	7.91	**440.57**	458.60	510.35	**3.93**	4.75	11.76	**N/A**	3.87	2.75	**85.16**	75.76	78.00	**61.20**	37.38	47.15	**17.71**	21.38	23.56
Plastic	tonnes	**8.26**	7.74	9.23	**N/A**	N/A	N/A	**2.90**	1.36	5.82	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**0.55**	0.00	0.19	**4.81**	6.38	3.22	**N/A**	N/A	N/A
Metal	tonnes	**4.79**	8.74	27.82	**N/A**	N/A	N/A	**4.79**	4.50	2.32	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	4.24	25.50	**N/A**	N/A	N/A
Others	tonnes	**1.00**	0.004	3.53	**N/A**	N/A	N/A	**N/A**	0.004	0.38	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**1.00**	N/A	3.15	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Construction Material																									
Concrete	tonnes	**36,864.32**	87,537.78	284,192.92	**N/A**	N/A	N/A	**14.70**	309.53	21.60	**0.00**	4,375.00	173,661.50	**36,864.32**	82,852.84	110,509.82	**0.00**	0.41	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Bricks	tonnes	**134.64**	315.19	8,353.10	**N/A**	N/A	N/A	**13.06**	6.18	5.17	**118.00**	40.00	3,551.92	**0.00**	269.01	4,795.02	**3.08**	0.00	0.89	**0.50**	N/A	0.10	**N/A**	N/A	N/A
Steel	tonnes	**2,406.11**	5,125.42	51.00	**N/A**	N/A	N/A	**6.88**	18.85	34.55	**0.00**	13.00	16.45	**2,396.23**	5,074.77	0.00	**N/A**	N/A	N/A	**3.00**	18.80	N/A	**N/A**	N/A	N/A
Reinforced Steel Bars	tonnes	**4,025.63**	10,670.36	29,339.13	**N/A**	N/A	N/A	**0.81**	12.71	8.96	**390.00**	2,209.00	11,854.86	**3,634.82**	8,448.65	17,475.31	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Sand	tonnes	**3,315.29**	2,543.51	8,598.67	**N/A**	N/A	N/A	**29.80**	280.07	88.72	**310.00**	515.00	4,864.90	**2,970.70**	1,748.00	3,639.05	**1.24**	0.24	N/A	**3.55**	0.20	6.00	**N/A**	N/A	N/A
Stones	tonnes	**218.81**	308.80	2,755.70	**N/A**	N/A	N/A	**15.00**	185.30	46.08	**202.00**	44.00	2,055.30	**0.00**	78.50	654.32	**1.61**	N/A	N/A	**0.20**	1.00	N/A	**N/A**	N/A	N/A
Rubber	tonnes	**0.00**	3.50	0.00	**N/A**	N/A	N/A	**0.00**	3.50	0.00	**0.00**	N/A	N/A	**0.00**	N/A	0.00	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Wood	tonnes	**37.54**	140.17	1,746.21	**N/A**	N/A	N/A	**20.20**	24.11	35.05	**17.30**	53.65	458.72	**0.00**	61.71	1,250.98	**0.04**	0.10	1.26	**0.00**	0.60	0.20	**N/A**	N/A	N/A
Granite	tonnes	**17.39**	437.67	355.77	**N/A**	N/A	N/A	**17.34**	167.31	8.68	**0.00**	270.00	332.00	**0.00**	0.00	14.13	**0.05**	0.36	0.16	**0.00**	0.00	0.80	**N/A**	N/A	N/A
Cement	tonnes	**852.29**	1,354.33	3,663.54	**N/A**	N/A	N/A	**16.45**	156.42	46.60	**68.00**	720.00	3,105.90	**761.04**	476.79	509.80	**1.50**	0.37	0.19	**5.30**	0.75	1.05	**N/A**	N/A	N/A
Earthworks	m^3	**42.00**	11,756.00	99,902.60	**N/A**	N/A	N/A	**42.00**	56.00	0.60	**0.00**	11,700.00	99,902.00	**0.00**	0.00	0.00	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Mud	m^3	**0.00**	0.10	0.50	**N/A**	N/A	N/A	**0.00**	0.10	0.50	**0.00**	0.00	0.00	**0.00**	0.00	0.00	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Mortar	m^3	**253.10**	914.50	14,616.45	**N/A**	N/A	N/A	**2.00**	0.00	1.00	**251.00**	808.00	9,620.50	**0.00**	106.50	4,994.95	**0.10**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Others[11]	m^3	**0.00**	3.34	N/A	**N/A**	N/A	N/A	**0.00**	2.80	N/A	**0.00**	N/A	N/A	**0.00**	N/A	N/A	**0.00**	0.54	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Waste Management																									
Waste by type and disposal method GRI 306-1, 306-3, 306-4, 306-5; HKEX KPI A1.3, A1.4, A1.6																									
General refuse to landfill	tonnes	**9,019.04**	11,459.75	11,844.93	**N/A**	1.91	N/A	**7,276.52**	7,090.06	9,364.60	**19.95**	27.48	34.21	**0.00**	2,819.52	446.52	**515.08**	421.65	541.62	**451.04**	247.51	492.08	**756.45**	851.62	965.90
Incinerated waste	tonnes	**4,743.52**	5,218.64	6,467.28	**N/A**	N/A	N/A	**3,783.80**	4,679.63	5,931.00	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**623.18**	417.91	531.53	**336.54**	121.10	4.75	**N/A**	N/A	N/A
Non-hazardous waste recycled																									
Paper	tonnes	**359.73**	294.36	360.74	**N/A**	N/A	N/A	**296.30**	243.88	302.69	**0.49**	1.74	4.51	**0.90**	0.20	1.47	**25.73**	19.14	18.58	**25.33**	14.52	12.31	**10.98**	14.88	21.18
Plastics	tonnes	**50.90**	37.07	46.93	**N/A**	N/A	N/A	**34.02**	24.10	34.86	**0.14**	0.12	0.26	**0.00**	0.08	0.31	**6.14**	5.34	6.15	**10.12**	7.12	5.04	**0.48**	0.31	0.31
Metals	tonnes	**377.23**	365.77	379.89	**N/A**	N/A	N/A	**38.04**	22.45	17.45	**0.00**	0.00	0.12	**N/A**	N/A	10.67	**2.04**	1.12	1.25	**7.20**	3.94	1.77	**329.95**	338.26	348.63
Food waste	tonnes	**3,172.38**	2,897.99	3,191.11	**N/A**	N/A	N/A	**2,823.56**	2,595.81	2,914.97	**0.23**	0.36	0.99	**N/A**	N/A	N/A	**182.80**	137.91	154.99	**118.45**	112.04	52.59	**47.34**	51.87	67.57
Glass	tonnes	**78.65**	36.15	45.74	**N/A**	N/A	N/A	**19.36**	14.18	20.97	**0.00**	0.00	0.18	**N/A**	N/A	N/A	**9.30**	6.67	7.96	**49.87**	15.08	16.57	**0.12**	0.22	0.06
Soap	tonnes	**1.47**	0.13	0.21	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**1.47**	0.13	0.21	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Hazardous waste recycled[12]																									
Solid	tonnes	**769.74**	774.45	722.80	**0.41**	0.27	2.29	**4.56**	3.90	17.48	**0.06**	0.08	0.05	**0.00**	0.01	N/A	**0.16**	0.15	9.43	**0.96**	0.26	0.00	**763.59**	769.78	693.55
Liquid	tonnes	**65.06**	78.38	134.75	**N/A**	N/A	N/A	**6.90**	18.04	79.01	**0.00**	N/A	N/A	**0.00**	0.53	N/A	**2.19**	1.61	1.69	**0.08**	0.58	0.70	**55.89**	57.62	53.35
Total waste generated	tonnes	**18,637.72**	21,162.69	23,194.38	**0.41**	2.18	2.29	**14,283.06**	14,692.05	18,683.02	**20.87**	29.78	40.32	**0.90**	2,820.34	458.97	**1,368.09**	1,011.63	1,273.43	**999.59**	522.15	585.81	**1,964.80**	2,084.56	2,150.55

	Unit	Total			Corporate Office			MLIP			MLDP			HKP			Wharf Hotels			Managed Hotels			Logistics		
		2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Construction waste to landfill and recycled[13]																									
Construction waste																									
To landfill	tonnes	**22,247.36**	59,734.19	33,618.58	**N/A**	N/A	N/A	**14,727.41**	22,361.72	31,391.36	**0.00**	0.00	57.45	**7,410.60**	37,219.49	2,035.53	**N/A**	N/A	N/A	**15.00**	9.00	N/A	**94.35**	143.98	134.24
To incineration	tonnes	**14,062.36**	11,225.40	13,431.00	**N/A**	N/A	N/A	**14,062.36**	11,225.00	13,431.00	**0.00**	0.00	0.00	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	0.40	N/A	**N/A**	N/A	N/A
Recycled	tonnes	**2,571.66**	43,906.57	1,647.85	**N/A**	N/A	N/A	**2,543.06**	6.03	0.00	**20.45**	41.80	365.91	**0.20**	43,837.39	1,281.94	**N/A**	N/A	N/A	**7.95**	21.35	N/A	**N/A**	N/A	N/A
Earthworks and mud																									
To landfill	m^3	**0.00**	0.00	0.00	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	0.00	0.00	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Recycled	m^3	**58,127.75**	0.00	0.00	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	0.00	0.00	**58,127.75**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A

1 Air emissions refer to the release of air pollutants namely nitrogen oxides ("NO_x"), sulphur oxides ("SO_x") and particulate matter ("PM"). These data are confined to air emissions from vehicles, LPG and Towngas and are calculated based on the methodology from the HKEX Reporting Guidance on Environmental KPIs. NOx and PM emissions from trailer mounted boom lifts at MLIP are not included.

2 Energy conversion factors used for diesel oil, unleaded petrol and LPG are from CDP Technical Note: Conversion of fuel data to MWh. Energy conversion factors used for PNG is from 2012 Guidelines to Defra/DECC's GHG Conversion Factors for Company Reporting. Energy consumption of Towngas was calculated based on the formula provided by The Hong Kong and China Gas Company Limited. Energy conversion factors used for purchased steam and hear are from 工業其他行業企業温室氣體排放核算方法與報告指南（試行）.

