



HARBOUR CENTRE DEVELOPMENT LIMITED

Stock Code: 0051

SUSTAINABILITY REPORT 2023

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The Report contains forward-looking statements which are based on judgements made with estimations, assumptions, projections and information available at the time of the material being prepared, and are not guarantees of future performance.

Message from the Chairman GRI 2-22

This Sustainability Report of Harbour Centre Development Limited (“HCDL”, and together with its subsidiaries, the “Group”) illustrates the Group’s endeavours, ambitions, and commitments along our sustainability journey during the reporting year.

Despite the challenges presented by a rapidly changing world recovering from the pandemic, we remain steadfast in our long-standing mission of “Building for Tomorrow”. Our sustainability agenda permeates our corporate culture, guiding a sustainable growth in our business with best practices and the aim to go beyond compliance. We are mindful of the environmental, social and governance (“ESG”) revolution comprising the implementation of new national and regional ESG policies and regulations and the continuous development of the global decarbonisation pathways, and continue to drive ESG in practice.

Environmental sustainability is a global concern, and has been a key focus area for HCDL. We have our environmental objectives in line with our parent company, Wharf Real Estate Investment Company Limited (“Wharf REIC”). With Wharf REIC’s 2030 targets to minimise greenhouse gas (“GHG”) emissions and water consumption, we make strides to reduce our environmental footprints across our businesses to support the group targets. The EarthCheck certifications of The Murray, Hong Kong, a Niccolo Hotel (“The Murray”), Marco Polo Hongkong Hotel (“MP Hong Kong”) and Niccolo Suzhou (“Niccolo SZ”), as well as the newly achieved ISO 14001 environmental management system certifications at The Murray and MP Hong Kong testified our effort to build green capacity in both the technical and human aspects.

As we witnessed extreme weather events more frequently in the regions we operate, we continue to prioritise the enhancement of our climate resilience and disclosure which assure our management of climate-related risks and opportunities are effective and in line with stakeholder’s expectations. We leverage the approach adopted by Wharf REIC with improved methodology and data granularity. Understanding that stakeholders along our value chain play a key part in our sustainable and low-carbon transition, we maintained with them and will work in close collaboration to ensure collective efforts are made.

In addition to our environmental initiatives, we remain committed to fostering a diverse, equitable, inclusive, as well as safe workplace culture. We believe that the wellbeing and professional development of our people are of paramount importance for thriving business. We have continued to invest in training and development programmes that empower our workforce, enhance their skills, and promote a culture of continuous learning. 100% of employees received training in the reporting year. Training sessions dedicated to improving the safety management skills and awareness of our people were regularly organised. We maintained a steadily low injury incident rate of 4.1 per 100 employees.

We see the power of partnerships and collaboration at the Wharf group’s flagship Business-in-Community programme Project *WeCan* (“*WeCan*”), which effects positive change in the communities where we operate, continues to be an important network that provides the disadvantaged students with various opportunities to explore and get prepared for their future. We also donated and volunteered in different activities to address the needs of the local communities during the reporting year.

I would like to extend my heartfelt appreciation to all our stakeholders for their unwavering participation and ongoing support over the years. We firmly believe that through collaborative efforts, we can effectively tackle the environmental and social challenges that lie ahead. Looking ahead, the Group remains committed to advancing our ESG commitments and working diligently towards building a sustainable future.

Stephen T H Ng

Chairman

Hong Kong

About This Report

REPORT STANDARDS *GRI 2-2*

The Sustainability Report (the “Report”) has been prepared in accordance with the requirements of Environmental, Social and Governance Reporting Guide (Appendix C2) issued by The Stock Exchange of Hong Kong Limited (“HKEX ESG Reporting Guide”), the latest GRI Standards 2021 (“GRI Standards”) and made reference to the IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures developed by the International Sustainability Standards Board (“ISSB”).

The Report adheres to the four reporting principles listed in the HKEX ESG Reporting Guide and the eight principles required by the GRI Standards. Unless otherwise specified, consistent methodologies are used to compile the quantitative data presented in the Report.

HKEX ESG Reporting Guide		GRI Standards			
Materiality	Quantitative	Accuracy	Balance	Clarity	Comparability
Balance	Consistency	Completeness	Sustainability Context	Timeliness	Verifiability

REPORT SCOPE *GRI 2-2, 2-3, 2-6*

Aligned with the reporting period of our financial reporting, the Report presents information of our sustainability policy, strategies and performance from 1 January to 31 December 2023.

Operation	Location	Business Unit (“BU”)
Leisure and Hospitality	Hong Kong	<ul style="list-style-type: none"> The Murray MP Hong Kong
	Mainland China	<ul style="list-style-type: none"> Niccolo SZ

The scope of this Report is determined based on assets’ ownership, revenue contribution, operating status, ESG impacts, and the planned exit strategy for development properties in Mainland China. As a result, assets outside of this scope are excluded from the Report. The entities included in this Report represent over 80% of our business operations. It is important to note that the Group’s investment properties in Hong Kong, as well as investment properties and development properties in Mainland China, are not within the reporting scope of this Report, as compared with financial reporting in our Annual Report 2023.

REPORT PUBLICATION DATE AND CONTACT FOR FEEDBACK *GRI 2-3*

This Report is published on 2 April 2024. 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 feedback on the Report and our sustainability strategy. If any, please contact us at sh@harbourcentre.com.hk.

About HCDL

OUR BUSINESS *GRI 2-1, 2-6*

Our long-standing mission of “Building for Tomorrow” guides us in improving our business performance while considering the wellbeing of the environment, society, and all stakeholders. We strive for sustainable growth within the communities we operate in. As a publicly listed company headquartered in Hong Kong, our primary assets include The Murray and MP Hong Kong in Hong Kong, as well as Niccolo SZ in Mainland China. Our customers are mainly hotel guests for leisure and hospitality. There are no significant changes in the Group’s sectors, value chain, and other relevant business relationship compared to the previous reporting period.

OUR PRESENCE AND IMPACT *GRI 2-6, 3-3, 201-1, 203-1; HKEX KPI B8.1, B8.2*

We continue to create positive impact on the environment and economy. Our key business highlights in 2023 are as below:

Direct Economic Value

Total assets	HK\$16,896 million
Revenue	HK\$1,579 million
Employees ¹	approximately 1,200 employees
Staff cost ²	HK\$395 million

Community Contributions

Donations	HK\$0.3 million
Other format of support	Venue sponsorship for 4 events
Surplus food donated	1,710 kg

1 The Group’s total number of employees reported in Annual Report 2023. Under the Report’s reporting scope, the total number of employees is 1,065.

2 Staff costs included defined contribution pension schemes costs for the year ended 31 December 2023 of HK\$16 million, which included MPF schemes after a forfeiture contribution of HK\$1 million.

Corporate Governance GRI 2-9, 2-12, 3-3, 202-2, 405-1

The Group firmly believes that sound corporate governance and exemplary business practices are fundamental pillars for achieving sustainable business growth. The Board of Directors (the “Board”) comprises members with diverse professional backgrounds, including engineering, banking, accounting, finance and securities, toy manufacturing, trading, investment, consulting, and entrepreneurship. The mix of backgrounds, expertise and perspectives will enhance the quality and deliberations in decision making. The Board supervises the Group’s strategic direction and development, including the formulation and implementation of HCDL’s ESG strategy and reporting practices.

Please refer to the Operation of the Board section in the Corporate Governance Report in HCDL’s Annual Report 2023 for details on how important matters are communicated to the Board.

Board Composition ³	Age			Gender		Ethnicity	
	Under 50	51-70	Over 70	Male	Female	Chinese	Non-Chinese
Number	1	2	5	8	0	8	0
%	12.5%	25%	62.5%	100%	0%	100%	0%

RISK MANAGEMENT

The Board has overall responsibilities for the Group’s risk management and internal control systems to safeguard the interests of HCDL and its shareholders as a whole. The Board oversees and approves the Group’s risk management and internal control strategies and policies, which evaluate and determine the nature and extent of the risks (including ESG risks as well as climate-related risks) that are compatible with the Group’s strategic objectives and risk appetite.

Reporting to the Board, the Audit Committee is delegated with the authority and responsibility of ongoing monitoring and evaluation of the effectiveness of the relevant systems, with assistance of the Risk Management and Internal Control Committee.

The Group adopts a prudent management principle and has put in place a robust and inclusive framework, on leverage of the resources of the Wharf REIC group in internal audit and other corporate control functions, to manage risks, including bribery and corruption risks, at different business operations in diversified segments within the organisation. We have also implemented the Compliance Policy Statement that clearly defines the standards and approach we follow to mitigate risk of non-compliance with relevant laws and regulations.

For further information on our risk management and internal control systems, please refer to the Corporate Governance Report in HCDL’s Annual Report 2023.

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 2023 (P. 37 to 39).

ETHICS AND COMPLIANCE *GRI 2-25, 2-27, 3-3, 205-2, 205-3; HKEX KPI B7.1, B7.2, B7.3*

The Group maintains a steadfast commitment to upholding the highest standards of ethical business behaviour and professional conduct in all of our operations. We strictly adhere to applicable anti-corruption laws and regulations. Our Anti-Corruption Policy is designed to foster a strong culture of integrity throughout our value chain. All personnel of the Group, including employees at all levels and others who may act on behalf of the Group, are required to follow the policy in their practices.

The Group does not tolerate any form of bribery, extortion, fraud, or money laundering. Under the Group's anti-corruption framework, the Statement of Business Integrity and Code of Conduct complementing the Group's Anti-Corruption Policy, state clearly the ethical standards and requirements to our employees. Our Anti-Money Laundering and Counter-Terrorist Financing Policy set out the principles and basic requirements for the Group and employees to follow for compliance, monitoring and reporting mechanism. All directors, officers, and employees are required to adhere to relevant policies addressing conflicts of interest, insider dealings, anti-competition, and anti-corruption.

To ensure compliance and prevent inadvertent violations, the Group's policies are accessible on intranet and corporate website. We regularly organise training sessions facilitated by law enforcement agencies such as the Independent Commission Against Corruption and Competition Commission. These sessions aim to educate our employees and Board members on legal requirements and best practices. In 2023, a total of 604 hours of compliance-related training covering topics of anti-corruption and code of conduct were provided to our directors and employees, while over 779 hours of training on anti-competition were offered to ensure employees understand and comply with relevant requirements.

To provide a safe and confidential reporting mechanism for employees who identify potential instances of misconduct or malpractice, we have implemented the Whistleblowing Policy & Procedures. This policy establishes a secure channel for employees and business partners to report concerns to the Group, without the fear of facing retaliation. The policy explicitly outlines our commitment to protecting whistleblowers and provides details on its implementation, including compliant investigation procedures and subsequent actions. Whistleblowing reports received by the Internal Audit Department are regularly reviewed by the Audit Committee. During the reporting year, no valid complaints of critical matters raised through the whistleblowing channel were communicated to the Audit Committee.

During the reporting year, there were no fines and penalties imposed regarding corruptive practices brought against the Group.

SUSTAINABILITY GOVERNANCE

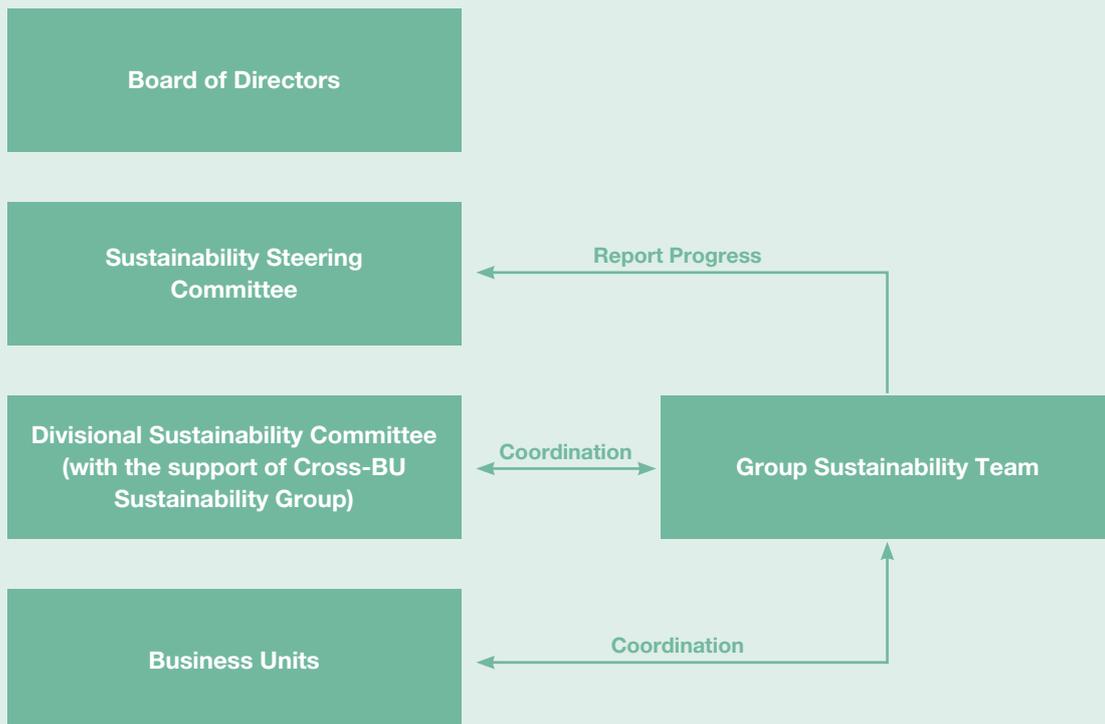
Board Statement *GRI 2-13, 2-14*

The Board holds ultimate accountability for overseeing HCDL’s ESG matters, encompassing strategy formulation, management, reporting, and policy approval. Aligned with the Group’s enduring vision of “Building for Tomorrow”, the Board is dedicated to minimising the environmental and social impact stemming from our operations. We conduct risk assessment exercises including stakeholder engagement and materiality assessments. These exercises enable us to identify and prioritise key ESG risks, including climate-related risks, as well as opportunities that have a significant impact on the Group’s operations.

The Board delegates the responsibility of regularly evaluating the Group’s ESG risks and performance to the Sustainability Steering Committee, which consists of the Group’s Chairman and key executives from various functional departments. The committee meets twice a year to discuss identified ESG risks and opportunities, ESG performance, ESG-material topics, and the annual Sustainability Report for review by the Board. It also assesses our progress against the environmental goals and targets set by Wharf REIC. The Sustainability Steering Committee, Divisional Sustainability Committee, Cross-BU Sustainability Group, and Group Sustainability Team form the framework to facilitate the implementation of the Group’s ESG strategies, the overview of ESG performance and report of target progress across our businesses.

Sustainability Governance Structure *GRI 2-13, 2-14*

We maintain a close collaboration with Wharf REIC on the management of our ESG performance. The responsibility for overseeing and implementing ESG initiatives and programmes in our daily operations lies with the individual BUs. Our ESG performance and updates are regularly reported to Wharf REIC’s Cross-BU Sustainability Group and Divisional Sustainability Committee. These reports are subsequently reviewed by the Sustainability Steering Committee, which ensures ongoing monitoring of our sustainability efforts.



ESG Risk Management

With reference to the Strategy and Risk Management aspects of the IFRS S1 Standard, we have integrated ESG risks into our Enterprise Risk Management (“ERM”) framework and processes, in which they are effectively identified, assessed, and managed by risk owners. We will consider further enhancing the assessment of the ESG related risks and opportunities to understand and manage their effects on our financial positions and performance, as well as our strategy, business models and value chain. Some of the key ESG risk factors and our response taken to address such risks are illustrated as below:

ESG Risk Factor	Potential Impact	Our Response
Ethical Business Conduct	<ul style="list-style-type: none"> Cases of money-laundering or fraud could pose negative impact on the Group’s reputation and lead to significant financial losses due to fines and penalties 	<ul style="list-style-type: none"> Adopt an integrated and holistic approach to reduce the inefficiencies, miscommunications and other perils of deficiencies in governance Provide regular anti-corruption and other ethics and integrity training to staff
Climate Change	<ul style="list-style-type: none"> Climate change may lead to more frequent and severe extreme weather events, causing significant damage to infrastructure, agriculture, and ecosystems, leading to business interruption, higher operating costs and revenue loss More stringent policies and regulations related to emission reduction and public disclosure may lead to increase of capital expenditure 	<ul style="list-style-type: none"> Review constantly the impacts of climate-related risks and opportunities Utilise technology to minimise emissions and pursuing innovative solutions Enhance climate disclosure by reporting with reference to the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”) and the IFRS S2 Standards
Environmental Compliance	<ul style="list-style-type: none"> Tightened building energy codes and guidelines, and waste handling procedures may lead to increasing capital investment and expenditures required in meeting these requirements Failure to comply with regulations can lead to financial penalties, reputational harm, and potential litigation arising from controversies 	<ul style="list-style-type: none"> Increase capital investment and expenditures to meet these requirements Implement environmental policies that meet the latest standards and regulations and monitor the compliance status
Supply Chain	<ul style="list-style-type: none"> Supply chain disruption may limit resource availability and causes higher pricing, increasing material procurement expenditures Supply chain environmental and social controversies may hinder the Group’s reputation 	<ul style="list-style-type: none"> Engage suppliers constantly to ensure the stability of supply chain and formulate plans to respond to potential disruptions Conduct inspections and evaluate the sustainability performance of our suppliers

ESG Risk Factor	Potential Impact	Our Response
Labour Management	<ul style="list-style-type: none"> Failure to attract and retain talent due to the regional competition for skilled professionals that maintain the Group's service quality Occupational health and safety incidents and injuries can lead to absenteeism, reduced employee morale, and decreased efficiency, impacting overall operations 	<ul style="list-style-type: none"> Review the competitiveness of our compensation package and provide comprehensive non-monetary benefits that ensure employees' wellbeing Implement measures to safeguard the health and safety of customers and employees, and provide health and safety training to all staff members

Sustainability Policies *GRI 2-23, 2-24*

Our sustainability policies are in line with the Group's key sustainability perspectives and serve as guidelines for our daily operations. These policies are periodically reviewed and approved by the Sustainability Steering Committee. All business operations and employees at all levels abide by all sustainability policies. Stakeholders who may provide services to or act on behalf of the Group are also covered by selected policies. Policies are communicated to stakeholders through formal meetings and website, etc. Please refer to each policy for details on how it is embedded in the Group.

