

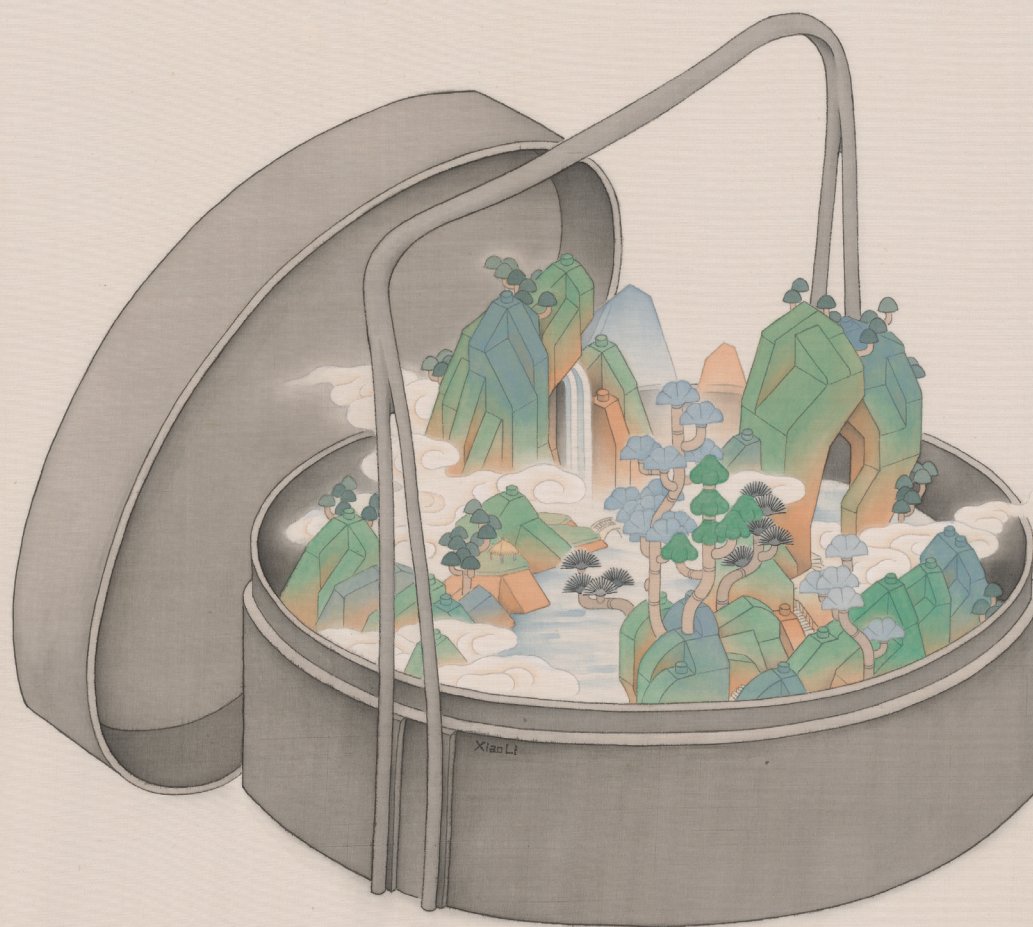


CHINACHEM GROUP

華懋集團

SUSTAINABILITY REPORT

2022-2023





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Artist Credit (Cover Page): Zhang Xiaoli





# Sustainability Performance at a Glance

## People



**77,351 hours**

Of training provided

**42%**

Of managerial positions  
held by women

**>12 million**

In donations (HKD)

**~903 hours**

Of volunteer services  
provided, recorded a 112%  
increase<sup>1</sup>

**10 organisers**

Received support on  
community activities

## Prosperity



**19 solutions**

Tested in Cohort 1 & 2 with 17 tech  
ventures supported through CCG  
Accel – Powered by HKSTP

**~4.3 billion**

In revenue (HKD)

**58%**

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

**~4.8 billion**

In green loans secured in  
FY2022/23 (HKD)

**2 buildings**

Acquired in London with high  
sustainability performance

## Planet



**1st**

Hong Kong's zero-carbon chiller  
system at Nina Tower

**1,174 tonnes**

Absolute Scope 1 and 2 GHG  
emission reduction<sup>1</sup>

**23%**

Reduction in 2022's carbon  
intensity from a 2020 base year

**6.7%**

Reduction in water intensity<sup>1</sup>

**29 buildings with**

BEAM Plus / LEED / WELL  
Certifications<sup>2</sup> obtained

## Governance



**79%**

Of annual sustainability  
commitments achieved

**>12,600**

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

**4-star**

In Global Real Estate Sustainability  
Benchmark ("GRESB") 2023

**B**

In CDP's Climate Change  
Assessment (2022 and 2023)



<sup>1</sup> Compared to previous fiscal year

<sup>2</sup> Covers the number of Provisional Assessment and Final Assessment certificates for both New Buildings and Existing Buildings as at 30 June 2023.



# Message From CEO



## Dear Stakeholders,

In response to the ever-changing social needs and the long-term effects of climate change, we maintain our dedicated commitment to creating improved and highly liveable spaces while serving the community with a focus on the Triple Bottom Line: People, Prosperity and Planet. With the proactive mindset of our team members, we have expedited the integration of sustainability principles across all aspects of our operations, resulting in a multitude of accomplishments.

During the FY2022/23, we intensified our efforts to revitalise communities and promote conservation. We are pleased to announce the successful renovation of Nina Park, which now showcases a captivating wood fossil exhibition. This initiative exemplifies our commitment to preserving and valuing natural resources, while creating an engaging and educational experience for visitors of all ages. Furthermore, we have undertaken the transformation of 100 rooms at Nina Hotel Tsuen Wan West into a Youth Hostel, providing a warm and inviting space for the young adults of Hong Kong. This endeavour reflects our dedication to supporting the needs of the community and fostering a vibrant environment for the city's youth. Amidst the ongoing recovery from the impacts of COVID-19, we collaborated with the Hong Kong Chinese Orchestra to organise "One Beat, One World: Connecting Through the Drum." This event successfully brought together the 18 districts, communities and schools of Hong Kong, uniting people through the universal language of music and facilitating cultural exchange. Moving forward, we plan to host more concerts in the coming years,

further nurturing a sense of unity and promoting cultural appreciation throughout our society.

The pressing challenge of climate change demands immediate action, as its impact is already being felt. To contribute to climate change mitigation, we have been actively working towards reducing carbon emissions resulting from our business operations. In line with this commitment, we have entered a partnership with a leading integrated energy company for a 20-year Build-Own-Operate-Transfer ("BOOT") agreement to introduce Hong Kong's inaugural zero-carbon chiller system at Nina Tower, to provide energy-efficient air conditioning service for the entire complex while significantly reduced carbon emissions using cutting-edge Artificial Intelligence technologies. This year, our focus remains on aligning with the Chinachem Group Carbon Reduction Roadmap - CCG 3050+. This roadmap demonstrates our strong commitment to reducing carbon intensity by 51.8% by 2030, and compared to the base year of 2020, we have reached a 23% carbon intensity reduction in 2022. In addition, we have placed extra emphasis on achieving the Science Based Targets initiative ("SBTi") targets, which align with the 1.5°C global warming scenario. By striving to meet these targets, we are actively working towards a more sustainable and low-carbon future.

In our pursuit of sustainability, we are dedicated to expanding our business landscape beyond traditional boundaries. This entails venturing into sectors such as healthcare, elderly care, green data centres and

logistics, with the goal of contributing to the economic prosperity of our region. As we reflect on these achievements, we remain steadfast in our pursuit of sustainable practices and responsible business operations. We are dedicated to creating positive impacts for our stakeholders, the environment and the communities we serve.

I would like to express my gratitude to our colleagues, partners and stakeholders for their unwavering support and commitment to our shared sustainability goals. Together, we will continue to drive positive change, foster innovation and create a better future for all.



**Ar. Donald CHOI, JP**  
Executive Director and  
Chief Executive Officer  
Chinachem Group  
March 2024



# About Chinachem Group

Chinachem Group Holdings Limited (known as Chinachem Group, or the "Group"), headquartered in Hong Kong, is one of the largest private property developers rooted in Hong Kong, with a rich heritage in real estate dating back to the 1960s. Our loyal commitment has always revolved around the creation of "Places with Heart," and our mission has been to build a liveable and sustainable community for all of our stakeholders in Hong Kong and around the world. Our extensive portfolio encompasses a diverse range of properties, including residential buildings, office spaces, industrial facilities, hotels, shopping malls, mixed-use developments and movie theatres located in Hong Kong and the United Kingdom. It holds in its heart a promise to improve the lives of those it touches, by always aligning profit with our purpose, and creating value that will benefit the surrounding communities.

## Property Investment and Property Development

Consisting of a wide range of properties, including commercial, retail, residential and industrial assets. Notable projects include Nina Tower, One Hennessy, One and Two Chinachem Central and Shun Fook Barn.

## Healthcare and Elderly Care Business

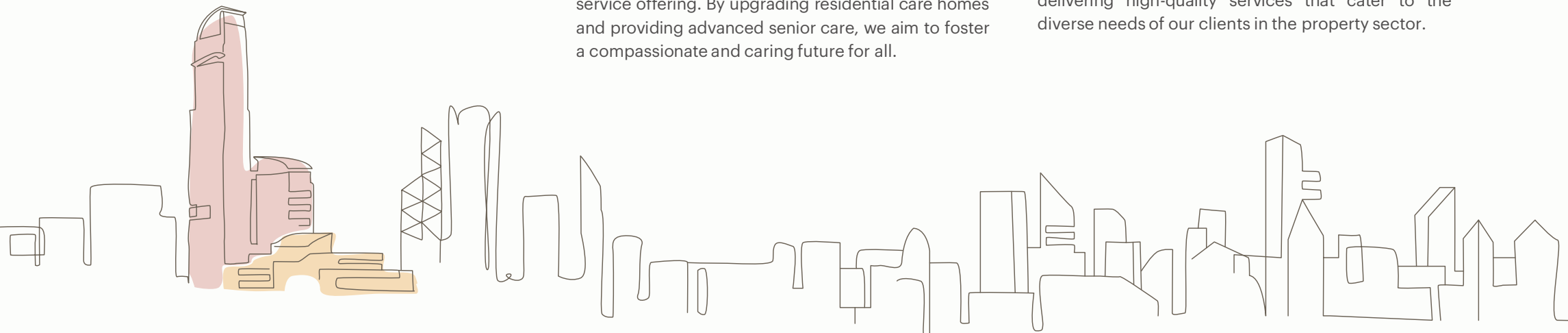
The Group offers personalised and high-quality elderly care services for a liveable intergenerational community. In 2022, the Group gained majority control over Pine Care Group, and this strategic acquisition opened a new chapter in our elderly care service offering. By upgrading residential care homes and providing advanced senior care, we aim to foster a compassionate and caring future for all.

## Hospitality

Nina Hospitality, a subsidiary of the Group, specialises in operating and managing a portfolio of hotels and serviced apartments. Our branded properties, Nina and Lodgewood, range from midscale to upper upscale, connecting guests with the distinctive vibes and culture of the surrounding community, while providing an entertaining, authentic and delightful experience that goes beyond the ordinary.

## Property Services

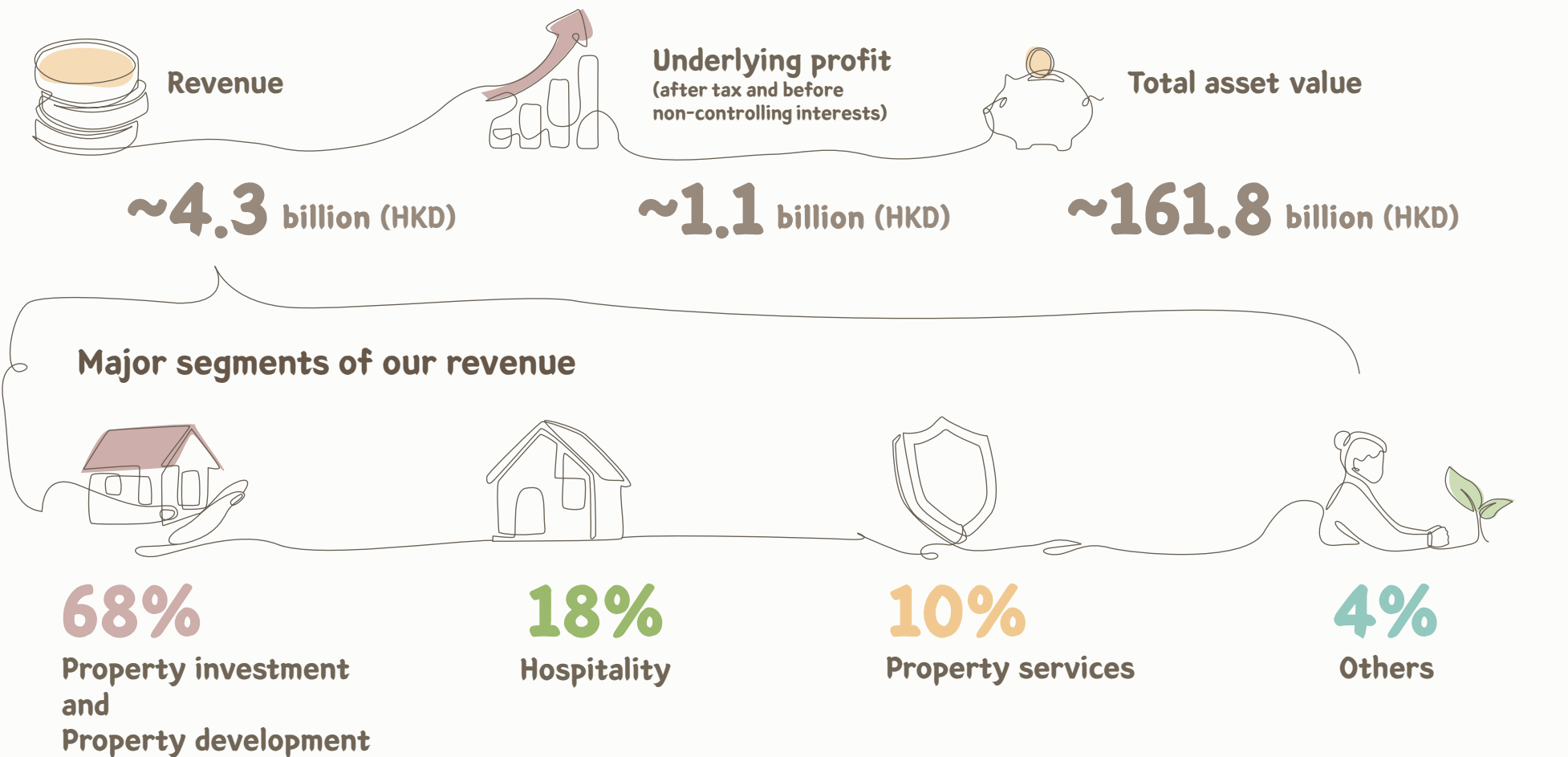
The Group offers an extensive array of top-notch property services, encompassing facility management, cleaning solutions, security services, as well as comprehensive installation, repair and maintenance operations. We are dedicated to delivering high-quality services that cater to the diverse needs of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





By leveraging our extensive expertise in developing and managing a diverse range of assets, the Group has significantly improved the performance of its portfolio and reinforced its recurring income streams.

Under our commitment to 3Ps (People, Prosperity and Planet), the Group has been treating all social, environmental and economic considerations equally. We prioritise environmentally and socially responsible decision-making to ensure that every choice we make aligns with our commitment to the well-being of our stakeholders and the sustainability of the planet, and has positive impacts on all Ps.





# Our Journey, Our Sustainability Strategy

## Value Creation Through 3Ps — People, Prosperity and Planet

The Group is dedicated to positively impacting society by adhering to the Triple Bottom Line. Sustainability is fundamental to our business, and we create places where people can live, work and play while benefiting from our commitment to 3Ps - **People, Prosperity** and **Planet**. 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.

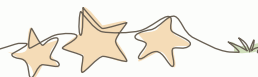
### People



Working together with colleagues, customers and other stakeholders to accomplish our sustainability vision and build positivity in the communities we serve.

- Valuing and empowering our people
- Integrating Diversity, Equity and Inclusion into our culture and services
- Providing support and assistance to marginalised and vulnerable groups within society
- Enhancing the quality of life for the elderly, promoting their happiness and well-being
- Inspiring and fostering the next generation

### Prosperity



Shaping a prosperous future focusing on technology innovation and sustainable investment.

- Expediting the advancement and widespread adoption of innovative solutions, strengthening our ability to adapt to future challenges and opportunities
- Merging of Environmental, Social and Governance ("ESG") factors into our decision-making processes to ensure meaningful and sustainable investments



### Planet



Minimising our impact on the environment and doing our part in tackling challenges that the planet is facing.

- Adopting responsible practices for ethical and sustainable material sourcing
- Taking environmental considerations and long-term sustainability into account when designing and developing our projects
- Minimising resource consumption in both our development and operations to reduce our environmental footprint and promote resource efficiency
- Evolving our strategies and measures to enhance our climate resilience

## 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
- 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 its sustainability performance during the FY2019/20

### 2021



- 1st real estate developer in Hong Kong to introduce concrete modular integrated construction ("MiC") in a private residential project.
- 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
- Signed a Memorandum of Understanding ("MoU") to foster collaboration on Healthcare Facilities Management

### 2022



- 2nd real estate developer in Hong Kong to receive SBTi validation with a 1.5°C-aligned target
- Funded the renovation and expansion of the Asia Art Archive Library and renamed it "CCG Library"
- Signed an MoU to foster industry-academic collaboration for the sustainable future of the Greater Bay Area
- Signed two sustainability-linked loan agreements, totaling \$2 billion (HKD)

### 2023



- Partnered with a local energy provider for a 20-year Build-Own-Operate-Transfer ("BOOT")
- Diversified our global portfolio by acquiring Kaleidoscope and One New Street Square, in London, UK, the two flagship green buildings in the city
- Converted 100 rooms in Nina Hotel Tsuen Wan West into youth hostel spaces
- Established a new brand, "CCG Healthcare", to enhance services for the elderly community



## Feature stories

# Leading by Example: Hong Kong's First Zero-Carbon Chiller System Project

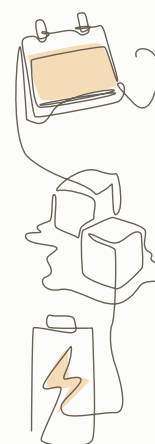


The real estate sector is one of the largest carbon emitters in the world. We are well aware that decarbonising our buildings is necessary to stop the escalation of climate change. This is why we are eager to lead changes in how developers reduce emissions and accelerate our climate transition through collaborating with other sustainability leaders. During the Reporting Period, we partnered with the local energy provider for a 20-year BOOT agreement to introduce Hong Kong's inaugural zero-carbon chiller system at Nina Tower, the tallest structure in the New Territories. The advanced water-cooled air conditioning system, featuring cutting-edge Artificial Intelligence ("AI") management, real-time monitoring and round-the-clock onsite maintenance, provides energy-efficient air conditioning service for the entire complex while significantly reducing carbon emissions. While this collaboration propels the city's sustainability effort to new heights, it also provides us with a new, effective way to mitigate our impact on climate with the help of building innovation.

As part of the agreement, the electricity consumed by the chiller plants at Nina Tower will be matched by an equivalent amount of Green Electricity Certificates linked to renewable energy projects in Mainland China. This makes Nina Tower the first zero-carbon chiller system in Hong Kong, and it aligns with our Carbon Reduction Roadmap – CCG 3050+, which outlines our unwavering commitment to reducing carbon emissions.



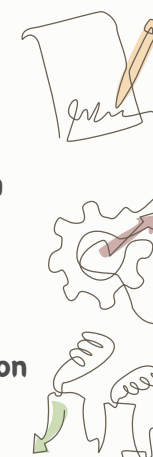
## Key features of the zero-carbon chiller system



Providing reliable and energy efficient cooling for **20 years**

Containing a maximum capacity of **9,300** refrigeration tonnes

Achieving over **50%** electricity consumption reduction over the existing system



Supported by **Green Electricity Certificates** issued by a local energy provider

Optimised operation efficiency with **24/7** and **AI-based** chiller optimisation solution

Reducing **7,000** tonnes of carbon emission annually

## Feature stories

# One Beat, One World: Connecting Through the Drum



In 2023, as the world sought healing from the global health crisis, we collaborated with the Hong Kong Chinese Orchestra ("HKCO") to present a series of drumming events called "One Beat, One World: Connecting Through the Drum" to instil positivity and connectivity within the community and spread joy across 18 districts.

The "One Beat, One World: Connecting Through the Drum" programme consisted of a series of public drumming activities in various forms. These included an online #DrumChallenge, performance by world drumming teams, percussion workshops at Central Market and NINA MALL and a Music Wellness Workshop at Nina Hotel Tsuen Wan West.

Additionally, over 900 community members from different backgrounds have participated in the "Connecting the community through drumming" training. Led by HKCO's musicians, participants were guided through the drumming experience, creating a collective memory of this unique event and sharing joy within the community.

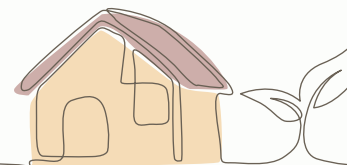
Furthermore, the upcoming "One Beat, One World" carnival and concert will be held both over the Internet and in person in the West Kowloon Cultural District. This drum-fest allows participants and drum performers from different parts of the world to converge in a celebration of music and community.

As the drumming continues, so does our commitment to a sustainable future, where every initiative we undertake is a step towards a more inclusive, prosperous and resilient society.





## Feature stories

Home<sup>2</sup> Youth Hostel Programme

The Group has been a strong believer in our youth, who will be the leaders and change-makers of the future. We strive to provide all possible support for youth and generate a future where youth can thrive with confidence. Nina Hospitality, in response to the Youth Development Blueprint—Youth Hostel Programme launched by the Hong Kong SAR Government, has established a 5-year collaboration with Y.Elite Association to launch and operate the Home<sup>2</sup> Youth Hostel project, as we are eager to be part of the residing youth' life journeys, and provide them with our care and support. The project also aligned with our commitment to 3Ps, which is to actively support our community through diverse initiatives, particularly those focused on society and youth development.

Nina Hotel Tsuen Wan West will undergo a transformation by converting 100 rooms in Tower 1 into up to 200 well-equipped hostel spaces. The newly renovated rooms will offer single or double beds, along with essential amenities such as water, electricity, Wi-Fi and housekeeping services. The rent will be significantly lower than the prevailing rates in the area, making it an ideal option for youth. With an average size of approximately 31 square meters, these hostel spaces will provide youth with ample room to enjoy a comfortable and spacious living experience. We plan to turn the hotel into a dynamic and energetic living base for our young guests to focus on their self-development, pursue their dreams and build a better future.



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## Feature stories

# Nina Park: The Urban Park with The Largest Wood Fossil Collection in Asia

In the bustling metropolis of Hong Kong, a new chapter in urban sustainability is unfolding at Nina Park. Nina Park is our second “Playground for All” project, which has been renovated to provide visitors with an engaging and refreshing experience. This Hong Kong's first and only wood fossil park spans approximately 70,000 square feet and features an extraordinary collection of museum-grade wood fossils with millions of years of history. Designed to be an “edutainment” park, this exciting landmark aims to engage visitors in a journey to the Earth's past and provide a new way to experience nature and sustainability through actively learning and enjoying all of the park's green features.

Nina Park's renovation represents a new chapter in urban recreation where the past and future co-exist. The Park will be transformed into an urban park where visitors can connect with nature, reflect on our planet's history and enjoy the benefits of a space designed with the well-being of People, Prosperity and Planet in mind. Closed for renovation during the Reporting Period, Nina Park is set to reopen its gates to the public in December 2023.





## Green and Tech @ Nina Park

The renovation of Nina Park is guided by our commitment to 3Ps. Our proactive approach towards sustainability is reflected in the new design of Nina Park, equipped with a range of green and intelligent features.

### Renewable Energy Integration

Multiple solar panels have been installed to generate approximately 102,518 kWh of electricity annually, equivalent to 26% of Nina Park's overall annual electricity consumption.

### Water Conservation Innovation

By implementing the sponge park concept, the park's rainwater harvesting system can capture and reuse rainwater for irrigation and waterscape.

### Green Concrete

Green concrete, which has a lower carbon footprint and is certified by CIC Green Product Certification, has been extensively deployed, resulting in a significant reduction of 260 tonnes in carbon emissions.



### Harnessing the Wind

The two-storey Wood Fossil Experience Centre is incorporated with a wind catcher that harnesses the prevailing southwest summer wind and the easterly wind for natural ventilation.

### Solar Radiation Control

Opting for green roofs and light-coloured surfaces with high reflectance is an effective way to minimise heat absorption and create a cooler and more enjoyable environment.

### Green Construction Practices

Electric-powered construction equipment including the cherry picker, spider crane and demolition robot, has been utilised to reduce the project's carbon footprint. Techniques, like prefabricated steel and Design for Manufacturing and Assembly ("DfMA"), have been employed to accelerate the building process, ensuring minimal on-site waste generation.



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## Feature stories

# Chinachem Group Sustainability Conference 2022



While we are leading changes internally in our organisation, we also hope to ignite changes in thoughts and actions on sustainability in the community. Our annual Chinachem Group Sustainability Conference is one of our initiatives where we take sustainability leadership and accelerate society's transition to a sustainable future, especially in the real estate industry. The 3rd Chinachem Group Sustainability Conference, themed "Creating Social Impact on the Zero Carbon Journey in Hong Kong", was successfully concluded on 24 October 2022. We invited 15 distinguished speakers from various sectors, including government, academia, architectural bodies, technology and finance, who graciously shared their valuable experiences and insights with over 1,700 participants, both online and offline.

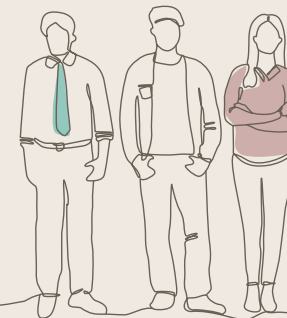
In the morning session of the Conference, we delved into the net-zero green building trend, innovative energy development and construction methods. We also explored how green finance contributes to sustainable asset development. Additionally, we discussed an international sustainable exemplar of building reuse and revitalisation. Moving on to the afternoon session, we shifted our focus to the significant roles of green and heritage conservation buildings in creating social impacts. We explored various aspects, including tenant engagement, community involvement and culture rejuvenation. It was genuinely fascinating to see the wide-ranging effects these buildings can have on society.

The Chinachem Group Sustainability Conference is an impactful flagship event widely acknowledged by sustainability professionals and the general public. Since 2019, we have co-organised the Conference with the Hong Kong Green Building Council ("HKGBC") to offer a thought-provoking arena where professionals, ideas and knowledge gather to catalyse the transformation of Hong Kong's and the global built environment. It aims to be an epicentre of change, to challenge the status quo and to foster positive contributions to sustainable development.

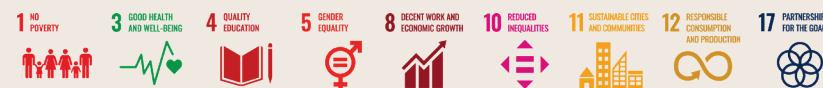
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# Progressing with Our Community and People



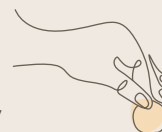
We believe in building communities and creating positive social impacts on people's lives, work and leisure. We aim to design homes, workplaces, hotels and other facilities that encourage enjoyment, interaction and growth. We support our colleagues and together collaborate with local communities to offer education and empowerment programmes. Our inclusive spaces support minority groups and promote social equity. By addressing society's challenges, we aim to bring about positive social changes and create a sustainable, equitable and thriving environment. We are committed to growing and moving forward with our community and people, who are the two most important partners in our journey.



**77,351 hours**  
Of training provided



**42%**  
Of managerial  
positions held by  
women



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



**~903 hours**  
Of volunteer  
services provided,  
recorded a 112% increase,  
compared to previous  
fiscal year

# Promoting and Preserving Arts, Culture and Heritage

Arts, culture and heritage are an integral part of our society. A vibrant and thriving community where arts, culture and heritage are properly protected and preserved is the key to the economic, social and intellectual development of our future generations. The Group has actively supported and organised a wide range of events within our community that allow the passing down of our invaluable assets to future generations.