3 Purchased electricity of Chengdu and Shanghai offices of MLDP, and Niccolo Chengdu and Niccolo Changsha is included in MLIP. In 2023, the purchased electricity consumption data reported under MLIP includes tenants' consumption, except for Times Outlets Chengdu and Times Outlets Changsha; The purchased electricity consumption data reported under Logistics does not include tenants' consumption.

4 Purchased electricity of MLIP in 2021 and 2022 are restated to exclude tenants' consumption of Times Outlets Chengdu and Times Outlets Changsha to reflect the actual situation. The energy intensity, energy indirect (Scope 2) emissions, other indirect (Scope 3) GHG emissions and GHG intensity are hence restated accordingly.

5 CO_2, CH_4 and N_2O are included in the calculation of GHG emissions.

6 2023 Scope 1 emissions are direct GHG emissions from sources that are owned or controlled by the Group, such as the GHG emissions by the combustion of diesel, unleaded petrol, towngas, refrigerants and LPG. They are calculated based on Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong. Emission from combustion of PNG is calculated based on 2012 Guidelines to Defra/DECC's GHG Conversion Factors for Company Reporting.

7 2023 Scope 2 emissions are indirect GHG emissions from the generation of purchased or acquired electricity, Towngas and purchased steam and heat consumed by the Group. The GHG emissions by purchased or acquired electricity in the Report are calculated based on the default factors provided by electricity providers in Hong Kong, Power Assets (0.70 CO_2e kg/kWh), CLP (0.39 CO_2e kg/kWh) and The Hong Kong and China Gas Company Limited (0.576 CO_2e kg/unit); GHG emissions by electricity purchased in China is calculated based on China grid emission factor in 2022年度全國電網平均排放因子 (0.5703 kg CO_2/kWh); and GHG emissions by electricity purchased in the Philippines are based on GHG Protocol. GHG emissions by purchased steam and heat in the Report is calculated based on emission factor in 工業其他行業企業温室氣體排放核算方法與報告指南（試行）. For calculation approach of 2021 and 2022 Scope 2 emissions, please refer to the corresponding sustainability reports.

8 Scope 3 emissions are all other indirect emissions that occur in value chain. 2023 Scope 3 emissions covers categories 1, 2 (excluding earthworks, mud, and mortar as they do not have emission factor), 3 and 5 as categorised by GHG Protocol, and were calculated based on emission factors from UK Government GHG Conversion Factors for Company Reporting 2022. For scope of Scope 3 emissions in 2021 and 2022, please refer to corresponding reports.

9 The Scope 3 emissions also include Scope 3 emissions form HKP. HKP Scope 3 emission in 2023, 2022 and 2021 were 30,887, 68,652 and 1,762 tonnes CO_2e respectively.

10 Materials for business general use and for packaging material use were included.

11 Other construction materials include stone, marble and glass.

12 Hazardous waste includes cell batteries, industrial batteries, fluorescent lamps, light bulbs, electric appliances/components, used ink cartridge, scrap tyres, waste cooking oil, waste industrial oil, wooden pallets, waste filter and waste rag.

13 Construction waste is produced mainly by tenants of MLIP and contractors on construction sites.

Employee Statistics[14]

	Total			Hong Kong			Mainland China			Other
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023
Employee Distribution										
Total workforce by gender, employment type and contract type GRI 2-7; HKEX KPI B1.1										
Male	**3,127**	2,946	2,981	**886**	949	983	**1,967**	1,997	1,998	**274**
Female	**2,444**	2,227	2,338	**344**	342	353	**1,960**	1,885	1,985	**140**
Full-time	**5,569**	5,171	5,316	**1,228**	1,289	1,333	**3,927**	3,882	3,983	**414**
Part-time	**2**	2	3	**2**	2	3	**0**	0	0	**0**
Permanent	**2,635**	2,068	2,101	**1,145**	1,187	1,226	**1,076**	881	875	**414**
Fixed-term	**2,912**	3,072	3,192	**76**	98	103	**2,836**	2,974	3,089	**0**
Temporary	**24**	33	26	**9**	6	7	**15**	27	19	**0**
Group overall	**5,571**	5,173	5,319	**1,230**	1,291	1,336	**3,927**	3,882	3,983	**414**
Gender distribution of permanent contract employees GRI 2-7; HKEX KPI B1.1										
Male	**1,716**	1,392	1,440	**816**	862	891	**626**	530	549	**274**
Female	**919**	676	661	**329**	325	335	**450**	351	326	**140**
Gender, age, group and minority group distribution of all employees by employment category GRI 405-1; HKEX KPI B1.1										
Male										
Senior Management	**77 (63.6%)**	70 (63.6%)	70 (61.9%)	**35 (68.6%)**	35 (63.6%)	37 (64.9%)	**34 (60.7%)**	35 (63.6%)	33 (58.9%)	**8 (57.1%)**
Middle Management	**377 (55.2%)**	374 (57.0%)	383 (59.4%)	**226 (62.6%)**	226 (64.4%)	231 (66.6%)	**145 (48.0%)**	148 (48.5%)	152 (51.0%)	**6 (30.0%)**
General Staff	**2,675 (56.1%)**	2,502 (56.8%)	2,528 (55.4%)	**625 (76.4%)**	688 (77.7%)	715 (76.7%)	**1,790 (50.2%)**	1,814 (51.5%)	1,813 (50.0%)	**260 (68.4%)**
Female										
Senior Management	**44 (36.4%)**	40 (36.4%)	43 (38.1%)	**16 (31.4%)**	20 (36.4%)	20 (35.1%)	**22 (39.3%)**	20 (36.4%)	23 (41.1%)	**6 (42.9%)**
Middle Management	**306 (44.8%)**	282 (43.0%)	262 (40.6%)	**135 (37.4%)**	125 (35.6%)	116 (33.4%)	**157 (52.0%)**	157 (51.5%)	146 (49.0%)	**14 (70.0%)**
General Staff	**2,092 (43.9%)**	1,905 (43.2%)	2,033 (44.6%)	**193 (23.6%)**	197 (22.3%)	217 (23.3%)	**1,779 (49.8%)**	1,708 (48.5%)	1,816 (50.0%)	**120 (31.6%)**
Below 30										
Senior Management	**0 (0.0%)**	0 (0.0%)	0 (0.0%)	**0 (0.0%)**	0 (0.0%)	0 (0.0%)	**0 (0.0%)**	0 (0.0%)	0 (0.0%)	**0 (0%)**
Middle Management	**19 (2.8%)**	17 (2.6%)	20 (3.1%)	**15 (4.1%)**	11 (3.1%)	11 (3.2%)	**4 (1.3%)**	6 (2.0%)	9 (3.0%)	**0 (0%)**
General Staff	**1,206 (25.3%)**	1,133 (25.7%)	1,276 (28.0%)	**105 (12.8%)**	123 (13.9%)	141 (15.1%)	**993 (27.8%)**	1,010 (28.7%)	1,135 (58.7%)	**108 (28.4%)**
30–50										
Senior Management	**66 (54.5%)**	59 (53.6%)	61 (54.0%)	**12 (23.5%)**	15 (27.3%)	18 (31.6%)	**43 (76.8%)**	44 (80.0%)	43 (76.8%)	**11 (78.6%)**
Middle Management	**519 (76.0%)**	502 (76.5%)	490 (76.0%)	**231 (64.0%)**	229 (65.3%)	226 (65.1%)	**270 (89.4%)**	273 (89.5%)	264 (88.6%)	**18 (90.0%)**
General Staff	**2,868 (60.2%)**	2,635 (59.8%)	2,643 (57.9%)	**485 (59.3%)**	505 (57.1%)	513 (55.1%)	**2,144 (60.1%)**	2,130 (60.5%)	2,130 (58.7%)	**239 (62.9%)**
51 or above										
Senior Management	**55 (45.5%)**	51 (46.4%)	52 (46.0%)	**39 (76.5%)**	40 (72.7%)	39 (68.4%)	**13 (23.2%)**	11 (20.0%)	13 (23.2%)	**3 (21.4%)**
Middle Management	**145 (21.2%)**	137 (20.9%)	135 (20.9%)	**115 (31.9%)**	111 (31.6%)	110 (31.7%)	**28 (9.3%)**	26 (8.5%)	25 (8.4%)	**2 (10.0%)**
General Staff	**693 (14.5%)**	639 (14.5%)	642 (14.1%)	**228 (27.9%)**	257 (29.0%)	278 (29.8%)	**432 (12.1%)**	382 (10.8%)	364 (10.0%)	**33 (8.7%)**
Minority group[15]										
Senior Management	**18 (14.9%)**	21 (19.1%)	19 (16.8%)	**7 (13.7%)**	7 (12.7%)	8 (14.0%)	**8 (14.3%)**	14 (25.5%)	11 (19.6%)	**3 (21.4%)**
Middle Management	**9 (1.3%)**	8 (1.2%)	9 (1.4%)	**1 (0.3%)**	1 (0.3%)	2 (0.6%)	**6 (2.0%)**	7 (2.3%)	7 (2.3%)	**2 (10.0%)**
General Staff	**89 (1.9%)**	81 (1.8%)	72 (1.6%)	**1 (0.1%)**	1 (0.1%)	1 (0.1%)	**88 (2.5%)**	80 (2.3%)	71 (2.0%)	**0 (0.0%)**
Non-minority group										
Senior Management	**103 (85.1%)**	89 (80.9%)	94 (83.2%)	**44 (86.3%)**	48 (87.3%)	49 (86.0%)	**48 (85.7%)**	41 (74.5%)	45 (80.4%)	**11 (78.6%)**
Middle Management	**674 (98.7%)**	648 (98.8%)	636 (98.6%)	**360 (99.7%)**	350 (99.7%)	345 (99.4%)	**296 (98.0%)**	298 (97.7%)	291 (97.7%)	**18 (90.0%)**
General Staff	**4,678 (98.1%)**	4,326 (98.2%)	4,489 (98.4%)	**817 (99.9%)**	884 (99.9%)	931 (99.9%)	**3,481 (97.5%)**	3,442 (97.7%)	3,558 (98.0%)	**380 (100%)**