List of Sustainability Policies:		
• Anti-corruption Policy	• Statement of Business Integrity	• Code of Conduct
• Compliance Policy Statement	• Anti-money Laundering and Counter-terrorist Financing Policy	• Climate Change Policy Statement
• Environmental Policy	• Green Procurement Policy	• Human Rights Policy
• Safety and Health Policy	• Quality Policy Statement	• Supplier Code of Conduct

United Nations Sustainable Development Goals

The United Nations Sustainable Development Goals ("UNSDGs") provide a shared framework for global partnership to drive positive change. The Group adheres to the relevant goals identified by Wharf REIC and aligns our key sustainability priorities with these goals. Following are the UNSDGs we have identified out of the 17, and the details will be disclosed in the corresponding sections in the Report.

Key Sustainable Foci	Corresponding Section	Relevant UNSDGs
The Environment	<ul style="list-style-type: none"> Our Environment Our Value Chain 	6, 7, 11, 12, 13
Fair and Diverse Community	<ul style="list-style-type: none"> Our People Business-in-Community 	4, 10
Workplace and Community Wellbeing	<ul style="list-style-type: none"> Our Environment Our People Our Value Chain Business-in-Community 	3, 8

STAKEHOLDER ENGAGEMENT GRI 2-26, 2-29, 3-3

We employ a stakeholder-driven approach to assess the materiality of various ESG issues. To identify and prioritise these material issues, we actively seek input from internal and external stakeholders regarding our sustainability strategies and performance. This feedback is invaluable in enhancing our sustainability management and reporting practices.

Our engagements with stakeholders are disclosed periodically through various platforms, including newsletters and our corporate website.

Our Stakeholder Groups and Engagement Channels:

Shareholders, investors, and financial analysts	<ul style="list-style-type: none"> • Annual general meeting • Financial reports, announcements and circular(s) • Corporate communications and company websites • Regular meetings • Focus groups and surveys
Employees	<ul style="list-style-type: none"> • Focus groups and surveys • Intranet and internal publications • Employee activities • Internal grievance system
Media	<ul style="list-style-type: none"> • Media briefings and luncheons • Press releases • Executive interviews • Instant internet updates
Business partners (including suppliers, contractors and sub-contractors)	<ul style="list-style-type: none"> • Tendering • Operational meetings • Contract and performance review • Site visits • Surveys
Government, regulatory bodies and industry associations	<ul style="list-style-type: none"> • Regulatory task forces and committees • Industry operational meetings • Forums and conferences
Non-governmental organisations	<ul style="list-style-type: none"> • Programme partnership meetings • Regular programme reviews and assessments • Surveys • Volunteering events
Local community	<ul style="list-style-type: none"> • Community investment programmes • Company visits • Social media platforms
Customers	<ul style="list-style-type: none"> • Surveys • Social media platforms

Stakeholder Comments and Our Responses

We have appointed an independent consultant to conduct stakeholder engagement exercises in accordance with the AccountAbility AA1000 Stakeholder Engagement Standard 2015. This year, we successfully engaged 682 stakeholders, including employees, suppliers, tenants, investors, and customers, through online questionnaires, interviews, and focus group discussions. Our responses to each of the material topics can be found under corresponding chapters throughout the Report, and the table below outlines the key responses collected:

Aspect	Stakeholder Comments	Our Responses
Sustainability strategy	Suppliers and investors suggested more frequent communication on sustainability at the management level to allow deeper understanding of ESG challenges and opportunities faced by each party.	We have been actively engaging our stakeholders through various forms of communication and our management is aware of the importance of mutual understanding to the collective improvement in sustainability. We will identify more opportunities, whenever appropriate, to exchange ideas and communicate clearer expectations directly with our key stakeholders.
Sustainability practice	Employees suggested promoting group-wide efforts and synergy when implementing ESG practices. The Group should provide sufficient guidance and support so that the messages could be effectively disseminated across different levels.	We value the practical feedback from stakeholders regarding the actual implementation of our sustainability practices. We understand that the Group-wide alignment is critical for nurturing a culture and at the same time, certain level of autonomy at BU will be required. We will consider providing more guidance to employees that facilitate the integration of sustainability into their daily conduct of duties.
Sustainability disclosure	Investors suggested disclosing more information of the Group's roadmap on building climate resilience, including tangible and ambitious targets of emission reduction.	We have formulated emission reduction and other environmental plans to support Wharf REIC's 2030 targets. Meanwhile, we support Wharf REIC in studying the development of its science-based targets which shall lead to a clearer pathway of contributing to the global climate change mitigation and adaptation in the future.

MATERIALITY ASSESSMENT GRI 3-1, 3-2

To identify and prioritise ESG topics that are relevant to our business and stakeholders, we follow a four-step materiality assessment process. This process involves evaluating and prioritising stakeholders' perspectives on the significance of impacts. The insights gained from these engagements enable us to improve our business practices and make well-informed decisions.

Step 1: Identification	We identified potential material topics for disclosure with reference to the internationally accepted GRI Standards and the HKEX ESG Reporting Guide. Internal and external stakeholders were invited to participate in an online survey to identify the material topics.
Step 2: Prioritisation	We reviewed local, regional, and international peers' disclosure to identify industry practice and invited stakeholders to rank the materiality of various ESG topics. Feedback from the stakeholders regarding the Group's Sustainability Report was also considered. Internal and external views on significant impact were gathered to prioritise the issues. After analysing and consolidating the peer benchmarking and stakeholder engagement results, the overall materiality level of each sustainability issue and a prioritised list can be derived.
Step 3: Validation	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.
Step 4: Review	The sustainability issues and corresponding impact boundary are reviewed on a regular basis to ensure their relevance and materiality to the Group.

Material Topics and Corresponding Topic Boundary

Topics	Boundary and Impact	
	Within the Group	Outside the Group
Top eight material topics		
Anti-corruption	✓	✓
Employee Wellbeing	✓	✓
Customer Health and Safety	✓	✓
Occupational Safety and Health	✓	✓
Customer Privacy	✓	✓
Customer Satisfaction and Engagement	✓	✓
Recruitment and Retention	✓	✓
Climate Change and Climate Resilience	✓	✓

Topics	Boundary and Impact	
	Within the Group	Outside the Group
Other material topics		
Innovation	✓	✓
Equal Opportunities, Diversity and Inclusion	✓	✓
Sustainable Buildings	✓	✓
Training and Education	✓	✓
Anti-Competitive Behaviour	✓	✓
Economic Performance	✓	✓
Energy	✓	✓
Waste	✓	✓
Greenhouse Gas and Emissions	✓	✓
Human Rights Assessments	✓	✓
Other relevant topics		
Supply Chain Management	✓	✓
Prevention of Child Labour and Forced Labour	✓	✓
Labour/Management Relations	✓	✓
Community Investment and Engagement	✓	✓
Water	✓	✓
Indirect Economic Impacts	✓	✓
Materials	✓	✓
Wildlife Protection and Biodiversity	✓	✓

■ Environmental
 ■ Social - workplace practice-related
 ■ Social - customer-related
 ■ Governance and Economic

18 topics are identified as material this year, remain the same as in 2022. “Anti-corruption” is the most material aspect in 2023, while three of the material topics of 2022, including “Supply Chain Management”, “Community Investment and Engagement” and “Water”, are no longer considered as material to Wharf REIC based on results from stakeholder engagement.

All material and relevant topics identified have actual, potential and positive impacts on either the economy, environment or people, except for “Water”, “Waste”, “Energy”, and “Greenhouse Gas and Emissions” where the impacts are both positive and negative to the environment.

Our Environment

COMMITMENT AND STRATEGY *GRI 2-23, 2-24, 2-25, 2-27, 3-3; HKEX KPI A1.5, A1.6, A2.3, A2.4*

The Group actively embraces its corporate environmental and social responsibility by striving to enhance the environmental performance of our business operations and achieve significant progress towards a more sustainable future. Our commitment extends beyond mere compliance with environmental laws and regulations. We aim to mitigate the adverse impacts of our operations on the environment and integrate sustainable tourism practices into our overarching business strategy. In addition, our robust sustainability governance structure enables effective environmental management to address challenges posed by more frequent extreme weather events, water scarcity, and waste generation, thus mitigating potential environmental risks.

We consistently devote our efforts to reducing the environmental footprints caused by our operations. Our Environmental Policy outlines key objectives and initiatives in six critical areas: compliance, pollution prevention, carbon management, resource management, biodiversity protection, and communication of environmental performance. Throughout the reporting year, there were no recorded violations of any applicable environmental laws or regulations.

The table below illustrates Wharf REIC's environmental targets, and as a Group, we aspire to contribute significantly towards achieving these targets:

Wharf REIC's 2030 Environmental Targets

	Baseline Year	Overall Targeted Reduction	HCDL's Contribution in 2023 ^(Note)
GHG emission	2014	-30%	On track
Water consumption	2014	-18%	On track

Note: While our absolute GHG emission and water consumption increased moderately during 2023 in line with our business and revenue growth, our contribution to Wharf REIC's overall progress in achieving the 2030 Environmental Targets remains on track.

To further enhance our environmental contributions to align the global agenda of carbon neutrality, Wharf REIC is studying to come up with more ambitious reduction targets. The Group is also committed to reducing electricity intensity and increasing waste reduction and recycling rates. As part of this commitment, we have plans to set quantitative targets for waste reduction and recycling in the near future, building upon our existing achievements.

CLIMATE RISK AND RESILIENCE MANAGEMENT *GRI 3-3, 201-2; HKEX KPI A4.1*

As stakeholders' awareness of the threats posed by climate change and its impact on our business operations continues to grow, we have referenced the TCFD recommendations framework and the IFRS S2 Standard to summarise our efforts in managing climate-related risks and opportunities across four core categories: governance, strategy, risk management, and metrics and targets. We remain committed to enhancing disclosures related to climate-related risks and opportunities, and we will conduct regular reviews to assess the effectiveness of our climate risk management practices.

Climate-related Information Disclosure

Governance

The Board plays a crucial role in overseeing climate-related risks and matters, including the development of strategies, management approaches, and policies. For more detailed information, please refer to the Board Statement in the report.

Climate change considerations are integrated into our business plans. For better coordination, the Board has subsequently delegated the management of climate and other ESG-related risks and opportunities to the Sustainability Steering Committee. It identifies, evaluates, manages, and monitors critical climate-related risks and opportunities. For further details, please refer to the Sustainability Governance section of the Report.

Apart from managing the risks and opportunities, to address the challenges posed by climate change, the Group adheres to Wharf REIC's Climate Change Policy Statement. This statement provides a clear direction for our management approach and offers guidelines to reduce the climate impacts resulting from our business operations, while also enhancing our resilience in the face of a changing climate.

Strategy

The Group is committed to supporting the carbon neutrality pledge made by the Central Government and the Hong Kong SAR Government. In line with this commitment, the Group is consolidating its green efforts to provide support. As part of this initiative, a climate risk mapping exercise was conducted under Wharf REIC's framework to identify and address climate-related risks and opportunities in our business operations in Hong Kong and Mainland China.

Climate-related Risk Assessment and Management

With technical assistance from a third-party consultant, we have updated the assessment methodology through a climate scenario analysis to reassess climate risks and opportunities across our BUs in Hong Kong and Mainland China under two consolidated scenarios in accordance with TCFD recommendations. The two consolidated climate scenarios are constructed based on public available scenarios which include Intergovernmental Panel on Climate Change ("IPCC"), International Energy Agency ("IEA") and Network for Greening the Financial System ("NGFS"). Based on the revaluation of our climate risk assessment results, we have updated our mitigation measures across various operational areas. The following outlines the scenarios and assumptions employed during our climate risk assessment.

Consolidated Scenario	Brown Scenario	Turquoise Scenario
Timeframe	<ul style="list-style-type: none"> Short-term — till 2030 Medium-to-long-term — till 2100 	
Global Mean Temperature	<ul style="list-style-type: none"> Global mean temperature rise of above 3 °C by 2100 	<ul style="list-style-type: none"> Global mean temperature rise of 1.5°C to 2 °C by 2100
Scenario Description	<ul style="list-style-type: none"> The scenario represents the future that only current policies and nationally determined contribution are implemented with limited investments and climate actions to decarbonize. This would usually lead to high level of physical risk and low level of transition risk. 	<ul style="list-style-type: none"> The scenario represents the future that stringent and immediate policies will be implemented by the governments while companies are actively committed to climate action goals. This would usually result in high level of transition risks and low level of physical risks.

During the year, we have completed the physical risk assessment using the updated methodology, focusing on asset level risks. The assessment covered the three material properties in our portfolio in Hong Kong and Mainland China using 10 physical risk parameters, including four acute risks (typhoon, river flood, rainfall flood and storm surge) and six chronic risks (drought, extreme heat, sea level rise, snowmelt, landslide and wildfire), in the time horizon of 2030, 2050 and 2100 under Brown and Turquoise Scenarios. The assessment was conducted based on a range of complex authoritative data sources including the IPCC's Sixth Assessment Report, satellite imagery, global climate models and others to reassess the potential physical risks under Brown and Turquoise Scenarios. Each asset received a climate risk score calculated based on its overall vulnerability to the 10 climate risks based on its geographical location. A higher score indicates a greater susceptibility of the asset to the negative impacts of the overall physical hazards.

The Group has established the ERM framework and processes to identify and mitigate business risks. Recognising climate change as a strategic business risk, we have integrated it into our daily operations and business decision-making processes. By adopting the ISO 14001 environmental management system, we have implemented a comprehensive and effective guidance system to assess and manage ESG and climate-related risks across all our operations. Based on the latest result of the physical risk assessment, the Group will further update the corresponding mitigation and adaptation plans for enhancing our business resilience in an era of climate change.

Overview of Climate-related Physical Risks of HCDL (2023 Methodology)

Risk Category	Potential Risk	Potential Business Impact	Time-horizon
Acute Risk	Typhoon	<ul style="list-style-type: none"> Increasing frequency and intensity of typhoon may cause significant losses due to property damage and maintenance fee City wide disasters caused by typhoons may lead to business interruption 	Short-term to long-term
	Rainfall Flood	<ul style="list-style-type: none"> Company assets may be damaged due to sudden flooding in the region resulting in temporary closure of property, which requires extra capital expenditure to resume operation Supply chains may be disrupted due to damaged infrastructure and delayed transportation 	Short-term to long-term
Chronic Risk	Extreme Heat	<ul style="list-style-type: none"> Lead to productivity loss as extreme heat will impact employees' overall productivity, well-being, and performances Affect tourism industry as tourist activities may be reduced significantly and affect tourists' willingness to visit due to the extreme weather 	Short-term to long-term

Meanwhile, we are in the progress of conducting the updated transition risk assessment and expect to complete by 2024. The assessment features an industry-level risk review and a range of stakeholder engagement exercises, which will help identify business impact hotspots of relevant transition risks under the defined scenarios.

Overview of Climate-related Transition Risks of HCDL (2022 Methodology)

Type of Risk	Risk & Impact	Inherent Risk Rating		Adaptation and Mitigation Measures
		RCP 4.5	RCP 8.5	
Reputation	<p>Fail to adapt to stakeholder's interest in sustainability during the transition to a low-carbon economy</p> <p>Impact</p> <ol style="list-style-type: none"> Loss of competitive edge Damage to reputation 	High ("H")	Moderate ("M")	<ol style="list-style-type: none"> Closely monitor satisfaction level of hotel guests Share with hotel guests the Group's sustainability initiatives Observe market trend and government's policy direction
Market	<p>Increase in fuel, energy and commodities costs</p> <p>Impact</p> <ol style="list-style-type: none"> Higher operating cost for hotels Impact demand for business and leisure travel which in turn may affect business levels in hotels 	H	M	<ol style="list-style-type: none"> Identify and execute energy reduction opportunities by establishing KPIs for hotels' General Managers involving utility goals Leverage rebates and other incentives for emissions reduction projects, for example, investing in solarisation for renewable power Ensure effective talent acquisition of associates with strong business acumen to be able to adapt to changing business environments EarthCheck collaboration

The Group will further enhance its climate-related risk assessment, management and disclosure in the upcoming reports with more details available from the exercises we duly conducted.

