WING TAI PROPERTIES LIMITED 永泰地產有限公司

STOCK CODE 股份代號 369

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告 2020

> WINGTAIASIA 永泰亞洲

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ABOUT THIS REPORT

REPORTING GUIDELINES

Wing Tai Properties Limited ("Wing Tai" or "the Company"), is delighted to present its annual standalone environmental, social and governance ("ESG") report 2020. This report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") to satisfy the "comply or explain" provisions and the "recommended disclosures" under Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

REPORTING PRINCIPLES

Wing Tai follows the four core reporting principles, namely materiality, quantitative, balance and consistency, stated in the ESG Reporting Guide when preparing this report. Details are illustrated as follows.

Materiality	Quantitative
Through peer benchmarking and stakeholder engagement, Wing Tai identifies the material ESG issues, covering significant economic, environmental and social aspects in Wing Tai's business operations.	This report discloses the ESG KPIs in quantitative terms whenever feasible.
Balance	Consistency
This report presents readers with a balanced view by disclosing both achievements and improvement areas of Wing Tai's ESG management and performance.	Wing Tai adopts consistent management approaches and performance measurement methodologies to allow fair year-on-year comparisons of ESG performance.

SCOPE OF THIS REPORT

This report covers ESG management and performance for Wing Tai and its subsidiaries (the "Group") during the period from 1 January 2020 to 31 December 2020, unless otherwise specified.

The scope of this report includes the Group's core business operations in Hong Kong:

- Property investment and management
 - Landmark East
 - Shui Hing Centre
- Hospitality management
 - Lanson Place Causeway Bay, Hong Kong (formerly known as "Lanson Place Hotel")
 - Lanson Place Waterfront Suites, Hong Kong
- Property development
 - OMA OMA, residential development situated in Tuen Mun
 - OMA by the Sea, residential development situated in Tuen Mun
- Corporate offices in Kwun Tong and Central

ABOUT THIS REPORT

FEEDBACK

We welcome stakeholders' feedback on this report and our ESG performance for continuous improvement. Contact details are provided below.

Address:	27 th Floor, AIA Kowloon Tower
	Landmark East, 100 How Ming Street
	Kwun Tong, Kowloon
	Hong Kong
Tel:	(852) 2752-2338
Email:	enquiry@wingtaiproperties.com
Website:	http://www.wingtaiproperties.com

The report is published in both traditional Chinese and English versions and is available on the websites of the Hong Kong Stock Exchange and Wing Tai.

CHAIRMAN'S MESSAGE

I am pleased to present Wing Tai's annual Environmental, Social and Governance Report, demonstrating our commitments and efforts in building a sustainable and resilient community amidst the pandemic in 2020.

Adhering to the long-standing ethos of the Group – "We don't just build, we craft", we strive to build quality homes and deliver excellent services to our customers. By integrating sustainability into our business strategy and craftsmanship spirit, we carefully consider the environmental and social impacts when delivering high quality products and services.

In 2020, the Group has enhanced our sustainability governance by establishing the Board-level ESG Committee to advise and assist the Board in managing ESG matters. We have also extended our reporting scope to Lanson Place Waterfront Suites, Hong Kong after its first calendar year of operations. We are committed to developing green buildings. Our residential development projects, OMA OMA and OMA by the Sea have gained BEAM Plus Provisional Bronze Certification from the Hong Kong Green Building Council.

In response to the COVID-19 pandemic, the Group has closely monitored the situation and swiftly implemented a wide range of measures to protect the health and safety of our employees, customers, tenants and suppliers, as well as to minimise the impact brought to our operations. Despite the disruption caused by the pandemic, we continued to deliver quality products and services during this difficult time. Lanson Place Causeway Bay, Hong Kong and Lanson Place Waterfront Suites, Hong Kong won awards at World Luxury Hotel Awards 2020 in the Luxury Design Hotel (Hong Kong) category and the Luxury Boutique Serviced Apartments (Hong Kong) category respectively in recognition of our efforts. We also understand the needs of our community and maintain partnership with various non-governmental organisations to positively impact on the society, such as offering internship opportunities for university students.

Being a responsible company and creating long-term value for the society are our unwavering commitments over the years. Taking this opportunity, I would like to express my sincere gratitude to all those who have given us their immense support. We will continue to collaborate with our business partners, colleagues and other stakeholders to build a sustainable future in times of uncertainties.

Cheng Wai Chee, Christopher Chairman

Hong Kong, 25 March 2021

ABOUT WING TAI

Wing Tai's mixed property portfolio includes quality residential, commercial, industrial and hospitality projects. We are mainly in the businesses of property development as well as property investment and management in Hong Kong under the "Wing Tai Asia" brand. We are developing our property investment business gradually in the United Kingdom under the same brand.

During the year, the foundation work of Gage Street/Graham Street comprehensive development in Central has been progressing despite disruption from COVID-19. This project is comprised of a Grade A office tower, a hotel, retail units and open public spaces, with the aim to transform the old urban landscape in the prime central business and entertainment district in the coming years. We will continue our strategy to extend our presence in both the traditional CBD in Central and the growing CBD2 in Kowloon East.

The Group is determined to be a respectful and top-quality property developer. We follow our core beliefs in building excellence, creativity and sustainability. We operate business in a mindful manner and meet the expectations from our stakeholders, including shareholders, customers, business partners and communities. Going forward, our brands will continue to demonstrate our expectations and standards in design and construction with due care to our stakeholders.

Our hospitality management under the "Lanson Place" brand spans across Hong Kong, Shanghai, Chengdu, Singapore and Kuala Lumpur. Despite the global travel ban during the year, Lanson Place Waterfront Suites, Hong Kong, our prime harbour-front furnished residences, has continued to attract senior executive tenants and gradually built up occupancy.

More information regarding our business portfolio and financial performance can be found in our website and Annual Report 2020.

