



WHARF

Established 1886

THE WHARF (HOLDINGS) LIMITED

Stock Code: 0004

SUSTAINABILITY REPORT 2020



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Message from the Chairman

GRI 102-14

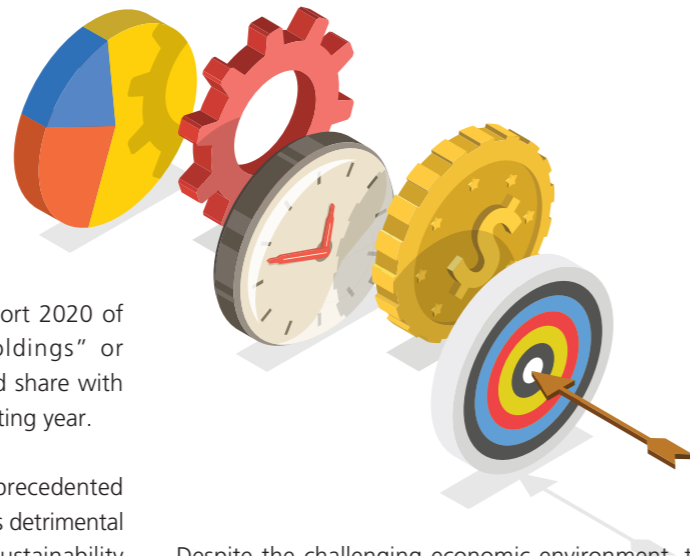
We are delighted to present Sustainability Report 2020 of The Wharf (Holdings) Limited (“Wharf Holdings” or together with its subsidiaries, “the Group”) and share with stakeholders our achievements during the reporting year.

In 2020, the world faced a global crisis of unprecedented reach and proportion, the COVID-19 outbreak. Its detrimental impact reminded businesses the centrality of sustainability for business resilience. During the challenging times, we adjusted promptly our business practices and continued to embrace our long-standing mission of “Building for Tomorrow” to ensure long-term value creation for our stakeholders.

With just a decade left to halve carbon emission to avoid irreversible damage, a heightened sense of climate emergency is seen from world leaders. China pledged to achieve carbon neutrality by 2060. Local regulations are also becoming increasingly stringent as the revised HKEX’s environmental, social and governance (“ESG”) reporting requirements have come into effect.

We adopt a robust governance structure and devote efforts to embed sustainable practices into all aspects of our business operations. This year, the Group established various policies and strengthened our data management by enhancing accountability. Driven by the sustainability vision and mission, our approach is aligned with 11 of the 17 United Nations Sustainable Development Goals (“UNSDGs”). We are delighted to have our commitment recognised in the capital markets as a constituent of the Hang Seng Corporate Sustainability Index and MSCI China ESG Leaders Index.

Responding to the climate emergency, the Group decarbonises our business systematically. It manages and discloses climate risks with reference to the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”). The Group introduced a Climate Change Policy Statement and incorporated climate risks into our enterprise risk management framework. On the other hand, we leveraged sustainable finance instruments and raised green loan facilities for Chengdu IFS and Changsha IFS, which were accredited the Leadership in Energy and Environmental Design (“LEED”) Platinum certifications.



Despite the challenging economic environment, the Group continued to devote significant efforts to become an employer of choice by creating an inclusive and motivating working environment, while investing resources in talent attraction and development. The health and safety of our employees and customers is always our utmost priority. To minimise the risk of COVID-19 virus exposure, we adopted special work and operational arrangements and strengthened hygiene measures. Besides, we formulated a group-level Safety and Health Policy to guide the daily management of occupational safety and health issues. In 2020, the Group continued to maintain a low injury rate of 13 cases per 1,000 employees.

To uphold the Group’s commitment in delivering quality products and services, we regularly collect customers’ feedback and implement improvement measures. By embracing innovation and technology, we continued to serve our customers’ needs during the pandemic. For instance, our investment properties including Shanghai portfolio and IFS offices launched a 720° VR showroom, offering an all-round online tour for potential tenants and visitors at anytime and anywhere.

To manage our supply chain, we have put the Green Procurement Policy in place and adopted a vendor management system. We form strategic partnerships with our suppliers and conduct our procurement activities in a responsible manner.

Driven by the Group’s Business-in-Community philosophy, the Wharf group injected RMB10 million into “Wharf Emergency Relief Fund” at the early stage of the pandemic outbreak and an additional HK\$10 million to support those affected. Marco Polo Wuhan accommodated medical workers from Beijing and donated medical supplies to support the virus battle in the city. The hotel was recognised as an Excellent Accommodation Hotel by Wuhan City Jiang’an District Coronavirus Epidemic Prevention and Control Centre.

Amid the disruption inflicted by the COVID-19 pandemic, we continued to empower underprivileged secondary school students in Hong Kong under our flagship programme, Project *WeCan*. A series of online and offline activities was launched to provide students with education and career advice. The programme is benefitting 76 schools and around 75,000 students with the support of 68 partner organisations.

To better prepare for future sustainability challenges, we plan to enhance our climate-related strategies and disclosures with reference to the recommendations of TCFD and continue to formulate environmental targets. Through ongoing stakeholder engagement, we aim to align our sustainability strategy with stakeholders’ expectations.

I wish to take this opportunity to express our sincere gratitude towards our stakeholders for their continuous support, in particular during these unprecedented times. We are confident that our strong sustainability commitment will allow the Group to thrive with stakeholders in a post-pandemic future.

Stephen T H Ng
Chairman and Managing Director
Hong Kong



About this REPORT



Report Standards 102-54

The Group's Sustainability Report ("the Report") has been prepared in accordance with the requirements of the latest Environmental, Social and Governance Reporting Guide (Appendix 27) issued by The Stock Exchange of Hong Kong Limited ("HKEX ESG Reporting Guide"), Core option of the Global Reporting Initiative Sustainability Reporting Standards ("GRI Standards") and the G4 Construction and Real Estate Sector ("CRE") Disclosures. The Report also refers to selected metrics of the Sustainability Accounting Standards Board ("SASB") Sustainability Accounting real estate industry-specific standards.

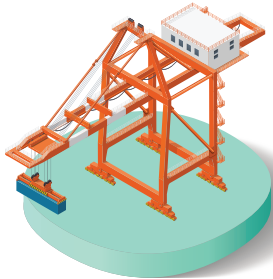
The Report follows the four reporting principles listed in the HKEX ESG Reporting Guide. In the preparation of this Report, we engaged our stakeholders to assess the materiality of various sustainability issues and arrange our report content based on the outcome. Balanced and quantitative sustainability information is also included for historical comparison of our performance. We use consistent methodologies for compiling the quantitative data presented in this Report, unless otherwise specified.

Report Scope 102-45, 102-49, 102-50

Our business operation spans across investment properties and development properties in Hong Kong and Mainland China, hospitality management in Mainland China and the Philippines, and container terminal operations in Hong Kong. This year, we expanded our reporting scope to present a more comprehensive sustainability performance.

This Report covers information of our sustainability policy, strategies and performance from 1 January to 31 December 2020 in the following selected operations:





Logistics

- Modern Terminals Limited
("Modern Terminals" or "MTL")



Leisure and Hospitality

Wharf Hotels

- Wharf Hotels Management Limited ("WHML")
- Niccolo Chengdu
- Niccolo Chongqing
- Niccolo Changsha
- Marco Polo Wuhan

Managed Hotels**

- Marco Polo Jinjiang*
- Marco Polo Xiamen*
- Marco Polo Lingnan Tiandi, Foshan*
- Marco Polo Parkside, Beijing*

* indicates the newly added reporting entities this year

** "Managed Hotels" refers to the hotels that are not owned by the Group. We offer management services to the owners of these hotels. Due to community quarantine measures or operational suspension in 2020, this Report does not cover the Managed Hotels in the Philippines.

The reporting boundary is determined according to the corresponding materiality of each entity to our business and operations, as well as the sustainability impact. In addition to operations with significant revenue contribution to the Group, the Report includes entities which are under our direct control and management, in the development or operational phase, and have significant impact to the Group's sustainability performance. Assets under joint venture are excluded. Majority of our business operations in investment and development properties, leisure and hospitality and logistics fall within the scope of this Report.

Report Assurance 102-53, 102-56

The Report has been approved by the Board of Directors of Wharf Holdings ("the Board") and has been independently verified by the Hong Kong Quality Assurance Agency ("HKQAA") to obtain reasonable assurance with reference to the International Standard on Assurance Engagements 3000 (Revised) ("ISAE3000 (Revised)"). Please refer to P.78 for the verification statement.

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

Data at a Glimpse

Obtained green building certifications

LEED Platinum

- Chengdu IFS
- Changsha IFS

LEED Gold

- Wuxi IFS
- Shanghai Wheelock Square



Obtained EarthCheck certifications

Silver

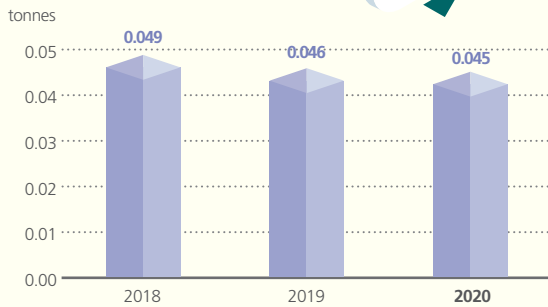
- Niccolo Chengdu
- Niccolo Chongqing
- Marco Polo Wuhan
- Marco Polo Xiamen
- Marco Polo Lingnan Tiandi, Foshan
- Marco Polo Parkside, Beijing

Bronze

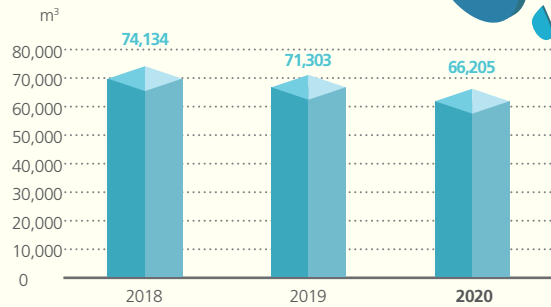
- Niccolo Changsha



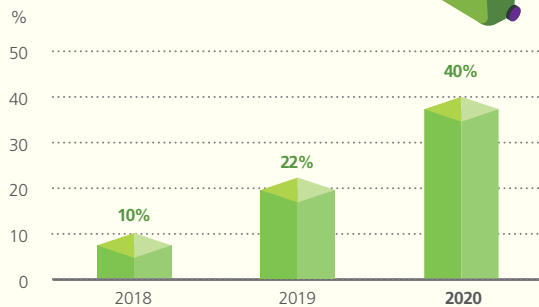
Decreased SO_x emissions



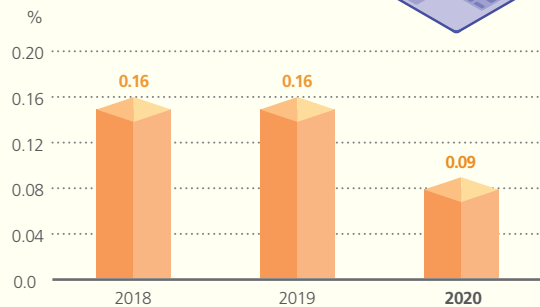
Decreased water consumption for Modern Terminals



Increased percentage of waste diverted away from landfill



Lowered overall lost day rate



Note: The scope includes all waste types measured in tonnes.

Sustainability OVERVIEW



Sustainability Overview

About Our Business

Our Core Value GRI 102-1, 102-3, 102-10

As a premier company in the industry, Wharf Holdings has always held on to the long-standing mission of “Building for Tomorrow” with a proven track record and execution capabilities. This year, the Group formalised and integrated our sustainability vision and mission into our management approach. By paying attention to our stakeholders’ needs, protecting the natural environment and making positive social impacts, we are committed to not only pursuing financial excellence, but also creating long-term shared value for the community.

Our Business Overview GRI 102-2, 102-4, 102-6, 102-7, 102-10

Founded in 1886 in Hong Kong, Wharf Holdings is a leading company with a wide range of business operations across various regions in Asia. After the demerger with Wharf Real Estate Investment Company Limited (“Wharf REIC”) in 2017, Wharf Holdings now mainly operates investment properties and development properties in Hong Kong and Mainland China, and hospitality ownership and management in Mainland China and the Philippines. In addition, the Group also owns logistics business mainly through Modern Terminals.

Mainland China Development Properties

The Group’s development properties in the Mainland are mainly located in Chengdu, Hangzhou, Shanghai and Suzhou. The Group continues to adopt a selective land acquisition policy with strategic focus to secure good return. The land bank of development properties in Mainland China records a total of 2.8 million square metres at the end of 2020.



Mainland China Investment Properties

The Group has become one of the leading investment property operators in Mainland China after years of expansion. The Group’s investment properties include the flagship IFS series, Shanghai Wheelock Square, Times Square series and Times Outlets series. With our state-of-the-art retail management, the investment properties portfolio has provided sound return and exceptional presence in the market.



Hong Kong Properties

The Group possesses properties in Hong Kong, including The Peak Portfolio, Kowloon Tong Portfolio and Kowloon East Portfolio.



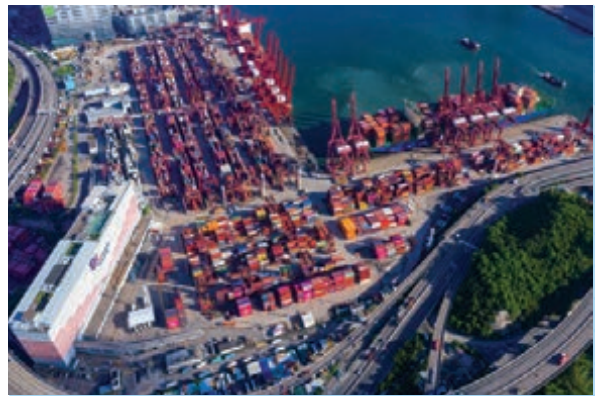
Leisure and Hospitality

WHML manages 17 hotels in Asia under the classic brand of Marco Polo and sophisticated Niccolo brand. The new addition to the Niccolo family is Niccolo Suzhou, opened in April 2021.



Logistics

Located in the hub for international trade and transportation, Modern Terminals has been a leading container terminal service operator in Hong Kong and Pearl River Delta. To deliver more efficient and cost-saving services to customers, Modern Terminals joined the Hong Kong Seaport Alliance to enhance the competitiveness of the Port of Hong Kong.



For details of our customer groups and breakdown of the products and services we provide, please refer to the Business Review section of Wharf Holdings' Annual Report 2020.

Our Presence and Impact (GRI) 102-7, 201-1, 203-1, (HKEX) B8.1, B8.2

Although the outbreak of COVID-19 adversely impacted our business operations, we maintained our contribution to local economies and communities where we operate in through our discreet management approach. The following highlights our contributions in 2020:



Our Governance

A robust corporate governance and ethical business practices are the foundation for the Group to pursue long-term success. In addition to legal compliance, the Group maintains a high standard of corporate governance to assess and manage risks, and implements stringent control on ethical business conduct.

Governance Structure and Risk Management

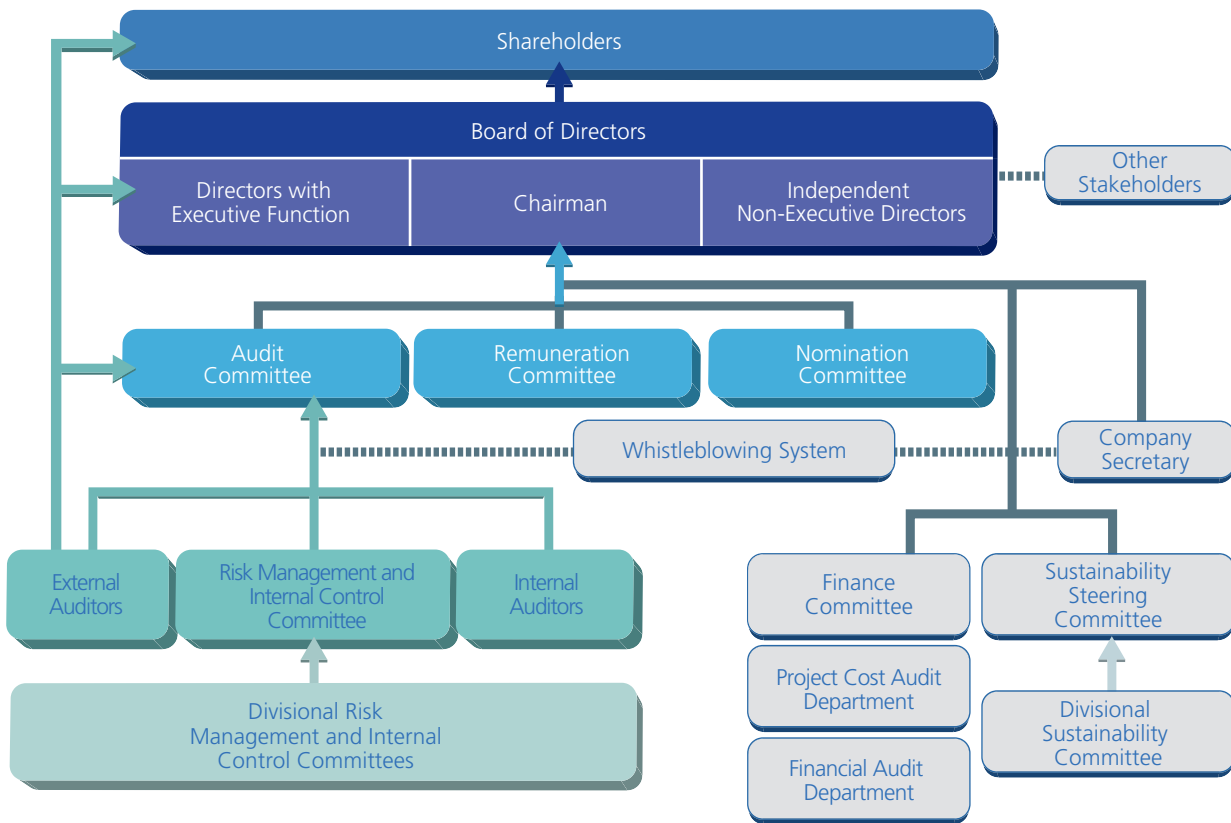
(GRI) 102-18, 202-2, 405-1

We see diversity of the Board as an opportunity to help the Group develop with more balanced and objective perspectives. Our board members possess expertise from various industries covering investment properties, property development, finance and accounting, public service, hospitality and logistics. The composition of Wharf Holdings' Board of Directors is detailed on P.12.

¹ The Group's total number of employees, including those employed by managed operations.
² Staff costs include contributions to defined contribution pension schemes of HK\$128 million, which included equity-settled share-based payment expenses of HK\$3 million.

Composition of Wharf Holdings' Board of Directors³

	Age			Gender		Ethnicity	
	<65	65-69	>=70	Male	Female	Non-Chinese	Chinese
Number	4	5	4	9	4	2	11
%	31	38	31	69	31	15	85



Operating in a dynamic environment, the Group maintains a strong risk management and internal control system to ensure our business is resilient to unprecedented changes. For example, we consider environmental, social and economic risks (including climate risks) in our risk management framework to integrate sustainability factors in our business operations and adapt to the tightening requirements on these aspects. This year, the Group formulated a new

Compliance Policy Statement, which specifies our approach to legal and regulatory compliance applicable to our business operations.

For more information on our corporate governance and risk management, please refer to the Corporate Governance Report in Annual Report 2020.

3 All members of the Board of Directors are hired from the local community, i.e. Hong Kong and Mainland China. The profile of the Board of Directors is outlined in the Annual Report 2020 (P. 79 to 84).



Established Crisis Management Practice to Ensure Business Continuity — Modern Terminals

As the port of Hong Kong is a hub for international trade, Modern Terminals reacted promptly to the challenges of COVID-19 by establishing an Operations Control Room Back-up Plan to ensure provision of quality container services at all times.

At the beginning of COVID-19 pandemic, Modern Terminals has already identified and had a list of necessary systems and equipment in place for the back-up operations control room. Standard Operating Procedures (“SOP”) for contingency operations, computers for remote access and CCTV monitoring as well as radio devices for communication and disinfection items were prepared; rounds of testing and training were run to ensure the set up and activation of the back-up room can be completed within 30 minutes.

To ensure smooth transition without business disruption, regular testing of the equipment and regular drills of SOP were also conducted during the year.



Ethical Business Operations

GRI 205-2, 205-3, **HKEX** B7.1, B7.2, B7.3

The Group upholds the highest level of business ethics in our operations. In 2020, we fully complied with the laws and regulations⁴ which have significant impact on our business.

We strictly forbid solicitation or acceptance of an advantage, any form of bribery⁵, extortion, fraud, or money laundering in our operations. Our Business Code of Ethics and Code of Conduct describe clearly to our employees our ethical standards and requirements. Policies and guidelines on conflicts of interest, insider dealing, anti-competition and anti-corruption are in place to communicate our expectations to employees. For donations and sponsorships, the Group conducts due diligence process to prevent any possible misdeed. All donations are required to be approved by the Group’s Chairman or BUs’ General Managers.

The Group encourages reporting of any malpractice and misconduct as guided by the Whistleblowing Policy and Procedures, which clearly describes our commitment to whistleblower protection and our compliant initiation and investigation procedures. The document also delineates the responsibilities of implementing and monitoring the policy. We

regularly offer staff training, including orientation training and refresher training to reiterate the importance of business ethics. We also invite law enforcement agencies such as the Independent Commission Against Corruption (“ICAC”) in Hong Kong to deliver training to our staff.

In 2020, there were no legal cases regarding corrupt practices brought against the Group.

Total training hours on anti-corruption training

2,996
hours



⁴ Please refer to Significant Laws and Regulations section for the list of laws and regulations significant to our business operations.

⁵ Section 3–11 of the Prevention of Bribery Ordinance (Cap. 201).



Hang Seng Corporate Sustainability Index Series Member 2020-2021

Our Sustainability Approach

Board Statement

The Group maintains an integral governance structure for effective business management across operations. As the highest governance body in the Group, the Board holds overall responsibility on sustainability matters and oversees the sustainability direction and strategy of the Group. The Board also discusses and reviews the Group’s sustainability risks and opportunities, performance and progress regularly.