Climate Change Opportunities

In the context of climate change, the Group faces emerging business opportunities as well as physical and transition risks. As part of our commitment to transitioning to a low-carbon economy, we continuously strive to reduce fossil fuel consumption and improve energy efficiency. These dedicated efforts to promote sustainable practices have not only resulted in direct cost savings but also reduced energy expenses.

The global increase in ESG awareness and efforts has led to the expansion and growth of sustainable finance opportunities in recent years. We are fully committed to long-term ESG development and actively exploring opportunities in the global capital market to support our decarbonisation plans. Understanding long-term regulatory regimes, carbon pricing, and trading mechanisms is crucial for us as we align with the global movement towards a carbon-neutral economy. Hence, we are continuously seeking new and effective ways to enhance our sustainability performance through green investments.

Metrics and Targets

The Group remains committed to assessing and managing climate change-related risks and opportunities. Key metrics, such as Scope 1 and 2 GHG emissions, are closely tracked and monitored. Performance data on our GHG emissions can be found in Appendix I: Performance Data Summary — Environmental Performance.

To reaffirm our commitment to mitigating climate change, we actively contribute to Wharf REIC's 2030 environmental targets, which aim to reduce overall GHG emissions. Wharf REIC is studying to formulate more ambitious science-based emission reduction targets, and the Group will continue to fully support. For more detailed information, please refer to the "Our Environment — Commitment and Strategy" section of the Report.

ENERGY AND GREENHOUSE GAS MANAGEMENT *GRI 3-3, 302-1, 302-3, 302-4, 305-1, 305-2, 305-3, 305-4, 305-5; HKEX KPI A1.1, A1.2, A1.5, A2.1, A2.3, A3.1*

Understanding the direct correlation between carbon emissions and energy consumption, the Group has implemented practical measures to increase the energy efficiency of our operations. These measures are undertaken to effectively reduce our carbon footprint and minimise the environmental impact associated with our energy usage.

Our BUs regularly monitor the total electricity consumption of their operations to ensure efficient energy management. In 2023, MP Hong Kong conducted an energy audit to gain valuable insights into the hotel's energy consumption patterns and identify areas for potential improvements in energy savings and conservation.

We have successfully managed our energy consumption through the implementation of various initiatives. For example, we have installed energy-saving light bulbs and occupancy sensors throughout our facilities, including guest floors and kitchen areas. To reduce standby energy usage, which can account for a significant amount of a device's total energy use, we have replaced all fluorescent tubes on the back of the house staircase with motion-detecting LED lights.

During non-operating periods, we proactively turn off the driveway T-profile LED light strips at The Murray. Moreover, we have implemented variable speed drives for our chillers, chilled water pumps, and cooling towers, further enhancing our energy efficiency. We have also employed energy-saving sequencing control for the cooling towers. During the cold season, we utilise water-source heat pumps to decrease the energy consumed by the chillers. We have also adopted a simple yet effective approach to minimise heat gain and air conditioning load. Upon check-out, the blinds in guest rooms are programmed to close automatically, reducing the need for excessive cooling. We have upgraded the chiller system to regulate the temperature during night and early morning periods, optimising energy usage and enhancing overall efficiency. Additional fine tunes and adjustments were also made to monitor outdoor temperature which affects the chiller water supply temperature, to optimise the output performance of chiller by making use of the natural variables. As a result, total power consumption of The Murray was reduced by 1.8% during the year compared to 2022.

Meanwhile at MP Hong Kong, a dimmer lighting system was installed at its food and beverage outlets, which allows flexible lighting adjustment to provide a more enjoyable dining experience for our customers with lower electricity consumption. As the cleanliness of the air conditioning system directly affects its efficiency, Niccolo SZ regularly clean the filters to ensure better airflow and optimise the cooling effects. This also reduces the workload on the air conditioner to maintain the desired temperature, allowing energy savings.

This year, we continued our participation in "Earth Hour", a global event where lights are symbolically turned off. Through our participation, we aim to raise awareness about climate change, demonstrate our dedication to the environment, and inspire energy conservation among our staff members and hotel guests.

Highlight

EarthCheck and ISO Certifications in our Operations

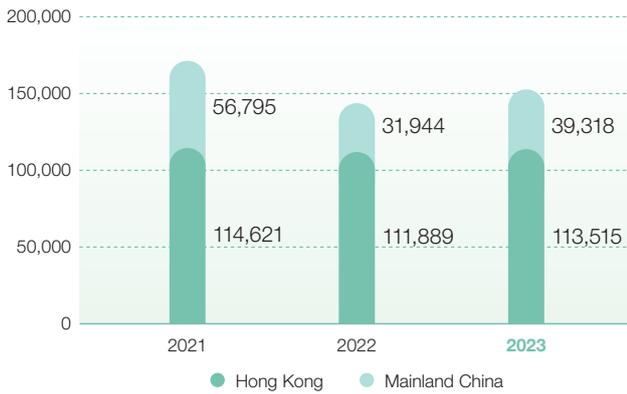
MP Hong Kong has been awarded Gold Certification by EarthCheck, the leading environmental certification and benchmarking program for the travel and tourism industry. The Murray and Niccolo SZ have also received Silver Certification from EarthCheck. These certifications serve as recognition of our strong dedication and commitment to sustainability. During the reporting year, The Murray and MP Hong Kong achieved ISO 14001 environmental management system, ISO 45001 occupational safety and health management and ISO 9001 quality management system certifications, indicating a committed effort in achieving effective management of the hotels' environmental, health and safety and quality performance.



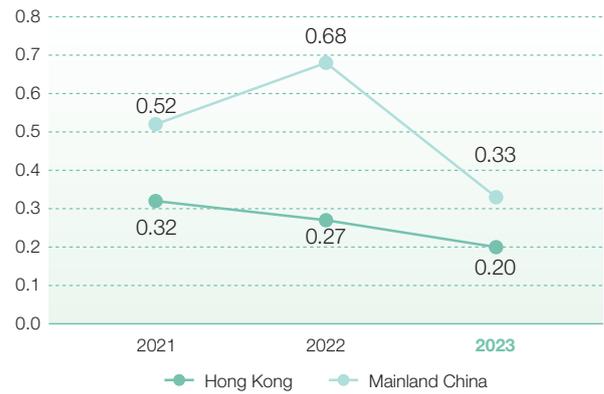




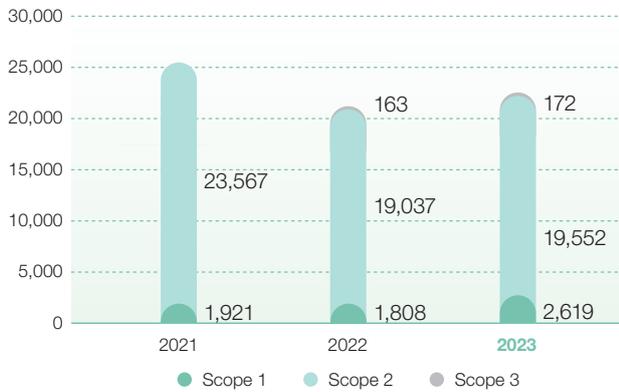
Energy consumption by location in GJ (Note 1, 2, 3)



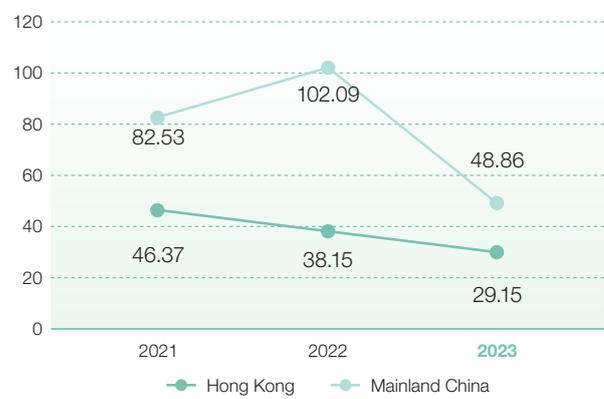
Energy intensity by location in GJ per guest night (Note 1, 2, 4)



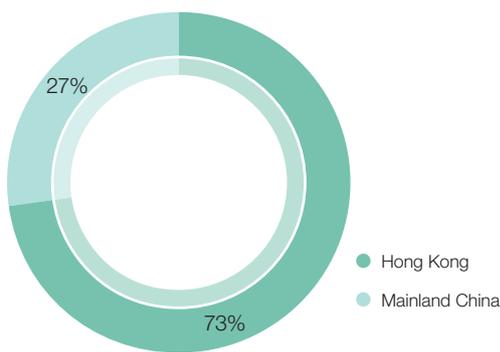
Total GHG emissions: market-based in tonnes CO₂e (Note 1, 4, 5)



GHG emissions (Scope 1 and 2) intensity: market-based by location in kg CO₂e per guest night (Note 1, 3, 4, 6)



Total GHG emissions (Scope 1 and 2): market-based by location in percentage



- Note: (1) Data presented in sustainability report is based on the report scope of the respective report. Please refer to page 3 for 2023's report scope.
 (2) Marco Polo Changzhou has been removed from the report scope since 2022.
 (3) To reflect the actual situation, energy consumption, scope 1 GHG emissions and GHG emissions (scope 1 and 2) intensity of Hong Kong in 2021 and 2022 have been recalculated.
 (4) For definition of guest night, please refer to footnote 2 on page 31. For definitions of scope 1, scope 2 and scope 3 emissions, please refer to footnote 6–11 on page 31.
 (5) Scope 3 emission data was collected since 2022. Please refer to page 30 for the categories of scope 3 emission data.
 (6) Only Scope 1 and Scope 2 emissions were included in intensity calculation for comparison.

AIR QUALITY MANAGEMENT *GRI 305-7; HKEX KPI A1.1, A1.5, A3.1*

We place significant emphasis on reducing hazardous air pollutant emissions and maintaining good indoor air quality in built environment. We actively explore environmentally friendly technologies to address air pollution concerns, all with the aim of safeguarding the wellbeing of our guests.

At The Murray, we have implemented measures to enhance the cleanliness and functionality of the hotel’s heating, ventilation, and air conditioning (“HVAC”) systems. This includes conducting deep cleaning of fan-coil units and regularly cleaning and replacing air conditioning filters. Similarly, at Niccolo SZ, we ensure high air quality standards by conducting regular cleaning of hotel air conditioning filters four times a year. These practices ensure optimal functionality, maximising guest satisfaction, and enhancing the overall performance of the air conditioning systems.

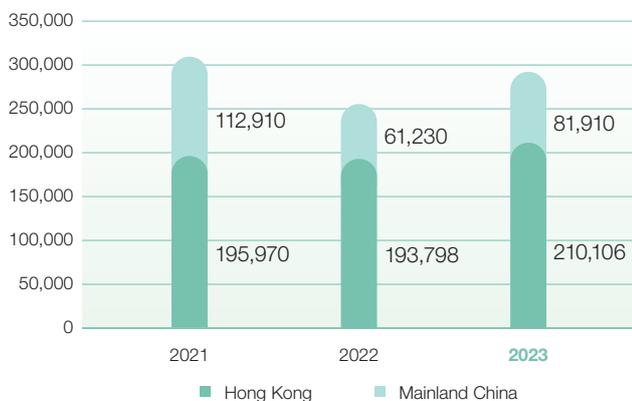
WATER STEWARDSHIP AND CONSERVATION *GRI 3-3, 303-1, 303-3, 303-4, 303-5; HKEX KPI A2.2, A2.4, A3.1*

The availability of clean water is crucial for the smooth operations of our hotel, but climate change is intensifying the water scarcity crisis, which could pose significant operational and financial risks to our business. In response, we recognise the need to enhance our water conservation measures and maximise water efficiency throughout our operations. Additionally, we promote water-saving behaviours among our staff and guests, encouraging them to adopt more sustainable water consumption habits. By taking these proactive steps, we can contribute to mitigating the impact of water scarcity and ensure the long-term sustainability of our operations.

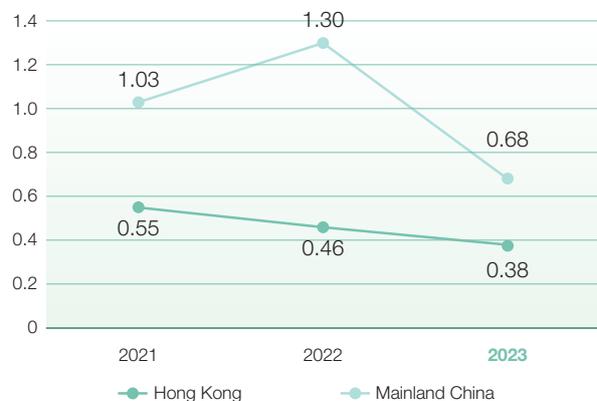
To avoid water wastage, several water reduction measures were implemented. At MP Hong Kong, water restrictors have been installed in bath taps and showers. By creating a fine water spray, these restrictors help to decrease water usage by 5.6 litres per minute. Additionally, our hotels promote responsible water consumption among guests through the implementation of a green programme. As part of this initiative, guest linens are washed only upon request, encouraging guests to be aware of using water efficiently. Since its introduction, this programme has been well received and supported by our in-house guests, demonstrating their support to sustainable practices.

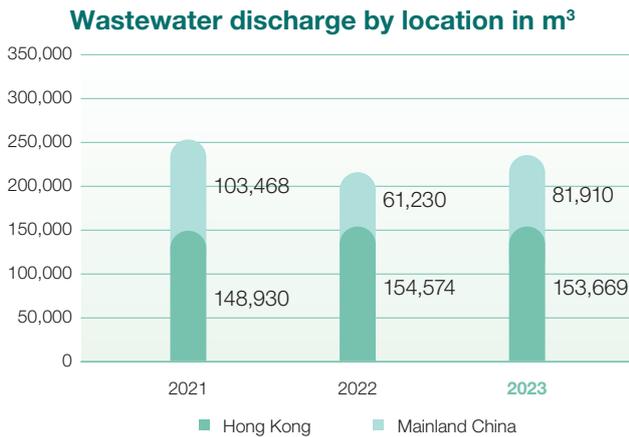
The Group acknowledges that water leakage can account for a significant portion of water wastage. As a proactive measure, MP Hong Kong has implemented water sensors to identify any instances of water leakage. Furthermore, the diligent staff at Niccolo SZ regularly conduct inspections of critical water utilities to promptly detect and address any water leaks. We also shut down kitchen equipment temporarily that was not essential.

Water consumption by location in m³



Water intensity by location in m³ per guest night





WASTE MANAGEMENT AND RESOURCE CONSERVATION

GRI 3-3, 306-1, 306-2, 306-3; HKEX KPI A1.6, A3.1

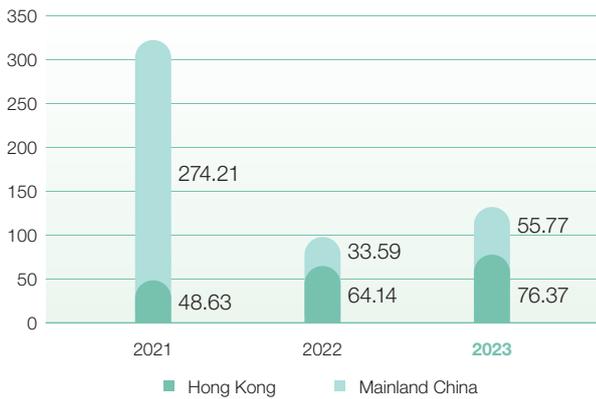
We are committed to addressing the environmental impact caused by resource overconsumption and improper waste treatment. To tackle this issue, we prioritise waste elimination at its source and have implemented effective waste sorting practices for different types of waste at our hotels. The Group has been evaluating and rearranging our business practices to eliminate waste at source. In response to the waste reduction targets as in Waste Blueprint for Hong Kong 2035 and to prepare for the implementation of the Municipal Solid Waste Charging Scheme, our hotels no longer use plastic in our foodservice packaging, straws, spoons, etc. At The Murray, all water is served by glass or in glass refills and is internally filtering to eliminate the single-use plastic bottles. Our hotels have also adopted alternatives to replace the disposable plastic guest-room amenities or used bulk size amenities.

We have established recycling programmes at MP Hong Kong, which include the recycling of items such as fluorescent light tubes, light bulbs, and glass bottles. Moreover, unwanted materials like unwanted clean towels and old newspaper in our hotels were donated to Hong Kong Animal Adoption Centre, Society for the Prevention of Cruelty to Animals (Hong Kong) and Society for Abandoned Animals. In July to August 2023, 622 kg of towels and 3 kg of newspapers were donated to these organisations, which helped us reduce waste generation and at the same time support animals to live a “pawper” life before being adopted.

