



CHINACHEM GROUP
華懋集團

SUSTAINABILITY REPORT
2023-2024

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Sustainability Performance at a Glance

People



109,953 hours

Of training provided, recorded a 42% increase

49.7%

Of positions held by women

~12 million

In donations (HKD)

8,243 hours

Of volunteer services provided, recorded a nine times¹ increase

26 organisers

Received support on community activities, recorded a three times increase

Prosperity



~47 billion

In revenue (HKD)

62%

Of the Group's total financing facilities are green or sustainability-linked

~3.4 billion

In green loans secured in FY2023/24 (HKD)

1 property acquired

To establish a vibrant hub in Tsuen Wan with D·PARK

8 solutions

Tested in cohort 3 with 6 tech ventures supported through CCG Accel - Powered by HKSTP

Planet



25.1%

Reduction in 2023's carbon intensity from a 2020 base year

65%

Of existing properties with BEAM Plus / LEED / WELL building certificates²

>38,000

Plastic bottles recycled through reverse vending machines installed at our sites

1st time

Responding to the Taskforce on Nature-related Financial Disclosures ("TNFD") recommendations, showcasing our efforts as an early adopter

Governance



90%

Of annual sustainability commitments achieved

>13,200

Valid satisfaction surveys received from property owners, tenants and hotel customers

5-star and Global Sector Leader

In Global Real Estate Sustainability Benchmark ("GRESB") 2024

B

In CDP's Climate Change Assessment 2024

1 The nine times increase compared to previous fiscal year was mainly contributed by the launch of our CCG Hearts loyalty programme, which has provided a platform to foster community services and volunteerism.

2 Covers the number of Provisional Assessment and Final Assessment certificates for Existing Buildings as of 30 June 2024.

Message From CEO

Dear Stakeholders,

With our dedication to creating better places for our community and future generations, we have embarked on a journey to create value by enriching the people and communities we serve. In the face of continued economic headwinds and unexpected challenges, we are strengthening our governance framework and business processes to enhance decision-making while improving operational efficiencies and reporting effectiveness. To integrate sustainability into our business operations and governance, we have strengthened our ESG governance system, which includes an ESG Steering Committee that operates under a formalised Terms of Reference outlining its roles and responsibilities. Our ongoing sustainability efforts have led us to reach new heights in our achievements. Announced in October 2024, we have achieved the highest possible 5-star rating in the Global Real Estate Sustainability Benchmark (“GRESB”) and have been recognised as a Global Sector Leader for 2024. This recognition represents a significant milestone for us, underscoring our substantial advancements in governance, risk management, stakeholder engagement, and the green performance of our properties and businesses.

Key Highlights of Our ESG Efforts

Throughout FY2023/24, we have continued to create long-term value anchored in our cornerstones of empowering people and protecting the planet.

The acquisition of D·PARK and the opening of Nina Park have synergised with our flagship properties to transform Tsuen Wan into a vibrant community space that welcomes individuals of all ages and backgrounds, creating an even more liveable community. To extend the reach of our community engagement activities, we have continued the “One Beat, One World: Connecting Through the Drum” series for a second year to infuse positive energy and promote social inclusion in the community. We have also launched our CCG Hearts loyalty programme, a platform that fosters mutual support and encourages volunteerism by promoting the belief of doing good is rewarding. To create an empowering workplace, we have launched our Employer Value Proposition to offer career and personal development opportunities, as well as to prioritise social progress, personal excellence, and support for our employees’ families and interests.

We recognise the importance of climate change and biodiversity to our operations and prospect. We have carried out climate-related financial assessments to obtain insights that will inform our strategies for climate mitigation and adaptation. Committed to being an Early Adopter of the Taskforce on Nature-related Financial Disclosures (“TNFD”), we have launched our inaugural TNFD study for better management of the nature-related risks and opportunities throughout our operations and value chain.



Message From CEO

Our Decarbonisation Efforts Guided by CCG 3050+

In response to the risks and opportunities posed by climate change, we have continued our decarbonisation efforts guided by the Chinachem Group Carbon Reduction Roadmap - CCG 3050+, with the objective to reduce operational carbon intensity by 51.8% by 2030, compared to the base year of 2020. In 2023, we have reached a 25.1% carbon intensity reduction further down from 23.0% in 2022. We are currently in the process in setting our Science Based Targets initiative net-zero target aligned with the 1.5°C pathway.

One of our upcoming key initiatives to achieve our decarbonisation targets is enhancing the energy efficiency of our chiller plants. Building on the success of the first chiller plant unit upgrade under our zero-carbon chiller system replacement project at Nina Tower, we will proceed with the remaining plant units replacement and implement artificial intelligence for energy optimisation, anticipating to yield up to 45% energy savings. Furthermore, we are exploring opportunities in heating and cooling with high potential for further energy saving and asset condition improvement.

Our Journey to a Sustainable Future

To foster stakeholder trust and promote sustainable growth, we will persist in enhancing our governance and operational processes, particularly in risk management and regulatory compliance.

We recognise that sustainable financing is crucial to our broader efforts in supporting the transition to a low-carbon economy and fostering more livable cities. To secure funding for our sustainability efforts, we are establishing ourselves as the first real estate developer to align with both the Hong Kong Taxonomy for Sustainable Finance and the International Platform on Sustainable Finance (IPSF)'s Common Ground Taxonomy through our enhanced Sustainable Finance Framework. This comprehensive and robust framework will strengthen the governance of our financial decision-making processes, bringing us closer to our goal of creating long-term value for our stakeholders and the communities we serve.

Strategically building resilience in our property investment portfolio is essential for enhancing the quality and stability of our property. We will conduct asset condition surveys on our properties to identify repair and maintenance capital expenditure requirements, prioritise our asset enhancement and redevelopment plans and establish our asset disposal strategy, which will help us maintain a resilient portfolio including achieving energy savings and carbon intensity reduction.

With the dedication and diligence of our talented team, we take great pride in contributing to the sustainability journey. Together, we are making significant strides towards a more sustainable future. I would like to extend my appreciation to our stakeholders, including our colleagues, customers, tenants, partners, and communities, for their continued support and collaboration. With your continued commitment, I am confident that we can work hand in hand to achieve our shared goals of creating better places to live, work, and raise future generations in Hong Kong and beyond.

Andy Cheung

Executive Director and Chief Executive Officer
Chinachem Group
March 2025

About This Report

Reporting Period and Reporting Scope

This Report is the 5th Sustainability Report (“the Report”) of the Group. The Reporting Period covers the Group’s financial year 2023/24 (“FY2023/24”) from 1 July 2023 to 30 June 2024. The sustainability data and information focus on our key businesses, including Property Services and Nina Hospitality. During the Reporting Period, the reporting scope includes the headquarters office, 32 commercial, retail, industrial and residential properties and seven hotels and residences, where the Group has the majority of financial ownership and operational control.

Reporting Standards and Principles

The Report is prepared in accordance with the Global Reporting Initiative (“GRI”) Standards and the Environmental, Social and Governance Reporting Code (“the HKEX ESG Reporting Code”), formerly named as the Environmental, Social and Governance Reporting Guide (version effective since 31 December 2023), as set out in Appendix C2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. We have also prepared this Report with reference to the IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (“IFRS S1”) and IFRS S2 Climate-related Disclosures (“IFRS S2”) issued by the International Sustainability Standards Board (“ISSB”), the Task Force on Climate-related Financial Disclosures

(“TCFD”) recommendations, the Taskforce on Nature-related Financial Disclosures (“TNFD”) recommendations, and the Transition Plan Taskforce (“TPT”) Disclosure Framework. We have followed the Reporting Principles as recommended by GRI Standards and as set out in the HKEX ESG Reporting Code to define the report content and to ensure the quality of information presented in this Report, including:

- **Materiality**

We conduct double materiality assessments and stakeholder engagements to identify material sustainability and financial issues.

- **Quantitative**

We provide quantitative figures and give updates on performance indicators.

- **Balance**

We disclose positive and negative impacts of our performance and areas for further improvements.

- **Consistency**

We keep consistency in the use of reporting standards and methodologies. Explanations are provided where applicable.

External Assurance

We obtained external independent assurance for the content of this Report. Hong Kong Quality Assurance Agency (“HKQAA”) was engaged to provide reasonable assurance and ensure the Report was prepared in accordance with the GRI Standards and the HKEX ESG Reporting Code, and with reference to the TCFD recommendations, the TNFD recommendations, IFRS S1 and IFRS S2 issued by the ISSB, and TPT Disclosure Framework. The scope of work carried out by HKQAA is set out in their verification statement.

Contact Details

We value your opinion on our sustainability performance and reporting. Please take a moment to complete our [feedback form](#).



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About Chinachem Group

Chinachem Group Holdings Limited (known as Chinachem Group, or the “Group”), is a leading private real estate company in Hong Kong. The Group manages a diverse portfolio of investment and development properties with a footprint of over nine million square feet. Leveraging its extensive expertise in real estate development, the Group delivers high-quality residential spaces and maintains a robust pipeline of commercial projects, while its property services business creates value by managing assets for sustainable, long-term growth.

Chinachem Group is also a hotel owner and operator, managing and operating properties under the Nina Hotels and Lodgewood by Nina Hospitality brands. The acquisition of Pine Care Group marks Chinachem Group’s expansion into elderly care services, underscoring its commitment to delivering pristine care for the elderly.

Chinachem Group is dedicated to making better places to live, work and raise future generations in Hong Kong and beyond.

Property Investment and Property Development

Our investments consist of a wide range of properties, including commercial, retail, residential and industrial assets. Notable projects and properties include Nina Tower, One Hennessy, One and Two Chinachem Central, NINA MALL, D·PARK, IN ONE, and ECHO HOUSE.

Hospitality

Nina Hospitality, the hospitality arm of the Group, manages and operates a diverse portfolio of five hotels, two residences, and a university lodge across eight locations in Hong Kong. Our two hotel brands, Nina Hotel and Lodgewood by Nina Hospitality, cater to the midscale to upper-upscale markets.

Property Services

The Group offers an extensive array of property services, encompassing facility management, cleaning solutions, security services, as well as extensive installation, repair and maintenance operations. We are dedicated to delivering high-quality services that cater to the diverse needs of our clients in the property sector.

Elderly Care and Healthcare Business

The Group offers personalised and high-quality elderly care services for a liveable intergenerational community. In the Reporting Period, the Group has completed the privatisation of Pine Care Group, which operates 12 Residential Care Homes for the Elderly (“RCHE”), opening a new chapter in our elderly care service offering. By upgrading residential care homes and providing advanced senior care, we aim to foster a compassionate and caring future for all.



Driven by our unwavering commitment to sustainability, the Group concentrates on delivering social, commercial, and environmental benefits. We emphasise environmental and social considerations in operating our various businesses and pursuing new projects to create long-term value for our stakeholders, enhancing their well-being through the positive impact on the environment we cultivate.

Revenue



~4.7 billion (HKD)

Total Asset Value



~155.0 billion (HKD)

Major Segments of Our Revenue



62%

Property Investment and Property Development



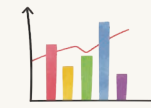
21%

Hospitality



6%

Property Services



11%

Others

Our Sustainability Strategy and Journey

Our Sustainability Strategy

The Group is dedicated to positively impacting society through sustainable practices. Sustainability is fundamental to our business, and we create places where people can live, work and play while benefiting from our commitment to sustainability. We strive to foster prosperity within the community while preserving the planet, as these values drive the long-term value creation and sustainable success for the Group.



Thriving with our Community and People

- Valuing and empowering our people
- Incorporating Diversity, Equity and Inclusion within our culture and services
- Offering support and assistance to underprivileged and vulnerable groups within the society
- Improving the quality of life for the elderly by promoting their happiness and well-being
- Motivating and nurturing the next generation



Enabling a Prosperous Tomorrow

- Accelerating the development and widespread implementation of innovative solutions to enhance our capacity to adapt to challenges and opportunities
- Integrating Environmental, Social, and Governance (ESG) factors into our decision-making processes to ensure sustainable investments
- Enhancing our sustainable financing practices to secure funding for transition to a low-carbon and sustainable economy



Protecting Our Planet

- Embracing responsible practices for the ethical and sustainable sourcing of materials
- Considering environmental factors and long-term sustainability in the design and development of our projects
- Reducing resource consumption in both our development and operations to lessen our environmental footprint and enhance resource efficiency
- Adapting our strategies and measures to improve our climate resilience
- Incorporating considerations for nature and biodiversity into our operations and new projects

Our Sustainability Journey

2019



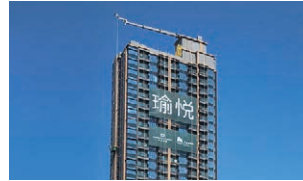
- Established the “CCG 3038 – Strategic Roadmaps and 2019 Sustainability Plan” as a commitment to 38% carbon emission reduction by 2030
- Obtained the first green loan for the development project located in Ho Man Tin, Hong Kong – IN ONE
- Hosted Chinachem Sustainability Conference 2019 – “Sustainable Neighbourhood: How to Foster Age-friendly Developments”

2020



- Celebrated 60th Anniversary and unveiled a brand rejuvenation initiative as a developer of “Places with Heart”
- Established a Sustainability Steering Committee and a Sustainability Task Force to spearhead the journey in sustainable development
- Released the inaugural Sustainability Report, providing a comprehensive overview of our sustainability performance during the FY2019/20

2021



- 1st real estate developer in Hong Kong to apply concrete modular integrated construction (“MiC”) method in a private residential project – ECHO HOUSE
- Signed the operation contract for the Central Market Revitalisation Project to create a “Playground for All”
- Supported tech ventures in “CCG Accel – Powered by HKSTP” for smart city development and technology pilots
- Funded the Lai Chi Wo Story Room to conserve the traditions of Hakka culture

2022



- 2nd real estate developer in Hong Kong to receive the Science Based Targets initiative (“SBTi”) validation with a 1.5°C-aligned target, namely the Chinachem Group Carbon Reduction Roadmap – CCG 3050+, a commitment to reduce operational carbon intensity by 51.8% by 2030, compared to the 2020 level
- Signed two sustainability-linked loan agreements, totaling 2 billion (HKD)

2023



- Opened Nina Park, the first and only wood fossil park in Hong Kong, to provide unique edutainment experience to the community
- Launched the CCG Hearts loyalty programme to foster community service and volunteerism by rewarding and encouraging members to engage in acts of kindness and good deeds
- Partnered with a local energy provider for a 20-year Build-Own-Operate-Transfer (“BOOT”) agreement
- Diversified our global portfolio by acquiring Kaleidoscope and One New Street Square, in London, UK

2024



- Acquired D-PARK to enhance synergy with our flagship properties and foster a vibrant community space in Tsuen Wan
- Jointly secured Hong Kong’s first-ever 8.8 billion (HKD) green loan for logistics centre development
- Registered as an early adopter of the Task Force on Nature-related Financial Disclosures (“TNFD”) to evaluate and report nature-related risks and opportunities



Feature Stories

Nina Park: The First and Only Wood Fossil Park in Hong Kong

Officially opened in December 2023, Nina Park is the first city park in Hong Kong showcasing a collection of wood fossils that span millions of years, spearheaded by the Group and covers approximately 70,000 square feet. As an addition to our “Playground for All” series, the park combines an interactive “edutainment” design with advanced technology to inspire, educate, and entertain local and international visitors, offering an immersive experience delving into the geological history. It showcases over 100

museum-grade wood fossils dating back to 2.6 to 5.3 million years ago. Visitors can journey through 16 exhibition zones in the two-storey Wood Fossil Experience Centre, discovering the geological history of Hong Kong, natural science and the beauty of the fossilisation process supported by multimedia content. Since its opening, Nina Park has attracted more than 167,800 visitors at the end of the Reporting Period.

Key Awards

As a result of our leading sustainable design, Nina Park was honoured with the Merit Award of the Green Building Award 2019, Silver Award of the Hong Kong Institute of Landscape Architects Award 2021-2023, the Merit Award of Quality Building Award 2024, the Gold Winner of the MUSE Design Awards 2024, and the Individual SDG Award - Goal 3: Good Health and Well-Being of the UNSDG Achievement Awards Hong Kong 2024.



Community Engagement Through Edutainment

At Nina Park, our vision for community engagement is realised through “edutainment”, creating a vibrant and interactive space for visitors of all ages. For example, the park offers a range of immersive experiences such as Discovery Sandpit, Interactive Playscapes for Children, and the Nina Park Light Show, blending entertainment with education about Earth’s history and environmental science.

We inspire our visitors with a shared commitment to preserving the environment, fostering a deeper connection between people and nature. Through our docent tours, we invite the public to embark on a fascinating journey into the Earth’s long history, highlighted by our extensive wood fossil collection. We also showcase the sustainability features of Nina Park during the docent tours, infusing our philosophy of sustainability into each visitor experience. Many of our docents are Recommended Geopark Guides (“R2G”), noted for their professional knowledge and skills in guiding and interpretation, enabling them to deliver high-quality tours that are both informative and interactive.

Insights Shared by Nina Park Docents

“I believe that the natural environment, performing arts, and all types of exhibitions should be accessible to everyone.”

“My role is that of a science communicator, or you could say an edutainer. Sharing knowledge brings me joy. Charisma comes naturally when you genuinely enjoy what you do.”

“I would observe participants and tailor the exhibition experience based on their personalities and interests.”



Interactive Sustainability Features of Nina Park



Outdoor recharge bike - The outdoor charging bike promotes physical health and energy saving by encouraging visitors to wirelessly charge their electronic devices while cycling.



Smart bench - Powered mainly by the 36 pieces of steppable solar panel nearby, the smart bench shows the real time weather updates and park news in its digital screen, and is equipped with a reading light and wireless charger. It also provides cool breeze using recycled rainwater to offer a refreshing experience for visitors during summer.



Rainwater harvesting area- Riding on the “Sponge Park” concept, the harvest rainwater play area integrates rainwater collection and children’s aquatic play features, showcasing how Nina Park collects and recycles rainwater for landscaping use to reduce water consumption in an interactive manner.

To make Science, Technology, Engineering, Art and Mathematics (STEAM) learning engaging, our school programme, designed for primary and secondary students, provides guided tours, workshops, and interactive games that make learning an adventure. The implementation of school programme has engaged over 407 school principals, teachers and students during the Reporting Period.

Furthermore, the Nina Park Design Competition 2023 invited full-time students studying design-related disciplines in tertiary institutions in Hong Kong and Macau to submit creative design for the amphitheatre of Nina Park. This competition received over 90 creative submissions showcasing the enthusiasm and involvement of the student community.

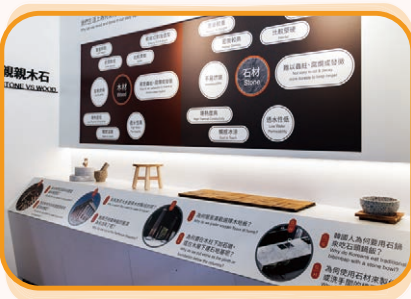
Promoting Biodiversity in Urban Park

Our commitment to biodiversity conservation is evident through Nina Park's diverse plant species and wood fossils on display. With over 30% of greenery area and more than 20 plant species, including rare specimens like *Araucaria cunninghamii* and *Ginkgo biloba*, the park provides a habitat for unique flora and fauna. The park's strategic planting of evergreen species and seasonal flowers not only enhances visual appeal but also attracts pollinators and small creatures, serving as both shelter and a crucial food source for local butterflies and birds, contributing to the park's ecosystem health throughout the year. It also seamlessly connects to the nearby Tsuen Wan Park and Tsuen Wan Promenade, which are also rich in biodiversity, forming a green belt in the bustling Tsuen Wan area, resembling an oasis in the city.

Additionally, Nina Park supported The University of Hong Kong and Lingnan University in conducting an Insect Pollinator Survey, aiming to study insect pollinator diversity in urban environments. More details about our strategy to biodiversity and response to Taskforce on Nature-related Financial Disclosures ("TNFD") can be found in the "Protecting Ecosystems - Our Commitment to Biodiversity Enhancement" section.



SCAN FOR MORE



To extend our impact to stakeholders beyond Nina Park, we have partnered with the Hong Kong Science Museum to showcase precious wood fossils at the "Extinction · Resilience" exhibition in the Palaeontology Gallery from 2023 to 2027.

Nina Park proudly showcases six unique wood fossils, each organically formed into symbols that embody love, celebration, and other key attributes of life. These extraordinary pieces - Nina Rock, Victory Rock, Anniversary Rock, Union Rock (currently exhibited at the Palaeontology Gallery in the Hong Kong Science Museum), Graduation Rock and Promise Rock - represent our six life milestones. Together, they not only highlight the artistry of nature but also commemorate the significant moments of our lives, telling a beautiful story of our journey through life.



Feature Stories

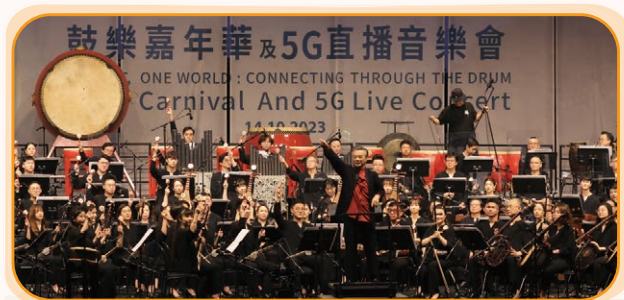
One Beat, One World: Connecting Through the Drum

Since 2023, the Group has collaborated with the Hong Kong Chinese Orchestra and presented an enthralling series of drum activities titled “One Beat, One World: Connecting Through the Drum”. The initiative aims to infuse society with positive energy through the power of drumming across all 18 districts of Hong Kong. The mission was to drum up the spirit within the community and promote inclusivity through action. It engaged diverse communities including ethnic minorities, the elderly, young persons in custody and underprivileged communities, with over 1,700 drum team players and participants.

In October 2023, the “The 20th Anniversary of Hong Kong Drum Festival - One Beat, One World: Connecting Through The Drum - Drum Carnival And 5G Live Concert” was held at the Art Park of West Kowloon Cultural District, offering a day of musical performances, cultural celebration, and community engagement, all accessible to the public. More than 16,000 participants attended in person, while over 740,000 viewers watched the concert through 5G broadcasting and online platforms, spanning audiences from the United States, Japan, Singapore, Malaysia and Thailand. The festival featured performances by esteemed international drumming teams, including those recognised as Intangible Cultural Heritage of China such as the Jiangzhou Drum, Ansai Waist Drum, and Chaoyang Yingge Drum.

Participants enjoyed a variety of activities, including drumming workshops, community game booths, and the awards presentation for the “Hong Kong Synergy 24 Drum Competition”. A highlight of the day was the impressive 3.47-meter Peace Drum. The day culminated when the 5G Live Music Concert began, featuring the Hong Kong Chinese Orchestra alongside world-renowned percussionists specialising in a diverse mix of drums, from Korean and Japanese drums to African, Uzbek, American jazz, and Chinese Jiangzhou drums. Audience members were even gifted with rattle drums, allowing them to interact with the performers, creating an immersive experience filled with music, celebration, and cross-cultural connections among talented drummers from among the world.

The initiative, which included drum workshops at NINA MALL, Central Market and Nina Hotel Tsuen Wan West, showcasing our unwavering commitment to supporting society through music.



SCAN FOR MORE



Feature Stories

CCG Hearts: Doing Good While Earning Rewards

Hong Kong is filled with generic loyalty schemes, but our introduction of CCG Hearts loyalty programme marks a change. This innovative initiative transcends traditional membership reward programmes by not only offering rewards but also encouraging participation in community welfare efforts and emphasising the joy of giving back. CCG Hearts also serves as a platform for the Group to showcase its activities to a broader audience. By actively engaging in CCG Hearts, members contribute to the community's well-being while earning rewards. Since its launch, more than 107,000 members joined the programme within the Reporting Period.

CCG Hearts inspires its members to drive positive change through seemingly small yet impactful actions that collectively lead a significant difference. Participants are encouraged to complete "Quests", which involve volunteering in community activities benefiting different segments, including the elderly, teenagers, as well as initiatives focused on environmental and animal care. These Quests may encompass a range of activities such as stress-relieving workshops with elders, festive celebrations, sports-related workshops with underprivileged children, etc. Our members have completed 124 Quests so far, representing a total of 8,243 volunteer hours being lined up for these Quests. Through partnerships with local and international charitable organisations and social service institutions like HandsOn Hong Kong, Caritas Hong Kong and the Salvation Army, CCG Hearts ensures that its members have meaningful opportunities to contribute to the community.



In addition to the intrinsic rewards of altruism, CCG Hearts offers tangible incentives in the form of rewards and benefits that span a diverse array of categories such as food, electronics, fashion, beauty, and sports. Some rewards feature sustainable products (e.g. sparking lime) and goods made by social enterprises or NGOs (e.g. soap, handcrafted items). As of 30 June 2024, more than 41,800 members earned reward points since the launch of the programme, highlighting its active engagement and impacts. These rewards can be redeemed at Nina Hospitality's hotels, dining and retail tenants of the malls managed by the Group, as well as partners, providing members with both the satisfaction of making a difference and the opportunities to enjoy a variety of perks tailored to their interests and preferences.



SCAN FOR MORE

Feature Stories

REACT Campaign: Transforming Waste Management Together

The REACT Campaign, through a series of community engagement activities, was designed to educate, empower, and inspire the public to adopt waste reduction and recycling practices, fostering a shift towards more environmentally conscious habits. REACT, an acronym representing **Rethink, Exchange, Awareness, Cultivation, and Token**, and is pronounced similarly to “WE ACT,” reflecting our collective responsibility for environmental care and action.

In collaboration with The Green Earth, we worked to provide community members with hands-on experiences related to waste reduction and proper recycling, promoting knowledge sharing and encouraging positive behavioural changes. Aligned with The Green Earth’s mission, REACT brought together various stakeholders to work towards the common goal of reducing waste at its source, embodying the ethos of “Cherish the Earth”.



Rethink

Encourage the public to reconsider their consumption habits and waste generation in daily life



Exchange

Promote knowledge exchange and experience sharing among community members



Awareness

Raise public awareness on the importance of waste reduction and recycling



Cultivation

Foster the adoption of sustainable, eco-friendly practices among individuals and communities



Token

Motivate eco-friendly behaviours through rewards, incentives, and recognition

The REACT Campaign has placed public engagement at the forefront of its efforts, organising various events and educational initiatives to increase awareness and inspire active participation in waste reduction and recycling. A major highlight of this initiative was the REACT FunWaste Carnival, a lively five-day event held at Nina Park, which fell under the “Awareness” category. The carnival featured numerous market stalls showcasing sustainable products and significantly contributed to raising awareness about a zero-waste lifestyle. Additionally, six educational tours were organised at key venues such as O·PARK 1 and Y·PARK, offering participants firsthand insights into waste management and recycling processes. These activities aimed to empower individuals with practical knowledge and inspire them to adopt more sustainable habits.



Under the “Rethink” theme, the campaign collaborated with The Green Earth to organise eight sessions of beach and trail clean-ups, bringing the community together to address waste generation and rethink consumption patterns. These hands-on activities not only fostered a sense of collective responsibility but also encouraged participants to reflect on their lifestyles and the environmental impact of their choices.



To deepen knowledge exchange, the “Exchange” pillar featured a 2-month “Waste Reduction and Recycling Class” at D·Park and NINA MALL, providing valuable information and interesting facts on waste reduction and recycling, complemented by interactive workshops. To amplify our impact and reach a broader audience online, we developed a 10-episode learning series in partnership with Patrick Sir, a renowned educator and a television host. This series provided practical tips and knowledge on reducing waste and clean recycling in daily life, further equipping individuals with the tools to make informed decisions.



The “Cultivation” theme introduced the “WePledge” initiative, which encouraged individuals to make small, meaningful commitments in their daily routines to reduce waste and lower their carbon footprints. Simultaneously, the “Token” pillar incentivised action through RVMs installed across public spaces and seasonal recycling programmes. Participants earned CCG Hearts rewards for recycling items like plastic bottles and moon cake cans, creating a tangible link between individual efforts and communal benefits.

Collectively, the REACT Campaign engaged 93,464 participants, resulting in the collection of over 260 kg of waste from the clean-up activities and more than 38,600 plastic bottles through RVMs, underscoring the scalability of community-centric environmental action. Post-activities surveys (559 responses) revealed an increased knowledge and a willingness to engage in eco-friendly practices such as recycling, reducing single-use items and using reusable products. Qualitative feedback further highlighted strengthened community ties and heightened accountability toward shared sustainability goals.



SCAN FOR MORE

Feature Stories

Green Tenancy: Partnering with Tenants to Drive Changes

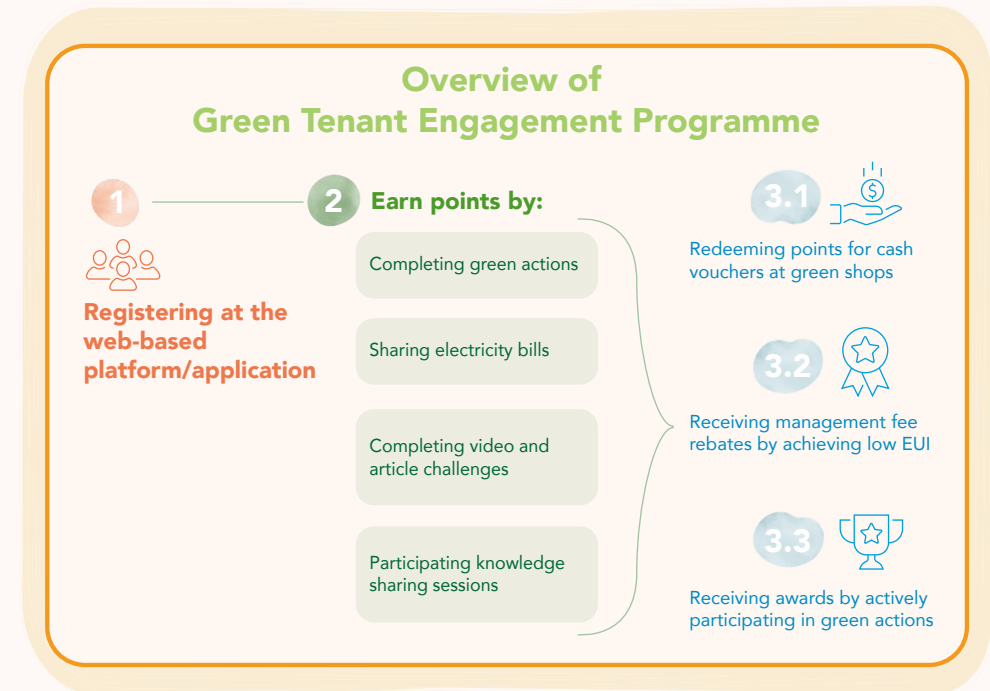
To underscore the significance of involving tenants as integral partners in our sustainability journey, we, as a property developer, have taken proactive steps to engage tenants. By incorporating sustainability clauses in new tenancy agreements, providing comprehensive fitting-out guidelines, and launching green tenancy engagement programmes, we are building an ecosystem where tenants are vital participants in our sustainability endeavours. This approach ensures that tenants are not merely passive participants but actively engaged in and benefit from our shared commitment to a more sustainable future.

Since August 2023, 100% of new and renewal tenants have signed the new tenancy agreements with higher environmental standards, marking a significant milestone in the Group's sustainability efforts. The agreements oblige tenants to implement environmentally friendly designs and sustainable initiatives that enhance resource efficiency, collaborate with us on resource management plans, and share information to monitor and improve environmental performance. A comprehensive fitting-out guideline was also established, offering recommendations on resource conservation, waste reduction and indoor environmental quality, as well as guidance from widely accepted interior design standards to enhance tenants' environmental and health and safety performance during design and fitting-out processes.

Complemented by the new tenancy agreements and fitting-out guidelines, the Green Tenant Engagement Programme is strategically crafted to foster collaboration with tenants to achieve sustainability objectives. Inviting the Group's tenants across commercial, retail, and residential sectors, this initiative inspires and rewards collective efforts towards a greener lifestyle and business practice. To elevate programme effectiveness, we not only utilise tenant-centric digital solutions but also engage with our tenants in person to convey sustainability messages and provide programme details. Through the use of an innovative digital platform, tenants can share electricity consumption data, record green actions, and participate in interactive quiz challenges. This platform not only aligns the Group's sustainability objectives with tenant interests

but also creates a dynamic and engaging experience focused on achieving measurable carbon savings and promoting well-being.

To further incentivise sustainable behaviours, tenants earn green points for participating in green actions, which can be redeemed for cash vouchers at eco-friendly shops, further encouraging them to live a more sustainable lifestyle. In addition, tenants who excel in better Energy Usage Intensity ("EUI") receive rebates on management fees, while outstanding performers passionate in completing green actions are recognised through awards such as Most Outstanding Green Tenant, Most Active Green Tenant, and Most Progressive Green Tenant.

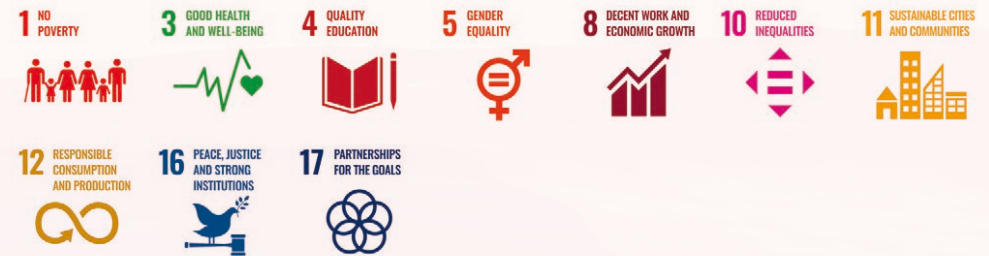


As of the end of the Reporting Period, the programme has achieved impressive results, with 677 green actions taken by 100 tenants. These concrete outcomes underscore the programme's impact in driving tenant engagement across various sectors and fortifying the Group's overall environmental performance, thereby paving the way for a more sustainable future.


Thriving with Our Community and People



We are dedicated to building vibrant communities and enriching lives, both in work and leisure. By creating inclusive spaces such as homes, workplaces, hotels, and public areas, we encourage interaction, creativity, and personal growth. Through collaborative initiatives that emphasise intergenerational inclusion and cross-cultural exchange, we actively promote the arts and culture as a powerful tool to foster meaningful connections and encourage mutual understanding. In partnership with local communities, we enhance harmony and inclusivity across all ages, empower individuals, and inspire future leaders. We are equally committed to safeguarding the health, safety, and well-being of our colleagues while supporting their continuous growth and development. Our inclusive approach embraces diversity, supports minority groups, and advocates for social equity, addressing societal challenges to drive meaningful change. Together with our community and colleagues, we aim to create a sustainable, equitable, and thriving future for everyone.



 **109,953 hours**
Of training provided, recorded a 42% increase

 **49.7%**
Of positions held by women

 **~12 million**
In donations (HKD)

 **8,243 hours**
Of volunteer services provided, recorded a nine times increase¹

 **26 organisers**
Received support on community activities, recorded a three times increase

¹ The nine times increase compared to previous fiscal year was mainly contributed by the launch of our CCG Hearts loyalty programme, which has provided a platform to foster community services and volunteerism.

Curating an Inclusive Community

Fostering inclusive and compassionate communities requires the active participation of all individuals. To inspire greater participation and engagement in community service, we have integrated our volunteering initiatives and recognitions into our CCG Hearts loyalty programme and staff engagement. The CCG Hearts "Quest" feature encourages proactive participation in volunteering to enhance the lives of others by allowing participants to earn points and redeem rewards while spreading joy. By fostering a culture of volunteerism, we not only strengthen community bonds but also create an environment where everyone feels valued and included.

Performance Highlights



8,243 hours

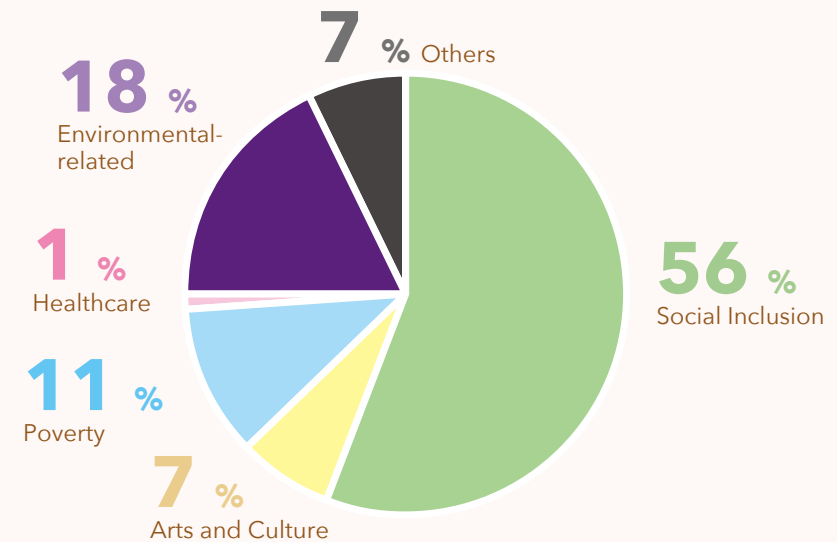
Of volunteer services provided, recorded a nine times² increase



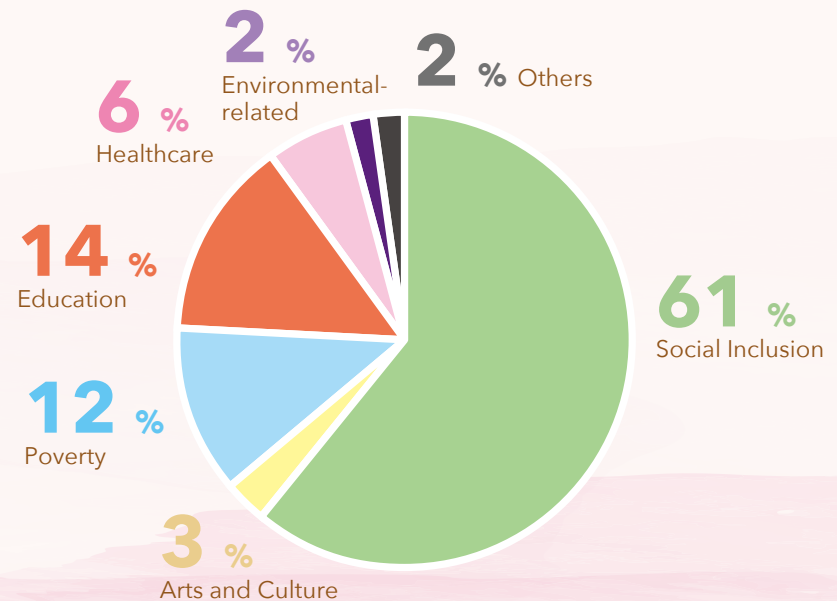
26 organisers

Received support for community activities

Community Service Hours, by Focus Area



Donations, by Focus Area



² The nine times increase compared to previous fiscal year was mainly contributed by the launch of our CCG Hearts loyalty programme, which has provided a platform to foster community services and volunteerism.