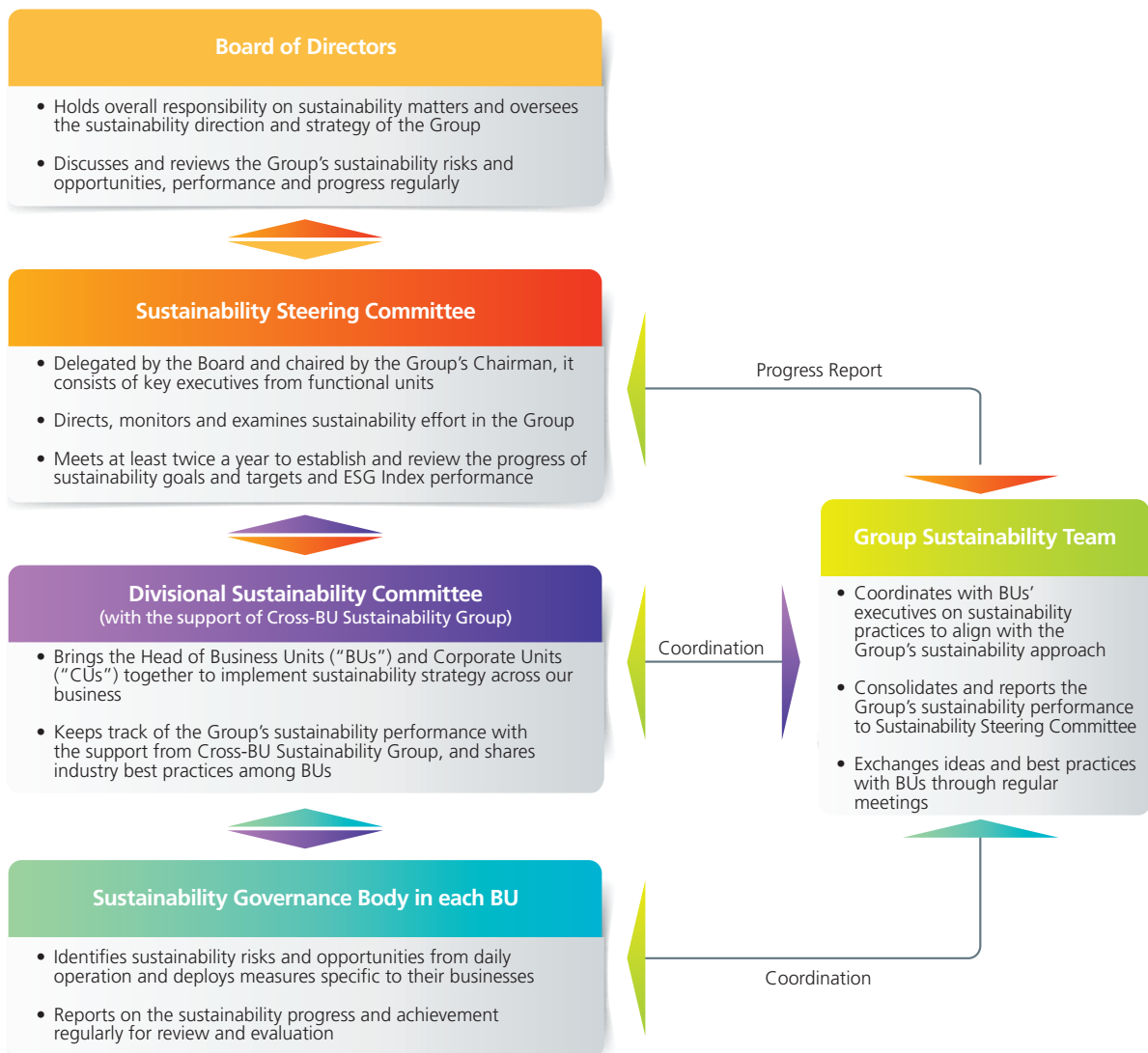
Delegated by the Board, the Sustainability Steering Committee is responsible for management and decision-making on economic, environmental and social impacts of the Group. Through annual risk assessment and regular stakeholder engagement activities, the Group identifies and evaluates the materiality of relevant sustainability issues and implements corresponding management initiatives to address the issues in our operations. Sustainability risk assessment result and respective performance are reported to the Board on a regular basis for ongoing monitoring.

The Group is now formulating new environmental targets that align with our long-standing mission of “Building for Tomorrow”. The Board will direct corresponding action plans and regularly review our progress against these targets.

Sustainability Governance GRI 102-18, 102-19, 102-20

The Group is a constituent of the Hang Seng Corporate Sustainability Index, recognised as one of the top performers in corporate sustainability in Hong Kong and Mainland China. The Group manages our sustainability approach and performance through a well-established governance structure.

The Group’s Corporate Social Responsibility Guidelines outline the directions of our sustainability programmes, goals and commitments. We place our corporate sustainability focus on four aspects, including Our Environment, Our People, Our Community and Corporate Governance.



United Nations Sustainable Development Goals (“UNSDGs”)

We are committed to supporting the global movement of UNSDGs, the globally agreed agenda for a better future. As such, successful implementation of initiatives to contribute to UNSDGs has become our focus in sustainable development. We have identified 11 of the 17 SDGs to align with and for our operations to contribute to.

Our Progress

- We reduce water consumption through increasing water recycling for non-potable purposes. We ensure good water quality for customers, and treat wastewater properly for environmental and public health benefits.
- We support and adopt renewable energy in our operations including solar posts in Changsha IFS and solar panels in Chengdu IFS, as well as boiler flue gas heat recovery system in Chengdu IFS.
- We incorporate sustainable considerations into our projects, with the aim of improving the resilience of the built environment. We have identified the potential environmental and climate-related risks for our operations and adopted adaptive and mitigation measures. We minimise our impact on climate change by improving energy efficiency and reducing carbon emission. Meanwhile, we are also exploring and enhancing the climate resilience of our assets to combat future climate challenges.
- As a responsible corporation, we ensure sustainable production by minimising waste generation and conducting recycling activities among our staff, business partners and customers.
- We promote environmental initiatives among our employees, suppliers and customers to reduce pollution to the oceans and seas. Also, we protect and conserve natural resources to minimise the negative impacts on biodiversity.

Corresponding section: Co-living with the Nature Building Excellence with Our Stakeholders

Relevant UNSDGs



Our Progress

- We equipped our staff with different skills and training to improve their knowledge and skills for discharging their duties at work. This year, despite the impact of COVID-19, we successfully offered a total of 236,076 training hours to our employees.
- We nurtured the youth by promoting inclusive and equitable learning opportunities, and offering platforms for students to excel their talents in varied aspects. In 2020, our Business-in-Community flagship programme Project WeCan partnered with 76 schools benefitting 75,000 students.
- We cultivate a fair and harmonious workplace with zero-tolerance approach against workplace discrimination.
- We reduce social inequality by offering educational opportunities and resources to the underprivileged. In 2020, the Group organised and supported 77 community events.

Corresponding section: Building Excellence with Our Stakeholders Business-in-Community

Relevant UNSDGs



Our Progress

- We promoted staff wellbeing by encouraging work-life balance, safety and health, equal opportunities, and human rights. In addition to internal wellbeing, we supported the community during the outbreak of COVID-19 through various preventive measures and donations to the needy.
- We secure a safe and harassment-free workplace for our employees and contractors on-site by adopting international standards.

Corresponding section: Safeguarding Wellbeing and Safety Business-in-Community Building Excellence with Our Stakeholders

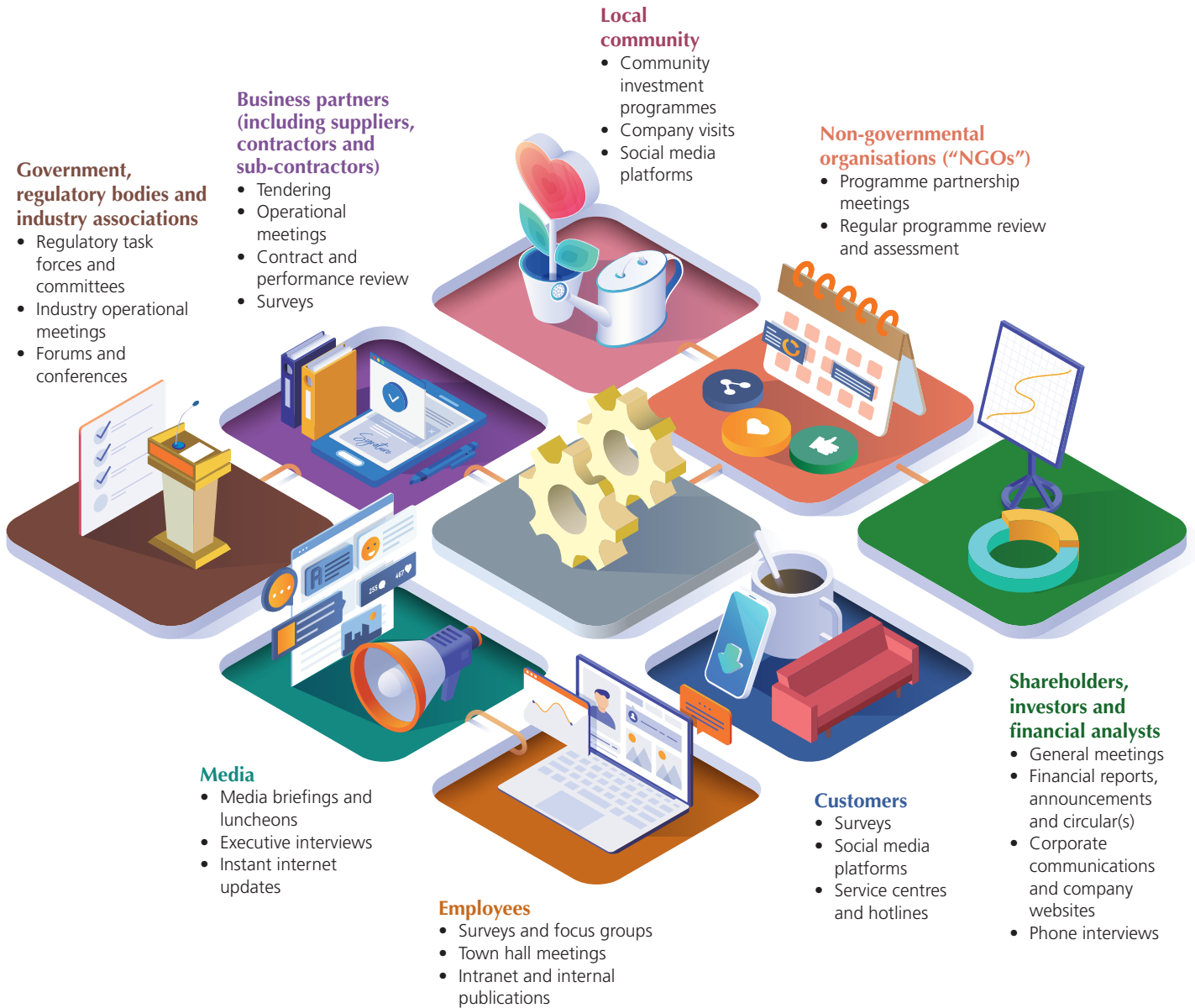
Relevant UNSDGs



Stakeholder Engagement (GRI) 102-40, 102-42, 102-43, 102-44

Our Group is committed to having ongoing dialogue with our stakeholders and maintaining a good understanding of their expectations. This guides us in future refinement of our ESG strategy and approach.

Our Stakeholder Groups and Engagement Channels



Stakeholder Comments and Our Responses

We have appointed an independent consultant to conduct stakeholder engagement exercise in accordance to the AccountAbility AA1000 Stakeholder Engagement Standard 2015. This year, over 570 stakeholders, including employees, business partners, government officials, tenants, customers, community partners, industry associations, investors and financial analysts, participated in our online survey, one-on-one interviews and focus groups. Their major feedback, along with Group's responses, is outlined below.

Stakeholder Feedback

Investors and employees expect a clear business contingency plan from the Group to protect them from unexpected setbacks such as the COVID-19 pandemic.



Future Resilience

Our Responses

The Group has certain business continuity practices in place to ensure the resilience of our business operations under unanticipated shocks. For example, during early stage of COVID-19 outbreak, we noticed the importance of epidemic prevention and implemented a wide range of initiatives (see Safeguarding Wellbeing and Safety section) to protect our employees and customers. The Group will remain vigilant to future shocks and adopt swift responses accordingly.

Most of the stakeholders regard the current disclosure is relevant and of appropriate detail. Going forward, investors would like to see more disclosure on our sustainability risks and performance, so as to facilitate their investment evaluation process.



Sustainability Disclosure

We recognise the importance of sustainability risk and performance in our business operations and the implication for investor's evaluation. Since 2019, we have enhanced disclosure on our climate risk assessment result by BUs. We will continue to enrich our disclosure according to international disclosure framework such as the Recommendations of TCFD to enhance the transparency of our climate change management.

Employees would like the Group to further integrate sustainability aspects into business operations and strategies. Employees across BUs reflected varied degree of involvement in implementing sustainability strategy in their daily work.



Sustainability Strategy

This year we formally published our Vision and Mission Statement on sustainability management to further integrate our sustainability management into business operations and communicate to BUs our expectations as a whole. The Group also maintains a robust sustainability governance structure to ensure execution of relevant initiatives, share best practices across BUs and encourage employees' participation in the Group's sustainability management.

Materiality Assessment (GRI 102-46, 102-47)

Materiality is one of the reporting principles underpinning the preparation of this Report. We adopt a four-step process to determine ESG topics that are the most relevant to our business and our stakeholders.

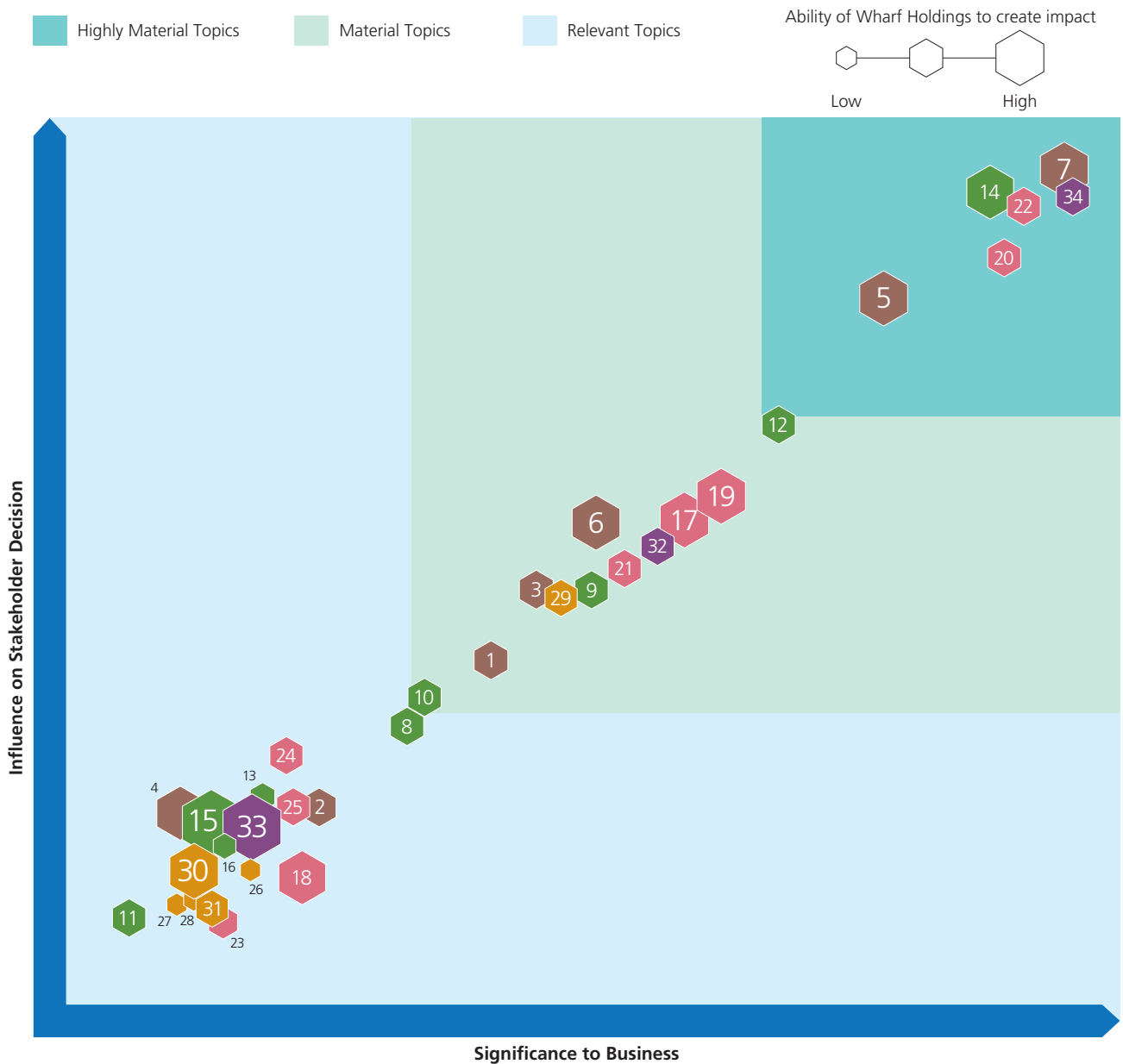


Material Topics and Corresponding Topic Boundary

Material Topics	Boundary and Impact	
	Within the Group	Outside the Group
Top five material topics		
7 Socioeconomic compliance	√	√
14 Environmental compliance	√	√
20 Training and education	√	√
22 Non-discrimination	√	√
34 Customer privacy	√	√
Other material topics		
1 Economic performance	√	√
3 Indirect economic impacts	√	√
5 Anti-corruption	√	√
6 Anti-competitive behaviour	√	√
9 Energy	√	√
12 Greenhouse gas and emissions	√	√
17 Recruitment and retention	√	√
19 Occupational safety and health ("OSH")	√	√
21 Diversity and equal opportunity	√	√
29 Impact assessment on local communities	√	√
32 Customer health and safety	√	√

Wharf Holdings' Materiality Matrix 2020

In addition to the influence on stakeholder decision and the significance to our business, this year we introduced a new dimension to our materiality matrix. The size of the hexagon indicates the ability of Wharf Holdings to create impact. The larger the hexagon is, the higher the perceived ability Wharf Holdings can affect the outcome of the issue.



Business Development and Corporate Governance

- 1 Economic performance
- 2 Market presence
- 3 Indirect economic impacts
- 4 Procurement practices
- 5 Anti-corruption
- 6 Anti-competitive behaviour
- 7 Socioeconomic compliance

Our Environment

- 8 Materials
- 9 Energy
- 10 Water
- 11 Wildlife protection and biodiversity
- 12 Greenhouse gas and emissions
- 13 Effluents and waste
- 14 Environmental compliance
- 15 Supplier environmental assessment
- 16 Land degradation, contamination and remediation

Our People

- 17 Recruitment and retention
- 18 Labour/management relations
- 19 Occupational safety and health
- 20 Training and education
- 21 Diversity and equal opportunity
- 22 Non-discrimination
- 23 Freedom of association and collective bargaining
- 24 Prevention of child labour
- 25 Prevention of forced or compulsory labour

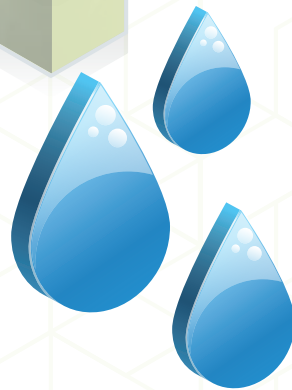
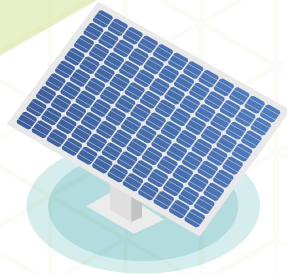
Our Community

- 26 Security practices
- 27 Protection of rights of indigenous peoples
- 28 Human rights assessment
- 29 Impact assessment on local communities
- 30 Supplier social assessment
- 31 Influence on public policy

Our Customers

- 32 Customer health and safety
- 33 Marketing and labelling
- 34 Customer privacy

Co-living with **THE NATURE**



UNSDGs addressed in this chapter:



Material topics addressed in this chapter:

ENERGY • GREENHOUSE GAS AND EMISSIONS • ENVIRONMENTAL COMPLIANCE

Commitment and Strategy (GRI) 103, 307-1

It becomes increasingly evident that environmental issues such as climate change, water scarcity and resource depletion constitute threats to our society, and governments are more active in formulating policies, legislations and regulations to address the emerging environmental challenges. The Group stays abreast of the tightening standards and strictly adheres to environmental laws and regulations⁶ applicable to our business operations. To meet compliance requirements, each BU formulates its own respective environmental guidelines and policies based on its business scale, location and nature. Moreover, environmental performance, risks and control measures are carefully monitored and evaluated. In the reporting year, there was no case of non-compliance with environmental laws and regulations.

The Group strives to achieve beyond compliance requirements and puts forth dedicated efforts to continuously enhance the eco-efficiency of our properties and operations. To better evaluate our progress, the Group is establishing performance targets for various environmental aspects. We also develop robust environmental management systems in accordance with international standards for our day-to-day operations. Chengdu IFS, Changsha IFS and Modern Terminals maintained ISO 14001:2015 Certification in the reporting year. On the other hand, Modern Terminals has the Green Terminal Model (“the Model”) in place to effectively implement its Corporate Environmental Policy. To properly address its material environmental issues, environmental protection action plans are put forward throughout the different stages of the port lifecycle. The Model is reviewed periodically with reference to the latest industry trends, the Group’s sustainability strategy and the cumulative experiences gained in environmental management.



The Group is dedicated to adopting best practices in designing and constructing sustainable buildings. We strive to achieve a Gold rating or above under LEED certification programme for Mainland China properties. We also extend our commitment to integrate sustainability into our hotel operations. In acknowledgement of our contribution to sustainable tourism, most of our hotels have received silver certifications under EarthCheck, the world’s leading environmental certification and benchmarking programme for the travel and tourism industry.

Our BUs have also received multiple awards in recognition of our environmental efforts, which are summarised in the Major Awards, Charters and Memberships section of this report.

LEED Platinum “Operations and Maintenance: Existing Buildings”

- Chengdu IFS
- Changsha IFS

LEED Gold “Operations and Maintenance: Existing Buildings”

- Shanghai Wheelock Square

LEED Gold “Core and Shell”

- Wuxi IFS

EarthCheck Silver certification

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

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

Climate Risk and Resilience Management

[GRI] 201-2, [HKEX] KPI A4.1

As 2020 marked the fifth anniversary of the landmark Paris Agreement on climate change, which provides a framework guiding the global effort to limit global warming to well below 2°C, preferably to 1.5°C, compared to pre-industrial levels, the urgency for climate actions has surged with stronger commitments observed from global political and business leaders. Recognising our role in addressing the challenges of climate change, the Group invests considerable efforts in our climate governance and management capacity, developing climate mitigation and adaptation strategies and enhancing our climate-related disclosure.