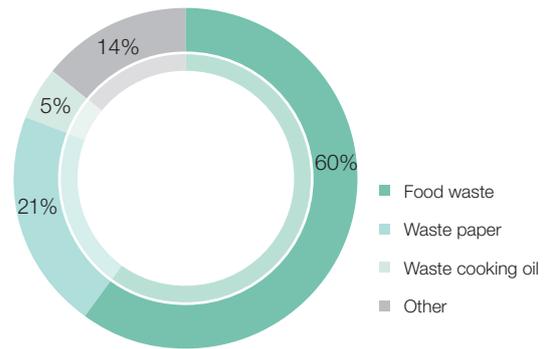
Leftover from guests’ rooms are also mandated for recycling to reduce waste disposal to landfill. Starting from 1 May 2023, the recycling of used coffee capsules, amenity bottles, and soap has been made mandatory at hotel operations. Our housekeeping staff plays a crucial role in this process as being the party to collect these used items from guest rooms and ensure they are properly sorted for recycling. By implementing these measures, we aim to increase our recycling efforts and promote proper waste management within our operations. The total recycling rate of soap, coffee capsule and amenity bottles have increased significantly compared with previous years. Recycling bins were also installed in front house and back of house area to encourage staff and guest to get involved. In 2023, we achieved a significant milestone in our sustainability efforts by recycling a total of 2,237 kg of plastic. This accomplishment represents a promising start to our ongoing endeavour to reduce plastic waste. We remain committed to building on this success and further improving our recycling initiatives of other materials.

Most of the waste we created was non-hazardous due to the nature of our operations. Therefore, there is no important environmental impact occurred from hazardous waste.

Recycled waste by location in tonnes ^(Note)



Recycled waste by type in percentage



Note: The large decline of recycled waste from 2021 was attributable to Marco Polo Changzhou being removed from the reporting scope since 2022 due to cessation of business.

ENHANCING ENVIRONMENTAL AWARENESS *HKEX KPI A3.1*

Employees' environmental awareness reflects in their daily operating practices and affects our environmental performance. To foster their environmental awareness, we have conducted sustainability awareness training for our employees, providing them with essential knowledge on ESG principles.

Furthermore, in line with our commitment to waste reduction and recycling, the Group prioritises sustainable considerations when procuring materials. We actively seek out reliable suppliers that offer environmentally friendly options. For instance, MP Hong Kong purchases eco-labelled toilet tissues and paper whenever possible, and we prioritise suppliers who use minimal packaging. These efforts demonstrate our dedication to partnering with suppliers that align with our environmental values.

COMMITMENT AND STRATEGY

We have a strong commitment to respecting the rights of our employees and appreciating their contributions. We embrace diverse and inclusive corporate culture, forbid harassment and discrimination at workplace, follow fair hiring practices, offer competitive compensation and benefits, provide development and training opportunities, and prioritise employee wellbeing through occupational safety and health (“OSH”), regular communication, and recognition. We strictly adhere to policies regarding recruitment, compensation, equal opportunity, and anti-discrimination, and we comply with all applicable laws and regulations in Mainland China and Hong Kong. During the reporting year, The Murray and MP Hong Kong were recognised as “Manpower Developers” by the Employees Retraining Board, demonstrating our dedication to employee training.

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

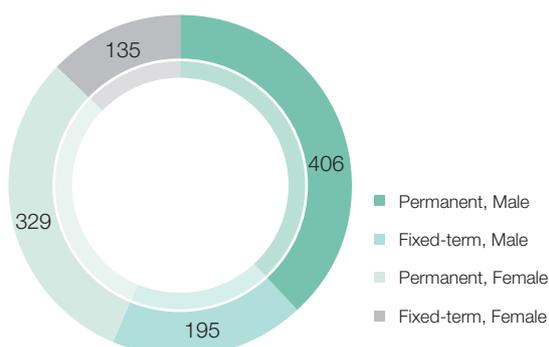
GRI 2-7, 2-8, 3-3, 401-2, 405-1; HKEX KPI B4.1, B4.2

The Group is committed to fostering a collaborative, inclusive, and harmonious workplace environment. We firmly believe in providing equal opportunities to all job applicants, irrespective of their gender, religion, sexual orientation, or other demographic factors. Our evaluation process focuses on assessing skills, experience, performance, and expertise in relevant domains. Recognising the significance of gender diversity, we strive to maintain a well-balanced workforce, with over 40% female representation. We vehemently oppose the use of child labour and forced labour, as clearly stated in our Human Rights Policy. We adhere to strict guidelines by requesting identification documentation from all job applicants and strictly prohibiting child labour in our supply chain. Our Supplier Code of Conduct also enforces the prohibition of child and forced labour for our suppliers. To ensure the protection of human rights, we have established a comprehensive Human Rights Policy that integrates our commitment into our practices, aligning with international and local regulations and standards. Additionally, we have implemented an internal grievance system that allows employees to report any instances of discrimination, harassment, victimisation, or vilification, ensuring a safe and inclusive workplace for all.

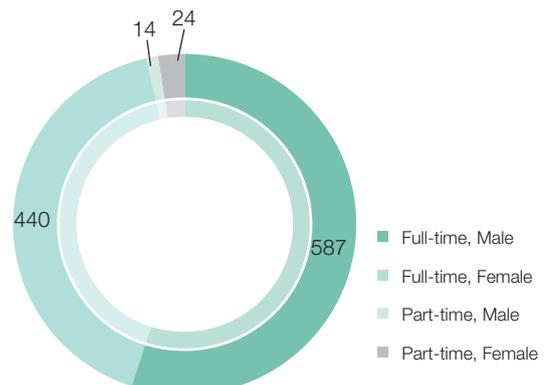
Robust talent acquisition and retention strategies lead to productivity, innovation and higher quality that enable the Group to achieve a better future. We place a strong focus on formulating competitive remuneration packages and benefits for our employees, including occupational accident insurance, regular influenza vaccination and dental scheme. Under our Compensation and Benefit Policy, our employees’ compensation is protected. At MP Hong Kong, we provide a loyalty pension to employees who devoted themselves to working under the Group for a long time and make a significant contribution. The Murray provides employees with comprehensive insurance coverage, and referral bonus was launched to attract talents from different backgrounds. Employees at Niccolo SZ are covered by “Five Social Insurance and One Housing Fund”.

Employee Composition

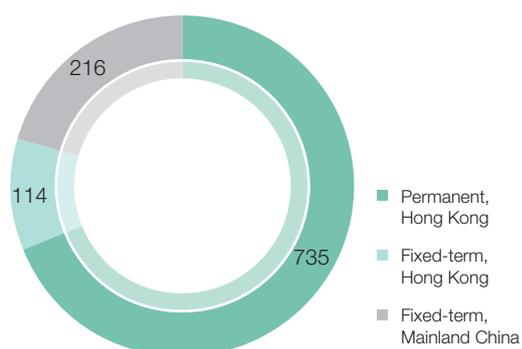
Total workforce by contract type by gender



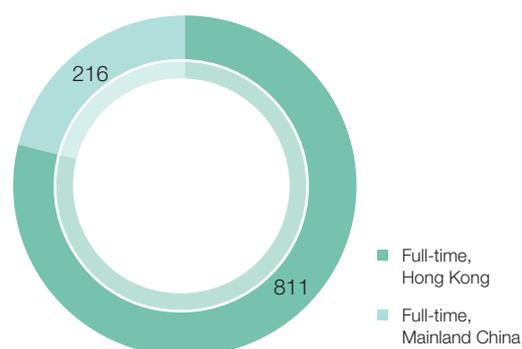
Total workforce by employment type by gender



Total workforce by contract type by region



Regional distribution of full-time employees



The above show the brief information of HCDL’s workforce, please refer to the Appendix I: Performance Data Summary – Employee Statistics on page 31 for details.

DEVELOPMENT AND TRAINING *GRI 3-3, 404-1, 404-2*

To enhance the knowledge and skills of our personnel to ensure competency, the Group has implemented various policies, including Wharf Hotels’ Policies on Departmental Training, External Learning Subsidy, and Internship Programme. We actively support our staff’s professional development by offering education reimbursement for external training, encouraging them to pursue continuous education opportunities.

As a market leader in the hospitality sector, we prioritise service excellence and value our customers highly. To instil this mindset, we have developed a comprehensive orientation programme for every new hire, where we communicate our corporate direction, expectations, and the goal of delivering exceptional service. In order to maintain our reputation for high-quality service and ensure a smooth opening of new operations, we engage employees at an early stage and provide them with comprehensive training. This approach allows ample time for staff to familiarise themselves with their roles and responsibilities, and deliver distinguished hospitality service.

The Group actively promotes continuous education among employees by offering on-the-job learning support to enrich their knowledge and skills. Our BUs organise various career development events, such as in-house workshops and service excellence simulations, aimed at enhancing practical skills and work quality. Our comprehensive training and development topics cover areas such as laws and regulations, personal data privacy protection, corporate culture, anti-corruption measures, skills enhancement, professional development, environmental protection, human rights, and OSH.

To ensure the effectiveness of our people development initiatives, we closely monitor key indicators, including the percentage of trained employees and the average training hours in both Hong Kong and Mainland China. These metrics allow us to assess the efficacy of our programmes and make necessary adjustments to improve our employee development strategies.

During the reporting year, an average of 85 hours of training per employee was achieved.

Percentage of Employees Trained by Employment Category, by Gender and by Age Group *GRI 404-1; HKEX KPI B3.1*

	By Employment Category			By Gender		By Age Group		
	Senior Management	Middle Management	General Staff	Male	Female	Below 30	30-50	51 or Above
Hong Kong	100%	100%	98%	99%	98%	100%	98%	97%
Mainland China	100%	100%	100%	100%	100%	100%	100%	100%

SAFE AND HEALTHY WORKPLACE *GRI 3-3, 403-1, 403-2, 403-3, 403-5, 403-6, 403-7, 403-9; HKEX KPI B2.1, B2.3*

The Group places top priority on the health and safety of our employees. We adhere to Wharf REIC's Safety and Health Policy and have implemented ISO 45001 OSH management system at The Murray and MP Hong Kong to enhance workplace safety. We strictly comply with relevant laws and regulations, including the Occupational Safety and Health Ordinance (Cap. 509 of the laws of Hong Kong). There was zero work-related fatality case and concluded legal cases involving the violation of OSH regulations in the past three years.

To create a safe working environment, we have established guidelines, standard operating procedures, and provided appropriate equipment for our employees. OSH recommendations are included in the staff handbooks to raise awareness among our employees. We conduct pre-shift briefings, regular training sessions, and OSH talks to educate our staff on topics such as food hygiene, fire safety, and evacuation procedures. We regularly conduct risk assessments to identify potential OSH hazards and take proactive measures to mitigate them. As part of our continuous improvement efforts, The Murray invited the Labour Department to share insights on workplace injury prevention, proper manual handling techniques, and back injury prevention. Niccolo SZ conducted training on fire safety, familiarising our staff with the evacuation procedures and emergency arrangements of the hotel, and the correct use of first aid equipment. It has achieved a 100% completion rate among its permanent staff, emphasising their commitment to safety.

Additionally, we implemented a Summer Health Programme at The Murray. As part of this initiative, we provided various amenities to promote workplace health and safety. Staff members working outdoors were provided with Airy uniforms to ensure comfort in hot weather conditions. Anti-slippery shoe soles were also provided to enhance safety and prevent accidents.

EMPLOYEE WELLBEING AND ENGAGEMENT *GRI 403-6; HKEX KPI B2.3*

Fostering a harmonious relationship between management and general staff will strengthen cooperation and enhance productivity. To promote open and effective communication, we regularly organise staff meetings at The Murray and MP Hong Kong, and Niccolo SZ, creating a platform for transparent and candid discussions. These meetings serve as valuable opportunities to align goals, address concerns, and foster a collaborative work environment.

The Group arranges various recreational activities and events to promote work-life balance; birthday celebrations, gift distributions, and festive gatherings are periodically arranged. We provide marriage, maternity, and paternity leave to promote quality time with families, and we also conduct award presentation ceremonies to acknowledge and appreciate outstanding employee performance.

Promoting employee wellbeing is advantageous for both individuals and the Group. It helps prevent stress and cultivate positive working environment where both employees and the organisation can thrive. We organised various activities such as Massage Day and professional yoga classes. At MP Hong Kong, we organised Massage Day from April to December 2023 for 10 times, arranging head and shoulder massage for employees to relieve stiff muscles. Over 220 employees have enjoyed the professional massage service. At The Murray, yoga classes were scheduled before or after work to accommodate different schedules. Participants of the yoga classes were provided with energiser drinks and healthy snacks to further enhance their wellbeing and rejuvenation. Additionally, a dedicated rest area and chill-out room have been designated at The Murray for employees to unwind outside of their workstations.

To express our gratitude for employees' contribution, an Appreciation Week was held in Niccolo SZ with a series of activities, including photo competition, family day and flea market, etc. Over 270 employees took part and enjoyed a delightful working atmosphere. Autumn Picnic was also organised for employees at Niccolo SZ in October to let them relax from work. Over 160 employees joined the two picnics.

Our Value Chain GRI 2-6, 3-3, 417; HKEX KPI B6.3

COMMITMENT AND STRATEGY

The Group is dedicated to integrating sustainable business practices throughout our value chain to ensure service quality and customer satisfaction. To deliver the highest level of products and services, we have maintained various management policies and safeguards to prioritise the health, safety, and privacy of our guests. During the reporting year, we achieved ISO 9001 quality management system certification at The Murray and MP Hong Kong.

In our supply chain management strategy, ethical business conduct is paramount to ensure fair and open competition. We pay attention to comply with relevant laws and regulations. We also strive to provide accurate and transparent information across all communication and marketing channels. As we promote our brands, we adhere to corporate policies, guidelines, and all relevant laws and industry standards, including the Trade Descriptions Ordinance (Cap. 362 of the laws of Hong Kong).

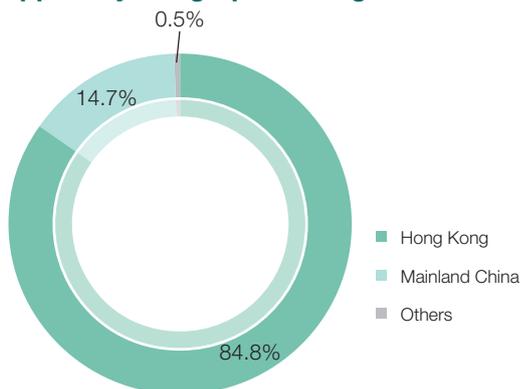
To protect intellectual property (“IP”) rights, we have maintained policies to prevent infringement and take appropriate measures such as proper registrations and secrecy measures to safeguard IP rights. When utilising designs and images, we apply great caution and adhere to patent restrictions and royalty obligations to respect the IP rights of content creators. Our commitment to adhering to these principles ensures that we maintain the highest standards of ethical conduct throughout our operations.

SUPPLY CHAIN MANAGEMENT GRI 2-6, 3-3, 204, 308-1, 414-1; HKEX KPI B5.2, B5.3, B5.4

As an end consumer-facing business, we rely on a stable supply chain and collaborate with a diverse range of suppliers. Adhering to ethical sourcing practices and partnering with complying suppliers is of importance. Throughout the procurement process, we prioritise suppliers who support environmentally friendly products and materials. For example, suppliers using FSC-certified paper for packaging are preferred by the Group. During the reporting year, we had 211 suppliers, all selected based on environmental and social considerations outlined in our Supplier Code of Conduct. Additionally, we follow the Green Procurement Policy established by Wharf REIC, which guides the sourcing of green materials and the integration of sustainable elements into our value chain. To encourage suppliers to adopt innovative green solutions, we include a green purchasing clause in our tender documents. Regular audits are also conducted to monitor and assess the ethical and environmental practices of our suppliers.

We place significant emphasis on ensuring the highest level of food safety in our supply chain management. All Food & Beverage products we acquire must meet the food safety control standards set by the Hong Kong Food and Environmental Hygiene Department and the Mainland China Food Safety Commission. Stringent controls are implemented across the supply chain to ensure the quality of our food. To maintain the integrity of our business, food samples may undergo laboratory checks, and regular inspections of our kitchen and dining areas are conducted.

Supplier by Geographical Region



Percentage of New Suppliers Screened with Environmental and Social Standards

Supplier screened by environmental standards 65%

Supplier screened by social standards 60%

GUESTS' SAFETY AND HEALTH *GRI 3-3, 416-2; HKEX KPI B6.4*

The Group is a reputable hotel operator and places top priority on the safety and health of our guests. To ensure safety and prevent potential hazards, our Hong Kong properties are fully complying with the Fire Services Ordinance (Cap. 95 of the laws of Hong Kong) and the Hotel and Guesthouse Accommodation Ordinance (Cap. 349 of the laws of Hong Kong) to create a secure environment for our guests. Meanwhile our Mainland China hotel operations are fully complied with the Food Safety Law and the Food Hygiene Law of the People's Republic of China.

The Group continues to maintain various food safety and hygiene measures based on the Hazard Analysis and Critical Control Points ("HACCP") guidelines. These measures ensure the cleanliness and safety of our products, services, and food. To prevent food contamination, we employ a microbiological testing system to monitor the quality of food, water, ice, and the overall environment. Regular inspections of our kitchens and guest lavatories, as well as rodent control measures, such as the Biosecurity Protocols are carried out at our hotels. Our suppliers also play a crucial role in our food safety management process. Our Hygiene Managers, along with representatives from Purchasing and Culinary, conduct regular audits to assess their cleanliness performance. Suppliers that fail to meet the required standards will be disqualified from the Group's supplier management system.