ESG MANAGEMENT APPROACH

ESG GOVERNANCE AND MANAGEMENT

The Board of Directors of Wing Tai allocates sufficient resources and management time to uphold the integrity of the Group's corporate governance and ESG management. In December 2020, the Board established the ESG Committee to advise and assist the Board in managing ESG matters of the Group, including governance, policies, initiatives, performance and reporting. The Chairman of the ESG Committee is an Executive Director and its members include the Chief Financial Officer and the Group Legal Counsel and Company Secretary of the Company.

The ESG Committee is also responsible for overseeing the works of the ESG working group. The ESG working group is tasked to monitor and drive improvement of ESG performance within our business operations. The Company Secretarial Department collaborates with qualified personnel from operational departments relevant to ESG. After having obtained confirmation from the ESG Committee, this report was passed to the Board for approval on 25 March 2021.

ETHICAL BUSINESS OPERATION

Wing Tai regards business integrity and ethical conducts as the cornerstone of its success. We operate in adherence to laws and regulations relating to prevention of bribery, fraud, blackmail and money-laundering, such as the Prevention of Bribery Ordinance (Cap.201 of the Laws of Hong Kong) to minimise the compliance and reputation risks.

Upholding the principle of creating an ethical business environment with zero tolerance for any improper behaviours, we formulated the "Code of Conduct and Discipline at Work" (the "Code") with our internal control and risk management systems in place. All members of the Group are required to comply with the Code and safeguard the interest of the Group. The Anti-bribery Policies outlined in the Code set out instructions and standards of conducting business with honesty, integrity and fairness. All transactions are required to be documented in an accurate, complete and timely manner.

The Whistleblowing Policy is also in place for members to report through official channels any suspicious activities observed, including but not limited to malpractices in workplace and financial crimes. These reports are directly escalated to department or division heads, further to the Chief Executive and/or the Chairman of the Audit Committee depending on severity. Confidentiality provisions are included in the Whistleblowing Policy to ensure the effectiveness of the mechanism and the protection of the whistle-blowers from any form of retaliations or repercussions.

The robust risk management system safeguards us from business misconduct risks and ensures credibility of the Group. During the reporting period, we observed no non-compliance cases regarding bribery, extortion, fraud and money laundering in our business operations.

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

To maintain close relationships with stakeholders and address their concerns on ESG matters, the Group strives to engage them through our diversified communication channels. The feedback and suggestions gathered from stakeholders could assist us in enhancing our ESG management and performance.

ESG MANAGEMENT APPROACH

The table below lists the communication channels with each type of stakeholders during the reporting period:

Stakeholder Group	Engagement Methods
Shareholders and investors	 Annual General Meetings Annual and Interim Reports Our website Press releases
Employees	 Intranet Staff meetings Staff care activities Staff training Staff interviews
Customers	 Customer service hotline Daily personal contacts Our website Questionnaires
Media	 Press releases Press conferences
Suppliers	 Tendering processes Meetings and conferences Site visits
Community	► Voluntary services

During the year, we commissioned an independent consultant to conduct stakeholder engagement and materiality assessment to gather stakeholders' opinions towards ESG issues of Wing Tai. Stakeholders (including management, employees, customers, suppliers, contractors, service providers, investors and industry associations) were engaged via online surveys and phone interviews to rank the relative importance of the ESG issues to them and to Wing Tai. As a result, 18 material ESG issues are identified. The material ESG issues reported herein are listed below:

ESG Aspects	Issues	
Operating practices	 Anti-corruption Data privacy protection for customers Complaints handling Product and service responsibilities Supply chain management 	
Employment and labour	 Healthy and safe workplace Employment relations Training and development Labour standards 	
Environmental	 Waste management Energy conservation Materials/green procurement Greenhouse gas emissions Water management Green buildings Air emissions Climate change 	
Community	Community investment	

OUR CARE TO CUSTOMERS

PRODUCT AND SERVICE RESPONSIBILITY

Upholding our long-standing ethos of craftmanship spirit, Wing Tai is determined to provide quality products and services to customers. As a basic requirement, we comply with all relevant laws and regulations relating to product responsibilities and buyer protections, such as the Residential Properties (First-hand Sales) Ordinance (Cap. 621 of the Laws of Hong Kong) and Trade Descriptions Ordinance (Cap. 362 of the Laws of Hong Kong).

The Group implements the Product Responsibility Policy to manage the quality of our services and products, ensuring a consistent standard and fulfilment of customers' expectations. In our property management operations, we appoint external consultants for professional advices on project management, daily quality control and other issues whenever necessary to ensure adherence to various product-related requirements.

Throughout the value chain of our business from planning, design, development and operation, we consider environmental factors whereby we will fulfil our environmental responsibilities while providing exceptional products and services to our customers.

The quality of our hospitality management operation has been well recognised internationally. We are honoured to receive awards at World Luxury Hotel Awards 2020 in the Luxury Design Hotel (Hong Kong) category for Lanson Place Causeway Bay, Hong Kong and in the Luxury Boutique Serviced Apartments (Hong Kong) category for Lanson Place Waterfront Suites, Hong Kong. Our property management operation has attained the ISO 9001 Quality Management System certification in 2020.

During the reporting period, we did not observe any non-compliance with laws and regulations regarding health and safety, advertising, labelling and privacy matters.

CUSTOMER PRIVACY PROTECTION

We collect customers' data to facilitate the offerings of our products and services. As such, protecting customers' data and privacy is our prime concern in business operations. We strictly abide by the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong), which requires us to appropriately handle customer information. The Group has also developed internal policies and guidelines to ensure that all personal data are collected only for lawful and relevant purposes. No unauthorised or accidental access, deletion or other use of customer personal data would be allowed.