Golden Years Community Programmes

We are committed to fostering inclusive communities by promoting cross-generational connections and raising awareness of the importance of community integration. Through year-round activities, we empower the elderly to engage meaningfully, share their wisdom, and strengthen community ties. Aligned with our vision, "Places with Heart", we prioritise age-friendly facilities and support the mental well-being of both the elderly and their caregivers. Additionally, we provide tailored healthcare services to address their needs. Our goal is to create a more liveable and inclusive Hong Kong, promoting harmony across all generations.

Age Friendly Estates Pilot Scheme

We have partnered with The Hong Kong Council of Social Service to launch a series of initiatives and events under "Age Friendly Estates Pilot Scheme" in FY2023/24.

To connect residents with local resources, we hosted a Community Resource Expo at Golden Lion Garden, introducing nearby community resources such as local social welfare organisations and district health centres.



In collaboration with the Sha Tin District Health Centre, we facilitated free Covid-19 vaccinations for 100 elderly residents at Hilton Plaza, safeguarding their health.



To further address the physical and psychological needs of senior residents, 100 frontline colleagues from Property Services participated in an online training organised by the Hong Kong Association of Gerontology ("HKAG"). In recognition of our efforts, we have received the Golden Award of Friend of Age-friendly Housing Estates Online-learning and recognised as Friend of Age-friendly Housing Estates by HKAG.



In May 2024, we also organised a visit for residents of Pictorial Garden Stage I-III and Golden Lion Garden Stage II to the Jockey Club "age at Home" Gerontech Education and Rental Service Centre, where they explored the latest home-based elderly care equipment and facilities.



Through the Age Friendly Estates Pilot Scheme, we remain committed in addressing elderly residents' needs by collaborating with community organisations and continuously enhancing staff capabilities to support ageing in place.

Golden Gourmet



The Group partnered with the Golden Age Foundation in 2023 to launch Golden Gourmet, an elderly-friendly meal programme, in response to the prevalence and growing awareness of swallowing difficulties in Hong Kong's ageing population. A professional team of registered dietitian, nurse and speech therapist provided training for around 25 volunteers, including chefs from Nina Hospitality, equipping them with nutritional knowledge and cooking skills for elderly-friendly meals. They visited elderly homes to assist the preparation of elderly-friendly meals, improving the appearance and texture of foods while maintaining their nutritional value.

The initiative aimed to transform the dining experience for the elderly suffering from dysphagia, rekindling their interest in food and enhancing their mental and psychological health. Volunteers also built up skills in elderly-friendly meal preparation which they could apply for the benefit of the wider community and their family members. Building on the programme's success, the partnership was extended in 2024 to offer advanced training for volunteers and chefs from Nina Hospitality.

Dementia Care and Caregivers Support Programme

We partnered with the Hong Kong Sheng Kung Hui Welfare Council ("SKHWC") to promote the active engagement of persons with dementia ("PwDs") in everyday activities. Trainings were offered to community volunteers, family caregivers, and professional caregivers at private care homes, equipping them with facilitation skills to deliver failure-free activities to PwDs using SKHWC's user-centric DementiAbility Methods training kit themed around Hong Kong food culture. Under a controlled assistive environment, PwDs were able to re-engage in day-to-day activities such as shopping, tidying up the fridge, and setting the table, thereby redeveloping the confidence to take charge of their own lives and reintegrate into the community.



Apart from promoting the physical and mental well-being of the elderly, we also helped address the mental health challenges faced by caregivers through supporting SKHWC's "Happiness Surrounding You: Caregivers Support Service" programme. Aimed at alleviating stress faced by caregivers and enhancing their emotional management skills, the initiative invited around 160 caregivers to participate in a series of quilling paper art workshops, providing a creative outlet and much-needed breaks from caregiving responsibilities. Community education exhibition booths would be set up at the end of the programme to showcase caregivers' artworks, promoting awareness of caregivers' psychological well-being and fostering a caregiver-friendly community.

My Good Part-time Grandchildren Programme



Hong Kong's ageing population presents a growing concern, with a considerable number of elders being elderly singletons who live alone and lack regular social contact or support. In collaboration with Caritas Community Centre - Tsuen Wan, we launched the "My Good Part-Time Grandchildren" ("PTGC") programme, which aims to foster meaningful intergenerational connections and enhance access to community resources for a targeted 100 elderly singleton households.

The programme helped address the social needs of the elderly through initiatives focused on "Health", "Social Connections", and "Self-Sufficiency". Community volunteers engaged with the elderly through meal sharing, group activities, visits to district support services, and outings. The companionship helped reduce feelings of loneliness, strengthened community ties, and promoted self-sufficient living. Additionally, PTGC mobilised volunteers and corporate partners to build support networks for elderly singleton citizens and equipped volunteers with the skills and confidence to serve as community carers beyond the programme period.

HandsOn Hong Kong Community Engagement Programme



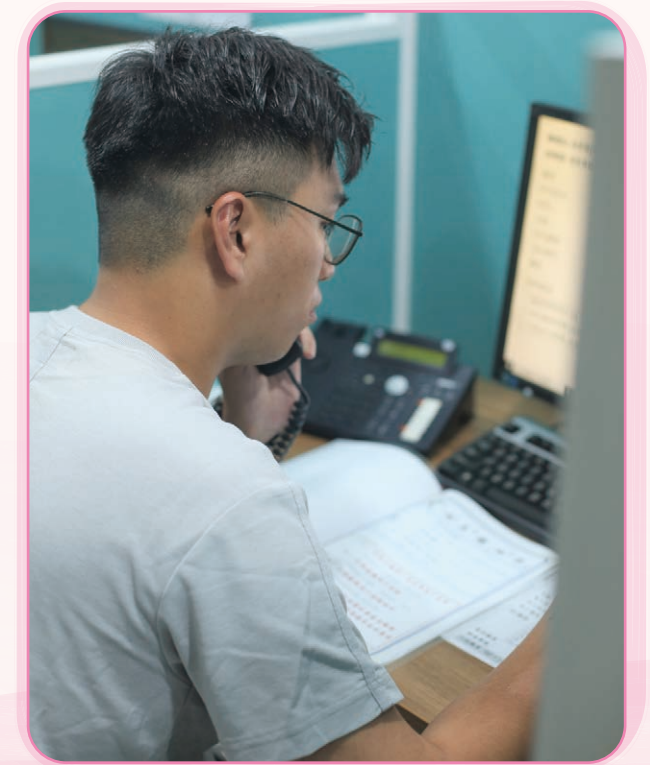
To promote volunteerism and a caring spirit in the city, we supported HandsOn Hong Kong (“HandsOn”) on the Community Engagement Programme to deliver a series of meaningful community service opportunities, allowing members of the public to experience the joy of doing good.

The collaboration with HandsOn this year focused on promoting active ageing by fostering social interactions and reducing emotional distress among elderly groups, as well as building a more interconnected and inclusive community for senior citizens. Around 90 volunteers provided support and companionship to more than 70 elders in a series of activities under the half-year programme, including accompanying elders with limited mobility on a reinvigorating forest bathing walk, cooking and serving nourishing soup for elders, guiding seniors in performing stress-relief exercises, and sorting recycled plastics alongside elderly workers.

Care for the Elderly Ambassador

We partnered with the Senior Citizen Home Safety Association for the three-year “Care for the Elderly Ambassador” programme which came into a conclusion in December 2023, with an aim to foster intergenerational, age-inclusive communities and promote respect and care for the elderly.

In 2023, the initiative engaged primary and secondary school students in Tsuen Wan and Kwai Tsing to provide 865 home visits and 2,198 caring calls to elders in the two districts. Meanwhile, elders were invited to share their life experiences in online and offline talks, helping more than 7,400 youths explore their life goals and self-worth.



Support and Joy for the Underprivileged

We are dedicated to supporting those in need by fostering an inclusive and accessible living environment that welcomes individuals from all walks of life, regardless of their abilities or backgrounds. By embracing diversity and promoting inclusivity, we aim to create vibrant spaces that bring joy and positivity to the community, transforming lives and uplifting society as a whole.

Delivering Love and Care to Underprivileged Groups through Festive Events

In 2024, we collaborated with Hong Kong Sheng Kung Hui Welfare Council ("SKHWC") to organise a series of festive events aimed at spreading joy and warmth to economically disadvantaged communities, helping them feel valued and included during the festive seasons.



During Chinese New Year, we sponsored a Poon Choi Festival at United Court, a transitional housing project operated by SKHWC. About 180 underprivileged elders enjoyed a hearty meal while immersing themselves in festive joy, experiencing the excitement of a lucky draw and captivating performances of Cantonese Opera, acrobatics and dragon dance by children. At Easter, a lunch buffet and party were organised at Nina Hotel Tsuen Wan West for low-income families, bringing holiday cheer to around 120 participants.

Between Mother's and Father's Day, a talent contest and carnival were organised at United Court, allowing residents to express their love and gratitude to their families while showcasing their skills in cooking, singing and performing. 15 winners of the contest received gift vouchers from Nina Hospitality for a memorable night or dinner buffet with their families.



Making Christmas Magical for Ethnic Minority and Hearing-impaired Students in Need

In 2023, we continued our support to Operation Santa Claus ("OSC"), an annual initiative by the South China Morning Post and Radio Television Hong Kong to fundraise for smaller and lesser-known charities in Hong Kong.



As part of the campaign, we organised a bus tour for around 25 ethnic minority children from Integrated Brilliant Education to learn about the city's historical buildings, including Central Market, and explore the vibrant festive displays during Christmas time, with an aim to foster cultural appreciation and social integration.

Nina Hospitality organised two festive cupcake workshops for 34 hearing-impaired youth beneficiaries from SLCO Community Resources, allowing them to experience baking with the support of sign-language interpreters.



Donating Hope - Commitments to the Local Dog Shelters

The Group is committed to fostering a more equitable and inclusive society, ensuring that no individual is neglected. Acknowledging the urgent needs of our four-legged companions during the winter season, Nina Hospitality gathered used duvets and towels from our hotels and generously donated them to local dog shelters, including Sai Kung Stray Friends Foundation, Catherine's Puppies, and Cheung Chau Furry Children's Voice.



Supporting Underprivileged Students for Professional Sports Training Programme

We supported InspiringHK Sports Foundation on the RUN Inspires! programme to provide professional running training to 56 underprivileged primary school students and those with special educational needs in Tsuen Wan, equipping them with confidence to face future challenges through fostering positive character traits including perseverance and teamwork.



Over the course of one year, each student attended 60 hours of weekly running classes delivered by professional coaches, eight hours of experiential learning activities, and two hours of sports assessment, performance or competition. Additionally, two Sports Promotion Days were organised, inviting parents and the public to participate and experience the joy and benefits of running.

On completion of the programme, more than 80% of participating students demonstrated improved understanding of sportsmanship and teamwork, and showed a stronger drive to strive for excellence and push their personal limits.

Preparing Special Education Needs Students for Career Opportunities



Nina Hospitality has partnered with local vocational training institutions to provide internship and job attachment opportunities for students with Special Education Needs ("SEN"). To prepare staff for coaching and supporting SEN students, a social worker from VTC SHINE Skills Centre shared practical tips on effective communication and collaboration with SEN students. The first group of 10 SEN students from SHINE began their four-week job attachment at hotels in June 2024. This initiative reflects our commitment to fostering an inclusive and supporting the Business-School Partnership Programme.



Christmas Angel Campaign 2023



With the belief that every child deserves to have Christmas wishes, we partnered with The Salvation Army on the Christmas Appeal 2023 campaign, sponsoring Christmas presents, training programmes and day trips to children from about 900 low-income families, spreading love and joy during the festive season.

As part of the programme, CCG Hearts volunteers helped pick, pack and gift more than 850 pieces of sponsored brand-new toys to underprivileged children based on their filled Christmas wish cards. We also sponsored training programmes in cooking and emerging sports such as VX and Futnet for 80 disadvantaged children and their family members, helping them explore their potentials and develop new interests. At the start of the new year, about 20 underprivileged children and their families took a break away from daily hassles having fun and quality family time together during a day trip sponsored by the Group.

Volunteer Opportunities for All-round Wellness



We sponsored and supported the Hong Kong Federation of Youth Groups (“HKFYG”) on the “Volunteer Opportunities for All-round Wellness” programme, which aims to enhance the social, emotional and physical wellbeing of youths, as well as their environmental awareness through encouraging their participation in community services.

HKFYG’s youth volunteers took part in volunteer activities organised one to three times per month under the companionship of CCG Hearts volunteers who come from diverse backgrounds, fostering cross-generational mentorship and strengthening community connections. Services included wellness art workshops where volunteers and underprivileged children or elderly beneficiaries created artworks together, cooking workshops where volunteers prepared meals for those in need, beach, trail or sea clean-ups through hiking and kayaking, as well as recycled clothing sorting workshops.



Empowering Next Generation through Education and Nurturing

Recognising that the future lies in the hands of the next generation, we are dedicated to fostering their growth and development through meaningful opportunities. Through a variety of initiatives and youth-focused programmes, we create a dynamic and inclusive environment where young people can learn, connect, and contribute. By fostering opportunities for personal and professional growth, we aim to inspire creativity, build resilience, and cultivate leadership skills. The younger generation plays a vital role in our sustainability initiatives, which aim to nurture the talents, encourage collaboration, and prepare them to shape a future defined by openness, innovation, and inspiration.

Internship and Scholarship

Golden Age Foundation x Saint Francis University x Pine Residence Internship Programme

A three-phase internship programme was launched at Pine Care Group by Golden Age Foundation, in collaboration with Saint Francis University Hong Kong, involving 25 Higher Diploma in Health Studies students. The programme covers 14 modules, including medication management, specialised care techniques, manual handling skills, use of mobility aids, personal hygiene care, and health monitoring.



The first phase of the internship began successfully in early June 2024, with dedicated guidance from mentors. The interns actively participated in daily operations, assisting elderly residents with daily activities, monitoring health indicators, and supporting rehabilitation training.

Through this internship, students gained invaluable hands-on experience, enhanced professional skills, and deepened their understanding of the elderly care industry's scale and development trends. This will help them plan their future career paths. Most importantly, the programme fosters intergenerational communication and understanding by encouraging direct interaction with elderly residents.

HKUST Chinachem PrimeMovership Scholarship and RoboGames 2024

The Group established the Chinachem PrimeMovership Scholarship for students of the Division of Integrative Systems and Design, the Hong Kong University of Science and Technology ("HKUST"), with an aim to nurture a new generation of entrepreneurial and innovative technology leaders capable of solving real-world challenges.

In FY2023/24, the scholarship was awarded to 20 students, following a rigorous selection process which assessed student projects' social impact, degree of community engagement, and multi-disciplinarity.

In April 2024, we supported 15 HKUST students' participation in RoboGames, one of the world's largest robot competitions, in California, United States. The team won a total 15 medals from 11 events ranging from auto humanoid, art bots to sumo, in addition to developing their technical expertise, problem-solving abilities, networking and leadership skills.

Space Transformation for Youth

School Campus Revitalisation



We partnered with Habitat for Humanity Hong Kong on the Project School Works programme, sponsoring school campus revitalisation projects to enhance the learning environments of 1,400 students at two local schools.

Together with CCG Hearts volunteers, students from participating schools helped transform their campuses by painting vibrant murals on walls and playgrounds, creating more engaging and inspiring spaces for learning and growth.

Launch of Nina Communal by Nina Hospitality



We have introduced Nina Communal, a versatile space located in Nina Hotel Tsuen Wan West and Nina Hotel Kowloon East. Designed as a vibrant mixed-use facility, it offers a dynamic environment for dining, co-working, recreation, and socialising, creating opportunities for young people, especially those living in Nina Hotel Tsuen Wan West under the youth hostel programme, to connect, collaborate, and thrive. By fostering meaningful interactions and providing an inspiring space, Nina Communal is not just a venue but a hub for youth empowerment and community engagement, supporting their development and ambitions.

Promoting Arts and Culture through Intergenerational Collaborations

Arts, culture, and heritage are vital to building a vibrant, inclusive, and prosperous society, driving economic growth and fostering social cohesion. They serve as powerful mediums for communication, bridging generations and cultures while promoting mutual understanding. The Group actively supports events that encourages intergenerational inclusiveness and cross-cultural exchange, while delivering meaningful messages such as love and care for the elderly, ensuring they are passed on to future generations.

Chinachem Group celebrates French May 2024

As a global community builder, we are dedicated to preserving and promoting local and international art and culture. For the fourth consecutive year, the Group partnered with the French May Arts Festival, sharing a vision to enrich community life through arts and culture.

In this collaboration, we promoted French culture at Central Market and NINA MALL, while introducing Festival programmes for the first time at D-PARK and Nina Park. These included sustainability-focused contemporary dance performances, where dancers utilised the surrounding environment in a site-specific performance to echo the theme of sustainability. Alongside these, French GourMay Markets featuring French delicacies and fine wines have brought a taste of French art, culture, and lifestyle to the city. Additionally, dance workshops were organised for schools and community groups, culminating in a community dance performance by children at NINA MALL which fostered community connections and created positive social energy. The collaboration showcased French art and gastronomy while demonstrating our commitment to building communities through inclusive participation and engagement.



ACE Art 2024

To demonstrate care and love through creativity and arts, we sponsored the organisation of Anchor Children with Elders (“ACE”) Art 2024 by Mighty Oaks, an NGO that focuses on promoting elderly welfare and fostering intergenerational connections.

ACE Art is an annual student competition aimed at promoting understanding and respect for the elderly through creative expression. Young student participants engage with their grandparents or elders in the community to learn about their past, creating artworks inspired by the older generation’s stories on a themed canvas. The theme for ACE Art 2024 is “All We Need is Love”, with hand fans chosen as the canvas for their practicality as an everyday item and cultural significance in Hong Kong.



Movie Ticket Donation

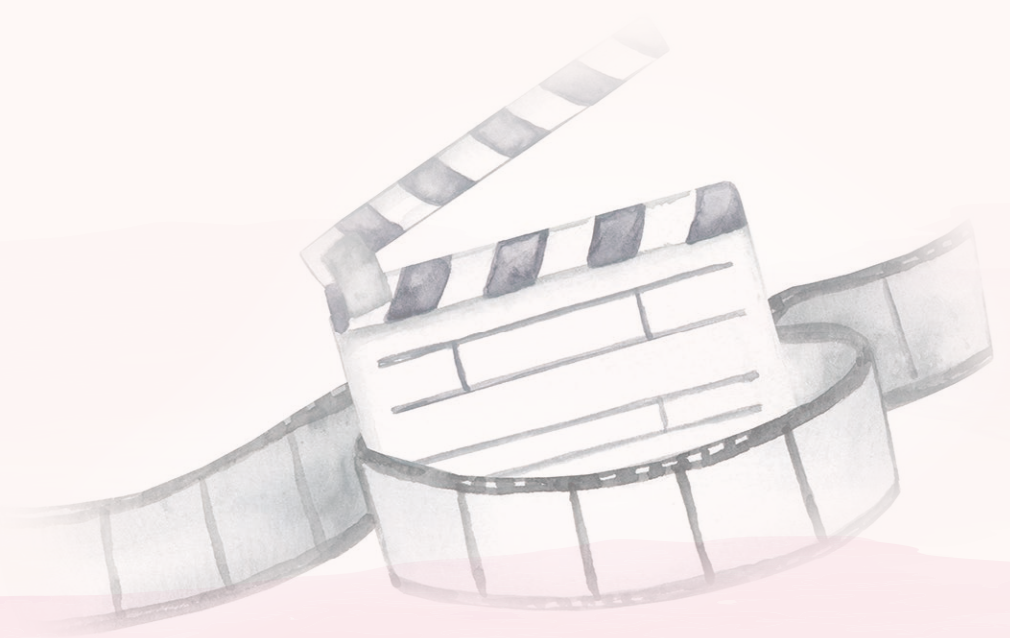
Recognising the importance of making arts and culture accessible to all generations, we collaborated with Yan Oi Tong Woo Chung District Elderly Community Centre in Tuen Mun to provide free movie tickets to senior citizens. From July 2023 to June 2024, more than 18,000 tickets were distributed to elders, offering them opportunities to enjoy arts and culture while spending leisure time with friends.

The initiative strengthened social ties and promoted social inclusion while encouraging broader participation in arts and culture by people from different generations. Since May 2023, we had extended the coverage of the sponsored morning movie sessions to weekends and other sessions before 11am, better accommodating elders' schedules and preferences and further improving the accessibility of the movie-going experience.

CCG Grand Award to Support Local Film Industry



As part of our commitment to nurturing the local film industry, we continue to take proactive steps to support and elevate the creative efforts of homegrown talent. In collaboration with the Hong Kong International Film Festival Society to foster local film talent, we proudly sponsored and presented the second edition of the CCG Grand Award, recognising an outstanding locally produced film project at the 22nd Hong Kong - Asia Film Financing Forum. The Way We Talk, one of five Hong Kong projects shortlisted for the award, was named this year's winner and received a cash prize of 200,000 (HKD). We will remain dedicated to supporting the arts and cultural industries, nurturing local talent, and creating a positive impact on the Hong Kong film industry and the broader community.



Safeguarding Health and Safety of Our Colleagues

The Group firmly believes that Occupational Health and Safety (“OHS”) is a vital cornerstone of our overall strategy, operations, and activities. We are dedicated to promoting a work environment that prioritises the prevention of accidents and injuries through our OHS framework, committee, management, performance review and monitoring.

Occupational Health and Safety Committee

To achieve this, we have established the Occupational Health and Safety Committee (“OHSC”), operating under the ESG Sub-committee - People. The OHSC comprises of representatives from the Human Resources, Workplace Services, Project, Nina Hospitality, Property Services, etc. A Terms of Reference is formalised to define the scope, responsibilities of the OHSC to facilitate effective OHS management. The OHSC is responsible for implementing

OHS management in their department to reduce and control hazards. They ensure compliance with OHS standards and requirements for the Group, promote OHS knowledge and culture through training, and communicate any risks, concerns, and recommendations to the appropriate departments promptly.

Occupational Health and Safety Management Framework

We have adopted the Occupational Health and Safety Management Framework (“the OHS Framework”), which details the objectives, procedures, resources, and a review system for enhancing safety measures.

To adhere to the OHS framework and relevant rules and regulations, the Group also conducted a comprehensive OHS risk assessment, along with internal and external audit. We have successfully achieved ISO 45001:2018 certification for our OHS management and are working towards obtaining the same certification for all operations in the future, including targeting certification of our hotel operations by 2024.

Additionally, we regularly review and monitor OHS performance by establishing clear KPIs and defined indicators, which promote continuous improvement and

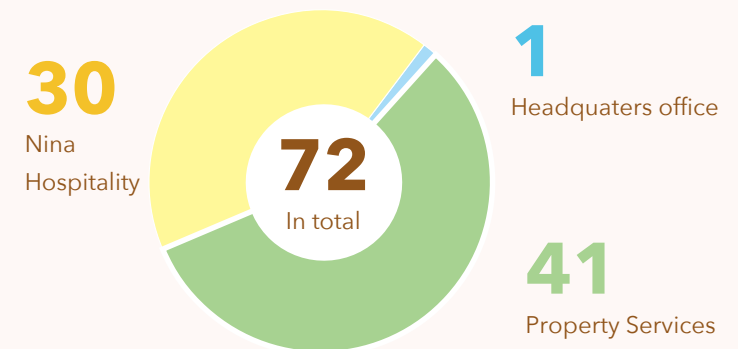
ensure that OHS data supports governance and maintains our performance. In the event of an occupational health and safety incident, we have established comprehensive procedures for incident investigation, reporting, review, corrective actions, and preventative measures, along with regular drills.



ISO 45001:2018 certification for our headquarters office

Safety Performance Highlights

Number of Lost Time Injuries (sick leave >0 days)



2.0



Lost-Time Injury Rate (LTIR), reduced by 23.1% compared to the previous year

Safety Performance Highlights of Contractor Workers

0



Number of work-related fatalities of contractor workers

10



Number of lost time injuries of contractor workers (sick leave >0 days)

Industry Awards

We are committed to maintaining a robust safety management system to enhance safety performance on our construction sites, thereby creating a safer and healthier workplace for our workers. During the Reporting Period, the Group's Tonkin Street Redevelopment Project received several awards in occupational health and safety, underscoring our efforts and dedication in this critical area, including:

1. Occupational Health Award 2023-2024: Joyful@Healthy Workplace Best Practice Award (Enterprise/Organisation Category) - Merit Award
2. 29th Considerate Contractors Site Award Scheme - CCSA (Non-Public Works - New Works - Group B) - Merit
3. Construction Industry Safety Award Scheme 2023/2024
 - Building Sites (Private Sector) - Certificate of Good Performance
 - Safety Teams - Merit Award



Safety Trainings and Workshops

To create a safe working environment and ensure compliance with laws and regulations, we provide ample resources and trainings to both employees and contractors. During the Reporting Period, we provided a total of 6,984 hours of health and safety trainings to our employees, which included departmental on-the-job training focused on occupational safety, workplace safety training, wellbeing and wellness workshop and fire safety training, etc.

Townhall on Construction Site Safety

To elevate OHS standards for all employees in construction management, the Project department organised a safety townhall. The safety townhall featured representatives from the Construction Industry Council who shared insights on safety management practices. We also discussed recent construction site accidents as case studies to identify the challenges associated with risk management and propose feasible solutions for accident prevention and effective accident response.

We always prioritise construction site safety and to ensure the safety and health of workers, especially those facing high occupational health risks. We closely collaborate with contractors to develop and implement comprehensive safety measures. We strictly adhere to established policies, conduct regular site inspections, and provide designated break times to ensure the occupational health and safety of all employees.



Safety Sharing at Construction Site

To actively promote a culture of safety on the construction site, our Project Director visited the Ho Man Tin Station Package Two Residential Project in February 2024 to conduct a safety sharing session about scaffolding work. During this session, we emphasised the vital role of contractor workers in maintaining a secure working environment and encouraged all stakeholders and workers to uphold the principles of "People, Life First".

In addition, we have implemented a series of actions to further enhance worker safety which included industry accident reports with subcontractors during safety morning meetings to raise their awareness of site safety. We also organised talks for subcontractors involved in scaffolding work, emphasising the importance of monitoring the structural condition of scaffolding. Furthermore, evaluation meetings were organised with engineers, qualified personnel, the safety team, etc. to assess the external wall work. Scaffolding site safety inspections were conducted across all districts by qualified personnel, structural engineers, and the safety team to re-evaluate the conditions of scaffolding and ensure compliance with safe operating standards.

Nina Hospitality General Safety in Catering Training

Nina Hospitality is committed to creating a safe and healthy work environment for our employees. To uphold this commitment, we collaborated with the Occupational Safety and Health Council (“OSHC”) to organise the “General Safety Training for the Catering Industry”. In the Reporting Period, the initial training was successfully delivered to more than 20 staff members of Nina Hospitality, including the HR team, heads of the Food and Beverage Department and departmental trainers. Following the completion of the first phase of training, the HR team and heads of Food and Beverage Department planned to deliver inhouse safety trainings for staff members, ensuring comprehensive engagement across our workforce.



Workplace Wellness and Achievements

Healthy Spine Workshop

We encourage our staff to prioritise their health and consistently strive to create a healthy work environment. During the Reporting Period, Nina Hospitality invited a professional chiropractor to share valuable insights on common pain symptoms to our staff members. In addition to the informative presentation, the session offered personalised one-on-one consultations, enabling team members to address individual concerns and receive expert guidance on maintaining their physical well-being.

Distributing “Summer Cooling Kit” to Our On-site Staff Members

In response to the heatwave in Hong Kong, Property Services has distributed “Summer Cooling Kits” to site staff members in NINA MALL, Papillons Square, and other properties to help them cope with soaring temperatures. These kits include fans and cooling towels designed for comfort during work hours.



Fostering Continuous Growth and Development of Our Colleagues

Performance Highlights



109,953
hours

Of training provided,
recorded a 42% increase



30.5

Average training hours per
colleague



Average training hours,
by gender

30.0

Female

31.0

Male



Average training hours,
by employee category

23.1

Senior management

36.4

Management

29.5

General Staff

Due to evolving global trends, the demand for skills and expertise is always changing. As such, we have dedicated significant effort to ensure our colleagues are fully prepared to address the challenges faced by the Group.

The CCG E-learning platform includes courses with a wide range of topics, including the prevention of corruption, anti-money laundering and counterterrorism financing, employee conduct and business ethics, market conduct and fraud, privacy, confidentiality and information security.

Besides providing trainings to our colleagues, we also offer reimbursement for external training expenses, as well as professional memberships or qualification examination fees. Moreover, they will be granted paid leave to accommodate examination.

To ensure a structured approach to training at Property Services, we have established a Training Committee during the Reporting Period, comprising members from various departments and sections. These include Property Management Services, ESG, IT, Quality Assurance, Central Administration Unit, etc. The Training Committee reviews and enhances training plans for various sections, such as customer services and human resources management, covering topics of environmental protection, emergency handling, occupational safety, equal opportunity, etc. The Training Committee is also responsible for tracking training progress and collecting training data from business units, ensuring that training objectives are achieved.

CCG Innovation Ambassador Programme - Cohort 2

To nurture an entrepreneurial mindset and problem-solving skills within our team, we co-organised the CCG Innovation Ambassador Programme ("IAP") with the University of Hong Kong Business School Executive Education. As a "Learning by Doing" programme, this nine-month workshop centred on design thinking, innovation, and change mindset management provided our colleagues with a valuable and enriching experience to collaboratively learn and develop innovative solutions for our business and societal challenges.

Leveraging on the success of Cohort 1, this year we conducted the Cohort 2 of IAP. Across the two cohorts, a total of 64 colleagues from various departments have participated. These participants formed groups to present their innovative ideas to the senior management.



Places with Heart Academy



Places with Heart Academy serves as a dynamic platform dedicated to capacity building and fostering innovative business approaches among our colleagues. We organise a variety of seminars, invite distinguished keynote speakers, and engage in meaningful dialogues to ensure our team stays abreast of the latest business insights and information. This proactive approach equips our colleagues to navigate the complexities of an ever-evolving market. Places with Heart Academy also shares knowledge across diverse fields. These include sustainability, digitalisation, business management, stakeholder engagement, and personal development.

ESG Talks and Site Tour

To prepare our workforce for the future, we emphasise the importance of integrating ESG practices into daily work and decision-making. We regularly organise ESG talks to keep our colleagues informed about regulatory changes and invite industry experts to share their insights on sustainability topics. These initiatives help our team develop the necessary ESG skills and mindset, fostering a culture of sustainability and innovation.

This year, we invited Mr Edwin Lau, Founder and Executive Director of The Green Earth, to conduct a sharing about waste reduction and management, in response to the proposed Municipal Solid Waste (“MSW”) charging scheme. Our staff members engaged in interactive game activities and learnt to integrate concept of circularity into their daily operations.



Additionally, we organised a tour for 20 colleagues to explore our Nina Hotel Kowloon East, one of the only two Geopark Hotels in Hong Kong. With a Geopark theme, the hotel blends fossil-themed decorations with nature-inspired design and incorporates eco-friendly facilities and practices. During the tour, colleagues also visited the hotel's energy-efficient water-cooled air conditioning systems, gaining valuable insights into green buildings.



Cybersecurity Fun Day

We are committed to protecting confidential data and information of the Group, its partners, customers and employees. Therefore, in addition to using professional cybersecurity solutions to quickly detect network threats and repair incidents, we also provided network security training for employees to further minimise the losses caused by network attacks. The Group partnered with a cybersecurity solution provider to co-organise a series of workshops to enhance our employees' understandings of cybersecurity. Through interactive games, employees learnt how to create strong passwords, identify scams, recognise and handle suspicious emails.



Generative AI Solutions Experience Day

The Group collaborated with Microsoft to host an Experience Day centred around Generative Artificial Intelligence (“AI Solutions”). Experts from Microsoft shared the latest advancements in the field of Generative AI and demonstrated how the innovative solutions can be integrated into our operations to enhance productivity and work efficiency. Our colleagues had the opportunities to engage with experts to explore practical applications of Generative AI in our business context.



Mandarin Training

To meet growing business opportunities the Greater Bay Area, Nina Hospitality organised a ten-session Mandarin communication training for colleagues from hotel operations from May to July 2024. The training covered marketing, negotiation and product introduction. Guided by a professional trainer, our colleagues improved their communication skills and confidence in speaking Mandarin.

Building a Supportive and Engaged Workplace

Employee Management and Recognition

We place a strong emphasis on employee empowerment, cherishing the diverse talents and contributions of our team members. At the core of our success lies our workforce, and our dynamic culture thrives on acknowledging and rewarding their dedication. We foster an environment where each individual’s impact is not only recognised but also encouraged.

Employee Engagements

To ensure alignment of purpose within the Group and to move forward as one collective entity, we stay in touch with our employees in a number of ways.

Employer Value Proposition

In January 2024, we launched our new Employer Value Proposition (“EVP”), to establish a ‘Space to make a transformative impact, career and life’. The EVP covers four pillars, i.e. space to drive social progress, space to bring out the best in you, space to shape decisions, and space to support your family and your passions. Through initiatives such as stakeholder engagement and co-creation workshop aimed at attracting and retaining talent, and ensuring support of leadership teams, our culture was transformed to emphasise sustainability and employee empowerment.

Buddy Scheme

Launched in 2023, the buddy scheme is designed to help our new team members transition smoothly and integrate effectively. Each new joiner will be paired with an experienced colleague as a buddy for the first few months of their employment. The buddy assists the new joiner in settling into their role, understanding the Group’s organisational structure, culture, vision, mission, and values, and building networks and relationships within the Group.

In addition to addressing practical work issues, we also aim to foster a sense of belonging and inclusion. With the support of their buddy, new joiners can quickly adapt to their working environment and establish strong relationships with their colleagues. During the Reporting Period, we organised a celebratory lunch to welcome our new joiners and express our gratitude for the time and effort contributed by our colleagues.



Townhall Meetings

Engage with employees through biannual Townhall meetings at the Group plays a crucial role in reinforcing the company's core values and communicating future strategic directions. These sessions facilitated direct communication between leadership and staff, fostering transparency and unity. Employees were also aligned with our mission of sustainable development, encouraging active participation and a sense of shared purpose within the Group.

Employee Engagement Survey

This year, we conducted an employee engagement survey focusing on six key engagement drivers, including performance, leadership, net promoter score ("NPS"), company practices, work environment, and brand. These drivers were further broken down into seven sub-categories: caring organisation, feedback culture, transparency, brand perception, work collaboration, motivation, and performance. A total of 2,508 employees participated in the survey, with 76% of respondents achieving the top level of engagement, satisfaction, well-being, or employee net promoter score ("eNPS").

Suggestion Box

To promote open communication and continuous improvement, we have set up an online Suggestion Box in the Intranet, encouraging employees to share their ideas and feedback. This platform has successfully facilitated the implementation of several employee-driven suggestions. For example, based on employee suggestions, we introduced a "Cheat Day" in the staff canteen to diversify meal options, and extended laundry services to all staff.

Recognition and support

The Group values the significance of acknowledging employees' contributions in enhancing productivity and elevating employee satisfaction. To underscore this commitment, we actively demonstrate recognition and support through a range of prestigious awards.

CCG Innovation Awards 2023

We encourage our colleagues to be innovative and push the boundaries of their work, and we look forward to fostering this spirit of innovation both within and beyond the Group. To recognise the outstanding achievements in innovation by various teams, we held the "CCG Innovation Awards 2023" ceremony, where 6 teams were honoured with awards, including People Award, Digitalisation Award, Operation Efficiency Award, Business Transformation Award, Sustainability Award, as well as Brand and Marketing Award.

CCG Long Service Award

We highly value the dedication and loyalty of our employees, recognising the significance of appreciating their efforts. With our Long Service Award, we commemorate the significant milestones of our colleagues, expressing our thanks for their consistent dedication and efforts. This acknowledgment nurtures a culture of gratitude, loyalty, and drive within the Group, enhancing the connection between colleagues and management.



Employee Well-being and Benefits

Promoting Work-Life Balance

Understanding that many colleagues have commitments outside of work, such as the development of personal interests, we have introduced hybrid work arrangements. This arrangement helps them stay productive while managing their personal commitments. To further enhance the work-life balance and well-being of our employees, we implemented several changes this year.

Enhancement of Annual Leave and Community Leave

We increased the starting annual leave entitlements for each grade, effective 1 January 2024. Also, we offered an additional increase of one day annual leave after every two years of service for all grades except executives. To promote the spirit of community engagement and support within the Group, staff members who participate in community services organised by the Group will be able to earn CCG Hearts points, which can redeem a maximum of two days of Community Services Special Leave per year.

Employee Assistance Programme

僱員支援計劃
Employee Assistance Programme

工作 Work 家庭 Family
個人 Personal 社交 Social

為集團員工及其直系親屬（配偶及其18歲以下子女）使用
For employees of Chinachem Group and their immediate family members (spouse and children under 18 years old)

談話內容 絕對保密
CONVERSATIONS WILL BE KEPT IN STRICT CONFIDENCE

當線支援 會經傳呼台轉接 費用
When the lines are busy, calls will be directed to paging service and our counselors will return calls as soon as possible.