	Total			Hong Kong			Mainland China			Other
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023
New Employees Hires										
Gender, age, employment category and regional distribution of new employee hires in number and percentage[16][17] GRI 401-1										
Male	**567 (18%)**	417 (14%)	413 (14%)	**71 (8%)**	85 (9%)	88 (9%)	**396 (20%)**	332 (17%)	325 (16%)	**100 (36%)**
Female	**543 (22%)**	387 (17%)	430 (18%)	**60 (17%)**	59 (17%)	56 (16%)	**425 (22%)**	328 (17%)	374 (19%)	**58 (41%)**
Below 30	**537 (44%)**	408 (35%)	462 (36%)	**48 (40%)**	46 (34%)	56 (37%)	**432 (43%)**	362 (36%)	406 (35%)	**57 (53%)**
30–50	**511 (15%)**	344 (11%)	337 (11%)	**76 (10%)**	89 (12%)	75 (10%)	**344 (14%)**	255 (10%)	262 (11%)	**91 (34%)**
51 or above	**62 (7%)**	52 (6%)	44 (5%)	**7 (2%)**	9 (2%)	13 (3%)	**45 (10%)**	43 (10%)	31 (8%)	**10 (26%)**
Senior Management	**26 (21%)**	17 (15%)	N/A	**4 (8%)**	5 (9%)	N/A	**15 (27%)**	12 (22%)	N/A	**7 (50%)**
Middle Management	**81 (12%)**	64 (10%)	N/A	**34 (9%)**	37 (11%)	N/A	**41 (14%)**	27 (9%)	N/A	**6 (30%)**
General Staff	**1,003 (21%)**	723 (16%)	N/A	**93 (11%)**	102 (12%)	N/A	**765 (21%)**	621 (18%)	N/A	**145 (38%)**
Group overall	**1,110 (20%)**	804 (16%)	843 (16%)	**131 (11%)**	144 (11%)	144 (11%)	**821 (21%)**	660 (17%)	699 (18%)	**158 (38%)**
Employee Turnover										
Gender, age, employment category and regional distribution of employee turnover in number and percentage[19] GRI 401-1; HKEX KPI B1.2										
Male	**594 (19%)**	566 (19%)	687 (23%)	**128 (14%)**	157 (17%)	121 (12%)	**406 (21%)**	409 (20%)	566 (28%)	**60 (22%)**
Female	**422 (17%)**	568 (26%)	664 (28%)	**49 (14%)**	85 (25%)	81 (23%)	**343 (18%)**	483 (26%)	583 (29%)	**30 (21%)**
Below 30	**352 (29%)**	505 (44%)	590 (46%)	**28 (23%)**	64 (48%)	35 (23%)	**297 (30%)**	441 (43%)	555 (49%)	**27 (25%)**
30–50	**485 (14%)**	489 (15%)	639 (20%)	**83 (11%)**	121 (16%)	110 (15%)	**350 (14%)**	368 (15%)	529 (22%)	**52 (19%)**
51 or above	**179 (20%)**	140 (17%)	122 (15%)	**66 (17%)**	57 (14%)	57 (13%)	**102 (22%)**	83 (20%)	65 (16%)	**11 (29%)**
Senior Management[18]	**33 (27%)**	N/A	N/A	**11 (22%)**	N/A	N/A	**14 (25%)**	N/A	N/A	**8 (57%)**
Middle Management[18]	**98 (14%)**	N/A	N/A	**39 (11%)**	N/A	N/A	**51 (17%)**	N/A	N/A	**8 (40%)**
General Staff[18]	**885 (19%)**	N/A	N/A	**127 (16%)**	N/A	N/A	**684 (19%)**	N/A	N/A	**74 (19%)**
Group overall	**1,016 (18%)**	1,134 (22%)	1,351 (25%)	**177 (14%)**	242 (19%)	202 (15%)	**749 (19%)**	892 (23%)	1,149 (29%)	**90 (22%)**
Employee Voluntary Turnover										
Gender, age, employment category and regional distribution of employee voluntary turnover in percentage										
Male	**395 (13%)**	390 (13%)	N/A	**67 (8%)**	98 (10%)	N/A	**268 (14%)**	292 (15%)	N/A	**60 (22%)**
Female	**345 (14%)**	431 (19%)	N/A	**44 (13%)**	70 (20%)	N/A	**271 (14%)**	361 (19%)	N/A	**30 (21%)**
Below 30	**327 (27%)**	398 (35%)	N/A	**28 (23%)**	45 (34%)	N/A	**272 (27%)**	353 (35%)	N/A	**27 (25%)**
30–50	**349 (10%)**	365 (11%)	N/A	**73 (10%)**	108 (14%)	N/A	**224 (9%)**	257 (11%)	N/A	**52 (19%)**
51 or above	**64 (7%)**	58 (7%)	N/A	**10 (3%)**	15 (4%)	N/A	**43 (9%)**	43 (10%)	N/A	**11 (29%)**
Senior Management[18]	**26 (21%)**	N/A	N/A	**6 (12%)**	N/A	N/A	**12 (21%)**	N/A	N/A	**8 (57%)**
Middle Management[18]	**73 (11%)**	N/A	N/A	**25 (7%)**	N/A	N/A	**40 (13%)**	N/A	N/A	**8 (40%)**
General Staff[18]	**641 (13%)**	N/A	N/A	**80 (10%)**	N/A	N/A	**487 (14%)**	N/A	N/A	**74 (19%)**
Group overall	**740 (13%)**	821 (16%)	N/A	**111 (9%)**	168 (13%)	N/A	**539 (14%)**	653 (17%)	N/A	**90 (22%)**
Parental Leave										
Parental leave — Return to work rate[20] GRI 401-3	**96%**	97%	96%	**100%**	100%	100%	**96%**	97%	95%	**83%**
Parental leave — Retention rate by gender[21] GRI 401-3										
Male	**100%**	95%	92%	**100%**	100%	96%	**100%**	93%	91%	**100%**
Female	**86%**	92%	81%	**80%**	100%	100%	**88%**	92%	79%	**50%**

	Total			Hong Kong			Mainland China			Other
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023
Health and Safety										
Injury incident rate by gender and by region per 100 employees GRI 403-9										
Male	**1.6**	1.2	1.6	**1.5**	1.1	0.8	**1.6**	1.3	2.0	**2.2**
Female	**1.1**	1.2	1.4	**0.9**	0.3	0.0	**1.1**	1.4	1.6	**1.4**
Group overall	**1.4**	1.2	1.5	**1.3**	0.9	0.6	**1.3**	1.3	1.8	**1.9**
Lost time injury rate ("LTIR")[18] by gender and by region[22]										
Male	**1.7**	N/A	N/A	**1.3**	N/A	N/A	**1.7**	N/A	N/A	**2.4**
Female	**1.2**	N/A	N/A	**0.9**	N/A	N/A	**1.3**	N/A	N/A	**1.8**
Group overall	**1.5**	N/A	N/A	**1.2**	N/A	N/A	**1.5**	N/A	N/A	**2.2**
Number of lost days due to work injury by gender and by region HKEX KPI B2.2										
Male	**1,566**	1,351	2,174	**900**	951	1,183	**641**	400	991	**25**
Female	**574**	334	253	**13**	2	0	**553**	332	253	**8**
Group overall	**2,140**	1,685	2,427	**913**	953	1,183	**1,194**	732	1,244	**33**
Lost day rate by gender and by region in percentage[23] GRI 403-9; HKEX KPI B2.2										
Male	**0.21%**	0.20%	0.31%	**0.38%**	0.38%	0.45%	**0.14%**	0.09%	0.22%	**0.04%**
Female	**0.10%**	0.07%	0.05%	**0.02%**	0.00%	0.00%	**0.12%**	0.08%	0.06%	**0.03%**
Group overall	**0.17%**	0.14%	0.20%	**0.29%**	0.29%	0.35%	**0.13%**	0.09%	0.14%	**0.04%**
Absentee rate by gender and by region in percentage[24] GRI 403-9										
Male	**1.31%**	2.02%	1.26%	**2.73%**	3.88%	2.10%	**0.56%**	0.93%	0.77%	**1.26%**
Female	**1.21%**	1.45%	0.94%	**2.59%**	2.99%	1.71%	**0.98%**	1.16%	0.80%	**1.02%**
Group overall	**1.27%**	1.78%	1.13%	**2.70%**	3.67%	2.01%	**0.77%**	1.04%	0.79%	**1.18%**
Training and Education										
Total training hours by type[18]										
Mandatory	**91,710**	N/A	N/A	**10,215**	N/A	N/A	**79,713**	N/A	N/A	**1,782**
Non-mandatory	**67,887**	N/A	N/A	**13,880**	N/A	N/A	**52,991**	N/A	N/A	**1,016**
Group overall	**159,597**	N/A	N/A	**24,095**	N/A	N/A	**132,704**	N/A	N/A	**2,798**
Average training hours per employee by gender, age group, and employment category [25] GRI 404-1; HKEX KPI B3.2										
Male	**27.5**	26.1	24.9	**22.5**	21.3	21.6	**32.7**	28.4	26.6	**6.0**
Female	**30.1**	28.6	28.9	**12.0**	10.2	11.4	**34.9**	32.0	32.0	**8.2**
Below 30	**49.4**	45.6	N/A	**39.4**	41.6	N/A	**55.0**	46.1	N/A	**9.1**
30–50	**24.3**	23.5	N/A	**21.5**	20.1	N/A	**27.2**	24.6	N/A	**6.2**
51 or above	**16.8**	16.1	N/A	**9.6**	7.7	N/A	**23.5**	24.3	N/A	**4.0**
Senior management	**15.0**	20.0	20.8	**15.7**	11.0	10.6	**16.5**	28.9	31.2	**6.4**
Middle management	**21.5**	19.6	21.8	**19.0**	15.9	15.4	**25.5**	24.0	29.3	**6.4**
General staff	**30.0**	28.5	27.5	**20.0**	19.8	20.7	**34.8**	30.7	29.3	**6.8**
Group overall	**28.6**	27.2	26.69	**19.6**	18.4	18.9	**33.8**	30.2	29.3	**6.8**