In our hospitality management operation, we have established a set of standard operating procedures to guide our staff to handle guest data with due care. We provide regular data handling trainings for all front office employees who deal with customers' data. We maintain employees' awareness to ensure that customers' information will not be publicly displayed from their workstations.

For our property management operation, written instructions for handling personal data are in place to provide guidance for handling visitors' personal data. Sensitive personal information would be destroyed promptly after achievement of the intended collection purposes.

During the reporting period, we complied with the relevant laws and regulations regarding personal data privacy and did not received any related complaints.

OUR CARE TO CUSTOMERS

CUSTOMER FEEDBACK HANDLING

We emphasise on the connection with our customers and value their feedback on our product and service offerings. We believe that customers' feedback can help us continuously improve our products and services and meet their expectations.

We collect customer feedback through regular customer satisfaction surveys in our property management and hospitality management operations. The quantitative results can help us establish objective targets for ongoing monitoring and improvement. Apart from quantitative feedback, our hospitality management operation also reviews service quality through face-to-face discussions and collection of online comments from social media platforms.

Customers' suggestions, comments, compliments and complaints are reviewed by the Senior Management of each business operation. We see customers' feedback as improvement opportunities and share with our employees to drive for continuous improvement. We strive to adopt the best practices with a view to improving customers' satisfaction.

Guided by the Product Responsibility Policy, we have established complaint handling mechanisms in our hospitality management and property management operations to ensure customers' complaints are appropriately and efficiently handled.



Property Management



Customer Service Centres, Control Centres and Departments in our property management operation are tasked to receive and respond to complaints within 24 hours through site visits and meetings. Emergency cases (highlighted in red colour in the chart above) and issues not resolved within 24 hours (highlighted in green colour in the chart above) will be managed by Property Manager. Reply letters will be issued to tenants or customers after the case concerned has been reviewed and the problem concerned has been resolved if so required.

We use best endeavours to deliver our services and products. We did not receive any substantial complaints regarding our service and product quality in 2020.

CUSTOMER HEALTH AND SAFETY

We aim to provide a safe and healthy environment for our customers in our operations. As such, we review potential health and safety hazards and risks in our premises and adopt corresponding mitigation and remediation measures as necessary.

We regularly inspect the fire services and security systems at all our properties to ensure instant response and evacuation whenever necessary. Daily patrols are conducted by security personnel for cleanliness, safety and conditions of building system operations. Any abnormalities are reported for prompt follow-up actions.

OUR CARE TO CUSTOMERS

We have implemented crisis management policies and procedures in Lanson Place Causeway Bay, Hong Kong and Lanson Place Waterfront Suites, Hong Kong, covering 15 major and potential critical aspects such as electricity supplies, lift systems, gas and fuel supplies, fire alarm systems, water supplies, flooding. Annual drills, testing, simulation and trainings are provided to employees to refresh their understanding on roles and responsibilities in case of emergency, minimising the risks during hazards.

During the reporting period, there is no health and safety issues identified relating to our services and products.

Case Study: Protecting Our Customers From The COVID-19 Pandemic

Amidst the COVID-19 pandemic, Wing Tai reckons the importance of reducing transmission risks in our operations. Therefore, we have adopted several preventive and mitigation measures such as thermal fever screening in our hospitality and property investment operations to protect our guests and tenants.



Health monitoring:

Upon entry of our premises, all visitors are requested to measure their body temperature. In our hospitality management operation, only pre-registered guests and visitors are permitted to enter our properties. They are also required to fill in health declaration form declaring, amongst other, their travel records for the preceding 14 days.

Case Study: Protecting Our Customers From The COVID-19 Pandemic

Enhanced disinfection:

Hand sanitisers are installed in public areas such as lobbies. We have also increased the frequency of cleaning and disinfection in common areas and facilities such as lifts, door handles, telephones, washrooms and lobbies. In Landmark East, we step up the cleaning frequency of the central air-conditioning and maintenance of the indoor ventilation system. Bleach pills are added to flush water tanks for controlling harmful bacteria content. In hospitality management operation, we apply nano-photocatalyst coating to public areas and frequently-touched points. Lanson Place Causeway Bay, Hong Kong also sanitises all suitcases, bags and boxes etc. taken or delivered to the property with disinfectant spray.

We leverage advanced technologies for enhancing disinfection in our property management operation. At Landmark East, we adopt Smart Cleaning Robots for floor cleaning work. To combat COVID-19 pandemic, we also upgraded these robots by equipping them with disinfectant spray feature. This provides ongoing disinfections at our main lobbies in the property.





Customer communication:

In our property management operation, we issue circulars to our tenants and place newsletters in the common areas for disseminating the latest information relating to COVID-19 from time to time. Our hospitality management operation also announces the latest information and measures on our websites for guests' information.

OUR CARE TO SUPPLY CHAIN

OVERVIEW OF SUPPLY CHAIN IN WING TAI

To deliver quality services and products to our customers, effective supply chain management measures are implemented to ensure the procurement quality, such as construction materials, building services and cleaning supplies. We also proactively encourage our suppliers to follow our ESG standards through our Vendor Code of Conduct.

In 2020, Wing Tai engaged a total of 775 suppliers in our major business segments (i.e. hospitality management, property development, and property management) and the Human Resources and Administration Department in Hong Kong.



SUPPLIER SELECTION

The Group has a comprehensive supply chain management mechanism to select and evaluate suppliers which enables us to be supplied with exceptional and premium products and services. We implement the Green Procurement Policy to prioritise the use of environmentally friendly products and services and include green purchasing specifications in our procurement practices. By including relevant clauses in the tender documents, we ensure that our suppliers are in full compliance with environmental laws and regulations in our property management operations. Apart from setting environmental requirements, we promote fair competition and reasonable treatment during the procurement processes.