服務形式 FORM OF SERVICE
輔導及諮詢熱線 • 面對面輔導 • 臨床心理服務
Counseling and Consultation Hotline
Case to Case Counseling
Clinical Psychological Service

輔導範圍 COUNSELLING AREA
工作、家庭、社交及個人生活上所遇到的壓力
和情緒困擾
Work, family, social and other personal challenges
encountered in daily life

We have partnered with an employee service consultancy company to launch the Employee Assistance Programme, a support system that offers 24 hours counselling hotlines, face to face counselling and clinical psychological service. We aim to provide our colleagues and their families access to professional guidance for work, family, personal and social interaction issues. Besides counselling services, the programme also offers online self-learning resources and trainings on topics related to mental health, such as work life balance, positive psychology, etc.

Healthy Food Choice

The Group is fostering a culture of healthy eating, acknowledging that nutritious meals are essential for a healthy workplace.

Monthly Fruit Day

To promote healthy living and encourages healthier eating habits, we organised a monthly fruit giveaway at the headquarters office.

Reopening of Staff Canteen at Nina Hotel Tsuen Wan West

In alignment with our commitment to fostering a healthy workplace culture, we reopened our staff canteen at Nina Hotel Tsuen Wan West. On this special day, our management team dressed up as chefs to serve meals to our staff members. Recognising the importance of prioritising healthy food choices that promote good nutrition, our canteen menu has been thoughtfully curated by our in-house nutritionist to provide a diverse selection of nutritious and wholesome options.



Employee Engagement and Social Events

We place our colleagues at the forefront and strive to create a supportive, joyful, and rewarding environment for them. To unlock the full potential of our team, we have organised a variety of activities throughout the year that foster bonding and promote a positive workplace atmosphere.

Striving for a Family-Friendly Workplace

We are dedicated to creating a family-friendly work environment for our colleagues, reflecting in various programmes and policies we have in place.

We offer extensive family benefits and support services. Our company provides parental, marriage, and compassionate leave to help colleagues during important life events. Additionally, our headquarters office has a nursing room that offers mothers a comfortable and private space. As part of our commitment to supporting our colleagues and their families, we extend medical coverage to the families of colleagues holding manager or above positions. We ensure that the healthcare provided to our colleagues and their families is of the highest quality. During the Reporting Period, we have further launched the following initiatives to uphold our commitment of building a family-friendly workplace.

Enhancement of Maternity and Paternity Leaves

Since 1 September 2023, we have enhanced our leave entitlement by offering fully paid maternity and paternity leave to mothers and fathers of newborns, allowing them ample time to cherish their first moments with their newborns.

The 3rd CCG Family Day

On 23 September 2023, we hosted the Family Day of the Group. This event brought together colleagues and their families for a fun-filled day. During the event, we celebrated nearly 60 children of our colleagues who were awarded scholarships from our established scholarship scheme, which supports their academic aspirations and recognises their outstanding achievements.



Good Employer Charter 2024

To demonstrate the Group's commitment to safeguarding the work-family balance of our employees, we have joined the Good Employer Charter 2024, featuring the theme of "Supportive Family-friendly Good Employer".

Enhancing Team Connections for a Happier Workplace

We are committed to creating a happier workplace and actively fostering a spirit of friendly competition and teamwork. As part of our commitment, we have organised a variety of activities throughout the year to promote bonding and enhance a positive working environment.



Workplace Events and Workshops

Throughout the Reporting Period, our Workplace Services Team organised a variety of engaging and sustainability-focused events to promote employee well-being, environmental awareness, and team bonding. These included Go Green Fair, Coffee Cupping x Upcycling Workshop, and Friday Challenge - Korean Ddakji, etc., with around 850 participants taking part in these activities.



CCG Staff Social Clubs

To align with the Group's broader objectives, we launched the CCG Staff Social Club to enhance wellness, promote inclusion and diversity, foster a sense of belonging, stimulate innovation, encourage teamwork, develop leadership skills, and facilitate the exchange of ideas and connections among colleagues.

The CCG Staff Social Club serves as an internal platform designed to turn our employees' ideas for social activities into reality. This club is open to all employees, including part-time and full-time staff, allowing them to create social clubs centred around different themes and participate in activities that interest them.

During the Reporting Period, we have 10 social clubs focusing on different areas, including basketball, badminton, football, golf, tennis, board games, coffee and cocktail making, drumming, floral design, and wine education.

Nina Hospitality Bowling Competition 2024

Our staff members from across our hotels came together to showcase their bowling skills, creating an atmosphere filled with excitement and camaraderie. At Nina Hospitality, we believe in fostering a spirit of friendly competition and teamwork, and events like this exemplify our commitment to creating a joyful workplace for our team members.



CCG Hearts: Give Compliments to Colleagues

We have developed a feature in CCG Hearts that allows our colleagues to compliment each other, fostering a supportive workplace.

Commitment to Diversity, Equity and Inclusion

Performance Highlights



Total number of colleagues, by gender

1,788

Female

1,813

Male



Total number of colleagues, by age

462

30 years old or below

1,410

31-50 years old

1,729

51 years old or above



Female representation in the workforce (%)

49.7%

The Group promotes diversity, equity and inclusion (“DEI”) and recognises the importance of a diverse workforce to the success of our business. We have signed the Equal Opportunities Commission’s “The Racial Diversity and Inclusion Charter for Employers” and have launched programmes to create a diverse, equal and inclusive workplace.

Promoting Inclusivity and Accessibility

Culturally Inclusive Sharing

In 2024, we have collaborated with the Equal Opportunities Commission (“EOC”) to organise sharing sessions, inviting an ethnic minority guest speaker to raise awareness amongst colleagues about ethnic minorities and the do’s and don’ts when interacting with them.



Supporting Diverse and Special Needs Talent

Talent-Wise Employment Charter and Inclusive Organisations Recognition Scheme

We are committed to providing more internship and employment opportunities for people with disabilities, thereby unleashing their potential, enabling their self-reliance, fostering social integration and building a caring and supportive society for all.

Hiring Recovering Individuals and Ethnic Minorities

We are dedicated to promoting diversity and inclusion through offering career opportunities for people from diverse backgrounds. To support this mission, we partnered with Baptist Oi Kwan Social Service to organise the “Your Career, Your Choice” Inclusive Job Fair. The Group and Nina Hospitality were one of the participating employers, aiming to hire talents from minority groups or those recovering from mental illness.

Enabling a Prosperous Tomorrow



Our commitment to sustainable growth is grounded in the belief that the long-term prosperity of our business is linked to the well-being of the communities we serve. It drives us to cultivate vibrant communities and create enduring value for our stakeholders, by aligning our financial goals with our environmental and social responsibilities.

To this end, we prioritise strategic investments that enhance business diversification to address social needs and community enrichment. Our comprehensive set of finance and investment guidelines and frameworks guides us in funding projects and expanding our investment portfolio that generate measurable environmental and social impacts. Through collaborative partnerships, we leverage cutting-edge technologies to improve operational efficiencies, enhance customer experience, and contribute to the long-term resilience of the communities in which we operate. We are dedicated to being a force for positive change - creating value today while safeguarding the prosperity of generations to come.



1 property acquired

To establish a vibrant hub in Tsuen Wan with D-PARK



62%

Of the Group's total financing facilities are green or sustainability-linked



~3.4 billion

In green loan secured In FY2023/24 (HKD)



8 solutions

Tested in cohort 3 with 6 tech ventures supported through CCG Accel - Powered by HKSTP

Diversifying our Business

Acquisition of D·PARK to Connect the Community through Synergy

D·PARK has joined the Group’s flagship malls NINA MALL 1 and 2, the office building Nina Tower, Nina Hotel Tsuen Wan West, and Nina Park, to synergise Nina Hub, where we are committed to developing the largest integrated commercial, tourism, retail, entertainment, and cultural hub in the New Territories West. This vibrant hub is expected to attract both local residents and visitors from Mainland China and beyond, capitalising on emerging opportunities in the region. During the Reporting Period, the Group initiated a major transformation of D·PARK in Tsuen Wan following its acquisition. This expansive shopping mall, covering 630,000 square feet over three levels, has been a vital part of the local community.

Aligned with the Group’s commitment to sustainability and social responsibility, D·PARK aims to become an inclusive “Playground for All” through establishing a vibrant retail and entertainment destination that enriches the cultural landscape of Hong Kong. As part of its evolution, D·PARK is increasingly integrating educational and entertainment options for children alongside its traditional retail offerings. By strategically leveraging its prime location near major transport links, D·PARK has strengthened its role as a community hub by enhancing connectivity with the Group’s buildings and the surrounding community.

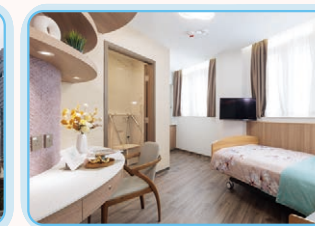
Furthermore, D·PARK’s integration with CCG Hearts strengthens the synergy and partnership within our portfolios. This synergy elevates D·PARK’s role as a community hub, in creating inclusive spaces that meet diverse community needs.



Strengthening Elderly Care Services through Privatisation of Pine Care Group

The overall well-being of the community is closely connected to the sustainability of an economy. In light of an ageing population, the Group is dedicated to fostering a vibrant economy that supports the health and welfare of the elderly. In line with this commitment, we set up a division “CCG Healthcare” in 2023 to expand our presence in the healthcare sector, foster supportive communities, and improve home-based care for the elderly. This initiative significantly boosts our capacity to meet the needs of older adults and is essential in fostering a more compassionate and sustainable urban environment for everyone. Our premier facility, “Pine Residence” has been in operation since December 2022 and has provided a variety of services, catering to both affordable and premium residential care options. It is staffed by a committed team of healthcare experts, including nurses, caregivers, social workers, occupational therapists, and physiotherapists. We also employ cutting-edge gerontology practices to guarantee that our residents receive exceptional standards of care and support.

The decision to privatise Pine Care Group not only diversifies our business portfolio but also reinforces our commitment to addressing the critical needs of our ageing society. It resonates with the Group’s “Places with Heart” vision, emphasising our role in promoting the health and well-being of all generations. As we support the elderly in the later stages of their lives, we remain dedicated to providing the care and resources for their fulfilling lives, recognising the value they bring to our communities.



Investing in Sustainability

Green Finance Framework

The Group has implemented a Chinachem Group Green Finance Framework (“the Framework”) to steer our Green Financing Transactions (“GFT”) in alignment with its strategic objectives and overarching vision. This Framework is aligned with the Green Bond Principles 2018, issued by the International Capital Market Association (“ICMA”), alongside the Green Loan Principles 2021, developed by the Loan Market Association (“LMA”), the Asia Pacific Loan Market Association (“APLMA”), and the Loan Syndications and Trading Association (“LSTA”).

The Framework facilitates fundraising through both bonds and loans, with proceeds allocated to Eligible Projects that provide environmental benefits. For each green finance transaction, the Group commits to adhere to principles regarding the utilisation of proceeds, the evaluation and selection of projects, the management of proceeds, and the provision of comprehensive reporting.

Allocation of Green Loan and Sustainability-Linked Loan Proceeds



Year Executed	Category	Project	Currency	Facility Amount (HKD)	Maturity Date
December 2023	Green Loan	One New Street Square	GBP	0.8 billion	December 2025
November 2023	Green Loan	Construction of Kwai Chung Cold Storage Logistics Centre	HKD	8.8 billion (Share of the Group: 2.6 billion)	November 2028
January 2023	Green Loan	Non-industrial development at Tung Chung Town Lot No. 45	HKD	4.8 billion	January 2028
June 2022	Sustainability-Linked Loan	-	HKD	1 billion	Subject to the Bank's annual review
January 2022	Green Loan	Caroline Hill Road Commercial Project	HKD	13 billion (Share of the Group: 5.2 billion)	January 2027
December 2021	Sustainability-Linked Loan	-	HKD	1 billion	December 2024 (Repaid in October 2024)
November 2019	Green Loan	Residential Development at Ho Man Tin Station Project Package Two Development	HKD	5.3 billion	May 2025

Case Study: Hong Kong's First-ever 8.8 billion (HKD) Green Loan for Logistics Centre Development

The Group partners with ESR Group Limited to secure Hong Kong's first 8.8 billion (HKD) green loan. This financing, one of the largest issued in 2023, supports the development of the Kwai Chung Cold Storage Logistics Centre, the largest cold storage facility built in Hong Kong in 20 years. By aligning with the Green Loan Principles, the partnership demonstrates a commitment to responsible investment practices.

The five-year committed green loan will support the construction of the centre, aiming to achieve green building certifications, including BEAM Plus New Building Gold and LEED Gold. The project will dedicate 30% of the site area to greenery, featuring a rooftop garden and a recycling irrigation water system. Moreover, Electric Vehicle ("EV") charging points will be integrated into the car park.



Sustainable Investment Criteria

We recognise that prosperity encompasses more than just financial success; it also includes the welfare of our communities and the health of our planet. This perspective informs our investment strategy, as we adhere to a comprehensive set of ESG Due Diligence Guideline and ESG Investment Guidelines to ensure that our portfolio reflects our values and contributes to a more sustainable future. Additionally, prioritising sustainability enables us to develop a more resilient and long-lasting portfolio, which is likely to yield greater value over time and present lower risks compared to traditional investment approaches.

ESG Due Diligence Guideline

In the reporting year, the Group updated our guidelines to enhance the integration of Environmental, Social, and Governance ("ESG") considerations into investment management activities, reinforcing CCG's commitment to sustainable development and responsible investing. These guidelines now apply to conventional financial and start-up funds, diversification investments, and the acquisition of existing building assets in Hong Kong, Mainland China, and overseas.

For real estate investment, key updates include a structured technical due diligence process which requires thorough screening and adherence to a Due Diligence Checklist. Acquisitions are limited to buildings that meet at least the second-highest rating in recognised green and wellness standards, while the carbon intensity of target assets will be assessed with reference to the CCG3050+ Carbon Reduction Roadmap or any subsequent updates.

Compliance records must be maintained, and justifications provided for any deviations from the guidelines, ensuring transparency and accountability in our sustainability initiatives and furthering CCG's commitment to sustainability.

Case Study: Enhancing Our Global Portfolio through Sustainable Property Acquisitions

The acquisition of Kaleidoscope and One New Street Square, two key properties in London, UK, in FY2022/23 not only marks a strategic entry into the overseas real estate market but also underscores our firm commitment to fostering a sustainable built environment on a global scale.

Kaleidoscope and One New Street Square have both been awarded a WELL “Gold” certification, with Kaleidoscope receiving an “Excellent” rating under the Building Research Establishment Environmental Assessment Method (“BREEAM”), while One New Street Square has achieved an “Outstanding” BREEAM rating. Notably, One New Street Square received the “Best Fit Out of Workplace” award at the BCO National Awards in 2019, which underscores its exceptional design and ESG credentials. This building is also the largest in the world to achieve dual certification with both BREEAM Outstanding and WELL Gold certifications, showcasing our commitment to sustainability.

The sustainability features of these buildings include advanced water and energy management systems, as well as a robust digital infrastructure at Kaleidoscope. In contrast, One New Street Square has been designed with nature in mind, surrounded by plentiful trees and an extensive vertical garden. Moreover, it recently received the “Test of Time” award at the BCO National Awards in 2024, recognising its ability to meet the evolving needs of tenants while maintaining its original design intentions. Together, these properties provide a green and health-conscious environment, allowing occupants to fully engage with sustainable living.

By ensuring our acquisitions meet stringent ESG criteria and the ESG Due Diligence Guideline, we are not only enhancing the quality of our overall investment portfolio but also reinforcing our commitment to sustainable development.



Sustainable Investment Guideline

To implement a responsible investment strategy, we aim to maintain an average MSCI ESG Rating of BBB or above for our investment portfolio. During our analysis, we thoroughly assess the ESG ratings of companies, ensuring that ESG performance is considered alongside financial indicators. We also prioritise the acquisition of sustainable bonds whenever they are available from the same issuer. Furthermore, we meticulously review the ESG reports of asset management firms associated with our fund investments, as well as any relevant ESG credentials held by asset managers during the selection process. Our goal is to identify and support companies that demonstrate strong ESG practices.

To further our commitment to sustainable investment, we have chosen to exclude sectors that are incompatible with our values. These sectors include:



Operation of casinos



Production of lethal weapon



Production of tobacco



Production of pornography

In accordance with the ESG Due Diligence Guideline and ESG Investment Guidelines, we strive to develop a sustainable portfolio that not only delivers positive financial returns but also makes a significant contribution to society and the environment.

Cultivating Technological Solutions through Strategic Partnerships

CCG Accel Cohort 3

The Group has consistently placed a strong emphasis on fostering innovation and entrepreneurship as vital catalysts for social change and economic development in Hong Kong. By partnering with local innovators, we aim to tackle significant social and economic challenges impacting both the region and the global community. Substantial investments have been made to support pioneering solutions that enhance resilience for the future.

In 2021, the Group initiated the “CCG Accel – Powered by HKSTP” accelerator programme in collaboration with the Hong Kong Science and Technology Parks Corporation (“HKSTP”). This initiative advances high-potential tech ventures through a structured process from pilot testing to mass adoption, involving three themed cohorts over two years. Each cohort leverages designated properties as practical testing environments for emerging technologies. The first two cohorts utilised designated properties as testing environments for emerging technologies, addressing issues such as Environment and Sustainability, Operational Efficiency, and Customer Experience.

The third cohort focused on the development and application of generative Artificial Intelligence (“AI”) solutions throughout the entire CCG business. It seeks to enhance both external and internal aspects of property operations, overall management, and internal workflows, with a strong emphasis on improving human interactions. By leveraging advanced technologies, CCG aims to foster a more efficient and responsive environment that supports sustainable practices.

Selected technology ventures will collaborate with CCG to create generative AI solutions designed to elevate performance and user experience across the Group’s diverse portfolio, which includes commercial buildings, offices, shopping malls, hotels, and healthcare centres. This partnership aims to deliver significant benefits to both clients and employees. Furthermore, the Group is inviting applications from interested parties whose solutions address identified challenges in two focus areas: social wellness and communication/operational efficiency. As we advance our collaboration with the third cohort, we are committed to further amplifying the impact of innovation and entrepreneurship. Our previous partnerships have established a robust foundation for sustainability and economic vitality, and we intend to build upon this momentum to drive prosperity and sustainable growth for all stakeholders.



Tech Venture Highlights



Medmind Technology Limited: Medmind Technology Limited has developed innovative AI gaming technology aimed at enhancing the cognitive and physical well-being of the elderly. By employing the NeuroGym system, the company offers a variety of engaging activities – such as calligraphy and mahjong – that promote social interaction among residents at Pine Care Point, one of the Group’s specialised care homes for dementia patients. This approach encourages social interaction and allows for systematic tracking of cognitive abilities. As residents engage with the games over a period of six months to a year, the AI can record trends in their cognitive performance, helping healthcare professionals detect early signs of decline and take timely action.

In addition to fostering cognitive engagement, Medmind’s PhysioPlay system actively promotes physical activity through a range of interactive games, including curling, darts, and archery. These activities are specifically designed to require minimal space and equipment, making them ideal for care environments. The integrated AI analyses movements and postures, providing valuable insights to healthcare professionals. This data not only helps in tailoring individual exercise programmes but also enhances the effectiveness of physical rehabilitation efforts, ensuring that residents can improve their balance, coordination, and reaction times in a supportive setting. This dual approach – combining cognitive engagement with physical fitness – ensures that elderly residents maintain a healthier lifestyle while fostering a vibrant community atmosphere within the care centre.





Applied Technology Group Limited: Applied Technology Group Limited has developed the ClinicONE Smart Clinic, an AI-driven solution that significantly enhances healthcare delivery. This innovative platform enables efficient health screening and medical consultations, reducing wait times and improving access to healthcare services for residents. It also ensures that prescribed medications are delivered directly to patients' homes, further enhancing convenience and accessibility. By promoting timely health screenings and consultations, the Smart Clinic supports proactive health management in the community.



Finesse Intelligent Tech Limited: Finesse Intelligent Tech's CARER.Plus is an AI and data-driven platform that empowers healthcare professionals to provide holistic support to elderly residents. By leveraging automation, CARER.Plus streamlines processes for healthcare staff including nurses and physiotherapists to create a tailored care plan for the elderly. A network of sensors is installed in residents' rooms and smart watches to monitor vital signs, such as heart and breathing rates, while also detecting potential hazards like gas leaks through the system. This critical real-time data is transmitted to the "Individual Care Plan" portal, equipping nurses, physiotherapists, occupational therapists, and speech therapists with essential insights to enhance their care.

Moreover, the generative AI chatbot effectively assists healthcare professionals through analysing sensor data and the medical histories of residents to generate tailored, high-quality recommendations, including customised meal and activity plans.

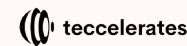


KBQuest: KBQuest has launched AIMBEST, an AI-driven curriculum vitae assessment system designed to optimise candidate evaluation. AIMBEST automates the analysis of resumes, extracting vital information and generating suitability scores for each applicant. This automation enables HR professionals to focus on interview

interactions rather than handling data entry and preliminary filtering. Tailored specifically for the Group, AIMBEST filters candidates based on essential criteria, such as academic achievements and relevant fields of study, significantly expediting the initial assessment process.



Marvel Digital Ai Limited: With the rise of AI, Marvel Digital Ai has harnessed this technology to revolutionise the design process, significantly enhancing efficiency and creativity. By generating thousands of images in mere seconds based on simple prompts, the AI can produce designs that would traditionally take professionals days or weeks to complete. Collaborating closely with Nina Hospitality, Marvel has spent months developing innovative interior designs. This automation allows the team to visualise outcomes swiftly, facilitating quicker decision-making in the selection of design elements.



Teccelerates Limited: Teccelerates is an innovative Information Technology ("IT") solutions startup focused on AI technology. The company addresses key challenges in AI implementation, such as skill shortages, cost management, data privacy, system integration, and organisational resistance to change.

Through its platform, "InSource", Teccelerates supports sectors like construction, recruitment, retail, and education in enhancing user experience and productivity of the AI solutions. Additionally, Teccelerates offers a tailored AI application for small and medium-sized businesses ("SMBs"), providing turnkey solutions in HR, marketing, finance, and operations to streamline various business processes and drive growth.

Advancing Green Building Practices: The Peelable Nano Technology in Partnership with NAMI

The Group is actively advancing green building practices through our collaboration with Nano and Advanced Materials Institute (“NAMI”), a local research and development centre, to develop the Peelable Nano Protective Coating. This innovative nano-coating enhances the protection of both interior and exterior surfaces of windows during building construction.



The Peelable Nano Protective Coating is distinguished by its efficiency and environmental advantages. This innovation addresses a pressing challenge within the industry: up to 30% damage rate during property handover and inspection. The thickness of the coating exceeds that of traditional protective materials by more than three times, providing superior protection and minimising the likelihood of cracked or damaged glass windows during property handover and inspection, thus reducing the need for glass replacement. Engineered to be robust yet lightweight, its single-layer structure eliminates the necessity for additional foam board wrapping, thereby reducing overall construction waste. With an adjustable degree of protection, the coating can be tailored to meet various construction conditions. The coating’s ease of removability and reusability further minimises waste, making it a practical solution for meeting construction requirements.

Furthermore, the environmentally friendly formulation of the coating is solvent-free, preventing the release of harmful volatile organic compounds. The nano-coating is characterised by its UV and water-resistant properties, ensuring that even after prolonged exposure to sunlight or rain, no residue is left on the glass surface, and the coating does not wear off prematurely. This feature streamlines the cleaning process and reduces time. The technology can also be applied to other construction materials, such as metal and wooden furniture.

The Peelable Nano Protective Coating aligns with green building principles, aiming to reduce material waste, enhance construction quality, and increase buyer satisfaction. Over the past three years, the Group has invested substantial amount in this project which has reached the pilot demonstration stage. Notably, a patent has already been granted for this jointly-developed technology. This innovative coating exemplifies the Group’s commitment to eco-friendly construction methods, aiming to significantly reduce waste and enhance overall construction quality.

Forming Collaborative Partnership for MiC

The Group is committed to contributing to a green and prosperous Greater Bay Area (“GBA”) through strategic collaborations that drive innovation and sustainability. In this spirit, the Group has entered into a Memorandum of Understanding with GMC Grand-Bay Intelligent Manufacturing and Technology Co., Ltd. (“GBIMT”) to develop and implement the Modular Integrated Construction (“MiC”) system. This partnership aims to leverage the complementary strengths of both organisations, enhancing construction efficiency and quality while supporting the shared goal of achieving carbon neutrality by 2050.

The collaboration with GBIMT reflects our dedication to establishing high standards in green building practices. By adopting the MiC system, the partnership seeks

to streamline construction processes to enhance the overall quality of residential developments and promote sustainability by lowering carbon emissions and reducing noise during construction activities, ultimately benefiting both the community and the environment. As a leader in prefabricated construction within the GBA, GBIMT brings valuable expertise to this partnership. We have already made significant strides to utilise the concrete MiC system at our ECHO HOUSE project, marking a pivotal milestone as the first high-rise residential development employing this technology in Hong Kong.

Looking forward, the Group plans to expand the use of the MiC system in future projects, reinforcing our commitment to sustainable construction practices and the ongoing development of the GBA.

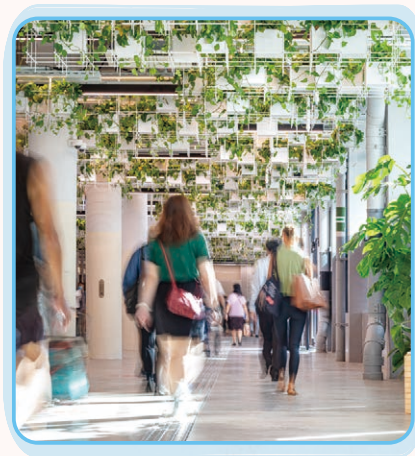


Creating a Prosperous Community

We are dedicated to fostering a vibrant and inclusive community that welcomes individuals from all walks of life. We aim to transform our spaces into dynamic and energetic environments that encourage social interaction and collaboration, and economic vitality.

Case Study: Transforming Central Market into a Thriving Ecosystem for Small and Medium Enterprises (“SMEs”)

The revitalisation of Central Market reflects our commitment to economic growth and community engagement. With nearly 180 years of history, this iconic landmark has been transformed into a lively hub that offers a variety of shops, dining options, and gathering spaces to meet diverse needs. The “Plug to Operate” scheme showcases our support for small and medium-sized enterprises by providing essential infrastructure and flexible leasing options, which enabled engaged SMEs to reduce startup costs, access prime retail space, and benefit from a supportive network. This approach allows new businesses to thrive in a prime location, enhancing the market’s diversity and creating economic opportunities. Moreover, the design of Central Market fosters an inviting atmosphere that encourages social interaction and accessibility for everyone. This revitalised space not only stimulates local commerce but also strengthens community ties, contributing significantly to Hong Kong’s cultural and economic landscape.



Case Study: Grand Opening of Lucky Plaza - Cultivating Community and Economic Growth

The grand relaunch of Lucky Plaza exemplifies our commitment to community enrichment and sustainable economic development. This revitalisation aims to reposition and rejuvenate the mall by establishing a youthful and energetic image while honouring the mall's legacy and maintaining our longstanding connection with the Shatin neighbourhood.

A series of dynamic campaigns were launched, including collaborations with local illustrators for decorative installations, the creation of engaging social content, and the organisation of weekend markets and pop-up stores. These vibrant initiatives not only enhanced the customer experience both online and on-site but also established Lucky Plaza as a vital player in the local retail landscape.

By engaging diverse audiences through local artist showcases and live performances, we are fostering a sense of community and supporting local businesses. The successful launch of Lucky Plaza highlights our dedication to revitalising community hub, showcasing our responsibility to contribute positively to the economic vitality and well-being of the area.



Case Study: Building Community Connections through Sport - Summer Go!Ympics

The Summer Go!Ympics campaign exemplifies our commitment to enhancing community well-being and economic vitality. By partnering with 15 organisations and engaging over 35 athletes and celebrities, this initiative established a dynamic platform for connection and collaboration among local communities and participants. Through activities such as live streams from Paris, interactive sessions with olympians and paralympians, and a variety of competitions and sports coaching sessions, we provided opportunities for individuals to engage with one another and collectively celebrate the spirit of sport.

Over 14 weekends, the campaign generated considerable traffic at NINA MALL, providing significant support to local businesses. Unique events, such as Hong Kong's inaugural mall-based kickboxing experience and athlete meet-and-greets, attracted over 1,400 participants, strengthening community ties.

Moreover, the campaign utilised strategic promotional incentives such as dynamic art installations, exciting sports games, and exclusive CCG Hearts points giveaway challenge to attract mall visitors and boost sales for local retailers. Through these initiatives, the Summer Go!Ympics not only celebrated sports and inclusivity but also reinforced our dedication to community enrichment and economic development.



Case Study: Hong Kong Shopping Festival

The Group is actively contributing to the revitalisation of Hong Kong's economy by participating in the second "Hong Kong Shopping Festival", organised by the Hong Kong Retail Management Association. As one of the partners of the Festival, we have offered residents and customers shopping privileges in our five major shopping malls, namely NINA MALL, D-PARK, Lucky Plaza, Papillons Square and Shun Fook Barn. By collaborating with multiple organisations, the Group aims to enhance the shopping experience, promote local businesses, and curating Hong Kong into a vibrant shopping destination.

Protecting Our Planet



In response to the worsening climate and environmental challenges, we are committed to creating spaces that exist in harmony with the planet, minimising environmental impacts, and contributing positively to the natural world. Environmental stewardship is a core element of our strong commitment to sustainability. For example, all our operations have environmental systems certified by ISO 14001:2015. With a vision for a sustainable future, we are committed to reducing carbon emissions, improving energy efficiency, and increasing the use of renewable energy. By adopting green building principles, we create climate-resilient, energy-efficient spaces that support biodiversity and thrive with nature. We also promote circular business practices to minimise waste and collaborate with stakeholders to drive collective action towards a low-carbon, sustainable future. Through these ongoing efforts, we aim to create environments where both humans and nature can thrive together.



25.1%
Reduction in 2023's carbon intensity from a 2020 base year

65%
Of existing properties with BEAM Plus/LEED/WELL building certificates¹

>38,000
Plastic bottles recycled through reverse vending machines installed at our sites

1st time
Responding to the Taskforce on Nature-related Financial Disclosures ("TNFD") recommendations, showcasing our efforts as an early adopter

¹ Covers the number of Provisional Assessment and Final Assessment certificates for Existing Buildings as of 30 June 2024.

Innovating Green Building Design

Demonstrating Green Building Leadership

Sustainable building has been a key aspect of the Group’s sustainability strategy, reflecting our strong commitment to environmental responsibility and safeguarding the planet. Recognising that construction and property development account for a significant part of our environmental impact, we prioritise energy and resource efficiency to minimise the environmental footprint of our projects while enhancing the well-being of occupants. Our new developments incorporate advanced sustainable features, including Building Information Modelling (“BIM”), Modular Integrated Construction (“MiC”) method, smart IoT systems, and Multi-trade Integrated Mechanical, Electrical, and Plumbing (“MiMEP”), demonstrating our commitment to innovative and environmentally responsible design.

Establishment of Guidelines for Sustainable Design and Procurement

Our commitment to green building is driven by our Guidelines for Sustainable Design and Procurement (“the Guidelines”), which provide clear instructions for every

stage of property development, from selecting service providers to the design and construction phases. The Guidelines are structured to promote sustainability in property development by supply chain management, providing a comprehensive framework and checklists for tenderers and contractors. The Guidelines include pre-qualification and qualification checklists, prioritising tenderers who demonstrate strong sustainability practices through bonus requirements. Furthermore, to implement sustainable designs, products and services, and strive to achieve Net Zero, the Guidelines also specify sustainable KPI checklist as well as the additional sustainable features checklist containing the innovative and sustainable technologies. Additionally, an incentivised penalty system has been implemented to encourage service providers to reduce consumption on the natural resources and damage to the Earth by upholding high standards in project delivery and green design performance. Through these measures, we strive to lead our way in green building development. In 2024, we updated the sustainability selection criteria and procedures outlined in the Guidelines to strengthen our commitment to environmental responsibility. Key updates include the introduction of a pre-qualification check for any environmental-related litigation or arbitration cases, as well as the requirement for tenderers to be signatories of decarbonisation initiatives as part of the tender qualification process. To align with our carbon reduction roadmap, we have added Zero-Carbon-Ready Building Certification by Hong Kong Green Building Council (“HKGBC”) to our sustainable KPI checklist. Furthermore, we have incorporated Scope 3 GHG emissions and embodied carbon requirements into the sustainable KPIs for all new major projects, mandating that main contractors monitor and report on Scope 3 emission performance and reduction efforts.



Our Commitment

100%

New major project to attain the 2nd-highest rating of BEAM Plus, and target the 2nd-highest rating for LEED and WELL.



Our Achievements

27

BEAM Plus certified*

2

LEED certified

65%

Of existing properties with BEAM Plus/ LEED/WELL building certificates²

1

Registered under BEAM Plus and WELL for new developments

2

WELL certified*

² Covers the number of Provisional Assessment and Final Assessment certificates for Existing Buildings as of 30 June 2024.

(* Covering both Provisional and Final Assessment certificates in BEAM Plus and both Pre-certified and Certified projects in WELL as of June 2024.)

Highlights of Our Green Projects



Tung Chung Business Hub

Located on the northwestern coast of Lantau Island in Hong Kong, Tung Chung East is envisioned as a cutting-edge hub for business and commerce. The project has been designed in alignment with Platinum ratings under BEAM Plus NB Version 2, LEED Version 4 BD+C Core and Shell, and WELL Building Standard Version 2.

Embodied Carbon

The adoption of BIM and MiMEP will improve productivity and reduce construction waste. To further reduce embodied carbon during construction, contractors will be required to use early power-on systems, which enables electrification at the early stages of construction to reduce the energy consumption powered by other energy sources. They will also be encouraged to use battery energy storage and bio-diesel generators for temporary power to further support sustainable energy practices.

Sustainable Mechanical, Electrical, and Plumbing Systems

The project is designed to incorporate a district cooling system to enhance energy efficiency by optimising the design and sizing of pumps, pipes, and fittings. The installation of electrically commutated plug fans will further reduce energy consumption. Additionally, building-integrated photovoltaics solar fins on the south-facing façade and roof-mounted PV panels will generate renewable energy to offset

carbon emissions. It targets an annual energy utilisation index ("EUI") of 76 kWh/IFA m² for the landlord office area, 31% lower in comparison to the Electrical and Mechanical Services Department's benchmark for Grade A Office.

Smart IoT Systems

The project has planned a robust network for occupants by implementing Wi-Fi 6E, 5G, or the most advanced technology available at the time of installation. It will also integrate an AI-enabled digital twin, a smart car park management system, an access control system, AI-powered video analytics for CCTV, and future-proof infrastructure. These advanced features would enable real-time monitoring, analysis, and optimisation of building performance, enhancing operational efficiency and adaptability.



Low Carbon Construction

The project will incorporate a green concrete initiative and use low-carbon construction materials in the MiC modules for the residential portion. These measures can significantly reduce embodied carbon emissions, contributing to a more sustainable built environment.

Natural Ventilation and Acoustic Comfort

The project is designed with the concept of prioritising occupant wellbeing and environmental comfort. Air Ventilation Assessment will ensure the development supports natural wind flow, reducing the urban heat island effect and improving outdoor comfort for residents and pedestrians. UV-C sterilisation technology can enhance occupant health by minimising the risk of infectious diseases, while acoustic treatments in residential units balance air flow with noise reduction, ensuring a comfortable living environment.

Tung Chung Traction Substation Residential Development

The residential development at Tung Chung Traction Substation has been designed to achieve provisional Platinum ratings under BEAM Plus NB Version 2.0 and WELL Building Standard Version 2 Precertification. The MiC technique will be employed to develop approximately 2,000 flats. This approach shall enable significant reduction of construction waste and noise pollution while enhancing productivity.

Smart Monitoring

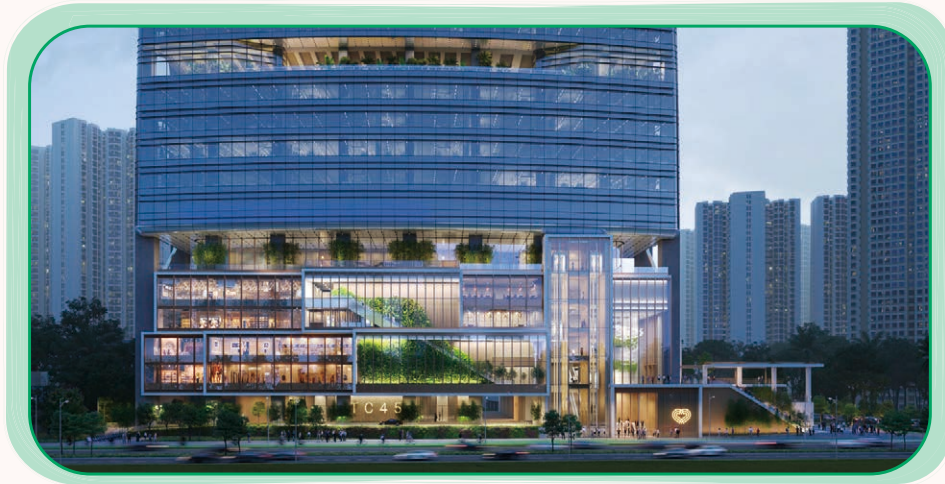
Advanced smart systems enhance operational efficiency and safety. A smart drainage network will be adopted to monitor water levels and hazardous gases in real-time, improving response to potential risks. The Smart Site Safety System shall integrate IoT technology to monitor construction activities, reducing risks by alerting workers to potential hazards and ensuring compliance with safety standards. These innovations will enhance workplace safety and optimise site management.

Embracing Innovation and Sustainability in Construction Practices

The Group has adopted MiMEP in various projects as part of our commitment to sustainable and efficient construction practices. MiMEP is an innovative construction approach where mechanical, electrical, and plumbing systems are prefabricated off-site in a controlled environment, then transported and assembled on-site.