	Total			Hong Kong			Mainland China			Other
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023
Employees trained by gender and by employment category in percentage HKEX KPI B3.1										
Male	**94.2%**	91.3%	87.8%	**86.8%**	81.9%	80.9%	**98.2%**	95.8%	91.2%	**89.8%**
Female	**97.1%**	92.1%	92.5%	**90.4%**	79.2%	83.0%	**99.0%**	94.5%	94.2%	**87.1%**
Below 30[18]	**98.8%**	N/A	N/A	**95.0%**	N/A	N/A	**99.5%**	N/A	N/A	**96.3%**
30–50[18]	**96.8%**	N/A	N/A	**92.4%**	N/A	N/A	**99.2%**	N/A	N/A	**86.2%**
51 or above[18]	**86.0%**	N/A	N/A	**76.7%**	N/A	N/A	**93.4%**	N/A	N/A	**86.8%**
Senior Management	**91.7%**	91.8%	86.7%	**94.1%**	94.5%	77.2%	**91.1%**	89.1%	96.4%	**85.7%**
Middle management	**94.6%**	86.4%	87.9%	**93.4%**	81.5%	89.0%	**96.7%**	92.1%	86.6%	**85.0%**
General staff	**95.7%**	92.4%	90.2%	**85.0%**	80.2%	78.9%	**98.9%**	95.5%	93.1%	**89.2%**
Group overall	**95.5%**	91.7%	89.9%	**87.8%**	81.2%	81.4%	**98.6%**	95.2%	92.7%	**88.9%**
Employee Engagement[26]										
Employee Engagement Survey										
% of employees participated	**96%**	98%	N/A	**84%**	N/A	N/A	**98%**	98%	N/A	**92%**
Gender Pay Ratio (Male: Female)	**1.40:1**	1.39:1	N/A	**N/A**	N/A	N/A	**N/A**	N/A	N/A	**N/A**

14 This information is derived from BU's own human resources system.
15 Minority group refers to the ethnic minority at our operation locations.
16 New hire rate (in percentage) = Total number of new hires in the category/Total number of employees in the category × 100%
17 New hire-related data are derived using the total number of new hires that were still working at the BUs as of 31 December of the respective year in the category.
18 Newly Collected data item in 2023.
19 Turnover rate (in percentage) = Total number of turnover in the category/Total number of employee in the category × 100%
20 Return to work rate (in percentage) = Total number of employees that did return to work after parental leave/Total number of employees due to return to work after taking parental leave × 100%
21 Retention rate (in percentage) = Total number of employees that returned to work after parental leave ended that were still employed as of 31 December of the respective year in the category/Total number of employees took parental leave in the category × 100%
22 LTIR refers to the number of lost-time injuries per 200,000 hours worked, it is calculated using formula: LTIR = number of lost-time injuries/total actual hours worked in reporting year x 200,000.
23 Lost day rate (in percentage) = Total lost days in the category/Total number of days scheduled to be worked of all employees in the category × 100%
24 Absentee rate (in percentage) = Total absentee days in the category/Total days scheduled to be worked of all employees in the category × 100%
25 Average number of training hours per employee = Total training hours in the category/Total workforce in the category
26 This information is derived from the average of % of employees participated. The statistic only includes staffs from Leisure and Hospitality operations only.

II. FEATURED AWARDS, CHARTERS AND MEMBERSHIPS GRI 2-28

Selected Awards and Recognitions

Organisers	Awards and Recognitions	Business Units
Hang Seng Index Company Limited	Constituent member of Hang Seng Corporate Sustainability Index Series	Wharf Holdings
Hong Kong Quality Assurance Agency	Sustainability Rating — AA+	Wharf Holdings
	CSR Index Plus	Wharf Holdings
MSCI	ESG Rating — A	Wharf Holdings
U.S. Green Building Council	LEED Platinum (Existing Buildings: Operations and Maintenance)	Chengdu IFS and Changsha IFS
	LEED Gold (Core and Shell)	Wuxi IFS
EarthCheck	Gold Certification	Niccolo Chengdu, Niccolo Chongqing, Marco Polo Wuhan, Marco Polo Xiamen and Marco Polo Lingnan Tiandi, Foshan
	Silver Certification	Niccolo Changsha, Marco Polo Parkside, Beijing, Marco Polo Plaza, Cebu and Marco Polo Ortigas, Manila
Intertek Certification Limited	ISO 9001:2015 Quality Management System	Chengdu IFS
	ISO 14001:2015 Environmental Management System	Chengdu IFS
	ISO 45001:2018 Occupational Health and Safety Management System	Chengdu IFS
Zhongjian Certification Co., Ltd.	ISO 9001:2015 Quality Management System	Changsha IFS
	ISO 14001:2015 Environmental Management System	Changsha IFS
	ISO 45001:2018 Occupational Health and Safety Management System	Changsha IFS
Lloyd's Register Quality Assurance Limited	ISO 14001:2015 Environmental Management System	Modern Terminals
China Quality Certification Centre	ISO 50001:2018 Energy Management System	Shanghai Times Square
Mandatory Provident Fund Schemes Authority	Good MPF Employer	Wharf Limited, Wharf China Development Limited, Wharf China Estates Limited and Modern Terminals
Employees Retraining Board	Manpower Developer	Wharf China Estates Limited, WHML and Modern Terminals
The Hong Kong Council of Social Services	Caring Company Logo	Wharf Holdings (10 Years Plus), Modern Terminals (15 Years Plus) and WHML (5 Years Plus)
Home and Youth Affairs Bureau	Social Capital Builder Logo Award	Wharf Holdings
Promoting Happiness Index Foundation & Hong Kong Productivity Council	Happy Company	Wharf China Estates Limited and Modern Terminals
Equal Opportunities Commission	Equal Opportunity Employer (Gender Equality and Family Status Equality)	Wharf China Estates Limited
Occupational Safety & Health Council	Mental Health Friendly Supreme Organisation	Wharf China Estates Limited
Federation of Hong Kong Industries	BOCHK Corporate Low-Carbon Environmental Leadership Awards 2022	Modern Terminals
InspiringHK Sports Foundation	SportsHour Company	Modern Terminals
Chinese YMCA of Hong Kong	Y-Care CSR Scheme 2022-2023 — Silver Partner	Modern Terminals
	Y-Care Outstanding Performance (Social) Award	Modern Terminals
Jing'an District People's Government, Shanghai	Jing'an Building Excellence Contribution Award	Shanghai Wheelock Square
	Ranked 80th in Economic Contributions for the Year 2022	Shanghai Wheelock Square
Zhejiang Real Estate Association	Outstanding Contribution to Association Work Award 2022	Wharf Hangzhou
China Academy of Real Estate Industry	Benchmark of China Estate Living Quality 2022	Hangzhou sites
Premium Traveler	Luxury Hotel of the Year	Niccolo Chengdu
Lifestyle Magazine	CHA China Hotel Awards 2023 — Landmark Hotel	Niccolo Changsha
	CHA China Hotel Awards 2023 — Best Resort Hotel of the Year	Marco Polo Xiamen

Selected Memberships and Charters

Organisers	Nature of Membership/Name of Charters	Business Units
Hong Kong General Chamber of Commerce	Corporate Member	Wharf Holdings, WHML and Modern Terminals
Employers' Federation of Hong Kong	Corporate Member	Wharf Holdings, Wharf Limited, Wharf China Development Limited, WHML and Modern Terminals
Hong Kong Management Association	Corporate Member	Wharf Holdings and Modern Terminals
WWF-Hong Kong	Double Diamond Member	Wharf Holdings
The American Chamber of Commerce in Hong Kong	The Corporate Member, Co-chair of Transport & Logistics Subcommittee	Modern Terminals
Business Environment Council	Founding Member, Council Member, Communications and Membership Committee Member, Climate Change Business Forum Advisory Group Member, Sustainable Living Environment Advisory Group Member	Modern Terminals
The Chartered Institute of Logistics and Transport in Hong Kong	Organisation Member, Chartered Fellow	Modern Terminals
Chinese Chamber of Commerce	Committee Member, Member of External Affairs Committee and Mainland Affairs Committee	Modern Terminals
Federation of Hong Kong Industries	Corporate Member, Member of PRD Council, Member of Transport and Logistics Services Council	Modern Terminals
General Stevedoring Council	Member	Modern Terminals
Hong Kong Container Terminal Operators Association Limited	Corporate Member, Committee Member and Treasurer	Modern Terminals
Office of the Privacy Commissioner for Personal Data	Data Protection Officers' Club Member	Wharf Limited
Chengdu New Consumption Industry Ecosystem Alliance	Executive Director Unit	Chengdu IFS
Chengdu Retailers Business Association	Vice President	Chengdu IFS
The Hong Kong Chamber of Commerce in China-Sichuan	Vice President	Chengdu IFS
Hong Kong Occupational Safety and Health Association	Company Member	Modern Terminals
Occupational Safety and Health Council	Green Cross Group Member	Modern Terminals
	Joyful@Healthy Workplace Charter	Modern Terminals
Business Environment Council	BEC Low Carbon Charter Pathway 1	Modern Terminals
Equal Opportunities Commission	The Racial Diversity & Inclusion Charter for Employer	Wharf China Estates Limited and Modern Terminals
Electrical and Mechanical Services Department, HKSAR	Energy Saving Charter and 4T Charter	Modern Terminals
Global Hotel Alliance	Member	Niccolo Chengdu, Niccolo Changsha, Niccolo Chongqing, Marco Polo Wuhan, Marco Polo Xiamen, Marco Polo Lingnan Tiandi, Foshan, Marco Polo Parkside, Beijing, Marco Polo Jinjiang, Marco Polo Plaza, Cebu and Marco Polo Ortigas, Manila

III. SIGNIFICANT LAWS AND REGULATIONS

Environment

Aspect A1: Emissions

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

Aspect A2: Use of Resources

- Water Pollution Control Ordinance (Cap. 358 of the laws of Hong Kong)

Aspect A3: The Environment and Natural Resources

- Environmental Impact Assessment Ordinance (Cap. 499 of the laws of Hong Kong)
- Environmental Protection Law of the People's Republic of China

Social

Aspect B1: Employment and Aspect B4: Labour Standards

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

Aspect B2: Health and Safety

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

Aspect B6: Product Responsibility

- Fire Services Ordinance (Cap. 95 of the laws of Hong Kong)
- Hotel and Guesthouse Accommodation Ordinance (Cap. 349 of the laws of Hong Kong)
- Food Hygiene Code published by the Government of the Hong Kong Special Administrative Region
- Food Safety Law of the People's Republic of China
- Food Hygiene Law of the People's Republic of China
- Urban Real Estate Administration Law of the People's Republic of China
- Trade Descriptions Ordinance (Cap. 362 of the laws of Hong Kong)
- Law of the People's Republic of China on Protection of Consumer Rights and Interests
- Consumer protection legislations in Hong Kong and logo guidelines
- Advertising Law of the People's Republic of China
- Personal Data (Privacy) Ordinance (Cap. 486 of the laws of Hong Kong)
- EU General Data Protection Regulation