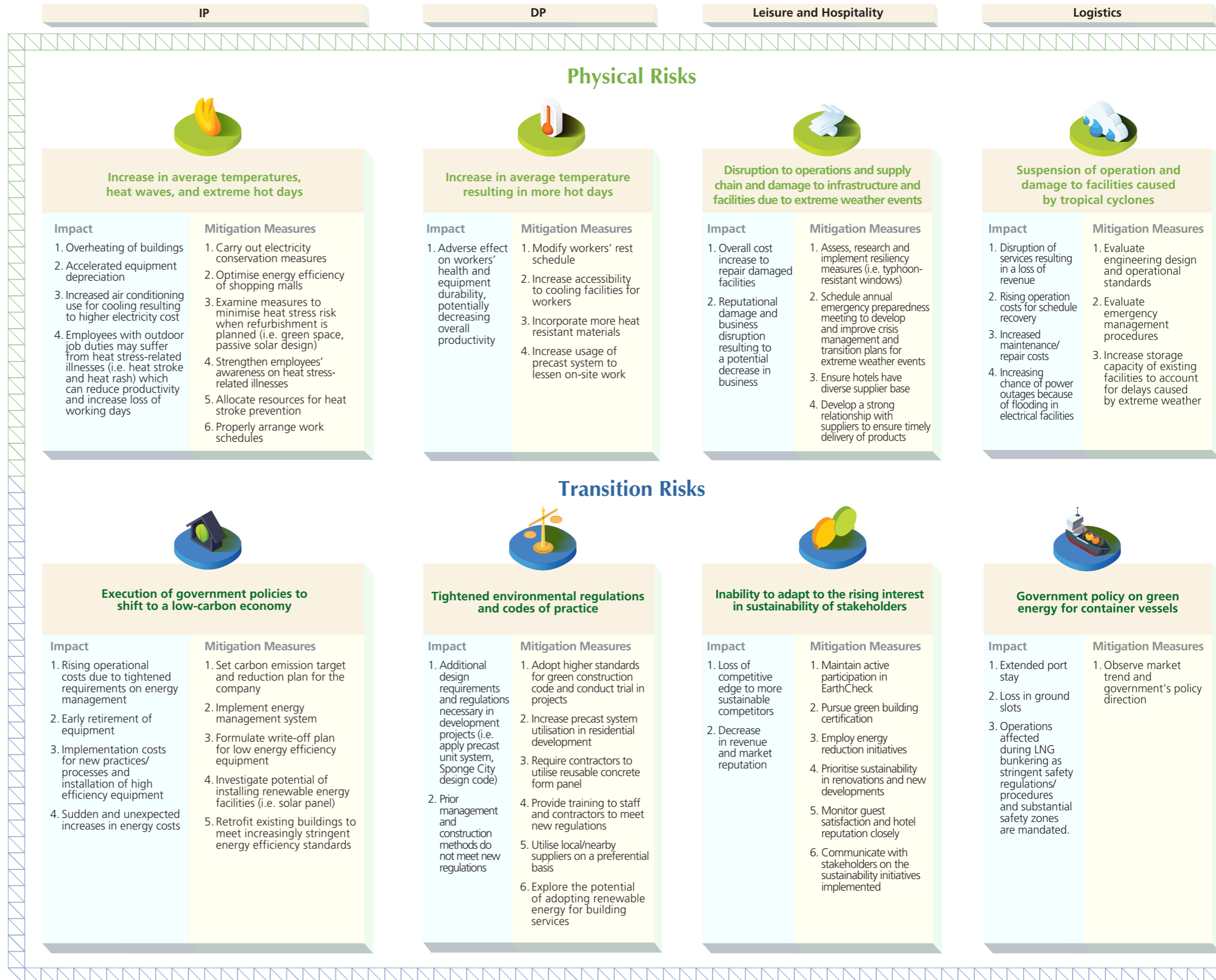
The Group's latest Climate Change Policy Statement outlines our commitment to limit our impact on climate change while also strengthening our climate resilience. As we acknowledge the complexity of climate-related risks, we utilise our existing Enterprise Risk Management system to remain vigilant, assess and respond to climate-related risks across our operations, and integrate climate change into our strategic plans.

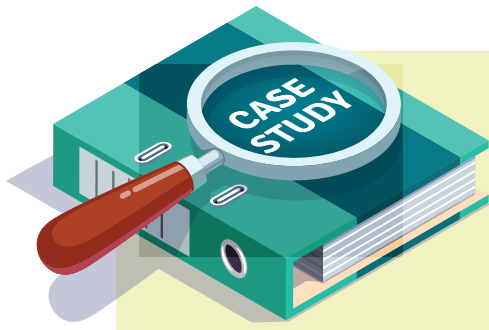
Taking reference to TCFD's recommendations, the Group conducted a preliminary climate risk mapping exercise across our portfolio to grasp a clearer understanding of our climate risk exposure. By using the Intergovernmental Panel on Climate Change's ("IPCC's") Representation Concentration Pathways ("RCPs") and reference reports⁷, we identified relevant physical and transition risks and their corresponding financial and non-financial impacts, and came up with the corresponding risk mitigation measures.

The Group strives to effectively communicate with our stakeholders our approach and strategies in managing material climate-related risks and opportunities. We summarise our climate-related disclosures with reference to TCFD's recommendations under the four core categories of governance, strategy, risk management and metrics and targets in the Alignment with the Recommendations of the Task Force on Climate-related Financial Disclosures section of this report.

In the upcoming years, the Group will continue to enhance our climate-related disclosure and upscale our efforts in climate mitigation and adaptation to assure a resilient future for our business.

⁷ IPCC 2014 Climate Change Synthesis Report, Hong Kong Observatory Climate Projection for Hong Kong and Committee on Climate Change and China Expert Panel on Climate Change (2018) UK-China Co-Operation on Climate Change Risk Assessment: Developing Indicators of Climate Risk





Leveraging Sustainable Finance at Chengdu IFS and Changsha IFS to Achieve Sustainable Development

The Group leverages sustainable finance instruments to bring in capital towards projects that create long-term environmental and social value. In addition to the Green Loan Facility to refinance Chengdu IFS in 2019, the Group has raised a new Green Loan Facility of RMB1 billion for Changsha IFS in 2020. The green loan proceeds raised enabled the two properties to earn the internationally recognised LEED Platinum certification.

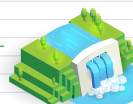
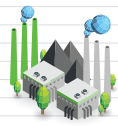


Energy Efficiency and Renewable Energy

In 2020, Changsha IFS accomplished a significant saving of 2,856,325 kWh, which translates to reduced emissions of 1,502 tonnes of CO₂ equivalent. This result was achieved from the combined efforts of replacing 472 lighting fixtures with LED lamps, as well as switching 540 pieces of 18W and 9W LED bulbs with 3W LED bulbs. We have also added an automatic tube cleaning device in the main chillers at Changsha IFS, expect to increase chiller efficiency by 11%.

Environmental Performance in 2020

Chengdu IFS	Changsha IFS
GHG Emissions (tonnes CO ₂ e)	
47,988 (2019: 49,158)	34,690 (2019: 36,944)
GHG (Scope 2) Intensity (tonnes CO ₂ e/occupancy rate)	
525 (2019: 542)	411 (2019: 572)
Energy Consumption (GJ)	
342,761 (2019: 361,250)	248,872 (2019: 273,514)
Electricity Intensity (GJ/occupancy rate)	
3,532 (2019: 3,714)	2,813 (2019: 3,916)
Water Intensity (m ³ /m ² /occupancy rate)	
1.20 (2019: 1.43)	1.12 (2019: 1.66)
Waste Produced (tonnes)	
3,476 (2019: 4,501)	7,130 (2019: 10,365)
Waste Recycled (tonnes)	
564 (2019: 1,376)	1,583 (2019: 3,005)



To support the Group's efforts in decarbonisation, Chengdu IFS and Changsha IFS strive to adopt alternative sources of energy wherever possible. At Changsha IFS, a wind power generation system was installed at the building's rooftop. The electricity generated was used to power its stairwell lighting and explosion proof lighting. On the other hand, Chengdu IFS adopted a Boiler Flue Gas Heat Recovery System which utilises heat of waste flue gas emitted from the boiler to preheat the water entering the boiler. During the reporting year, around 105,000 kWh of heat was recovered. An exhaust air heat recovery system was also deployed at Chengdu IFS to optimise its air conditioning efficiency. This system exchanges heat and reduces thermal gaps between indoor exhaust air and outdoor fresh air, hence lowering the heating and cooling load of the building during winter and summer respectively. It recovered more than 32,000 kWh of energy in 2020.

Promoting a Circular Economy

An onsite oil-water separator was installed at Chengdu IFS to divert wet waste from landfill. We also appoint qualified vendors to handle the surplus food waste beyond our processing capacity. In 2020, a total of 518 tonnes of food waste was recycled.

Enhanced Indoor Environmental Quality

To maintain good indoor air quality for the health and well-being of our premise occupants, we adopt electrostatic filtration in the fresh air system of the office buildings in Chengdu IFS. This allows more effective dust and fine particle removal and improves energy efficiency. Similarly, at catering outlets, ultraviolet sterilisers were installed in addition to the range hood and air purifying system.

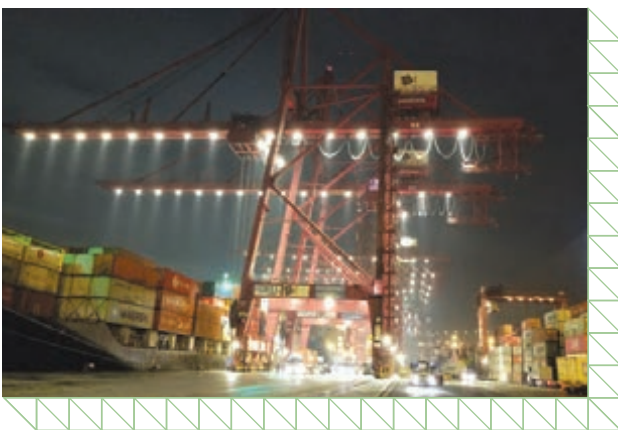
Energy and Greenhouse Gas Management

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

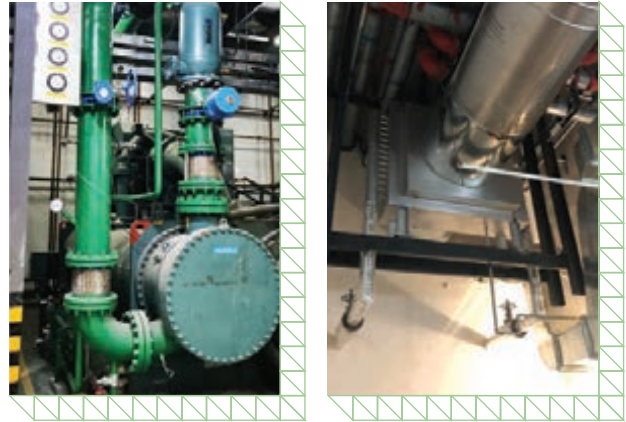
HKEX KPI A1.2, A1.5, A2.1, A2.3

As a real estate company, we are in a critical position to support the global movement in transitioning to a low-carbon economy. The Group's carbon emission mainly arises from indirect energy consumption such that we are dedicated to promoting energy efficiency and energy saving across our portfolio.

Across our BUs, various lighting retrofitting projects have been undertaken to reduce electricity consumption. At Chongqing Times Square, lighting fixtures of public areas on the lower ground floors were replaced with 480 LED lamps, achieving a yearly energy saving of around 80,000 kWh. At Dalian Times Square, metal-halide lights and fluorescent lamps at the shopping mall concourse and parking lots were substituted with 281 LED lamps, saving a total of 20,130 kWh. Moreover, Modern Terminals completed the conversion to energy-efficient LED lighting system on seven units of quay cranes in 2020. This consisted of converting 351 metal-halide lamps to LED lamps, which led to a 71.5% saving in electricity consumption. In addition to upgrading lighting systems to LED, we have also installed an infrared sensor switch for Back of House lighting at Niccolo Changsha, such that the lighting is automatically switched on and off depending on the occupancy of the area, saving 7,560 kWh of electricity annually.



Our BUs also put forth considerable efforts in optimising the energy efficiency of different equipment. At Changsha IFS, we have added an automatic tube cleaning device in the main chillers to increase chiller efficiency. We have also upgraded the swimming pool heat pump pipeline at Niccolo Changsha, enabling a reduction in electricity usage of 71,280 kWh per year.



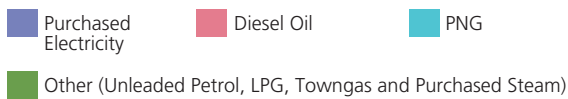
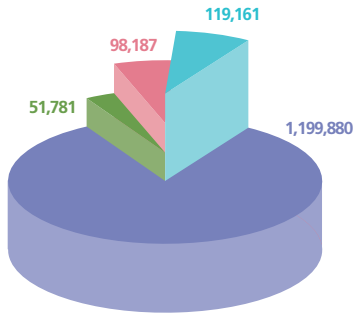
To avoid energy wastage, at Changsha IFS, four circuits were modified that the exit route lighting for the cinema can be separately operated by cloud control switch, avoiding excessive use of lighting while providing sufficient illumination for customers to leave the premise safely. At Chongqing Times Square, we utilise the fresh air handling unit during winter to lower the indoor air temperature which is heated up by decoration spotlights at shops. Cooler outdoor fresh air is introduced indoors, which reduces the cooling load and saves electricity.

Energy saving measures are also implemented at our hotel operations. At Niccolo Changsha, we have modified the elevators for employees to allow for running in parallel, which saved 5,397 kWh of electricity per month. In response to the decreased occupancy inflicted by the pandemic, as an example, Niccolo Chongqing shut down some of its elevators with low usage. As for unoccupied floors, the rooms' and corridors' power supply were switched off, saving 1,600 kWh of electricity per day.

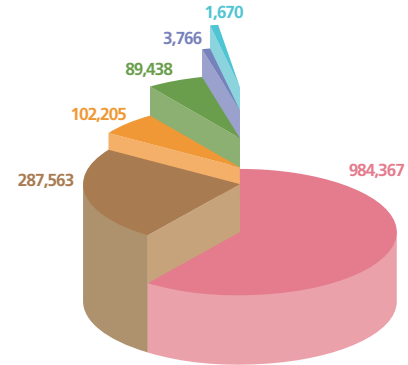
We also advocate energy conservation at the offices. Guided by energy saving operation manuals and monitored by regular inspection, we encourage our employees to be more energy conscious in their daily activities.

As the Group strives to gradually decarbonise our business operations, we have implemented various initiatives at Chengdu IFS and Changsha IFS to promote the use of alternative energy sources. Please refer to the case study on P.24 for more details.

Energy consumption by type in GJ



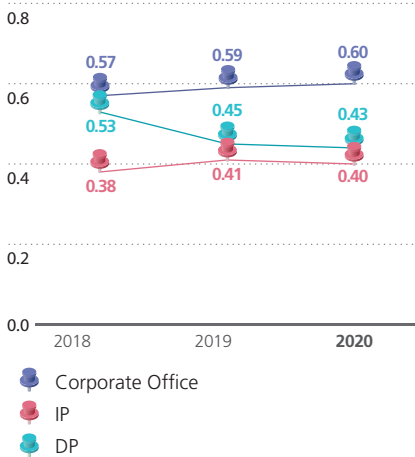
Energy consumption by operation in GJ



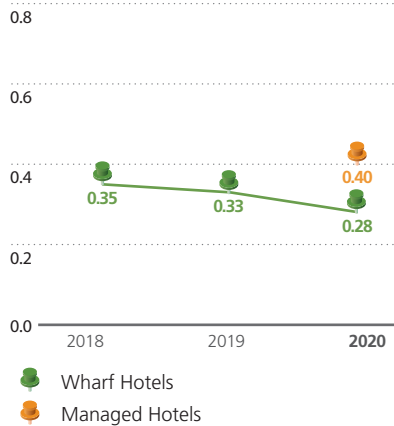
Note:

- (1) Corporate Office refers to Wharf head office in Hong Kong.
- (2) IP refers to Chengdu IFS, Changsha IFS, Wuxi IFS, Shanghai Wheelock Square, Shanghai Times Square, Chongqing Times Square, Dalian Times Square, Times Outlets Changsha and Times Outlets Chengdu.
- (3) DP refers to the management offices located in Chengdu, Hangzhou, Shanghai and Suzhou. Part of energy consumption of DP was included in that of IP.
- (4) Wharf Hotels refer to Niccolo Chengdu, Niccolo Chongqing, Niccolo Changsha and Marco Polo Wuhan. WHML is not included.
- (5) Managed Hotels refer to Marco Polo Jinjiang, Marco Polo Xiamen, Marco Polo Lingnan Tiandi, Foshan and Marco Polo Parkside, Beijing.
- (6) Logistics refers to Modern Terminals.

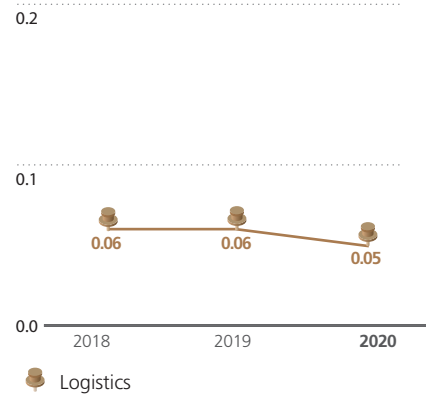
Energy intensity in GJ per GFA m²



Energy intensity in GJ per guest night



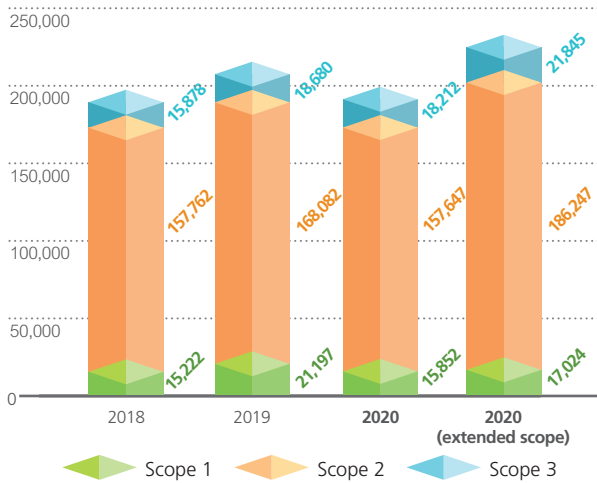
Energy intensity in GJ per TEU



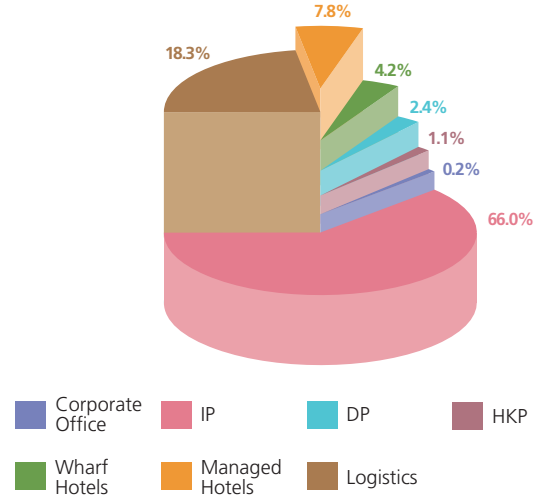
Note:

- (1) Purchased electricity of Niccolo Chengdu was included in the calculation of energy intensity in GJ per GFA m² under IP in 2018–2020, while that of Niccolo Changsha was included in the calculation of energy intensity in GJ per GFA m² under IP in 2019 and 2020.
- (2) Purchased electricity of DP's management offices located in Chengdu and Shanghai were included in the calculation of energy intensity in GJ per GFA m² under IP.

Greenhouse Gas (GHG) emissions in tonnes CO₂e



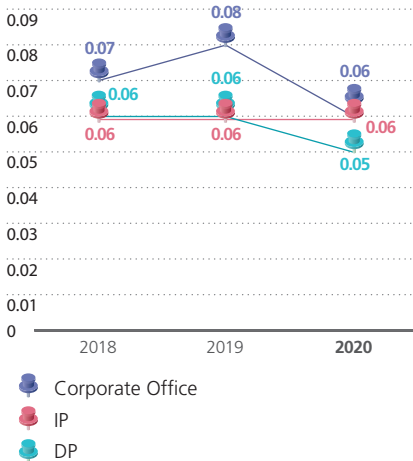
Percentage of total GHG emissions by operation



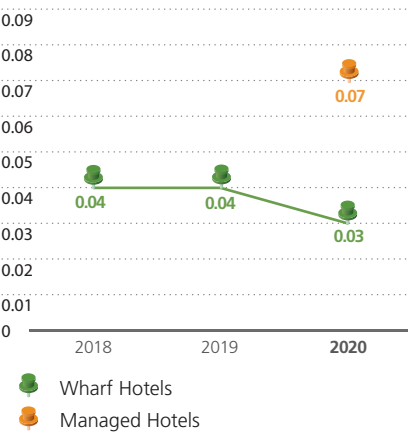
Note:

- (1) Part of the GHG emissions of Wharf Hotels was included in that of IP.
- (2) Part of the GHG emissions of DP was included in that of IP.
- (3) Scope 1 GHG emissions of Modern Terminals in 2018 and 2019 were recalculated with the adjustment in refrigerants.

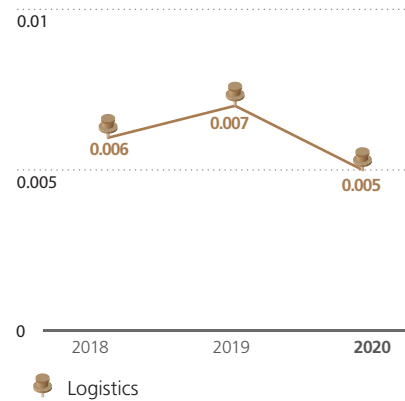
GHG emissions intensity in tonnes CO₂e per GFA m²



GHG emissions intensity in tonnes CO₂e per guest night



GHG emissions intensity in tonnes CO₂e per TEU



Note:

- (1) Part of the GHG emissions of Wharf Hotels was included in that of IP.
- (2) Part of the GHG emissions of DP was included in that of IP.
- (3) Only Scope 1 and Scope 2 GHG emissions were included in intensity calculation for comparison of data on a like-for-like basis.

Water Management and Conservation

GRI 303-1, 303-2, 303-4, 303-5, CRE-2, **HKEX** KPI A2.2, A2.4

The Group acknowledges that water is a scarce yet vital resource for business sustainability and the wider community. We are thus always mindful to practice better water management and conservation.

To lower our water usage, we deploy water saving techniques and regularly review our daily practices. At Times Outlets

Chengdu, we installed a new pump in the water fountain that requires less frequent water replenishment and can reduce water consumption by 10%. We have also refined the water tank cleaning practice at Niccolo Changsha to reduce water wastage. Instead of draining out the water tanks before cleaning, we transfer the water to another tank and save 1,390 m³ of water annually.