This method offers numerous benefits, including enhanced construction efficiency, improved quality control, reduced material waste, and shorter project timelines. By minimising on-site work, MiMEP also contributes to a safer working environment and lowers carbon emissions associated with traditional construction processes.

Tung Chung Business Hub



As a project for business and commerce of the Group, Tung Chung Business Hub shall adopt MiMEP in its pump rooms, fan rooms, and air handling unit rooms to improve productivity and reduce construction waste.

Lee Garden Eight



Lee Garden Eight, a joint venture commercial property development project of the Group and Hysan Development, incorporates MiMEP across 85% of the project, achieving Hong Kong's highest private sector adoption rate while reducing environmental impact, enhancing worker safety, and improving overall construction efficiency.

Sustainable Construction Materials

Ensuring our projects being steered by environmentally friendly practices has been our top commitment, as we strive to reduce the noticeable impacts of our embodied carbon and construction materials on the environment and natural resources. We have adopted a design thinking approach that considers the entire life cycle of building materials, from sourcing to disposal, to minimise our ecological footprint. To achieve this, we use materials from renewable and recycled sources, employ energy-efficient technologies and promote waste reduction and recycling. For instance, One Hennessy has adopted 100% low VOC content materials and wood-based products that are free of urea-formaldehyde. More than 20% of the construction material used are from recycled materials, and over 50% of the wooden building materials used are FSC-certified. In addition, the construction waste recycling rate of the project is over 94%.

Our commitment to sustainable building practices aligns with our goal of creating properties that are aesthetically appealing, fully functional, cost-effective, environmentally responsible and resilient. The Guidelines for Sustainable Design and Procurement encourages the adoption of Construction Industry Council (“CIC”)-certified green products or equivalent alternatives as construction materials in our major projects. For all new building projects, embodied carbon from raw material acquisition to handling is included in the sustainable KPI checklist. Additionally, aligning with our sustainability goals, particular alteration and addition projects must achieve at least a 10% reduction in embodied carbon for major construction materials, compared to the project’s estimated total embodied carbon without incorporating green construction materials.

Case Study: Sustainable Construction Materials used in Nina Park



To reduce carbon emissions, Nina Park has fully adopted green concrete that received platinum certificate by the CIC Green Product Certification Scheme during the construction phase. This resulted in 41.6% less carbon emissions compared to traditional approach, equivalent to 260.3 tCO₂ saved.



Speeding Up Green Transition

Performance Highlights



25.1%

Reduction in 2023's carbon intensity from a 2020 base year



>38,000

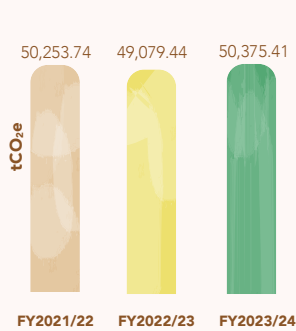
Plastic bottles recycled through reverse vending machines installed at our sites



167 tonnes

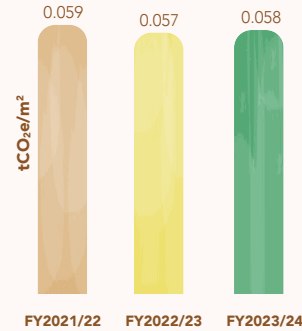
Of food waste diverted from ending up in landfills, a 38% increase compared to the previous Reporting Period

Total Carbon Emissions³ (Scope 1 & 2)*

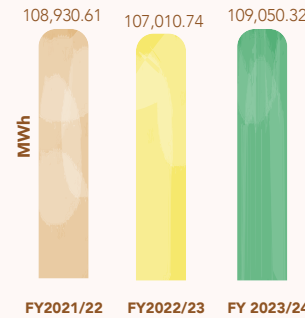


(*Location-based method)

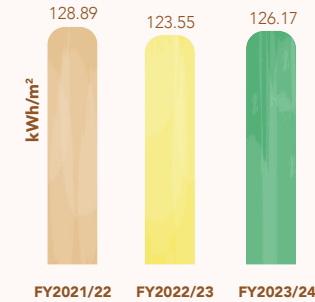
Carbon Emissions Intensity³ (Scope 1 & 2)*



Total Energy Consumption³



Energy Intensity³



³ During FY2023/24, our energy intensity and carbon intensity increased by 2.1% and 2.9%, respectively, compared to FY2022/23 due to increase in our property occupancy and operations. For example the lease out rate at Nina Tower increased by 20%, leading to an 8.7% increase in overall electricity consumption in the building. The guest room nights of our hotels also increased by over 30% compared to previous Reporting Period.

Managing Our Energy Usage and Carbon Footprint

In response to the urgent call to address climate change and sustainability, we have embarked on a transformative journey towards a sustainable future. Our ambitious “Chinachem Group Carbon Reduction Roadmap - CCG 3050+” (“CCG 3050+”), is aligned with the 1.5°C pathway which has been endorsed by the Science Based Targets initiative (“SBTi”). Through CCG 3050+, our goal is to reduce operational carbon intensity in Scope 1 and 2 by 51.8% and Scope 3 carbon intensity from capital goods, downstream leased assets, and waste generated in operations by 20% by 2030, with 2020 levels serving as the benchmark.

We initiated several green projects to accelerate our sustainability journey, including advancing renewable energy deployment, replacing the chiller system at Nina Tower, upgrading chillers at multiple properties such as Lucky Plaza, Leighton Plaza and Two Chinachem Plaza, launching Cooling as a Service (“CaaS”) in Flora Plaza and adopting energy efficiency measures in One Hennessy and Nina Hospitality’s hotels and residences. We remain dedicated to pursuing further opportunities for green transformation and reducing our environmental impact.

Advancing Renewable Energy Deployment

Increasing usage of renewable energy is essential for advancing our transition toward low-carbon operations. We are actively installing renewable energy systems, including solar photovoltaic (PV) panels, across our properties. For example, the solar PV panels installed at Nina Tower generated 28,681 kWh of renewable energy during the Reporting Period. Furthermore, we acquired 99,875 kWh of Renewable Energy Certificates (“RECs”) from local providers, a 97% increase compared to the previous year.

To raise our clean energy consumption, we will continue to identify opportunities to grow renewable energy generation across our portfolio and secure off-site renewable electricity options wherever feasible.



28,681 kWh

Of renewable energy generated during the Reporting Period

167% increase

Compared to the previous year



99,875 kWh

Of Renewable Energy Certificates acquired from local providers

97% increase

Compared to the previous year



Nina Tower Zero-Carbon Chiller System Replacement

Since 2023, we partnered with a local energy provider to introduce Hong Kong’s inaugural zero-carbon chiller system at Nina Tower. Utilising cutting-edge technology, the advanced water-cooled air conditioning system incorporates Artificial Intelligence (“AI”) for efficient management, continuous real-time monitoring, and round-the-clock onsite maintenance. This setup not only provides energy-efficient air conditioning services for the entire complex but also leads to a significant reduction in carbon emissions.

The primary enhancements include transitioning from air-cooled to water-cooled chiller systems, for reduced energy consumption, water recycling for flushing to conserve resources and integrating advanced control technologies like AI and machine learning to optimise chiller performance.



These advancements are estimated to cut annual energy usage by up to

45%



Slashing approximately

6,300

tons of CO₂ emissions

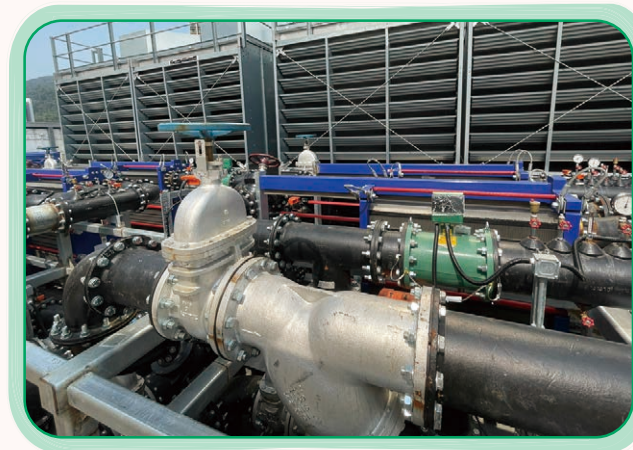
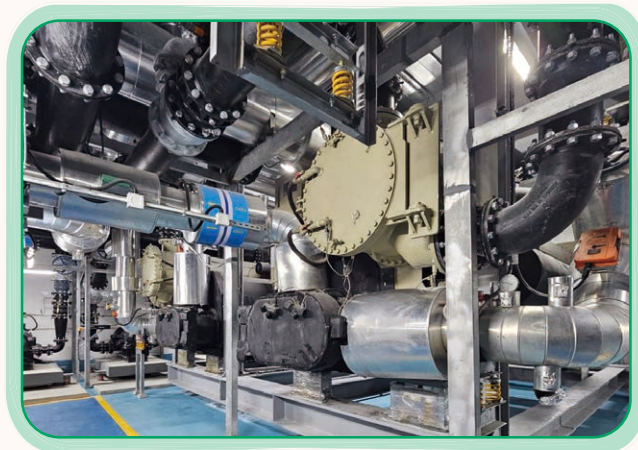


Yearly equivalent to planting

274,000

trees

Another environmentally conscious upgrade involves using the eco-friendly refrigerant, which has a significantly lower impact on the environment compared to the standard refrigerant. Besides operational sustainability, green practices extend to the construction phase, with the adoption of MiMEP practices and BIM to prefabricate key components off-site, ensuring precise installation and minimising construction waste.



Cooling as a Service at Flora Plaza

In a collaborative effort, the Group joined forces with a local energy provider and a property developer partner to launch a new Cooling as a Service initiative at Flora Plaza in Fanling. Expected to boost energy efficiency by 50% and cut electricity use by 15%, the new system will save 500,000 kWh annually, equivalent to powering 160 households or reducing 200 tonnes of carbon emissions. The AI-managed PlantPRO system ensures optimal cooling adjustments based on data and indoor conditions, enhancing Flora Plaza’s shopping experience and the Group’s sustainable development efforts.

Enhancing Energy Efficiency through Strategic Measures

To drive energy efficiency and sustainability in our properties, including One Hennessy and Nina Hospitality's hotels and residences, we have introduced a comprehensive set of initiatives. These include the deployment of a sophisticated building management system, installation of occupancy sensors in closets to optimise lighting usage, transition to energy-efficient LED lighting solutions, implementation of charter governing external lighting, adoption of high-efficiency water pumps, utilisation of water-cooled chillers for enhanced cooling efficiency, and the incorporation of a high-efficiency lift system.



One Hennessy

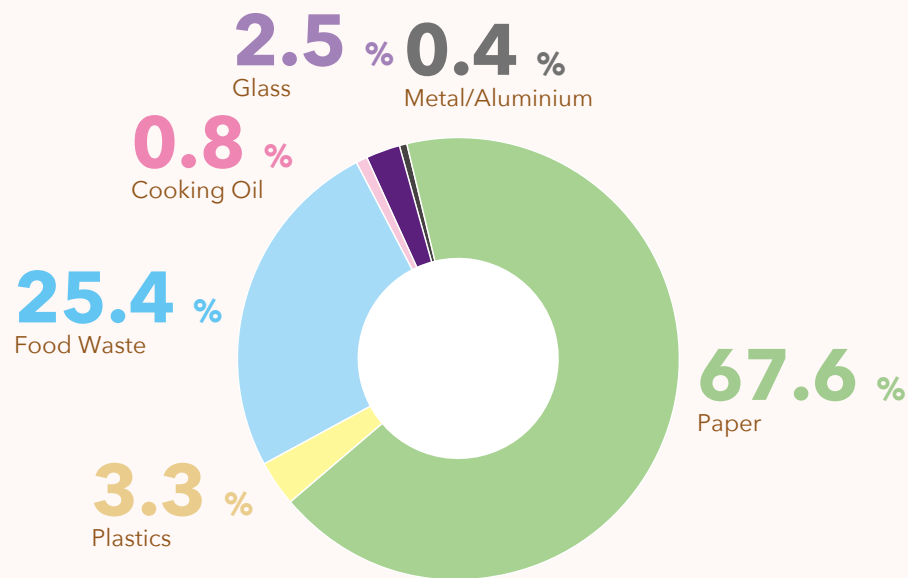
Nina Hospitality's hotels and residences

Sustainable Waste Handling

We understand the vital need to minimise waste and are committed to reshaping our business methods to align with a circular economy. Our waste reduction efforts extend beyond project design and construction. We are committed to implementing strategies to prevent waste in our operations and utilising digital tools and technologies to minimise resource consumption and actively reduce waste. Besides reducing waste within the Group, we also understand the importance of creating positive impact outside the Group. For example, the REACT Campaign carried out a range of community engagement programmes, aiming to educate and empower the public on waste reduction, recycling practices, and to promote shift towards more environmentally friendly habits.

Performance Highlights

Composition of Materials Recycled (Non-hazardous waste)



Total Amount of Materials Recycled



Paper Reduction Strategies

In line with our digital transformation journey, we have initiated several programmes to phase out traditional paper-based processes, including utilising the Intelligent Property Management System (“iPMS”), adopting eco-friendly products and practices. These initiatives aim to enhance productivity and significantly cut down on paper usage within our operations.

To reduce paper usage in the workplace, we implemented the iPMS, which marks a significant advancement in our approach to managing office buildings. This system facilitates the generation of paperless work orders for maintenance assignments, thereby decreasing the volume of physical paperwork in our operational processes.

To facilitate paperless workflows and improve material stocking, we have upgraded the functionality of the Electronic Request and Approval Platform (“eRAP”). This enhancement allows for the completion of additional administrative tasks online, including expense reimbursement.

Managing Plastics

At Nina Hospitality we strive to reduce plastic waste to protect the environment. To achieve this and to align with the Hong Kong government’s Product Eco-responsibility Ordinance, which prohibits hotels from offering free disposable plastic toiletries, Nina Hospitality started providing eco-friendly alternatives as our standard amenities. As part of our sustainability efforts, our hotels replaced bottled water with canned water and carboy water in April 2024, in line with our hotel renovation plan and the schedule approved by the Water Supplies Department, Hong Kong SAR Government. Furthermore, Nina Hotel Kowloon East planned to replace bottled water with water dispensers and water towers in August and September 2024. Besides reducing plastics from water bottles, all our hotels have installed umbrella drying machines since 2023 to further reduce environmental impact and promote eco-conscious practices. To reduce plastic waste from food containers, we have launched the BYOC Campaign, aligning with the “Plastic Free Takeaway, Use Reusable Tableware” Campaign led by the Hong Kong Environmental Protection Department, to encourage environmentally conscious practices among our guests. By participating in this initiative, customers who bring their own containers when ordering takeout from our restaurants can enjoy discounts on food and beverages.

Involving Stakeholders in Our Waste Reduction Initiatives

The Group is dedicated to fostering waste reduction and community engagement through various initiatives. In collaboration with Global Cheer, a cleaning service arm of the Group, we have hosted multiple used goods exchange events at Pictorial Garden. These gatherings allow locals to swap specific unwanted items for goods provided by the recycling operator, fostering a culture of reusing and resourcefulness. We also organised festive recycling events that focus on collecting seasonal waste, such as mooncake tin boxes and red packets, from residents and tenants across several properties. As of September 2023, we have collected 552 mooncake boxes in 24 buildings. The collected items are then transported to designated recycling facilities for responsible disposal and processing. These initiatives not only help to reduce waste but also encourages community interaction and environmental awareness.



Water Conservation

We prioritise water conservation efforts within our business, despite its minimal impact on local water resources. Our commitment to the collective responsibility of preserving water and averting scarcity is unwavering. To this end, we vigilantly monitored water consumption in our buildings and have implemented various water-saving mechanisms. These initiatives encompass installation of water meters, water flow regulators, automatic taps, and water-saving showerheads. Furthermore, we modified landscape irrigation schedules to reduce evaporation. As part of our efforts to promote a culture of water conservation, we proactively educate our colleagues, tenants, residents, and hotel guests about the significance of preserving water.

Nina Hospitality promotes sustainable practices by incorporating a message card in hotel rooms. This card enlightens guests about the hotel's water conservation initiatives and provides guidelines on engaging in the linen and towel reuse programme. Our goal is to decrease water and energy usage and encourage guests to participate in our sustainability endeavours.

Performance Highlights

Total Amount of Water Consumption⁴



Water Intensity⁴



⁴ During FY2023/24, our water intensity increased by 10.2% compared to the previous Reporting Period, mainly due to the increase of guest room nights of our hotels by over 30% compared to FY2022/23.



Sustainable Sourcing

As a community developer with varied operations, we recognise our impact across the value chain. We work closely with suppliers and business partners to integrate sustainability at every level. During the Reporting Period, we updated the Group's sustainable procurement guidelines to align with Environmental Protection Department, Hong Kong SAR Government Green Procurement standards. Alongside our departmental Standard Operating Procedures ("SOP") for Procurement, we strive to enhance our sourcing practices in purchasing, design, and construction processes, prioritising local suppliers to reduce our carbon footprint.

Sustainable Cuisine and Delicacy

Food sustainability has been a major environmental concern, and the Group is committed to offering delicious dishes that embody sustainability. Our Cantonese cuisine restaurant, RÚ, adopts the sustainable development concept by primarily using local ingredients, thereby supporting environmental protection efforts.

The restaurant's menu features an extensive selection of 90 meticulously crafted dishes, including sustainable seafood, vegetarian choices, and farm-to-table creations. We prioritise using local ingredients such as hydroponic vegetables, free-range chicken and eggs, farmed Sabah fish, and canned crab meat, which are more environmentally friendly options. Endangered seafood species are excluded, supporting our commitment to sustainable procurement. Many of our restaurants source sustainably in alignment with WWF guidelines. Additionally, we have recently partnered with the Lever Foundation, a non-profit organisation, to ensure that all Food and Beverage operations at Nina Hospitality exclusively use cage-free eggs by 2025.



Promoting Sustainability with Our Stakeholders

Implementing effective sustainability practices requires collective action and collaboration. To engage our stakeholders, we have expanded our green initiatives through industrial collaboration, customer engagement campaigns, education, and awareness programmes. These include organising Chinachem Group Sustainability Conference, seeking partnerships in decarbonisation, and conducting regular events on sustainable living and working environment.

Chinachem Group Sustainability Conference 2023



Chinachem Group Sustainability Conference 2023, organised in partnership with the Hong Kong Green Building Council, was held at Nina Hotel Tsuen Wan West under the theme “Pioneering an Inclusive Net-Zero Future for Hong Kong”.

Aligned with the Government’s Climate Action Plan 2050, which outlines the vision of “Zero-carbon Emissions · Liveable City · Sustainable Development”, the conference aimed to explore innovative strategies to accelerate Hong Kong’s transition towards a more inclusive and carbon-neutral future. This year’s event attracted over 2,600 participants, recording an increase in attendance of over 50% compared to the previous year and featured 16 esteemed international and local speakers. Experts from government, academia, the architecture, technology, gerontology, and finance sectors, alongside representatives from professional bodies and environmental advocacy groups, shared their insights on critical topics such as policymaking, Hong Kong’s carbon market, green construction and design, partnership for impact, and youth engagement.

Entering New Sustainability Partnership to Explore More Decarbonisation and Electrification Opportunities



Chinachem Group and CLP Power Hong Kong Limited signed a Memorandum of Understanding in November 2023 to strengthen collaboration on energy efficiency, decarbonisation, and electrification. The partnership supports our evolving business directions and our ambitious CCG 3050+ decarbonisation targets by enhancing operational efficiency and advancing sustainability initiatives.

“Ho Ho Sustain” Festive Campaign to Promote Sustainability

In December 2023, the Group launched the “Ho Ho Sustain” festive campaign, designed to encourage socially and environmentally conscious choices through a range of sustainable activities hosted across the Group’s malls, hotels, and Central Market. From interactive workshops and eco-friendly gift options to festive culinary experiences and a New Year countdown event, the campaign aimed to make the holiday season both impactful and sustainable.



Central Market ESG Events - “Net Zero Earth Day”



In support of Earth Day 2024 and to raise public awareness of environmental protection, the Group actively participated as a venue partner in various sustainability events, for example, the “Net Zero Earth Day” event held at Central Market.

Building Climate Resilience in Our Places

We recognise the possible risks and opportunities that climate change may present to our operations. Our disclosures make reference to the recommendations of IFRS S2 Climate-related Disclosures (“IFRS S2”) and Task Force on Climate-Related Financial Disclosures (“TCFD”), across the four essential pillars: governance, strategy, risk management and metrics and targets.

Governance on Climate-related Issues

The ESG Steering Committee, which is chaired by the CEO, is responsible for overseeing the Group’s overall ESG strategies, reviewing and endorsing plans and monitoring the progress. The ESG Planet Sub-Committee ensures climate-related considerations are effectively embedded into strategic decision-making and daily operations. More details on our ESG governance structure can be found in the “Strengthening Our ESG Governance Structure” section.

The ESG Department drives Group-wide initiatives and coordinates with business units to assess and monitor climate-related risks and opportunities. This supports strategic planning and contributes to the sustainability of property lifecycles.

Strategy on Climate-related Issues

We recognise the significant impacts of climate change and are dedicated to responding effectively. In pursuit of this goal, we have developed climate-resilient strategies and policies that guide our response. Our Climate Change Policy serves as our guideline to integrate climate change considerations into the decision-making process of the Group’s businesses, activities, supplies, products and services and mitigate the impact of our business operations on the climate.

To guide our transition to a low-carbon society, we have released “CCG 3050+” roadmap, aligning with the 1.5°C pathway and approved by SBTi. This strategic roadmap underscores the Group’s commitment to achieving significant carbon reductions across our operations and value chain, supporting our efforts to combat climate change and drive sustainable development.

To promote sustainability, minimise environmental impact, adopt sustainable designs, and strive for Net Zero, the Group has implemented and updated the Guidelines for Sustainable Design and Procurement that guides the sustainability considerations of the project design and construction processes, specifying both mandatory and optional sustainability elements to ensuring that our projects consistently meet and exceed sustainable design standards.

Since 2021, the Group has implemented a Green Finance Framework to leverage sustainable financing for eligible green and social projects that support our business strategy and vision. As of 30 June 2024, we have jointly secured 34.7 billion (HKD) of sustainable financing, including five green loans and two sustainability-linked loans.

The Group recognises that businesses need to address both physical and transition risks associated with climate change, as these risks are affecting our properties, operations, supply chain, and the safety and well-being of our employees. Alongside the challenges posed by climate change, there are also significant opportunities to be explored. We have identified climate-related risks and opportunities that could bring potential impacts to our business and operations.

To mitigate potential disruptions and bolster our resilience against climate-related risks, as well as capitalise on emerging opportunities, the Group has diligently devised tailored responses and strategies. These robust measures are aimed at minimising potential losses, accelerating the transition to a low-carbon economy, and fortifying our ability to adapt to the evolving risks posed by climate change.

Impacts and Responses to Physical and Transition Risks

Physical Risk Drivers

Potential Impacts to the Group

Areas for Consideration

Drought Stress



- Increased water consumption costs
- Reduced access to potable water

- Inspect systems regularly to fix leaks
- Upgrade to water-saving fixtures and recycling systems

Heat Stress



- Reduced tenant and occupant comfort
- Higher energy consumption for cooling

- Conduct energy audits and upgrade insulation, façades, and windows to improve efficiency
- Maintain and replace HVAC systems with energy-efficient models and advanced features
- Monitor weather warnings and use shading devices to reduce heat gain and cooling loads

Hurricanes and Typhoons



- Significant building damage and loss
- Increased risk of ignition and explosion

- Conduct regular inspections to identify structural wear or instability
- Secure outdoor and rooftop equipment with stable bases and anchor bolts
- Inspect, repair, and upgrade to impact-resistant windows and doors
- Train staff on emergency protocols for hurricanes and typhoons

Wildfire



- Damage to building infrastructure
- Property loss and safety hazards

- Use fire-resistant building materials and install barriers to slow fire spread
- Designate multiple evacuation routes for safe exits during emergencies

Surface Water Flood and Coastal Flood



- Damage to building infrastructure
- Increased repair cost for basements and critical utilities
- Business interruptions leading to loss of revenue
- Floodwater can block access routes

- Install flood barriers at main entrances and sump pumps to manage water during floods
- Regularly clear drains, gutters, and downspouts to prevent blockages
- Enhance emergency plans, train staff on flood prevention protocols, and monitor weather warnings
- Designate multiple evacuation routes for accessibility during emergencies

Landslide



- Damage to foundations
- Landslides can block access routes
- Business interruptions leading to loss of revenue

- Inspect slopes and vegetation regularly, and plant deep-rooted vegetation to prevent erosion and enhance stability
- Monitor landslip warnings and designate multiple evacuation routes for safety

Transition Risk Drivers

Potential Impacts to the Group

Areas for Consideration

Policy and Legal



- Strengthened regulations, building codes and standards on building energy efficiency
- Hong Kong's plan to establish carbon pricing scheme and the launch of the China trial carbon trading market
- Additional operating cost for GHG emissions

- Conduct building energy audits to ensure compliance
- Develop internal future-proof targets to prepare ahead for regulatory transition to more stringent building codes
- Review material sources of carbon exposure from time to time and estimate the financial impact on the Group's operations
- Conduct a comprehensive study on Internal Carbon Pricing ("ICP") to explore the conceptual framework of ICP and details on implementation to advance our climate transition

Technology



- Emerging technologies in building construction and property management

- Invest in green technology and commercially viable alternative construction materials
- Leverage partnerships with different stakeholders to drive innovative solutions for sustainable development
- Proactively support tech ventures to translate research outcomes into real-world solutions to foster the Group's climate and energy transition capabilities

Market



- Growing expectations from customers for green and energy efficient properties

- Integrate sustainability, technology and innovation into our building design and daily operation
- Develop internal future-proof targets to further meet consumer demand on green building space

Reputation



- Higher expectations from customers and more stringent climate disclosure requirements from financiers, impacting how company manages and discloses its climate risk and opportunities

- Enhance sustainability disclosure and continue to disclose our ESG-related information annually
- Continue to conduct climate risk assessment, disclose potential climate risks, and enhance the breadth and depth of the disclosure
- Strengthen engagement efforts with tenants and relevant stakeholders in climate resilience and sustainability

Strategies to Harness Opportunities

Climate Opportunities

Digitalisation and PropTech



- Implementation of new technologies in building construction and property management to address the climate transition needs, such as the use of smart technologies to enhance energy saving

Areas for Consideration

- Conduct feasibility studies and integrate sustainability, technology and innovation into our building design and daily operation
- Adopt research and development (“R&D”) on smart technology adoption in buildings
- Develop smart apps and consumer engagement technology on low carbon living
- For more information, please refer to the “Cultivating Technological Solutions through Strategic Partnerships” sections of this Report

Consumer Preference



- Growing expectations from customers for green and energy efficient properties, which will require for innovations, strategies, and systems to compete for higher rents and valuations
- Decreased asset valuation of properties with high climate exposure

- Integrate sustainability, technology and innovation into our building design and daily operation
- Set targets on obtaining green building certifications. Currently, the Group aims to attain the 2nd-highest rating of BEAM Plus for 100% new major project, and target the 2nd-highest rating for LEED and WELL
- For more information, please refer to the “Innovating Green Building Design” and “Managing Our Energy Usage and Carbon Footprint” sections of this Report

Renewable Energy Growth



- Adoption of renewable design and renewable resources as the ways to decarbonise buildings, such as the use of solar panel and energy

- Conduct feasibility studies to expand renewable energy use and green technology adoption
- Consider renewable energy as building option
- Procure Renewable Energy Certificates to support renewable energy initiatives

Green Finance



- Increasing trend of green and sustainable finance, allowing businesses to access lower-cost capital which incentivise investment in green and climate-resilient projects and R&D

- Continue to invest more in low carbon projects and enhancement of sustainability performance and obtain funding
- Consider enhancing disclosure of use of proceeds and progress achieved by projects funded by existing green loans to demonstrate credibility
- For more information, please refer to the “Investing in Sustainability” section of this Report

Risk Management on Climate-related Issues

A robust climate risk management is crucial for a successful journey towards decarbonisation. Our Group has adopted an active approach to ensure accurate identification of climate risks based on the latest scientific research, and we are making significant progress towards achieving our climate goals. In addition, climate-related consideration has been integrated into the Group's Enterprise Risk Management ("ERM") framework. As part of this framework, we will identify, assess and address the potential impacts of climate-related risks on our operations, supply chain and business model, alongside other risks. This holistic approach will enhance the management of climate-related topics and improve our overall resilience against the changing climate.

Based on the identified climate-related risks, the Group has conducted scenario analysis to better understand the potential impacts of climate change over the short, medium, and long term. For the climate-related physical risk assessment study and scenario analysis, it comprises 42 existing buildings and five new construction project sites. We

have considered the exposure of assets to climate hazards under different scenarios and each building's vulnerability. The assessment evaluated various climate hazards, including drought stress, heat stress, hurricanes and typhoons, wildfire risk, surface water floods, coastal floods, and landslides. We also conducted a scenario analysis for transition risks and estimated the potential financial implications for the identified transition risks and opportunities detailed in our scenarios.

Physical Risks

Understanding climate exposure involves developing scenarios to project future changes in variables. For physical risks scenario analysis, downscaled climate change projections were sourced from the Intergovernmental Panel on Climate Change ("IPCC"), NASA, the Hong Kong Observatory, and academic research. Three climate scenarios and three time horizons of short, mid and long-term have been selected to evaluate future risks.

Climate Projections of Physical Risks Scenario Analysis

Timeframe	Representative Year
Short-term	2030
Mid-term	2050
Long-term	2100

Climate Scenario	Description	Global Surface Temperature Increase (by 2100)
SSP1-2.6/Low-Emission	Low-emission, sustainable future, aligned with Paris Agreement	1.8°C
SSP2-4.5/Moderate Emissions	Moderate emissions and climate policies, balanced view	2.7°C
SSP5-8.5/High-Emissions	High-emission, fossil fuel-intensive, limited climate policies, high-contrast	4.4°C

Physical Risks Assessment

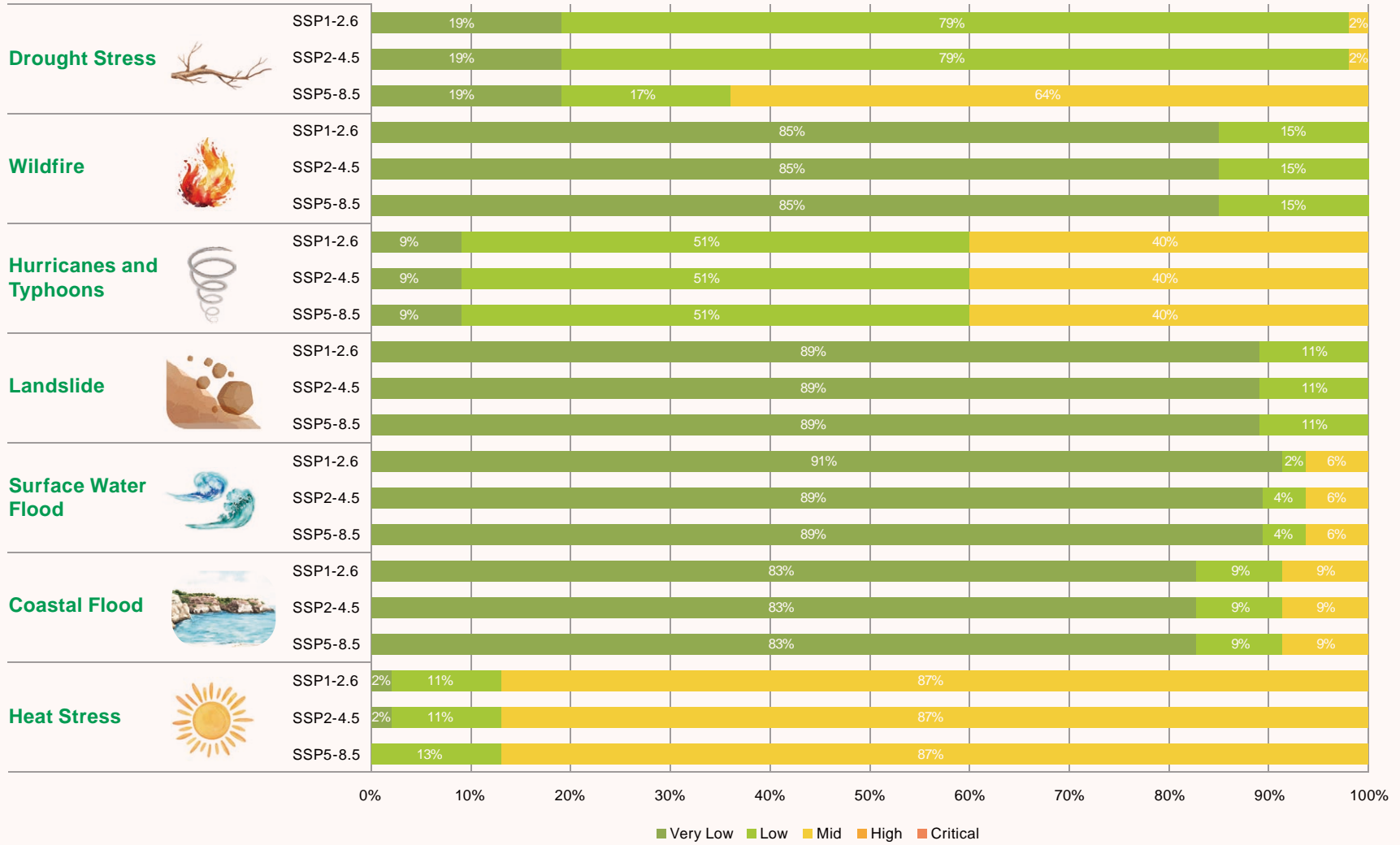
To understand the potential impacts of increased physical risks for our portfolio, we have mapped projected changes in climate variables to the locations of our properties. Based on this, we have evaluated the overall risks of each property by incorporating

both its exposure and vulnerability to specific climate hazards. The charts below show the proportion of our properties with different levels of risks to the climate hazards under different scenarios.

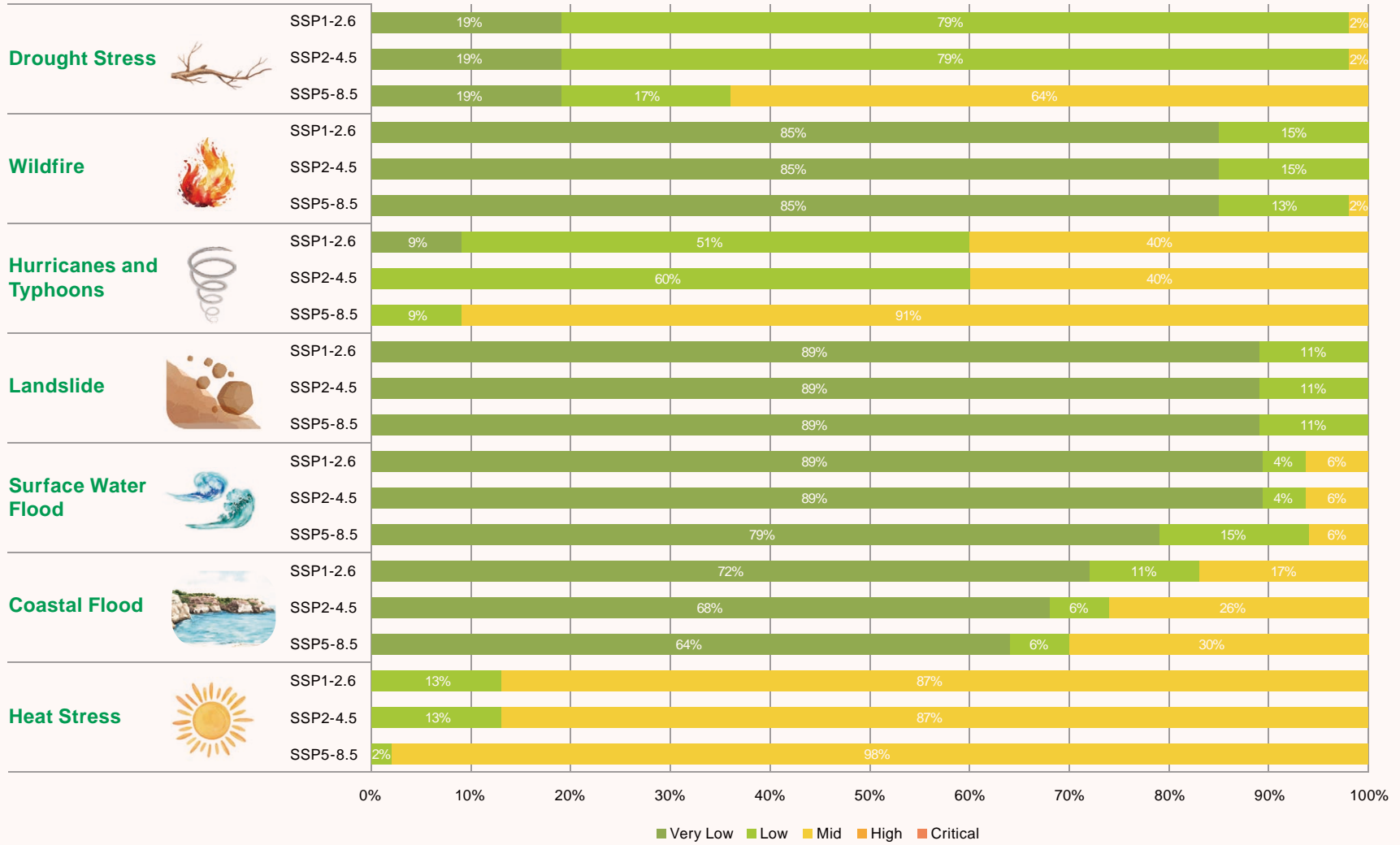
Proportion of Portfolio by Overall Physical Risk Levels in 2030



Proportion of Portfolio by Overall Physical Risk Levels in 2050



Proportion of Portfolio by Overall Physical Risk Levels in 2100



Financial Impact Assessment of Physical Risks

Additionally, we have assessed the associated financial impacts to evaluate how these risks and opportunities could influence our business operations, strategies, and overall financial performance. We conducted a comprehensive Value at Risk (“VaR”) assessment to quantify potential financial impacts associated with identified physical climate hazards, providing a quantitative measure of the potential financial exposure of our assets to climate-related risks under different scenarios and timeframes. The VaR assessment results are minimal and immaterial across all climate hazards, scenarios and timeframe, indicating that none are currently considered to be material from a financial perspective.