Aspect B7: Anti-corruption

- Prevention of Bribery Ordinance (Cap. 201 of the laws of Hong Kong)
- Competition Ordinance (Cap. 619 of the laws of Hong Kong)
- Telecommunications Ordinance (Cap. 106 of the laws of Hong Kong)
- Anti-Unfair Competition Law of the People's Republic of China

IV. HKEX ESG REPORTING GUIDE CONTENT INDEX

Subject Areas, Aspects, General Disclosures and KPIs	Section/Page Number/Remarks
A. Environmental	
A1: Emissions	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Corporate Governance, page 13–15; Co-living with the Nature — Commitment and Strategy, page 24; Energy Management and Decarbonisation, page 30–32; Waste Management and Resource Conservation, page 36; Environmental Policy; Compliance Policy Statement
KPI A1.1 The types of emissions and respective emissions data.	Energy Management and Decarbonisation, page 30–32; Air Quality Management, page 33; Performance Data Summary, page 64
KPI A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Energy Management and Decarbonisation, page 30–32; Performance Data Summary, page 64
KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	Performance Data Summary, page 65
KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	Performance Data Summary, page 65
KPI A1.5 Description of emission target(s) set and steps taken to achieve them.	Co-living with the Nature — Commitment and Strategy, page 24; Energy Management and Decarbonisation, page 30–32; Air Quality Management, page 33
KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Co-living with the Nature — Commitment and Strategy, page 24; Waste Management and Resource Conservation, page 36; Performance Data Summary, page 65
A2. Use of Resources	
General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Corporate Governance, page 13–15; Co-living with the Nature — Commitment and Strategy, page 24; Energy Management and Decarbonisation, page 30–32; Water Stewardship and Conservation, page 34–35; Waste Management and Resource Conservation, page 36; Environmental Policy
KPI A2.1 Direct and/or indirect consumption by type (e.g., electricity, gas or oil) in total (kWh in '000s) and intensity (e.g., per unit of production volume, per facility).	Energy Management and Decarbonisation, page 30–32; Performance Data Summary, page 64
KPI A2.2 Water consumption in total and intensity (e.g., per unit of production volume, per facility).	Water Stewardship and Conservation, page 34–35; Performance Data Summary, page 64
KPI A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Co-living with the Nature — Commitment and Strategy, page 24; Energy Management and Decarbonisation, page 30–32
KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Co-living with the Nature — Commitment and Strategy, page 24; Water Stewardship and Conservation, page 34–35
KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Performance Data Summary, page 65

Subject Areas, Aspects, General Disclosures and KPIs	Section/Page Number/Remarks
A3: The Environment and Natural Resources	
General Disclosure Policies on minimising the issuer's significant impact on the environment and natural resources.	Corporate Governance, page 13–15; Co-living with the Nature — Commitment and Strategy, page 24; Energy Management and Decarbonisation, page 30–32; Water Stewardship and Conservation, page 34–35; Waste Management and Resource Conservation, page 36; Environmental Policy; Climate Change Policy Statement; Green Procurement Policy
KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Air Quality Management, page 33; Water Stewardship and Conservation, page 34–35; Waste Management and Resource Conservation, page 36; Enhancing Environmental Awareness and Biodiversity, page 37
A4: Climate Change	
General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Risk and Resilience Management, page 25–28; Climate Change Policy Statement
KPI A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	
B. Social	
B1: Employment	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Building Excellence with Our Stakeholders — Commitment and Strategy, page 39; Nurturing Our Employees, page 39–46; Human Rights Policy; Code of Conduct; Compliance Policy Statement
KPI B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Nurturing Our Employees, page 42; Performance Data Summary, page 67
KPI B1.2 Employee turnover rate by gender, age group and geographical region.	Performance Data Summary, page 68

Subject Areas, Aspects, General Disclosures and KPIs	Section/Page Number/Remarks
B2: Health and Safety	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to providing a safe working environment and protecting employees from occupational hazards.	Safeguarding Wellbeing and Safety, page 52–56; Safety and Health Policy; Compliance Policy Statement
KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Safeguarding Wellbeing and Safety, page 52
KPI B2.2 Lost days due to work injury.	Performance Data Summary, page 69
KPI B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Safeguarding Wellbeing and Safety, page 52–56
B3: Development and Training	
General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Nurturing Our Employees, page 44–46
KPI B3.1 The percentage of employees trained by gender and employee category (e.g., senior management, middle management).	Performance Data Summary, page 70
KPI B3.2 The average training hours completed per employee by gender and employee category.	Nurturing Our Employees, page 44; Performance Data Summary, page 69
B4: Labour Standards	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to preventing child and forced labour.	Building Excellence with Our Stakeholders, — Commitment and Strategy, page 39; Human Rights Policy; Compliance Policy Statement
KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.	Human Rights Policy
KPI B4.2 Description of steps taken to eliminate such practices when discovered.	Human Rights Policy
B5: Supply Chain Management	
General Disclosure Policies on managing environmental and social risks of the supply chain.	Partnering with Our Suppliers, page 47–48; Green Procurement Policy; Supplier Code of Conduct
KPI B5.1 Number of suppliers by geographical region.	Partnering with Our Suppliers, page 48
KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Partnering with Our Suppliers, page 47–48; Green Procurement Policy; Supplier Code of Conduct
KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Partnering with Our Suppliers, page 47–48; Green Procurement Policy
KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Partnering with Our Suppliers, page 47–48; Green Procurement Policy

Subject Areas, Aspects, General Disclosures and KPIs	Section/Page Number/Remarks
B6: Product Responsibility	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Delivering Quality for Our Customers, page 48–50; Quality Policy Statement; Data Privacy Policy Statement; Compliance Policy Statement
KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	No products sold or shipped were subject to recalls for safety and health reasons during the reporting year.
KPI B6.2 Number of products and service-related complaints received and how they are dealt with.	Delivering Quality for Our Customers, page 49
KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.	Delivering Quality for Our Customers, page 48–50
KPI B6.4 Description of quality assurance process and recall procedures.	Delivering Quality for Our Customers, page 48–50; Quality Policy Statement
KPI B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.	Delivering Quality for Our Customers, page 48–50; Code of Conduct; Data Privacy Policy Statement
B7: Anti-corruption	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to bribery, extortion, fraud and money laundering.	Ethical Business Operations and Compliance, page 14; Anti-corruption Policy; Compliance Policy Statement; Statement of Business Integrity; Code of Conduct
KPI B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Ethical Business Operations and Compliance, page 14
KPI B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Ethical Business Operations and Compliance, page 14
KPI B7.3 Description of anti-corruption training provided to directors and staff.	Ethical Business Operations and Compliance, page 14
B8: Community Investment	
General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Business-in-Community, page 58–62
KPI B8.1 Focus areas of contribution (e.g., education, environmental concerns, labour needs, health, culture, sport).	Business-in-Community, page 58–62
KPI B8.2 Resources contributed (e.g., money or time) to the focus area.	About Wharf Holdings, page 10; Business-in-Community, page 58–62

V. GRI STANDARDS AND SASB SECTOR STANDARDS INDEX TABLE

Statement of use	The Wharf (Holdings) Limited has reported in accordance with the GRI Standards for the period 1 January 2023 to 31 December 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	GRI G4 Construction and Real Estate Sector (CRES)

GRI 2: General Disclosures 2021

GRI Standards	Disclosure	SASB Standards	Location and Remarks/Omission
2-1	Organisation details		Cover Page of the Report; About Wharf Holdings, page 9–10
2-2	Entities included in the organisation's sustainability reporting		About This Report, page 5–7
2-3	Reporting period, frequency and contact point		About This Report, page 5–7
2-4	Restatements of information		Performance Data Summary, page 64–70
2-5	External assurance		About This Report, page 7; Verification Statement, page 88
2-6	Activities, value chain and other business relationships	IF-RE-000.A, IF-RE-000.B	About This Report, page 5–7; About Wharf Holdings, page 9–10; Partnering with Our Suppliers, page 47–48; Annual Report 2023 — Business Review, page 12–27
2-7	Employees		Nurturing Our Employees, page 39–46; Performance Data Summary, page 67–70
2-8	Workers who are not employees		Nurturing Our Employees, page 43
2-9	Governance structure and composition		Corporate Governance, page 13–14; Annual Report 2023 — Corporate Governance Report, page 44–47
2-10	Nomination and selection of the highest governance body		Annual Report 2023 — Corporate Governance Report, page 48–49
2-11	Chair of the highest governance body		Annual Report 2023 — Corporate Governance Report, page 52
2-12	Role of the highest governance body in overseeing the management of impacts		Corporate Governance, page 13–14; Annual Report 2023 — Corporate Governance Report, page 52
2-13	Delegation of responsibility for managing impacts		Annual Report 2023 — Corporate Governance Report, page 52, 54–57
2-14	Role of the highest governance body in sustainability reporting		Corporate Governance, page 13–15
2-15	Conflicts of interest		Annual Report 2023 — Corporate Governance Report, page 54
2-16	Communication of critical concerns		No critical matters were raised during the reporting year.
2-17	Collective knowledge of the highest governance body		Corporate Governance, page 13–15; The Board was offered training in the forms of briefings, seminars and reading materials, etc. to enhance their knowledge in sustainable development, goals, and commitments, the latest ESG trends and reporting requirements during the reporting year.
2-18	Evaluation of the performance of the highest governance body		This information is treated as confidential.
2-19	Remuneration policies		This information is treated as confidential.
2-20	Process to determine remuneration		This information is treated as confidential.
2-21	Annual total compensation ratio		This information is treated as confidential.
2-22	Statement on sustainable development strategy		Message from the Chairman, page 3
2-23	Policy commitments		Corporate Governance, page 13–15; Sustainability Governance, page 15–17; Co-living with the Nature – Commitment and Strategy, page 24; Building Excellence with Our Stakeholders, page 39–50; Safeguarding Wellbeing and Safety — Commitment and Strategy, page 52; Sustainability Policies
2-24	Embedding policy commitments		Corporate Governance, page 13–15; Sustainability Governance, page 15–17; Co-living with the Nature, page 24–37; Building Excellence with Our Stakeholders, page 39–50; Safeguarding Wellbeing and Safety, page 52–56; Business-in-Community, page 58–62; Sustainability Policies
2-25	Processes to remediate negative impacts		Corporate Governance, page 13–15; Sustainability Governance, page 15–17; see the Commitment and Strategy of each section of the Report.

