



HARBOUR CENTRE DEVELOPMENT LIMITED

Stock Code: 0051

SUSTAINABILITY REPORT 2021

Contents	2	Message from the Chairman
	3	About This Report <ul style="list-style-type: none"> <li>• Reporting Standards</li> <li>• Report Scope</li> <li>• Feedback</li> </ul>
	4	About Our Business <ul style="list-style-type: none"> <li>• Our Business Overview</li> <li>• Our Presence and Impact</li> <li>• Our Governance</li> </ul>
	6	Our Sustainability Approach <ul style="list-style-type: none"> <li>• Board Statement</li> <li>• Sustainability Governance</li> <li>• Stakeholder Engagement and Materiality Assessment</li> </ul>
	10	Our Environment <ul style="list-style-type: none"> <li>• Commitment and Strategy</li> <li>• Climate Risk Management</li> <li>• Energy and Greenhouse Gas Management</li> <li>• Water Stewardship</li> <li>• Resource Management</li> <li>• Environmental Awareness</li> </ul>
	15	Our People <ul style="list-style-type: none"> <li>• Commitment and Strategy</li> <li>• Employment</li> <li>• Development and Training</li> <li>• Employees' Safety and Health</li> <li>• Employee Wellbeing and Engagement</li> </ul>
	19	Our Value Chain <ul style="list-style-type: none"> <li>• Commitment and Strategy</li> <li>• Business Ethics</li> <li>• Supply Chain Management</li> <li>• Guests' Safety and Health</li> <li>• Customer Privacy</li> <li>• Service Quality and Customer Satisfaction</li> </ul>
	22	Business-in-Community <ul style="list-style-type: none"> <li>• Commitment and Strategy</li> <li>• Community Care</li> </ul>
	23	Appendix I: Performance Data Summary
	33	Appendix II: Featured Awards, Charters and Memberships
	34	Appendix III: Significant Laws and Regulations
	35	Appendix IV: Alignment with the Recommendations of Task Force on Climate-related Financial Disclosures
	36	Appendix V: GRI Standards Table and HKEX ESG Reporting Guide Content Index

# Message from the Chairman [GRI 102-14]

The Sustainability Report 2021 of Harbour Centre Development Limited (“HCDL” and together with its subsidiaries, “the Group”) spells out the Group’s efforts, goals and commitment to drive long-term sustainable growth in our businesses.

Until this moment, the outbreak of COVID-19 is still imposing challenges and affecting quotidian activities. It has reshuffled the risk landscape and brought sustainability issues to the centre of public attention and policy making. Witnessing the increasing national commitments to drive decarbonisation on a global scale in COP26, introductions of roadmaps for carbon neutrality in different countries and growth of the sustainable finance markets, the Group strongly believes it is necessary for corporations to holistically integrate sustainability considerations into their business strategies.

In response to the carbon neutrality targets of the Central Government and Hong Kong SAR Government, as well as the tightening of environmental, social and governance (“ESG”) disclosure requirements of The Stock Exchange of Hong Kong Limited (the “HKEX”), we have maintained a robust and responsive governance structure to ensure sustainability initiatives are regularly reviewed and consistently carried out across our operations. In this reporting year, we have also introduced the latest policies to further promote sustainable business practices in relation to anti-corruption, environmental protection, human rights, supply chain management and service quality.

Sustainable business growth relies on appropriate management of sustainability issues in all domains. For such, our sustainability strategies founded on the Group’s long-standing mission of “Building for Tomorrow” and we strive to achieve beyond ESG compliance. Realising the need to conduct business in an environmentally responsible manner, we align with the environmental goals and targets of our parent company, Wharf Real Estate Investment Company Limited (“Wharf REIC”). Given that Wharf REIC has already formulated the 2030 long-term targets to reduce greenhouse gas (“GHG”) emissions and water consumption, we will focus our environmental efforts among our operations to contribute towards the group-level targets.

In terms of climate change disclosure, we followed Wharf REIC’s approach to align ourselves with the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”), and will continue to enhance our disclosure on climate-related risks and opportunities. We also recognise that, collaborations with stakeholders are of paramount importance to our continuous improvement in sustainability performance. Ongoing and effective stakeholder engagement practices will also be maintained to ensure our sustainability strategies are consistent with the stakeholders’ expectations.

Before you read on, I would like to take this opportunity to express our sincere gratitude to all of our stakeholders for their active involvement and continuous support to our sustainable development, helping us navigate through challenges brought by the difficult circumstances we face today. Concerted effort is key to curb climate change. We will continue to stride by upholding our sustainability commitment to address climate change and building a sustainable future for the generations to come.

**Stephen T H Ng**

*Chairman*

Hong Kong

# About This Report

## Reporting Standards [GRI 102-50, 102-54]

The Group's Sustainability Report (the "Report") encapsulates the ESG management approach, measures and performance of the Group for the period between 1 January and 31 December 2021 ("the reporting year"). The Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (Appendix 27) issued by HKEX ("HKEX ESG Reporting Guide") and the Core option of the Global Reporting Initiative Sustainability Reporting Standards ("GRI Standards").

The Report adheres to the four reporting principles in the HKEX ESG Reporting Guide. Through the feedback received from our annual stakeholder engagement exercise and the approval of the Board of Directors (the "Board") of HCDL, we are able to review the materiality of various issues and disclose corresponding content in this Report for relevant and material ESG issues. Balanced and quantitative information of the Group's past and current ESG performance is presented in this Report. Unless otherwise specified, the data are derived using standardised methods.

## Report Scope [GRI 102-46, 102-49]

In comparison to the year ended 31 December 2020, a new Mainland China asset, Niccolo Suzhou, has been added to the reporting scope. The reporting period of the sustainability report is the same as the Group's financial reporting.

Operation	Location	Business Unit ("BU")
Leisure and Hospitality	Hong Kong	The Murray, Hong Kong, a Niccolo Hotel ("The Murray")
		Marco Polo Hongkong Hotel ("MP Hong Kong")
	Mainland China	Niccolo Suzhou ("Niccolo SZ")
		Marco Polo Changzhou ("MP Changzhou")

The reporting scope is determined based on the assets' ownership, revenue contribution, operating status and sustainability impacts, and hence excludes other assets of the Group in this Report.

In comparison to the list of entities included in the financial reporting mentioned in our Annual Report 2021, the Group's investment properties in Hong Kong, and investment properties and development properties in Mainland China are not included in the reporting scope of the Report.

## Feedback [GRI 102-53]

This Report is published on 24 May 2022. To reduce paper consumption, the Report is only made available online unless specific requests for a hard copy are received from the shareholders.

We welcome any feedback on the Report and our sustainability approach. If any, please contact us at [sh@harbourcentre.com.hk](mailto:sh@harbourcentre.com.hk).

# About Our Business

## Our Business Overview [GRI 102-2, 102-4, 102-6]

The Group integrates the long-standing mission of “Building for Tomorrow”, which enables us to connect with our stakeholders for value creation in society while pursuing sustainable growth in the communities where we operate. With hotel and property investments as core businesses, HCDL holds a portfolio of flagship assets, namely The Murray and MP Hong Kong in Hong Kong, and Niccolo SZ and MP Changzhou in Mainland China. Our customers are mainly hotel guests for leisure and hospitality.

## Our Presence and Impact [GRI 102-7, 201-1, 203-1; HKEX KPI B8.2]

We strive to create a better environment and bring positive impact to the economy. Our key business highlights in 2021 are as below:

### Direct economic value

Total assets	HK\$ 20,526 million
Revenue	HK\$ 4,484 million
Employees <sup>1</sup>	approximately 1,400 employees
Staff cost <sup>2</sup>	HK\$ 349 million
Underlying net profit	HK\$ 40 million

### Community contributions

Donations	HK\$ 1 million
Other format of support	venue sponsorship for 7 events

## Our Governance [GRI 102-18, 202-2, 405-1]

The Group believes a strengthened corporate governance help to improve sustainability and business performance. The Board is responsible for directing the group-wide strategy and development, including HCDL’s sustainability strategy and reporting.

For details on how important matters are communicated to the Board, please refer to the Operation of the Board section in the Corporate Governance Report in HCDL’s Annual Report 2021.

### Composition of HCDL’s Board of Directors<sup>3</sup>

	Age			Gender		Ethnicity	
	Under 50	61-70	Over 70	Male	Female	Chinese	Non-Chinese
Number	1	4	3	8	0	8	0

1 The Group’s total number of employees reported in Annual Report 2021. Under the Report’s reporting scope, the total number of employees is 1,189.

2 Staff costs included defined contribution pension schemes costs for the year ended 31 December 2021 of HK\$13 million.

3 All members of the Board of Directors are hired from the local community, i.e. Hong Kong and Mainland China. The profile of the Board of Directors is outlined in the Annual Report 2021 (page 38 to 40).

The Group's Chairman also serves as the chief executive of HCDL. For details on how conflicts of interest are prevented and mitigated, please refer to the Corporate Governance Report in HCDL's Annual Report 2021.

For further information on our corporate governance and risk management model, including the composition of executive and non-executive members, independence, number of other significant positions and commitments held by each member, competencies relevant to the impacts of the organisation, and stakeholder representation, please refer to the Corporate Governance Report and Directors' Report in HCDL's Annual Report 2021.

For details of the nomination and selection processes and criteria for the highest governance body and its committees, the processes implemented to ensure that conflicts of interest are prevented and mitigated, and remuneration policies, please also refer to the Corporate Governance Report and Directors' Report in HCDL's Annual Report 2021.

# Our Sustainability Approach

## Board Statement *[GRI 102-18]*

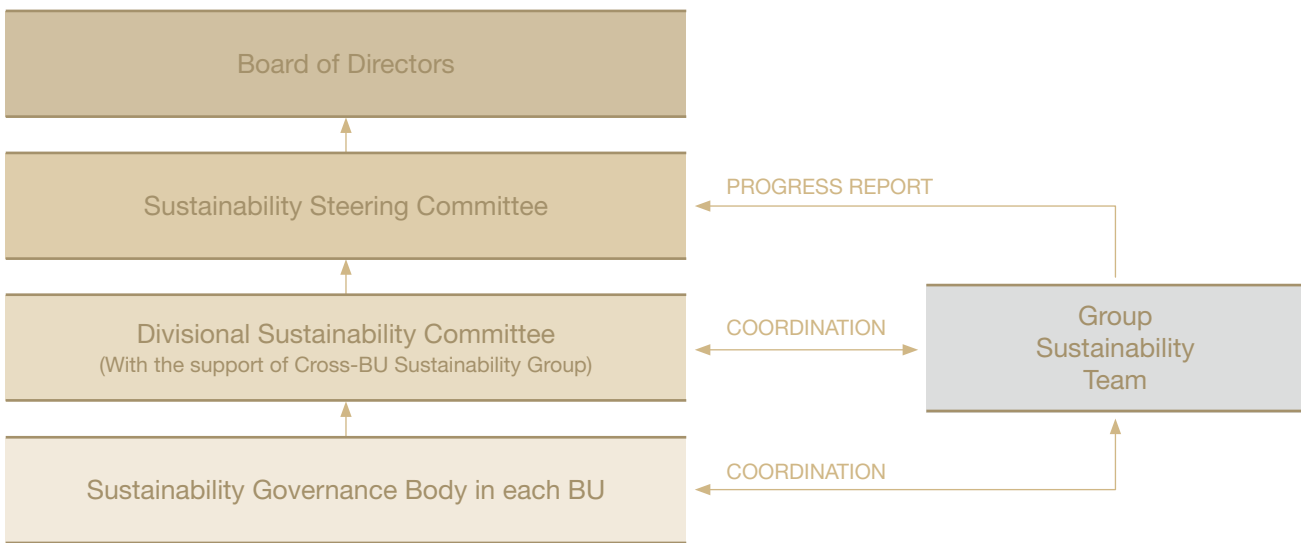
In our business operation, the Board has the overall responsibility for monitoring ESG-related issues. We align our sustainability vision and mission and minimise our impacts to the environment and society under the Group’s long-standing vision of “Building for Tomorrow”. The Board prioritises the ESG risks and opportunities that are material to the Group’s operations by risk assessment exercises, including stakeholder engagement and materiality assessment.