Transition Risks

Transition risks and opportunities identified by the Group are supplemented by the latest literature and data to provide both qualitative narratives and quantitative modelling for the transition risks scenario analysis. The downscaled projections of the climate system, economy, and energy sector were obtained from Network for Greening Financial Services (“NGFS”) and International Institute for Applied Systems Analysis (“IIASA”). The Group has referenced two highly contrasting transition scenarios to enable planning for both best- and worst-case outcomes. Future risks are assessed across three time horizons of short, medium, and long term, same as those used in physical risk assessment.

Climate Projections of Transition Risks Scenario Analysis

Climate Scenario

Current Policies (3°C + of warming)

Description

This scenario assumes that only currently implemented policies are preserved. Emissions grow until 2080 leading to approximately 3°C of warming

Slow developments of low carbon technology or market changes are expected

Net Zero 2050 (1.5°C of warming)

This scenario assumes that ambitious climate policies are introduced immediately. Net CO₂ emissions reach zero around 2050, giving at least a 50% chance of limiting global warming to below 1.5°C by the end of the century

Rapid developments of low carbon innovation and technology including carbon removal are expected

1 The VaR assessment assumes a business-as-usual case, without incorporating potential mitigation measures or investments. For financial loss estimation, the 95th percentile data was applied to account for the risks of more severe extreme weather events with low probabilities, which could result in much greater losses than typical case, while the 50th percentile data was used for quantitatively scoring the typical risk level of the buildings.

Financial Impact Assessment of Transition Risks

To assess the key impacts and financial implications of the Group’s identified transition risks and opportunities, we have mapped relevant financial impact parameters to these risks and opportunities and conducted scenario analysis. The profit and loss implications are quantified and expressed as percentage changes in carbon and energy costs, providing a clearer view of potential financial exposure.

Under the Net Zero 2050 scenario, we anticipate a significant rise in carbon tax beginning in the 2030s and extend from 2100s onwards. Under the Current Policies scenario, the notable increase in carbon tax is expected to start from the 2050s onward. Furthermore, a substantial reduction in electricity costs is expected to commence in the 2030s and extend from 2100s onwards under the Current Policies scenario. Meanwhile under the Net Zero 2050 scenario, the reduction in electricity costs is expected to begin in 2050s and extend beyond the 2100s.

Metrics and Targets on Climate-related Issues

To address climate change risks, we have set ambitious climate-related targets - CCG 3050+ to define our pathway to reduce carbon emissions in line with the Paris Agreement goals to help limit the global temperature increase to 1.5°C above pre-industrial levels. We continue to monitor and disclose key climate-related metrics.

Science-Based Targets

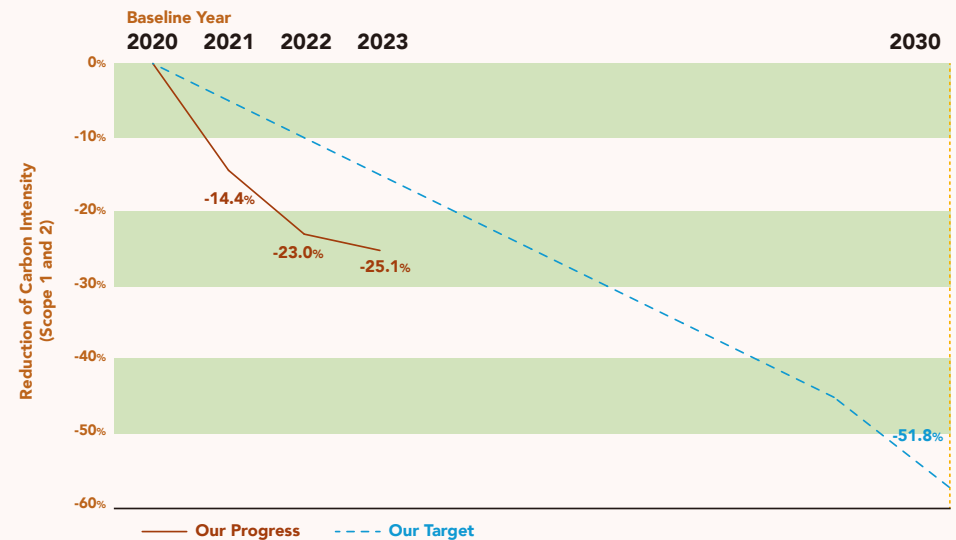
In January 2022, the Group received validation from the Science Based Targets Initiative (“SBTi”) that the Group’s carbon reduction targets - CCG 3050+ fulfil the conditions for limiting global warming to 1.5°C. SBTi is the globally most recognised organisation for evaluating and approving scientifically based reduction goals pledged by businesses without considering any CO₂-compensating climate projects. The Group is the second real estate developer in Hong Kong to complete this validation.

These approved SBTs are:

- Reduce operational carbon intensity under Scope 1 and 2 by 51.8% by 2030 from a 2020 base year; and
- Reduce Scope 3 carbon intensity from capital goods, downstream leased assets and waste generated in operations by 20%.

Trends of Scope 1 and 2 Emissions

We target to lower our operational carbon intensity under Scope 1 and 2 by 51.8% by 2030 from a 2020 base year. In 2023, the carbon intensity reduced 25.1% from a 2020 base year, further from 23.0% in 2022.



Protecting Ecosystems - Our Commitment to Biodiversity Enhancement

The Taskforce on Nature-related Financial Disclosures (“TNFD”) was established in 2021, aiming to integrate nature considerations into financial decisions and promote investments that benefit the environment. We have demonstrated our strong support to TNFD by officially committed to be an inaugural Early Adopter.

We are a silver member of the World Wild Fund for Nature Hong Kong, and have signed pledges such as the No Shark Fin Restaurant Pledge and the Earth Hour Pledge. These initiatives showcase our determination to conserve natural resources and advocate for sustainable practices. We are committed to incorporating nature into our properties:

Nina Park

- Diverse plant community of a variety of native trees, shrubs, and flowering plants with 30% green area coverage
- Provide suitable habitat for nesting sites with green corridors



One New Street Square in London, UK

- Biophilic design, incorporating 6,300 plants, 1,500 sq ft of green walls, landscaped terraces



Governance on Nature-related Issues

The ESG Steering Committee, which is chaired by the CEO, is responsible for overseeing the Group's overall ESG strategies, reviewing and endorsing plans and monitoring the progress. More details on our ESG governance structure can be found in the "Strengthening Our ESG Governance Structure" section.

The Group's commitment to environmental and nature protection is evident through our various policies including the Climate Change Policy, Sustainability Policy, and Sustainable Procurement Policy. Moreover, the Group emphasises ecosystem balance in operations and procurement, assessing suppliers' adherence to nature-related standards. We have integrated robust governance mechanisms into our supply chain management and are committed to monitoring nature-related impacts through controls and grievance mechanisms. The Group also engages with local stakeholders and hosts an annual Sustainability Conference to address nature-related issues.

Strategy on Nature-related Issues

We recognise the interconnectedness of our business with natural resources and are committed to responsibly and sustainably managing our dependencies, impacts, risks, and opportunities associated with nature. Our strategy commences with a comprehensive evaluation of our use of resources, such as water, land, and biodiversity to ensure the resilience and sustainability of our operations. We actively strive to reduce our environmental footprint by embracing innovative technologies and methods that cut down on resource consumption and waste generation. To address potential risks, we regularly assess environmental impacts and engage in proactive risk management, including the formulation of contingency plans for natural disasters and resource scarcity. Moreover, we identify significant opportunities in supporting nature-friendly initiatives, such as investing in renewable energy, sustainable supply chains, and projects that enhance urban biodiversity. Through nurturing a strong bond with nature capital, our objective is to bolster our business resilience in the long term, contribute to ecosystem health, and create value for our stakeholders and the communities we engage with.

Risk and Impact Management on Nature-related Issues

In 2024, we commenced our first TNFD study in line with the TNFD framework, specifically adopting the LEAP (Locate, Evaluate, Assess, Prepare) approach. We have embarked on this journey to better understand our impacts and dependencies on nature, and to manage the associated risks and opportunities.

Our LEAP Assessment Scope and Framework

Our LEAP assessment covers our 62 crucial assets, including hotels and residences, construction projects, residential, industrial, and commercial properties in Hong Kong. Through the implementation of the LEAP approach, we have identified the locations of our operations and supply chains in critical ecosystems, evaluated our impacts and dependencies on nature, assessed the associated risks and opportunities, and devised strategies to lessen adverse effects and leverage beneficial outcomes. We have conducted stakeholder engagement to obtain insights from stakeholders on the actual dependencies and impacts on the nature specific to the Group.

Locate

In the Locate phase, we examined the geographical distribution of our operations and their interactions with the natural surroundings. The aim was to pinpoint priority zones where these interactions could yield substantial risks or opportunities to guide our decision-making processes. Our prioritisation was based on the proximity of operational sites to areas of significant biodiversity value (e.g. IUCN red list) through the utilisation of tools such as the Integrated Biodiversity Assessment Tool (“IBAT”), WWF Risk Filter, and comprehensive desktop research.

In conducting the location-based analysis, we have shortlisted 23 sites that are in close proximity to crucial biodiversity areas. We have carried out an assessment to identify impacts and propose potential mitigation strategies.

Evaluate

When assessing the dependencies and impacts related to nature throughout the real estate value chain, we have undertaken an in-depth analysis. This evaluation offers a glimpse into the interactions between each aspect of the value chain and natural ecosystems, emphasising notable areas of concern and opportunities for enhancement. By employing the ENCORE (Exploring Natural Capital Opportunities, Risks, and Exposure) database, as advised by TNFD, as well as the insights from stakeholder engagement, we have identified top five nature dependency and impact topics for our value chain.

Top Five Nature Dependency Topics



Mass Stabilisation and Erosion Control



Ground Water and Surface Water



Climate Regulation



Mediation of Sensory Impacts



Flood and Storm Protection

Top Five Nature Impact Topics



Soil Pollutants



Water Pollutants



Non-GHG Air Pollutants



Solid Waste



Water Use

Assess and Prepare

The LEAP approach recommends that for better integration of nature-related considerations in businesses, a company should identify and prioritise the nature-associated risks and opportunities associated with the most significant impacts and dependencies highlighted during the initial “Locate” and “Evaluate” phases. As per TNFD, nature-related risks refer to potential hazards that organisations encounter due to their interactions with nature and society at large. The Group has acknowledged the nature-related risks and opportunities that could influence our operations, outlined in the table presented below.

Physical Risks

Risks	Potential Impacts	Risk Mitigation
<p>Biodiversity Loss: Construction activities near protected areas and key biodiversity zones may negatively impact local biodiversity.</p>	<ul style="list-style-type: none"> Increased costs for biodiversity mitigation measures (e.g. flood barriers, enhanced site management) Potential delays in project timelines due to stricter environmental regulations 	<ul style="list-style-type: none"> Conduct pre-development biodiversity assessments for new development projects, ensuring minimal impact on surrounding ecosystems Establish a robust compliance framework to ensure adherence to environmental regulations Implement monitoring and reporting mechanisms for construction activities
<p>Resource Scarcity: Supply chain disruptions for essential raw materials due to resource scarcity and ecosystem degradation</p>	<ul style="list-style-type: none"> Project delays due to unavailability of materials Raw materials extracted from ecologically sensitive areas may incur additional costs to comply with regulations 	<ul style="list-style-type: none"> Diversify suppliers to reduce dependency on single sources Enforce compliance with the Supplier Code of Conduct, prioritising suppliers with certified sustainable practices Optimise resource efficiency by adopting efficient construction practices to minimise consumption, such as MiC method at ECHO HOUSE
<p>Natural Disasters: Ecosystem degradation may reduce natural barriers, increasing vulnerability to natural disasters</p>	<ul style="list-style-type: none"> Increased costs for disaster recovery and infrastructure repairs Potential damage to property and business continuity 	<ul style="list-style-type: none"> Ensure all new major development project achieve the second-highest sustainable building assessment scheme rating (such as BEAM Plus, LEED and WELL certifications) Integrate climate-resilient infrastructure (e.g. flood barriers) and biophilic design (e.g. green roofs) in new development projects Collaborate and support institutions and NGOs to conserve and protect biodiversity, such as partnering with The Green Earth to organise beach and trail clean-ups and supporting The University of Hong Kong and Lingnan University in conducting an Insect Pollinator Survey at Nina Park
<p>Pollution: Air and noise pollution from construction activities may harm local ecosystems and communities</p>	<ul style="list-style-type: none"> Increased health and safety costs, potential legal claims, and fines Negative community relations and opposition to future projects. 	<ul style="list-style-type: none"> Use low-emission and quieter construction methods, such as adoption of electric-powered construction equipment, MiC and MiMEP methods

Transition Risks

Risks	Potential Impacts	Risk Mitigation
<p>Policy and Regulatory: Stricter regulations on biodiversity, land use, and environmental impact assessments (“EIAs”)</p>	<ul style="list-style-type: none"> Increased compliance costs and potential project delays Risk of fines and legal repercussions for non-compliance 	<ul style="list-style-type: none"> Proactively monitor and align with emerging policies and regulations Participant in industry coalitions (e.g. policy groups of Hong Kong Green Building Council, Business Environment Council and Hong Kong Green Finance Association) to advocate for balanced regulations Conduct regular training on environmental compliance
<p>Market Risks: Fluctuating prices of alternative construction materials</p>	<ul style="list-style-type: none"> Budget unpredictability and potential delays in project schedules Risk of reduced competitiveness if sustainable materials are not prioritised 	<ul style="list-style-type: none"> Build strategic partnerships with certified sustainable suppliers Incubate and invest in R&D for innovative, low-environmental-impact solutions (e.g. “CCG Accel - Powered by HKSTP” accelerator programme and partnering with NAMI to green building technology)
<p>Reputational: Increased public scrutiny and awareness of biodiversity and sustainability issues</p>	<ul style="list-style-type: none"> Potential decline in revenue and customer trust Increased costs for marketing and public relations efforts 	<ul style="list-style-type: none"> Disclose nature-related performance annually via TNFD-aligned reports Engage with stakeholders through different channels (e.g. focus groups and surveys allowing stakeholders to report environmental concerns and feedback)
<p>Technological: Growing market preference for alternative construction materials with lower environmental and biodiversity impacts</p>	<ul style="list-style-type: none"> Higher procurement costs for sustainable materials Lagging behind industry innovation curves 	<ul style="list-style-type: none"> Incubate and invest in R&D for innovative, low-environmental-impact solutions (e.g. “CCG Accel - Powered by HKSTP” accelerator programme and partnering with NAMI to green building technology)
<p>Liability: Potential liability arising from non-compliance with environmental regulations or damage caused by the Group’s activities</p>	<ul style="list-style-type: none"> Legal costs and potential fines for regulatory breaches or environmental harm claims Restoration costs to remediate damaged ecosystems Long-term reputational damage leading to decreased customer trust and loss of business opportunities 	<ul style="list-style-type: none"> Establish a robust compliance framework to ensure adherence to environmental regulations Implement monitoring and reporting mechanisms for construction activities Engage with stakeholders through different channels (e.g. focus groups and surveys allowing stakeholders to report environmental concerns and feedback)

Opportunities

Opportunity Types	Opportunities and Potential Impacts	Opportunity Management
Sustainable Buildings and Certifications	<ul style="list-style-type: none"> Increased demand for sustainable-certified properties in Hong Kong's competitive market Higher rental premiums and tenant retention due to sustainable-focused designs (e.g. BEAM Plus and WELL certifications) Enhanced market positioning as a leader in sustainability 	<ul style="list-style-type: none"> Integrate biophilic design (e.g. green walls at Nina Tower) and blue-green infrastructure (e.g. rainwater harvesting at Nina Park) to enhance sustainability and biodiversity Ensure all new major development project achieve the second-highest sustainable building assessment scheme rating (such as BEAM Plus, LEED and WELL certifications)
Resource Efficiency and Circular Economy	<ul style="list-style-type: none"> Cost savings through reduced material waste and energy/water consumption Compliance advantages with Hong Kong's tightened waste disposal regulation 	<ul style="list-style-type: none"> Adopt MiC method at ECHO HOUSE and recycled materials (e.g. ceiling products with 96% recycled content in Shun Fook Barn) to reduce construction waste Install net-zero carbon chillers at Nina Tower and LED lighting/water-saving fixtures across hotels Conduct proper sorting and recycling waste at construction sites
Eco-Tourism and Community Engagement	<ul style="list-style-type: none"> New revenue streams through biodiversity-focused offerings and activities Strengthened community relations and loyalty via educational initiatives 	<ul style="list-style-type: none"> Explore eco-tours and workshops at Nina Park, highlighting pollinator habitats Partner with The Green Earth to organise beach and trail clean-ups
Innovation and Partnerships	<ul style="list-style-type: none"> First-mover advantage through adoption of cutting-edge sustainable technologies Easier access to sustainable financing for TNFD-aligned projects 	<ul style="list-style-type: none"> Incubate and invest in R&D for innovative, low-environmental-impact solutions (e.g. "CCG Accel - Powered by HKSTP" accelerator programme and partnering with NAMI to green building technology) Participate in policy groups of Hong Kong Green Building Council, Business Environment Council and Hong Kong Green Finance Association to shape future regulations
Reputation and ESG Leadership	<ul style="list-style-type: none"> Aligning with international guidelines (e.g. TNFD recommendations) to improve ESG ratings and market evaluation 	<ul style="list-style-type: none"> Publish TNFD-aligned disclosure with third-party verification Showcase biodiversity efforts (e.g. Nina Park's pollinator habitats) in marketing campaigns

Metrics and Targets on Nature-related Issues

We have pinpointed nature-related physical and transition risks and opportunities, and we have identified relevant metrics on spatial footprint, state of nature, resources, and capital deployment to facilitate the monitoring and tracking of nature-related performance. We are exploring on the selection and adoption of the identified metrics and establishing our approach to acquire reliable data for the specified metrics. Short- to long-term objectives will be established for the material metrics with substantial nature-related dependencies and impacts, allowing them to align with the overarching strategy.

Governing Our Core Principles



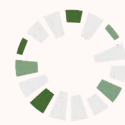
Our dedication to guiding the Group with a focus on sustainability establishes the groundwork for our ongoing journey. Sustainability is deeply integrated at all areas of our Group, shaping our governance, everyday activities, and business growth. By adopting ESG-driven governance, we strive for long-term value generation, which ensures the Group's resilience, sustainability, and ongoing success.



90%
Of annual sustainability commitments achieved



>13,200
Valid satisfaction surveys received from property owners, tenants and hotel customers



GRESB
REAL ESTATE
sector leader 2024



GRESB
★★★★★ 2024

5-star and Global Sector Leader

In Global Real Estate Sustainability Benchmark ("GRESB") 2024



B
In CDP's Climate Change Assessment 2024

Strengthening Our ESG Governance Structure

In our ongoing commitment to strengthening corporate governance, we were pleased to welcome two Independent Non-Executive Members who joined us on 1 August 2023. These appointments brought a wealth of experience and expertise to our Executive Committee, further reinforcing our dedication to maintaining the highest standards of governance. Their presence allowed for independent judgment and objective oversight, safeguarding the interests of stakeholders.

During the Reporting Period, the Executive Committee consisted of eight members with diverse backgrounds, skills, knowledge, and experience. This diversity enriched our decision-making processes and enhanced our ability to address complex challenges, thereby strengthening the trust of business partners, financial institutions, and regulatory bodies.



ESG Steering Committee

The ESG Steering Committee, which is chaired by the CEO, is responsible for overseeing the Group's overall ESG strategies, reviewing and endorsing plans and monitoring the progress. The ESG Steering Committee is composed of the senior management and chairs of ESG Sub-Committees and Working Groups. To facilitate effective management and supervision of responsibility, a Terms of Reference was finalised to define the objectives, membership, meetings and reporting line of the ESG Steering Committee. During the Reporting Period, the ESG Steering Committee conducted four meetings to ensure timely communication on ESG issues.

ESG Sub-Committees

The four ESG Sub-Committees, namely Prosperity, Planet, People and Community, are responsible for formulating strategies and action plans that align with the Group's strategy and subsequent UNSDGs, and dedicating roles and responsibilities to individual departments to achieve the goals set. Comprising of representatives from different business units, each of the ESG Sub-Committee has their own Terms of Reference, which defines its formation and specifies the scope and authority of the ESG Sub-Committee. This facilitates effective management and supervision over specific roles and responsibilities on sustainability subject matters. Moreover, each of the ESG Sub-Committee have established annual commitments for its focus area. More details about the achievement status of these annual commitments established by the ESG Sub-Committees can be found in the "Annual Commitments" section. To support these initiatives, we have also established an ESG Department in 2022, which provides training and support to the entire Group to formulate, execute and monitor the sustainability goals, KPIs and action plans, as well as providing support to ESG benchmarking, disclosure and sustainability engagement in all levels. Providing dedicated support for the Group's sustainability journey, the ESG Department further strengthens and supports our ESG governance and practices.

During the Reporting Period, each ESG Sub-Committee conducted four meetings which covered areas such as responding to climate change, sustainable financing, technology, employee development and volunteerism, etc.

Working Groups

Task-specific working groups were also formed to further the Group's ESG journey. In the previous Reporting Period, the 3050+ Working Group and Green Tenancy Working Group, which report to the ESG Steering Committee, were formed focusing on our decarbonisation target. Formed by subject matter experts of different business units and departments, the 3050+ working group is mainly responsible for tracking the Chinachem Group Carbon Reduction Roadmap - CCG 3050+ ("CCG 3050+") target performance, whereas the Green Tenancy working group is responsible for the enhancement of tenant engagement and facilitating carbon reduction and sustainability lifestyle, covering our commercial, retail and residential tenants.

Updates on Policies, Procedures and Guidelines

To ensure a high standard of corporate governance that is both effective and efficient, we undertake regular reviews and updates of our internal policies, procedures, and guidelines, as well as making modifications when specific events or new trends arise. During the Reporting Period, we introduced changes to the following policies, procedures, and guidelines.

Policy/Procedure/Guidelines	Status
Business Travel	Updated (August 2023)
Donations and Non-Commercial Sponsorship	Updated (January 2024)
Delegation of Transaction Authority - Addendum 1	Updated (March 2024)
Employee Engagement and Communication	Updated (August 2023)
Employment Termination	Updated (August 2023)
Group Human Resources Management	Updated (August 2023)
Occupational Health and Safety	Updated (August 2023)
Retirement	Updated (August 2023)
Staff Recruitment	Updated (August 2023)
ESG Due Diligence Guideline	New (November 2023)
Guidelines for Generative AI	New (November 2023)
Guidelines for Sustainable Design and Procurement	Updated (April 2024)



Striving Towards Our Annual Commitments

At the beginning of the Reporting Period, our four ESG Sub-Committees set out 55 action items targeting a range of focus areas as our annual commitments. We eventually achieved an accomplishment rate of 90% for our annual commitments, reflecting significant progress compared to last year's rate of 79%. These sustainability commitments were cascaded to the relevant business units, encouraging employees at every level to contribute to achieving these goals. The Group's sustainability performance was regularly communicated to the ESG Steering Committee. To uphold a balanced emphasis on People, Community, Prosperity, and Planet, we continuously revise these annual commitments and introduce new ones when required.

ESG Sub-Committee: Prosperity		
Focus Areas	Annual Commitments	Status
Green and Responsible Investment	Arrange one billion (HKD) sustainability linked loan for HK working capital	Achieved
	Seven billion (HKD) green construction loan and 2,693 million (HKD) on-shore bank loans for refinancing overseas shareholders loans	Achieved
	Replace one fleet vehicle with EV	Achieved
	Install two more EV chargers by 2024	Carried forward to FY2024/25
	50% of newly purchased equipment comply with ENERGY STAR-rating	Achieved
Innovation and Technology	Develop an ESG Due Diligence P&P	Achieved
	Perform eight proof of concept (POC) on robotic and automation solutions	Achieved
	Study and perform three POC on smart waste solutions	Achieved
	Study and perform three POC on real-time safety monitoring system	Achieved
	Propose two to three more university co-development projects	Achieved
	Pilot projects with at least two to three universities on five topics	Achieved
	Extend the usage of motion detectors and timers to an additional of two properties/sites	Achieved
	Provide four distinguished speaker sessions; six to eight interdepartmental dialogue sessions; four to six business network sessions	Achieved

ESG Sub-Committee: Prosperity (Cont'd)

Focus Areas	Annual Commitments	Status
Privacy, Data Rights and Cybersecurity	Execute three cyber security knowledge sharing activities	Achieved
	Execute at least one cyber exercise	Achieved
	100% staff member trained on privacy data right and cybersecurity	Achieved
	Create a comprehensive data collection policy and a data governance structure	Achieved

ESG Sub-Committee: Planet

Focus Areas	Annual Commitments	Status
Responsible and Sustainable Procurement	100% of suppliers comply with the revised Supplier Code of Conduct	Carried forward to FY2024/25
	Implement procurement procedures to avoid single used plastics items at hotels	Achieved
Ensuring Sustainable Buildings	Apply the revised Sustainable Building Design Guidelines at least two projects in FY2024/25	Achieved
	Carry out WELL feasibility study project (Property Services and Nina Hospitality)	Achieved
	62.5% buildings to be BEAM Plus enhanced or certified (Property Services and Nina Hospitality)	Achieved
	Implement the Zero-Carbon Chiller System Project with CLPe	Achieved
Reduction of Operational Environmental Footprint	Carry out solar potential assessment project	Achieved
	Hire consultant to develop Internal Carbon Pricing mechanisms in new Projects	Carried forward to FY2024/25
	50% food waste recycling at hotels	Achieved
	1.5% reduction in water intensity from FY2020/21 (Property Services)	Achieved
	40% of commonly used items purchased be sustainable	Achieved
Better Buildings and Healthier Outcomes	75% buildings with Quality Water Supply certification (Property Services and Nina Hospitality)	Achieved
	37.5% buildings IAQ certified (Property Services and Nina Hospitality)	Achieved
Responding to Climate Change	Hire consultant to assist developing a climate risk assessment tool for Projects	Achieved
	Carry out physical climate risk screening project	Achieved

ESG Sub-Committee: People

Focus Areas	Annual Commitments	Status
Employee Advancement, Retention and Development	Formulate and execute a bonus mechanism linked to ESG performance	Achieved
	100% completion target for Reuters ESG Training	Achieved
	Incorporate staff/office initiatives and incentive programs into CCG Hearts phase 2	Achieved
	Facilitate regular 1:1 meeting via SAP continuous performance module	Carried forward to FY2024/25
Diversity, Equity and Inclusion	Monitor DEI metrics and establish baseline	Achieved
	Roll out "Racial Diversity and Inclusion Charter" programme	Achieved
	Review, communicate and monitor DEI policy, data, practice, training and engagement activities	Achieved
	Carry out of International Women's Day celebration at the office	Achieved
Wellness, Health and Safety Enhancement	Develop relevant physical/mental wellbeing training programme and encourage participation	Achieved
	Incorporate OHS function into ESG People Sub-Committee	Achieved
	Review of maternity/paternity leave policy	Achieved
Enhancement of Stakeholder Engagement	Implement Smart Dress Code policy	Achieved
	Extend staff survey within Nina Hospitality	Achieved
Sound and Forward-looking Company Culture	Review satisfactory survey coverage and topics	Achieved
	Produce communications and recruitment toolkits - Employer Value Proposition	Achieved

ESG Sub-Committee: Community

Focus Areas	Annual Commitments	Status
Supporting the Lives of Older Adults and Empowering Future Generation	Share numbers of youth/elderly related activities by departments	Achieved
	Allocate over 60% of yearly donations to projects/NGOs that benefit youth and elderly	Achieved
	Carry out two signature events: 1) "One Beat, One World: Connecting Through the Drum"; 2) Sustainability Conference	Achieved
Extending Community Partnerships with Local and Global Partners	Develop and roll out CCG Hearts programme	Achieved
	Secure 13,000+ volunteer hours available with 6+ NGO partners	Achieved
	Build a new communication module to reflect company's latest ESG strategies	Achieved
	Social impact assessment project	Carried forward to FY2024/25
Volunteerism	Develop proposal on incentive schemes to encourage volunteering	Achieved

Engaging Our Stakeholders and Assessing Double Materiality

Engaging with our stakeholders allows us to understand their expectations about our sustainability initiatives. It also enables us to identify key issues and assess the effectiveness of our sustainability actions.

Channels of Stakeholder Engagement

Stakeholders	Internal Stakeholders (Colleagues)	Hotel Guests and Restaurants Diners	Mall Visitors	Property Owners	Tenants
Channels	<ul style="list-style-type: none"> • Employee survey • Townhall meeting • "Chit-chat with CEO" • Leadership presentation • Intranet and Viva Engage • Company website/Social media postings • Life+ Magazine • Training sessions • Stakeholder engagement exercise • Committee/Working Group meetings • Colleague engagement events 	<ul style="list-style-type: none"> • Company website/Social media postings • Front desk and concierge personnel • Customer satisfaction survey • Loyalty programme • Environmental message card • Life+ Magazine 	<ul style="list-style-type: none"> • Concierge personnel • Mall events and promotions • Loyalty programme 	<ul style="list-style-type: none"> • Company website/Social media postings • Property management personnel • Property owner satisfaction survey 	<ul style="list-style-type: none"> • Company website/Social Media postings • Training sessions • Stakeholder engagement exercise • Tenant relationship personnel • Tenant satisfaction survey

Stakeholders	Banks and Financial Institutions	Professional Bodies	Suppliers, Vendors and Contractors	NGOs and Community	Government and Regulators
Channels	<ul style="list-style-type: none"> • Chinachem sustainable finance framework • Sustainability Report • Company website/Social media postings 	<ul style="list-style-type: none"> • Sustainability conference • Regular and special meetings • Project collaborations • Organisational memberships 	<ul style="list-style-type: none"> • Company website/Social media postings • Stakeholder engagement exercise • Tendering and procurement process • Procurement team personnel • Sustainability conference 	<ul style="list-style-type: none"> • Sustainability conference • Community engagement events • Company website/Social media postings • Organisational memberships • Partnering of volunteering events • Stakeholder engagement exercise 	<ul style="list-style-type: none"> • Sustainability conference • Community engagement events • Project collaborations • Regular and special meetings • Signatories of government campaigns
Stakeholders	Media	Joint Venture Partners	Academia and Schools		
Channels	<ul style="list-style-type: none"> • Media tea gathering • Company website • Press release 	<ul style="list-style-type: none"> • Sustainability conference • Project collaborations 	<ul style="list-style-type: none"> • Internship and scholarship • Collaboration with local university to provide training to colleagues 		

Comprehensive Stakeholder Engagement and Double Materiality Assessment

During the Reporting Period, the Group conducted a stakeholder engagement and double materiality assessment to understand the impact and financial materiality of ESG topics from the stakeholders' perspectives, to prioritise the key ESG topics based on stakeholder feedback, as well as gathering valuable insights to inform our sustainability strategy and decision-making.

Step 1: Identification of Potential Material Topics

Referring to the Group's previous list of strategic topics and drawing on insights from peer benchmarking and industry trends, we updated the list of potentially material ESG topics related to our business and operations.

Step 2: Stakeholder Engagement through Appropriate Channels

To capture stakeholder's insights, stakeholder opinions were gathered through various methods, including online surveys and in-person focus group discussions.

The Group conducted an anonymous online survey to obtain ratings on the impact and financial materiality of each ESG topic, in addition to collecting opinions on material topics, performance, and areas of improvement. We received a total of 324 responses.

Two internal focus group discussions sessions were held to gain a thorough understanding of the impact and financial materiality of sustainability topics within the context of the Group from stakeholders' perspectives. 29 individuals from different business units and departments participated and provided valuable insights for the discussions.

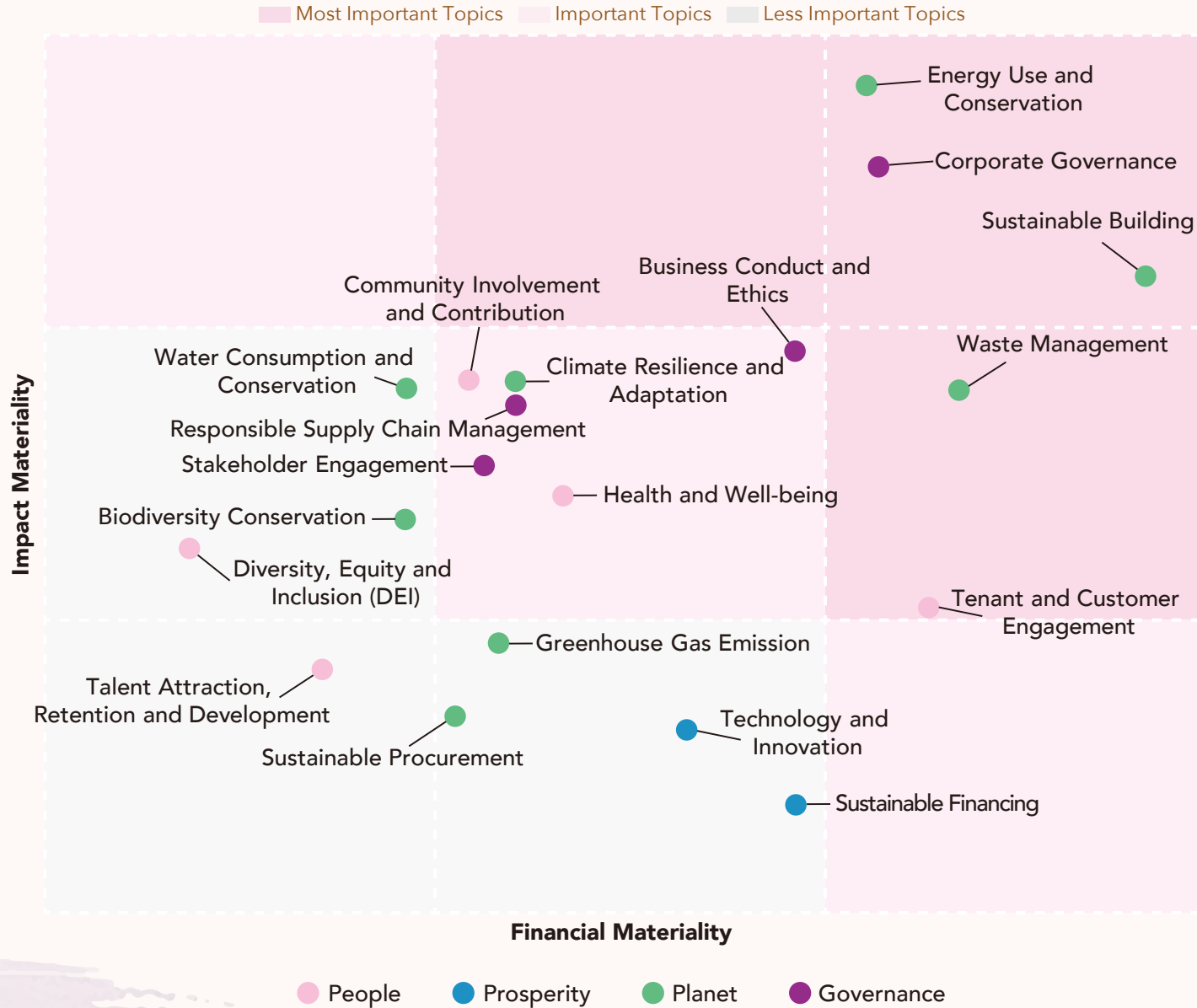
Step 3: Ranking ESG Topics by Impact and Financial Materiality

The Group analysed both quantitative and qualitative findings from survey and focus group sessions to establish our new double materiality matrix. The double materiality matrix visualises the relative importance of the ESG topics based on the levels of impacts that the Group could have on the external environment, community, and economy ("Impact Materiality"), as well as the implications of each ESG topic on the financial value of the Group ("Financial Materiality").

Step 4: Topic Validation and Finalisation

The prioritised material topics and finalised double materiality matrix were reviewed and will be integrated into our strategic planning and decision-making processes.

Double Materiality Matrix



Discussion of Top Material Topics

Material Topics

Impact Materiality

Financial Materiality

Energy Use and Conservation

The Group is committed to reducing energy consumption through implementation of various energy efficiency measures, including chiller replacement and adopting energy efficiency technologies in our buildings. Enhancing energy efficiency contributes to carbon reduction and mitigates climate change, accelerating the transition towards a low-carbon economy. These actions not only minimise our environmental impact and conserve resources, but also safeguard ecosystems and promote long-term economic health.

Rising awareness on climate change in recent years has led to increasing demand for energy efficiency measures to reduce GHG emission. Buildings with energy-efficient features can attract environmentally conscious tenants, comply with energy efficiency regulations, and reduce operational costs over the life cycle of a property. These features could increase property value for our portfolio, contributing to long-term profitability.

Tenant and Customer Engagement

The Group regularly engages with our tenants and customers, who play a key role in our success. By understanding their needs and concerns, the Group can improve the quality of our products and services, which leads to improved tenant and customer experience. Through addressing our tenants' and customers' demand for sustainable product and services, the Group not only satisfies our tenants and customers but also creates positive environmental and social impact.

With the shifting needs and preferences of our tenants and customers, the Group actively engages with them to understand their expectations. Through addressing their needs, the Group could increase tenant and customer loyalty and satisfaction, and potentially increase recurring revenue for the Group through increased occupancy and demand for buildings. In addition, higher stakeholder participation for the Group's initiatives could lower cost spent on customer acquisition.

