

# WING TAI PROPERTIES LIMITED

永泰地產有限公司

STOCK CODE 股份代號 369



ENVIRONMENTAL, SOCIAL  
AND GOVERNANCE REPORT  
環境、社會及管治報告 2023

# CONTENTS



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About This Report	3
Chairman's Message	6
About Wing Tai	8
Our ESG Certifications and Awards	9
ESG Management Approach	10
ESG Governance and Management	10
Ethical Business Operation	10
Stakeholder Engagement and Materiality Assessment	11
Our Care to Customers	16
Product and Service Responsibility	16
Customer Privacy Protection	16
Customer Feedback Handling	17
Customer Health and Safety	19
Our Care to Supply Chain	21
Overview of Supply Chain in Wing Tai	21
Sustainable Procurement Process	22
Supplier Selection	22
Ethical Supply Chain Operation	23
Our Care to Employees	25
Labour Standards	25
Employment Relations	25
Healthy and Safe Workplace	27
Training and Development	29
Our Care to the Environment	32
Environmental Management Approach	32
Energy Conservation and Greenhouse Gas Emission	32
Waste and Material Management	33
Water Conservation	34
Green Building	35
Responses to Climate Change	36
Environmental Data	37
Our Care to the Community	40
Community Investment	40
Volunteer Work	40
Donations	41
Appendix: The Stock Exchange ESG Reporting Guide	
Content Index	43



## ABOUT THIS REPORT

### REPORTING GUIDELINES

Wing Tai Properties Limited (“Wing Tai” or “the Company”) is delighted to present its annual standalone environmental, social and governance (“ESG”) report 2023. This report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) to satisfy the mandatory disclosure requirements and “comply or explain” provisions under Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

### REPORTING PRINCIPLES

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

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

### SCOPE OF THIS REPORT

This report covers ESG management and performance for Wing Tai and its subsidiaries (the “Group”) during the period from 1 January 2023 to 31 December 2023, unless otherwise specified.

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

- Property management
  - Landmark East, a Grade A office complex situated in Kwun Tong
  - Shui Hing Centre, an industrial building situated in Kowloon Bay
- Hospitality management
  - Lanson Place Causeway Bay, a boutique hotel situated in Causeway Bay (which closed for a significant renovation from end of 2022 and has resumed operation since March 2024)
  - Lanson Place Waterfront Suites, a furnished residence situated in Sai Wan Ho
- Property development
  - Fanling Lot No. 4076 in Demarcation District No. 91, a medium-density residential site situated in Sheung Shui (“SSMTR”)
  - Site C of the development scheme known as H18 situated at Gage Street/Graham Street, a commercial complex site situated in Central (“H18C”)
- Corporate offices in Kwun Tong and Central

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# ABOUT THIS REPORT

## **FEEDBACK**

We welcome stakeholders' feedback on this report and our ESG performance for continuous improvement.

Contact details are provided below:

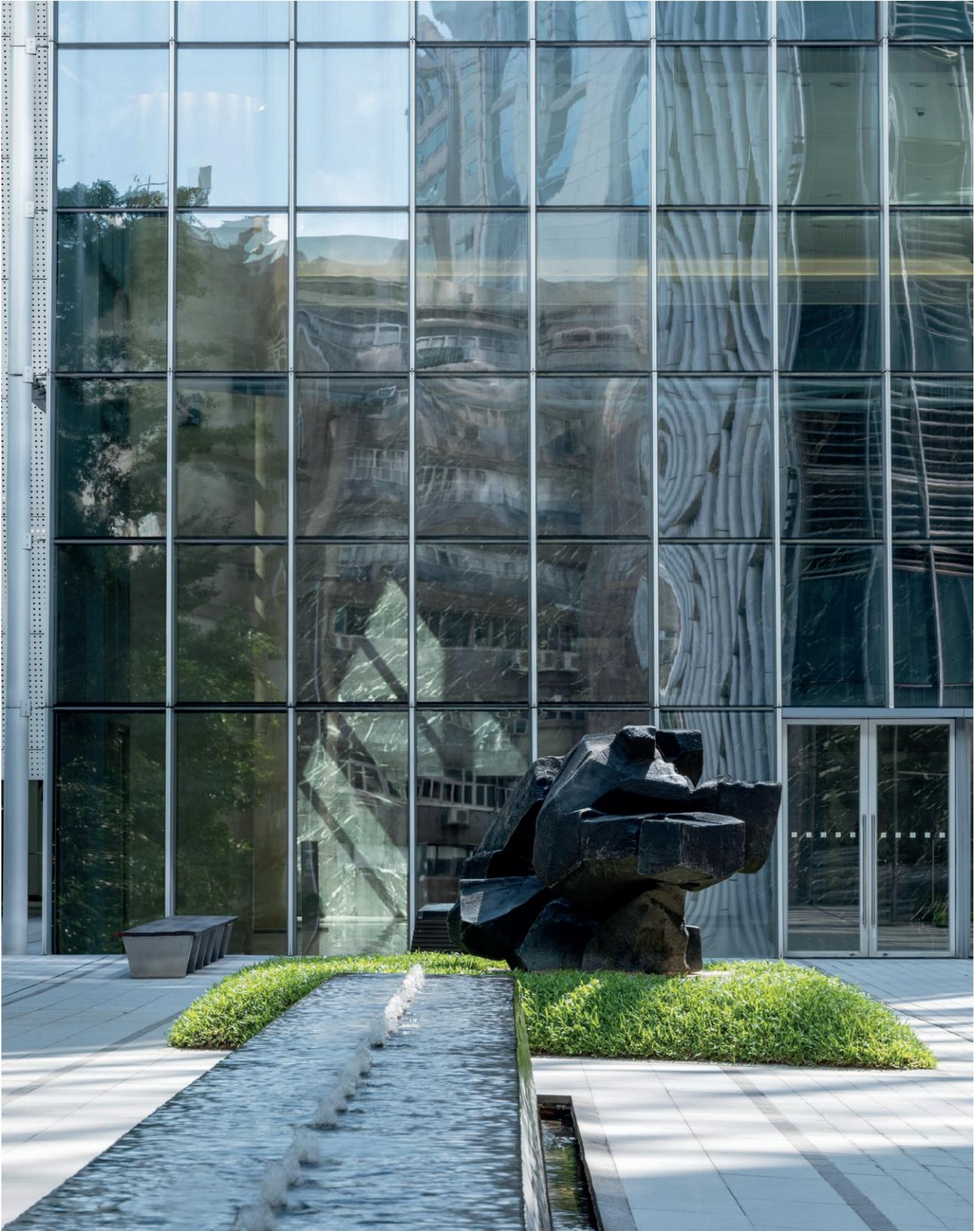
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Email: [enquiry@wingtaiproperties.com](mailto:enquiry@wingtaiproperties.com)

Website: <http://www.wingtaiproperties.com>

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



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## CHAIRMAN'S MESSAGE

I am pleased to present Wing Tai's environmental, social and governance (ESG) accomplishments during this reporting year. We firmly believe that our business has a role to play in contributing to a more sustainable world.

Adhering to our long-standing ethos – “We don't just build, we craft”, we remain committed to providing sophisticated yet cosy homes with ideal living environments and offering quality services to our customers. We have finally navigated through the difficulties and challenges brought by the pandemic since the lifting of Hong Kong pandemic restrictions in March 2023. We firmly believe that sustainability significantly contributes to our long-term success.

Wing Tai highly values the needs and opinions of our stakeholders. This year, we took one step further and conducted a comprehensive stakeholder engagement exercise to understand the expectations of our stakeholders on Wing Tai's ESG development in the post-pandemic era. Based on the results, we have updated the list of material ESG issues and developed a materiality matrix to reflect the needs and expectations of our stakeholders, which allow us to shape our ESG strategy going forward. The ESG Committee provides advice and assistance to the board (the “Board”) of directors (the “Directors”) of the Company in the oversight and evaluation of all ESG issues.

While we have established ambitious environmental targets in several areas, we have made great progress in reducing carbon intensity, waste disposal intensity and water consumption intensity. Given that Lanson Place Causeway Bay is under renovation during the reporting year, we will continue to monitor our environmental performance after the hotel reopens and will seek out more innovative opportunities to pursue our long-term sustainability goals.

Wing Tai aims to strike a balance between offering customers top-notch products and services and being mindful of the environmental and societal consequences of our operations. We are thrilled to share that our sustainable initiatives in developing green buildings have been duly recognised by various standards. Landmark East has successfully been certified with BEAM Plus Existing Buildings Platinum and LEED Existing Buildings Platinum. Furthermore, our two development projects H18C and SSMTR (a residential site near Sheung Shui MTR station) have also obtained the BEAM Plus New Buildings certifications. We will continue to review and enhance the ESG performance of our properties and operations.

Maintaining a sustainable supply chain is also a key priority for us. We encourage our contractors to prioritise the sourcing of sustainable materials and to adopt environmentally friendly practices. Apart from sourcing sustainable materials, we have aligned our supplier selection process with our commitment to green building development. Green building certifications are set as basic requirements for our project sites.

Finally, I would like to show appreciation for the dedication and efforts of the entire Group and the long-term enthusiastic support of all stakeholders, which have made achieving significant milestones in our sustainability journey possible. With bright prospect on the horizon, we look forward to working with our stakeholders to build a sustainable future together.

**Cheng Wai Chee, Christopher**

*Chairman*

Hong Kong, 21 March 2024



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## ABOUT WING TAI

Wing Tai boasts a diverse portfolio, including quality residential, commercial, industrial, serviced apartments, and boutique hotel. We operate under the “WingTai Asia” brand, focusing on property development in Hong Kong and property investment and management in Hong Kong and London. Our renowned “Lanson Place” brand excels in hospitality management across Hong Kong, Shanghai, Singapore and Kuala Lumpur.

During the reporting year, we focused on monitoring our new residential developments which are progressing smoothly as planned. We obtained approval to build a 27-storey residential block for our joint-venture residential project at Hin Wo Lane, Sha Tin, near Tai Wai and Hin Keng MTR stations. Foundation work for SSMTR, our medium-density residential site near Sheung Shui MTR station is now underway.