## A Date with Hing Chun Alliance

Our commitment is to preserve Hong Kong's historic architecture and intangible cultural heritage. After revitalising and reinvigorating Central Market, we continue our efforts to foster urban-rural integration. To achieve this, we use Central Market as a dedicated space to showcase Hong Kong's rich history and culture. Our exhibition, "A Date with Hing Chun Alliance," tells the story of an ancient rural village partnership called Hing Chun Alliance. Visitors can relive the simple rural life through sight, sound, touch, smell and taste. During the event, over 130,000 visitors experienced the culture and daily life of the village through clothing, food, homes and commutes. We also held more than 50 docent-led tours and workshops in which more than 850 participants gained a deeper understanding of lives in rural Hong

Kong by, for example, planting turmeric or painting kop tong stone in different hands-on workshops or listening to experts working on experimental restorations or sharing on rural sustainability of Lai Chi Wo. Rural communities have been able to preserve their culture and promote their economic development through this exhibition, which aims to bridge the gap between urban and rural communities. We wanted to use this exhibition to bridge the gap between urban and rural communities, as urban dwellers have slowly disconnected from Hong Kong's rural development, an obscure aspect of the city with great beauty and cultural significance.



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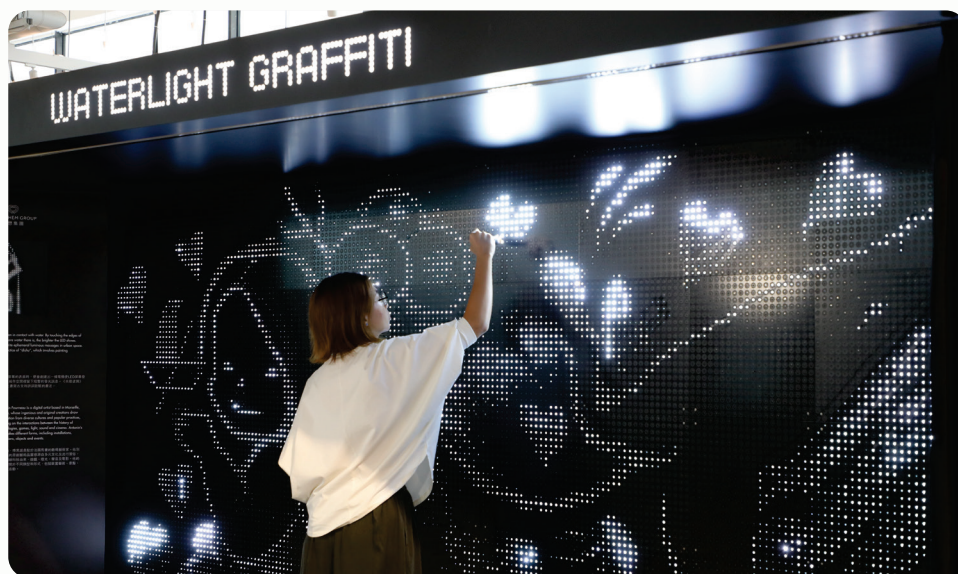
## CCG Library

The Group recognised the urgent need to document histories of recent art in the region and funded the renovation and expansion of the Asia Art Archive Library. The Library was expanded and is now known as "CCG Library." The expansion added 50% more shelving and event spaces. It features upgraded facilities, including a multifunctional event space and multiple seating areas. CCG Library now houses over 120,000 physical and digital records of recent art in Asia. Additionally, it features a Hong Kong Room where readers can access various materials related to Hong Kong's art history, preserving the city's important intangible assets. The Library also acts as a lively hub for people with a passion for art and culture, facilitating knowledge production and exchange.





## French May 2023



As a global community builder, we are passionate about preserving local and international art and culture. As part of our efforts, we partnered with a French culture promoter to host French May, one of the most significant cultural celebrations, for the third year. Held partly at Central Market and NINA MALL, the city-wide festival allowed participants to learn and experience French art and culture through various activities, including gastronomic experiences. In French May 2023, we took visitors on a journey through France with our highly popular French Traditional Gourmet Market, where they could browse, sample and buy French cuisine. We also present Waterlight Graffiti, an interactive art experience created by French artist Antonin Fourneau, which promotes sustainability awareness. This event aims to expose more people to French culture and ensure this beloved, invaluable cultural asset is passed down to future generations.

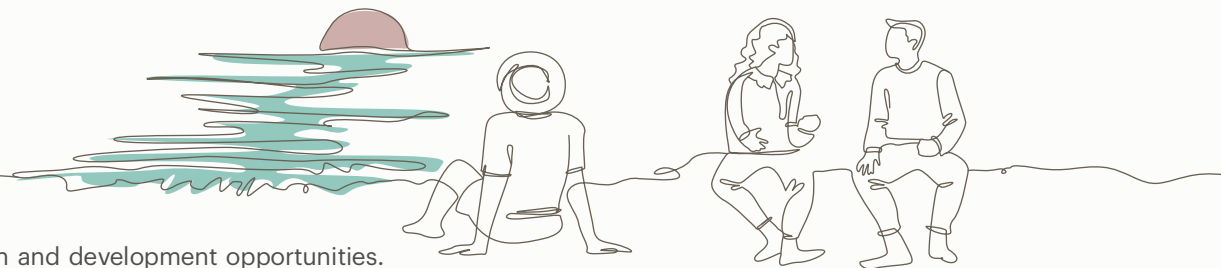
## Support of local film production development



As a company deeply committed to nurturing the local film industry, we have taken proactive steps to support and elevate the creative endeavours of homegrown talent. We were the title sponsor of the Premiere Gala for the film "Pretty Heart". This movie was produced by 30 students and graduates of the Academy of Film of the Hong Kong Baptist University ("AFHKBU") and industry professionals. In addition, we partnered with the Hong Kong International Film Festival Society ("HKIFF") to launch the CCG Grand Award at the 21st "Hong Kong - Asia Film Financing Forum" to recognise the locally-produced film project with the most potential.

Moreover, we extended our outreach to the budding artists of tomorrow through our sponsorship of the 2023/24 Creative Journey outreach programme, organised by the Hong Kong Academy for Performing Arts ("HKAPA"). This programme allows secondary students to learn and engage in performing arts activities such as film and television, Chinese opera, dance, drama, music, theatre and entertainment arts.

# Supporting and Nurturing the Next Generation



We understand the importance of investing in the future and providing growth and development opportunities. We have been putting effort into empowering the next generation to excel and reach their full potential. Youth play an essential role in our sustainability journey initiatives to foster growth, learning and success for the next generation while creating a supportive environment throughout the year.

## Active Ageing in Place 2023

We catalysed innovative thinking and social transformation by providing different opportunities in which youth are promoted to solve the significant challenges our society faces. We have organised a one-day design thinking workshop, “Active ageing in Place”, in collaboration with MIT HK Innovation Node in April 2023. This workshop gave students insight into the current challenges and long-term demands of eldercare in Hong Kong.

During the workshop, students have gained the confidence to apply design thinking methodologies in real-world situations. To develop innovative solutions that would support the older population in remaining active, independent and socially connected, our students have embarked on a mission to gather valuable insights and feedback from the citizens of Tsuen Wan. The student group explored four key sites: NINA MALL, Tsuen Wan West MTR station, Tsuen Wan Park and Yeung Uk Road Market. We have encouraged our students to immerse themselves in these locations to gain inspiration to address specific ageing issues and create solutions that could improve the lives of older people.





## HKUST Chinachem PrimeMovership Scholarship



Our Group goes beyond being a real estate developer and takes pride in its role as a facilitator for nurturing talented individuals. In line with this commitment, we have collaborated with the Hong Kong University of Science and Technology ("HKUST") to establish the Chinachem PrimeMovership Scholarship. In 2022, the Chinachem PrimeMovership scholarship was awarded to 14 students after a rigorous selection process. This scholarship aims to cultivate the next generation of innovation and technology leaders and is a testament to our unwavering dedication to making Hong Kong a smart city.

## PolyHack 2023

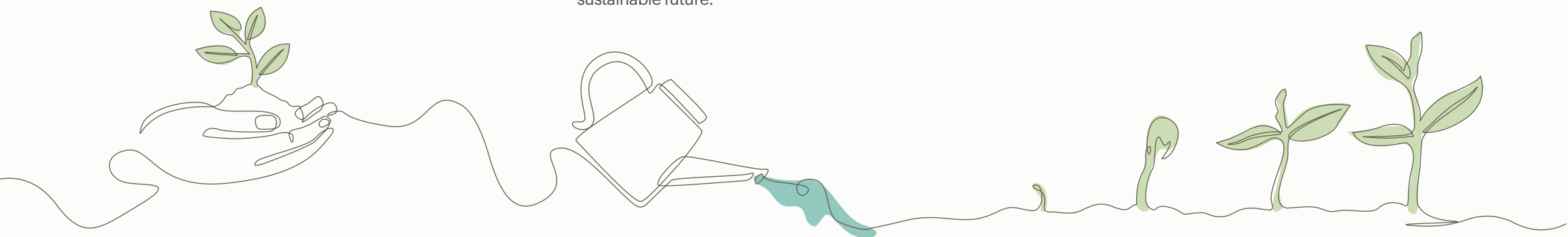


We have been supporting youth organisations to achieve a sustainable future through technology. We proudly sponsored PolyHack 2023, a global student-led hackathon and ideathon competition. More than 700 motivated individuals from over 80 regions participated in the intensive 2-week competition, creating ground-breaking solutions in the domains of AI, financial technology ("FinTech"), smart city and the Internet of Things ("IoT"). The Best Chinachem Group Award was established to recognise students who presented solutions to society's challenges. This event encourages youth to continue innovating and work towards a sustainable future.

## The Impact Booster Programme



We have co-organised the Impact Booster programme with the Social Enterprise Summit and invited secondary students to generate innovative solutions for the community in Tsuen Wan. In the programme, we have provided seed funding for the participants to bring their ideas to life. One of our finalists, Resonance, devised a ground-breaking concept. The team also received a cash prize upon being shortlisted as finalists. This opportunity encouraged more youth to make changes, and we are glad to see many aspiring youth eager to create positive impacts.





## Career talks for tertiary institutions



We are committed to nurturing the next generation of hospitality talent at Nina Hospitality. To increase awareness of career development opportunities with Nina Hospitality among students studying Hotel and Catering Management and International Hotel Management, we have partnered with the Hong Kong Institute of Vocational Education ("IVE"), a member of the Vocational Training Council ("VTC"), to hold career talks on the VTC campuses. Over 210 students attended the four career talks we conducted, and we look forward to reaching more students through our future on-campus career talks.



## HKGCC Business Case Competition



New business models are emerging as the virtual and real worlds come together. We are excited to integrate virtual world concepts into our businesses and projects, envisioning the future of the built environment and activating existing spaces.

We have organised a business case competition with the Hong Kong General Chamber of Commerce ("HKGCC") to promote cutting-edge technologies such as Web 3.0 metaverse and blockchain. Participants were invited to share inspirational ideas on revolutionising physical and virtual environments, building future cities and societies, forging social connections despite physical barriers and creating financially viable and self-sustaining business models.

This competition allowed students to contribute to transforming the built environment and devise innovative solutions that connect the virtual and physical worlds. Five university student teams were recognised as winners of the 2022 HKGCC Business Case Competition.

# Building a Caring and Inclusive Community



Fostering inclusive and compassionate communities requires the integration of different generations, especially the elderly. Giving the elderly opportunities to participate in meaningful exchanges and mutual support helps them play a more active role in our society and strengthens our sense of community. We organise various activities throughout the year that enable them to share their wisdom, experience and essential life lessons with younger generations. It can enhance cross-generational integration and build a strong bond between communities and the elderly.

## Intergenerational Integration and Elderly Care

### ACE Art 2023



We sponsored the organisation of Anchor Children with Elders ("ACE") Art 2023 by Mighty Oaks, a social NGO that focuses on elderly welfare. The annual ACE Art competition is designed for students to engage with their grandparents, learn about their past and create artwork. This year's theme was "Neighbourhood Leisure in Bygone Years", and the student participants used tambourines to produce an art. Over 1,700 students from 13 schools participated in the competition, and we were honoured to be involved in selecting the winners and amazed by the efforts demonstrated by the participants.

### SCHSA Home Visits



We have partnered with Senior Citizens Home Assistance Service ("SCHSA") to promote a culture of care and strengthen intergenerational bonds in our communities. As part of this initiative, 12 primary and secondary school students and our colleagues visited elderly residents in Tsuen Wan and Kwai Tsing Districts. It is a long-term programme where participants visit the same elders every time. The visits allow them to share love and joy with those they visit and, more importantly, build long-lasting relationships with the elderly.

### SCHSA Caring call



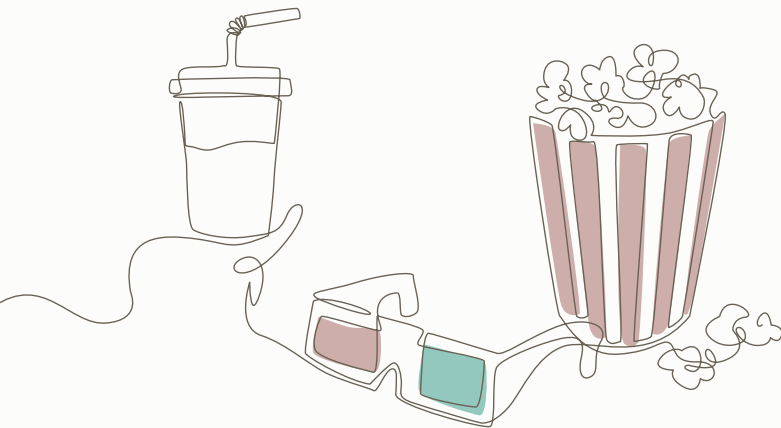
We have also collaborated with SCHSA to provide caring calls to the elderly. Students and colleagues made regular phone calls to offer their support and care to the elders. Our colleagues volunteered around 132 hours to this program and interacted with the elders, learning about their lives. Through these calls, they were able to spread love and joy within the elderly community and build a deep connection with the elders.



## HKFYG Cooking Workshop



The Group and the Hong Kong Federation of Youth Groups collaborated to organise a cooking workshop. The workshop aimed to prepare festive food for those in need in the neighbourhood. Our colleagues and members of the public volunteered for this workshop, and our colleagues have dedicated 36 hours to the workshop. Volunteers of different ages came together in the kitchen and mentored each other as they prepared the meals, forming a bond that transcended their generational differences.



## Movie Tickets to Elderly

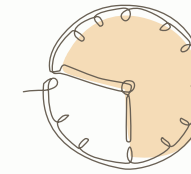


To encourage senior citizens to become more involved in the community and show appreciation for their contributions to society, we have provided free movie tickets to the Yan Oi Tong Woo Chung District Elderly Community Centre in Tuen Mun. Throughout the year, we have distributed approximately 15,000 tickets, allowing the elderly to enjoy leisure time with their friends. This initiative not only helps to foster social connections but also builds friendly relationships within the community.

Through this donation activity, our group is actively contributing to the well-being of the elderly, enabling them to lead healthy, happy and stable lives during their golden years. Our ultimate goal is to create more opportunities for the elderly to engage in entertainment and social interactions, thereby enhancing their overall quality of life.

To ensure the continuous development and achievement of our goals, we remain fully committed to corporate social responsibility and the promotion of social inclusion. By doing so, we aim to ensure that the elderly have equal access to entertainment and opportunities to engage with their community, ultimately contributing to a more inclusive society.

## Performance Highlights



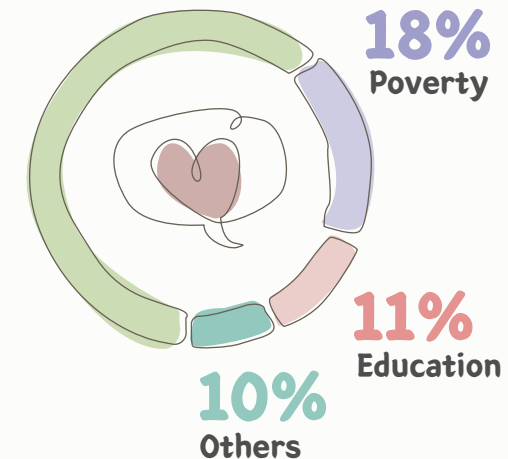
**~903 hours**  
Of volunteer  
services provided



**+112%**  
Year-to-Year change

## Community Service Hours, by focus area

**61%**  
Social Inclusion



## Support for Vulnerable Groups

### Operation Santa Claus - Celebrating Christmas with a Food Upcycling Workshop



During the Christmas holiday, Nina Hospitality organised a food upcycling workshop for 11 students from Rhenish Church Grace School. The workshop was held at the Nina Hotel Tsuen Wan West, where the participants learned to reduce food waste by using overripe mangoes, bruised strawberries and chocolate brownie ends to make Christmas desserts. The workshop aimed to show the students that food can be "reused" creatively, thus inspiring them to reduce food waste in their daily lives. The workshop not only raised awareness of food waste issues but also empowered the students by providing them with a joyful experience of turning food waste into food.

### City Hunt for Fun! with Chinachem

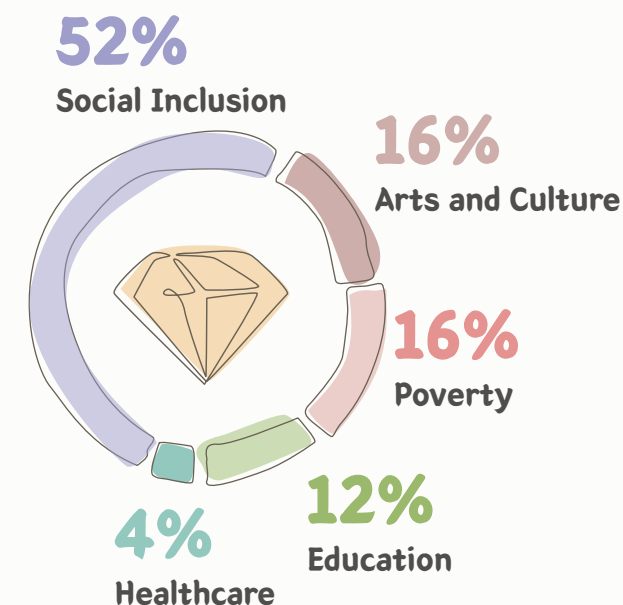


We strive to enable every community member to experience our city, regardless of their abilities or barriers. As part of this effort, we partnered with the InspiringHK Sports Foundation to organise the "City Hunt for Fun!" competition, which provided an opportunity for marginalised members of our community to enjoy and explore different landmarks and learn more about the community's history in a fun and engaging way. The competition involved grassroots families and six of our colleagues, who worked together to complete various missions and earn points.

## Performance Highlights



### Community Donations, by focus area





## Promoting Inclusivity and Accessibility

We strive to create an inclusive and accessible living environment that welcomes anyone and everyone, regardless of their ability or background. We believe that we can transform our community and properties into a vibrant and enriching place by embracing diversity and celebrating inclusivity.

### Case Study

#### Activating an Age-Friendly Community at Golden Lion Garden Stage II

We have proactively created a healthy living environment where we look after our elderly residents and guard their well-being. We are currently partnering with the Hong Kong Council of Social Service ("HKCSS") in Hong Kong to implement a range of measures designed for the elderly at Golden Lion Garden Stage II, which has a large elderly community, to enhance the elderly residents' quality of life. While the project is in its planning phase, pilot tests have been carried out, such as installing community notice boards and digital displays to provide information on nearby community resources and educational tips for caregivers of the elderly (e.g., tutorials on using wheelchairs). In the next phase of our pilot testing, we will host a community expo where non-profits will be invited to showcase their elderly-friendly products and services to our residents.

We also plan to enhance our service quality by providing regular training for on-site staff, introducing new elderly-friendly features (e.g., health kiosk), and expanding this project and partnership to more communities in the future.



## Case Study

## Inclusion and Equity at Central Market

We have taken significant steps to ensure our facilities are accessible and enjoyable. Our commitment to accessibility is reflected in the design and operation of our facilities. A pet-friendly environment has been created since we recognise how valuable pets are to families and communities. We have also installed all-gender toilets to respect and acknowledge the diversity of gender identities. Our safe and comfortable environment demonstrates our commitment to equity and inclusivity for all individuals. Our barrier-free access features, such as ramps, wide pathways, lifts and assisted toilets, allow everyone to navigate and experience our space comfortably, regardless of their abilities. Using these facilities, we hope to foster community, celebrate diversity and create a welcoming and inclusive atmosphere at Central Market.





## Case Study

## Filling Communities with Fun and DEI (Diversity, Equity, and Inclusion) at James' Garden

We have donated over \$2 million (HKD) to the new park at James' Garden, demonstrating our strong commitment to building an inclusive and equitable community. Visitors will first be greeted by the warm and welcoming paintings and art on the park's outer wall and, once in the park, visitors can enjoy the accessible features and facilities that anyone can use. It is located at the James' Garden, the social housing project managed by St. James' Settlement. The park was constructed with Active Design, a type of space planning that fosters physical activity and provides an all-welcoming space where everyone comes together and enjoys.



# Reimagining the Learning Experience to Encourage Continuous Learning

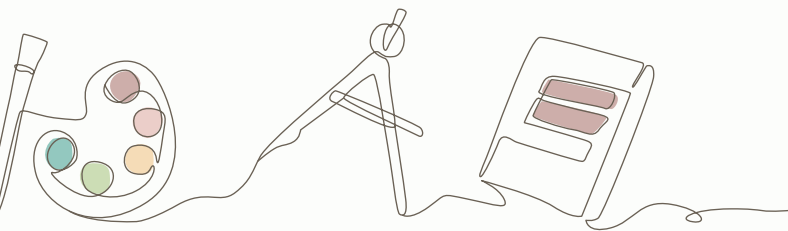
The requirements for skills and expertise are constantly changing due to the emergence of new opportunities and trends. We have made significant efforts to ensure that our colleagues are well-prepared to tackle the challenges faced by the Group.

Our colleagues can benefit from reimbursement for external training, as well as professional membership or qualification examination fees. Additionally, paid leave will be granted to accommodate any examination or course schedules.

To aid our colleagues' upskilling journey, we have launched a CCG E-learning platform this year with courses covering a wide range of topics. Several topics are discussed, including the prevention of corruption, anti-money laundering and counter-terrorism financing, employee conduct and business ethics, market conduct and fraud, privacy, confidentiality and information security.

Places with Heart Academy is a platform that focuses on capacity building to promote innovative business approaches among our colleagues. We organise seminars, invite keynote speakers and engage in dialogues to ensure our colleagues receive the most recent business insights and information. This helps prepare our colleagues for the complexities of the ever-changing market. Places with Heart Academy also facilitates knowledge empowerment in various fields, including sustainability, technology, the Greater Bay Area, digitalisation, healthcare innovation, business modelling and social impact measurement and management.

The ability to implement ESG practices in daily work and decision-making is a crucial skill for the future workforce to acquire. To equip our colleagues with the necessary ESG skillset and mindset, we regularly organise ESG talks to update our colleagues on regulatory changes in the environment, such as details about municipal solid waste charging and plastic bag levy plans. We also invite representatives from construction companies to share their insights into green construction, including their experience of constructing the Organic Resources Recovery Centre Phase 2 ("O · PARK2") and relocating Sha Tin Sewage Treatment Works to caverns.



**ESG教室 2023**

是次講座將邀請中國建築工程(香港)有限公司(「中建香港」)代表,分享其如何以創新科技,迎接香港政府所制定的可持續發展政策,積極推動綠色香港。

中建香港,榮獲2021香港環境卓越大獎中「香港環境卓越大獎」金牌和兩項優質獎章,成績斐然。

**獲獎項目:**

- 有機資源回收中心二期 (O·PARK2)
- 將軍澳海水化淡廠項目
- 搬遷沙田污水處理廠往岩洞項目

**新穎綠色建築技術:**

- 「碳中和實平台」及「C-SMART」管理
- 「建築合成法」(MIC)、「装配式設計」(DIMA)
- 預製結構、「機電設備合成法」(MIMEP)

**2023年4月4日 (星期二)**

**下午2:30至下午3:30**

**如心廣場38樓**

中環香港總經理孔祥茂 (Danny Hung) 及團隊

**報名日期:** 2023年3月31日



## Innovation Ambassador Programme - Cohort 2

The Innovation Ambassador Programme ("the IAP") is a nine-month innovation workshop co-organised with the University of Hong Kong Business School Executive Education. IAP is a valuable and enriching experience that allows colleagues to co-learn and co-create innovative solutions to both business and societal challenges and ignite the entrepreneurial spirit within our workforce.

In Cohort 1 and Cohort 2 of IAP, a total of 36 and 28 colleagues respectively, from different departments participated in the program and formed groups to pitch their innovative solutions to the leadership team. Two of the proposals suggested adding the plug-in service to the Group's existing Elderly Care service and the upcoming CCG Hearts project. These solutions were recommended to optimise resources, create new business opportunities and align with our commitment to 3Ps.



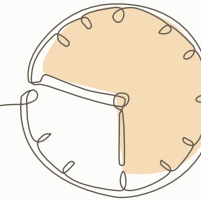
This programme has prompted me to think out of the box and use innovation as a force of change! I gained great confidence after joining the programme, and I am ready to tackle the big challenges we are facing now.

Charles  
Chui

I have never thought that social innovation can bring so much positive changes to our community, so this programme has definitely broadened my horizons. I have also made a lot of life-long friends, as I grew in this programme together with many like-minded peers.

Samson  
Kwok

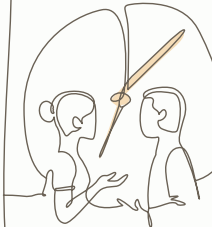
## Performance Highlights



**77,351** hours  
Of training provided



**24.6**  
Average Training  
Hours per Colleague



**Female: 26.8**  
**Male: 22.8**  
Average Hours of  
Training, by gender



**Senior  
Management: 32.1**  
**Management: 38.2**  
**General: 22.3**  
Average Hours of  
Training, by category



# Reinforcing a Healthy and Safe Environment for Our People and Community



To secure a healthy workplace that concentrates on preventing accidents and injuries, we place great emphasis on occupational health and safety ("OHS") as a fundamental aspect of our overall strategy, operations and activities.

To achieve this, we have implemented the Occupational Health and Safety Management Framework ("the OHS Framework"), which outlines specific objectives, procedures, resources and a system for reviewing and improving safety measures. We have also established an OHS policy committee to ensure effective governance and management in operations exposed to high OHS risks.

To ensure compliance with the OHS Framework and relevant laws and regulations, we also conduct a comprehensive OHS risk assessment and internal and external audit. We have obtained the ISO 45001: 2018 certification for our OHS management, demonstrating our commitment to a sustainable work environment.

We regularly review and track our OHS performance for further improvement by establishing clear KPIs with defined metrics for monitoring, which can ensure that OHS data are available to assist with the governance and maintenance of our OHS performance.

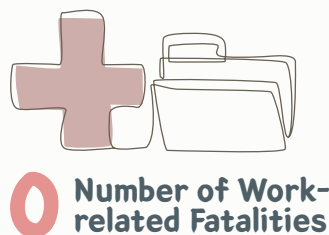
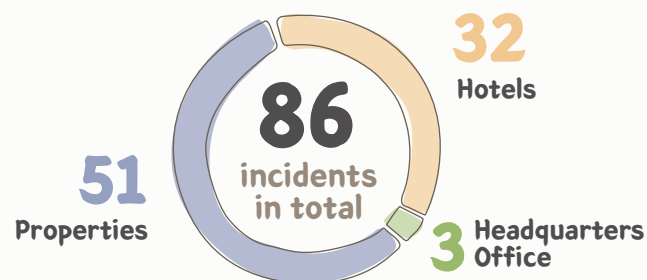
In the event of OHS incidents, we have a comprehensive set of incident handling procedures, including incident investigation and reporting, reviews, corrective and preventive actions and conducting drills.

We provide adequate resources and training to promote knowledge and safety culture and ensure compliance with laws and regulations.

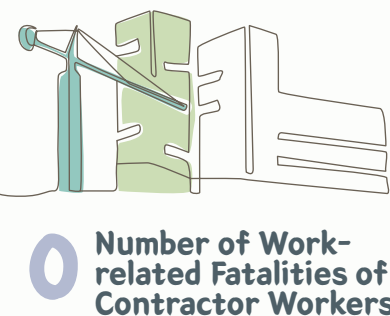


## Safety Performance Highlights

Number of  
Lost Time Injury



## Safety Performance of Contractor Workers





## Case Study

## Visit at IN ONE Site - Ho Man Tin Station Package Two

We prioritise the safety of our workers, especially those who are exposed to high OHS risk, by collaborating with our contractors to design and implement comprehensive safety measures. We adhere to policies, conduct regular site inspections, and provide designated rest times to ensure the well-being of all colleagues.

The Ho Man Tin Station Package Two Residential Project showcases the compatibility of safety and productivity through human-centred planning and technology integration. Innovative features include independent air-conditioner platforms, digitalisation using Building Information Modeling ("BIM"), smart locks for opening safety, efficient progress management with digital cameras, and synthetic stone covers for improved opening management.

To further ensure workers' safety, we regularly organise heatstroke prevention and safety promotion activities. Our management team visits the construction site to distribute ice cream, sunscreen, sunscreen sleeves, electrolyte tablets, and heatstroke prevention brochures to the workers. We provide valuable information and tips on preventing heatstroke, emphasising the importance of staying healthy and safe in hot weather.