GRI Standards	Disclosure	SASB Standards	Location and Remarks/Omission
2-26	Mechanisms for seeking advice and raising concerns		Stakeholder Engagement, page 18–19; Materiality Assessment, page 20–22
2-27	Compliance with laws and regulations		Corporate Governance, page 13–15; Significant Laws and Regulations, page 73; Co-living with the Nature — Commitment and Strategy, page 24; Compliance Policy Statement; In 2023, there was no non-compliance with relevant laws and regulations.
2-28	Membership associations		Featured Awards, Charters and Memberships, page 71–72
2-29	Approach to stakeholder engagement		Stakeholder Engagement, page 18–19; Materiality Assessment, page 20–22
2-30	Collective bargaining agreements		Collective bargaining agreements do not apply to the Group's operations.

GRI 3: Material Topics 2021

GRI Standards	Disclosure	SASB Standards	Location and Remarks/Omission
3-1	Process to determine material topics		Stakeholder Engagement, page 18–19; Materiality Assessment, page 20–22
3-2	List of material topics		Stakeholder Engagement, page 18–19; Materiality Assessment, page 20–22
200: Economic			
201: Economic Performance 2016			
3-3	Management of material topics		About Wharf Holdings, page 9–10; Annual Report 2023 — Chairman's Statement, page 7–9
201-1	Direct economic value generated and distributed		About Wharf Holdings, page 9–10; Annual Report 2023 — Financial Highlights, page 10–11
201-2	Financial implications and other risks and opportunities due to climate change	IF-RE-450a.2	About Wharf Holdings, page 9–10; Climate Risk and Resilience Management, page 25–28
201-4	Financial assistance received from government		No financial assistance received from government in 2023
202: Market Presence 2016			
3-3	Management of material topics		Sustainability Governance, page 15–17;
202-2	Proportion of senior management hired from the local community		Corporate Governance, page 13;
203: Indirect economic impacts 2016			
3-3	Management of material topics		Business-in-Community, page 58–62
203-1	Infrastructure investments and services supported		About Wharf Holdings, page 9–10; Business-in-Community, page 58–62
204: Procurement Practices 2016			
3-3	Management of material topics		Partnering with Our Suppliers, page 47–48; Green Procurement Policy; Supplier Code of Conduct
204-1	Proportion of spending on local suppliers		Partnering with Our Suppliers, page 47–48 Based on the principle of materiality, the Report includes the number of suppliers whom are the most significant 70% by spending in our BUs' supply chain.
205: Anti-corruption 2016			
3-3	Management of material topics		Corporate Governance, page 13–15; Sustainability Governance, page 15–17; Anti-corruption Policy; Code of Conduct; Statement of Business Integrity
205-2	Communication and training about anti-corruption policies and procedures		Corporate Governance, page 13–15; Sustainability Governance, page 15–17
205-3	Confirmed incidents of corruption and actions taken		In 2023, there were no confirmed incidents of corruption.

GRI Standards	Disclosure	SASB Standards	Location and Remarks/Omission
300: Environmental			
301: Materials 2016			
3-3	Management of material topics		Co-living with the Nature — Commitment and Strategy, page 24; Waste Management and Resource Conservation, page 36
301-1	Materials used by weight or volume		Performance Data Summary, page 65
302: Energy 2016			
3-3	Management of material topics		Co-living with the Nature — Commitment and Strategy, page 24; Energy Management and Decarbonisation, page 30–32
302-1	Energy consumption within the organisation	IF-RE-130a.2	Energy Management and Decarbonisation, page 30–32; Performance Data Summary, page 64
302-2	Energy consumption outside of the organisation		Performance Data Summary, page 64
302-3	Energy intensity		Energy Management and Decarbonisation, page 30–32; Performance Data Summary, page 64
CRE-1	Building energy intensity		Energy Management and Decarbonisation, page 30–32; Performance Data Summary, page 64
302-4	Reduction of energy consumption		Energy Management and Decarbonisation, page 30–32
303: Water and Effluents 2018			
3-3	Management of material topics	IF-RE-140a.4	Co-living with the Nature — Commitment and Strategy, page 24; Water Stewardship and Conservation, page 34–35
303-1	Interactions with water as a shared resource		Water Stewardship and Conservation, page 34–35
303-2	Management of water discharge-related impacts		Our wastewater is treated by municipal water treatment facilities before discharge to waterbodies. Thus, the Group has no minimum standards set for quality of effluent discharge.
303-3	Water withdrawal	IF-RE-140a.2	Water Stewardship and Conservation, page 34–35; Performance Data Summary, page 64 There is no withdrawal of surface or groundwater. All water consumed in Hong Kong, Mainland China and Singapore are purchased and distributed by the Government's municipal water supplies department.
CRE-2	Building water intensity		Water Stewardship and Conservation, page 34–35; Performance Data Summary, page 64
303-4	Water discharge		Water Stewardship and Conservation, page 34–35; Performance Data Summary, page 64
303-5	Water consumption		Water Stewardship and Conservation, page 34–35; Performance Data Summary, page 64
305: Emissions 2016			
3-3	Management of material topics		Co-living with the Nature — Commitment and Strategy, page 24; Climate Risk and Resilience Management, page 25–28; Energy Management and Decarbonisation, page 30–32; Climate Change Policy Statement
305-1	Direct (Scope 1) GHG emissions		Energy Management and Decarbonisation, page 30–32; Performance Data Summary, page 64
305-2	Energy indirect (Scope 2) GHG emissions		Energy Management and Decarbonisation, page 30–32; Performance Data Summary, page 64
305-3	Other indirect (Scope 3) GHG emissions		Energy Management and Decarbonisation, page 30–32; Performance Data Summary, page 64
305-4	GHG emissions intensity		Energy Management and Decarbonisation, page 30–32; Performance Data Summary, page 64
CRE-3	GHG emissions intensity from buildings		Energy Management and Decarbonisation, page 30–32; Performance Data Summary, page 64
305-5	Reduction of GHG emissions		Energy Management and Decarbonisation, page 30–32
305-7	Nitrogen oxides (NOx), sulphur oxides (Sox), and other significant air emissions		Air Quality Management, page 33; Performance Data Summary, page 64
306: Waste 2020			
3-3	Management of material topics		Co-living with the Nature — Commitment and Strategy, page 24; Waste Management and Resource Conservation, page 36

GRI Standards	Disclosure	SASB Standards	Location and Remarks/Omission
306-1	Waste generation and significant waste related impacts		Waste Management and Resource Conservation, page 36
306-2	Management of significant waste-related impacts		Waste Management and Resource Conservation, page 36
306-3	Waste generated		Waste Management and Resource Conservation, page 36; Performance Data Summary, page 65–66
306-4	Waste diverted from disposal		Waste Management and Resource Conservation, page 36; Performance Data Summary, page 65–66
306-5	Waste directed to disposal		Performance Data Summary, page 65–66
308: Supplier Environmental Assessment 2016			
3-3	Management of material topics		Partnering with Our Suppliers, page 47–48; Green Procurement Policy; Supplier Code of Conduct
308-1	New suppliers that were screened using environmental criteria		Partnering with Our Suppliers, page 47
400: Social			
401: Employment 2016			
3-3	Management of material topics		Building Excellence with Our Stakeholders — Commitment and Strategy, page 39; Nurturing Our Employees, page 39–46
401-1	New employee hires and employee turnover		Performance Data Summary, page 68
401-2	Benefits provided to fulltime employees that are not provided to temporary or part-time employees		Nurturing Our Employees 39–46; Employee Wellbeing, page 53–55
401-3	Parental leave		Performance Data Summary, page 68
402: Labour/Management Relations 2016			
3-3	Management of material topics		Building Excellence with Our Stakeholders — Commitment and Strategy, page 39; Nurturing Our Employees, page 39–46
402-1	Minimum notice periods regarding operational changes		We do not have a fixed notice period. Depending on commercial and/or other aspects of business sensitivity, reasonable notice is normally allowed for any significant operational changes of the company.
403: Occupational Health and Safety 2018			
3-3	Management of material topics		Safeguarding Wellbeing and Safety, page 52; Safety and Health Policy
403-1	Occupational health and safety management system		Safeguarding Wellbeing and Safety, page 52; Safe and Healthy Workplace, page 52–53
403-2	Hazard identification, risk assessment, and incident investigation		Safeguarding Wellbeing and Safety, page 52; Safe and Healthy Workplace, page 52–53
403-5	Worker training on occupational health and safety		Cultivating a Safety Culture at Work, page 53
403-6	Promotion of worker health		Employee Wellbeing, page 53–55
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Optimising OSH Management in Supply Chain; page 53
403-9	Work-related injuries		Safe and Healthy Workplace, page 52; Performance Data Summary, page 69
404: Training and Education 2016			
3-3	Management of material topics		Nurturing Our Employees, page 43–46
404-1	Average hours of training per year per employee		Nurturing Our Employees, page 43–46; Performance Data Summary, page 69
404-2	Programmes for upgrading employee skills and transition assistance programmes		Nurturing Our Employees, page 43–46

