



恒基兆業地產有限公司  
HENDERSON LAND DEVELOPMENT COMPANY LIMITED

Stock Code: 12



SUSTAINABILITY  
REPORT

2021

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### **Our Sustainability Strategy**

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## MESSAGE FROM THE BOARD

Sustainability is at the heart of Henderson Land's business strategy and our focus on innovation and green building featured prominently this year.



Welcome to our annual Sustainability Report.

Despite another year of uncertainty as the unprecedented impact of the COVID-19 pandemic continued to disrupt all aspects of life and businesses, we remained steadfast in our commitment to contribute to a more sustainable and inclusive world.

Sustainability is at the heart of Henderson Land's business and our focus on innovation and green building featured prominently this year. Two new projects, in particular, are notable for the important role they play in delivering a sustainable future for Hong Kong. The first, our flagship commercial development, The Henderson, is designed with the concept of a Bauhinia bud about to blossom. Encompassing a variety of environmentally friendly designs, wellness features, and intelligent building innovations, it adheres to our G.I.V.E. sustainability strategy, namely Green for Planet, Innovation for Future, Value for People and Endeavour for Community. The second is our successful bid to acquire Site 3 of New Central Harbourfront, which will see the Group curating a world-class iconic hub that embodies people-oriented and low carbon design concepts, and demonstrates our support for global climate actions and the Hong Kong Green Building Council ("HKGBC")'s Advancing Net Zero initiative.

As a leading property developer in Hong Kong and mainland China, one of our longstanding pledges is to improve the well-being of communities. To help alleviate housing pressure in Hong Kong, the transitional housing projects with land provided by the Group have continued to apply Modular Integrated Construction ("MiC") technology to support the Government in providing transitional housing to underprivileged families. The first phase of the Kong Ha Wai project, which is the largest transitional housing project in Hong Kong, was completed in early 2022, while two more transitional housing projects at Kam Tin and Ngau Tam Mei South are under way. Henderson Land's urban redevelopment projects emphasise our people-centric philosophy that embraces arts and culture. Features such as enhancing the streetscape of the Whampoa Street rejuvenation and using creative music visualisations in The Harmonie are examples of our holistic urban fabric design for the community.

Henderson Land is a caring company with a long-standing commitment to corporate social responsibility and we proactively promote well-being. During the year, the Henderson Development Anti-Epidemic Fund, which was established by my brother and joint Chairman of the Group, Dr Lee Ka Kit, Peter, and I, sponsored the "Early Vaccination Incentive Scheme" to encourage and incentivise all segments of the community to get vaccinated in order to build a safety net for the city. We provided over HK\$6.3 million worth of prizes to the public in lucky draws. In addition, we continue to work alongside trusted non-governmental organisation ("NGO") partners to deliver our community investment programmes. The "Henderson Land Commendation Scheme for Elite Athletes", established in 2018 with donations from the Lee Shau Kee Foundation, presented HK\$23.72 million of cash incentives to winning team members of the Hong Kong, China Delegation this year to recognise their remarkable achievements at the Olympics and at various other major competitions and to support their sports pursuits.

Echoing the climate action urged at the 26<sup>th</sup> United Nations Climate Change Conference of Parties this year, we are integrating climate-related strategies into our decision-making process and have disclosed our mitigation measures on significant climate-related risks according to the framework from the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"). To ensure business resilience, our Board of Directors ("the Board") plays a critical role in overseeing the Group's Environmental, Social, and Governance ("ESG") management approach and strategy, and reviewing progress made against relevant goals and commitment, including the new targets set for advancing our performance of the G.I.V.E. strategy. On behalf of the Board, I am pleased to present the Board's ESG involvement in the "Our Corporate Governance" section of this report.

Looking ahead, I am confident that Henderson Land will continue its leading role in sustainability in our industry as we remain committed to innovating for a sustainable future.

For and on behalf of the Board of  
Henderson Land Development Company Limited  
**DR LEE KA SHING, MARTIN**  
Chairman of the Board and Sustainability Committee

# OUR SUSTAINABILITY STRATEGY AND HIGHLIGHTS

Sustainability has been the core of Henderson Land's business and will continue to be integrated into the Group's decision-making, as well as our property planning, development and management processes. We are committed to minimising our environmental footprint while maximising contributions to address environmental and social issues such as climate change.

Our 2030 Sustainability Vision serves as a guide for advancing our sustainable performance in the future. This Vision is reflected in our sustainability strategy and is based on four primary drivers that we refer to as G.I.V.E., which are linked to relevant United Nations ("UN") Sustainable Development Goals ("SDGs").



## GREEN FOR PLANET



### Building a Green Portfolio: Reducing our impact on the environment

#### Focus areas



#### Climate Resilience

Adopt smart and climate-resilient building designs to enhance the adaptability of properties to the adverse effects of climate change



#### Environmental Impact

Reduce the environmental impact and carbon footprint of our business model

#### Highlights

- Pledged support for Government's "Carbon Neutrality Partnership" and proactively set targets in response to Hong Kong's Climate Action Plan 2050
- Cumulatively achieved **50 BEAM Plus**, **19 BEAM**, **15 LEED** and **8 China Green Building Design Label**
- Enable residents' green lifestyle in latest residential development projects by introducing innovations ranging from **eco-friendly solutions** and **renewables** to **recycling** and **urban farming**
- Cumulatively secured over **HK\$28 billion** equivalent of green finance facilities
- **↓ 7%** in energy consumption in the common areas of 14 of our commercial properties managed by Goodwill already achieved between 2021 and baseline year 2015, and renewed the target to align with our 2030 Sustainability Vision
- **↓ 70%** timber formwork as part of our timberless construction objectives

#### Sustainability targets

- **All new office development projects** target to achieve **BEAM Plus Gold Rating or above**
- By 2030, **↓ energy intensity by 20%** from baseline year 2019 for **Hong Kong portfolio**, and **by a cumulative ↓ 10% electricity consumption** from baseline year 2021 for **mainland China portfolio**<sup>1</sup>, which are renewed targets as part of our 2030 Sustainability Vision
- Achieve provision of **electric vehicle charging facilities** for all car parking spaces in **90% of new residential developments** and **new commercial developments** by 2030
- Conduct **life cycle assessment** during design and construction stages for **over 20 new property developments** by 2030 to reduce embodied carbon of developments
- **♻️ 15%** and **30%** of demolition and construction waste for all new developments by 2025 and 2030 respectively
- Achieve estimated annual water **↓ 20%** and **↓ 30%** for all new residential and office developments respectively

<sup>1</sup> Covering majority of properties owned by the Group and/or managed by Goodwill and Starplus that are in full operation, and have a significant share of our portfolio's energy consumption

## 2030 Sustainability Vision

Our 2030 Sustainability Vision has four primary drivers: Green for Planet, Innovation for Future, Value for People and Endeavour for Community, which align with our

commitments to the SDGs. For each of these drivers, we have pinpointed key areas that we intend to focus our efforts on and maximise our impact by 2030. Our progress is reviewed using targets that are specific to each focus area as they relate to our own operations.



## INNOVATION FOR FUTURE



### Shaping a Smarter Future: Creating a smart built environment enabled by innovation and technology

#### Focus areas



#### Technology Innovation

Create new ways of living and working with technology



#### Social Innovation

Innovate to better serve our stakeholders and enhance living quality

#### Highlights

- Introduce latest innovative PropTechs extensively along our value chain, such as **Design for Manufacture and Assembly** ("DfMA"), **Internet of Things** ("IoT") system, **robotics**, **5G applications** and **touchless digital application**
- Patented two new features, namely a "**Lift Sterilisation Pod**" and a "**Depuration Porch**" to enhance tenants' and homeowners' quality of living
- Forge ahead with **art living initiatives** and inject **vibrancy** into **urban redevelopment** projects using inspirational local and international public art and culture
- Employ highly efficient **Modular Integrated Construction** technology in Kong Ha Wai project, which is by far Hong Kong's largest ever transitional housing project
- Received the **Global Most Innovation Knowledge Enterprise Award 2021**

#### Sustainability targets

- Adopt **digital and smart building features** at **100%** of our **new office and commercial developments** and **90%** of our **residential developments** by 2023
- Continue to **develop additional innovative products** for application at our new construction projects

# OUR SUSTAINABILITY STRATEGY AND HIGHLIGHTS



## VALUE FOR PEOPLE



**Creating a Caring Culture: Being a caring employer who looks after our people and our partners**

### Focus areas



#### Health & Wellness

Ensure the health and well-being of stakeholders through our building designs, operations and services



#### Our People, Partners and Customers

Actively engage with our people, partners and customers to address their needs

### Highlights

- **Outperformed** the industry with **<7** per 1,000 workers **accident frequency rate**
- Henderson Development Anti-Epidemic Fund sponsored the **“Early Vaccination Incentive Scheme”** campaign and provided over **HK\$6.3 million** worth of prizes to the public in lucky draws
- Cumulatively achieved **6** WELL project accreditations, **3** China Healthy Building Design Label
- Fanling North project is one of the **first** residential development projects in Hong Kong to obtain **WELL v2 Platinum Level Pre-certification**
- Caine Hill is the **first** Hong Kong residential development project to obtain **China Healthy Building Design Label** and achieve the **highest 3-Star Rating**
- Above **98%** overall customer satisfaction

### Sustainability targets

- Minimise **accident rate** to **<7** out of 1000 workers by 2022
- Conduct regular customer satisfaction surveys and maintain a **high customer satisfaction rate**<sup>2</sup> each year
- **↑** total training hours per employee by **15%** by 2025 from 2020 base year



## ENDEAVOUR FOR COMMUNITY



**Establishing a Liveable Community: Providing a more liveable environment that enhances well-being and quality of life**

### Focus areas



#### Sustainable Community and Liveable Community

Enhance the living standards and proactively address stakeholders' needs

### Highlights

- Presented more than **HK\$23.72 million** of cash incentives to team members of the Hong Kong, China Delegation via the **“Henderson Land Commendation Scheme for Elite Athletes”**
- Submitted an application under Land Sharing Pilot Scheme to the Development Bureau, providing about **8,500 public housing** and **Starter Home units** and about **3,600 private housing units** in Lam Tsuen, Tai Po
- Henderson Warmth Volunteer Team, Goodwill, Well Born and Hang Yick contributed over **80,000** service hours as a whole to deserving causes
- Donated **RMB 10 million** to support disaster relief efforts in Henan
- **Lead Sponsor** for the **Food Made Good Hong Kong Awards 2021** to champion sustainability development in food businesses

### Sustainability targets

- Henderson Warmth Volunteer Team, Goodwill, Well Born and Hang Yick will continue to contribute over **80,000** service hours per year to deserving causes

<sup>2</sup> Covering properties managed by Goodwill, Well Born and Hang Yick

# OUR SUSTAINABILITY STRATEGY AND HIGHLIGHTS

## Our Awards and Ratings

In recognition of our achievements in sustainability, the Group is honoured to have received the following awards and ratings:



Bloomberg Businessweek/  
Chinese Edition and Deloitte  
ESG Leading Enterprise, Leading  
Environmental and Social Awards 2021



Outstanding Listed Companies  
Award 2021



Hong Kong Corporate Governance and ESG  
Excellence Awards 2021  
Award of Excellence in ESG –  
Hang Seng Index Constituent Companies



Metro Finance Radio  
Environmental Sustainability Awards and  
Social Sustainability Awards



International ARC Awards 2021  
Outstanding Design of  
Sustainability Report



Hong Kong ESG Reporting Awards 2021 (HERA)  
Excellence in Social Positive Impact  
– Commendation



Ranked as  
Top 20 Companies (Achiever)



Listed for 11 consecutive years  
**AA** Rating in 2021



Institute of ESG & Benchmark  
ESG Achievement Awards 2020  
The ESG Leader – Diamond and  
Outstanding Performance in Social  
Responsibility – Winner



Sustainability Rating Seal 2021–2022  
**AA** Rating



Public Disclosure Rating of  
**A** in 2021



ESG Rating of **BB** in 2021



Rated **B-** in Climate Change Assessment  
in the first year of participation in 2021

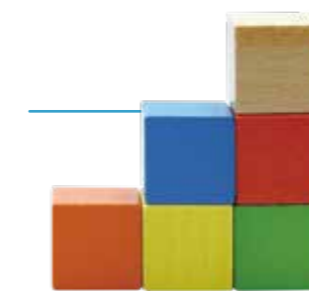
For further information about our sustainability awards and ratings, please refer to “Sustainability Awards and Professional Memberships”.

## Our Enhancements

### OUR ENHANCED CORPORATE GOVERNANCE

- Drafted two **new policies** and updated seven sustainability policies
- Established a **new Sustainability Working Group**

Please refer to “Our Corporate Governance” for more information.



### OUR ENHANCED SUSTAINABILITY MANAGEMENT

- Reviewed and **reprioritised material sustainability topics**
- Renewed and developed more than **12 sustainability targets**

Please refer to “Our Sustainability Strategy and Highlights” for more information.

### OUR ENHANCED CLIMATE RESILIENCE STRATEGY

- Conducted **internal stakeholder engagement** to identify and prioritise climate-related risks and opportunities
- Developed a **climate-related risks and opportunities register**
- Published our **first** climate resilience disclosure with reference to **TCFD** recommendations

Please refer to “Our Climate Resilience Strategy” for more information.



### OUR ENHANCED SUSTAINABILITY DISCLOSURES

- Expanded **reporting scope** to cover our **property management operations in mainland China**
- Engaged third-party to conduct an **external assurance assessment** of this Report

Please refer to “About this Report” and “Independent Limited Assurance Report” for more information.

# ABOUT OUR GROUP



## Our Vision

Henderson Land aspires to remain a market leader by maximising long term economic value while creating positive social and environmental impacts.

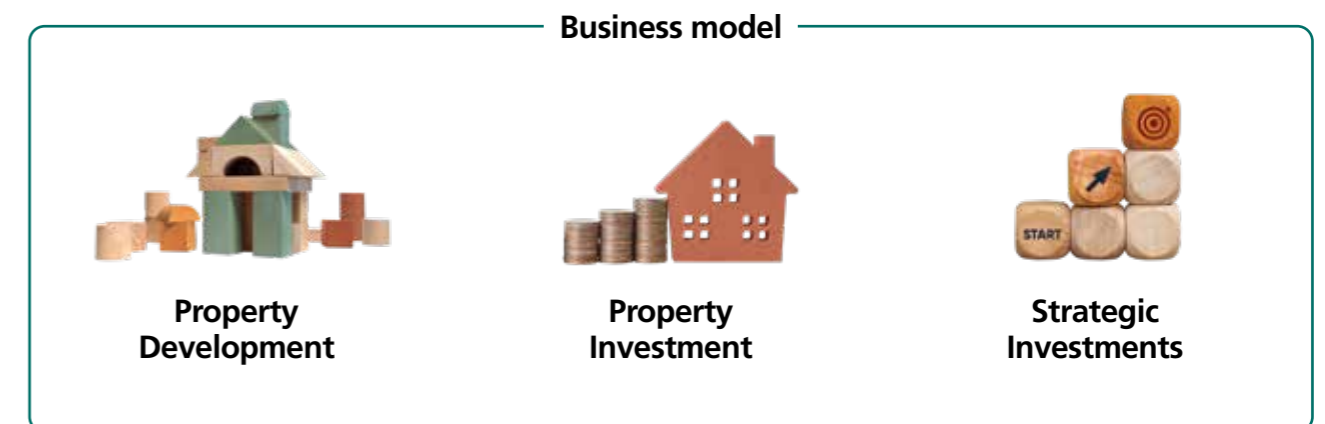
## Our Corporate Profile

Founded in 1976 and listed in Hong Kong since 1981, Henderson Land Development Company Limited (Stock Code: 12) is a leading property developer with a focus on Hong Kong and mainland China.

We create sustainable value for our shareholders, customers, employees, partners and the community by excelling at our professional activities. We are dedicated to developing commercial and residential projects using innovative designs that transform urban landscapes into green and healthy living environments.

## Business Overview

Our diversified business model comprises “three pillars” of property development, property investment, and strategic investments in both Hong Kong and mainland China. The Group has also adopted a deliberate strategy in order to maximise the value for shareholders over the long term.



## ABOUT OUR GROUP

### Business Profile



#### Core businesses:

property development and investment, construction, provision of finance, project and property management, department store and supermarket operations, hotel operation and management, travel and food and beverage operations, gas production and distribution



Total land bank  
(attributable floor area)

**70.4** million sq. ft.,

and total attributable land area in New Territories of 44.9 million sq. ft.



Number of full-time employees  
as at 31 December 2021

**10,059**

### Financial Highlights

#### Market Cap

(as at 31 December 2021)

**HK\$160.7**  
billion

#### Revenue

(for the financial year ended 31 December 2021)

**HK\$23.5**  
billion

Profit attributable to  
equity shareholders in 2021

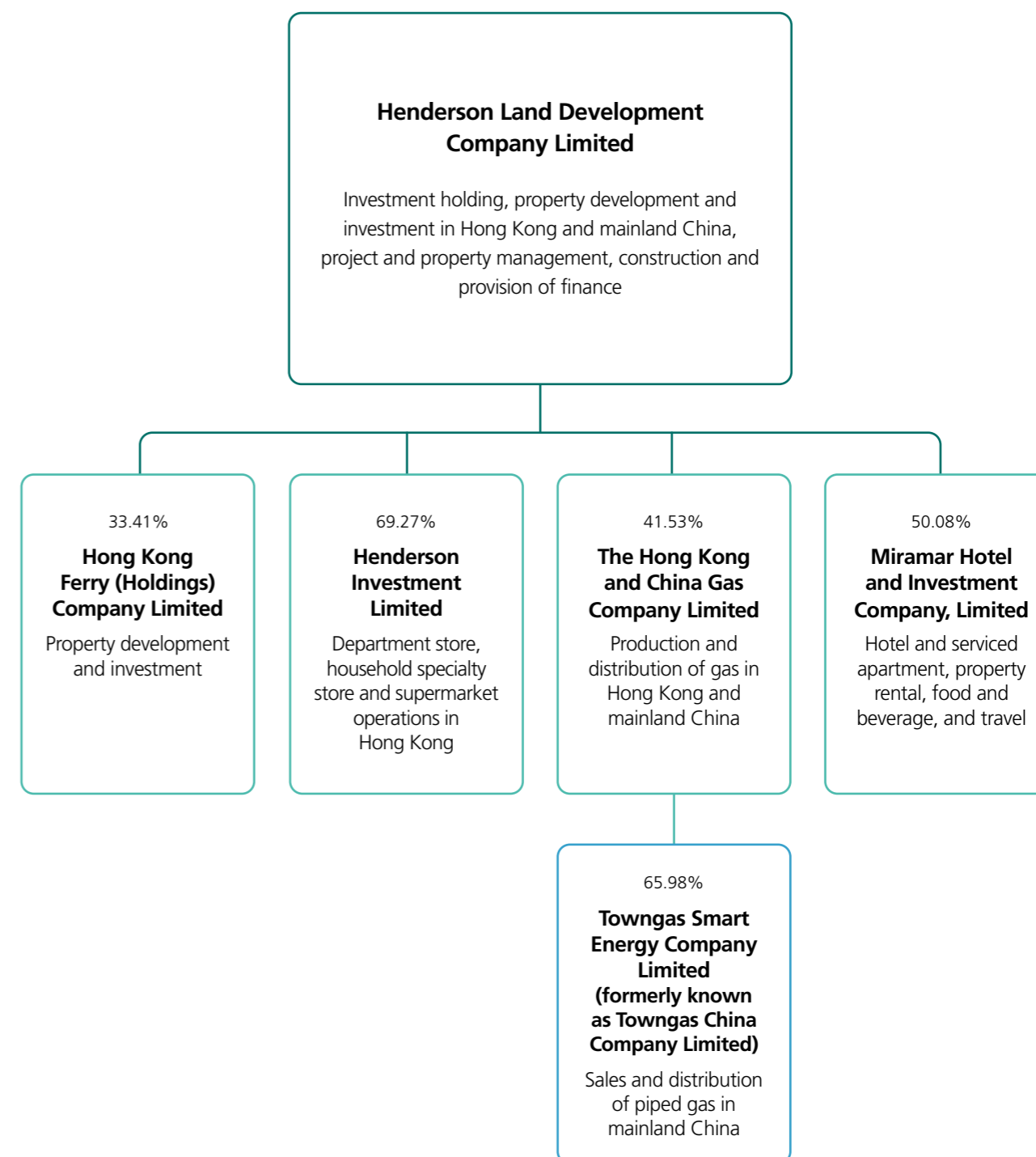
**HK\$13.2**  
billion

#### Dividends per share

(for the financial year ended 31 December 2021)

**HK\$1.8**

### Henderson Land Group Structure<sup>3</sup>



For details of our organisation structure and financial performance, please refer to our Annual Report 2021.

<sup>3</sup> All attributable interests shown above were figures as at 31 December 2021



# ABOUT OUR GROUP

## Our Sphere of Influence

The economic, social and environmental impacts of our core business activities are reflected throughout the lifecycle of a building. To create positive influences, we work with a variety of stakeholders, both upstream and downstream in our value chain. Below we illustrate our sphere of influence within the lifecycle of a building.



### Building Design:

The Group is committed to green and healthy buildings as evidenced in our policies and our array of sustainable building certifications (e.g. BEAM Plus, LEED, WELL, China Green Building Label and Healthy Building labels, etc.). Our green and healthy building designs contribute to providing a comfortable and pleasant environment for our customers, including our residents and tenants, as well as the surrounding community.



### Construction:

The Group's Construction Department uses innovative construction methods and materials to support green and smart construction. Our vision for green and smart construction impacts our working relationships with our suppliers and business partners.



### Property Management:

The Group works to constantly enhance the operational efficiency of our properties, reduce the environmental impacts of our existing buildings, and improve the health and well-being of our occupants.

We apply our sustainability strategy, detailed in the following sections, throughout our sphere of influence.

# ABOUT THIS REPORT



Site 3 of New Central Harbourfront, Central, Hong Kong (artist's impression)

## Reporting Period

The Sustainability Report 2021 ("the Report") of Henderson Land Development Company Limited ("Henderson Land" or together with its subsidiaries, "the Group") covers the period from 1 January 2021 to 31 December 2021. Our Sustainability Reports are published online on an annual basis.

## Reporting boundary

The Report<sup>4</sup> provides descriptions and key statistics of the Group's sustainability performance and progress during the year focusing on our headquarters at Two International Finance Centre and AIA Tower, and our wholly-owned subsidiaries, namely E Man Construction Company Limited<sup>5</sup> ("E Man"), Goodwill Management Limited<sup>6</sup> ("Goodwill"), and Well Born Real Estate Management Limited ("Well Born") and Hang Yick Properties Management Limited ("Hang Yick")<sup>7</sup>; as well as Shanghai Starplus Property Management Company Limited<sup>8</sup> ("Starplus") and selected properties of the Group in mainland China which are included starting from this year.

The selected in-scope entities are those whose activities the Group has the most impact and operational control over. We have commenced data collection work to encompass additional parties, with the aim of extending the data coverage of the Report in the near future.

We conducted a stakeholder engagement exercise to identify the material topics included in the Report. For details of our stakeholder engagement exercise, see "Our Materiality Approach".

## Reporting Standards

The Report has been prepared in accordance with the Global Reporting Initiative ("GRI") Standards: Core option and complies with the provisions of the Environmental, Social and Governance Reporting Guide issued by The Stock Exchange of Hong Kong Limited ("HKEX"). Information in this Report has been verified by a third-party with respect to the aforementioned standards, please refer to "Independent Limited Assurance Report" for more information.

## Contact Information

If you would like a copy of the Report or wish to provide any comments or suggestions, please contact us at [corpcomm@hld.com](mailto:corpcomm@hld.com). The e-copy of the Report is available at [www.hld.com/en/csr/sustainability.shtml](http://www.hld.com/en/csr/sustainability.shtml).

<sup>4</sup> While the listed subsidiaries and associates do not fall into the scope of this Report, their properties managed by Goodwill Management limited are covered in the Report

<sup>5</sup> E Man Construction Company Limited ("E Man") is responsible for operating and managing the Group's construction sites

<sup>6</sup> Goodwill Management Limited ("Goodwill") is responsible for managing the Group's commercial properties

<sup>7</sup> Well Born Real Estate Management Limited ("Well Born") and Hang Yick Properties Management Limited ("Hang Yick") are responsible for managing residential and industrial/commercial properties

<sup>8</sup> Shanghai Starplus Property Management Company Limited ("Starplus"), a wholly-owned subsidiary, specialises in offering premium management services for the Group's commercial properties in mainland China

# OUR CORPORATE GOVERNANCE

Robust governance is fundamental to our business. The Board has the overarching responsibility of managing the business strategies and activities of the Group. Under its leadership, we endeavour to ensure that our business is conducted in accordance with all applicable laws and regulations, codes and standards and that we live up to our high standards of accountability and transparency.