To maintain rigorous supplier selection procedures and evaluation, we have adopted a series of measures in our business operations. Taking our property management operation as an example, only those who have passed our assessments of suitability, competency, and qualification can be included in our list of qualified suppliers and contractors. Meanwhile, our hospitality management operation bans high-risk suppliers to safeguard the effectiveness and efficiency of our purchasing functions.

In addition, we conduct supplier evaluation on an annual basis to identify risks in our supply chain and ensure the quality of products and services procured. Our property development operation examines the quality of construction materials purchased by our contractors on a regular basis. The Purchasing Officer of our hospitality management operation is responsible for exploring new technologies and products to enhance our service and product quality.

ETHICAL SUPPLY CHAIN OPERATION

We extend our standards of business ethics to our supply chain by distributing the Vendor Code of Conduct and requesting our suppliers and service providers to comply with our ethical requirements, as well as all relevant laws and regulations. Our Vendor Code of Conduct details our requirements on various matters including workplace health and safety, employment, labour standards, environmental protection, supply chain management and anti-bribery.

Case Study: Collaboration with Suppliers on Health and Safety Management

Amidst the COVID-19 pandemic, the Group closely monitors the situation and collaborates with our suppliers and service providers to safeguard occupational health and safety ("OHS") along our supply chain.

Recognising the possible OHS risk in our property development operation, we have maintained regular communications with the contractor to adopt proactive preventive measures at the construction site of OMA OMA. Policy on COVID-19 control has been formulated to provide construction workers with operational guidelines and requirements to follow, such as personal health and safety declarations, body temperature checks at site entry and requirements on mask wearing. To encourage workers in maintaining good personal hygiene, hand sanitizers, masks and regular briefing sessions are provided. The contractor disseminates prevention messages via notices at the site and enhances the cleansing and sanitation around the development site.





OUR CARE TO SUPPLY CHAIN

Case Study: Collaboration with Suppliers on Health and Safety Management

Apart from preventive measures implemented at the site, the contractor has also obtained the ISO 45001 Occupational Health and Safety Management System certification. Safety audit is conducted bi-annually to ensure the effectiveness of the safety management system. The contractor also organises regular site safety meetings with sub-contractors and conducts weekly safety inspections on the construction site. A permit to work system is in place to make sure that construction workers have the relevant safety knowledge to work in our construction site. When an accident occurred on the site, accident investigation would be conducted to understand the causes. Remedial actions such as providing relevant safety training, issuing safety alerts, and conducting workplace enhancement are taken to avoid similar health and safety hazards.

In addition, various OHS training are organised by the contractor to upskill and raise the safety awareness of the construction workers. For instance, safety induction, regular toolbox and high-risk safety training are provided.

OUR CARE TO EMPLOYEES

EMPLOYMENT RELATIONS

At Wing Tai, we believe that our employees are the major driving force to business success. By implementing a people-centric human resources strategy, we aim to provide a harmonious, inclusive and rewarding workplace with a competitive remuneration package to our employees. Personal development programmes and clear career development pathways are also offered to employees in order to support the growth for themselves and for our Company.

We comply with all laws and regulations relating to employment practices in Hong Kong, including the Employment Ordinance (Cap. 57 of the Laws of Hong Kong) and discrimination ordinances ¹. During the reporting period, there was no non-compliance case identified.

The Group is committed to creating a discrimination-free working environment by providing equal opportunities to our employees and job applicants in our employment activities, including recruitment, compensation, training and promotion. Any form of discrimination is strictly prohibited in our workplace. We make our employment decisions based on an individual's vocation, education, qualification, experience and skills, regardless other personal attributes, such as ethnicity, ancestry, national origin, religion, gender, marital status, age, sexual orientation, disability or veteran status.

We reward our employees with fair and competitive remuneration packages to attract and retain talents. We adopt the "pay-for-performance" principle in formulating and reviewing the remuneration packages. To ensure the Group remaining competitive in the industry, we review the remuneration packages by regular market benchmarking. In addition to monetary remuneration, we provide a wide range of employee benefits to reward the contributions of our employees, such as leaves, insurance protection and long-term service awards.

Encouraging two-way communication is one of the key elements to create a friendly and warm workplace. We set up various communication channels to encourage discussion and feedback from employees. Employees are encouraged to discuss their employment and opinions with their direct supervisors, department heads or the Human Resources and Administration Department. A group-wide grievance and complaint handling procedures are set up for employees to raise their concerns. Grievances and complaints received from employees are escalated to their direct supervisors or the Human Resources and Administration Department, depending on the situation. These grievances and complaints are handled with confidentiality and will be properly addressed.

Amidst the COVID-19 pandemic, we have implemented various measures and policies including flexible working arrangement, and adoption of split-team work arrangement and utilisation of online platforms for internal meetings and training at office and hospitality management operation.

Discrimination ordinances include 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) and Race Discrimination Ordinance (Cap. 602 of the Laws of Hong Kong).

OUR CARE TO EMPLOYEES

We are committed to maintaining top-notch employment performance. In 2020, the Group and Lanson Place Causeway Bay, Hong Kong signed the Good Employer Charter 2020 to demonstrate our commitment in adopting employee-oriented human resource management practice.



As at 31 December 2020, the Group had around 490 employees.



During the reporting period, our employee turnover rate was about 11%.

Employee Turnover Rate ² in 2020	
Overall	10.6%
By gender	
Male	10.5%
Female	10.8%
By age group	
Age < 30	22.4%
Age 30 - 50	13.6%
Age > 50	3.6%

HEALTHY AND SAFE WORKPLACE

We emphasise on protecting health and safety in our workplace. We ensure compliance with laws and regulations for occupational health and safety, including the Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong) and the Factories and Industrial Undertakings Ordinance (Cap. 59 of the Laws of Hong Kong). During the reporting period, we observed no non-compliance cases relating to occupational health and safety in our operations in Hong Kong.