The Hong Kong and London office sectors face ongoing challenges in the aftermath of the pandemic, primarily due to lingering economic uncertainties. The demand for office spaces has remained subdued, leading to continued pressure on rental rates. However, we have diligently worked to maintain the occupancy levels of our flagship Landmark East twin towers at approximately 90% through successful lease renewals, effectively mitigating the decline in rental rates. Despite the prevailing economic contraction in the UK, the occupancy and rental rates of our London office properties have remained stable.

Situated in the vibrant district of Causeway Bay, Lanson Place is poised to re-emerge as a leading luxury boutique hotel in Hong Kong in March 2024. The timing of its reopening has been strategically planned to align with a positive market recovery.

The Group’s unwavering commitment lies in being a reputable and distinguished real estate developer. Guided by our core values of excellence, creativity, and sustainability, we conduct business responsibly and mindfully, meeting the expectations of our stakeholders. As we progress as a premium developer, our brands will continue to embody our vision and high standards in design and construction.

More information regarding our business portfolio and financial performance can be found on [our website](#) and [Annual Report 2023](#).

# OUR ESG CERTIFICATIONS AND AWARDS

Our commitment to ESG development in both environmental and social aspects has garnered significant recognition from numerous local and international organisations. As evidence of our accomplishments, the table below provides a summary of the certificates and awards we received in 2023 for our environmental and social initiatives.

Certification/Award Name	Organisation
<b>Environmental</b>	
BEAM Plus New Buildings Provisional Assessment (Stage 1) – H18C	Hong Kong Green Building Council Limited
BEAM Plus New Buildings Provisional Assessment (Stage 1) – SSMTR	Hong Kong Green Building Council Limited
BEAM Plus Existing Buildings Platinum Rating – Landmark East – AIA Kowloon Tower and AXA Tower	Hong Kong Green Building Council Limited
LEED Existing Buildings Platinum Rating – Landmark East – AIA Kowloon Tower and AXA Tower	U.S. Green Building Council
Hong Kong Green Organisation – Wastewise Certificate (Basic Level) – Landmark East	Environmental Campaign Committee
Programme on Source Separation of Commercial and Industrial Waste – Landmark East	Environmental Protection Department
Commendation Scheme on Source Separation of Commercial and Industrial Waste (Certificate of Merit) – Shui Hing Centre	Environmental Protection Department
Indoor Air Quality Certificate (Excellent Class) – AIA Kowloon Tower and AXA Tower, Landmark East	Environmental Protection Department
Quality Water Supply Scheme for Buildings – Flushing Water (Gold) – Landmark East	Water Supplies Department
Quality Water Supply Scheme for Buildings – Fresh Water (Management System) (Gold) – Landmark East	Water Supplies Department
<b>Social</b>	
Good MPF Employer 5 Years+	Mandatory Provident Fund Schemes Authority
PolyU CESO Annual Employability Forum 2023 Building a Greener Tomorrow: Green Innovation & Green Employment	College of Professional and Continuing Education, The Hong Kong Polytechnic University



## ESG MANAGEMENT APPROACH

### ESG GOVERNANCE AND MANAGEMENT

The Board is responsible for overseeing material ESG issues, reviewing the progress of ESG-related goals and targets, and developing the Group's ESG strategy and management approach. The Board devotes sufficient resources and time to the Group's corporate governance and ESG management. Established by the Board, the ESG Committee provides guidance and assists the Board in managing all aspects of the Group's ESG practices, such as governance, policies, initiatives, performance, and reporting. The ESG Committee is comprised of an Executive Director, the Chief Financial Officer, and the Group Legal Counsel and Company Secretary of the Company. Additionally, a working group dedicated to ESG matters has been established which operates under the supervision of the ESG Committee.

The ESG Committee guides and reviews the development of the Group's ESG administrative policies and initiatives. The ESG Committee also takes on the responsibility to enhance the ESG performance by developing and executing the ESG objectives, as well as monitoring the objectives' progress. The Group has established an ESG Risk Bank to identify ESG risks and evaluate the potential impact on our business operations. The ESG risk updates are reported to the ESG Committee on a regular basis and then to the Board when necessary. This ESG report was approved by the Board on 21 March 2024 after receiving recommendations from the ESG Committee.

### ETHICAL BUSINESS OPERATION

Wing Tai's enduring commercial success is built upon our unwavering dedication to upholding ethical business standards. We prioritise strict adherence to regulations governing bribery, fraud, blackmail and money laundering, including the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong). By diligently managing compliance and reputational risks, we strive to maintain our commitment to ethical practices.

The Group is committed to upholding the highest ethical standards in our business environment and has zero tolerance for any form of inappropriate conduct. All employees within the Group must adhere to and act in the best interests of Wing Tai, as outlined in the staff handbook's Code of Conduct and Discipline at Work. Our Anti-corruption Policy offers guidance and instructions for conducting business with honesty, integrity and fairness. Employees are required to promptly record all transactions in an accurate and complete manner.

The Whistleblowing Policy has also been updated and extended to cover independent third parties dealing with the Group (the "Third Parties") in addition to our employees. It encourages employees and the Third Parties to report any suspicious activities they noticed. All suspicious activities, including but not limited to financial crimes and workplace misconduct should be reported. The reports will be escalated to the head of the department or division, the head of Internal Audit Department, the Chief Executive and/or the Chairman of the Audit Committee when necessary. The confidentiality of the whistle-blowers is protected by the Whistleblowing Policy to prevent any retaliation or other consequences, and to ensure the proper handling of the procedures.

The risk management system is in place to safeguard the Group's reputation and to mitigate the identified risks. To maintain Wing Tai's credibility, our training sessions on ethical issues are equally significant. In this reporting year, we conducted Zoom training sessions on anti-corruption and business ethics to our employees. We have also distributed "Toolkit on Directors' Ethics", which is a training material provided by the Independent Commission Against Corruption, to the Directors. Additionally, the Company's Code of Conduct is introduced to new employees in the staff orientation. There were no reported instances of non-compliance related to bribery, extortion, fraud, or money laundering in our business operations during the reporting period.

## STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

Wing Tai acknowledges the importance of our stakeholders' opinions and expectations. Hence, we have established a variety of communication channels to actively engage with them. This enables us to incorporate their feedback into our materiality assessment and effectively address their concerns regarding our ESG management. We seek for insight from our stakeholders to enhance our ESG performance and strive to cultivate trustful and long-term relationships with them.

The engagement methods used to communicate with our stakeholders during the reporting period are as follows:

Stakeholder Group	Engagement Methods
Shareholders and investors	<ul style="list-style-type: none"> <li>Annual General Meetings</li> <li>Annual and Interim Reports</li> <li>Our website</li> <li>Press releases</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Intranet</li> <li>Staff meetings</li> <li>Staff care activities</li> <li>Staff training</li> <li>Staff interviews</li> </ul>
Customers	<ul style="list-style-type: none"> <li>Customer service hotline</li> <li>Daily personal contacts</li> <li>Our website</li> <li>Questionnaires</li> </ul>
Media	<ul style="list-style-type: none"> <li>Press releases</li> <li>Press conferences</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Tendering processes</li> <li>Meetings and conferences</li> <li>Site visits</li> </ul>
Community	<ul style="list-style-type: none"> <li>Voluntary services</li> </ul>

To ensure Wing Tai is aligned with the industry expectations, the stakeholder engagement exercise is conducted regularly, and the material ESG issue list is reviewed annually. In 2023, we engaged an independent third-party consultant to conduct a thorough stakeholder engagement process. Both internal and external stakeholders, including Directors, management, employees, contractors, suppliers, and investors, were invited to participate in online surveys and interview sessions. They were invited to assess the significance of the ESG issues to them and Wing Tai from their perspectives, and share their valuable opinions on Wing Tai's sustainability progress. The insights obtained from this process played a vital role in our materiality assessment, shaping our ESG strategy going forward.

In addition, we synchronised our sustainability strategy objectives with acknowledged priorities emphasised by megatrends. To accomplish this, we make reference to the United Nations Sustainability Development Goals (the "SDGs") that hold the utmost relevance to our particular ESG materiality issues, guaranteeing a coherent alignment between our strategy and the wider sustainability agenda.

# ESG MANAGEMENT APPROACH

During the reporting year, based on our area of influence and business priorities, we have benchmarked the material ESG issue list against industry peers and megatrends to identify any gaps in our ESG strategy. Based on the findings, we have added “Ethics and Integrity” to our material ESG issue list. A total of 19 ESG materiality issues were identified to be relevant and applicable to Wing Tai.

To capture stakeholders’ perspectives on the 19 identified ESG material issues, online surveys and interviews were conducted during the stakeholder engagement exercise. The surveys result served as a valuable foundation for the construction of our materiality matrix, which highlights the most significant ESG topics for Wing Tai. Additionally, interviews were conducted with the senior management to gather their feedback on Wing Tai’s current ESG performance. The table of materiality issue listed below depicts our ESG materiality issues with reference to the SDGs targets. The assessment result shown in the materiality matrix was reviewed and approved by the Board and the ESG Committee.

## WING TAI’S MATERIALITY MATRIX 2023



ESG Aspects	Materiality Issues	SDGs
Environmental	1. Greenhouse Gas Emission and Other Air Emission	 
	2. Waste Management	
	3. Energy Conservation	   
	4. Water Management	
	5. Materials	
	6. Green Building	
	7. Climate Change	 
Employment and Labour	8. Diversity and Equal Opportunities	
	9. Employee Wellness and Engagement	 
	10. Healthy and Safe Workplace	
	11. Training and Development	
	12. Labour Standards	

# ESG MANAGEMENT APPROACH

ESG Aspects	Materiality Issues	SDGs
Operating Practices	13. Supply Chain Management	
	14. Product and Service Responsibilities	N/A
	15. Data Privacy Protection for Customers	N/A
	16. Anti-corruption	
	17. Ethics and Integrity	
Community	18. Customer Wellness, Health and Safety	
	19. Community Investment	 



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## OUR CARE TO CUSTOMERS

### **PRODUCT AND SERVICE RESPONSIBILITY**

In our pursuit of excellence and customer satisfaction, Wing Tai offers buyers with top-quality products while prioritising their needs. We strictly adhere to all relevant laws and regulations governing our product responsibilities and buyer protection, including the Residential Properties (First-hand Sales) Ordinance (Cap. 621 of the Laws of Hong Kong) and the Trade Descriptions Ordinance (Cap. 362 of the Laws of Hong Kong).