## Governance Structure

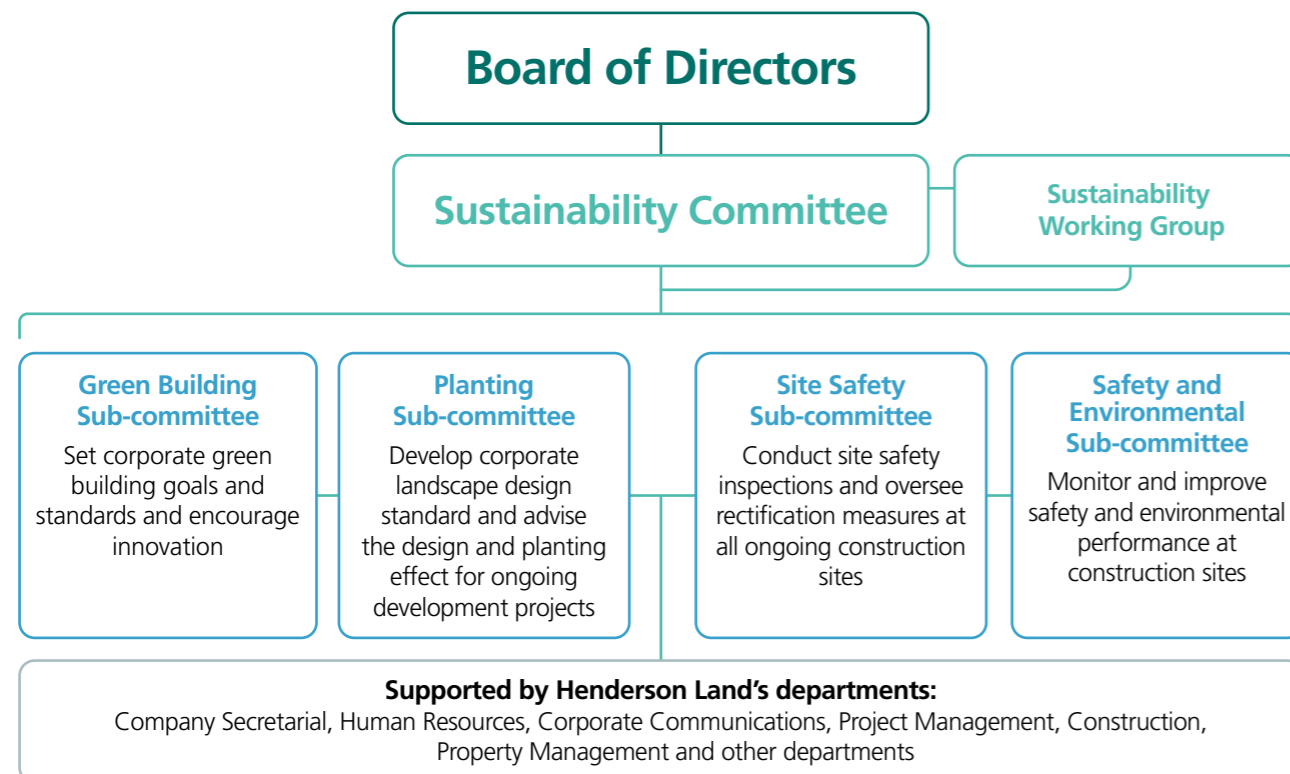
Our corporate governance structure is purposeful and robust, and enables an effective flow of information throughout the Group, between management, functions and business units.

The Board is actively engaged in formulating and implementing our sustainability strategy and policies as well as overseeing our risk management by ensuring that appropriate and effective ESG risk management and internal control systems are in place to address the ESG-related risks ("ESG risks"), including climate-related risks. While the Sustainability Committee supports the Board on evaluating, prioritising and managing material ESG issues to the Sustainability Committee, the Board also reviews and approves the Sustainability Report, including ESG-related strategy and progress made against ESG goals and targets on an annual basis.

The Sustainability Committee is chaired by the Group's Chairman, Dr Lee Ka Shing, Martin and comprises several directors and department heads. Its primary role is to manage Henderson Land's overall approach to sustainability, including overseeing the identification of material ESG issues, developing the Group's sustainability strategy and policies, and regularly evaluating the Group's sustainability performance and progress made against sustainability targets. The Committee reports relevant issues to the Board on a regular basis.

Supporting internal engagement to communicate sustainability strategy and targets to all departments, our Sustainability Working Group comprises dedicated team members who serve as sustainability champions and ambassadors to lead the planning, execution and evaluation of the sustainability initiatives. The Working Group facilitates corporate-wide communication on different ESG matters and shares ESG knowledge and trends among internal stakeholders who support our sustainability strategy.

In addition, there are four functional sub-committees focusing on particular ESG areas to ensure the effective implementation of ESG-related policies and initiatives. With sustainability being embedded in our day-to-day activities, departments are involved in the execution and delivery of sustainability initiatives.



Further information about our governance structure can be found in the Corporate Governance Report of our Annual Report 2021 and on our website: [https://www.hld.com/en/investor/annual\\_21.shtml](https://www.hld.com/en/investor/annual_21.shtml).


For the Terms of Reference of the Sustainability Committee, please refer to our website: <https://www.hld.com/en/csr/csrsubcommittee.shtml>.

## Policies

Our Corporate Social Responsibility Policy formalises our commitment to operating responsibly, taking us beyond minimum regulatory requirements for workplace quality, environmental protection, operating practices and community investment. The Group regularly reviews the Corporate Social Responsibility Policy and will update it as


appropriate so that it reflects our approach to ever-changing operating factors and community needs.

The Board has approved the following key policies that articulate and define important principles and values of the Group:




**Environmental**

- Biodiversity Policy NEW
- Climate Change Policy REVISED
- Corporate Social Responsibility Policy
- Environmental Policy (including waste and water topics) REVISED
- Sustainable Procurement Policy NEW



**Social**

- Anti-Corruption and Bribery Policy (including donation policy) REVISED
- Anti-Discrimination Policy
- Business Ethics and Code of Business Conduct Policy (including whistleblowing policy) REVISED
- Customer Services Code of Conduct Policy
- Director and Employee Remuneration Policy REVISED
- Health and Safety Policy
- Human Rights and Equal Employment Opportunity Policy REVISED



**Governance**

- Anti-Money Laundering and Counter-Terrorist Financing Policy
- Board Diversity Policy
- Dividend Policy
- Inside Information Policy
- Nomination Policy
- Risk Management Policy
- Shareholders Communication Policy REVISED

The Group has recently introduced two new policies to reflect our increasing commitment towards enhancing our ESG performance and to ensure that we keep up-to-date with the latest industry trends and stakeholder expectations<sup>9</sup>:

- The Biodiversity Policy sets out the Group's initiatives to conserve and enhance biodiversity throughout our project lifecycle from project planning, construction material selection, to supplier engagement and employee training
- The Sustainable Procurement Policy states our commitments to integrating sustainability criteria into our procurement and development process. In order

to manage environmental and social risks in our supply chains and minimise our impacts, the policy provides directions for us to identify and procure sustainable materials and products, proactively engage with suppliers, and evaluate our sustainable procurement performance

To view these policies, please refer to our website: <https://www.hld.com/en/corporate/corppolicies.shtml>.

<sup>9</sup> In addition to the two new policies, this year we have also updated the following policies: Climate Change Policy, Environmental Policy (including waste and water topics), Anti-Corruption and Bribery Policy (including donation policy), Business Ethics and Code of Business Conduct Policy (including whistleblowing policy), Director and Employee Remuneration Policy, Human Rights and Equal Employment Opportunity Policy and Shareholders Communication Policy

# OUR CORPORATE GOVERNANCE

## Risk Management

Our integrated and holistic risk management approach combines top-down strategy with the bottom-up processes of our operations departments. We proactively ensure that all significant risks are identified and assessed by considering their potential impacts and likelihood of occurrence, and that they are managed by identifying suitable control systems and counter measures. In mainland China, our Comprehensive Emergency Plan enables us to rapidly react to and handle any emergencies in our operations to ensure the safety of our staff, customers and assets. With a mechanism to assess the risk areas and level of impacts, designated management teams are responsible for developing operational plans and coordinating mitigation works. The Emergency Plan is updated regularly and communicated to all departments.

The Board regularly reviews and discusses material operational risks, while each department is responsible for identifying its own risks and designing, implementing and monitoring relevant risk management and internal control systems.

ESG risks are also monitored regularly to ensure they are considered as part of the Group's business decision-making. With increasing investor concerns, this year we assessed and included the disclosure of climate-related risks and opportunities in the Sustainability Report. The Group's approach to managing climate-related risks is detailed in the "Our Climate Resilience Strategy" section.

The Audit Department is responsible and accountable for enterprise risk management in terms of assessing risk appetite and tolerance, as well as risk monitoring and reporting for the Group. The Audit Department appraises the Group's major activities to ensure risk management and internal control systems are in place and makes recommendations for improvements. The Audit Department maintains its independence and reports its findings directly to the Audit Committee, which reviews the effectiveness of our overall risk management and submits its findings to the Board.

For details of the Group's risk management and internal controls, as well as the Risk Management Policy, please refer to the Corporate Governance Report of our Annual Report 2021 and our website: [https://www.hld.com/en/pdf/corporate/risk\\_management\\_policy.pdf](https://www.hld.com/en/pdf/corporate/risk_management_policy.pdf).

## Corporate Values

Our corporate values are embedded in our governance practice and underpin all our activities. We aim to add value for our shareholders, customers and the community through a commitment to excellence in product quality and service delivery, as well as a continuous focus on sustainability and the environment.

## Ethics

The Group observes a strict code of ethics in all spheres and we have no tolerance for any form of corruption or other misconduct. We expect our employees at all levels to uphold our values and behave in an ethical manner. In order to raise awareness among our employees in all functions of the Group, we provide anti-corruption training for new joiners within the first 60 days of their employment.

We actively encourage any employee with concerns about our standards of conduct to notify the Human Resources Department directly or the Group's Vice Chairman through a direct email link.






During the year, no legal actions or fines related to breaches of anti-corruption or anti-competitive practices were brought against the Group or its employees. There were also no significant fines or non-monetary sanctions for non-compliance with laws and regulations in the social and economic area.

# OUR MATERIALITY APPROACH






Recognising the importance of understanding stakeholders' expectations in order to develop our approach to sustainability, every year we review and update our list of materiality topics based on internal and external perspectives.

## Stakeholder Engagement

We have various feedback and communication channels to understand the perspectives of our key stakeholders who have a significant impact on or have close relationships with our business. Below is a summary of the ways we engage with our stakeholders:

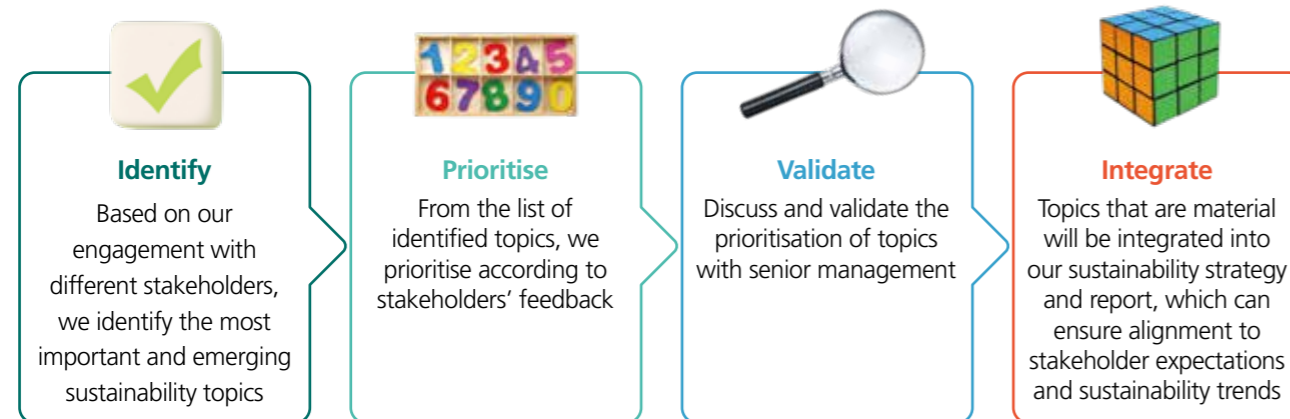
Stakeholder group	How did we engage?	Key concerns	Our approach
 Employees	<ul style="list-style-type: none"> <li>• Survey</li> <li>• Training</li> <li>• Yearly review</li> <li>• Formal and informal team meetings</li> <li>• Social gatherings</li> <li>• Interviews</li> <li>• Intranet</li> <li>• Volunteering</li> </ul>	<ul style="list-style-type: none"> <li>• Compensation and benefits</li> <li>• Career development and training</li> <li>• Health, safety and COVID-19 protection</li> <li>• Work from home arrangement during the pandemic</li> <li>• Employee volunteerism</li> </ul>	<ul style="list-style-type: none"> <li>• Value for People</li> </ul>
 Customers & tenants	<ul style="list-style-type: none"> <li>• Customer service/ Henderson Club hotline</li> <li>• Henderson Club email/ fax</li> <li>• Social media platform such as Facebook</li> <li>• Website</li> <li>• Mobile app</li> <li>• Newsletter</li> <li>• Member activities</li> <li>• Annual customer satisfaction survey</li> </ul>	<ul style="list-style-type: none"> <li>• Customer service and experience</li> <li>• Product quality and design</li> <li>• Marketing practices</li> <li>• Health, safety and COVID-19 protection</li> <li>• Green building features</li> <li>• Resource efficiency</li> </ul>	<ul style="list-style-type: none"> <li>• Green for Planet</li> <li>• Value for People</li> </ul>
 Suppliers & contractors	<ul style="list-style-type: none"> <li>• Meetings</li> <li>• Screening and assessments</li> <li>• Audits</li> <li>• Performance review</li> <li>• Interviews</li> <li>• Extranet</li> </ul>	<ul style="list-style-type: none"> <li>• Legal compliance</li> <li>• Workers' safety and health</li> <li>• Labour practices and welfare</li> </ul>	<ul style="list-style-type: none"> <li>• Our Corporate Governance</li> <li>• Value for People</li> </ul>
 Business partners	<ul style="list-style-type: none"> <li>• Meetings</li> <li>• Tendering and procurement processes</li> <li>• Seminars</li> <li>• Site visits</li> </ul>	<ul style="list-style-type: none"> <li>• Legal compliance</li> <li>• Fair competition</li> </ul>	<ul style="list-style-type: none"> <li>• Our Corporate Governance</li> </ul>
 Investors & shareholders	<ul style="list-style-type: none"> <li>• Investor &amp; analyst briefings</li> <li>• Investor conferences</li> <li>• Circulars</li> <li>• Announcements</li> <li>• Reports</li> <li>• Websites</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate governance</li> <li>• Climate change and ESG strategies</li> <li>• Green finance</li> <li>• Sustainability reporting, ratings and indices</li> </ul>	<ul style="list-style-type: none"> <li>• Our Corporate Governance</li> <li>• Green for Planet</li> </ul>

# OUR MATERIALITY APPROACH

Stakeholder group	How did we engage?	Key concerns	Our approach
 Government & regulators	<ul style="list-style-type: none"> <li>Meetings</li> <li>Interviews</li> <li>Letter/ email correspondence</li> </ul>	<ul style="list-style-type: none"> <li>Legal compliance</li> <li>Commitments to green building and decarbonisation</li> <li>Local talent development</li> <li>Contribution to the local community</li> </ul>	<ul style="list-style-type: none"> <li>Our Corporate Governance</li> <li>Green for Planet</li> <li>Value for People</li> <li>Endeavour for Community</li> </ul>
 Industry and professional bodies	<ul style="list-style-type: none"> <li>Seminars</li> <li>Site visits</li> <li>Social gatherings</li> </ul>	<ul style="list-style-type: none"> <li>Construction technologies and innovations</li> <li>Industry development</li> </ul>	<ul style="list-style-type: none"> <li>Innovation for Future</li> </ul>
 Media	<ul style="list-style-type: none"> <li>Meetings</li> <li>Press releases</li> <li>Press briefings and updates</li> <li>Interviews</li> <li>Responses to media enquiries</li> </ul>	<ul style="list-style-type: none"> <li>Commitments to sustainability</li> <li>Community engagement</li> </ul>	<ul style="list-style-type: none"> <li>Green for Planet</li> <li>Endeavour for Community</li> </ul>
 NGOs & communities	<ul style="list-style-type: none"> <li>Seminars</li> <li>Site visits</li> <li>Meetings</li> <li>Volunteering services</li> <li>Social media</li> </ul>	<ul style="list-style-type: none"> <li>Community development and support</li> <li>Local revitalisation</li> </ul>	<ul style="list-style-type: none"> <li>Endeavour for Community</li> </ul>
 Academia	<ul style="list-style-type: none"> <li>Seminars</li> <li>Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Talent attraction and development</li> <li>Construction technologies and innovations</li> </ul>	<ul style="list-style-type: none"> <li>Innovation for Future</li> <li>Value for People</li> </ul>

## Materiality Assessment

Our step-by-step materiality assessment approach enables us to identify, prioritise, and validate the sustainability topics most important to our business and stakeholders. The assessment results ultimately form a basis of our sustainability strategy development and report preparation.



Following last year's comprehensive materiality assessment, this year we adopted an effective approach to update and reprioritise our material sustainability topics through a series of focus groups with key stakeholders and reviewing their feedback through various channels such as investor queries and tenant engagement surveys.

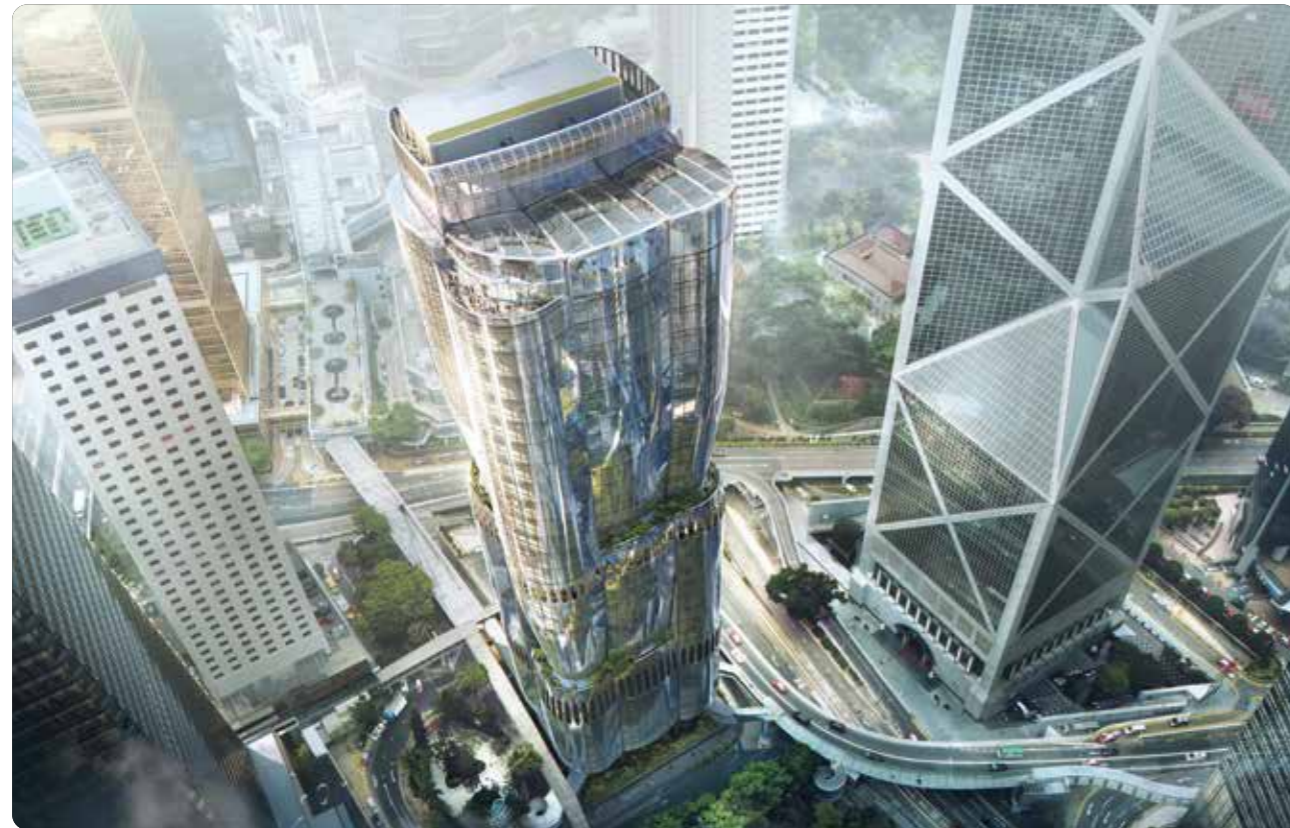
A total of 22 material sustainability topics were ranked in the matrix according to the importance of each topic to our internal and external stakeholders.



The updated materiality matrix this year reflects the shifting focus of sustainability on our business and the real estate industry. "Innovation" has been adjusted to become the top material sustainability topic, which reflects the Group's strategy and emphasis on implementing innovative approaches in construction as well as social development. In line with the global discussions and focus on climate

change, the topics of "Green Building", "Climate Change", "Emissions" and "Energy Efficiency" are also adjusted upwards. Their elevation reflects focus on commitments to addressing climate change. The increased importance of "Occupational Health, Safety and Well-being" underscores our attention to the wellness and health of our people.

# OUR CLIMATE RESILIENCE STRATEGY



The Henderson, Hong Kong by Zaha Hadid Architects for Henderson Land  
Render by Arqui9

We proactively develop and disclose our climate resilience strategy with reference to the recommendations of the TCFD to enhance the transparency of how the Group considers relevant climate-related risks and opportunities. This section explains our strategy for strengthening our resilience to climate-related risks.



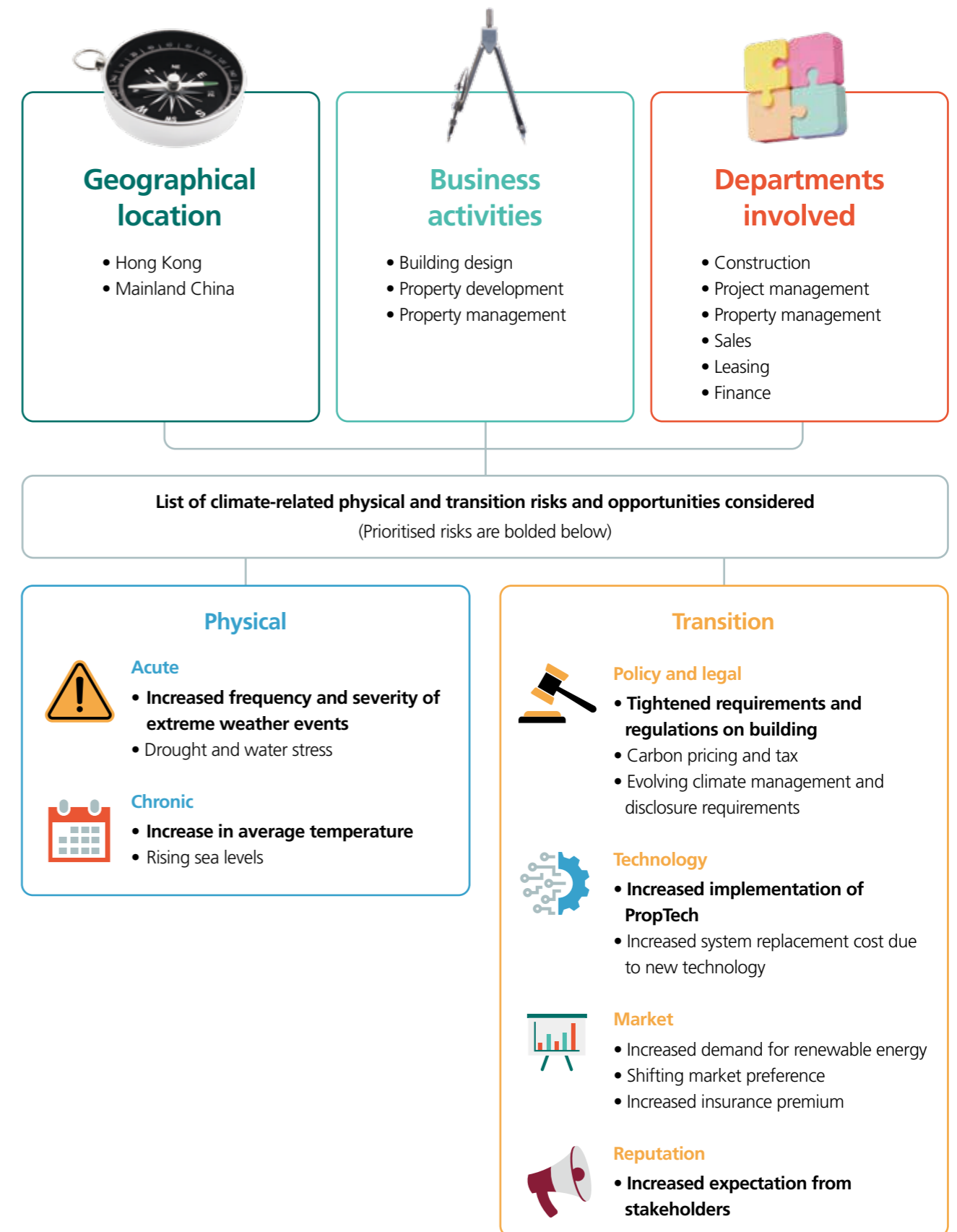
Climate-related issues are incorporated into our management process on the basis that climate change is a key business risk. While the Board has ultimate oversight of the Group's climate-related risks and opportunities, our holistic risk management approach combines top-down strategy with the bottom-up processes of our operations departments to ensure all prioritised risks are managed by suitable countermeasures at the operational level.