The Sustainability Steering Committee, which is authorised by the Board, is comprised of the Group’s Chairman and key executives from functional departments. It manages and evaluates the Group’s sustainability risks and performance on a regular basis. Apart from this, the Sustainability Steering Committee is also responsible for monitoring our progress against our parent company, Wharf REIC’s environmental goals and targets.

## Sustainability Governance *[GRI 102-18]*

Along with Wharf REIC, we work closely on our sustainability performance management. Our designated executives are responsible for coordinating and managing sustainability programmes in our daily operations. For continuous monitoring, our sustainability performance is regularly reported to Wharf REIC’s Cross-Business Unit (“Cross-BU”) Sustainability Group and Divisional Sustainability Committee, subsequently, the Sustainability Steering Committee. We also explore improvement opportunities on our sustainability management approach with the Cross-BU Sustainability Group by exchanging information and best practices. We integrated sustainability risks into our Enterprise Risk Management framework progressively to better assess and control the related sustainability risks.

### Our sustainability governance structure



Moreover, the Board attended training in forms including briefings, seminars and reading materials, etc. to gain further knowledge on sustainable development, ESG trends, as well as the latest updates on reporting requirements during the reporting year.

A robust sustainability governance structure and internal control system underpin our framework to manage sustainability performance. For further information on our corporate governance and risk management model, please refer to the Corporate Governance Report in HCDC’s Annual Report 2021.

## Sustainability policies

We have formulated the following sustainability policies in response to our sustainability foci. In 2021, the Anti-corruption Policy, Environmental Policy, Human Rights Policy, Quality Policy Statement and the Supplier Code of Conduct are newly established. All sustainable policies are approved and reviewed from time to time by the Sustainability Steering Committee. All of the sustainable policies are applicable to all business operations and employees at all levels, and may be applicable to others who may provide services to or act on behalf of the Group. Please refer to the individual policy for details on how each policy is embedded in the Group.

### List of sustainability policies

• Climate Change Policy Statement	• Anti-corruption Policy	• Compliance Policy Statement
• Environmental Policy	• Human Rights Policy	• Supplier Code of Conduct
• Green Procurement Policy	• Safety and Health Policy	• Quality Policy Statement

## Stakeholder Engagement and Materiality Assessment [GRI 102-40, 102-42, 102-43]

We determine materiality by a stakeholder-driven approach. By engaging with both internal and external stakeholders, their opinions on our sustainability strategies and performances are collected for the identification and prioritisation of various material issues to improve our sustainability management and report disclosure.

### Our stakeholder groups and engagement channels

Shareholders, investors and financial analysts	• General meeting(s)
	• Financial reports, announcements and circular(s)
	• Corporate communications and company websites
	• Phone interviews
Employees	• Surveys and focus groups
	• Intranet and internal publications
Media	• Media briefings and luncheons
	• Executive interviews
	• Instant internet updates
Business partners (including suppliers, contractors and sub-contractors)	• Tendering
	• Operational meetings
	• Contract and performance review
	• Surveys
Government, regulatory bodies and industry associations	• Regulatory task forces and committees
	• Industry operational meetings
	• Forums and conferences
Non-governmental organisations	• Programme partnership meetings
	• Regular programme review and assessment
Local community	• Community investment programmes
	• Company visits
	• Social media platforms
Customers	• Surveys
	• Social media platforms



## Materiality assessment [GRI 102-44, 102-46]

A four-step materiality assessment was conducted to determine the material issues to be disclosed in the Report:

<b>Step 1</b>	<b>Identify</b> We identified potential material topics for disclosure referencing the internationally accepted GRI Standards and the HKEX ESG Reporting Guide.
<b>Step 2</b>	<b>Prioritise</b> We reviewed local, regional and international peers' disclosure to identify industry practice and invited stakeholders to rank the materiality of various material topics. Their opinion regarding the Group's Sustainability Report was also consolidated. After analysing and consolidating the peer benchmarking and stakeholder engagement results, the overall materiality level of each sustainability issue and a prioritised list are derived.
<b>Step 3</b>	<b>Validate</b> The results of previous steps were discussed by the Group's Sustainability Steering Committee for confirmation and finalisation of the list of material issues for disclosure in this Report.
<b>Step 4</b>	<b>Review</b> The sustainability issues and corresponding impact boundary are reviewed on a regular basis to ensure their relevance and materiality to the Group.

## Stakeholder comments and our responses

We commissioned an independent consultant to conduct a stakeholder engagement exercise based on the AA1000 Stakeholder Engagement Standard 2015, to gauge stakeholders' opinions on our sustainability strategy and performance. To ensure a meaningful engagement was conducted, we have engaged with over 570 stakeholders including employees, suppliers, tenants and investors through online survey, one-on-one interviews and focus groups.

Aspect	Stakeholder comments	Our responses
Sustainability disclosure	Investors suggested to establish official environmental policies, anti-discrimination and diversity policies and disclose more information on the allocation of community investments.	We understand that sustainability policies are critical for our operations and impact investors' evaluations. We adopted Wharf REIC's Environmental Policy and Human Rights Policy. We have implemented water and waste reduction initiatives, and have successfully reduced water consumption and amount of waste disposed. The Group will continue to explore solutions to reduce environmental impact and enhance disclosure of our community investments.
Supply chain management	Suppliers would like the Group to consider more sustainable initiatives such as digitalisation of supplier selection procedures and use of biodegradable materials in replacement of plastic in hotel operations.	We have been working on digitalisation in our daily operation. At present, we have been using digital platforms for meetings and e-documents internally to reduce our paper consumption. We will consider to further digitalising the procurement process in the coming future. In hotel operations, we have reduced single-use plastic such as straws and take away boxes, etc. We will continue to explore the use of more environmentally friendly materials in our hotel operations.

## Material topics and corresponding topic boundary [GRI 102-47, 102-49]

Topics	Overall materiality	Boundary and impact	
		Within the Group	Outside the Group
Indirect Economic Impacts	Material	✓	✓
Anti-corruption	Material	✓	✓
Socioeconomic Compliance	Relevant	✓	✓
Energy	Material	✓	✓
Water	Material	✓	✓
Greenhouse Gas and Emissions	Material	✓	✓
Effluents and Waste	Most Material	✓	✓
Environmental Compliance	Most Material	✓	✓
Recruitment and Retention	Relevant	✓	✓
Occupational Safety and Health ("OSH")	Most Material	✓	✓
Training and Education	Most material	✓	✓
Diversity and Equal Opportunity	Material	✓	✓
Non-discrimination	Material	✓	✓
Impact Assessment on Local Communities	Relevant	✓	✓
Customer Health and Safety	Material	✓	✓
Customer Privacy	Most material	✓	✓

In 2021, indirect economic impacts, environmental compliance, effluents and waste, diversity and equal opportunity and non-discrimination have been added as material topics.

# Our Environment

## Commitment and Strategy [GRI 103; HKEX KPI A1.5, A1.6, A2.3, A2.4]

As a socially responsible organisation, the Group is committed to continuously improving the environmental performance of our operations and exploring new opportunities for achieving a more sustainable future. Apart from following the laws and environmental regulations, the Group is committed to reducing its environmental impact and incorporating sustainable tourism into its hotel operations. With a robust sustainability governance structure, we can ensure effective environmental management to mitigate impact of climate risks, improve energy and water efficiency, improve waste management and resource conservation, and raise public awareness on environmental issues.

Our Environmental Policy covers areas of compliance monitoring, pollution prevention, carbon management, resource management, biodiversity and communications of environmental performance to effectively manage and reduce the adverse environmental impact resulted from our operation of our business.

Recognising our contribution to sustainable tourism, MP Hong Kong and MP Changzhou were awarded with Silver Certification by EarthCheck, the world's leading environmental certification and benchmarking programme for the travel and tourism industry, while The Murray was awarded with Bronze Certification. During the reporting year, there was no case of non-compliance with relevant environmental laws and regulations<sup>4</sup>. The Group aims to make contribution towards Wharf REIC's environmental targets. The table below illustrates Wharf REIC's environmental targets.

### Wharf REIC's 2030 environmental targets

	Baseline year	Target year	Overall targeted reduction
GHG emission	2014	2030	-30%
Water consumption	2014	2030	-18%

The Group has also set the directional goal of reducing electricity intensity and the waste management goal of striving to divert the amount of waste away from landfills and strengthen our recycling efforts. In the future, the Group will expand our current achievements to establish more comprehensive reduction and recycling targets.

## Climate Risk Management [GRI 201-2; HKEX KPI A4.1]

As the frequency and magnitude of extreme weather events increase, and the urgency for policy makers to transition to a low-carbon economy grows, the Group has spared no effort in building up our climate resilience to cope with the changing landscape. We have our Climate Change Policy Statement formalising our commitment to limiting our impact on climate change and strengthening our related adaptive capacity. We assess and manage climate-related risks and opportunities, as well as look for ways to carry out decarbonisation in our operations.

### Identified climate-related risks and mitigation measures

Physical risks	Transition risks
<ul style="list-style-type: none"> <li>Supply chain disruption</li> <li>Demand implication</li> <li>Damage to infrastructure and facilities caused by extreme weather</li> </ul>	<ul style="list-style-type: none"> <li>Fail to adapt to stakeholder's interest in sustainability during the transition to a low-carbon economy</li> </ul>
Mitigation measures	Mitigation measures
<ul style="list-style-type: none"> <li>Hardware upgrades</li> <li>EarthCheck collaboration</li> </ul>	<ul style="list-style-type: none"> <li>Observe market trend and government's policy direction</li> </ul>

<sup>4</sup> Please refer to Significant Laws and Regulations section for the list of environmental laws and regulations significant to the Group's business operations.

**Energy and Greenhouse Gas Management** [GRI 302-1, 302-3, 302-4, 305-1, 305-2, 305-4, 305-5; HKEX KPI A1.2, A1.5, A2.1, A2.3]

Given the close relationship between carbon emissions and energy consumption, the Group takes concrete steps to improve the energy efficiency of our operations to reduce carbon emissions.

Energy consumption patterns are actively monitored by our BUs in order to effectively manage the energy consumption of our operations. In 2020, The Murray conducted an energy audit exercise to gain insight on the hotel’s energy consumption profile and identify feasible energy management opportunities. Many existing measures were found effective to control our energy consumption. For instance, adoption of efficient lighting fixtures and occupancy sensors reduce our electricity consumption. We replaced all the fluorescent tubes from the back of house staircase with motion sensor LED lights to save stand-by energy with a 50% reduction. We also turned off the driveway T-profile LED light strip during non-operation period. To optimise our energy efficiency, we use variable speed drive for chillers, chilled water pumps and cooling towers, as well as energy-saving sequencing control for cooling towers. Water-sourced heat pumps are also adopted to reduce chiller electricity consumption under cool weather conditions. In the guest rooms of The Murray, we set the blinds to automatically go down when guests check out, which is a simple but efficient way to reduce the heat gain and air-conditioning loading.