To cope with the ever-growing pressures on water resources, we continuously look for ways to scale up our efforts in water recycling. For the past three years, Dalian Times Square has been recovering condensing water. During the reporting year, almost 6,000 m³ of condensing water was recovered during winter and subsequently supplied to small enterprise owners. Similarly, the steam condensation in the laundry room is recovered for boiler use at Niccolo Changsha, targeting to save around 880 m³ of water per year. At the construction sites of our DP, we have deployed sedimentation tanks to remove suspended particles, enabling the reuse of water for wheel washing of construction vehicles. Rainwater harvesting is also in place to supply water for irrigation and dust control.



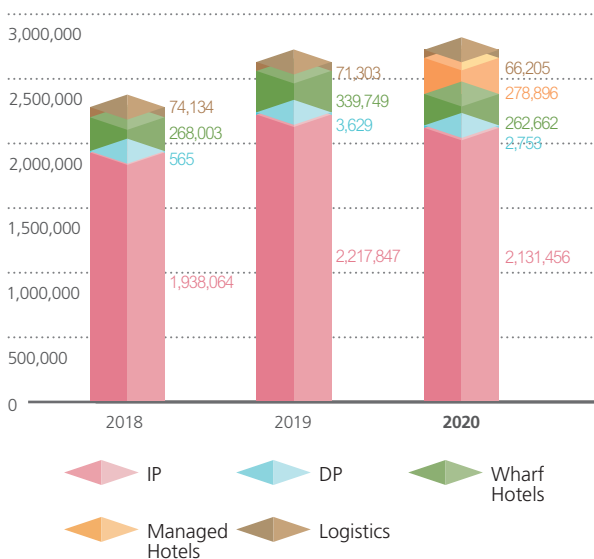
The detection and repair of water leakage is an important part of our water management strategy. At Times Outlets Chengdu, weekly water meter readings are taken and monitored. If any abnormalities are identified, investigation and maintenance are arranged in a timely manner. Similar

measures are also conducted at the office of Times Outlets Changsha. Inspections are conducted twice a day to check on water pipe leakage and dripping faucets. If any of these are identified, the engineering department will be notified immediately to carry out repair work.

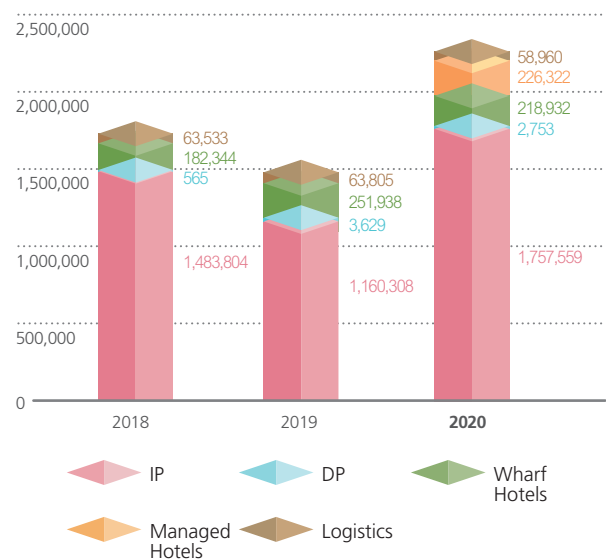
Behaviour change is key to water conservation in the long run. We proactively engage our employees and customers to practice responsible water consumption. New employees at our hotel operations are provided with EarthCheck training, which equips them with knowledge on water conservation in their daily jobs. Meanwhile, at the DP's office, sign is placed next to the water tap in the office pantry to remind employees to turn off the tap when not in use. Our hotel guests are also encouraged to participate in a green programme for guestroom linen, in which the linen and towels will be changed only by request to reduce the wastage of water caused by excessive washing.



Water consumption by operation in m³



Water discharge by operation to a third party in m³



Note:

- (1) Water consumption of DP's management offices located in Chengdu and Shanghai was included under IP.
- (2) Water discharge of DP was calculated on an assumption of 100% water consumed was discharged.

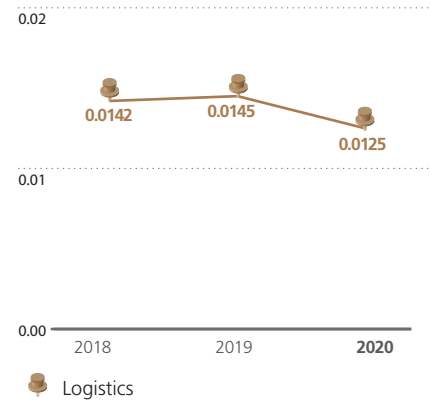
Water intensity in m³ per GFA m²



Water intensity in m³ per guest night



Water intensity in m³ per TEU



Note: Part of water consumption of DP was included in the calculation of water intensity under IP.

Waste Management and Resource Conservation

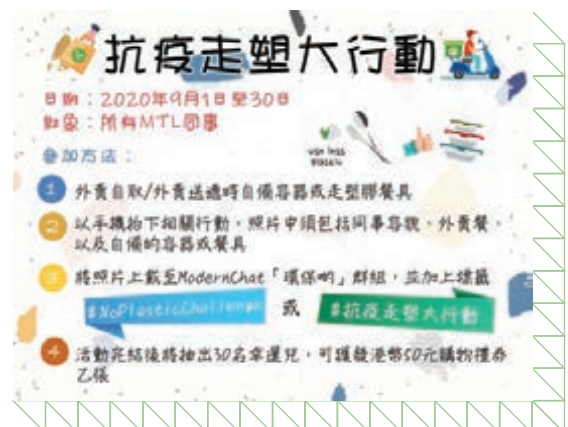
GRI 306-2, **HKEX** KPI A1.3, A1.4, A1.6

With rapid population growth and urbanisation, waste management is undoubtedly one of the top environmental challenges faced globally. The Group has been exploring ways to improve our waste management practices and optimise the utilisation of finite resources. Guided by our Green Procurement Policy, we strive to avoid products with single-use packaging and take into account the amount and disposal method of the waste generated at post-consumption stage when selecting suppliers.

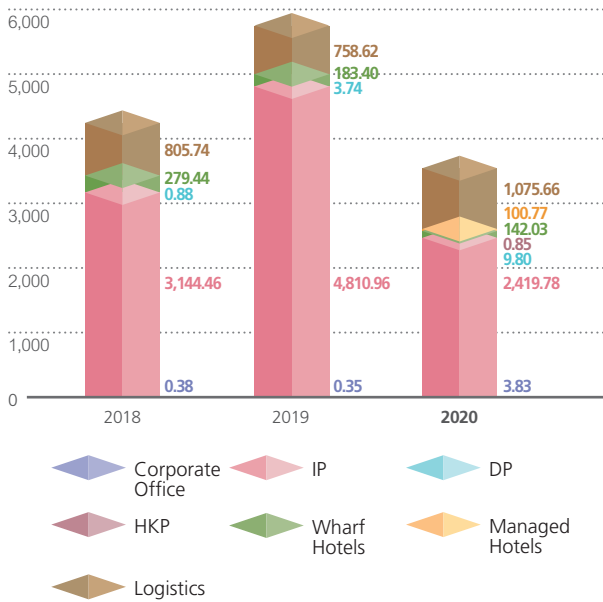
As part of our commitment to efficient use of resources, our BUs have gradually adopted different measures to reduce paper consumption in our operations. To achieve a paperless office, we have leveraged online platforms to communicate with different stakeholders and digitalise our business workflow. For instance, through the asset management system, we can digitally collect valuable tenants' feedback and receive employees' reports, and maintain document patrol, facility maintenance and repair records. We also encourage our employees to save paper by communicating through email, adopting double-sided printing whenever possible and recycling single-sided printed paper. Moreover, our DP have formulated an office environmental protection operation manual to guide employees on reducing paper consumption and recycling practices. We also post "paper saving" signage near printers and place recycling boxes to collect single-sided paper for reuse. The collective efforts at our DP resulted in a paper consumption reduction of 13% in 2020 when compared to 2019.

Food waste is another focus area of our waste management approach, in particular for our hotel operations and shopping malls. In addition to reducing food waste at source through measures such as refilling buffet food more often with smaller amounts, we also develop solutions to process food waste. More details on this can be found in Chengdu IFS's case study on P. 24 of this report.

In response to the increasingly stringent policies on banning single-use plastics, our BUs have been proactively carrying out different measures to shift away from plastics. At our DP, we have made various adjustments to reduce the use of plastics. This includes replacing bottled water with reusable cups and encouraging employees to bring their own containers and cutlery when ordering delivery. Modern Terminals also introduced a No Plastic Challenge to motivate employees to replace takeaway packaging with reusable tableware.



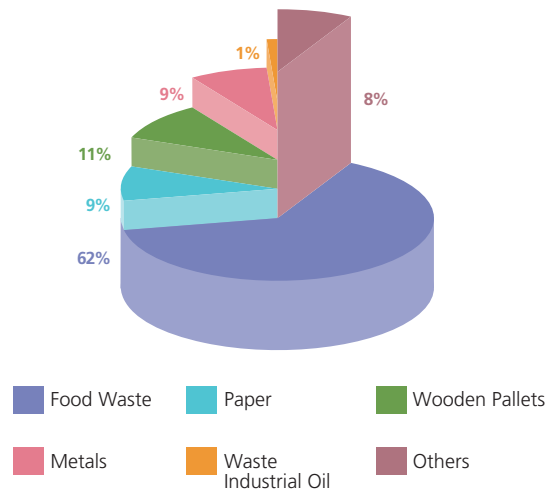
Recycled waste by operation in tonnes



Note:

(1) Others consist of the following waste types: cell batteries, industrial batteries, fluorescent lamps, plastics, glass, soaps, clothes, electrical appliances and components, used ink cartridge, scrap tyres, waste cooking oil, waste filter and waste rag.

Recycled waste by type in percentage



To alleviate the burden of waste treatment facilities, our BUs strengthened their efforts in waste sorting and waste recycling. Employees at Modern Terminals are engaged through the Tetra Pak Cartons Redemption Scheme organised in the reporting year. 5,562 cartons collected were then delivered to a local beverage carton recycler, Mil Mill, and converted into paper pulp for further use. At our construction sites, we appoint qualified contractors to ensure that construction materials such as scrap wood are properly recycled. We also reuse construction materials wherever possible. For example, we repurpose rubble and concrete material for temporary road repair.

Moreover, we take part in various festive recycling initiatives to reduce the amount of waste generated during the celebrations. In 2020, Modern Terminals organised The Lai See Packet Recycling and Reuse Campaign and delivered over 7,500 lai see packets to Greeners Action as rejuvenated lai see packets, which will be freely distributed to the general public in the upcoming year.

Air Quality Management

GRI 305-7, **HKEX** KPI A1.1, A1.5

The Group is conscious about the health impacts caused by exposure to poor air quality and therefore continues our efforts in contributing to better air quality for the health and wellbeing of our employees, customers and the wider community.

We have adopted a wide array of air emission reduction initiatives throughout our BUs. At Modern Terminals, all the traditional rubber-tyred gantry cranes ("RTGs") have been replaced with electricity-powered RTGs. We also extend our efforts to support our contractors in reducing air emissions by adopting pure electric-driven tractors which consume no diesel and can alleviate air pollution.



We also work closely with our tenants at our IP to manage air emissions. All restaurants in Chongqing Times Square have installed hood fans and purifiers to ensure that air emissions comply with national and industry-level emission regulations and standards. To keep up with the latest environmental requirements, we have upgraded the original oil boiler with an air source heat pump at Shanghai Times Square which simultaneously reduces diesel consumption and air pollutant emissions.



Meanwhile, our DP adopts effective dust suppression measures to reduce dust emission to an acceptable level at construction sites. On-site fugitive construction materials and waste are properly covered. To prevent dusty materials from leaving the construction sites, vehicle wheels and body washing facilities are used at the exit points of construction sites. Enclosed vehicles are used to transfer construction materials and waste.

Effluent Management and Spillage Prevention (GRI) 306-3, 306-5

We seek to minimise the impact of our operations on water quality and biodiversity. Through deploying underground fuel interceptor facilities, all effluent is properly treated prior to discharge. Effluent quality inspections and assessments on facilities are regularly conducted to ensure meeting all applicable standards. On the other hand, we build adequate internal preparedness to contain the environmental damage in case of any spills. At Modern Terminals, we have established procedures for handling chemical spillages which are made available to our employees in the emergency response guide. We also conduct emergency drills to ensure employees are aware of their responsibilities and actions to be taken.

Enhancing Environmental Awareness

(HKEX) KPI A3.1

An environmentally conscious mindset is vital in driving environmental performance improvement in the long run. We provide our employees with environmental training, guidelines and operational manuals to support them carrying out their daily activities in a sustainable manner. As an example, IP disseminates information on environmental protection to provide employees with tips on waste sorting, energy conservation and more. Meanwhile, we engaged employees in a fun and educational manner through organising a series of online question and answer activities on environmental protection. In 2020, over 930 employees participated in the online activities. Our environmental training efforts are also extended to our contractors to ensure that sustainability is instilled holistically throughout our value chain. For instance, Niccolo Chongqing organised training for its new contractors which covered common environmental issues and ways to save energy, reduce emissions and prevent environmental pollution.

To stimulate our employees' interest in a low-carbon and sustainable lifestyle, our BUs frequently arrange workshops and competitions for employees to take part in. At our IP, over 100 employees participated in hydroponic gardening workshops, which provided them with an opportunity to create their own hydroponic plants and learn more about its environmental benefits. Upcycling workshops were also organised at Shanghai Times Square and Shanghai Wheelock Square in which participants learned how to upcycle coffee grounds and oatmeal to make natural scrubs. Meanwhile, Modern Terminals organised a "Cook for Green LOVERS" contests to motivate employees to incorporate low carbon cooking principles into their daily lives.

The Group also invests our efforts towards enhancing the environmental awareness of the general public. To promote World Environment Day on 5th June 2020, Shanghai Wheelock Square launched the video "Return of The Garbage". Delivering the message that today's waste production by excessive consumption will become the Earth's future burden, the video was broadcasted in the televisions in public area of Shanghai Wheelock Square for a month and uploaded to various online platforms, receiving over 50,000 views and 1,500 positive comments online.

Scan QR code to view the video.



Building Excellence with OUR STAKEHOLDERS



UNSDGs to be addressed in this chapter:



Material topics to be addressed in this chapter:

RECRUITMENT AND RETENTION • TRAINING AND EDUCATION • DIVERSITY AND EQUAL OPPORTUNITY
NON-DISCRIMINATION • CUSTOMER PRIVACY

Commitment and Strategy

Our stakeholders play a critical role in helping us to achieve our sustainability ambitions. As such, we make every effort to deliver an exceptional experience for our customers and to develop a supportive working environment for our employees and suppliers.

Our employment policies are formulated in compliance with relevant laws and regulations⁸ to protect the rights of our employees. Various management systems and measures are in place to oversee and assess our products and services, as well as supply chain activities to ensure all activities abide by relevant laws and regulations⁹ and meet the Group's standards and expectations.

To further improve our operation, we offer diverse engagement channels to collect stakeholders' feedback and regularly evaluate the effectiveness of our management approach. During the reporting period, there were no incidents of breaches of applicable regulations and voluntary codes that resulted in a fine or penalty.

Nurturing Our Employees

Talent Recruitment and Retention

GRI 102-8, 401-2, 401-3, **HKEX** B1.1

Employees are the backbone of our business operations. The Group strives to provide a fair and motivating working environment. In the recruitment and selection process, candidates are assessed based on their work experience, ability and qualifications. Besides, we respect human rights and follow the Group-level Corporate Social Responsibility Guidelines when handling employment matters such as grievance, non-discrimination, principles and rights at work, working conditions, OSH, and staff development.

We offer highly competitive remuneration and welfare packages to attract and retain talents. According to BU's policy, our employees can enjoy various benefits such as voluntary employer's contribution to MPF, extra paid leave¹⁰, complimentary pre-employment and regular health checks, counselling services, outpatient and hospitalisation coverage, special dental service rates, and subsidised meals. In Mainland China, remuneration packages are offered with reference to society's average wage level, national salary guide and market rates. In particular, full time employees in Mainland China are entitled to the Five Social Insurance and One Housing Fund.

For career opportunities,
please visit the career
section of our
corporate website:

<https://www.wharfholdings.com/en/careers>

Workplace Inclusiveness and Diversity

GRI 406-1

To uphold diversity in the workplace, the Group strictly complies with all anti-discrimination legislations in Hong Kong¹¹ and communicates the zero-tolerance approach on workplace discrimination in the staff handbook. We provide employment opportunities based on experience, ability and relevant qualifications, regardless of their gender, age, family background, ethnicity, religion, national origin, sexuality or disability.

⁸ Please refer to Significant Laws and Regulations section for the list of laws and regulations significant to the Group's business operations.

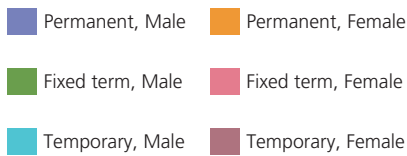
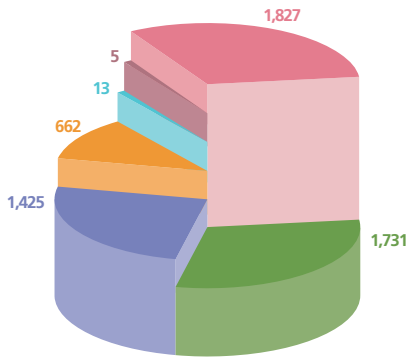
⁹ Please refer to Significant Laws and Regulations section for the list of laws and regulations significant to the Group's business operations.

¹⁰ Extra paid leaves include annual leave, sick leave, maternity and paternity leave, and marriage leave.

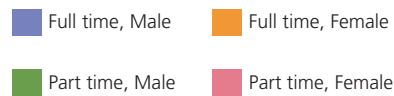
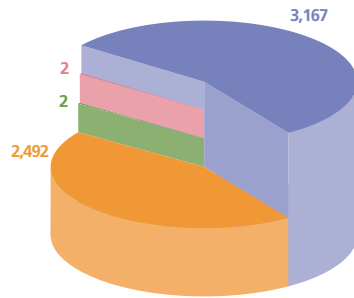
¹¹ Please refer to Significant Laws and Regulations section for more details.

Employee Composition

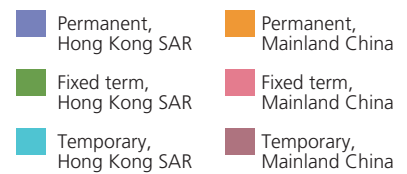
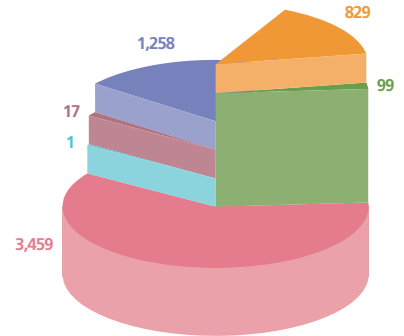
Total workforce by contract type by gender



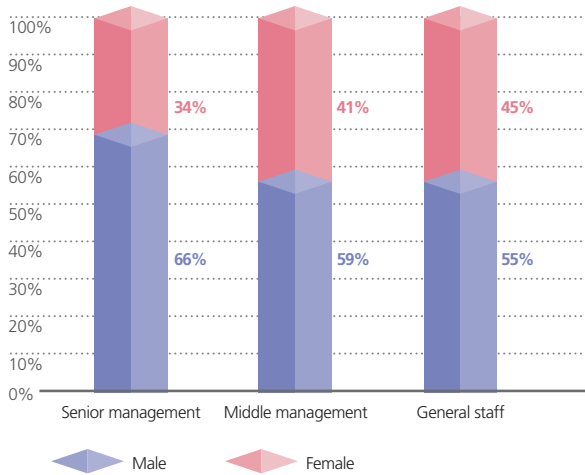
Total workforce by employment type by gender



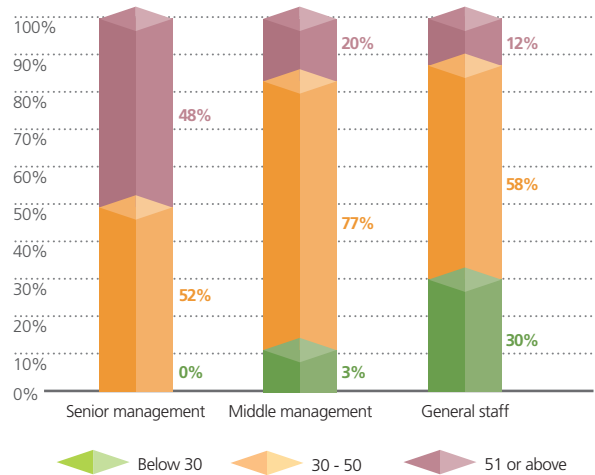
Total workforce by contract type by region



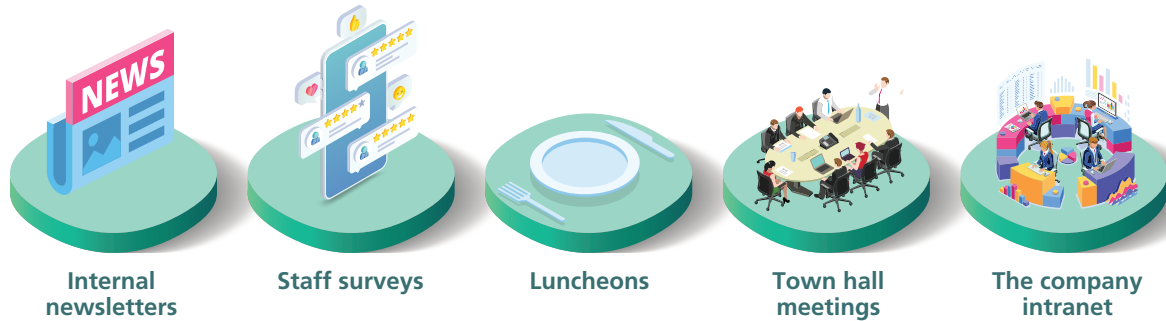
Gender distribution of employees in percentage



Age distribution of employees in percentage



Engagement channels



The Group endeavours to enhance employee engagement via effective communication and supportive corporate culture. We interact with employees frequently and organise activities to foster the culture of respect. For instance, celebrating its second anniversary, Niccolo Changsha organised the Staff Appreciation Week. Activities such as distributing thanksgiving gifts, VR game experience, employee badminton competition and employee food festival were held for bonding and recognising employees' contribution. We also listen to employees' concerns. We have formulated a staff grievance policy to handle the matters raised by the employees in a timely manner. Upon receiving grievances, the Group will review, implement corrective actions and revise our human resources management strategy as appropriate.



The Group continues to organise thematic activities to promote work-life balance. In 2020, our employees from IP were invited to participate in a series of activities under the theme of "Healthy Joyful Living" with four focus areas covering healthy diet, family activities, mental and physical health. On the other hand, DP organised various employee engagement activities such as employee sports day, periodic birthday parties, festive celebrations and workshops on beauty, tea brewing and photography. Modern Terminals also engaged with employees through a variety of activities, including sports activities, friendly matches and wellness talks. In 2020, "MTL Add Oil" Campaign was launched to motivate employees and steer positive energy under the COVID-19 pandemic.





