

HKRI

香港興業國際集團有限公司
HKR International Limited

STOCK CODE : 00480



2023/2024 ESG Report

CONTENTS

2	MESSAGE FROM THE MANAGEMENT	54	OUR RESPONSIBLE OPERATION
4	2023/2024 SUSTAINABILITY HIGHLIGHTS	57	Anti-corruption and Money Laundering
6	ABOUT THE REPORT	58	Data Privacy
8	ABOUT HKRI	59	Intellectual Property Rights
10	OUR SUSTAINABILITY APPROACH	60	Quality Assurance and Customer Satisfaction
10	Sustainability Governance	61	Quality Catering Service
11	Risk Management and Internal Controls	62	Supply Chain Management
12	Sustainability Commitment and Policy	64	OUR COMMUNITY
12	Contributing to Sustainability Goals and Related Measures	67	Helping Those in Need
15	Stakeholder Engagement	68	Colourising Our Art and Culture Life
16	Materiality Assessment	70	Building an Energetic Community
18	Top Important Issues	71	Other Community Contributions
20	MEMBERSHIP, AWARDS AND CERTIFICATIONS	72	PERFORMANCE DATA SUMMARY
24	OUR ENVIRONMENT	82	HKEX ESG REPORTING GUIDE INDEX
27	Conserving Our Resources	86	SUSTAINABILITY COMMITMENT AND POLICY INDEX
33	Hazardous and Non-Hazardous Waste	89	SDGs INDEX
35	Promoting Environmental Awareness		
37	Our Climate Resilience		
44	OUR PEOPLE		
47	Employee Health and Safety		
49	Talent Attraction and Retention		



THE MESSAGE FROM MANAGEMENT

Looking ahead, we remain steadfast in our commitment to sustainability, embracing innovation and forging meaningful partnerships to address the ever-evolving challenges and opportunities that lie ahead.

MESSAGE FROM THE MANAGEMENT

Over the past year, the world has experienced a significant increase in extreme weather events, impacting every corner of the globe and resulting in substantial loss of life and property. HKRI International Limited (“HKRI” or “the Company”) and its subsidiaries (collectively, the “Group” or “we”) are acutely aware of the urgency to address climate change and expedite our transition towards sustainable business practices. This Environmental, Social and Governance (“ESG”) Report (the “Report”) serves as a testament to our unwavering dedication to enhancing our sustainable initiatives and fostering an environmentally conscious future.

Strong governance forms the foundation of our commitment to sustainability and is crucial for long-term value creation. Our Board of Directors oversees the strategic direction of our sustainability initiatives, with the support of the ESG Committee in integrating ESG considerations throughout the Group. This collaborative approach ensures sustainability is deeply ingrained in our operations and aligned with our long-term objectives. Moreover, our commitment to the United Nations' Sustainable Development Goals (“SDGs”) guides our actions and policies as we strive to conduct our business ethically.

Recognising that our diversified business portfolio can significantly impact the environment, we are committed to minimising our carbon footprint and curbing climate change. To this end, we have established and continuously monitored environmental targets that guide our business units in effectively managing our carbon emissions. Throughout the year, we actively sought to enhance our energy efficiency, reduce air emissions and waste generation. These efforts include implementing various building retrofitting projects, expanding the use of solar power across our managed properties under the Group, adopting environmentally friendly vehicles in our fleet, and engaging tenants in water-saving initiatives. In addition, we have upcycled non-hazardous wastes into valuable products, and integrated sustainability targets into our green financing endeavours. Through these actions, we aim to hold hands with the communities where we operate businesses to protect the environment.

With a strong emphasis on addressing climate change, we have continued to refine our climate-related disclosures by complying with the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”) and referring to the IFRS S2 Climate-related Disclosures (“IFRS S2”). This year, we have delved deeper into analysing the financial implications of climate-related risks and opportunities, enriching our risks identification and formulating management processes. This enhancement provides our stakeholders with a more transparent view of the potential impacts of climate change on our operational and financial performance. Moving forward, we are dedicated to consistently improving our climate-related disclosures, including refining our metrics and targets to effectively track and mitigate the impact of climate change on our business.

While striving for environmental excellence, HKRI also places great importance on the well-being and development of our people. We are committed to fostering a supportive and caring work environment that nurtures personal and professional growth, focusing on health, safety, and overall well-being. We have enhanced our initiatives to promote work-life balance and physical and mental health and prioritised the safety of our employees through rigorous Occupational Safety and Health (“OSH”) policies and regular training, building a culture of safety and preparedness across all our operations.

In addition to supporting our employees, HKRI is deeply committed to the local community, which has been an integral part of our success since the 1970s. We actively engage in numerous community events and activities to ensure our impact is positive and meaningful. By integrating our community efforts with our business ethos, we continue to nurture a mutually beneficial relationship with our communities, aiming to enhance their well-being and corporate sustainability.

As we reflect on our achievements, we recognise that our journey toward sustainability is ongoing and adaptable. We are determined to uphold our sustainability vision to provide the best homes, ancillary facilities, and living environment for the communities we operate in. Looking ahead, we remain steadfast in our commitment to sustainability, embracing innovation and forging meaningful partnerships to address the ever-evolving challenges and opportunities that lie ahead. Together, we eagerly embrace the opportunity to contribute to a more sustainable and resilient future for our generations to come.



CHA Mou Zing Victor
Executive Chairman

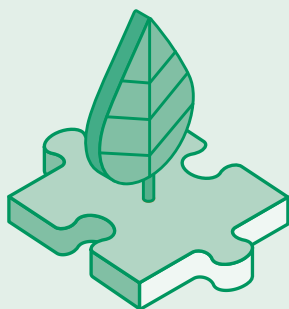
HIGHLIGHTS

2023/2024 SUSTAINABILITY



In our ongoing pursuit of HKRI's long-term ESG goals and our commitment to maintaining robust sustainability standards, we prioritise annual advancements in our overall sustainability performance. These serve as the cornerstone for assessing progress and identifying areas for improvement. Throughout the year, HKRI remained dedicated to enhancing its ESG stature. We are pleased to present the sustainability highlights for the year:

ENVIRONMENT



-47%

NOx emissions compared to last year

-34%

PM emissions compared to last year

+234%

Non-hazardous waste recycled compared to last year

8

Electric operational vehicles and hire cars were in operation

+ 632 solar panels

installed in our managed properties

375,370 kWh

of lifetime clean energy generated through solar panels

More than 266,500kg

of CO₂ emissions were saved

Equivalent of planting **14,700 trees**

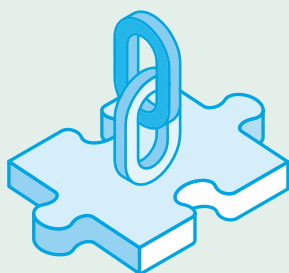
OUR PEOPLE

+13%

Total number of employees received training

+16%

Total hours of human rights related training



VALUE CHAIN

Spent **HK\$2.65 million** in green procurement at the Group level

95%

The average service commitment achievement rate for the Hospitality businesses

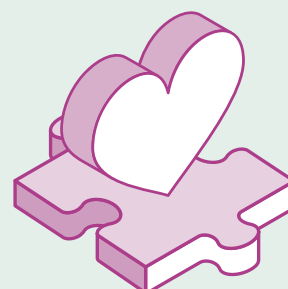
COMMUNITY

+304%

Total community service hours compared to last year

HK\$3.7 million

in sponsorships and donations



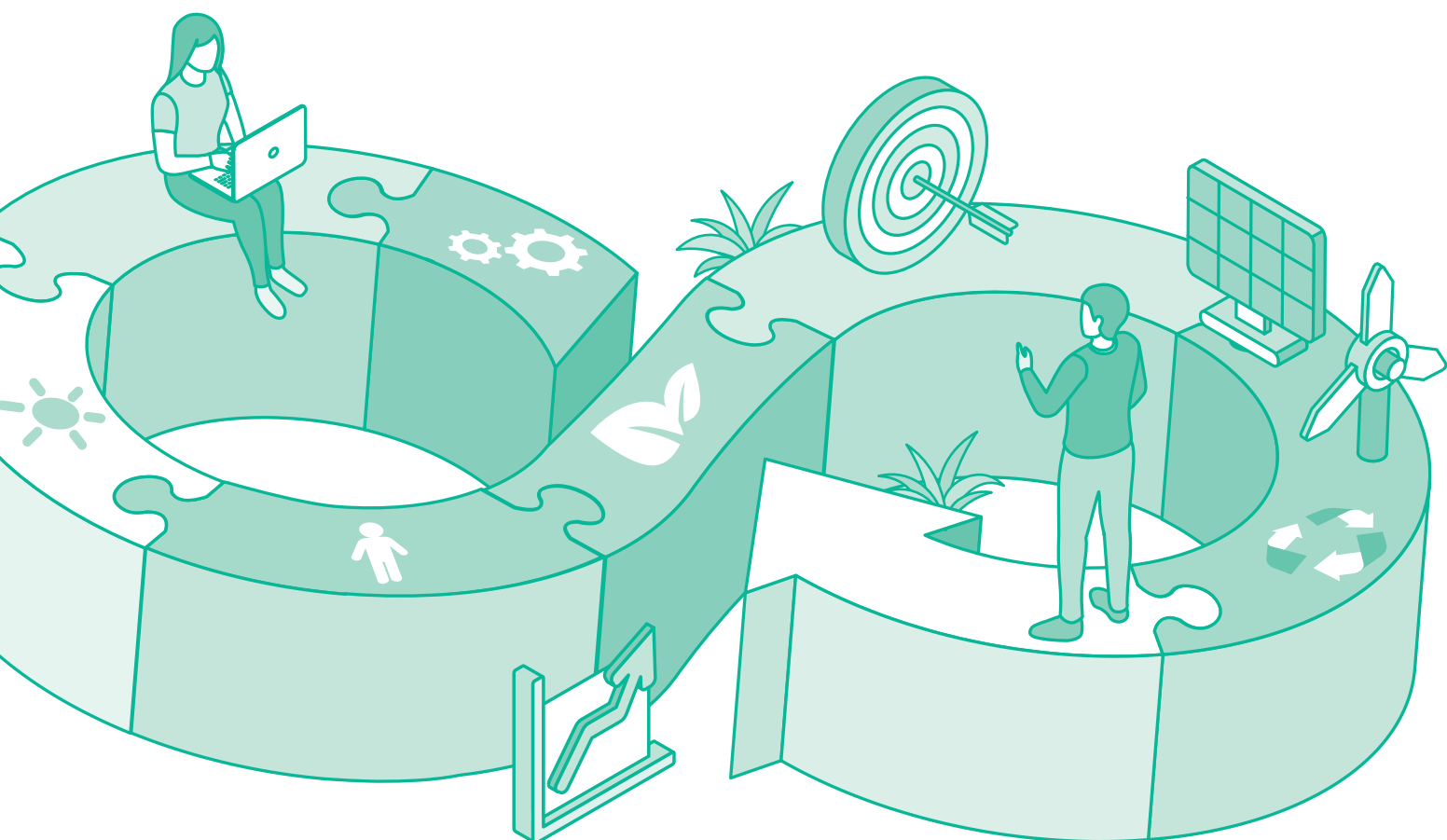
ABOUT THE REPORT

This Report offers an extensive overview of the sustainability strategy and performance of the Group.