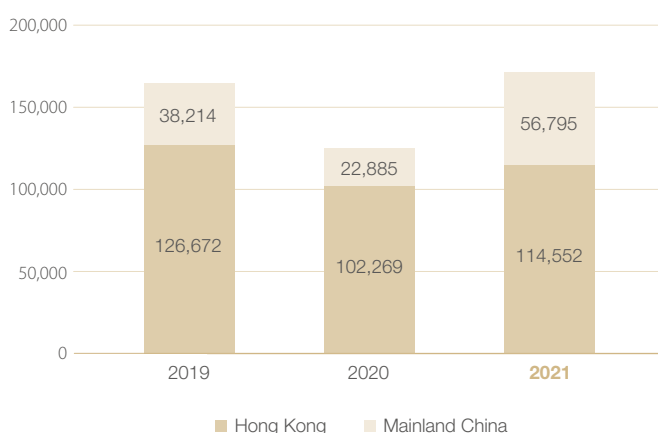
At MP Hong Kong, we implemented a dimmer lighting system at our food and beverage outlet. This provides flexibility for us to adjust the intensity of the lighting to suit the atmosphere and simultaneously helps reduce our electricity consumption. At MP Changzhou, we monitor usage closely and arrange security guards to conduct nightly inspections to ensure lights are turned off appropriately.

The decreased occupancy rate during the COVID-19 pandemic has driven our hotels to conserve energy more rigorously. MP Hong Kong switched off lighting and set fan coil units to low speed at unoccupied guest floors, as well as cutting off town gas supply for some kitchen equipment. Meanwhile, at MP Changzhou, similar practices of turning off gas supply in laundry resulted in a 34% reduction in natural gas consumption when compared to 2019.

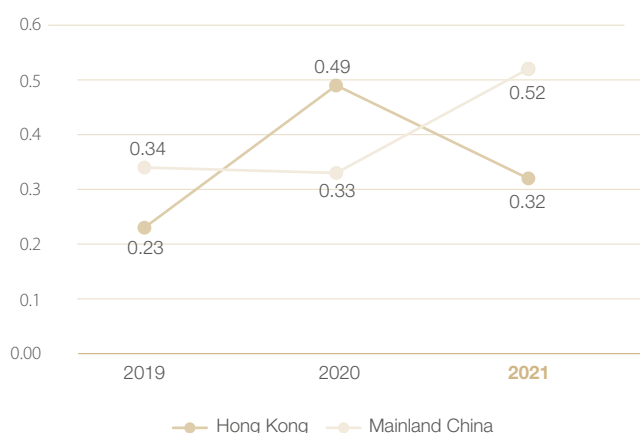
As a result of our concerted efforts, the energy intensity per guest night for the Group decreased by 18% in 2021 as compared to 2020, equivalent to a reduction of 7 kg GHG emission per guest night.

Our hotel operations also participated in the symbolic global light-out event “Earth Hour”, aiming to increase employees’ awareness to climate change and to support energy-saving.

**Energy consumption by location in GJ**

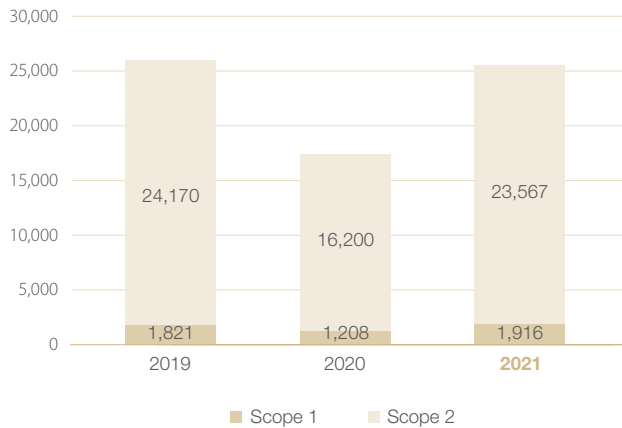


**Energy intensity by location in GJ per guest night**

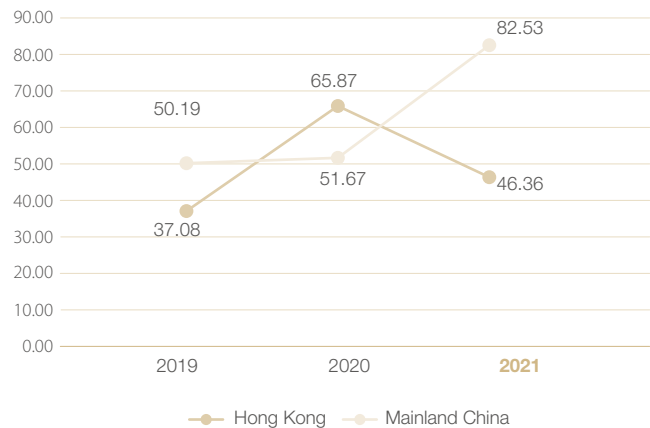


Note: Niccolo SZ is added to the scope in 2021. For definition of guest night, please refer to footnote 10 on page 26.

**GHG emissions in tonnes CO<sub>2</sub>e**

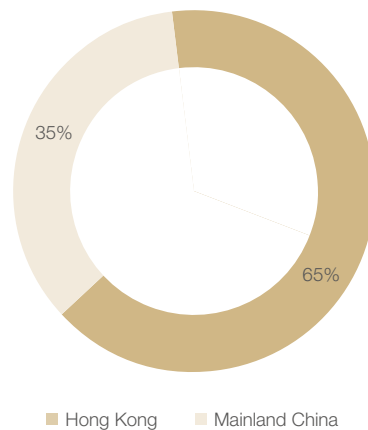


**GHG emissions intensity by location in kg CO<sub>2</sub>e per guest night**



Note: For definition of scope 1 and scope 2 emissions, please refer to footnote 14 and 15 on page 26.

**Total GHG emissions by location in percentage**



**Water Stewardship** [GRI 303-1, 303-4, 303-5; HKEX KPI A2.2, A2.4]

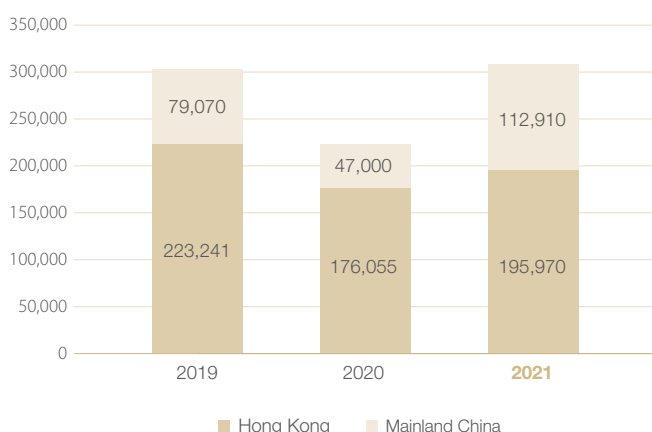
Reliable access to clean water supply is critical to our business. As the problem of water scarcity becomes severer under the impact of climate change, we must expand our water conservation efforts in optimising water efficiency by improving operational practices and fostering behavioural change among our employees and guests to reduce water wastage.

To reduce water wastage, water restrictors are installed in the bath taps and showers at MP Hong Kong, reducing 5.6L of water use per minute through creating fine water spray. Our hotels also encourage our guests in practicing responsible water consumption behaviour by implementing the green programme of washing guest linens only upon guests' request. The initiative has been well received and supported by in-house guests since its launch.

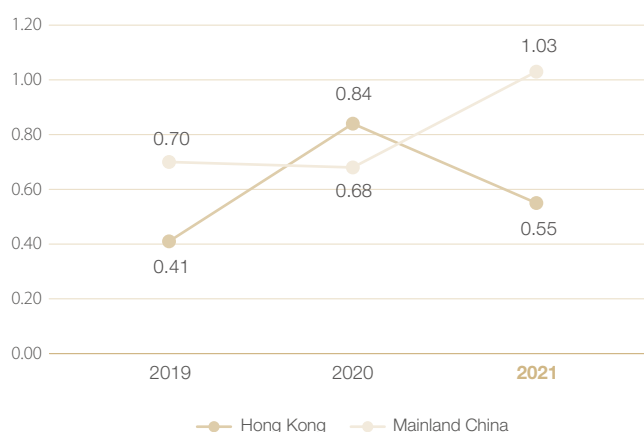
Water leakage is a significant source of water wastage. As such, MP Hong Kong installed water sensors to detect leakage. Niccolo SZ and MP Changzhou perform daily inspections of key water facilities to check and monitor any condition of water leakage and to employ timely rectification.

During the pandemic, we implemented multiple fresh water saving programmes according to the hotel occupancy. For instance, at MP Hong Kong, kitchen equipment was shut down, and the operation schedule of restaurants and staff canteen were adjusted during low occupancy period. These measures reduced water intensity per guest night by over 48% in 2021. At Niccolo SZ, all water-taps in the kitchen were upgraded to water-saving faucets to conserve water effectively. At MP Changzhou, we adjusted the water drifting volume of cooling towers. Toilet water storage was also modified in order to minimise the volume of water used per flush. The laundry operated fewer days per week with centralised washing to conserve water.

**Water consumption by location in m<sup>3</sup>**



**Water intensity by location in m<sup>3</sup> per guest night**



## Resource Management [GRI 306-1, 306-2, 306-4; HKEX KPI A1.6]

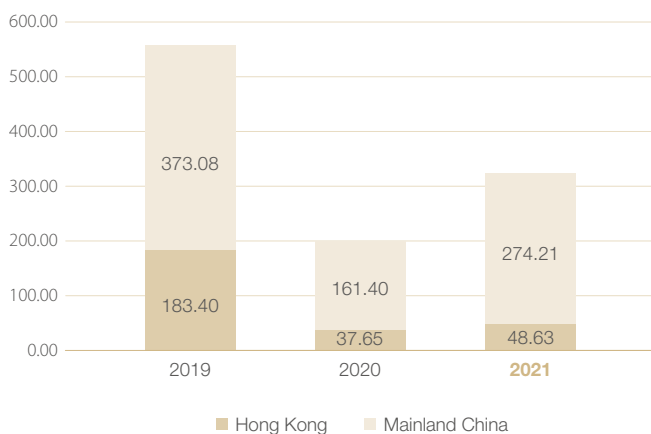
Overuse of resources together with improper waste handling not only have adverse environmental impacts, but also derive numerous health issues including respiratory diseases. In light of this, we endeavor to eliminate the waste at source, segregate different sources of waste, and implement recycling programmes across our hotels. For example, we collect wastepaper at MP Changzhou and hand it monthly to a certified paper recycler. At the same time, we intend to continue recycling the used coffee capsules, fluorescent tubes, and lamps at MP Hong Kong. During the reporting year, we collected over 58 kg of fluorescent tubes and lamps and transferred them to the Environmental Protection Department for mercury extraction and recycling.

Plastic pollution has become one of the most pressing environmental issues that we cannot turn away from. The Group has implemented a series of sustainable initiatives to cut down on single-use plastic. MP Hong Kong has substituted plastic food picks, straws, and stirrers with more environmentally friendly alternatives in recent years. Furthermore, with the rapid advancement of technology, plastic membership cards and paper certificates have been replaced by mobile application. At MP Changzhou, we avoid giving out plastic bottled water at events, a 15% reduction in the consumption of bottled water has been observed during the reporting year as a result of this measure.

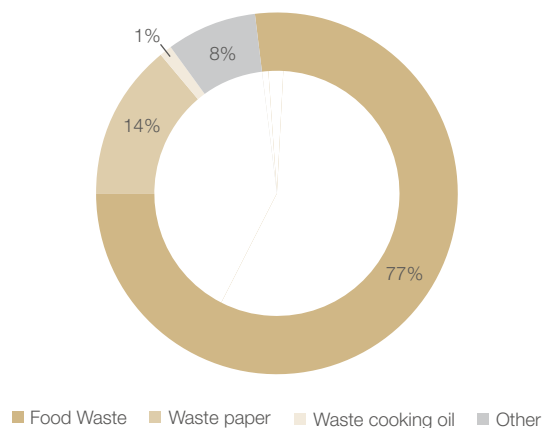
One of the major wastes generated in our business operations is food waste. To facilitate food waste management, MP Hong Kong supports food waste recycling via food waste transfer to the O-PARK1 of the Environmental Protection Department of Hong Kong. Those food waste will then be converted to compost and biogas for electricity generation. Over 1,700 coffee capsules were also recycled by The Murray during the reporting year. Moreover, we strive to eliminate food wastage and help the people in need. The Murray and MP Hong Kong cooperated with Foodlink and donated approximately 358 kg of edible surplus food to disadvantaged groups. Since 2019, The Murray has served excess pastries and bread for our staff to enjoy at the staff cafeteria.