Sustainable Buildings

By integrating advanced sustainable features in our new projects, including natural ventilation, Building Information Modelling ("BIM"), Modular Integrated Construction ("MiC"), smart IoT systems, and Multi-trade Integrated Mechanical, Electrical, and Plumbing ("MiMEP"), our projects minimise construction waste, lower carbon emissions, reduce noise pollution and contribute to safer working environment. Furthermore, the improved energy and resource efficiency and smart designs of sustainable buildings both minimises our environmental footprint and improves our residents' wellbeing, contributing to green economy and fostering a more resilient community.

Sustainable buildings often attract higher market demand from sustainability conscious users and buyers, creating business opportunities and ensuring long-term occupancy and growth. Furthermore, sustainable buildings could reduce operational costs from enhanced energy and water efficiency over the life cycle of a property. Sustainable building certifications help the Group to adhere to evolving building regulations and minimise compliance risks.

Waste Management

By prioritising waste reduction, recycling, and proper disposal through initiatives such as the REACT Campaign, the Group can minimise landfill use, reduce greenhouse gas emissions, and protect ecosystems from harmful contaminants. These efforts safeguard public health, promote a cleaner environment for all and help to alleviate pressure towards landfills in Hong Kong and contributing to a circular economy.

The Group expects higher operational costs due to stricter regulations on waste management. New construction methods could help us reduce waste and cost at the same time. For example, MiMEP and MiC methods can lead to reduced manpower requirements and shorter construction durations, potentially lowering operational expenses.

Corporate Governance

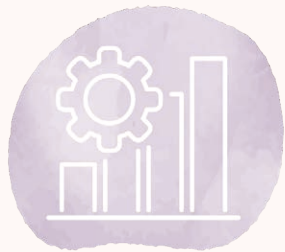
The Executive Committee maintained high standard of corporate governance and oversight, enabling integration of risk and opportunity into strategic decision-making process. By proactively managing risks related to environment, society, and compliance, the Group is committed to environmental and social responsibility. This approach creates positive impact on the environment and community, strengthening positive relationship with various stakeholders. Strong governance also enables sustainable growth for both the Group and the stakeholders it serves.

Effective risk management is essential for the Group's sustainable development. It allows the Group to promptly identify, assess, and mitigate a wide range of risks, including operational risk, regulatory risk and market risk. Robust risk management strategies also allow the Group to reduce potential economic loss, safeguard its assets, improve financial return and increase long-term profitability.

Engaging Our Tenants and Customers

Recognising the vital role of our tenants and customers to our business success, we prioritise their timely feedback and overall satisfaction to ensure that we are continuously improving. To facilitate this, we regularly conduct tenant and customer satisfaction surveys to gather their insights. These surveys play a crucial role in highlighting their primary concerns, allowing us to improve our service standards.

During the Reporting Period, we engaged with a significant group of over 20,024 stakeholders, inviting them to share their experiences with us. We received more than 3,591 valid responses from tenants, along with approximately 9,625 and 20 valid responses from hotel customers and property owners. The overwhelmingly positive feedback reflects our dedication to service excellence. However, we acknowledge that there is always room for improvement. We remain committed to continually enhancing our customer experience as part of our broader ESG objectives.



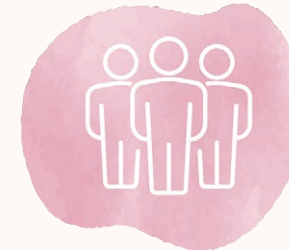
8.1/10

Tenant satisfaction score



89/100

Hotel guest satisfaction score



5/5

Property owner satisfaction score

Governing a Sustainable Supply Chain

Our dedication to sustainability reaches far beyond our internal operations. To align with our values, we have implemented a specific governance system that fosters collaboration with our value chain partners.

To ensure that our suppliers uphold our rigorous standards, we conduct extensive due diligence on accuracy, pricing, response times, after-sales service quality, and operational regions. Our supplier screening process requires the completion of supplier registration form covering business ethics, regulatory compliance, anti-corruption measures, environmental performance, labour practices (including the prohibition of forced and child labour) and occupational health and safety systems. We also prioritise suppliers with recognised sustainability certifications during the selection process.

We introduced enhanced sustainable procurement guidelines in March 2022 to direct our purchasing decisions towards greater sustainability, reduce our environmental footprint and achieve positive social impacts. Furthermore, we released the guidelines for sustainable design and procurement in April 2024 to implement sustainable designs, products and services, which strives to achieve Net Zero. The guidelines also aim to promote sustainability in property development, and to reduce consumption on the natural resources and damage to the Earth. Recognising the importance of effective supply chain management, we regularly assess our supply chain to ensure compliance with our sustainable procurement commitments, as well as environmental and social standards. To effectively manage supply chain risks and enhance our sustainability performance, we refined our Suppliers' Code of Conduct ("SCOC") in March 2023 to deepen ESG integration in our procurement process. The updated SCOC, which was developed in accordance with our business values to promote sustainable development, defines our expectations and requirements for suppliers, along with their responsibilities towards stakeholders, society, and the environment. All registered suppliers are required to adhere to the SCOC. In addition, we encourage both new and existing suppliers to provide relevant environmental and safety certifications or standards during the bidding process to support their proposals.

For additional information on our sustainable procurement practices and decarbonisation initiatives, please refer to the "Protecting Our Planet" section.

Suppliers' Sustainability Commitments

1. Legal and Regulatory Compliance

Adhere to operations, products and services-related laws and regulations

2. Labour Standards

- No forced labour and child labour
- Ensure legal working age
- Comply with the legal limit of compensation and working hours
- Discrimination free and proper labour rights
- Ensure workplace health and safety

3. Ethical Conduct

Zero-tolerance on corruption, collusion, extortion, fraud, bribery, false declarations or counterfeiting

4. Responsibility

- Sustainability policies in place
- Educate employees on ethical practice
- Ensure privacy, data protection and confidentiality
- Maintain transparency on ESG data disclosures
- Obtain verifications



Upholding Business Ethics and Integrity

The Group highly values strong commitment on integrity and ethical conduct in every aspect of our business activities. Our well-established reputation for honesty, reliability, and fairness serves as a crucial asset that fosters our long-term growth and success. Our policies encompass a variety of important areas, including fair labour practices, conflicts of interest, bribery, competition and antitrust laws, privacy compliance, and equal opportunity. Every employee is expected to fully comply with these policies and to formally acknowledge their understanding in writing upon joining the company.

We are dedicated to maintaining the highest ethical standards to eliminate unethical labour practices, corruption, bribery, and conflicts of interest throughout our value chain. To achieve this, we have implemented a range of Policy and Procedures (“P&P”), such as the Bribery and Illicit Advantage P&P, the Conflict-of-Interest P&P, the Advantage and Entertainment Policy P&P, the Anti-Money Laundering and Counter-Terrorism Financing Policy, and the Whistle-blowing P&P. These policies detail the necessary reporting procedures to address any issues in a timely and appropriate manner and are incorporated into our Code of Conduct and Staff Handbook, which are provided to all new employees as a guide for making ethical choices, reinforcing our zero tolerance for corruption.

Besides adhering to policies and procedures, we also provide training to our employees to strengthen awareness on business ethics. During the Reporting Period, we partnered with Mayer Brown and the Equal Opportunity Council (“EOC”) to conduct six seminar sessions for 126 employees. These sessions were specifically designed to promote a discrimination-free environment and encourage diversity and equal opportunity in all aspects of our operations, including employment, the provision of goods, services, facilities, and related activities. By offering these seminars, we aim to create a workplace where every employee feels valued, respected, and heard. We believe that by empowering employees to voice their opinions without fear, we can drive innovation, collaboration, and continuous improvement within our Group.

In the Reporting Period, we dedicated 1,220 hours to training focused on compliance and anti-bribery for our staff, further reinforcing our strong stance against bribery. We are pleased to report that no significant incidents of non-compliance related to corruption were identified. Additionally, the Group is not aware of any violations regarding child or forced labour, bribery, extortion, fraud, or money laundering, including but not limited to the Employment of Children Regulations and the Prevention of Bribery Ordinance.



1,220

Colleagues completed the anti-corruption training



0

Number of significant fines or non-monetary sanctions for non-compliance with environmental, health and safety laws and regulations



Cybersecurity

Prioritising the safety and efficiency of our business operations is of paramount importance, which is why we place a strong emphasis on cybersecurity. Our Information Security P&P have been developed to assist employees in safeguarding sensitive information from unauthorised access while ensuring its confidentiality. According to this policy, all personnel, including third-party associates, bear the responsibility of protecting our information and assets. Furthermore, it is the duty of managers to implement appropriate control measures, both physical and digital, to ensure that information security adheres to established standards.

Throughout the Reporting Period, we conducted a total of 2,072 hours of online training sessions focused on Information Technology ("IT") security, aimed at enhancing our employees' awareness of cybersecurity issues. Notably, we did not encounter any incidents of material cybersecurity breaches.



Data Privacy and Intellectual Property

In accordance with the Group's Personal Data Privacy P&P, any inquiries or requests related to personal data and privacy are to be directed to the designated Personal Data Officer by our business units. The Personal Data Officer will then cooperate with the Legal Department of the Group for necessary review and guidance. Furthermore, when collecting personal data, business units are required to issue a Personal Information Collection Statement ("PICS") to ensure the protection of customer privacy. We are fully compliant with the Personal Data ("Privacy") Ordinance and all relevant data privacy regulations, and the Group is not aware of any instances of non-compliance.



During the Reporting Period, no incidents of significant non-compliance were reported. We remain committed to handling our customers' data with the utmost care and are dedicated to protecting their privacy.

Moreover, we are committed to safeguarding our intellectual property. Employees must adhere to the Information Security Policy, which outlines the proper and secure use of information technologies, particularly when using mobile devices containing the Group's intellectual property. We have also established an IT P&P for Nina Hospitality, which stipulates the appropriate usage, processing, and management of licensed software. Employees are required to report any instances of non-compliance or intellectual property infringement to the relevant departments promptly.

Ensuring High-Quality Products and Services

Our commitment to deliver products and services of exceptional quality reflects our primary objective to ensure high levels of customer satisfaction. To achieve this, we have established a comprehensive set of stringent quality assurance protocols across our various products, services and operations. The "Minimum Quality Service Standards" have been implemented to ensure our hospitality and catering services adhere to specific, predefined criteria, e.g. front desk, guest rooms, recreational facilities, catering and restaurant operations, thus maintaining a consistently high level of quality. We have also adopted a series of service pledges that ensure the delivery of excellent property management services regarding utilities, repairment, responses to emergencies and other aspects. For the sales of our residential units, a Handover of Residential Properties to Individual Owners Policy governs the requirements for handing over residential units to new owners. Our Customer Relations Department is responsible for assuring and confirming the quality of the completed development according to agreed standards before the handover. Any necessary rectification work will be handled promptly.

Enhancing Risk Management and Internal Control

Risk management is a fundamental component of the Group's operations at all levels. We emphasise the prompt identification and mitigation of risks, which serves as the cornerstone of our risk management strategy. Through a comprehensive framework, policies and procedures designed to protect both group and operational levels, we regularly conduct risk management workshops to ensure the principles of risk management are effectively communicated throughout the Group.

In August and September 2023, we hosted five workshops on risk management and were attended by the various Department Heads of the Group.

To support the sustainable development of the Group, we are actively addressing the increasing number of risks arising in the rapidly changing environment by establishing a comprehensive risk management mechanism. Central to this effort is the implementation of the Enterprise Risk Management ("ERM") framework, which enables effective identification, assessment, and management of risks. Led by the Chief Operating Officer and the Chief Financial Officer, the ERM working group assists departments in prioritising known and emerging risks while evaluating existing controls and determining necessary additional risk mitigation strategies.

In addition, each development and construction project is assigned a designated risk controller who integrates a risk assessment register ("risk register") into the implementation plan. This register serves as a comprehensive documentation tool that details potential risks, their likelihood and potential impacts, as well as the corresponding control and mitigation measures. Additionally, it identifies the individual responsible for monitoring each risk item. The risk register is reviewed and updated annually until

the project is formally handed over to the project owners. At the Group level, we have established the Risk Management P&P, the Internal Control Framework and Management P&P to augment our departments' efficacy in identifying, evaluating, and managing risks.

- The Risk Management P&P clearly outlines the responsibilities of Division and Department Heads in the formulation and refinement of risk management processes pertinent to their respective areas.
- Concurrently, our Internal Control Framework and Management P&P are aligned with the Internal Control - Integrated Framework ("COSO Framework"), issued by the Committee of Sponsoring Organizations of the Treadway Commission. This framework offers a robust and systematic approach to internal controls that is fundamental to the operations of our Group. Moreover, the Internal Audit Department is entrusted with conducting independent evaluations of the internal control systems throughout the Group. The findings from these assessments, along with any recommended remedial actions, are systematically reported to the Audit and Risk Committee to uphold standards of transparency and accountability.

In recognition of the significant impacts of climate change, which presents both risks and opportunities, we have carried out a climate risk assessment. For further information, please refer to the "Building Climate Resilience in Our Places" section of this Report.

Looking Ahead

As we look ahead to the upcoming year, the Group is committed to building on our achievements and driving sustainable transformation across our operations. We are dedicated to creating lasting value for the people and communities we serve, while aligning our efforts with practices that benefit both society and the environment. Our focus remains on innovation, collaboration, and accountability as we work towards a more sustainable and resilient future.

Strengthening Board Governance

Following the Group restructuring, the Executive Committee was transitioned to the Board of Directors of Chinachem Group Holdings Limited (the “Board”) on 1 July 2024. The new Board composition, with the appointment of three Non-Executive Directors and two Independent Non-Executive Directors, aims to enhance its effectiveness, diversity perspectives and independent view in decision making.

Towards Carbon Neutrality: Decarbonisation and Net-Zero Target

Guided by our Chinachem Group Carbon Reduction Roadmap – CCG 3050+, we will advance our initiatives to achieve decarbonisation in our operations.

Key upcoming initiatives to achieve carbon reduction focus on enhancing the energy efficiency of our chiller plants and heat pumps. Building on the success of the first chiller plant unit upgrade under our zero-carbon chiller system replacement project at Nina Tower, we will proceed with the upgrading of remaining plant units and implement artificial intelligence (“AI”) for energy optimisation, anticipating to yield up to 45% energy savings. Furthermore, we are exploring opportunities in heating and cooling with high potential for further energy saving and asset condition improvement.

Additionally, we are committed to increasing our green building certifications coverage our properties further in FY2024/25. These continuous improvements in our green building initiatives will enhance energy efficiency and significantly contribute to our carbon reduction goals. We are also in the process of setting our Science Based Targets initiative (“SBTi”) net-zero target aligned with the 1.5°C pathway, demonstrating our dedication to mitigating climate change through scientifically grounded strategies. These endeavours underscore our unwavering commitment to enhancing energy efficiency and reducing carbon emissions.

Building a More Resilient Future: Sustainability Conference

Building on the success of our Chinachem Group Sustainability Conference 2023 in late 2023, which attracted over 2,600 participants, we are preparing for an even larger and more impactful event in 2024. The conference will expand its thematic scope to discuss the importance of integrating sustainable solutions for a resilient future, in line with our commitment to promoting sustainable development and creating a more liveable city.

Fostering Green Communities: The Green Tenant Engagement Programme

Our green tenancy initiatives launched this year have been an initial success in promoting sustainability among tenants. We incorporate sustainability clauses in tenancy agreements, provide comprehensive fitting-out guidelines and engages with our tenants to improve well-being. Through an innovative digital platform that allows tenants to share electricity bills, take green actions, and participate in quiz challenges, we work with tenants to achieve measurable carbon savings and promote sustainability and well-being. Going forward, we will deepen tenant engagement by providing additional support, ensuring sustainability is integrated into every aspect of our leasing practices.

Commitment to Biodiversity Conservation: TNFD

Being an early adopter of the Taskforce on Nature-related Financial Disclosures (“TNFD”), we have launched our first study this year. We will integrate the findings into our decision-making processes and develop metrics to monitor and assess our nature-related performance, ensuring alignment with our overall sustainability strategy.

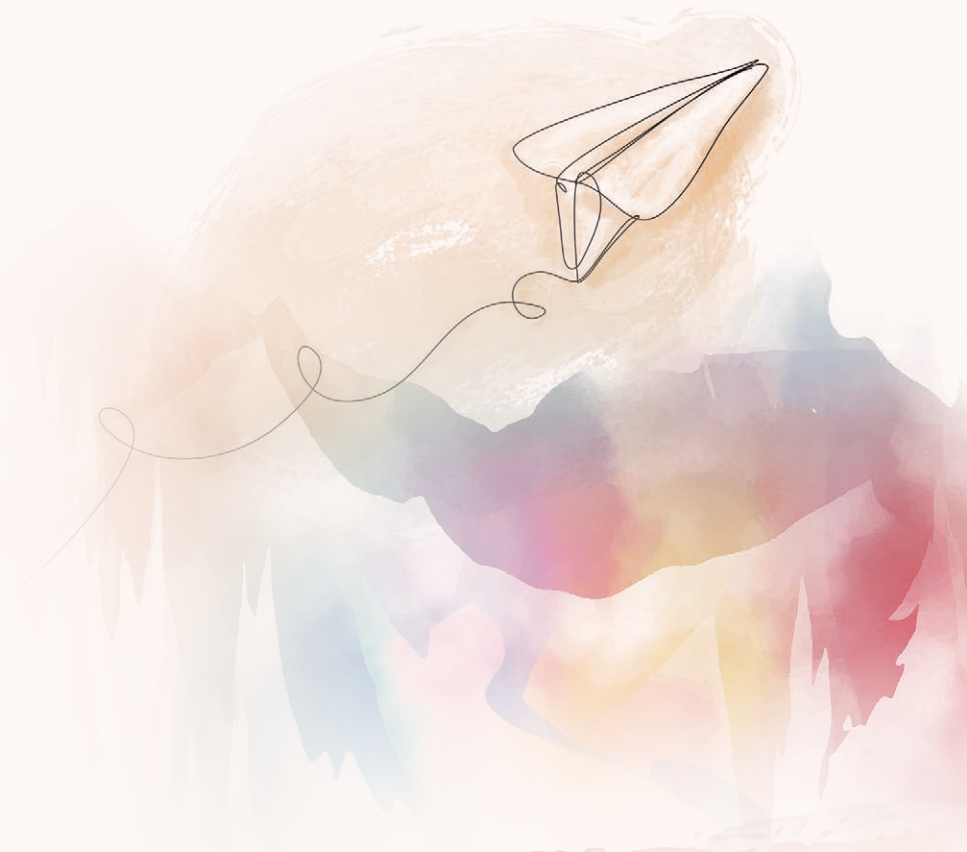
Investing in a Greener Future: Sustainable Financing

Recognising the pivotal role of sustainable financing in the transition to a low-carbon economy and nurturing more liveable cities, we are positioning ourselves as the first real estate developer to align with both the Hong Kong Taxonomy for Sustainable Finance and the IPSF’s Common Ground Taxonomy through our enhanced Sustainable Finance Framework. This comprehensive framework will enhance the governance of our financial decision-making processes, moving us closer to our objective of generating long-term value for our stakeholders and the communities we support.

Dedication to Social Impact: The Group’s Volunteerism

Our dedication to social impact continues to grow through initiatives like CCG Hearts, which has seen a ninefold increase in volunteer hours this year. In the year ahead, we will expand our partnerships with NGOs to address emerging societal needs, leveraging the expertise of our colleagues to maximise community impact.

Our commitment to sustainability, collective prosperity and societal advancement propels us forward. Together, we will continue to advocate for a future that embraces these values, creating positive and lasting impact for generations to come.



Performance Data

Environmental Data

Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
ENERGY CONSUMPTION ¹				
Purchased electricity	MWh	102,348.72	100,931.65	103,701.63
Towngas	MWh	5,996.15	5,419.11	4,902.00
Petrol	MWh	465.29	597.28 ²	325.72
Diesel	MWh	240.16	62.70 ²	1.26
Total energy consumption	MWh	109,050.32	107,010.74	108,930.61
Energy intensity	kWh/m ²	126.17	123.55	128.89
CARBON EMISSIONS ³				
Direct carbon emissions (Scope 1) ⁴	tCO ₂ e	2,045.17 ⁵	1,293.63	1,076.68
Indirect carbon emissions (Scope 2) - location-based method ⁴	tCO ₂ e	48,330.24	47,785.81	49,177.06
Indirect carbon emissions (Scope 2) - market-based method	tCO ₂ e	48,276.44	47,757.90	49,157.55
Total carbon emissions (Scope 1 & 2) - location-based method	tCO ₂ e	50,375.41	49,079.44	50,253.74
Total carbon emissions (Scope 1 & 2) - market-based method	tCO ₂ e	50,321.61	49,051.62	50,234.23
Carbon emissions intensity (Scope 1 & 2) - location-based method	tCO ₂ e/m ²	0.058 ⁷	0.057	0.059
Carbon emissions intensity (Scope 1 & 2) - market-based method	tCO ₂ e/m ²	0.058	0.057	0.059
Indirect carbon emissions (Scope 3) - Category 2: Capital Goods ⁸	tCO ₂ e	51,095.91	-	-
AIR EMISSIONS ⁹				
Sulphur oxides	kg	1.50	1.39 ²	0.83
Nitrogen oxides	kg	369.55	301.93 ²	87.68
Particulate matter	kg	25.78	20.47 ²	1.26
WATER CONSUMPTION AND WASTEWATER DISCHARGED				
Total water usage	m ³	572,848.11	521,021.79	544,853.57
Water intensity	m ³ /m ²	0.663 ¹⁰	0.602	0.645
Wastewater discharged ¹¹	m ³	546,009.56	497,518.65	518,646.09
WASTE DISPOSED				
Non-hazardous waste disposed ¹²	tonnes	24,959.39 ¹³	23,969.42 ¹³	18,723.76
Non-hazardous waste disposal intensity	tonnes/m ²	0.029	0.028	0.022

Compliance with Relevant Environmental Regulations

We have been strictly complying with any local and overseas regulations related to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste that significantly impacted our business operation. These regulations include, but not limited to, the Air Pollution Control Ordinance, Water Pollution Control Ordinance and Waste Disposal Ordinance. The Group was not aware of any violations of nor non-compliance with any of the relevant regulations within our operation. We will continue to closely monitor and follow any new changes in relevant laws and regulations, and adjust swiftly and accordingly.

Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
WASTE DIVERTED FROM LANDFILL				
Non-hazardous Waste				
Food waste	tonnes	166.91 ¹⁴	120.52	91.35
Cooking oil to biodiesel ¹⁵	tonnes	4.99	6.26	-
Glass	tonnes	16.47	16.24	18.05
Metal / Aluminium	tonnes	2.52	2.37	6.84
Paper	tonnes	443.80	345.92	476.66
Plastics	tonnes	21.34	21.31	6.66
Total non-hazardous waste diverted from landfill	tonnes	656.03	512.62	599.56
Non-hazardous waste recycling intensity	kg/m ²	0.759	0.592	0.625
Hazardous Waste ¹⁶				
Battery	kg	42.47	58.16	-
Lighting tube	kg	219.75	314.57	-
Cartridge	kg	1,810.00	1,705.40	-
Waste Electrical and Electronic Equipment ("WEEE") ¹⁷	kg	642.70	4,159.50	-
	pieces	1,215.80	1,134.50	-

Notes:

- Energy conversion factors of different fuel types are referenced from "How to prepare an ESG Report - Appendix 2: Reporting Guidance on Environmental KPIs" published by HKEX.
- Optimised data collection of vehicle usage in FY2022/23 resulted in higher reported consumption of petrol and diesel fuel, as well as air emissions.
- GHG emissions are calculated based on "Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong (2010 Edition)" published by the Environmental Protection Department ("EPD") and the Electrical and Mechanical Services Department ("EMSD") of the Hong Kong SAR Government, unless otherwise stated in the following notes.
- Scope 1 emissions comprise HFC emissions from the use of refrigerants, fire extinguishers, consumption of Towngas, petrol and diesel from our vehicle fleets. The global warming potentials used for calculation are adopted from the "Fifth Assessment Report of Intergovernmental Panel on Climate Change ("IPCC")". Emission factors for refrigerant used in fire suppression equipment are adopted from U.S. EPA.
- During FY2023/24, our direct carbon emissions (Scope 1) increased by 58.1% compared to FY2022/23, primarily due to the optimised data collection mechanism of refrigerants which resulted in higher reported refrigerant consumption.
- Scope 2 emissions comprise the consumption of Towngas and purchased electricity. Emission factors are adopted from local power and utility companies. As defined by GHG Protocol Scope 2 Guidance, location-based method for indirect carbon emissions refers to a method to quantify Scope 2 emissions based on average energy generation emission factors for defined locations, including local, subnational, or national boundaries. Market-based method for indirect carbon emissions refers to a method to quantify Scope 2 emissions of a reporter based on GHG emissions emitted by the generators from which the reporter contractually purchases electricity bundled with contractual instruments, or contractual instruments on their own.
- During FY2023/24, our carbon intensity increased by 2.9% compared to FY2022/23 due to increase in our property occupancy and operations. For example, the lease out rate at Nina Tower increased by 20%, leading to an 8.7% increase in overall electricity consumption in the building. Our guest room nights in hotels also increased by over 30% compared to the previous Reporting Period.
- This category accounts for the upfront embodied carbon emissions from our newly completed construction projects during the Reporting Period, referencing the Science Based Targets initiative Buildings Sector Explanatory Document. The cradle-to-site emissions for Mount Anderson, the only completed project in the Reporting Period, are included.
- Air emissions are generated from the consumption of Towngas, petrol and diesel fuel. The emission factors adopted are based on "Appendix 2: Reporting Guidance on Environmental KPIs" published by HKEX.
- During FY2023/24, our water intensity increased by 14.1% compared to FY2022/23 due to a 30% increase in our guest room nights in hotels compared to the previous Reporting Period. In addition, water use for cooling increased as we gradually replace air-cool chillers with water-cool systems.
- A standard conversion factor (0.93507) for wastewater discharge has been applied to all business units under Nina Hospitality since FY2019/20.
- General waste data in certain locations is not available. The Group is currently optimising waste data collection methodology and enhancing the disclosure scope of non-hazardous waste.
- Optimised waste data collection resulted in higher reported non-hazardous waste disposed in FY2023/24 and FY2022/23.
- More properties have participated in the government's food waste collection scheme resulted in higher reported food waste recycled in FY2023/24.
- Relevant figures have been disclosed from FY2022/23 onwards.
- Relevant figures have been disclosed from FY2022/23 onwards. All hazardous waste is recycled and handled by licensed contractors.
- WEEE presented in the unit of "kg" and "pieces" as stated in the recycling receipt.

Social Data ¹

Indicators	FY2023/24		FY2022/23		FY2021/22	
	Number of people	%	Number of people	%	Number of people	%
WORKFORCE						
Total workforce	3,601	-	3,138	-	2,982	-
By Gender						
Male	1,813	50.3%	1,672	53.3%	1,640	55.0%
Female	1,788	49.7%	1,466	46.7%	1,342	45.0%
By Employment Category ²						
Senior management	21	0.6%	20	0.6%	72	2.4%
Management	578	16.1%	451	14.4%	363	12.2%
General staff	3,002	83.4%	2,667	85.0%	2,547	85.4%
By Age Group						
30 or below	462	12.8%	362	11.5%	368	12.3%
31-50	1,410	39.2%	1,295	41.3%	1,237	41.5%
51 or above	1,729	48.0%	1,481	47.2%	1,377	46.2%
By Employment Contract						
Permanent	2,952	82.0%	2,712	86.4%	2,733	91.6%
Temporary	649	18.0%	426	13.6%	249	8.4%
By Employment Type						
Full-time	3,169	88.0%	2,938	93.6%	2,915	97.8%
Part-time	70	1.9%	200	6.4%	67	2.2%
Non-guaranteed hours ^{3,4,5}	362 ⁵	10.1%	-	-	-	-
By Geographic Region						
Hong Kong	3,601	100.0%	3,138	100.0%	2,982	100.0%
Others	0	0.0%	0	0.0%	0	0.0%

Indicators	FY2023/24		FY2022/23		FY2021/22	
	Number of people	%	Number of people	%	Number of people	%
By Nationality ⁴						
Chinese	3,540	98.3%	-	-	-	-
Others	61	1.7%	-	-	-	-
Permanent Employees by Gender ⁴						
Male	1,492	50.5%	-	-	-	-
Female	1,460	49.5%	-	-	-	-
Temporary Employees by Gender ⁴						
Male	321	49.5%	-	-	-	-
Female	328	50.5%	-	-	-	-
Full-time Employees by Gender ⁴						
Male	1,636	51.6%	-	-	-	-
Female	1,533	48.4%	-	-	-	-
Part-time Employees by Gender ⁴						
Male	25	35.7%	-	-	-	-
Female	45	64.3%	-	-	-	-
VOLUNTARY TURNOVER ^{6,7}						
Overall	806	22.4%	1,022	32.6%	893	29.9%
By Gender						
Male	469	25.9%	553	33.1%	468 ⁸	28.5% ⁸
Female	337	18.8%	469	32.0%	425 ⁸	31.7% ⁸
By Employment Category						
Senior management	0	0.0%	2	10.0%	-	-
Management	99	17.1%	156	34.6%	-	-
General staff	707	23.6%	864	32.4%	-	-

Indicators	FY2023/24		FY2022/23		FY2021/22	
	Number of people	%	Number of people	%	Number of people	%
By Age Group						
30 or below	165	35.7%	184	50.8%	201	54.6%
31-50	317	22.5%	464	35.8%	402	32.5%
51 or above	324	18.7%	374	25.3%	290	21.1%
By Geographic Region						
Hong Kong	806	22.4%	1,022	32.6%	893	29.9%
Others	0	0.0%	0	0.0%	0	0.0%
INVOLUNTARY TURNOVER ^{7,9} (DUE TO DISMISSAL, DOWNSIZING, REDUNDANCY, MISCONDUCT)						
Overall	279	7.7%	75	2.4%	-	-
By Gender						
Male	138	7.6%	59	3.5%	-	-
Female	141	7.9%	16	1.1%	-	-
By Employment Category						
Senior management	0	0.0%	0	0.0%	-	-
Management	11	1.9%	12	2.7%	-	-
General staff	268	8.9%	63	2.4%	-	-
By Age Group						
30 or below	29	6.3%	10	2.8%	-	-
31-50	81	5.7%	38	2.9%	-	-
51 or above	169	9.8%	27	1.8%	-	-
By Geographic Region						
Hong Kong	279	7.7%	75	2.8%	-	-
Others	0	0.0%	0	0.0%	-	-

Indicators	FY2023/24		FY2022/23		FY2021/22	
	Number of people	%	Number of people	%	Number of people	%
INVOLUNTARY TURNOVER ^{7,10} (DUE TO COMPLETION OF CONTRACT OR RETIREMENT AND DECEASE)						
Overall	179	5.0%	210	6.7%	-	-
By Gender						
Male	53	2.9%	142	8.5%	-	-
Female	126	7.0%	68	4.6%	-	-
By Employment Category						
Senior management	2	9.5%	0	0.0%	-	-
Management	2	0.3%	0	0.0%	-	-
General staff	175	5.8%	210	7.9%	-	-
By Age Group						
30 or below	3	0.6%	3	0.8%	-	-
31-50	1	0.1%	1	0.1%	-	-
51 or above	175	10.1%	206	13.9%	-	-
By Geographic Region						
Hong Kong	179	5.0%	210	7.7%	-	-
Others	0	0.0%	0	0.0%	-	-
NEW HIRE ⁷						
Overall	1,709	47.4%	1,344	42.8%	1,142	38.3%
By Gender						
Male	798	44.0%	737	44.1%	662	40.4%
Female	911	51.0%	607	41.4%	480	35.8%
By Employment Category						
Senior management	2	9.5%	2	10.0%	-	-
Management	130	22.5%	175	38.8%	-	-
General staff	1,577	52.5%	1,167	43.8%	-	-

Indicators	FY2023/24		FY2022/23		FY2021/22	
	Number of people	%	Number of people	%	Number of people	%
By Age Group						
30 or below	381	82.5%	216	59.7%	276	75.0%
31-50	546	38.7%	537	41.5%	459	37.1%
51 or above	782	45.2%	591	39.9%	407	29.6%
By Geographic Region						
Hong Kong	1,709	47.5%	1,344	42.8%	1,142	38.3%
Others	0	0.0%	0	0.0%	0	0.0%
PERFORMANCE REVIEW ⁷						
Overall	3,187	88.5%	2,790	88.9%	2,811	94.3%
By Gender						
Male	1,636	90.2%	1,556	93.1%	1,560	95.1%
Female	1,551	86.7%	1,234	84.2%	1,251	93.2%
By Employment Category						
Senior management	18	85.7%	19	95.0%	72	100.0%
Management	570	98.6%	434	96.2%	327	90.1%
General staff	2,599	86.6%	2,337	87.6%	2,412	94.7%
PARENTAL LEAVE Employees Entitled to Parental Leave						
Male	1,656	-	1,672	-	-	-
Female	1,569	-	1,466	-	-	-
Employees who Took Parental Leave						
Male	20	-	17	-	-	-
Female	18	-	23	-	-	-
Employee Return to Work Rate ¹¹						
Male	-	100.0%	-	100.0%	-	-
Female	-	100.0%	-	87.0%	-	-
Retention Rate of Employees who Took Parental Leave ^{4,12}						
Male	-	64.7%	-	-	-	-
Female	-	68.8%	-	-	-	-

Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
TRAINING ¹³ Number of Employees Trained⁴				
Overall	People	3,138	-	-
Percentage of Employees Trained ⁴				
Overall	% of people	87.1%	-	-
By Gender ⁴				
Male	% of people trained	50.8%	-	-
Female	% of people trained	49.2%	-	-
By Employee Category ⁴				
Senior management	% of people trained	0.5%	-	-
Management	% of people trained	19.1%	-	-
General staff	% of people trained	80.4%	-	-
Total Training Hours				
Overall	Hours	109,953	77,351	-
Average Training Hours ¹⁴				
Overall	Hours	30.5	24.6	10.5
By Gender				
Male	Hours	31.0	22.8	9.5
Female	Hours	30.0	26.8	11.8
By Employee Category				
Senior management	Hours	23.1	32.1	25.5
Management	Hours	36.4	38.2	18.8
General staff	Hours	29.5	22.3	8.9
ANTI-CORRUPTION TRAINING ¹³				
Overall	Hours	1,220.4	993.4	-
	People ⁴	1,182	-	-
	% of people trained ⁴	32.8%	-	-
By Gender				
Male	Hours	651.7	524.8	-
	People ⁴	600	-	-
	% of people trained ⁴	50.8%	-	-
Female	Hours	568.7	468.6	-
	People ⁴	582	-	-
	% of people trained ⁴	49.2%	-	-

Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
By Employee Category				
Senior management	Hours	2.0	18.0	-
	People ⁴	2	-	-
	% of people trained ⁴	0.2%	-	-
Management	Hours	376.9	322.8	-
	People ⁴	278	-	-
	% of people trained ⁴	23.5%	-	-
General staff	Hours	841.5	652.6	-
	People ⁴	902	-	-
	% of people trained ⁴	76.3%	-	-
OCCUPATIONAL HEALTH AND SAFETY				
Total number of hours worked	Hours	7,347,350	6,583,044	-
Absentee days ¹⁵	Days	15,996	17,303	17,115
Number of ISO Certifications on health and safety management system	Number of certifications	7	7	-
Work-related Fatalities as a Result of Work-related Injury				
Number of work-related fatalities	Number of incidents	0	0	0
Work-related fatality rate ¹⁶	N/A	0.0	0.0	0.0
Work-related Injuries				
Total number of work-related injury incidents ¹⁷	Number of incidents	81	101	92 ⁸
Rate of recordable work-related injuries ¹⁸	N/A	2.2	3.1	-
Lost days due to injuries	Days	2,446	4,188	7,953 ⁸
Number of lost time injuries (sick leave > 0 days)	Number of incidents	72	86	-
Number of reportable injuries (sick leave > 3 days)	Number of incidents	53	79	-
Number of high-consequence injuries (excluding fatalities) ¹⁹	Number of incidents	1	8	5
Rate of high-consequence injuries (excluding fatalities) ²⁰	N/A	0.03	0.2	-
Lost-time injury rate (LTIR) ²¹	N/A	2.0	2.6	-

Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
Work-related Ill Health				
Work-related fatalities as a result of work-related ill health	Number of incidents	0	0	-
Cases of recordable work-related ill health	Number of incidents	0	0	-
OCCUPATIONAL HEALTH AND SAFETY (CONTRACTOR)²²				
Total number of hours worked	Hours	6,738,680	4,107,740	3,450,460
Total number of contractor workers	Number of contractor workers	25,918	15,799	13,271
Number of ISO Certifications on health and safety management system	Number of certifications	6	4	-
Work-related Fatalities as a Result of Work-related Injury				
Number of work-related fatalities	Number of incidents	0	0	0
Work-related fatality rate ¹⁶	N/A	0.0	0.0	0.0
Work-related Injuries				
Total number of work-related injury incidents ¹⁷	Number of incidents	10	14	16
Rate of recordable work-related injuries ¹⁸	N/A	0.3	0.7	0.9
Lost days due to injuries	Days	1,053	1,140	2,438
Number of lost time injuries (sick leave > 0 days)	Number of incidents	10	14	16
Number of reportable injuries (sick leave > 3 days)	Number of incidents	10	14	15
Number of high-consequence injuries (excluding fatalities) ¹⁹	Number of incidents	3	2	7
Rate of high-consequence injuries (excluding fatalities) ²⁰	N/A	0.09	0.1	0.4
Lost-Time Injury Rate (LTIR) ²¹	N/A	0.3	0.7	0.9
Work-related Ill Health				
Work-related fatalities as a result of work-related ill health	Number of incidents	0	0	-
Cases of recordable work-related ill health	Number of incidents	0	0	-

Indicators	Unit	FY2023/24		FY2022/23		FY2021/22	
		Male	Female	Male	Female	Male	Female
DIVERSITY							
Governance Body							
ESG Steering Committee	People	9	2	9	1	-	-
	% of people	81.8%	18.2%	90.0%	10.0%	-	-
Management Positions							
Senior management	People	14	7	14	6	-	-
	% of people	66.7%	33.3%	70.0%	30.0%	-	-
Management	People	360	218	260	191	-	-
	% of people	62.3%	37.7%	57.6%	42.4%	-	-
Non-management positions	People	1,436	1,566	1,397	1,269	-	-
	% of people	47.8%	52.2%	52.4%	47.6%	-	-
Management positions in revenue-generating functions ²³	People	48	57	53	81	-	-
	% of people	45.7%	54.3%	39.6%	60.4%	-	-
STEM-related positions by gender ²⁴	People	291	168	434	156	-	-
	% of people	63.4%	36.6%	73.6%	26.4%	-	-
SUPPLY CHAIN MANAGEMENT²⁵							
Number of new suppliers	Number of suppliers			194		-	-
Number of new suppliers screened using environmental criteria	Number of suppliers			187		-	-
Number of new suppliers screened using social criteria	Number of suppliers			187		-	-
Total Number of Suppliers by Geographic Location							
Hong Kong	Number of suppliers			1,896		-	-
Mainland China	Number of suppliers			1		-	-
Overseas	Number of suppliers			13		-	-

Notes:

- Figures as of 30 June unless otherwise stated.
- The Group has undergone an internal review of the job grade structure and definition of employee category during the Reporting Period. The FY2023/24 figures disclosed are aligned with reference to this update.
- Employee who is not guaranteed a minimum or fixed number of working hours per day, week, or month, but who may need to make themselves available for work as required, such as casual employees, employees with zero-hour contracts and on-call employees.
- Relevant figures have been disclosed from FY2023/24 onwards.
- This figure includes the headquarters office and Property Services, as full-time equivalent data is only available for Nina Hospitality. The full-time equivalent for Nina Hospitality is 110 for FY2023/24.
- The voluntary turnover rate is calculated as "total number of employees voluntarily leaving employment during the Reporting Period divided by total number of employees as of the end of Reporting Period and then multiplied by 100%".
- The data includes full-time employees only.
- The figure has been restated to reflect the actual situation in that Reporting Period.
- The involuntary turnover rate due to dismissal, downsizing, redundancy and misconduct is calculated as "total number of employees involuntarily leaving employment due to dismissal, downsizing, redundancy and misconduct during the Reporting Period divided by total number of employees as of the end of Reporting Period and then multiplied by 100%".
- The involuntary turnover rate due to completion of contract or retirement and decrease is calculated as "total number of employees involuntarily leaving employment due to completion of contract or retirement and decrease during the Reporting Period divided by total number of employees as of the end of Reporting Period and then multiplied by 100%".
- Employee return to work rate is calculated as "total number of employees who did return to work after parental leave divided by total number of employees due to return to work after taking parental leave and then multiplied by 100%".
- Retention rate of employees who took parental leave is calculated as "total number of employees retained 12 months after returning to work following a period of parental leave divided by total number of employees returning from parental leave in the prior reporting period(s) and then multiplied by 100%".
- The data includes full-time and part-time employees. The training data includes records from the entire Reporting Period.
- The average training hours per employee is calculated as "Total number of training hours provided to employees during the Reporting Period divided by total number of employees as of the Reporting Period". Trainings organised and provided by Property Services have been included from FY2022/23 onwards due to enhanced data collection mechanism.
- Absentee days includes (i) work days lost (work-related sick leave) and (ii) non-work related sick leave (i.e. sick leave not caused by a work-related accident/injury/illness).
- The rate of fatalities as a result of work-related injury is calculated as "Number of fatalities as a result of work-related injury divided by numbers of hours worked multiply by 200,000 hours worked".
- Include all injuries on any Chinachem Group's operation for employees.
- The rate of recordable work-related injuries is calculated as "Number of recordable work-related injuries divided by number of hours worked multiply by 200,000 hours worked".
- High-consequence injuries are those injuries from which the employees cannot, do not, or are not expected to recover fully to pre-injury health status within six months
- The rate of high-consequence work-related injuries (excluding fatalities) is calculated as "Number of high-consequence work-related injuries (excluding fatalities) divided by number of hours worked multiply by 200,000 hours worked".
- The lost-time injury rate is calculated as "Number of lost-time injuries divided by number of hours worked multiply by 200,000 hours worked".
- The data includes our wholly-owned construction sites.
- Revenue-generating functions include Sales, Leasing and Business Development.
- STEM stands for science, technology, engineering, mathematics. STEM-related positions include Accounting, Audit, Building Services, Engineering, Environmental, Finance, Health and Safety, IT and Sustainability/ESG.
- Suppliers are organisations or people that provide a product or service to the Group through a direct commercial relationship within the Reporting Period.

