

# WING TAI PROPERTIES LIMITED

永泰地產有限公司

STOCK CODE 股份代號 369



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## ABOUT THIS REPORT

### Reporting Standards

This report is the second environmental, social and governance (ESG) report of Wing Tai Properties Limited (hereinafter “Wing Tai”, “the Company”, “the Group”, “we” or “us”). This report was prepared in compliance with the Environmental, Social and Governance Reporting Guide (ESG Guide) published by the Stock Exchange of Hong Kong Limited.

### Reporting Principles

The Group adheres to the core reporting principles, including materiality, quantitative, balance and consistency, as outlined in the ESG Guide. We engaged an independent consultant to identify the material ESG issues in relation to our operations through engaging with stakeholders.

### Reporting Period

This report details the ESG performance of Wing Tai for the period from 1 January to 31 December 2017.

### Reporting Scope

This report covers the following core business operations of ours in Hong Kong:

- Property management
  - Landmark East
  - Shui Hing Centre
  - W Square
  - Winner Godown Building
- Hospitality management
  - Lanson Place Hotel, Hong Kong
- Property development
  - Residential development at Shau Kei Wan
- Corporate offices in Kwun Tong and Central

### Feedback Mechanism

We appreciate your feedback on our ESG reports. Your comments and opinions help define and enhance the sustainability of our business practices. Please feel free to contact us to share your views at:

Address: 27<sup>th</sup> Floor, AIA Kowloon Tower  
Landmark East, 100 How Ming Street  
Kwun Tong, Kowloon  
Hong Kong

Tel: (852) 2752-2338

Fax: (852) 2351-8404

Email: [enquiry@wingtaiproperties.com](mailto:enquiry@wingtaiproperties.com)

Website: <http://www.wingtaiproperties.com>

This report was prepared in English and Chinese. The electronic versions are accessible on the Group’s website at: <http://www.wingtaiproperties.com>.

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## CHAIRMAN'S MESSAGE

I am delighted to present our ESG Report 2017. Wing Tai always strive to provide premium and exceptional products and services to our customers. We are not only building but also crafting a better community.

Apart from the pursuit of excellence and craftsmanship, we incorporate elements of sustainability throughout our business operations. We regularly engage with our stakeholders with a view to reminding us of the impacts that our business decisions have on society at large. We will make corresponding actions to address our stakeholders' concerns and to enhance our ESG performance.

Since the formulation of our ESG related policies in 2016, we have invested more resources into improving our ESG performance. We have demonstrated our commitment to sustainability by integrating green building elements into our property development projects. Homantin Hillside, one of our recently completed property development projects, has successfully obtained BEAM Plus Certification (Final Platinum Rating) from the Hong Kong Green Building Council. With almost 40 improvement measures implemented on energy and water conservation as well as on landscape enhancements, the certification is taken as a tribute to our efforts in promoting energy efficiency.

We have continued to create value for our customers and staff. We not only deliver quality products and services to our customers, but also strive to provide an employee-friendly working environment for our staff. We encourage our staff to participate in community services. The Group supports community developments through donations and sponsorships.

Going forward, we will explore new opportunities to further integrate sustainability into our business operations whereby we can create sustainable value for our stakeholders and the community as a whole.

**Cheng Wai Chee, Christopher**  
*Chairman*

Hong Kong, 23 March 2018

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## ABOUT WING TAI

Wing Tai's shares are listed on the Stock Exchange of Hong Kong (stock code: 369). The Group has a diversified property portfolio which includes quality residential, commercial, industrial and hospitality projects. Our core businesses consist of property development under the "WingTai Asia" brand in Hong Kong, property investment and management in Hong Kong and London, and hospitality investment and management under the "Lanson Place" brand in Hong Kong, Shanghai, Chengdu, Singapore and Kuala Lumpur.

The Group strives to be a unique and respected property developer in Hong Kong through the demonstration of excellence and creativity, and the creation of sustainable values for the community.

WingTai Asia and Lanson Place, our brands in property development and hospitality management respectively, reflect our craftsmanship spirit. We build homes and provide hotels and serviced apartments that peoples love to live in. These brands define our own standards in property design and construction and hospitality and services.