Due to the nature of our businesses, most of the waste we produced is non-hazardous. As a result, no significant environmental impact has arisen from hazardous waste.

**Recycled waste by location in tonnes**



**Recycled waste by type in percentage**



**Environmental Awareness [HKEX KPI A3.1]**

The Group is greatly convinced that behavioural shift plays a critical role in improving environmental performance. The Murray, MP Hong Kong and Niccolo SZ procure sustainable seafood from reliable suppliers. We also organise the Historic Murray Tour for locals and tourists, which allows them to gain a profound understanding of architectural and energy-efficient design features of the hotel preserved from the past. With the aim to promote the concepts of waste reduction and upcycling, we participated in soap recycling and made hygiene kits for the disadvantaged in the community.

# Our People

## Commitment and Strategy

We value our employees, support them with care and fully respect for their rights. To recruit and retain talents, we provide a fair employment process, competitive employee remuneration and benefits, and development and training opportunities. We also utilise employee recognition, OSH and regular communication to improve the wellbeing of our employees. We strictly comply with policies including anti-discrimination, compensation and benefits, equal opportunities, prohibition of child or forced labour, and recruitment. We also operate in compliance with all applicable laws and regulations<sup>5</sup> in Hong Kong and Mainland China. During the reporting year, The Murray and MP Hong Kong continued to be presented the Good MPF Employer Award and recognised by the Employees Retraining Board as “Manpower Developer”.

During the reporting year, no concluded legal case regarding the violation of labour rights was recorded. There were also no recorded incidents of non-compliance with anti-discrimination legislation.

## Employment [GRI 102-8, 401-2, 405-1; HKEX KPI B4.1, B4.2]

The Group is committed to fostering a collaborative, inclusive and harmonious workplace. We provide equal opportunities to all candidates and evaluate their ability, experience, performance, and professionalism in relevant fields, regardless of their gender, religion, sexual orientation and other demographic characteristics. We strictly prohibit the use of child and forced labour. To ensure no recruitment of child labour, we require our candidates to provide proof of identity and suppliers to declare that they do not illegally involve child labour or forced labour in the supply chain. During the reporting year, we have formulated the Human Rights Policy to promote diversity of governance bodies and employees. Internal grievance system is in place for all employees to report incidents of discrimination, harassment, victimisation or vilification.

We emphasise on talent acquisition and retention by rewarding our full-time employees with competitive remuneration packages and benefits, including work-related accident insurance, regular influenza vaccination and dental scheme to ensure the health, safety and wellbeing of employees. We safeguard our employees at MP Hong Kong with the Compensation and Benefits Policy. In recognition of the loyalty and long-term contribution of our employees, they are entitled to a set of pensions. The Murray provides employees with a comprehensive insurance coverage. Employees at Niccolo SZ and MP Changzhou are covered by “Five Social Insurance and One Housing Fund”<sup>6</sup>.

## Employee composition

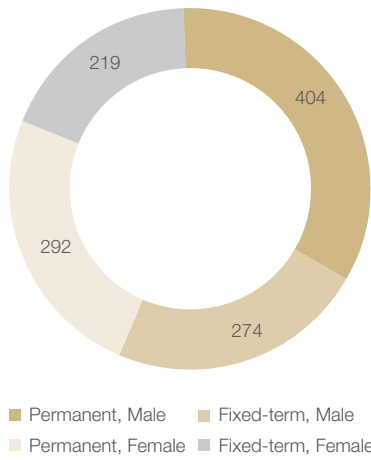
	By employment contract			By gender		By region	
	Permanent	Fixed-term	Temporary	Male	Female	Hong Kong	Mainland China
Number of employees	696	493	0	678	511	780	409

5 Please refer to Significant Laws and Regulations section for the list of employment, labour standard and safety and health laws and regulations significant to the Group's business operations.

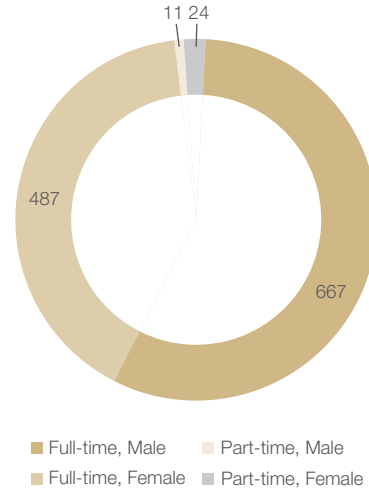
6 Endowment insurance, medical insurance, unemployment insurance, occupational health and safety insurance, maternity insurance and housing fund are included.



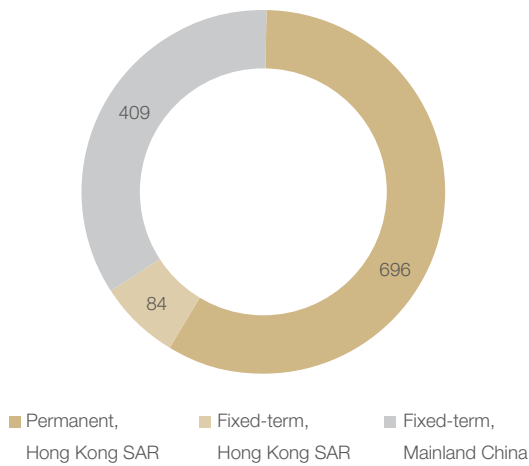
**Total workforce by contract type by gender**



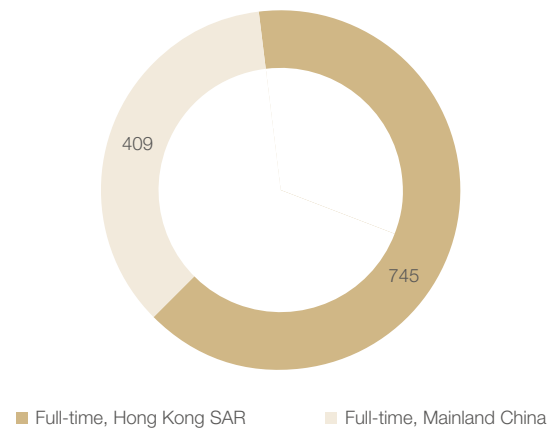
**Total workforce by employment type by gender**



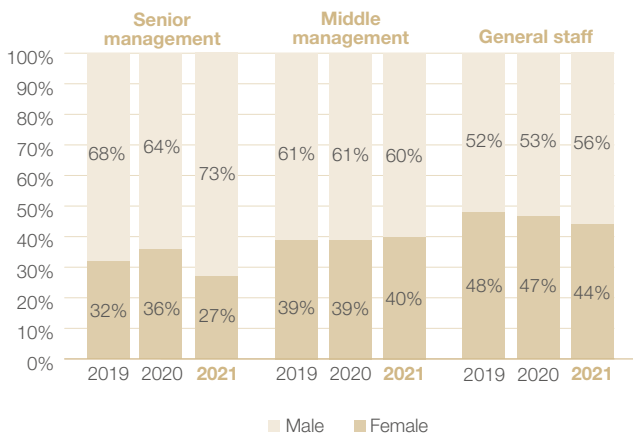
**Total workforce by contract type by region**



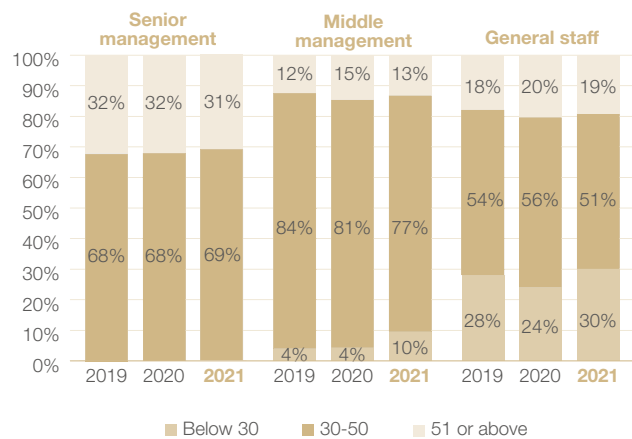
**Region distribution of full-time employees**



**Gender distribution of employees by employment category**



**Age distribution of employees by employment category**



## Development and Training [GRI 404-2]

The Group has formulated comprehensive policies, including Wharf Hotels' Policies on Departmental Training, External Learning Subsidy, and Internship Programme to help our workforce equip with essential knowledge and skills. We provide our employees with education allowance for external training, allowing them to seek continuous learning opportunities for professional development.

As a well-received brand in hospitality industry, we focus on service excellence. Customer orientation has been rooted in our corporate culture. We convey our corporate direction and expectation and our aim of service excellence to every new hire through a comprehensive orientation programme. Upon Niccolo SZ's opening, we engaged the employees very early and prepare intensive training for them to ensure smooth operation and to maintain our reputation in quality service.

We also emphasise continuous learning. Therefore, we offer different on-the-job learning activities to improve our employees' fundamental knowledge and skills for fulfilling their roles and responsibilities. At The Murray, we have specially designed and facilitated in-house workshops with role-playing and simulation to elevate the service excellence of our staff. Through practical and influential immersions, our employees are motivated and becoming more confident at work.

Regulatory compliance is also essential to safeguard business continuity. Thus, we offer relevant regulatory training and refresher courses to ensure employees understand and comply with regulatory requirements. During the reporting year, we offered over 3,800 hours of training on regulatory compliance.

We have launched a range of internship programmes for cultivating future hospitality talents, assisting students from our institutional partners to build competencies and achieve their future career goals.

### Percentage of employees trained by employment category and by gender [HKEX KPI B3.1]

	By employment category			By gender	
	Senior management	Middle management	General staff	Male	Female
Hong Kong	100%	100%	100%	100%	100%
Mainland China	100%	100%	100%	100%	100%

## Employees' Safety and Health [GRI 403-1, 403-2, 403-3, 403-5, 403-7; HKEX KPI B2.1, B2.3]

The Group places much emphasis on the safety and health of our employees. In addition to strictly complying with Occupational Safety and Health Ordinance (Cap. 509 of the laws of Hong Kong) and relevant laws and regulations as well as Wharf REIC's Safety and Health Policy, we have also developed our safety manual and safety management system. At The Murray, Safety Committee was formed in 2021 to strengthen safety review procedures and monitor the implementation of OSH-related recommendations. There was zero work-related fatality case and concluded legal case involving the violation of OSH regulations in the past three years. The Group's injury rate (per 1000 employees)<sup>7</sup> is 46 in 2021. During the reporting year, there was no case of non-compliance with relevant laws and regulations in relation to providing a safe working environment and protecting employees from occupational hazards.

To manage workplace safety, we have implemented guidelines, standard operating procedures, suitable equipment and gears and complementary regular training ranging from pre-shift briefing and food hygiene to fire and safety evacuation training. We conduct regular risk assessments to identify OSH hazards. Work Injury Report and Summary is analysed and shared with department heads for appropriate follow up. We also organise OSH talks to our employees as well as contractors' workers performing duties on site, and include the OSH-related section in staff handbooks to reinforce OSH awareness of all employees. This year, MP Hong Kong invited the Occupational Health & Safety Council to share professional insights on workplace health and safety.