For details of the Group's governance and risk management, please refer to "Our Corporate Governance" section.

To pursue a strategy that keeps our business resilient to climate change, during the year we conducted a climate risk assessment with reference to the TCFD recommendations by undertaking forward-looking analysis to consider potential impacts on different business units and to develop plans to mitigate and adapt to climate change.

Based on a high-level assessment to identify climate-related risks relevant to our assets and operations across key markets, we engaged our key internal stakeholders and management through a series of workshops. We prioritised the risks and opportunities based on stakeholders' understanding and assessment of the level of impact to the Group and their likelihood, taking into consideration different timeframes, our growth and development plan, our unique business nature and geographical locations.

Below shows the scopes of the climate-related risk assessment:



# OUR CLIMATE RESILIENCE STRATEGY

Below is a summary of the prioritised climate-related risks, potential impacts and our resilience strategy developed:

Climate risks and opportunities		Potential impacts	Our resilience strategy
Physical	<b>Increased frequency and severity of extreme weather events such as strong typhoons and rainfalls</b>	<ul style="list-style-type: none"> <li>Decreased revenue due to extreme weather events that reduce customer traffic and delay construction projects</li> <li>Increased capital expenditures for the implementation of mitigation measures required</li> <li>Increased operational costs due to higher utility demand and more frequent health and safety incidents</li> </ul>	<ul style="list-style-type: none"> <li>Undertake precautionary measures for all employees and workers during typhoon season, such as developing operation continuity plans and conducting emergency drills</li> <li>Working instructions have been stated in the Integrated Management System to give directions on preventive measures and operational procedures</li> <li>Carry out climate risk assessment and incorporate climate-resilient designs in major new developments, for example, The Henderson is designed with a 4-ply double-laminated glass unit façade which can withstand the region's super typhoons</li> </ul>
	<b>Increase in average temperature</b>	<ul style="list-style-type: none"> <li>Reduced asset value due to the exposure of continuous climate risks</li> </ul>	<ul style="list-style-type: none"> <li>Incorporate designs to adapt to rising temperature in development projects, such as greening and shading pavilions and installation of energy-saving hanging fans with high air volume</li> <li>Promote the use of energy-efficient and advanced models of cooling systems and eco-friendly refrigerant</li> </ul>
Transition	<b>Tightened requirements and regulations on building energy efficiency and green building standards</b>	<ul style="list-style-type: none"> <li>Increased capital expenditures in construction and operations for the procurement of energy-efficient equipment</li> <li>Increased risks of non-compliance with the requirements of building standards</li> </ul>	<ul style="list-style-type: none"> <li>Commit to Government's Energy Saving Charter and "4T Charter" (Target, Timeline, Transparency and Together) Schemes to impose energy-saving measures and procure energy-efficient equipment</li> <li>Set targets in response to Hong Kong's Climate Action Plan 2050</li> <li>Incorporate green building and renewable energy installations in our new development projects, such as the zero-carbon roof with solar energy panels and wind turbine at The Holborn in Quarry Bay and The Upper South in Ap Lei Chau</li> </ul>

Climate risks and opportunities		Potential impacts	Our resilience strategy
Transition	<b>Increased implementation of PropTech in building construction and property management</b>	<ul style="list-style-type: none"> <li>Increased capital expenditures in construction and operations for the procurement of new technologies and R&amp;D</li> <li>Long-term opportunities to embrace technology to improve efficiency and enhance our reputation and branding</li> </ul>	<ul style="list-style-type: none"> <li>Source and introduce technological applications such as Ampd Evertainer<sup>10</sup> which can reduce the usage of diesel fuels</li> <li>Maximise the use of prefabrication and timberless construction to reduce carbon emission during the construction process and transportation</li> </ul>
	<b>Increased expectation from stakeholders (including banks, investors, etc.)</b>	<ul style="list-style-type: none"> <li>Potential negative impacts on share price and investor demands due to lack of climate risk governance and disclosure</li> <li>Possible lowered cost of capital through green finance while enhancing the Group's green building portfolio</li> </ul>	<ul style="list-style-type: none"> <li>Include climate-related risks and opportunities disclosure in our 2021 Sustainability Report</li> <li>Actively engage stakeholders including government authorities, green groups, and professional institutes to understand their expectations in key sustainability areas including climate change</li> <li>Integrate sustainability considerations, including building energy efficiency into green financing, by which we have secured over HK\$28 billion from green loans facilities, green undertakings facilities, sustainability-linked loans, etc, most of which are for standby purposes</li> </ul>

We strive to maintain a comprehensive inventory of our Greenhouse Gas ("GHG") emission metrics such as Scope 1 and Scope 2 emissions in order to ensure our calculation is in line with the GHG Protocol to allow aggregation, comparability and trend analysis with historical data.

For more information on the targets and metrics of our GHG emissions as well as our commitment to addressing climate change, please refer to the "Green for Planet" section.

<sup>10</sup> The Ampd Evertainer is an energy storage system, developed by Ampd Energy, is a greener replacement for traditional diesel generators in construction

# SUSTAINABILITY HIGHLIGHTS: THE HENDERSON

Situated in the heart of Hong Kong's prime central business district, The Henderson echoes the organic beauty of the natural world, reinterpreting the structural forms and layering of a Bauhinia bud about to blossom. Featuring various people-centric and advanced technologies, the project is a strong showcase of the Group's commitment to the sustainability of the community.

Expected to be completed in 2023, The Henderson will comprise 36 floors with approximately 465,000 sq. ft. of commercial space. This super Grade-A office tower will have double-height foyers at ground level and at the third floor with natural light, planting, as well as a Sky Garden which offers semi-outdoor recreational space with a running track and aquaponics plants. The Henderson epitomises our G.I.V.E. (Green for Planet, Innovation for Future, Value for People and Endeavour for Community) sustainability strategy.



The Henderson, Hong Kong by Zaha Hadid Architects for Henderson Land  
Render by Cosmoscube and MIR



## GREEN FOR PLANET



- Procuring low carbon materials and increasing the use of building materials with recyclable content



- Using smart central chiller plant optimisation, high-efficiency HVAC equipment and daylight sensors



- Applied intelligent building air quality monitoring system



- Achieved LEED Platinum Pre-certification, WELL Platinum Pre-certification, Hong Kong BEAM Plus Provisional Platinum, as well as the highest 3-Star Rating in the China Green Building Design Label and Healthy Building Design Label Accreditations



## INNOVATION FOR FUTURE



- Creating a contactless pathway system from the building entrance to workplace



- Contactless access to the building and office floors



- One-stop tenant mobile app for booking carpark spaces, event facilities and customer services



- Digital incentive schemes on Green and Wellness



- Patented "Solar Responsive Ventilators" powered by solar panels integrated with the curtain wall system to adjust solar radiative heat to the perimeter zone



- Patented "Lift Sterilisation Pod" to regularly and automatically sterilising the air and lift surfaces



## VALUE FOR PEOPLE



- Providing exceptional tenant services for the new Asia Pacific headquarters of a leading international auction house



- Building's automated management system featured with hybrid ventilation function



## ENDEAVOUR FOR COMMUNITY



- An urban oasis for the public with greenery as well as recreational space



- State-of-the-art event space for art programmes

To uphold the vision of a future-proof office and ensure its resilience to potential damage and disruption to business activities, we have carried out a climate risk assessment in relation to increased flooding, extreme weather and a rise in sea-level. For example, to withstand the region's powerful super typhoons and ascertain the curtain wall system integrity, the building design adopts a four-ply, double-laminated, and double-curved insulated glass unit façade, which is the first of its kind in Hong Kong.



# GREEN FOR PLANET



The Group aspires to build a green portfolio by reducing our impact on the environment.

“Green for Planet” compels our business to support the SDGs throughout our sphere of influence: to combat climate change whilst ensuring sustainable consumption and production patterns.



## GREEN FOR PLANET

### Climate Change and Resilience

In response to climate change, the Group strives to ensure its new developments and existing properties under management align with and exceed the regulatory requirements as well as industry best practices on climate change mitigation, adaptation and resilience.

To demonstrate our dedication to addressing climate change, we have taken collaborative steps to decarbonise. For example, we pledged our support to the Hong Kong Carbon Neutrality Partnership which was established by the Environment Bureau to work towards carbon reduction goals. In addition, the Group endorsed the Business Environment Council's ("BEC") Low Carbon Charter to set targets for decarbonisation and contribute to Hong Kong's transition to a low carbon economy.

We have started assessing climate-related risks and opportunities at the Group level. For more information about our climate resilience, please refer to the section "Our Climate Resilience Strategy".



Artist's impression

## CASE STUDY: Supporting City-wide Carbon Transition

During the year, we were delighted to be awarded the tender to develop and manage Site 3 of New Central Harbourfront, which will become another world-class iconic landmark in Hong Kong highlighting the elements of sustainability, connectivity and liveability. Located in the heart of Central, more than 300,000 square feet of green spaces will be created and opened to the public upon completion, making Site 3 a new leisure destination where people can enjoy an escape from the bustling business district. Linking the Central district and the harbourfront, this development aims to enhance connectivity and walkability while vitalising the skyline through greening.



Artist's impression

Placing sustainability, connectivity and liveability at the forefront of the development plan, this project will set high standards in planning and design that proactively respond to climate change and support the targets of the HKGBC on Advancing Net Zero, contributing to Hong Kong's pledge on Carbon Neutrality by 2050.



Artist's impression



# GREEN FOR PLANET

## Green Building

As a leading sustainable property developer, we are dedicated to designing and operating our buildings in line with the most rigorous green building principles and standards. Our resolute advocacy of green buildings is exemplified by our key properties in Hong Kong and mainland China.

### Beijing World Financial Centre

Located in Beijing's Central Business District, World Financial Centre has become a Super Grade-A office complex in the city which has adhered to its LEED-CS since the design and construction phases. With our continuous investment and asset enhancement works, such as implementing a centralised chiller system and phasing out inefficient machinery, over the years it has achieved numerous green building awards and ratings:



Hong Kong BEAM Platinum Rating



World Financial Centre in Beijing



Beijing Building Quality Certification Six-Star Super Grade-A commercial projects



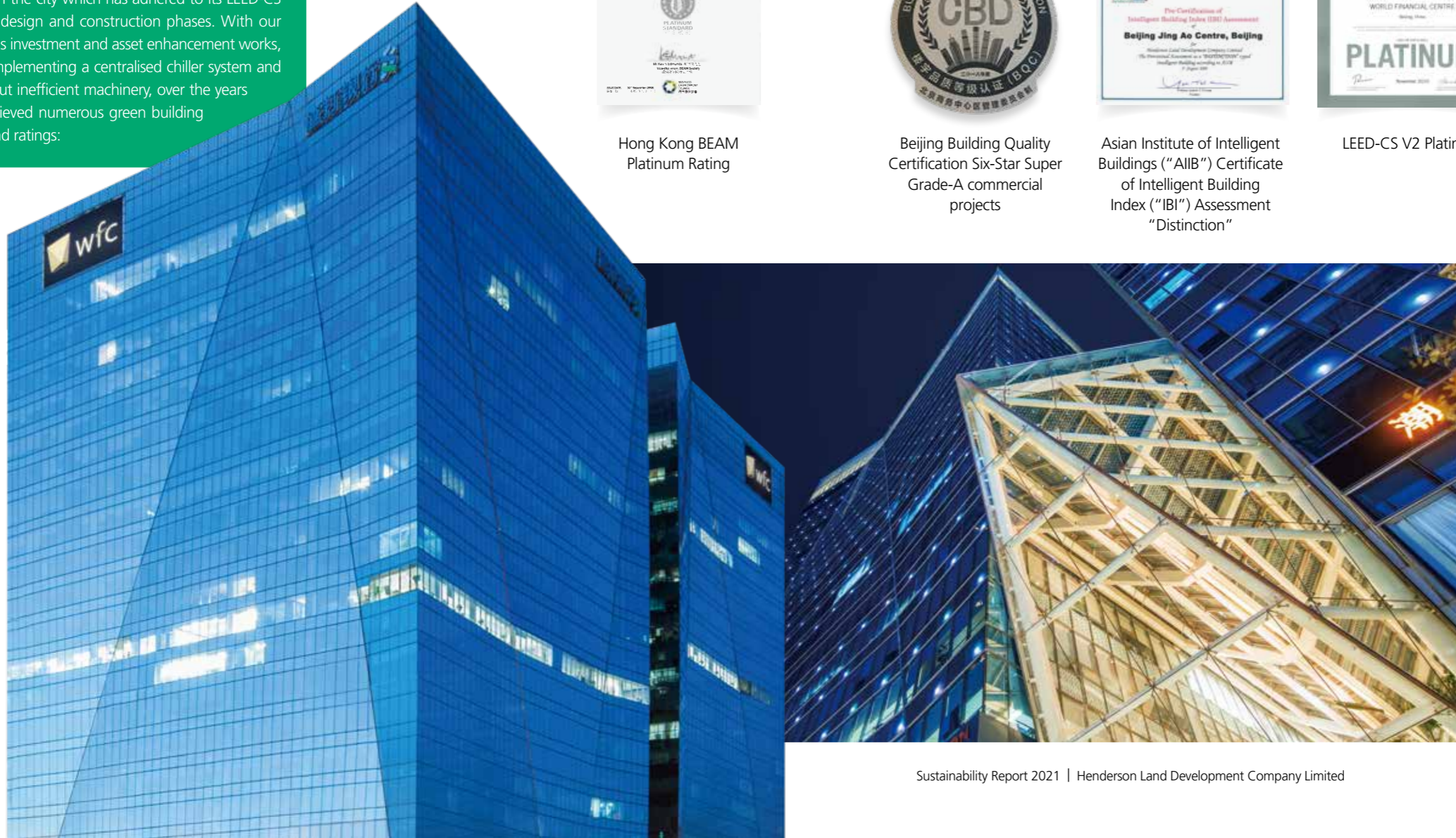
Asian Institute of Intelligent Buildings ("AIIB") Certificate of Intelligent Building Index ("IBI") Assessment "Distinction"



LEED-CS V2 Platinum



LEED O+M EB V4 Platinum



In addition to installing efficient equipment and facilities to upgrade the building's performance, we are also keen to incorporate green designs that enhance the building users' experience and promote wellness and green living.

# CASE STUDY: Enabling Green Living through Green Designs

The Holborn in Quarry Bay and The Upper South in Ap Lei Chau are two of the Group's latest residential properties. With the aim to enhance customers' lifestyles and to promote green and healthy living, the two projects are incorporated with green features which embody the concept of harmony and cohesion between buildings and nature. Some key examples are shown below:



- Microclimate podium garden incorporated with wind deflectors and evaporative ponds to moderate the ambient temperature and improve the natural air circulation
- Vertical greenery, shading pavilion and cooling water curtain to improve the thermal comfort and air movement, and to connect people with the natural environment
- Zero carbon roof with solar energy panels and wind turbine built for the provision of on-site energy generation to achieve self-sustainability. Additional green features include zero carbon cooking hoods, energy charging table and kinetic paving
- Use of a leaf composter on the roof to turn garden waste into fertiliser for urban farming



*The Holborn (artist's impressions)*



*The Upper South (artist's impressions)*



*Henderson Land signed a HK\$2.5 billion green loan with Bank of China (Hong Kong) Limited. Earlier this year, the Group has also signed a green loan with Bank of China Shanghai Branch. These mark the Group's first green financing facilities approved by commercial banks in onshore and offshore markets respectively*

# CASE STUDY: Green Financing to Expand Our Green Portfolio

During the year, Henderson Land has started integrating sustainability considerations into our financing mechanisms. In total, the Group secured the equivalent of more than HK\$28 billion using a wide variety of green finance facilities including green loans, green undertakings and sustainability-linked loans from over 10 local and international banks, most of which are for standby purposes. HK\$6 billion has already been used in the Group's green projects, while the remaining amount has been kept in reserve for upcoming projects that align with our long-term planning.

Within the utilised facilities, the Group has been issued green guarantees in an aggregate amount of over HK\$2 billion from two international banks, for our green residential project at

the Kai Tak site of Hong Kong's former airport. The guarantees are predicated on the project meeting high standards across several criteria, including energy efficiency, material usage, water usage, indoor environment quality, innovations and additions. In order to satisfy the conditions for green finance, the project is required to obtain a Gold Rating under the BEAM Plus New Buildings v1.2, a comprehensive certification standard covering a wide range of sustainability requirements for green properties in Hong Kong. The project already achieved BEAM Plus Provisional Gold rating in February 2019. As another addition to our green building credentials, this year Henderson Land became the Platinum Patron member of the HKGBC and a member of the Greater Bay Area Green Building Alliance. Please refer to "Sustainability Awards and Professional Memberships" for more information on project accreditations and our membership of different green building initiatives.



# GREEN FOR PLANET

Our Environmental Policy outlines the Group's commitment to minimising environmental impact throughout the lifecycle of the projects in terms of material use, energy and water consumption, emissions and waste. The policy also provides guidance at the Group level for our departments and subsidiaries on how to develop different management approaches and systems specific to their operations.

Our established environmental management systems ("EMS") of the Construction Department and property management subsidiaries are in compliance with relevant regulations and international standards such as ISO 14001:2015. The systems are audited regularly to assess their effectiveness and compliance. They are constantly monitored for irregularities which, if identified, are remedied as soon as practicable.

During the year, we incurred no significant fines for non-compliance with environmental laws and regulations.

## Energy Efficiency and Emissions Reduction

Energy consumption is the major source of GHG emissions for our businesses. While some of our construction sites rely on diesel generators, some utilise new technology, such as the Ampd Enertainer, for powering machinery and equipment. To improve our energy performance and reduce carbon emissions and energy intensity, our Property Development Department and Property Management Department adopted measures across different stages of the properties' lifecycle.

To systematically manage and optimise energy use, our property management subsidiaries have implemented an Integrated Management System ("IMS") in our energy-related operations. We also follow the Environmental Instructions ("EI") for ISO 14001:2015 to guide how we manage different environmental aspects. Various targets have been set to improve our performance.

### New Property Developments

- All new office development projects target to achieve **BEAM Plus Gold Rating or above**
- Achieve provision of **electric vehicle charging facilities** for all car parking spaces in **90% of new residential developments** and **new commercial developments** by 2030
- Conduct **life cycle assessment** during design and construction stages for **over 20 new property developments** by 2030 to reduce their embodied carbon

### Existing Investment Properties

- By 2030, **↓ energy intensity by 20%** from baseline year 2019 for **Hong Kong portfolio**, and **by a cumulative ↓ 10% electricity consumption** from baseline year 2021 for **mainland China portfolio**<sup>11</sup>, which are renewed targets as part of our 2030 Sustainability Vision
- Implement **retrofitting or energy saving initiatives** at **all managed properties** progressively by 2030 according to energy audit report
- Implement **retro-commissioning (RCx)** according to the EMSD technical guidelines for **80%** of the managed properties by 2030

<sup>11</sup> Covering majority of properties owned by the Group and/ or managed by Goodwill and Starplus that are in full operation, and have a significant share of portfolio's energy consumption

This year we undertook different initiatives to continue our progress in energy saving and efficiency, which include:



### Property Development

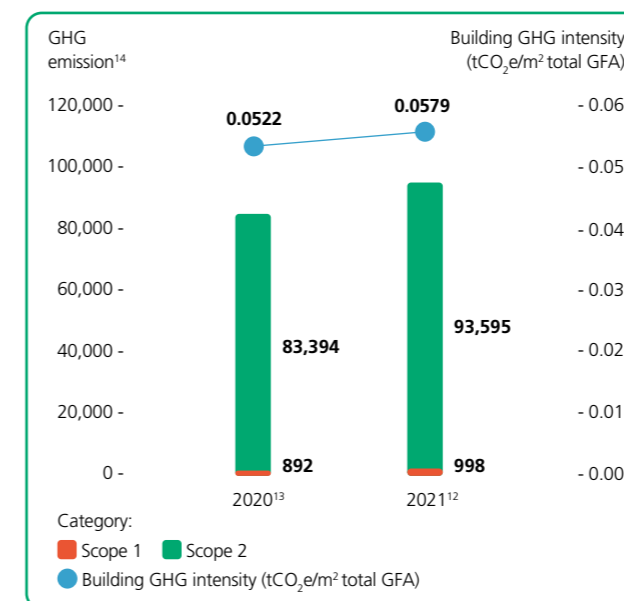
- Replaced diesel generators with Ampd Enertainer, an electric power storage unit to power machinery and equipment
- All new properties are 100% equipped with electric vehicle charging capability to support the higher demand from residents and tenants and encourage them to switch to electric vehicles
- Installed renewable energy facilities such as photovoltaic panels



### Property Management

- Conducted comprehensive energy and carbon emission audits on majority of our wholly-owned existing managed properties to identify energy-saving opportunities
- Applied solar control film on skylights to reduce the solar heat gain to the indoor environment, limiting a maximum temperature increase to 4.7°C, to achieve energy saving in our existing shopping mall
- Used smart and artificial intelligence technology to monitor the chiller plants and operation of air-conditioning systems, reducing average monthly energy consumption to 13.6% since 2020
- Adopted energy efficient measures such as using eco-friendly air-conditioning systems, replacing chiller plant components, and implementing centralised chiller control to operate the air-conditioning systems based on scientific logic and prediction

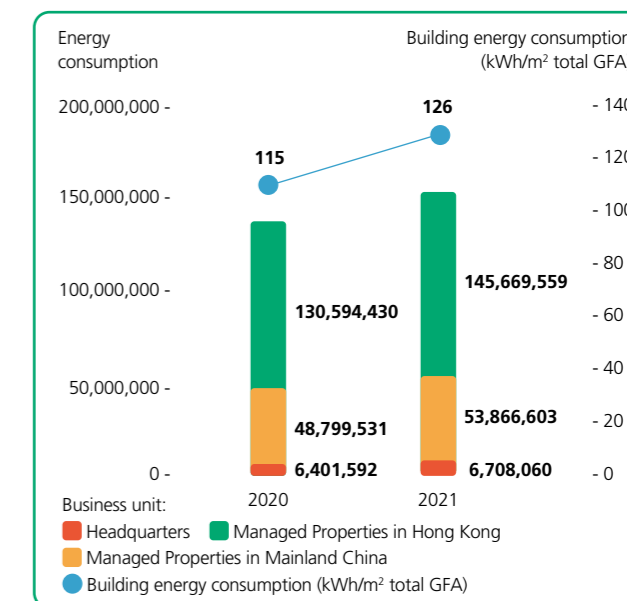
## GHG Emissions at our Headquarters, Managed Properties in Hong Kong and Mainland China



<sup>12</sup> The increase of GHG emissions in 2021 is attributable to the resumption of the majority of operational activities following the relaxation of social distancing measures during the COVID-19 pandemic

<sup>13</sup> As we expanded the data scope of GHG emissions, energy consumption and water consumption to cover mainland China in 2021 and 2020, we have adjusted the overall Group-level data in 2020 to reflect this accordingly

## Energy Consumption at our Headquarters, Managed Properties in Hong Kong and Mainland China



<sup>14</sup> In 2021, we have adopted a new approach of calculating our Scope 2 GHG emissions from the purchase of electricity from the respective local utility companies in Hong Kong. Adhering to the reporting principles of 'consistency', we adjusted our calculation for 2020 to align with that in 2021 and allow for a meaningful comparison of data over time

CASE STUDY:

# Expanding Our Sphere of Influence – Sharing of Green Building Success



The integration of green building elements has been our sphere of influence within the building lifecycle and a key agenda item of our Green Building Sub-committee, one of the core facilitators of our sustainability achievements. In addition to integrating elements of green into our buildings, we are also keen to promote public awareness and transfer knowledge about green building. For instance, through various media we have shared with the public our journey of adopting green building designs and our effort towards creating green spaces in Hong Kong, which is considered by many to be a “concrete jungle”.



## GREEN FOR PLANET

### Material Use

We are very aware that our environmental footprint is directly related to the materials used in our property development and property management operations. Therefore, we actively adopt environmentally-friendly designs and procure recycled and renewable materials.