The Group maintained significant growth in 2017. Riding on the upward momentum in residential property market of Hong Kong, we achieved satisfactory performance for the sale of our residential property development projects. All typical units of Homantin Hillside were sold. Our hospitality management arm also recorded satisfactory occupancy rates. There was strong demand for hotel accommodations.

More information regarding our portfolio and financial performance can be found in our [Annual Report 2017](#).

## ESG MANAGEMENT APPROACH

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### **ESG Governance and Management**

A designated working group was established to show our dedication to incorporating ESG elements into our business operations. During the reporting period, the Company Secretarial Department worked closely with other relevant departments to facilitate the ESG reporting process. The Board of Directors reviewed and approved this ESG report.

### **Anti-corruption and Code of Conduct**

To minimise the ESG risks embedded in our business operations, we maintain stringent internal control and risk management systems. Abiding by the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong), the Group has formulated the “Code of Conduct and Discipline at Work” (the Code) for all our management and staff to follow. The Code outlines the anti-bribery policies of the Group, upholds honesty, integrity and fairness in all aspects of our business. We maintain zero tolerance of any form of bribery. All transactions are required to be documented in an accurate, complete and timely manner, in order to maintain a high degree of transparency and to minimise the risk of bribery in the Group.

Supplementing to the Code, the Group has put in place a Whistleblowing Policy for malpractice reporting. In case of any suspicious activities, such as malpractice and bribery, we provide our staff with various reporting channels to report to and to seek assistance from the department or division heads, the Chief Executive and/or the Chairman of the Audit Committee. The policy was also formulated with confidentiality and sensitivity in mind to protect whistle-blowers and the effectiveness of the systems.

### **Stakeholder Engagement and Materiality Assessment**

We acknowledge the importance of continuous interactions with our stakeholders. Our stakeholder groups are defined as individuals and organisations who/which impact or are impacted by our operations. Through engaging with stakeholders, we can understand different stakeholders’ interests and better integrate ESG matters into our business practices. We can also maintain stakeholder relationships by addressing their concerns. As such, we regularly communicated with our key stakeholders to gather feedbacks throughout the year in various ways.



The following table shows the engagement methods we employed to communicate with our stakeholders.

Stakeholder Group	Engagement Methods
Shareholders and investors	<ul style="list-style-type: none"> <li>▶ Annual General Meetings</li> <li>▶ Annual and Interim Reports</li> <li>▶ The Group's website</li> <li>▶ Press releases</li> </ul>
Employees	<ul style="list-style-type: none"> <li>▶ Intranet</li> <li>▶ Staff meetings</li> <li>▶ Staff care activities</li> <li>▶ Staff training</li> <li>▶ Staff interviews</li> </ul>
Customers	<ul style="list-style-type: none"> <li>▶ Customer service hotline</li> <li>▶ Daily personal contacts</li> <li>▶ The Group's website</li> <li>▶ Questionnaires</li> </ul>
Media	<ul style="list-style-type: none"> <li>▶ Press releases</li> <li>▶ Press conferences</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>▶ Tendering processes</li> <li>▶ Meetings and conferences</li> <li>▶ Site visits</li> </ul>
Community	<ul style="list-style-type: none"> <li>▶ Voluntary service cooperation</li> </ul>

## ESG MANAGEMENT APPROACH

Since there was no substantial business change in the reporting year, the material ESG issues remain the same as those of last year. The following table illustrates material ESG issues identified:

ESG Aspects	Issues
Social – Employment and Labour Practices	<ul style="list-style-type: none"><li>▶ Labour Standards</li><li>▶ Employment Relations</li><li>▶ Healthy Workplace</li><li>▶ Training and Developments</li></ul>
Social – Operating Practices	<ul style="list-style-type: none"><li>▶ Anti-corruption</li><li>▶ Service Responsibilities</li><li>▶ Data Privacy Protection for Tenants</li><li>▶ Complaints Handling</li><li>▶ Supply Chain Management</li></ul>
Social – Community	<ul style="list-style-type: none"><li>▶ Community Services</li></ul>
Environmental	<ul style="list-style-type: none"><li>▶ Waste Recycling</li><li>▶ Energy Conservation</li><li>▶ Significant Impacts of Activities on the Environment and Natural Resources</li></ul>



## QUALITY MANAGEMENT

### **Supply Chain Management**

We are committed to the delivery of high quality homes and hospitality services for our customers. In order to achieve this, effective supply chain management plays an important role in ensuring the quality of inputs. The Group has put in place a Product Responsibility Policy which reaffirms our commitment to providing excellent products and services. This policy enables us to compete vigorously and ethically in a dynamic and demanding marketplace. This policy applies to the Company and all of its subsidiaries to ensure that we proactively communicate with our suppliers and service providers to encourage them to follow our ESG measures.