To address safety concerns during the pandemic, Niccolo SZ invited professionals from Suzhou Centre for Disease Control and Prevention to give all managers training on COVID-19 prevention and control. MP Hong Kong shared tips of COVID-19 via mini games and daily newsletter with employees. Along the development of the outbreak, The Murray adopts different measures, including self-quarantine guidelines, split team, booster shot vaccine leave, free provision of rapid test kit for daily test before reporting duty and free telemedical service from the outpatient service provider, etc. to ensure sufficient protection for the employees.

## Employee Wellbeing and Engagement [GRI 403-6; HKEX KPI B2.3]

The Group endeavours to maintain harmonious relationship between management and general staff through openhearted communication. We have organised staff meetings at The Murray and MP Changzhou. In addition to meetings, employee satisfaction survey was conducted at Niccolo SZ and MP Changzhou to collect feedback from employees. Overall satisfaction rate of 9.6 out of 10 was recorded.

We strive to strengthen employee cohesion and achieve work-life balance by organising a variety of recreational activities and events including birthday week, birthday gifts distribution and festive celebrations. We provide employees with space and facilities such as designated rest area and chillout room at The Murray to relax away from work. We offer marriage, maternity and paternity leave to encourage employees to have a wonderful time with their families. We also organise an award presentation ceremony to recognise and appreciate employees' outstanding performance as well as to enhance their sense of belonging in the workplace. For example, "A Cool & Summer" event was hosted by Niccolo SZ to thank employees for their hard work amid the hot summer. MP Hong Kong honours those having a passion for service with the Associates of the Year award. The Murray organises periodic Colleague Recognition Programmes such as Monthly Top Mentions for Service Stars, Quarterly Outstanding Colleagues and Yearly Champions, using physical attractive rewards, management awarding or other creative ways of recognition to award employees.

To raise awareness on mental health issues and illness, The Murray organised a week-long "We Care" workshops for employees, focusing on four aspects – employee's health, work safety, community support for suicide prevention as well as listening to employees' feedback.

<sup>7</sup> Injury rate (per 1,000 employees) = Total injury cases / Number of all employees × 1,000

# Our Value Chain [GRI 103 for 205, 416, 418, 419; HKEX KPI B6.3]

## Commitment and Strategy

Adopting sustainable business practices along the value chain enhances the ultimate customer satisfaction. In view of this, the Group has implemented a variety of management procedures and measures to maintain the highest quality of product and service as well as to safeguard the health, safety and privacy of our guests. To ensure benefit from fair and open competition, ethical business conduct is expected in our supply chain management approach. While advertising our brands, we comply with internal policies, guidelines as well as all applicable regulations and industry standards<sup>8</sup> to provide transparent and valid information. We respect intellectual property (“IP”) rights and have formulated policies to prevent infringement. We take great care and comply with patent requirements and royalty when adopting designs and photos. We also protect our IP rights through proper registration and other secrecy measures.

## Business Ethics [GRI 102-16, 205-2, 205-3; HKEX KPI B5.2, B7.1, B7.2, B7.3]

The Group endeavours to uphold the highest ethical and governance standards in our business operations. We maintain zero tolerance to any forms of bribery, extortion, fraud or money laundering. All directors, officers and employees of the Group are required to comply with all applicable laws and regulations<sup>9</sup>. Beyond compliance, the Group maintains a robust system to manage and respond to risks and uphold business ethics. Our business operations adhere to the Compliance Policy Statement and the Anti-corruption Policy established by Wharf REIC. Whistleblowing Policy and Procedures are also in place to ensure any suspected misconduct or malpractice to the Group are reported.

Our employees are also informed about our professional conduct requirements through the Business Code of Conduct. We engaged the Independent Commission Against Corruption (“ICAC”) to conduct training for our employees to reinforce their awareness of anti-bribery practices as well as conflicts of interest. During the reporting year, 579 hours of anti-corruption trainings were provided to the Directors and our employees. All of the Board members received training on anti-corruption.

We also request our suppliers to comply with the same high ethical standards as ours. Our requirements for corporate integrity are clearly stated in our tender documents and supplier registration forms, with an explicit clause prohibiting the offering of gifts, cash or vouchers to our employees. We have established a standardised due diligence procedure to prevent situations when donations and sponsorship are exploited to conceal acts of bribery.

We have additionally implemented a robust risk management and internal control system to ensure the legal compliance of our business operations. For more details, please refer to the Corporate Governance Report in the Group’s Annual Report 2021. During the reporting year, there were no reported legal cases regarding corrupt practices brought against the Group.

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

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

## Supply Chain Management [GRI 102-9, 102-10; HKEX KPI B5.2, B5.3, B5.4]

The Group collaborates with a wide variety of suppliers and employs responsible sourcing procedures. We consider suppliers who embrace environmentally friendly products and materials during the procurement process. During the reporting year, we had 203 suppliers and all of them were selected under the consideration of environmental and social criteria. Our Supplier Code of Conduct is in place. Meanwhile, Wharf REIC has established the Green Procurement Policy, providing guidance for procurement decision-making. Our tender documents also include Green Purchasing Clause to encourage the adoption of innovative green solutions among suppliers. We conduct regular social and environmental audits to monitor and assess the performance of our suppliers.

We strive to maintain the highest standard of food safety in our supply chain management. All of Food & Beverage goods we purchased must meet the food safety control requirements of the Food and Environmental Hygiene Department and the Food Safety Commission of Mainland China. To guarantee our food quality along the supply chain, stringent measures are applied. For instance, food samples may be tested in laboratory and regular walkthroughs in our kitchen and restaurant area are performed to ensure that the quality of our operation is maintained.

## Guests' Safety and Health [GRI 416-2; HKEX KPI B6.4]

Our guests' safety and health remains the top priority of the Group. We are committed to eradicating any potential hazards at our premises. During the COVID-19 pandemic, we ensured that room and dining guests were secured in a safe environment. We have implemented a number of precautionary measures, including routine sanitisation of public areas and temperature checks at our entrances. Niccolo SZ also fully complies with Niccolo Hotels Biosecurity Protocols. In recognition of our effort and achievement, the hygiene management at The Murray and MP Hong Kong have been awarded the Anti-Epidemic Hygiene Measures Certification by Hong Kong Tourism Board, and the Sharecare Health Security VERIFIED™ badge with Forbes Travel Guide.

To maintain a high standard of food safety and hygiene, we apply practices in reference to the Hazard Analysis and Critical Control Points ("HACCP"). We utilise the microbial testing system to monitor the quality of food, water, ice and environmental swab to minimise the risk of food contamination. Hygiene Managers are recruited to perform announced and unannounced inspections on our kitchens' food safety and hygiene as well as rodent control treatment on a periodical basis. Our food safety management also extends to our suppliers. Our Hygiene Managers and Purchasing and Culinary representatives undertake audits to evaluate our suppliers' performance on hygiene. In the supplier management system, all underperforming suppliers will be rejected.

We also arranged food hygiene trainings to increase awareness and knowledge of our employees on hygiene requirements, food allergies and pest control. Our strict application of food safety and hygiene measures comply with regulations and voluntary codes such as the Food Hygiene Code issued by the Government of the Hong Kong Special Administrative Region and the Food Safety Law of the People's Republic of China. During the reporting year, there were no incidents of non-compliance with regulations and voluntary codes resulting in a fine or penalty.

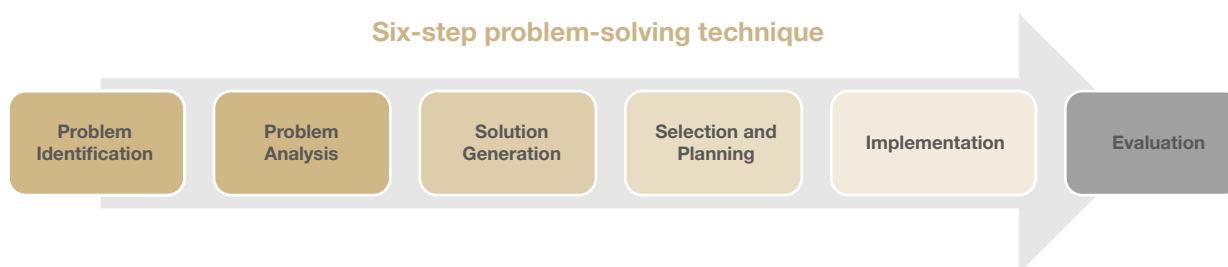
## Customer Privacy [GRI 418-1; HKEX KPI B6.5]

To safeguard our customers' privacy, the Group places much emphasis when collecting and processing their personal information. We adhere to all applicable laws and regulations including Hong Kong Personal Data (Privacy) Ordinance (Cap. 486 of the laws of Hong Kong) and the General Data Protection Regulation ("GDPR") by the European Commission. Only authorised personnel can have access to personal information and we seek guests' authorisation to share personal information before engaging them with marketing communication activities. Furthermore, we organise data privacy trainings regularly to raise employees' awareness of cybersecurity. To secure our network system, we have restricted the access to high-risk websites as well as installed anti-virus software and firewalls in all computers.

During the reporting year, we did not observe any complaint concerning breaches of customer privacy and no cases of identified leaks, thefts, or losses of customer data.

## Service Quality and Customer Satisfaction [HKEX KPI B6.1, B6.2, B6.4]

The Group has been utilising a range of communication platforms to collect feedback and suggestions from our customers to provide splendid services that satisfy their needs. This year, we have formulated the Quality Policy Statement for ensuring service quality and guest satisfaction. We deliver customer satisfaction surveys to assess the quality of customer service, accommodations and hotel amenities on a regular basis through various channels. We identify the problem, implement and assess the solutions according to the six-step problem-solving technique after collecting customer feedback. Our duty manager operates on a 24-hour basis to respond to major complaints instantly.



The overall satisfaction rate from the ReviewPro Global Review Index for our hotels are as follows:

	Overall satisfaction rate	Name of index
Hong Kong	86.7%	ReviewPro Global Review Index
Mainland China	95.6%	ReviewPro Global Review Index

During the reporting year, we have received 1,444 product-related complaints and 685 service-related complaints. No complaint was substantial and follow-up actions have been taken immediately to handle all the complaints. For instance, to follow up noise complaint received due to hotel room being used for party purpose and avoid violation of social distancing during the pandemic, clear information of room usage is provided to guests and night visitors are forbidden.

Subjected to our business nature, no products sold or shipped subject to recalls for safety and health reasons are recorded.

# Business-in-Community [GRI 103 for 203, 413; HKEX KPI B8.1, B8.2]

## Commitment and Strategy

The Group recognises the significance of delivering positive influence, therefore we strive to drive positive social changes by various programmes and initiatives while developing our business operations. Our community contribution aligns with four key pillars, namely youth development, social welfare, education and environmental protection, through various forms such as monetary donations, sponsorship, and volunteering.

MP Hong Kong has been awarded the 5 Years Plus “Caring Company” Logo by the Hong Kong Council of Social Service while The Murray has received the “Caring Company” Logo as a mark to praise for our corporate social responsibility.

## Community Care [GRI 203-1, 413-1; HKEX KPI B8.2]

The Group continues to support the flagship youth development initiative of the Wharf Group, Project *WeCan* (“*WeCan*”), to unlock students’ potentials and empower them for future career development. Undeterred by the restrictions caused by the pandemic, The Murray and MP Hong Kong provided internship opportunities for students to experience and explore their vocational choices. They were required to go through regular application procedures and work in the hospitality industry to prepare for their future careers. Apart from the work assignment, mentors and seminars were also assigned for participants to widen their horizons and develop the right attitude in the Job Tasting Programme.

Tours and career talks for students from secondary schools, tertiary institutions and other educational institutions are organised regularly by the Group to attract talents and foster future hoteliers. In 2021, MP Hong Kong and the other 2 Marco Polo hotels supported the *WeCan* Career Exploration Day by hosting career talks. More than 100 students attended the activity. Hotel’s Assistant Executive Housekeeper and Chief Concierge shared their valuable experience with the participants. Moreover, The Murray conducted Professional Skill Workshop to equip the college students with essential presentation and interview skills for future career development.