### Key Awards

Our contractor of the Ho Man Tin Station Package Two Property Development Project has received several awards to recognise its strong commitment to the health and safety of the workers on site.

#### The 23rd Construction Safety Award

- Best Safety Enhancement Program for Lifting Operation – Silver
- Best Method Statement – Gold

#### Property Project Department Safety Contractor Award 2022



IN ONE 瑜



## Maintaining a Healthy Workplace

Creating a diverse, healthy and inclusive workforce is critical to our long-term sustainability, which cannot be achieved without our colleagues. Our top priorities are ensuring the happiness and growth of our colleagues, as well as taking care of our stakeholders. We place a high value on fostering an environment where colleagues can realise their full potential, accomplish greatness and feel appreciated.

We built a well-equipped, relaxing and inspiring work environment which we believe will support the continuous development of our colleagues. We have recently renovated our office and incorporated creative design elements that foster collaboration and creativity. We provide an inspiring and comfortable work environment to colleagues on each floor with a different theme and functional social hubs. Colleagues can also enjoy great convenience by utilising digital tools, procedures and documents which assist our colleagues in completing their daily tasks.

Additionally, all colleagues are assigned adjustable-height work desks and flexible monitor arms, and the height and inclination of the desks and monitors can be adjusted according to colleagues' preferences. They can also take advantage of the hotel's fitness facilities for free, reserve the gym through the intranet and use the fitness equipment or swim in the pool.



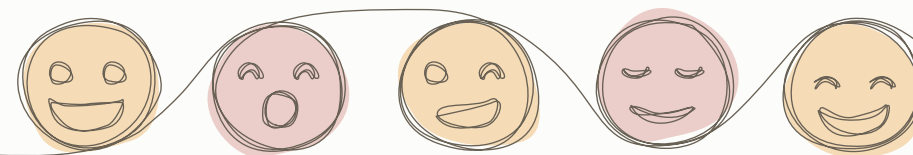
## Healthy Food Choice

The Group is actively promoting a culture of healthy eating, recognising that a healthy workplace necessitates nutritious meals. We offer various healthy food options at our staff canteen to ensure that they can be easily accessed by our colleagues. Additionally, we provide nutrient information for the food available at the canteen to help our colleagues build a healthy diet. We regularly disseminate health information related to food choices through various means, such as organising health talks and publishing relevant information on our internal. Through these efforts on healthy food, we aim to maximise the well-being of our colleagues.





# Caring and Bonding Among Our People



## Long Service Award

We appreciate the dedication and loyalty of our colleagues and understand the importance of recognising their contributions. Our Long Service Award has acknowledged and celebrated our colleagues' milestone anniversaries. We are grateful for their continued commitment and hard work through these awards. Recognising long-serving colleagues allows us to foster a culture of appreciation, loyalty and motivation within our Group and strengthen the bond between colleagues and management.



## Our Security Team Received Award from the Hong Kong Police Force

We are proud of our colleagues' continuous success in the Group. Our security team has recently received the NTS Best Security Personnel Award. Their strong commitment to ensuring the safety of customers and visitors has prompted them to fulfil their roles with the most significant efforts. As they could face unexpected events or complex challenges, the security team has also developed a strong team spirit. It has been able to resolve any issues quickly and professionally.



## Striving for a Family-Friendly Workplace

We are dedicated to supporting our colleagues in achieving a healthy work-life balance by creating a family-friendly workplace. We prioritise our colleagues' well-being by implementing various programmes and policies. Our colleagues have multiple responsibilities outside of work, including caring for their families. Therefore, we have introduced hybrid work arrangements to support their needs, enabling them to maintain productivity and balance their obligations.

Besides hybrid work arrangements, we provide comprehensive family benefits and support services. Our company offers parental, marriage and compassionate leave to assist colleagues during significant life events. Moreover, our headquarters features a nursing room for mothers with a comfortable and private space.

As part of our pledge to support our colleagues and their families, we provide medical coverage beyond each individual for managers and any positions above. We ensure that the healthcare we provide to our colleagues and their families is of the highest quality.

### Case Study

#### Scholarship Scheme for Colleagues' Children

Our care for our colleagues extends to the future of their children. We established a scholarship scheme within the Group for our colleagues' children to support their academic aspirations and recognise their outstanding academic achievement. Scholarships have been offered in three categories: Tertiary Scholarships, Secondary Scholarships and Primary Scholarships. While the scheme aims to help our colleagues unlock the full potential of their children, it also strengthens bonds between colleagues' children and the Group. Boosting our colleagues' well-being and emphasising the Group's investment in their future promotes appreciation and recognition among colleagues.



### Case Study

#### Celebrating the International Women's Day

Achieving gender equity has been one of our most important goals when building a welcoming and inclusive workplace. The Group and our female colleagues of different backgrounds and abilities have come together to celebrate International Women's Day, as part of our efforts to reaffirm their invaluable contribution to the success of the Group. We have also hosted a floral gift workshop, where our colleagues were invited to create bundles of flowers that serve as an appreciation to our female colleagues. While International Women's Day was a critical moment for reflection, we believe in celebrating the contributions of women at our workplace every day.





## Case Study

## CCG Family Day

Building a solid relationship between our group, employees and their families has helped us create a closely-knit and caring community. On 29 October 2022, we organised the CCG Family Day - a fun-filled day for our colleagues and their families. We held office tours to give families a first-hand look at our work environment and daily operations. The event also featured an enchanting magic show and workshop to entertain the children. We also set up a vibrant photo booth for the families to create lasting memories. The event also featured a special scholarship presentation, honouring and encouraging the academic achievements of our colleagues' families. It was a remarkable day filled with excitement, laughter and celebration for all the families involved.





## Stronger Team Bonding and Building a Happier Workplace

We prioritise our colleagues and aim to provide them with a supportive, happy and fulfilling environment. As part of our effort to unleash the full potential of our team, we have developed a series of activities throughout the year that helped our team bond and share a positive working environment.

### Annual Dinner 2022 – CCG Galaxy Adventure





## Christmas Party



## Chinese New Year Luncheon



## Chinese New Year Fun Fair



## Music on the Green



## Indoor Go-Kart Challenge



## VR Game Experience

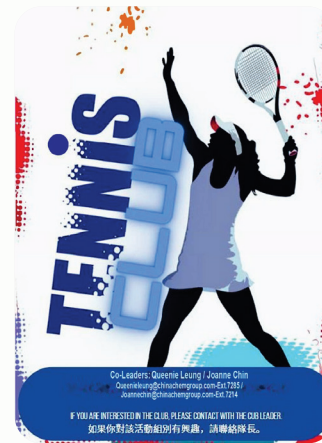


## Buddy Scheme

We have launched a buddy scheme to improve the onboarding experience for our new colleagues this year. The programme aims to support and guide new joiners during their transition to their roles within the Group. Each new colleague will be paired with an experienced colleague who will act as their buddy throughout the first few months of employment. The buddy will advise on the day-to-day aspects of working within the Group, helping new joiners understand our structure, culture, vision, mission and values. The buddy scheme goes beyond just practical job aspects and fosters a sense of belonging and integration. With the help of a buddy, new joiners can quickly adjust to their new work environment and develop relationships with colleagues.

## CCG Staff Social Club

CCG Staff Social Club is an internal platform where our colleagues can turn their ideas on social activities into actions. It welcomes all of our colleagues (including part-time and fixed-term colleagues) across the Group to organise social clubs of different themes, and our colleagues can participate in clubs and events they are interested in. We established the CCG Staff Social Club to support the Group's overall goals of enhancing wellness, promoting inclusion and diversity, fostering a sense of belonging, inspiring innovation, encouraging teamwork, developing leadership skills and facilitating the exchange of ideas and connections among colleagues. More than 40 events and nine social clubs were hosted during the Reporting Period. Thanks to the CCG Staff Social Club, an even stronger and closer relationship between our colleagues was successfully cultivated, as they challenged different hiking trails, learned how to make their own coffees or reached the end square in board games, and created a family-like bond within our company.



## Performance Highlights

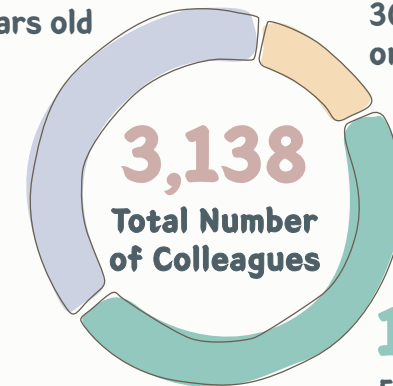


Male: **1,672**

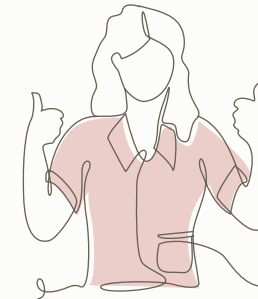
Female: **1,466**

**1,295**  
31-50  
years old

**362**  
30 years old  
or below



**1,481**  
51 years old  
or above



**47%**  
Female  
Representation  
in the Workforce

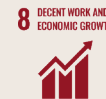


# Empowering a Prosperous Future



We recognise the strong interdependence between our success and the well-being of the communities we serve; a prosperous community is the fundamental basis for the Group's development. We believe sustainable growth enables sustainable success, which is achieved by creating values for all of our stakeholders while balancing financial gains. In response to evolving customer and community needs, we have embraced advanced technology and carried out sustainable investments.

With the dual objectives of accelerating technological innovation and embedding ESG into our core strategy, we are dedicated to not just envisioning a prosperous future — we are actively constructing it.



8 DECENT WORK AND  
ECONOMIC GROWTH



9 INDUSTRY, INNOVATION  
AND INFRASTRUCTURE



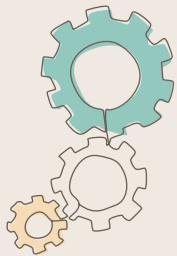
11 SUSTAINABLE CITIES  
AND COMMUNITIES



13 CLIMATE  
ACTION



17 PARTNERSHIPS  
FOR THE GOALS



## 19 solutions

Tested in Cohort 1 & 2 with 17 tech ventures supported through CCG Accel – Powered by HKSTP



## 58%

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



## ~4.8 billion

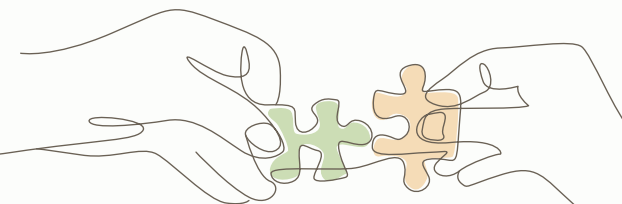
Of green loan secured in FY2022/23 (HKD)



## 2 buildings

Acquired in London which are in high sustainability performance

# Nurturing Innovative Solutions through Incubation Partnership



## Impact Summary - Cohort 1 & 2 of CCG Accel - Powered By HKSTP

The Group is dedicated to fostering the role of innovation and entrepreneurship in igniting social change and propelling economic growth in Hong Kong. We are keen to support and collaborate with local innovators and ideators and, together, solve the immense social and economic challenges Hong Kong and the world are facing. Actively creating opportunities for anyone to showcase their passion for our community, we have placed substantial investment in identifying and cultivating ground-breaking solutions that address current challenges and bolster our resilience to future changes.

As part of this commitment, the Group has initiated the “CCG Accel - Powered by HKSTP” accelerator programme in collaboration with Hong Kong Science and Technology Parks Corporation (“HKSTP”) in 2021. This programme encompasses a series of initiatives where tech ventures in Hong Kong showcase and test their smart city solutions in different locations managed by the Group, based on different themes related to property management.

The “CCG Accel - Powered by HKSTP” accelerator programme is structured into three cohorts. The first cohort of the programme used Central Market, a location that embodies the harmonious blend of historical significance and forward-thinking innovation, as a test bed for the novel technologies

invented by selected tech ventures. The participating tech ventures were tasked to address three significant challenges specific to Central Market, including Environment & Sustainability, Operations & Facility Management and Customer Experience. A variety of technological solutions, such as cooling paint, an AI-propelled air purification system and a real-time refrigeration system were tested.

Following the success of the first cohort, the second cohort took place in the commercial buildings under

the Group with three focuses on Green Buildings, Operation Efficiency and Safety and Wellness. The selected tech ventures collaborated with the Group Property Services team to jointly develop solutions tailored to real-life scenarios. These solutions were tested within our commercial properties, such as Nina Tower, NINA MALL, One Chinachem Central, Two Chinachem Central and Chinachem Exchange Square.





## Tech Venture Highlights



APICEM Technology Services Company Limited ("ATS") developed a solution specifically addressing the concentration of viruses and bacteria in the back-of-house areas of buildings, such as utility and trash rooms, which critically require effective air filtering systems. Building on its achievements in Cohort 1, ATS refined its system by reducing its size to suit commercial premises. Furthermore, the team discovered that this system could also eliminate nitrogen dioxide, a harmful compound emitted by vehicles and cigarettes. With this upgrade, ATS planned to test the new, 65-cm tall device in a water pump room at Two Chinachem Central during Cohort 2. This innovation has the potential to be a game-changer for property management companies, offering a durable solution for sterilising these essential areas.



Dayta AI specialises in people flow analysis. It uses artificial intelligence to analyse customer characteristics and behaviours by capturing and analysing CCTV images in shopping malls. This technology helps clients improve their marketing strategies by providing insights into their Customer and demographics. Central Market's management teams have used this technology to gain deeper insights into their customers and create more personalised and attentive visitor experiences based on real data.



i2Cool invented a passive radiative cooling paint patented in Hong Kong that can achieve an electricity-free and refrigerant-free self-cooling effect. By applying this paint on the roof or external walls of buildings, the indoor air temperature can be decreased, saving the energy usage of air-conditioning systems and reducing carbon emission and so forth to cut down both running and installation costs of cooling equipment and reduce the amount of maintenance needed. i2Cool conducted a comprehensive performance test of its innovative cooling paint, iPaint, on the rooftop of One Chinachem Central. This marked only the second occasion for i2Cool to evaluate iPaint's effectiveness during winter the first field test took place at Central Market in early 2022 as part of Cohort 1. Since that initial trial, i2Cool has advanced to the second generation of iPaint, following CCG's recommendation to broaden the product's colour palette. This development included a transparent coating suitable for windows and rooftops, as well as paints in various colours. As a non-invasive and highly efficient solution, iPaint again promised to assist property management companies in achieving their targets for reducing energy consumption.



Novelte Robotics's Heritage corner guiding robot provided a futuristic and interactive experience for visitors keen on learning about the site. This fully automated robot enhanced the area's appeal with its personalised service, simultaneously reducing staff workload. It also enriched the customer experience at Central Market, offering a unique heritage tour that added a distinctive element to their visit.



NXT Smart Technology (Hong Kong) Company Limited ("NXT") has showcased the pivotal role of artificial intelligence (AI) and advanced sensing technology in the future of facility management by developing Ambient 16. This AI-driven system is capable of monitoring 16 types of real-time data, including temperature, humidity, carbon dioxide levels, light, motion, vibration and sound. Based on the big data, the management team can be alerted when there are any deviations to the curve, such as unexpected traffic flow or abnormal usage. They can then devise a unified management approach across the entire property portfolio. These sensors are set to be installed in the toilets of NINA MALL and the shopping area of Papillon Square.



SCAN  
FOR MORE

As we are navigating the journey of Cohort 3, we will continue to reinforce our leadership in championing a tech-empowered, sustainable future for Hong Kong's economy, fulfilling our commitment to empowering communities and ensuring a prosperous future. Cohort 3 of the "CCG Accel - Powered by HKSTP" accelerator programme centres on generative AI solutions with the entire CCG business as its stage. These solutions are being applied to various aspects of property operations, encompassing both external and internal dimensions, overall management and internal workflows, with an emphasis on enhancing human interactions. Continuing the approach of the previous cohorts, shortlisted tech ventures will collaborate with the Group, employing generative AI to develop solutions that enhance performance and experiences across our business spectrum. This includes commercial buildings, offices, shopping malls and hotels, aiming to benefit both clients and employees.

In retrospect, we believe that Cohort 1 and Cohort 2 were able to provide an effective platform for brave thinkers and innovators to experiment with their ideas in real-life scenarios. With the support from the Group, the participating ventures explored how their ideas and solutions prompt innovative urban management and operation, including how sustainability can be creatively integrated into Hong Kong' urban fabric. In the first two cohorts, together with the tech ventures, we leveraged cutting-edge technologies to advance a sustainable and economically vital city, which is a basis for building a prosperous future, and we hope to further magnify the impact of innovation and entrepreneurship in Cohort 3.

The "CCG Accel - Powered by HKSTP" accelerator programme provided a first-time opportunity for adopting heritage guided tour robot in Hong Kong which helped to enrich the company profile.

Albert Lam  
Novelte Robotics Limited

The "CCG Accel - Powered by HKSTP" accelerator programme was helpful and the experience was valuable as this is the first time to adopt the cooling paint on a building and a concrete surface. Chinachem group provided suggestions during the trial to minimise the impact to the environment, for example, applying tape around the painting area border.

Martin Zhu  
i2Cool Limited

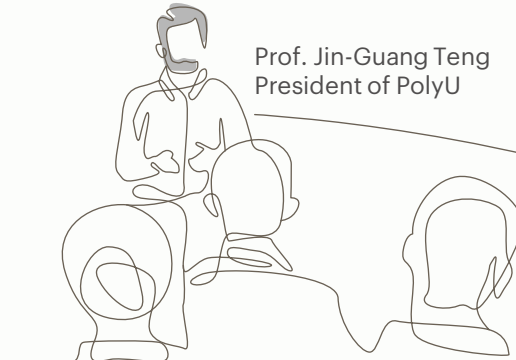


## Fostering Industry-Academic Collaboration for the Sustainable Greater Bay Area

The Group has been working towards building a green and thriving GBA, in which Hong Kong and other GBA cities together form a highly integrative, sustainable and prosperous urban economy. As part of this journey, we have been actively partnering with various innovation leaders in the GBA who share a common vision with the Group. In November 2022, the Group and the Hong Kong Polytechnic University ("PolyU") signed a Memorandum of Understanding ("MoU") intending to enhance research collaboration between industry, academia and research organisations. The MoU has solidified our commitment to fostering the development of innovative solutions that contribute to the sustainable growth and development of the GBA.

This strategic partnership capitalises on the collective strengths and expertise of PolyU in interdisciplinary research and of the Group in property and community development. The MoU has established a framework for both parties to undertake three pilot research projects focusing on achieving carbon neutrality, fostering an inclusive society and promoting a green economy.

This industry-academia collaboration will involve the development of cutting-edge technology and systems to reduce carbon emissions and energy consumption in a next-generation data centre, explore innovative models of intergenerational housing for future Hong Kong community settlements in the GBA and experiment with the use of blockchain technology in promoting a green economy.



Prof. Jin-Guang Teng  
President of PolyU

This industry-academic collaboration will see PolyU and Chinachem working together to create solutions for major sustainability challenges including energy consumption, climate change, an ageing population and the adoption of green behaviour.



# Sustainable Finance and Responsible Investment



## Green Finance Framework

The Group has established a Chinachem Group Green Finance Framework ("the Framework") to guide its Green Financing Transactions ("GFT") in support of its business strategy and vision. The Framework references the Green Bond Principles 2018 issued by the International Capital Market Association ("ICMA") and 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"). It enables fundraising through bonds and loans, directing the proceeds to Eligible Projects for environmental benefits.

For each green finance transaction, the Group asserts that it will adopt the principles on the use of proceeds, project evaluation and selection, proceeds management and reporting.

## Allocation of Green Loan and Sustainability-Linked Loan Proceeds



Year Executed	Category	Project	Currency	Facility Amount	Maturity Date
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
November 2019	Green Loan	Residential Development at Ho Man Tin Station Project Package Two Development	HKD	5.3 billion	May 2025



## Sustainable Investment Criteria

We understand that prosperity extends beyond financial gains, encompassing the well-being of our communities and the health of our planet. This understanding shapes our approach to investment as we are guided by a set of the ESG Investment Guidelines (“the Investment Guidelines”) to ensure that our portfolio aligns with our values and contributes to a more sustainable future. Moreover, investing in sustainability helps us build a more resilient and enduring portfolio, which will generate maximum value in the long run and face minimum risks compared to a traditional portfolio.

To maintain a responsible investment strategy, we strive to uphold an average MSCI ESG Rating of BBB or higher for our investment portfolio. We carefully consider the ESG rating of companies during our analysis, ensuring that ESG performance is evaluated alongside financial metrics. We also prioritise the purchase of sustainable bonds whenever available from the same issuer. Furthermore, we thoroughly review the ESG reports of asset management companies for our fund investments as well as any ESG-relevant credentials held by asset managers during selection process. We strive to identify and support companies with strong ESG practices.

In order to pursue sustainable investment, we have excluded sectors that conflict with our values. These include:



With the Investment Guidelines, we aim to create a sustainable portfolio that generates positive financial returns while making a meaningful impact on society and the environment.

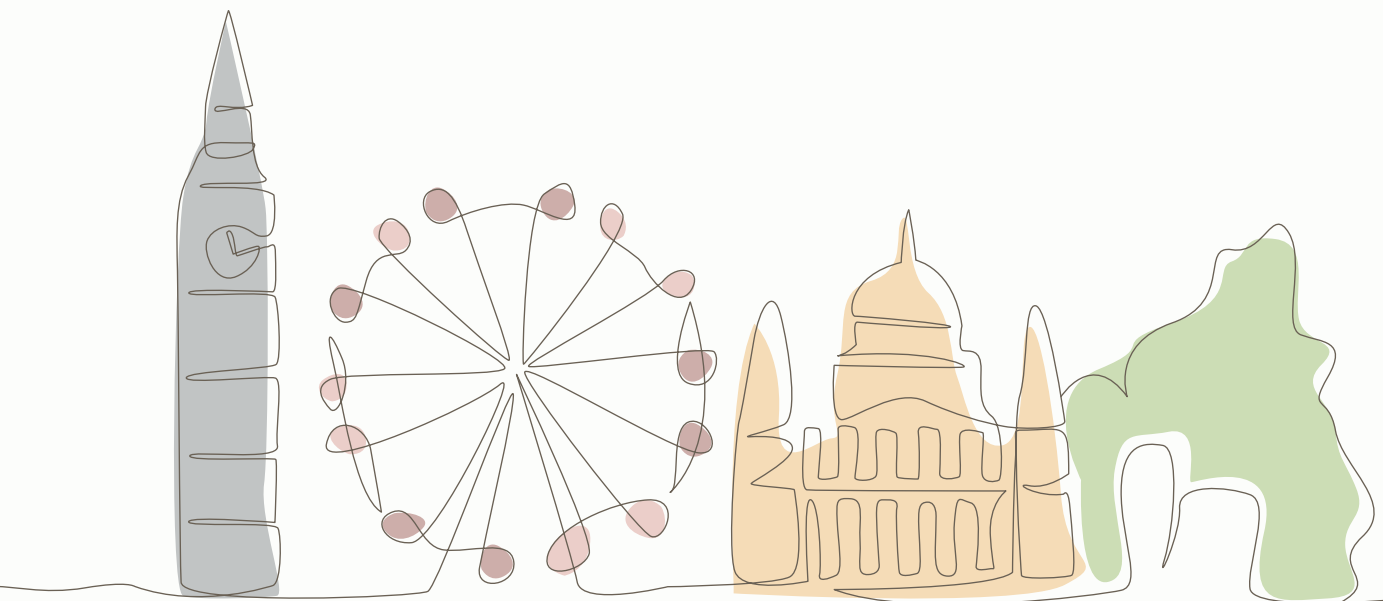
## ESG Criteria in Technical Due Diligence

The Group’s commitment to sustainable development extends to the acquisition of new buildings. We have been actively incorporating ESG principles into our technical due diligence process to ensure the buildings we acquire achieve a high sustainability standard and will create positive value for People, Prosperity and Planet. During the process, building safety and deleterious materials, such as asbestos, concrete (HAC, Chlorides and Woodwool) and lead (in water pipes or paint), used in the construction of the building will be scrutinised.

In addition, we will conduct throughout an examination of environmental hazards faced by the building (e.g., flood, fire, health and safety and land contamination risks) as well as any relevant Energy Performance Certificate (“EPC”). We will also screen out any buildings that are not rated, at the minimum, the second-highest level in a green building standard (e.g., WELL).

## Expanding global portfolio with sustainable acquisitions: Kaleidoscope and One New Street Square in London

During the Reporting Period, we made two strategic property acquisitions in London, UK - Kaleidoscope and One New Street Square. In addition to being a strategic investment in overseas property, these acquisitions showcase our strong commitment to fostering a sustainable built environment on a global scale. The Kaleidoscope building has been rated "Excellent" under the Building Research Establishment Environmental Assessment Method ("BREEAM"), while One New Street Square is a BREEAM "Outstanding" and WELL "Gold" building. The sustainability of these buildings is attributed to a range of sustainable elements. For instance, Kaleidoscope has water and energy-efficient management systems, as well as a robust digital infrastructure. Meanwhile, One New Street Square was designed with nature in mind and is surrounded by trees and an extensive vertical garden. These buildings provide a green and healthy environment for users to experience sustainability.





# Investing in Healthcare for a Liveable, Intergenerational Community

In line with our value proposition - "Places with Heart", we are dedicated to incorporating green and age-friendly facilities within our projects and properties. Additionally, we are committed to delivering healthcare services specifically tailored for the elderly population, with the aim of transforming Hong Kong into a more liveable city that embraces intergenerational harmony and is suitable for individuals of all age groups.

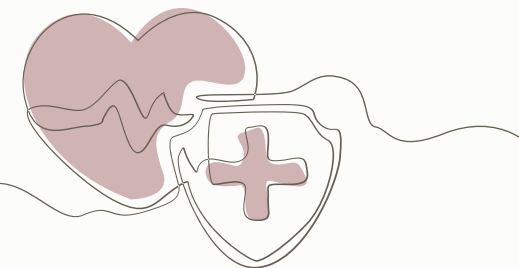
## Establishment of New Brand - CCG Healthcare

A prosperous future is a healthy future, as social well-being is intertwined with the longevity of an economy. Given an ageing population, the Group is committed to building a lively economy in which the health and well-being of the elderly are protected. In 2022, the Group launched a new brand named "CCG Healthcare," with the mission to expand the healthcare market, create heart-warming communities and optimise the industry chain for home-based elderly care. This strategic move would further enhance our capabilities in serving the elderly community, ensuring that we contribute meaningfully to building a more liveable, caring and sustainable city for all generations.

As part of our healthcare strategy, the Group acquired approximately 56% interest in Pine Care Group. Pine Care Group, now under the umbrella of CCG Healthcare, stands as a symbol of our commitment to making influential changes in eldercare services.

Since December 2022, a new flagship upscale residential care home for the elderly, "Pine Residence", has become operational. Pine Residence has a wide range of services, covering affordable upscale and upscale residential care. Medical and professional nursing support is delivered by a multidisciplinary and collaborative team, including nurses, caregivers, social workers, occupational therapists and physiotherapists. A variety of advanced gerontology methods and technologies are used to ensure the finest standard of senior care and well-being for the residents.

Our investment in the eldercare sector is a testament to our commitment to ensuring a healthy and prosperous future where elderly people are given the importance they deserve. Not only has this helped us diversify our investment portfolio, but it has also enabled us to protect the personal and social well-being of those in their golden years. As we journey with them through the last chapters of their lives, we strive to provide them with the care and support they need to lead fulfilling lives.



## Pine Residence

Pine Residence is dedicated to providing a sustainable and supportive environment for the residents, with an emphasis on both emotional well-being and physical health. Below are key features that highlight our commitment to sustainability.



### Incorporating the concept of "Reminiscence therapy"



### Proper ventilation and well-lit environment



### Provision of thoughtful and caring facilities



### Medical team takes care of the needs of the residences



## Leading the way with Anderson Road

As we look towards the future, the Group is taking action to address the demographic shift with our upcoming Anderson Road project. This project is being designed and constructed specifically for all ages, creating Hong Kong's first community that caters to people of all ages. Along with the CUHK Jockey Club Institute of Ageing, we are incorporating design thinking guided by an extensive study of how architecture can positively impact elderly health. Our approach emphasises our proactive efforts to shape a future where communities are designed to enhance the quality of life for people of all generations.



# Enhancing Community Prosperity and Supporting the Revival of the Economy



As Hong Kong emerges from the shadow of the COVID-19 pandemic, efforts have been made by the Group to drive the recovery of the local economy and bridge the social gaps that have widened during this period. In 2023, we rolled out a series of initiatives targeted at reinforcing community bonds and catalysing the economic revival.

Key among these initiatives is to reimage retail spaces into vibrant communal spaces that not only offer a great environment for our partners and visitors but also serve as lively gathering places for

residents. Additionally, the Group introduced various promotional events and offerings to bolster the Hong Kong SAR Government's "Hello Hong Kong" campaign, aiming to bring back tourists and travellers to our vibrant city.