We deliver high-quality products and services to meet our customers' expectations. Wing Tai requires employees to strictly adhere to the internal Product Responsibility Policy. Landmark East and Shui Hing Centre have both renewed the ISO 9001:2015 certificates during the reporting year. Additionally, we engage external consultants for our property management operations and seek professional advice and assistance in complicated project and quality management matters, in order to fulfil various product-related requirements accurately. To ensure provision of quality products and services to our customers, Wing Tai holds meetings with our contractors to review their performance on a regular basis. To ensure service quality and uphold cleanliness, safety and smooth operation, regular patrol will be kept and maintained by our operational staff.

With a strong commitment to environmental responsibility, we endeavour to incorporate environmental considerations into our products and services at every stage of the supply chain, encompassing planning, design, development and business operations.

During the reporting year, there were no known non-compliance cases with laws and regulations regarding health and safety, advertising, labelling and privacy matters, and there were no products sold or shipped subjected to recalls for safety and health concerns.

### **CUSTOMER PRIVACY PROTECTION**

Wing Tai strives for continuous improvement of the products and services. It is a common practice in many of our operation procedures to collect customers' personal information due to our business nature. To maintain our business integrity, we are committed to safeguarding our customers' privacy throughout the handling of their personal information. All our operations strictly adhere to the laws and regulations regarding data privacy and protection, such as the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong). Policies and procedures are also implemented to prohibit any unauthorised or accidental access, deletion, or other use of customer personal data, ensuring that all data is collected solely for lawful and appropriate purposes. We take all practicable steps to ensure the protection and security of personal information.

In our hospitality management operations, we have developed a set of standard operating procedures to guide our employees in handling guest personal data. For each hotel and serviced apartment, at least one data officer is dedicated to overseeing data management and protection. We provide regular training to our front office employees to maintain their awareness of data privacy when handling customers' personal information. Employees are also required to take cybersecurity quizzes on a regular basis. This ensures our employees to be mindful of data misconduct and cyberthreats. To prevent potential privacy leakage, employees are reminded to handle customers' information in a professional manner and not to publicly display the information from their workstations. Additionally, we provide customers with the option to opt-out from providing personal data for marketing purposes.

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For our property management personnel, we have established written guides and work instruction documents to facilitate the proper handling of customer data and to ensure the privacy of visitors is protected. Any sensitive personal information will be destroyed once its intended collection purpose has been fulfilled.

During the reporting period, no complaints were received regarding breaches of personal data privacy.

### **CUSTOMER FEEDBACK HANDLING**

The valuable feedback and opinions expressed by our customers and tenants serve as a driving force for our continuous improvement in our products and services. To this end, we strive to understand and gather their feedback by actively communicating with these stakeholders to meet and exceed their expectations.

We employ a variety of communication channels to actively gather comprehensive customer feedback and comments. Regular customer and tenant satisfaction surveys are conducted during our property management and hospitality management activities to assess their level of satisfaction. We refine our targets and objectively monitor progress through the survey results. In addition, our employees in hospitality management operations take a proactive approach to ensure service quality through face-to-face discussions upon check-out or during the inventory checking process. The collection of feedback is further facilitated through various social media platforms, enabling us a deeper understanding of our customers' expectations.

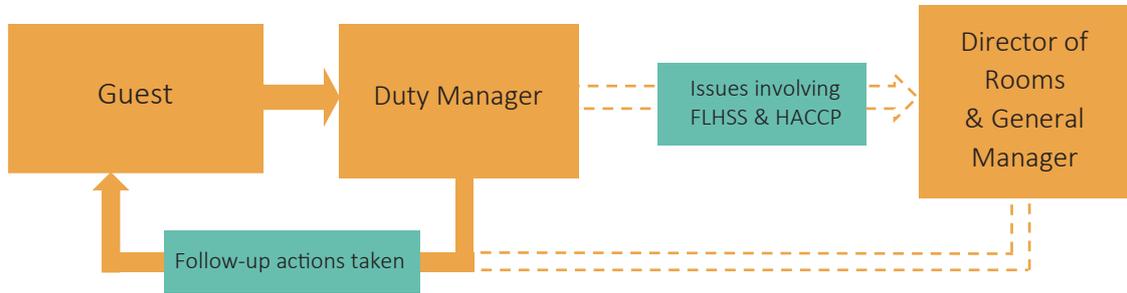
Since 2021, the customer service centre for property management operations in Landmark East has been adopting a Computerised Property and Facility Management System to collect feedback from tenants. The system leverages big data analysis to transform raw data into useful management insights, facilitating the workflow and strategic decision-making, providing timely and appropriate responses to tenants.

We give careful consideration to the feedback and comments received from our customers. To enhance service and product quality while meeting customer expectations, our senior management regularly reviews customers' comments, opinions, and complaints across all business operations. Wing Tai will share the customers' feedback with employees to foster ongoing development. We are committed to deliver the finest services to our customers.

Wing Tai has established the Product Responsibility Policy which outlines standardised complaint handling procedures within property management and hospitality management operations. These well-defined procedures ensure the effective and accurate resolution of customer complaints.

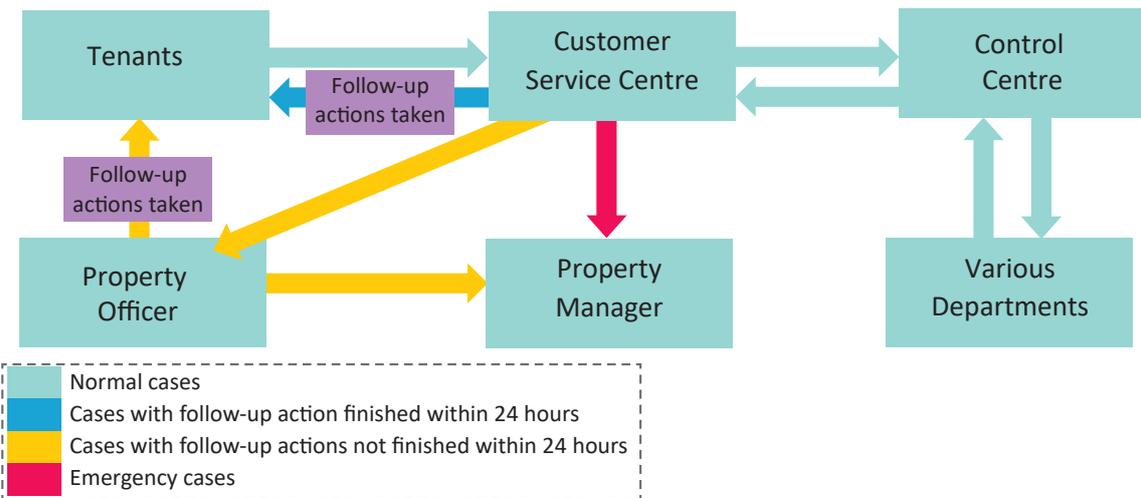
# OUR CARE TO CUSTOMERS

## Hospitality Management



In our hospitality management operations, the Duty Manager is in charge of reviewing and documenting complaints. Complaints regarding Fire, Life, Health, Safety and Security (FLHSS) as well as Hazard Analysis and Critical Control Points (HACCP) issues will be escalated to the Director of Rooms and General Manager. Subsequently, they will undertake the task of meticulously addressing the concerns raised and ensuring a comprehensive resolution is provided within a prompt timeframe.

## Property Management



In property management operations, the Customer Service Centres, Control Centres and Departments of Landmark East and Shui Hing Centre are tasked with the receipt and are required to respond to the complaints within 24 hours through site inspections and meetings. Our Property Manager is responsible for emergency cases (highlighted in red colour in the chart above) and cases that remain unresolved after 24 hours (highlighted in yellow colour in the chart above). Tenants will receive letters of reply once their issues have been examined and complaints have been resolved.

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In our hospitality management business, we frequently receive employee compliments from guests and customers. We demonstrate our appreciation to our employees by sharing these compliments and expressions of gratitude on our employee communication platform. The Group's objective is to consistently deliver high-quality products and services to our customers and tenants. During the reporting year, no significant complaints were received regarding unsatisfactory customer services or products.

### **CUSTOMER HEALTH AND SAFETY**

We review potential health and safety hazards and risks within our premises regularly to safeguard our customers' health and safety. To manage these risks effectively, various mitigation and remediation measures have been adopted, ensuring that a safe environment is provided to our customers.

All our properties conduct regular examinations of fire services and security systems to maintain a safe environment for our customers, guaranteeing prompt responses and effective evacuation procedures in case of an emergency. Our security personnel perform daily patrols to monitor the safety, cleanliness, and proper functioning of building systems in our property management operations. Any abnormalities discovered are promptly addressed through swift follow-up actions.

To further minimise operational risk, crisis management policies and procedures have been implemented in our hotel management operations. We update the list of potential crisis scenarios regularly. To remind our employees of their duties and responsibilities regarding hazards and critical issues, we conduct annual drill, testing, simulation, and training for our staff to refresh their awareness.

Given the potential transmission risks in our properties, Wing Tai strives to minimise the risks within our operations with preventive measures to protect our guests, employees and tenants. We remained the hygiene control measures including automatic hand sanitising units throughout our premises and lobbies. Guest contact areas are regular cleaned with 1:99 diluted bleach. We also regularly disinfect the common areas and amenities such as lifts, door handles, telephones, washrooms and lobbies, and adding bleach pills to the flushing water tank to reduce germs.