Guided by our Environmental Policy and Sustainable Procurement Policy, the procurement systems at our Construction Department and Property Management Department are designed to identify and select certified or accredited sustainable products, technologies and equipment, where applicable.

### Construction materials

We continuously improve and innovate construction methods to ensure they are environmentally friendly without compromising the quality of construction materials used. During the year, various alternative materials and methods were used:

- Interlocking paver which is manufactured by the “Life Paving Programme” through collected construction waste and recycled waste glass
- Eco-Block, which contains environmentally friendly material generated from industrial waste for the partition walls of a building. The application of Eco-Block is expected to reduce the need for follow-up plastering works and reduce consumption of materials by around 30%
- Certified green and sustainable products such as those certified by the Forest Stewardship Council and Programme for the Endorsement of Forest Certification to replace virgin forestry products for temporary works
- Avoid using ozone-depleting refrigerants and building materials such as Non-chlorofluorocarbons-based refrigerants
- Procured low embodied carbon materials such as gypsum block, which has obtained a Green Label from Green Council, to reduce embodied carbon because of its recycled contents and enhanced quality to reduce wastage
- Wide application of electronic tablets to reduce the use of paper at construction sites during regular site inspections



### Supporting timberless construction through Design for Manufacture and Assembly (“DfMA”)

Timber is a material commonly used for temporary formwork on construction sites. However, given the limited durability of the timber, it cannot be reused many times and will eventually become waste. In view of this, the Group has developed our own patented DfMA approach to achieve the goal of timberless construction in our projects. This involves prefabricating modular units off-site in factories and replacing on-site timber usage with aluminium formwork. Furthermore, through the implementation of DfMA, we are able to avoid piecemeal tasks and reduce potential hazards involved in traditional construction, significantly improving the productivity and safety of our construction process.

Last year, the precast components used in construction increased up to 80% of floor area and resulted in a reduction of on-site waste generation and improved efficiency of site works. In addition, staircases are designed as a precast component to achieve a better aesthetic value while reducing the plastering work required for the smooth finishing of surfaces. We will continue to adopt the self-developed and patented DfMA approach and target to reduce by least 70% of the timber formwork used during construction for 80% of new developments handled by our internal construction team.

## GREEN FOR PLANET

### Waste Management

In accordance with the EMS Manual, Environmental Procedure and Instruction, our Construction Department and Property Management Department closely monitor the effluent and waste generated during construction activities and regular use by tenants. Environmental risk assessment and external audits are also conducted regularly to evaluate the waste management performance. To advance our performance, our targets set for waste management include:

- For new developments which require demolition, recycle 15% and 30% of demolition waste by 2025 and 2030 respectively
- For all new developments, recycle 15% and 30% of construction waste by 2025 and 2030 respectively

In 70% of our managed properties and offices, we have different initiatives to encourage our customers and tenants to reduce, reuse and recycle waste:

- Participated in the “Drops of Fun” programme organised by Watsons Water to encourage plastic bottle recycling through reverse vending machines. A total of 38,264 water bottles were collected through the programme
- Completed the adoption of food waste decomposers at two existing investment properties to treat a total of 697 kg of food waste per day by the end of the year; installed food waste processors and decomposers to collect and process food waste from our food and beverage tenants to reduce the volume and weight of food waste which would otherwise be sent to landfill
- Arranged cooking oil recyclers and oil-wastewater separators at Mira Place to recycle cooking oil. This year, a total of 4,471 kg cooking oil was collected at Mira Place
- Participated in the Umbrella Bags Reduction Accreditation Programme 2021 organised by Greeners Action and received the Gold Award for our efforts. We reduced the distribution of umbrella bags by providing umbrella dryers at our shopping malls and office lobbies

In recognition of our performance in waste management and green office initiatives, we continue to receive awards and certificates such as the Green Office Awards Labelling

Scheme by the World Green Organisation and Hong Kong Green Organisation Award from the Environmental Campaign Committee.

Another major source of waste is from our show flats and sales office, which are set up temporarily for our sales activities. We take various actions to minimise material use and increase the recycling of materials. For example, the amount of stone required in flooring is reduced by applying a honeycomb design concept. All furniture and decorations at these temporary units are reused for other show flats or at the cubhouses of different properties.

### Water Conservation and Management

Water is indispensable to our business operations and to our customers, we diligently reduce our water usage and optimise consumption wherever possible. We regularly monitor our water use performance and assess our exposure to water-related risks in order to minimise the impacts of any related issues.

We issue an Environmental Risk Assessment Report, reviewed once a year, that assesses the impacts of our wastewater discharge from our construction sites on the water quality in Hong Kong. In our property development process, we incorporate different measures and equipment to increase water efficiency, such as the use of rainwater harvesting systems and sensor faucets approved by the Water Efficiency Labelling Scheme. We have set targets to achieve an estimated annual water reduction of 20% and 30% for all new residential and office developments respectively, referencing the BEAM Plus New Buildings v2.0 requirements.

At our managed properties, water consumption is also closely monitored. Monthly water consumption reports are compiled so that usage can be tracked. Freshwater and flushing tanks are cleaned regularly in accordance with applicable regulations and guidelines. This year, Goodwill participated in the Enterprises Cherish Water Campaign, which is a charter promoting collaborative efforts to cherish water resources.

Wastewater that is discharged from our offices and property premises is flushed through municipal drainage systems, while wastewater discharged from our sites is treated according to respective regulatory requirements.



## CASE STUDY: Henderson Land x Rossana Orlandi: Waste Is Value Exhibition

In July 2021, the Group collaborated with Rossana Orlandi, the international icon of sustainability design, to debut her first exhibition in Asia - Waste Is Value Art & Design Exhibition, at ifc mall in Central.

Rossana Orlandi is one of the 100 key game-changers in the design world, according to the prestigious AD Italia magazine. She curated 45 sustainable art pieces to celebrate the Group's 45<sup>th</sup> anniversary. Hong Kong government officials and the Italy Consulate General, sustainability organisations, along with different sectors such as banking, education, art and design, media and influencers joined the exhibition. Created with recycled, reused, and upcycled materials, these eco-friendly designs inspired visitors to reflect on responsible waste behaviour and upcycling. The exhibits were arranged

in four themes - “Go Green”, “RoPlastic Prize”, “Iconic Upcycled Artwork” and “Marine Eco-life”, to showcase ways to translate sustainability into daily actions. In recognition of our efforts to conserve the environment, Mr Wong Kam Sing, Secretary for the Environment, and representatives from the Recycling Fund visited the exhibition.

This collaboration with Rossana Orlandi represented a mutual recognition of our shared values in innovation and sustainability, and also functioned as an educational platform for the community on environmental protection. The Group will continue to innovate to improve lifestyles of the future, while also aiming to safeguard the environment, and will collaborate with international partners to deliver the best products and lifestyle experiences.



### Wasting Time Daybed by Patricia Urquiola

The ironic and playful take on a modern daybed using recycled materials recalls the sole of a sneaker. The base of the daybed functions like a shoe sole, with the body, the backrest and base reinforcements re-dressed in blue and light grey fabrics from two different yarns comprising 100% post-consumer recycled PET plastic bottles. The dense inner body of the seating is from recycled discarded padding.

### Wall by Precious Plastic

Precious Plastic designs open-source recycling machines, products, and online collaboration tools so anyone can become part of the alternative plastic recycling ecosystem called the Precious Plastic Universe.

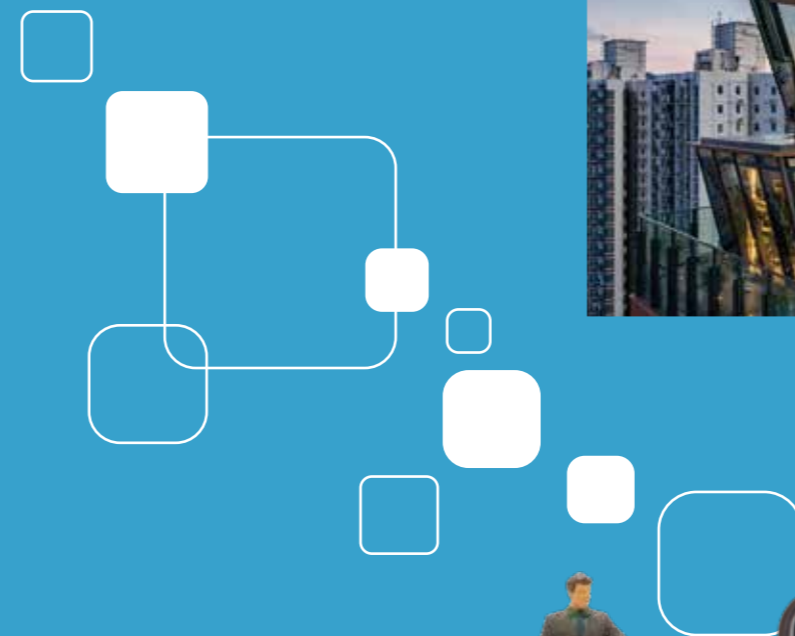


# INNOVATION FOR FUTURE



We strive to bring innovation to the ways we design, build and operate, by implementing new solutions and technologies that create a quality and smart living environment.

“Innovation for Future” encompasses our actions to adopt innovation and develop a more sustainable community throughout our sphere of influence as outlined in the SDGs.





# CASE STUDY: Luxurious Residences with Cutting-edge Innovation at The Henley

Artist's impression

The Henley is a luxurious residential property embedded with world-class design, architecture and advanced technologies. Located in the heart of Kai Tak, The Henley fully embraces sustainability and innovation to redefine contemporary living.



Artist's impression

## Indoor vegetable cultivator



Hydroponic farms with sensors for detecting the hydration, airflow and nutrients of vegetables, fruits and herbs



Real-time cameras and apps to monitor vegetable growth and share harvest notifications

Artist's impression



Artist's impression

## Microclimate control



Use of water features, reflection ponds and misters to enhance humidity in the air



Weather stations and IoT system to monitor and actively adjust the wind, light and temperature as needed to provide the utmost comfort for residents

## Renewable energy



Solar powered lighting for outdoor landscape areas



Fully automatic irrigation system for all landscape areas and urban farms

## H-1 app



Serve as the access card when entering the development and lobby. It can also be used to call for elevator automatically, which is a contactless and seamless experience



Home automation features to control facilities such as lighting, curtains and electronic appliances through the smart home assistant



Reservation of facilities such as clubhouse function rooms, swimming pool and gymnasium



## Advanced air cleaning system



Smart wardrobes which are installed with the patented LEMA Air Cleaning System to actively sanitise the indoor aero-space environments in homes as well as sanitising clothing and footwear



NCCO air purification system is installed in the common area to efficiently absorb and filter out catalytic pollutants



## Robotics



Food delivery robots to deliver food ordered online from the lobby to the home, providing convenience and enhanced hygiene and security control



Concierge robots to welcome and register visitors, as well as to monitor guests' temperature and mask wearing



Disinfection and cleaning robots to undertake automatic vacuum cleaning and sanitisation of residential lobbies and common areas




# INNOVATION FOR FUTURE


## Technology Innovations


Technology and smart solutions are crucial to realising our sustainability vision, helping us to minimise our environmental footprint and better engage with our people and partners. By embedding different PropTechs in our operational processes and products, we strive to optimise our efficiency and performance along our value chain from construction, sales, property management and customer engagement.





### Construction

 Adopted the Ampd Enertainer at our construction sites, which is an energy storage system invented by a Hong Kong start-up dedicated to creating emission free construction by replacing the consumption of diesel fuel and electrifying the construction process

 Widely implemented our patented timberless method to originate construction materials and DfMA elements by replacing timber in our construction process with aluminium formwork. For more information, please refer to the "Green for Planet" section


 In order to shorten and optimise the communication process between different construction teams and minimise defects and mistakes, we used PlanGrid software for cloud-based site plans and drawing management


 Digitalised the construction project management process by using e-permits monitor injury-prone work processes as well as the intelligent alarm clock system to monitor unauthorised work and entry to certain areas. These assist us to have better control over dangerous work and minimise safety issues

 Offered VR training for workers to enhance the efficiency and productivity of such programmes compared to traditional seminars and lessons, because of the virtual experiential operations offered and the behavioural data collected for preventive action planning



### Property management

 To improve the experience for visitors and efficiency of our receptions at Two International Finance Centre, our HLD Companion mobile application enables tenants to register and invite their guests in advance. Invited guests will receive a message and email before the visiting time with a QR code for a faster and smoother registration process

 Developed the Henderson Touch digital application to offer a seamless tenant experience and enhance our property management efficiency. Tenants can register their employees for membership in the app, which can be used for accessing the office building and lift control. Other functions of the app include easier and quicker registration for visitors as well as using ChatBot to place maintenance orders and other requests



5G Real Time Robots were introduced to enhance innovative customer experience at our shopping malls. Equipped with 4K Camera, the robots can transfer video signals to the management office without any time lag. Moreover, the robots are synchronised with the shopping mall shuttle lift system so that they can reach other floors in the mall enabling efficient patrols and disinfection



Smart washrooms were installed at MOSTown enabling the vacancy status of washroom cubicles to be automatically detected by sensors and displayed in the MOSTown app. To shorten the queuing times, a signage panel was set up to direct users to washrooms on other floors when the nearest one is occupied



### Tenant and homeowner experience



Adopted different waste reduction facilities and technologies at our commercial properties such as umbrella drying facilities to reduce the distribution of plastic umbrella bags and smart bin technology for food waste collection and recycling



Deployed the H-1 app at The Henley for smart home management and IoT assistant to control lighting and curtains at home, as well as to provide real-time traffic data, clubhouse booking information and weather conditions for residents. For more details please refer to the case study of The Henley



At the Fanling North project, we introduced two innovative features to enhance tenant well-being. A "Lift Sterilisation Pod" is integrated into the mechanical ventilation and air conditioning ("MVAC") system and a built-in UV-C sterilisation to provide continuous clean air in lifts. The adopted ioniser air purifier with built-in UV-C sterilisation can also sanitise the surfaces in lifts as well as the control panels and handles. The "Depuration Porch" consists of an air purifier, connected to the building entrance system, an indoor air quality ("IAQ") sensor, and a door contact sensor. When a user enters the building entrance lobby via any smart system, the air purifier will be automatically activated to purify the indoor air



The Henderson eHOME mobile app digitalises purchases for home buyers and real estate agents by making the overall sales process more efficient, secure and environmentally friendly. The app provides end-to-end support ranging from registering, sales arrangement notification and mortgage plan information to arranging handover of properties. It has been deployed and is being used in the sales of several residential properties



Expanded the coverage of 5G network to six shopping malls to embrace and empower any potential roll-out of advanced technology such as IoT and robotics in our properties to enhance customers' experience



## CASE STUDY: H·COINS – Your Rewards are One Click Away



Consumers are progressively switching to online shopping and digital means as a result of the prolonged pandemic and evolving shopping habits. As a way to support our tenants in this difficult time, Henderson Land's signature H-COINS programme, a reward scheme with year-round promotions and offers, introduced the "Two-wave Consumption Voucher Upgrade Spending Rewards" for members to redeem e-coupons for shopping and dining at seven of our malls in prime locations.

In line with the Government's Consumption Voucher Scheme, our programme involves convenient spending with rewards using digital payment facilities and our designated mobile application that is easy to use and supports the rebound of the retail economy. Furthermore, our programme takes an extra step and provides additional second-wave rewards for members who have received the first-wave reward five times. In total, the Group has nearly 50,000 H-COINS members, who have benefited from the programme by supporting an easy and innovate retail experience which boosts the local economy.

## CASE STUDY: Easy Metering for the Visually Impaired and Wheelchair Users

The Hong Kong and China Gas Company Limited has introduced an Easy Metering service which provides free installation of a smart gas metering system to support those in need through barrier-free meter reporting.

This upgraded system enables automatic meter reading, lending a helping hand to the visually impaired and wheelchair users. Users can simply download the designated mobile application to receive automated metering updates and can conveniently transmit accurate data to Towngas on a monthly basis.



## INNOVATION FOR FUTURE

### Social Innovations

As a leading property developer in Hong Kong and an innovator in urban renewal, we wish to contribute to the collective effort of addressing the needs for quality housing in society and the communities in which we operate. Therefore, we continuously challenge existing conventions and innovate how we design, build and redevelop urban areas while always engaging with our stakeholders so as to enhance the quality of living of our customers. We are devoted to creating sustainable neighbourhoods through our key social innovation projects.



### Whampoa Street Rejuvenation

Hung Hom is one of Hong Kong's districts facing the issues of ageing buildings and limited street capacity. Emphasising the heritage and history of Whampoa Street, we undertook an urban redevelopment project aimed at revitalising the neighbourhood with a refreshed and green design as well as vast recreational space that will foster community interaction.

Artist's impression

### Our impact

The quality of living in the local community improved thanks to the district's facelift, which injected vibrancy and enhanced the walkability of the streets. We widened the pedestrian pavements and service lanes to improve the previously congested street and offered a refreshed experience with a new streetscape and greenery. We also created a large courtyard at the core of the district to offer a wide leisure space for residents.



# INNOVATION FOR FUTURE



## ARTLANE

ARTLANE is Hong Kong's first URBAN ART SOHO community that has been revitalised by 17 renowned local and international muralists who were invited by Henderson Land to inject vitality and art into the urban landscape. During the development period, we worked with stakeholders and engaged community members through an outreach team to build rapport and keep communication open with the many constituents.

### Our impact

The immediate environment around ARTLANE has been improved and it has become a popular cultural hub attracting significant foot traffic. Upon completion of the development stage, the community has developed a strong sentiment for this hub. Our success in revitalising the community through social innovation has been recognised by One ArtLane receiving Quality Building Award 2020 – Grand Award (Single Residential Category) and the Best Development & Conservation Award 2021 – HKIS.

Beyond beautification and revitalisation as a healthy and vibrant area, this local neighbourhood has also benefited financially and its residents have developed a strong sense of belonging and community. With our enhancement work, we created a more spacious and cleaner environment which was not only well received by the residents but also increased the number of visitors and foot traffic and brought along more commercial opportunities for local business.

## The Harmonie

The Harmonie in Cheung Sha Wan is one of Henderson Land's latest collaborations with the Urban Renewal Authority to redevelop a location in order to improve its community's living standards. The project uses music visualisations as a creative theme throughout the building's interior design.

This project follows the Group's key ESG strategy of Green for Planet by embedding concepts of biodiversity and sustainability into its design. For instance, private car and motorcycle parking spaces are equipped with an electric vehicle charging infrastructure to help lower the carbon footprint and contribute towards Hong Kong's carbon neutrality commitment.

### Our impact

The project's music theme engages residents and generates interest in music. For example, the clubhouse of the project provides a place for children to play different music instruments. The project has also incorporated new technologies such as the Urban Renewal Authority's Smart Home System and real-time sensor of water and electricity consumption to assist residents to live more sustainably.



## Transitional Housing

To alleviate the hardship faced by families living in adverse conditions while waiting for public housing, Henderson Land has been an active supporter of the transitional housing initiative. We have employed a highly efficient and environmentally friendly building approach, the MiC method, which shortens construction time and minimised the waste generated during the construction process.

The Group is the largest provider of temporary vacant units for transitional housing and initiated Hong Kong's largest transitional housing project in Kong Ha Wai, Yuen Long. The Group is revitalising the nearby Kong Ha Wai Mansion, a Grade III historic building, which will provide future residents with a leisure space and a range of community services. Also, our Nam Cheong 220 transitional housing project completed in 2020 is the first-of-its-kind modular transitional housing project in Hong Kong. Two new projects in Kam Tin and Ngau Tam Mei South are now underway to provide housing in the near future for families in need.

### Our impact

Henderson Land has contributed nearly 300 temporary vacant units in urban areas for 15 transitional housing projects to-date, benefitting around 1,700 people from around 550 low-income families. As for the Kong Ha Wai project, it will provide 1,998 modular housing units and is expected to accommodate some 40,000 residents throughout the whole project period. The first phase of the project was completed in early 2022, while the second phase will be completed in second half of 2022.

The new Kam Tin and Ngau Tam Mei South projects will also provide approximately 1,020 and 1,200 housing units respectively. To date, the Nam Cheong 220 project has cumulatively accommodated 94 households and 175 residents since 2020.

# VALUE FOR PEOPLE



The Group is proud of our caring culture, which is achieved by looking after our employees, customers, suppliers and business partners.

“Value for People” demonstrates our support of the SDGs throughout our sphere of influence: to promote health and well-being through our products and services, productive workforce and decent work for those who work for and with us.



# VALUE FOR PEOPLE

## Health & Wellness Design

Henderson Land continuously invests in supporting the physical, mental and social well-being of our people as well as our customers. In support of a harm-free workplace, we implement strict safety measures and adhere to a sound occupational health and safety management system to protect our employees and workers. As a pioneer in developing “healthy” buildings, the Group places great emphasis on promoting customer wellness in our built environment.

## Occupational Health and Safety

With reference to SDG 3 (Good Health and Well-being) and SDG 8 (Decent Work and Economic Growth), the ‘Safety First’ principle remains the Group’s top priority and we have implemented stringent safety measures to provide a safe and secure working environment for our people.

### Construction

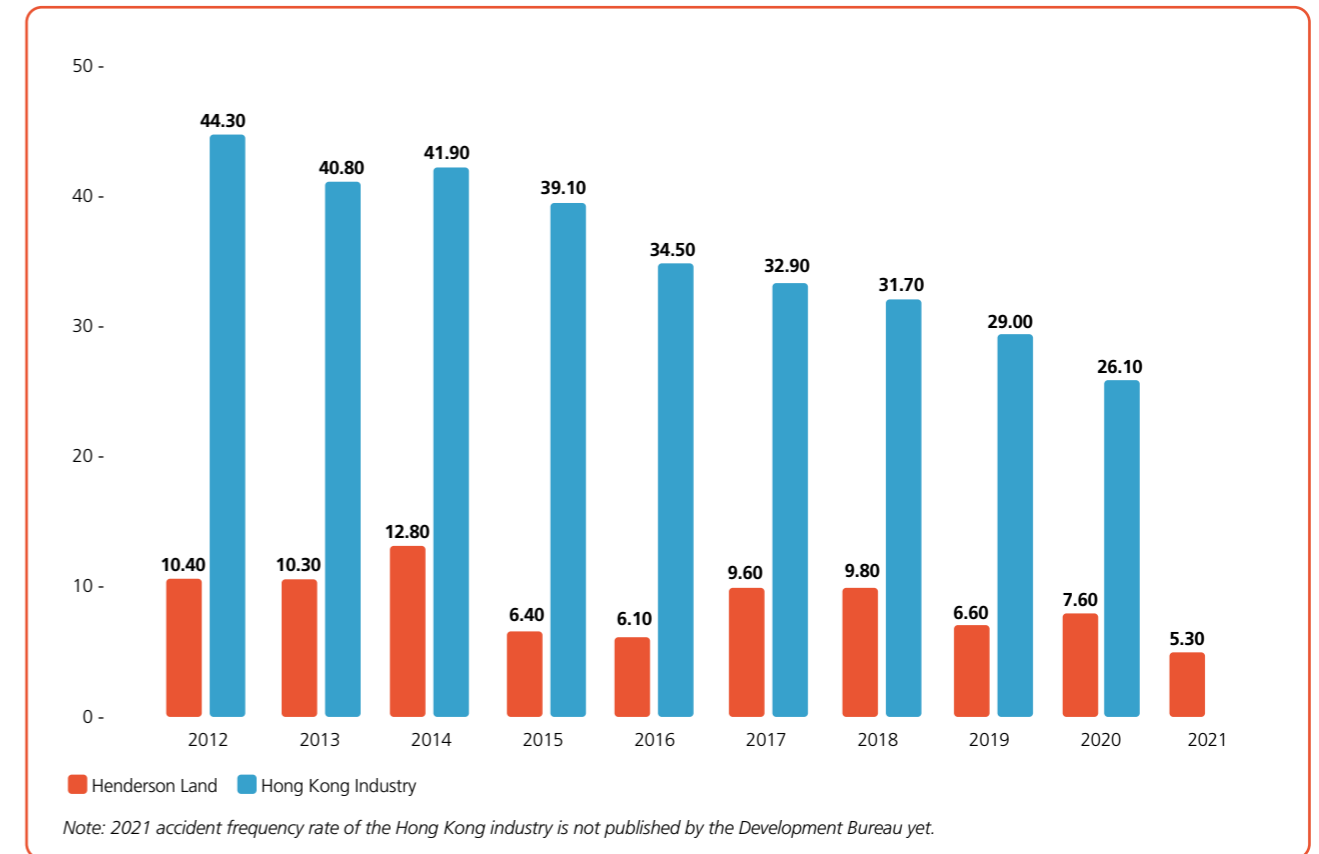
The Safety and Environmental Sub-committee and the Site Safety Sub-committee are responsible for managing the Group’s health and safety matters. At construction sites, the Site Safety Sub-committee conducts weekly inspections to ensure that any identified safety issues are addressed promptly. Safety officers at each site also closely monitor safety-related issues and take effective corrective actions promptly whenever necessary. We carry out independent safety audits every six months to evaluate our safety effectiveness. Site workers are encouraged to report risks through a variety of channels including notifying the safety officer, attending committee meetings and using suggestion boxes.