The Report covers the period from 1 April 2023 to 31 March 2024 (“the Year”) and revolves around four key aspects: environment, human capital, community, and value chain. It focuses on HKRI's operations over which the Group has operational control.

In addition to the Company's ESG performance, the Report also presents HKRI's sustainability ambitions and our efforts to achieve our targets. The Report is intended to provide a transparent and honest account of our sustainability journey, and we hope that it will serve as a valuable resource for our shareholders, stakeholders, and other readers interested in learning more about our sustainability practices.

For more information about the Group's corporate governance and financial performance, please view our [Annual Report 2023/2024](#). To facilitate readers' better understanding of the contents of the Report, a Content index is provided on Pages 82 to 85.



REPORTING STANDARDS AND PRINCIPLES

The Report is prepared in accordance with the disclosure requirements of the ESG Reporting Guide ("ESG Guide") set out in Appendix C2 of the Listing Rules of the Hong Kong Exchanges and Clearing Limited ("HKEX"), and with reference to the recommendations of the TCFD and IFRS S2. The Report follows the four principles outlined in the ESG Guide:

MATERIALITY

ESG issues that are considered sufficiently important to stakeholders should be disclosed. We perform a [Materiality Assessment](#) periodically to identify the material ESG issues with results approved by the Company's ESG Committee.



QUANTITATIVE

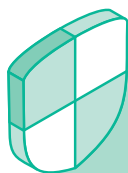
Quantitative measures are used to report our ESG performance, providing a clear and comparable picture of their progress. Corresponding narratives and comparative data are supplemented for better understanding.

Please refer to the [Performance Data Summary](#) for more information.



CONSISTENCY

Reporting methodologies are kept consistent so readers can compare ESG data over time. When a change in methodologies occurs, we would provide necessary explanations to assist readers' understanding.



BALANCE

Disclosures in the report are unbiased. Selection, omission, and framing of information that may influence the reader's judgement have been avoided.



REPORTING BOUNDARY

ESG information is reported to reflect the scale of our business footprint, the different aspects of our business, and the environmental and social implications of our operations along the value chain. In this Report, we disclose ESG information and key performance indicators ("KPIs") for the four major business segments that we own, they are:

- Property Development¹
- Property Investment and Management¹
- Hotel and Leisure Businesses²
- Discovery Bay ("DB") City Management and Transportation Services³

Your feedback is critical for continuously improving our reporting and sustainability practices. We welcome any queries, comments or suggestions. Please email them to info@hkri.com.

¹ The Report covers the Group's property development and investment and management businesses in Hong Kong, mainland China, and Thailand. This segment includes HKRI Taikoo Hui ("HTH") in which HKRI has a 50% interest.

² The reporting scope of the Group's hotel and leisure businesses covers our operations in Hong Kong, mainland China and Thailand. Although the Group owns a hotel in Niseko, it is not under HKRI's operational control, and therefore, corresponding data from this hotel is not included in the Report.

³ Discovery Bay is based in Hong Kong



ABOUT HKRI

With a steadfast commitment to upholding the vision and aspiration of our esteemed founder and former chairman of the Group, Dr. CHA Chi-ming, we have embarked on a journey of diversification, expanding our business interests in real estate development and investment, property management, luxury hotels and serviced apartments, as well as other strategic investments spanning in Hong Kong, mainland China and throughout Asia.

Recognising the pivotal role of sustainability in achieving both business success and community well-being, we place great emphasis on fostering a sustainable approach. We aim to contribute positively to our communities, promote sustainable development, and cultivate an enhanced living environment. Guided by a comprehensive perspective, we adopt a holistic approach to our business operation. By embracing a mindset of sustainability transformation and prioritising the interests of our shareholders, we actively explore novel possibilities and strive to challenge conventional norms. Our unwavering determination lies in the creation of vibrant destinations and exceptional services. We seize each opportunity to engage in meaningful dialogue with our valued shareholders, trusted business partners, and dedicated employees, ensuring clear communication about our overarching vision, mission, and values. Through these collective efforts, we aspire to forge a prosperous future that aligns with our shared objectives.

VISION
To be the pioneer of innovative living space.

MISSION
We strive to create a healthy, stylish, and distinctive living experience through teamwork and the passionate pursuit of innovation and excellence.

VALUES – PRI²DE

- Pioneer**
Break new grounds
- Respect**
Value the individual and cherish our environment
- Innovation**
Think outside the box
- Integrity**
Uphold high ethical standards
- Devotion**
Be committed and passionate
- Excellence**
Consistency in the pursuit of our quality standard



Ownership and Legal Form

A public company listed on the Main Board of The Hong Kong Exchanges and Clearing Limited (Stock code: 00480)

HKRI financials

Revenue: HK\$3,940.7 million

Total Assets: HK\$41,824.7 million

Four major business segments

- Property Development
- Property Investment and Management
- Hotel and Leisure Businesses
- DB City Management and Transportation Services

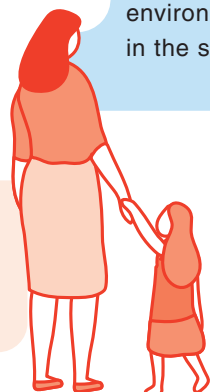
Geographic presence in the Asia Pacific

- Hong Kong
- Shanghai
- Jiaxing
- Hangzhou
- Tianjin
- Bangkok
- Niseko



“HKRI All-in”

Our Group-level ESG theme, “HKRI All-in” reflects our longstanding approach and attitude towards community investment, which aims to give society the most and the best of what we possess. By working collectively with our stakeholders, we go the extra mile in preserving our planet and promoting sustainable social development.



All-in to preserve:

Mobilising all resources and giving our very best to practise green living, we work together to protect our planet and cherish the environment.

All-inclusive:

Everyone can participate. The activities we organise are intended for all to join, regardless of gender, age, or physical fitness level.

All-in-one:

Each activity serves multiple objectives: promoting environmental awareness and helping underprivileged children in the same event.

OUR SUSTAINABILITY APPROACH



SUSTAINABILITY GOVERNANCE

HKRI believes that sustainability is essential to long-term value creation, and our commitment to sustainability begins with solid governance. The Board of Directors of the Group (the “Board”) is ultimately responsible for HKRI’s sustainability strategy, objectives, and performance of the Group. The Board oversees sustainability matters, guides our governance structure and practices, and ensures that sustainability is integrated into our missions and values. To support the Board’s oversight, our ESG Committee⁴ plays a vital role in integrating ESG considerations at the strategic level and coordinating ESG management across the Group. The following diagram illustrates our sustainability governance framework.

The Board



A high standard of corporate governance is essential to drive sustainable and balanced development. We recognise the positive impact of increasing board diversity on corporate governance. As a result, the Board comprises twelve directors, bringing in diverse perspectives, including gender, professional experience, skills, and knowledge. In addition, four of them are independent non-executive directors, constituting one-third of the Board. This diversity brings diverse perspectives and enables a wide range of experiences, ultimately enhancing our organisational performance.

The Board is overall responsible for guiding HKRI in creating long-term value for our stakeholders. We integrate economic, social, and environmental considerations into all our decision-making processes. The Board reviews and endorses the materiality assessment results and ESG reports submitted by the ESG Committee to ensure alignment with relevant strategies and goals. Appropriate recommendations for continuous improvement are provided to enhance the Group’s sustainability performance.

ESG Committee ("the Committee")



HKRI’s ESG Committee plays an important role in assessing and setting the Company’s objectives regarding the identified ESG risks and opportunities. The Committee consists of department heads from various business units within the organisation. Regular meetings are held among the Committee members to assist in the development planning process and to ensure consistency with our sustainability vision and long-term value creation across the Group.

The Committee assesses and updates the Group’s ESG policies, initiatives, targets, and strategic priorities based on the ESG risk and opportunities assessment results. It also provides guidance and ensures that ESG considerations are integrated into the decision-making process. In addition, the Committee reviews the Group’s sustainability progress, provides recommendations and improvement directions to the Board, and guides the execution of ESG-related matters through the CSR Task Force.

CSR Task Force (the "Task Force")



The Task Force supports the ESG pillars by monitoring ESG performance, assessing impacts, and implementing the Group’s ESG strategies and policies under the guidance of the ESG Committee. The Task Force prepares annual ESG reports and regularly reports progress to the Committee. It is composed of members carefully selected based on their experience, specialisation, and seniority to address the wide-ranging concerns of each business segment

Business Units / Working Committee

⁴ The Terms of Reference for the ESG Committee can be found on our website: <https://www.hkri.com/en/CSR/ESG-Committee>.



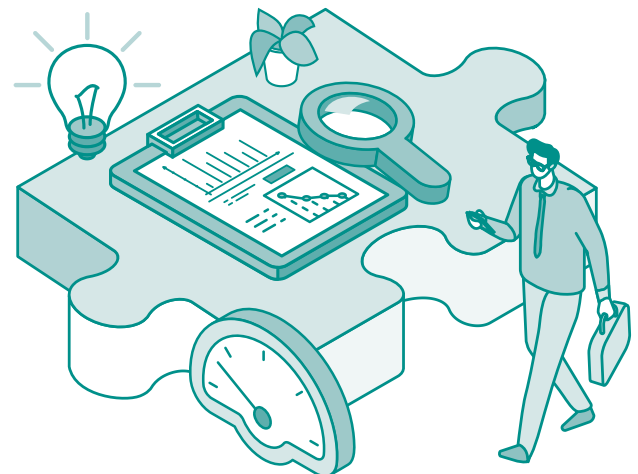
RISK MANAGEMENT AND INTERNAL CONTROLS

HKRI maintains an uncompromising commitment to effective risk management and internal controls as the foundation for creating and sustaining value. We possess a thorough understanding of the risks across our business value chain and are continuously improving our risk management framework. Our *Risk Management Policy* guides the Risk Management Steering Group to identify, assess and prioritise emerging risks and align risk exposure with organisational priorities and mitigation plans. Our governance structure, involving the Board, Audit Committee, Risk Management Steering Group, and business units, ensures appropriate monitoring, control, and reporting of risk management and internal control systems. The Internal Audit Department reviews these systems to ensure their reliability and effectiveness.

In line with our sustainability vision and ESG framework, the Group recognises our stakeholders' increasing focus on ESG-related risks. We are committed to placing greater emphasis on identifying, monitoring, and strategically integrating these risks into our enterprise risk management system. This will ensure that environmental and social risks along our value chain are addressed and minimised. For example, the Group and its stakeholders have identified anti-corruption and money laundering as material topics that deserve utmost attention and commitment. We strive to uphold the highest ethical

standards and comply strictly with all laws and regulations related to anti-corruption and money laundering. Recognising the growing importance of ESG-related risks, we have established a robust risk management and internal control system. We regularly update our policies and initiatives to reflect the latest effective measures and integrate them into our business operations at HKRI to minimise potential exposure.

Further information on risk management and internal controls can be found in our Corporate Governance Report on pages 69 to 92 of the Group's Annual Report 2023/2024. Information on anti-corruption and money laundering can be found on page 57 of this Report.



OUR SUSTAINABILITY APPROACH

SUSTAINABILITY COMMITMENT AND POLICY

HKRI has a long-standing commitment to integrating sustainability into our business operations. Responsible operations and positively contributing to the environment and communities are the foundations of sustainability. Throughout the years, we have strived to implement various measures, such as improving resource efficiency, conserving biodiversity, and managing adverse impacts within our operations to create sustainable, liveable, and socially responsible communities. With sustainable development at the core of our vision, mission, and values, we continuously seek new investment opportunities that demonstrate resilience and incorporate risk mitigation. Moreover, our commitment to responsible practices is crucial in cultivating an inclusive and effective work environment that promotes well-being, equality, and respect.