To protect our tenants, regular air purging and bacteria/virus removal filter (C-Polar) adopted during the pandemic is kept and installed respectively at all tenant floors in Landmark East. We continue to equip Smart Cleaning Robots with disinfectant spray to kill bacteria and virus, and perform deep cleaning for the floors to ensure continuous disinfections in our main lobbies of Landmark East. Newsletters and notices are distributed to all our tenants timely by email about our latest hygiene control measures.

During the reporting period, there were no reported health and safety issues regarding our services and products.



## OUR CARE TO SUPPLY CHAIN

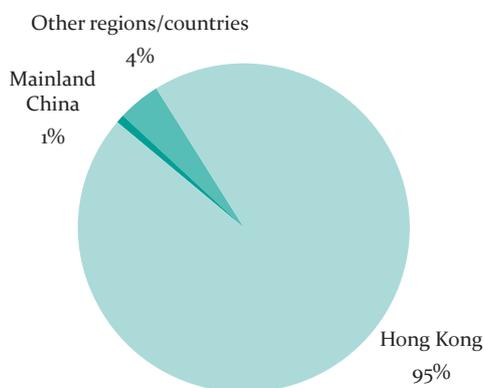
### OVERVIEW OF SUPPLY CHAIN IN WING TAI

Wing Tai upholds the standard of our services and the properties we construct by enhancing the supply chain management mechanism. We maintain effective communication with our suppliers, including contractors on construction projects, suppliers of building materials and cleaning supplies. To assess and enhance our supplier portfolio, we regularly review the top environmental and social risks identified throughout Wing Tai's supply chain, including anti-corruption and occupational health and safety, etc.

We understand that non-compliance or inadequate performance can negatively impact our operations and value chain. Therefore, we have established a supplier monitoring mechanism to regularly assess suppliers' ESG performance and identify potential ESG risks. The assessment results will be integrated into our supplier selection process. To minimise the risk impact, we have implemented various internal measures to mitigate the risks. In property development operations, the tender documents of main contractors are listed with relevant clauses. Moreover, to prepare for possible disruptions on the supply chain, we retain sufficient stocks of consumables and parts to maintain daily operations in property management.

In 2023, Wing Tai partnered with 496 local suppliers in our core business sectors, including hospitality management, property development, property management, and the human resources and administration department (the "HR Department") in Hong Kong. This represents approximately 95% of our overall supplier base.

#### Geographical Distribution of Suppliers in Wing Tai



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# OUR CARE TO SUPPLY CHAIN

## **SUSTAINABLE PROCUREMENT PROCESS**

To foster a sustainable supply chain, we have established a resilient system to guide us on the adoption of eco-friendly products and services. Our Green Procurement Policy incorporates green purchasing standards into our procurement process, ensuring the integration of sustainability considerations into supplier selection and purchasing decisions.

In line with our sustainable procurement strategy, we prioritise purchasing building materials from local manufacturers within an 800-kilometer radius of our property development sites. This approach serves the dual purpose of supporting the local economy and reducing our carbon footprint and material expenses. Our contractors engaged a total of 26 local suppliers in property development operations. Additionally, our sustainable procurement approach encourages the application of green building assessments. H18C aims to be certified with a BEAM Plus Platinum rating by the Hong Kong Green Building Council Limited.

We are also dedicated to procuring environmentally friendly materials for our operations. The Group actively pursues partnerships with suppliers and manufacturers who exhibit a strong commitment to sustainable forestry management. We encourage our property development projects to use on-site wood products sourced from Forest Stewardship Council-certified origins. In the quotation or tendering process of our hospitality management operations, we prioritise suppliers that employ environmentally friendly products.

## **SUPPLIER SELECTION**

To ensure the delivery of quality products and services while upholding environmental standards, the Group has implemented a robust supply chain management system. Relevant terms are incorporated into our tender documents to ensure their compliance to environmental laws and regulations. We also emphasise fair competition and equitable treatment of all suppliers throughout our procurement processes.

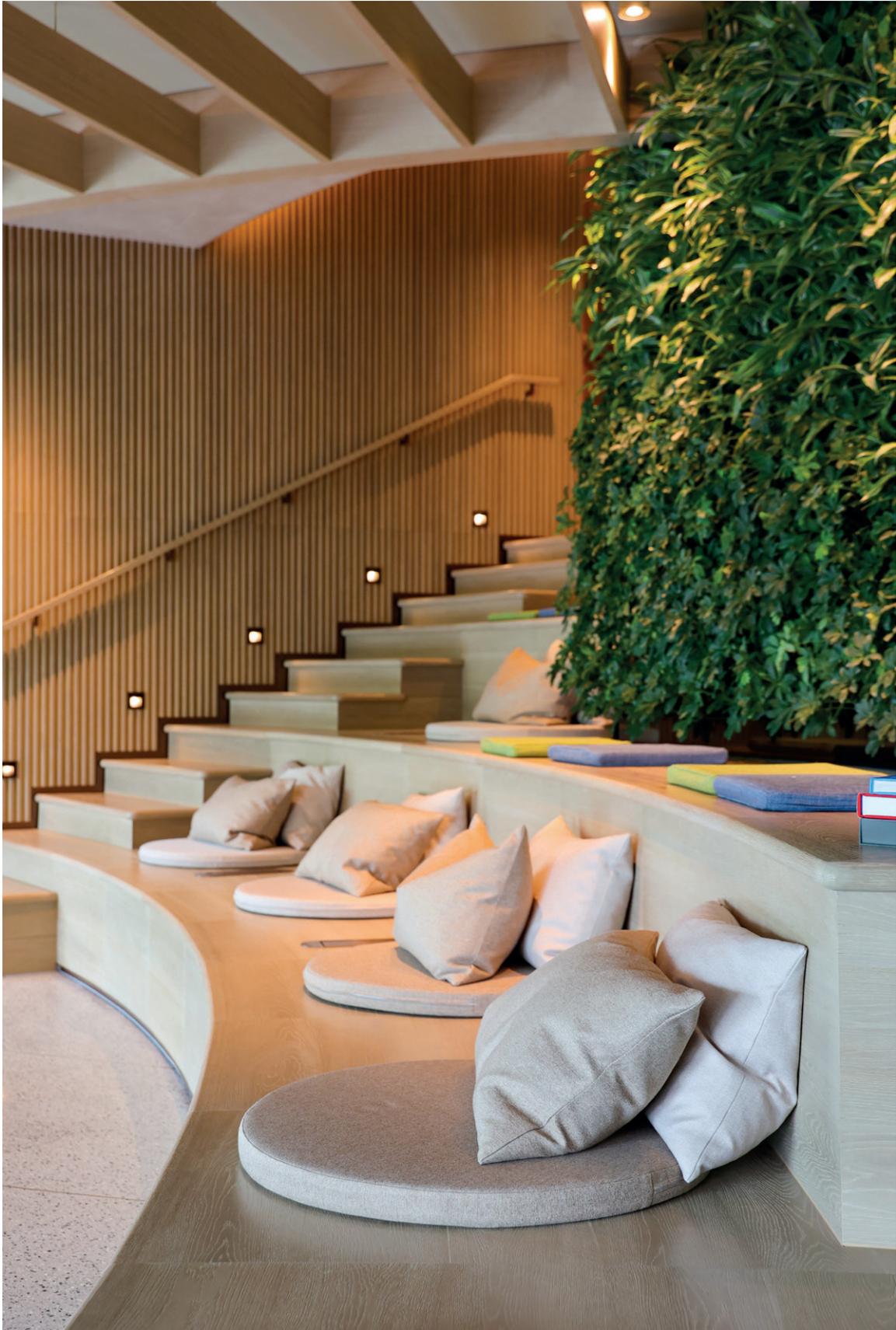
We have formulated measures on supplier selection and assessment regarding their sustainability practices, to strengthen quality control in our supply chain. In property management operation, our list of qualified suppliers and contractors are selected based on their suitability, competency and qualifications. Environmental and social considerations also play a pivotal role in our decision-making process. For hospitality management operation, we ensure the efficiency and effectiveness of our purchasing responsibilities by excluding high-risk suppliers. Contractors and suppliers in our property management operations are strongly encouraged to provide relevant certificates, including internationally recognised standards such as ISO 9001, ISO 14001, and ISO 45001, when applying to be included in our approved suppliers list. Additionally, regular evaluations and frequent meetings with suppliers allow us to review their work, in order to maintain our high-quality products and services. This comprehensive approach helps us in identifying potential risks and ensuring traceability in our supply chain.

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For property development operations, we prioritise local suppliers to minimise the potential impact of construction material procurement on neighbouring communities and reduce air pollution resulting from material transportation. We also align our supplier selection process with our commitment to green building development. For our projects H18C and SSMTR, we target to obtain BEAM Plus certification. Hence, priorities are given to suppliers that provide sustainable and regional sourced material, certified green products and materials with recycled content. Green building certifications (such as BEAM Plus and LEED) are set as basic requirements for our project sites. These measures reinforce our dedication to sustainability and incentivise environmentally responsible practices.

#### **ETHICAL SUPPLY CHAIN OPERATION**

To uphold our ethical standards and comply with all relevant laws and regulations, our requirements for suppliers and service providers are listed in the Vendor Code of Conduct. Wing Tai's expectations for suppliers in areas such as workplace health and safety, employment practices, labour standards, environmental preservation, supply chain management and anti-bribery protocols are outlined in the Vendor Code of Conduct. Additionally, we maintain transparent and regular communication with our suppliers to ensure they are well-informed about our supply chain-related policies. Ethics and integrity requirements are included in our contracts to ensure contractors meeting Wing Tai's ethical standards. During the quotation process in hospitality management operations, suppliers are subject to regular assessment while their performance is reviewed by the purchase department and user departments.



## OUR CARE TO EMPLOYEES

### LABOUR STANDARDS

Wing Tai has zero tolerance of child and forced labour across all operations. We strictly comply with relevant laws and regulations including the Employment Ordinance (Cap. 57 of the Laws of Hong Kong), Employment of Children Regulations (Cap. 57B of the Laws of Hong Kong) and Employment of Young Persons (Industry) Regulations (Cap. 57C of the Laws of Hong Kong). The Group prohibits any form of child, forced, bonded, indentured or slave labour or human trafficking.