If risks are identified on-site, our safety officer will apply control measures to mitigate the hazard, which include ensuring that workers use proper personal protective equipment and that all equipment used has been inspected by qualified personnel. In the event of a work-related incident, the safety officer will conduct a formal inspection with relevant parties to document the matter, including its causes as well as recommendations and follow-up actions to prevent similar incidents in the future. Inspection findings from work-related incidents will be included in the investigation report and communicated to the Site Safety Sub-committee during regular meetings.

On top of internal safety teams, external safety consultants are hired on-site to advise on the Group’s overall occupational health management system. In addition to internal events within the company, we have safety consultants solely focused on safety issues to ensure full safety compliance, avoidance of fines and protection of the health and safety of our employees. They also serve as a buffer between management and workers in soliciting feedback and implementing change, contributing to a more advanced health and safety management system.



## The historic accident frequency rate of Henderson Land compared to the industry



## Managed properties

Most of our property management in Hong Kong and mainland China adopts an occupational health and safety management system. At least five safety inspections are conducted each month by an independent contractor. Inspection reports with recommendations are provided to the estate managers and regional managers for appropriate rectification action. This year, a total of three visits were conducted by the Special Team of Quality of Work and Safety Aspect and no non-compliance was found.

To raise employees’ awareness about occupational health and safety matters, all new employees at our property management department are required to join safety training as part of their onboarding orientation. During the year, employees continue to receive ongoing internal safety training and are also encouraged to attend occupational health and safety training courses organised by the Labour

Department. Apart from safety training, the Group also offers various programmes to strengthen our employees’ well-being. For example, an anti-smoking campaign, stress management workshop, and mental health and first aid standard course were organised in both Hong Kong and mainland China.



## VALUE FOR PEOPLE

All our projects comply with respective legislation in Hong Kong and mainland China. To ensure compliance, professionals including authorised persons, registered structural engineers and registered contractors are appointed to conduct compliance assessments. During the year, there were no significant complaints and no major incidences of injury on duty.

### Response to the pandemic

In response to the COVID-19 pandemic, the Group has taken a proactive stance to support and protect our employees against the virus. As part of our vaccination leave policy, employees are entitled to two days of extra leave for each vaccination dose received. A cash incentive programme was also introduced to encourage employees to get vaccinated, with each fully vaccinated employee receiving a cash prize if the overall vaccination rate exceeds 85%. These vaccination benefits provided to employees have contributed to the Group achieving a vaccination rate of over 93%.

To enhance protection against COVID-19, additional measures were launched at sales offices and show flats, aiming to provide visitors and our staff with a safe, clean and comfortable environment. Some examples include:

- Health ambassadors at sales offices to heighten hygienic measures, such as ensuring compulsory onsite surgical face mask wearing policy compliance, measuring body temperatures, sanitising hands, opening doors and pressing lift buttons for visitors
- Providing state-of-the-art hygienic “Raze Technology”, which uses photocatalysts to eliminate pollutants in the air
- Providing frontline staff with rapid antigen test kits for conducting self-testing

At Miramar Group, a listed subsidiary of Henderson Land, a “Vaccination Encouragement” programme was rolled out to encourage staff to protect themselves against COVID-19. As part of the programme, we invited a medical professor from The Chinese University of Hong Kong to host several seminars for our staff to share relevant insights about vaccinations and the pandemic.



## CASE STUDY: Joining Hands to Fight the Pandemic through the “Early Vaccination Incentive Scheme”

Apart from protecting its employees, the Group also actively contributed to the community’s efforts to fight the COVID-19 pandemic. The Henderson Development Anti-Epidemic Fund, privately financed by the Group’s Chairmen, Dr Lee Ka Kit, Peter, and Dr Lee Ka Shing, Martin, sponsored the “Early Vaccination Incentive Scheme”, which was launched to motivate the public to get vaccinated as soon as possible. Since June 2021, a series of six lucky draws took place, with the Group offering over HK\$6.3 million worth of prizes, including 300 taels of 9999 gold and 1,200 sets of spending vouchers worth HK\$1,000 per set.

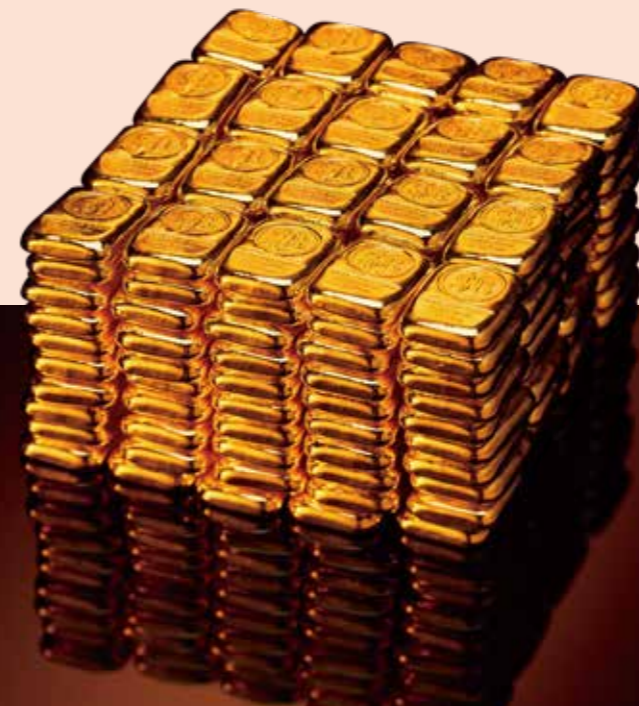
These lucky draws were open to Hong Kong residents aged 18 or above who have received their two COVID-19 vaccine doses in Hong Kong. More than 2.1 million people successfully registered for the Scheme. The Grand Draw was held in September 2021 and adhered to rigorous standards using a computer-based lucky draw system. The First Prize winner was awarded 60 taels of 9999 gold, valued at over HK\$1 million.

Commenting on the Incentive Scheme, Dr Lee Ka Shing, Martin, said “We must not let our guard down as the pandemic continues to pose a menace to Hong Kong as well



as many other parts of the world. Going forward, I hope more people get vaccinated so that our city can be protected against COVID-19 and our lives can return to normal soon.”

In addition to this “Early Vaccination Incentive Scheme”, the Group also worked with the Hong Kong Government to organise an outreach vaccination campaign at Double Cove, encouraging its residents to get vaccinated to achieve ‘early vaccination for all’.



## VALUE FOR PEOPLE

### Our Customers

The Group is committed to delivering service and product excellence to our customers. We have a rigorous quality management system in place which emphasises the protection of customer privacy, responsible marketing and proactive engagement with customers.

### Customer health and wellness

Customer health and wellness remains a top priority of the Group with our emphasis on developing buildings and creating a built environment that promotes the wellness of our residents, tenants and visitors. We enhance indoor environmental conditions by integrating features and implementing measures to continuously improve the quality of air, water and other elements such as hygiene, lighting,

acoustics and aesthetics. We have obtained six related building certifications across our portfolio as a reflection of our efforts to promote customer health and wellness.

In terms of our actions towards customer health and wellness in response to COVID-19, we continue to take steps to ensure guests are safe and comfortable. Within the Miramar Group, Mira Place has applied nano coating on frequently touched surfaces, has non-contact disinfection stations, employs smart cleaning robots and has installed further three layer air treatment units in mall toilets. All of Miramar Group's restaurants have been registered as Type D as at 31 December, 2021 under the government's vaccine bubble scheme and all restaurant staff members have completed the COVID-19 vaccination course.



## CASE STUDY: Enhancement of Residents' Wellness

China Healthy Building  
Design Label 3-star



With its onus on enhancing environmental quality and conditions to promote wellness, Caine Hill, a portfolio of the Group's boutique residences, emphasises the principles of heart, hallmark, handcrafted, harmony and hospitality. In addition to the accreditations from the local and national building environmental assessment systems such as BEAM Plus provisional Gold Rating and China Green Building Design Label 3-Star Rating, Caine Hill is Hong Kong's first residential development accredited with China Healthy Building Design Label's 3-star highest rating. The built environment within Caine Hill integrates people-centric features in the designs of its exterior, interior and facilities to amplify the physical and psychological health and well-being of residents. For instance, the clubhouse is equipped with a gymnasium, immersive meditation cave and a lush secret haven for residents to exercise and unwind.

Caine Hill upholds high standards of environmental quality as well as providing a green and innovative lifestyle. In response to the needs and expectations of residents on health and hygiene, the project deployed contactless pathways that go from the main entrance to residential units. The project has also incorporated green features to enable a low-carbon lifestyle, covering the conservation of energy, water and materials, as well as waste sorting and recycling. Caine Hill is notable for improving the surrounding environment and community walkability, increasing wind porosity at street level and using widened pavements. Catering to the evolving requirements on housing, futuristic homes on the residential floors come with a 5G-enabled network, touchless building access, integrated smart home App, smart mailbox and IoT-enabled home automation, and an on-line clubhouse facility booking system.

Caine Hill (artist's impressions)

# CASE STUDY: Fostering Residents' Connection to Nature

Customers' health and well-being is one of the priorities when we design and develop our projects. In collaboration with a group of ecologists, our Fanling North project is designed to restore wildlife habitats and enhance ecological diversity in the area. By encouraging a closer connection to nature, two dedicated gardens (Butterfly Garden and Firefly Habitat) have been created to nurture the ecological balance within the site, hoping to foster the spiritual well-being of our residents. It is the first residential project in Hong Kong to embrace a dedicated firefly habitat. In collaboration with an ecologist, our team designed a specialised garden mimicking the natural habitat of butterflies and fireflies, which is capable of serving as an ecological indicator and exemplifies the creation of a quality, non-contaminated environment.

Additionally, our consideration of resident's physical health is being reflected in the design process of the property. For example, adoption of fully "Contactless User Journey" including automatic doors to entrances and clubhouse

facilities, the use of antibacterial and antiviral finishes both in apartments and common areas, provision of advanced air purifying system and regularly monitoring of air quality at the premises. We also introduced two new patented features, namely the "Life Sterilisation Pod" and the "Depuration Porch", which cater to the health and wellness of residents. For details regarding these two features, please refer to "Innovation for the Future".

As a testament to the Group's commitment of "healthy building, healthy living", the Fanling North project is one of few residential development projects in Hong Kong to have achieved the highest international recognition, WELL v2 Platinum Level Pre-certification.



Fanling North project (artist's impression)

## VALUE FOR PEOPLE

### Customer privacy

Henderson Land takes information security and customer data privacy very seriously and strictly complies with the Personal Data (Privacy) Ordinance and all relevant laws and regulations. We collect information from our sales activities solely for the purposes of business development and customer relationship management, with customers able to opt-out of any direct marketing activity. As outlined in the Group's corresponding Personal Information Collection Statement, we ensure the data collection process is clearly communicated to our customers.

The Group is constantly looking for ways to further consolidate our information security system by adopting new technology. Currently, our IT Department is implementing a user interface ("UI") enhancement and developing features such as the masking of personal, sensitive or confidential data for our SAP system. Additionally, annual internal audits and regular training on the subject of customer privacy are conducted with remediation procedures related to any identified data breaches. A data governance assessment including personal data conducted by an external consultant is expected to be completed in early 2022 to ensure the Group complies with the most up-to-date and relevant regulations.

During the year, there was no substantiated complaint concerning breaches of customers' privacy or losses of customer data.

### Product and service labelling

The Group's policy is to strictly comply with all relevant regulations and industry guidelines, including the Residential Properties (First-hand Sales) Ordinance. Our goal is to provide transparent and accurate information that assists customers in their purchasing decisions. Senior executives are responsible for monitoring the preparation of sales and marketing materials and all content must be approved by them. We also engage external professionals to review our sales brochures, show flats and other promotional materials to ensure accuracy and compliance. During the year, there were no significant cases of non-compliance in relation to our products and services.

### Customer engagement and satisfaction

To better understand customers' expectations, identify areas for improvement, and enhance service quality, we regularly engage with our customers using satisfaction surveys, questionnaires and interviews. During the year, the Group

conducted a customer satisfaction survey regarding aspects such as service quality, safety and communications, with the results showing a 98.4% satisfaction rate. Moreover, the Group received over 2,500 compliments from customers during the year for our property development services, despite the challenging environment amid the pandemic.

### Talent Development

Employees are our most valuable asset. We aspire to employ a diverse workforce that works together collaboratively and foster a culture of continuous learning among our employees.

### Talent attraction and retention

To recruit the best talent, the Group uses multiple hiring channels. In addition to traditional recruitment processes such as internal talent pool searches and employee referrals, external digital recruitment channels are used to attract talent.

We believe that building a caring culture requires demonstrating proper care for our employees and rewarding them appropriately. In turn, this generates employee satisfaction and retains talent. Below we illustrate a summary of benefits provided to our employees.

### Personal and family

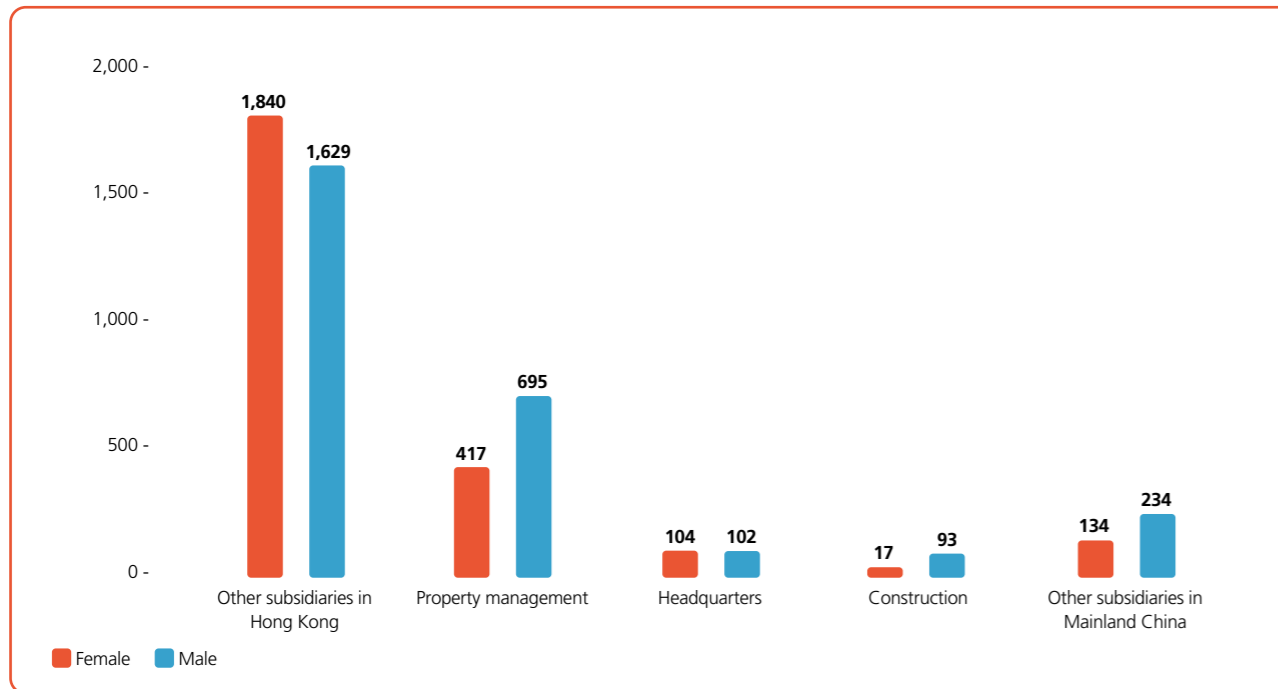
Annual Leave, Paid Sick Leave, Marriage Leave, Maternity Leave, Paternity Leave, New born Baby Hamper, Compassionate Leave, Wedding Gift.

	<b>Education</b> Training Allowance, Exam Leave
	<b>Medical care</b> Out-patient Medical Allowance, Group Hospitalisation Insurance, Group Personal Accident Insurance, Group Business Travel Insurance
	<b>Retirement planning</b> Optional Top-up MPF Contribution (Employer matching contribution), Long Service Award (10 & 20 Years)
	<b>Others</b> Monthly Distribution of a Box of Masks, Daily Meal Provision (One Vegetarian Meal Provision Monthly)

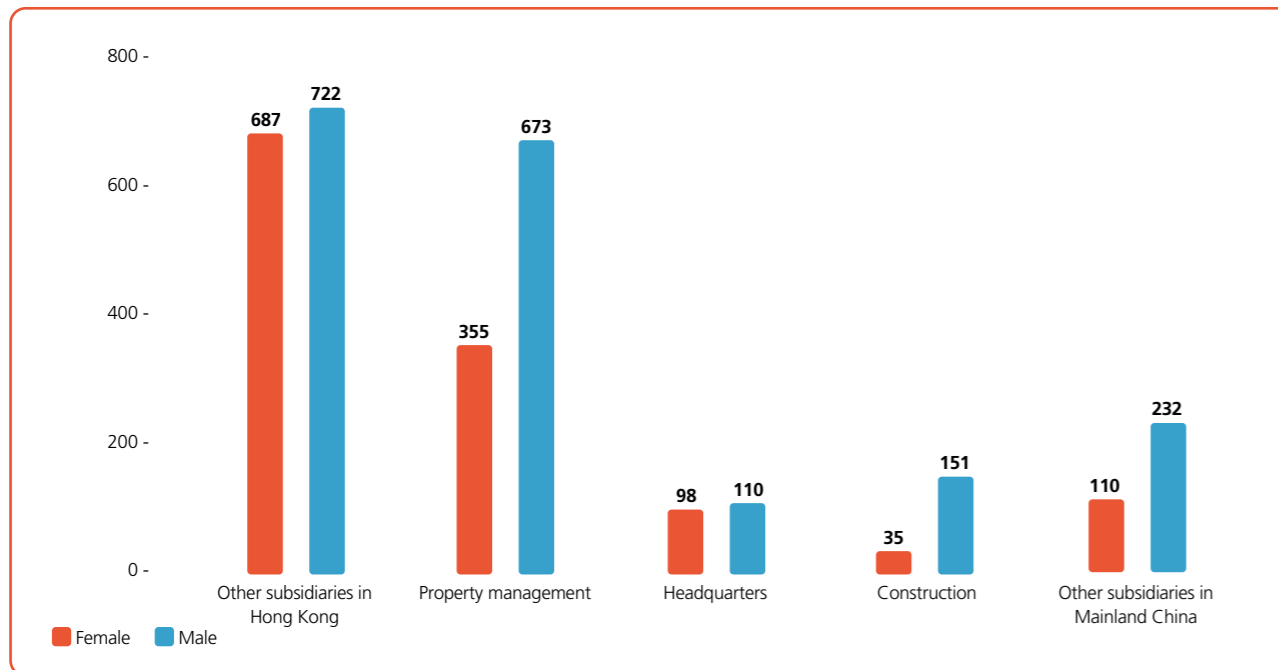


## VALUE FOR PEOPLE

### New hires in Hong Kong and Mainland China in 2021, by gender



### Full time employee turnover in Hong Kong and Mainland China in 2021, by gender



It is our goal to encourage open communication with employees. To better understand their views on suggested improvements, we invite them to participate in satisfaction surveys. Our Staff Survey Report conducted by The Chinese University of Hong Kong – the Hong Kong Institute of Asia-Pacific Studies. The report shows high employee satisfaction scores of nearly 80% for Hang Yick and Well Born, respectively.

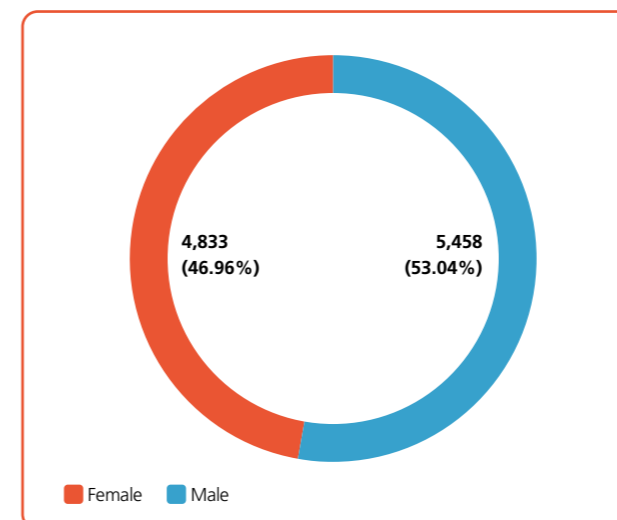


Due to the pandemic, in-person social gatherings have been minimised. To build team spirit and encourage interaction among employees from different office locations, the Group organised an interactive Virtual Summer Staff Party via Zoom with games and lucky draw activities. The event attracted over 1,300 employees' participation, which offered us an opportunity to thank everyone for their continuous hard work and dedication towards our company's growth and success amid the pandemic.

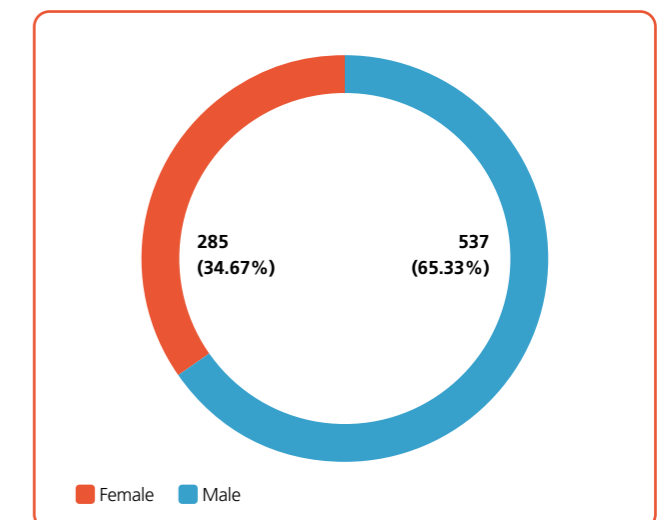
### Equal opportunity and diversity

To safeguard our employee's right to equal opportunity and workplace diversity, the Group is in full compliance with the Equal Opportunities Commission's Code of Practice and relevant laws and regulations. Beyond complying with regulatory requirements, we have also established our own Human Rights and Equal Employment Opportunity Policy to strengthen our workplace practices. The topic of anti-discrimination is covered at the orientation training for all new joiners. Regular equal opportunity seminars are also organised to promote the concepts of diversity and inclusion. Any employee can report their concerns regarding discrimination or other grievances confidentially via our intranet or by email to the Vice Chairman.

### Workforce in 2021, by gender



### Managerial roles in 2021, by gender



# VALUE FOR PEOPLE

## Training and development

We regularly arrange training courses for our employees which provide them with continuing educational and personal development opportunities. New employees receive orientation training within 60 days of joining to familiarise themselves with our values, strategy, purpose and corporate culture. For existing employees, various training programmes are provided to facilitate continuous improvement in their technical capabilities and personal development by way of in-house seminars, training workshops and talks.

In mainland China, a new digital learning platform was launched to enable employees to engage in an interactive knowledge exchange and experience sharing. The training platform has already received very positive feedback, with employee engagement hours and completion rates higher than the industry average.

In Hong Kong, our Engineering and Construction Departments continued to operate the Scheme A Graduate Training Programme to assist our young employees to obtain professional qualifications, develop competencies and support their career advancement. Upon completion of each training programme, we evaluate its effectiveness via staff surveys. Apart from in-house training, a discretionary allowance is also offered for selected external courses.



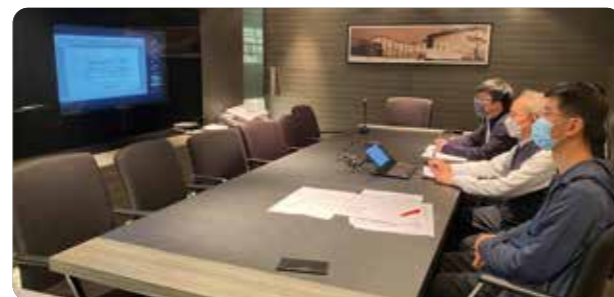
## Supply Chain Management

The Group has developed a comprehensive supply chain management system to ensure that all our suppliers meet our expectations in terms of compliance, integrity and sustainability.