Apart from meeting the legal requirements, our property management operation obtained the ISO 45001 Occupational Health and Safety Management System certification. During the reporting period, Lanson Place Causeway Bay, Hong Kong participated in Catering Industry Safety Inspiration Programme 2020/21 to join hands to enhance safety and health performance at workplace.



² Turnover rate (in percentage) = Total number of turnover in the category/Average number of employees in the specified category at the beginning and at the end of the year × 100%

OUR CARE TO EMPLOYEES

We set up various internal policies to manage different health and safety issues in our business operations. In hospitality management and property management operations, we have work instructions for our frontline workers to promote health and safety at work, covering various aspects such as accidents, fire prevention, electricity shortages and lift malfunctions. We also provide information on maintaining good posture and reducing stress to our office staff.

The Group strives to monitor and promote our OHS performance on a regular basis. Measures such as annual safety inspection and demonstration are regularly conducted to prevent OHS incidents. Remedial actions and procedures are in place in case of work-related injuries. To provide a better protection for our employees, we provide them with necessary protective and auxiliary equipment such as helmets, aerial working platforms and ladders, as well as anti-pandemic supplies including hand sanitisers, surgical face masks, gloves and protective jackets amid the COVID-19 pandemic.

We understand the unprecedented challenges arisen from the COVID-19 pandemic that our employees are facing. To maintain a healthy workplace, preventive measures are adopted, and supports are given to employees in our offices. We carry out regular ventilation work to maintain fresh air inside the office premises. We carry out maintenance work on ventilation system at hospitality management operation to maintain a healthy and safe workplace. In hospitality management operation, we deliver ongoing briefings and enhanced operating protocols in response to the latest development of the pandemic. Employees receive up-to-date information via notice boards, emails and our internal app Beekeeper to ensure effective communication. Partitions are put up in staff canteen and we limit the number of staff in the canteen at a time to mitigate the risk of cross-infection.

Raising employees' safety awareness is important to ensure effective OHS management. To this end, we provide regular training on OHS topics. During the reporting period, our hospitality management and property management operations arranged internal training courses which covered topics such as COVID-19 preventive measures, crisis scenario on flooding, procedure under extreme weather condition, elevator system failure, fire safety and pressure relief. In addition to internal training, we provide sponsorship to support our employees to enrol in external first-aider and fire fighting training in hospitality management operation. During the reporting period, a total of 1,219 hours of health and safety training was provided to our employees.

To identify possible improvement areas in health and safety practices, we closely monitor our health and safety performance. During the reporting period, no work-related fatalities were identified. A total of 1,423.5 lost days were recorded due to work-related injury in 2020.

TRAINING AND DEVELOPMENT

We provide employees with various internal training opportunities for their personal development and our business success. We have mobilised concerted resources to motivate our employees to join the formal training courses and upskill them with technical expertise. Training courses are arranged based on operation needs, such as sector-specific learning, safety awareness and workshops in our property management operation. Annual training need planning is formulated by each department to support daily operation in our hospitality management operation. We appoint training consultants to deliver customer services, leadership, train-the-trainer training to operation staff and managers to nurture our talents.

In addition to the training organised by the Group, we provide financial subsidies to our employees to attend the external training, supporting their ongoing professional growth in skills and competencies.

Training Data in 2020

Percentage of employees trained ³	
Overall	60%
By gender	
Male	71%
Female	48%
By employment category	
Senior Manager or above	23%
Assistant Manager and Manager	45%
Senior Supervisor or below	71%

Average training hours	
Overall	8
By gender	
Male	9
Female	6
By employment category	
Senior Manager or above	2
Assistant Manager and Manager	5
Senior Supervisor or below	10

The Group believes in "learning by doing" principle and endeavour in providing practical experience for our employees. Our hospitality management operation organises inter-property cross-exposure programmes for our employees to experience different roles and duties within the industry. These programmes enhance their skill sets and unleash their career potential in the hospitality industry.

We regularly evaluate employees' career development and performance through annual performance appraisal. Key responsibility area system is adopted to provide our employees comprehensive feedback for improvement. Our employees can have clear understanding of expected performance. The system also helps to establish mutual agreement on standards and personal objectives to support business objectives for employees of management grade and above. A year-end review is conducted each year to allow supervisors to discuss and review the specific and overall performance of their subordinates. Throughout the process, we also identify the training and development needs of our employees.

³ Employees trained (in percentage) = Total number of employees trained in the category/Average number of employees in specified category at the beginning and at the end of the year × 100%

OUR CARE TO EMPLOYEES

LABOUR STANDARDS

The Group strictly complies with the laws and regulations relating to forced and child labour, including the Employment Ordinance (Cap. 57 of the Laws of Hong Kong), Employment of Children Regulation (Cap. 57B of the Laws of Hong Kong) and Employment of Young Persons (Industry) Regulation (Cap. 57C of the Laws of Hong Kong). We prohibit the use of child, forced, bonded, indentured or slave labour or human trafficking in our business operations.

All employees are guaranteed the freedom of movement in our workplace. We required all job applicants to declare the date of birth in the application form and provide a copy of the HKID card upon employment to prohibit delegating hazardous tasks to employees under 18 years of age.

During the reporting period, no non-compliance cases regarding labour standards were observed in our business operations.

OUR CARE TO THE ENVIRONMENT

ENVIRONMENTAL MANAGEMENT APPROACH

The Group strives to minimise environmental impacts in our business operations. We comply with relevant environmental laws and regulations, including Air Pollution Control Ordinance (Cap. 311 of the Laws of Hong Kong), Noise Control Ordinance (Cap. 400 of the Laws of Hong Kong), Water Pollution Control Ordinance (Cap. 358 of the Laws of Hong Kong), Waste Disposal Ordinance (Cap. 354 of the Laws of Hong Kong) and Dangerous Goods Ordinance (Cap. 295 of the Laws of Hong Kong). In 2020, we observed no non-compliance cases regarding emissions, sewage discharge, and waste generation in our business operations in Hong Kong.