The Group proactively takes measures to ensure our compliance with the labour standards. In all operations, identification and reference checks are conducted during the employment process to ensure all employees have met our labour standards. Upon employment, all staff are required to declare their date of birth in the personal information form with sufficient evidence to prohibit delegating hazardous tasks to employees under the age of 18. Copy of identity card will be kept in their personnel file. During the reporting period, no non-compliance cases regarding child or forced labour were observed in our business operations.

### EMPLOYMENT RELATIONS

In Wing Tai, our key to acquiring long-term business success is an engaging working environment for our employees. We are dedicated to creating a harmonious and inclusive workplace with fair and rewarding packages. To support our employees' potential growth, sufficient personal development programmes and apparent career development pathways are provided. We strictly comply with all employment practices, relevant laws and regulations in Hong Kong, including the Employment Ordinance (Cap. 57 of the Laws of Hong Kong) and discrimination ordinances<sup>1</sup>. During the reporting year, there were no non-compliance cases identified.

We encourage the cultivation of an environment that embraces diversity and inclusion within the workplace. We ensure a secure and supportive workplace without discrimination and ensure to provide equal opportunities during the recruitment process and all employment activities, including compensation, working hours, training and promotion. Any form of discrimination are strictly prohibited in the workplace. Every employee is treated equally regardless of their ethnicity, ancestry, national origin, religion, gender, marital status, age, sexual orientation, disability or veteran status. Our employment decisions are based on individuals' capability, education, qualifications, experience and skills.

To attract and retain talents, fair and competitive remuneration packages are offered to all employees. The "pay-for-performance" principle is adopted by the Group in formulating and reviewing the remuneration packages to enhance the productivity of the Group to remain competitive in the market. The remuneration packages are also reviewed regularly through market benchmarking. This year, we have updated the employee benefits in our hospitality operations to better align with the current market. Moreover, we offer competitive benefits such as physical check-ups, leaves, insurance coverage and long-term service awards.

The Group believes that understanding employees' views and suggestions is crucial for building an engaging and inclusive environment. Our group-wide grievance and complaint handling procedures provide employees with various communication channels to communicate their concerns and feedback to their direct supervisors, department heads or HR Department. The received grievances and complaints are ensured to be addressed properly and fairly with high level of confidentiality.

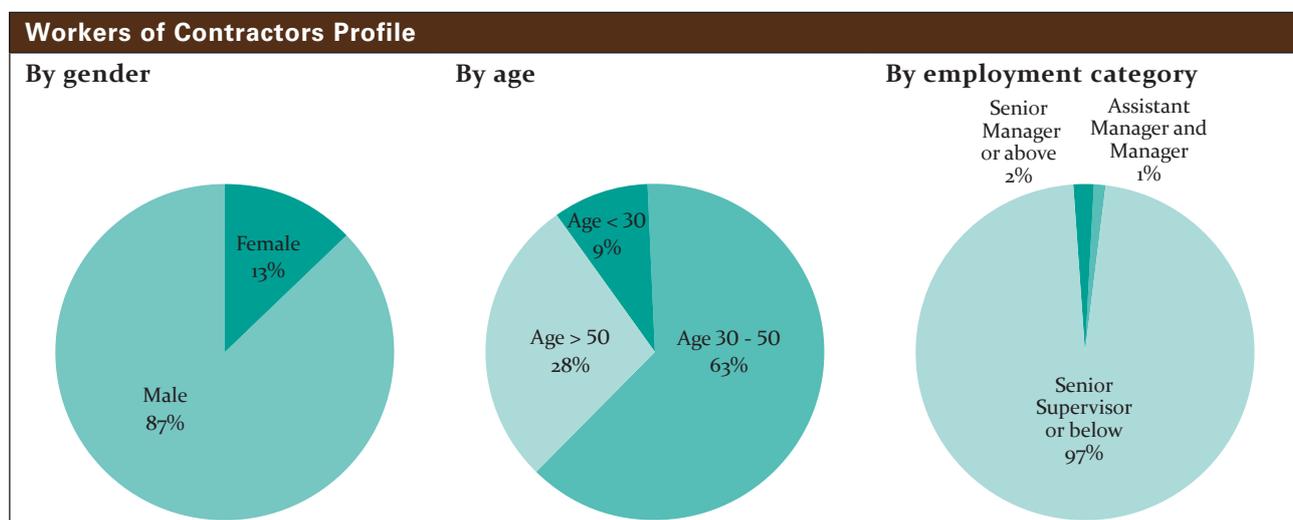
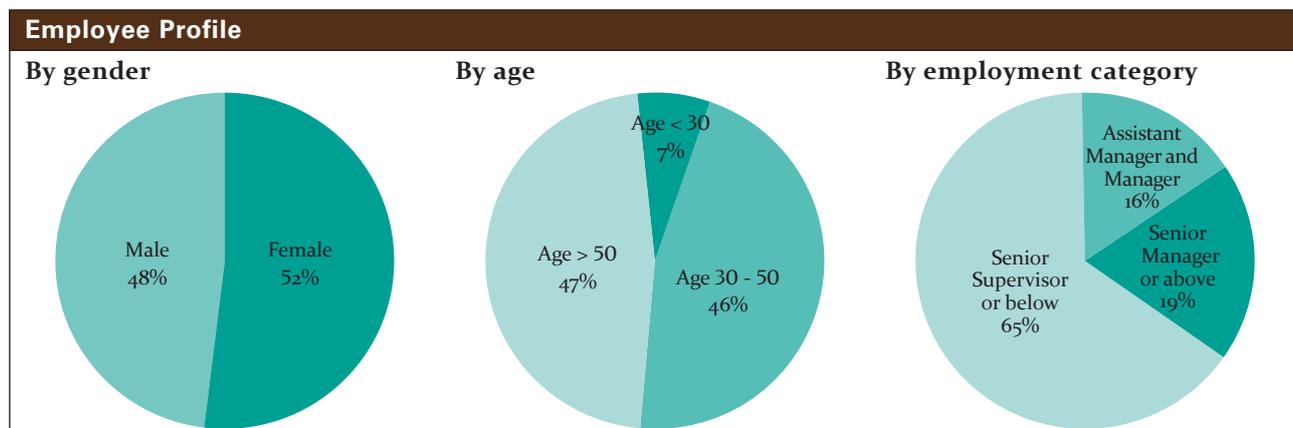
<sup>1</sup> Discrimination ordinances include the Sex Discrimination Ordinance (Cap. 480 of the Laws of Hong Kong), Disability Discrimination Ordinance (Cap. 487 of the Laws of Hong Kong), Family Status Discrimination Ordinance (Cap. 527 of the Laws of Hong Kong) and Race Discrimination Ordinance (Cap. 602 of the Laws of Hong Kong).

# OUR CARE TO EMPLOYEES

Our continuous effort on maintaining an employee-oriented working environment has been recognised. In 2023, Wing Tai received the Good MPF Employer Award for the 8th consecutive year, rewarding our outstanding performance in securing our employees' rights.

As of 31 December 2023, the Group employed around 450 employees and 390 contract workers. Approximately 98.2% of our employees are based in Hong Kong, approximately 1.6% are based in Mainland China and approximately 0.2% are based in other countries. Approximately 97.7% of our workers of contractors are based in Hong Kong, approximately 1.5% are based in Mainland China and approximately 0.8% are based in other countries.

The Group's workforce comprises 48% of male and 52% of female. The Group will maintain a balanced and satisfactory gender mix. We continually take positive action to ensure equal opportunity in the conduct of employment activities: recruitment, hiring, compensation, training and promotion for all persons to be based on their competence, knowledge, experience and individual performance, regardless of gender.



Our employee turnover rate was around 13% during the reporting period.

<b>Employee Turnover Rate<sup>2</sup> in 2023</b>	
Overall	13.0%
<b>By gender</b>	
Male	15.1%
Female	10.8%
<b>By age group</b>	
Age < 30	28.6%
Age 30 – 50	16.1%
Age > 50	8.4%
<b>By geographical distributions</b>	
Mainland China	14.3%
Hong Kong	12.8%
Other regions/countries	66.7%

#### **HEALTHY AND SAFE WORKPLACE**

Wing Tai is dedicated to protecting the health and well-being of our employees and building a safe working environment. Our operations are strictly complying with relevant laws and regulations relating to occupational safety and health (the “OHS”), including the Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong) and the Factories and Industrial Undertakings Ordinance (Cap. 59 of the Laws of Hong Kong). During this reporting year, there were no confirmed non-compliance cases relating to the OHS in our operations in Hong Kong.

In our property management operations, Landmark East has received the ISO 45001:2018 Occupational Health and Safety Management Systems Certification. During the reporting year, the Safety, Health, Environment & Quality Policy Statement for the construction site of H18C has been revised. It is aiming to lower the accident frequency rate to 8 accidents per 1,000 workers, or 0.22 accidents per 100,000 man-hours.

We have listed our health and safety standards in our internal policies. For example in hospitality management and property management operations, our Safety Staff Handbook and Working Safety Guideline provides instructions for fire prevention, electricity shortages and lift malfunctions for our employees. Moreover, we promote health and well-being among our employees with talks on ways to relieve pressure and correct postures.

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

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## OUR CARE TO EMPLOYEES

Wing Tai maintains the OHS performance by implementing various initiatives in our construction sites and our offices. To evaluate the safety performance of our property development operations, we conduct annual safety inspection and hold regular safety management meetings with our contractors. Resources and supports including publications from the Labour Department and protective and auxiliary equipment are provided for our employees to minimise all work-related injuries. For employees working in high-risk operations and construction sites, we will provide sufficient helmets, gloves, masks and other protective equipment. In case of any operational accident, our remedial actions and procedures guide us on the appropriate handling procedures, including safety alerts, accident investigations, follow-up safety training and workplace safety enhancement. On the construction site of H18C, a monthly safety award scheme and a permit to work system have been established by the contractors to maintain a high standard for the OHS at sites. The permit to work system assists our contractors in the identification, communication, mitigation and control of risks in construction site.