This comprehensive approach is dedicated to reconnecting individuals, energising business activities and contributing to the revitalisation of Hong Kong's economy.



## Reimagining Retail Spaces to Strengthen Community Coherence and Local Economy

### Lucky Plaza (Shatin)



As part of our commitment to enhancing community prosperity, the Group has reimagined Lucky Plaza, an established shopping centre in Shatin that has been at the heart of the community for nearly four decades. We have embarked on an ambitious renovation plan, with \$500 million (HKD) investment that marks a new chapter for this iconic locale. The extensive renovation, which commenced in June 2021, transformed Lucky Plaza into a modern, community-centric destination.

One of the main features of this renovation is the introduction of the large-scale fresh supermarket to meet the evolving needs of the community, providing easy access to a wide variety of fresh, quality produce. Further enhancements in the later stages will include an array of lifestyle stores, handpicked to cater to the modern consumer.

This renovated Lucky Plaza extends beyond commerce; it is a place where community life is enriched, local economies thrive and social bonds are fortified, ensuring that Lucky Plaza remains a cherished all-in-one destination in Shatin for generations to come.

### Shun Fook Barn (Yuen Long)



In late 2022, the much-anticipated transformation of "Ho Shun Fook Shopping Centre" was unveiled as the "Shun Fook Barn". With a rich history of serving the community for three decades, this 30,000-square-foot mall has been thoughtfully renovated to infuse a renewed shopping and dining destination that embodies the acronym SFB: "soothing", "fresh" and "bonding".

The refreshed "Shun Fook Barn" is set to become a new stylish and relaxing community hub, providing Yuen Long residents with a rejuvenated gathering point, facilitating a leisurely and high-quality lifestyle to curate a diverse range of merchants for catering to different age groups and individual needs.



## Nurturing Local Entrepreneurs for Sustainable Growth

The growth and success of Central Market are supported by local entrepreneurship, as we partner with start-ups and local businesses to make the Market Hong Kong's local community hub. The Group and the Urban Renewal Authority ("URA") have worked together to inject the concept of "Playground for All" into Central Market and turned this landmark, which had been in operation from 1939 to 2003, into a vibrant community hotspot that combines "Approachable", "Energetic" and "Gregarious", which preserves not only collective memories but also brings new experiences to the community.

Recognising the pivotal role of entrepreneurship in economic revitalisation, the Group hosted and supported a range of events and activities to support telling the story of Hong Kong to the world while also unleashing opportunities to support local businesses and encourage creativity, encourage visitor arrivals and create a welcoming space for the community. In addition, Central Market has innovative approaches to nurturing the growth of local enterprises. We aim to turn Central Market into a breeding ground where local brands and entrepreneurs can achieve their dreams through sustainable growth, by providing a flexible yet supportive environment



### Case Study

#### Plug To Operate Business Model

We took a leadership role in supporting emerging businesses through our "Plug To Operate Business Model" programme, in which we provided ready-to-use infrastructures and stalls, including flexible contracts, basic fixtures, comprehensive point-of-sales systems and fitting-outs, to aspiring start-ups at Central Market. By reducing upfront costs related to logistics, startups can focus on running their businesses and developing their core operations. This programme aims to offer an opportunity and a platform for local brands and entrepreneurs to grow, thrive and create a broader social impact. As these businesses establish themselves, they contribute to employment and promote a more resilient and grounded economy.

#### Tenant Academy

We are committed to supporting the growth and prosperity of our tenants at Central Market. To inspire success, we have established a Tenant Academy ("the Academy"), which provides a supportive learning system to our tenants. The Academy conducts various capacity-building events and sessions to keep our tenants updated with the latest information on market and industry trends. The Academy has helped the participating tenants develop stronger business skills and equip them with the necessary tools to grow sustainably. As a result, a network of support and co-learning has been created among our tenants, which has helped local enterprises advance towards a prosperous future with the Group. During the Reporting Period, 60 tenants attended the Academy.



## Championing Local Businesses Through Diverse Themed Events

During the Reporting Period, we held more than 300 events at Central Market, and many of our events were designed to support local enterprises and together create a unique experience for our visitors. Examples of local enterprises-oriented events included various themed markets, such as French May Market, Innovation SME Marketplace, World Environmental Day Weekend Market and Mid-Autumn Market, where local enterprises demonstrated their creativity and passion through offering distinctive products and services. These events used Central Market as a platform to provide opportunities for local entrepreneurs to turn their business ideas into action and contribute to a more vibrant and diverse economy.

### Case Study

#### Ode To Good Old Hong Kong : A Prosperous Lunar New Year Fair by Central Market

Preserving and celebrating traditional art and culture is one of Central Market's missions, and we constantly engage local art talents to present the beauty of tradition at the Market. In 2023, we presented an old-school Chinese New Year celebration that was filled with memories by taking Central Market back to the old Hong Kong. Visitors rang in the Year of Rabbit at our green street stalls hosted by local brands and social enterprises, amid an immersive New Year atmosphere curated by traditional Hong Kong-style festive flower boards and 450 grad red lanterns. With six "lost but not forgotten" authentic green metal street stalls hosted by time-honour local enterprises and over 30 additional stalls offering hundreds of vintage and Lunar New Year products, such as New Year decorations, Japanese hand-drawn artwork, locally-designed Lunar New Year gifts, antique coins and silverware, the vendors invited the visitors to experience this traditional festival, traditionally.

Moreover, we collaborated with the Hong Kong Society of Illustrators to hold an art exhibition and designer market to celebrate the Chinese New Year with traditional art work. More than 40 local illustrators gathered to depict various New Year lively scenes of the lanes and streets with excellent brushstrokes. Through these events, we celebrate this important time of the year with local organisations, businesses and our community.





## Stimulating the Revival of the City's Economy and Tourism

### Case Study

#### World Cup for All @ Central Market

In an effort to contribute to the city's economic and social revitalisation, Central Market launched the "World Cup for All" initiative, in collaboration with a leading pay-TV service in Hong Kong, to host a month-long football festival and celebrate this global fest together with our communities.

The "World Cup for All" was a collaborative effort with over ten internationally recognised sponsors and official partners associated with the 22nd FIFA World Cup. From November 18 to December 18, Central Market blossomed into a vibrant gathering place for football fans, marked by the installation of an impressive 4.5-meter LED TV at the G/F OASIS, which provided complimentary live match viewings.

During the event, people gathered and celebrated the winning of their favourite teams, filling Central Market with joy, hope and happiness. More than just a series of football matches, the "World Cup for All" embodied of cultural exchange and community spirit. The line-up of football-themed activities, workshops and unique experiences was thoughtfully curated to celebrate sportsmanship and bring people together.

Through this festival, we sought to strengthen community bonds, enrich the cultural fabric of our city and contribute meaningfully to the city's revival.

#### Offering Shoppers Exciting Promotions and Rewards

Coinciding with the Hong Kong SAR Government's launch of the second phase of the Consumption Voucher Scheme, the Group ramped up the city's shopping excitement with Central Market and seven other shopping malls from the Group to offer a myriad of incentives, totalling \$1.5 million (HKD).

The return of tourists to Hong Kong, especially during the National Day Golden Week and beyond, the Group, in collaboration with over 100 merchants, rolled out a "Multiple Rewards for Travellers" promotion, enticing visitors with an array of rewards. It included cash coupons and exclusive discounts on various products and services, from dining and pharmaceuticals to cosmetics, entertainment, jewellery and electronics.

These innovative campaigns were set to boost local spending and enhance Hong Kong's reputation as a premier shopping and leisure destination.





# Sustaining Our Planet



Facing a deteriorating climate and a degrading environment, we strive to create places in harmony with the Earth, minimise our environmental impacts and create benefits for the natural world. Planet holds a prominent position within our triple bottom line, reflecting our deep commitment to environmental responsibility. Envisioning a sustainable Earth, we have been proactively working towards reducing our carbon emission across our entire value chain, enhancing energy efficiency, increasing the adoption of renewable energy, facilitating the circularity of our business operation and collaborating with our stakeholders. Through our continuous efforts, we aspire to create places where both humans and non-humans will co-thrive in the future.



**1,174 tonnes**

Absolute Scope 1 and 2  
GHG emission reduction<sup>1</sup>



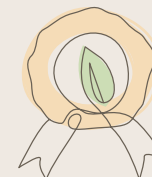
**23%**

Reduction in 2022's  
carbon intensity from a  
2020 base year



**6.7%**

Reduction in  
water  
intensity<sup>1</sup>



**29 buildings with**

BEAM Plus / LEED / WELL  
Certifications<sup>2</sup> obtained

<sup>1</sup> Compared to previous fiscal year

<sup>2</sup> Covers the number of Provisional Assessment and Final Assessment certificates for both New Buildings and Existing Buildings as at 30 June 2023.



# Redesigning through Sustainable Building Design



## Demonstrating Green Building Leadership

Building green has been one of the Group's top sustainability strategies to fulfil its strong commitment to the Planet and environmental sustainability. As we recognise that a large portion of our impact on the environment stem from our construction and property development activities, we make every effort to achieve a high level of resource and energy efficiency and minimise the environmental footprint of our buildings while promoting the well-being of our occupants. Our new projects, designed with sustainability in mind and built with a range of sustainability elements, reflect our strong commitment to the environment.

## Establishment of Sustainable Building Guideline

Our remarkable effort in green building is guided by our Guidelines for Sustainable Procurement which covers and sets clear instructions for every stage of property development, from the selection of service providers to the design and construction phases. The Guideline incorporates pre-qualification and qualification checklists, prioritising tenderers who demonstrate a strong commitment to sustainability through bonus requirements. The Guideline also outlines both mandatory (e.g., adoption of renewable energy, EV chargers and sustainable construction materials) and optional sustainability elements, ensuring that our projects not only meet but surpass sustainable design standards. Together with an incentivised penalty system which designed to encourage service providers to maintain high standards in project delivery and green design performance, we strive to lead our way in green building development.



## Our Commitment

# 100%

**new major project to attain  
the 2nd - highest green building  
certification  
(e.g., BEAM Plus, LEED and WELL  
Standards)**



## Our Achievements

# 20

**BEAM Plus certified\***

# 5

**LEED certified**

# 18

**registered under  
BEAM Plus and WELL**

# 4

**WELL certified\***

# 46%

**of properties with BEAM Plus/  
LEED/ WELL building certificates\***

\*Covering both Provisional and Final Assessment certificates in BEAM Plus and both Pre-certified and Certified projects in WELL as of June 2023.

## Our Featured Green Projects

### Sustainable Water and Wastewater Management

- Installation of water-saving fixtures and dual-flush toilets in residential areas, clubhouse and management office
- Twin-tank design for potable and flushing water



### IN ONE \*

Certifications: Provisional Platinum rating under BEAM Plus New Building Version 1.2 and WELL Building Standard Version 2 Pre-certification

### Efficient Energy Use and Carbon Management

- Mechanical systems to significantly reduce electricity usage compared to standard buildings
- Well-designed building and smart metering system to track electricity usage and develop saving strategies

### Sustainable Site Planning and Design

- More than 30% of the site area containing greenery
- High performance façade, i.e., insulated glazing unit (IGU) with low-e coating

### Waste Management

- Sustainable forest products for temporary construction works
- Reusing temporary wood resources from other construction sites through phased allocations



### Shun Fook Barn

Certifications: Final Platinum rating under BEAM Plus Interiors Version 1.0 and Gold rating under WELL Building Standard Version 2

### Sustainable Building Materials

- Ceiling products with 96% recycled content
- 88% locally sourced ceramic tiles in replacement of wood flooring

### Resources Management

- Installation of high efficient fan coil units, water-conserving water taps and closets and waste recycling facilities
- Ensuring sustainable management of energy, waste and Indoor Environmental Quality ("IEQ")

\* Artist's impression



## Harnessing Technologies for Sustainable Construction Practices

The Group has taken tangible steps to make our construction process more efficient and eco-friendly. We have implemented several technologies, such as the use of concrete Modular Integrated Construction ("MiC") technique, digital inspection systems and BIM. By adopting these technologies, we can ensure better quality control and improve our construction site's sustainability, efficiency and safety.

In 2021, the Group was the first in Hong Kong to introduce a Battery Energy Storage System ("BESS") at our construction sites. Unlike traditional diesel generators, BESS offers cleaner energy and is much smaller and quieter. It can reduce carbon emissions by up to 85%, meaning up to 200 tonnes of carbon emissions can be avoided yearly. Furthermore, BESS eliminates the noise and fire risk associated with diesel generators commonly used on construction sites.

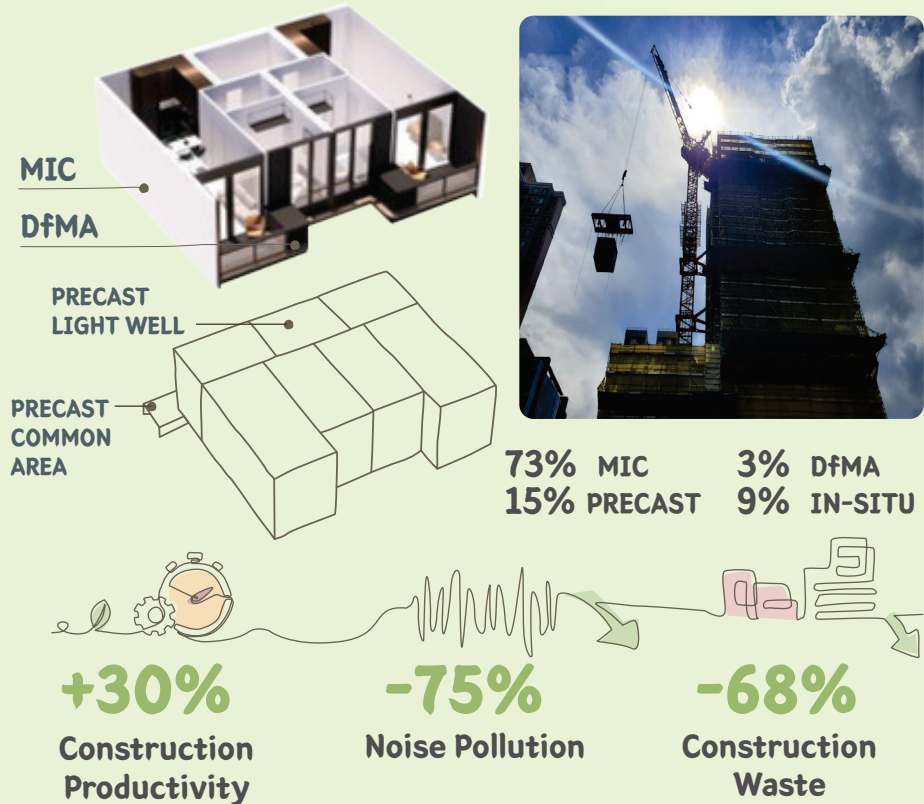
### Case Study

#### Tonkin Street Redevelopment Project – First private residential project in Hong Kong with MiC technique

The Tonkin Street Redevelopment Project, a joint residential development in West Kowloon with the Urban Renewal Authority ("URA") – is the first private residential project in Hong Kong to adopt the MiC technique. The MiC technique is a construction method that employs the technique of manufacturing free-standing modules, including finishes, fixtures and fittings, off-site and then transporting them to the construction site for integration and installation.

The MiC technique brings tangible environmental benefits over conventional methods. It enhances construction safety, quality and productivity, reduces construction waste, decreases traffic loading and minimises nuisances caused by on-site construction work. This MiC technique also speeds up the construction process and ensures high-quality construction by allowing more flexible control of building components.

This Project is also the second pilot project to test and polish the BEAM Plus Compliance Assessment for the Buildings Department ("BD") and BEAM Society Limited ("BSL").



## Sustainable Building Materials

Ensuring our projects are 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. 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.

### Case Study

#### One Hennessy – Adoption of low-E curtain wall system

A Grade-A office project that has achieved LEED Platinum Certification, One Hennessy is a result of our relentless effort to build our city sustainably. One Hennessy stands out for its sustainable design features, such as a low-E curtain wall system that minimises the amount of radiation heat gain and maximises the use of natural daylight to reduce the energy consumption from artificial lighting, leading to a lower energy consumption. Moreover, the building's façade and the setback zone on the podium roof allows natural lighting and ventilation to reach the pedestrian level. One Hennessy provides high-quality commercial spaces, which will facilitate the sustainable operation of occupant companies.





# Accelerating Green Transformation



## Managing Our Energy Consumption and Carbon Emissions

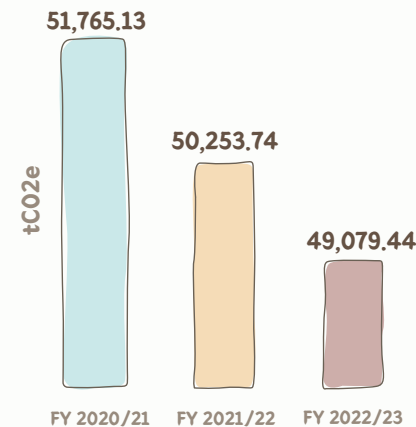
As we recognise the pressing need to address the challenges of climate change and sustainability, we have embarked on an ambitious journey towards a sustainable future. Our target "Chinachem Group Carbon Reduction Roadmap - CCG 3050+" ("CCG 3050+") is aligned with the 1.5°C pathway and approved by Science Based Targets Initiative ("SBTi"). Through CCG 3050+, the Group aims to lower its operational carbon intensity under Scope 1 and 2 by 51.8% and its Scope 3 carbon intensity from capital goods, downstream leased assets and waste generated in operations by 20% by 2030 from the 2020 base year.

During the Reporting Period, we have implemented a range of green initiatives to accelerate our efforts in green transformation. To reduce carbon emissions from electricity consumption, Nina Hotel Kowloon East has newly installed 3 units of water-cooled chiller, connected to 3 cooling towers, and chilled and condenser water pumps with higher efficiency, which reduce approximately 36% of its annual energy consumption. We remain dedicated to pursuing further opportunities for green transformation and reducing our environmental impact.

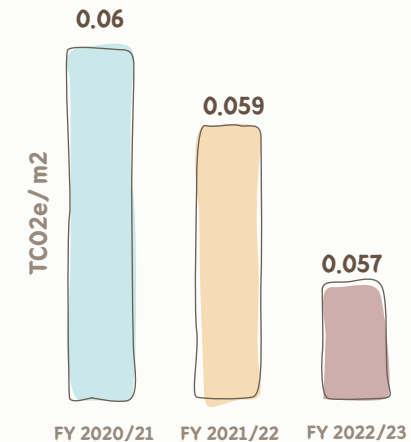


## Performance Highlights

### Total Carbon Emissions (Scope 1 & 2)



### Carbon Emissions Intensity (Scope 1 & 2)



## Increasing the Adoption of Renewable Energy

Decarbonising the energy source is critical to our transition towards low-carbon operations. We are progressively installing renewable energy systems, such as solar photovoltaic (PV) panels, at our properties. For instance, the solar PV panels at Nina Tower generated 10,747 kWh of renewable energy in the reporting period. Additionally, we procured 50,708 kWh of Renewable Energy Certificates ("RECs") from local energy providers, an increase of 44% from the previous year.

To increase our electricity consumption from clean energy sources, we will continue exploring opportunities to expand our renewable energy generation across our portfolio and source off-site renewable electricity, where possible.

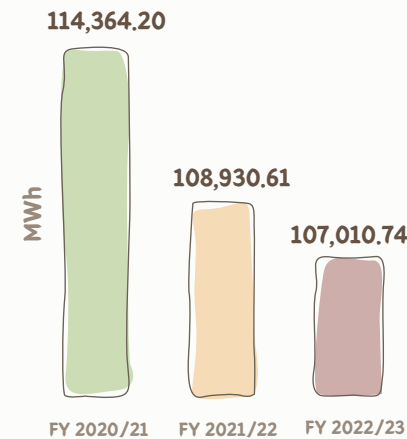
## Supporting Green Transportation

Echoing the Hong Kong SAR Government's Roadmap on the popularisation of Electric Vehicles ("EVs"), we have been taking proactive actions to support the transformation of the city's urban mobility scene by increasing the adoption of EVs in our operations and providing car park lots with EV chargers at our properties. During the Reporting Period, we newly installed 20 EV chargers at our properties.

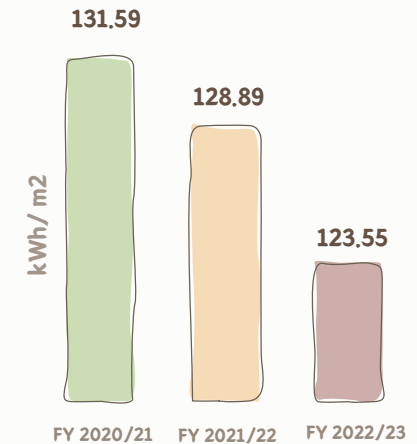


## Performance Highlights

### Total Energy Consumption



### Energy Intensity





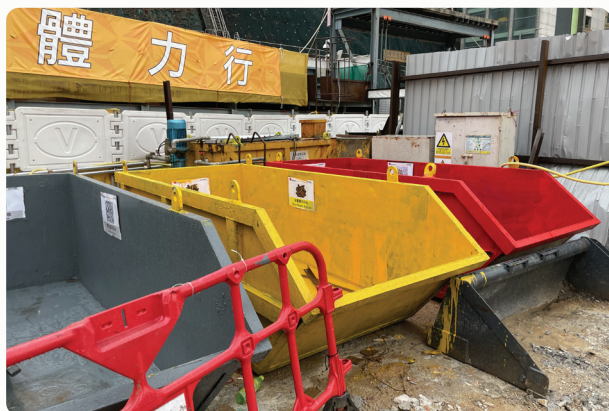
## Sustainable Waste Management

### Managing hazardous and non-hazardous waste at our operations

We acknowledge the urgent need to reduce waste generation and are committed to transitioning our business practices towards a circular economy. To achieve this, we are integrating waste prevention measures into our operations and utilising digital tools and technologies to reduce resource consumption and minimise waste proactively.

### Construction waste recycling

As responsible developers, we prioritise sustainable construction practices to minimise waste through recycling. We recognise that the disposal of construction and demolition ("C&D") materials can strain landfills tremendously. The Group strives to reduce waste generation from its construction sites and recycle the waste it produces. For instance, in our ongoing project in Ho Man Tin, we recycled inert C&D materials through a licensed recycler, achieving an overall recycling rate of over 90%. Additionally, metal waste from demolition was also recycled.



### Case Study

## Our Paperless Initiatives

During a digital transformation journey, the Group has implemented several initiatives to replace conventional paperwork and digitise its work processes to improve productivity and reduce paper usage.

The initiation of "My Places By Chinachem Group" mobile app is one of the major step in the Group's commitment to sustainability. This app reduces paper usage and streamlined homebuying process. Through this eco-friendly digital platform, homebuyers can now easily register their buying intends and stay tuned with latest property news.

In the past, patrolling required recording time and security guard signatures in a physical book at designated checkpoints. By introducing an e-patrol system, we have eliminated the traditional pen-and-paper logbooks and embraced a greener, paperless method that enhances our security measures while conserving the planet.

To reduce paper waste and promote sustainability, Nina Hospitality has taken an eco-friendly approach to serving guests in their food and beverage outlets by replacing traditional paper menus with e-menus on digital devices.



## Case Study

## Material Use and Waste Management in Nina Hospitality

As part of its commitment to reducing our environmental impact, Nina Hospitality practices waste avoidance, reduction, reuse and repurposing throughout its operations. Nina Hospitality reduces its materials used and waste by:

### Blending style and environmental responsibility in uniform



The uniform for RÚ, a Chinese cuisine restaurant at Nina Hotel Tsuen Wan West, is made of eco-friendly materials, such as upcycled polyester blend, wool blend and bamboo fibre. The uniform's charcoal grey colour complements the restaurant's environment and dishes, while the finishing details and micro-elastic elements provide both comfort and durability. The design is versatile enough to be worn by different positions with subtle differentiation, promoting a 'ONE TEAM' concept. The leftover fabric from producing the uniforms is upcycled to create ties, uniform's inner facing and inner trimmings, further reducing production waste.

### Improving menu design and food preparation processes

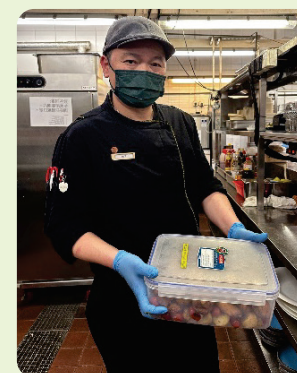


Nina Hospitality also reduces our food waste by making use of food trimmings. We maximise the use of food trimmings in our menu design, such as using fish scraps to make fish mousse, fish stock, fish head curry sauce and using vegetable trimmings to make vegetable cutlet. This allows us to present food to our customers creatively and reduce food waste.

### Recycling food waste

Food wastage is a significant factor in the waste stream directed to landfills in Hong Kong. Apart from transferring our excess food to O·PARK, we have set up five food waste digesters in our hotels to process and reuse the surplus food. Throughout the reporting period, we prevented over 43 tonnes of food from reaching the landfill, leading to the avoidance of more than one tonne of greenhouse gas emissions.

### Donating edible surplus food to the needy



Nina Hospitality believes in the importance of sustainability and community support. To put this belief into action, we have established a partnership with the Foodlink Foundation since 2017. Our hotels, including Nina Hotel Tsuen Wan West, Nina Hotel Island South and Nina Hotel Kowloon East, work with the organisation to donate surplus food from our restaurants to those in need, aiming to create a positive social impact on the communities we serve.



## Engaging Our Stakeholders in Our Waste Reduction Journey

We are committed to addressing the waste issues that exist in our society. We understand that this effort requires collaboration with the wider community, and we are actively engaging with our stakeholders to achieve this goal.

In March 2023, we partnered with WWF-Hong Kong, an environmental NGO, and organised a beach clean-up session. During the event, we conducted a marine debris survey in the Yuen Chau Tsai area of Tai Po and collected various types of waste, such as plastic bottles, masks and metal cans. The experience was empowering for both our colleagues and community volunteers, who were able to contribute to alleviating environmental challenges first hand.

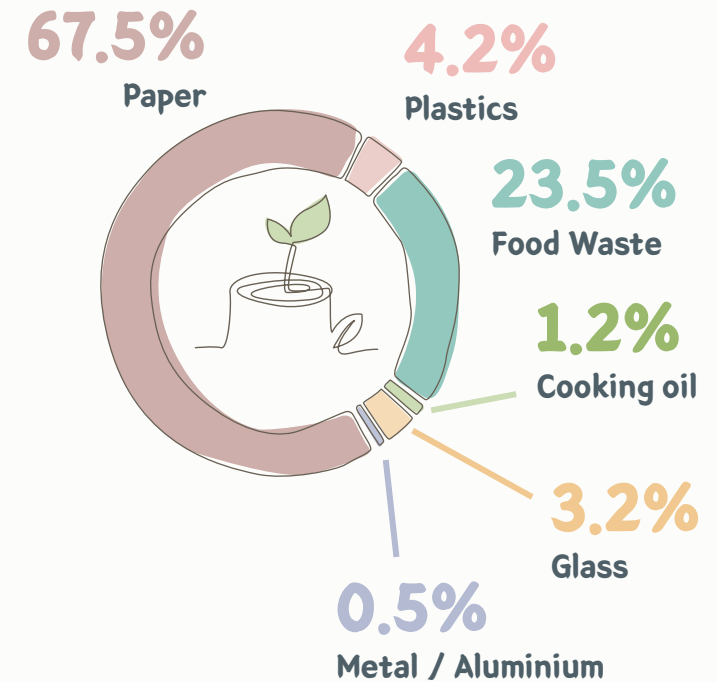
Moreover, we have implemented various measures to encourage our tenants, residents of our properties and hotel guests to actively participate in a zero-waste lifestyle. For example, Nina Hospitality offers discounts ranging from \$3 to \$5 (HKD) to customers who bring their own cups/containers to our food and beverage outlets. We have thoughtfully devised initiatives for our residents, such as collecting mooncake boxes for recyclers, with all generated proceeds donated to charity. We have also partnered with our recycling partners to recycle used cloth during Chinese New Year to promote eco-friendly lifestyles.

In the coming year, we will install Reverse Vending Machines ("RVMs") at our properties to encourage the public to recycle their plastic bottles with instant rebates as an incentive.



## Performance Highlight

### Composition of Materials Recycled (Non-hazardous waste)



### Total Amount of Materials Recycled

FY2020/21	408.21 tonnes
FY2021/22	599.56 tonnes
FY2022/23	512.62 tonnes

## Conserving Water Resources

Although our business may not significantly impact the water resources available in our community, we believe in the collective responsibility of conserving water and preventing scarcity. Therefore, we closely monitor water consumption in our buildings and have implemented various water saving mechanisms. These include the installation of water meters, water flow regulators, automatic taps and water-saving showerheads, etc. Additionally, we adjust landscape irrigation schedules to minimise evaporation. To foster a culture of water conservation, we have been educating our colleagues, tenants, residents and hotel guests on the importance of water conservation.