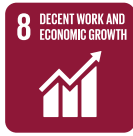
Respect is a fundamental core value at HKRI. We value the communities, cherish the environment we serve, and strive to provide them with sustainable development. The *Sustainability Policy* has been established to formalise sustainability issues and ensure the consistent integration and implementation of sustainable practices across the Group. The *Climate Change Policy* is established to incorporate climate-related information into our strategic planning to mitigate the impact and enhance the resilience of climate change on our operations. Besides, we regularly review our policy statement to incorporate significant regulatory updates and market practices into our operations. Recognising the increasing risks posed by climate change, we have developed a climate change reporting and management framework in compliance with the recommendations of TCFD and in line with the IFRS S2. This framework enables us to address the heightened climate threats effectively and further enhance our sustainability efforts.

CONTRIBUTING TO SUSTAINABILITY GOALS AND RELATED MEASURES

HKRI has consistently acted as a responsible corporate citizen, focusing on creating long-term value for our stakeholders and the wider community. As a significant player in the property sector, we utilise our influence to effect positive economic, environmental, and social changes in society, impacting beyond our immediate business activities. Committed to upholding our responsibility, we support and align our objectives with regional sustainability goals. This includes contributing to Hong Kong's Climate Action Plan 2050, supporting mainland China's commitment to achieving carbon neutrality before 2060, and backing the Thai government's goal to reach carbon neutrality by 2050. We have identified the following Sustainable Development Goals that align with our core operations. We are committed to working towards these goals in line with our five sustainability strategy pillars, setting the course for a sustainable future.



Strategic pillars	Strategy	Actions and commitments
<p>Reducing our Environmental Impact</p> <p>SDG 3.9, 6.4, 6.5, 7.3, 7A, 8.4, 9.4, 11.5, 11.6, 12.2, 12.5, 12.6, 13.1, 13.3 and 14.1</p>	<ul style="list-style-type: none"> We are committed to reducing our environmental footprint by reducing carbon emissions, minimising freshwater consumption and waste production, maximising energy efficiency and clean energy use, and maximising the usage of environmentally friendly materials in our operations. We continue to raise our stakeholders' environmental awareness by participating in and organising various green initiatives, including those related to climate, responsible procurement, and efficient resources use. 	<ul style="list-style-type: none"> Reducing carbon emissions Reducing the amount of waste Increasing water efficiency Increasing energy efficiency Increasing green investment



Strategic pillars	Strategy	Actions and commitments
Maintaining a People-first Workplace SDG 4.4, 4.5, 4.7, 5.1, 5.5, 8.5 and 8.8	<ul style="list-style-type: none"> We aim to create and maintain a safe, diverse, and rewarding working environment where employees are treated fairly and equally. Furthermore, we provide a variety of training programmes to enhance employees' knowledge in promoting sustainable development. This approach ensures that everyone can reach their full potential, regardless of gender, disability, family status, race, age, or sexual orientation. We place great value on our people and strive to attract and retain talent by providing training and development opportunities that support our employees' professional growth. We have established various engagement channels that allow employees to express their concerns openly without fear of negative repercussions. 	Attracting and retaining talents Maintaining a safe and secure workplace Providing adequate development opportunities Maintaining diversity and inclusion in the workplace Ensuring open communication with our employees

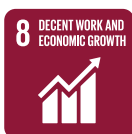


Strategic pillars	Strategy	Actions and commitments
Building a Sustainable and Caring Community SDG 4.7, 5.1, 11.3, and 11.5	<ul style="list-style-type: none"> We actively engage with stakeholders in local communities to identify and support their resolution of their issues and foster a sustainable community. We aim to use our influence to promote good citizenship and sustainable development among our stakeholders by participating in charity work and various community activities. We encourage everyone to contribute to society and protect those who are impoverished or in vulnerable situations. We invest in artistic and cultural development, support young talents across different races and genders, and offer valuable support to charities and groups. 	Investing in the community by offering care and support to the local communities where we operate Participating in voluntary work and community activities Supporting artistic and cultural development

OUR SUSTAINABILITY APPROACH












Strategic pillars	Strategy	Actions and commitments
<p>Creating a Responsible Value Chain</p> <p>SDG 12.2, 12.3, 12.7, 12.8, 16.10 and 16B</p>	<ul style="list-style-type: none"> We advocate for sustainable procurement practices and the use of natural resources and strive to reduce food waste production across our business operations. We uphold high ethical and corporate governance standards and place great importance on protecting customers' data. We strictly comply with all statutory requirements, including non-discriminatory laws and policies for sustainable development. We aim to surpass the minimum standards and incorporate industry best practices into all our operations and services. We integrate sustainability into our business strategies to generate long-term value for all stakeholders. We aim to convey our vision for sustainable growth and leverage our influence to motivate our business partners, including suppliers, to adopt more sustainable practices. 	<p>Adopting sustainable procurement and minimising wastes</p> <p>Upholding high ethical standards</p> <p>Ensuring occupational health and safety</p> <p>Respecting and upholding the data privacy of all stakeholders</p> <p>Incorporating sustainability considerations in supplier selection and vendor evaluation as well as throughout the procurement processes</p> <p>Promoting a low-carbon value chain</p>



Strategic pillars	Strategy	Actions and commitments
<p>Providing Quality and Reliable Services and Products</p> <p>SDG 8.2, 8.3, 9.1, 11.2, 11.3, 11.4 and 11A</p>	<ul style="list-style-type: none"> We continue to integrate applicable innovative and digital initiatives into our projects to meet the growing expectations of our customers. We operate professionally and responsibly, with formalised development-oriented policies, continuously improving quality standards and preserving cultural and natural heritage. We enhance the transportation system to achieve higher levels of safety. We continuously engage with our customers to tailor our product and service development to their changing needs. 	<p>Delivering responsible and quality services and products</p> <p>Achieving higher levels of economic productivity</p> <p>Ensuring customer satisfaction and well-being</p>

STAKEHOLDER ENGAGEMENT

HKRI highly values the feedback and opinions of our stakeholders and recognises their importance in shaping our business strategies for long-term success. In line with the internationally recognised AA1000 Stakeholder Engagement Standard, our stakeholders' engagement is guided by inclusiveness, materiality, impact, and responsiveness. Listed below are the nine critical internal and external stakeholder groups we have identified, along with examples of engagement channels:

Stakeholder groups	Engagement Channels	Stakeholder groups	Engagement Channels	Stakeholder groups	Engagement Channels
Investors 	<ul style="list-style-type: none"> • Press releases • Investor Relations page on the Company's website • Annual/interim reports • ESG reports • Annual general meetings • Investor relations communications 	Government and Industry Associations 	<ul style="list-style-type: none"> • Websites • Annual/interim reports • ESG reports • Public consultations • Industry forums 	Customers (including residents, tenants, passengers, hotel guests, and club members) 	<ul style="list-style-type: none"> • Customer satisfaction surveys • Customer service hotlines, emails, and mobile apps • Websites and social media • Annual/interim reports • Newsletters • ESG reports • Meetings • Recreation clubs • CSR activities
Media 	<ul style="list-style-type: none"> • Press releases • Websites and social media • Press conferences • Annual/interim reports • ESG reports • Interview 	Management Team 	<ul style="list-style-type: none"> • i-Pri2de staff newsletters • Websites and social media • Intranet • Annual/interim reports • ESG reports • Press releases • Interviews • Annual dinners • Meetings • CSR activities 	Business Partners 	<ul style="list-style-type: none"> • Websites and social media • Annual/interim reports • ESG reports • Meetings • Industry forums • Site visits
Suppliers 	<ul style="list-style-type: none"> • Websites • Annual/interim reports • ESG reports • Audit and assessment • Meetings 	Employees 	<ul style="list-style-type: none"> • i-Pri2de staff newsletters • Websites and social media • Intranet • Annual/interim reports • ESG reports • Press releases • Interviews • Annual dinners • Meetings • CSR activities • Employee engagement activities • Employee surveys 	Non-governmental Organisations ("NGOs") 	<ul style="list-style-type: none"> • Websites and social media • Corporate social responsibility ("CSR") activities • Annual/interim reports • ESG reports • Meetings

HKRI leverages various communication channels to collect and review stakeholder feedback and consistently stay informed on ESG developments. This process enables us to discern the most significant ESG issues affecting our operations and stakeholders.

OUR SUSTAINABILITY APPROACH

MATERIALITY ASSESSMENT

We conducted a materiality assessment during the Year to understand our stakeholders' perceptions of our approach to sustainable development and their latest expectations and priorities for the future. The opinions and feedback collected from these engagement exercises will be referenced in our decision-making processes, enhancing accountability and aligning our sustainability practices with local and international developments. Therefore, we utilised a comprehensive approach for our materiality assessment to identify the list of material ESG issues in the Report. Our approach is as follows:

STAGE 1



Identification

To pinpoint the material ESG issues based on their impact and relevance, we conducted research to identify new and emerging sustainability megatrends and disclosure benchmarks of related peers in the property development, investment and management, hotel and leisure businesses, and transportation service provider industry.

STAGE 2



Prioritisation

In Stage 2, we consolidate the results of our peer benchmarking and our stakeholder engagement exercises. Evaluating the impact on our business, stakeholder engagement results, and macroeconomic trends, we thereby bring forward a list of potential material ESG issues for discussion in Stage 3: Validation.

STAGE 3



Validation

The findings from the previous two stages are presented to the ESG Committee for validation. Upon the ESG Committee's agreement, a list of material ESG issues is confirmed with related KPIs and information stipulated in the ESG Guide for disclosure.



The following materiality matrix illustrates the results of the materiality assessment conducted during FY2023/2024:



HUMAN CAPITAL

- 1 Occupational health and safety
- 2 Workplace environment, benefits, working hours and holiday
- 3 Human resources practices
- 4 Training and development
- 5 Equal opportunity, anti-discrimination and diversity
- 6 Anti-child labour and forced labour

CORPORATE GOVERNANCE

- 7 Anti-corruption and money laundering
- 8 Intellectual property rights
- 9 Cyber security and data governance

VALUE CHAIN

- 10 Product quality and safety
- 11 Responsible supply chain management
- 12 Advertising and labelling
- 13 Customer satisfaction
- 14 Customer wellbeing
- 15 Technology and innovation

ENVIRONMENT

- 16 Waste management
- 17 Greenhouse Gas (“GHG”) emission
- 18 Use of water
- 19 Use of energy
- 20 Climate adaptation and resilience
- 21 Decarbonisation and target setting
- 22 Biodiversity

COMMUNITY

- 23 Responsible investment
- 24 Stakeholder participation and collaboration
- 25 Volunteering, charity events and donations

CONSTRUCTION

- 26 Green and sustainable construction

OUR SUSTAINABILITY APPROACH

TOP IMPORTANT ISSUES

To conclude, our internal stakeholders are most concerned about environmental and people-related issues, whereas the spotlights of our external stakeholders are most focused on the disclosure of our operational, environmental, and governance-related issues.