We also value occupational health of our employees in office. In our offices, we provide employees with healthy fruits on a weekly basis. We also conduct regular testing on our drinking water to maintain the quality of drinking water provided for our employees. At Landmark East, we ensure the cleanliness of our drinking water tanks, the proper upkeep of our internal plumbing system, and the use of compliant materials throughout. Our fresh water supply system has been acknowledged with the “Gold” standard in the “Quality Water Supply Scheme for Buildings – Fresh Water (Management System)” led by the Water Supplies Department. To uphold hygiene standards, our water drinking machines undergo regular cleaning on a yearly basis. In addition, a high-level air treatment system, the C-POLAR filtering system, has been adopted in Landmark East during the reporting year. This advanced filtering system is incorporated into the air handling units present on each office floor, effectively removing viruses and enhancing indoor air quality.

To ensure employees and contractors are aware of the OHS risks, regular OHS training is arranged in all business operations. For our employees in property development and hospitality management operations, we provide external health and safety training courses to enhance their understanding of first aid and the application of cardiopulmonary resuscitation (CPR) and automated external defibrillator (AED). We also provide monetary support to our hygiene supervisors, managers and first-aiders in attending external courses in hospitality management operations. During the reporting year, we also offered the OHS training to contractors. For contractors in SSMTR, we invited internal and external speakers to educate about the health and safety related issues for the contractors. For contractors in H18C, tool box talk and high risk training were arranged to enhance their awareness of safety risks at construction sites. In 2023, over 1,800 hours of the OHS training were provided by the Group to our employees and over 290 hours of the OHS training were provided by the contractors in construction sites. During the reporting year, 2 cases of work-related injuries with 36 lost days were recorded. In the past 3 years, no work-related fatalities were recorded.

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## **TRAINING AND DEVELOPMENT**

The Group encourages continuous learning to facilitate innovation and business growth in Wing Tai. We have invited technical specialists and professionals to deliver internal tailored trainings to employees based on the operational nature. During the reporting year, employees are required to attend the anti-corruption training to refresh their skills in handling ethical dilemmas and their understanding of the significance of ethical behaviour in our workplace. Regarding our property development operations, our contractors attend training arranged by the safety department in H18C on a regular basis, including training related to health and safety as well as quality management. For hospitality management operations, the training programme covers a wide range of topics including service standards and procedures, typhoon and rainstorm precautions, crisis scenarios, risk handling and safety. In 2023, we arranged Basic Food Hygiene training, Fire Life Health Security and Safety training and Excellence Service training for our hotel staff.

Apart from internal training, we highly encourage our employees to explore and develop their professional skills. We provide employees with financial subsidies to attend external training courses and fee reimbursement for professional memberships.

In Wing Tai, we believe in “Learning by Doing”. Inter-property cross-exposure programmes are organised by our hospitality management operations, allowing our staff to gain practical experience in different jobs and responsibilities within the industry. These programmes ensure our employees are well equipped with diverse skill sets and support them to explore their potential.

The annual performance appraisal is in place to evaluate the performance and abilities of our employees. Wing Tai has introduced a key responsibility area system (the “KRA System”) to evaluate employees’ performance with comprehensive feedback. The KRA System allows employees to understand the expected performance with mutual agreement on standards and personal objectives, and to achieve corporate objectives eventually. Ultimately, the results of the KRA System help us to modify effective training and development plans to achieve long term business goals.

# OUR CARE TO EMPLOYEES

## Training Data in 2023

Percentage of employees trained <sup>3</sup>	
Overall	77%
By gender	
Male	79%
Female	75%
By employment category	
Senior Manager or above	48%
Assistant Manager and Manager	68%
Senior Supervisor or below	88%

Average training hours	
Overall	17
By gender	
Male	19
Female	15
By employment category	
Senior Manager or above	13
Assistant Manager and Manager	19
Senior Supervisor or below	17

<sup>3</sup> Percentage of employees trained = Total number of trained employees in the category / Average number of employees in the specified category at the beginning and at the end of the year × 100%



## OUR CARE TO THE ENVIRONMENT

### **ENVIRONMENTAL MANAGEMENT APPROACH**

The Group focuses on achieving the best possible environmental performance in our business operations through strengthening our management approaches.

We maintain strict compliance with all applicable environmental laws and regulations, including the Air Pollution Control Ordinance (Cap. 311 of the Laws of Hong Kong), Noise Control Ordinance (Cap. 400 of the Laws of Hong Kong), Water Pollution Control Ordinance (Cap. 358 of the Laws of Hong Kong), Waste Disposal Ordinance (Cap. 354 of the Laws of Hong Kong) and Dangerous Goods Ordinance (Cap. 295 of the Laws of Hong Kong). During the reporting period, there were no non-compliance cases regarding emissions, sewage discharge and waste generation in our business operations.

We strive to minimise the adverse environmental impacts posed by our daily operations and establish a resilient natural environment with our environmental management systems designed in accordance with international standards. We have been certified with ISO 14001:2015 Environmental Management System certification for Landmark East for our property management operations, while our contractor of the development project of H18C has obtained ISO50001:2018 Energy Management System certification.

As governed by our Environmental Policy, we are committed to maintaining sustainable business operations through implementing initiatives relating to carbon emissions, energy consumption, green building design, green procurement and enhancing environmental awareness. Moreover, we invite our business partners to be a positive contributor to environmental and social sustainability through compliance with our Vendor Code of Conduct and Green Procurement Policy.

We are committed to achieving our climate ambition that promotes a smooth transition to a low-carbon economy. To this end, we have established long-term environmental targets encompassing energy consumption, greenhouse gas emissions, waste management and water consumption to be achieved by 2030, which are based on a comprehensive review and analysis of our historical data in the baseline assessment. Details of our targets are included in the respective sections of this chapter.

### **ENERGY CONSERVATION AND GREENHOUSE GAS EMISSION**

Climate change has emerged as one of the most critical issues in the world. Wing Tai is committed to minimising our impact on climate change through energy efficiency enhancement and greenhouse gas emission reduction across our properties. To achieve such goal, we regularly monitor our energy consumption and upgrade facilities strategically. For example, in our hospitality management operations and the construction site of H18C, we conduct monthly energy consumption analysis and energy audits to evaluate electricity and/or town gas use.

Enhancing the energy efficiency of our facilities remained the first priority in our property management and hospitality management operations during the reporting year. Alongside the installation of solar panels, energy-efficient air-conditioning systems and light-emitting diode (LED) fixtures, we also introduced a chiller plant optimisation system empowered by Artificial Intelligence (AI) and big data solutions in Landmark East. The optimisation system helped to reduce around 275,750 kWh of energy consumption during the reporting year. Furthermore, the existing fluorescent tubes in the common corridors have been replaced with LEDs, with a saving of around 120,000 kWh every year. We also installed higher energy-efficient chillers in Shui Hing Centre during the reporting year with a saving of around 50,000 kWh every year. Our upcoming plans involve studying the implementation of heating, ventilation, and air conditioning (HVAC), upgrading the air-side equipment control in Landmark East by 2024. In Shui Hing Centre, we continue to explore potential energy-saving opportunities through daily reviews of chilled water supply, temperature setpoints, lighting arrangements and lift operation schedules.

To take one step further in minimising energy consumption, we have optimised our operational practices based on changes in different parameters, such as the consumption patterns and temperature changes. We encourage employees in the office to switch off idle lighting to promote energy conservation. In addition, we expect our business partners to practise energy conservation on construction sites. For example, the construction site of H18C ensures that all machine engines, such as mobile cranes, are turned off or switched to energy-saving mode when not in use and during off duty period. Also, we limit the operation of our SENNEBOGEN crane in construction site to “Eco Mode” with a maximum engine speed of 1,850 rpm to reduce fuel consumption.

Our Energy and Greenhouse Gases Emission Targets		
Business Operation Units	Quantitative targets against 2021	Targeted reduction rate by 2030
Property Management	Electricity consumption intensity (per gross floor area (“GFA”))	10%
	Indirect carbon emission (Scope 2) intensity (per GFA)	10%
Hospitality Management	Electricity consumption intensity (per room night)	10%
	Indirect carbon emission (Scope 2) intensity (per room night)	10%

## WASTE AND MATERIAL MANAGEMENT

In preparation for the Municipal Solid Waste Charging Scheme in Hong Kong, Wing Tai has been actively managing the waste generated in our operations. We adopt sustainable consumption practices and waste recycling initiatives across our properties to minimise waste generated by our diverse business activities.

Wing Tai prioritises prevention of waste generation whenever possible. We have gradually transitioned to a paperless working environment through digitalising our business workflow. Since 2021, our hotel management operation at Lanson Place Causeway Bay has eliminated the use of physical guest registration form for guest entry by using iPad for checking in procedures via property management system. Also, we remind employees to recycle waste at all time, including paper, plastic bottles and aluminium cans.

## OUR CARE TO THE ENVIRONMENT

In our hospitality management operations, third-party vendors were commissioned to collect various waste items for further processing, including paper, plastic, glass bottles and soaps. In our property management operations, Shui Hing Centre has participated in the Programme on Source Separation of Commercial and Industrial Waste, in which we place recycling bins around the property to facilitate the collection of recyclable waste from tenants. During the reporting year, Landmark East received the Wastewise Certificate from the Environmental Campaign Committee in recognition of our efforts in waste reduction and recycling.

We actively communicate our expectations on waste management to our contractors. Regular waste audits were conducted by the contractors of H18C, enabling us to evaluate the effectiveness of our waste reduction measures and performance. We also provide incentives to employees and contractors for satisfactory waste management performance. We promote waste recycling practices to workers and contractors in construction sites through training and recycling-related signage, as well as placing recycling bins for metal, paper and plastics at the respective sites.

Although the amount of hazardous waste generated in Wing Tai is minimal, we handle hazardous waste disposal with the utmost care. To prevent leakage of hazardous waste during the reporting period, we complied with all applicable hazardous waste disposal standards and legal requirements. For example, when disposing of fluorescent light tubes, we engage qualified operators to handle the waste under our supervision. Furthermore, the chemical waste generated at our construction sites is collected by the Environmental Protection Department's authorised collectors.