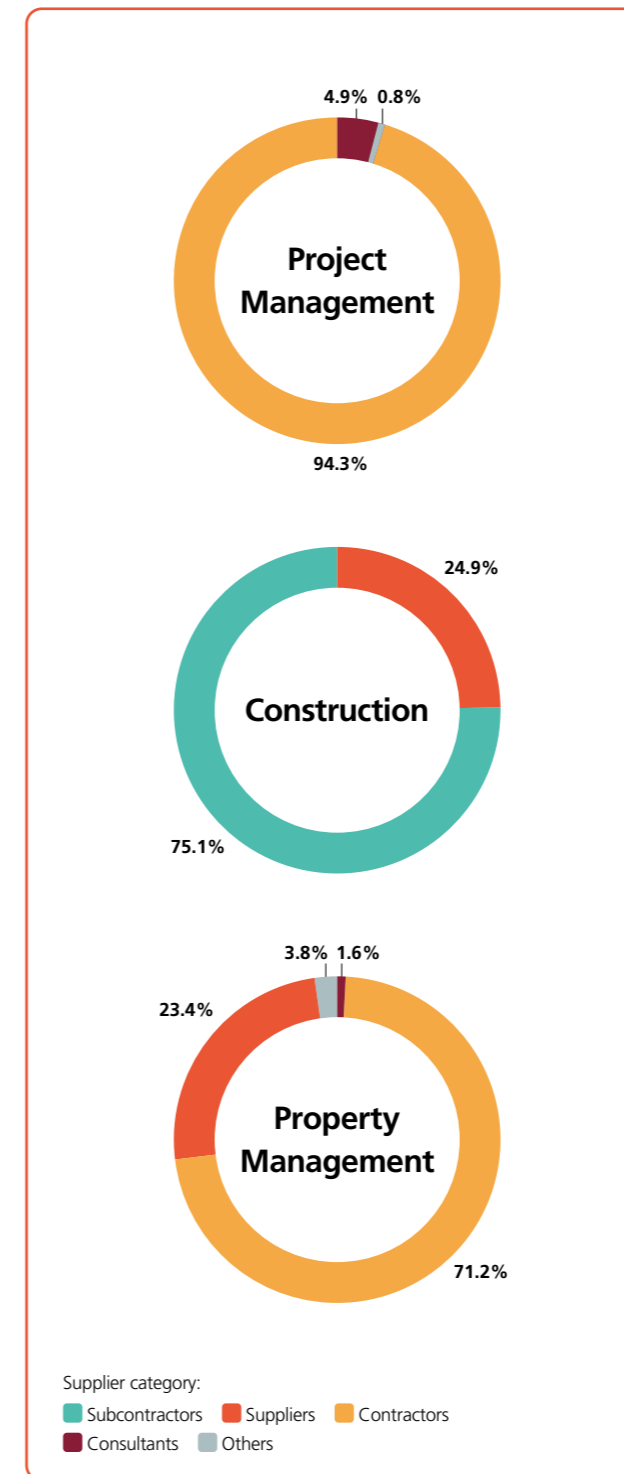
The Group's requirements and standards are clearly stipulated during the tendering and procurement process of construction projects. We have a standardised, fair and transparent tendering and supplier selection process, which is monitored by our Audit Department. All our suppliers and business partners, including subcontractors, are required to comply with relevant environmental and social laws and regulations, as well as act according to the Group's environmental and social policies including but not limited to the Environmental Policy, the Health and Safety Policy and the Business Ethics and Code of Business Conduct Policy. We perform annual internal and external audits to evaluate the performance of our suppliers and business partners to ensure they are in compliance with our required social and environmental terms and conditions. To better manage suppliers' performance, we are in the process of integrating climate-related risk issues into contractual requirements for sub-contractors and suppliers.

Since 2020, the Group has piloted a new management contract framework to reduce multi-layers of subcontracting in the conventional contracting system. We aim to promote direct communication with subcontractors and retain more stewardship over the coordination of building projects enabling us to convey our corporate culture and expectations clearly to business partners. Consequently, the efficiency and risk management of our projects has been enhanced, contributing to more trusting working relationships with our business partners.

To support our local economy and reduce transportation induced carbon emissions, we prefer to source local suppliers. Hang Yick and Well Born have over 1,500 suppliers which are all located in Hong Kong.



## Percentage of expenditure on different types of suppliers for project management, construction and property management in 2021



## Sustainability Advocacy

Throughout the year, the Group has been active in sustainability advocacy and engagement by hosting industry sharing events and attending conferences. These are opportunities to educate the public on sustainability topics and equally importantly, to stay abreast of the latest sustainability trends and gain insights about industry best practices. For example, we shared experience and showcased our green building designs at the "Building a greener future" seminar, which was organised by HSBC Commercial Banking and supported by the HKGBC. Other events, programmes and initiatives the Group participated in during the year included:

- "Green Buildings in the Post-COVID19 Era" webinar organised by Innovation Forum
- "Hong Kong: A Golden Past – An Exciting Future" conference by Urban Land Institute
- Low Carbon Charter initiative by Business Environment Council
- Panel speaker of "Financing Business to Leapfrog to a low-carbon economy" of ReThink Hong Kong 2021
- Panel discussion at the International Conference on Advancing Net Zero by the Hong Kong Green Building Council
- Panel discussion at the MIPIM Asia Summit on "Initiating a New Era"
- Towngas Sustainability Conference "Innovation x Energy Transition"
- Education seminar "Dialogue with ESG Professionals in Town" organised by with the Institute of ESG & Benchmark and The Chinese University of Hong Kong

# ENDEAVOUR FOR COMMUNITY



We endeavour to facilitate wellness and a higher quality of life in our community.

Through our pillar of “Endeavour for Community”, we support SDGs 8 and 11, and work towards promoting sustainable and inclusive economic growth for the communities we work in and with.



## CASE STUDY: Supporting Hong Kong's Sports Development and Local Athletes

Henderson Land has been proactively promoting Hong Kong's sports development over the years, supporting local athletes in pursuing their dreams and claiming glory for the city. Established in 2018 with donations from the Lee Shau Kee Foundation, the "Henderson Land Commendation Scheme for Elite Athletes" has given away nearly HK\$39 million in cash incentives to Hong Kong athletes.

In recognition of the historic achievement of the Hong Kong, China Delegation at various major events including the Tokyo 2020 Olympic Games, the Tokyo 2020 Paralympic Games and the 14<sup>th</sup> National Games of the People's Republic of China, Henderson Land held two events to celebrate and honour the returning athletes.

The Group hosted a prize presentation ceremony for the "Henderson Land Commendation Scheme for Elite Athletes" at the ifc mall in August 2021. During the ceremony, cash prizes were awarded to the medallists and those ranked among the top eight in their respective events at the Olympic Games. Members of the public also had the opportunity to meet and receive autographs from the athletes, including Siobhan Haughey and Lau Mo Sheung, Grace.



The Group also hosted a prize presentation ceremony cum celebration dinner in October 2021 with 30 winning athletes in attendance, including Cheung Ka Long, Edgar, Lee Wai Sze, Sarah, and Leung Yuk Wing. Henderson Land has rewarded the winning athletes with cash prizes totalling HK\$23,725,000 to the athlete winners in the three Games.

**Dr Lee Ka Shing, Martin, Chairman of the Group, said, "The whole of Hong Kong is incredibly proud of the remarkable achievements of our elite athletes. We hope to take the lead in fostering local sports development and to encourage more people in our society to contribute further to that end."**



## CASE STUDY: Brand New Approach for Engaging the Neighbourhood at Square Mile

As an innovator in urban redevelopment, Henderson Land aspires to create sustainable value and enhance the quality of living of a neighbourhoods after the completion of our redevelopment projects. With the goal of injecting vibrancy into the area and fostering a sense of community among residents, we established the Square Mile Association to regularly initiate different event-tainment projects for our residents and neighbours.

### Art Installation

To promote local artists and the appreciation of art, Square Mile invited various local artists to exhibit their creations and art pieces at vacant shops in the district.



### Barrel Run Challenge

The Barrel Run Challenge has been an exciting and popular competition worldwide. Bringing this event to Square Mile injected energy into the district, attracting people to come and participate.

In recognition of our innovative ideas, the Barrel Run Challenge received the Best Use of Venue and Best Idea Event awards from Marketing Magazine.

### Dragon Boat Race on Land

Square Mile Association organised the first Dragon Boat Race on Land during the Tuen Ng Festival. Integrating the traditional dragon boat competition with the novel approach of competing on land, the competition is an example of how we inject innovation into urban renewal. Dragon Boat Race on Land has received Gold Awards from Galaxy Awards, an international awards programs, for its innovative ideas.



# ENDEAVOUR FOR COMMUNITY



## Sustainable Community

We aim to build sustainable communities and play our part in helping to alleviate the housing supply shortage in Hong Kong. Under the Government's Land Sharing Pilot Scheme, Henderson Land, together with Wheelock Properties Limited, submitted a joint proposal to the Development Bureau during the year, aiming to unlock the development potential of land lots in Lam Tsuen, Tai Po for comprehensive community development including housing, supporting infrastructures and community facilities. The project site is expected to supply about 8,500 public housing and Starter Homes units and 3,600 private units.

Henderson Land has also continued to revitalise public spaces as our contribution to building sustainable communities. For more details of our urban redevelopment activities, please refer to the "Innovation for Future" section.

Our care for communities extends beyond Hong Kong. During the year, Henderson Land donated RMB 10 million to support disaster relief efforts in response to the 2021 Henan floods. Dr Lee Ka Kit, Peter, Chairman of the Group, hopes that this donation will support Henan and all those affected by the severe floods. In addition, Dr Lee's "Peter KK Lee Care for Life Foundation" donated RMB 5 million worth of food and supplies to the province.

## Community Investment

Henderson Land continued to work alongside our trusted NGO partners to deliver various community investment programmes. The four priority areas of these programmes remain consistent: poverty relief, environmental stewardship, arts and culture, and youth development. To further monitor our community investment, we have set targets for contributing over 80,000 service hours per year. The Group supported around 100 community programmes during the year and below are highlights of programmes within the four priority areas.



## Poverty Relief



### Commission on Poverty's "Future Stars" - Upward Mobility Scholarship Programme

Since 2014, we have supported financially disadvantaged students who achieve academic excellence to continue their studies and aspirations through scholarships.

This year, 190 students were awarded scholarships and, cumulatively, 1,521 "future stars" have benefitted from the programme, setting them on the right track to continue excelling in their studies and beyond.

## Poverty Relief



### Hong Kong Community Network - Kwai Tsing Ethnic Minority Programme

Recognising the importance of fostering a caring and equal society, we have been donating to this programme since 2014 to help ethnic minorities and low-income groups receive effective assistance and support. The programme's diverse features include promoting education and employment and assisting with integration into the community. Cumulatively, more than 890,000 people have received support from this initiative since the Group became its sponsor.

### Visiting Elderly Living Alone in Housing Estates

The elderly living alone comprise is one of the most vulnerable communities in Hong Kong. To show our love and care, Henderson Land's Chairman, Dr Lee Ka Kit, Peter, personally visited elderly individuals living alone in Tai Hang Sai Estate in September 2021. During the visit, we got to know more about their living conditions and the challenge of mask shortages due to the pandemic. On that account, our volunteers from Hang Yick and Well Born prepared anti-pandemic packs with mask supplies and subsequently distributed the packs to the elderly individuals living in the Estate.



### Home Market – Continuing Our Support for the City's Grassroots Individuals

2022 will be the tenth anniversary of Home Market, a non-profit chain store that sells affordable daily necessities and quality food at near wholesale prices to less privileged individuals in our city. Home Market was founded by the Group's Chairman Dr Lee Ka Kit, Peter, and funded by Lee Shau Kee Foundation. Home Market has grown to 13 branches and the number of members has grown to 250,000.

## ENDEAVOUR FOR COMMUNITY

### Poverty Relief



#### Charity Sales – Spread Happiness All Year Around

We teamed up with Cookie Smiles, a homegrown social enterprise, to launch a festive charity cookie pop-up over the Christmas period. We sponsored and provided a venue for this charity sale to raise funds for ImpactHK and give back to Hong Kong's underprivileged families. Collaborating with Cookie Smiles, we launched "H is for Happiness" Matcha Moon cookies, which sync with the picture book that shares the same name, to spread happiness while educating and encouraging community involvement at an early age.

In particular, we introduced a set of cookies that started with the letter "H" and came with a special meaning. Each of the "H" (**H**enderson, **H**eritage, **H**ealth, **H**appiness and **H**oliday Giving) represented one unique flavour. These cookies were exclusively sold in the pop-up at our properties including Manulife Financial Centre in Kwun Tong, AIA Tower in North Point and Mira Place 1 in Tsim Sha Tsui.

### Environmental Stewardship



#### Plantation Enrichment Programme

Since 2007, we have planted over 43,000 tree seedlings in Hong Kong. In support of the Agriculture, Fisheries and Conservation Department's "Plantation Enrichment Programme", we have sponsored the five-year tree planting programmes of Friends of the Earth (HK) and The Green Earth since 2017. Together with our NGO partners, we have planted over 14,000 seedlings.



### Environmental Stewardship

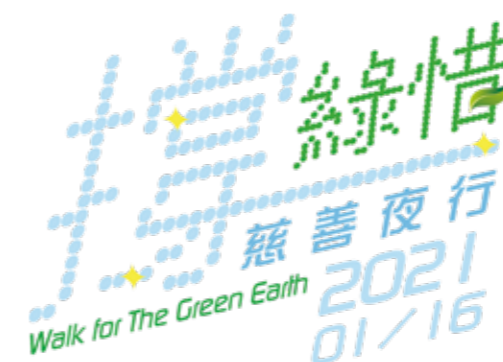


#### Green Power Hike

Since 2006, Henderson Land has supported the annual fundraising hike, which seeks to promote nature appreciation, with proceeds allocated to environmental education. We repeated our role as Title Sponsor of the Hike this year and recruited staff to join the event. Over the years, the Green Power Hike has been attended by about 49,000 runners.

#### Worldwide Fund For Nature Hong Kong ("WWF-Hong Kong") Walk for Nature @ Mai Po

The annual Walk for Nature at the birdwatchers' paradise in Mai Po Nature Reserve combines the appreciation of nature with fundraising. Since we commenced our sponsorship in 2010, more than 25,000 individuals have participated. This year, our corporate volunteer team joined the walk together with 30 beneficiaries from Po Leung Kuk to enjoy the outdoors, while supporting WWF-Hong Kong.



#### The Green Earth – Walk for the Green Earth

Since 2018, Henderson Land has supported this annual fundraising event, which aims to provide participants with a refreshing opportunity to step away from the everyday rush and enjoy nature. This year, the Group repeated its role as Satellite Sponsor and encouraged our staff to participate. Around 300 people participated in the event and, cumulatively, around 2,900 people have participated over the past four years.

## ENDEAVOUR FOR COMMUNITY

### Environmental Stewardship



Photo Source: Food Made Good

#### First Developer to Support the Food Made Good Hong Kong Awards

Food is a significant contributor to climate change and Henderson Land is proud to be the first developer in Hong Kong to support the Food Made Good Hong Kong Awards as the Lead Sponsor for the second year. We fully support the objective of helping foodservice businesses operate more sustainably and we encourage our tenants to upskill chefs and restaurants through audits and workshops for a more sustainable future. We are proud that participating Group F&B outlets scored highly in this year's awards.

### Arts & Culture



#### HART – Supporting Local Creative Talents

In 2018, Henderson Land started HART, a not-for-profit arts initiative with a mission to foster collaboration, community, and creativity through programmes and the sharing of studio space. HART provides subsidised studio workspace rental for local-based artists in HART Haus, a shared studio space in Kennedy Town. Over the past three years, we have supported over 70 artists with networking and exhibition opportunities and collaborated with them in various community arts and cultural programmes, studio events and workshops.

### Arts & Culture



#### HART x LST – Art and Community Pilot Programme

To cultivate a sense of community among low-income families in transitional housing schemes, HART collaborated with the Lok Sin Tong Benevolent Society Kowloon and curated the "LST Studio - Art and Community Pilot Programme" in 2021. Young residents from the scheme interacted with participating artists to create art together during 24 environmentally friendly creative learning sessions. The programme has served more than 80 families since its establishment, equipping participants with a new appreciation for art and facilitating a greater sense of belonging among the community.

#### Friends of Hong Kong Museum of Art - Art For Everyone @HKMoA

This year, Henderson Land became the Platinum Sponsor of the Art For Everyone @HKMoA campaign organised by Friends of Hong Kong Museum of Art. From March to May 2021, 100 artworks from the Hong Kong Museum of Art were exhibited on over 655 billboards and displays across Hong Kong, of which ten artworks included an augmented reality art experience using a custom-made mobile app. A series of display installations were exhibited in the Group's seven shopping malls, bringing art to visitors and encouraging interaction between the public and the arts community.





## Youth Development

### HKSAR Government Space Sharing Scheme for Youth

As a collaboration between the business sector, NGOs and the Government, this Scheme supports our community's youth development through the provision of premises that can be used as co-working spaces and studios.

In 2019, Henderson Land offered six units at The Globe in Cheung Sha Wan for use by the Hong Kong Arts Development Council ("HKADC") and Arts with the Disabled Association Hong Kong ("ADAHK") at a HK\$1 monthly rent over a six-year term. The units are leased to local artists and art groups, and they have also become training centres for artists with disabilities. In 2021, nine artists and two performing art groups identified by the HKADC through an open recruitment exercise moved into four units called "ADC Artspace (The Globe)".



ADAHK established "ADA Arts Hub" at The Globe with the space provided by Henderson Land. During 2021, 1,581 training hours were provided to over 4,500 individuals, among them artists with disabilities. Over 2,500 practitioners were also connected for inclusive art at The Globe.



### Summerbridge Hong Kong

Henderson Land has continued our pledge to support the provision of tuition-free, summer and after-school enrichment programmes for financially disadvantaged students. During the year, another 168 students and 24 student teachers benefitted from this initiative. Cumulatively, over 3,700 students and 1,400 student teachers have benefitted since the Group became an active donor in 2006.



## Youth Development

### Urban Land Institute – UrbanPlan

Henderson Land has sponsored the Urban Land Institute's education initiative UrbanPlan since 2020. First piloted in Hong Kong in 2018, UrbanPlan is a realistic workshop-based simulation created that enables secondary school students to explore concepts related to the built environment through experiential, project-based learning. During the 2020-21 academic year, eight workshops were conducted, reaching 292 students in total.



### Supporting Online Learning for 1,700 Local Students amid Epidemic

In light of the added burden of internet costs and online learning for students from low-income families during the COVID-19 pandemic, Henderson Development Anti-Epidemic Fund, a privately-financed charity established by Henderson Land Group's Chairmen Dr Lee Ka Kit, Peter, and Dr Lee Ka Shing, Martin, donated HK\$600,000 to renew one-year unlimited mobile data plans for over 1,700 financially disadvantaged students in Hong Kong. In 2020, the Fund launched a local scheme to distribute laptop computers—equipped with Pocket Wi-Fi and one-year unlimited mobile data—to students in need through six NGOs, namely Save the Children Hong Kong, Society for

Community Organisation, St. James' Settlement, The Boys' & Girls' Clubs Association of Hong Kong, The Lok Sin Tong Benevolent Society, Kowloon, and Hong Kong Community Network.

### Providing Exhibition Space to NGOs and Educational Institutions

This year, Henderson Land continued to support various NGOs and educational institutions through the provision of free or discounted exhibition space at our venues. We supported a total of nearly 90 charity or NGO events at our malls through providing venues and funding of over HK\$5 million.





# SUSTAINABILITY PERFORMANCE

## Waste from Construction Sites and at Managed Properties<sup>15 \*</sup>

Environmental KPIs	Unit	Group		Construction Sites <sup>16</sup>		Managed Properties in Hong Kong <sup>17</sup>		Managed Properties in Mainland China <sup>18</sup>	
		2021	2020	2021	2020	2021	2020 <sup>19</sup>	2021	2020
<b>Waste generated</b>									
<b>Non-hazardous waste generated</b>									
General waste <sup>20</sup>	tonne	22,985	24,911	7,365	6,684	15,620	18,227	N/A	N/A
Total recycled and re-used waste	tonne	4,062	2,253	1,816	1,353	2,092	900	154	
Paper	tonne	1,884	865	0.25	0	1,802	865	82	
Plastics	tonne	31	14	0	0	10	14	21	
Metal	tonne	605	87	586	69	14	18	5	
Concrete	tonne	1,230	791	1,230	791	0	0	N/A	
Food waste <sup>21</sup>	tonne	255	N/A	N/A	N/A	255	N/A	N/A	
Others (e.g. timber and glass)	tonne	57	496	0.01	493	11	3	46	
<b>Hazardous waste generated</b>									
Total recycled and re-used waste	tonne	0.30	0	0	0	0	0	0.30	N/A
<b>Total waste generated</b>	tonne	<b>27,047</b>	<b>27,164</b>	<b>9,181</b>	<b>8,037</b>	<b>17,712</b>	<b>19,127</b>	<b>154</b>	N/A
<b>Waste generated intensity</b>	tonne/m <sup>2</sup> total GFA	<b>0.0156</b>	<b>0.0131</b>	<b>0.0766</b>	<b>0.0169</b>	<b>0.0220</b>	<b>0.0243</b>	<b>0.0002</b>	

<sup>15</sup> Our general waste and total recycled and re-used waste generated from construction sites, managed properties in Hong Kong and mainland China in 2021 were verified by a third-party consultant

<sup>16</sup> Data includes only the construction sites of our own construction subsidiaries in Hong Kong and excludes any outsourced construction works

<sup>17</sup> Data includes 39 properties managed by Goodwill in 2021 (2020: 33 properties)

<sup>18</sup> We started to report waste generated at 7 properties managed in mainland China since 2021

<sup>19</sup> In 2021, we have standardised our approach towards data collection. Adhering to the reporting principles of 'consistency', we adjusted our calculation for 2020 to align with that in 2021 and allow for meaningful comparison of data over time

<sup>20</sup> Since the general waste of projects in mainland China is collected by the sanitation department of the Government, and our property management office does not collect such data and thus not disclose it in this report

<sup>21</sup> Our food waste is commonly generated and collected in managed properties, as such this figure is not applicable to our construction sites

\* 2021 data subject to limited assurance by KPMG

## Materials Used from Construction Sites<sup>22</sup>

Environmental KPIs	Unit	2021	2020
<b>Construction materials used</b>			
<b>Non-renewable materials used</b>			
Concrete	tonne	59,860	36,307
Steel	tonne	11,138	5,387
Aluminium formwork and other metal	tonne	233	120
Glass	tonne	787	76,896
Prefabricated unit	tonne	2,344	2,943
<b>Subtotal</b>	tonne	<b>74,362</b>	<b>121,653</b>
<b>Intensity of non-renewable materials used</b>	tonne/m <sup>2</sup> total GFA	<b>0.6202</b>	<b>0.2560</b>
<b>Renewable materials used</b>			
Timber	tonne	808	523
Bamboo	tonne	54	297
Paper	tonne	12	23
<b>Subtotal</b>	tonne	<b>874</b>	<b>843</b>
<b>Intensity of renewable materials used</b>	tonne/m <sup>2</sup> total GFA	<b>0.0073</b>	<b>0.0018</b>
<b>Total construction material used</b>	tonne	<b>75,236</b>	<b>122,496</b>
<b>Intensity of total construction material used</b>	tonne/m <sup>2</sup> total GFA	<b>0.6275</b>	<b>0.2578</b>

<sup>22</sup> We observed a decrease in total construction material used this year compared to last year. This is because the majority of our active construction sites this year were near the completion stage whereas those assessed in 2020 were at the construction stage. However, materials such as concrete and steel increased due to different construction stages

# SUSTAINABILITY PERFORMANCE

## GHG Emissions, Energy Consumption and Water Consumption of our Headquarters, Managed Properties in Hong Kong and Mainland China<sup>23 24 \*</sup>

Environmental KPIs	Unit	Group		Headquarters		Managed Properties in Hong Kong		Managed Properties in Mainland China	
		2021	2020 <sup>25</sup>	2021	2020	2021	2020	2021	2020
<b>GHG emissions<sup>26 27 28 29</sup></b>									
Scope 1	tCO <sub>2</sub> e	998	892	980	879	12	4	6	9
Scope 2	tCO <sub>2</sub> e	93,595	83,394	2,242	2,289	58,503	51,354	32,850	29,751
Scope 1 & 2	tCO <sub>2</sub> e	94,593	84,286	3,222	3,168	58,515	51,358	32,856	29,760
Building Scope 1 & 2 GHG emission intensity	tCO <sub>2</sub> e/m <sup>2</sup> total GFA	0.0579	0.0522	0.1632	0.1643	0.0727	0.0653	0.0406	0.0367
<b>Energy consumption<sup>30 31</sup></b>									
Diesel oil	kWh	508,969	405,512	440,843	356,566	44,397	13,122	23,729	35,824
Petrol oil	kWh	3,107,673	2,820,711	3,107,673	2,820,711	0	0	0	0
Towngas	kWh	5,413	5,787	1,880	1,120	3,533	4,667	0	0
Electricity consumption	kWh	202,622,167	182,563,543	3,157,664	3,223,195	145,621,629	130,576,641	53,842,874	48,763,707
Total energy consumption	kWh	206,244,222	185,795,553	6,708,060	6,401,592	145,669,559	130,594,430	53,866,603	48,799,531
Building energy consumption intensity	kWh/m <sup>2</sup> total GFA	126	115	340	332	181	166	66	60
<b>Water consumption</b>									
Water consumption	m <sup>3</sup>	799,829	658,531	2,304	2,711	390,928	319,015	406,597	336,805
Building water consumption intensity	m <sup>3</sup> /m <sup>2</sup> total GFA	0.4892	0.4077	0.1167	0.1406	0.4856	0.4060	0.5019	0.4158