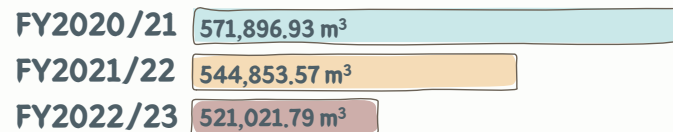
## Enhancing Water Quality

Creating excellent guest experiences is central to our hospitality service, and excellent water quality is undoubtedly essential to enjoyable and safe stay at our hotels. Nina Hospitality has participated in the Hong Kong SAR Government's voluntary "Quality Water Supply Scheme for Buildings - Flushing and Fresh Water" ("the Quality Water Scheme"), guaranteeing excellent water supply across all our hotels. We have implemented control measures, conducted regular inspections, performed maintenance tasks, conducted audits and regular reviews to ensure the optimal functioning of our plumbing systems.

During the Reporting Period, a total of 23 properties were recognised in the Water Quality Scheme. Among these, 11 properties including Nina Tower and The Lily received the highest rating of "Gold" in the Water Quality Scheme.

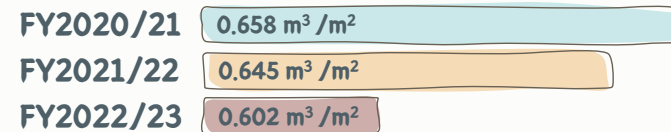
## Performance Highlight

### Total Amount of Water Consumption



Year-over-Year  
% Change  
**-4.4%**

### Water Intensity



Year-over-Year  
% Change  
**-6.7%**

## Case Study

### Conveying Water Conservation Messages

Nina Hospitality encourages sustainable stays by providing an Environmental card in hotel rooms. This card informs guests of the hotel's water-saving programme and provides instructions on participating in the linen and towel reuse program. We aim to reduce water and energy consumption and invite guests to join us in our efforts towards sustainability.





## Ensuring Indoor Air Quality (“IAQ”)

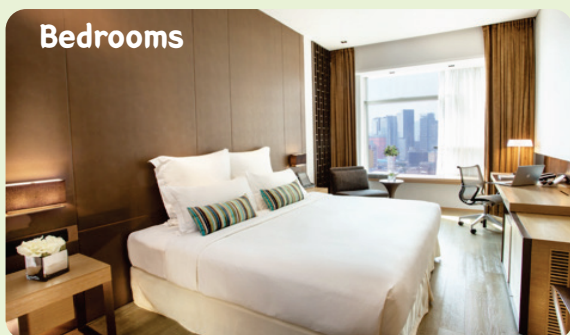
Air quality at our properties is another important element of a top experience for our tenants and guests as well as the well-being of our colleagues. We make every effort to maintain a high standard of IAQ, especially in areas with high guest turnover rates and high levels of footfall in common areas such as restaurants, gyms, pools and lobby areas, to achieve operational excellence and customer satisfaction. Nina Hospitality is the only hotel group in Hong Kong that performs IAQ assessments in both public areas and guest rooms, following the Hong Kong SAR Government Environmental Protection Department's ("EPD") IAQ Objectives. During the Reporting Period, all public areas of the hotels received an Excellent rating in the "Indoor Air Quality Certification Scheme for Offices and Public Places" ("the IAQ Certification Scheme"), and 83% of guest rooms also received an Excellent rating in the IAQ Certification Scheme. Furthermore, Nina Hospitality has obtained certification under HKQAA's "Anti-epidemic Hygiene Measures Certification Scheme", ensuring strict hygiene protocols. These certifications reflect our dedication to maintaining clean, hygienic indoor air, providing guests with a comfortable stay. At our headquarters office, there are six IAQ sensors on each floor. The average value of these sensors is displayed on LED panels at the social hubs, providing an overview of the indoor air quality.

### Case Study

#### Green Features at Hotel Guest Rooms

Nina Hospitality has incorporated several sustainable features into its guest rooms to create a greener future with our guests. These enhancements not only support environmental conservation but also prioritise guests' comfort, providing a memorable and homely experience.

##### Bedrooms



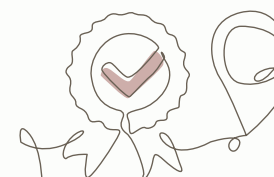
- Maximising natural lighting usage
- LED Lights
- Day and Night Curtain
- Energy efficient appliances
- In-room Air Purifier
- Occupancy sensor in closet
- Environmental reminders and signage
- QR code for hotel service directory
- In-room recycling bins

##### Bathrooms



- Environmental card to encourage the reuse of towels and linen
- Refillable bottles for wet amenities
- Amenity Kits with soy-ink printed packaging
- Water-efficient sanitary fixtures, including showerheads, faucets and dual flush toilets

### Performance Highlight



# 100%

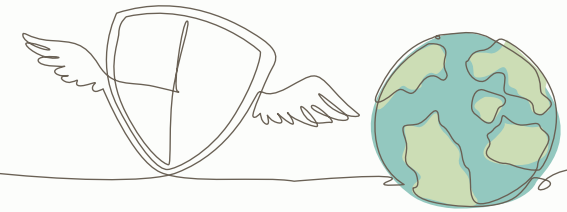
of hotels' public  
areas with  
Excellent rating in  
IAQ Certifications



# 83%

of hotels' guest  
rooms with  
Excellent rating in  
IAQ Certifications

# Joining Forces to Defend Our Planet



## Embedding Sustainable Procurement

As a community developer with diverse areas of operation, we are aware of the impact throughout our value chain. We collaborate with suppliers and business partners to integrate sustainability at all levels. During the Reporting Period, we have enhanced the Group's sustainable procurement guidelines to align with EPD's Green Procurement standard. Alongside departmental Standard Operating Procedures ("SOP") of Procurement, we aim to improve our sourcing practices in purchasing, design and construction processes, prioritising local suppliers to minimise our carbon footprint.

## Supporting Farm-to-table Ingredients



Food sustainability has been a highly concerned environmental concerns, and the Group is dedicated to providing delicacy with a taste of sustainability. Our Chinese restaurant, RÚ, embraces the sustainable development concept by primarily using local ingredients, supporting efforts to protect the environment.



The menu at the restaurant offers a wide selection of 90 delicately crafted dishes, including sustainable seafood, vegetarian options and farm-to-table creations. We focus on incorporating local ingredients, such as hydroponic vegetables, free-range chicken and eggs, farmed Sabah fish and canned crab meat, which are more eco-friendly food choices. Endangered seafood species are avoided, aligning with the support for sustainable procurement.

## Sustainable Cuisine and Delicacy

We are taking a proactive role in improving the sustainability of our food, by choosing suppliers who offer green and sustainable ingredients. Including sustainable seafood in our menu is one of our major sustainability initiatives that aim to reduce our environmental impacts on life in water. To further strengthen our commitment to sustainable procurement, we have also joined the WWF-Hong Kong Sustainable Seafood Business Membership Programme, which helps us connect with more sustainable seafood suppliers.

### Initiatives on Elevating Cuisine with Sustainable Seafood



**Membership of the WWF-Hong Kong Sustainable Seafood Business Membership Programme**



WWF-Hong Kong

**Prioritising Suppliers with Certifications**

e.g., MSC, ASC, WWF Sustainability Seafood Badge



## Collective Effort for a Greater Impact

Implementing effective sustainability practices requires collective action and collaboration. To engage our stakeholders, we have expanded our green initiatives through education and awareness programmes. These include implementing Green Fit-out Recommendations in tenant spaces, conducting regular workshops and seminars on sustainable living and working environments and providing educational materials on energy conservation, water efficiency, waste reduction and IAQ.

### Case Study

#### Green Activities @ Central Market

##### Low Carbon Living Experience Day



Green Booths for educational activities like Second-hand Clothing Giveaway Party, Plastic Upcycling, "Best Before" Groceries, Leftover Dried Fruit and Low Carbon Living Mini-Game.

##### Designing Circularity - Design for the Circular Economy in the Netherlands and Hong Kong Exhibition



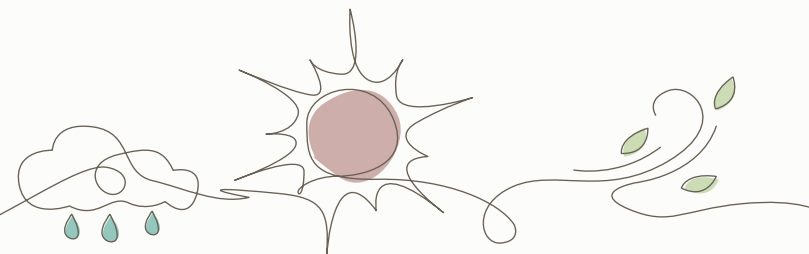
The Netherlands Consulate General in Hong Kong presented the exhibition highlighting innovative sustainable designs from the Netherlands in three areas: Built Environment, Fashion and Everyday Goods.

##### Hong Kong UNESCO Global Geopark Roving Photo Exhibition



It featured 100 photographs and videos of Hong Kong Geopark, including the winning entries from the Hong Kong Geopark 10th Anniversary Photo and Video Competition, the Hong Kong Geopark x Kelvin Yuen Series and the Hong Kong Geopark collection.

# Climate Adaptation and Resilience – Our response to TCFD Recommendations



We acknowledge the potential risks and opportunities climate change poses to our business. Our disclosures align with the recommendations of the Task Force on Climate-Related Financial Disclosures (“TCFD”) across the four essential pillars: governance, strategy, risk management and metrics and targets.



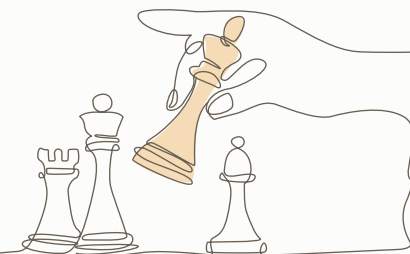
## Governance



The ESG Steering Committee, which is chaired by our CEO and reports to the Executive Committee, has been formed to enhance our governance on ESG issues. The ESG Steering Committee is responsible for overseeing the Group’s ESG strategies, reviewing and endorsing plans and evaluating and monitoring the progress. The Group has four ESG Sub-Committees to ensure that climate-related considerations are effectively integrated into its strategic decision-making and daily operations.

The ESG Department is responsible for steering Group-wide initiatives. The Department also coordinates business units to assess and monitor the climate risks and opportunities for strategic planning, contributing to sustainable property lifecycles.

## Strategy



Climate change presents both physical and transition risks that businesses must reckon with, and our Group is not exempt from these challenges. The escalating frequency and severity of extreme weather events, including cyclones, floods and prolonged temperature increases, have the potential to negatively impact our properties, operations, supply chain and the safety of our colleagues. 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 impacts of our business operations on the climate.

To mitigate potential disruptions and bolster our resilience against these physical risks, the Group has diligently devised tailored contingency arrangements to address extreme weather scenarios. These robust measures are aimed at minimising potential losses and fortifying our ability to adapt to the evolving risks posed by climate change. We have identified and responded to climate-related physical and transition risks that could bring potential impacts to our business and operations:



## Strategy (Continued)

### Transition Risks

#### Technology and Innovation

Emerging technologies in building construction and property management are anticipated to cater to the requirements of climate transition, with a focus on leveraging smart technologies to enhance energy efficiency.

#### Policies and Regulations

At present, climate litigation and the accompanying legal risks are relatively minimal. However, an increased emphasis on this domain is expected in the future.

#### Market

The rising demand from customers for environmentally friendly and energy-saving properties necessitates the implementation of innovative strategies, systems and innovations to maintain or enhance rents and property value.

#### Reputation

The growing awareness among customers about climate change has been impacting their preferences and demands. It is imperative for the Group to effectively safeguard its brand reputation and prevent potential harm posed by climate change.

### Physical Risks

#### Acute

The heightened frequency and intensity of extreme weather events, such as powerful typhoons and heavy rainfall, have the potential to disrupt construction activities and result in damage to construction sites, residential properties, managed offices and retail operations.

#### Chronic

Rising temperatures: Heat stress can potentially disrupt construction activities and diminish the productivity of workers.

Rising average sea levels: Hong Kong, as a coastal city, is increasingly susceptible to climate risks due to the rising sea levels, which makes properties in these areas more vulnerable.



With the urgency of combating climate change, the Group proactively responds to protect our environment. 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 CO<sub>2</sub>-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%

The Group has allocated sufficient time and resources in the coming years to effectively mitigate the impacts of identified climate risks. The Group has executed an extensive array of climate mitigation measures to enhance sustainability, including chiller replacement, retro-commissioning, lift replacement, heat pump installation, enhancements in the energy efficiency of mechanical and electrical equipment and optimisation of operation and maintenance practices. Feasibility studies were conducted to explore cutting-edge technologies for further decarbonisation efforts.

In addition, we are also committed to targeting the 2nd highest green building certification (e.g., BEAM Plus, LEED and WELL Standards) for 100% new major projects to ensure that our developments are energy-efficient and low-carbon through enhanced design and operation. In 2022/23, 46% of properties with BEAM Plus/LEED/WELL building certificates\*. We will also explore opportunities to improve wellbeing and sustainability performance of our existing properties.

To reduce embodied carbon from our development projects and construction activities, we have a Sustainable Building Guideline (“the Guideline”), which covers every stage of property development, from selecting service providers to the design and construction phases. The Guideline incorporates pre-qualification and qualification checklists, prioritising tenderers who commit to sustainability through bonus requirements. The Guideline also outlines mandatory and optional sustainability elements, ensuring that our projects meet and surpass sustainable design standards. With an incentivised penalty system designed to encourage service providers to maintain high standards in project delivery and green design performance, we strive to lead our way in green building development.

Since 2021, the Group has implemented a Green Finance Framework to leverage sustainable financing for eligible green and social projects that support its business strategy and vision. As of 30 June 2023, we have secured more than \$17.3 billion (HKD) of sustainable financing, including three green loans and two sustainability-linked loans.

\*Covering both Provisional and Final Assessment certificates in BEAM Plus and both Pre-certified/ Certified projects in WELL as of June 2023.



## Future Plan for Climate Change Mitigation and Adaption

### Carbon Neutrality

- Develop a roadmap in line with the SBTi's Corporate Net-Zero Standard to establish long-term targets that achieve net-zero emissions by 2050

### Renewable Energy

- Conduct feasibility studies for the selected properties to explore opportunities to boost the Group's overall renewable energy capacity
- Procure Renewable Energy Certificates to support renewable energy initiatives

### Energy Management

- Establish partnerships with local institutes to enhance the Group's energy strategies
- Accelerate the electrification of our operations to improve productivity and mitigate emissions

### Tenants Engagement

- Strengthen engagement efforts with tenants and relevant stakeholders in climate resilience and sustainability to foster the decarbonisation of our operations

### Climate Risk Management

- 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
- Conduct a climate scenario analysis to assess the exposures and vulnerabilities of our portfolio against identified physical climate hazards/perils and quantify financial impacts

### Innovation Championship

- Leverage partnerships with different stakeholders to drive innovative solutions for sustainable development of the Greater Bay Area
- Proactively support Tech Ventures to translate research outcomes into real-world solutions to foster the Group's climate and energy transition capabilities

### Green Building

- Aim to attain the 2nd highest green building certification (e.g., BEAM Plus, LEED and WELL Standards) for 100% new major project
- Reduce embodied carbon from our development projects and construction activities by prioritising service providers and materials that have greener designs and lower emissions

## Risk Management

A robust climate risk management strategy 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. During the Reporting Period, the Group initiated a Physical Climate Risk Assessment study for our building portfolio, comprising both existing buildings and new construction project sites. In the study, we will assess the exposures and vulnerabilities of our portfolio against identified and agreed physical climate hazards/perils, including both acute and chronic hazards, defined by financial impacts, through qualitative screening and risk ranking exercise. In addition, a comprehensive climate scenario analysis of the portfolio will also be carried out, along with an assessment of the potential implications of climate-related risks and opportunities. We will also explore ways to enhance the climate resilience of our portfolio.

In addition, climate-related consideration has been fully 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. The Group's ERM framework undergoes an annual review.

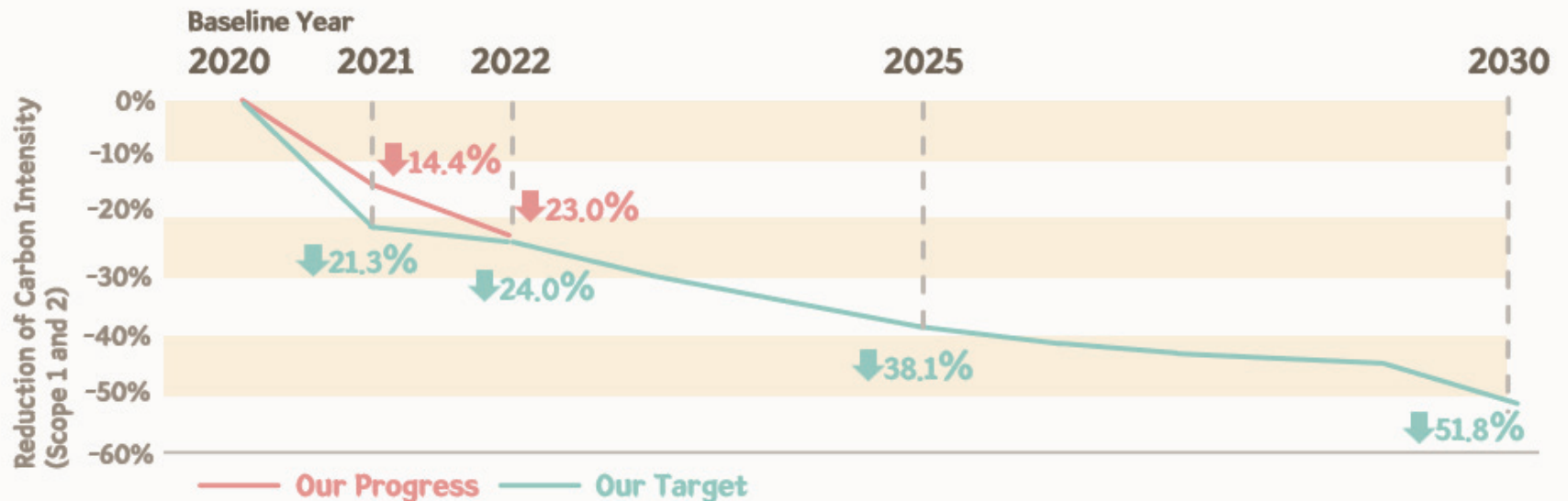
## Metrics and Targets

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.

## Performance Highlights

### Trends of Scope 1 & 2 Emission

We target to lower our operational carbon intensity under Scope 1 and 2 by 51.8% by 2030 from a 2020 base year.

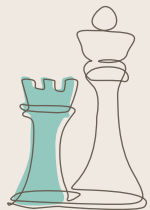




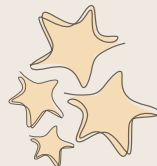
# Governing Our Values



Our commitment to governing the Group with sustainability lays the foundation for our sustainability journey. Sustainability is deeply rooted at all levels of our business, guiding the Group's governance, day-to-day operations and future growth. Through ESG-driven governance, we strive to realise long-term value creation, which ensures resilience, longevity and continuity of the Group.

**3** GOOD HEALTH  
AND WELL-BEING**4** QUALITY  
EDUCATION**6** CLEAN WATER  
AND SANITATION**7** AFFORDABLE AND  
CLEAN ENERGY**9** INDUSTRY, INNOVATION  
AND INFRASTRUCTURE**11** SUSTAINABLE CITIES  
AND COMMUNITIES**12** RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION**13** CLIMATE  
ACTION**14** LIFE  
BELOW WATER**15** LIFE  
ON LAND**17** PARTNERSHIPS  
FOR THE GOALS**79%**

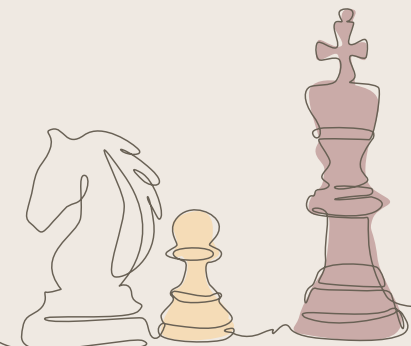
Achievement of  
annual sustainability  
commitments

**4-star**

In Global Real Estate  
Sustainability  
Benchmark  
("GRESB") 2023

**B**

In CDP's  
Climate Change  
Assessment  
(2022 and 2023)



# Solidifying Our ESG Governance Structure

ESG is the one of the fundamental strategies that guide us to build communities for the future and create places with heart. We have been continuously strengthening the role of sustainability in our governance, as we are actively seeking ways to further integrate sustainability into the core of our business operations and governance. To ensure overall effective ESG governance and knowledge transfer, a comprehensive and robust ESG governance system has been structured covering different aspects of corporate sustainability, with improvements on the governance made during the Reporting Period.

## ESG Steering Committee

Chaired by the CEO and reports to the Executive Committee, the ESG Steering Committee 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 leadership team and chairs of ESG Sub-Committees and Working Groups. A Terms of Reference is now being formalised to define its formation, as well as the scope and authority of the ESG Steering Committee, to facilitate effective management and supervision of a specific area of responsibility.

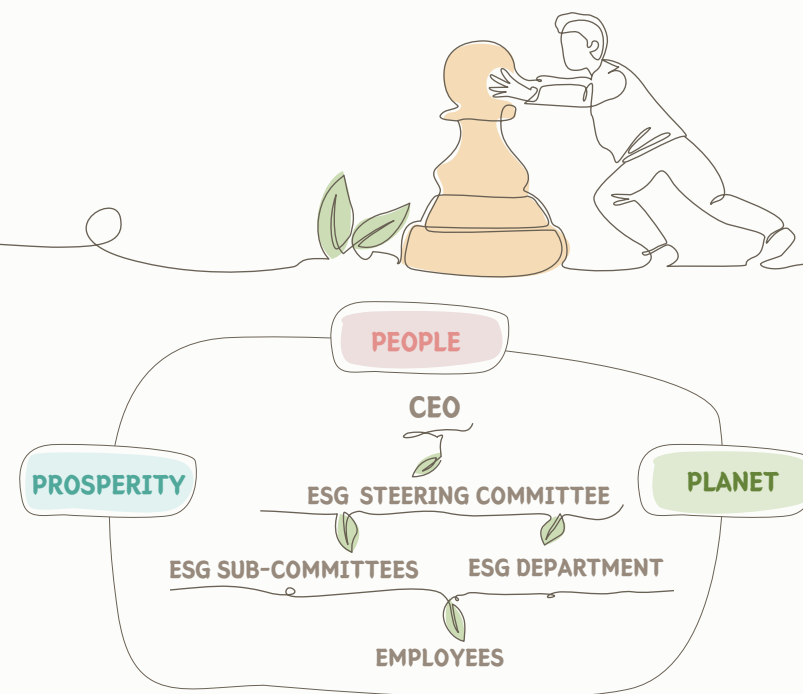
During the reporting period, the ESG Steering Committee conducted three meetings to ensure timely communication on ESG issues.

## 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 for achieving the goals set. Comprising representatives from different business units, each of the ESG Sub-Committee has a valid 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 multiple 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 ["Our Annual Commitments"](#) section.

To support these initiatives, we have also established an ESG Department in 2022, which provides training and support to the entire organisation 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 new ESG Department further strengthens our ESG governance and practices.

During the reporting period, each ESG Sub-Committee conducted two meetings.





## Working Groups

Task-specific working groups will also be formed to further the Group's ESG journey. During the 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 effective, efficient and stringent corporate governance, we review and update internal policies, procedures and guidelines on a regular and event-trigger basis. During the reporting period, revisions of the following policies, procedures and guidelines were introduced.

Policy / Procedure / Guideline	Status
<b>Equal Opportunities</b>	Updated (May 2023)
<b>Inside Information</b>	New (July 2022)
<b>Information Security</b>	Updated (July 2022)
<b>Information Technology</b>	New (July 2022)
<b>Supplier Code of Conduct</b>	Updated (March 2023)
<b>Procurement Management Framework</b>	Updated (November 2022)

# Our Annual Commitments



The four ESG Sub-Committees established 67 annual commitments at the beginning of the Reporting Period, focusing on various areas. These sustainability commitments were then cascaded down to relevant business units, motivating staff members at all levels to work towards achieving these goals and actions. As a result, we achieved an accomplishment rate of 79%. The Group's sustainability performance was regularly reported to the ESG Steering Committee. To maintain equal emphasis on People, Community, Prosperity and Planet, we are actively reviewing these yearly commitments and incorporating new ones.

## ESG Sub-Committee : Prosperity

Focus Areas	Annual Commitments	Status
<b>Sustainable Finance &amp; Responsible Investment</b>	Prepare to develop a ESG Due Diligence P&P	Achieved
	Disclose green financing information on corporate website	In Progress
<b>Innovation &amp; Technology</b>	Install motion detectors and timers to reduce unnecessary lighting usage at Nina Tower Office	Achieved
	Provide solution and enable technology for telecommuting / remote work, thus lowering transportation-related emissions	Achieved
	Install 20 charging stations to encourage EV adoption	Achieved
	Review current ESG data and identify room for improvement	Achieved
	Implement innovative solution to streamline the ESG data collection process, i.e., Optical Character Recognition ("OCR") for electricity bill recognition	Achieved
	Upgrade office equipment to standing desk with adjustable height as well as adjustable monitor to promote healthcare	Achieved
	Provide regular safety training and awareness sessions for our colleagues	Achieved
<b>Privacy, Data Rights and Cybersecurity</b>	Establish the Information Security Policy for setting up the baseline protocols for all departments to follow the security standard	Achieved
	Enhance ability of incident response to reduce the impact of data issues and accelerated the response to cybersecurity and data privacy threats	Achieved
	Introduce an online training system to provide cyber security awareness training	Achieved
	Execute one cyber security knowledge sharing activity	Achieved



## ESG Sub-Committee : Prosperity

Focus Areas	Annual Commitments	Status
Capacity Building	Offer flexible, on-demand consultative sessions to internal departments on KPI writing and integrating social and environmental parameters for ESG measurement	Achieved
	Hosting two Distinguished Speaker sessions, three to four Interdepartmental Dialogue sessions and two to three Business Networking sessions, as part of our efforts to consolidate our Places with Heart Academy, for ESG knowledge empowerment	Achieved
	Collaborate with at least two universities on four topics of concern to strengthen research and innovation capacity for sustainability	Achieved

## ESG Sub-Committee : Planet

Focus Areas	Annual Commitments	Status
Reduction of Operational Environmental Footprint	Install 20 quick charging stations to encourage EV adoption	Achieved
	Implement the Zero-carbon Chiller System Project as part of our progress towards a decarbonised future	Achieved
	Study the feasibility of installing solar panels in at least two hotel properties	In Progress
	Study the feasibility of installing solar panels in buildings managed by Property Services	In Progress
	Study the feasibility of planned enhancement of the Air-Conditioning system at four properties managed by Property Services and get approval on BEAM Plus enhancement works for 19 buildings	In Progress
	Apply for IAQ-related certifications for three buildings managed by Property Services and prepare for applying for the Water Supplies Department's Quality Water Supply Scheme	Achieved
	Identify additional feasible certifications related to sustainable buildings and continue to renew the current certification of hotel properties	Achieved
	Conduct feasibility study on water-saving opportunities and explore collaboration opportunities with third party on improving recycling service	Achieved
	Initiate collection of data of all hotel properties and conduct data analysis	Achieved
	Review the effectiveness and progress made by Nina Hospitality against the CCG 3050+ roadmap	Achieved

## ESG Sub-Committee : Planet

Focus Areas	Annual Commitments	Status
<b>Better Buildings &amp; Healthier Outcomes</b>	Explore opportunities for renovating five properties managed by Properties Services and achieving WELL certification	Achieved
	Conduct preliminary gap analysis to identify hotel properties that are eligible for WELL certification	In Progress
	Require all new major projects to aim for WELL certifications	Achieved
<b>Responding to Climate Change</b>	Conduct a desktop study on the climate risks in new buildings' design	Achieved
	Engage with consultants to conduct a climate risk assessment on properties managed by Properties Services	In Progress
	Review and assess the flooding risks faced by the drainage system and piping of all hotel properties	In Progress
	Review the impacts of climate change on hotel properties, assess the potential climate risks and prepare a work list	In Progress
<b>Responsible &amp; Sustainable Procurement</b>	Revise the original "Guidelines for Sustainable Procurement of Project Department" to "Guidelines for Sustainable Design and Procurement of Project Department"	Achieved
	Incorporate the Group's sustainability philosophy into the Group's revised Supplier Code of Conduct	Achieved
	30% of commonly used items purchased are sustainable	Achieved
	Require new suppliers to provide information on their ESG or sustainability-related certification and internal policies and manuals at Nina Hospitality	Achieved
	Take ESG factors into account to reach sustainable procurement goals by consolidating sustainable requirements from different user departments	Achieved
	Prioritise sustainable sourcing by following our sustainable procurement guidelines, and ensure they are integrated in the procurement process	Achieved
	Abandon single-use plastic items and instead adopt alternative, sustainable products at the Group's hotels	In Progress
<b>Ensuring Sustainable Buildings</b>	Include targets for the revised Guidelines for Sustainable Design and Procurement of the Project Department <ul style="list-style-type: none"> <li>▪ Energy / electricity consumption</li> <li>▪ Water use / harvesting</li> <li>▪ GHG emissions</li> <li>▪ Renewable energy</li> <li>▪ Well-being &amp; health</li> </ul>	Achieved