“Healthy Joyful Living” Series



“Joyful Mind”

DIY workshops on oil painting, decoupage art, Zentangle and miniature houses were organised to foster employees’ creativity and happiness under a relaxing atmosphere.



“Joyful Bonding”

Workshops on baking, potted plants, DIY craft and star projectors were held for employees and their families to enjoy a fun and wonderful time together.



“Healthy Diet”

Webinars were organised to provide tips on a healthy diet and tutorials on baking healthy and gluten-free food.



“Healthy Body”

Tutorials were organised to help staff members relieving pressure and reducing pain by practising different yoga and pilates postures.



Employee Training and Development

[GRI] 404-1, 404-2, [HKEX] KPI B3.2

The Group provides diversified training programmes to equip employees with necessary skills and knowledge to deal with the changing business environment. For new joiners, orientation programmes are organised to give an overview of our business structure, corporate culture, mission and value. Each BU also conducts assessment on each employee’s training need annually. In addition, we formulate yearly training plan covering various training and development initiatives for different levels of staff. To encourage continuous education and competence building, we offer Training Sponsorship Scheme and paid study leave for full-time employees to participate in external, job-oriented training courses, seminars, conferences and professional qualification programmes.



Throughout the year, our BUs provided a diverse range of training to enhance employees' technical and functional skills to cope with our business needs.

Operation	Training Focus
Corporate Office	<ul style="list-style-type: none"> • Human resources analytics • Personal data protection • Strategy development • Anti-corruption • Corporate regulatory and compliance
IP	<ul style="list-style-type: none"> • Team management skills • Information technology application • Industry knowledge • Customer service skills • Time management
DP	<ul style="list-style-type: none"> • Project management • Land surveying and mapping • Architectural and community design • Organisational design management • Office automation • Leadership and decision programme • Understanding on industry-related taxation, laws and regulations
Leisure and Hospitality	<ul style="list-style-type: none"> • Human resources in the hospitality and tourism industry • Product introduction and sales • Customer service • Crisis management • Language proficiency • Corporate regulatory requirements and compliance
Logistics	<ul style="list-style-type: none"> • Leadership and personal effectiveness • OSH • Operator Competency Course • Anti-corruption, environmental protection, prevention of discrimination and harassment, and English learning

To ensure contractors' operation and services align with the Group's standard, we also provided them with training focusing on quality services, health and safety and emergency handling.



Partnering with Our Suppliers

(GRI) 102-9, 102-10, 204-1, 408-1, 409-1, (HKEX) KPI B5.1, B5.2

The Group has a broad supplier base to support its daily operation, such as food and beverages, service and facilities, engineering supply and maintenance, operational services, utilities, and general supplies. A rigorous vendor management system is in place to review and monitor our vendors' performance on environmental protection, labour rights and health and safety. To monitor suppliers' performance, on-site inspections are conducted regularly. In 2020, there were no significant changes in our supply chain.

The Group emphasises ethical business practices and prioritises suppliers who perform in line with our ESG standards. During the reporting year, we formally introduced the Green Procurement Policy to provide better guidance in supplier selection. Upon engagement, some of our BUs require suppliers to sign a supplier declaration regarding compliance with our Supplier Code of Conduct as well as relevant laws and regulations. Besides, we have incorporated a green purchasing clause in our tender document to build a green supply chain. Suppliers may be required to present environmental certificates upon request.

The Group's Green Procurement Policy also advocates for all BUs and operations on procuring environmentally friendly products. To support local economy and to reduce carbon emission in transportation, local suppliers are given priority in the selection process. In 2020, we sourced nearly all our products and services locally.



Practice of New Supplier Selection and Continuous Evaluation by DP

In order to ensure a stable and quality supply chain, we conduct preliminary qualification review and on-site visits of the new suppliers in DP operation. Once meeting the selection criteria, new suppliers will be incorporated in our approved list, which can then participate in tendering and signing of contracts.

We put emphasis on quality; the on-site visits are conducted jointly by at least 3 of the 4 departments, including Quantity Survey Department, Design Department, Project Management Department and Local Project Cost Audit Department to ensure our assessment to be fair and comprehensive. Regular performance evaluation is conducted biannually to evaluate all successful bidders as well as the performance and construction quality control of all contractors or subcontractors of projects under development or completed within the half-year. 41 new suppliers have been assessed and included in the list of approved suppliers in 2020.



The table below shows the number of suppliers in different regions, which represents about 70% of the most significant spending of our supply chain.

Sector	Region	Number of Key Suppliers
DP	Mainland China	88
IP	Mainland China	188
Leisure and Hospitality	Mainland China	145
Logistics	Hong Kong	9
	Mainland China	1

Delivering Quality for Our Customers HKEX B6.2, B6.4

Customer Satisfaction

To maintain high standard of quality products and services for customer satisfaction, our BUs provide employees with guidance and regular training on delivering excellent customer services. For instance, our hotels organised training on service etiquette and hotel products to ensure frontline staff are equipped with the necessary skills and knowledge on hotel operation.

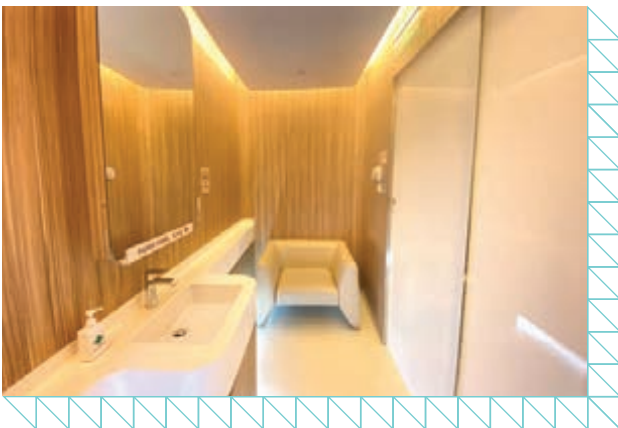
We are also devoted to listening to feedbacks and concerns raised by our customers. To improve customer experience, we engage our customers and welcome them to provide feedback on our services through the following engagement channels:

Engagement Channel	IP	DP	Leisure and Hospitality	Logistics
 Internet and e-mails				
 Customer service hotlines				
 Social media platform				
 Focus group discussion				
 Interviews				
 Online survey				
 Mystery shopper				



We conduct customer satisfaction survey regularly to receive their feedback and identify improvement area on our service quality. We also refer to global benchmarks on customer satisfaction for our hotel operations to identify industry best practices.

	Overall satisfaction rate (%)	No. of responses collected/ Name of Index
Chengdu IFS	Shopping Mall — 99.0% Office — 98.0%	382 retail tenants and 276 office tenants surveyed
Changsha IFS	100%	411 tenants surveyed
Wuxi IFS	99.2%	66 tenants surveyed
Shanghai Wheelock Square	96.8%	87 tenants surveyed
Shanghai Times Square	Shopping Mall — 94.3% Office — 89.0%	34 retail tenants and 57 office tenants surveyed
Chongqing Times Square	99.1%	30 tenants surveyed
Dalian Times Square	Customer — 98.0% Tenant — 92.4%	35 retail tenants and 718 customers surveyed
Niccolo Chengdu	97.7%	Guest Satisfaction Online Survey Global Index
Niccolo Chongqing	97.4%	
Niccolo Changsha	96.8%	
Marco Polo Wuhan	94.4%	
Marco Polo Jinjiang	90.7%	
Marco Polo Xiamen	90.8%	
Marco Polo Lingnan Tiandi, Foshan	90.6%	
Marco Polo Parkside, Beijing	91.8%	



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

The Group carries out various data protection measures to ensure customers' personal data are handled safely. The Group's Data Privacy Policy Statement and BUs' personal information collection statement are in place to communicate our purpose of data collection and to gather customers' consent prior to the use of their data.

Our BUs have formulated internal guidelines on the proper handling of customer data from collection to storage and disposal. The use of Information Communications Technology ("ICT") equipment is strictly managed to protect information from loss, damage or theft. Access to sensitive customer information is limited to authorised personnel and physical access to data centres and server rooms are logged in accordance with procedural requirements and industry's best practices. Besides, only authorised professionals can carry out the maintenance works as stated in agreements. Prior to disposal, ICT equipment are securely overwritten, or if not possible, physically destroyed. We also appoint an external auditor to conduct penetration annually to review the effectiveness of our physical security controls.

During COVID-19, corporate office uses SSL VPN to secure the access to company resource for staff working from home. The SSL VPN gateway performs security health checks on the endpoint (home computer) before granting connecting to company resources, for example, ensuring antivirus software installed and running on the endpoint. The VPN for working from home and user setup also requires pre-configuration and internal approval.



We have leveraged the latest technology to optimise the processing of personal data. For instance, the iMall system of Changsha IFS can identify the type and sensitivity of customer information collected, and accordingly formulates management requirements and procedures. To enhance employees' data privacy awareness, we provide training regularly on proper handling of customer information. Furthermore, the Information and Technology Department sends email regularly to remind employees on how to handle information securely.

The Group's data breach team consists of senior management, head of communications and IT manager, and is responsible for handling any internal reports on actual or potential data protection incidents. The team will formulate appropriate action plans and decisions and inform the individual affected. In accordance with the requirements of the EU General Data Protection Regulation ("GDPR"), we notify the relevant supervisory authority within 72 hours of data breach if the affected individual is situated within the EU.

During the reporting year, there were no complaints regarding breaches of customer privacy or losses of customer data.



Safeguarding Wellbeing AND SAFETY



UNSDGs to be addressed in this chapter:



Material topics to be addressed in this chapter:

OCCUPATIONAL SAFETY AND HEALTH • CUSTOMER HEALTH AND SAFETY

Commitment and Strategy

Regardless of business nature, it makes good sense to pay attention to safety, as it is one of the most critical elements in operating businesses. Ensuring the safety of our employees and customers is therefore a fundamental mission that cannot be sacrificed for. The Group is in full compliance with all safety related applicable laws and regulations¹². We endeavour to advance our safety risk management approaches, raise the awareness in the workplace and foster employees and customer wellbeing.

Our BUs' OSH performance is monitored by their respective safety committees, together with the guidance of group-wide Safety and Health Policy and BU-specific OSH management manuals. By deeply embedding a safety culture in our operations, we strive to achieve health and safety excellence and deliver quality products and services to our customers. During the reporting year, no incidents of non-compliance with laws and regulations concerning health and safety were reported.



Support for Fighting COVID-19

GRI 203-1, **HKEX** KPI B8.2, **UNSDG** 3

In 2020, the COVID-19 outbreak led to social business disruptions on a massive scale. The crisis has imposed unprecedented challenges to our operations. To ensure our business can continue to operate in uncertain times, we have implemented comprehensive COVID-19 safety and hygiene measures since the beginning of the pandemic, aiming to provide a clean and hygienic workplace for our employees and enhance the safety of our products and services for our customers.



¹² Please refer to Significant Laws and Regulations section for the list of laws and regulations significant to the Group's business operations.

Protecting Our Employees During the COVID-19 Crisis

The Group has taken prompt and precautionary measures to mitigate the detrimental impacts of COVID-19 on our employees. To minimise the risk of contracting and spreading the virus in our workplace, we conducted regular deep clean and disinfection in our offices and daily temperature checks of employees. Special work arrangements like split-office, flexible working hours and work-from-home

initiatives were provided subject to business nature. In addition, we distributed complimentary protective items such as surgical face masks, alcohol-based hand sanitisers and anti-bacterial wet wipes to our employees. Some BUs also provided nutritional supplements like vitamin C and vitamin D tablets to boost employees' immune system and maintain a healthy workforce.



Temperature measurement at construction sites



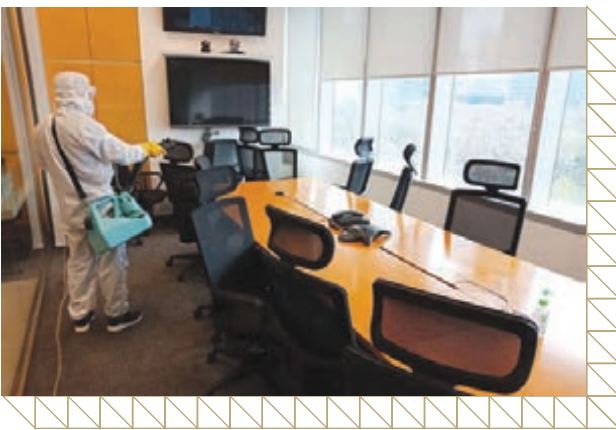
Training on COVID-19 precautionary measures



Social distancing at staff canteen



Distribution of complimentary epidemic prevention packs



Disinfection of offices



Sanitising kits

Protecting Our Customers During the COVID-19 Crisis

The Group has deployed a host of preventive measures in different operations to uphold its commitment to customer safety. To avoid the spread of COVID-19 in our properties, we increased the cleaning frequency in our facilities, including exterior staircases, air conditioner filters and restrooms. Prior to entrance, our IP conducted temperature checks for every visitor and requested visitors to wear face masks and present a valid health code. We launched mobile

shopping service with our staff helping our VIPs to do the shopping. Our VIPs can stay home and at the same time, experience the joyful shopping through live video. At our hotel operations, we also have various measures to protect our guests, including sanitising filtration system and drainage regularly. Food packaging is also sprayed with sanitisers before entering storage.



Designated mask disposal bins



Frequent cleaning



Temperature check



Mobile shopping service



Sanitising filtration system



Increased sanitisation in guest rooms



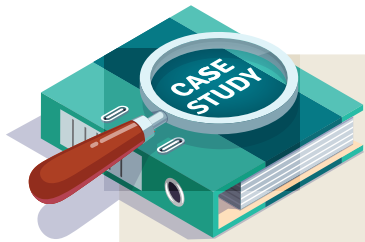
Sanitising food packaging

Supporting Our Community to Combat COVID-19

Being a socially responsible corporate, we make every effort to help mitigate the impact of COVID-19 on our community. In February 2020, the Group injected RMB10 million into “Wharf Emergency Relief Fund” shortly after the outbreak, aiming to support medical workers in Mainland China. In June 2020, the Wharf group additionally injected HK\$10 million to the Fund for providing financial assistance to



Hong Kong families experiencing financial difficulties as a result of COVID-19 pandemic. Besides, volunteers from Changsha IFS distributed their handmade UV-disinfected face masks and other medical supplies to elderly homes and special schools. WHML also donated some hand sanitisers and face masks to its community partner The Hub, for distribution to the families in need.



Social Contribution of Marco Polo Wuhan During COVID-19

Marco Polo Wuhan continued to offer its hospitality during unprecedented times. Located in one of the most seriously affected areas in Mainland China, the hotel provided accommodation for over 200 emergency healthcare workers from the China-Japan Friendship Hospital and Beijing Hospital in early February 2020, thereby supporting their work in addressing the city's outbreak with their expertise and expressing its sincere gratitude to frontline medical workers.

To support this initiative, a team of 50 employees were responsible for handling meal arrangements for the guests and keeping high standards of sanitation and hygiene of the hotel. In appreciation of hotel employees' quality services, all medical workers jointly signed on some clean protective clothes and presented them together with paintings and calligraphy works as gifts to Marco Polo Wuhan. The hotel was also accredited with a title of Excellent Accommodation Hotel (優秀接待酒店) in recognition of its remarkable efforts in supporting the medical workers and expert during the first wave of COVID-19 outbreak.

Going further, Marco Polo Wuhan also distributed over 100 boxes of food products and other daily necessities to Wuhan City Jiang'an District Social Welfare Institution and Wuhan Children Welfare Institution, aiming to support the vulnerable groups such as children and elderly in the society.



Safe Workplace GR 403-1, 403-2, 403-5, 403-7, 403-9, 403-10, HKEX KPI B2.1, B2.2, B2.3, UNSDG 3

We recognise the significance of an effective OSH management approach in ensuring workplace safety and health. The Group formulated a group-wide Safety and Health Policy and adopted a robust safety management system to support our OSH prevention and control measures, employee awareness training and incident investigations. Each BU has established a safety committee responsible for implementing preventive measures to identify and manage OSH hazards and review OSH accidents.

Our safety and health policy and management system are regularly reviewed to keep update with the legal requirements and industry standards. In 2020, Chengdu IFS and Changsha IFS maintained their ISO 45001:2018 certified OSH systems. Modern Terminals annually commissions an independent party, HKQAA, to conduct an audit on its health and safety management system to ensure its compliance with relevant laws and regulations.

The Group has adopted a wide range of practical measures to minimise any adverse health and safety impact arising from operations. To enable employees' effective response to emergencies in the workplace, our DP formulated a construction risk management handbook with a comprehensive analysis of potential workplace hazards and corresponding preventive measures. To guide effective control measures on construction sites, we also referred to national standards and regulations

to formulate the environmental and OSH management manuals. Based on our defined accident categories, namely construction accidents, site hygiene and dangerous goods and fire, we have set up effective emergency response plans and delegated working groups to monitor and manage corresponding OSH risks on construction sites. To protect our employees and contractors against safety or health risks, we also provide personal protective equipment onsite. Our IP also set out proper safety work procedures and safety tips in the employee handbook.

Besides, we continuously examine and execute the safety emergency plan and conduct regular safety audits to identify OSH risks across our operating sites. For any findings, the BUs are responsible for taking timely and remedial measures to address the issues and prevent workplace injuries. To further affirm our commitment to workplace safety, we are reviewing our past performance data for setting OSH targets in the future.

While safety is our top priority, we are saddened to report that one subcontractor had a fatality during the construction site work which occurred at Modern Terminals on 23 November 2020. The case is still under investigation and we will adopt corresponding improvement measures based on the cause identified from the incident.



Cultivating a Safety Culture at Work

The Group strives to convey the importance of OSH through regular employee safety training. Modern Terminals offers mandatory safety induction training for all new employees responsible for handling containers at quayside, yard and on-board vessels to introduce applicable OSH standards and regulatory requirements. It also delivered multiple mandatory basic safety training revalidation course (Container Handling Green Card and Blue Card) to its employees in 2020.



The Group conducted regular fire drills for employees to practise fire evacuation routes and other emergencies in 2020. Safety training on accident preventions, safe use of fire protection equipment and first aid were also conducted to strengthen employees' OSH awareness and knowledge. For instance, Dalian Times Square conducted fire drills and counter-terrorism exercise to strengthen the cooperation between employees in times of emergency and crisis. Chengdu IFS and Dalian Times Square used to hold the Safety Day to deliver OSH training, emergency drills and debriefing to employees. The event also included competitions on first aid, fire safety, work-at-height safety and hazardous chemical handling procedures. It was suspended during COVID-19 outbreak.



Under the safety guidelines formulated by DP, employees strictly abide by the guidelines to carry out regular inspections on work equipment, fire safety equipment and workplace hygiene. At Chengdu IFS, Work Injury Case Alert that lists out the details of previous injury cases and corresponding preventive measures and safety tips is put out to avoid recurrence of the OSH accidents. To revitalise our Group's OSH management, we always welcome employees' feedback and suggestions to improve our OSH strategies.

Injury Rate by Gender per 1,000 Employees (GRI) 403-9

Operation	2020		2019		2018	
	Male	Female	Male	Female	Male	Female
Corporate Office	27	9	0	0	0	0
IP	7	4	9	7	13	7
DP	0	0	4	4	5	9
Leisure and Hospitality	23	23	26	35	14	15
Logistics	13	9	6	10	16	0
Overall	13	12	11	16	13	9

Injury Rate per 1,000 Employees by Region (GRI) 403-9

	2020	2019	2018
Hong Kong	11	6	9
Mainland China	13	16	12
Overall	13	13	11

Note: There was no incident of occupational disease recorded in 2020.

Optimising OSH Management in Supply Chain

The Group continues to uphold our health and safety standards in managing its supply chain by including OSH related clauses in supplier contracts. We evaluate contractors' OSH performance in our appraisal processes. We also offered diverse training sessions to enhance OSH knowledge and skills of onsite contractors' workers, covering topics such as fire safety, emergency handling, construction site safety and chemical handling.

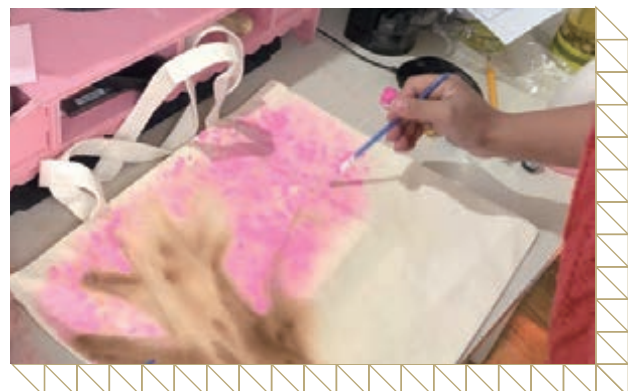


Employee Wellbeing (GRI) 401-2, (UNSDG) 8

Apart from safety, the Group also attaches great importance to employee wellness and is committed to promoting work-life balance in the workplace. We spare no effort to foster the health and happiness of our employees. In 2020, we continued to organise cultural and leisure programmes that motivate employees' physical activity and strengthen their bonding and support with co-workers and families.

Eco-friendly Bag Workshop

Times Town conducted the workshop to instill environmental consciousness in employees. To cultivate a bring-your-own-bag culture in the workplace, participants created their own eco-bags at the end of the workshop.



Sports Day

Chongqing Times Square hosted a wide range of engaging activities like relay races, yoga and Tai Chi in this event. This event helped promote the importance of physical exercise in the workplace and foster team spirit and communications between employees.



Oil Painting Workshop

Chongqing Times Square arranged Van Gogh's painting style lessons for its employees to promote art appreciation. From the workshop, participants gained a deeper understanding of the history of art as well as different drawing techniques.



Friendly Football Matches

To encourage physical activities at work, Niccolo Chongqing organised a friendly football match for employees every week in 2020. Participants can relieve their stress after work and build social connections during the matches.



Christmas Baking Workshop

Chongqing Times Square held a festive baking workshop during Christmas time in 2020. Employees spent quality time with their families and baked creative cookies and cakes together.



2020 Happy Ice-cream Day

Modern Terminals distributed ice-cream and herbal tea to its employees and contractors across different departments, showing gratitude for their hard work and dedication, especially for those working in the heat.



Safe Products and Services GRI 416-2, UNSDG 3

The Group is committed to delivering high quality products and services in a safe and responsible manner. We carry out regular safety evaluation, with focuses on food safety and equipment sanitation, to make sure our standard of quality management is keeping up with industry best practices. In this regard, Chengdu IFS has adopted ISO 9001:2015 Quality Management System.