In our property development operations, we regularly monitor the quality of construction materials purchased from suppliers to ensure the quality of the properties built by us. In order to provide exceptional hospitality services to our customers, we regularly monitor our suppliers' performance in our hospitality business. Our policy is not to buy from high-risk suppliers that could jeopardise the effectiveness and efficiency of our purchasing function. A supplier evaluation review is conducted annually. Meanwhile, the Purchasing Officer of the hospitality management operation is responsible to recommend to management for the use of new technologies and products related to the hospitality industry so that the operation can continue providing an excellent experience to our customers.

Guided by the Green Procurement Policy, we prioritise environmentally preferable products and services whenever practicable. We do this to minimise environmental and human health impacts and to conserve natural resources. Green purchasing specifications were also introduced in corporate procurement practices to enhance the Group's green procurement practices. We comply with all applicable environmental laws, regulations and requirements in our procurement of products and services. Apart from the environmental elements, we also ensure the fair and reasonable treatment of all suppliers and service providers in our procurement practices.

We require our suppliers and service providers to follow the Vendor Code of Conduct set out by the Group to encourage them to comply with all legal requirements and ethical business practices. Vendors are required to adhere to applicable laws and regulations in their operations. They need to adopt relevant measures to create a healthy, safe, fair and corruption-free working environment. The Code also encourages suppliers and service providers to mitigate negative environmental impacts and to improve their environmental performance.

# QUALITY MANAGEMENT

During the reporting period, our major business segments (i.e. hospitality management, property development and property management) and Human Resources and Administration Department engaged a total of 506 suppliers for their operations in Hong Kong.

Supplier Profile		
Location of suppliers	Number of suppliers	Percentage
Hong Kong	504	99.6%
Mainland China	1	0.2%
Others	1	0.2%

## Product and Service Responsibility

We don't just build, we craft. We are exceptional not only for our quality, but for the way in which we minimise environmental and health impacts. In our Product Responsibility Policy, the Group requires its operations to fulfil all relevant regulatory requirements regarding health and safety in our properties, advertising, product descriptions and privacy issues. Moreover, we incorporate environmental considerations into our products during the planning, design, development and operation phases of our business. With these measures, we excel in offering high-quality, customer-oriented and environmentally responsible products. During the reporting period, we were compliant with all relevant laws and regulations.

### *Health and Safety in Our Properties*

In all of our properties, we have set up fire services and security systems. Daily patrols are arranged to ensure the safety. Our hospitality management operation has implemented crisis management policies and procedures. We identify various crisis scenarios and include annual testing, simulation and training in the annual crisis management plan. The crisis scenarios cover aspects including but not limited to electricity supplies, lift systems, gas and fuel supplies, fire alarm systems, water supplies and flooding.

### *Intellectual Property Rights*

Striving to protect and respect intellectual property rights, our staff can only use authorised and licensed software provided by the Group. Any use of unauthorised or unlicensed software is strictly prohibited in our operations.

### *Protecting Customer Privacy*

Wing Tai is committed to protecting customer privacy. We have established a set of policies and guidelines on personal data privacy for our staff to follow. We safeguard the privacy and security of all personal information collected from our customers. For our hospitality management operation, our front office staff will receive regular training on this issue to enhance further their awareness on proper handling of personal data.

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For our property management operation, we have provided in the work instruction documents guidelines on handling personal data collected from visitors to our properties in the course of registration. Adhering to the Personal Data (Privacy) Ordinance, we strictly confine the use of such data for registration and security purposes. All documents recording such data will be destroyed by using paper shredders to ensure the data cannot be recovered.

During the reporting period, we were compliant with the Personal Data (Privacy) Ordinance and other relevant regulations.