The Group has prioritised staff training in food hygiene to ensure a thorough understanding of its importance, as well as topics such as food allergies and pest management. At The Murray and Niccolo SZ, 100% of kitchen staff/ food handling staff received training on food hygiene and at MP Hong Kong, over 85% has finished the relevant training. We strictly comply with regulations and voluntary codes related to food safety and hygiene, including the Hong Kong Food Hygiene Code and the Mainland China Food Safety Law. During the reporting year, there were no incidents of non-compliance with laws and voluntary codes.

CUSTOMER PRIVACY *GRI 3-3, 418-1; HKEX KPI B6.5*

The Group carefully manages the collection and processing of the personal information of our customers to ensure their privacy. We maintain data protection and security practices that comply with applicable laws and regulations⁴. Our Data Privacy Policy Statement outlines our standardised approach to collecting, using, sharing, and protecting personal data. In our daily operations, we follow procedures to obtain customer consent through personal information collection statements before collecting and using their data.

We implement strict measures to control access to customer information. Only authorised personnel can access personal data, and we seek customers' consent before engaging them in marketing communication activities involving their personal information. We have also maintained additional safeguards such as blocking access to risky websites, using firewalls and antivirus software on our network systems. Data privacy training were conducted for our staff to enhance their understanding of cybersecurity, focusing on practical procedures for handling data breaches and increasing awareness of data privacy and protection, including the Personal Data (Privacy) Ordinance in Hong Kong and the six data protection principles.

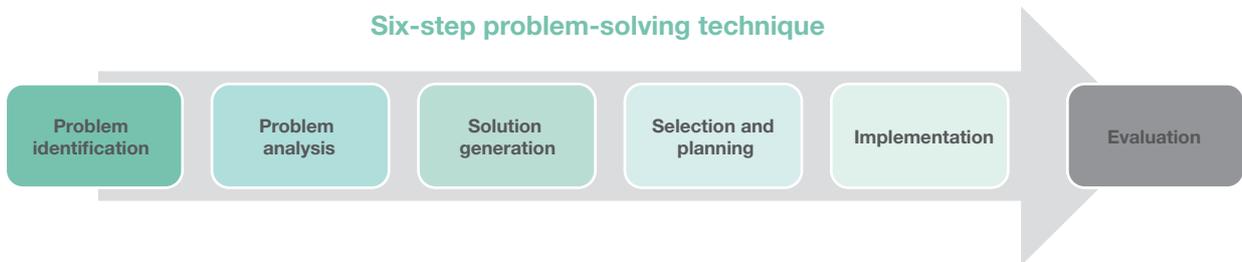
During the reporting year, we did not receive any complaints related to breaches of customer privacy, nor did we experience any identified leaks, thefts, or losses of customer data.

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

SERVICE QUALITY AND CUSTOMER SATISFACTION *HKEX KPI B6.1, B6.2, B6.4*

The Group utilises various communication channels to gather client feedback and suggestions to deliver outstanding services that meet their expectations. To ensure customer satisfaction, we have maintained the Quality Policy Statement, which provides guidelines for our staff to deliver high-quality services. We adopted ISO 9001 quality management system. We regularly distribute customer satisfaction questionnaires through multiple channels to assess the standards of customer services, accommodations, and hotel facilities. After collecting client input, we identify and address any issues using a six-step problem-solving technique. The Murray also extends its evaluation of customer experience by leveraging online travel agents and review platforms, with management reviewing the feedback weekly to identify opportunities for further improvement. Our duty managers across our properties are available 24/7 to provide immediate responses and address serious emergencies.

We offer regular training to our staff to maintain the highest service quality at our hotels. Our hotels provide training in oral English skills and customer communication to enhance service quality. Additionally, training in service quality improvement for their restaurants, bars, and events staff, as well as housekeeping etiquette training for their housekeeping staff are offered.



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

	Overall Satisfaction Rate	Name of Index
Hong Kong	90%	ReviewPro Global Review Index
Mainland China	98%	ReviewPro Global Review Index

To maintain transparency, during the reporting year, we have received 1,082 product-related and 300 service-related complaints⁵. No complaint was substantial, and immediate follow-up actions have been taken to handle all the complaints. To address customer complaints regarding service, room defects, and cleanliness, we maintain specific training programmes on service quality. We conduct regular reviews of product knowledge and service standards for resident advisors and hotel supervisors. Additionally, we continuously improve our room programmes based on feedback regarding engineering issues with room fixtures, ensuring that similar issues are prevented in the future and maintaining a high standard for our rooms. We always prioritise the visitor experience of our customers and actively seek opportunities to enhance our overall service quality.

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

⁵ These include all complaints logged and comments received from online platforms that follow-up actions are required.

Business-in-Community

COMMITMENT AND STRATEGY GRI 2-23, 2-24, 3-3, 413-1; HKEX KPI B8.1, B8.2

The Group actively works towards positive social changes and promotes a positive influence through various programmes and initiatives as our business expands. We support the community by engaging in activities such as monetary donations, sponsorships, and volunteer work, with a focus on youth development, social welfare, and environmental protection.

We have maintained our commitment to social responsibility and continued to support various organisations. In recognition, 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. Through these initiatives and accolades, we strive to create a positive impact, make a difference in people’s lives, and contribute to the betterment of society.

COMMUNITY CARE GRI 3-3, 203-1, 413-1; HKEX KPI B8.2

The Group remains committed to supporting *WeCan*, the flagship youth development initiative of the Wharf group. Our goal through this initiative is to unlock the potential of students and empower them for future career development. To provide students with valuable experience and help them explore their career options, MP Hong Kong offered 20-day internship opportunities. The internship programme included hotel introduction talks and assigns mentors or supervisors from the hospitality industry to guide the students, equipping them with practical skills and preparing them for their future careers.

Furthermore, seven staff from MP Hong Kong visited children in the Heep Hong Society at Cheung Sha Wan Centre in January to spread joy during the festive season. Our staff volunteers engaged with the children and created memorable experiences. The visit aimed to bring happiness and share the spirit of the season with the young ones, fostering a sense of joy and togetherness during this special time.

In Niccolo SZ, the hotel’s EXCOM team and CSR group members visited a special education school in the Wu Zhong District for children with special needs and provided them with welfare support. During the visit, the team brought snacks and stationery items for the students. They also engaged in interactive activities with the students, collaborating on a handicraft project. Through participation in the event and interaction with the students, we focused on both the physical and mental wellbeing of students with special needs.

The Group recognises the importance of addressing food scarcity and its impact on the community. Considering this, The Murray and MP Hong Kong have taken proactive steps to collaborate with Foodlink, a hunger relief charity, to facilitate the donation of leftover food. The hotel collected any surplus food with a long expiry date, once a significant quantity has accumulated, the collected leftovers were then sent to the charity for distribution to those in need. The partnership with FoodLink allows our hotels to support the charitable efforts aimed at alleviating hunger in the community.

Appendix I: Performance Data Summary¹

	Unit	2023	Total 2022	2021	2023	Hong Kong 2022	2021	2023	Mainland China 2022	2021
ENVIRONMENTAL PERFORMANCE²										
Air emissions^{3,4,5} & by type and source GRI 305-7; HKEX KPI A1.1										
NO _x emissions	kg	59.45	54.36	57.55	59.45	54.36	53.53	0.00	0.00	4.02
SO _x emissions	kg	0.39	0.33	0.33	0.39	0.33	0.32	0.00	0.00	0.01
PM emissions	kg	0.28	0.16	0.56	0.28	0.16	0.17	0.00	0.00	0.39
GHG emissions⁶ data in total and intensity GRI 305-1, 305-2, 305-4; HKEX KPI A1.2										
Scope 1 emissions ^{7,8}	Tonnes CO ₂ e	2,619	1,808	1,921	1,828	1,220	1,008	791	588	913
Scope 2 emissions: Market-based ⁹	Tonnes CO ₂ e	19,552	19,037	23,567	14,449	14,805	15,452	5,103	4,232	8,115
Scope 2 emissions: Location-based ¹⁰	Tonnes CO ₂ e	23,632	23,027	23,567	19,490	19,352	15,452	4,142	3,675	8,115
Scope 3 emissions ¹¹	Tonnes CO ₂ e	172	163	N/A	120	117	N/A	52	46	N/A
Category 1: Purchased goods and services	Tonnes CO ₂ e	73	N/A	N/A	52	N/A	N/A	21	N/A	N/A
Category 5: Waste generated in operations	Tonnes CO ₂ e	99	N/A	N/A	68	N/A	N/A	31	N/A	N/A
Total GHG emissions (Scope 1 & 2): Market-based	Tonnes CO ₂ e	22,171	20,845	25,488	16,277	16,025	16,460	5,894	4,820	9,028
	Intensity (kg CO ₂ e per guest night)	32.65	45.88	54.89	29.15	38.15	46.37	48.86	102.09	82.53
Total GHG emissions (Scope 1 & 2): Location-based	Tonnes CO ₂ e	26,251	24,835	25,488	21,318	20,572	16,460	4,933	4,263	9,028
	Intensity (kg CO ₂ e per guest night)	38.65	53.15	54.89	38.17	48.98	46.37	40.89	90.30	82.53
Energy consumption and intensity¹² GRI 302-1, 303-2; HKEX KPI A2.1										
Diesel oil	GJ	0	0	33	0	0	26	0	0	7
Unleaded petrol ¹³	GJ	240	147	175	240	147	148	0	0	27
Liquefied petroleum gas ("LPG")	GJ	0	8	0	0	8	0	0	0	0
Towngas	GJ	13,901	13,028	12,732	13,901	13,028	12,732	0	0	0
Piped natural gas ("PNG")	GJ	12,806	9,671	12,832	0	0	0	12,806	9,671	12,832
Purchased steam	GJ	526	818	3,174	0	0	0	526	818	3,174
Purchased electricity	GJ	125,360	120,161	142,470	99,374	98,706	101,715	25,986	21,455	40,755
Total energy consumption	GJ	152,833	143,833	171,416	113,515	111,889	114,621	39,318	31,944	56,795
	Intensity (GJ per guest night)	0.23	0.32	0.37	0.20	0.27	0.32	0.33	0.68	0.52
Water consumption and intensity GRI 303-5; HKEX KPI A2.2										
Water consumption ¹⁴	m ³	292,016	255,028	308,880	210,106	193,798	195,970	81,910	61,230	112,910
	Intensity (m ³ per guest night)	0.43	0.54	0.67	0.38	0.46	0.55	0.68	1.30	1.03
Wastewater discharge ¹⁵	m ³	235,579	215,804	252,398	153,669	154,574	148,930	81,910	61,230	103,468
Waste by type and disposal method GRI 306-2, 306-3, 306-5; HKEX KPI A1.3, A1.4, A1.6										
Total waste generated	Tonnes	2,341.46	1,709.97	1,559.67	2,246.47	1,637.34	1,160.93	94.99	72.63	398.74
General refuse to landfill	Tonnes	2,170.70	1,573.49	1,133.86	2,170.10	1,573.20	1,112.30	0.60	0.29	21.56
Incinerated waste	Tonnes	38.62	38.76	102.97	N/A	N/A	N/A	38.62	38.76	102.97
Non-hazardous waste recycled										
Paper	Tonnes	27.42	45.05	46.17	25.76	40.76	34.12	1.66	4.29	12.05
Plastics	Tonnes	2.24	1.38	4.28	1.05	0.08	0.07	1.19	1.30	4.21
Metals	Tonnes	0.29	0.30	1.10	0.28	0.11	0.14	0.01	0.19	0.96
Glass	Tonnes	14.58	7.25	20.88	11.72	5.79	11.49	2.86	1.46	9.39
Soap	Tonnes	0.81	0.30	0.28	0.81	0.30	0.28	0.00	0.00	0.00
Food waste	Tonnes	78.97	36.98	246.88	29.20	10.86	0.00	49.77	26.12	246.88
Hazardous waste recycled										
Waste cooking oil	Tonnes	6.70	6.41	3.12	6.42	6.18	2.40	0.28	0.23	0.72
Fluorescent lamps, light bulbs, waste ink cartridge and waste battery	Tonnes	1.13	0.06	0.13	1.13	0.06	0.13	0.00	0.00	0.00

	Unit	Total			Hong Kong			Mainland China		
		2023	2022	2021	2023	2022	2021	2023	2022	2021
USE OF RESOURCES										
Packaging material used HKEX KPI A2.5										
Packaging Material	Tonnes	6.95	12.98	8.08	3.22	6.07	5.03	3.73	6.91	3.05
SUPPLY CHAIN MANAGEMENT										
Number of suppliers by geographical region HKEX KPI A5.1										
Hong Kong		179	109	146	179	109	146	0	0	0
Mainland China		31	28	57	2	0	0	29	28	57
Others		1	0	0	1	0	0	0	0	0

	Total			Hong Kong			Mainland China			
	2023	2022	2021	2023	2022	2021	2023	2022	2021	
EMPLOYEE STATISTICS										
Employee Distribution										
Total workforce by gender, employment type and contract type GRI 2-7; HKEX KPI B1.1										
Total workforce		1,065	1,009	1,189	849	796	780	216	213	409
Male		601	582	678	463	453	449	138	129	229
Female		464	427	511	386	343	331	78	84	180
Full-time		1,027	993	1,154	811	780	745	216	213	409
Part-time		38	16	35	38	16	35	0	0	0
Permanent		735	708	696	735	708	696	0	0	0
Fixed-term ¹⁶		330	301	493	114	88	84	216	213	409
Temporary		0	0	0	0	0	0	0	0	0
Gender distribution of permanent contract employees GRI 2-7; HKEX KPI B1.1										
Male		406	394	404	406	394	404	0	0	0
Female		329	314	292	329	314	292	0	0	0

¹ In the tables of this section, the totals are rounded figures.

² Definition of the number of guest nights in the Report refers to total guest staying overnight + staff nights + total day guests/3 + total resident restaurant covers/4 as defined by EarthCheck.

³ Air emissions refer to the release of air pollutants namely nitrogen oxides ("NOx"), sulphur oxides ("SOx") and particulate matter ("PM") generated by motor vehicles and gaseous fuel consumption into the atmosphere.

⁴ 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.

⁵ Air emissions of Hong Kong in 2021 and 2022 have been recalculated to reflect the actual situation.

⁶ GHG are emitted from fossil fuel consumption. CO₂, CH₄ and N₂O are included in the calculation of GHG emissions.

⁷ 2023 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, and towngas as well as fugitive emission of 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.

⁸ Scope 1 GHG emissions of Hong Kong in 2021 and 2022 have been recalculated to reflect the actual situation.

⁹ 2023 Scope 2 emissions: market-based are indirect GHG emissions from the generation of purchased or acquired electricity, towngas and steam consumed by the Group and were calculated based on the default factors provided by electricity providers in Hong Kong, Power Assets (0.68 kg CO₂e/kWh), CLP (0.39 kg CO₂e/kWh) and The Hong Kong and China Gas Company Limited (0.576 kg CO₂e/unit). GHG emissions by electricity purchased in China in this Report were calculated based on China Eastern grid emission factor in 2012 年中國區域電網平均CO₂ 排放因子 (0.7035 kg CO₂/kWh). GHG emissions from purchased steam in Mainland China were calculated based on the emission factor stated in UK Government GHG Conversion Factors for Company Reporting (0.17073 kg CO₂/kWh). For calculation approach of 2022 and 2021 scope 2 emissions, please refer to the corresponding sustainability report.

¹⁰ 2023 Scope 2 emissions: location-based are indirect GHG emissions from the generation of purchased or acquired electricity, towngas and steam consumed by the Group and were calculated based on Hong Kong Territory-wide default value (i.e. 0.7kg/kWh), The Hong Kong and China Gas Company Limited (0.576 kg CO₂e/unit) and National Emission Factors for Mainland China in 2022 (0.5703 kg CO₂/kWh). For calculation approach of 2022 and 2021 scope 2 emissions, please refer to the corresponding sustainability report.

¹¹ Scope 3 emissions are all other indirect emissions that occur in value chain. 2023 Scope 3 emissions have been calculated based on emission factors from UK Government GHG Conversion Factors for Company Reporting 2023. Scope 3 emissions by categories is newly disclosed in 2023.

¹² 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.

¹³ Energy consumption of unleaded petrol of Hong Kong in 2021 and 2022, and LPG in 2022 have been recalculated to reflect the actual situation.

¹⁴ Water consumption intensities of Total in 2022 and 2021 have been recalculated to reflect the actual situation.

¹⁵ 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 calculated the data by multiplying the amount of water supply by 100%.

¹⁶ Fixed-term employees in 2023 include 15 non-guaranteed hours employees from Hong Kong.