Safe Premises and Clean Environment

Our BUs have taken an array of measures to maintain the safety of premises for customers. We organise regular fire drills and evacuation practice for tenants. Fire safety equipment and gear are placed at designated areas for well-trained personnel to use in times of emergency. In 2020, Dalian Times Square conducted 4 fire safety inspections and 3 training sessions for its retail tenants. The inspections ensure the fire safety equipment such as fire extinguishers and fire hoses are always in working order. Tenants have also learnt about the proper use of fire safety equipment during the training. New tenants of Shanghai Wheelock Square also received fire safety training. To incorporate technological advancement into our emergency management, Chengdu IFS introduced a fire-fighting robot for more efficient and effective responses.



The Group has implemented effective crowd management to maintain public safety. Apart from developing crowd control guidelines and procedures, we hire professional security personnel for handling emergency situations in public areas. We have also arranged training for employees to boost their emergency preparedness and response capabilities. We employed detection dogs to assist in riot control and help detect explosives at Shanghai Wheelock Square and Chengdu IFS. The detection dogs are well trained to patrol and stand guard with our security personnel. During COVID-19 pandemic, tenants were restricted from petting these “ambassadors” and were required to keep social distancing with them.

Additional measures are also implemented to maintain good indoor air quality in our customers’ interest. To ensure that our premises achieve national air quality standards, we commissioned several nationally recognised external organisations to conduct regular indoor air quality assessments. We also increased the cleaning frequency of the air-conditioning systems in public areas. To maintain high hygiene standards at our hotel operations, Niccolo Chongqing cleans and disinfects the air conditioners of empty rooms on a daily basis. Meanwhile, Marco Polo Wuhan sterilises goods in hotel rooms, such as towels and bedding, at high temperatures for its guests.

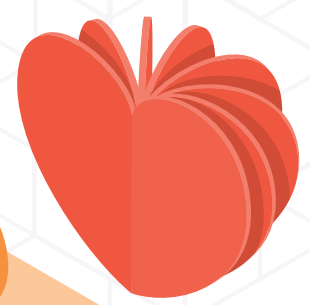
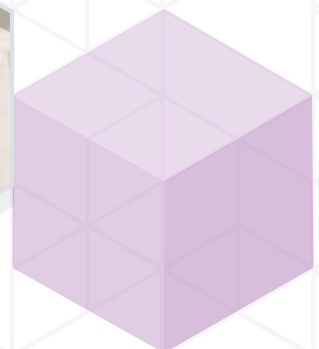


Food Safety

Assuring a high level of food safety is imperative in our hotel operations. An Operational Manual on Food Safety Hygiene is in place to guarantee that our operating practices are in line with our standards. Under the manual, we conduct food safety and hygiene inspections on a weekly basis. Besides, Niccolo Chengdu has established a Health and Safety Committee to regularly review its food safety management system and its compliance with Hazard Analysis and Critical Control Points (“HACCP”) principles and relevant regulations. Niccolo Changsha and Marco Polo Parkside Beijing also adopted the HACCP-based Food Safety Management System.

In 2020, our three Niccolo hotels organised food hygiene training for employees to refresh their understanding of our food safety practices and standards. Besides, we extend our food safety requirements to the supply chain. We require every supplier to present food safety certifications during our procurement processes, thereby ensuring their adherence to our health and safety standards. Monthly supplier visits are also conducted to ensure ongoing compliance.

Business-in- COMMUNITY



UNSDGs addressed in this chapter:



Material topics addressed in this chapter:

IMPACT ASSESSMENT ON LOCAL COMMUNITIES

Commitment and Strategy  KPI B8.1

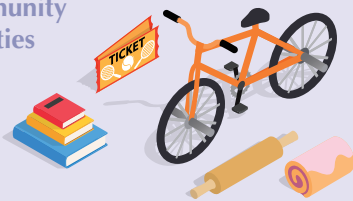



We have long been promoting “Business-in-Community” concept to bring positive value to our community along with our business operations. In addition to donation, we are dedicated in initiating community programmes and supporting other community partners through volunteering. Since 2011, we have been focusing our community investment in three major areas, including youth development, arts and culture, and community care. In 2020, we supported and participated in 77 community activities to create shared values for our community.



In recognition of our efforts in creating positive impacts to the society, the Group and Modern Terminals have been awarded the 10 Years Plus “Caring Company” Logo by the Hong Kong Council of Social Service.

Number of community events and activities supported

77

Community Care  203-1, 413-1,  KPI B8.2,  10

We put our long-standing mission of “Building for Tomorrow” into our philanthropic action to support our community to thrive. We care about vulnerable groups in our community and take action to support them.

Home Visit to the Elderly

After decades of contribution to the development of our society, the elderly should receive respect and care in their late stage of life. Before Chinese New Year in 2020, volunteers from Shanghai Times Square visited the singleton elderly in the nearby neighbourhood to show our care and support. We gave out gifts and spring couplets and grasped the opportunity to chat with them and send them blessings.



Reaching out to the Needy

To support the children suffering from serious illnesses, more than 20 volunteers from Chengdu IFS recorded storytelling audio on online platforms and helped establish a community library with donated books, facilitating knowledge sharing and improving education.



Echoing with the National Day for Helping the Disabled in Mainland China, 15 visually impaired people from Hunan Association of Persons with Visual Disabilities were invited to visit Changsha IFS. Our staff volunteers verbally introduced to the participants our mall installations and guided them to reach the top of Changsha IFS, the tallest tower in Central China, and described spectacular view of Changsha city.



To prevent manhole cover accidents, 25 staff volunteers of Changsha IFS and 50 children from Changsha Shaoniangong (長沙少年宮) gathered to paint graffiti on 40 manhole covers with messages of environmental protection and positive mindset in the community. The event can contribute to pedestrian safety while beautifying the local community and creating positive vibe in the community.



To promote community care, Marco Polo Xiamen arranged the annual charity bazaar, in which staff members donated items for charity sale, and the hotel offered some coupons for auction to raise fund for local charities "Nuomiao" and "Star Chinese Rose Garden". The 2-hour event raised over RMB20,000 for the two charities.



Sending Love and Care during Festive Season

The volunteer team of Chengdu IFS collaborated with an NGO to organise a knitting workshop for people with special needs. Participants made knit decoration under the guidance of instructors. These DIY Christmas decorations were used to decorate trees and reception in Chengdu IFS. We hope that this activity can help them integrate into the society and boost their confidence while promoting public awareness on caring people with special needs.



Changsha IFS collaborated with the Changsha Broadcast Centre and a bakery shop that hires people with hearing impairment in a Christmas celebration event. The event gave away blessing apples (平安果) and pastries made by three hearing impaired bakers from the bakery shop, spreading love to the community and promoting public awareness on the needs of the physically impaired in the society.

Cross-city Volunteering Programme 2020 — Textile Reborn

We advocate environmental protection and organised a series of cross-city programmes to promote old clothes recycling and upcycling. Our IP called for donation of old clothes from employees and organised upcycling workshops to transform them into accessories such as notebook cases, bags, dolls and aprons. These accessories were given away to the needy during our volunteer visits. The programmes converted old clothes into more than 320 pieces of accessories.



Cleaning the Environment

14 staff volunteers from our Parc Royale's project team of DP helped clean up the neighbourhood riverside in June 2020. Likewise, around 30 staff volunteers across IP participated in other clean-up activities. We hope to create a clean living environment for our community while raising our staff awareness on environmental protection.



Raising Awareness on Animal Protection

To promote our employees' awareness of animal welfare, over 40 staff volunteers of Chengdu IFS arranged material donations and 8 of them paid a visit to an animal shelter. Handmade pet products such as bed and stairs for cats and dogs, and more than 650 kg of pet's food and some pet cleaning products were sent to the centre.



Youth Development

[GRI](#) 203-1, 413-1, [HKEX](#) KPI B8.2, [UNSDG](#) 4

The Group reckons the importance of youth to future advancement of the society. Over the years, we have been implementing community programmes to empower younger generations, offering them with development opportunities to build up their competences on various aspects.

Modern Terminals i-Fitness Programme

Since 2017, Modern Terminals has organised Modern Terminals Summer Fitness Programme for teenagers to encourage healthy lifestyles and build their interest in sports activities. The Programme offers sports training and development activities to children aged 8 to 14 from low income families in Kwai Tsing, students from Cotton Spinners Association Secondary School and children of Modern Terminals' employees. This year, due to epidemic outbreak, we organised online activities for Alumni members. Activities included stretching as well as dodgebee training. We hope that teenagers can maintain the habit of doing exercises at home.

Project WeCan (“WeCan”)

Registered under Section 88 of the Inland Revenue Ordinance (Cap.112 of the laws of Hong Kong) as a charitable organisation, Project WeCan aims to support secondary school students who are disadvantaged in learning with opportunities and exposure for educational and career development. Since 2011, schools have been provided with financial and volunteer support by an organisation in a multi-year partnership. Because of the outbreak of COVID-19 in 2020, many of the volunteer and joint-school activities were conducted online.

WeCan Alumni supporting DSE students

In March 2020, around 250 WeCan Alumni, who comprised mainly WeCan scholars, launched an online platform to support fellow students of WeCan schools in preparing for the HKDSE Examination. In addition to subject-specific tutorials, members of the Alumni also shared university admission information and tips to prepare students before the examination result announcement date.







Teachers’ Training Programme

With the support of the Educational Innovation Leadership Project of The Education University of Hong Kong, over 40 sessions of teachers’ training programmes were conducted between May and October in 2020. The support included tailor-made school-based improvement support for individual schools, “Community of Leadership Practices” sharing sessions, schools’ development programmes for senior and middle management, learning clusters as well as the annual Teachers’ Development Days. More than 4,000 teachers participated in the programmes.



2020 marked the 10th anniversary of Project WeCan. Since 2011, over 54,000 students have benefited from some major joint-school activities of WeCan including Job Tasting programme, Company Visit, Young Innovators Bazaar and Career Exploration Day. With the support of our partners, WeCan will continue to uphold our mission of Business-in-Community by engaging and empowering more youths in Hong Kong.



Major Joint-school Programmes	Started in Year	No. of participants as of 2019/2020 school year
 Job Tasting Programme	2012	1,400 students
 Company Visit	2013	20,000 students
 Young Innovators Bazaar	2013	5,800 students
 Career Exploration Day	2015	25,000 students

Arts and Culture

GRI 203-1,413-1, **HKEX** KPI B8.2, **UNSDG** 4

Art and cultural development can bring positive energy to the society. We collaborate with artists to deliver exhibition in our IP from time to time. We are also supporting other art and cultural initiatives by providing venue and in-kind sponsorship.

Nature Echoing @ Dalian Times Square

An environmental exhibition “Nature Echoing” was held at Dalian Times Square showcasing the art of designer Ma Tao who used recycled materials to make sculptures of rare wildlife species, recreating Africa’s breath-taking landscapes. Along with the use of AR technology and online mini games, the exhibition was able to reach a large audience in hopes to increase their appreciation for biodiversity and spark discussion on the symbiotic relationship between humans, animals and nature.



Re-encounter with Nature @ Shanghai Times Square, Shanghai Wheelock Square and Wuxi IFS

A roving environmental art exhibition “Re-encounter with Nature” was held from April to October in 2020 in the three shopping malls. French environmental artist Gilles Cenazandott used plastic and other types of marine waste to create five sculptures of endangered animals, aimed at raising environmental awareness of reducing waste generation and protecting endangered species.



Looking Forward

The Group is dedicated to continuously improving our sustainability performance through enhancing our management capability and innovative sustainability initiatives. We will endeavour to intensify our sustainability data disclosure to meet our stakeholder’s expectations. We are committed to engaging with our stakeholders to create positive and sustainable value for the wider community.

Appendix Performance Data Summary

GRI 102-48

Key for Data Performance Table

Operation	Business Unit	Acronym
Corporate Office	<ul style="list-style-type: none"> Wharf Limited 	WL
Mainland Investment Properties*	Wharf China Estates Limited <ul style="list-style-type: none"> Chengdu IFS Changsha IFS Wuxi IFS Shanghai Wheelock Square Shanghai Times Square Chongqing Times Square Dalian Times Square Times Outlets Changsha* Times Outlets Chengdu* 	IP
Mainland Development Properties	Wharf China Development Limited** <ul style="list-style-type: none"> Offices — Chengdu, Hangzhou, Shanghai and Suzhou Chengdu Sites (Times City, Times Town Site A) Hangzhou Sites (Parc Royale I, Parc Royale II, Imperial Park, Luxurious Mountain View*) Suzhou Sites (The Legend, Bellagio, Villa One, Xiangcheng Yuan He Street Lot #77) 	DP
Hong Kong Properties*	<ul style="list-style-type: none"> 1 Plantation Road Residential Development** Kowloon Tong Residential Project** Kai Tak Residential Project** 	HKP
Leisure and Hospitality	<ul style="list-style-type: none"> Wharf Hotels Management Limited (“WHML”)* Niccolo Chengdu Niccolo Chongqing Niccolo Changsha Marco Polo Wuhan 	Wharf Hotels
	<ul style="list-style-type: none"> Marco Polo Jinjiang* Marco Polo Xiamen* Marco Polo Lingnan Tiandi, Foshan* Marco Polo Parkside, Beijing* 	Managed Hotels
Logistics	<ul style="list-style-type: none"> Modern Terminals Limited 	MTL

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

* Times Outlets Changsha, Times Outlets Chengdu, Luxurious Mountain View, Hong Kong Properties, Marco Polo Jinjiang, Marco Polo Xiamen, Marco Polo Lingnan Tiandi, Foshan and Marco Polo Parkside, Beijing are newly added to the 2020 reporting scope. For WHML, only social data are reported. For IP, environmental data are collected from generation of public area.

** Electricity, water and GHG emissions (Scope 1 and 2) cover only offices of DP. Data from construction sites in Chengdu, Hangzhou, Suzhou and Hong Kong Properties are included in the calculations of GHG Emissions (Scope 3) and waste.

Environmental Performance

Air Emissions

Air emissions by type and source in tonnes¹³ GRI 305-7, HKEX KPI A1.1

	2020	2019	2018
NO _x	1.837	1.158	1.423
SO _x	0.045	0.046	0.049
PM	0.105	0.075	0.096

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



Energy Consumption

Energy consumption by source in GJ¹⁴ (GRI) 302-1, (HKEX) KPI A2.1

		WL	IP	DP	Wharf Hotels	Managed Hotels	MTL	Total
Diesel oil	2020	76	323	N/A	375	107	97,306	98,187
	2019	68	6,400	N/A	8	N/A	98,324	104,800
	2018	75	9,189	N/A	22	N/A	103,330	112,616
Unleaded petrol	2020	611	424	1,024	81	479	541	3,160
	2019	741	343	1,080	159	N/A	925	3,248
	2018	740	334	1,014	64	N/A	1,034	3,186
Liquefied petroleum gas ("LPG")	2020	N/A	N/A	N/A	N/A	N/A	7,141	7,141
	2019	N/A	N/A	N/A	N/A	N/A	6,887	6,887
	2018	N/A	N/A	N/A	N/A	N/A	6,991	6,991
Towngas	2020	N/A	N/A	N/A	N/A	N/A	2,452	2,452
	2019	N/A	N/A	N/A	N/A	N/A	2,564	2,564
	2018	N/A	N/A	N/A	N/A	N/A	2,623	2,623
Piped natural gas ("PNG")	2020	N/A	57,178	N/A	43,646	18,337	N/A	119,161
	2019	N/A	85,704	N/A	57,897	N/A	N/A	143,601
	2018	N/A	75,310	N/A	38,165	N/A	N/A	113,475
Purchased electricity ¹⁵	2020	3,079	887,414	646	45,336	83,282 ¹⁶	180,123	1,199,880
	2019	2,855	845,288	630	50,238	N/A	175,610	1,074,621
	2018	2,731	772,636	568	53,755	N/A	177,466	1,007,156
Purchased steam ¹⁷	2020	N/A	39,028	N/A	N/A	N/A	N/A	39,028
	2019	N/A	8,845	N/A	N/A	N/A	N/A	8,845
	2018	-	-	-	-	-	-	0
Total	2020	3,766	984,367	1,670	89,438	102,205	287,563	1,469,009
	2019	3,664	946,580	1,710	108,302	N/A	284,310	1,344,566
	2018	3,546	857,469	1,582	92,006	N/A	291,444	1,246,047

Energy intensity (GRI) 302-3, CRE-1, (HKEX) KPI A2.1

	2020	2019	2018
Energy consumption per number of employee	259.40	271.90	259.59
Energy consumption per HK\$ million revenues	69.70	79.68	59.18

14 Energy conversion factors used for diesel oil, unleaded petrol, LPG and gas oil are from CDP Technical Note: Conversion of fuel data to MWh. Energy conversion factors used for PNG is from 2012 Guidelines to Defra/DECC's GHG Conversion Factors for Company Reporting. Energy consumption of towngas was calculated based on the formula provided by The Hong Kong and China Gas Company Limited.

15 Purchased electricity of Niccolo Changsha is included in IP since 2019 and that of Niccolo Chengdu is included in IP since 2018.

16 Purchased electricity of Managed Hotels, namely Marco Polo Xiamen and Marco Polo Parkside, Beijing, included the consumption arising from tenants.

17 Increase in the amount of purchased steam in 2020 was mainly resulted from the consumption by Dalian Times Square.

Water Consumption

Water consumption by source (GRI) 303-3, (HKEX) KPI A2.2

		IP	DP	Wharf Hotels	Managed Hotels	MTL	Total
Municipal water (m ³)	2020	2,073,913	2,753	262,662	278,896 ¹⁸	66,205	2,684,429
	2019	2,115,736	3,629	338,861	N/A	71,303	2,529,529
	2018	1,818,115	565	267,871	N/A	74,134	2,160,685
Captured rainwater (m ³)	2020	7,323	N/A	N/A	N/A	N/A	7,323
	2019	2,317	N/A	N/A	N/A	N/A	2,317
	2018	943	N/A	N/A	N/A	N/A	943
Underground water (m ³)	2020	44,278	N/A	N/A	N/A	N/A	44,278
	2019	93,605	N/A	N/A	N/A	N/A	93,605
	2018	106,054	N/A	N/A	N/A	N/A	106,054
Recycled water (m ³)	2020	5,942	–	–	–	N/A	5,942
	2019	6,189	–	888	N/A	N/A	7,077
	2018	12,952	–	132	N/A	N/A	13,084

Water intensity (GRI) CRE-2, (HKEX) KPI A2.2

	2020	2019	2018
Water consumption per number of employee	484.19	532.36	475.16
Water consumption per HK\$ million revenues	130.59	156.01	108.32

GHG Emissions¹⁹

Scope 1, Scope 2 and Scope 3 GHG emissions in tonnes CO₂e (GRI) 305-1, 305-2, 305-3, 305-4, CRE-3, (HKEX) KPI A1.2

		WL	IP	DP	Wharf Hotels	Managed Hotels	MTL	Total
Direct (Scope 1) GHG emissions ²⁰	2020	56	4,553	85	2,765	1,118	8,447	17,024
	2019	66	5,745	89	7,139	N/A	8,158 ²¹	21,197
	2018	67	4,472	84	2,323	N/A	8,276 ²¹	15,222
Energy indirect (Scope 2) GHG emissions ²²	2020	316	144,137	126	6,620	16,505	18,543	186,247
	2019	404	135,310	123	7,336	N/A	24,908	168,082
	2018	387	124,281	103	7,850	N/A	25,141	157,762

	2020	2019	2018
Other indirect (Scope 3) GHG emissions ²³	21,845	18,680	15,878
Total (Scope 1, 2 & 3) emissions	225,116	207,959	188,862
Total (Scope 1, 2 & 3) emissions per number of employee	39.75	42.05	39.35
Total (Scope 1, 2 & 3) emissions per HK\$ million revenues	10.72	12.32	8.97

18 Water consumption of Managed Hotels, namely Marco Polo Xiamen and Marco Polo Parkside, Beijing, included the consumption arised from tenants.

19 CO₂, CH₄ and N₂O are included in the calculation of GHG emissions.

20 2020 Direct (Scope 1) GHG emissions are direct GHG emissions from sources that are owned or controlled by Wharf, such as the GHG emissions by the combustion of diesel, unleaded petrol, towngas and LPG. They are calculated based on Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong. Emission from combustion of PNG is calculated based on 2012 Guidelines to Defra/DECC's GHG Conversion Factors for Company Reporting.

21 Direct (Scope 1) GHG emissions of MTL in 2018 and 2019 were recalculated with the adjustment in refrigerants.

22 2020 Energy indirect (Scope 2) GHG emissions are indirect GHG emissions from the generation of purchased or acquired electricity and towngas consumed by Wharf, and were calculated based on the default factors provided by electricity providers in Hong Kong, Power Assets (0.71 CO₂e kg/kWh), CLP (0.37 CO₂e kg/kWh) and The Hong Kong and China Gas Company Limited (0.597 CO₂e kg/unit). GHG emission by electricity purchased in China in this report is calculated based on China grid emission factors in 2012年中國區域電網平均二氧化碳排放因子。

23 2020 Other indirect (Scope 3) GHG emissions include: diesel oil consumption of heavy goods vehicle by haulage contractors of MTL; and diesel oil and unleaded petrol consumption of other mobile machinery by contractors in HKP; and purchased electricity in construction sites.

Waste Management²⁴ GRI 306-2, HKEX KPI A1.3, A1.4, A1.6

Waste by type and disposal method in tonnes

		WL	IP	DP	HKP	Wharf Hotels	Managed Hotels	MTL	Total
General refuse to landfill	2020	N/A	12,827.16	35.19	0.00	380.44	387.41 ²⁵	984.77	14,614.97
	2019	N/A	16,560.10	9.69	N/A	500.69	N/A	1,429.10	18,499.58
	2018	N/A	14,921.54	0.17	N/A	387.95	N/A	808.00	16,117.66
Incinerated waste	2020	N/A	5,547.00	N/A	N/A	204.63	6.23	N/A	5,757.86
Non-hazardous waste recycled									
Paper	2020	N/A	276.96	1.72	0.72	17.25	34.43	23.64	354.72
	2019	N/A	411.68	1.39	N/A	16.65	N/A	24.12	453.84
	2018	N/A	399.58	0.55	N/A	20.06	N/A	25.31	445.50
Plastics	2020	N/A	28.95	0.52	0.11	6.70	0.51	0.11	36.90
	2019	N/A	8.12	0.36	N/A	6.22	N/A	0.11	14.81
	2018	N/A	22.59	0.00	N/A	10.03	N/A	0.17	32.79
Metals	2020	N/A	17.85	0.00	0.02	1.09	0.00	315.74	334.70
	2019	N/A	26.23	0.00	N/A	5.15	N/A	196.27	227.65
	2018	N/A	23.11	0.00	N/A	2.33	N/A	128.60	154.04
Food Waste	2020	N/A	2,078.61	7.42	0.00	108.60	65.83	47.49	2,307.95
	2019	N/A	4,332.60	1.82	N/A	146.51	N/A	40.73	4,521.66
	2018	N/A	2,681.69	N/A	N/A	238.18	N/A	49.13	2,969.00
Glass	2020	0.00	2.01	0.00	0.00	6.10	0.00	0.12	8.23
	2019	0.01	0.00	0.00	N/A	6.29	N/A	0.31	6.61
	2018	0.00	0.00	0.00	N/A	7.37	N/A	0.18	7.55
Soap	2020	N/A	N/A	N/A	N/A	0.16	0.00	N/A	0.16
	2019	N/A	N/A	N/A	N/A	1.10	N/A	N/A	1.10
	2018	N/A	N/A	N/A	N/A	0.00	N/A	N/A	0.00
Hazardous waste recycled									
Solid	2020	3.83	2.28	0.14	0.00	0.63	0.00	634.97	641.85
	2019	0.34	0.65	0.17	N/A	0.06	N/A	436.19	437.41
	2018	0.38	1.30	0.33	N/A	0.26	N/A	555.73	558.00
Liquid	2020	N/A	13.12	N/A	N/A	1.50	0.00	53.59	68.21
	2019	N/A	31.68	N/A	N/A	1.42	N/A	60.89	93.99
	2018	N/A	16.19	N/A	N/A	1.21	N/A	46.62	64.02
Grand Total	2020	3.83	20,793.94	44.99	0.85	727.10	494.41	2,060.43	24,125.55
	2019	0.35	21,371.06	13.43	N/A	684.09	N/A	2,187.72	24,256.65
	2018	0.38	18,066.00	1.05	N/A	667.39	N/A	1,613.74	20,348.56

24 Hazardous waste includes cell batteries, industrial batteries, fluorescent lamps, light bulbs, electric appliances/components, used ink cartridge, scrap tyres, waste cooking oil, waste industrial oil, wooden pallets, waste filter and waste rag. Non-hazardous waste includes waste paper, plastics, metal, food waste, glass and soap.