#### *Complaints Handling*

As customer feedbacks and suggestions help improve our service quality, we conduct customer satisfaction surveys in our property management and hotel operations on a regular basis as a way to benchmark our service performance. The surveys serve as a communication channel to measure the satisfaction of our customers and to ascertain their expectations as to how we can improve our service offerings.

We have a mechanism to ensure customer feedbacks are dealt with in a timely and effective manner.

#### **Effective complaint-handling mechanism**

For each complaint received, our property management will

- arrange a meeting and/or site visit with the customer or tenant involved to understand the complaint
- review the case with the related departments and parties, including Human Resources Department, service contractors, etc.
- take necessary action to solve the issues and
- issue an interim reply within 3 days and the final reply letter when the case has been dealt with to the satisfaction of the customer or tenant.

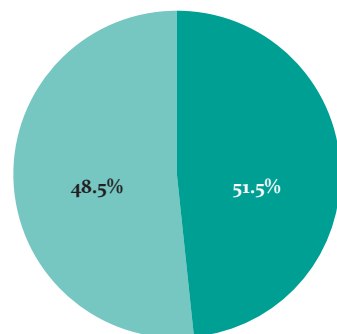
## EMPLOYEE CARE

Our premium services and products are the results of the efforts made by our staff. We aim to become an Employer of Choice, and hence we have implemented a competitive human resource strategy to establish and improve individual and organisational capacities and to provide an excellent working environment. Talents are attracted to and retained by the Group to provide exceptional products and services to our customers and achieve the Group's vision.

### Employee Number

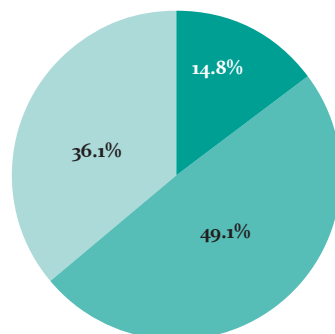
As of 31 December 2017, we employed approximately 510 employees in our Hong Kong operations. Our staff profile is as follows:

(A) By gender



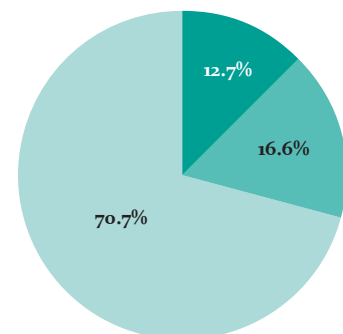
■ Female  
■ Male

(B) By age



■ <30  
■ 30-50  
■ >50

(C) By employment category



■ Senior Manager or above  
■ Assistant Manager and Manager  
■ Senior Supervisor or below

### Employment Relations

Members of our staff are the most valuable resource of ours. We have formulated a people-centred human resource strategy to retain and recruit talents in a competitive market. In addition to compliance with the Employment Ordinance (Cap. 57 of the Laws of Hong Kong), we strive to provide staff development opportunities in an open and inspiring working environment. We offer fair and competitive remuneration packages with reference to local and industrial standards.

As an equal opportunity employer, we have adopted an equal opportunity policy in the conduct of employment activities, including recruitment, hiring, compensation, training and promotion. We consider each employee on the basis of his/her vocation, educational qualification, experience and skills, instead of his/her race, ancestry, national origin, religion, sex, marital status, age, sexual orientation, disability or veteran status.

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Remuneration is determined based on a “pay for performance” philosophy, linking with the employee’s accomplishments and providing incentives for future contributions. All pay decisions, such as merit increases, promotions and discretionary performance bonuses, are based on individual contributions and the Group’s performance as a whole.

In addition to the pay mechanism, we also provide our staff with ample benefits and attractive remuneration packages. For example, we offer our staff insurance benefits to protect their health and safety. The wide range of remuneration benefits demonstrates how we value our employees.

We are committed to maintaining a workplace that is free from any form of direct and indirect discrimination and harassment. Our colleagues are treated with respect and dignity. We do not allow any discrimination or harassment of staff or applicants.

We encourage open communication among our staff. Staff can discuss with their direct supervisors, department heads or the Human Resources and Administration Department about their jobs, opinions and terms of employment. Various internal and external communication channels are available for our staff to maintain an environment of mutual trust and openness. Grievances and complaints are first channelled to the direct supervisors or the Human Resources and Administration Department depending on the situation. Counselling can be sought from Human Resources personnel as required. All grievances and complaints will be handled in a strictly confidential manner. The integral communication mechanism ensures the feedbacks and comments from our staff are heard and responded to by the Group.