HUMAN CAPITAL	
Top important issues	1. Occupational health and safety
Some stakeholder feedback and our responses	<p><i>Employee-oriented work environment</i></p> <p>Internal stakeholders expressed that we should make improvements to build a more employee-oriented work environment as a motivation at work. Considering our employees as vital assets for business success and their crucial role in creating sustainable competitiveness, HKRI places continuous focus on human resources practices and prioritises occupational health and safety. Respective business units have maintained their own OSH committees to set OSH targets, develop guidelines, regularly monitor and review OSH performance in alignment with group-level policy. We have also established whistleblowing channels to give employees with an anonymous platform to voice their opinions, enabling us to improve our human resources practices continuously.</p> <p>For more initiatives, please refer to the “Our People” section of this Report.</p>
Issue boundaries	Inside the Group

CORPORATE GOVERNANCE	
Top important issues	7. Anti-corruption and money laundering 9. Cyber security and data governance
Some stakeholder feedback and our responses	<p><i>General Compliance</i></p> <p>Internal and external stakeholders expressed concerns regarding the reputational impact of corruption, money laundering, fraud, cyber security, and data governance. Recognising that the breach of related laws and regulations would significantly harm the interests of the stakeholders, HKRI strictly complies with various laws and regulations regarding preventing of unethical and unlawful business practices by formulating comprehensive policies covering the supply chain. In addition to internal policies that prohibit wide-ranging unethical behaviours by our employees, we actively work with relevant third parties to maintain operational stability and implement appropriate policies and controls to promote ethical operations. In cyber security and data governance, HKRI not only newly developed a <i>Generative Artificial Intelligence</i> (“Generative AI”) <i>Policy</i> addressing emerging technologies but also organised awareness training for employees.</p> <p>For more initiatives, please refer to the “Our Responsible Operation” section of this Report.</p>
Issue boundaries	Inside and Outside the Group

ENVIRONMENT	
Top important issues	16. Waste management 17. GHG emission 20. Climate adaptation and resilience
Some stakeholder feedback and our responses	<p><i>Waste Management</i></p> <p>Some stakeholders expressed concerns about waste disposal and recycling in our operations. HKRI has implemented an effective waste management system to address this issue, ensuring proper handling of hazardous and non-hazardous waste disposal. The Company has introduced several initiatives to recycle and reuse waste including food waste generated from our operations or collected from residents and tenants. In addition, we are actively promoting green awareness among our stakeholders to reduce waste at its source.</p> <p><i>GHG emission</i></p> <p>In response to concerns raised by stakeholders regarding the environmental impact of our GHG emissions throughout the supply chain, we have made significant efforts to reduce our carbon footprints and emissions across our business units. For example, we have started a replacement plan to deploy environmentally friendly vehicles for operational use since 2023. We also adopt temporary energy generators in construction sites. In addition, we use Marine Light Diesel Oil ("MLDO") for ferries and Euro V Diesel ("EVD") for other transportation operations, which are the most environmentally friendly diesel products in the Hong Kong market.</p> <p><i>Climate adaptation and resilience</i></p> <p>Some external stakeholders have expressed their attention to the potential threat of climate change to business operations and development. In response to the changing climate, we have established a governance framework to oversee climate-related issues and have identified response plans to mitigate our exposure to physical and transition risks. Recognising that climate change could pose further potential risks to the Group, we will continue to assess and mitigate these risks through proactive sustainable practices. This includes implementing carbon reduction strategies and staying abreast of evolving regulatory requirements and industry best practices.</p> <p>For more initiatives, please refer to the "Our Environment" section of this Report.</p>
Issue boundaries	Inside and Outside the Group

Different sections of this Report describe our responses to other vital issues and stakeholders' concerns. Please refer to the relevant sections for more details.

MEMBERSHIPS, AWARDS AND CERTIFICATIONS

These achievements would not have been possible without the unwavering support and hard work of our employees, who have remained devoted to our sustainability despite the challenges faced in the past three years.



AWARDS

HKRI

15 Years Plus Caring Company Logo

The Hong Kong Council of Social Service

100 examples that improve the society

South Reviews

Home Journal Awards 2023

Home Journal

– Best ESG Advocate

Umbrella Bags Reduction Accreditation Program 2023

Greeners Action

– Diamond Level, Gold Level and Reduction Award

Eco-brand Awards 2023

East Week

ERB Manpower Developer Award Scheme 2022-2024

Employees Retraining Board

– Manpower Developer – Grand Prize Award

ESG Achievement Awards 2022/2023

Institute of ESG & Benchmark

– Outstanding ESG Awards (Listed Company) – Platinum Award

ESG Award 2021-2022

Yazhou Zhoukan

Good MPF Employer 5 Years+,

E-Contribution Award, MPF Support Award

Mandatory Provident Fund Schemes Authority

Green Office and Eco-Healthy Workplace Awards Labelling Scheme 2023

World Green Organisation

– Green Office Label and Eco-Healthy Workplace Label

Hong Kong ESG Reporting Awards 2023

Hong Kong ESG Reporting Awards Limited

– Best ESG Report (Small-Cap) Commendation

Sustainable Business Award 2022

World Green Organisation

Sustainable Leadership Award 2022

World Green Organisation

UNSDG Achievement Awards Hong Kong 2023

Green Council

– Sustainable Organisation – Merit

Hong Kong Resort Company Limited

HKDA Brand Design Awards 2024

Hong Kong Designers Association

– Grand Award of the Year (Property Development and Management)



Discovery Bay Services Management Limited (“DBSML”)

Hong Kong Awards for Environmental Excellence 2022

Environmental Campaign Committee,
Environment and Ecology Bureau
– Property Management (Residential) – Silver Award

CLP Smart Energy Award 2023

CLP Power
– Joint Energy Saving Award (Corporate and Government Bodies)

Commendation Scheme on Source Separation of Domestic Waste 2022/23

Environmental Protection Department
– Silver Award, Certificate of Merit & Award for Enhancement

Elite Partnership Award

Hong Kong Red Cross
– Community Partners (Blood Donation Vehicle)

HIREA Awards 2023

Hong Kong Institute of Real Estate Administrators
– ESG Awards in Property and Facility Management

Hong Kong Green and Sustainability Contribution Awards 2023

Hong Kong Quality Assurance Agency
– Gold Seal for Contribution to Sustainable Property – Promote Environmental Protection
– Outstanding Award for Excellent Contribution to Sustainable Property (Property Management) – Promote Environmental Protection

Privacy-Friendly Awards 2023

Office of the Privacy Commissioner for Personal Data
– Silver Award

Hong Kong Volunteer Award 2023

Home and Youth Affairs Bureau & Agency for Volunteer Service
– Top 10 Caring Estate

UNSDG Achievement Awards Hong Kong 2023

Green Council
– Recognised Project (Ecosystem – Wood Chips Recycling Project)

Safe and Healthy Estate with Excellent Performance

Occupational Safety & Health Council
– Discovery Bay, Hong Kong (Amalfi, Positano, Poggibonsi, Parkridge, Parkland Drive, Beach)

"AED Anywhere for Anyone" Programme

Hong Kong Fire Services Department
– Big Heart Outstanding Performance Award

MEMBERSHIPS, AWARDS AND CERTIFICATIONS

Discovery Bay Recreation Club

Natural Christmas Trees Recycling Programme 2022-23

Environmental Protection Department
– Certificate of Appreciation

Peach Blossom Trees Recycling Programme 2023

Environmental Protection Department
– Certificate of Appreciation

CDW Building Limited ("CDW Building")

Beverage Carton Clean Recycling Scheme 2022-2023

Greeners Action
– Tier 2 Award

HTH

The 3rd GoGreen Ceremony 2023

Bang Media
– Green Leadership Landmark

LEED V4.1 for Operation and Maintenance: Existing Buildings

U.S. Green Building Council
– Platinum

RESET ® Air Certification for Core & Shell v2.0

GIGA

Shanghai Water Conservation (Benchmark) Enterprise Award

Shanghai Water Authority & Shanghai Municipal Commission of Economy and Informatization

The Sukhothai Bangkok ("TSB")

Environmentally Friendly Tourism Accommodation Certificate

Department of Tourism

IL PICCO

Golfers' Choice Awards 2023

GOLF VACATIONS and Senasia Publication Group Limited
– Choice Golf Property

VILLA LUCCA

Hong Kong Professional Building Inspection Academy Awards 2023

Hong Kong Professional Building Inspection Academy
– Building of the Year
– Environmental Friendly of the Year
– Five Stars Residency 2023

HKIA Annual Awards 2022/23

The Hong Kong Institute of Architects
– Merit Award of Hong Kong – Residential Building

Asia Pacific Property Awards 2023-2024

International Property Media
– Leisure Interior Award for Hong Kong

CERTIFICATIONS

HKRI

Hong Kong Green Organisation Certification

Environmental Campaign Committee
– Energywi\$e Certificate – Excellent Level

DBSML

Hong Kong Green Organisation Certification

Environmental Campaign Committee
– Energywi\$e & Wastewi\$e Certificate – Excellent Level

HTH – Guan Feng (Shanghai) Real Estate Development Company Limited

ISO 45001 Occupational Health and Safety Management System Certification

China Quality Certification Centre

ISO 14001 Environmental Management System Certification

China Quality Certification Centre

ISO 50001 Energy Management System Certification

China Quality Certification Centre

CDW Building

Quality Water Supply Scheme for Buildings

Water Supplies Department
– Fresh Water (Management System)(Blue Certificate)