25 Waste data of Managed Hotels in 2020 did not include that of Marco Polo Jinjiang, which will be reported in the future as data collection capacity matures.

Construction waste to landfill, incineration and recycled^{26 27}

			IP	DP	HKP	MTL	Total
Construction waste	2020	to landfill	18,003.05	0.00	2,503.47	116.09	20,622.61
		to incineration	11,545.00	0.00	N/A	N/A	11,545.00
		recycled	0.00	174.86	2,277.24	N/A	2,452.10
	2019	to landfill	3,584.40	8.00	N/A	95.89	3,688.29
		recycled	76.83	373.62	N/A	0.00	450.45
	2018	to landfill	22,102.00	0.00	N/A	N/A	22,102.00
recycled		122.54	5.15	N/A	N/A	127.69	
Earthworks and mud (m ³)	2020	to landfill	N/A	9,200.00	0.00	N/A	9,200.00
		recycled	N/A	62.54	0.00	N/A	62.54
	2019	to landfill	N/A	87,472.00	N/A	N/A	87,472.00
		recycled	N/A	76.60	N/A	N/A	76.60
	2018	to landfill	N/A	2,323.00	N/A	N/A	2,323.00
		recycled	N/A	0.00	N/A	N/A	0.00

Material Use²⁸**Material used by type²⁹** (GRI 301-1, (HKEX) A2.5)

		WL	IP	DP	HKP	Wharf Hotels	Managed Hotels	MTL	Total
Refrigerants	2020	N/A	0.75	N/A	N/A	0.06	0.01	0.41	1.23
	2019	N/A	0.02	N/A	N/A	2.52	N/A	0.22	2.76
	2018	N/A	0.42	N/A	N/A	0.00	N/A	0.07	0.49
Paper	2020	8.24	119.00	9.51	0.00	73.48	24.86	14.58	249.67
Plastic	2020	N/A	0.00	N/A	N/A	0.32	9.44	N/A	9.76
Metal	2020	N/A	0.00	N/A	N/A	0.11	4.20	N/A	4.31
Others	2020	N/A	0.18	N/A	N/A	N/A	N/A	N/A	0.18

Construction Material

Concrete	2020	N/A	0.00	246,344.42	27,444.24	N/A	N/A	N/A	273,788.66
Bricks	2020	N/A	3.44	18,156.01	66.60	3.50	N/A	N/A	18,229.55
Steel	2020	N/A	2.39	2,091.15	2,291.96	N/A	0.30	N/A	4,385.80
Reinforcing Steel Bars	2020	N/A	0.31	24,763.40	8,538.70	N/A	N/A	N/A	33,302.41
Sand	2020	N/A	48.14	6,295.62	0.00	N/A	2.10	N/A	6,345.86
Stones	2020	N/A	17.45	6,762.19	0.00	0.25	0.10	N/A	6,779.99
Rubber	2020	N/A	0.00	29.78	0.00	N/A	N/A	N/A	29.78
Wood	2020	N/A	2.35	610,561.41	0.00	0.05	1.53	N/A	610,565.34
Granite	2020	N/A	9.08	1,273.00	0.00	2.52	0.05	N/A	1,284.65
Cement	2020	N/A	30.89	10,859.98	117.60	0.40	1.30	N/A	11,010.17
Earthworks (m ³)	2020	N/A	0.00	149,858.59	0.00	N/A	N/A	N/A	149,858.59
Mortar (m ³)	2020	N/A	9.36	24,654.04	5.25	N/A	N/A	N/A	24,668.65

26 The unit of all data is in tonnes, except earthworks and mud are measured in m³.

27 Construction waste is produced mainly by tenants of IP and contractors on construction sites.

28 Material use is a newly collected item in 2020. Materials for business general use and for packaging material use were included.

29 The unit of all data of material used is in tonnes, except earthworks and mortar are measured in m³.

Employee Statistics

Employee Distribution

Total workforce by gender, employment type and contract type (GRI 102-8, HKEX KPI B1.1)

		WL	IP	DP	Wharf Hotels	Managed Hotels	MTL	Total
2020	Male	74	1,074	242	559	440	780	3,169
	Female	110	987	250	676	364	107	2,494
	Full time	182	2,061	492	1,235	802	887	5,659
	Part time	2	0	0	0	2	0	4
	Permanent	159	748	100	97	144	839	2,087
	Fixed term	24	1,313	392	1,138	643	48	3,558
	Temporary	1	0	0	0	17	0	18
2019	Male	65	1,059	247	613	N/A	803	2,787
	Female	105	976	257	718	N/A	102	2,158
	Full time	169	2,035	504	1,328	N/A	905	4,941
	Part time	1	0	0	3	N/A	0	4
	Permanent	151	631	105	98	N/A	903	1,888
	Fixed term	18	1,403	399	1,199	N/A	1	3,020
	Temporary	1	1	0	34	N/A	1	37
2018	Male	68	1,074	196	577	N/A	812	2,727
	Female	102	978	221	671	N/A	101	2,073
	Full time	170	2,031	417	1,246	N/A	913	4,777
	Part time	0	21	0	2	N/A	0	23
	Permanent	149	497	101	102	N/A	912	1,761
	Fixed term	21	1,532	316	1,123	N/A	1	2,993
	Temporary	0	23	0	23	N/A	0	46

Gender distribution of permanent contract employees (GRI 102-8, HKEX KPI B1.1)

		WL	IP	DP	Wharf Hotels	Managed Hotels	MTL	Total
2020	Male	55	458	58	37	85	732	1,425
	Female	104	290	42	60	59	107	662
2019	Male	50	377	61	38	N/A	801	1,327
	Female	101	254	44	60	N/A	102	561
2018	Male	52	281	53	38	N/A	811	1,235
	Female	97	216	48	64	N/A	101	526

Gender, age group and minority group distribution of all employees by employment category³⁰ in 2020

GRI 405-1, HKEX KPI B1.1

		Male %	Female %	Below 30 %	30-50 %	51 or above %	Minority group ³¹ %	Non- minority group %
WL	Senior management	73.3%	26.7%	0.0%	6.7%	93.3%	0.0%	100.0%
	Middle management	41.2%	58.8%	0.0%	67.6%	32.4%	0.0%	100.0%
	General staff	36.3%	63.7%	15.5%	61.5%	23.0%	0.0%	100.0%
IP	Senior management	33.3%	66.7%	0.0%	83.3%	16.7%	0.0%	100.0%
	Middle management	49.0%	51.0%	1.3%	83.4%	15.3%	1.3%	98.7%
	General staff	52.4%	47.6%	29.2%	64.2%	6.6%	2.2%	97.8%
DP	Senior management	100.0%	0.0%	0.0%	25.0%	75.0%	0.0%	100.0%
	Middle management	66.3%	33.7%	0.0%	79.8%	20.2%	0.0%	100.0%
	General staff	44.3%	55.7%	21.0%	75.7%	3.3%	1.0%	99.0%
Wharf Hotels	Senior management	64.0%	36.0%	0.0%	64.0%	36.0%	32.0%	68.0%
	Middle management	42.7%	57.3%	9.4%	86.3%	4.3%	1.7%	98.3%
	General staff	44.7%	55.3%	49.5%	43.6%	6.9%	2.5%	97.5%
Managed Hotels	Senior management	61.1%	38.9%	0.0%	72.2%	27.8%	16.7%	83.3%
	Middle management	61.4%	38.6%	3.5%	89.5%	7.0%	3.5%	96.5%
	General staff	54.0%	46.0%	25.7%	56.1%	18.2%	2.5%	97.5%
MTL	Senior management	66.7%	33.3%	0.0%	33.3%	66.7%	13.3%	86.7%
	Middle management	73.6%	26.4%	3.4%	64.4%	32.2%	0.0%	100.0%
	General staff	92.9%	7.1%	12.5%	52.1%	35.4%	0.2%	99.8%
Group Overall	Senior management	66.1%	33.9%	0.0%	51.8%	48.2%	18.7%	81.3%
	Middle management	58.6%	41.4%	3.3%	77.2%	19.5%	0.9%	99.1%
	General staff	55.4%	44.6%	29.8%	57.7%	12.5%	1.9%	98.1%

30 This information is derived from BU's own human resources system.

31 Minority group refers to the ethnic minority at our operation locations.

Employee Turnover

Gender and age distribution of employee turnover in number and percentage³² [GRI] 401-1, [HKEX] KPI B1.2

		WL	IP	DP	Wharf Hotels	Managed Hotels	MTL	Total
2020	Male	5 (7%)	114 (11%)	44 (18%)	183 (33%)	173 (39%)	61 (8%)	580 (18%)
	Female	8 (7%)	149 (15%)	50 (20%)	201 (30%)	193 (53%)	9 (8%)	610 (24%)
	Below 30	1 (5%)	115 (21%)	19 (23%)	211 (39%)	152 (80%)	12 (13%)	510 (34%)
	30–50	10 (9%)	136 (10%)	74 (20%)	154 (26%)	170 (36%)	17 (4%)	561 (17%)
	51 or above	2 (4%)	12 (8%)	1 (3%)	19 (20%)	44 (31%)	41 (13%)	119 (15%)
2019	Male	9 (14%)	197 (19%)	40 (16%)	316 (52%)	N/A	83 (10%)	645 (23%)
	Female	20 (19%)	224 (23%)	51 (20%)	445 (62%)	N/A	25 (25%)	765 (35%)
	Below 30	7 (32%)	199 (34%)	18 (19%)	517 (78%)	N/A	20 (24%)	761 (52%)
	30–50	19 (20%)	204 (16%)	72 (19%)	220 (39%)	N/A	49 (10%)	564 (20%)
	51 or above	3 (6%)	18 (12%)	1 (3%)	24 (24%)	N/A	39 (12%)	85 (13%)
2018	Male	8 (12%)	137 (13%)	52 (27%)	259 (45%)	N/A	70 (9%)	526 (19%)
	Female	23 (23%)	222 (23%)	46 (21%)	333 (50%)	N/A	32 (32%)	656 (32%)
	Below 30	8 (33%)	184 (27%)	32 (42%)	378 (59%)	N/A	29 (29%)	631 (41%)
	30–50	20 (21%)	158 (13%)	65 (21%)	207 (40%)	N/A	46 (9%)	496 (18%)
	51 or above	3 (6%)	17 (13%)	1 (4%)	7 (8%)	N/A	27 (9%)	55 (9%)

Regional distribution of employee turnover in number and percentage [GRI] 401-1, [HKEX] KPI B1.2

	Hong Kong SAR	Mainland China	Overall
2020	127 (10%)	1,063 (25%)	1,190 (21%)
2019	210 (15%)	1,200 (33%)	1,410 (29%)
2018	192 (14%)	990 (29%)	1,182 (25%)

Parental leave — Return to work rate³³ [GRI] 401-3

	WL	IP	DP	Wharf Hotels	Managed Hotels	MTL	Overall
2020	N/A	100%	100%	95%	100%	100%	99%
2019	100%	99%	100%	94%	N/A	100%	98%
2018	100%	100%	100%	100%	N/A	100%	100%

Parental leave — Retention rate by gender³⁴ [GRI] 401-3

		WL	IP	DP	Wharf Hotels	Managed Hotels	MTL	Overall
2020	Male	N/A	93%	67%	94%	N/A	100%	90%
	Female	N/A	90%	87%	73%	92%	100%	87%
2019	Male	N/A	92%	87%	91%	N/A	87%	90%
	Female	100%	96%	89%	80%	N/A	100%	89%

32 Turnover rate (in percentage) = Total number of turnover in the category / Total number of employee in the category × 100%

33 Return to work rate (in percentage) = Total number of employees that did return to work after parental leave / Total number of employees due to return to work after taking parental leave × 100%

34 Retention rate (in percentage) = Total number of employees that returned to work after parental leave ended that were still employed as of 31 December of the respective year in the category / Total number of employees took parental leave in the category × 100%

New Employee Hires

Gender and age distribution of new employee hires in number and percentage^{35 36} GRI 401-1

		WL	IP	DP	Wharf Hotels	Managed Hotels	MTL	Total
2020	Male	8 (11%)	98 (9%)	22 (9%)	149 (27%)	68 (15%)	37 (21%)	382 (12%)
	Female	7 (6%)	124 (13%)	25 (10%)	189 (28%)	45 (12%)	11 (10%)	401 (16%)
	Below 30	5 (24%)	126 (23%)	26 (31%)	200 (37%)	63 (33%)	25 (28%)	445 (30%)
	30–50	10 (9%)	94 (7%)	21 (6%)	123 (21%)	45 (10%)	23 (5%)	316 (9%)
	51 or above	0 (0%)	2 (1%)	0 (0%)	15 (16%)	5 (4%)	0 (0%)	22 (3%)
2019	Male	11 (17%)	143 (14%)	39 (16%)	279 (46%)	N/A	67 (8%)	539 (19%)
	Female	21 (20%)	173 (18%)	45 (18%)	353 (49%)	N/A	18 (18%)	610 (28%)
	Below 30	9 (41%)	176 (30%)	27 (29%)	420 (63%)	N/A	35 (42%)	667 (46%)
	30–50	23 (24%)	135 (10%)	56 (15%)	189 (34%)	N/A	48 (10%)	451 (16%)
	51 or above	0 (0%)	5 (3%)	1 (3%)	23 (23%)	N/A	2 (1%)	31 (5%)
2018	Male	11 (16%)	316 (29%)	28 (14%)	285 (49%)	N/A	58 (7%)	698 (26%)
	Female	32 (31%)	359 (37%)	32 (14%)	347 (52%)	N/A	24 (24%)	794 (38%)
	Below 30	14 (58%)	380 (56%)	24 (32%)	435 (68%)	N/A	36 (36%)	889 (58%)
	30–50	24 (26%)	290 (23%)	36 (11%)	184 (35%)	N/A	43 (8%)	577 (22%)
	51 or above	5 (10%)	5 (4%)	0 (0%)	13 (15%)	N/A	3 (1%)	26 (4%)

Regional distribution of new employee hires in number and percentage GRI 401-1, HKEX KPI B1.2

	Hong Kong SAR	Mainland China	Overall
2020	98 (7%)	685 (16%)	783 (14%)
2019	175 (13%)	974 (27%)	1,149 (23%)
2018	188 (14%)	1,304 (38%)	1,492 (31%)

Health and Safety

Lost day rate and absentee rate by gender in percentage^{37 38 39} GRI 403-9, HKEX KPI B2.2

		WL	IP	DP	Wharf Hotels	Managed Hotels	MTL	Overall	
Lost day rate	2020	Male	1.26%	0.02%	0.00%	0.06%	0.06%	0.26%	0.13%
		Female	0.00%	0.03%	0.00%	0.05%	0.07%	0.00%	0.04%
	2019	Male	0.00%	0.06%	0.17%	0.06%	N/A	0.56%	0.24%
		Female	0.00%	0.03%	0.04%	0.14%	N/A	0.01%	0.06%
	2018	Male	0.00%	0.16%	0.02%	0.02%	N/A	0.50%	0.24%
		Female	0.00%	0.03%	0.25%	0.03%	N/A	0.00%	0.05%
Absentee rate	2020	Male	2.55%	0.67%	0.25%	0.58%	0.84%	1.88%	1.05%
		Female	1.05%	1.17%	0.82%	0.78%	0.85%	2.15%	1.03%
	2019	Male	1.13%	0.90%	0.50%	0.38%	N/A	2.45%	1.31%
		Female	1.65%	1.34%	1.24%	1.01%	N/A	1.29%	1.24%
	2018	Male	1.98%	0.77%	0.54%	0.32%	N/A	2.14%	1.18%
		Female	1.72%	1.80%	1.17%	1.20%	N/A	1.79%	1.51%

35 New hire rate (in percentage) = Total number of new hires in the category / Total number of employees in the category × 100%

36 New hire-related data in 2019 and 2020 are derived using the total number of new hires that were still working at the BUs as of 31 December in the category.

37 Lost day rate and absentee rate of IP in 2018 and 2019 were recalculated to reflect the actual situation.

Lost day rate and absentee rate by region in percentage^{37 38 39} (GRI) 403-9

		Hong Kong SAR	Mainland China	Overall
Lost day rate	2020	0.23%	0.04%	0.09%
	2019	0.35%	0.08%	0.16%
	2018	0.25%	0.10%	0.16%
Absentee rate	2020	1.75%	0.78%	1.04%
	2019	2.12%	0.89%	1.28%
	2018	1.85%	0.96%	1.32%

Training and Education

Percentage of employee trained by gender and by employment category (HKEX) KPI B3.1

		WL	IP	DP	Wharf Hotels	Managed Hotels	MTL	Overall
2020	Male	85.1%	78.3%	61.2%	94.1%	97.0%	60.1%	78.1%
	Female	90.0%	88.8%	63.2%	93.0%	100.0%	62.6%	87.9%
	Senior management	73.3%	50.0%	87.5%	98.0%	100.0%	93.3%	91.1%
	Middle management	88.2%	79.6%	53.9%	100.0%	100.0%	56.3%	74.6%
	General staff	89.6%	83.7%	63.5%	92.6%	98.2%	61.0%	83.3%
2019	Male	70.8%	90.7%	85.0%	100.0%	N/A	79.8%	88.6%
	Female	77.1%	89.6%	82.5%	99.9%	N/A	85.3%	91.3%
	Senior management	46.2%	66.7%	50.0%	97.6%	N/A	76.5%	79.1%
	Middle management	87.5%	91.3%	81.4%	100.0%	N/A	85.7%	91.4%
	General staff	74.4%	90.1%	84.9%	100.0%	N/A	78.9%	89.7%

Average number of training hours per employee by gender and by employment category⁴⁰ (GRI) 404-1, (HKEX) KPI B3.2

		WL	IP	DP	Wharf Hotels	Managed Hotels	MTL	Overall
2020	Male	3.0	13.4	1.6	34.5	201.0	15.4	42.5
	Female	3.2	14.2	1.5	32.3	173.4	15.5	40.7
	Senior management	4.6	28.1	3.3	15.4	28.2	7.6	14.8
	Middle management	6.6	10.3	1.9	30.5	36.3	10.7	14.9
	General staff	2.1	14.0	1.4	34.4	204.4	17.1	45.9
2019	Male	7.6	12.4	5.2	50.0	N/A	21.3	22.5
	Female	5.5	14.8	3.6	49.4	N/A	19.9	24.8
	Senior management	2.6	3.8	3.1	33.2	N/A	8.6	18.9
	Middle management	17.5	15.3	7.1	55.2	N/A	22.3	30.8
	General staff	3.8	13.5	3.9	48.9	N/A	21.0	22.3
2018	Male	4.1	10.3	4.9	57.1	N/A	28.2	25.0
	Female	4.9	12.1	6.2	56.3	N/A	27.7	26.2
	Senior management	6.5	8.3	7.4	12.5	N/A	18.9	11.8
	Middle management	12.1	12.0	3.5	55.7	N/A	29.6	30.5
	General staff	2.4	11.1	6.2	58.8	N/A	27.9	24.9

38 Lost day rate (in percentage) = Total lost days in the category / Total number of days scheduled to be worked of all employees in the category × 100%

39 Absentee rate (in percentage) = Total absentee days in the category / Total days scheduled to be worked of all employees in the category × 100%

40 Average number of training hours per employee = Total training hours in the category / Total workforce in the category

Major Awards, Charters and Memberships GRI 102-12, 102-13

Selected Awards and Recognitions

Organiser	Award and Recognition	Business Unit
Hang Seng Index Company Limited	Constituent member of Hang Seng Corporate Sustainability Index	Wharf Holdings
Hong Kong Quality Assurance Agency	CSR Index Plus	Wharf Holdings
U.S. Green Building Council — LEED	Platinum for Existing Buildings: Operations and Maintenance Standard	Chengdu IFS and Changsha IFS
	Gold for Existing Buildings: Operations and Maintenance Standard	Shanghai Wheelock Square
	Gold for Core and Shell	Wuxi IFS
EarthCheck	Silver Certification	Niccolo Chengdu, Niccolo Chongqing, Marco Polo Wuhan, Marco Polo Xiamen, Marco Polo Lingnan Tiandi, Foshan and Marco Polo Parkside, Beijing
Labour and Welfare Bureau	Social Capital Builder Logo Award	Wharf Holdings
Mandatory Provident Fund Schemes Authority	Good MPF Employer (6 years)	Wharf Limited and Modern Terminals
	Good MPF Employer	Wharf China Development Limited, Wharf China Estates Limited and Wharf Hotels Management Limited
Employees Retraining Board	Manpower Developer	Wharf China Estates Limited, Wharf Hotels Management Limited and Modern Terminals
Promoting Happiness Index Foundation and Hong Kong Productivity Council	Happy Company 2020	Wharf China Estates Limited and Modern Terminals
Hong Kong Council of Social Services	Caring Company Logo	Wharf Holdings and Modern Terminals (10 Years Plus); Wharf Hotels Management Limited
Chinese YMCA of Hong Kong	Sport-Friendly Action Logo	Modern Terminals
Event Marketing Awards by <i>Campaign magazine</i>	Gold Award for Best Retail/Mall Event	Chengdu IFS
	Silver Award for Best Brand Activation	Chengdu IFS
The Stevie Awards	Gold Award for Innovation in Brand Development	Chengdu IFS
	Silver Award for Innovation in the Use of Events	Chengdu IFS
TTG China	TTG China Travel Awards — Best Business Hotel in Central South and Southwest China	Niccolo Changsha
Business Traveller Magazine	Best Business Hotel in Chengdu 2020	Niccolo Chengdu
Golden Keys China	2020 China's Excellent Service Team	Shanghai Wheelock Square and Shanghai Times Square
Hooxiao	Creative Marketing/Branding Video	Dalian Times Square
Environmental Campaign Committee, Environmental Protection Department	2019 Hong Kong Awards for Environmental Excellence Silver Award (Transport and Logistics)	Modern Terminals