### **Healthy Workplace**

To deliver quality products and services to our customers, our staff’s health and safety is of paramount importance. We take our staff’s health and safety seriously in our operations. We are committed to meeting all statutory health and safety requirements, and even exceeding them whenever reasonably practicable. In addition, we have established health and safety guidelines specifically for our business operations. For example, in our property management arm, we have incorporated health and safety related procedures into the work instructions for our staff, in particular for emergencies such as fires, electricity shortages, lift malfunctions, etc. By strictly following these guidelines, the probability of hazardous events can be minimised. Moreover, we supply our staff with necessary protective and auxiliary equipment, such as safety shoes and helmets, to ensure that they can protect themselves from dangerous situations.

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## EMPLOYEE CARE

To raise the awareness of our staff on occupational health and safety, we provide regular training to our staff. Training can equip our staff with procedures to deal with accidents in the working environment. We also sponsor our employees for external health and safety training courses from external professionals. For example, our hospitality management operation sponsored for First Aider courses, Centre for Food Safety Trade Talk courses, Hong Kong Fire Services Department courses, etc. Annual fire drills are also organised to regularly raise our staff's awareness.

- There were no work-related fatalities during the reporting period.
- Around 42% of property management employees received health and safety training.

### **Training and Development**

Beyond personal development, offering staff training can also benefit the Group's operations by enhancing productivity and delivering quality products and services to customers. To promote staff development, we encourage our staff to participate in formal training courses related to the Group's businesses and the staff's own career development. Internally we organised various training courses based on business needs, including project management skill training, safety management training and personal development training. We also provide sector-specific training for our staff. For example, in our hospitality management operation, we organise on-the-job training for our staff to enhance their technical capability in delivering professional services to our customers.

In addition to internal training, our employees are also encouraged to participate in external training courses in building a wider range of skills. We provide financial subsidies to our employees to participate in job-related education or training programmes organised by external parties. This provides our employees with flexibility and freedom in choosing their personal development paths. During the reporting period, approximately 3,100 training hours were offered to our employees.

Apart from training courses, we also offer inter-property cross exposure programme in our hospitality management arm. Management identifies colleagues with high potential to participate in inter-property cross exposure programs for continuous staff development and skill enhancement in the workplace.

	Performance in 2017
Average training hours	6.1 hours
<b>Average training hours by gender</b>	
Male	6.4 hours
Female	5.7 hours
<b>Average training hours by employment category</b>	
Senior Manager or above	5.4 hours
Assistant Manager and Manager	7.9 hours
Senior Supervisor or below	5.8 hours

#### Labour Standards

Adhering to Employment Ordinance (Cap. 57 of the Laws of Hong Kong), we strictly prohibit any form of child, forced, bonded, indentured or slave labour or human trafficking, and do not restrict our staff's freedom of movement. We also strictly prohibit the employment of individuals that are under 18 years of age for positions in which hazardous work is required. During the reporting period, no incompliance with labour standards was observed within the Group.



## ENVIRONMENTAL PROTECTION

### Environmental Policy

We understand the importance of environmental sustainability, especially the potential environmental impacts of our operations. Hence, we are committed to contributing to environmental sustainability and minimising the negative environmental impacts of our operations. The Group is guided by the Environmental Policy which serves as the guideline for decision-making at all levels of our operations with consideration of our environmental impact management and compliance. Beyond compliance with environmental laws, regulations and requirements, the Environmental Policy also includes the following key matters:

- Protect the environment and reduce carbon emissions by conserving natural resources.
- Reduce the use of energy, minimise and recycle waste.
- Integrate environmental considerations into the planning, design, development and operation of our businesses.
- Promote the use of environmentally friendly materials and technologies in the design and operation of our businesses.
- Encourage our consultants and contractors to implement our environmental requirements, and work with them to help realise our environmental commitments.
- Take environmental considerations into account in our procurement processes.
- Enhance environmental awareness among our staff, consultants, contractors, suppliers, customers and tenants.
- Obtain environmental certification such as China GBL, BEAM, LEED and other green building labels for our development projects where practicable.