Compliance with Employment-related Regulations

As a caring employer who placed employees in the centre of our operation, we ensure we follow all regulations on compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare that are significantly related to our business operations. The Group was not aware of any confirmed non-compliance with any relevant regulations, including, but not limited to, the Employment Ordinance, the Employees' Compensation Ordinance and Minimum Wage Ordinance, as well as all DEI-related regulations. We will continue to follow any current and new employment related regulations and provide a fair and enjoyable work environment where our colleagues feel respected.

Sustainability Awards and Recognition

Sustainability Awards and Recognition - Excellence in Sustainability



Awards or Certifications	Issuing Authorities
2023 HKMA Best Annual Reports Awards • Certificate of Excellence in Environmental, Social and Governance Reporting	The Hong Kong Management Association
2024 HKMA/Viu TV and Now TV Awards for Marketing Excellence • AXA Excellence in Environmental Good Nina Park	The Hong Kong Management Association
2023 Hong Kong ESG Reporting Awards • Best Sustainability Report for Non-listed Company	Hong Kong ESG Reporting Awards Limited
Architecture Masterprize 2024 • Educational Landscape Category - Winner Nina Park	Farmani Group
BUILD4ASIA AWARDS 2024: Building - Future Projects (Commercial) • Outstanding Architecture - Silver Tung Chung East 21 st Century Business Hub	Build4Asia and PRC Magazine
Business Focus - Business Awards 2023 • Best Conservation and Sustainability Project Awards Central Market	Business Media Limited (Press Logic)
Caring Company • 10 Years Plus Caring Company Logo	Hong Kong Council of Social Service
CIC Sustainable Construction Award 2023 • Gold Award in Developer (Private Sector) Chinachem Group and Urban Renewal Authority Proposed Composite Development at New Kowloon Inland Lot No. 6627, No. 24-38 Tonkin Street & No. 240-240A Fuk Wing Street	Construction Industry Council
CLP Smart Energy Award 2023 • Energy Management Award (Corporate and Government Bodies) - Grand Award	CLP Power Hong Kong Limited

Awards or Certifications	Issuing Authorities
East Week Hong Kong Service Awards 2024 • Social Benefit Award	Sing Tao Magazine Group Limited
Energywise Certificate • Excellent: 5 managed properties, 5 hotels and 2 residences, headquarters office • Good: 3 managed properties	Environmental Campaign Committee
ESG Achievement Awards 2022/2023 • Outstanding ESG Awards (Non-Listed Company) - Diamond Award • ESG Innovative Project Award - Merit Award	Institute of ESG and Benchmark
Friend of Ecopark Nina Hospitality	Environmental Protection Department, Hong Kong SAR Government
Green Building Award 2023 • Green Building Leadership: Developer - Finalist • Existing Buildings (Completed Projects - Commercial) Grand Award The Revitalisation of Central Market	Hong Kong Green Building Council
HKIM Power Brand Award 2022/2023 • Sustainability Power Brand 2022/2023	Hong Kong Institute of Marketing
HKIS Awards 2024 • Pre-construction Category - Grand Award Proposed Composite Development at 28 Tonkin Street Chinachem Group and Urban Renewal Authority	The Hong Kong Institute of Surveyors
HKIUD Urban Design Awards 2023 Grand Award	Hong Kong Institute of Urban Design
HKQAA 2024 Promote Eco-friendly Construction • Commercial Development on IL No. 8945 at Caroline Hill Road, Causeway Bay, Hong Kong	Hong Kong Quality Assurance Agency
HKQAA 2024 Promote High-productivity Construction Adoption • Commercial Development on IL No. 8945 at Caroline Hill Road, Causeway Bay, Hong Kong	Hong Kong Quality Assurance Agency

Awards or Certifications	Issuing Authorities	Awards or Certifications	Issuing Authorities
<p>Hong Kong Awards for Environmental Excellence 2022</p> <ul style="list-style-type: none"> Gold Award (Hotels and Recreational Clubs) Nina Hotel Kowloon East Merit Award (Hotels and Recreational Clubs) 4 hotels 	Environmental Campaign Committee	<p>MUSE Creative Awards 2023</p> <ul style="list-style-type: none"> Website (Green/Eco-friendly) - Platinum Award: Chinachem Group - Sustainability Report Website 2021 - 2022 Website (Sustainability) - Platinum Award: Chinachem Group - Sustainability Report Website 2021 - 2022 	MUSE Creative Awards
<p>Hong Kong Green and Sustainability Contribution Awards 2024</p> <ul style="list-style-type: none"> Gold Seal for Contribution to Sustainable Facility - Promote Environmental Protection Nina Hotel Causeway Bay 	Hong Kong Quality Assurance Agency	<p>MUSE Design Awards 2024</p> <ul style="list-style-type: none"> Parks and Open Space Landscape - Gold Winner Nina Park Educational Landscape - Gold Winner Nina Park 	Muse
<p>Hong Kong Green Organisation</p> <ul style="list-style-type: none"> 9 managed properties, 5 hotels and 2 residences 	Environmental Campaign Committee	<p>NEXX Sustainability and ESG Award 2024</p> <ul style="list-style-type: none"> Community Education and Engagement Nina Park Community Education and Engagement Central Market 	CityUHK EMBA and NEXX
<p>Hong Kong openBIM/openGIS Awards 2024</p> <ul style="list-style-type: none"> Grand Award Commercial Development on IL No. 8945 at Caroline Hill Road, Causeway Bay, Hong Kong 	The Hong Kong Alliance of Built Asset and Environment Information Management Associations and the Hong Kong Chapter of buildingSMART International	<p>Outstanding Award for Contribution to Sustainable Property (Property Management) - Promote Environmental Protection</p> <ul style="list-style-type: none"> Gold Seal: 5 managed properties 	Hong Kong Quality Assurance Agency
<p>IAQwi\$e Certificate</p> <ul style="list-style-type: none"> Excellent: 5 managed properties, 5 hotels and 2 residences, headquarters office Good: 7 managed properties 	Environmental Campaign Committee	<p>Outstanding ESG Green Development and Carbon Neutrality Awards 2023</p> <ul style="list-style-type: none"> Outstanding Sustainable Enterprise Award - Unlisted Company 	am730
<p>Landezine International Landscape Award Nina Park Revitalisation</p>	Landezine Media	<p>Quality Water Supply Scheme for Buildings - Flushing Water</p> <ul style="list-style-type: none"> Gold Certificate: 12 managed properties Silver Certificate: 1 managed property Blue Certificate: 7 managed properties, 5 hotels and 2 residences 	Water Supplies Department, Hong Kong SAR Government
<p>Ming Pao Awards for Excellence in Finance 2024</p> <ul style="list-style-type: none"> Brand Value - Award for Excellence in Green Finance Service (Real Estate) 	Ming Pao Newspapers Limited	<p>Quality Water Supply Scheme for Buildings - Fresh Water (Management System)</p> <ul style="list-style-type: none"> Gold Certificate: 10 managed properties and 1 residence Silver Certificate: 2 managed properties Blue Certificate: 14 managed properties, 5 hotels and 1 residence 	Water Supplies Department, Hong Kong SAR Government
<p>Ming Pao ESG Awards 2024</p> <ul style="list-style-type: none"> Excellence ESG Enterprise Award - Non-listed Company (Real Estate) Excellence in Caring Award 	Ming Pao Newspapers Limited	<p>RICS Awards 2023</p> <ul style="list-style-type: none"> Refurbishment/Revitalisation Team of the Year Central Market 	Royal Institution of Chartered Surveyors
<p>MIPIM Asia Award 2023</p> <ul style="list-style-type: none"> Best New Development - Silver Winner Tung Chung East 21st Century Business Hub Best New Development - Bronze Winner Proposed Composite Development at 28 Tonkin Street 	MIPIM		

Awards or Certifications	Issuing Authorities
Standard Chartered Corporate Achievement Awards 2023 <ul style="list-style-type: none"> Sustainable Corporate (Social Responsibility) - Leadership Award 	Hong Kong Economic Journal
The 1 st CRECCHKI Real Estate ESG Awards GBA 2023 <ul style="list-style-type: none"> Outstanding ESG Performer of the Year Outstanding Performance - Net Zero (Gold) Outstanding Performance - Green Finance (Gold) Outstanding Performance - Green Design (Silver) Tonkin Street Redevelopment Project, jointly developed with Urban Renewal Authority Outstanding Performance - Liveability - Silver Award Central Market Outstanding Performance - Green Design (Finalist) Tung Chung East 21st Century Business Hub Outstanding Performance - Green Design (Finalist) Nina Park 	China Real Estate Chamber of Commerce Hong Kong and International Chapter
TVB ESG Awards 2023 <ul style="list-style-type: none"> Best in ESG Practices ESG Project Innovation Award Innovative Climate Technology Award 	Television Broadcasts Limited
UNSDG Achievement Awards 2023 <ul style="list-style-type: none"> Sustainable Organisation Award - Merit Individual SDG Award - Goal 8: Decent Work and Economic Growth "A Day with Hing Chun Alliance" Exhibition 	Green Council
Umbrella Bags Reduction Accreditation Program <ul style="list-style-type: none"> Diamond Award: 11 managed properties Excellence Award: 2 managed properties 	Greeners Action
W3 Awards 2023 <ul style="list-style-type: none"> Website Features (Best Use of Data Visualisation) - Silver Award: Chinachem Group - Sustainability Report Website 2021 - 2022 General Website (Corporate Social Responsibility) - Gold Award: Chinachem Group - Sustainability Report Website 2021 - 2022 	W3 Awards

Awards or Certifications	Issuing Authorities
Wastewi\$e Certificate <ul style="list-style-type: none"> Excellent: 1 managed property, 5 hotels and 2 residences Good: 5 managed properties, headquarters office 	Environmental Campaign Committee
Zero-Carbon-Ready Building Certification Scheme Nina Tower	Hong Kong Green Building Council



Sustainability Awards and Recognition - Excellence in Service Quality

Awards or Certifications	Issuing Authorities
2023 U Favourite Food Awards <ul style="list-style-type: none"> My Favourite Hotel Chinese Restaurant Ah Yung Kitchen My Favourite Hotel Chinese Restaurant RÚ 	U Magazine
BCI Asia Awards 2024 <ul style="list-style-type: none"> Top Ten Developers 	BCI Central
Chaîne des Rôtisseurs <ul style="list-style-type: none"> Recommended Restaurant Ah Yung Kitchen Recommended Restaurant RÚ 	Chaîne des Rôtisseurs
Forbes Travel Guide <ul style="list-style-type: none"> Recommended Hotel Nina Hotel Kowloon East 	Forbes Travel Guide
HKECIA Industry Awards of Excellence 2023 <ul style="list-style-type: none"> Outstanding Award for Pandemic Response 	Hong Kong Exhibition and Convention Industry Association
HKIH Elite Awards <ul style="list-style-type: none"> One Hennessy 	The Hong Kong Institute of Housing
HIREA Awards 2023 <ul style="list-style-type: none"> Excellent Property Management Award NINA MALL 1 & 2 	Hong Kong Institute of Real Estate Administrators
Hong Kong Service Awards 2023 <ul style="list-style-type: none"> Conservation Revitalization Arts Attraction Award Central Market 	Sing Tao New Media Business Limited
Privacy-Friendly Awards 2023 <ul style="list-style-type: none"> Gold Award Nina Hospitality 	Office of the Privacy Commissioner for Personal Data, Hong Kong SAR Government
Quality Tourism Services Scheme 5 hotels and Nina Patisserie	Hong Kong Tourism Board
The 5 th Hong Kong Public Relations Awards 2023 <ul style="list-style-type: none"> Brand/Reputation Management Gold Award Central Market - Central Market Revitalisation 	Hong Kong Public Relations Professionals' Association Limited
The Loyalty and Engagement Awards 2024 <ul style="list-style-type: none"> Best Eco-loyalty Initiative - Bronze CCG Hearts Best Customer Engagement Strategy - Silver CCG Hearts Best Use of User-Generated Content - Bronze One Beat, One World: Connecting Through the Drum 	Marketing-Interactive
Travellers' Choice 5 hotels	Tripadvisor
Weekend Weekly Dining Guide RÚ	Weekend Weekly Magazine

Sustainability Awards and Recognition - Excellence in Workplace

Awards or Certifications	Issuing Authorities
Construction Industry Safety Award Scheme 2023/2024: <ul style="list-style-type: none"> Building Sites (Private Sector) - Certificate of Good Performance ECHO HOUSE Safety Teams - Merit Award ECHO HOUSE 	Labour Department, Hong Kong SAR Government
Good MPF Employer Award 2023-24 <ul style="list-style-type: none"> Good MPF Employer 5 Years+ 	Mandatory Provident Fund Schemes Authority
Green Office and Eco-Healthy Workplace Awards Labelling Scheme Headquarters office	World Green Organisation
HKIHHRM HR Excellence Awards 2023/24 <ul style="list-style-type: none"> Best ESG Strategy - Elite Award Best Workplace Award - Excellence Award 	Hong Kong Institute of Human Resource Management
Hong Kong Outstanding OSH Employees Award 2024 <ul style="list-style-type: none"> One Hennessy 	Occupational Safety and Health Council
Occupational Health Award 2023-24: Joyful@Healthy Workplace Best Practices Award (Enterprise/Organisation Category) <ul style="list-style-type: none"> Merit Award ECHO HOUSE and Nina Tower 	Occupational Safety and Health Council
Partner Employer Award 2024	Hong Kong General Chamber of Small and Medium Business
The Hong Kong HR Award 2023/24 <ul style="list-style-type: none"> ESG Strategy Award Employer of the Year 	JobsDB
YETP The Most Improved Trainees Awards 2024 <ul style="list-style-type: none"> Caring Employer 	Labour Department, Hong Kong SAR Government

Charters, Pledges and Membership

Charters and Pledges	Organisations
4T Charter <ul style="list-style-type: none"> 10 managed properties 5 hotels and 2 residences 	Environment and Ecology Bureau and Electrical and Mechanical Services Department, Hong Kong SAR Government
Carbon Neutrality (Waste Reduction) Charter <ul style="list-style-type: none"> 3 managed properties 	Environmental Protection Department, Hong Kong SAR Government
Charter on External Lighting <ul style="list-style-type: none"> 11 managed properties 5 hotels and 1 residence 	Environment and Ecology Bureau, Hong Kong SAR Government
Cherish Water Charter ECH ₂ O (2022 - 2024) <ul style="list-style-type: none"> 4 hotels 	Water Supplies Department, Hong Kong SAR Government and Green Council
Energy Saving Charter <ul style="list-style-type: none"> 6 managed properties and headquarters office 5 hotels and 2 residences 	Electrical and Mechanical Services Department, Hong Kong SAR Government
Good Employer Charter 2024	Labour Department, Hong Kong SAR Government
Heart Caring Charter <ul style="list-style-type: none"> 2 managed properties 	Occupational Safety and Health Council
Joyful@Healthy Workplace <ul style="list-style-type: none"> 10 managed properties 	Occupational Safety and Health Council
Mental Health Workplace Charter <ul style="list-style-type: none"> 3 managed properties 	Occupational Safety and Health Council
The Racial Diversity and Inclusion Charter for Employers	Equal Opportunities Commission

Nature of Membership	Organisations
Ordinary Member	Asian Corporate Coalition for Climate Change Resilience
Council Member	Business Environment Council
Gold Member	Green Council
Real Estate Member	Global Real Estate Sustainability Benchmark
Member	Hong Kong General Chamber of Commerce
Platinum Patron Member	Hong Kong Green Building Council
Member	Hong Kong Hotels Association
Early Adopter	The Taskforce on Nature-related Financial Disclosures
Member Hotels	The Federation of Hong Kong Hotel Owners
Green Earth Companion (Sunlight)	The Green Earth
Member	The Hong Kong Green Finance Association
Gold Level Member	U.S. Green Building Council
Silver Member	World Wide Fund for Nature Hong Kong

HKEX ESG Reporting Code Content Index

Mandatory Disclosure Requirements	Reference Sections
Governance Structure	Governing Our Core Principles - Strengthening Our ESG Governance Structure
Reporting Principles	About This Report
Reporting Boundary	About This Report

Subject Areas, Aspects, General Disclosure and KPIs	Description	Reference Sections and Remarks
A. Environmental		
Aspect 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.	The Group has adopted the Climate Change Policy and Sustainability Policy. Protecting Our Planet Governing Our Core Principles - Strengthening Our ESG Governance Structure
KPI A1.1	The types of emissions and respective emissions data.	Appendices - Performance Data
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).	Protecting Our Planet - Speeding Up Green Transition Protecting Our Planet - Building Climate Resilience in Our Places Appendices - Performance Data
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendices - Performance Data
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendices - Performance Data
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Protecting Our Planet - Speeding Up Green Transition Protecting Our Planet - Building Climate Resilience in Our Places

Subject Areas, Aspects, General Disclosure and KPIs	Description	Reference Sections and Remarks
A. Environmental		
Aspect A1: Emissions	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.	All hazardous waste is recycled and handled by licensed contractors. Our business activities do not generate a significant amount of hazardous waste, so the handling and reduction of hazardous waste were not material to our operation. We are currently gathering essential information to formulate relevant non-hazardous waste reduction targets for future years. Protecting Our Planet - Speeding Up Green Transition Governing Our Core Principles - Striving Towards Our Annual Commitments
Aspect A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	The Group has adopted the Sustainability Policy, the Sustainable Procurement Policy and the Guidelines for Sustainable Design and Procurement. Protecting Our Planet Governing Our Core Principles - Strengthening Our ESG Governance Structure
KPI A2.1	Direct and/or indirect energy 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).	Protecting Our Planet - Speeding Up Green Transition Appendices - Performance Data
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Protecting Our Planet - Speeding Up Green Transition Appendices - Performance Data
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Protecting Our Planet - Speeding Up Green Transition Governing Our Core Principles - Striving Towards Our Annual Commitments
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.	The Group does not have any issue in sourcing water that is fit for purpose. Protecting Our Planet - Speeding Up Green Transition Governing Our Core Principles - Striving Towards Our Annual Commitments
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Packaging material usage is not material to our operations.

Subject Areas, Aspects, General Disclosure and KPIs	Description	Reference Sections and Remarks
A. Environmental		
Aspect A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources. Protecting Our Planet
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. Protecting Our Planet
Aspect 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. Protecting Our Planet - Speeding Up Green Transition Protecting Our Planet - Building Climate Resilience in Our Places
	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. Protecting Our Planet - Building Climate Resilience in Our Places
B. Social		
Aspect B1: Employment	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. The Group has adopted the Group Human Resources Management Policy, Staff Recruitment Policy, Performance Management Policy, Employment Termination Policy, Retirement Policy, Staff Reward and Grading Policy, and Occupational Health and Safety Policy. Thriving with Our Community and People
	KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region. Appendices - Performance Data The Group has started collecting data on workers who are not employees and expects to include it in the future Sustainability Report, contingent on the data meeting the required quality levels for disclosure.
	KPI B1.2	Employee turnover rate by gender, age group and geographical region. Appendices - Performance Data

Subject Areas, Aspects, General Disclosure and KPIs	Description	Reference Sections and Remarks
B. Social		
Aspect B2: Health and Safety	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 providing a safe working environment and protecting employees from occupational hazards. The Group has adopted the Occupational Health and Safety Policy. Thriving with Our Community and People - Safeguarding Health and Safety of Our Colleagues
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year. Appendices - Performance Data
	KPI B2.2	Lost days due to work injury. Appendices - Performance Data Thriving with Our Community and People - Safeguarding Health and Safety of Our Colleagues
Aspect B3: Development and Training	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored. Thriving with Our Community and People - Safeguarding Health and Safety of Our Colleagues
	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. The Group has adopted the Staff Learning and Development Policy. Thriving with Our Community and People - Fostering Continuous Growth and Development of Our Colleagues
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management). Appendices - Performance Data
KPI B3.2	The average training hours completed per employee by gender and employee category. Appendices - Performance Data Thriving with Our Community and People - Fostering Continuous Growth and Development of Our Colleagues	

Subject Areas, Aspects, General Disclosure and KPIs	Description	Reference Sections and Remarks
B. Social		
Aspect B4: Labour Standards	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 preventing child and forced labour.	The Group has adopted the Group Human Resources Management Policy, Staff Recruitment Policy and Employment Termination Policy. Thriving with Our Community and People Governing Our Core Principles - Governing a Sustainable Supply Chain
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	The Group strictly prohibits the employment of any child or forced labour. In our recruitment process, all candidates are required to provide their valid identification documents and all terms and conditions in the employment contract are clearly communicated with the candidate. Governing Our Core Principles - Governing a Sustainable Supply Chain
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	The Group strictly prohibits the employment of any child or forced labour. In our recruitment process, all candidates are required to provide their valid identification documents and all terms and conditions in the employment contract are clearly communicated with the candidate. In the Reporting Period, we are not aware of any violations regarding child or forced labour. The Group did not disclose relevant information regarding the description of steps taken to eliminate such practices when discovered. The Group will consider the feasibility of disclosing further information in the future. Governing Our Core Principles - Upholding Business Ethics and Integrity
Aspect B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	The Group has adopted the General Procurement Principles, Procurement Management Framework, and Sustainable Procurement Policy. Governing Our Core Principles - Governing a Sustainable Supply Chain
KPI B5.1	Number of suppliers by geographical region.	Governing Our Core Principles - Governing a Sustainable Supply Chain Appendices - Performance Data

Subject Areas, Aspects, General Disclosure and KPIs	Description	Reference Sections and Remarks
B. Social		
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.	Governing Our Core Principles - Governing a Sustainable Supply Chain
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Governing Our Core Principles - Governing a Sustainable Supply Chain
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Protecting Our Planet - Speeding Up Green Transition Governing Our Core Principles - Governing a Sustainable Supply Chain
Aspect 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.	The Group has adopted the Planning and Approval on Property Sales Policy, and the Statutory and Regulatory Compliance First-hand Residential Property Sales Policy. Labelling was not material to our business operations. Thriving with Our Community and People Enabling a Prosperous Tomorrow Governing Our Core Principles - Upholding Business Ethics and Integrity
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	There were no recalls of our products during the Reporting Period.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	We received 1,759 complaints during the Reporting Period. Nonetheless, all complaints are handled with the greatest care and patience, and we ensure every issue is resolved satisfactorily.
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Governing Our Core Principles - Upholding Business Ethics and Integrity
KPI B6.4	Description of quality assurance process and recall procedures.	Governing Our Core Principles - Upholding Business Ethics and Integrity
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Governing Our Core Principles - Upholding Business Ethics and Integrity

Subject Areas, Aspects, General Disclosure and KPIs

Description

Reference Sections and Remarks

B. Social

Aspect 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.	The Group has adopted the Anti-Money Laundering and Counter-Terrorist Financing Policy, Advantage and Entertainment Policy, Bribery and Illicit Advantage Policy, and the Whistle-blowing Policy. Governing Our Core Principles - Upholding Business Ethics and Integrity
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.	There were no concluded legal cases concluded legal cases during the Reporting Period. Governing Our Core Principles - Upholding Business Ethics and Integrity
KPI B7.2		Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Governing Our Core Principles - Upholding Business Ethics and Integrity The Group has adopted a Whistle-blowing Policy and Procedures, which outlines the guidelines and reporting channels for reporting any suspected misconduct, malpractice and irregularity within the Group. The Whistle-blowing Policy is incorporated into our Code of Conduct and Staff Handbook, which are provided to all employees. The reports made by whistleblowers will be reviewed preliminarily and the proper investigation or actions to be taken will be determined, depending on the nature of the issue reported. A registry is maintained to record and monitor reports submitted by whistleblowers.
KPI B7.3		Description of anti-corruption training provided to directors and staff.	Governing Our Core Principles - Upholding Business Ethics and Integrity Appendices - Performance Data The Group has started collecting this data for the members of the Executive Committee and expects to include it in a future Sustainability Report.
Aspect 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.	The Group has adopted the Donations and Non-Commercial Sponsorship Policy. Thriving with Our Community and People
KPI B8.1		Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Thriving with Our Community and People - Promoting Arts and Culture through Intergenerational Collaborations; Curating an Inclusive Community; Empowering Next Generation through Education and Nurturing
KPI B8.2		Resources contributed (e.g. money or time) to the focus area.	Thriving with Our Community and People - Promoting Arts and Culture through Intergenerational Collaborations; Curating an Inclusive Community; Empowering Next Generation through Education and Nurturing

GRI Content Index

Statement of Use	GRI 1 Used
Chinachem Group Holdings Limited has reported in accordance with the GRI Standards for the period 1 July 2023 to 30 June 2024	GRI 1: Foundation 2021

GRI Standard	GRI	Description	Reference Sections and Remarks
General Disclosures			
GRI 2: General Disclosures 2021	2-1	Organisational details	About Chinachem Group About This Report
	2-2	Entities included in the organisation's sustainability reporting	About This Report
	2-3	Reporting period, frequency and contact point	About This Report This Report was published online in March of 2025 and can be found on Chinachem Group's dedicated Sustainability Report website.
	2-4	Restatements of information	Appendices - Performance Data Restatements are articulated in relevant footnotes.
	2-5	External assurance	Appendices - Verification Statement
	2-6	Activities, value chain and other business relationships	About Chinachem Group About This Report Governing Our Core Principles - Governing a Sustainable Supply Chain
	2-7	Employees	Thriving with Our Community and People Appendices - Performance Data
	2-8	Workers who are not employees	The Group has started collecting this data and expects to include it in the future Sustainability Report, contingent on the data meeting the required quality levels for disclosure.
	2-9	Governance structure and composition	Governing Our Core Principles - Strengthening Our ESG Governance Structure Please refer to our corporate website for more details. Looking Ahead
	2-10	Nomination and selection of the highest governance body	Please refer to our corporate website for more details.
	2-11	Chair of the highest governance body	Please refer to our corporate website for more details.
	2-12	Role of the highest governance body in overseeing the management of impacts	Governing Our Core Principles - Strengthening Our ESG Governance Structure Please refer to our corporate website for more details.
	2-13	Delegation of responsibility for managing impacts	Governing Our Core Principles - Strengthening Our ESG Governance Structure Please refer to our corporate website for more details.

GRI Standard	GRI	Description	Reference Sections and Remarks
General Disclosures			
GRI 2: General Disclosures 2021	2-14	Role of the highest governance body in sustainability reporting	Governing Our Core Principles - Strengthening Our ESG Governance Structure Since 1 July 2024, the Report of the Group has to be approved by the Board.
	2-15	Conflicts of interest	Governing Our Core Principles - Upholding Business Ethics and Integrity The Group has adopted the Conflict of Interest Policy. Please refer to our corporate website for more details.
	2-16	Communication of critical concerns	Information not available. The Group will explore the feasibility of disclosing further information in the future.
	2-17	Collective knowledge of the highest governance body	Information not available. The Group will explore the feasibility of disclosing further information in the future.
	2-18	Evaluation of the performance of the highest governance body	Governing Our Core Principles Please refer to our corporate website for more details.
	2-19	Remuneration policies	Information not disclosed, the Group will explore the feasibility of disclosing further information in the future.
	2-20	Process to determine remuneration	Information not disclosed, the Group will explore the feasibility of disclosing further information in the future.
	2-21	Annual total compensation ratio	Information not disclosed, the Group will explore the feasibility of disclosing further information in the future.
	2-22	Statement on sustainable development strategy	Message from CEO
	2-23	Policy commitments	Governing Our Core Principles The Group will explore the feasibility of making the policies publicly available.
	2-24	Embedding policy commitments	Governing Our Core Principles The Group will explore the feasibility of making the policies publicly available.
	2-25	Processes to remediate negative impacts	Governing Our Core Principles - Strengthening Our ESG Governance Structure; Upholding Business Ethics and Integrity; Enhancing Risk Management and Internal Control
	2-26	Mechanisms for seeking advice and raising concerns	Governing Our Core Principles - Strengthening Our ESG Governance Structure; Upholding Business Ethics and Integrity; Enhancing Risk Management and Internal Control
	2-27	Compliance with laws and regulations	During the Reporting Period, the Group has not been subject to any significant fines or non-monetary sanctions due to non-compliance with relevant laws or regulations.
	2-28	Membership associations	Appendices - Charters, Pledges and Memberships
	2-29	Approach to stakeholder engagement	Governing Our Core Principles - Engaging Our Stakeholders and Assessing Double Materiality
2-30	Collective bargaining agreements	The Group does not involve in any collective bargaining agreements.	

GRI Standard	GRI	Description	Reference Sections and Remarks
Material Topics			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Governing Our Core Principles - Engaging Our Stakeholders and Assessing Double Materiality
	3-2	List of material topics	Governing Our Core Principles - Engaging Our Stakeholders and Assessing Double Materiality
Economic performance			
GRI 3: Material Topics 2021	3-3	Management of material topics	Information not disclosed, the Group will explore the feasibility of disclosing further information in the future.
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	About Chinachem Group Information is selectively disclosed due to confidentiality.
	201-2	Financial implications and other risks and opportunities due to climate change	Protecting Our Planet - Building Climate Resilience in Our Places
	201-3	Defined benefit plan obligations and other retirement plans	Information not available. The Group will explore the feasibility of disclosing further information in the future.
	201-4	Financial assistance received from government	Information not available. The Group will explore the feasibility of disclosing further information in the future.
Anti-Corruption			
GRI 3: Material Topics 2021	3-3	Management of material topics	Governing Our Core Principles
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Governing Our Values - Upholding Business Ethics and Integrity
			The Group did not disclose the total number and percentage of operations assessed for risks related to corruption, and the significant risks related to corruption identified through the risk assessment. The Group will consider the feasibility of disclosing further information in the future. Appendices - Performance Data
	205-2	Communication and training about anti-corruption policies and procedures	The Group did not disclose the number and percentage of governance body member and business partner who received training. The Group will consider the feasibility of disclosing further information in the future.
	205-3	Confirmed incidents of corruption and actions taken	Governing Our Values - Upholding Business Ethics and Integrity; Enhancing Risk Management and Internal Control

GRI Standard	GRI	Description	Reference Sections and Remarks
Energy			
GRI 3: Material Topics 2021	3-3	Management of material topics	Protecting Our Planet
GRI 302: Energy 2016	302-1	Energy consumption within organization	Protecting Our Planet - Speeding Up Green Transition Appendices - Performance Data
			Protecting Our Planet Appendices - Performance Data
	302-2	Energy consumption outside of the organisation	We have been collecting construction site energy consumption from contractors, conducting energy audit and data collection from tenants and keeping the enhancement on our data collection mechanism for future disclosures.
	302-3	Energy intensity	Appendices - Performance Data
	302-4	Reduction of energy consumption	The Group did not disclose the amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives. We will enhance our data collection mechanism for future disclosures.
302-5	Reductions in energy requirements of products and services	The Group did not disclose the amount of reductions in energy requirements of products and services. We will enhance our data collection mechanism for future disclosures.	
Water			
GRI 3: Material Topics 2021	3-3	Management of material topics	Protecting Our Planet
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Protecting Our Planet - Speeding Up Green Transition
	303-2	Management of water discharge-related impacts	Protecting Our Planet - Speeding Up Green Transition In this Report, this refers to the water sourced from municipal services for direct use in our operations. This includes water utilised for activities such as flushing, cleaning, and freshwater cooling towers. The primary source of water for our operations is municipal water supplies, which is provided by local water supply authority. We do not directly extract surface or groundwater. As a result, providing a detailed breakdown of water withdrawal by source (e.g. surface water, groundwater, etc.) is considered not applicable.
	303-3	Water withdrawal	Protecting Our Planet - Speeding Up Green Transition
	303-4	Water discharge	Protecting Our Planet - Speeding Up Green Transition Appendices - Performance Data
	303-5	Water consumption	Protecting Our Planet - Speeding Up Green Transition Appendices - Performance Data

GRI Standard	GRI	Description	Reference Sections and Remarks
Emissions			
GRI 3: Material Topics 2021	3-3	Management of material topics	Protecting Our Planet
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Protecting Our Planet - Speeding Up Green Transition Protecting Our Planet - Building Climate Resilience in Our Places Appendices - Performance Data Our selected base year for CCG 3050+ is in alignment with the SBTi criteria and has been validated by SBTi.
	305-2	Energy indirect (Scope 2) GHG emissions	Protecting Our Planet - Speeding Up Green Transition Protecting Our Planet - Building Climate Resilience in Our Places Appendices - Performance Data Our selected base year for CCG 3050+ is in alignment with the SBTi criteria and has been validated by SBTi.
	305-3	Other indirect (Scope 3) GHG emissions	Appendices - Performance Data Our selected base year for CCG 3050+ is in alignment with the SBTi criteria and has been validated by SBTi. Protecting Our Planet - Speeding Up Green Transition
	305-4	GHG emissions intensity	Protecting Our Planet - Building Climate Resilience in Our Places Appendices - Performance Data Protecting Our Planet - Speeding Up Green Transition
	305-5	Reduction of GHG emissions	Protecting Our Planet - Building Climate Resilience in Our Places Appendices - Performance Data Our selected base year for CCG 3050+ is in alignment with the SBTi criteria and has been validated by SBTi.
	305-6	Emissions of ozone-depleting substances (ODS)	Information not available. The Group will consider the feasibility of disclosing further information regarding emissions of ODS in the future.
	305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Appendices - Performance Data

GRI Standard	GRI	Description	Reference Sections and Remarks
Waste			
GRI 3: Material Topics 2021	3-3	Management of material topics	Protecting Our Planet
GRI 306: Waste 2020	306-1	Waste generation and significant waste -related impacts	Protecting Our Planet - Speeding Up Green Transition Protecting Our Planet - Innovating Green Building Design
	306-2	Management of significant waste-related impacts	Protecting Our Planet - Speeding Up Green Transition Protecting Our Planet - Innovating Green Building Design
	306-3	Waste generated	Appendices - Performance Data
	306-4	Waste diverted from disposal	Protecting Our Planet - Speeding Up Green Transition Appendices - Performance Data
	306-5	Waste directed to disposal	Appendices - Performance Data
Supplier Environmental Assessment			
GRI 3: Material Topics 2021	3-3	Management of material topics	Protecting Our Planet
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Appendices - Performance Data
	308-2	Negative environmental impacts in the supply chain and actions taken	The Group has started collecting this data and expects to include it in the future Sustainability Report, contingent on the data meeting the required quality levels for disclosure.
Employment			
GRI 3: Material Topics 2021	3-3	Management of material topics	Thriving with Our Community and People
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Appendices - Performance Data The data includes full-time employees only. The Group will consider the feasibility of disclosing further information for other employees in the future.
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Thriving with Our Community and People - Building a Supportive and Engaged Workplace
	401-3	Parental leave	Appendices - Performance Data

GRI Standard	GRI	Description	Reference Sections and Remarks
Occupational Health and Safety			
GRI 3: Material Topics 2021	3-3	Management of material topics	Thriving with Our Community and People
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Thriving with Our Community and People - Safeguarding Health and Safety of Our Colleagues
	403-2	Hazard identification, risk assessment, and incident investigation	Thriving with Our Community and People - Safeguarding Health and Safety of Our Colleagues
	403-3	Occupational health services	Thriving with Our Community and People - Safeguarding Health and Safety of Our Colleagues
	403-4	Worker participation, consultation, and communication on occupational health and safety	Thriving with Our Community and People - Safeguarding Health and Safety of Our Colleagues
	403-5	Worker training on occupational health and safety	Thriving with Our Community and People - Safeguarding Health and Safety of Our Colleagues
	403-6	Promotion of worker health	Thriving with Our Community and People - Safeguarding Health and Safety of Our Colleagues Thriving with Our Community and People - Building a Supportive and Engaged Workplace
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Thriving with Our Community and People - Safeguarding Health and Safety of Our Colleagues
	403-8	Workers covered by an occupational health and safety management system	Information not available. The Group will consider the feasibility of disclosing further information regarding workers covered by an occupational health and safety management system in the future.
	403-9	Work-related injuries	Appendices - Performance Data
	403-10	Work-related ill health	Appendices - Performance Data
Training and Education			
GRI 3: Material Topics 2021	3-3	Management of material topics	Thriving with Our Community and People
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Thriving with Our Community and People - Fostering Continuous Growth and Development of Our Colleagues Appendices - Performance Data
	404-2	Programmes for upgrading employee skills and transition assistance programmes	Thriving with Our Community and People - Fostering Continuous Growth and Development of Our Colleagues Appendices - Performance Data
	404-3	Percentage of colleagues receiving regular performance and career development reviews	The data includes full-time employees only. The Group will consider the feasibility of disclosing further information for other employees in the future.