The Group established the Environmental Policy addressing environmental issues including carbon emissions, energy consumption, green building design, green procurement and environmental awareness, in our business operations. We exert our effort on managing environmental issues in our value chain through the Vendor Code of Conduct and Green Procurement Policy.

We have also established environmental management system to optimise our environmental management effort. Our property management operation maintained the ISO 14001 Environmental Management System certification during the reporting year.

ENERGY CONSERVATION AND RESPONSES TO CLIMATE CHANGE

Recognising the potential threats brought by climate change to our business, we actively identify the impacts and have adopted adaptive and mitigation measures to increase our preparedness and resilience.

Climate change will lead to more frequent and severe extreme weather conditions, which directly damage our assets and threaten our business operations. As such, we have built up our resilience against extreme weather events, including typhoon, rainstorm and flooding. We have formulated special work arrangements for typhoon and rainstorm in respective business operations based on operational needs. Training relating to typhoon and rainstorm precaution is offered to our employees in hospitality management operation. Lanson Place Causeway Bay, Hong Kong and Lanson Place Waterfront Suites, Hong Kong devise standard operating procedures with the emergency response team in case of flooding in the premises. We also request our contractors to have appropriate standard operating procedures and checklists to respond to extreme weather events under the supervision of the architect in our property development operation.

In designing our residential development projects, we consider resilient elements in combating future climate challenges. For example, our drainage system design can withstand rainstorms which will occur once every ten year without serious flooding in the premises.

Energy consumption is the most significant source of greenhouse gas emissions in our business operations. Therefore, we are dedicated to managing our energy consumption to combat climate change. Energy consumption monitoring and technical enhancement are conducted to strive for improvement on energy conservation.

OUR CARE TO THE ENVIRONMENT

We continue the monthly energy consumption analysis in Lanson Place Causeway Bay, Hong Kong and Lanson Place Waterfront Suites, Hong Kong to examine electricity and/or towngas used in different areas and equipment. We adjust facility operations according to a number of factors including weather condition and occupancy. In 2020, we experienced low occupancy due to the pandemic. We switched off the low zone hot water system to save around 150,000 kWh of electricity during the low occupancy period.

We explore facility upgrade to improve energy efficiency in our property management and hospitality management operations. In 2020, we completed retrofitting all lighting equipment with LEDs in the main lobbies and carparks of Landmark East. The upgrade is expected to save around 375,000 kWh per year.

We support development of clean energy to reduce reliance on fossil fuel and combat climate change. In Landmark East, we have installed solar panels on rooftop for electricity generation. During the reporting period, 10,055 kWh of electricity was generated.

WASTE AND MATERIAL MANAGEMENT

Municipal solid waste has been an urging environmental problem in Hong Kong. Landfills in Hong Kong are reaching their maximum capacity. To echo with Hong Kong Government's waste reduction target, Wing Tai adopts various measures to reduce waste generation and promote recycling in our business operations.

We streamlined our business operations to reduce waste generation. In our hospitality management operation, we have simplified our documentation process to reduce paper consumption and disposal. We also keep reminding our employees to practise paperless exercise and recycle waste as far as possible in our business operations.

Our hospitality management operation recycles waste generated from hospitality service delivery. Waste items, including paper, plastic, coffee capsules, glass bottles and soaps, are collected by qualified third-party vendors for further processing. We donate imperishable and edible food and mattress to our community partner for further distribution, but these donations ceased in 2020 due to the pandemic. We will continue such initiative whenever possible.

In our property management operation, we arrange recycle bins around our premises to encourage waste recycling from our tenants. Common types of recyclable wastes, including paper, metal and aluminium cans are collected for recycling. During the reporting period, we collected and recycled 22,669 kg of non-hazardous waste at Landmark East and Shui Hing Centre.

Although we do not generate significant amount of hazardous waste in our business operations, we are cautious in collecting, storing and handling hazardous waste to prevent irreversible environmental detriments. For example, used toner cartridges are recycled by qualified recyclers. Hazardous waste that is not recyclable, such as fluorescent light tubes, are handled by qualified operators under our supervision. We strictly comply with hazardous waste disposal standards and legal requirements to prevent leakage of hazardous waste during the storage period.

WATER CONSERVATION

We are dedicated to improving water efficiency while maintaining our service quality. In Lanson Place Causeway Bay, Hong Kong, we only retain minimum amount of water before cleaning the water tank to reduce wastage. We also utilise the condense water from chiller system for flushing to reduce freshwater consumption.

We collect and reuse rainwater in Landmark East. Collected rainwater is used for non-potable purpose such as irrigation and cleaning. In 2020, we saved 101 m³ of freshwater for irrigation and cleaning in Landmark East.

GREEN BUILDING

Green building is an emerging trend to reduce environmental damage throughout building's lifecycle. We incorporate green building design elements in our development projects whenever practicable. Energy saving measures, such as use of high-performance air conditioning system and low shading coefficient glazing, are implemented when designing OMA by the Sea. We also adopt water efficient sanitary fittings in OMA by the Sea to save drinking water consumption and effluent discharge.

During construction phase, we communicate with the contractors on environmental requirements. We request our contractors to use sustainable material whenever practicable. The contractors develop a comprehensive record of material manufacturers' information from their suppliers, which increases traceability of raw materials and encourages the suppliers to adopt sustainable sourcing.

Our contractors have obtained ISO 14001 Environmental Management System and ISO 50001 Energy Management System certifications to manage environmental impacts and energy consumption in our construction sites. T5 tubes are utilised in 80% of the site office lighting system in OMA OMA. Waste recycling is practised to reduce waste generation. Hazardous chemical waste is collected by registered vendor for proper handling.