Our Waste Reduction Targets		
Business operation units	Quantitative targets against 2021	Targeted reduction rate by 2030
Hospitality Management	Non-hazardous waste disposal intensity (per room night)	17%
Business operation units	Qualitative targets to be achieved by 2030	
Property Development	Require 100% of the main contractors to submit a waste management plan before commencement of works on construction sites both for Wing Tai's wholly-owned new property development projects in Hong Kong and new property development projects in Hong Kong led by the Group	

### WATER CONSERVATION

To promote responsible water consumption, we commit to conserving water while safeguarding the water quality for our guests and tenants. In our hospitality management operations, we reduce freshwater consumption by collecting the condensed water discharged from the cooling towers for flushing. Similarly, we have adopted a rainwater recycling system in Landmark East that collects rainwater for irrigation and cleaning purposes, saving about 64 m<sup>3</sup> of freshwater during the reporting year.

We have introduced a comprehensive set of water efficiency initiatives in H18C. Water meters are installed in water storage tanks for the continual monitoring of water withdrawal and identification of any irregularities in water consumption. To fully utilise water prior to the discharge of effluents, our on-site drainage facilities collect the wastewater generated for the purpose of site cleaning, piling works, and dust removal. We have also arranged regular talks and training sessions to enhance the awareness of water conservation among frontline workers.

<b>Our Water Reduction Targets</b>		
<b>Business operation units</b>	<b>Quantitative targets against 2021</b>	<b>Targeted reduction rate by 2030</b>
Property Development & Property Management	Water consumption intensity (per GFA)	5%

### **GREEN BUILDING**

The Group is committed to reducing the impact of our buildings on the environment and natural resources. To achieve this ambition, we aligned with international standards during the building design and construction phases. In the design of our property development projects, we incorporate low shading coefficient glazing to optimise energy efficiency. We also adopted water-efficient sanitary fittings to reduce water consumption and effluent discharge.

We endeavour to incorporate environmental considerations during construction. On the construction site of H18C, we restrict construction vehicles from entering and leaving the site during lunchtime hours to avoid creating dust particles and ensure the safety of nearby pedestrians.

During the construction phase, environmental requirements are set to guide our contractors on sustainable operations. To promote sustainable sourcing, we have implemented a system to record manufacturers' information from our suppliers to enable tracing of the source of raw materials. We encourage our contractors to prioritise the sourcing of sustainable and environmental friendly materials and appliances in all projects. For example, within our property management operations, we promote the use of LEDs as a replacement for electrical lighting to contractors in renovation projects while adopting T5 tubes at site offices. To manage hazardous waste, we have engaged registered collectors to handle the disposal of chemical waste in construction sites.

Our efforts have been widely recognised in the industry. H18C has achieved Platinum rating for pre-certification of Leadership in Energy and Environmental Design (LEED) and WELL Building Standard (WELL). H18C and SSMTR have also been certified by the Hong Kong Green Building Council Limited's Building Environmental Assessment Method (BEAM) Plus New Buildings Provisional Assessment. To demonstrate our ambition and commitment on green buildings, we aim to obtain BEAM Plus Provisional Platinum rating and China Green Building Label (CGBL) 2-star rating. For Landmark East, we have also obtained LEED Existing Buildings Platinum rating and BEAM Plus Existing Buildings Platinum rating.

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# OUR CARE TO THE ENVIRONMENT

## RESPONSES TO CLIMATE CHANGE

Wing Tai continuously enhances the climate resilience and readiness for more stringent disclosure requirements. In 2022, we conducted a climate risk scenario analysis for all business units in our major business operations in Hong Kong. We continuously enhance our internal practices to be prepared for the impact associated with climate risks evaluated through the analysis.

We have adopted two Representative Concentration Pathways (RCP), RCP 4.5 and RCP 8.5, climate trajectories used by the Intergovernmental Panel on Climate Change (IPCC), to assess potential implications in two distinct climate futures throughout the current century. The two selected scenarios are commonly adopted for climate risk assessment. RCP 4.5 represents a sudden transition to a low-carbon economy, where emissions peak around 2040. On the other hand, RCP 8.5 portrays a “business as usual” scenario with continuously rising emissions throughout the 21<sup>st</sup> century. Results from our scenario analysis demonstrated the potential climate-related transition risks and physical risks under RCP4.5 and RCP8.5 by 2050, as well as their underlying implications on the Group’s business. Policy and legal risk have been identified as the major transition risk, while tropical cyclones and coastal flooding as the major physical risks. Our property development operations may experience business interruption and project delivery delays as a result of the occurrence of extreme weather events, such as tropical cyclones. The increased possibility of flooding occurring in our facilities or equipment may result in elevated operational expenses and put the safety of our employees, workers of contractors and tenants at risk. To ensure the Group’s readiness for the aforementioned risks, we have developed a set of climate-related mitigation measures and strategies.

Our Policy on Climate Change outlines our commitment to mitigating the negative impacts of climate change in our operations. The policy also serves the purpose of fostering environmental and climate awareness across all decision-making levels and to guide us in climate risk mitigation, adaptation, monitoring and reporting.

In response to the identified risks, we have established climate risk management policies to mitigate the climate-related risks identified. Special work arrangements will be scheduled for our employees under extreme weather events to accommodate operational needs. In hospitality management and property management operations, our employees are required to attend precautionary and emergency training regarding typhoons and rainstorms. In the case of flooding, our emergency response team will act promptly according to our standard operating procedures. Our expectations of handling extreme weather events also apply to our contractors, in which contractors in the property development operations are expected to follow standard operating procedures. For example, contractors are reminded to use secured and mounted bamboo scaffolding to provide structural stability, pile up sandbags to create protective barriers, and display signs to inform about the typhoon or extreme weather.

We strive to mitigate climate-related risks during the design and construction phases, in which we put climate resilient elements in consideration in our properties’ design stage. For instance, to minimise the risk of significant flooding, our drainage system is purposefully designed to withstand extreme rainfall that occurs once every 10 years.

## ENVIRONMENTAL DATA

The environmental performance data regarding our corporate offices, property development operations, property management operations and hospitality management operations in 2022 and 2023 are presented below:

	Units	2022	2023
<b>Energy consumption</b>			
Total electricity consumption	kWh	19,466,190	16,419,579
Total towngas consumption <sup>4</sup>	Units	–	–
Total diesel consumption	Litres	212,812	153,101
Total gasoline consumption	Litres	29,546	34,553
<b>Energy intensity</b>			
Corporate offices	GJ/square feet (GJ/sq. ft.)	0.046	0.046
Property development <sup>5</sup>	GJ/sq. ft. <sup>6</sup>	0.013	0.009
Property management	GJ/sq. ft.	0.035	0.035
Hospitality management <sup>7</sup>	GJ/room night	0.296	0.184
<b>Greenhouse gas (GHG) emissions <sup>8</sup></b>			
Direct emissions (Scope 1) <sup>9</sup>	tonnes of CO <sub>2</sub> equivalents (tCO <sub>2</sub> e)	635	493
Indirect emissions (Scope 2) <sup>10</sup>	tCO <sub>2</sub> e	8,903	6,778
<b>GHG emission intensity by operations</b>			
Corporate offices	tCO <sub>2</sub> e/sq. ft.	0.005	0.005
Property development <sup>5</sup>	tCO <sub>2</sub> e/sq. ft. <sup>6</sup>	0.001	0.001
Property management	tCO <sub>2</sub> e/sq. ft.	0.004	0.004
Hospitality management <sup>7</sup>	tCO <sub>2</sub> e/room night	0.058	0.035
<b>Water consumption and intensity by operations</b>			
Total water consumption	cubic metres(m <sup>3</sup> )	116,900	74,319
Property development <sup>5</sup>	m <sup>3</sup> /sq. ft. <sup>6</sup>	0.020	0.013
Property management	m <sup>3</sup> /sq. ft.	0.051	0.037
Hospitality management <sup>7</sup>	m <sup>3</sup> /room night	0.530	0.490

<sup>4</sup> There was no towngas consumption in 2022 and 2023 due to the joining of Lanson Place Causeway Bay into designated quarantine hotel scheme of Hong Kong Government in 2022, and the temporarily closure for a significant renovation of Lanson Place Causeway Bay in 2023.

<sup>5</sup> Property development data in 2022 include OMA by the Sea and H18C while data in 2023 include H18C and SSMTR.

<sup>6</sup> Intensities for property development are calculated based on the allowable gross floor area.

<sup>7</sup> Due to the temporary closure for significant renovations at Lanson Place Causeway Bay in 2023, no room nights were recorded. The energy and water consumptions of Lanson Place Causeway Bay in 2023 are mainly due to the renovation works.

## OUR CARE TO THE ENVIRONMENT

	Units	2022	2023
<b>Waste</b>			
Non-hazardous waste disposed	kg	28,585	8,419 <sup>11</sup>
Non-hazardous waste recycled	kg	28,872	26,491
Hazardous waste handled	pieces	1,829	2,076
Hazardous waste recycled	pieces	1,778	2,192
<b>Waste intensity by operations</b>			
Non-hazardous waste generated <sup>12</sup> by corporate offices and property management	kg/sq. ft.	0.023	0.021
Non-hazardous waste generated <sup>12</sup> by hospitality management <sup>7</sup>	kg/room night	0.428	0.080 <sup>11</sup>
Hazardous waste generated <sup>13</sup> by corporate offices and property management	pieces/sq. ft.	0.002	0.003
Hazardous waste generated <sup>13</sup> by hospitality management <sup>7</sup>	pieces/room night	0.002	–
<b>Construction material used</b>			
Concrete	m <sup>3</sup>	2,690	9,033 <sup>14</sup>
Steel	tonnes	1,057	3,169 <sup>14</sup>
Timber	m <sup>3</sup>	–	72 <sup>14</sup>
Soil and rock	tonnes	–	–
Others	tonnes	23,751	78,141 <sup>14</sup>

<sup>8</sup> Calculated in accordance with the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong (2010 Edition) published by the Environmental Protection Department, HKSAR. We also make reference of the emission factors from CLP Power Hong Kong Limited (0.39 kg CO<sub>2</sub>e / kWh) and The Hongkong Electric Company, Limited (0.68 kg CO<sub>2</sub>e / kWh) respectively, for the calculation of indirect GHG emissions (Scope 2).