MEMBERSHIPS

Agency for Volunteer Service

- Corporate Member

American Chamber of Commerce in Thailand

- Member

Asia Pacific Superyacht Association

- Member

Association of Thai Travel Agents

- Member

Australian-Thai Chamber of Commerce

- Member

British Chamber of Commerce Thailand

- Member

Employers' Federation of Hong Kong

- Member

Green Council

- Bronze Member

German-Thai Chamber of Commerce

- Member

Hong Kong & Kowloon Motor Boats & Tug Boats Association

- Member

The Hong Kong Association of Property Management Companies Limited

- Member

Hong Kong General Chamber of Commerce

- Corporate Member

Hong Kong Hotels Association

- Member

Hong Kong Institute of Certified Public Accountants

- Authorised Employer

Hong Kong Institute of Human Resources Management

- Corporate Member

Hong Kong China Skating Union

- Official Accredited Partner

Ice Skating Institute Asia

- Administrative Member

Japanese Association in Thailand

- Member

Lantau Development Alliance

- Founding Member

Marina Industries Association

- Member

Occupational Safety & Health Council

- Green Cross Group member

Public Omnibus Operators Association

- Member

Real Estate Developers Association of Hong Kong

- Board Member

Singapore-Thai Chamber of Commerce

- Member

Skål International

- Member

Thai Hotel Association

- Member

Thai-Italian Chamber of Commerce

- Member

Thailand Incentive and Convention Association

- Member

The Chartered Institute of Logistics and Transport in Hong Kong

- Organisation member

The Club Managers' Association of Hong Kong

- Member

The Federation of Hong Kong Hotel Owners

- Member

CHARTERS

Occupational Safety & Health Council

- Mental Health Workplace Charter

Environment And Ecology Bureau, Electrical and Mechanical Services Department

- Energy Saving Charter 2023 & 4T Charter

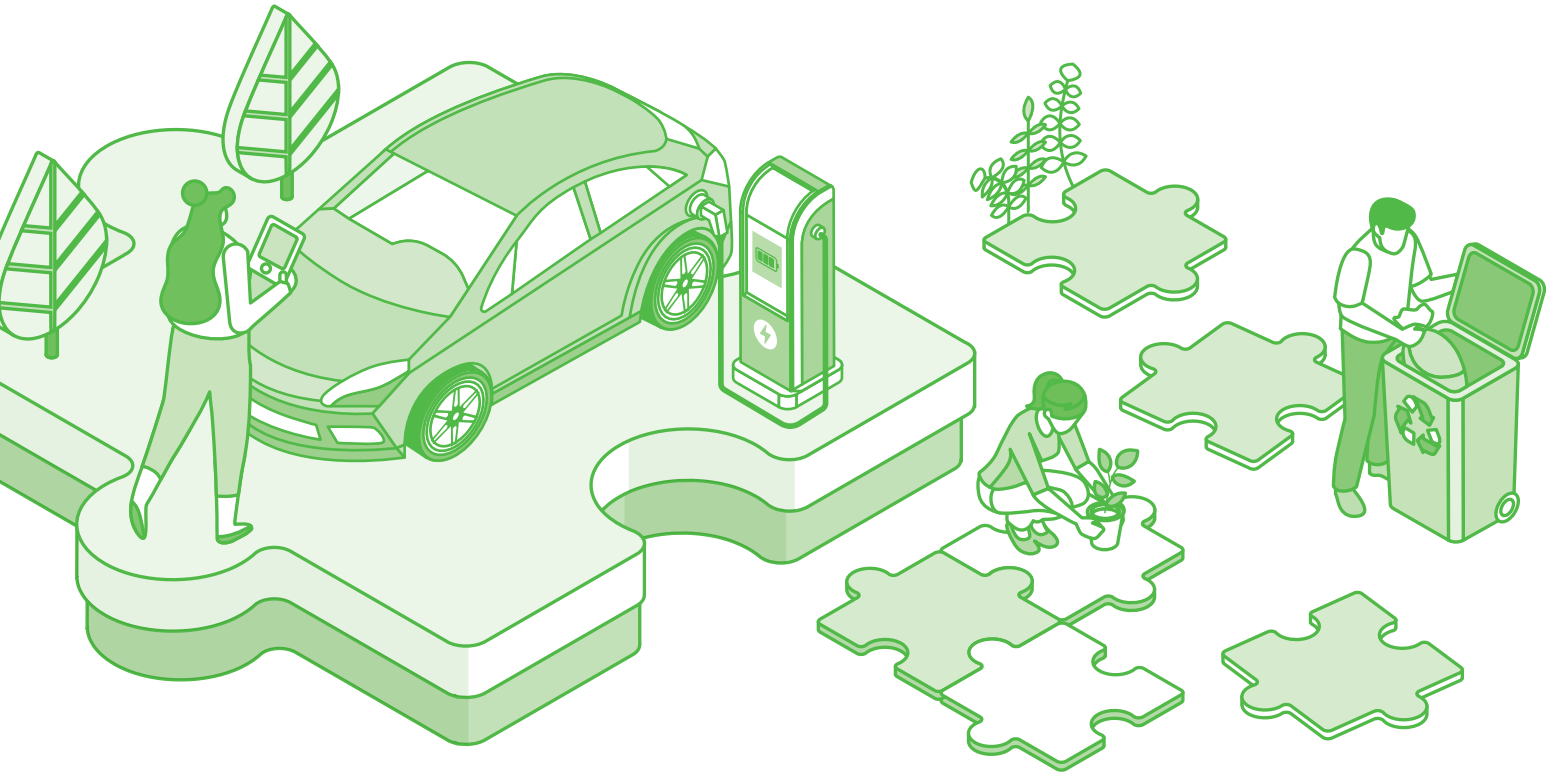
OUR ENVIRONMENT

An aerial photograph of a coastal city, likely Hong Kong, showing a mix of green hills, residential buildings, and a bay with several sailboats. A cartoon illustration of a woman and a child walking is overlaid on the scene. The woman is wearing a green dress and the child is wearing a green shirt and shorts. They are walking towards the right. The sky is blue with some clouds.

“We aim to protect the well-being of future generations and contribute to navigating the world towards a more sustainable and greener future.”



OUR ENVIRONMENT



SUSTAINABLE DEVELOPMENT GOALS



The escalating frequency and severity of extreme weather events worldwide in recent years, including heatwaves, typhoons, and extreme rainfall, have not gone unnoticed, particularly in our operating regions. The mounting evidence linking human activities to the increased incidence of such extreme weather phenomena reminds us of the urgency of the commitment as a responsible corporation citizen. HKRI is committed to embracing a sustainable business model underpinned by a long-term climate strategy and action plans to mitigate our impact on and enhance our resilience to the changing climate. Moreover, we are actively working to extend our influence throughout our value chain, aiming to magnify the impact of our carbon reduction efforts.

To transform our commitment into tangible actions, we have set and continuously monitor environmental targets to enhance energy and water efficiency, reduce carbon emissions, and minimise waste generation. At the group level, we have established the *Sustainability Policy* and *Climate Change Policy* to steer our business units in effectively managing our environmental footprint. By implementing sustainable business practices, we aim to protect the well-being of future generations and contribute to navigating the world towards a more sustainable and greener future.

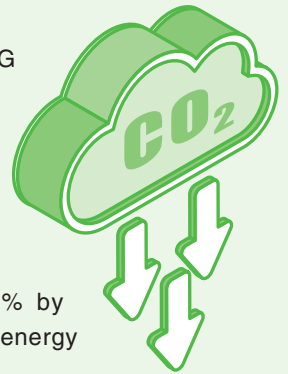
We aim to reduce our GHG emissions intensity by 15% by 2029/2030, using 2018/2019 as our baseline for comparison. We will persistently oversee and mitigate the environmental impacts of our daily operations while seeking innovative and practical technologies and approaches to reduce our carbon footprint further.

During the Year, there were no cases of non-compliance with relevant laws and regulations regarding GHG and air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste relating to the products and services provided by the Company that could have a significant impact on our business.

CONSERVING OUR RESOURCES

Commitment to Saving Energy and Reducing Emissions

Recognising that energy consumption and air emissions are the primary contributors to GHG emissions within the Company, HKRI is committed to maximising energy efficiency, reducing energy consumption, and substantially increasing the share of clean and renewable energy across our diversified business portfolio whenever feasible. These strategies support SDG Goal 7: Affordable and Clean Energy, demonstrating our dedication to sustainable practices. Details of our various measures are illustrated on the following page.



HKRI has established a group-level target to reduce energy consumption intensity by 10% by 2029/2030, using 2018/2019 as the baseline, to track our progress in energy reduction. An energy consumption monitoring system supports this endeavour.

Energy Savings in our operations

In pursuing our energy reduction target, our business units have adopted various initiatives to decrease energy consumption and boost energy efficiency and savings.

We are committed to instilling energy-saving awareness among our employees and cultivating a sustainable working environment within our office operations. Initiatives include placing energy-saving reminders near lighting switches and advising on the shutdown of electronic devices when not in use. Furthermore, we implement energy-saving measures such as setting air conditioner temperatures at 24°C -26°C in all offices, installing motion sensors for lighting, and suspending certain lifts in our residential buildings and hotels during midnight. We also conduct regular reviews and analyses of utility consumption, including electricity, water, and liquefied petroleum gas (“LPG”), to pinpoint areas for improvement. We attained Energywise Excellence Level and Green Office and Eco-Healthy Workplace Awards in the Year.



Our Property Management and Hotel and Leisure businesses, which are significant energy consumers within the Company, have initiated a series of measures aimed at reducing energy consumption. These measures include retrofitting projects such as the replacement of fluorescent tubes with energy-efficient light-emitting diode (“LED”) lighting and upgrading hot water plants for greater efficiency, closely monitoring and fine-tuning the energy usage, notably in central chiller systems, conducting energy audits for all common areas within the commercial properties, and the gradual adoption of solar photovoltaic systems on buildings for on-site electricity usage, and employing solar-powered gadgets, such as solar-powered lights, footpaths, and outdoor security cameras. DB City Management has continued to participating in CLP Power Hong Kong’s Peak Demand Management programme, aiming to lower energy consumption during peak demand periods and secure rebates. HTH has been accredited with the ISO 14001 Environmental Management System and ISO 50001 Energy Management certifications for its effective environmental and energy management. The Sukhothai Shanghai, our managed hotel, has completed a retrofitting project to install energy-efficient hardware to save more than 8,250 kWh of energy. This retrofitting project allowed three restaurants to be credited a Three-Gold-Leaf, and one restaurant attained a Three-Leaf rating under the Green Kitchen Scheme 2023.

OUR ENVIRONMENT

Our Property Development business has implemented internal project management guidelines aimed to encourage all new developments to obtain certification of the Hong Kong Building Environmental Assessment Method (“BEAM Plus”). This is achieved by integrating green building and energy-saving features into development projects. These measures include employing energy-efficient and eco-friendly products and incorporating green building designs, such as green roofs and wall insulation, which serve to reduce building energy consumption.

Q: Stakeholders wish to learn more about our green building features and designs for the new building.

A: HKRI aims to obtain a BEAM Plus certificate for new development projects, integrating features such as allowing natural cross ventilation, optimising daylight provision, reducing solar heat transmittance, installing rainwater harvest systems, and adopting photovoltaic (“PV”) panels, etc. We will remain conscious of adopting green building features whenever feasible.



CASE STUDY:

Energy Conservation at DB Ice Rink: A Sustainable Skating Experience



In Hong Kong’s first eco-friendly community, DB Ice Rink stands as a testament to blending joyous community engagement with environmental stewardship. The facility demonstrates an unwavering commitment to minimising environmental impact, prioritising joy, and sustainability in equal measure. From the outset through to everyday operations, the guiding policies embody strict adherence to environmental regulations, a dedication to energy efficiency, and a preference for eco-friendly materials. This strategic approach ensures that rink’s operations contribute positively to the environment, offering the community a sustainable venue for ice skating. To reduce energy consumption, DB Ice Rink has implemented several key measures:

- **LED Lighting:** The exclusive use of LED lighting across the rink lowers energy consumption compared to conventional lighting.
- **Timed Lighting and Chiller Plant Adjustments:** A system of timers governs the lighting, activating it only as necessary. In addition, the chiller plant automatically shifts to an energy-saving mode after operating hours, optimising temperature settings to conserve energy while preserving the ice’s quality.
- **Ice Blanket Use:** An ice blanket on the surface of ice during non-operational hours maintains the ice with reduced energy input, allowing for higher chiller plant temperatures without compromising the ice’s condition.
- **Back-of-House Energy Efficiency:** When not in use, air conditioning, lighting, and electronic devices in non-public areas are switched off, enhancing the facility’s overall energy efficiency.

The energy-saving initiatives at DB Ice Rink highlight how leisure facilities can embrace sustainability without sacrificing the visitor experience. By integrating thoughtful planning and energy conservation technologies, the rink allows the community to delight in ice skating while protecting our planet.



CASE STUDY: Adopting Solar Energy in managed properties



Solar Panels in DB North Plaza

At HKRI, we are committed to enhancing the adoption of renewable energy across our operations and facilities, which contributes to our goal of increasing the share of clean and renewable energy and supporting the transition towards a low-carbon economy.