In addition to in-group commitments, we also extend the environmental measures through the implementation of Green Procurement Policy and Vendor Code of Conduct. For details of the two policies, please refer to the Quality Management chapter on [page 7](#).

Our efforts in environmental management are well recognised. Landmark East, a commercial property under the management of Wing Tai Properties Estate Management Limited, has maintained ISO 14001 Environmental Management System certification since 2011. The certification enables subsidiaries of the Company to manage environmental impacts in accordance with the international standards in their daily operations. This property also obtained the Indoor Air Quality Certificate (Excellent Class) from the Environmental Protection Department in 2012.

During the reporting period, we complied with all environmental laws, regulations and requirements in all operations.

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### **Energy Conservation**

Buildings consume close to 50% of energy in Hong Kong. The Hong Kong Government has emphasised reduction in energy consumption and protection of the climate. As a property developer and owner, we are aware of the intensity of energy consumption and adopted relevant measures to lessen negative impacts on the environment. More specifically, we implement initiatives to enhance energy efficiency and reduce energy consumption in our properties.

In our property management operation, we have adopted an environmental, occupational health and safety operational procedures to manage our energy use. These measures include controlling the indoor temperature at a reasonable level, turning off unnecessary air conditioning and lights in communal areas, and monitoring electricity use. We appointed a consultant to review the air conditioning systems in Landmark East and W Square. We implemented optimisation strategies on our air-conditioning systems such as installing pumps with Variable Speed Drive control according to the consultant's advice. Upon the completion of installation, approximately 7% and 17% electrical energy savings are expected to be achieved annually in Landmark East and W Square respectively.

Our hospitality management arm has also adopted a series of initiatives to enhance the energy efficiency of our operation. In Lanson Place Hotel, Hong Kong, we replaced 2 lifts with a more energy efficient model to save energy. The new model can reduce energy consumption by 10% compared to its predecessors. Also, during the reporting period, 2 sets of chiller pumps and 4 floors of chiller water piping insulation in Primary Air Unit room were replaced. These measures provide 5% and 2% energy savings respectively. We will replace lights with LED lights as a continuous initiative to achieve further energy savings in our operation.

Property development is also an energy-intensive operation. In our construction site in Shau Kei Wan, we achieved energy savings by revamping project planning. For example, we arranged work flows to reduce double handling of materials. This reduced the use of tower cranes during the construction period. In addition to project planning, we deployed floodlights to reduce the energy consumption for illumination during night-time construction. With these measures, the construction site achieved an energy consumption level lower than the baseline set by the Group.

With the aforementioned measures, we can benefit from the reduced energy costs in our operation, while benefiting the environment by reducing negative impacts.

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# ENVIRONMENTAL PROTECTION

## **Water Conservation**

We monitor the use of water resources in our operations, especially in our hospitality management arm. Hospitality management operation consumes a substantial amount of water, which may lead to material impacts on the environment. Therefore, we have implemented a series of water conservation measures to reduce water consumption at our serviced apartments. Our Engineering Department conducts regular checks and maintenance of water pipes to prevent leakage. The Department is also responsible for monitoring the water consumed for landscaping and public areas, so as to identify opportunities for water conservation. Water saving taps were also installed where appropriate to control water outputs.

In Landmark East, we have utilised rainwater resources by installing a rainwater recycling system. The rainwater collected is used for external irrigation of landscaped areas, reducing the reliance on and consumption of fresh water.

In our property development project in Shau Kei Wan, we recycled the water used for hand washing for washing vehicles, reducing the amount of water consumed and sewage discharged from the construction site. It is estimated that approximately 40 m<sup>3</sup> of water can be saved by this initiative. As evidenced these measures, we are committed to minimising water consumption in our operations.

## **Waste Management**

Affirmed by our Environmental Policy, we are committed to minimising our waste and strive to maximise recycling in our operations. This enables us to reduce the burden on our landfill sites, which can only last for a few years more. In our operations, we encourage our staff to use recycled paper to reduce paper consumption. The complicated documentation processes in our hospitality management operation are simplified and disseminated through emails to reduce unnecessary printing of daily reports. We also donate food to the needy to reduce food waste generated in our hospitality management operation. During the year, a total of 104.7 kg of food were donated. In our property management arm, we encourage residents and tenants to recycle paper, aluminium cans and plastic bottles by placing an ample number of recycling bins within the premises. Recyclable non-hazardous waste will be further handled by third-party waste collectors for further handling.