We are aspired to serve and care for the needy in the society by organising and participating in different community activities. We understand some of the underprivileged are concerned with their three daily meals. The Murray and MP Hong Kong donate food to Foodlink and are dedicated to reducing food wastage whereas fighting hunger by feeding those in need.

We have been seeking ways to help the grassroots community gain upward social mobility. Niccolo SZ becomes the official hospitality partner of Shanghai K Charitable Foundation and involves in the Jiahe Vocational Training and Mentoring Programme to support youths from disadvantaged backgrounds. The programme aims in giving youths hospitality technical training and teaching them life skills, guiding them to live self-sustaining lives in the future.

# Appendix I: Performance Data Summary

## Key for Data Performance Table

Operation	Location	Business Unit	Acronym
Leisure and Hospitality	Hong Kong	The Murray, Hong Kong, a Niccolo Hotel ("The Murray")	Collectively as "Hong Kong"
		Marco Polo Hongkong Hotel ("MP Hong Kong")	
	Mainland China	Niccolo Suzhou ("Niccolo SZ")	Collectively as "Mainland China"*
		Marco Polo Changzhou ("MP Changzhou")	

\* Niccolo SZ is newly added to the 2021 reporting scope. As such, data of Mainland China in 2019 and 2020 only included MP Changzhou. In the tables of this section, the totals are rounded figures.

## Environmental Performance<sup>10</sup>

### Air emissions<sup>11 12</sup> by type and source in kg [GRI 305-7; HKEX KPI A1.1]

	Unit	2021		2020		2019	
		Hong Kong	Mainland China	Hong Kong	Mainland China	Hong Kong	Mainland China
NO <sub>x</sub>	kg	51.91	4.02	58.12	0.54	76.32	2.79
SO <sub>x</sub>	kg	0.29	0.01	0.33	0.01	0.45	0.07
PM	kg	0.07	0.39	0.11	0.04	0.23	0.21

### GHG emissions<sup>13</sup> in total and intensity [GRI 305-1, 305-2, 305-4; HKEX KPI A1.2]

	Unit	2021		2020		2019	
		Hong Kong	Mainland China	Hong Kong	Mainland China	Hong Kong	Mainland China
Total GHG emissions	Tonnes	16,455	9,028	13,843	3,565	20,355	5,636
	Intensity (kg per guest night)	46.36	82.53	65.87	51.67	37.08	50.19
Scope 1 emissions <sup>14</sup>	Tonnes	1,003	913	797	411	988	833
	Intensity (kg per guest night)	2.82	8.34	3.79	5.96	1.80	7.42
Scope 2 emissions <sup>15</sup>	Tonnes	15,452	8,115	13,046	3,154	19,367	4,803
	Intensity (kg per guest night)	43.54	74.18	62.08	45.71	35.28	42.77



## Energy consumption and intensity<sup>16</sup> [GRI 302-1, 302-3; HKEX KPI A2.1]

	Unit	2021		2020		2019	
		Hong Kong	Mainland China	Hong Kong	Mainland China	Hong Kong	Mainland China
Diesel oil	GJ	26	7	13	4	36	4
Unleaded petrol	GJ	79	27	110	32	197	157
Towngas	GJ	12,732	0	14,101	0	18,218	0
Piped natural gas ("PNG")	GJ	0	12,832	0	6,711	0	13,477
Purchased steam	GJ	0	3,174	0	0	0	0
Purchased electricity	GJ	101,715	40,755	88,045	16,138	108,221	24,576
Total energy consumption	GJ	114,552	56,795	102,269	22,885	126,672	38,214
	Intensity (GJ per guest night)	0.32	0.52	0.49	0.33	0.23	0.34

## Water consumption and intensity [GRI 303-5; HKEX KPI A2.2]

	Unit	2021		2020		2019	
		Hong Kong	Mainland China	Hong Kong	Mainland China	Hong Kong	Mainland China
Water consumption	m <sup>3</sup>	195,970	112,910	176,055	47,000	223,241	79,070
	Intensity (m <sup>3</sup> per guest night)	0.55	1.03	0.84	0.68	0.41	0.70

	Unit	2021		2020		2019	
		Hong Kong	Mainland China	Hong Kong	Mainland China	Hong Kong	Mainland China
Wastewater discharge <sup>17</sup>	m <sup>3</sup>	148,930	103,468	133,039	37,600	171,928	63,256

## Waste by type and disposal method in tonnes [GRI 306-2, 306-3, 306-5; HKEX KPI A1.3, A1.4, A1.6]

		Hong Kong	Mainland China	Total
Total waste generated	<b>2021</b>	<b>1,160.93</b>	<b>398.74</b>	<b>1,559.67</b>
	2020	1,183.63	279.86	1,463.49
	2019	2,495.10	574.78	3,069.88
General refuse to landfill	<b>2021</b>	<b>1,112.30</b>	<b>21.56</b>	<b>1,133.86</b>
	2020	1,145.98	35.54	1,181.52
	2019	2,311.70	60.51	2,372.21
Incinerated waste	<b>2021</b>	<b>N/A</b>	<b>102.97</b>	<b>102.97</b>
	2020	N/A	82.92	82.92
	2019	N/A	141.19	141.19
Non-hazardous waste recycled				
Paper	<b>2021</b>	<b>34.12</b>	<b>12.05</b>	<b>46.17</b>
	2020	25.42	2.84	28.26
	2019	124.76	7.77	132.53
Plastics	<b>2021</b>	<b>0.07</b>	<b>4.21</b>	<b>4.28</b>
	2020	0.06	2.21	2.27
	2019	0.71	3.82	4.53
Metals	<b>2021</b>	<b>0.14</b>	<b>0.96</b>	<b>1.10</b>
	2020	0.25	0.44	0.69
	2019	0.51	0.97	1.48
Glass	<b>2021</b>	<b>11.49</b>	<b>9.39</b>	<b>20.88</b>
	2020	7.43	3.16	10.59
	2019	29.37	4.06	33.43
Soap	<b>2021</b>	<b>0.28</b>	<b>0.00</b>	<b>0.28</b>
	2020	0.05	0.00	0.05
	2019	0.22	0.00	0.22
Food waste	<b>2021</b>	<b>0.00</b>	<b>246.88</b>	<b>246.88</b>
	2020	1.76	151.93	153.69
	2019	24.96	355.23	380.19
Hazardous waste recycled				
Waste cooking oil	<b>2021</b>	<b>2.40</b>	<b>0.72</b>	<b>3.12</b>
	2020	1.83	0.82	2.65
	2019	2.34	1.23	3.57
Fluorescent lamps, light bulbs and waste ink cartridge	<b>2021</b>	<b>0.13</b>	<b>0.00</b>	<b>0.13</b>
	2020	0.85	0.00	0.85
	2019	0.53	0.00	0.53

## Use of Resources

### Packaging material used<sup>18</sup> [HKEX KPI A2.5]

	Unit	2021		2020	
		Hong Kong	Mainland China	Hong Kong	Mainland China
Packaging material	Tonnes	5.03	3.05	4.34	3.44

## Supply Chain Management

### Number of suppliers<sup>19</sup> by geographical region [HKEX KPI B5.1]

	2021		2020		2019	
	Hong Kong	Mainland China	Hong Kong	Mainland China	Hong Kong	Mainland China
Hong Kong suppliers	146	0	167	0	198	0
Mainland China suppliers	0	57	0	13	2	14
Others	0	0	1	0	2	0

- 10 Definition of the number of guest nights in this report has been revised from [number of guests x number of nights they are staying] to [total guest staying overnight + staff nights + total day guests/3 + total non-resident restaurant covers/4] as defined by EarthCheck. As such the intensity data in 2020 and 2019 have been restated accordingly.
- 11 Air emissions refer to the release of air pollutants namely nitrogen oxides (“NO<sub>x</sub>”), sulphur oxides (“SO<sub>x</sub>”) and particulate matter (“PM”) generated by motor vehicles and gaseous fuel consumption into the atmosphere.
- 12 The data only include vehicular emissions and were calculated based on the methodology with published emission factors from the HKEX Reporting Guidance on Environmental KPIs.
- 13 Greenhouse gases (“GHGs”) are emitted from fossil fuel consumption. CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O are included in the calculation of GHG emissions.
- 14 2021’s Scope 1 emissions are direct GHG emissions from sources that are owned or controlled by the Group, such as the combustion of diesel, unleaded petrol, towngas and refrigerant and were calculated based on Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong. Emissions from combustion of piped natural gas in Mainland China were calculated based on 2012 Guidelines to Defra/DECC’s GHG Conversion Factors for Company Reporting.
- 15 2021’s Scope 2 emissions are indirect GHG emissions from the generation of purchased or acquired electricity, towngas and steam consumed by the Group. GHG Emissions from electricity and towngas in Hong Kong were calculated based on the default factors provided by electricity providers in Hong Kong, Power Assets (0.71 kg CO<sub>2</sub>e/kWh), CLP (0.39 kg CO<sub>2</sub>e/kWh) and The Hong Kong and China Gas Company Limited (0.592 kg CO<sub>2</sub>e/unit). GHG emissions by electricity purchased in Mainland China in this Report were calculated based on China Eastern grid emission factor in 2012 年中國區域電網平均CO<sub>2</sub>排放因子 (0.7035 kg CO<sub>2</sub>/kWh). GHG emissions from purchased steam in Mainland China were calculated based on the emission factor stated in UK Governmental GHG Conversion Factors for Company Reporting (0.17073 kg CO<sub>2</sub>/kWh).
- 16 Energy conversion factors used for diesel oil and unleaded petrol are from CDP Technical Note: Conversion of fuel data to MWh. Energy conversion factor used for piped natural gas is from 2012 Guidelines to Defra/DECC’s GHG Conversion Factors for Company Reporting. Energy consumption of towngas was calculated based on formula provided by The Hong Kong and China Gas Company Limited. Energy consumption of purchased steam in Mainland China was calculated based on the energy conversion factors provided by Suzhou Industrial Park Lantian Fuel Gas Thermoelectricity Co Ltd.
- 17 The Murray and MP Hong Kong adopted the discharge factor on the water bills issued by Hong Kong’s Water Supplies Department to collect the amount of wastewater discharge, whereas Niccolo SZ and MP Changzhou calculated the data by multiplying the amount of water supply by 100% and 80% respectively.
- 18 We started to collect data on the amount of packaging material used in 2020. Therefore, data in 2019 is not available for comparison.
- 19 Based on the principle of materiality, the number of suppliers includes only the most significant 70% by spending in our supply chain.