Embracing the opportunity to lead by example in promoting renewable energy within Hong Kong, HKRI has participated in CLP's Feed-in Tariff ("FIT") Scheme, a pivotal step towards integrating renewable energy systems into our infrastructure. The CDW Building is a testament to our renewable energy endeavours, being the first property within the Group to install a comprehensive solar panel system with approximately 160 rooftop solar panels and to connect this system to the CLP grid. As of 31 March 2024, the project generated over 82,600 kWh of lifetime clean energy. Such achievement translated into a reduction of CO₂ emissions by about 58,600 kg, the equivalent of planting 3,238 trees.

Building on the success of the CDW Building, other properties under the Group have joined the FIT Scheme. Notably, DB North Plaza has recently completed the installation of 310 rooftop solar panels, which are now connected to the grid and are beginning to harness solar energy actively. As of 31 March 2024, the solar panel system at DB North Plaza generated more than 178,900 kWh of clean energy

and saved around 127,000 kg of CO₂ emissions. Tsing Yi Shipyard, Discovery Bay Tunnel Building No. 1 and 2 also gradually connected solar panels to the grid. These three solar panel projects generated over 113,700 kWh of clean energy and saved around 80,000 kg of CO₂ emissions in the Year.

These efforts underscore HKRI's ongoing commitment to not only mitigate our environmental impact and inspire and mobilise the broader community to invest in renewable energy. Looking forward, HKRI plans to progressively expand the installation of solar panels across more of our properties, reinforcing our dedication to sustainable development and energy efficiency.



Solar Panels in CDW Building

OUR ENVIRONMENT

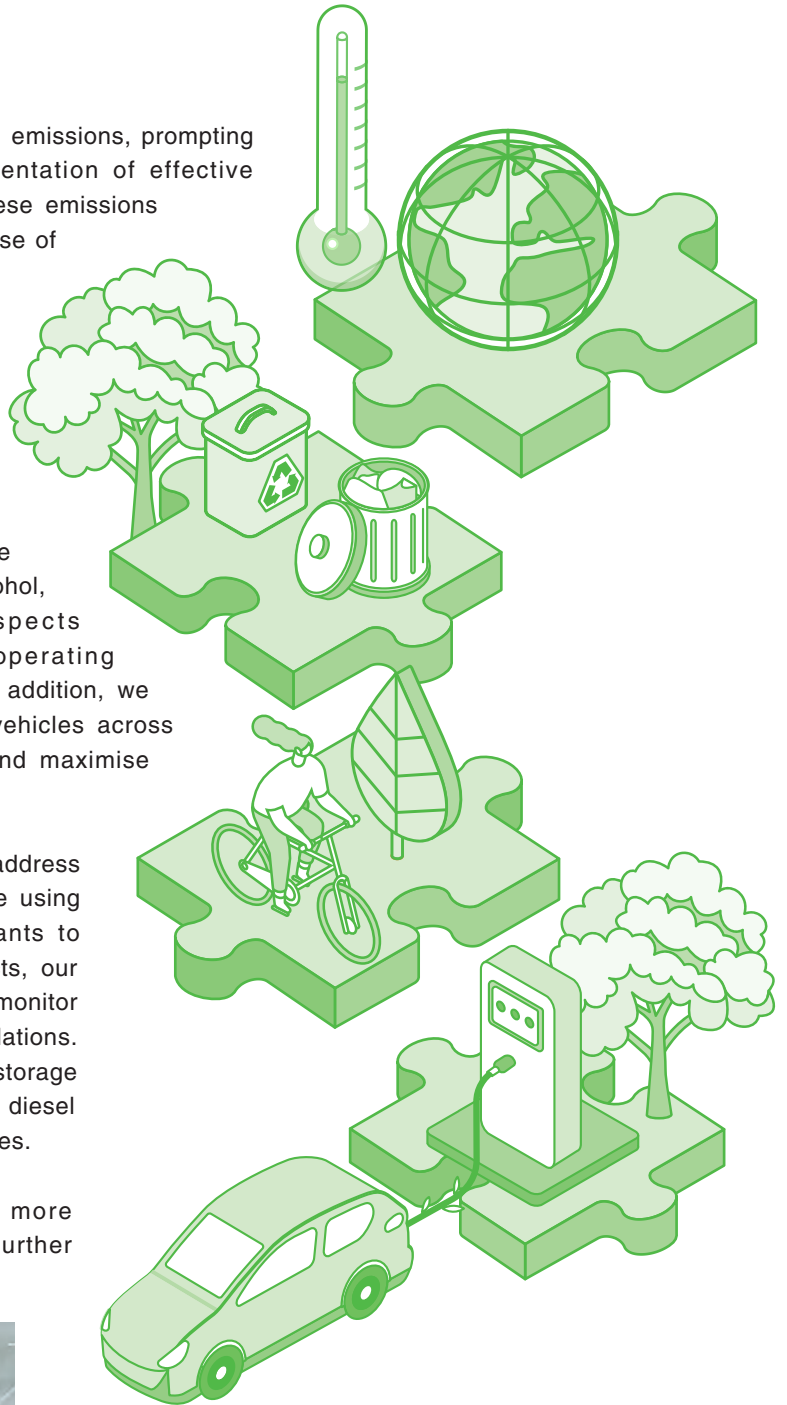
Reducing Emissions

Air emissions significantly contribute to our GHG emissions, prompting the Company's ongoing monitoring and implementation of effective measures to lessen their environmental impact. These emissions are mainly attributed to our vehicle operations, the use of refrigerants across our business, and the emissions generated by our construction activities.

To reduce our vehicle emissions, we have used MLDO for ferries and EVD for buses, the most environmentally friendly diesel products available in the Hong Kong market for our transportation operations. Furthermore, we gradually replaced fossil fuel-powered vehicles with cleaner and more sustainable energy sources, including biodiesel, gasohol, and electricity. The company regularly inspects company-owned vehicles to ensure optimal operating conditions, thereby enhancing energy efficiency. In addition, we also adopted the shared use of company-owned vehicles across business units to avoid unnecessary purchases and maximise vehicle utilisation.

Beyond vehicle emissions, we have taken steps to address emissions in other areas. For instance, we prioritise using non-chlorofluorocarbons ("CFC")-based refrigerants to minimise carbon emissions. For construction projects, our on-site staff and consultant's site team rigorously monitor emissions to ensure compliance with laws and regulations. In the Year, the Company also used battery energy storage system to power machinery with electricity, replacing diesel to reduce air pollutants emitted in the construction sites.

The Company remains committed to exploring more feasible solutions for our operations, aiming to further reduce our carbon footprint in the future.



Solar Panels in Discovery Bay Tunnel Building No. 1

Q: Stakeholders are curious about the supply of electric vehicle ("EV") chargers in our managed properties.

A: In CDW Building, we offer 185 EV chargers to accommodate the demand for EV parking spaces.



CASE STUDY: Achieving Lower Air Emissions Target in Our Transportation Services



Electric Hired Cars

One of the Company's targets is to lower air emissions from the owned and operated vehicle fleets. The Company has been replacing aging vehicles with newer, more energy-efficient models within the Year. Below are the highlights:

- Transitioning from Euro IV single-deck buses to Euro VI double-deck buses to enhance capacity while simultaneously reducing emissions
- Upgrading three diesel-powered operational vehicles and five gasoline-powered hire cars to all electric vehicles, aligning with our goal of maintaining clean air

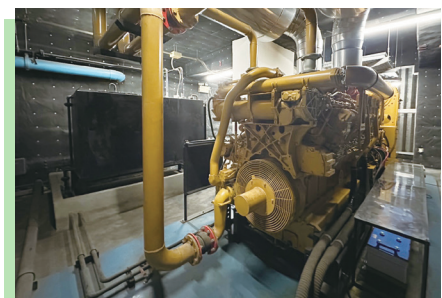
The initiative demonstrates our dedication to lowering air emissions and significantly reducing our carbon footprint in our transportation operations. The Company is committed to exploring alternatives whenever applicable to reduce emissions in the transportation business further.



CASE STUDY: Retrofitting projects at TSB

We have undertaken a series of targeted retrofitting projects to mitigate air emissions and lessen the environmental footprint of TSB. These efforts are directed towards enhancing energy efficiency and diminishing direct emissions from chemical and fuel use. Below are the highlights:

- **Energy-Efficient Machinery:** Selecting high-efficiency machines for the plant room and public areas, including chillers, refrigerators, and walk-in chillers and freezers, and utilising eco-friendlier non-CFC refrigerants such as R-134a and R-404
- **Guest Comfort with Eco-conscious Air Conditioner (“AC”) Units:** Installing energy-saving fan coil units in guest rooms, lowering energy consumption while maintaining optimal temperature for guest comfort
- **Fuel Transition for Generators:** Shifting emergency generators from conventional diesel to bio-diesel (B10) to further reduce the use of fossil fuels
- **Chemical Reduction:** Replacing chemical use in cooling towers with an inhibitor and biocide system and selecting bio-chemicals for air conditioning cleaning
- **Boiler System Revamp:** Replacing the old bunker oil system with a more efficient and less polluting LPG system, enhancing efficiency by approximately 1.2 times and reducing operational costs by approximately 20% monthly



OUR ENVIRONMENT



Use of Water

HKRI is committed to sustainable water management and has set a group-level target to reduce water consumption intensity by 5% by 2029/2030, using 2018/2019 as the baseline. In pursuit of this goal, we have introduced a range of initiatives across our various business units designed to encourage responsible water usage and effectively reduce our overall water consumption. Given the nature of its business and its locations, the Group does not view water sourcing as a significant concern.

We have adopted several practical measures commonly recognised for their water-saving potential in our offices. These include placing of water-saving signage in pantries and toilets to heighten employee awareness of the importance of conserving water. In addition, we have fitted flow restrictors in the toilets of our management offices and installed dual-flush systems in toilets, allowing for substantial water savings.

Our approach to water conservation is tailored to the specific needs and capabilities of our diverse business units, with each implementing strategies that align with their particular operations. For instance, our Transportation business started to use recycled water, reducing the need for fresh water. In Property Management, we have installed a Water Leakage Detection System to closely monitor the condition of underground water pipes. This system, and five strategically placed water leakage monitoring devices in DB enable us to monitor water flow rates and consumption, ensuring that any leakage is dealt with promptly.

In our Hospitality businesses, flow restrictors have been fitted at shower heads and wash taps in all guest rooms, and sensor water taps have been installed in all public washrooms to minimise water wastage. In particular, HTH has taken proactive steps to improve

water efficiency for its tenants, which include conducting water flow testing for tenants and suggesting the installation of flow restrictors on pantry taps to conserve water. Furthermore, the commercial property has installed comprehensive remote metering systems for tenants, including remote electricity and water meters, along with a local data analysis platform for efficiently monitoring and analysing of energy and water consumption. For tenants whose water flow rate exceeds recommended standards, the commercial property installs flow restrictors to help mitigate excessive water usage. As a result of these water-saving efforts, the commercial property has been recognised as the Shanghai Water Saving Demonstration (Benchmark) Enterprise, showcasing its commitment to sustainability and resource conservation.

Our golf club leverages our unique advantage in DB to optimise our water conservation efforts, utilising our reservoir that collects rainwater from nearby hill slopes for irrigation purposes, supplemented with a weather-driven computerised irrigation system. This system calculates the most efficient water usage based on various factors, including soil type, grass type, and weather conditions, resulting in significant potable water savings.

Through these concerted efforts, HKRI showcases its strong commitment to water conservation, aiming to meet our water intensity reduction target and reflect our broader commitment to sustainability and environmental stewardship.