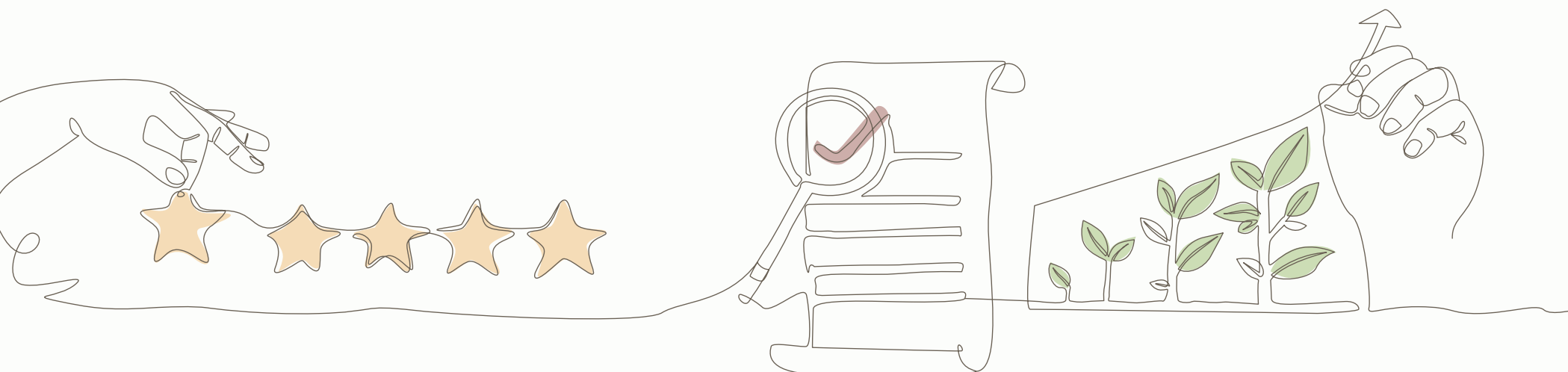


## ESG Sub-Committee : People

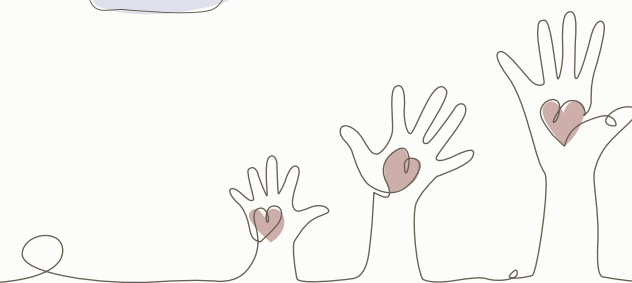
Focus Areas	Annual Commitments	Status
<b>Employee Advancement, Development and Retention</b>	Integrate directions formulated by the ESG Sub-committees or the Working Groups into departmental or individual KPIs, as part of our progress of linking ESG performance with bonus	Achieved
	Roll out Reuters Training programme and develop further staff engagement plan on 3Ps / ESG	Achieved
<b>Diversity, Equity and Inclusion</b>	Sign the Equal Opportunities Commission's "The Racial Diversity and Inclusion Charter for Employers" and develop appropriate targets / programmes	Achieved
	Study of employee well-being benchmarking	Achieved
	Roll out of International Women's Day celebration	Achieved
	Establish relevant DEI metrics	In Progress
<b>Wellness, Health and Safety Enhancement</b>	Review OH&S metrics and governance	Achieved
<b>Sustainable Services and Products for Employees</b>	Develop a working list to reduce wastage and packaging in office events and company gifts	In Progress
<b>Enhancement of Stakeholder Engagement</b>	Identify programme to be incorporated into CCG Hearts to enhance appreciate / recognition culture	Achieved
	Conduct customer satisfaction surveys covering property owners, tenants and hotel customers	Achieved
	Conduct internal employee satisfaction surveys by an independent party	Achieved
	Facilitate regular one-on-one meeting between staff, managers or supervisors via online system	In Progress
<b>Sound and Forward-looking Company Culture</b>	Study the possibility of and identify policies and programmes that enhance employee experience (e.g., No Pay Leave, Smart Casual Dress Code)	Achieved
	Introduce the buddy system designed for new joiners	Achieved
	Conduct research and benchmarking among existing staff members and the Group's competitors as part of the Culture Project	Achieved
	Commence the establishment of the Group's employer value proposition	Achieved
	Formulate an employer branding strategy to enhance the attractiveness of the Group	Achieved
	Design a recruitment journey for job candidates	In Progress

## ESG Sub-Committee : Community

Focus Areas	Annual Commitments	Status
<b>Caring for Elderly and Empowering Future Generation</b>	Identify existing donation projects in relation to elderly, youth and intergeneration	Achieved
	Identify potential long-term NGO partners who could deliver programmes effectively on the themes on elderly, youth and intergeneration	Achieved
<b>Encouraging Volunteerism</b>	Prepare proposal for schemes that incentivise volunteerism among colleagues	Achieved
<b>Connecting Like-minded Individual and Organisations</b>	Secure three NGOs for partnership on community activities	Achieved
	Develop and roll out CCG Hearts programme	Achieved
	Organise a signature CSR event in relation to elderly, youth and intergeneration	Achieved
<b>Inspiring Actions and Cultivating Shared Value through Communications</b>	Revamp the Group's sustainability website to reflect company's latest ESG strategies and goals	Achieved
<b>Assessing and Monitoring Impact</b>	Develop a framework for measuring and attributing positive social impact to CCG activities	In Progress



# Stakeholder Engagement and Materiality Assessment



By staying in touch with our stakeholders, we gain valuable insights into their expectations regarding our sustainability efforts. This also helps us pinpoint important matters and evaluate how effective our sustainability measures are.

## Channels of Stakeholder Engagement

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

Banks	Professional Bodies	Supplier and Vendors	NGOs and Community	Government	Media
<ul style="list-style-type: none"> <li>Chinachem sustainable finance framework</li> <li>Sustainability Report</li> <li>Company website / Social media postings</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability conference</li> <li>Regular and special meetings</li> <li>Project collaborations</li> <li>Organisational memberships</li> </ul>	<ul style="list-style-type: none"> <li>Company website / Social media postings</li> <li>Stakeholder engagement exercise</li> <li>Tendering and procurement process</li> <li>Procurement team personnel</li> <li>Sustainability conference</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability conference</li> <li>Community engagement events</li> <li>Company website / Social media postings</li> <li>Organisational memberships</li> <li>Partnering of volunteering events</li> <li>Stakeholder engagement exercise</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability conference</li> <li>Community engagement events</li> <li>Project collaborations</li> <li>Regular and special meetings</li> <li>Signatories of government campaigns</li> </ul>	<ul style="list-style-type: none"> <li>Media tea gathering</li> <li>Company website</li> <li>Press release</li> </ul>



## Comprehensive Stakeholder Engagement Exercise

To identify both current and potential impacts and to determine the materials topics that may affect the business, during the fiscal year, we commissioned Business Environment Council to carry out a comprehensive stakeholder engagement exercise.

The opinions of its stakeholders are sought through various methods such as online surveys, individual interviews and in-person focus groups. These methods were used to assess the significance of the Group’s impacts, both in terms of quantity and quality.

- An anonymous online survey was conducted aimed to allow stakeholders to rank the level of significance of the Group’s impacts on sustainability topics. In total, 152 completed responses were received from both internal and external stakeholders, accounting for 45% and 55% of total responses respectively.
- Two external focus group discussion sessions were conducted, involving a total of 23 subject matter experts across both sessions; an internal focus group discussion session was conducted, which saw the participation of 19 individuals from different business units and departments.
- One individual interview with a branding company was held, focusing on the value proposition of sustainability.

## Materiality Assessment

A comprehensive list of sustainability topics was compiled by gathering information from various sources, including results obtained from the comprehensive stakeholder engagement exercise, the Group’s past sustainability reports, as well as other relevant documents such as the CCG 3050+ roadmap. Additionally, international and local sustainability / ESG reporting frameworks were referenced, including but not limited to the latest ESG Reporting Guide issued by the Hong Kong Exchanges and Clearing Limited. This report is also prepared in accordance with the Global Reporting Initiative (“GRI”) Standards. In order to reflect international best practices in sustainability reporting, the Group has made reference to double materiality concept outlined in GRI, and taken into account both inward and outward impacts within its materiality assessment process. The financially material topics that management deemed most likely to generate or diminish the Group's enterprise value have been duly acknowledged and thoroughly discussed as part of our enterprise risk management process.

To ensure a thorough analysis, benchmarking against peer organisations was conducted. The materiality assessment process involved context identification, impact prioritisation and validation and the results of the materiality assessment are reflected in the table.

Chinachem Group Sustainability Report Strategic Topics			
1	Sustainable Building	7	Water Consumption and Conservation
2	Energy Use and Conservation	8	Development and Training
3	Waste Management	9	Greenhouse Gas Emission
4	Material Management and Selection	10	Corporate Governance
5	Community Involvement	11	Climate Resilience
6	Technology and Innovation	12	Stakeholder Engagement
		13	Tenant and Customer Engagement

## Tenant and Customer Survey

Acknowledging the crucial role that our tenants and customers play in the success of our business, we place a high priority on their feedback and satisfaction. To this end, we consistently engage in gathering their perspectives through regular tenant and customer satisfaction surveys. These surveys are instrumental in capturing their insights, identifying their primary concerns and thereby enabling us to elevate the standard of our services.

During the Reporting Period, we reached out to a substantial cohort including over 50,000 customers and invited them to evaluate their experiences with us. Over 2,800 and 9,700 valid surveys were received from tenants as well as hotel customers and property owners respectively. The feedback received was affirmatively positive. This feedback is a testament to our commitment to service excellence, yet we recognise that there is always scope for progress. We remain dedicated to continuously refining and enhancing our customer experience, as part of our ongoing commitment to ESG excellence.



# Governing a Sustainable Supply Chain

Our sustainability efforts extend beyond our internal operations. To ensure that we are aligned with our values, we have created a specific governance system that enables us to work closely with our value chain partners. The Sustainable Procurement Strategy Committee ("SPSC") oversees our procurement practices. The SPSC sets high-level project directions and annual objectives and evaluates our performance to ensure that we are aligned with the Group's overall strategy.

To ensure our suppliers meet our high standards, we conduct thorough due diligence, assessing accuracy, pricing, response time, after-service quality and operational regions. Our supplier screening process includes the completion of assessment questionnaires covering business ethics, regulatory compliance, anti-corruption measures, environmental performance, labour practices (including the prohibition of forced and child labour) and occupational safety and health systems. We will also give preference to suppliers who have obtained sustainability certifications during the supplier selection process.

In March 2022, we introduced enhanced sustainable procurement guidelines that guide our procurement decisions towards maximum sustainability, minimise our environmental impact and help us achieve positive social outcomes. We recognise the significance of comprehensive supply chain management and regularly evaluate our supply chain in accordance with our sustainable procurement commitments and environmental and social standards. To manage supply chain risks and maintain a high level of sustainability performance standards, we refined our Suppliers' Code of Conduct ("SCOC") to further integrate ESG considerations into the procurement process. The SCOC defines the Group's expectations and requirements of its suppliers and the responsibility of suppliers towards their stakeholders, society and the environment. The SCOC was developed in accordance with our business values to promote sustainable development. All registered suppliers are required to comply with the SCOC, and failure to do so may result in penalties such as contract termination. New and existing suppliers may submit relevant environmental and safety certifications or standards during the bidding and submission stage to support their proposals.

For more details about sustainable procurement and our decarbonisation efforts, please refer to the "[Sustaining our Planet](#)" chapter.

## 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

44  
Overseas  
Suppliers

9  
Mainland China  
Suppliers



3,816  
Hong Kong SAR  
Suppliers



# Business Ethics and Integrity

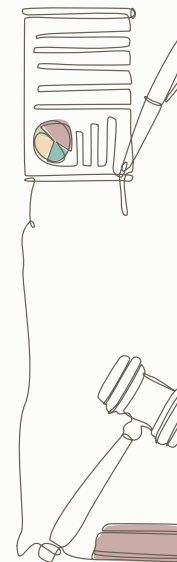


The Group places great importance on upholding a strong sense of integrity and ethical behaviour in all aspects of our business operations. Our longstanding reputation for honesty, trustworthiness and fair play is an asset that contributes to our long-term growth and prosperity. Our company policies address various areas such as fair labour, conflicts of interest, bribery, competition and antitrust, privacy compliance and equal opportunity. Every colleague of the Group is required to fully adhere to the company policies and acknowledge their understanding of its contents in writing upon joining the company.

We are dedicated to maintaining the highest standards of business ethics in order to prevent unethical labour practices, corruption, bribery and conflicts of interest throughout our entire value chain. To ensure this, we have implemented various P&P, such as the Bribery and Illicit Advantage P&P, the Conflict of Interest P&P, the

Advantage Entertainment P&P, the Anti-Money Laundering and Counter-Terrorists Financing P&P and the Whistle-blowing P&P. These policies outline the reporting requirements for handling any issues in a proper and timely manner. They are included in our Code of Conduct and Staff Handbook and are provided to all new hires as a guide for making ethical decisions and to emphasise our zero tolerance for corruption.

During the Reporting Period, we dedicated 993 hours to compliance and anti-bribery training for our colleagues, reinforcing our firm stance against bribery and no material non-compliance incidents regarding corrupt practices were identified. The Group was also not aware of any violations of regulations on child and forced labour, bribery, extortion, fraud and money laundering, including, but not limited to, the Employment of Children Regulations and the Prevention of Bribery Ordinance.

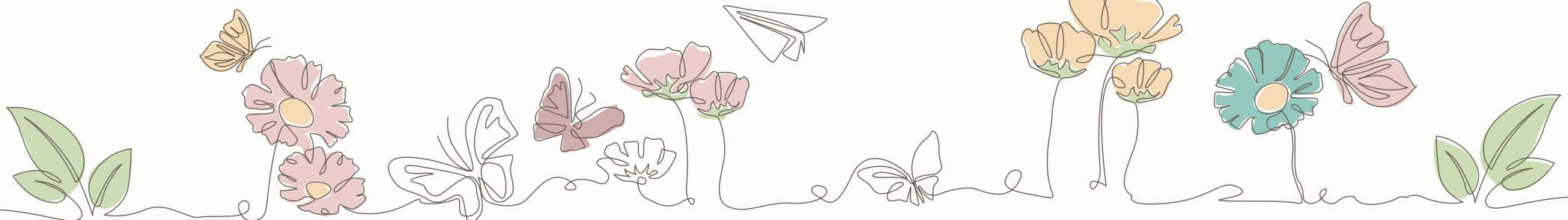
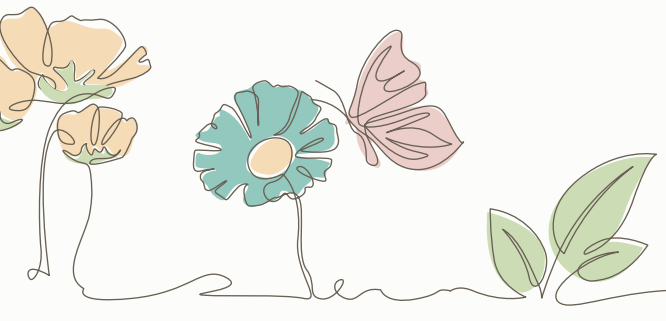


## 790

**Colleagues Completed the Anti-corruption Training**

## 0 Non-compliance

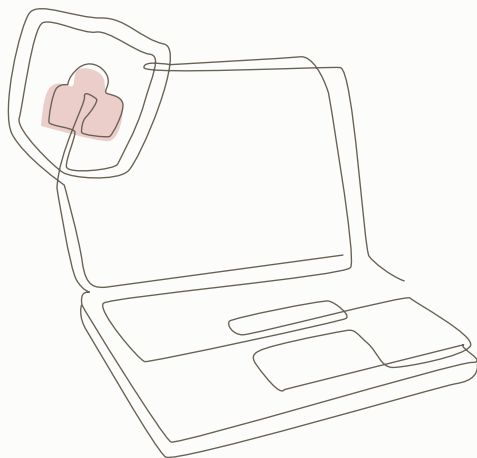
**Number of Significant Fines or Non-Monetary Sanctions for Non-compliance with Environmental, Health and Safety Laws and Regulations**



## Cybersecurity

Ensuring the safety and efficiency of our business operations is our utmost priority, which is why we prioritise cybersecurity. Our Information Security P&P is designed to assist colleagues in protecting information from unauthorised access and guaranteeing its confidentiality. According to our Information Security P&P, all colleagues, including third parties, have a responsibility to safeguard our information and assets. Managers are also responsible for implementing appropriate control measures, both physically and electronically, to ensure information security aligns with the required levels.

During the Reporting Period, we provided 2,034 hours of online Information Technology ("IT") security training sessions to our colleagues to enhance their awareness of cybersecurity. No incidents about material cybersecurity failure were identified.



## Data Privacy & Intellectual Property

Under the Group's Personal Data Privacy Policy and Procedures, any inquiries or requests related to personal data and privacy, our business units should reach out to the designated Personal Data Officer. The Personal Data Officer will then coordinate with the Legal Department for necessary review and advice. Additionally, when collecting personal data, business units must provide a Personal Information Collection Statement ("PICS") to ensure customer privacy. In addition, we fully comply the Personal Data (Privacy) Ordinance and any other regulation on data privacy, with which the Group was unaware of any non-compliance.

During the Reporting Period, the Legal Department reviewed and advised on one PICS submitted by business units regarding their collection and use of personal data and no incidents of material non-compliance were identified. We will continue handling our customers' data with great care and working relentlessly to protect their privacy.

In addition, we are committed to safeguarding our intellectual property. Our colleagues are required to follow the Information Security policy, which outlines the proper and safe way of utilising information technologies, when using and handling any mobile devices that contain any intellectual property of the Group. We have also established the IT Policy and Procedure for the operations of Nina Hospitality, and it mandated how licensed software should be used, processed and managed. Our colleagues are required to report any non-compliance cases or infringement of intellectual property to the relevant departments.

## Ensuring High-Quality Products and Services

We are highly committed to delivering products and services of high quality, as maintaining great customer satisfaction has always been our top mission. A set of rigorous quality assurance procedures have been established for many of our products and operations. We have implemented the "Minimum Quality Service Standards" to ensure the operations and handling of our hospitality and catering services would follow predefined criteria that covered, e.g., front desk, guest rooms, recreational facilities, catering and restaurant operations, and meet a consistently high level of quality. We have also adopted a series of service pledges that ensure the delivery of excellent property management services in regards to utilities, repairment, responses to emergencies and other aspects.

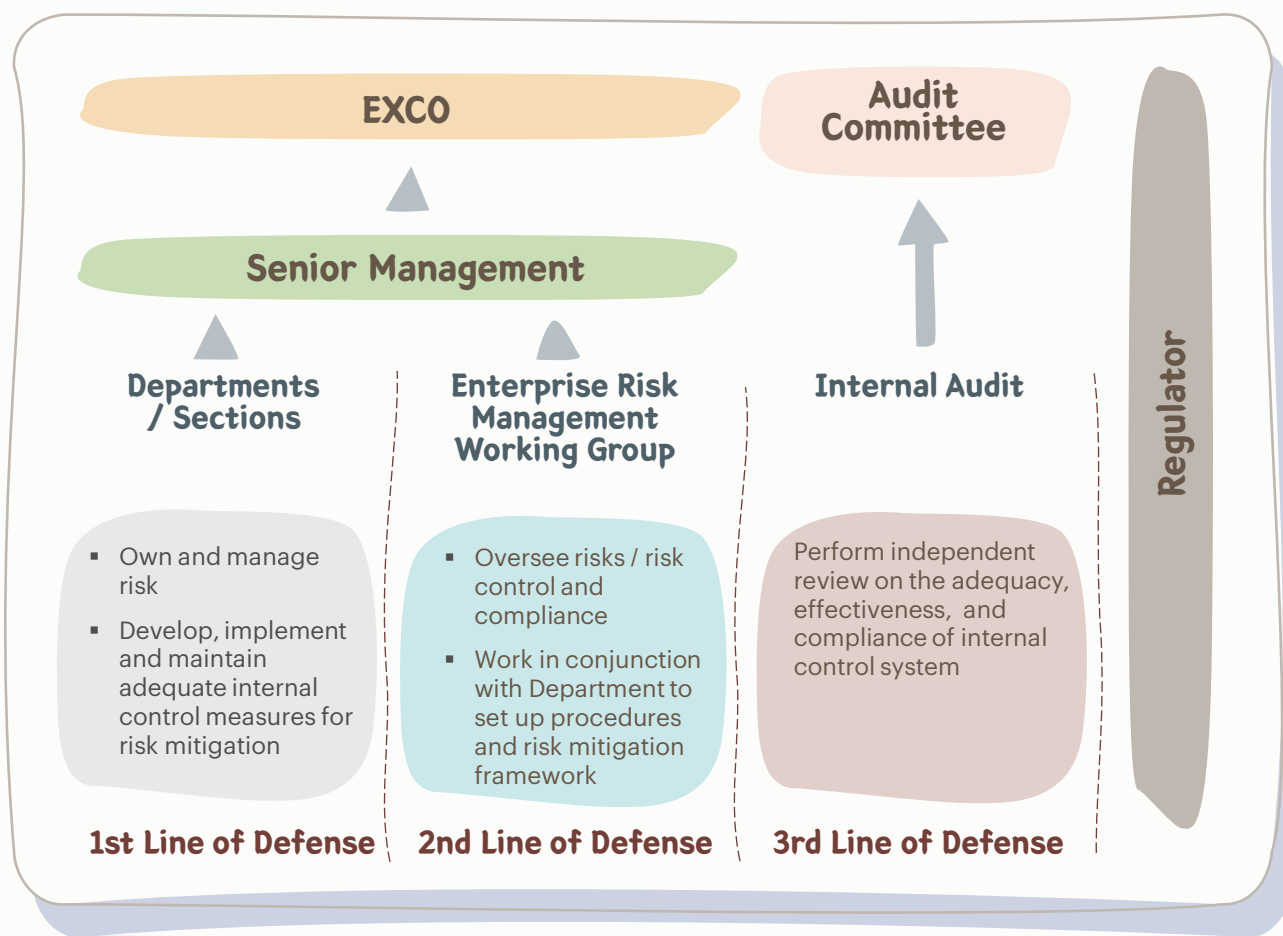
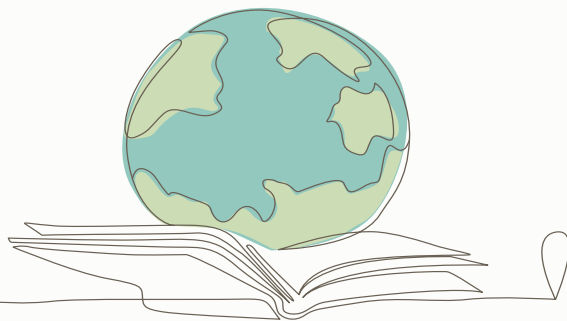


# Risk Management and Internal Control



Risk management is an integral part of the Group's operations at every level. We prioritise the timely identification and mitigation of risks, as it forms the foundation of our risk management approach. With a comprehensive risk management framework, policies and procedures safeguarding group-level and departmental-level operations, we conduct risk management workshops regularly to ensure the concept of risk management is properly cascaded.

In November 2022, a half-day Chinachem Group Business Strategy Risk Management Offsite Retreat was held, with 98 participants from all business and supporting units joined.





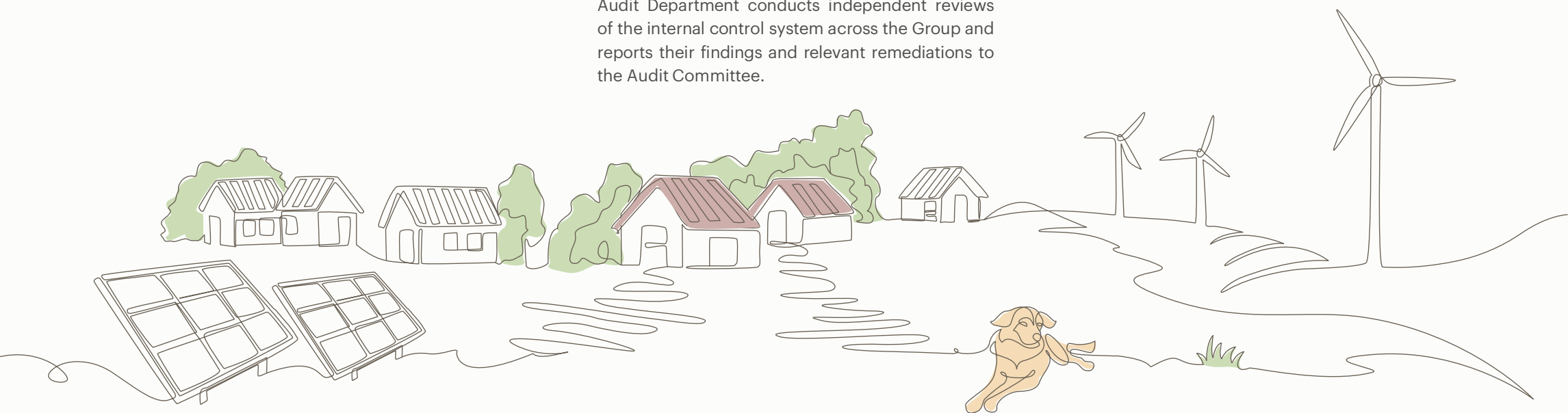
To ensure the sustainable development of the Group, we are actively addressing the increasing number of risks arising in the rapidly changing environment by establishing a comprehensive risk management mechanism. At the corporate level, we have implemented the Enterprise Risk Management (“ERM”) framework, which enables us to effectively identify, analyse and manage risks. To ensure comprehensive risk assessment, we have formed an ERM working group leading by the Chief Operating Officer and Chief Financial Officer. This group is responsible for supporting departments to identify and prioritise known and emerging risks, and evaluating the existing controls and appropriate further risk mitigation measures. Annual review is conducted by the ERM working group and enterprise top risks are reported to the Executive Committee.

At Group level, we have established, we have implemented the Risk Management P&P and the Internal Control Framework and Management P&P to support our departments in identifying, evaluating and handling risks.

- The Risk Management P&P outlines the responsibilities of our Division / Department Heads in establishing and defining the risk management process for their respective divisions/departments.
- Our Internal Control Framework and Management P&P align with the Internal Control - Integrated Framework (“COSO Framework”) issued by the Committee of Sponsoring Organisations of the Treadway Commission (“COSO”). This framework provides a robust internal control structure adopted by our Group. Additionally, our Internal Audit Department conducts independent reviews of the internal control system across the Group and reports their findings and relevant remediations to the Audit Committee.

The risk control mechanism extends its coverage to development and construction projects as well. Each project is assigned a risk controller who incorporates a risk assessment register (“register”) into the implementation plan. This register comprehensively documents the potential risks, their probabilities and impacts, risk control and mitigation measures, as well as the designated colleague responsible for overseeing each risk item. The register undergoes annual updates until the project is transferred to the project owners.

Recognising the significance of climate change in presenting both risks and opportunities, we have further strengthened our climate risk assessment. For more information, please refer to the “Climate-related Financial Disclosures” section of this Report.



# Looking Ahead

As we embark on the new year, we are excited to build upon our past achievements and continue making a positive impact in the world, aligning our triple bottom line approach of balancing People, Prosperity and Planet.

Firstly, we aim to expand our cultural footprint by launching initiatives that bring people together. One such event is the "One Beat, One World: Connecting Through the Drum" Carnival & 5G Live Concert, which will provide a platform for cultural exchange and unity.

In addition to cultural initiatives, we will prioritise promoting volunteerism and recognising community service. Our goal is to foster a spirit of generosity and care among individuals, inspiring them to give back to their communities. Enhancing the quality of life for all community members is a key objective. We will introduce programmes to improve dining experiences for those with unique dietary needs, ensuring inclusivity and accessibility.

To ensure our initiatives are impactful, we will conduct robust social impact assessments. This will help us fine-tune our strategies and allocate resources effectively, contributing to a sustainable and liveable Hong Kong.