<sup>23</sup> The data is confined to our offices at Two ifc, AIA Tower, 39 properties managed by Goodwill in 2021 (2020: 33 properties) and 7 properties in mainland China in 2021 and 2020

<sup>24</sup> Our GHG emissions, energy consumption and water consumption of our offices at Two ifc, AIA Tower, and managed properties in Hong Kong and mainland China in 2021 were verified by a third-party consultant

<sup>25</sup> As we expanded the data scope of GHG emissions, energy consumption and water consumption to cover managed properties in mainland China in 2021 and 2020, we have adjusted the overall Group-level data in 2020 to reflect this accordingly

<sup>26</sup> We referred to Appendix 2: Reporting Guidance on Environmental KPIs under "How to Prepare an ESG Report" released by the Stock Exchange for the calculation of our Scope 1 and Scope 2 emissions

<sup>27</sup> Carbon dioxide (CO<sub>2</sub>), Methane (CH<sub>4</sub>), Nitrous oxide (N<sub>2</sub>O) are included in GHG calculations. Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulphur hexafluoride (SF<sub>6</sub>) and Nitrogen trifluoride (NF<sub>3</sub>) are not applicable

<sup>28</sup> In 2021, we have updated our approach of calculating our Scope 2 GHG emissions from the purchase of electricity from the respective local utility companies in Hong Kong. Adhering to the reporting principles of 'consistency', we adjusted our calculation for 2020 to align with that in 2021 and allow for meaningful comparison of data over time

<sup>29</sup> The increase of GHG emissions in 2021 is attributable to the resumption of the majority of operational activities due to the relaxation of social distancing measures during the COVID-19 pandemic

<sup>30</sup> The conversion factors from volumetric units of petrol, diesel and towngas consumption to energy units are referenced from Appendix 2: Reporting Guidance on Environmental KPIs under "How to Prepare an ESG Report" released by the Stock Exchange

<sup>31</sup> In 2021, we have updated our approach of calculating our energy consumption. Adhering to the reporting principles of 'consistency', we adjusted our calculation for 2020 to align with that in 2021 and allow for meaningful comparison of data over time

\* 2021 data subject to limited assurance by KPMG

## Key Social Data<sup>32 33</sup>

Social KPIs	Group		Headquarters		Construction		Property Management		Other Subsidiaries in Hong Kong		Other Subsidiaries in Mainland China	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
<b>Employees by contract type, gender, age and employee category</b>												
Total workforce	10,291	10,190	1,435	1,437	451	505	3,239	3,436	3,934	3,752	1,232	1,060
<b>By employment contract type</b>												
Full-time	8,921	9,065	1,432	1,434	451	505	3,045	3,222	2,761	2,844	1,232	1,060
Part-time	1,370	1,125	3	3	0	0	194	214	1,173	908	0	0
<b>By gender</b>												
Male	5,458	5,667	739	747	370	409	2,011	2,275	1,626	1,619	712	617
Female	4,833	4,523	696	690	81	96	1,228	1,161	2,308	2,133	520	443
<b>By age group</b>												
Aged below 30	1,079	1,278	175	185	46	52	397	456	350	492	111	93
Aged 30-50	4,510	4,516	809	830	138	177	1,015	1,118	1,607	1,594	941	797
Aged over 50	4,702	4,396	451	422	267	276	1,827	1,862	1,977	1,666	180	170
<b>By employee category</b>												
Managerial	822	751	406	402	6	5	145	146	176	154	89	44
Supervisory	2,637	2,598	663	658	168	161	880	906	460	454	466	419
General	6,832	6,841	366	377	277	339	2,214	2,384	3,298	3,144	677	597
<b>New hires by gender and age</b>												
Total new hires	5,265	5,097	206	146	110	113	1,112	1,255	3,469	3,297	368	286
<b>By gender</b>												
Male	2,753	2,708	102	77	93	99	695	779	1,629	1,590	234	163
Female	2,512	2,389	104	69	17	14	417	476	1,840	1,707	134	123
<b>By age group</b>												
Aged below 30	951	1,120	84	69	15	9	221	263	563	733	68	46
Aged 30-50	2,112	2,130	108	70	61	50	354	426	1,333	1,369	256	215
Aged over 50	2,202	1,847	14	7	34	54	537	566	1,573	1,195	44	25

<sup>32</sup> Data includes employees of the Group's headquarters and subsidiaries under the Group's full year control

<sup>33</sup> As we expanded the data scope of key social data to cover mainland China in 2021 and 2020, we have adjusted the overall Group-level data in 2020 to reflect this accordingly

## SUSTAINABILITY PERFORMANCE

Social KPIs	Group		Headquarters		Construction		Property Management		Other Subsidiaries in Hong Kong		Other Subsidiaries in Mainland China	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
<b>Full-time employee turnover by gender and age</b>												
Total full-time employee turnover	3,173	2,824	208	117	186	106	1,028	1,106	1,409	1,198	342	297
<b>By gender</b>												
Male	1,888	1,659	110	63	151	82	673	688	722	638	232	188
Female	1,285	1,165	98	54	35	24	355	418	687	560	110	109
<b>By age group</b>												
Aged below 30	468	465	58	40	20	11	177	232	169	153	44	29
Aged 30-50	1,326	1,091	115	62	96	31	319	316	555	461	241	221
Aged over 50	1,379	1,268	35	15	70	64	532	558	685	584	57	47
<b>Training and development</b>												
<b>The percentage of employees trained by gender and employee category<sup>34</sup></b>												
<b>By gender</b>												
Male	67%	58%	55%	49%	13%	23%	75%	63%	65%	57%	91%	78%
Female	68%	56%	61%	46%	6%	11%	73%	68%	64%	56%	90%	54%
<b>By employee category</b>												
Managerial	77%	69%	67%	58%	33%	60%	107%	96%	93%	65%	40%	120%
Supervisory	73%	56%	63%	47%	20%	40%	83%	71%	91%	78%	72%	20%
General	64%	57%	43%	36%	6%	11%	68%	60%	59%	53%	109%	97%
<b>Average training hours per employee by gender and employee category</b>												
<b>By gender</b>												
Male	18	17	53	48	12	22	19	15	9	5	11	7
Female	20	12	34	34	3	9	14	14	8	5	14	14
<b>By employee category</b>												
Managerial	20	10	17	10	4	10	37	14	16	6	9	10
Supervisory	23	20	50	38	16	38	17	18	12	10	12	2
General	13	13	46	50	7	15	19	18	7	5	14	8

<sup>34</sup> The percentages of managerial and general staff in Hong Kong and mainland China receiving training exceeds 100% mainly due to the turnover of employees

## Diversity of Board of Directors

Board composition	Percentage	
	2021	2020
<b>By gender</b>		
Male	89%	89%
Female	11%	11%
<b>By age group</b>		
Aged 30-50	0%	6%
Aged over 50	100%	94%

## Team of Professionals

Qualified professionals	Number
BEAM Professional	23
Certified Arborists	4
Ecologist	1
GBL qualified manager	8
LEED Accredited Professional	7
LEED Green Associate	9
CIC Certified BIM Manager	1
WELL Accredited Professional	4

# SUSTAINABILITY PERFORMANCE

## Occupational Health and Safety Data<sup>35\*</sup>

Occupational Health and Safety	2021				2020			
	Direct employee <sup>36</sup>		Subcontracted worker <sup>37</sup>		Direct employee		Subcontracted worker	
	Male	Female	Male	Female	Male	Female	Male	Female
Work-related fatalities	0	0	0	0	0	0	0	0
Total hours worked	3,590,962	2,128,775	3,855,600	429,300	3,096,122	1,949,489	3,586,461	398,495
Total number of high-consequence work-related injuries <sup>38</sup>	0	1	0	0	0	0	1	1
Rate of high-consequence work-related injury (per 200,000 hours worked) <sup>39</sup>	0	0.09	0	0	0	0	0.06	0.5
Total number of recordable work-related injuries (including high-consequence work-related injury)	16	6	8	0	9	4	9	2
Rate of recordable work-related injury (per 200,000 hours worked) <sup>40</sup>	0.89	0.56	0.41	0	0.58	0.41	0.5	1.0
Number of work-related ill health	0	0	0	0	1	2	0	0
Lost days due to work-related injuries and ill health	553	160	1,220	0	539	11	184	206
Absentee rate <sup>41</sup>	1.25%	1.51%	N/A	N/A	N/A	N/A	N/A	N/A
Loss-Time Injury Frequency Rate (LTIFR) (per million hours worked) <sup>42</sup>	4.46	2.82	2.07	0	N/A	N/A	N/A	N/A

<sup>35</sup> Our occupational health and safety data in 2021 were verified by a third-party consultant, including work-related fatalities, rate of high-consequence work-related injury, rate of recordable work-related injury, and loss-time injury frequency rate (LTIFR) among direct employees of the Group's Headquarters, Goodwill, construction subsidiaries and subcontracted workers of own construction subsidiaries; and absentee rate among direct employees of the Group's Headquarters, Goodwill and other Group's subsidiaries

<sup>36</sup> Data includes only employees of the Group's Headquarters, Goodwill, Starplus and our construction subsidiaries

<sup>37</sup> Data includes only subcontracted workers of our own construction subsidiaries

<sup>38</sup> The main type of high-consequence work-related injuries was fracture involving the use of machinery or tools

<sup>39</sup> Rate of high-consequence work-related injury (per 200,000 hours worked) is calculated as "high-consequence work-related injuries (exclude fatalities)

divided by total no. of hours worked for employees and then multiply by 200,000". The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year

<sup>40</sup> Rate of recordable work-related injury (per 200,000 hours worked) is calculated as "all recordable work-related injuries divided by total no. of hours worked for employees and then multiply by 200,000". The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year

<sup>41</sup> Absentee rate is calculated as number of actual days lost divided by number of scheduled work days in the reporting year

<sup>42</sup> Loss-Time Injury Frequency Rate (LTIFR) (per million hours worked) represents the number of lost-time injuries per million hours worked. It is calculated as "total number of lost-time injuries divided by total no. of hours worked and then multiplied by 1,000,000"

\* 2021 data subject to limited assurance by KPMG

## Percentage of Expenditure on Different Types of Suppliers for Project Management, Construction and Property Management

	2021			2020		
	Project Management	Construction	Property Management <sup>43</sup>	Project Management	Construction	Property Management
<b>Supplier profile</b>						
<b>Type of supplier</b>						
Consultant	4.9%	0.0%	1.6%	7.1%	0.0%	0.5%
Contractor	94.3%	0.0%	71.2%	91.9%	0.0%	86.9%
Supplier	0.0%	24.9%	23.4%	0.0%	20.5%	7.7%
Subcontractor	0.0%	75.1%	0.0%	0.0%	79.5%	0.0%
Others	0.8%	0.0%	3.8%	1.0%	0.0%	4.9%

## Customer Satisfaction at Our Property Management Subsidiaries

Subsidiary	Aspect	Channel	Satisfaction result (%)	
			2021	2020
Goodwill	<ul style="list-style-type: none"> <li>Service Quality</li> <li>Cleaning Quality</li> <li>Security Quality</li> <li>Maintenance Quality</li> <li>Customer Service</li> <li>Facilities &amp; Activities</li> <li>ESG</li> </ul>	Questionnaires, interviews	98.10%	98.75%
Hang Yick	<ul style="list-style-type: none"> <li>Customer Service</li> <li>Security Service &amp; Concierge</li> <li>Club House Service</li> <li>Facility Management</li> <li>Cleaning Service</li> <li>Landscape Service</li> <li>Car Park Management</li> </ul>	Customer Services Survey	Customer Services Survey 2021 originally scheduled to be conducted from 1 Feb 2022 to 31 Mar 2022 will be postponed due to pandemics.	98.00%
Well Born	<ul style="list-style-type: none"> <li>Shuttle Bus Service</li> <li>Communication</li> <li>Others</li> </ul>		Customer Services Survey 2021 originally scheduled to be conducted from 1 Feb 2022 to 31 Mar 2022 will be postponed due to pandemics.	98.40%

<sup>43</sup> We started to report percentage of expenditure on different types suppliers in mainland China since 2021. Data in 2021 includes suppliers of Goodwill, Well Born and Hang Yick, and Starplus

# INDEPENDENT LIMITED ASSURANCE REPORT



## Independent limited assurance report

to the Board of Directors of Henderson Land Development Company Limited

We have undertaken a limited assurance engagement of the selected sustainability information of Henderson Land Development Company Limited (“the Company”) for the year ended 31 December 2021, marked with the symbol \* (“the Selected Sustainability Information”) in the “Sustainability Performance” section of the Sustainability Report 2021 (“the Report”).

## Directors’ responsibilities

The directors are responsible for the preparation of the Selected Sustainability Information in accordance with applicable criteria, as set out in the “About this Report” section of the Report (referred as “applicable criteria” thereafter). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Selected Sustainability Information that is free from material misstatement, whether due to fraud or error.

## Our independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## Our responsibilities

Our responsibility is to express a limited assurance conclusion on the Selected Sustainability Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (“ISAE 3000 (Revised)”) and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements (“ISAE 3410”) issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform this engagement to obtain limited assurance about whether the Selected Sustainability Information is free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3000 (Revised), and ISAE 3410 involves assessing the suitability in the circumstances of the Company’s use of applicable criteria as the basis for the preparation of the Selected Sustainability Information, assessing the risks of material misstatement of the Selected Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Selected Sustainability Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. Within the scope of our work we performed amongst others the following procedures:

- Enquiries of relevant staff at corporate and selected site level responsible for the preparation of the Selected Sustainability Information;
- Interviews with relevant staff to understand the design and implementation of the systems and methods used to collect and process the Selected Sustainability Information;
- Agreement of the Selected Sustainability Information, on a sample basis, to source documentation;
- Analytical procedures over the Selected Sustainability Information;
- Compared the definitions as included in the applicable criteria against the definitions used by the Company to prepare the Selected Sustainability Information; and
- Read the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of the Company.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Company’s Selected Sustainability Information has been prepared, in all material respects, in accordance with the applicable criteria as set out in the “About this Report” section of the Report.

Our responsibility is to carry out a limited assurance engagement and to express a conclusion based on the work performed and the evidence obtained. This report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Company’s Selected Sustainability Information for the year ended 31 December 2021 is not prepared, in all material respects, in accordance with the applicable criteria as set out in the “About this Report” section of the Report.

**KPMG**  
Certified Public Accountants

8th Floor, Prince’s Building  
10 Chater Road  
Central, Hong Kong

22 March 2022

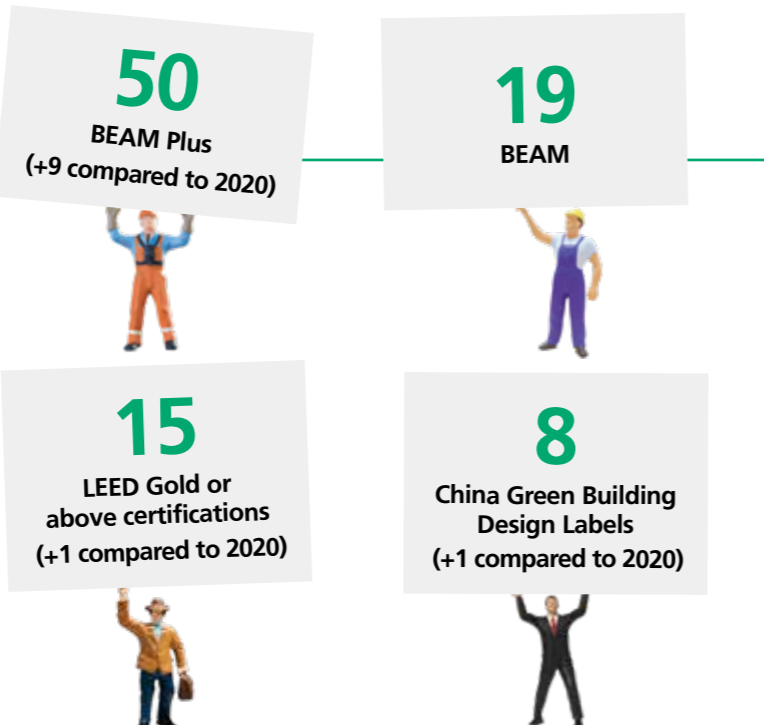
# SUSTAINABILITY AWARDS AND PROFESSIONAL MEMBERSHIPS

## Sustainability Awards

### Project accreditations

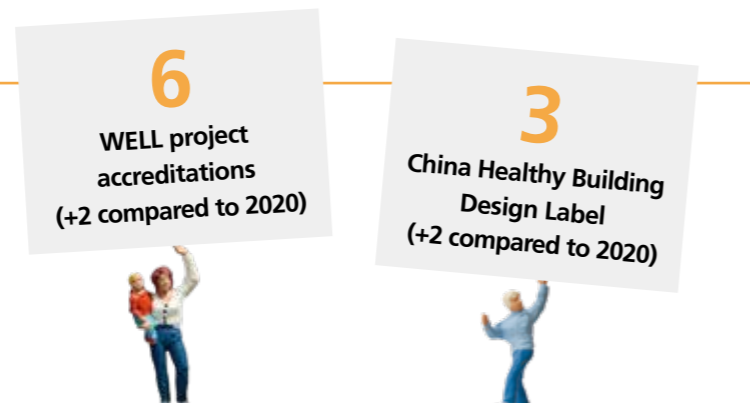
#### Green for Planet:

The green building certifications achieved by the Group demonstrate our leadership in adopting best practices in the design and construction of buildings that reduce environmental impacts whilst improving environmental quality and user satisfaction. Our cumulative achievements of local, regional and international green building certifications demonstrate our leadership in this space:



#### Endeavour for Community:

We aim to develop buildings that not only reduce environmental impacts but also enhance the health and well-being of their occupants. The cumulative number of healthy buildings certifications achieved demonstrates our leadership in this space:



Below we list out project accreditations and awards achieved by each development this year:

Development	Accreditation / Award	Rating / Award Category
H Zentre	BEAM Plus	BEAM Plus (New Buildings) – Final Platinum Rating
Novum East		BEAM Plus (New Buildings) – Final Gold Rating
Eltanin • Square Mile		BEAM Plus (New Buildings) – Final Silver Rating
H • BONAIRE		BEAM Plus (New Buildings) – Final Silver Rating
New Kowloon Inland Lot No. 6562		BEAM Plus (New Buildings) – Provisional Platinum Rating
The Henley		BEAM Plus (New Buildings) – Provisional Platinum Rating
208 JOHNSTON		BEAM Plus (New Buildings) – Provisional Bronze Rating
ARTLANE	2021 Outstanding Property Award London	Property Development / Residential, High Rise – Winner
Caine Hill	China Healthy Building Design Label	3-Star Rating
Fanling Sheung Shui Town Lot No. 262, Fanling North	BEAM Plus	BEAM Plus (New Buildings) – Provisional Gold Rating
	WELL Building Standard	Pre-certification
	Real Estate Asia Awards 2021	Residential Development of the Year
	2021 Outstanding Property Award London	Property Development / Residential, High Rise – Winner
Harbour East	Leadership in Energy and Environmental Design (LEED)	Final Platinum
	BEAM Plus	BEAM Plus (New Buildings) – Final Platinum Rating
	Hong Kong Quality Building Awards 2020	Non-Residential (New Building – Non-Government, Institution or Community) Finalist
Henderson 688, Shanghai	RICS Awards 2021 China – Sustainability Achievement of the Year	Finalist
	WELL Building Standard	Health-Safety Rating



## SUSTAINABILITY AWARDS AND PROFESSIONAL MEMBERSHIPS

Below we list out project accreditations and awards achieved by each development this year:

Development	Accreditation / Award	Rating / Award Category
Henderson Metropolitan	SGS Hygiene Control Management Systems Standard	Hygiene Control Management Systems Rate
Square Mile Urban Renewal	Real Estate Asia Awards 2021	Redevelopment of the Year – Hong Kong
The Henderson	China Health Building Design Label	3-Star Rating
	Asia Pacific Property Awards 2021-2022	Best Commercial High Rise Architecture Hong Kong - 5-Star Winner
		Best Commercial High Rise Architecture Asia Pacific – Regional Nominee
	Real Estate Asia Awards 2021	Office Development of the Year – Hong Kong
	Real Estate Asia Awards 2021	Sustainable Development of the Year – Hong Kong
	2021 World Architecture Festival	Office Future Project - Finalist
	2021 World Architecture News	Future Projects – Commercial - Finalist
280 Tung Chau Street	Asia Pacific Property Awards 2021-2022	Best Mixed Use Development Hong Kong – 5-Star Winner
The Reach		Best Residential High Rise Development Hong Kong – 5-Star Winner
25-29 Kok Cheung Street, Tai Kok Tsui		Mixed Use Development Hong Kong – Award Winner
Whampoa Street	2021 Outstanding Property Award London	Property Development - Platinum Winner
	MIPI Asia Awards 2021	Best Futura Mega Project - Finalist
World Financial Centre, Beijing	RICS Awards 2021 China – Sustainability Achievement of the Year	Excellence
	China Green Building Design Label	2-Star Rating



## Henderson Land Development Sustainability Awards

The Group continues to be recognised by the market as a leading developer in the industry. The sustainability awards we have received are testimony to our strength and commitment to delivering long-term economic value while maintaining a sustainable brand.

Organiser	Award
<b>Green for Planet</b>	
BCI Asia	BCI Asia Top 10 Awards 2020 <ul style="list-style-type: none"> <li>Top 10 Developers Award</li> </ul>
Bloomberg Businessweek/Chinese Edition and Deloitte	ESG Leading Enterprise Awards 2021 <ul style="list-style-type: none"> <li>ESG Leading Enterprise Awards (Category I: Market capitalization over HK\$20 billion)</li> <li>Leading Environmental Initiative Awards</li> <li>Leading Social Initiative Awards</li> </ul>
CAPITAL WEEKLY	The Listed Enterprise Excellence Awards 2020 <ul style="list-style-type: none"> <li>Corporate Governance Award</li> </ul>
CDP	Rated B- in Climate Change Assessment in the first year of participation in 2021
Eastweek	Outstanding Corporate Strategy Awards 2021
GRESB	Public Disclosure Rating of A in 2021
Hang Seng Indexes Company Limited	Hang Seng Corporate Sustainability Index Series <ul style="list-style-type: none"> <li>Being a Constituent Company for 11 consecutive years since 2011</li> <li>Achieved AA Rating in 2021</li> </ul>
Hong Kong ESG Reporting Awards Limited	Hong Kong ESG Reporting Awards 2021 <ul style="list-style-type: none"> <li>Excellence in Social Positive Impact – Commendation</li> </ul>
Hong Kong Quality Assurance Agency	HKQAA Sustainability Rating Seal 2021 - 2022 <ul style="list-style-type: none"> <li>AA Rating</li> </ul>
Hong Kong Ta Kung Wen Wei Media Group	The Second Greater Bay Area Developing Forum cum Award Presentation Ceremony <ul style="list-style-type: none"> <li>Remarkable Developer Award for the Greater Bay Area</li> </ul>
Institute of ESG & Benchmark	ESG Achievement Awards 2020 <ul style="list-style-type: none"> <li>ESG Benchmark Awards – The ESG Leader – Diamond</li> <li>ESG Benchmark Awards – Outstanding Performance in Social Responsibility – Winner</li> </ul>



## SUSTAINABILITY AWARDS AND PROFESSIONAL MEMBERSHIPS

Organiser	Award
MerComm, Inc.	International ARC Awards 2021 <ul style="list-style-type: none"> <li>• Gold Award (Cover Photo/Design: Sustainability Report: Hong Kong)</li> <li>• Silver Award (Interior Design: Sustainability Report: Hong Kong)</li> <li>• Honor Award (Specialized A.R.: Sustainability Report: Hong Kong)</li> <li>• Honor Award (Infographic: Sustainability Report)</li> </ul>
Metro Finance Radio	Greater Bay Area Corporate Sustainability Awards 2021 <ul style="list-style-type: none"> <li>• Environmental Sustainability Awards (Climate Action)</li> <li>• Social Sustainability Awards (Sustainable Cities and Communities)</li> </ul>
MSCI	ESG Rating of BB in 2021
The Chamber of Hong Kong Listed Companies and Centre for Corporate Governance and Financial Policy of The Hong Kong Baptist University	Hong Kong Corporate Governance and ESG Excellence Awards 2021 <ul style="list-style-type: none"> <li>• Award of Excellence in ESG - Hang Seng Index Constituent Companies</li> </ul>
The Chinese University of Hong Kong Business School's Centre for Business Sustainability	The 6 <sup>th</sup> Hong Kong Business Sustainability Index 2020, the 2 <sup>nd</sup> Greater Bay Area Business Sustainability Index 2020 and the 1 <sup>st</sup> Greater China Business Sustainability Index 2020 <ul style="list-style-type: none"> <li>• Top 20 Companies</li> <li>• Achiever</li> </ul>
The Hong Kong Institute of Financial Analysts and Professional Commentators Limited	Outstanding Listed Companies Award 2021
<b>Innovation for Future</b>	
Knowledge Management and Innovation Research Centre of The Hong Kong Polytechnic University	Global Most Innovative Knowledge Enterprise (MIKE) Award 2021
	Hong Kong Most Innovative Knowledge Enterprise (MIKE) Award 2021
<b>Value for People</b>	
The Hong Kong Council of Social Service	Caring Company 2021/22 <ul style="list-style-type: none"> <li>• 15 Years Plus Caring Company 2021/22</li> </ul>
<b>Endeavour for Community</b>	
HK01	01 Gold Medal Awards <ul style="list-style-type: none"> <li>• Outstanding Urban Revitalisation Enterprise</li> <li>• Outstanding Arts Community (ARTLANE)</li> <li>• Excellent Healthcare Technology Centre (H Zentre)</li> </ul>

Similarly, at our wholly-owned subsidiaries Goodwill, Hang Yick, Well Born and E Man Construction, we continue to be recognised for our continued commitment and achievements in sustainability, a testimony to the Group putting the key drivers of our sustainability strategy into action.