HAZARDOUS AND NON-HAZARDOUS WASTE

HKRI is dedicated to minimising waste generation and ensuring the responsible handling of hazardous and non-hazardous waste arising from our diverse operations. Acknowledging waste production as a significant concern due to our diverse business activities, we are taking decisive steps towards our environmental commitments. As a first step towards our broader waste reduction strategy, we have established a group-level target to reduce paper waste intensity by 20% by 2029/2030, using 2018/2019 as the baseline.

In support of this commitment, the Group has been developing a green procurement policy to integrate environmental considerations into our procurement processes. This policy guides us to prioritise goods and services that have minimal adverse environmental impacts, such as promoting the use of environmentally friendly products that are reusable, durable, or recyclable. Key considerations to avoid waste production also include adopting the “5Rs” waste reduction principles and avoiding over-packaged or disposable products.



Recognising the range of waste produced, including wastewater, hazardous and non-hazardous waste, we have implemented internal policies and initiatives to guide our procurement and waste handling practices. To illustrate our commitment and the scope of our initiatives, we have adopted several measures across different waste categories:

Paper and paper-related products:

- Procurement of Forest Stewardship Council (“FSC”) or Programme for the Endorsement of Forest Certification (“PEFC”)-certified papers
- Posting paper-saving signage in printing areas to raise employee awareness
- Recycling of used paper and paper-related products by registered collectors
- Transitioning towards paperless operations and utilising electronic platforms for daily operations and communications with stakeholders

Hazardous Waste:

- Placing oil drums in the service yard of LYC for collecting used engine oil and lube oil
- Disposal of used engine oil and lube oils by registered chemical waste collectors and treatment in chemical waste treatment facilities
- Recycling of hazardous waste, such as fluorescent tubes and electrical waste, ink cartridges and toners through appropriate channels like Green@Community
- Setting up designated areas for temporary storage of chemical waste before disposal by registered collectors

Q: Stakeholders are interested in how we recycle glass bottles waste.

A: The majority of glass bottle waste is collected by a registered collector for recycling, while part of the waste is downcycled in DB for construction uses. The glass bottles we collect are pulverised into pieces by a glass crusher, and turned into glass sands. At the time being, the glass sands are used for paving and repairing roads and walls, when mixed with concrete and cement.

Organic Waste:

- Precise control of raw ingredients and portion sizes to avoid unnecessary waste
- Collection and decomposition of domestic food waste for use in DB gardens
- Transportation of source-separated food waste to O. PARK 1 for conversion into energy and compost
- Recycling of waste cooking oil by qualified vendors
- Participation in the EPD Peach Blossom Trees and Christmas Tree Recycling Programme

Wastewater:

- Adoption of water-saving taps to reduce sewage output
- Segregation and storage of waste in designated bins prior to disposing wastewater

Other Non-Hazardous Waste Management Initiatives:

- Setting up a “Green Icon” for conducting educational green events
- Ceasing the provision of disposable amenities in shower rooms and plastic utensils in the Hospitality businesses
- Recycling of office furniture through furniture recycling service vendors
- Recycling used coffee capsule pods in hotel
- Recycling red pockets, tetrapaks and mooncakes in offices

OUR ENVIRONMENT



CASE STUDY: Closed-loop Food and Yard Waste Recycling in DB

Since January 2020, DB City Management has implemented innovative waste management practices to promote sustainability. Dead trunks in DB are chipped by a wood chipper and used as landscape mulching, while wood chips, horse manure, and coffee grounds are turned into compost for garden fertiliser, accumulatively generating over 100,000 kg of mulch and 30,000 kg of fertiliser in three years.

DB City Management participated in EPD's "Pilot Scheme on Food Waste Collection" in December 2021. Since its inception, collected food waste has been converted into energy and compost. The compost serves as a souvenir for DB residents participating in planting workshops and the plant market hosted by DB City Management. As of 31 March 2024, over 1,400 household units, supermarkets, schools, hotels, and recreation clubs have registered for the scheme, more than 634 kg of food waste was collected daily, and over 240 tonnes were transferred to Organic Resources Recovery Centre Phase 1 (O. PARK 1). Thanks to the positive participation of residents, shops and schools in the community.

These efforts showcase our commitment to closed-loop recycling, transforming waste into valuable resources and establishing DB as a self-sustaining community dedicated to reducing environmental pollution.

DB Elderly Group Visits O. Park 1

Last autumn, the DB elderly community embarked on an educational journey to O. PARK 1, co-organised by Love • Together@DB and DB City Management. This visit educated around 20 senior citizens about transforming of food waste into energy and compost, aligning with HKRI's waste reduction goals. The trip offered valuable insights into sustainable waste management, highlighting the community's role in environmental stewardship.



Food Waste Recycling Partnership with O. Park 1



CASE STUDY: Eco-Friendly Handbag Upcycling Initiative



Eco-Friendly Handbag

HTH has pioneered a project that marries sustainability with creativity, producing 981 multi-purpose, eco-friendly handbags. These items are crafted from upcycled materials initially used in the "CUBE PIANO" inflatable art installation from the "Play Me, I'm Yours" summer campaign. This initiative exemplifies a sustainable art approach, demonstrating how to repurpose materials into fashionable and valuable products.

The repurposing process involved cleaning and burnishing the fabrics, which were then combined with environmentally friendly auxiliary materials certified by the Global Recycled Standard ("GRS") and USDA Bio Preferred Program, including printed paper, plant-based leather, and nylon accessories, to create stylish handbags. This creative endeavour reflects the property's holistic approach to waste reduction and environmental awareness, blending creativity with green practices and fostering environmental well-being while engaging the community in meaningful ways.

PROMOTING ENVIRONMENTAL AWARENESS

HKRI is convinced that the path to environmental conservation necessitates the united efforts of individuals worldwide. In line with this belief, the Group is dedicated to enhancing environmental awareness of our stakeholders by actively organising and participating in various sustainability events.

Green Days on Plastic and Waste Recycling

Green Day 2023 – Beat Plastic Pollution

The Group recognises that the collective effort from the public is essential for the successful transition to a low-carbon economy. Thus, we are dedicated to promoting green awareness at every opportunity. This Year, the Group continued its unwavering support as the Media Sponsor for “Hong Kong Green Day,” established by the Green Council in 2013 in response to the United Nations World Environment Day on 5 June. This Year’s theme, “Beat Plastic Pollution”, aimed to educate the public about the environmental damage caused by plastic pollution and to promote the importance of reducing plastic use in various aspects of our daily lives. By engaging in and supporting this campaign, we aim to encourage individuals to cultivate sustainable behaviours and contribute to the efforts to make a better environment for future generations.



Green Day 2023 - Beat Plastic Pollution



DB Recycling Day 2023

DB Recycling Day 2023

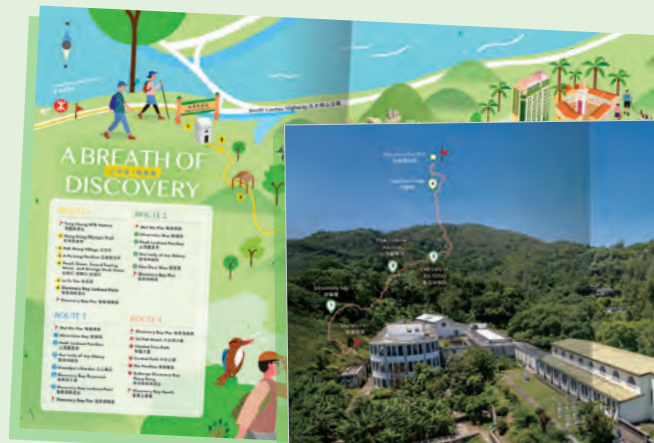
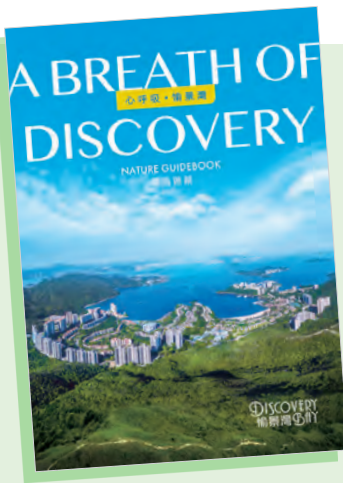
In December 2023, DB hosted its Recycling Day, an initiative led by DB City Management to promote waste recycling. The event featured educational booths from the Environmental Protection Department and others, alongside eco-workshops and games aimed at equipping the community with eco-knowledge. Highlights included an eco-themed drama by students from S.K.H. Wei Lun Primary School and presentations by the Green Cobras group from Discovery College, all designed to inspire reflection on environmental habits and advocate culture for more remarkable waste recycling within the community.



OUR ENVIRONMENT

DB Hiking Tour

Beyond simply emphasising the importance of green living through direct calls for environmental stewardship, such as advocating waste reduction and energy conservation, we leverage the natural beauty of DB to gently guide the public towards a deeper appreciation of the nature. This approach motivates individuals to take actions aimed at protecting and preserving our planet. In May 2023, we hosted a Hiking Tour by wildlife photographer Mr. James Kwok for 18 participants. The journey, stretching from Mui Wo Pier to DB allowed participants the opportunity to revel in scenic landscapes and learn valuable photography techniques for capturing the essence of ecology. This tour is one of our many initiatives to enhance public appreciation for Hong Kong's natural wonders and to raise awareness about the critical need for environmental preservation. Please click [here](#) to browse the *DB Nature Guide 2023* to explore the natural beauty of DB.



OUR CLIMATE RESILIENCE

Climate change has become an increasingly pressing issue, marked by the growing frequency of extreme weather events that have led to significant losses and impacts in recent years. HKRI recognises the potential risks and opportunities climate change presents to the environment and the Group's sustainability. Complying with the recommendations of the TCFD framework and taking into account the IFRS S2 standard, which outlines a structured approach for reporting climate governance, strategy, risk management, and metrics and targets, HKRI is committed to providing information for our stakeholders with a clearer understanding of the potential impact of climate

change on our operations and financial performance. This includes detailing our initiatives to address climate-related risks and seize climate-related opportunities.

Moving forward, we are dedicated to continuously reviewing and enhancing our climate-related information disclosures. This will involve keeping abreast of industry shifts and regulatory standards, deepening our climate expertise, and taking advantage of advancements in the availability and accuracy of climate data to refine our strategies and reporting practices.

GOVERNANCE

HKRI recognises the critical need to address climate change across its operations. As a result, we aim to foster an effective and efficient corporate culture focused on managing climate-related risks and opportunities by integrating climate governance with our sustainability framework. Our governance structure reflects a top-down approach, with clear roles and responsibilities outlined as follows:

The Board

The Board holds ultimate responsibility for overseeing all ESG matters, including climate-related issues. This includes monitoring and managing climate-related risks and opportunities, establishing strategies and policies, and setting metrics and targets. The Board exercises its oversight directly and through its committees, particularly the ESG Committee.

ESG Committee

The ESG Committee, advises and assists the Board in formulating strategies and action plans to address climate-related risks and opportunities. It evaluates and determines the Company's action plans against identified climate-related risks and opportunities and reviews and manages the Company's sustainability progress. Chaired by an executive director, the ESG Committee includes department heads from various business units as members.

CSR Task Force

The CSR Task Force comprises representatives from different business units. It is tasked with implementing climate strategies, policies, and measures, formulating specific work plans, and reporting to the ESG Committee.