	2023	Total 2022	2021	2023	Hong Kong 2022	2021	2023	Mainland China 2022	2021
Gender, age group and minority group distribution of all employees by employment category¹⁷ GRI 405-1; HKEX KPI B1.1									
Male									
Senior Management	20 (80%)	17 (74%)	19 (73%)	14 (82%)	12 (75%)	13 (76%)	6 (75%)	5 (71%)	6 (67%)
Middle Management	107 (62%)	102 (61%)	99 (60%)	91 (66%)	85 (64%)	75 (62%)	16 (47%)	17 (50%)	24 (53%)
General Staff	474 (55%)	463 (57%)	560 (56%)	358 (52%)	356 (55%)	361 (56%)	116 (67%)	107 (62%)	199 (56%)
Female									
Senior Management	5 (20%)	6 (26%)	7 (27%)	3 (18%)	4 (25%)	4 (24%)	2 (25%)	2 (29%)	3 (33%)
Middle Management	65 (38%)	65 (39%)	67 (40%)	47 (34%)	48 (36%)	46 (38%)	18 (53%)	17 (50%)	21 (47%)
General Staff	394 (45%)	356 (43%)	437 (44%)	336 (48%)	291 (45%)	281 (44%)	58 (33%)	65 (38%)	156 (44%)
Below 30									
Senior Management	0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)
Middle Management	8 (5%)	14 (8%)	16 (10%)	6 (4%)	10 (8%)	9 (7%)	2 (6%)	4 (12%)	7 (16%)
General Staff	308 (35%)	278 (34%)	297 (30%)	195 (28%)	171 (26%)	147 (23%)	113 (65%)	107 (62%)	150 (42%)
30–50									
Senior Management	14 (56%)	12 (52%)	18 (69%)	7 (41%)	6 (38%)	9 (53%)	7 (87%)	6 (86%)	9 (100%)
Middle Management	132 (77%)	126 (75%)	128 (77%)	101 (73%)	96 (72%)	90 (75%)	31 (91%)	30 (88%)	38 (84%)
General Staff	373 (43%)	379 (46%)	510 (51%)	326 (47%)	328 (51%)	354 (55%)	47 (27%)	51 (30%)	156 (44%)
51 or above									
Senior Management	11 (44%)	11 (48%)	8 (31%)	10 (59%)	10 (63%)	8 (47%)	1 (13%)	1 (14%)	0 (0%)
Middle Management	32 (18%)	27 (16%)	22 (13%)	31 (23%)	27 (20%)	22 (18%)	1 (3%)	0 (0%)	0 (0%)
General Staff	187 (22%)	162 (20%)	190 (19%)	173 (25%)	148 (23%)	141 (22%)	14 (8%)	14 (8%)	49 (14%)
Minority group ¹⁸									
Senior Management	13 (52%)	9 (39%)	12 (46%)	10 (59%)	6 (38%)	9 (53%)	3 (38%)	3 (43%)	3 (33%)
Middle Management	8 (5%)	7 (4%)	6 (4%)	7 (5%)	6 (5%)	3 (2%)	1 (3%)	1 (3%)	3 (7%)
General Staff	94 (11%)	89 (11%)	73 (7%)	90 (13%)	83 (13%)	72 (11%)	4 (2%)	6 (3%)	1 (0.3%)
Non-minority group									
Senior Management	12 (48%)	14 (61%)	14 (54%)	7 (41%)	10 (63%)	8 (47%)	5 (62%)	4 (57%)	6 (67%)
Middle Management	164 (95%)	160 (96%)	160 (96%)	131 (95%)	127 (95%)	118 (98%)	33 (97%)	33 (97%)	42 (93%)
General Staff	774 (89%)	730 (89%)	924 (93%)	604 (87%)	564 (87%)	570 (89%)	170 (98%)	166 (97%)	354 (99.7%)
NEW EMPLOYEES HIRES									
Gender, age, employment category and regional distribution of new employee hires in number and percentage^{19, 20} GRI 401-1									
Male	213 (35%)	219 (38%)	352 (52%)	165 (36%)	164 (36%)	194 (43%)	48 (35%)	55 (43%)	158 (69%)
Female	186 (40%)	165 (39%)	229 (45%)	157 (41%)	141 (41%)	131 (40%)	29 (37%)	24 (29%)	98 (54%)
Below 30	174 (55%)	157 (54%)	236 (75%)	119 (59%)	108 (60%)	96 (40%)	55 (48%)	49 (44%)	140 (89%)
30–50	174 (34%)	177 (34%)	277 (31%)	154 (35%)	150 (35%)	178 (39%)	20 (24%)	27 (31%)	99 (49%)
51 or above	51 (22%)	50 (25%)	68 (31%)	49 (23%)	47 (25%)	51 (30%)	2 (13%)	3 (20%)	17 (35%)
Senior Management	4 (16%)	N/A	N/A	4 (24%)	N/A	N/A	0 (0%)	N/A	N/A
Middle Management	53 (31%)	N/A	N/A	49 (36%)	N/A	N/A	4 (12%)	N/A	N/A
General Staff	342 (39%)	N/A	N/A	269 (39%)	N/A	N/A	73 (42%)	N/A	N/A
Group overall	399 (37%)	384 (38%)	581 (49%)	322 (38%)	305 (38%)	325 (42%)	77 (36%)	79 (37%)	256 (63%)
EMPLOYEE TURNOVER									
Gender, age, employment category and regional distribution of employee turnover in number and percentage^{21, 22} GRI 401-1; HKEX KPI B1.2									
Male	191 (32%)	267 (46%)	350 (52%)	155 (33%)	175 (39%)	239 (53%)	36 (26%)	92 (71%)	111 (48%)
Female	151 (33%)	156 (37%)	261 (51%)	112 (29%)	120 (35%)	170 (51%)	39 (50%)	36 (43%)	91 (51%)
Below 30	118 (37%)	163 (56%)	184 (59%)	74 (37%)	78 (43%)	105 (67%)	44 (38%)	85 (77%)	79 (50%)
30–50	171 (33%)	209 (40%)	322 (49%)	148 (34%)	168 (39%)	225 (50%)	23 (27%)	41 (47%)	97 (48%)
51 or above	53 (23%)	51 (26%)	105 (48%)	45 (21%)	49 (26%)	79 (46%)	8 (50%)	2 (13%)	26 (53%)
Senior Management	4 (16%)	N/A	N/A	4 (24%)	N/A	N/A	0 (0%)	N/A	N/A
Middle Management	59 (34%)	N/A	N/A	53 (38%)	N/A	N/A	6 (18%)	N/A	N/A
General Staff	279 (32%)	N/A	N/A	210 (30%)	N/A	N/A	69 (40%)	N/A	N/A
Group overall	342 (32%)	423 (42%)	611 (51%)	267 (31%)	295 (37%)	409 (52%)	75 (35%)	128 (60%)	202 (49%)

	Total			Hong Kong			Mainland China		
	2023	2022	2021	2023	2022	2021	2023	2022	2021
VOLUNTARY TURNOVER									
Gender, age, employment category and regional distribution of voluntary employee turnover in number and percentage									
Male	148 (25%)	249 (43%)	N/A	112 (24%)	157 (35%)	N/A	36 (26%)	92 (71%)	N/A
Female	129 (28%)	141 (33%)	N/A	90 (23%)	105 (31%)	N/A	39 (50%)	36 (43%)	N/A
Below 30	92 (29%)	159 (54%)	N/A	48 (24%)	74 (41%)	N/A	44 (38%)	85 (77%)	N/A
30-50	147 (28%)	200 (39%)	N/A	124 (29%)	159 (37%)	N/A	23 (27%)	41 (47%)	N/A
51 or above	38 (17%)	31 (16%)	N/A	30 (14%)	29 (16%)	N/A	8 (50%)	2 (13%)	N/A
Senior Management	3 (12%)	N/A	N/A	3 (18%)	N/A	N/A	0 (0%)	N/A	N/A
Middle Management	50 (29%)	N/A	N/A	44 (32%)	N/A	N/A	6 (18%)	N/A	N/A
General Staff	224 (26%)	N/A	N/A	155 (22%)	N/A	N/A	69 (40%)	N/A	N/A
Group overall	277 (26%)	390 (39%)	N/A	202 (24%)	262 (33%)	N/A	75 (35%)	128 (60%)	N/A
Parental leave – Return to work rate²³ GRI 401-3									
Group overall	100%	100%	86%	100%	100%	100%	100%	100%	0% ²⁴
Parental leave – Retention rate by gender²⁵ GRI 401-3									
Male	100%	100%	100%	100%	100%	100%	100%	100%	N/A
Female	100%	N/A	50%	100%	N/A	67%	100%	N/A	0%
HEALTH AND SAFETY									
Injury incident rate by gender and by region per 100 employees^{26, 27} GRI 403-9									
Male	4.7	4.1	4.4	4.3	4.4	4.5	5.8	3.1	4.4
Female	3.4	4.0	4.9	3.6	3.8	4.7	2.6	4.8	3.3
Group overall	4.1	4.1	4.6	4.0	4.1	5.0	4.6	3.8	3.9
Lost-time injury rate (LTIR) by gender and by region²⁸									
Male	5.0	N/A	N/A	4.4	N/A	N/A	7.9	N/A	N/A
Female	3.8	N/A	N/A	3.9	N/A	N/A	3.4	N/A	N/A
Group overall	4.5	N/A	N/A	4.2	N/A	N/A	6.3	N/A	N/A
Number of lost days by gender and by region HKEX KPI B2.2									
Male	307	161	432	212	141	234	95	20	198
Female	68	97	528	65	86	476	3	11	52
Lost day rate by gender and by region in percentage²⁹ GRI 403-9; HKEX KPI B2.2									
Male	0.26%	0.14%	0.34%	0.23%	0.16%	0.28%	0.37%	0.09%	0.43%
Female	0.08%	0.12%	0.52%	0.09%	0.13%	1.17%	0.02%	0.06%	0.13%
Group overall	0.18%	0.13%	0.42%	0.16%	0.15%	0.49%	0.24%	0.08%	0.29%
Absentee rate by gender and by region in percentage³⁰ GRI 403-9									
Male	1.14%	1.59%	0.65%	1.28%	1.91%	0.71%	0.63%	0.28%	0.55%
Female	1.72%	1.84%	1.48%	2.05%	2.25%	2.06%	0.13%	0.25%	0.62%
Group overall	1.39%	1.70%	1.02%	1.62%	2.06%	1.28%	0.45%	0.26%	0.58%
TRAINING AND EDUCATION									
Training hours by type³¹									
Mandatory	32,964	N/A	N/A	7,681	N/A	N/A	25,283	N/A	N/A
Non-mandatory	57,623	N/A	N/A	54,007	N/A	N/A	3,616	N/A	N/A
Total	90,587	59,503	64,886	61,688	53,286	49,891	28,899	6,217	14,995
Average training hours per employee by gender, age group and by employment category³² GRI 404-1; HKEX KPI B3.2									
Male	91.1	58.93	55.78	79.9	67.42	65.18	128.9	29.14	37.33
Female	77.1	59.02	52.97	63.9	66.31	62.31	142.5	29.26	35.82
Below 30	92.5	58.63	N/A	71.3	75.27	N/A	129.4	31.50	N/A
30-50	86.5	62.10	N/A	76.2	68.96	N/A	139.4	28.23	N/A
51 or above	71.4	51.37	N/A	66.6	54.11	N/A	135.6	17.60	N/A
Senior management	107.5	56.11	50.17	103.6	67.47	50.03	115.6	30.14	50.44
Middle management	98.2	56.98	66.81	88.9	79.54	72.59	136.1	33.90	51.27
General staff	81.8	59.79	52.65	68.7	64.34	62.71	134.2	21.03	34.46
Group overall	85.0	58.97	54.57	72.6	66.94	63.96	133.8	29.19	36.66

¹⁷ This information is derived from BU's own human resources system.

¹⁸ Minority group refers to the ethnic minority at our operation locations.

¹⁹ New hire rate (in percentage) = Total number of new hires in the category/Total number of employees in the category × 100%

²⁰ 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.

²¹ Turnover rate (in percentage) = Total number of turnover in the category/Total number of employees in the category × 100%

²² Turnover in 2023 did not include turnover joined and left within the same year of 2023.

²³ 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%

²⁴ One female employee in Mainland China took parental leave in 2021 and has not returned to work in 2021.

²⁵ 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 reporting year in the category/Total number of employees took parental leave in the category × 100%

²⁶ Injury incident rate (per 100 employees) = Total injury cases in the category/Number of all employees in the category × 100

²⁷ There was no incident of occupational disease recorded in Hong Kong and Mainland China in 2021, 2022 and 2023.

²⁸ Newly collected and disclosed in 2023. LTIR refers to the number of lost-time injuries per 200,000 hours worked, it is calculated using formula: LTIR = number of lost-time injuries/total actual hours worked in reporting year × 200,000.

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 Newly collected and disclosed in 2023. Mandatory training refers to the programmes providing employees with the basic skills they need to carry out their daily work or to help them reach certain minimum requirements, such as mandatory compliance training, annual recertification programs, basic OSH or workplace security training, training programmes that are necessary to bring new employees up to a minimum standard in order to fulfil their job requirements.

³² Average training hours per employee = Total training hours offered in the category/Total workforce in the category.

SELECTED AWARDS AND RECOGNITIONS

Organisers	Awards and Recognitions	BUs
SGS United Kingdom Limited	ISO 14001:2015 certification	The Murray, MP Hong Kong
	ISO 45001:2018 certification	The Murray, MP Hong Kong
	ISO 9001:2015 certification	The Murray, MP Hong Kong
EarthCheck	Gold Certification	MP Hong Kong
	Silver Certification	The Murray, Niccolo SZ
The Hong Kong Council of Social Service	5 Years Plus Caring Company Logo	MP Hong Kong
	Caring Company Logo	The Murray
Labour and Welfare Bureau – Community Investment and Inclusion Fund	Social Capital Builder Logo Award	MP Hong Kong
Employees Retraining Board	ERB Manpower Development Award	The Murray, MP Hong Kong
Mandatory Provident Fund Schemes Authority	Good MPF Employer Award	The Murray, MP Hong Kong
The Hong Kong Management Association	Outstanding New Trainer Award	MP Hong Kong
Occupational Safety & Health Council	Joyful@Healthy Workplace Best Practices Award – Outstanding Award	MP Hong Kong
CTgoodjobs	Best HR Awards	The Murray
Human Resources Online	Best Holistic Leadership Development Strategy – Silver	MP Hong Kong
Forbes Travel Guide	Five-Star Hotel Award	The Murray
	Recommended Hotel	MP Hong Kong
	Four-Star Restaurant – Cucina	MP Hong Kong
	Sharecare Health Security VERIFIED®	The Murray, MP Hong Kong (Cucina)
The Loop HK	30 Best Eats 2023 – Cucina	MP Hong Kong
Research Wedding	Couple's Favourite Wedding Hotel of the Year 2023	The Murray
WORLDiary International	Best Luxury Art Hotel	The Murray
TTG Asia	TTG Travel Awards 2023 – Best City Hotel (Hong Kong)	The Murray
Sohu Jiangsu	Sohu Charity Hotel 2023	Niccolo SZ
Lifestyle Magazine	CHA China Hotel Awards 2023 – Best City Landmark Hotel of the Year	Niccolo SZ

SELECTED MEMBERSHIPS AND CHARTERS

Organisers	Memberships and Charters	BUs
Hong Kong General Chamber of Commerce	Full Member	MP Hong Kong
Hong Kong Hotels Association	Full Member	The Murray, MP Hong Kong
UNICEF HK	Say Yes to Breastfeeding	MP Hong Kong
Occupational Safety & Health Council	Joyful@Healthy Workplace Charter	MP Hong Kong
Hotel Controllers & Accountants Association of Hong Kong	Corporate Member	MP Hong Kong
The Hong Kong Management Association	Corporate Member	MP Hong Kong
The Society of the Golden Keys of Hong Kong	Adherent Member	The Murray, MP Hong Kong
Green Cross Group	Corporate Member	MP Hong Kong
Italian Chamber of Commerce Corporate Member	Corporate Member	MP Hong Kong, Niccolo SZ

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
- Advertising Law of the People's Republic of China
- 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)
- Anti-Unfair Competition Law of the People's Republic of China

Appendix IV: HKEX ESG Reporting Guide Content Index

Subject Areas, Aspects, General Disclosures and KPIs	Section/Page Number/Remarks
A. Environmental	
A1: Emissions	
<p>General Disclosure Information on:</p> <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer <p>relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p>	<p>Corporate Governance, page 5–9; Our Environment, page 14–22; Energy and Greenhouse Gas Management, page 18–19; Waste Management and Resource Conservation, page 21–22; Compliance Policy Statement; Environmental Policy</p>
<p>KPI A1.1 The types of emissions and respective emissions data.</p>	<p>Energy and Greenhouse Gas Management, page 18–19; Performance Data Summary, page 30</p>
<p>KPI A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).</p>	<p>Energy and Greenhouse Gas Management, page 18–19; Performance Data Summary, page 30</p>
<p>KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).</p>	<p>Performance Data Summary, page 30</p>
<p>KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).</p>	<p>Performance Data Summary, page 30</p>
<p>KPI A1.5 Description of emission target(s) set and steps taken to achieve them.</p>	<p>Our Environment — Commitment and Strategy, page 14; Energy and Greenhouse Gas Management, page 18–19</p>
<p>KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.</p>	<p>Our Environment — Commitment and Strategy, page 14; Waste Management and Resource Conservation, page 21–22; Performance Data Summary, page 30</p>
A2. Use of Resources	
<p>General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.</p>	<p>Corporate Governance, page 5–9; Our Environment, page 14–22; Energy and Greenhouse Gas Management, page 18–19; Water Stewardship and Conservation, page 20–22; Waste Management and Resource Conservation, page 21–22; Environmental Policy</p>
<p>KPI A2.1 Direct and/or indirect consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).</p>	<p>Energy and Greenhouse Gas Management, page 18–19; Performance Data Summary, page 30</p>
<p>KPI A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).</p>	<p>Water Stewardship and Conservation, page 20–22; Performance Data Summary, page 30</p>
<p>KPI A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.</p>	<p>Our Environment — Commitment and Strategy, page 14 Energy and Greenhouse Gas Management, page 18–19</p>