Generation of hazardous waste, including fluorescence tubes and toner cartridges, is unavoidable in our operations. Toner cartridges are collected by suppliers for reuse. Non-recoverable hazardous waste is collected and properly handled by qualified vendors. Such waste is stored in accordance with industrial standards and legal requirements. We will ensure no leakage or detrimental environmental impacts occur during storage.

Regardless of the type of waste, we closely monitor our vendors' performance in collecting, sorting and storing waste to avoid waste leakage. We were compliant with all relevant laws and regulations during the reporting period.

### Sourcing Sustainable Timber

Following the Green Procurement Policy, we strive to reduce our negative environmental impacts by purchasing from sustainable sources. In our property development arm, we only deploy timber from sustainable forests for temporary works as we require our suppliers to detail the manufacturer information of each log delivered. We maintain such records for further source-tracing. Timber from virgin sources is prohibited in our construction projects. Through responsible sourcing of construction materials, we can achieve sustainable construction in our property development arm.

#### Case study: Green building initiatives in Homantin Hillside

Homantin Hillside is a residential property development under the Group. Located in Homantin, Kowloon, the project was completed in 2016 and offers a total of 173 residential flats for residents in central Kowloon.

The project was certified for BEAM Plus (Final Platinum rating) by the Hong Kong Green Building Council. The certification benchmarked our effort in incorporating green elements into our property development projects.

Aspects	Green elements/Achievements
Energy efficiency/Energy saving	<ul style="list-style-type: none"><li>• Installed motion sensors, sensor light tubes and dimmer systems in communal areas</li><li>• Installed timers to control the ventilation system in the car park</li><li>• Installed double-glazed glass to provide better insulation and lower the demand for air-conditioning in the flat</li></ul>
Water efficiency/Water saving	<ul style="list-style-type: none"><li>• Installed water efficient washing machines and dual flush sanitary fittings</li><li>• Used seawater for flushing</li><li>• Recycled swimming pool water in an internal filtration plant</li><li>• Provided our residents with low water consumption washing machines, which consume 40% less water than other comparable models</li></ul>

By incorporating green building elements and initiatives into our property development projects, we will strive to achieve green building certification and create value for the environment in our future operations.

# ENVIRONMENTAL PROTECTION

## Environmental Performance Data

The environmental performance data in relation to our hospitality management, property development, property management and corporate office operation is as follows:

	Units	2017 Performance
<b>Energy consumption</b>		
Total electricity consumption	kWh	23,060,160
Total fuel consumption of towngas	Units	35,136
Total diesel consumption for vehicles	Litres	38,382
<b>Energy intensity</b>		
Corporate offices	GJ/square feet (GJ/sq. ft.)	0.061
Property development <sup>1</sup>	GJ/sq. ft. <sup>2</sup>	0.017
Property management <sup>3</sup>	GJ/sq. ft.	0.033
Hospitality management <sup>4</sup>	GJ/room night	0.207
<b>Greenhouse Gas (GHG) emissions<sup>5</sup></b>		
Direct emissions (Scope 1)	tonnes of CO <sub>2</sub> equivalents	190
Indirect emissions (Scope 2)	tonnes of CO <sub>2</sub> equivalents	13,681
<b>GHG emission intensity by operations</b>		
Corporate offices	tonnes/sq. ft.	0.007
Property development <sup>1</sup>	tonnes/sq. ft. <sup>2</sup>	0.004
Property management <sup>3</sup>	tonnes/sq. ft.	0.005
Hospitality management <sup>4</sup>	tonnes/room night	0.041

	Units	2017 Performance
Water consumption and intensity by operations		
Total water consumption	cubic metres (m <sup>3</sup> )	116,059
Property development <sup>1</sup>	m <sup>3</sup> /sq. ft.	0.097
Property management <sup>3</sup>	m <sup>3</sup> /sq. ft.	0.035
Hospitality management <sup>4</sup>	m <sup>3</sup> /room night	0.592
Waste		
Non-hazardous waste disposed	kg	40,508
Non-hazardous waste recycled	kg	46,873
Hazardous waste handled	Pieces	4,141
Hazardous waste recycled	Pieces	3,462
Construction material used		
Concrete	tonnes	10,055
Steel	tonnes	808
Timber	tonnes	3,603
Others	tonnes	2,071

<sup>1</sup> Property development data includes our construction site in Shau Kei Wan Inland Lot No.854.