GRI Standard	GRI	Description	Reference Sections and Remarks
Diversity and Equal Opportunity			
GRI 3: Material Topics 2021	3-3	Management of material topics	Thriving with Our Community and People
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Appendices - Performance Data Please refer to our corporate website for more details.
	405-2	Ratio of basic salary and remuneration of women to men	The same policy for remuneration and benefits, i.e. Staff Reward and Grading Policy, applies to all employees, irrespective of gender, religion, origin, age, disability or sexual orientation. The ratio of basic salary and remuneration of women to men is not disclosed due to confidentiality.
Non-discrimination			
GRI 3: Material Topics 2021	3-3	Management of material topics	Thriving with Our Community and People
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	There were no confirmed incidents or non-compliances or grievances during the Reporting Period Appendices - Performance Data
Child Labour			
GRI 3: Material Topics 2021	3-3	Management of material topics	Thriving with Our Community and People
GRI 408: Child Labour 2016	408-1	Operations and suppliers at significant risk for incidents of child labour	Governing Our Core Principles - Governing a Sustainable Supply Chain The Group strictly prohibits the employment of any child or forced labour. In our recruitment process, all candidates are required to provide their valid identification documents and all terms and conditions in the employment contract are clearly communicated with the candidate.

GRI Standard	GRI	Description	Reference Sections and Remarks
Forced or Compulsory Labour			
GRI 3: Material Topics 2021	3-3	Management of material topics	Thriving with Our Community and People
GRI 409: Forced or Compulsory Labour 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Governing Our Core Principles – Governing a Sustainable Supply Chain; Business Ethics and Integrity The Group's operation is not considered to have significant risk for incidents of forced or compulsory labour.
Local Communities			
GRI 3: Material Topics 2021	3-3	Management of material topics	Thriving with Our Community and People
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	Thriving with Our Community and People - Curating an Inclusive Community The Group did not publicly disclose the results of environmental and social impact assessments. We will explore the feasibility of disclosing relevant information in the future.
	413-2	Operations with significant actual and potential negative impacts on local communities	The Group is not aware of any operations with significant actual and potential negative impacts on local communities
Supplier Social Assessment			
GRI 3: Material Topics 2021	3-3	Management of material topics	Governing Our Core Principles – Governing a Sustainable Supply Chain
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Appendices - Performance Data
	414-2	Negative social impacts in the supply chain and actions taken	The Group has started collecting this data and expects to include it in a future Sustainability Report, contingent on the data meeting the required quality levels for disclosure.

GRI Standard	GRI	Description	Reference Sections and Remarks
Customer Health and Safety			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enabling a Prosperous Tomorrow
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Information not available. The Group will explore the feasibility of disclosing further information in the future.
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There were no confirmed incidents or non-compliances regarding the health and safety impacts of products and services during the Reporting Period.
Customer Privacy			
GRI 3: Material Topics 2021	3-3	Management of material topics	Governing Our Core Principles – Upholding Business Ethics and Integrity
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Governing Our Core Principles – Upholding Business Ethics and Integrity There were no confirmed incidents or non-compliances regarding breaches of customer privacy and losses of customer data during the Reporting Period.

ISSB Standards Content Index

IFRS S1 Content Index

The IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information ("IFRS S1") was introduced by the International Sustainability Standards Board ("ISSB") in June 2023. This introduction signifies a crucial turning point in the realm of sustainability disclosures within the global financial markets, enhancing the reliability and credibility of corporate sustainability information for investment decision-making. Our Group, as one of the pioneers in Hong Kong, now prepare our disclosure with reference to IFRS S1.

Paragraph	Description	Reference Sections and Remarks
Governance		
26	The objective of sustainability-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 sustainability-related risks and opportunities.	
27	To achieve this objective, an entity shall disclose information about: <ul style="list-style-type: none"> (a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of sustainability-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about: <ul style="list-style-type: none"> (i) how responsibilities for sustainability-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); (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 sustainability-related risks and opportunities; (iii) how and how often the body(s) or individual(s) is informed about sustainability-related risks and opportunities; (iv) how the body(s) or individual(s) takes into account sustainability-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 (v) how the body(s) or individual(s) oversees the setting of targets related to sustainability-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies. (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: <ul style="list-style-type: none"> (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 (ii) whether management uses controls and procedures to support the oversight of sustainability-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions. 	Governing Our Core Principles - Strengthening Our ESG Governance Structure; Enhancing Risk Management and Internal Control Protecting Our Planet - Building Climate Resilience in Our Places; Protecting Ecosystems - Our Commitment to Biodiversity Enhancement

Paragraph	Description	Reference Sections and Remarks
Strategy		
28	The objective of sustainability-related financial disclosures on strategy is to enable users of general purpose financial reports to understand an entity's strategy for managing sustainability-related risks and opportunities.	
29	Specifically, an entity shall disclose information to enable users of general purpose financial reports to understand: <ul style="list-style-type: none"> (a) the sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects; (b) the current and anticipated effects of those sustainability-related risks and opportunities on the entity's business model and value chain; (c) the effects of those sustainability-related risks and opportunities on the entity's strategy and decision-making; (d) the effects of those sustainability-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 sustainability-related risks and opportunities have been factored into the entity's financial planning; and (e) the resilience of the entity's strategy and its business model to those sustainability-related risks. 	Protecting Our Planet - Innovating Green Building Design; Speeding Up Green Transition; Building Climate Resilience in Our Places; Protecting Ecosystems - Our Commitment to Biodiversity Enhancement
Sustainability-related risks and opportunities		
30	An entity shall disclose information that enables users of general purpose financial reports to understand the sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall: <ul style="list-style-type: none"> (a) describe sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects; (b) specify the time horizons—short, medium or long term—over which the effects of each of those sustainability-related risks and opportunities could reasonably be expected to occur; and (c) 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. 	Protecting Our Planet - Building Climate Resilience in Our Places; Protecting Ecosystems - Our Commitment to Biodiversity Enhancement

Paragraph	Description	Reference Sections and Remarks
Business Model and Value Chain		
32	An entity shall disclose information that enables users of general purpose financial reports to understand the sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall:	
(a)	describe sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	Protecting Our Planet - Building Climate Resilience in Our Places; Protecting Ecosystems - Our Commitment to Biodiversity Enhancement
(b)	specify the time horizons—short, medium or long term—over which the effects of each of those sustainability-related risks and opportunities could reasonably be expected to occur; and	
(c)	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.	
Strategy and Decision-making		
33	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:	
(a)	how the entity has responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making;	Message from CEO
(b)	the progress against plans the entity has disclosed in previous reporting periods, including quantitative and qualitative information; and	Protecting Our Planet - Building Climate Resilience in Our Places; Protecting Ecosystems - Our Commitment to Biodiversity Enhancement
(c)	trade-offs between sustainability-related risks and opportunities that the entity considered (for example, in making a decision on the location of new operations, an entity might have considered the environmental impacts of those operations and the employment opportunities they would create in a community).	Governing Our Core Principles Enabling a Prosperous Tomorrow - Investing in Sustainability Looking Ahead

Paragraph	Description	Reference Sections and Remarks
Financial Position, Financial Performance and Cash Flows		
34	An entity shall disclose information that enables users of general purpose financial reports to understand:	
(a)	the effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects); and	Protecting Our Planet - Building Climate Resilience in Our Places; Protecting Ecosystems - Our Commitment to Biodiversity Enhancement
(b)	the anticipated effects of sustainability-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 sustainability-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	
35	Specifically, an entity shall disclose quantitative and qualitative information about:	
(a)	how sustainability-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	Protecting Our Planet - Building Climate Resilience in Our Places; Protecting Ecosystems - Our Commitment to Biodiversity Enhancement
(b)	the sustainability-related risks and opportunities identified in paragraph 35(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;	
(c)	how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities, taking into consideration: <ul style="list-style-type: none"> 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 ii. its planned sources of funding to implement its strategy; and 	Enabling a Prosperous Tomorrow - Investing in Sustainability
(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 sustainability-related risks and opportunities.	
Resilience		
41	An entity shall disclose information that enables users of general purpose financial reports to understand its capacity to adjust to the uncertainties arising from sustainability-related risks. An entity shall disclose a qualitative and, if applicable, quantitative assessment of the resilience of its strategy and business model in relation to its sustainability-related risks, including information about how the assessment was carried out and its time horizon. When providing quantitative information, an entity may disclose a single amount or a range	Protecting Our Planet - Building Climate Resilience in Our Places; Protecting Ecosystems - Our Commitment to Biodiversity Enhancement

Paragraph	Description	Reference Sections and Remarks
Risk Management		
43	The objective of sustainability-related financial disclosures on risk management is to enable users of general purpose financial reports:	
(a)	to understand an entity's processes to identify, assess, prioritise and monitor sustainability-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process; and	Protecting Our Planet - Building Climate Resilience in Our Places; Protecting Ecosystems - Our Commitment to Biodiversity Enhancement
(b)	to assess the entity's overall risk profile and its overall risk management process.	Governing Our Core Principles - Enhancing Risk Management and Internal Control
44	To achieve this objective an entity shall disclose information about:	
(a)	the processes and related policies the entity uses to identify, assess, prioritise and monitor sustainability-related risks, including information about:	Protecting Our Planet - Building Climate Resilience in Our Places; Protecting Ecosystems - Our Commitment to Biodiversity Enhancement
(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 scenario analysis to inform its identification of sustainability-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);	Governing Our Core Principles - Engaging Our Stakeholders and Assessing Double Materiality
(iv)	whether and how the entity prioritises sustainability-related risks relative to other types of risk;	
(v)	how the entity monitors sustainability-related risks; and	
(vi)	whether and how the entity has changed the processes it uses compared with the previous reporting period;	
(b)	the processes the entity uses to identify, assess, prioritise and monitor sustainability-related opportunities; and	Protecting Our Planet - Building Climate Resilience in Our Places; Protecting Ecosystems - Our Commitment to Biodiversity Enhancement
(c)	the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring sustainability-related risks and opportunities are integrated into and inform the entity's overall risk management process.	Protecting Our Planet - Building Climate Resilience in Our Places; Protecting Ecosystems - Our Commitment to Biodiversity Enhancement
Metrics and Targets		
45	The objective of sustainability-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 sustainability-related risks and opportunities, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.	
46	An entity shall disclose, for each sustainability-related risk and opportunity that could reasonably be expected to affect the entity's prospects:	
(a)	metrics required by an applicable IFRS Sustainability Disclosure Standard; and	Protecting Our Planet - Innovating Green Building Design; Speeding Up Green Transition; Building Climate Resilience in Our Places; Protecting Ecosystems - Our Commitment to Biodiversity Enhancement
(b)	metrics the entity uses to measure and monitor:	
(i)	that sustainability-related risk or opportunity; and	
(ii)	its performance in relation to that sustainability-related risk or opportunity, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.	Protecting Our Planet - Innovating Green Building Design; Speeding Up Green Transition; Building Climate Resilience in Our Places; Protecting Ecosystems - Our Commitment to Biodiversity Enhancement

Paragraph	Description	Reference Sections and Remarks
Metrics and Targets		
48	Metrics disclosed by an entity applying paragraphs 45-46 shall include metrics associated with particular business models, activities or other common features that characterise participation in an industry.	Feature Stories Protecting Our Planet - Innovating Green Building Design; Speeding Up Green Transition; Building Climate Resilience in Our Places; Protecting Ecosystems - Our Commitment to Biodiversity Enhancement Appendices - Performance Data
49	If an entity discloses a metric taken from a source other than IFRS Sustainability Disclosure Standards, the entity shall identify the source and the metric taken.	About This Report
50	If a metric has been developed by an entity, the entity shall disclose information about:	
(a)	how the metric is defined, including whether it is derived by adjusting a metric taken from a source other than IFRS Sustainability Disclosure Standards and, if so, which source and how the metric disclosed by the entity differs from the metric specified in that source;	We do not develop our own metrics; all the metrics featured in this Report align with the disclosure standards we reference to.
(b)	whether the metric is an absolute measure, a measure expressed in relation to another metric or a qualitative measure;	
(c)	whether the metric is validated by a third party and, if so, which party; and	
(d)	the method used to calculate the metric and the inputs to the calculation, including the limitations of the method used and the significant assumptions made.	
51	An entity shall disclose information about the targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation. For each target, the entity shall disclose:	
(a)	the metric used to set the target and to monitor progress towards reaching the target;	Protecting Our Planet - Speeding Up Green Transition; Building Climate Resilience in Our Places
(b)	the specific quantitative or qualitative target the entity has set or is required to meet;	
(c)	the period over which the target applies;	Governing Our Core Principles - Striving Towards Our Annual Commitments
(d)	the base period from which progress is measured;	
(e)	any milestones and interim targets;	
(f)	performance against each target and an analysis of trends or changes in the entity's performance; and	
(g)	any revisions to the target and an explanation for those revisions.	

IFRS S2 Content Index

The IFRS S2 Climate-related Disclosures ("IFRS S2") was introduced by the International Sustainability Standards Board ("ISSB") in June 2023. This introduction signifies a crucial turning point in the realm of sustainability disclosures within the global financial markets, enhancing the reliability and credibility of corporate sustainability information for investment decision-making. The Group, as one of the pioneers in Hong Kong, now prepare our disclosure with reference to IFRS S2.

Paragraph	Description	Reference Sections 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: <ul style="list-style-type: none"> (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: <ul style="list-style-type: none"> (i) how responsibilities for climate-related risks and opportunities are reflected in terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s); (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; (iii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities; (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 (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, including whether and how related performance metrics are included in remuneration policies. (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: <ul style="list-style-type: none"> (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 (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. 	Governing Our Core Principles - Strengthening Our ESG Governance Structure; Enhancing Risk Management and Internal Control Protecting Our Planet - Building Climate Resilience in Our Places

Paragraph	Description	Reference Sections and Remarks
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: <ul style="list-style-type: none"> (a) the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects; (b) the current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain; (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; (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; and (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. 	Protecting Our Planet - Innovating Green Building Design; Speeding Up Green Transition; Building Climate Resilience in Our Places
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: <ul style="list-style-type: none"> (a) describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects; (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; (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 (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. 	Protecting Our Planet - Building Climate Resilience in Our Places

Paragraph	Description	Reference Sections and Remarks
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:	
(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	Protecting Our Planet - Building Climate Resilience in Our Places
(b)	a description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated.	
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:	
(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:	Protecting Our Planet - Building Climate Resilience in Our Places Message from CEO
(i)	current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities;	Governing Our Core Principles
(ii)	current and anticipated direct mitigation and adaptation efforts;	
(iii)	current and anticipated indirect mitigation and adaptation efforts;	Looking Ahead
(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.	
(b)	information about how the entity is resourcing, and plans to resource, the activities disclosed.	
(c)	quantitative and qualitative information about the progress of plans disclosed in previous reporting periods.	
Financial Position, Financial Performance and Cash Flows		
15	An entity shall disclose information that enables users of general purpose financial reports to understand:	
(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	Protecting Our Planet - Building Climate Resilience in Our Places
(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).	

Paragraph	Description	Reference Sections and Remarks
Financial Position, Financial Performance and Cash Flows		
16	Specifically, an entity shall disclose quantitative and qualitative information about:	
(a)	how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	Protecting Our Planet - Building Climate Resilience in Our Places
(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;	Enabling a Prosperous Tomorrow - Investing in Sustainability
(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:	
(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	
(ii)	its planned sources of funding to implement its strategy; and	
(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).	
17	In providing quantitative information, an entity may disclose a single amount or a range.	
18	In preparing disclosures about the anticipated financial effects of a climate-related risk of a climate-related risk or opportunity, an entity shall:	
(a)	use all reasonable and supported information that is available to the entity at the reporting date without undue cost or effect; and	Protecting Our Planet - Building Climate Resilience in Our Places
(b)	use an approach that is commensurate with the skills, capabilities and resources that are available to the entity for preparing those disclosures.	
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. In providing quantitative information, the entity may disclose a single amount or a range. Specifically, the entity shall disclose:	
(a)	the entity's assessment of its climate resilience as of the reporting date, which shall enable users of general purpose financial reports to understand:	Protecting Our Planet - Building Climate Resilience in Our Places
(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;	
(ii)	the significant areas of uncertainty considered in the entity's assessment of its climate resilience;	
(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:	
(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	

Paragraph	Description	Reference Sections and Remarks	Paragraph	Description	Reference Sections and Remarks
Climate Resilience			Risk Management		
22	(b) how and when the climate-related scenario analysis was carried out, including: <ul style="list-style-type: none"> (i) information about the inputs the entity used, including: <ul style="list-style-type: none"> (1) which climate-related scenarios the entity used for the analysis and the sources of those scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the entity used, amongst its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) the time horizons the entity used in the analysis; and (7) what scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis); (ii) the key assumptions the entity made in the analysis, including assumptions about: <ul 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 (iii) the reporting period in which the climate-related scenario analysis was carried out (see paragraph B18). 	Protecting Our Planet - Building Climate Resilience in Our Places	25	(b) the processes the entity uses to identify, assess, prioritize 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 <ul style="list-style-type: none"> (c) the extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process. 	Protecting Our Planet - Building Climate Resilience in Our Places
Risk Management			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: <ul style="list-style-type: none"> (a) information relevant to the cross-industry metric categories; (b) industry-based metrics that are associated with particular business models, activities or other common features that characterize participation in an industry; and (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. 	Protecting Our Planet - Innovating Green Building Design; Speeding Up Green Transition; Building Climate Resilience in Our Places Appendices - Performance Data
Climate-related Metrics			Climate-related Metrics		
			29	An entity shall disclose information relevant to the cross-industry metric categories of: <ul style="list-style-type: none"> (a) greenhouse gases - the entity shall: <ul style="list-style-type: none"> (i) disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO₂ equivalent, classified as: <ul style="list-style-type: none"> (1) Scope 1 greenhouse gas emissions; (2) Scope 2 greenhouse gas emissions; and (3) Scope 3 greenhouse gas emissions; (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; 	Protecting Our Planet - Building Climate Resilience in Our Places Appendices - Performance Data Table
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, priorities 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: <ul style="list-style-type: none"> (a) the processes and related policies the entity uses to identify, assess, prioritize and monitor climate-related risks, including information about: <ul style="list-style-type: none"> (i) the inputs and parameters the entity uses; (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; (iv) whether and how the entity prioritizes 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; 	Protecting Our Planet - Building Climate Resilience in Our Places Governing Our Core Principles - Strengthening Our ESG Governance Structure; Enhancing Risk Management and Internal Control Governing Our Core Principles - Engaging Our Stakeholders and Assessing Double Materiality			

Paragraph	Description	Reference Sections and Remarks
Climate-related Metrics		
29	<p>(iii) disclose the approach it uses to measure its greenhouse gas emissions including:</p> <p>(1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions;</p> <p>(2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and</p> <p>(3) any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;</p> <p>(iv) for Scope 1 and Scope 2 greenhouse gas emissions disclosed, disaggregate emissions between:</p> <p>(1) the consolidated accounting group; and</p> <p>(2) other investees from paragraph 29(a)(iv)(1);</p> <p>(v) for Scope 2 greenhouse gas emissions disclosed from 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; and</p> <p>(vi) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(3), disclose:</p> <p>(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</p> <p>(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;</p>	<p>Protecting Our Planet - Building Climate Resilience in Our Places</p> <p>Appendices - Performance Data Table</p>
	(b) climate-related transition risks - the amount and percentage of assets or business activities vulnerable to climate-related transition risks;	
	(c) climate-related physical risks - the amount and percentage of assets or business activities vulnerable to climate-related physical risks;	
	(d) climate-related opportunities - the amount and percentage of assets or business activities aligned with climate-related opportunities;	
	(e) capital deployment - the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;	
	(f) internal carbon prices - the entity shall disclose:	
	(i) an explanation of whether and how the entity is applying a carbon price in decision-making; and	
	(ii) the price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions;	

Paragraph	Description	Reference Sections and Remarks
Climate-related Metrics		
29	<p>(g) remuneration - the entity shall disclose:</p> <p>(i) a description of whether and how climate-related considerations are factored into executive remuneration; and</p> <p>(ii) the percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations</p>	<p>Information not available. The Group will explore the feasibility of disclosing further information in the future.</p>
Climate-related Targets		
33	<p>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:</p> <p>(a) the metric used to set the target;</p> <p>(b) the objective of the target;</p> <p>(c) the part of the entity to which the target applies;</p> <p>(d) the period over which the target applies;</p> <p>(e) the base period from which progress is measured;</p> <p>(f) any milestones and interim targets;</p> <p>(g) if the target is quantitative, whether it is an absolute target or an intensity target; and</p> <p>(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.</p>	<p>Protecting Our Planet - Building Climate Resilience in Our Places</p>
34	<p>An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:</p> <p>(a) whether the target and the methodology for setting the target has been validated by a third party;</p> <p>(b) the entity's processes for reviewing the target;</p> <p>(c) the metrics used to monitor progress towards reaching the target; and</p> <p>(d) any revisions to the target and an explanation for those revisions.</p>	<p>Protecting Our Planet - Building Climate Resilience in Our Places</p>

Paragraph	Description	Reference Sections and Remarks
Climate-related Targets		
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.	Protecting Our Planet - Building Climate Resilience in Our Places
36	For each greenhouse gas emissions target disclosed, an entity shall disclose: <ul style="list-style-type: none"> (a) which greenhouse gases are covered by the target; (b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target; (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; (d) whether the target was derived using a sectoral decarbonization approach; (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: <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. 	Protecting Our Planet - Building Climate Resilience in Our Places We currently have not planned to purchase carbon credits to offset greenhouse gas emissions to achieve our target.

TNFD Content Index

Recommended Disclosure

Governance

Recommended Disclosure	Reference Sections and Remarks
a Describe the board's oversight of nature-related dependencies, impacts, risks and opportunities.	Protect Our Planet - Protecting Ecosystem - Our Commitment to Biodiversity Enhancement Governing Our Core Principles - Strengthening Our ESG Governance Structure
b Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities.	Protect Our Planet - Protecting Ecosystem - Our Commitment to Biodiversity Enhancement Governing Our Core Principles - Strengthening Our ESG Governance Structure
c Describe the organisation's human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organisation's assessment of, and response to, nature-related dependencies, impacts, risks and opportunities.	The Group will consider the feasibility of disclosing further information in the future.

Strategy

a Describe the nature-related dependencies, impacts, risks and opportunities the organisation has identified over the short, medium and long term.	Protect Our Planet - Protecting Ecosystem - Our Commitment to Biodiversity Enhancement
b Describe the effect nature-related dependencies, impacts, risks and opportunities have had on the organisation's business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place.	The Group is currently finalising the relevant findings and will consider the feasibility of disclosing further information in the future.

Recommended Disclosure

Strategy

Recommended Disclosure	Reference Sections and Remarks
c Describe the resilience of the organisation's strategy to nature-related risks and opportunities, taking into consideration different scenarios.	Protect Our Planet - Protecting Ecosystem - Our Commitment to Biodiversity Enhancement The Group is currently in the early phase of exploring nature-related issues and has not yet performed scenario analysis to assess associated risks and opportunities.
d Disclose the locations of assets and/or activities in the organisation's direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations.	The Group is currently finalising the relevant findings and will consider the feasibility of disclosing further information in the future.

Risk and Impact Management

a(i) Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its direct operations.	Protect Our Planet - Protecting Ecosystem - Our Commitment to Biodiversity Enhancement
a(ii) Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s).	Protect Our Planet - Protecting Ecosystem - Our Commitment to Biodiversity Enhancement
b Describe the organisation's processes for monitoring nature-related dependencies, impacts, risks and opportunities.	The Group is currently in the early phase of exploring adoption of nature-related metrics to monitor nature-related dependencies, impacts, risks and opportunities.

Recommended Disclosure

Risk and Impact Management

c Describe how processes for identifying, assessing, prioritising and monitoring nature-related risks are integrated into and inform the organisation's overall risk management processes.

Reference Sections and Remarks

Protect Our Planet – Protecting Ecosystem – Our Commitment to Biodiversity Enhancement

The Group is currently in the early phase of exploring how relevant processes are integrated into and inform the organisation's overall risk management processes.

Metrics and Targets

a Disclose the metrics used by the organisation to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.

The Group is currently finalising the relevant findings and will consider the feasibility of disclosing further information in the future.

b Disclose the metrics used by the organisation to assess and manage dependencies and impacts on nature.

The Group is currently in the early phase of exploring selection and adoption of metrics to assess and manage dependencies and impacts on nature.

c Describe the targets and goals used by the organisation to manage nature-related dependencies, impacts, risks and opportunities and its performance against these.

The Group is currently in the early phase of exploring selection and adoption of nature-related targets and goals.

TPT Content Index

The TPT Content Index is available in English only.

Principles	Recommended Disclosure	Reference Sections and Remarks
Ambition	1. Foundations	
	1.1 Strategic ambition An entity shall disclose the Strategic Ambition of its transition plan. This shall comprise the entity's objectives and priorities for responding and contributing to the transition towards a low-GHG emissions, climate-resilient economy, and set out whether and how the entity is pursuing these objectives and priorities in a manner that captures opportunities, avoids adverse impacts for stakeholders and society, and safeguards the natural environment.	Protecting Our Planet - Innovating Green Building Design; Speeding Up Green Transition; Building Climate Resilience in Our Places; Governing Our Core Principles - Striving Towards Our Annual Commitments
	1.2 Business model and value chain An entity shall disclose a description of the current and anticipated implications of the entity's Strategic Ambition on its business model and value chain.	Message from CEO Enabling a Prosperous Tomorrow Protecting Our Planet - Innovating Green Building Design; Speeding Up Green Transition; Building Climate Resilience in Our Places Looking Ahead
	1.3 Key assumptions and external factors An entity shall disclose key assumptions that it has made and external factors on which it depends in order to achieve the Strategic Ambition of its transition plan.	Protecting Our Planet - Speeding Up Green Transition
Action	2. Implementation Strategy	
	2.1 Business operations An entity shall disclose information about the short-, medium-, and long-term actions it is taking or plans to take in its business operations in order to achieve the Strategic Ambition of its transition plan.	Message from CEO Protecting Our Planet - Innovating Green Building Design; Speeding Up Green Transition Governing Our Core Principles - Governing a Sustainable Supply Chain; Striving Towards Our Annual Commitments Enabling a Prosperous Tomorrow - Investing in Sustainability Looking Ahead

Principles	Recommended Disclosure	Reference Sections and Remarks
	2.2 Products and services An entity shall disclose information about short-, medium-, and long-term actions it is taking or plans to take to change its portfolio of products and services in order to achieve the Strategic Ambition of its transition plan.	Protecting Our Planet - Innovating Green Building Design; Speeding Up Green Transition; Building Climate Resilience in Our Places Enabling a Prosperous Tomorrow - Investing in Sustainability
	2.3 Policies and conditions An entity shall disclose information about any policies and conditions that it uses or plans to use in order to achieve the Strategic Ambition of its transition plan.	Protecting Our Planet - Innovating Green Building Design; Speeding Up Green Transition; Building Climate Resilience in Our Places Governing Our Core Principles - Strengthening Our ESG Governance Structure
	2.4 Financial planning An entity shall, to the extent the financial effects of its transition plan are separately identifiable, disclose information about the effects of its transition plan on its financial position, financial performance and cash flows over the short-, medium-, and long-term, including information about how it is resourcing or plans to resource its activities in order to achieve the Strategic Ambition of its transition plan.	Enabling a Prosperous Tomorrow - Investing in Sustainability Protecting Our Planet - Building Climate Resilience in Our Places
	3. Engagement Strategy	
	3.1 Engagement with value chain An entity shall disclose information about any engagement activities with other entities in its value chain that it is undertaking or plans to undertake in order to achieve the Strategic Ambition of its transition plan.	Feature stories - Green Tenancy: Partnering with Tenants to Drive Changes Protecting Our Planet - Promoting Sustainability with Our Stakeholders
	3.2 Engagement with industry An entity shall disclose information about any engagement and collaborative activities with industry counterparts (and other relevant initiatives or entities) that it is undertaking or plans to undertake in order to achieve the Strategic Ambition of its transition plan.	Protecting Our Planet - Innovating Green Building Design; Speeding Up Green Transition; Promoting Sustainability with Our Stakeholders Appendices - Charters, Pledges and Membership

Principles	Recommended Disclosure	Reference Sections and Remarks
	3.3 Engagement with government, public sector and civil society An entity shall disclose information about any direct and indirect engagement activities with the government, regulators, public sector organisations, communities, and civil society that it is undertaking or plans to undertake in order to achieve the Strategic Ambition of its transition plan.	Protecting Our Planet - Promoting Sustainability with Our Stakeholders Appendices - Charters, Pledges and Membership
Accountability	4. Metrics and Targets	
	4.1 Governance, business and operational metrics and targets An entity shall disclose information about the governance, engagement, business and operational metrics and targets that it uses in order to drive and monitor progress towards the Strategic Ambition of its transition plan, and report against these metrics and targets on at least an annual basis.	Protecting Our Planet - Building Climate Resilience in Our Places Governing Our Core Principles - Striving Towards Our Annual Commitments
	4.2 Financial metrics and targets An entity shall disclose information about any financial metrics and targets, relevant to its business, sector, and strategy, that it uses in order to drive and monitor progress towards the Strategic Ambition of its transition plan, and report against these metrics and targets on at least an annual basis.	Protecting Our Planet - Building Climate Resilience in Our Places Governing Our Core Principles - Striving Towards Our Annual Commitments
	4.3 GHG metrics and targets An entity shall disclose information about the GHG emissions and removals metrics and targets that it uses in order to drive and monitor progress towards the Strategic Ambition of its transition plan, and report against these metrics and targets on at least an annual basis.	Message From CEO Protecting Our Planet - Speeding Up Green Transition
	4.4 Carbon credits An entity shall disclose information about how it uses or plans to use carbon credits to achieve the Strategic Ambition of its transition plan, and report on the use of carbon credits on at least an annual basis.	Protecting Our Planet - Building Climate Resilience in Our Places We currently have not planned to purchase carbon credits to offset greenhouse gas emissions to achieve our target.

Principles	Recommended Disclosure	Reference Sections and Remarks
	5. Governance	
	5.1 Board oversight and reporting An entity shall disclose information about the governance body(s) (which can include a board, committee, or equivalent body charged with governance) or individual(s) responsible for oversight of the transition plan.	Protecting Our Planet - Building Climate Resilience in Our Places Governing Our Core Principles - Strengthening Our ESG Governance Structure
	5.2 Roles, responsibility and accountability An entity shall disclose information about management's role in the governance processes, controls, and procedures used to monitor, manage, and oversee the transition plan, as well as how it is embedded within the entity's wider control, review, and accountability mechanisms.	Protecting Our Planet - Building Climate Resilience in Our Places Governing Our Core Principles - Strengthening Our ESG Governance Structure
	5.3 Culture An entity shall disclose information about how it aligns or plans to align its culture with the Strategic Ambition of its transition plan.	About Chinachem Group Our Sustainability Strategy and Journey - Our Sustainability Strategy Governing Our Core Principles - Striving Towards Our Annual Commitments
	5.4 Incentives and remuneration An entity shall disclose information about how it aligns or plans to align its incentive and remuneration structures with the Strategic Ambition of its transition plan.	Governing Our Core Principles - Striving Towards Our Annual Commitments
	5.5 Skills, competencies and training An entity shall disclose information about actions it is taking or plans to take to assess, maintain, and build the appropriate skills, competencies, and knowledge across the organisation in order to achieve the Strategic Ambition of its transition plan.	Thriving with Our Community and People - Fostering Continuous Growth and Development of Our Colleagues

Verification Statement

Scope and Objective

Hong Kong Quality Assurance Agency (“HKQAA”) was commissioned by Chinachem Group (“the Group”) to conduct an independent verification for its sustainability disclosures stated in its Sustainability Report 2023 - 2024 (“the Report”). The sustainability disclosures covered the period from 1 July 2023 to 30 June 2024 and represented the sustainability performance of the Group.

The objective of this verification is to provide an independent opinion with a reasonable level of assurance on whether the selected disclosures are prepared in accordance with the following reporting criteria:

- the Environmental, Social and Governance Reporting Guide (“ESG Guide”), set out in Appendix C2 of the Listing Rules of The Stock Exchange of Hong Kong Limited (version effective from 31 December 2023, which remains applicable to annual reports for financial years commencing before 1 January 2025).
- the Global Reporting Initiative’s Sustainability Reporting Standards (“GRI Standards”)

The verification team also reviewed the disclosures in the Report by making reference to the following disclosure frameworks, as the Report has been prepared with references to:

- Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)
- Recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD)
- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1)
- IFRS S2 Climate-related Disclosures (IFRS S2)
- The Transition Plan Taskforce Disclosure Framework (TPT Disclosure Framework)



Level of Assurance and Methodology

HKQAA’s verification procedure has been conducted with reference to the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (“ISAE 3000”) issued by the International Auditing and Assurance Standards Board. The evidence gathering process was designed to obtain a reasonable level of assurance as set out in the ISAE 3000 by using a risk-based approach.

Our verification procedure included, but not limited to:

- Sampling the sustainability information stated in the Report, e.g. claims and performance data for detail verification;
- Verifying the raw data and supporting information of the selected samples of the sustainability information;
- Interviewing responsible personnel; and
- Checking the internal control mechanism

Roles and Responsibilities

The Group is responsible for the organisation’s information system, the development and maintenance of records and reporting procedures in accordance with the system, including the calculation and determination of sustainability information and performance. HKQAA verification team is responsible for providing an independent verification opinion on the sustainability disclosures provided by the Group for the reporting period. The verification was based on the verification scope, objectives and criteria as agreed between the the Group and HKQAA.

Independence

HKQAA did not involve in collecting and calculating data or compiling the reporting contents. Our verification activities were entirely independent and there was no relationship between HKQAA and the Group that would affect the impartiality of the verification.

Limitation and Exclusion

The following limitations and exclusions were applied to this verification due to the service scope, nature of verification criteria, and characteristics of the verification methodology.

- I. Our verification scope is limited to verifying the transcription/transformation of the raw data or information to the disclosed Sustainability Information, e.g., Claims and Performance Data stated in the Report. This Sustainability Information may be subject to inherent uncertainty.
- II. Evaluating the quality of execution and implementation effectiveness of the ESG practices, the appropriateness of the assumptions made, and the estimation techniques applied are outside the scope of our verification.
- III. The verification of raw data or information is based on the use of a sampling approach and reliance on the client's representation. As a result, errors or irregularities may occur and remain undetected.
- IV. Any information outside the established verification period has been excluded.

Conclusion

Based on the evidence obtained and the results of the verification process, it is the opinion of the verification team that, with a reasonable level of assurance, the report has been prepared, in all material respects, in accordance with the ESG Guide set out in Appendix C2 of the Listing Rules of The Stock Exchange of Hong Kong Limited (former version, which remains applicable to annual reports for financial years commencing before 1 January 2025) and GRI standards.

In addition, the verification team considered that the Report has been prepared by making reference to the contents or parts of the contents of the TCFD, TNFD, IFRS S1, IFRS S2, and the TPT disclosure frameworks.

Signed on behalf of Hong Kong Quality Assurance Agency



KT Ting
Chief Operating Officer
March 2025
Ref: 14949717-VER



CHINACHEM GROUP

華懋集團