Our effort in promoting green building has been recognised. OMA OMA and OMA by the Sea were accoladed the BEAM Plus Provisional Bronze rating from the Hong Kong Green Building Council.

OUR CARE TO THE ENVIRONMENT

ENVIRONMENTAL DATA

The environmental data regarding our corporate offices, property development operation, property management operation and hospitality management operation in 2019 and 2020 are presented below:

	Units	2019	2020
Energy consumption			
Total electricity consumption	kWh	20,013,429	20,772,494
Total towngas consumption	Units	657	321
Total diesel consumption	Litres	98,689	327,934 ⁴
Energy intensity			
Corporate offices	GJ/square feet (GJ/sq. ft.)	0.056	0.054
Property development ⁵	GJ/sq. ft. ⁶	0.012	0.024
Property management	GJ/sq. ft.	0.039	0.038
Hospitality management ⁷	GJ/room night	0.226	0.385
Greenhouse gas ("GHG") emissions ⁸			
Direct emissions (Scope 1) 9	tonnes of CO₂ equivalents (tCO₂e)	265	864
Indirect emissions (Scope 2) 10	tCO₂e	11,116	11,612
GHG emission intensity by operation			
Corporate offices	tCO₂e/sq. ft.	0.006	0.006
Property development ⁵	tCO2e/sq. ft. 6	0.001	0.002
Property management	tCO₂e/sq. ft.	0.005	0.005
Hospitality management ⁷	tCO₂e/room night	0.050	0.087
Water consumption and intensity by o	operation		
Total water consumption	cubic metres(m ³)	96,706 ⁿ	119,271 12
Property development ⁵	m³/sq. ft. ⁶	0.020	0.050
Property management	m³/sq. ft.	0.043 ⁿ	0.044
Hospitality management 7	m³/room night	0.523	0.672
Waste			
Non-hazardous waste disposed	kg	84,644	34,028
Non-hazardous waste recycled	kg	32,989	29,301
Hazardous waste handled	pieces	3,209	2,493
Hazardous waste recycled	pieces	2,479	1,906

	Units	2019	2020	
Construction material used				
Concrete	m ³	17,222	32,021	
Steel	tonnes	5,031	7,309	
Timber	m ³	288	449	
Soil and rock	tonnes	1,761	-	
Others	tonnes	2,956	8,282	

- 4 The difference in diesel consumption is mainly caused by expanded scope of data collection for property development operation.
- 5 Property development data in 2019 only includes OMA OMA, Tuen Mun, while the data in 2020 includes OMA OMA and OMA by the Sea, Tuen Mun.
- 6 Intensities for property development are calculated based on the allowable gross floor area.
- 7 Hospitality management data in 2019 only includes Lanson Place Causeway Bay, Hong Kong, while the data in 2020 includes Lanson Place Causeway Bay, Hong Kong and Lanson Place Waterfront Suites, Hong Kong.
- 8 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 make reference of the emission factors from CLP Power Hong Kong Limited (0.5 kg CO₂e / kWh), The Hongkong Electric Company, Limited (0.81 kg CO₂e / kWh) and The Hong Kong and China Gas Company Limited (0.597 kg CO₂e / Unit) respectively, for the calculation of GHG emissions (Scope 2).
- 9 Direct GHG emission (Scope 1) is generated from fuel consumption, including diesel and towngas.
- 10 Indirect GHG emission (Scope 2) is generated from electricity and towngas consumption.
- 11 Water consumption and intensity data for property management in 2019 are restated to reflect actual consumption.
- 12 As the water supply authority has yet to report the official water consumption record of some of the sites and properties for 2020, this is an estimated figure. This figure is expected to be restated in the coming ESG Report.

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OUR CARE FOR THE COMMUNITY

The Group is paying attention to taking part in community services and giving back to the society through different channels, including collaborating with non-governmental organisations ("NGOs"), volunteering and donating to the needy. We have established a Community Investment Policy to care about the community and consider community needs in our business decisions.

We understand community needs and connect with the community through collaboration with our community partners including NGOs and tertiary education institutes.

YOUTH DEVELOPMENT

During 2020, we offered internships to students from City University of Hong Kong and HKU School of Professional and Continuing Education (HKU SPACE) in property management operations. For Technological and Higher Education Institute of Hong Kong (THEi), we offered operations internships in Lanson Place Causeway Bay, Hong Kong. The internship programme enables students to learn about the property management and hospitality industry so as to understand and develop their career paths.

ENVIRONMENTAL SUSTAINABILITY

We also supported Greeners Action's Lai See Packet Re-cycle & Re-use Programme 2020 to promote recycling in the community. We collected over 2,500 Lai See Packets.

CARE FOR THE NEEDY

We collaborate with our community partners through volunteering activities and donations. Due to pandemic situation, volunteering activities have been reduced. The Group donated HK\$100,000 to support Standard Chartered HKCSS Subdivided Unit Subsidy Programme in 2020. This Programme aims to support grassroot community and households being affected by the pandemic to meet their rental payment.

In addition, we observed that the community is short of sanitising supplies at early stage of the COVID-19 outbreak. Therefore, we have donated disinfectant packs to The Hong Kong Society for the Blind and support them in overcoming the supplies shortage challenge.

We have extended our care to the needy through donation in-kind. During Mid-Autumn Festival, we have donated gift bags to senior citizens in Tung Wah Chu Sau Cheung Nursing Home, showing our care to the elderly in the community.