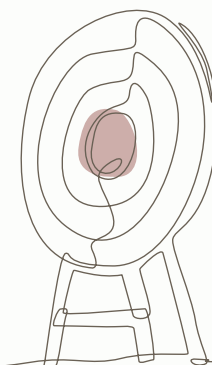
Environmental stewardship is a guiding principle for us. We will integrate sustainable practices throughout our operations, including expanding renewable energy generation in our properties. Seeking certifications that affirm our commitment to sustainability and aligning with the Taskforce on Nature-related Financial Disclosures ("TNFD") recommendations are also on our agenda.

Furthermore, we will conduct a quantitative climate risk study to gain actionable insights and enhance our resilience and responsibility in the face of climate change. Our collaboration with the Science-based Targets Initiative underscores our commitment to aligning with a Net Zero future by 2050.

We will actively encourage sustainable practices among our stakeholders, urging them to join us in transitioning to a greener future. Efforts to reduce operational waste, promote recycling and embrace the principles of a circular economy will be prioritised. Investing in infrastructure that contributes to Hong Kong's economic vitality while upholding our sustainability commitments is a key focus. We will support technological advancements and nurture solutions that future-proof our business and enhance adaptability.

Our commitment to being a socially and environmentally responsible corporation that cares for people, communities and the planet remains steadfast. Our vision is to harness the potential of our business as a catalyst for beneficial change. To this end, we are actively pursuing B Corp certification and are committed to establishing and reaching bold sustainability goals.

Our dedication to sustainability, shared prosperity, societal betterment and creating places with heart drives us forward. Together, we will champion a future that upholds these values and creates a positive and sustainable impact.



# About This Report



## Reporting Period and Reporting Scope

This Report is the 4th Sustainability Report (“the Report”) of the Group. The Reporting Period covers the Group’s financial year 2022/23 (FY2022/23) from 1 July 2022 to 30 June 2023. The sustainability data and information focus on our key businesses, including the property management subsidiaries and Nina Hospitality. During the Reporting Period, the reporting scope includes the headquarters office, 34 commercial, industrial and residential properties and seven hotels, where the Group has majority financial ownership and operational control.

## Reporting Standards and Principles

The Report is prepared in accordance with the GRI Standards and its latest Universal Standards 2021. We have also prepared this Report with reference to the Environmental, Social and Governance Reporting Guide (“the ESG Reporting Guide”) contained in Appendix C2 to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKEx”) and the TCFD recommendations. In addition, our report makes reference to the IFRS S2 Climate-related Disclosures (“IFRS S2”) issued by the International Sustainability Standards Board (“ISSB”).

We have followed the Reporting Principles as recommended by GRI Standards and as set out in the ESG Reporting Guide to define the report content and to ensure the quality of information presented in this Report, including:

- **Materiality**  
We conduct 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 its latest Universal Standards 2021, the ESG Reporting Guide and IFRS S2. 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](#).

Email:  
[sustainability@chinachemgroup.com](mailto:sustainability@chinachemgroup.com)

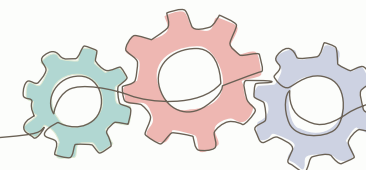
Telephone:  
+852 2739 8811

Address:  
38/F, Nina Tower,  
8 Yeung Uk Road, Tsuen Wan,  
New Territories, Hong Kong





# Performance Data



## Environmental Data

Indicators	Unit	FY2022/23	FY2021/22	FY2020/21
<b>ENERGY CONSUMPTION <sup>1</sup></b>				
Purchased electricity	MWh	100,931.65	103,701.63	109,316.12
Towngas	MWh	5,419.11	4,902.00	4,694.10
Petrol	MWh	597.28 <sup>2</sup>	325.72	317.75
Diesel	MWh	62.70 <sup>2</sup>	1.26	16.23
Total energy consumption	MWh	107,010.74	108,930.61	114,364.20
Energy intensity	kWh / m <sup>2</sup>	123.55 <sup>3</sup>	128.89	131.59
<b>CARBON EMISSIONS <sup>4</sup></b>				
Direct carbon emissions (Scope 1) <sup>5</sup>	tCO <sub>2</sub> e	1,293.63	1,076.68	1,068.03
Indirect carbon emissions (Scope 2) <sup>6</sup>	tCO <sub>2</sub> e	47,785.81	49,177.06	50,697.10
Total carbon emissions (Scope 1 & 2)	tCO <sub>2</sub> e	49,079.44	50,253.74	51,765.13
Carbon emissions intensity (Scope 1 & 2)	tCO <sub>2</sub> e / m <sup>2</sup>	0.057	0.059	0.060
<b>AIR EMISSIONS <sup>7</sup></b>				
Sulphur oxides	kg	1.39 <sup>2</sup>	0.834	0.844
Nitrogen oxides	kg	301.93 <sup>2</sup>	87.68	88.06
Particulate matter	kg	20.47 <sup>2</sup>	1.26	1.62
<b>WATER CONSUMPTION AND WASTEWATER DISCHARGED</b>				
Total water usage	m <sup>3</sup>	521,021.79	544,853.57	571,896.93
Water intensity	m <sup>3</sup> / m <sup>2</sup>	0.602 <sup>8</sup>	0.645	0.658
Wastewater discharged <sup>9</sup>	m <sup>3</sup>	497,518.65	518,646.09	542,374.40
<b>WASTE DISPOSED</b>				
Non-hazardous waste disposed <sup>10</sup>	tonnes	23,969.42 <sup>11</sup>	18,723.76	12,352.37
Non-hazardous waste disposal intensity	tonnes / m <sup>2</sup>	0.028	0.022	0.014

## Compliance with Relevant Environmental Regulations

We have been strictly complying with any local or 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	FY2022/23	FY2021/22	FY2020/21
<b>WASTE DIVERTED FROM DISPOSAL</b>				
<b>Non-hazardous Waste</b>				
Food waste	tonnes	120.52 <sup>12</sup>	91.35	40.12
Cooking oil to biodiesel <sup>13</sup>	tonnes	6.26	-	-
Glass	tonnes	16.24	18.05	18.29
Metal / Aluminium	tonnes	2.37	6.84	2.95
Paper	tonnes	345.92	476.66	338.31
Plastics	tonnes	21.31	6.66	8.54
Total non-hazardous waste diverted from disposal	tonnes	512.62	599.56	408.21
Non-hazardous waste recycling intensity	kg / m <sup>2</sup>	0.592	0.625	0.417
<b>Hazardous Waste <sup>14</sup></b>				
Battery	kg	58.16	-	-
Lighting tube	kg	314.57	-	-
Cartridge	kg	1,705.40	-	-
Waste Electrical and Electronic Equipment ("WEEE") <sup>15</sup>	kg	4,159.50	-	-
	pieces	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 resulted in higher reported consumption of petrol and diesel fuel, as well as air emissions.
- In FY2022/23, the annual energy intensity of properties that were fully owned and managed by the Group was 78.55 kWh/m<sup>2</sup> and that of hotels were fully owned and managed by the Group was 254.29 kWh/m<sup>2</sup>, representing a reduction of 8.1% and 14.1% respectively compared to FY2020/21.
- 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, 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")".
- Scope 2 emissions comprise the consumption of Towngas and purchased electricity. Emission factors are adopted from CLP's 2022 Sustainability Report, Hong Kong Electric's Sustainability Report 2022 and The Hong Kong and China Gas Company Limited ESG Report 2022.
- 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.
- In FY2022/23, the water intensity of properties that were fully owned and managed by the Group was 0.245 m<sup>3</sup>/m<sup>2</sup> and that of hotels were fully owned and managed by the Group was 1.652 m<sup>3</sup>/m<sup>2</sup>, representing a reduction of 2.6% and 23.2% respectively compared to FY2020/21.
- 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 FY2022/23.
- More properties have participated in the government's food waste collection scheme resulted in higher reported food waste recycled in FY2022/23.
- 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 recycle receipt.

## Social Data

	FY2022/23		FY2021/22		FY2020/21	
	Number of people	%	Number of people	%	Number of people	%
<b>WORKFORCE</b>						
Total workforce	3,138	-	2,982	-	2,978	-
<b>By Gender</b>						
Male	1,672	53.3%	1,640	55.0%	1,608	54.0%
Female	1,466	46.7%	1,342	45.0%	1,370	46.0%
<b>By Employee Category <sup>1</sup></b>						
Senior management	20	0.6%	72	2.4%	74	2.5%
Management	451	14.4%	363	12.2%	242	8.1%
Frontline and general employee	2,667	85.0%	2,547	85.4%	2,662	89.4%
<b>By Age Group</b>						
30 or below	362	11.5%	368	12.3%	381	12.8%
31-50	1,295	41.3%	1,237	41.5%	1,242	41.7%
51 or above	1,481	47.2%	1,377	46.2%	1,355	45.5%
<b>By Employment Contract</b>						
Permanent	2,712	86.4%	2,733	91.6%	2,783	93.5%
Temporary	426	13.6%	249	8.4%	195	6.5%
<b>By Employment Type</b>						
Full-time	2,938	93.6%	2,915	97.8%	-	-
Part-time	200	6.4%	67	2.2%	-	-
<b>By Geographical Region</b>						
Hong Kong	3,138	100.0%	2,982	100.0%	2,978	100.0%
Others	0	0.0%	0	0.0%	0	0.0%

	FY2022/23		FY2021/22		FY2020/21	
	Number of people	%	Number of people	%	Number of people	%
<b>VOLUNTARY TURNOVER <sup>2,3,4</sup></b>						
Overall	1,022	32.6%	893	29.9%	1,124	37.7%
<b>By Gender</b>						
Male	553	33.1%	449	27.4%	563	35.0%
Female	469	32.0%	444	33.1%	561	40.9%
<b>By Employee Category</b>						
Senior management	2	10.0%	-	-	-	-
Management	156	34.6%	-	-	-	-
Frontline and general employee	864	32.4%	-	-	-	-
<b>By Age Group</b>						
30 or below	184	50.8%	201	54.6%	178	46.7%
31-50	464	35.8%	402	32.5%	379	30.5%
51 or above	374	25.3%	290	21.1%	567	41.8%
<b>By Geographical Region</b>						
Hong Kong	1,022	32.6%	893	29.9%	1,124	37.7%
Others	0	0.0%	0	0.0%	0	0.0%
<b>INVOLUNTARY TURNOVER <sup>2,5</sup> (DUE TO DISMISSAL, DOWNSIZING, REDUNDANCY AND MISCONDUCT)</b>						
Overall	75	2.4%	-	-	-	-
<b>By Gender</b>						
Male	59	3.5%	-	-	-	-
Female	16	1.1%	-	-	-	-

	FY2022/23		FY2021/22		FY2020/21	
	Number of people	%	Number of people	%	Number of people	%
<b>By Employee Category</b>						
Senior management	0	0.0%	-	-	-	-
Management	12	2.7%	-	-	-	-
Frontline and general employee	63	2.4%	-	-	-	-
<b>By Age Group</b>						
30 or below	10	2.8%	-	-	-	-
31-50	38	2.9%	-	-	-	-
51 or above	27	1.8%	-	-	-	-
<b>By Geographical Region</b>						
Hong Kong	75	2.8%	-	-	-	-
Others	0	0.0%	-	-	-	-
<b>INVOLUNTARY TURNOVER <sup>2,6</sup> (DUE TO COMPLETION OF CONTRACT OR RETIREMENT AND DECEASE)</b>						
Overall	210	6.7%	-	-	-	-
<b>By Gender</b>						
Male	142	8.5%	-	-	-	-
Female	68	4.6%	-	-	-	-
<b>By Employee Category</b>						
Senior management	0	0.0%	-	-	-	-
Management	0	0.0%	-	-	-	-
Frontline and general employee	210	7.9%	-	-	-	-

	FY2022/23		FY2021/22		FY2020/21	
	Number of people	%	Number of people	%	Number of people	%
<b>By Age Group</b>						
30 or below	3	0.8%	-	-	-	-
31-50	1	0.1%	-	-	-	-
51 or above	206	13.9%	-	-	-	-
<b>By Geographical Region</b>						
Hong Kong	210	7.7%	-	-	-	-
Others	0	0.0%	-	-	-	-
<b>NEW HIRE <sup>2</sup></b>						
Overall	1,344	42.8%	1,142	38.3%	-	-
<b>By Gender</b>						
Male	737	44.1%	662	40.4%	-	-
Female	607	41.4%	480	35.8%	-	-
<b>By Employee Category</b>						
Senior management	2	10.0%	-	-	-	-
Management	175	38.8%	-	-	-	-
Frontline and general employee	1,167	43.8%	-	-	-	-
<b>By Age Group</b>						
30 or below	216	59.7%	276	75.0%	-	-
31-50	537	41.5%	459	37.1%	-	-
51 or above	591	39.9%	407	29.6%	-	-
<b>By Geographical Region</b>						
Hong Kong	1,344	42.8%	1,142	38.3%	-	-
Others	0	0.0%	0	0.0%	-	-



	FY2022/23		FY2021/22		FY2020/21	
	Number of people	%	Number of people	%	Number of people	%
<b>PERFORMANCE REVIEW <sup>2</sup></b>						
Overall	2,790	88.9%	2,811	94.3%	-	-
<b>By Gender</b>						
Male	1,556	93.1%	1,560	95.1%	-	-
Female	1,234	84.2%	1,251	93.2%	-	-
<b>By Employee Category</b>						
Senior management	19	95.0%	72	100.0%	-	-
Management	434	96.2%	327	90.1%	-	-
Frontline and general employee	2,337	87.6%	2,412	94.7%	-	-
<b>PARENTAL LEAVE</b>						
<b>Employees Entitled to Parental Leave <sup>7</sup></b>						
Male	1,672	-	-	-	-	-
Female	1,466	-	-	-	-	-
<b>Employees that Took Parental Leave</b>						
Male	17	-	-	-	-	-
Female	23	-	-	-	-	-
<b>Employees Return to Work Rate <sup>8</sup></b>						
Male	-	100.0%	-	-	-	-
Female	-	87.0%	-	-	-	-

	FY2022/23	FY2021/22	FY2020/21
	Number of hours	Number of hours	Number of hours
<b>TRAINING <sup>9</sup></b>			
Total number of training hour	77,351	-	-
<b>AVERAGE NUMBER OF TRAINING HOUR <sup>10</sup></b>			
Overall	24.6 <sup>11</sup>	10.5	12.0
<b>By Gender</b>			
Male	22.8	9.5	9.6
Female	26.8	11.8	14.8
<b>By Employee Category</b>			
Senior management	32.1	25.5	21.7
Management	38.2	18.8	34.2
Frontline and general employee	22.3	8.9	9.7

	FY2022/23	FY2021/22	FY2020/21
	Number of hours	Number of hours	Number of hours
<b>ANTI-CORRUPTION TRAINING</b>			
Overall	993.4	-	-
<b>By Gender</b>			
Male	524.8	-	-
Female	468.6	-	-
<b>By Employee Category</b>			
Senior management	18.0	-	-
Management	322.8	-	-
Frontline and general employee	652.6	-	-

	Unit	FY2022/23	FY2021/22	FY2020/21
<b>OCCUPATIONAL HEALTH AND SAFETY</b>				
Total number of hours worked	Number of hours	6,583,044	-	-
Absentee days <sup>12</sup>	Days	17,303	17,115	-
Number of ISO Certifications on health and safety management system	Number of certifications	7	-	-
<b>Work-related Fatalities as a Result of Work-related Injury</b>				
Number of work-related fatalities	Number of incidents	0	0	0
Work-related fatality rate <sup>13</sup>	%	0.0%	0.0%	0.0%
<b>Work-related Injuries</b>				
Number of total work-related injury incidents <sup>14</sup>	Number of incidents	101	107	108
Rate of recordable work-related injuries <sup>15</sup>	%	3.1%	-	-
Lost days due to injuries	Days	4,188	8,020	5,687
Number of lost time injuries (sick leave > 0 days)	Number of incidents	86	-	-
Number of reportable injuries (sick leave > 3 days)	Number of incidents	79	-	-

	Unit	FY2022/23	FY2021/22	FY2020/21
<b>Work-related Injuries (cont'd)</b>				
Number of high-consequence injuries (excluding fatalities) <sup>16</sup>	Number of incidents	8	5	-
Rate of high-consequence injuries (excluding fatalities) <sup>17</sup>	%	0.2%	-	-
<b>Work-related Ill Health</b>				
Work-related fatalities as a result of work-related ill health	Number of incidents	0	-	-
Cases of recordable work-related ill health	Number of incidents	0	-	-
<b>OCCUPATIONAL HEALTH AND SAFETY (CONTRACTOR)<sup>18</sup></b>				
Total number of hours worked	Number of hours	4,107,740	3,450,460	1,439,360
Total number of contractor workers	Number of contractor workers	15,799	13,271	5,536
Number of ISO Certifications on health and safety management system	Number of certifications	4	-	-
<b>Work-related Fatalities as a Result of Work-related Injury</b>				
Number of work-related fatalities	Number of incidents	0	0	0
Work-related fatality rate	%	0.0%	0.0%	0.0%
<b>Work-related Injuries</b>				
Number of total work-related injury incidents	Number of incidents	14	16	10
Rate of recordable work-related injuries	%	0.7%	-	-
Lost days due to injuries	Days	1,140	2,438	1,296
Number of lost time injuries (sick leave > 0 days)	Number of incidents	14	16	10
Number of reportable injuries (sick leave > 3 days)	Number of incidents	14	15	10
Number of high-consequence injuries (excluding fatalities)	Number of incidents	2	7	3
Rate of high-consequence injuries (excluding fatalities)	%	0.1%	-	-

		FY2022/23		FY2021/22		FY2020/21	
Unit		Male	Female	Male	Female	Male	Female
<b>DIVERSITY</b>							
<b>Governance Bodies</b>							
Executive Committee	Number of people	8	0	-	-	-	-
	%	100.0%	0.0%	-	-	-	-
ESG Steering Committee	Number of people	9	1	-	-	-	-
	%	90.0%	10.0%	-	-	-	-
<b>Management Positions</b>							
Senior management positions	Number of people	14	6	-	-	-	-
	%	70.0%	30.0%	-	-	-	-
Management positions	Number of people	260	191	-	-	-	-
	%	57.6%	42.4%	-	-	-	-
Non-management positions	Number of people	1,397	1,269	-	-	-	-
	%	52.4%	47.6%	-	-	-	-
Management positions in revenue-generating functions <sup>19</sup>	Number of people	53	81	-	-	-	-
	%	39.6%	60.4%	-	-	-	-
STEM-related positions <sup>20</sup>	Number of people	434	156	-	-	-	-
	%	73.6%	26.4%	-	-	-	-

		FY2022/23	FY2021/22	FY2020/21
Unit				
<b>SUPPLY CHAIN MANAGEMENT</b>				
Number of new suppliers	Number of suppliers	562	-	-
Number of new suppliers screened using environmental criteria	Number of suppliers	241	-	-
Number of new suppliers screened using social criteria	Number of suppliers	316	-	-

		FY2022/23	FY2021/22	FY2020/21
Unit				
<b>By Geographical Region</b>				
Hong Kong	Number of suppliers	3,816	-	-
Mainland China	Number of suppliers	9	-	-
Overseas	Number of suppliers	44	-	-

## Notes:

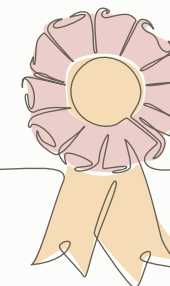
- The Group has undergone an internal review of the definition of employee category during the Reporting Period. The FY2022/23 figures disclosed are aligned with reference to this update.
- The data includes full-time employees only.
- The Voluntary Turnover rate is calculated as "total number of employees 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%".
- Data marked with a symbol "-", is not available in previous years, and new data collection to correspond to the updated HKEX, GRI and other standards to provide additional information on our sustainability performance.
- 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 decease is calculated as "total number of employees involuntarily leaving employment due to completion of contract or retirement and decease during the Reporting Period divided by total number of employees as of the end of Reporting Period and then multiplied by 100%".
- According to the Employment Ordinance Cap 57, all full-time employees are entitled to parental leave.
- Employees 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%".
- The data includes full-time and part-time employees.
- 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".
- In FY2022/23, average training hours per employee in headquarter was 18.3 hours.
- 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 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 & Safety, IT and Sustainability/ESG.

## 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



Award or Certification	Issuing Authority
<b>Corporate Development</b>	
Employee Experience Awards 2023 • Best ESG Strategy - Bronze	Human Resources Online
ESG Achievement Awards 2021/2022 • Special ESG Awards – Outstanding ESG Performer of the Year(Large Enterprise) -Diamond Award	The Institute of ESG & Benchmark
FinTech Awards 2022 • FinTech Awards 2022 in Appreciation Certificate on Environmental, Social, and Governance (ESG)	ET Net
HKIM Market Leadership Award 2022-2023 • Market Leadership in Property Development 2022/2023	Hong Kong Institute of Marketing
HKMA Hong Kong Sustainability Award 2022 • Merit Award (Large Organisation)	The Hong Kong Management Association
Master Insight 2023 ESG Award • ESG Disclosure Awards for Non-listed Organisation	Master Insight Media Limited
Ming Pao ESG Awards 2023 • Excellence in Decarbonisation Award (Large Enterprise Category) • Elite of Sustainability Performance Award (Large Enterprise Category)	Ming Pao and the Institute of ESG & Benchmark
Sing Tao Service Awards 2022 • Best ESG Enterprise Award	Sing Tao Daily
TVB ESG Awards 2022 • Best in ESG Practices (Non-listing companies) • ESG Project Innovation Award (Non-listing companies)	Television Broadcasts Limited

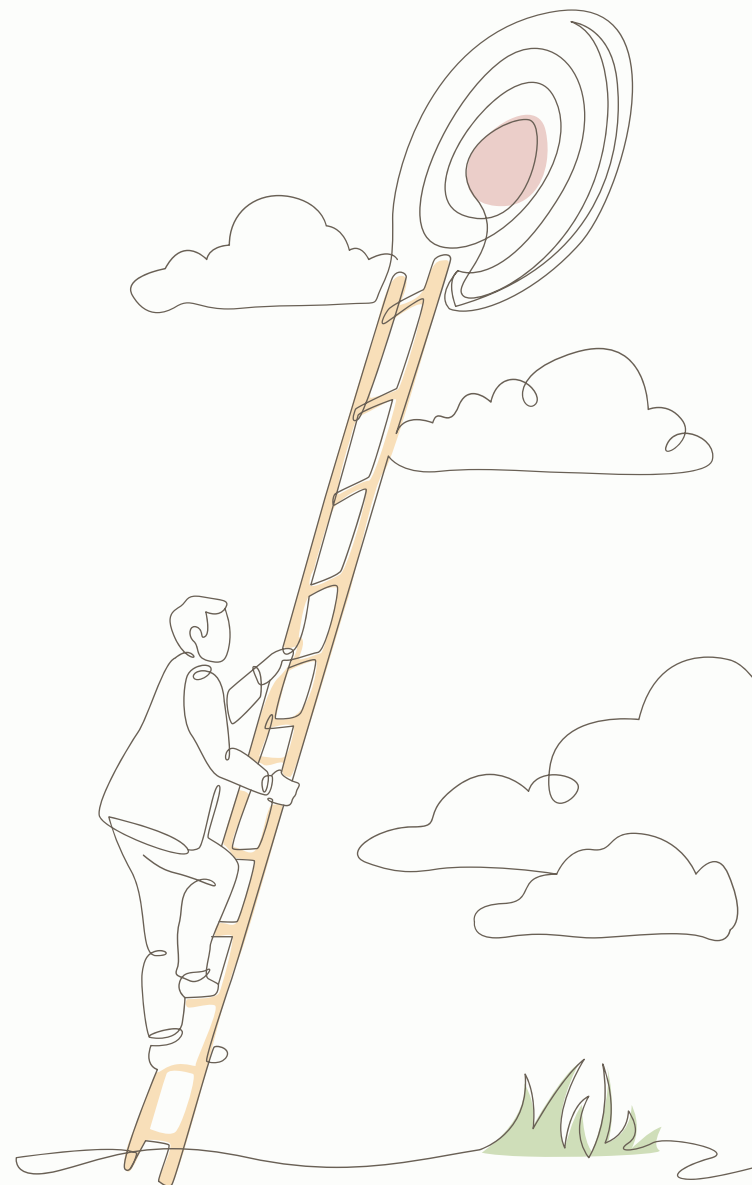
Award or Certification	Issuing Authority
<b>Environment Protection</b>	
2023 "Friends of EcoPark" Award	Environment Protection Department, Hong Kong SAR Government
Hong Kong Awards for Environmental Excellence 2022 • Gold Award (Hotels and Recreational Clubs): Nina Hotel Kowloon East • Merit Award (Hotels and Recreational Clubs): Lodgewood by Nina Hospitality   Mong Kok, Nina Hotel Causeway Bay, Nina Hotel Island South, Nina Hotel Tsuen Wan West	Environmental Campaign Committee
Hong Kong Green and Sustainability Contribution Awards 2023 • Gold Seal for Contribution to Sustainable Property / Facility — Promote Environmental Protection	Hong Kong Quality Assurance Agency
Hong Kong Green Organisation	Environmental Campaign Committee
Hong Kong Green Organisation Certification • Wastewi\$e Certificate: 19 managed properties • Energywi\$e Certificate: 23 managed properties • IAQwi\$e Certificate: 12 managed properties	Environmental Campaign Committee
Quality Water Supply Scheme for Buildings – Fresh Water (Management System) • Gold Certificate: 1 managed property • Blue Certificate: 6 managed properties	Water Supplies Department, Hong Kong SAR Government
Quality Water Supply Scheme for Buildings – Flushing Water • Blue Certificate: 7 managed properties	Water Supplies Department, Hong Kong SAR Government
Umbrella Bags Reduction Accreditation Program 2023 • Diamond Award: 13 managed properties • Reduction Award: 8 managed properties • Participation Award: 4 managed properties	Greeners Action

**Award or Certification****Issuing Authority****Social Responsibility**

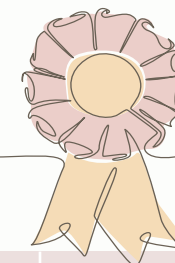
Caring Company • 5 Year Plus Caring Company Logo	Hong Kong Council of Social Service
Good MPF Employer Award 2022-23 • Good MPF Employer 5 Years+	Mandatory Provident Fund Schemes Authority, Hong Kong SAR Government
HKECIA Industry Awards of Excellence 2023 • Outstanding Award for Pandemic Response	The Hong Kong Exhibition and Convention Industry Association
Privacy-Friendly Awards 2023 • Gold Award	Office of the Privacy Commissioner for Personal Data, Hong Kong SAR Government
Real Estate Asia Awards 2023 • Cultural Heritage Conservation Initiative of the Year	Real Estate Asia

**Corporate Governance**

2023 Gold Circle Award	Agoda
2023 Travellers' Choice	Tripadvisor
Excellence in Facility Management Award (Office Building) 2022	The Hong Kong Institute of Facility Management Limited
Forbes Travel Guide Recommended Hotel 2023	Forbes Travel Guide
HIREA Awards 2023 • Excellent Property Management Award: NINA MALL 1 & 2	Hong Kong Institute of Real Estate Administrators
Hong Kong International Culinary Classic 2023 • Chinese Cuisine – Live Cooking – Dim Sum Platter – Silver	HOFEX
LUXlife Hospitality Excellence Award 2023: • Best Hotel Operator - Hong Kong	LUXlife
Recommended Restaurant: Ah Yung Kitchen	Chaine des Rotisseurs
U Magazine Favourite Food Awards 2023 • My favourite Cantonese restaurant: RÚ	UMagazine



## Charters, Pledges and Membership



CHARTERS AND PLEDGES	Organisations
BEC Low Carbon Charter	Business Environment Council
EatSmart Restaurant	Department of Health, Hong Kong SAR Government
Carbon Neutrality Partnership	Environment and Ecology Bureau, Hong Kong SAR Government
Charter on External Lighting	Environment and Ecology Bureau, Hong Kong SAR Government
Food Wise Charter	Environment and Ecology Bureau, Hong Kong SAR Government
Less-Salt-and-Sugar Restaurants Scheme	Environment and Ecology Bureau, Hong Kong SAR Government
4T Charter	Environment and Ecology Bureau and Electrical and Mechanical Services Department, Hong Kong SAR Government
Food Wise Eateries Scheme	Environmental Protection Department, Hong Kong SAR Government
Green Event Pledge	Environmental Protection Department, Hong Kong SAR Government
Glass Container Recycling Charter	Environment Protection Department, Hong Kong SAR Government
The Racial Diversity And Inclusion Charter For Employers	Equal Opportunity Commission
ECH <sub>2</sub> O - Enterprises Cherish Water Campaign	Green Council and Water Supplies Department, Hong Kong SAR Government
Green Shop	Green Council
Hong Kong Green Day - Green Pledge	Green Council
Hong Kong Green Day – Green Restaurant	Green Council
Good Employer Charter	Labour Department, Hong Kong SAR Government
Hong Kong Geopark Hotel	Hong Kong UNESCO Global Geopark
Joyful@Healthy Workplace	Occupational Safety and Health Council
Halal Certification	The Incorporated Trustees of The Islamic Community Fund of Hong Kong
No Shark Fin Restaurant Pledge	World Wide Fund for Nature Hong Kong
Earth Hour Pledge	World Wide Fund for Nature Hong Kong