## Employee Statistics

### Employee Distribution

#### Total workforce by gender, employment type and contract type [GRI 102-8; HKEX KPI B1.1]

	Male	Female	Full-time	Part-time	Permanent	Fixed-term	Temporary
2021	449	331	745	35	696	84	0
2020	431	336	767	0	743	24	0
2019	484	377	856	5	835	24	2
2021	229	180	409	0	0	409	0
2020	85	94	179	0	0	179	0
2019	99	125	224	0	15	202	7
2021	678	511	1,154	35	696	493	0
2020	516	430	946	0	743	203	0
2019	583	502	1,080	5	850	226	9

#### Gender distribution of permanent contract employees [GRI 102-8; HKEX KPI B1.1]

	2021		2020		2019	
	Male	Female	Male	Female	Male	Female
Hong Kong	404	292	416	327	465	370
Mainland China	0	0	0	0	8	7
Total	404	292	416	327	473	377

**Gender, age group and minority group distribution of all employees by employment category<sup>20</sup> in 2021 [GRI 405-1; HKEX KPI B1-1]**

	Male	Female	Below 30	30-50	51 or above	Minority group <sup>21</sup>	Non-minority group
Hong Kong							
Senior management	13 (76%)	4 (24%)	0 (0%)	9 (53%)	8 (47%)	9 (53%)	8 (47%)
Middle management	75 (62%)	46 (38%)	9 (7%)	90 (75%)	22 (18%)	3 (2%)	118 (98%)
General staff	361 (56%)	281 (44%)	147 (23%)	354 (55%)	141 (22%)	72 (11%)	570 (89%)
Senior management	6 (67%)	3 (33%)	0 (0%)	9 (100%)	0 (0%)	3 (33%)	6 (67%)
Mainland China							
Middle management	24 (53%)	21 (47%)	7 (16%)	38 (84%)	0 (0%)	3 (7%)	42 (93%)
General staff	199 (56%)	156 (44%)	150 (42%)	156 (44%)	49 (14%)	1 (0.3%)	354 (99.7%)
Senior management	19 (73%)	7 (27%)	0 (0%)	18 (69%)	8 (31%)	12 (46%)	14 (54%)
Middle management	99 (60%)	67 (40%)	16 (10%)	128 (77%)	22 (13%)	6 (4%)	160 (96%)
General staff	560 (56%)	437 (44%)	297 (30%)	510 (51%)	190 (19%)	73 (7%)	924 (93%)
Overall							

**New Employee Hires**

**Gender, age and regional distribution of new employee hires in number and percentage<sup>22</sup> [GRI 401-1]**

	Male	Female	Below 30	30-50	51 or above	Overall
Hong Kong						
2021	194	131	96	178	51	325
2020	92	70	66	67	29	162
2019	117	113	75	126	29	230
Mainland China						
2021	158	98	140	99	17	256
2020	19	15	18	14	2	34
2019	44	26	32	33	5	70
Total						
2021	352	229	236	277	68	581
2020	111	85	84	81	31	196
2019	161	139	107	159	34	300

## Employee Turnover

### Regional distribution of employee turnover in number and percentage<sup>23</sup> [GRI 401-1; HKEX KPI B1.2]

	2021		2020		2019	
Hong Kong	409	52%	302	39%	391	45%
Mainland China	202	49%	91	51%	144	64%
Total	611	51%	393	42%	535	49%

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

	Male		Female		Below 30		30-50		51 or above	
Hong Kong										
2021	239	53%	170	51%	105	67%	225	50%	79	46%
2020	168	39%	134	40%	111	68%	121	27%	70	44%
2019	190	39%	201	53%	143	69%	204	41%	44	29%
Mainland China										
2021	111	48%	91	51%	79	50%	97	48%	26	53%
2020	40	47%	51	54%	51	142%	30	27%	10	32%
2019	75	76%	69	55%	82	139%	49	39%	13	33%
Total										
2021	350	52%	261	51%	184	59%	322	49%	105	48%
2020	208	40%	185	43%	162	81%	151	27%	80	42%
2019	265	45%	270	54%	225	84%	253	40%	57	30%



**Lost day rate by gender and by region in percentage<sup>29</sup> [GRI 403-9; HKEX KPI B2.2]**

	2021		2020		2019	
	Male	Female	Male	Female	Male	Female
Hong Kong	0.28%	1.17%	1.24%	1.07%	0.86%	0.11%
Mainland China	0.43%	0.13%	0.96%	0.00%	0.00%	0.02%
Overall	0.34%	0.52%	1.19%	0.82%	0.69%	0.09%

	2021	2020	2019
Hong Kong	0.49%	1.16%	0.54%
Mainland China	0.29%	0.46%	0.01%
Overall	0.42%	1.02%	0.41%

**Absentee rate by gender and by region in percentage<sup>30</sup> [GRI 403-9]**

	2021		2020		2019	
	Male	Female	Male	Female	Male	Female
Hong Kong	0.71%	2.06%	2.77%	2.50%	2.18%	1.86%
Mainland China	0.55%	0.62%	1.52%	0.72%	0.17%	0.65%
Overall	0.65%	1.48%	2.55%	2.09%	1.78%	1.54%

	2021	2020	2019
Hong Kong	1.28%	2.65%	2.04%
Mainland China	0.58%	1.10%	0.42%
Overall	1.02%	2.34%	1.67%



## Training and Education

### Average training hours per employee by gender and by employment category<sup>31</sup> in 2021 [GRI 404-1; HKEEX KPI B3.2]

	Male	Female	Employment Category		
			Senior management	Middle management	General staff
Hong Kong	65.18	62.31	50.03	72.59	62.71
Mainland China	37.33	35.82	50.44	51.27	34.46

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

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

22 New hire rate (in percentage) = Total number of new hires in the category / Total number of employees in the category × 100%. New hire-related data are derived using the total number of new hires that were still working at the BUs as of 31 December of the respective year in the category.

23 Turnover rate (in percentage) = Total number of turnover in the category / Total number of employees in the category × 100%.

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

25 One female employee in Mainland China took parental leave and should return to work in 2021 and did not return to work in 2021.

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

27 Injury rate (per 1,000 employees) = Total injury cases in the category / Total number of employees in the category × 1,000.

28 There was no incident of occupational disease recorded in Hong Kong and Mainland China in 2019, 2020 and 2021.

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

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

31 Calculation method has been revised in 2021 to: Average training hours per employee = Total training hours offered in the category / Total workforce in the category.

## Appendix II: Featured Awards, Charters and Memberships

### Selected Awards and Recognitions

Organisers	Awards and Recognitions	Business Units
SocietyNext Foundation	ESG Care Prize 2021	HCDL
The Hong Kong Council of Social Service	5 Years Plus Caring Company Logo	MP Hong Kong
	Caring Company Logo	The Murray
EarthCheck	Silver Certification	MP Hong Kong, MP Changzhou
	Bronze Certification	The Murray
Employees Retraining Board	ERB Manpower Developer Award Scheme	The Murray, MP Hong Kong
Mandatory Provident Fund Schemes Authority	Good MPF Employer Award	The Murray, MP Hong Kong
Occupational Safety & Health Council	Joyful@Healthy Workplace Best Practices Award	MP Hong Kong
CT goodjobs	Best Change Leadership Strategy Award	The Murray
	Best Employee Engagement Strategy Award	The Murray
Forbes Travel Guide	Recommended Hotel	MP Hong Kong
	Four-Star Restaurant – Cucina	MP Hong Kong
	Sharecare Health Security VERIFIED®	The Murray, MP Hong Kong (Cucina)
Ctrip	Best Partnership Hotel Award	MP Changzhou

### Selected Memberships and Charters

Organisations	Nature of Memberships/ Name of Charters	Business Units
Equal Opportunities Commission	Equal Opportunity Employer Recognition Scheme	MP Hong Kong
Hong Kong General Chamber of Commerce	Full Member	The Murray, MP Hong Kong
Hong Kong Hotels Association	Full Member	The Murray, MP Hong Kong
Hotel Controllers & Accountants Association of Hong Kong	Corporate Member	MP Hong Kong
The Society of the Golden Keys of Hong Kong	Adherent Member	The Murray, MP Hong Kong
Occupational Safety & Health Council	Joyful@Healthy Workplace Charter	MP Hong Kong
United States Chamber of Commerce	Corporate Member	Niccolo SZ
Italian Chamber of Commerce	Corporate Member	Niccolo SZ
European Chamber of Commerce	Corporate Member	Niccolo SZ
UNICEF HK	Say Yes to Breastfeeding	MP Hong Kong

# Appendix III: Significant Laws and Regulations

## Environment

### Aspect A1: Emissions

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

### Aspect A2: Use of Resources

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

### Aspect A3: The Environment and Natural Resources

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

## Social

### Aspect B1: Employment and Aspect B4: Labour Standards

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

### Aspect B2: Health and Safety

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

### Aspect B6: Product Responsibility

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

### Aspect B7: Anti-corruption

- Prevention of Bribery Ordinance (Cap. 201 of the laws of Hong Kong)
- Competition Ordinance (Cap. 619 of the laws of Hong Kong)
- Telecommunications Ordinance (Cap. 106 of the laws of Hong Kong)

# Appendix IV: Alignment with the Recommendations of Task Force on Climate-related Financial Disclosures

TCFD published a voluntary framework to allow companies to incorporate climate-related risks and opportunities into their risk management and strategic planning processes in 2017. HCDL aligns with Wharf REIC's public disclosure with the TCFD recommendations under the four thematic areas of governance, strategy, risk management, and metrics and targets.

Disclosure area	TCFD recommended disclosure	Information disclosed by HCDL	References
Governance	Disclose the organisation's governance around climate-related risks and opportunities.	<p>Through regular meetings, the Board provides oversight of our climate-related risks and opportunities and sustainability matters including strategies, management and disclosures.</p> <p>Delegated by the Board, the Sustainability Steering Committee identifies, evaluates and mitigates the climate-related risks and opportunities with the support of the Divisional Sustainability Committee and the respective sustainability governance body in each BU.</p> <p>The Group has formulated a Climate Change Policy Statement to provide guidance on tackling climate change while enhancing our climate resilience and adaptation capabilities.</p>	<p>Board Statement, page 6</p> <p>Sustainability Governance, page 6</p> <p>Climate Change Policy Statement</p>
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	<p>The Group discloses the identified potential climate-related risks, the associated financial and non-financial impacts posed on our operations, coupled with potential risk mitigation measures.</p> <p>Energy-efficient initiatives have been implemented in our BUs to reduce our GHG emissions and gradually achieve decarbonisation in our business operations.</p> <p>The Group's assets introduce appropriate adaptation measures to increase our resilience to climate-related risks and physical impacts of climate change.</p>	<p>Climate Risk Management, page 10</p> <p>Energy and Greenhouse Gas Management, page 11-12</p> <p>Climate Risk Management, page 10</p>
Risk Management	Disclose how the organisation identifies, assesses, and manages climate-related risks.	<p>A preliminary climate risk mapping exercise with all the BUs has been conducted, identifying physical and transition risks, potential impacts and the relative mitigation measures.</p> <p>The Group incorporated climate-related risks into our enterprise risk management system to better identify, assess and manage risks in a more systematic manner.</p> <p>Environmental management system has been adopted to identify and manage climate-related risks in all business operations.</p>	<p>Climate Risk Management, page 10</p> <p>Sustainability Governance, page 6</p> <p>Our Environment – Commitment and Strategy, page 10</p>
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	<p>Metrics used to assess climate-related risks including GHG emissions (Scope 1 and Scope 2) are monitored regularly and disclosed in our annual sustainability report.</p> <p>We have formulated new environmental targets including GHG emission reduction target.</p>	<p>Energy and Greenhouse Gas Management, page 11-12</p> <p>Performance Data Summary, page 23</p> <p>Our Environment – Commitment and Strategy, page 10</p>

## Appendix V: GRI Standards Table and HKEX ESG Reporting Guide Content Index

Disclosure	HKEX ESG Reporting Guide	Page Number/Remarks
<b>102: General Disclosures 2016</b>		
<b>Organisational profile</b>		
102-1	Name of the organisation	Harbour Centre Development Limited
102-2	Activities, brands, products, and services	About Our Business (page 4-5)
102-3	Location of headquarters	Hong Kong
102-4	Location of operations	About Our Business (page 4-5)
102-5	Ownership and legal form	Publicly listed company
102-6	Markets served	About Our Business (page 4-5)
102-7	Scale of the organisation	About Our Business (page 4-5)
102-8	Information on employees and other workers	KPI B1.1 Our People (page 15-18); Performance Data Table (page 27-32)
102-9	Supply chain	KPI B5.1, B5.2, B5.3, B5.4 Our Value Chain – Supply Chain Management (page 20); Performance Data Table (page 26)
102-10	Significant changes to the organisation and its supply chain	About Our Business (page 4-5); Our Value Chain – Supply Chain Management (page 20)
102-11	Precautionary principle or approach	The Group applies a precautionary approach to avoid negative impacts on the environment.
102-12	External initiatives	Major Awards, Charters and Memberships (page 33)
102-13	Membership of associations	Major Awards, Charters and Memberships (page 33)
<b>Strategy</b>		
102-14	Statement from senior decision-maker	Message from the Chairman (page 2)
<b>Ethics and integrity</b>		
102-16	Values, principles, standards, and norms of behaviour	KPI B7.2 Our Value Chain – Business Ethics (page 19)
<b>Governance</b>		
102-18	Governance structure	About Our Business (page 4-5); Our Sustainability Approach (page 6-9)
<b>Stakeholder engagement</b>		
102-40	List of stakeholder groups	Our Sustainability Approach (page 6-9)
102-41	Collective bargaining agreements	Collective bargaining agreements do not apply to the Group's operations
102-42	Identifying and selecting stakeholders	Our Sustainability Approach (page 6-9)
102-43	Approach to stakeholder engagement	Our Sustainability Approach (page 6-9)
102-44	Key topics and concerns raised	Our Sustainability Approach (page 6-9)