OUR ESG CERTIFICATION AND AWARDS

Our efforts in sustainability promotion has been widely recognised by local and international parties. The following table summarises our ESG achievements that we attained in 2020:

Certification/Award Name	Organisation
BEAM Plus – Provisional Bronze Rating for OMA by the Sea	Hong Kong Green Building Council
Wastewi\$e Certificate – Excellence Level	Hong Kong Green Organisation
Rechargeable Battery Recycling Programme – Certificate of Appreciation	Environmental Protection Department
2020 Peach Blossom Trees Recycling Programme – Certificate of Appreciation	Environmental Bureau
Programme on Source Separation of Commercial and Industrial Waste – Certificate of Commendation	Environmental Protection Department
Quality Water Supply Scheme for Buildings – Fresh Water (Management System) (Gold)	Water Supplies Department
Indoor Air Quality Certificate – Excellent Class	Environmental Protection Department
Good Employer Charter 2020	Labour Department
Joyful@Healthy Workplace Charter	Department of Health and Occupational Safety & Health Council
Luxury Design Hotel (Hong Kong) – Lanson Place	World Luxury Hotel Awards 2020
Causeway Bay, Hong Kong	
Luxury Boutique Serviced Apartments (Hong Kong) - Lanson Place Waterfront Suites, Hong Kong	World Luxury Hotel Awards 2020



APPENDIX: HKEX ESG REPORTING GUIDE CONTENT INDEX

This index indicates how this Report has been complied in accordance with the "comply or explain" provisions and "recommended disclosure" set out in HKEx ESG Reporting Guide.

A: ENVIRONMENTAL PERFORMANCE

Aspects	Descriptions	Sessions in the report/Remarks	Page number
A1: Emissions	General Disclosure:Information on:(a) the policies; and(b) compliance with relevant laws and regulations that have a significant impact on the issuerrelating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmental Management Approach	P.21
T G G T T T T T T T T T T T T T T T T T	KPI A1.1 The types of emissions and respective emissions data.	Wing Tai does not generate a significant amount of air emissions in business operations.	N/A
	KPI A1.2 Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity.	Environmental Data	P.24
	KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity.	Environmental Data	P.24
	KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.	Environmental Data	P.24
	KPI A1.5 Description of measures to mitigate emissions and results achieved.	Energy Conservation and Responses to Climate Change	P.21-22
	KPI A1.6 Description of how hazardous and non- hazardous wastes are handled, reduction initiatives and results achieved.	Waste and Material Management	P.22-23

Aspects	Descriptions	Sessions in the report/Remarks	Page number
A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Environmental Management Approach	P.21
	KPI A2.1 Direct and/or indirect energy consumption by type in total (kWh in 'ooos) and intensity.	Environmental Data	P.24
	KPI A2.2 Water consumption in total and intensity.	Environmental Data	P.24
	KPI A2.3 Description of energy use efficiency initiatives and results achieved.	Energy Conservation and Responses to Climate Change	P.21-22
	KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Water Conservation Wing Tai mainly consumes municipal water in Hong Kong. There is currently no issue in water sourcing in Hong Kong.	P.23
	KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Wing Tai's major product and service offerings do not involve the use of packaging materials.	N/A
A3: The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impact on the environment and natural resources.	Environmental Management Approach; Green Building	P.21; 23
	KPI A _{3.1} Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Green Building	P.23

APPENDIX: HKEX ESG REPORTING GUIDE CONTENT INDEX

B: SOCIAL PERFORMANCE

Aspects	Descriptions	Sessions in the report/Remarks	Page number
Employment and	Labour Practices		
B1: Employment	General Disclosure	Employment Relations	P.15-17
	 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. 		
	KPI B1.1 Total workforce by gender, employment type, age group and geographical region.	Employment Relations	P.16
	KPI B1.2 Employee turnover rate by gender, age group and geographical region.	Employment Relations	P.17
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. 	Healthy and Safe Workplace	P.17-18
	KPI B2.1 Number and rate of work-related fatalities.	Healthy and Safe Workplace	P.18
	KPI B2.2 Lost days due to work injury.	Healthy and Safe Workplace	P.18
	KPI B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored.	Healthy and Safe Workplace	P.17-18

Aspects	Descriptions	Sessions in the report/Remarks	Page number
B3: Development and Training	General Disclosure	Training and Development	P.18-19
	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.		
	KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Training and Development	P.19
	KPI B3.2 The average training hours completed per employee by gender and employee category.	Training and Development	P.19
B4: Labour Standards	General Disclosure	Labour Standards	P.20
Stalluarus	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.		
	KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.	Labour Standards	P.20
	KPI B4.2 Description of steps taken to eliminate such practices when discovered.	During the reporting year, no non- compliance cases was discovered.	N/A
Operating Practic	es		1
B5: Supply Chain Management	General Disclosure	Our Care to Supply Chain	P.12-14
indiageniene	Policies on managing environmental and social risks of the supply chain.		
	KPI B5.1 Number of suppliers by geographical region.	Overview of Supply Chain in Wing Tai	P.12
	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.	Supplier Selection	P.12

APPENDIX: HKEX ESG REPORTING GUIDE CONTENT INDEX

Aspects	Descriptions	Sessions in the report/Remarks	Page number
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. 	Product and Service Responsibility	P.7
	KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	During the reporting year, no products sold or shipped subject to recalls for safety and health reasons.	N/A
	KPI B6.2 Number of products and service related complaints received and how they are dealt with.	Customer Feedback Handling	P.8-9
	KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.	Intellectual property rights is not material in our operations.	N/A
	KPI B6.4 Description of quality assurance process and recall procedures.	Customer Feedback Handling	P.8-9
	KPI B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.	Customer Privacy Protection	P.7

Aspects	Descriptions	Sessions in the report/Remarks	Page number
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 Operation; Ethical Supply Chain Operation	P.5; 13
	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 Operation	P.5
	KPI B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Ethical Business Operation	P.5
Community			
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.	Our Care for the Community	P.26
	KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Our Care for the Community	P.26
	KPI B8.2 Resources contributed (e.g. money or time) to the focus area.	Volunteer Activities and Donations	P.26

WING TAI PROPERTIES LIMITED Incorporated in Bermuda with limited liability

永泰地產有限公司 於百慕達註冊成立之有限公司