Selected Memberships and Charters

Organisation	Nature of Membership/Name of Charter	Business Unit
Hong Kong General Chamber of Commerce	Corporate Member	Wharf Holdings and Modern Terminals
Employers' Federation of Hong Kong	Corporate Member	Wharf Limited, Wharf China Development Limited, Wharf Hotels Management Limited and Modern Terminals
WWF — Hong Kong	Double Diamond Member	Wharf Holdings
	Silver Member	Modern Terminals
Business Environment Council	Council Member, Communications and Membership Committee Member	Modern Terminals
Occupational Safety and Health Council	Green Cross Group	Wharf Limited and Modern Terminals
	Joyful@Healthy Workplace Charter	Modern Terminals
Hong Kong Occupational Safety and Health Association	Company Member	Modern Terminals
The Chartered Institute of Logistics and Transport in Hong Kong	Organisation Member	Modern Terminals
Hong Kong Container Terminal Operators Association	Corporate Member, Committee Member and Treasurer	Modern Terminals
Office of the Privacy Commissioner for Personal Data	Data Protection Officer's Club	Wharf Limited
China Real Estate Chamber of Commerce — Commercial Real Estate Association	Member	Chengdu IFS and Dalian Times Square
Chengdu Association of Building Economy Promotion	Vice Chairman Unit	Chengdu IFS
Chengdu Retailers Business Association	Council Member	Chengdu IFS
Jinjiang Joint Association of Commerce in China — Chengdu	Vice President	Chengdu IFS
China Shopping Center Development Association of Mall China	Executive Council Member	Chengdu IFS and Dalian Times Square
International Commercial Installation Art Club	Member	Chongqing Times Square
The American Chamber of Commerce	Member, The Leadership Former Member	Chengdu IFS and Modern Terminals
European Union Chamber of Commerce in China	Member	Chengdu IFS
The British Chamber of Commerce	Corporate Member	Niccolo Chengdu
Environmental Bureau & Electrical and Mechanical Services Department	Energy Saving Charter	Modern Terminals
	4T Charter	Modern Terminals
Equal Opportunities Commission	The Racial Diversity & Inclusion Charter for Employers	Modern Terminals



Significant Laws and Regulations

Environment

Aspect A1: Emissions

- Air Pollution Control Ordinance (Cap. 311 of the laws of Hong Kong)
- Waste Disposal Ordinance (Cap. 354 of the laws of Hong Kong)
- Noise Control Ordinance (Cap. 400 of the laws of Hong Kong)

Aspect A2: Use of Resources

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

Aspect A3: The Environment and Natural Resources

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

Social

Aspect B1: Employment and Aspect B4: Labour Standards

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

Aspect B2: Health and Safety

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

Aspect B6: Product Responsibility

- Fire Services Ordinance (Cap. 95 of the laws of Hong Kong)
- Hotel and Guesthouse Accommodation Ordinance (Cap. 349 of the laws of Hong Kong)
- Food Hygiene Code published by the Government of the Hong Kong Special Administrative Region
- Food Safety Law of the People's Republic of China
- Food Hygiene Law of the People's Republic of China
- Urban Real Estate Administration Law of the People's Republic of China
- Trade Descriptions Ordinance (Cap. 362 of the laws of Hong Kong)
- Law of the People's Republic of China on Protection of Consumer Rights and Interests
- Consumer protection legislations in Hong Kong and logo guidelines
- Personal Data (Privacy) Ordinance (Cap. 486 of the laws of Hong Kong)
- EU General Data Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation))

Aspect B7: Anti-corruption

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

Alignment with the Recommendations of the Task Force on Climate-related Financial Disclosures

The Task Force on Climate-related Financial Disclosures (TCFD) has developed a voluntary framework in 2017 to help companies effectively disclose climate-related risks and opportunities to market participants. Below, we have outlined how our public disclosure aligns with the TCFD recommendations under the four core categories of governance, strategy, risk management, and metrics and targets.

Disclosure Area	TCFD Recommended Disclosure	Information Disclosed by Wharf Holdings	References
Governance	Disclose the organisation's governance around climate-related risks and opportunities.	The Group adopts a robust sustainability governance structure to ensure sufficient Board oversight of climate-related risks and opportunities.	Board Statement, P. 14
		The Sustainability Steering Committee, with the support of the Divisional Sustainability Committee and the sustainability governance bodies in our BUs identify, assess and manage material climate-related risks and opportunities.	Sustainability Governance, P. 14
		The Group introduced a Climate Change Policy Statement to guide our management approach on climate change mitigation, adaptation and resilience.	Climate Change Policy Statement
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	The Group discloses the potential financial and non-financial impacts of identified physical and transitional risks, along with proposed risk mitigation measures.	Climate Risk and Resilience Management, P. 22–23
		The Group adopts a decarbonisation strategy through constructing certified green buildings and optimising energy performance of existing buildings.	Energy and Greenhouse Gas Management, P. 25–27
		The Group's business operations implement adaptive measures to mitigate the physical impacts from the changing climate.	Climate Risk and Resilience Management, P. 22–23
Risk Management	Disclose how the organisation identifies, assesses, and manages climate-related risks.	Climate-related risks are incorporated in the Group's enterprise risk management system to identify, manage and disclose climate-related risks as part of our standard business approach.	Our Sustainability Approach, P. 14–19
		The Group conducted a preliminary climate risk mapping exercise across our BUs to identify physical and transitional risks, impacts and potential mitigation measures.	Climate Risk and Resilience Management, P. 22–23
		To manage climate-related risks in our daily operations, several BUs have obtained ISO 14001-certified environmental management system.	Co-living with the Nature — Commitment and Strategy, P. 21
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Our climate-related metrics, including our Scope 1, 2 and 3 emissions are monitored regularly and disclosed in our annual sustainability report.	Energy and Greenhouse Gas Management, P. 25–27
		We are in the process of formulating environmental targets and will disclose them in the near future.	Performance Data Summary, P. 58–67

GRI Standards, HKEX ESG Reporting Guide and SASB Standards Content Index

Disclosure	HKEX ESG Reporting Guide	SASB Standards	Page Number/Remarks
102: General Disclosures 2016			
Organisational profile			
102-1	Name of the organisation		The Wharf (Holdings) Limited
102-2	Activities, brands, products, and services		About Our Business (Page 9–10)
102-3	Location of headquarters		Hong Kong
102-4	Location of operations		About Our Business (Page 9–10)
102-5	Ownership and legal form		Publicly listed company
102-6	Markets served		About Our Business (Page 9–10)
102-7	Scale of the organisation	IF-RE-000.A, IF-RE-000.B	About Our Business (Page 9–10)
102-8	Information on employees and other workers	KPI B1.1	Nurturing Our Employees (Page 33–37)
102-9	Supply chain	KPI B5.1, B5.2, B5.3, B5.4	Partnering with Our Suppliers (Page 38)
102-10	Significant changes to the organisation and its supply chain		About Our Business (Page 9–10); Partnering with Our Suppliers (Page 38)
102-11	Precautionary principle or approach		Our Sustainability Approach (Page 14–19)
102-12	External initiatives		Major Awards, Charters and Memberships (Page 68–69)
102-13	Membership of associations		Major Awards, Charters and Memberships (Page 68–69)
Strategy			
102-14	Statement from senior decision-maker		Message from the Chairman (Page 2–3)
Ethics and integrity			
102-16	Values, principles, standards, and norms of behaviour	KPI B7.2	Our Sustainability Approach (Page 14–19)
Governance			
102-18	Governance structure		Our Sustainability Approach (Page 14–19)
Stakeholder engagement			
102-40	List of stakeholder groups		Our Sustainability Approach (Page 14–19)
102-41	Collective bargaining agreements		Some of our business units in Mainland China have set up trade unions to safeguard the legitimate rights and interests of our employees and to establish a coordinated and stable employment relation. Collective bargaining agreements do not apply to the Group's operations in Hong Kong.
102-42	Identifying and selecting stakeholders		Our Sustainability Approach (Page 14–19)
102-43	Approach to stakeholder engagement		Our Sustainability Approach (Page 14–19)
102-44	Key topics and concerns raised		Our Sustainability Approach (Page 14–19)



Disclosure	HKEX ESG Reporting Guide	SASB Standards	Page Number/Remarks
Reporting practice			
102-45	Entities included in the consolidated financial statements		2020 Annual Report: Independent Auditor's Report
102-46	Defining report content and topic boundaries		About This Report (Page 4–6); Our Sustainability Approach (Page 14–19)
102-47	List of material topics		Our Sustainability Approach (Page 14–19)
102-48	Restatements of information		For information restated, we have put remarks in respective information to indicate the restatement and reason.
102-49	Changes in reporting		About This Report (Page 4–6)
102-50	Reporting period		About This Report (Page 4–6)
102-51	Date of most recent report		Published in May 2020, Sustainability Report 2019 is the most recent report.
102-52	Reporting cycle		Annual
102-53	Contact point for questions regarding the report		About This Report (Page 4–6)
102-54	Claims of reporting in accordance with the GRI Standards		This report has been prepared in accordance with GRI Standards: Core option.
102-55	GRI content index		GRI Standards, HKEX ESG Reporting Guide and SASB Standards Content Index (Page 72–77)
102-56	External assurance		Verification Statement (Page 78)
200: Economic			
201: Economic Performance 2016			
103	Management approach		About Our Business (Page 9–10); 2020 Annual Report – Chairman's Statement
201-1	Direct economic value generated and distributed		About Our Business (Page 9–10); 2020 Annual Report – Directors' Report
201-2	Financial implications and other risks and opportunities due to climate change	GD A4 KPI A4.1	IF-RE-450a.2 About Our Business (Page 9–10); Climate Risk and Resilience Management (Page 22–23)
201-4	Financial assistance received from government		We received a total amount of HK\$75 million of financial subsidy from HKSAR Government in 2020 due to COVID-19 outbreak.
202: Market Presence 2016			
103	Management approach		Our Sustainability Approach (Page 14–19)
202-2	Proportion of senior management hired from the local community		Our Governance (Page 12)
203: Indirect Economic Impacts 2016			
103	Management approach	GD D8	Business-in-Community (Page 52–57)
203-1	Infrastructure investments and services supported	KPI B8.1, B8.2	About Our Business (Page 9–10); Business-in-Community (Page 52–57)
204: Procurement Practices 2016			
103	Management approach	GD B5	Partnering with Our Suppliers (Page 38)
204-1	Proportion of spending on local suppliers	KPI B5.1	Partnering with Our Suppliers (Page 38)
			Based on the principle of materiality, the Report includes the number of suppliers whom are the most significant 70% by spending in our BUs' supply chain.

Disclosure		HKEX ESG Reporting Guide	SASB Standards	Page Number/Remarks
205: Anti-corruption 2016				
103	Management approach	GD B7		Our Governance (Page 11–13); Our Sustainability Approach (Page 14–19)
205-2	Communications and training about anti-corruption policies and procedures	KPI B7.3		Our Governance (Page 11–13); Our Sustainability Approach (Page 14–19)
205-3	Confirmed incidents of corruption and actions taken	KPI B7.1		In 2020, there were no confirmed incidents of corruption.
300: Environmental				
301: Material 2016				
103	Management approach	GD A2, A3		Co-living with the Nature — Commitment and Strategy (Page 21); Waste Management and Resource Conservation (Page 29–30)
301-1	Materials used by weight or volume	KPI A2.5		Performance Data Summary (Page 58–67)
302: Energy 2016				
103	Management approach	GD A2, A3		Co-living with the Nature — Commitment and Strategy (Page 21); Energy and Greenhouse Gas Management (Page 25–27)
302-1	Energy consumption within the organisation	KPI A2.1	IF-RE-130a.2	Energy and Greenhouse Gas Management (Page 25–27); Performance Data Summary (Page 58–67)
302-3	Energy intensity	KPI A2.1		Energy and Greenhouse Gas Management (Page 25–27); Performance Data Summary (Page 58–67)
CRE-1	Building energy intensity	KPI A2.1		Energy and Greenhouse Gas Management (Page 25–27); Performance Data Summary (Page 58–67)
302-4	Reduction of energy consumption	KPI A2.3		Energy and Greenhouse Gas Management (Page 25–27)
303: Water and Effluents 2018				
103	Management approach	GD A2, A3	IF-RE-140a.4	Co-living with the Nature — Commitment and Strategy (Page 21); Water Management and Conservation (Page 27–29)
303-1	Interactions with water as a shared resource	KPI A2.4, A3.1		Water Management and Conservation (Page 27–29)
303-2	Management of water discharge-related impacts	KPI A3.1		Our wastewater is treated by municipal water treatment facilities before discharge to waterbodies. Thus, the Group has no minimum standards set for quality of effluent discharge.
303-3	Water withdrawal	KPI A2.2	IF-RE-140a.2	Water Management and Conservation (Page 27–29); Performance Data Summary (Page 58–67)
CRE-1	Building water intensity	KPI A2.2		There is no withdrawal of surface or groundwater. All water consumed in Hong Kong and Mainland China are purchased and distributed by the Government's municipal water supplies department. Water Management and Conservation (Page 27–29); Performance Data Summary (Page 58–67)

Disclosure	HKEX ESG Reporting Guide	SASB Standards	Page Number/Remarks
305: Emission 2016			
103	Management approach	GD A1, A3	Co-living with the Nature — Commitment and Strategy (Page 21); Energy and Greenhouse Gas Management (Page 25–27)
305-1	Direct (Scope 1) GHG emissions	KPI A1.2	Energy and Greenhouse Gas Management (Page 25–27); Performance Data Summary (Page 58–67)
305-2	Energy Indirect (Scope 2) GHG emissions	KPI A1.2	Energy and Greenhouse Gas Management (Page 25–27); Performance Data Summary (Page 58–67)
305-4	GHG emissions intensity	KPI A1.2	Energy and Greenhouse Gas Management (Page 25–27); Performance Data Summary (Page 58–67)
CRE-3	GHG emissions intensity from buildings	KPI A1.2	Energy and Greenhouse Gas Management (Page 25–27); Performance Data Summary (Page 58–67)
305-5	Reduction of GHG emissions	KPI A1.5	Energy and Greenhouse Gas Management (Page 25–27)
305-7	NO _x , SO _x , and other significant air emissions	KPI A1.1	Performance Data Summary (Page 58–67)
306: Waste 2020			
103	Management approach	GD A1	Co-living with the Nature — Commitment and Strategy (Page 21); Waste Management and Resource Conservation (Page 29–30)
306-1	Waste generation and significant waste-related impacts	GD A1	Waste Management and Resource Conservation (Page 29–30)
306-2	Management of significant waste-related impacts	GD A1	Waste Management and Resource Conservation (Page 29–30)
306-3	Waste generated	KPI A1.3, A1.4, A1.6	Waste Management and Resource Conservation (Page 29–30); Performance Data Summary (Page 58–67)
307: Environmental Compliance 2016			
103	Management approach		Co-living with the Nature — Commitment and Strategy (Page 21)
307-1	Non-compliance with environmental laws and regulations		In 2020, the Group received no fines or non-monetary sanctions for incidences of non-compliance.
400: Social			
401: Employment 2016			
103	Management approach	GD B1	Building Excellence with Our Stakeholders — Commitment and Strategy (Page 33); Nurturing Our Employees (Page 33–37)
401-1	New employee hires and employee turnover	KPI B1.2	Performance Data Summary (Page 58–67)
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		Nurturing Our Employees (Page 33–37)
401-3	Parental leave		Performance Data Summary (Page 58–67)

Disclosure		HKEX ESG Reporting Guide	SASB Standards	Page Number/Remarks
402: Labor/Management Relations 2016				
103	Management approach			Building Excellence with Our Stakeholders — Commitment and Strategy (Page 33); Nurturing Our Employees (Page 33–37)
402-1	Minimum notice periods regarding operational changes			We do not have a fixed notice period. Depending on commercial and/or other aspects of business sensitivity, reasonable notice is normally allowed for any significant operational changes of the company.
403: Occupational Health and Safety 2018				
103	Management approach	GD B2		Safe Workplace (Page 47–49)
403-1	Occupational health and safety management system	KPI B2.3		Safe Workplace (Page 47–49)
403-2	Hazard identification, risk assessment, and incident investigation	KPI B2.3		Safe Workplace (Page 47–49)
403-5	Worker training on occupational health and safety	KPI B2.3		Safe Workplace (Page 47–49)
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	KPI B2.3		Safe Workplace (Page 47–49)
403-9	Work-related injuries	KPI B2.1, B2.2		Safe Workplace (Page 47–49); Performance Data Summary (Page 58–67)
404: Training and Education 2016				
103	Management approach	GD B3		Building Excellence with Our Stakeholders — Commitment and Strategy (Page 33); Nurturing Our Employees (Page 33–37)
404-1	Average hours of training per year per employee	KPI B3.2		Performance Data Summary (Page 58–67)
404-2	Programmes for upgrading employee skills and transition assistance programmes			Nurturing Our Employees (Page 33–37)
405: Diversity and Equal Opportunity 2016				
103	Management approach			Our Sustainability Approach (Page 14–19); Building Excellence with Our Stakeholders — Commitment and Strategy (Page 33); Nurturing Our Employees (Page 33–37)
405-1	Diversity of governance bodies and employees	KPI B1.1		Our Governance (Page 12); Our Sustainability Approach (Page 14–19); Performance Data Summary (Page 58–67)
406: Non-discrimination 2016				
103	Management approach			Building Excellence with Our Stakeholders — Commitment and Strategy (Page 33); Nurturing Our Employees (Page 33–37)
406-1	Incidents of discrimination and corrective actions taken			In 2020, there were no recorded incidents of non-compliance with anti-discrimination legislation.



Disclosure	HKEX ESG Reporting Guide	SASB Standards	Page Number/Remarks
408: Child Labor 2016			
103	Management approach	GD B4	Building Excellence with Our Stakeholders — Commitment and Strategy (Page 33); Nurturing Our Employees (Page 33–37)
408-1	Operations and suppliers at significant risk for incidents of child labor	KPI B4.1, B4.2	Child labour is not material to our business. The relevant KPIs are therefore not disclosed.
409: Forced or Compulsory Labor 2016			
103	Management approach	GD B4	Building Excellence with Our Stakeholders — Commitment and Strategy (Page 33); Nurturing Our Employees (Page 33–37)
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	KPI B4.1, B4.2	Forced labour is not material to our business. The relevant KPIs are therefore not disclosed.
413: Local Communities 2016			
103	Management approach		Business-in-Community — Commitment and Strategy (Page 53)
413-1	Operations with local community engagement, impact assessments and development programmes		Business-in-Community (Page 52–57)
416: Customer Health and Safety 2016			
103	Management approach	GD B6	Safeguarding Wellbeing and Safety — Commitment and Strategy (Page 43); Safe Products and Services (Page 51)
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	KPI B6.1, B6.4	In 2020, there were no recorded incidents of non-compliance.
417: Marketing and Labelling 2016			
103	Management approach	GD B6	Building Excellence with Our Stakeholders — Commitment and Strategy (Page 33); Delivering Quality for Our Customers (Page 39–41)
417-3	Incidents of non-compliance concerning marketing communications	KPI B6.2, B6.3	In 2020, there were no recorded incidents of non-compliance.
418: Customer Privacy 2016			
103	Management approach	GD B6	Building Excellence with Our Stakeholders — Commitment and Strategy (Page 33); Delivering Quality for Our Customers (Page 39–41)
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	KPI B6.5	In 2020, there were no recorded incidents of non-compliance.
419: Socioeconomic Compliance 2016			
103	Management approach		Our Sustainability Approach (Page 14–19)
419-1	Non-compliance with laws and regulations in the social and economic area		In 2020, there were no recorded incidents of non-compliance.



Verification Statement



Scope and Objective

Hong Kong Quality Assurance Agency (“HKQAA”) has been commissioned by The Wharf (Holdings) Limited (“Wharf Holdings”) to undertake an independent verification for its Sustainability Report 2020 (“the Report”). The scope of this verification covers the sustainability performance data and information of its business in Hong Kong and Mainland China for the period of 1st January 2020 to 31st December 2020.

The aim of this verification is to provide a reasonable assurance on the reliability of the report contents. The Report has been prepared in accordance with the Core option of the Global Reporting Initiative Sustainability Reporting Standards (“GRI Standards”), the GRI G4 Construction and Real Estate Sector Disclosures and the Environmental, Social and Governance Reporting Guide (“ESG Guide”) of The Stock Exchange of Hong Kong Limited. It also provides disclosures with reference to the standards for real estate industry set by the Sustainability Accounting Standards Board (“SASB Standards”).

Level of Assurance and Methodology

The process applied in this verification was based on the International Standard on Assurance Engagements 3000 (Revised) — Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board. The verification process was designed to obtain a reasonable level of assurance in accordance with the standard for the purpose of devising the verification conclusion. The extent of verification covered the GRI Standards, the GRI G4 Construction and Real Estate Sector Disclosures, the ESG Guide and SASB Standards.

The verification procedures performed included reviewing the stakeholder engagement, materiality assessment processes and data management mechanism, checking of relevant supporting evidence and interviewing responsible personnel with accountability for preparing the Report. Raw data of the selected samples were thoroughly examined during the verification process.

Independence

Wharf Holdings was responsible for the collection and presentation of the information. HKQAA did not involve in the collection and calculation of data or the compilation of the reporting contents. Our verification activities were entirely independent. There was no relationship between HKQAA and Wharf Holdings that would affect the impartiality of the verification service.

Conclusion

Based on the verification results and in accordance with the verification procedures undertaken, HKQAA has obtained reasonable assurance and is in the opinion that:

- The Report has been prepared in accordance with the GRI Standards: Core Option and GRI G4 Construction and Real Estate Sector Disclosures;
- The Report complied with the ESG Guide;
- The Report disclosure is aligned with the SASB Standards;
- The Report illustrates the sustainability performance of Wharf Holdings, covering all material and relevant aspects and topics, in a balanced, comparable, clear and timely manner; and
- The data and information disclosed in the Report are reliable and complete.

In conclusion, Wharf Holdings has been putting continuous efforts in improving its report transparency and overall quality. The Report allows stakeholders to visualize the company’s sustainability commitments, stewardship and performance in a frank and explicit fashion.

Signed on behalf of Hong Kong Quality Assurance Agency

Connie Sham
Head of Audit
April 2021



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