Subject Areas, Aspects, General Disclosures and KPIs	Section/Page Number/Remarks
<p>KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.</p>	<p>Our Environment — Commitment and Strategy, page 14; Water Stewardship and Conservation, page 20–22</p>
<p>KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.</p>	<p>Performance Data Summary, page 31</p>
<p>A3: The Environment and Natural Resources</p>	
<p>General Disclosure Policies on minimising the issuer’s significant impact on the environment and natural resources.</p>	<p>Corporate Governance, page 5–9; Our Environment, page 14–22; Energy and Greenhouse Gas Management, page 18–19; Water Stewardship and Conservation, page 20–22; Waste Management and Resource Conservation, page 21–22; Environmental Policy; Climate Change Policy Statement; Green Procurement Policy</p>
<p>KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.</p>	<p>Our Environment, page 14–22; Energy and Greenhouse Gas Management, page 18–19; Water Stewardship and Conservation, page 20–21; Waste Management and Resource Conservation, page 21–22; Enhancing Environmental Awareness, page 22</p>
<p>A4: Climate Change</p>	
<p>General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.</p>	<p>Climate Risk and Resilience Management, page 14–17; Climate Change Policy Statement</p>
<p>KPI A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.</p>	
<p>B. Social</p>	
<p>B1: Employment</p>	
<p>General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p>	<p>Our People, page 23–25; Human Rights Policy; Code of Conduct; Compliance Policy Statement</p>
<p>KPI B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.</p>	<p>Our People, page 23–24; Performance Data Summary, page 32</p>
<p>KPI B1.2 Employee turnover rate by gender, age group and geographical region.</p>	<p>Performance Data Summary, page 32–33</p>

Subject Areas, Aspects, General Disclosures and KPIs	Section/Page Number/Remarks
B2: Health and Safety	
<p>General Disclosure Information on:</p> <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 	<p>Our People, page 23–25; Safe and Healthy Workplace, page 25; Safety and Health Policy; Compliance Policy Statement</p>
<p>KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.</p>	<p>Safe and Healthy Workplace, page 25</p>
<p>KPI B2.2 Lost days due to work injury.</p>	<p>Performance Data Summary, page 33</p>
<p>KPI B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.</p>	<p>Employee Wellbeing and Engagement, page 25</p>
B3: Development and Training	
<p>General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</p>	<p>Development and Training, page 24</p>
<p>KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).</p>	<p>Development and Training, page 24</p>
<p>KPI B3.2 The average training hours completed per employee by gender and employee category.</p>	<p>Performance Data Summary, page 33</p>
B4: Labour Standards	
<p>General Disclosure Information on:</p> <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 	<p>Our People, page 23–25; Human Rights Policy; Compliance Policy Statement</p>
<p>KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.</p>	<p>Employment, page 23–24; Human Rights Policy</p>
<p>KPI B4.2 Description of steps taken to eliminate such practices when discovered.</p>	<p>Employment, page 23–24; Human Rights Policy</p>
B5: Supply Chain Management	
<p>General Disclosure Policies on managing environmental and social risks of the supply chain.</p>	<p>Supply Chain Management, page 26; Green Procurement Policy; Supplier Code of Conduct</p>
<p>KPI B5.1 Number of suppliers by geographical region.</p>	<p>Supply Chain Management, page 26; Performance Data Summary, page 31</p>
<p>KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.</p>	<p>Supply Chain Management, page 26; Green Procurement Policy; Supplier Code of Conduct</p>
<p>KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.</p>	<p>Supply Chain Management, page 26; Green Procurement Policy;</p>

Subject Areas, Aspects, General Disclosures and KPIs	Section/Page Number/Remarks
<p>KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.</p>	Supply Chain Management, page 26; Green Procurement Policy
B6: Product Responsibility	
<p>General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p>	Our Value Chain, page 26–28; Guests' Safety and Health, page 27; Quality Policy Statement; Compliance Policy Statement; Data Privacy Policy Statement
<p>KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.</p>	No products sold or shipped were subject to recalls for safety and health reasons during the reporting year.
<p>KPI B6.2 Number of products and service related complaints received and how they are dealt with.</p>	Service Quality and Customer Satisfaction, page 28
<p>KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.</p>	Our Value Chain — Commitment and Strategy, page 26
<p>KPI B6.4 Description of quality assurance process and recall procedures.</p>	Guests' Safety and Health, page 27; Service Quality and Customer Satisfaction, page 28; Quality Policy Statement
<p>KPI B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.</p>	Customer Privacy, page 27; Data Privacy Policy Statement; Code of Conduct
B7: Anti-corruption	
<p>General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.</p>	Ethics and Compliance, page 6; Anti-Corruption Policy; Compliance Policy Statement; Statement of Business Integrity; Code of Conduct
<p>KPI B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.</p>	Ethics and Compliance, page 6
<p>KPI B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.</p>	Ethics and Compliance, page 6
<p>KPI B7.3 Description of anti-corruption training provided to directors and staff.</p>	Ethics and Compliance, page 6
B8: Community Investment	
<p>General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.</p>	Business-in-Community, page 29
<p>KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).</p>	Business-in-Community, page 29
<p>KPI B8.2 Resources contributed (e.g. money or time) to the focus area.</p>	About HCDL, page 4; Business-in-Community, page 29

Appendix V: GRI Standards Index Table GRI 2-4

Statement of use	Harbour Centre Development Limited has reported in accordance with the GRI Standards for the period 1 January 2023 to 31 December 2023.
GRI 1 use	GRI 1: Foundation 2021

GRI 2: General Disclosures 2021

GRI Standard	Disclosure Number and Title	Location and Remarks/Omission
2-1	Organisation details	Message from the Chairman, page 2; About HCDL, page 4
2-2	Entities included in the organization's sustainability reporting	About this Report, page 3
2-3	Reporting period, frequency and contact point	About this Report, page 3
2-4	Restatements of information	Performance Data Summary, page 30–33
2-5	External assurance	About this Report, page 3; This report did not seek for external assurance
2-6	Activities, value chain and other business relationships	About this Report, page 3; About HCDL, page 4; 2023 Annual Report – Business Review, page 8; Our Value Chain – Supply Chain Management, page 26
2-7	Employees	Our People, page 23–24; Performance Data Summary, page 32
2-8	Workers who are not employees	This is not material to our business, the relevant KPIs are therefore not disclosed.
2-9	Governance structure and composition	Corporate Governance, page 5–7; 2023 Annual Report – Corporate Governance Report, page 16–33
2-10	Nomination and selection of the highest governance body	2023 Annual Report – Corporate Governance Report, page 17–21
2-11	Chair of the highest governance body	2023 Annual Report – Corporate Governance Report, page 23
2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance, page 5–7; 2023 Annual Report – Corporate Sustainability; page 13–15
2-13	Delegation of responsibility for managing impacts	Corporate Governance, page 5–7; 2023 Annual Report – Corporate Sustainability; page 13–15
2-14	Role of the highest governance body in sustainability reporting	Corporate Governance, page 5–7
2-15	Conflicts of interest	2023 Annual Report – Corporate Governance Report, page 16–33
2-16	Communication of critical concerns	Corporate Governance, page 5–11
2-17	Collective knowledge of the highest governance body	Corporate Governance, page 5–7
2-18	Evaluation of the performance of the highest governance body	This information is treated as confidential.
2-19	Remuneration policies	This information is treated as confidential.
2-20	Process to determine remuneration	This information is treated as confidential.
2-21	Annual total compensation ratio	This information is treated as confidential.
2-22	Statement on sustainable development strategy	Message from the Chairman, page 2
2-23	Policy commitments	Corporate Governance, page 5–7; Our Environment, page 14–22; Our People, page 23–25; Our Value Chain, page 26–28; Code of Conduct; Human Rights Policy; Supplier Code of Conduct
2-24	Embedding policy commitments	Corporate Governance, page 5–7; Our Environment, page 14–22; Our People, page 23–25; Our Value Chain, page 26–28; Business-in-Community, page 29; Supplier Code of Conduct
2-25	Processes to remediate negative impacts	Corporate Governance, page 5–7; Our Environment, page 14–22; Our People, page 23–25; Our Value Chain, page 26–28; Business-in-Community, page 29
2-26	Mechanisms for seeking advice and raising concerns	Stakeholder Engagement & Materiality Assessment, page 10–13
2-27	Compliance with laws and regulations	Ethics and Compliance, page 6; Our Environment – Commitment and Strategy, page 14; Compliance Policy Statement; There was no incident of non-compliance with laws and regulations concerning health and safety during the reporting year.
2-28	Membership associations	Featured Awards, Charters and Memberships, page 34–35
2-29	Approach to stakeholder engagement	Stakeholder Engagement & Materiality Assessment, page 10–13
2-30	Collective bargaining agreements	Collective bargaining agreements do not apply to the Group's operations.

GRI 3: Material Topics 2021

GRI Standard	Disclosure Number and Title	Location and Remarks/Omission
3-1	Process to determine material topics	Stakeholder Engagement & Materiality Assessment, page 10–13
3-2	List of material topics	Stakeholder Engagement & Materiality Assessment, page 10–13
200: Economic		
201: Economic Performance 2016		
3-3	Management of material topics	About HCDL, page 4; 2023 Annual Report – Chairman’s Statement, page 5–6
201-1	Direct economic value generated and distributed	About HCDL, page 4; 2023 Annual Report – Financial Highlights, page 7
201-2	Financial implications and other risks and opportunities due to climate change	About HCDL, page 4; Climate Risk and Resilience Management, page 14–17
201-4	Financial assistance received from government	Subsidies of HK\$1 million from the government of HKSAR were received in 2023
202: Market Presence 2016		
3-3	Management of material topics	Sustainability Governance, page 7–9
202-2	Proportion of senior management hired from the local community	Corporate Governance, page 5
203: Indirect economic impacts 2016		
3-3	Management of material topics	Business-in-Community, page 29
203-1	Infrastructure investments and services supported	About HCDL, page 4; Business-in-Community, page 29
204: Procurement Practices 2016		
3-3	Management of material topics	Supply Chain Management, page 26; Green Procurement Policy; Supplier Code of Conduct
204-1	Proportion of spending on local suppliers	Supply Chain Management, page 26 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.
205: Anti-corruption 2016		
3-3	Management of material topics	Ethics and Compliance, page 6; Anti-corruption Policy; Statement of Business Integrity; Code of Conduct
205-2	Communication and training about anti-corruption policies and procedures	Ethics and Compliance, page 6
205-3	Confirmed incidents of corruption and actions taken	In 2023, there were no confirmed incidents of corruption.
300: Environmental		
301: Materials 2016		
3-3	Management of material topics	Our Environment – Commitment and Strategy, page 14; Waste Management and Resource Conservation, page 21–22
301-1	Materials used by weight or volume	Waste Management and Resource Conservation, page 22; Performance Data Summary, page 30
302: Energy 2016		
3-3	Management of material topics	Our Environment – Commitment and Strategy, page 14; Energy and Greenhouse Gas Management, page 18–19
302-1	Energy consumption within the organization	Energy and Greenhouse Gas Management, page 18–19; Performance Data Summary, page 30
302-2	Energy consumption outside of the organization	Energy and Greenhouse Gas Management, page 18–19; Performance Data Summary, page 30
302-3	Energy intensity	Energy and Greenhouse Gas Management, page 18–19; Performance Data Summary, page 30
302-4	Reduction of energy consumption	Energy and Greenhouse Gas Management, page 18–19

GRI Standard	Disclosure Number and Title	Location and Remarks/Omission
303: Water and Effluents 2018		
3-3	Management of material topics	Our Environment — Commitment and Strategy, page 14; Water Stewardship and Conservation, page 20–22
303-1	Interactions with water as a shared resource	Water Stewardship and Conservation, page 20–21
303-2	Management of water discharge-related impacts	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	Water Stewardship and Conservation, page 20–21 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 and Conservation, page 20–22; Performance Data Summary, page 30
303-5	Water consumption	Water Stewardship and Conservation, page 20–22; Performance Data Summary, page 30
305: Emissions 2016		
3-3	Management of material topics	Our Environment — Commitment and Strategy, page 14; Energy and Greenhouse Gas Management, page 18–19, Climate Risk and Resilience Management, page 14–17; Climate Change Policy Statement
305-1	Direct (Scope 1) GHG emissions	Energy and Greenhouse Gas Management, page 18–19; Performance Data Summary, page 30
305-2	Energy indirect (Scope 2) GHG emissions	Energy and Greenhouse Gas Management, page 18–19; Performance Data Summary, page 30
305-3	Other indirect (Scope 3) GHG emissions	Energy and Greenhouse Gas Management, page 18–19; Performance Data Summary, page 30
305-4	GHG emissions intensity	Energy and Greenhouse Gas Management, page 18–19; Performance Data Summary, page 30
305-5	Reduction of GHG emissions	Energy and Greenhouse Gas Management, page 18–19
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Performance Data Summary, page 30
306: Waste 2020		
3-3	Management of material topics	Our Environment — Commitment and Strategy, page 14; Waste Management and Resource Conservation, page 21–22
306-1	Waste generation and significant waste related impacts	Waste Management and Resource Conservation, page 21–22
306-2	Management of significant waste-related impacts	Waste Management and Resource Conservation, page 21–22
306-3	Waste generated	Performance Data Summary, page 30
306-4	Waste diverted from disposal	Waste Management and Resource Conservation, page 21–22 Performance Data Summary, page 30
306-5	Waste directed to disposal	Waste Management and Resource Conservation, page 21–22 Performance Data Summary, page 30
308: Supplier Environmental Assessment 2016		
3-3	Management of material topics	Supply Chain Management, page 26; Green Procurement Policy; Supplier Code of Conduct
308-1	New suppliers that were screened using environmental criteria	Supply Chain Management, page 26

GRI Standard	Disclosure Number and Title	Location and Remarks/Omission
400: Social		
401: Employment 2016		
3-3	Management of material topics	Our People, page 23–25
401-1	New employee hires and employee turnover	Performance Data Summary, page 32–33
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our People, page 23–25
401-3	Parental leave	Performance Data Summary, page 32–33
402: Labour/Management Relations 2016		
3-3	Management of material topics	Our People, page 23–25; Employment, page 23
402-1	Minimum notice periods regarding operational changes	We do not have a fixed notice period. Depending on commercial and/or other aspects of business sensitivity, reasonable notice is normally allowed for any significant operational changes of the company.
403: Occupational Health and Safety 2018		
3-3	Management of material topics	Safe and Healthy Workplace, page 25; Safety and Health Policy
403-1	Occupational health and safety management system	Safe and Healthy Workplace, page 25
403-2	Hazard identification, risk assessment, and incident investigation	Safe and Healthy Workplace, page 25
403-5	Worker training on occupational health and safety	Safe and Healthy Workplace, page 25
403-6	Promotion of worker health	Safe and Healthy Workplace, page 25; Employee Wellbeing and Engagement, page 25
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safe and Healthy Workplace, page 25
403-9	Work-related injuries	Performance Data Summary, page 33
404: Training and Education 2016		
3-3	Management of material topics	Our People, page 23–25; Development and Training, page 24
404-1	Average hours of training per year per employee	Development and Training, page 24; Performance Data Summary, page 33
404-2	Programmes for upgrading employee skills and transition assistance programmes	Development and Training, page 24
405: Diversity and Inclusion 2016		
3-3	Management of material topics	Corporate Governance, page 5; Our People, page 23–25
405-1	Diversity of governance bodies and employees	Corporate Governance, page 5; Our People, page 23–25; Employment, page 23; Performance Data Summary, page 32
406: Non-discrimination 2016		
3-3	Management of material topics	Our People, page 23–25; Human Rights Policy
406-1	Incidents of discrimination and corrective actions taken	In 2023, there were no recorded incidents of non-compliance with anti-discrimination legislations.
408: Child Labour 2016		
3-3	Management of material topics	Employment, page 23–24; Human Rights Policy
408-1	Operations and suppliers at significant risk for incidents of child labour	Employment, page 23; Human Rights Policy Child labour is not material to our business. The relevant KPIs are therefore not disclosed.

GRI Standard	Disclosure Number and Title	Location and Remarks/Omission
409: Forced or Compulsory Labour 2016		
3-3	Management of material topics	Employment, page 23–24; Human Rights Policy
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Employment, page 23; Human Rights Policy Forced labour is not material to our business. The relevant KPIs are therefore not disclosed.
413: Local Communities 2016		
3-3	Management of material topics	Business-in-Community, page 29
413-1	Operations with local community engagement, impact assessments, and development programmes	Business-in-Community, page 29
414: Supplier Social Assessment 2016		
3-3	Management of material topics	Supply Chain Management, page 26; Green Procurement Policy; Supplier Code of Conduct
414-1	New suppliers that were screened using social criteria	Supply Chain Management, page 26
416: Customer Health and Safety 2016		
3-3	Management of material topics	Guests' Safety and Health, page 27
416-2	Incidents of noncompliance concerning the health and safety impacts of products and services	Guests' Safety and Health, page 27 In 2023, there were no recorded incidents of non-compliance.
417: Marketing and Labelling 2016		
3-3	Management of material topics	Our Value Chain — Commitment and Strategy, page 26; Customer Privacy, page 27; Code of Conduct
417-3	Incidents of non-compliance concerning marketing communications	In 2023, there were no recorded incidents of non-compliance.
418: Customer Privacy 2016		
3-3	Management of material topics	Our Value Chain — Commitment and Strategy, page 26; Customer Privacy, page 27; Code of Conduct; Data Privacy Policy Statement
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Privacy, page 27; In 2023, there were no recorded incidents of non-compliance.