NATURE OF MEMBERSHIPS	Organisations
Ordinary Member	Asian Corporate Coalition for Climate Change Resilience
Council Member	Business Environment Council
Gold Member	Green Council
Member	Hong Kong General Chamber of Commerce
Platinum Patron Membership	Hong Kong Green Building Council
Member	Hong Kong Hotel Association
Member Hotels	The Federation of Hong Kong Hotel Owners
Green Earth Companion (Sunlight)	The Green Earth
Full member	The Hong Kong Association of Property Management Companies Limited
Member	The Hong Kong Security Association
Gold Level Member	U.S. Green Building Council
Silver Member	World Wide Fund for Nature Hong Kong
Member	WWF Sustainable Seafood Business Membership Programme



# HKEX ESG Reporting Guide Content Index



Mandatory Disclosure Requirements	Cross-reference in this Report/ Comment
Governance Structure	Governing Our Values – Solidifying Our ESG Governance Structure
Reporting Principles	About This Report
Reporting Boundary	About This Report

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section
<b>A. Environmental</b>		
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. Sustaining Our Planet Governing Our Values – Solidifying Our ESG Governance Structure
KPI A1.1	The types of emissions and respective emissions data.	Appendices – Performance Data Table
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity.	Sustaining Our Planet – Climate Adaptation and Resilience – Response to TCFD Recommendations Appendices – Performance Data Table
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity.	Appendices – Performance Data Table
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.	Appendices – Performance Data Table
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Sustaining Our Planet – Accelerating Green Transformation Sustaining Our Planet – Climate Adaptation and Resilience – Response to TCFD Recommendations
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. Sustaining Our Planet – Accelerating Green Transformation

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section
<b>A. Environmental</b>		
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 and Sustainable Procurement Policy. Sustaining Our Planet
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity.	Sustaining Our Planet – Accelerating Green Transformation Appendices – Performance Data Table
KPI A2.2	Water consumption in total and intensity.	Sustaining Our Planet – Accelerating Green Transformation Appendices – Performance Data Table
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	During the Reporting Period, the Group has concluded a total of 4.8 billion (HKD) in green loans. Key performance indicators ("KPIs") for evaluating our sustainability performance included energy consumption reductions, water consumption reduction and training hours increment. All the KPIs set have been achieved, reflecting our continuous efforts to achieve our sustainability objectives and targets. Sustaining Our Planet
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.	During the Reporting Period, the Group has concluded a total of 4.8 billion (HKD) in green loans. Key performance indicators ("KPIs") for evaluating our sustainability performance included energy consumption reductions, water consumption reduction and training hours increment. All the KPIs set have been achieved, reflecting our continuous efforts to achieve our sustainability objectives and targets. Sustaining Our Planet - Accelerating Green Transformation
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Packaging was not material to our operation.
Aspect A3: The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	The Group has adopted the Sustainability Policy. Sustaining 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.	Sustaining Our Planet

Subject Areas, Aspects, General Disclosures and KPIs		Description	Section
<b>A. Environmental</b>			
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.	The Group has adopted the Climate Change Policy, Sustainability Policy and Risk Management Policy. Sustaining Our Planet – Accelerating Green Transformation; Climate Adaptation and Resilience – Response to TCFD Recommendations
	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.	Sustaining Our Planet – Climate Adaptation and Resilience – Response to TCFD Recommendations
<b>B. Social</b>			
Aspect B1: Employment	General Disclosure	Policies and compliance 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 and Performance Management Policy. Progressing 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 Table
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Appendices – Performance Data Table
Aspect B2: Health and Safety	General Disclosure	The policies and compliance relating to providing a safe working environment and protecting colleagues from occupational hazards.	The Group has adopted the Occupational Health and Safety Policy. Progressing with Our Community and People – Reinforcing a Health and Safe Environment for Our People and Community
	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 Table
	KPI B2.2	Lost days due to work injury.	Appendices – Performance Data Table
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Progressing with Our Community and People – Reinforcing a Health and Safe Environment for Our People and Community

Subject Areas, Aspects, General Disclosures and KPIs		Description	Section
<b>B. Social</b>			
Aspect B3: Development and Training	General Disclosure	Policies on improving colleagues' knowledge and skills for discharging duties at work. Description of training activities.	The Group has adopted the Staff Learning and Development Policy. Progressing with Our Community and People - Reimagining the Learning Experience to Encourage Continuous Learning
	KPI B3.1	The percentage of colleagues trained by gender and employee category (e.g. senior management, middle management).	The Group has provided diverse training activities to our colleagues. In FY22/23, we have expanded our data scope to capture the training hours while we are still enhancing our data collection mechanism to capture the percentage of colleagues trained by gender and employment category.
	KPI B3.2	The average training hours completed per employee by gender and employee category.	Progressing with Our Community and People - Reimagining the Learning Experience to Encourage Continuous Learning Appendices – Performance Data Table
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. Progressing with Our Community and People Governing Our Values - 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 Values - 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. Governing Our Values - Governing a Sustainable Supply Chain

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section
<b>B. Social</b>		
Aspect B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.
	KPI B5.1	Number of suppliers by geographical region.
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.
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
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section
<b>B. Social</b>		
Aspect B6: Product Responsibility	KPI B6.4	Description of quality assurance process and recall procedures.
	KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.
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.
	KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its colleagues during the Reporting Period and the outcomes of the cases.
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.
	KPI B7.3	Description of anti-corruption training provided to directors and staff.
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.
	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).
	KPI B8.2	Resources contributed (e.g. money or time) to the focus area.



# GRI Content Index

The Group has reported the information cited in this GRI content index for the period from 1 July 2022 to 30 June 2023 in accordance with the GRI Standards.



GRI Standard	GRI	Description	Section
<b>General Disclosures</b>			
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 The Group currently discloses the number of entities encompassed within the reporting boundary. A complete entity list is not provided in this Report, and we will engage in discussions with the management team in the future regarding the feasibility of disclosing relevant information.
	2-3	Reporting period, frequency and contact point	About This Report This Report was published online in March of 2024 and can be found on Chinachem Group's dedicated Sustainability Report website.
	2-4	Restatements of information	Appendices – Performance Data Table
	2-5	External assurance	Assurance Report
	2-6	Activities, value chain and other business relationships	About Chinachem Group About This Report Governing Our Values- Governing a Sustainable Supply Chain
	2-7	Employees	Progressing with Our Community and People Appendices – Performance Data Table The Group did not disclose relevant data regarding the gender distribution of permanent, temporary, full-time, and part-time employees in this Report. We will enhance our data collection mechanism in the future and disclose the relevant information.
	2-8	Workers who are not employees	The Group does not capture this data.
	2-9	Governance structure and composition	Governing Our Values - Solidifying Our ESG Governance Structure The Group is currently under the administration of court-appointed administrators. As a result, the standard process for nominating and selecting members of the highest governance body is not applicable. We will engage in discussions with the management team in the future regarding the feasibility of disclosing relevant information.

GRI Standard	GRI	Description	Section
<b>General Disclosures</b>			
GRI 2: General Disclosures 2021	2-10	Nomination and selection of the highest governance body	Governing Our Values - Solidifying Our ESG Governance Structure Corporate website The Group is currently under the administration of court-appointed administrators. As a result, the standard process for nominating and selecting members of the highest governance body is not applicable. We will engage in discussions with the management team in the future regarding the feasibility of disclosing relevant information.
	2-11	Chair of the highest governance body	Governing Our Values - Solidifying Our ESG Governance Structure Corporate website
	2-12	Role of the highest governance body in overseeing the management of impacts	Governing Our Values - Solidifying Our ESG Governance Structure
	2-13	Delegation of responsibility for managing impacts	Governing Our Values - Solidifying Our ESG Governance Structure
	2-14	Role of the highest governance body in sustainability reporting	Governing Our Values - Solidifying Our ESG Governance Structure
	2-15	Conflicts of interest	Governing Our Values– Business Ethics and Integrity
	2-16	Communication of critical concerns	Governing Our Values Information not available. The Group will consider the feasibility of disclosing further information regarding the total number and the nature of critical concerns that were communicated to the Board in the future.
	2-17	Collective knowledge of the highest governance body	Governing Our Values Corporate website Information not available. The Group will consider the feasibility of disclosing further information regarding the collective knowledge of the Board in the future.
	2-18	Evaluation of the performance of the highest governance body	Governing Our Values Information not available. The Group will consider the feasibility of disclosing further information regarding the performance evaluation of the Board in the future.

GRI Standard	GRI	Description	Section
<b>General Disclosures</b>			
GRI 2: General Disclosures 2021	2-19	Remuneration policies	Information not disclosed due to confidentiality.
	2-20	Process to determine remuneration	Information not disclosed due to confidentiality.
	2-21	Annual total compensation ratio	Information not disclosed due to confidentiality.
	2-22	Statement on sustainable development strategy	Message from CEO
	2-23	Policy commitments	Governing Our Values - Solidifying Our ESG Governance Structure The Group did not make our policy commitments publicly available. We will engage in discussions with the management team in the future regarding the feasibility of disclosing relevant information.
	2-24	Embedding policy commitments	Governing Our Values - Solidifying Our ESG Governance Structure
	2-25	Processes to remediate negative impacts	Governing Our Values - Solidifying Our ESG Governance Structure; Business Ethics and Integrity; Risk Management and Internal Control
	2-26	Mechanisms for seeking advice and raising concerns	Governing Our Values - Solidifying Our ESG Governance Structure; Business Ethics and Integrity; 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	Appendix - Charters, Pledges and Memberships
	2-29	Approach to stakeholder engagement	Governing Our Values- Stakeholder Engagement and Materiality Assessment
	2-30	Collective bargaining agreements	The Group does not involve in any collective bargaining agreements.
<b>Material Topics</b>			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Governing Our Values - Stakeholder Engagement and Materiality Assessment
	3-2	List of material topics	Governing Our Values - Stakeholder Engagement and Materiality Assessment

GRI Standard	GRI	Description	Section
<b>Economic performance</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Governing Our Values - Stakeholder Engagement and Materiality Assessment
<b>Economic performance</b>			
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	About Chinachem Group Empowering a Prosperous Future The Group did not disclose data related to economic value distributed: including operating costs, employee wages and benefits, payments to providers of capital, and payments to government by country due to confidentiality. We will engage in discussions with the management team in the future regarding the feasibility of disclosing relevant information.
	201-2	Financial implications and other risks and opportunities due to climate change	Sustaining Our Planet – Climate Adaptation and Resilience – Response to TCFD Recommendations During the Reporting Period, the Group undertook an initial assessment of climate-related risks and opportunities. We are currently in the process of quantifying the financial impact of these risks and opportunities on our operations. We will engage in discussions with the management team in the future regarding the feasibility of disclosing relevant information.
<b>Anti-Corruption</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Governing Our Value
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Governing Our Values - Business Ethics and Integrity; Risk Management and Internal Control
	205-2	Communication and training about anti-corruption policies and procedures	Governing Our Values - Business Ethics and Integrity; Risk Management and Internal Control The Group did not disclose data regarding the number and percentage of governance body members and business partners that our anti-corruption policies and procedures have been communicated to, as well as the number and percentage of governance body members that have received training on anti-corruption. We will enhance our data collection mechanism in the future and disclose the relevant information.
	205-3	Confirmed incidents of corruption and actions taken	Governing Our Values - Business Ethics and Integrity; Risk Management and Internal Control
<b>Energy</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Governing Our Values- Stakeholder Engagement and Materiality Assessment Sustaining Our Planet

GRI Standard	GRI	Description	Section
<b>Energy</b>			
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Appendices – Performance Data Table
	302-2	Energy consumption outside of the organisation	Sustaining Our Planet – Accelerating Green Transformation CCG 3050+ The Group has identified its material upstream and downstream categories and activities according to the 'GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard' for relevant energy consumption outside of the organisation, but the actual consumption data is not disclosed. We will enhance our data collection mechanism for future disclosures.
	302-3	Energy intensity	Appendices – Performance Data Table
	302-5	Reductions in energy requirements of products and services	Sustaining Our Planet – Accelerating Green Transformation Appendices – Performance Data Table
<b>Water</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Sustaining Our Planet
GRI 303: Water and Effluents 2018	303-4	Water discharge	Sustaining Our Planet – Accelerating Green Transformation Appendices – Performance Data Table
	303-5	Water consumption	Sustaining Our Planet
<b>Emissions</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Sustaining Our Planet
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Sustaining Our Planet – Accelerating Green Transformation; Climate Adaptation and Resilience – Response to TCFD Recommendations Appendices – Performance Data Table
	305-2	Energy indirect (Scope 2) GHG emissions	Sustaining Our Planet – Accelerating Green Transformation; Climate Adaptation and Resilience – Response to TCFD Recommendations Appendices – Performance Data Table
	305-4	GHG emissions intensity	Appendices – Performance Data Table
	305-5	Reduction of GHG emissions	Sustaining Our Planet – Accelerating Green Transformation; Climate Adaptation and Resilience – Response to TCFD Recommendations Appendices – Performance Data Table

GRI Standard	GRI	Description	Section
<b>Emissions</b>			
GRI 305: Emissions 2016	305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Appendices – Performance Data Table
<b>Waste</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Sustaining Our Planet
GRI 306: Waste 2020	306-1	Waste generation and significant waste - related impacts	Sustaining Our Planet – Accelerating Green Transformation
	306-2	Management of significant waste-related impacts	Sustaining Our Planet – Accelerating Green Transformation
	306-3	Waste generated	Sustaining Our Planet – Accelerating Green Transformation Appendices – Performance Data Table
	306-4	Waste diverted from disposal	Sustaining Our Planet – Accelerating Green Transformation Appendices – Performance Data Table
	306-5	Waste directed to disposal	Sustaining Our Planet – Accelerating Green Transformation Appendices – Performance Data Table
<b>Supplier Environmental Assessment</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Sustaining Our Planet
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Sustaining Our Planet – Joining Forces to Defend Our Planet Appendices – Performance Data Table
<b>Employment</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Progressing with Our Community and People
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Appendices – Performance Data Table
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Progressing with Our Community and People – Caring and Bonding Among Our People Appendices – Performance Data Table



GRI Standard	GRI	Description	Section
<b>Employment</b>			
GRI 401: Employment 2016			Appendices – Performance Data Table During the Reporting Period, the Group has 17 male and 20 female employees that returned to work after parental leave ended. However, the Group did not disclose data regarding employees that returned to work after parental leave ended that were still employed 12 months after their return to work and retention rates of employees that took parental leave. We will enhance our data collection mechanism for future disclosures.
	401-3	Parental leave	
<b>Occupational Health and Safety</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Progressing with Our Community and People
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Progressing with Our Community and People - Reinforcing a Healthy and Safe Environment for Our People and Community
	403-2	Hazard identification, risk assessment, and incident investigation	Progressing with Our Community and People - Reinforcing a Healthy and Safe Environment for Our People and Community The Group did not disclose data regarding the policies and processes for workers to remove themselves from work situations that they believe could cause injury or ill health, and an explanation of how workers are protected against reprisals. We will enhance our data collection mechanism for future disclosures.
	403-5	Worker training on occupational health and safety	Progressing with Our Community and People - Reinforcing a Healthy and Safe Environment for Our People and Community
	403-6	Promotion of worker health	Progressing with Our Community and People - Reinforcing a Healthy and Safe Environment for Our People and Community
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Progressing with Our Community and People - Reinforcing a Healthy and Safe Environment for Our People and Community
	403-8	Workers covered by an occupational health and safety management system	Appendices – Performance Data Table The Group did not disclose data regarding the policies and processes for workers to remove themselves from work situations that they believe could cause injury or ill health, and an explanation of how workers are protected against reprisals. We will enhance our data collection mechanism for future disclosures.
	403-9	Work-related injuries	Appendices – Performance Data Table
	403-10	Work-related ill health	Appendices – Performance Data Table

GRI Standard	GRI	Description	Section
<b>Training and Education</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Progressing with Our Community and People
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Progressing with Our Community and People - Reimagining the Learning Experience to Encourage Continuous Learning Appendices – Performance Data Table
	404-2	Programmes for upgrading employee skills and transition assistance programmes	Progressing with Our Community and People - Reimagining the Learning Experience to Encourage Continuous Learning Appendices – Performance Data Table The Group did not disclose data regarding the transition assistance programmes provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment in this Report. We will enhance our data collection mechanism for future disclosures.
	404-3	Percentage of colleagues receiving regular performance and career development reviews	Progressing with Our Community and People - Reimagining the Learning Experience to Encourage Continuous Learning Appendices – Performance Data Table
<b>Diversity and Equal Opportunity</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Progressing with Our Community and People
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and colleagues	Appendices – Performance Data Table
	405-2	Ratio of basic salary and remuneration of women to men	The same policies for remuneration and benefits apply 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.
<b>Non-discrimination</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Progressing 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.

GRI Standard	GRI	Description	Section
<b>Child Labour</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Progressing 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 Values - 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.
<b>Forced or Compulsory Labour</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Progressing 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 Values - Governing a Sustainable Supply Chain The Group's operation is not considered to have significant risk for incidents of forced or compulsory labour.
<b>Local Communities</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Progressing with Our Community and People
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	Progressing with Our Community and People - Building a Caring and Inclusive Community The Group did not publicly disclose the results of environmental and social impact assessments. We will engage in discussions with the management team in the future regarding the feasibility of disclosing relevant information.
<b>Supplier Social Assessment</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Governing Our Values - Governing a Sustainable Supply Chain
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Appendices – Performance Data Table

GRI Standard	GRI	Description	Section
<b>Customer Health and Safety</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Empowering a Prosperous Future
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Empowering a Prosperous Future - Investing in Healthcare for a Liveable Intergenerational Community
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Empowering a Prosperous Future There were no confirmed incidents or non-compliances regarding the health and safety impacts of products and services during the Reporting Period.
<b>Customer Privacy</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Governing Our Values - 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 Values - 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 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. Our Group, as one of the pioneers in Hong Kong, now prepare our disclosure with reference to IFRS S2. Additionally, we aim to incorporating the ISSB's IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information ("IFRS S1") and other relevant standards in the future, with a goal of elevating the clarity of our sustainability communications. The IFRS S2 Content Index is available in English only.

Reference Paragraph & IFRS Core Content		Reference Chapters/Remarks
<b>Governance</b>		
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: (a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about: (i) how responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s); (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 (see paragraphs 33–36), including whether and how related performance metrics are included in remuneration policies (see paragraph 29(g)). (b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about: (i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and (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.	Sustaining Our Planet – Accelerating Green Transformation; Climate Adaptation and Resilience – Response to TCFD Governing Our Values - Solidifying Our ESG Governance Structure; Risk Management and Internal Control

### Reference Paragraph & IFRS Core Content

### Reference Chapters/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:  (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.	Sustaining Our Planet – Accelerating Green Transformation; Climate Adaptation and Resilience – Response to TCFD

#### 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:  (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.	Sustaining Our Planet – Accelerating Green Transformation; Climate Adaptation and Resilience – Response to TCFD
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## Reference Paragraph &amp; IFRS Core Content

Reference  
Chapters/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	Information not available. The Group will consider the feasibility of disclosing further information regarding our Business Model and Value Chain in the future.
	(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: <ul style="list-style-type: none"> <li>(i) current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities;</li> <li>(ii) current and anticipated direct mitigation and adaptation efforts;</li> <li>(iii) current and anticipated indirect mitigation and adaptation efforts;</li> <li>(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</li> <li>(v) how the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets.</li> </ul>	Information not available. The Group will consider the feasibility of disclosing further information regarding our Business Model and Value Chain in the future.
	(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; and	Information not available. The Group will consider the feasibility of disclosing further information regarding our Business Model and Value Chain in the future.
	(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.	

## Reference Paragraph &amp; IFRS Core Content

Reference  
Chapters/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;	Information not available. The Group will consider the feasibility of disclosing further information regarding our Business Model and Value Chain in the future.
	(b) the climate-related risks and opportunities identified 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 climate-related risks and opportunities, taking into consideration: <ul style="list-style-type: none"> <li>(i) its investment and disposal plans, including plans the entity is not contractually committed to; and</li> <li>(ii) its planned sources of funding to implement its strategy; and</li> </ul>	
	(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.	

## 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 at the reporting date, which shall enable users of general purpose financial reports to understand: <ul style="list-style-type: none"> <li>(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;</li> <li>(ii) the significant areas of uncertainty considered in the entity's assessment of its climate resilience;</li> <li>(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:               <ul style="list-style-type: none"> <li>(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;</li> <li>(2) the entity's ability to redeploy, repurpose, upgrade or decommission existing assets; and</li> <li>(3) the effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience; and</li> </ul> </li> </ul>	Information not available. The Group will consider the feasibility of disclosing further information regarding our Business Model and Value Chain in the future.

## Reference Paragraph &amp; IFRS Core Content

Reference  
Chapters/Remarks

## Climate Resilience

- 22 (b) how and when the climate-related scenario analysis was carried out, including:
- (i) information about the inputs the entity used, including:
- (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;
- (ii) the key assumptions the entity made in the analysis, including assumptions about:
- (1) climate-related policies in the jurisdictions in which the entity operates;
  - (2) macroeconomic trends;
  - (3) national- or regional-level variables;
  - (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.

Information not available. The Group will consider the feasibility of disclosing further information regarding our Business Model and Value Chain in the future.

## 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:
- (a) the processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about:
- (i) the inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes);
  - (ii) whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks;
  - (iii) how the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria);
  - (iv) whether and how the entity prioritises climate-related risks relative to other types of risk;
  - (v) how the entity monitors climate-related risks; and
  - (vi) whether and how the entity has changed the processes it uses compared with the previous reporting period;

Sustaining Our Planet – Climate Adaptation and Resilience – Response to TCFD  
Governing Our Values - Solidifying Our ESG Governance Structure; Risk Management and Internal Control

## Reference Paragraph &amp; IFRS Core Content

Reference  
Chapters/Remarks

## Risk Management

- 25 (b) the processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities; and
- (c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.

Sustaining Our Planet – Climate Adaptation and Resilience – Response to TCFD  
Governing Our Values - Solidifying Our ESG Governance Structure; Risk Management and Internal Control

## 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:
- (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 characterise 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.

Sustaining Our Planet – Climate Adaptation and Resilience – Response to TCFD

## Climate-related Metrics

- 29 An entity shall disclose information relevant to the cross-industry metric categories of:
- (a) greenhouse gases — the entity shall:
- (i) disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO<sub>2</sub> equivalent, classified as:
    - (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;

Scope 3 GHG data is not available. The Group will consider disclosing further information regarding our scope 3 GHG emission in the future.  
Sustaining Our Planet – Climate Adaptation and Resilience – Response to TCFD  
Appendices – Performance Data Table

## Reference Paragraph &amp; IFRS Core Content

Reference  
Chapters/Remarks

## Climate-related Metrics

29	(iii) disclose the approach it uses to measure its greenhouse gas emissions including: (1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions; (2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (3) any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	Sustaining Our Planet – Climate Adaptation and Resilience – Response to TCFD Appendices – Performance Data Table
	(iv) for Scope 1 and Scope 2 greenhouse gas emissions disclosed, disaggregate emissions between: (1) the consolidated accounting group; and (2) other investees;	Sustaining Our Planet – Climate Adaptation and Resilience – Response to TCFD Appendices – Performance Data Table
	(v) for Scope 2 greenhouse gas emissions disclosed, 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	Sustaining Our Planet – Climate Adaptation and Resilience – Response to TCFD Appendices – Performance Data Table
	(vi) for Scope 3 greenhouse gas emissions disclosed, disclose: (1) the categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and (2) additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance;	Scope 3 GHG data is not available. The Group will consider disclosing further information regarding our scope 3 GHG emission in the future.
	(b) climate-related transition risks — the amount and percentage of assets or business activities vulnerable to climate-related transition risks;	Information not available. The Group will consider enhancing relevant information in the future.
	(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;	

## Reference Paragraph &amp; IFRS Core Content

Reference  
Chapters/Remarks

## Climate-related Metrics

29	(g) remuneration — the entity shall disclose: (i) a description of whether and how climate-related considerations are factored into executive remuneration; and (ii) the percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations.	Information not available. The Group will consider enhancing relevant information in the future.
32	An entity shall disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry	

## Climate-related Targets

33	An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose:	
	(a) the metric used to set the target;	Sustaining Our Planet – Climate Adaptation and Resilience – Response to TCFD CCG 3050+
	(b) the objective of the target;	
	(c) the part of the entity to which the target applies;	
	(d) the period over which the target applies;	
	(e) the base period from which progress is measured;	
	(f) any milestones and interim targets;	
	(g) if the target is quantitative, whether it is an absolute target or an intensity target; and	
	(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	
34	An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	
	(a) whether the target and the methodology for setting the target has been validated by a third party;	Sustaining Our Planet – Climate Adaptation and Resilience – Response to TCFD CCG 3050+
	(b) the entity's processes for reviewing the target;	
	(c) the metrics used to monitor progress towards reaching the target; and	
	(d) any revisions to the target and an explanation for those revisions.	



## Reference Paragraph &amp; IFRS Core Content

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## 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.	Sustaining Our Planet – Climate Adaptation and Resilience – Response to TCFD CCG 3050+
36	<p>For each greenhouse gas emissions target disclosed, an entity shall disclose:</p> <p>(a) which greenhouse gases are covered by the target.</p> <hr/> <p>(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.</p> <hr/> <p>(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.</p> <hr/> <p>(d) whether the target was derived using a sectoral decarbonisation approach.</p> <hr/> <p>(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:</p> <p>(i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;</p> <p>(ii) which third-party scheme(s) will verify or certify the carbon credits;</p> <p>(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</p> <p>(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.</p>	Sustaining Our Planet – Climate Adaptation and Resilience – Response to TCFD CCG 3050+

# Verification Statement



## Scope and Objective

Hong Kong Quality Assurance Agency ("HKQAA") has been engaged by Chinachem Group ("CCG") to undertake an independent verification of its "Sustainability Report 2022 – 2023" ("the Report"). The Report stated the sustainability performance of CCG for the period from 1st July 2022 to 30th June 2023 for its operations in Hong Kong.

The aim of this verification is to provide reasonable assurance of the reliability of the report contents. The Report has been prepared in accordance with the Global Reporting Initiative's ("GRI") Standards and its latest Universal Standards 2021 and Appendix C2 "Environmental, Social and Governance Reporting Guide" ("ESG Guide") of the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited ("HKEx"). The Report also references selected disclosures, or parts of their content, from the Task Force on Climate-related Financial Disclosures ("TCFD") recommendations and the International Sustainability Standards Board ("ISSB") IFRS S2 Climate-related Disclosures ("IFRS S2").

## Level of Assurance and Methodology

The process applied in this verification was based on the International Standard on Assurance Engagements 3000 (Revised), "*Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board*". Our evidence-gathering process was designed to obtain a reasonable level of assurance as set out in the standard for the purpose of devising the verification conclusion. The extent of this verification process covered the criteria set in GRI Standards and its latest Universal Standards 2021, the ESG Guide, TCFD recommendations and IFRS S2.

The verification process included verifying information relevant to reporting and management procedures, including stakeholder engagement methods and results and materiality assessment processes. In addition, system and process for collecting, collating and reporting sustainability performance data were verified. Raw data and supporting evidence of the selected representative samples were also thoroughly examined during the verification process.

## Independence

CCG is responsible for the collection and presentation of the information presented. HKQAA does not involve in the collection and calculation of data or the compilation of the reporting contents. Our verification activities are independent from CCG. There was no relationship between HKQAA and CCG that would affect the independence and impartiality of HKQAA for providing the verification service. HKQAA's Code of Conduct with regard to integrity, impartiality and confidentiality has been strictly followed.

## Conclusion

Based on the verification results, HKQAA has obtained reasonable assurance and is of the opinion that:

- The Report has been prepared in accordance with the GRI Standards and its latest Universal Standards 2021 and the ESG Guide and references TCFD's recommendations and IFRS S2;
- The Report illustrates the sustainability performance of CCG in a balanced, comparable, clear, consistent and timely manner; and
- The data and information disclosed in the Report are accurate, reliable and complete.

Nothing has come to HKQAA's attention that the selected sustainability performance information and data contained in the Report have not been prepared and presented fairly and honestly, in material aspects, in accordance with the verification criteria. In conclusion, the Report reflects truthfully the sustainability commitments, stewardship and performance of CCG, and discloses transparently their sustainability performance that is commensurate with their sustainability context and materiality.

Signed on behalf of Hong Kong Quality Assurance Agency

K T Ting  
Chief Operating Officer  
March 2024





CHINACHEM GROUP

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