### Goodwill Sustainability Awards

Organiser	Award
Kowloon West Regional Crime Prevention Office, Security and Guarding Industry Management Authority and The Hong Kong Association of Property Management Companies	Kowloon West Best Security Services Awards 2020 <ul style="list-style-type: none"> <li>• Honorable Managed Property Award</li> </ul>
The Hong Kong Institute of Facility Management	Excellence in Facility Management Award 2021 <ul style="list-style-type: none"> <li>• Excellence Award (Retail)(Mira Place)</li> </ul>
<b>Green for Planet</b>	
CLP Group	Smart Energy Award 2020 <ul style="list-style-type: none"> <li>• Merit Certification (21 awarded properties in total)</li> </ul>
Environmental Campaign Committee	Hong Kong Green Organisation Certification <ul style="list-style-type: none"> <li>• Energywise Certificate - Basic Level (15 awarded properties in total)</li> </ul>
	Hong Kong Green Organisation Certification <ul style="list-style-type: none"> <li>• Wastewise Certificate - Basic Level (12 awarded properties in total)</li> </ul>
	Hong Kong Green Organisation Certification <ul style="list-style-type: none"> <li>• Wastewise Certificate - Excellence Level (8 awarded properties in total)</li> </ul>
<b>Value for People</b>	
Employees Retraining Board	ERB Manpower Developer Award Scheme <ul style="list-style-type: none"> <li>• Certificate of Appreciation</li> </ul>
Labour and Welfare Bureau and Community Investment & Inclusion Fund	Social Capital Builder Awards 2020-22 <ul style="list-style-type: none"> <li>• Social Capital Builder Logo Awards</li> </ul>
Promoting Happiness Index Foundation	Happiness at Work Promotional Scheme 2021 <ul style="list-style-type: none"> <li>• Happy Company</li> </ul>
The Hong Kong Council of Social Service	Caring Company 2021/22 <ul style="list-style-type: none"> <li>• 10 Years Plus Caring Company 2021/22</li> </ul>
The Hong Kong Federation of Youth Groups	Heart to Heart Company 2020/21
<b>Endeavour for Community</b>	
Hong Kong Quality Assurance Agency	Business Resilience & Community Contribution Awards 2021 <ul style="list-style-type: none"> <li>• Excellence in Business Resilience &amp; Community Contribution Management Award (Excellent Work Environment)</li> <li>• Excellence in Business Resilience &amp; Community Contribution Honourable Award</li> </ul>





# SUSTAINABILITY AWARDS AND PROFESSIONAL MEMBERSHIPS

## Hang Yick and Well Born Sustainability Awards

Organiser	Award
Asia Pacific Customer Service Consortium	Customer Relationship Excellence Awards 2021 <ul style="list-style-type: none"> <li>• 19 Consecutive Years of Participation (Well Born)</li> <li>• Corporate Social Responsibility Leadership of the Year 2021</li> <li>• Corporate Environmental Leadership of the Year 2021</li> </ul>
Office of the Privacy Commissioner for Personal Data	Privacy-Friendly Awards <ul style="list-style-type: none"> <li>• Gold Certificate (Hang Yick)</li> </ul>
Vocational Training Council and Hong Kong Police Force Crime Prevention Bureau	2020 Security Services Best Training Award <ul style="list-style-type: none"> <li>• Award of Gold</li> </ul>
<b>Value for People</b>	
Employees Retraining Board	ERB Manpower Developer Award Scheme <ul style="list-style-type: none"> <li>• Manpower Developer – Grand Prize Award 2018-20</li> <li>• Super MD</li> </ul> ERB Annual Award Presentation Ceremony 2020-2021 <ul style="list-style-type: none"> <li>• Employer of the Year Award (Well Born)</li> <li>• Outstanding Award for Employers (Hang Yick)</li> </ul>
Equal Opportunity Commission	Equal Opportunity Employer Recognition Scheme <ul style="list-style-type: none"> <li>• Equal Opportunity Employer (Family Status Equality) (Hang Yick)</li> </ul> Racial Diversity and Inclusion Charter for Employers <ul style="list-style-type: none"> <li>• First 100 Plus Signatories (Hang Yick)</li> </ul>
Mandatory Provident Fund Schemes Authority	2020-21 Good MPF Employer Award <ul style="list-style-type: none"> <li>• Good MPF Employer (e-Contribution Award &amp; MPF Support Award)</li> </ul>
Promoting Happiness Index Foundation	Happiness at Work Promotional Scheme 2020 <ul style="list-style-type: none"> <li>• Happy Company 5 Years +</li> </ul>
The Hong Kong Council of Social Service	Caring Company 2002-2021 <ul style="list-style-type: none"> <li>• 15 Years Plus Caring Company 2002-2021</li> </ul>
The Hong Kong General Chamber of Small and Medium Business	Partner Employer Award 2021
The Labour Department	The Most Improved Trainees Award 2021 of the Youth Employment and Training Programme (Hang Yick) Signatory of the Good Employer Charter 2020 (Hang Yick) Family-friendly Good Employer 2020
YMCA	Sports – Friendly Action <ul style="list-style-type: none"> <li>• Certificate of Appreciation (Hang Yick)</li> </ul>



Organiser	Award
<b>Endeavour for Community</b>	
Social Welfare Department	Highest Service Hour Award 2020 <ul style="list-style-type: none"> <li>• Honour (Private Organizations – Category 1)</li> <li>• Honour (Private Organizations – Best Customers Participation)</li> </ul>

## E Man Construction Sustainability Awards

Organiser	Award
Development Bureau and Construction Industry Council	Considerate Contractors Site Award <ul style="list-style-type: none"> <li>• Merit (Non-Public Works - RMAA Works)</li> </ul> Model Frontline Supervisor Award
Hong Kong Construction Association	HKCA Construction Safety Award 2020 HKCA Proactive Safety Contract Award (E Man, Heng Lai, Heng Shung, Heng Tat and Granbo)
Hong Kong Professional Building Inspection Academy	Main Contractor of the Quality Building of the Year 2020 (Cetus · Square Mile)

## Sustainability Awards in Mainland China

Organiser	Award
Royal Institution of Chartered Surveyor	RICS Awards 2021 China – Sustainability Achievement of the Year – Excellence (World Financial Centre) RICS Awards 2021 China – Sustainability Achievement of the Year – Excellence (Henderson 688)



# SUSTAINABILITY AWARDS AND PROFESSIONAL MEMBERSHIPS

## Professional Memberships

Henderson Land's employees hold public positions at industry associations, including but not limited to the below list.

Organisation	Position
Appeal Board panel under the Construction Workers Registration Ordinance	Member
BEAM Society	Member of Development Sub-Committee, BEAM Plus Review Steering Committee and various positions
Business Environment Council	Member of Circular Economy Advisory Group Steering Committee
Chartered Institute of Building (CIOB) Hong Kong	Member
China Green Building (Hong Kong) Council	Executive Member and Corporate Member
Chinese Society for Urban Studies (CSUS) China Green Building Council	Senior Individual Member, Committee Member
CIC Certified BIM Manager	Member
City University of Hong Kong	Court Member
Development Bureau	Appeal Board Panel under Construction Workers Registration Ordinance Member
Education and Training Committee of Hong Kong Institute of Planners	Co-Convenor
Egret Research Group, the Hong Kong Bird Watching Society	Convenor
Engineers Registration Board	Member
Environment Bureau	Member of the Advisory Committee of Recycling Fund
Examination Board of Hong Kong Institute of Planners	Chairman
Greater Bay Area Green Building Alliance	Alliance Member
HKSAR Advisory Committee on Recycling Fund	Member
HKSAR Appeal Tribunal Panel (Buildings)	Member
HKSAR Buildings Department	Member of the Geotechnical Engineers Registration Panel, the Registered Inspectors' Disciplinary Panel, and the Selection Panel (Mandatory Building Inspection Scheme and Mandatory Window Inspection Scheme)



Organisation	Position
HKSAR Land and Development Advisory Committee	Member of Planning Sub-Committee
Hong Kong Baptist University	Honorary Court Member
Hong Kong Construction Association	Council Member and Building Committee Member
Hong Kong Green Building Council	Platinum Patron Member and various positions
Hong Kong Housing Society	Member of Hong Kong Quality Building Assessment Panel
Institution of Plant Engineers	Fellow Member
IUCN Heron Specialist Group	Member
Joint Registration Board of Construction Managers and Supervisors of Hong Kong Institute of Construction Managers	Board Member
Lingnan University	Deputy Chairman and Member of the Council / Court Member
Occupational Health and Safety Council	Safety and Health Improvement Partnership Scheme – Strategic Partner
Planners Registration Board	Board Member
Registered Engineers Board	Registered Professional Engineer
Royal Institution of Chartered Surveyors (RICS)	Member
Surveyors Registration Board	Member
The Appeal Board on Public Meetings & Processions	Member
The Chartered Institute of Arbitrators (CI Arb)	Member
The Chartered Institute of Building (CIOB)	Member
The Chartered Institution of Building Services Engineers (CIBSE)	Member
The Chartered Institution of Highways & Transportation	Member
The Chartered Society of Designers (UK)	Member
The China Property Management Institute	Property Manager

## SUSTAINABILITY AWARDS AND PROFESSIONAL MEMBERSHIPS

Organisation	Position
The Green Building Industry Alliance in Guangdong-Hong Kong-Macao Greater Bay Area	Alliance Member Representative
The Hong Kong Institute of Architects	Fellow Member
The Hong Kong Institute of Certified Property Managers	Vice President
The Hong Kong Institute of Construction Managers	Fellow Member
The Hong Kong Institute of Landscape Architect	Member
The Hong Kong Institute of Real Estate Administrators	Vice President
The Hong Kong Institute of Surveyors	Member
The Hong Kong Institution of Engineers	Fellow Member
The Hong Kong Interior Design Association (HKIDA)	Certified Interior Designer
The Hong Kong Polytechnic University	Court Member
The Hong Kong University of Science and Technology	Court / Council Member
The Radio Television Hong Kong (RTHK), Board of Advisors	Member
The Real Estate Developers Association of Hong Kong	Convenor of the Legal Sub-Committee, and the Planning, Environment and Lands Sub-Committee, and various positions
The Society of Operations Engineers	Member
Vocational Training Council	Chairman of The Real Estate Services Training Board

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GRI Standard	Descriptions	HKEX ESG Reporting Guide	Remarks	Page No.
<b>GRI 100: Universal Disclosures 2016</b>				
<b>GRI 102: General Disclosures 2016</b>				
102-1	Name of the organisation		About Our Group	10
102-2	Activities, brands, products and services		About Our Group	10-13
102-3	Location of headquarters		About Our Group	10
102-4	Location of operations		About Our Group	10
102-5	Ownership and legal form		About Our Group	10-13
102-6	Markets served		About Our Group	10
102-7	Scale of the organisation		About Our Group	12
102-8	Information on employees and other workers	KPI B1.1	Value for People, Sustainability Performance	62-63, 81-83
102-9	Supply chain	KPI B5.1	Value for People, Sustainability Performance	64-65, 85
102-10	Significant changes to the organization and its supply chain		There were no significant changes to size, structure or ownership during the reporting period	/
102-11	Precautionary Principle or approach		Our Corporate Governance	16-18
102-12	External initiatives		Sustainability Awards and Professional Memberships	88-95
102-13	Membership of associations		Sustainability Awards and Professional Memberships	96-98
102-14	Statement from senior decision-maker		Message from the Board	2-3
102-16	Values, principles, standards, and norms of behaviour		Our Corporate Governance	18
102-18	Governance structure		Our Corporate Governance	16-18
102-40	List of stakeholder groups		Our Materiality Approach	19-20



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GRI Standard	Descriptions	HKEX ESG Reporting Guide	Remarks	Page No.
102-41	Collective bargaining agreements		The majority of Henderson Land's employees are in Hong Kong where there is no statutory recognition of collective bargaining agreements	/
102-42	Identifying and selecting stakeholders		Our Materiality Approach	19-21
102-43	Approach to stakeholder engagement		Our Materiality Approach	19-21
102-44	Key topics and concerns raised		Our Materiality Approach	19-21
102-45	Entities included in the consolidated financial statements		About Our Group	13
102-46	Defining report content and topic Boundaries		About this Report Our Materiality Approach	15, 19-21
102-47	List of material topics		Our Materiality Approach, Stakeholder Engagement and Materiality Assessment	21, 108
102-48	Restatements of information		In 2021, we have updated our approach of calculating and/or collecting certain data points (including waste, Scope 2 GHG emissions and energy consumption). We have also expanded the scope to cover certain data points of mainland China. Adhering to the reporting principles of 'consistency', we adjusted our calculation for 2020 to align with that in 2021 and allow for meaningful comparison of data over time	78, 80-81
102-49	Changes in reporting		There are no significant changes from previous reporting periods in the list of material topics and topic boundaries	/

GRI Standard	Descriptions	HKEX ESG Reporting Guide	Remarks	Page No.
102-50	Reporting period		About this Report	15
102-51	Date of most recent report		Our Sustainability Report 2020 was published in April 2021	/
102-52	Reporting cycle		About this Report	15
102-53	Contact point for questions regarding the report		About this Report	15
102-54	Claims of reporting in accordance with the GRI Standards		About this Report	15
102-55	GRI content index		Contents Index	99-107
102-56	External assurance		Independent Limited Assurance Report	86-87
<b>GRI 200: Economic</b>				
<b>GRI 201: Economic Performance 2016</b>				
103	Management approach 2016		About Our Group	10-14
201-1	Direct economic value generated and distributed		About Our Group	12
<b>GRI 203: Indirect Economic Impacts 2016</b>				
103	Management approach 2016	GD-B8	Value for People, Endeavour for Community	52-65, 66-67
203-1	Infrastructure investments and services supported	KPI B8.1 KPI B8.2	Value for People, Endeavour for Community	52-65, 66-67
<b>GRI 205: Anti-corruption 2016</b>				
103	Management approach 2016	GD-B7	Our Corporate Governance	16-18
205-2	Communication and training about anti-corruption policies and procedures	KPI B7.2	Our Corporate Governance	16-18
205-3	Confirmed incidents of corruption and actions taken	KPI B7.1	Our Corporate Governance	16-18

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GRI Standard	Descriptions	HKEX ESG Reporting Guide	Remarks	Page No.
<b>GRI 206: Anti-competitive Behaviour 2016</b>				
103	Management approach 2016	GD-B7	Our Corporate Governance	16-18
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices		Our Corporate Governance	16-18
<b>GRI 300: Environmental</b>				
<b>GRI 301: Materials 2016</b>				
103	Management approach 2016	GD A2 GD A3	Green for Planet	28-41
301-1	Materials used by weight or volume	KPI A2.5	Sustainability Performance	79
<b>GRI 302: Energy 2016</b>				
103	Management approach 2016	GD-A2 GD-A3	Green for Planet	28-41
302-1	Energy consumption within the organisation	KPI A2.1	Green for Planet, Sustainability Performance	28-41, 80
302-3	Energy intensity	KPI A2.1	Green for Planet, Sustainability Performance	28-41, 80
CRE1	Building energy intensity	KPI A2.1	Green for Planet, Sustainability Performance	28-41, 80
302-4	Reduction of energy consumption	KPI A2.3 KPI A3.1	Green for Planet, Sustainability Performance	28-41, 80

GRI Standard	Descriptions	HKEX ESG Reporting Guide	Remarks	Page No.
<b>GRI 303: Water and Effluents 2018</b>				
103	Management approach 2018	GD-A2 GD-A3 KPI A2.4	Green for Planet	28-41
303-1	Interactions with water as a shared resource		Green for Planet  All water consumed by our operations comes from municipal water supplies, there were no issues related to sourcing water that was fit for purpose	28-41
303-2	Management of water discharge-related impacts		Green for Planet	28-41
303-3	Water withdrawal	KPI A2.2	Green for Planet, Sustainability Performance	28-41, 80
<b>GRI 305: Emissions 2016</b>				
103	Management approach 2016	GD-A1 GD-A3 KPI A1.5	Green for Planet	28-41
305-1	Direct (Scope 1) GHG emissions	KPI A1.1 KPI A1.2	Green for Planet, Sustainability Performance	28-41, 80
305-2	Energy indirect (Scope 2) GHG emissions	KPI A1.1 KPI A1.2	Green for Planet, Sustainability Performance	28-41, 80
305-4	GHG emissions intensity	KPI A1.2	Green for Planet, Sustainability Performance	28-41, 80
CRE3	GHG emissions intensity from buildings	KPI A1.2	Green for Planet, Sustainability Performance	28-41, 80
305-5	Reduction of GHG emissions	KPI A1.5 KPI A3.1	Green for Planet, Sustainability Performance	28-41, 80

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GRI Standard	Descriptions	HKEX ESG Reporting Guide	Remarks	Page No.
<b>GRI 306: Waste 2020</b>				
103	Management approach 2018	GD-A1 GD-A3 KPI A1.6	Green for Planet	28-41
306-1	Waste generation and significant waste-related impacts	GD A1	Green for Planet	28-41
306-2	Management of significant waste-related impacts		Green for Planet	28-41
306-3	Waste generated	KPI A1.3 KPI A1.4	Sustainability Performance  The Group generated no significant hazardous waste during the reporting period	78
306-4	Waste diverted from disposal	KPI A1.3 KPI A1.4	Sustainability Performance	78
<b>GRI 307: Environmental Compliance 2016</b>				
103	Management approach 2016	GD-A1	Green for Planet	28-41
307-1	Non-compliance with environmental laws and regulations	GD-A1	During the year, we incurred no significant fines for non-compliance with environmental laws and regulations	36
<b>GRI 400: Social</b>				
<b>GRI 401: Employment 2016</b>				
103	Management approach 2016	GD-B1	Value for People	52-65
401-1	New employee hires and employee turnover	KPI B1.2	Value for People, Sustainability Performance	52-65, 81-82
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	GD-B1	Value for People	52-65

GRI Standard	Descriptions	HKEX ESG Reporting Guide	Remarks	Page No.
<b>GRI 403: Occupational Health and Safety 2018</b>				
103	Management approach 2016	GD-B2 KPI B2.3	Value for People	52-65
403-1	Occupational health and safety management system	GD-B2 KPI B2.3	Value for People	52-65
403-2	Hazard identification, risk assessment, and incident investigation	GD-B2 KPI B2.3	Value for People	52-65
403-3	Occupational health services	KPI B2.3	Value for People	52-65
403-4	Worker participation, consultation, and communication on occupational health and safety	KPI B2.3	Value for People	52-65
403-5	Worker training on occupational health and safety	KPI B2.3	Value for People	52-65
403-6	Promotion of worker health	KPI B2.3	Value for People	52-65
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	KPI B2.3	Value for People	52-65
403-9	Work-related injuries	KPI B2.1 KPI B2.2	Value for People, Sustainability Performance  In each of the past three years including the reporting year, there are zero number and rate of work-related fatalities occurred	52-65, 84
403-10	Work-related ill health		Value for People, Sustainability Performance	52-65, 84
–	Lost days due to work injury	KPI B2.2	Value for People, Sustainability Performance	52-65, 84

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GRI Standard	Descriptions	HKEX ESG Reporting Guide	Remarks	Page No.
<b>GRI 404: Training and Education 2016</b>				
103	Management approach 2016	GD-B3	Value for People	52-65
404-1	Average hours of training per year per employee	KPI B3.1 KPI B3.2	Value for People, Sustainability Performance	82
<b>GRI 405: Diversity and Equal Opportunity 2016</b>				
103	Management approach 2016	GD-B1	Value for People	52-65
405-1	Diversity of governance bodies and employees	KPI B1.1	Value for People, Sustainability Performance	52-65, 83
<b>GRI 406: Non-discrimination 2016</b>				
103	Management approach 2016	GD-B1	Value for People	52-65
406-1	Incidents of discrimination and corrective actions taken	GD-B1	Value for People	52-65
<b>GRI 413: Local Communities 2016</b>				
103	Management approach 2016	GD-B8 KPI B8.1 KPI B8.2	Endeavour for Community	66-77
413-1	Operations with local community engagement, impact assessments and development programs	GD-B8 KPI B8.1 KPI B8.2	Endeavour for Community	66-77
<b>GRI 416: Customer Health and Safety 2016</b>				
103	Management approach 2016	GD-B6	Value for People	52-65
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		Value for People	61

GRI Standard	Descriptions	HKEX ESG Reporting Guide	Remarks	Page No.
<b>GRI 417: Marketing and Labelling 2016</b>				
103	Management approach 2016	GD-B6 KPI B6.2	Value for People	52-65
417-1	Requirements for product and service information and labelling	GD-B6	Value for People	52-65
417-2	Incidents of non-compliance concerning product and service information and labelling	KPI B6.2	Value for People	52-65
417-3	Incidents of non-compliance concerning marketing communications		Value for People	52-65
<b>GRI 418: Customer Privacy 2016</b>				
103	Management approach 2016	GD-B6 KPI B6.5	Value for People	52-65
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	KPI B6.2	Value for People	52-65
CRE8	Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment		Sustainability Awards and Professional Memberships	88-98
<b>GRI 419: Socioeconomic Compliance</b>				
103	Management approach 2016	GD-B4 GD-B5 GD-B7	Our Corporate Governance, Value for People, Endeavour for Community	16-18, 52-65, 66-77
419-1	Non-compliance with laws and regulations in the social and economic area	KPI B7.1	During the year, there were no significant fines and non-monetary sanction for non-compliance with laws and/or regulations in the social and economic area	18



# ANNEX: STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

Sustainability topics	Impacts and Boundaries										Corresponding report section
	Employees	Customers & tenants	Suppliers & contractors	Business partners	Investors and shareholders	Government & regulators	Industry and professional bodies	Media	NGOs & communities	Academia	
Innovation	✓	✓	✓	✓	✓		✓		✓		Innovation for Future
Green Building		✓	✓	✓	✓	✓	✓		✓		Green for Planet
Climate Change	✓	✓	✓	✓					✓		Green for Planet
Emissions	✓		✓	✓					✓		Green for Planet
Energy Efficiency	✓	✓	✓	✓					✓		Green for Planet
Occupational Health, Safety and Well-being	✓		✓	✓		✓	✓				Value for People
Customer Engagement and Satisfaction	✓	✓					✓				Endeavour for Community
Information Privacy and Security	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Endeavour for Community
Training and Development	✓		✓	✓							Value for People
Anti-corruption	✓		✓	✓	✓	✓	✓				Our Corporate Governance
Customer Health and Safety	✓	✓				✓	✓				Endeavour for Community
Water Management	✓	✓	✓	✓		✓	✓		✓		Green for Planet
Community investment							✓	✓	✓	✓	Endeavour for Community
Materials	✓	✓	✓	✓		✓	✓				Green for Planet
Marketing and Labelling	✓	✓			✓	✓	✓	✓			Endeavour for Community
Employee engagement	✓										Value for People
Supply Chain Management	✓		✓	✓		✓					Value for People
Waste Management	✓						✓		✓		Green for Planet
Diversity and Inclusion	✓										Value for People
Talent Attraction and Retention	✓										Value for People
Economic performance	✓				✓	✓					About Our Group
Anti-competitive Behaviour	✓		✓	✓	✓	✓	✓				Our Corporate Governance