Appendix VI: IFRS S2 Standards Reference Index Table

Disclosure Description	References and Remarks
Governance	
(5) The objective of climate-related financial disclosures on governance is to enable users of general purpose financial reports to understand the governance processes, controls and procedures an entity uses to monitor, manage and oversee climate-related risks and opportunities.	
(6) To achieve this objective, an entity shall disclose information about:	
6(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about:	
(i) how responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s);	Sustainability Governance, page 7–9; Climate Risk and Resilience Management – Governance, page 15; 2023 Annual Report – Corporate Governance Report, page 16–33; Climate Change Policy Statement
(ii) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	Regular training and updates on climate and other sustainability issues are provided to the Board and senior management.
(iii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	Sustainability Governance, page 7–9; Climate Risk and Resilience Management – Governance, page 15
(iv) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity’s strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and	Sustainability Governance, page 7–9; Climate Risk and Resilience Management – Governance, page 15 The Group adheres to Wharf REIC’s approach which is in progress of studying the feasibility and practicality of integrating climate-related risks and other sustainability issues into its financial assessment and planning at project and corporate levels.
(v) how the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets (see paragraphs 33–36), including whether and how related performance metrics are included in remuneration policies (see paragraph 29(g)).	Sustainability Governance, page 7–9; Climate Risk and Resilience Management – Governance, page 15
6(b) management’s role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	
(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	Sustainability Governance, page 7–9; Climate Risk and Resilience Management – Governance, page 15
(ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	
(7) In preparing disclosures to fulfil the requirements in paragraph 6, an entity shall avoid unnecessary duplication in accordance with IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1).	
Strategy	
(8) The objective of climate-related financial disclosures on strategy is to enable users of general purpose financial reports to understand an entity’s strategy for managing climate-related risks and opportunities.	
(9) Specifically, an entity shall disclose information to enable users of general purpose financial reports to understand:	
9(a) the climate-related risks and opportunities that could reasonably be expected to affect the entity’s prospects (see paragraphs 10–12);	Sustainability Governance, page 7–9; Climate Risk and Resilience Management – Climate-related Risk Assessment and Management, page 15–17
9(b) the current and anticipated effects of those climate-related risks and opportunities on the entity’s business model and value chain (see paragraph 13);	
9(c) the effects of those climate-related risks and opportunities on the entity’s strategy and decision-making, including information about its climate-related transition plan (see paragraph 14);	The Group adheres to Wharf REIC’s approach which is in progress of studying the feasibility and practicality of integrating climate-related risks and other sustainability issues into its financial assessment and planning at project and corporate levels.
9(d) the effects of those climate-related risks and opportunities on the entity’s financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity’s financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity’s financial planning (see paragraphs 15–21); and	

Disclosure Description	References and Remarks
<p>9(e) the climate resilience of the entity’s strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity’s identified climate-related risks and opportunities (see paragraph 22).</p>	<p>Sustainability Governance, page 7–9; Climate Risk and Resilience Management – Climate-related Risk Assessment and Management, page 15–17</p> <p>The Group adheres to Wharf REIC’s approach which is in progress of completing the transition risk assessment and updating the business strategy, mitigation and adaptation measures in response to the identified climate-related risks. Further information will be disclosed in the future reports.</p>
Climate-related risks and opportunities	
(10) An entity shall disclose information that enables users of general-purpose financial reports to understand the climate-related risks and opportunities that could reasonably be expected to affect the entity’s prospects. Specifically, the entity shall:	
10(a) describe climate-related risks and opportunities that could reasonably be expected to affect the entity’s prospects;	Climate Risk and Resilience Management – Climate-related Risk Assessment and Management, page 15–17
10(b) explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk;	
10(c) specify, for each climate-related risk and opportunity the entity has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	The Group adheres to Wharf REIC’s approach which is in progress of completing the transition risk assessment and updating the business strategy, mitigation and adaptation measures in response to the identified climate-related risks. Further information will be disclosed in the future reports.
10(d) explain how the entity defines ‘short term’, ‘medium term’ and ‘long term’ and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	The Group adheres to Wharf REIC’s approach which is in progress of completing the transition risk assessment and updating the business strategy, mitigation and adaptation measures in response to the identified climate-related risks. Further information will be disclosed in the future reports.
(11) In identifying the significant climate-related risks and opportunities described in paragraph 9(a), an entity shall refer to the disclosure topics defined in the industry disclosure requirements.	
(12) In preparing disclosures to fulfil the requirements in paragraphs 12–15, an entity shall refer to and consider the applicability of cross-industry metric categories and the industry-based metrics associated with disclosure topics, as described in paragraph 20.	
Business model and value chain	
(13) An entity shall disclose information that enables users of general purpose financial reports to understand the current and anticipated effects of climate-related risks and opportunities on the entity’s business model and value chain. Specifically, the entity shall disclose:	
13(a) a description of the current and anticipated effects of climate-related risks and opportunities on the entity’s business model and value chain; and	Climate Risk and Resilience Management – Climate-related Risk Assessment and Management, page 15–17
13(b) a description of where in the entity’s business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	The Group adheres to Wharf REIC’s approach which is in progress of studying the feasibility and practicality of integrating climate-related risks and other sustainability issues into its financial assessment and planning at project and corporate levels.
Strategy and decision-making	
(14) An entity shall disclose information that enables users of general-purpose financial reports to understand the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose:	
14(a) information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about:	

Disclosure Description	References and Remarks
<ul style="list-style-type: none"> (i) current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments); information about direct adaptation and mitigation efforts it undertaking. (ii) current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications); (iii) current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains); (iv) any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies; and (v) how the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets, described in accordance with paragraphs 33–36. 	<p>Sustainability Governance, page 7–8; Climate Risk and Resilience Management — Climate-related Risk Assessment and Management, page 15–17; Energy and Greenhouse Gas Management, page 18–19</p> <p>The Group adheres to Wharf REIC's approach which is in progress of studying the feasibility and practicality of integrating climate-related risks and other sustainability issues into its financial assessment and planning at project and corporate levels.</p> <p>The Group adheres to Wharf REIC's approach which is in progress of completing the transition risk assessment and updating the business strategy, mitigation and adaptation measures in response to the identified risks and impacts. Further information will be disclosed in the future reports.</p>
<p>14(b) information about how the entity is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 14(a).</p>	<p>Sustainability Governance, page 7–8; Climate Risk and Resilience Management — Climate-related Risk Assessment and Management, page 15–17; Energy and Greenhouse Gas Management, page 18–19</p>
<p>14(c) quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 14(a).</p>	<p>The Group adheres to Wharf REIC's approach which is in progress of studying the feasibility and practicality of integrating climate-related risks and other sustainability issues into its financial assessment and planning at project and corporate levels.</p>
<p>Financial position, financial performance and cash flows</p> <p>(15) An entity shall disclose information that enables users of general purpose financial reports to understand:</p> <ul style="list-style-type: none"> 15(a) the effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects); and 15(b) the anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects). 	<p>The Group adheres to Wharf REIC's approach which is in progress of completing the transition risk assessment and updating the business strategy, mitigation and adaptation measures in response to the identified risks and impacts. Further information will be disclosed in the future reports.</p> <p>The Group adheres to Wharf REIC's approach which is in progress of completing the transition risk assessment and updating the business strategy, mitigation and adaptation measures in response to the identified risks and impacts. Further information will be disclosed in the future reports.</p>

Disclosure Description	References and Remarks
(16) Specifically, an entity shall disclose quantitative and qualitative information about:	
16(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	The Group adheres to Wharf REIC's approach which is in progress of completing the climate-related risk financial impact assessment. Further information will be disclosed in the future reports.
16(b) the climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;	
16(c) how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: <ul style="list-style-type: none"> <li data-bbox="183 481 1023 593">(i) its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to; and <li data-bbox="183 593 1023 627">(ii) its planned sources of funding to implement its strategy; and 	
16(d) how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation).	
Climate resilience	
(22) An entity shall disclose information that enables users of general-purpose financial reports to understand the resilience of the entity's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities. The entity shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with the entity's circumstances (see paragraphs B1–B18). In providing quantitative information, the entity may disclose a single amount or a range. Specifically, the entity shall disclose:	
22(a) the entity's assessment of its climate resilience as at the reporting date, which shall enable users of general purpose financial reports to understand:	
(i) the implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis;	Climate Risk and Resilience Management – Climate-related Risk Assessment and Management, page 15–17;
(ii) the significant areas of uncertainty considered in the entity's assessment of its climate resilience;	Energy and Greenhouse Gas Management, page 18–19
(iii) the entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including:	The Group adheres to Wharf REIC's approach which is in progress of studying the feasibility and practicality of integrating climate-related risks and other sustainability issues into its financial assessment and planning at project and corporate levels.
(1) the availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities;	
(2) the entity's ability to redeploy, repurpose, upgrade or decommission existing assets; and	
(3) the effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience; and	
	The Group adheres to Wharf REIC's approach which is in progress of completing the transition risk assessment and updating the business strategy, mitigation and adaptation measures in response to the identified risks and impacts. Further information will be disclosed in the future reports.

Disclosure Description	References and Remarks
22(b) how and when the climate-related scenario analysis was carried out, including:	
(i) information about the inputs the entity used, including: <ol style="list-style-type: none"> (1) whether the analysis included a diverse range of climate-related scenarios; (2) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (3) whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (4) why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (5) the time horizons the entity used in the analysis; and (6) what scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis); 	Climate Risk and Resilience Management – Climate-related Risk Assessment and Management, page 15–17 Further information will be disclosed in future reports subject to the completion of the transition risk assessment.
(ii) the key assumptions the entity made in the analysis, including assumptions about: <ol style="list-style-type: none"> (1) climate-related policies in the jurisdictions in which the entity operates; (2) macroeconomic trends; (3) national- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources); (4) energy usage and mix; and (5) developments in technology; and 	Climate Risk and Resilience Management – Climate-related Risk Assessment and Management, page 15–17 Further information will be disclosed in future reports subject to the completion of the transition risk assessment.
(iii) the reporting period in which the climate-related scenario analysis was carried out (see paragraph B18).	About This Report – Report Scope, page 3
Risk management	
(24) The objective of climate-related financial disclosures on risk management is to enable users of general purpose financial reports to understand an entity's processes to identify, assess, prioritise and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process.	
(25) To achieve this objective, an entity shall disclose information about:	
25(a) the processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about:	Climate Risk and Resilience Management – Climate-related Risk Assessment and Management, page 15–17
(i) the inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes); (ii) whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks; (iii) how the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria); (iv) whether and how the entity prioritises climate-related risks relative to other types of risk; (v) how the entity monitors climate-related risks; and (vi) whether and how the entity has changed the processes it uses compared with the previous reporting period;	Further information will be disclosed in future reports subject to the completion of the transition risk assessment.
25(b) the processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities; and	Climate Risk and Resilience Management – Climate-related Risk Assessment and Management, page 15–17
25(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	Further information will be disclosed in future reports subject to the completion of the transition risk assessment.

Metrics and targets

(27) The objective of climate-related financial disclosures on metrics and targets is to enable users of general purpose financial reports to understand an entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation.

(28) To achieve this objective, an entity shall disclose:

28(a)	information relevant to the cross-industry metric categories (see paragraphs 29–31);	Performance Data Summary, page 30–31
28(b)	industry-based metrics that are associated with particular business models, activities or other common features that characterise participation in an industry (see paragraph 32); and	
28(c)	targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets (see paragraphs 33–37).	Our Environment — Commitment and Strategy, page 14

Climate-related metrics

(29) An entity shall disclose information relevant to the cross-industry metric categories of

(29)(a) greenhouse gases — the entity shall:

(i)	disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO ₂ equivalent (see paragraphs B19–B22), classified as: <ol style="list-style-type: none"> (1) Scope 1 greenhouse gas emissions; (2) Scope 2 greenhouse gas emissions; (3) Scope 3 greenhouse gas emissions; 	Performance Data Summary, page 30–31
(ii)	measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions (see paragraphs B23–B25);	
(iii)	disclose the approach it uses to measure its greenhouse gas emissions (see paragraphs B26–B29) including: <ol style="list-style-type: none"> (1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions; (2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (3) any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes; 	Performance Data Summary, page 30–31
(iv)	for Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(2), disaggregate emissions between: <ol style="list-style-type: none"> (1) the consolidated accounting group (for example, for an entity applying IFRS Accounting Standards, this group would comprise the parent and its consolidated subsidiaries); and (2) other investees excluded from paragraph 29(a)(iv)(1) (for example, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries); 	Performance Data Summary, page 30–31
(v)	for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(2), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions (see paragraphs B30–B31); and	
(vi)	for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(3), and with reference to paragraphs B32–B57, disclose: <ol style="list-style-type: none"> (1) the categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and (2) additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance (see paragraphs B58–B63); 	

Disclosure Description	References and Remarks
29(b) climate-related transition risks — the amount and percentage of assets or business activities vulnerable to climate-related transition risks;	The Group adheres to Wharf REIC's approach which is in progress of completing the climate-related risk financial impact assessment. Further information will be disclosed in the future reports.
29(c) climate-related physical risks — the amount and percentage of assets or business activities vulnerable to climate-related physical risks;	
29(d) climate-related opportunities — the amount and percentage of assets or business activities aligned with climate-related opportunities;	The Group adheres to Wharf REIC's approach which is in progress of completing the transition risk assessment and further consolidating the vulnerability of assets or business activities. Further information will be disclosed in the future reports.
29(e) capital deployment — the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;	The Group adheres to Wharf REIC's approach which is in progress of completing the climate-related risk financial impact assessment. Further information will be disclosed in the future reports.
29(f) internal carbon prices — the entity shall disclose: <ul style="list-style-type: none"> <li data-bbox="225 772 1061 833">(i) an explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis); and <li data-bbox="225 840 1061 891">(ii) the price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions; 	The Group is not currently applying a carbon price in decision-making; it will adhere to Wharf REIC's approach to consider the suitability of applying a carbon price in the future.
29(g) remuneration — the entity shall disclose: <ul style="list-style-type: none"> <li data-bbox="225 925 1061 985">(i) a description of whether and how climate-related considerations are factored into executive remuneration (see also paragraph 6(a)(v)); and <li data-bbox="225 992 1061 1043">(ii) the percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations. 	Our Management and Remuneration Committee will assess how climate-related considerations should be factored into executive remuneration based on a range of factors, including the responsibilities of the Group's executive management. Further information and updates will be disclosed in future reports.
Climate-related targets	
(33) An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose:	
33(a) the metric used to set the target (see paragraphs B66–B67);	Our Environment — Commitment and Strategy, page 14; Climate Risk and Resilience Management — Metrics and Targets, page 17; Performance Data Summary, page 30–31
33(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	
33(c) the part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region);	
33(d) the period over which the target applies;	
33(e) the base period from which progress is measured; and	
33(f) any milestones or interim targets	
33(g) if the target is quantitative, whether it is an absolute target or an intensity target; and	
33(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	
(34) An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	
34(a) whether the target and the methodology for setting the target has been validated by a third party;	Our Environment — Commitment and Strategy, page 14; Performance Data Summary, page 30–31
34(b) the entity's processes for reviewing the target;	
34(c) the metrics used to monitor progress towards reaching the target; and	
34(d) any revisions to the target and an explanation for those revisions.	The Group supports Wharf REIC's in setting and approaching the climate-related targets of which a science-based approach is being studied and considered in updating the current targets. Further information will be disclosed in future reports subject to the update.
(35) An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance.	
(36) For each greenhouse gas emissions target disclosed in accordance with paragraphs 33–35, an entity shall disclose:	

Disclosure Description	References and Remarks
36(a) which greenhouse gases are covered by the target.	Our Environment — Commitment and Strategy, page 14; Energy and Greenhouse Gas Management, page 18–19
36(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	Our Environment — Commitment and Strategy, page 14; Energy and Greenhouse Gas Management, page 18–19
36(c) whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target (see paragraphs B68–B69).	Our Environment — Commitment and Strategy, page 14; Performance Data Summary, page 30–31
36(d) whether the target was derived using a sectoral decarbonisation approach.	The Group supports Wharf REIC’s in setting and approaching the climate-related targets of which a science-based approach is being studied and considered in updating the current targets. Further information will be disclosed in future reports subject to the update.
<p>36(e) the entity’s planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits the entity shall disclose information including, and with reference to paragraphs B70–B71:</p> <ul style="list-style-type: none"> (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits; (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset). 	The Group adheres to Wharf REIC’s approach which is in progress of completing the transition risk assessment and further studying the applicability of carbon credits. Further information will be disclosed in the future reports.