GRI Standards	Disclosure	SASB Standards	Location and Remarks/Omission
405: Diversity and Inclusion 2016			
3-3	Management of material topics		Corporate Governance, page 13–15; Nurturing Our People, page 41–42
405-1	Diversity of governance bodies and employees		Corporate Governance, page 13; Performance Data Summary, page 67
406: Non-discrimination 2016			
3-3	Management of material topics		Nurturing Our Employees, page 41–42; Human Rights Policy
406-1	Incidents of discrimination and corrective actions taken		In 2023, there were no recorded incidents of non-compliance with anti-discrimination legislations.
408: Child Labour 2016			
3-3	Management of material topics		Building Excellence with Our Stakeholders — Commitment and Strategy, page 39; Human Rights Policy
408-1	Operations and suppliers at significant risk for incidents of child labour		Human Rights Policy child labour is not material to our business. The relevant KPIs are therefore not disclosed.
409: Forced or Compulsory Labour 2016			
3-3	Management of material topics		Building Excellence with Our Stakeholders — Commitment and Strategy, page 39; Human Rights Policy
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour		Human Rights Policy forced labour is not material to our business. The relevant KPIs are therefore not disclosed.
413: Local Communities 2016			
3-3	Management of material topics		Business-in-Community — Commitment and Strategy, page 58
413-1	Operations with local community engagement, impact assessments, and development programmes		Business-in-Community, page 58–62
414: Supplier Social Assessment 2016			
3-3	Management of material topics		Partnering with Our Suppliers, page 47–48; Green Procurement Policy; Supplier Code of Conduct
414-1	New suppliers that were screened using social criteria		Partnering with Our Suppliers, page 47
416: Customer Health and Safety 2016			
3-3	Management of material topics		Safeguarding Wellbeing and Safety — Commitment and Strategy, page 52; Safe Product and Services, page 56
416-2	Incidents of noncompliance concerning the health and safety impacts of products and services		In 2023, there were no recorded incidents of non-compliance.
417: Marketing and Labelling 2016			
3-3	Management of material topics		Building Excellence with Our Stakeholders — Commitment and Strategy, page 39; Delivering Quality for Our Customers, page 48–50; Code of Conduct
417-3	Incidents of non-compliance concerning marketing communications		In 2023, there were no recorded incidents of non-compliance.
418: Customer Privacy 2016			
3-3	Management of material topics		Building Excellence with Our Stakeholders — Commitment and Strategy, page 39; Delivering Quality for Our Customers, page 48–50; Code of Conduct; Data Privacy Policy Statement
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		In 2023, there were no recorded incidents of non-compliance.

VI. IFRS S2 STANDARDS REFERENCE INDEX TABLE

Disclosure Description	References and Remarks
Governance (5) The objective of climate-related financial disclosures on governance is to enable users of general purpose financial reports to understand the governance processes, controls and procedures an entity uses to monitor, manage and oversee climate-related risks and opportunities. (6) To achieve this objective, an entity shall disclose information about:	
6(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about:	
(i) how responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s);	Sustainability Governance, page 15–17; Climate Risk and Resilience Management — Governance, page 26; Annual Report 2023 — Corporate Governance Report, page 44–65; Climate Change Policy Statement
(ii) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	Regular training and updates on climate and other sustainability issues are provided to the Board and senior management.
(iii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	Sustainability Governance, page 15–17; Climate Risk and Resilience Management — Governance, page 26
(iv) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and	Sustainability Governance, page 15–17; Climate Risk and Resilience Management — Governance, page 26 The Group is in progress of studying the feasibility and practicality of integrating climate-related risks and other sustainability issues into its financial assessment and planning at project and corporate levels.
(v) how the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets (see paragraphs 33–36), including whether and how related performance metrics are included in remuneration policies (see paragraph 29(g)).	Sustainability Governance, page 15–17; Climate Risk and Resilience Management — Governance, page 26
6(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	
(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and (ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Sustainability Governance, page 15–17; Climate Risk and Resilience Management — Governance, page 26
(7) In preparing disclosures to fulfil the requirements in paragraph 6, an entity shall avoid unnecessary duplication in accordance with IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1).	
Strategy (8) The objective of climate-related financial disclosures on strategy is to enable users of general purpose financial reports to understand an entity's strategy for managing climate-related risks and opportunities. (9) Specifically, an entity shall disclose information to enable users of general purpose financial reports to understand:	
9(a) the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects (see paragraphs 10–12);	Sustainability Governance, page 15–17; Climate Risk and Resilience Management — Risk Assessment and Management, page 26–28 The Group is in progress of studying the feasibility and practicality of integrating climate-related risks and other sustainability issues into its financial assessment and planning at project and corporate levels.
9(b) the current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain (see paragraph 13);	
9(c) the effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan (see paragraph 14);	
9(d) the effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning (see paragraphs 15–21); and	
9(e) the climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities (see paragraph 22).	Sustainability Governance, page 15–17; Climate Risk and Resilience Management — Risk Assessment and Management, page 26–28 The Group is in progress of completing the transition risk assessment and updating the business strategy, mitigation and adaptation measures in response to the identified climate-related risks. Further information will be disclosed in the future reports.

Disclosure Description	References and Remarks
Climate-related risks and opportunities (10) An entity shall disclose information that enables users of general-purpose financial reports to understand the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall:	
10(a) describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	Climate Risk and Resilience Management — Risk Assessment and Management, page 26–28
10(b) explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk;	
10(c) specify, for each climate-related risk and opportunity the entity has identified, over which time horizons — short, medium or long term — the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	
10(d) explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	
(11) In identifying the significant climate-related risks and opportunities described in paragraph 9(a), an entity shall refer to the disclosure topics defined in the industry disclosure requirements. (12) In preparing disclosures to fulfil the requirements in paragraphs 12–15, an entity shall refer to and consider the applicability of cross-industry metric categories and the industry-based metrics associated with disclosure topics, as described in paragraph 20.	
Business model and value chain (13) An entity shall disclose information that enables users of general purpose financial reports to understand the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose:	
13(a) a description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain; and	Climate Risk and Resilience Management — Risk Assessment and Management, page 26–28
13(b) a description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	
Strategy and decision-making (14) An entity shall disclose information that enables users of general-purpose financial reports to understand the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose:	
14(a) information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about:	
(i) current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments); information about direct adaptation and mitigation efforts it undertaking. (ii) current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications); (iii) current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains); (iv) any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies; and (v) how the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets, described in accordance with paragraphs 33–36.	Sustainability Governance, page 15–17; Climate Risk and Resilience Management — Risk Assessment and Management, page 26–28 Energy Management and Decarbonisation, page 30–32 The Group is in progress of completing the transition risk assessment and updating the business strategy, mitigation and adaptation measures in response to the identified risks and impacts. Further information will be disclosed in the future reports.
14(b) information about how the entity is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 14(a).	Sustainability Governance, page 15–17; Climate Risk and Resilience Management — Risk Assessment and Management, page 26–28 Energy Management and Decarbonisation, page 30–32 The Group is in progress of completing the transition risk assessment and updating the business strategy, mitigation and adaptation measures in response to the identified risks and impacts. Further information will be disclosed in the future reports.
14(c) quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 14(a).	
Financial position, financial performance and cash flows (15) An entity shall disclose information that enables users of general purpose financial reports to understand:	
15(a) the effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects); and	The Group is in progress of completing the climate-related risk financial impact assessment. Further information will be disclosed in the future reports.
15(b) the anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	

Disclosure Description	References and Remarks
(16) Specifically, an entity shall disclose quantitative and qualitative information about:	
16(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	The Group is in progress of completing the climate-related risk financial impact assessment. Further information will be disclosed in the future reports.
16(b) the climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;	
16(c) how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to; and (ii) its planned sources of funding to implement its strategy; and	
16(d) how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation).	
Climate resilience (22) An entity shall disclose information that enables users of general-purpose financial reports to understand the resilience of the entity's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities. The entity shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with the entity's circumstances (see paragraphs B1–B18). In providing quantitative information, the entity may disclose a single amount or a range. Specifically, the entity shall disclose:	
22(a) the entity's assessment of its climate resilience as at the reporting date, which shall enable users of general purpose financial reports to understand:	
(i) the implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the entity's assessment of its climate resilience; (iii) the entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including; (1) the availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities; (2) the entity's ability to redeploy, repurpose, upgrade or decommission existing assets; and (3) the effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience; and	Climate Risk and Resilience Management — Risk Assessment and Management, page 26–28 Energy Management and Decarbonisation, page 30–32 The Group is in progress of completing the transition risk assessment and updating the business strategy, mitigation and adaptation measures in response to the identified risks and impacts. Further information will be disclosed in the future reports.
22(b) how and when the climate-related scenario analysis was carried out, including:	
(i) information about the inputs the entity used, including: (1) whether the analysis included a diverse range of climate-related scenarios; (2) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (3) whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (4) why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (5) the time horizons the entity used in the analysis; and (6) what scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis);	Climate Risk and Resilience Management — Risk Assessment and Management, page 26–28 Further information will be disclosed in future reports subject to the completion of the transition risk assessment.
(ii) the key assumptions the entity made in the analysis, including assumptions about: (1) climate-related policies in the jurisdictions in which the entity operates; (2) macroeconomic trends; (3) national- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources); (4) energy usage and mix; and (5) developments in technology; and	Climate Risk and Resilience Management — Risk Assessment and Management, page 26–28 Further information will be disclosed in future reports subject to the completion of the transition risk assessment.
22(b) (iii) the reporting period in which the climate-related scenario analysis was carried out (see paragraph B18).	About This Report — Report Scope; page 6
Risk management (24) The objective of climate-related financial disclosures on risk management is to enable users of general purpose financial reports to understand an entity's processes to identify, assess, prioritise and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process. (25) To achieve this objective, an entity shall disclose information about:	
25(a) the processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about: (i) the inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes); (ii) whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks; (iii) how the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria); (iv) whether and how the entity prioritises climate-related risks relative to other types of risk; (v) how the entity monitors climate-related risks; and (vi) whether and how the entity has changed the processes it uses compared with the previous reporting period;	Climate Risk and Resilience Management — Risk Assessment and Management, page 26–28 Further information will be disclosed in future reports subject to the completion of the transition risk assessment.