Disclosure		HKEX ESG Reporting Guide	Page Number/Remarks
<b>Reporting practice</b>			
102-45	Entities included in the consolidated financial statements		2021 Annual Report: Independent Auditor's Report (page 50-55)
102-46	Defining report content and topic boundaries		About This Report (page 3); Our Sustainability Approach (page 6-9)
102-47	List of material topics		Our Sustainability Approach (page 6-9)
102-48	Restatements of information		For information restated, we have put remarks in respective information to indicate the restatement and reason.
102-49	Changes in reporting		About This Report (page 3)
102-50	Reporting period		About This Report (page 3)
102-51	Date of most recent report		Published in May 2021, ESG Report 2020 is the most recent report.
102-52	Reporting cycle		Annual
102-53	Contact point for questions regarding the report		About This Report (page 3)
102-54	Claims of reporting in accordance with the GRI Standards		This report has been prepared in accordance with GRI Standards: Core option.
102-55	GRI content index		GRI Standards Table and HKEX ESG Reporting Guide Content Index (page 36-41)
102-56	External assurance		This report did not seek for external assurance.
<b>200 Economic</b>			
<b>201: Economic Performance 2016</b>			
103	Management approach		About Our Business (page 4-5); 2021 Annual Report: Chairman's Statement (page 5-6)
201-1	Direct economic value generated and distributed	KPI B8.2	About Our Business (page 4-5); 2021 Annual Report: Directors' Report (page 35-49)
201-2	Financial implications and other risks and opportunities due to climate change	GD A4 KPI A4.1	About Our Business (page 4-5); Climate Risk Management (page 10)
201-4	Financial assistance received from government		No financial assistance received from the government in 2021
<b>202: Market Presence 2016</b>			
103	Management approach		Our Sustainability Approach (page 6-9)
202-2	Proportion of senior management hired from the local community		Our Sustainability Approach (page 6-9); Our Governance (page 4)
<b>203: Indirect Economic Impacts 2016</b>			
103	Management approach	GD B8	Business-in-Community (page 22)
203-1	Infrastructure investments and services supported	KPI B8.1, B8.2	About Our Business (page 4-5); Business-in-Community (page 22)

Disclosure		HKEX ESG Reporting Guide	Page Number/Remarks
<b>204: Procurement Practices 2016</b>			
103	Management approach	GD B5	Supply Chain Management (page 20)
204-1	Proportion of spending on local suppliers	KPI B5.1	Supply Chain Management (page 20)  Based on the principle of materiality, the Report includes the number of suppliers whom are the most significant 70% by spending in our BUs' supply chain.
<b>205: Anti-corruption 2016</b>			
103	Management approach	GD B7	Business Ethics (page 19)
205-2	Communications and training about anti-corruption policies and procedures	KPI B7.3	Business Ethics (page 19)
205-3	Confirmed incidents of corruption and actions taken	KPI B7.1	In 2021, there were no confirmed incidents of corruption.
<b>300: Environmental</b>			
<b>301: Material 2016</b>			
103	Management approach	GD A2, A3	Our Environment (page 10-14); Resource Management (page 13-14)
301-1	Materials used by weight or volume	KPI A2.5	Performance Data Summary (page 26)
<b>302: Energy 2016</b>			
103	Management approach	GD A2, A3	Our Environment (page 10-14); Energy and Greenhouse Gas Management (page 11-12)
302-1	Energy consumption within the organisation	KPI A2.1	Energy and Greenhouse Gas Management (page 11-12); Performance Data Summary (page 23-24)
302-3	Energy intensity	KPI A2.1	Energy and Greenhouse Gas Management (page 11-12); Performance Data Summary (page 23-24)
302-4	Reduction of energy consumption	KPI A2.3	Energy and Greenhouse Gas Management (page 11-12)
<b>303: Water and Effluents 2018</b>			
103	Management approach	GD A2, A3	Our Environment (page 10-14); Water Stewardship (page 12-13)
303-1	Interactions with water as a shared resource	KPI A2.4, A3.1	Water Stewardship (page 12-13); Our Environment (page 10-14)
303-2	Management of water discharge-related impacts	KPI A3.1	Our wastewater is treated by municipal water treatment facilities before discharge to waterbodies. Thus, the Group has no minimum standards set for quality of effluent discharge.
303-3	Water withdrawal	KPI A2.2	Water Stewardship (page 12-13);  There is no withdrawal of surface or groundwater. All water consumed in Hong Kong and Mainland China are purchased and distributed by the Government's municipal water supplies department.
303-4	Water discharge		Water Stewardship (page 12-13); Performance Data Summary (page 24)
303-5	Water consumption	KPI A2.2	Water Stewardship (page 12-13); Performance Data Summary (page 24)

Disclosure		HKEX ESG Reporting Guide	Page Number/Remarks
<b>305: Emission 2016</b>			
103	Management approach	GD A1, A3	Our Environment (page 10-14); Energy and Greenhouse Gas Management (page 11-12)
305-1	Direct (Scope 1) GHG emissions	KPI A1.1, A1.2	Energy and Greenhouse Gas Management (page 11-12); Performance Data Summary (page 23-24)
305-2	Energy Indirect (Scope 2) GHG emissions	KPI A1.1, A1.2	Energy and Greenhouse Gas Management (page 11-12); Performance Data Summary (page 23-24)
305-4	GHG emissions intensity	KPI A1.2	Energy and Greenhouse Gas Management (page 11-12); Performance Data Summary (page 23-24)
305-5	Reduction of GHG emissions	KPI A1.5	Energy and Greenhouse Gas Management (page 11-12)
305-7	NOx, SOx, and other significant air emissions	KPI A1.1	Performance Data Summary (page 23-24)
<b>306: Waste 2020</b>			
103	Management approach	GD A1	Our Environment (page 10-14); Resource Management (page 13-14)
306-1	Waste generation and significant waste-related impacts	GD A1	Resource Management (page 13-14)
306-2	Management of significant waste-related impacts	GD A1, KPI A1.6, A3.1	Resource Management (page 13-14); Our Environment (page 10-14)
306-3	Waste generated	KPI A1.3, A1.4	Performance Data Summary (page 25)
306-4	Waste diverted from disposal	KPI A1.6	Resource Management (page 13-14); Performance Data Summary (page 25)
306-5	Waste directed to disposal		Resource Management (page 13-14); Performance Data Summary (page 25)
<b>307: Environmental Compliance 2016</b>			
103	Management approach		Our Environment (page 10-14)
307-1	Non-compliance with environmental laws and regulations		In 2021, the Group received no fines or non-monetary sanctions for incidences of non-compliance.
<b>400: Social</b>			
<b>401: Employment 2016</b>			
103	Management approach	GD B1	Our People (page 15-18)
401-1	New employee hires and employee turnover	KPI B1.2	Performance Data Summary (page 27-32)
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		Our People (page 15-18)
401-3	Parental leave		Performance Data Summary (page 27-32)
<b>402: Labour/Management Relations 2016</b>			
103	Management approach		Our People (page 15-18)
402-1	Minimum notice periods regarding operational changes		We do not have a fixed notice period. Depending on commercial and/or other aspects of business sensitivity, reasonable notice is normally allowed for any significant operational changes of the company.



Disclosure		HKEX ESG Reporting Guide	Page Number/Remarks
<b>403: Occupational Health and Safety 2018</b>			
103	Management approach	GD B2	Employees' Safety and Health (page 18)
403-1	Occupational health and safety management system	KPI B2.3	Employees' Safety and Health (page 18)
403-2	Hazard identification, risk assessment, and incident investigation	KPI B2.3	Employees' Safety and Health (page 18)
403-3	Occupational health services		Employees' Safety and Health (page 18)
403-5	Worker training on occupational health and safety	KPI B2.3	Employees' Safety and Health (page 18)
403-6	Promotion of worker health	KPI B2.3	Employee Wellbeing and Engagement (page 18)
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	KPI B2.3	Employees' Safety and Health (page 18)
403-9	Work-related injuries	KPI B2.1, B2.2	Performance Data Summary (page 27-32)
<b>404: Training and Education 2016</b>			
103	Management approach	GD B3	Our people (page 15-18); Development and Training (page 17)
404-1	Average hours of training per year per employee	KPI B3.2	Performance Data Summary (page 27-32)
404-2	Programmes for upgrading employee skills and transition assistance programmes		Development and Training (page 17)
<b>405: Diversity and Equal Opportunity 2016</b>			
103	Management approach		Our Sustainability Approach (page 6-9); Our People (page 15-18)
405-1	Diversity of governance bodies and employees	KPI B1.1	Our Governance (page 4); Our Sustainability Approach (page 6-9); Our People (page 15-18); Performance Data Summary (page 27-32)
<b>406: Non-discrimination 2016</b>			
103	Management approach		Our People (page 15-18)
406-1	Incidents of discrimination and corrective actions taken		In 2021, there were no recorded incidents of non-compliance with anti-discrimination legislation.
<b>408: Child Labour 2016</b>			
103	Management approach	GD B4	Our People (page 15-18)
408-1	Operations and suppliers at significant risk for incidents of child labour	KPI B4.1, B4.2	Child labour is not material to our business. The relevant KPIs are therefore not disclosed.

Disclosure		HKEX ESG Reporting Guide	Page Number/Remarks
<b>409: Forced or Compulsory Labour 2016</b>			
103	Management approach	GD B4	Our People (page 15-18)
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	KPI B4.1, B4.2	Forced labour is not material to our business. The relevant KPIs are therefore not disclosed.
<b>413: Local Communities 2016</b>			
103	Management approach		Business-in-Community (page 22)
413-1	Operations with local community engagement, impact assessments and development programmes		Business-in-Community (page 22)
<b>416: Customer Health and Safety 2016</b>			
103	Management approach	GD B6	Our Value Chain (page 19-21); Guests' Safety and Health (page 20)
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	KPI B6.1, B6.4	In 2021, there were no recorded incidents of non-compliance.
<b>417: Marketing and Labelling 2016</b>			
103	Management approach	GD B6	Our Value Chain (page 19-21); Service Quality and Customer Satisfaction (page 21)
417-3	Incidents of non-compliance concerning marketing communications	KPI B6.2, B6.3	In 2021, there were no recorded incidents of non-compliance.
<b>418: Customer Privacy 2016</b>			
103	Management approach	GD B6	Our Value Chain (page 19-21); Customer Privacy (page 21)
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	KPI B6.5	In 2021, there were no recorded incidents of non-compliance.
<b>419: Socioeconomic Compliance 2016</b>			
103	Management approach		Our Value Chain (page 19-21)
419-1	Non-compliance with laws and regulations in the social and economic area		In 2021, The Marco Polo Hongkong Hotel received an infringement notice issued under section 67 of the Competition Ordinance (Cap. 619) regarding anti-competitive conduct in the sale of tourist attractions and transportation tickets in Hong Kong.