<sup>9</sup> Direct GHG emission (Scope 1) is generated from fuel consumption, including diesel and gasoline.

<sup>10</sup> Indirect GHG emission (Scope 2) is generated from electricity and town gas consumption.

<sup>11</sup> The decrease in non-hazardous waste generated by hospitality management is due to the temporarily closure for a significant renovation of Lanson Place Causeway Bay in 2023.

<sup>12</sup> Non-hazardous waste generated includes waste disposed and recycled.

<sup>13</sup> Hazardous waste generated includes waste handled and recycled.

<sup>14</sup> The increased usage of concrete, steel, timber, and other general construction material is due to the changes in construction phase from the construction of foundation to superstructure in the development project of H18C.



OUR CARE TO THE COMMUNITY

COMMUNITY INVESTMENT

Wing Tai acknowledges our responsibility to generate positive societal impacts and is committed to supporting the community. Our Community Investment Policy serves as a guiding framework to create enduring value and provide comprehensive assistance to the community. In the reporting year, our primary focus has been on volunteer work and donations to individuals and groups in need.

VOLUNTEER WORK

During the reporting year, we participated in 156 hours of voluntary work to help people in need and contribute to the environment. We supported Bo Charity Foundation by joining its event “A Day with Food Angel”, preparing around 7,710 boxes of meals to serve the underprivileged communities in Hong Kong.

In December 2023, our employees of Lanson Place Causeway Bay participated in grass cutting at Mai Po organised by World Wildlife Fund (WWF) to remove overgrown vegetations to manage and maintain ideal habitats for wildlife.



## DONATIONS

As part of our ongoing commitment to community engagement, the Group actively sought opportunities to contribute through in-kind charitable donations. The Group donated approximately HKD0.1 million during the reporting year. In particular, we cared on youth development initiatives by collaborating with Dignity Mama Hong Kong to organise a meaningful event titled “Pre-loved Books Donation”. Through this event, we successfully collected an impressive total of 184 books, aiming to foster a love for reading among young individuals.

In support of the work of Hong Kong Red Cross Blood Transfusion Service, our employees participated in blood donation in August 2023, to provide fresh blood products for treatments of patients with chronic diseases or in need of surgery. In Lanson Place Causeway Bay, we also donated 6,000 toothbrushes to the Helping Hand, providing daily necessities to those in need.

Furthermore, in our pursuit of environmental sustainability, we actively participated in the “Lai See Packet Recycle & Re-use Programme” organised by Greeners Action. This event was designed to promote the recycling and reusing of traditional Lai See packets commonly used during festive occasions. With great enthusiasm, we managed to collect a substantial amount of 1,891 Lai See packets, thereby contributing to waste reduction and encouraging sustainable practices within the community.





## APPENDIX: THE STOCK EXCHANGE ESG REPORTING GUIDE CONTENT INDEX

This index indicates how this report has been complied in accordance with the mandatory disclosure requirements and “comply or explain” provisions as set out in the Stock Exchange ESG Reporting Guide.

### MANDATORY DISCLOSURE REQUIREMENTS

Mandatory Disclosure Requirements (“MDR”)	Descriptions	Sessions in the report/ Remarks	Page number
MDR 13	A statement from the board containing the following elements: (i) a disclosure of the board’s oversight of ESG issues; (ii) the board’s ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer’s businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer’s businesses.	Chairman’s Message; ESG Governance and Management	P.6, P.10
MDR 14	A description of, or an explanation on, the application of the (a) Materiality, (b) Quantitative, (c) Consistency reporting principles.	Reporting Principles	P.3
MDR 15	Reporting boundaries of the ESG report and the process of setting them.	Scope of this Report	P.3

### “COMPLY OR EXPLAINS” PROVISIONS

#### A: ENVIRONMENTAL

Aspects	Descriptions	Sessions in the report/ Remarks	Page number
A1: Emissions	General Disclosure  Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmental Management Approach	P.32

## APPENDIX: THE STOCK EXCHANGE ESG REPORTING GUIDE CONTENT INDEX

Aspects	Descriptions	Sessions in the report/ Remarks	Page number
	KPI A1.1 The types of emissions and respective emissions data.	Wing Tai does not generate a significant amount of air emissions in business operations.	N/A
	KPI A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity.	Environmental Data	P.37
	KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity.	Environmental Data	P.38
	KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.	Environmental Data	P.38
	KPI A1.5 Description of emission target(s) set and steps taken to achieve them.	Environmental Management Approach; Energy Conservation and Greenhouse Gas Emission	P.32-33
	KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Waste and Material Management	P.33-34
A2: Use of Resources	General Disclosure  Policies on the efficient use of resources, including energy, water and other raw materials.	Environmental Management Approach	P.32
	KPI A2.1 Direct and/or indirect energy consumption by type in total (kWh in '000s) and intensity.	Environmental Data	P.37
	KPI A2.2 Water consumption in total and intensity.	Environmental Data	P.37

Aspects	Descriptions	Sessions in the report/ Remarks	Page number
	KPI A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Energy Conservation and Greenhouse Gas Emission	P.32-33
	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.	Water Conservation  Wing Tai mainly consumes municipal water in Hong Kong. There is currently no issue in water-sourcing in Hong Kong.	P.34-35
	KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Wing Tai's major product and service offerings do not involve the use of packaging materials.	N/A
A3: The Environment and Natural Resources	General Disclosure  Policies on minimising the issuer's significant impacts on the environment and natural resources.	Environmental Management Approach; Green Building	P.32, P.35
	KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Green Building	P.35
A4: Climate Change	General Disclosure  Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Responses to Climate Change	P.36
	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.	Responses to Climate Change	P.36

# APPENDIX: THE STOCK EXCHANGE ESG REPORTING GUIDE CONTENT INDEX

## B: SOCIAL

Aspects	Descriptions	Sessions in the report/ Remarks	Page number
Employment and Labour Practices			
B1: Employment	<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p>	Employment Relations	P.25-26
	<p>KPI B1.1</p> <p>Total workforce by gender, employment type, age group and geographical region.</p>	Employment Relations	P.26
	<p>KPI B1.2</p> <p>Employee turnover rate by gender, age group and geographical region.</p>	Employment Relation	P.27
B2: Health and Safety	<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to providing a safe working environment and protecting employees from occupational hazards.</p>	Healthy and Safe Workplace	P.27-28
	<p>KPI B2.1</p> <p>Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.</p>	Healthy and Safe Workplace	P.28
	<p>KPI B2.2</p> <p>Lost days due to work injury.</p>	Healthy and Safe Workplace	P.28
	<p>KPI B2.3</p> <p>Description of occupational health and safety measures adopted, how they are implemented and monitored.</p>	Healthy and Safe Workplace	P.27-28

<b>Aspects</b>	<b>Descriptions</b>	<b>Sessions in the report/ Remarks</b>	<b>Page number</b>
B3: Development and Training	<p>General Disclosure</p> <p>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</p>	Training and Development	P.29
	<p>KPI B3.1</p> <p>The percentage of employees trained by gender and employee category (e.g. senior management, middle management).</p>	Training and Development	P.30
	<p>KPI B3.2</p> <p>The average training hours completed per employee by gender and employee category.</p>	Training and Development	P.30
B4: Labour Standards	<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to preventing child and forced labour.</p>	Labour Standards	P.25
	<p>KPI B4.1</p> <p>Description of measures to review employment practices to avoid child and forced labour.</p>	Labour Standards	P.25
	<p>KPI B4.2</p> <p>Description of steps taken to eliminate such practices when discovered.</p>	During the reporting year, no non-compliance cases was discovered.	N/A

## APPENDIX: THE STOCK EXCHANGE ESG REPORTING GUIDE CONTENT INDEX

Aspects	Descriptions	Sessions in the report/ Remarks	Page number
Operating Practices			
B5: Supply Chain Management	General Disclosure  Policies on managing environmental and social risks of the supply chain.	Our Care to Supply Chain	P.21-23
	KPI B5.1 Number of suppliers by geographical region.	Overview of Supply Chain in Wing Tai	P.21
	KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supplier Selection	P.22-23
	KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Sustainable Procurement Process; Supplier Selection	P.22-23
	KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Sustainable Procurement Process; Supplier Selection	P.22-23
B6: Product Responsibility	General Disclosure  Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product and Service Responsibility  Wing Tai's major product and service offerings do not involve the labelling of products.	P.16
	KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product and Service Responsibility	P.16
	KPI B6.2 Number of products and service related complaints received and how they are dealt with.	Customer Feedback Handling	P.19

Aspects	Descriptions	Sessions in the report/ Remarks	Page number
	KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.	Intellectual property rights is not material in our operations.	N/A
	KPI B6.4 Description of quality assurance process and recall procedures.	Customer Feedback Handling	P.17-19
	KPI B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Customer Privacy Protection	P.16-17
B7: Anti-corruption	General Disclosure  Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to bribery, extortion, fraud and money laundering.	Ethical Business Operation; Ethical Supply Chain Operation	P.10, P.23
	KPI B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Ethical Business Operation	P.10
	KPI B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Ethical Business Operation	P.10
	KPI B7.3 Description of anti-corruption training provided to directors and staff.	Ethical Business Operation	P.10

## APPENDIX: THE STOCK EXCHANGE ESG REPORTING GUIDE CONTENT INDEX

Aspects	Descriptions	Sessions in the report/ Remarks	Page number
Community			
B8: Community Investment	General Disclosure  Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment	P.40
	KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment	P.40
	KPI B8.2 Resources contributed (e.g. money or time) to the focus area.	Volunteer Work; Donations	P.40-41

## **WING TAI PROPERTIES LIMITED**

Incorporated in Bermuda with limited liability

## **永泰地產有限公司**

於百慕達註冊成立之有限公司



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