<sup>2</sup> Intensities for property development are calculated based on the allowable gross floor area (allowable GFA).

<sup>3</sup> Property management data includes our core property management business in 4 commercial properties, including Landmark East, Shui Hing Centre, W Square and Winner Godown Building, in Hong Kong.

<sup>4</sup> Hospitality management data includes the operation in Lanson Place Hotel, Hong Kong.

<sup>5</sup> Calculated in accordance with the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong (2010 Edition) published by the Environmental Protection Department, HKSAR. We also took reference of the emission factors from CLP Power Hong Kong Limited, The Hongkong Electric Company, Limited and The Hong Kong and China Gas Company Limited respectively, for the calculation of GHG emissions (Scope 2).



## COMMUNITY SERVICE

Along with our business operations, we continuously interact with the surrounding local community. The Group is committed to making life better for our stakeholders and the local community in which we operate. We follow the Community Investment Policy to benefit the local community alongside our business operations. We also create value for the community through supporting and cooperating with non-governmental organisations (NGOs). During the year, we contributed to the local community through donations and volunteer services.

### Supporting Partnering NGOs and Participation in Their Activities

In order to improve the livelihood of the local community, we take into account for the needs of the underprivileged. We participate in community projects by building partnerships with NGOs.

We expressed our care for the underprivileged through donations, visits and volunteer activities. We encourage our staff to participate in volunteer activities and support our NGO partners such as Heifer International Hong Kong. During the reporting period, we participated in the Elderly Home Visit operated by the Tung Wah Group of Hospitals. We also participated in blood donation activities held by the Hong Kong Red Cross.





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### **Volunteering and Donations**

We continued with last year's community investment initiatives to support the community in which we operate. Our colleagues were willing to devote their time to participating in volunteer activities and helping build a better community. During the reporting period, our staff contributed 129 service hours of volunteer activities.

The Group took part in contributing to the community through sponsorship and donations in kind. For example, our hospitality management arm donated mattresses to Hong Kong Dog Rescue Charity Group for the dogs saved by the organisation. We continued our membership in COOL Corporate Membership Scheme 2017-2018 organised by Friends of the Earth. The Scheme aims to raise environmental awareness and improve the corporate social responsibility and environmental performance. During the year, we participated in the energy-saving programme organised by the organisation.

As a part of the construction industry in Hong Kong, we donated funds to the Construction Charity Fund to support injured construction workers and deceased workers' families.

#### **Case study: Heifer Race to Feed 2017**

Heifer Race to Feed is an annual charity activity that raises funds to alleviate poverty in mainland China. Since the first event in 2006, the event has raised over HK\$45 million to help tens of thousands of poor farmers in rural China become self-reliant.

The Group has sponsored the event for several years. Our employees also participated in the charity run activity. Apart from raising funds for poverty alleviation in mainland China, the activity also provides staff with an opportunity to challenge themselves and enhance team spirit.

## OUR ESG CERTIFICATIONS AND AWARDS

Due to our endeavours in promoting sustainability, we have been recognised by industry peers and the public. During the year, we received the following awards for our ESG performance.

Certification/Award Name	Organisation
BEAM Plus – Final Platinum Rating for Homantin Hillside	Hong Kong Green Building Council
Quality Water Supply Scheme for Buildings - Fresh Water	Water Supplies Department
Indoor Air Quality Certificate	Environmental Protection Department
Wastewise Certificate – Excellence Level	Environmental Campaign Committee
Recognition of contribution to the Elderly Service	Tung Wah Group of Hospitals
Construction Industry Charity	Construction Industry Council
Good MPF Employer	The Mandatory Provident Fund Schemes Authority



BEAM Plus – Final Platinum Rating  
for Homantin Hillside



Wastewise Certificate –  
Excellent Level for Landmark East

**WING TAI PROPERTIES LIMITED**  
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於百慕達註冊成立之有限公司



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