Disclosure Description	References and Remarks
25(b) the processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities; and	Climate Risk and Resilience Management — Risk Assessment and Management, page 26–28
25(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	Further information will be disclosed in future reports subject to the completion of the transition risk assessment.
Metrics and targets (27) The objective of climate-related financial disclosures on metrics and targets is to enable users of general purpose financial reports to understand an entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation. (28) To achieve this objective, an entity shall disclose:	
28(a) information relevant to the cross-industry metric categories (see paragraphs 29–31);	Performance Data Summary, page 64–66
28(b) industry-based metrics that are associated with particular business models, activities or other common features that characterise participation in an industry (see paragraph 32); and	
28(c) targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets (see paragraphs 33–37).	Co-living with the Nature — Commitment and Strategy, page 24
Climate-related metrics (29) An entity shall disclose information relevant to the cross-industry metric categories of	
29(a) greenhouse gases — the entity shall:	
(i) disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO2 equivalent (see paragraphs B19–B22), classified as: (1) Scope 1 greenhouse gas emissions; (2) Scope 2 greenhouse gas emissions; (3) Scope 3 greenhouse gas emissions;	Performance Data Summary, page 64–66
(ii) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions (see paragraphs B23–B25);	
(iii) disclose the approach it uses to measure its greenhouse gas emissions (see paragraphs B26–B29) including: (1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions; (2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (3) any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	
(iv) for Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(2), disaggregate emissions between: (1) the consolidated accounting group (for example, for an entity applying IFRS Accounting Standards, this group would comprise the parent and its consolidated subsidiaries); and (2) other investees excluded from paragraph 29(a)(iv)(1) (for example, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries);	Performance Data Summary, page 64–66
(v) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(2), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions (see paragraphs B30–B31); and	
(vi) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(3), and with reference to paragraphs B32–B57, disclose: (1) the categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and (2) additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance (see paragraphs B58–B63);	
29(b) climate-related transition risks — the amount and percentage of assets or business activities vulnerable to climate-related transition risks;	The Group is in progress of completing the climate-related risk financial impact assessment. Further information will be disclosed in the future reports. The Group is in progress of completing the transition risk assessment and further consolidating the vulnerability of assets or business activities. Further information will be disclosed in the future reports.
29(c) climate-related physical risks — the amount and percentage of assets or business activities vulnerable to climate-related physical risks;	
29(d) climate-related opportunities — the amount and percentage of assets or business activities aligned with climate-related opportunities;	
29(e) capital deployment — the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;	The Group is in progress of completing the climate-related risk financial impact assessment. Further information will be disclosed in the future reports.

Disclosure Description	References and Remarks
29(f) internal carbon prices — the entity shall disclose: (i) an explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis); and (ii) the price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions;	The Group is in progress of completing the transition risk assessment and further studying the applicability of internal carbon prices. Further information will be disclosed in the future reports.
29(g) remuneration — the entity shall disclose: (i) a description of whether and how climate-related considerations are factored into executive remuneration (see also paragraph 6(a)(v)); and (ii) the percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations.	Our Management and Remuneration Committee will assess how climate-related considerations should be factored into executive remuneration based on a range of factors, including the responsibilities of the Group's executive management. Further information and updates will be disclosed in future reports.
Climate-related targets (33) An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose:	
33(a) the metric used to set the target (see paragraphs B66–B67);	Co-living with the Nature — Commitment and Strategy, page 24; Climate Risk and Resilience Management — Metrics and Targets, page 28; Performance Data Summary, page 64–66
33(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	
33(c) the part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region);	
33(d) the period over which the target applies;	
33(e) the base period from which progress is measured; and	
33(f) any milestones or interim targets	
33(g) if the target is quantitative, whether it is an absolute target or an intensity target; and	
33(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	
(34) An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	
34(a) whether the target and the methodology for setting the target has been validated by a third party;	Co-living with the Nature — Commitment and Strategy, page 24; Performance Data Summary, page 64–66 The Group is setting and approaching the climate-related targets of which a science-based approach is being studied and considered in updating the current targets. Further information will be disclosed in future reports subject to the update.
34(b) the entity's processes for reviewing the target;	
34(c) the metrics used to monitor progress towards reaching the target; and	
34(d) any revisions to the target and an explanation for those revisions.	
(35) An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance.	
(36) For each greenhouse gas emissions target disclosed in accordance with paragraphs 33–35, an entity shall disclose:	
36(a) which greenhouse gases are covered by the target.	Co-living with the Nature — Commitment and Strategy, page 24; Energy Management and Decarbonisation, page 30–32
36(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	Co-living with the Nature — Commitment and Strategy, page 24; Energy Management and Decarbonisation, page 30–32
36(c) whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target (see paragraphs B68–B69).	Co-living with the Nature — Commitment and Strategy, page 24; Performance Data Summary, page 64–66
36(d) whether the target was derived using a sectoral decarbonisation approach.	
36(e) the entity's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits the entity shall disclose information including, and with reference to paragraphs B70–B71: (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) (ii)which third-party scheme(s) will verify or certify the carbon credits; (iii) (iii)the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) (iv) any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset).	The Group is in progress of completing the transition risk assessment and further studying the applicability of carbon credits. Further information will be disclosed in the future reports.

VII. VERIFICATION STATEMENT

HKQAA
HONG KONG QUALITY ASSURANCE AGENCY
香 港 品 質 保 證 局

Scope and Objective

Hong Kong Quality Assurance Agency ("HKQAA") has been commissioned by The Wharf (Holdings) Limited ("Wharf Holdings") to undertake an independent verification for its Sustainability Report 2023 ("the Report"). The scope of this verification covers the sustainability performance data and information of its business in Hong Kong and Mainland China for the period of 1st January 2023 to 31st December 2023.

The aim of this verification is to provide a reasonable assurance on the reliability of the report contents. The Report has been prepared in accordance with the latest GRI Sustainability Reporting Standards ("GRI Standards"), GRI G4 Construction and Real Estate Sector Disclosures, and the Environmental, Social and Governance Reporting Guide ("ESG Guide") of The Stock Exchange of Hong Kong Limited. It also provides disclosures with reference to the selected metrics of the standards for real estate industry set by the Sustainability Accounting Standards Board ("SASB Standards"), the recommendations from the Task Force on Climate-Related Financial Disclosures ("TCFD") and the IFRS S1 General Requirements for Disclosure of Sustainability related Financial Information and IFRS S2 Climate-related Disclosure developed by the International Sustainability Standards Board ("ISSB Standards").

Level of Assurance and Methodology

The process applied in this verification is based on:

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

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

Independence

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

Conclusion

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

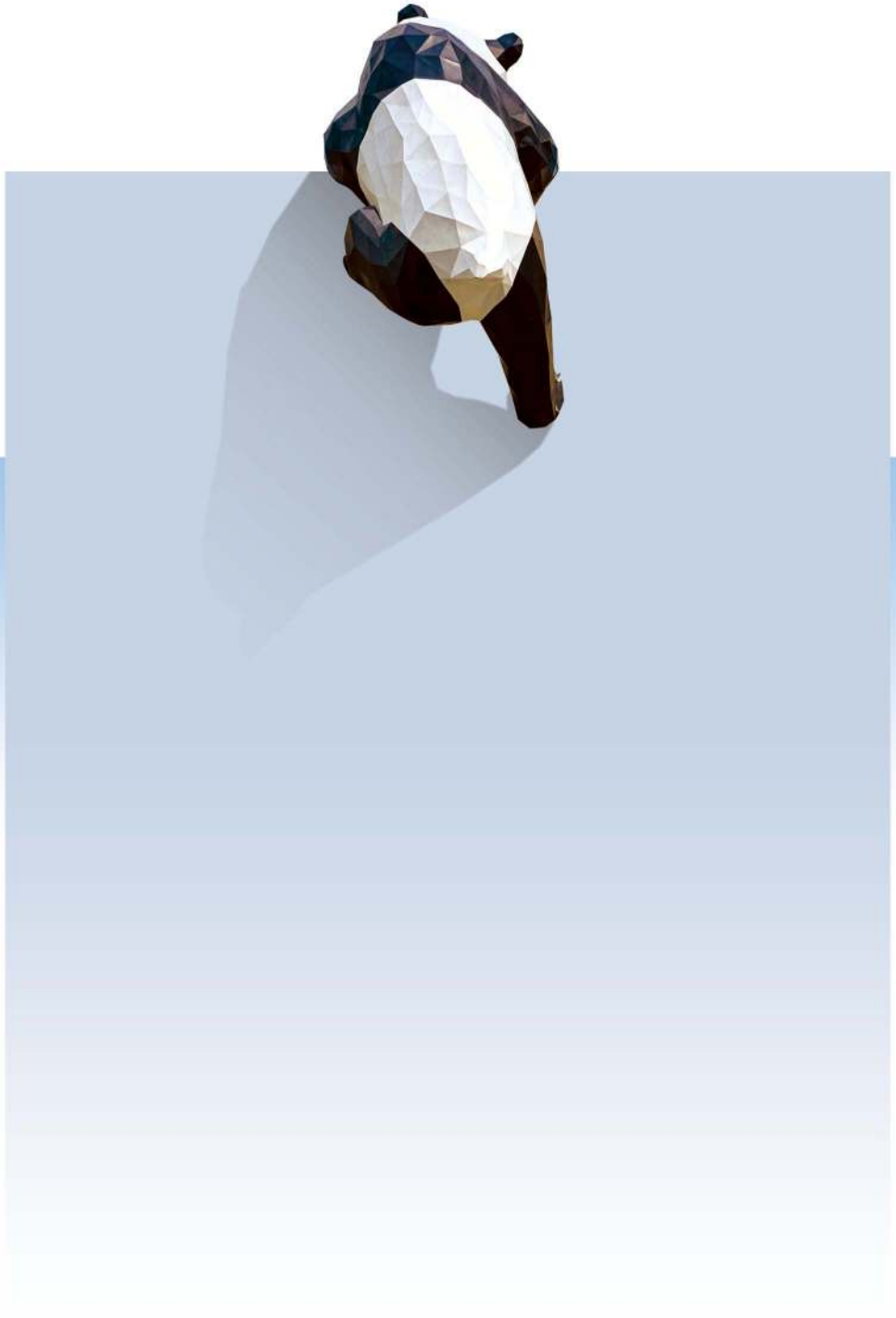
- The Report has been prepared in accordance with the GRI Standards and GRI G4 Construction and Real Estate Sector Disclosures;
- The Report has complied with the mandatory disclosure requirements and "comply or explain" provisions specified in the ESG Guide;
- The Report disclosure is aligned with the SASB Standards;
- The Report has also been prepared with reference to TCFD recommendations and the ISSB Standards;
- The Report illustrates Wharf REIC's sustainability performance, covering all material and relevant aspects and topics, in a balanced, comparable, clear and timely manner; and
- The data and information disclosed in the Report are reliable and complete.

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

Signed on behalf of Hong Kong Quality Assurance Agency



Connie Sham
Head of Audit
March 2024



www.wharfholdings.com