The Risk Management Steering Group

The Risk Management Steering Group, under the Audit Committee's umbrella, conducts group-wide risk identification and assessment at least annually. It assigns risk owners the responsibility to monitor the identified risks throughout the Year.

The chairman of the ESG Committee and the Risk Management Steering Group convenes with the Board or its delegated committee annually. This close collaboration between the Board and other responsible bodies ensures that HKRI's approach to climate governance is thoroughly deliberated and comprehensive.

STRATEGY

Climate change introduces a wide range of business impacts, including physical risks to business operations and value chains, as well as transition risks arising from shifting towards a lower-carbon economy. To build long-term resilience in the face of a changing global climate, we consider it essential to identify and understand the potential climate-related risks and opportunities that the Group may encounter.

In line with the Guidance on Climate Disclosures from the HKEX, we have selected two sets of climate scenarios for our analysis of physical and transition risks: the Turquoise and Brown Scenarios. Utilising publicly accessible data from the Intergovernmental Panel on Climate Change (“IPCC”), the International Energy Agency (“IEA”), and the Network for Greening the Financial System (“NGFS”), our chosen scenarios encompass a range of factors—political, environmental, economic, and social—to provide projections for

evaluating the potential impacts of climate change. The IPCC scenarios include Representative Concentration Pathway (“RCP”) scenarios, detailing trajectories of GHG emissions, and Shared Socioeconomic Pathways (“SSP”) scenarios, offering socioeconomic contexts to refine these emissions projections and enhance the precision of our climate forecasts. Both the IPCC and NGFS scenarios take into account assumptions regarding climate policy changes, as well as economic and demographic developments.

Considering the useful life of assets, we adopted three different time horizons for identifying and categorising potential climate-related opportunities and risks: the short-term, medium-term, and long-term (5, 10, and 30 years into the future, respectively).

TURQUOISE SCENARIO

Ambitious global coordination to limit the impact of global warming to 2°C by 2100

Selected scenarios:

- SSP 1-2.6
- IEA Sustainable Development Scenario (“SDS”)
- NGFS Orderly Scenarios (Below 2° C)

Main characteristics of the scenario:

- A rapid increase in actions taken by world governments and business communities in decarbonising energy supply, deploying carbon capture and storage technologies, phasing out of “dirty” fuels, etc.
- CO₂ emissions will start to gradually decline as a result of the immediate, coordinated global actions within the current decade.

BROWN SCENARIO

Global climate actions are limited to the ambitions of the current policies and the increase in global average temperature is expected to reach over 3°C by 2100⁵

Selected scenarios:

- SSP 5-8.5
- IEA Stated Policies Scenario (“STEPS”)
- NGFS Hot House World Scenarios (Current Policies)

Main characteristics of the scenario:

- A continuation of the current trends (e.g., energy policies and decarbonisation agendas).
- Limited climate/decarbonisation-related investments.
- Severe and persistent physical climate risks are likely to take place.
- A shift towards climate change adaptation (rather than mitigation) in the business communities.

⁵ The average temperature projection is revised based on the average of all listed scenarios within the Brown scenario.

Physical Risks

We aim to identify and assess the potential physical risks to our Company's businesses by conducting a location-based quantitative risk assessment in Hong Kong, mainland China, and Thailand. Utilising the IPCC scenarios, specifically the SSP 1-2.6 and SSP 5-8.5 scenarios, we assessed the impact of climate change across two distinct climate futures. Our analysis focused on projections from climate models regarding the impact of various weather events at our selected locations in future periods. In addition, we incorporate insights from industry experts regarding the potential impact of climate change on our business, ensuring a comprehensive understanding of the risks involved

Through the assessment, we identified material physical risks, along with their corresponding financial impacts. The details are listed in the table below:

PHYSICAL RISKS				
Risk Category	Risk Description	Time Horizon	Potential Financial Impact	Our Responses
Acute	Typhoon	Short- to long-term	<ul style="list-style-type: none"> Increase in operating costs due to more frequent building maintenance 	<ul style="list-style-type: none"> Take precautionary measures for typhoons & rainstorms to minimise flooding, water seepage and property damage Establish business continuity and emergency response plans to ensure operational resilience and protection of our employees' health and safety Provide personal protective equipment to employees to avoid heat stroke when working outdoors in the summer Enhance our climate-resilient building features
	Storm Surge	Short- to long-term	<ul style="list-style-type: none"> Impairment or write-offs of assets due to property damages, which may affect the amount of depreciation 	
	Rainfall Flood	Short- to long-term	<ul style="list-style-type: none"> Reduction in revenue due to operation disruptions Increase in insurance premiums 	
Chronic	Sea-level rise	Medium- to long-term	<ul style="list-style-type: none"> Reduction in profit due to lower productivity driven by higher absenteeism Increase in utility expenses, such as air conditioning costs 	
	Extreme Temperature	Medium- to long-term	<ul style="list-style-type: none"> Increase in operating costs due to more frequent supply chain disruptions 	

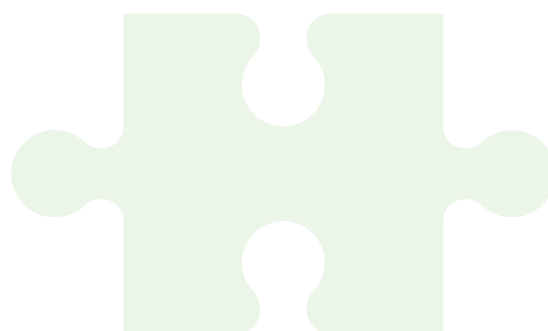
OUR ENVIRONMENT

Transition Risks and Opportunities




In assessing the Company's potential transition risks, we have evaluated all four of our major business segments and their respective value chains through a mixed-method risk assessment approach. By adopting scenarios from the IPCC, IEA, and NGFS, we are equipped with a diverse range of data projections to assess the potential impacts of climate-related risks and opportunities across our diversified business segments. Our analysis of the value chain's transition risks involves analysing quantitative data from all selected databases to evaluate shifts in the macroeconomic landscape under various climate futures. Furthermore, we undertook qualitative research into policies and regulations and gathered insights from business units regarding the perceived impact of climate change and our climate resilience. This qualitative evaluation, designed to enhance the quantitative analysis, provides deeper insights for a more thorough understanding of the transition risks to the Company's operations.

Through this assessment, we have identified material transition risks and opportunities and their corresponding financial impacts, which are detailed in the table below:

TRANSITION RISK & OPPORTUNITIES				
Risk Category	Risk Description	Time Horizon	Potential Financial Impact	Our Responses
Technology 	Growing trend of adopting energy-efficient and low-carbon technology	Short- to long-term	<ul style="list-style-type: none"> Increase in capital expenditure to adopt green technology Increase in operating cost for providing associated training to employees 	<ul style="list-style-type: none"> Increase the use of renewable energy in our managed properties and new buildings Adopt environmentally friendly vehicles in our fleet management
	Rising prevalence of green or renewable energy adoption	Short- to long-term	<ul style="list-style-type: none"> Increase in capital expenditure to adopt renewable energy Reduction in long-term operating costs due to self-owned renewable energy sources 	<ul style="list-style-type: none"> Increase adoption of green and energy-efficient equipment and products
	Partnering with ESG-related service providers to co-create and co-develop sustainability technologies	Medium- to long-term	<ul style="list-style-type: none"> Increase in capital expenditure to adopt sustainability technologies Increase in operating cost for maintenance and providing associated training to employees 	<ul style="list-style-type: none"> Retrofit the existing managed properties to adopt sustainability technologies Adopt sustainability technologies into existing operations and enhance performance





TRANSITION RISK & OPPORTUNITIES				
Risk Category	Risk Description	Time Horizon	Potential Financial Impact	Our Responses
Policy & Legal 	Stricter regulations on building requirements	Medium- to long-term	<ul style="list-style-type: none"> Increase in compliance cost 	<ul style="list-style-type: none"> Monitor regulations and market developments
	Tightening environmental and climate-related regulations	Medium- to long-term	<ul style="list-style-type: none"> Increase in litigation cost due to non-compliance 	
Reputation 	Changing in consumer preference towards sustainable products and services	Medium- to long-term	<ul style="list-style-type: none"> Reduction in capital availability if HKRI fails to transform to a green company 	<ul style="list-style-type: none"> Retrofit the existing managed properties to adopt green designs and practices Comply with eligible environmental laws and regulations
Market 	Rising market demands for green and sustainable buildings	Medium- to long-term	<ul style="list-style-type: none"> Increase in revenue due to higher market demand 	<ul style="list-style-type: none"> Incorporate green building features into our new development projects and obtain BEAM Plus certification Integrate sustainability targets into financing mechanisms and pursue green finance

OUR ENVIRONMENT



RISK MANAGEMENT

Integration with Overall Risk Management Strategy

HKRI's strategy for managing climate risk is integrated within our Group's internal control framework, facilitating a systematic approach to manage climate risks comprehensively and systematically across the Group. In support of our strategy, we have established a group-level risk governance and management structure that includes the Board, the Audit Committee, a risk management steering group, and various business units.

Furthermore, HKRI has implemented the *Risk Management Policy*, which guides identifying, evaluating, and managing significant risks. The risk management steering group, comprising leaders from all business units, gathers and analyses risk information from different business units annually. This process focuses on identifying risks, including climate-related, which could potentially impact the Group's objectives. These identified risks are then assessed and prioritised according to established criteria. Following the assessment, risk mitigation plans are formulated, and risk owners are designated to continuously monitor the significant risks, ensuring the implementation of mitigation strategies.

Managing Climate-related risks

A comprehensive risk management and internal control systems support climate risk management at HKRI. This system includes a clear governance structure, policies and procedures, and a robust reporting mechanism. These components collectively enable the Group to effectively manage its risks across all business operations, ensuring a consistent approach to climate risk management that aligns with our broader strategic objectives.

To reinforce our commitment to effective climate risk management, we have implemented and regularly communicated key policies and procedures to our employees. These policies are frequently reviewed to ensure their relevance and effectiveness, thereby fostering a culture of continuous improvement within our risk management and internal control systems.

Our organisational structure is designed with clearly defined lines of responsibility and delegation of authority. This framework holds individuals accountable for their specific risk management and internal control responsibilities, ensuring a seamless flow of information necessary for robust risk analysis and informed decision-making.

In managing business activities and associated risks, we have implemented budgetary and management accounting controls. These controls are designed to ensure the effective allocation of our resources and to

provide timely financial and operational performance indicators that are critical for managing business activities and mitigating risks effectively.

A structured Internal Audit Department is an integral part of our risk management framework. This function is tasked with the independent assessment of our business units on an ongoing basis. Through this structured approach, HKRI ensures that climate-related risks are identified, assessed, and managed effectively, reflecting our unwavering commitment to upholding the highest risk management and internal control standards. In the Year, the ESG Committee members attended climate-related training provided by an external party to enhance board competency on climate risks.

METRICS AND TARGETS

The Group has established specific metrics and targets to oversee its initiatives in addressing climate change. In addition to monitoring our Scope 1, 2 and 3 GHG emissions, energy consumption, water usage, and waste production figures, we also keep track of our progress towards achieving our established environmental targets.

The initial environmental targets set were based on the 2018/2019 baseline, reflecting pre-COVID-19 business conditions. However, as businesses are recovering from the pandemic, we have observed a considerable economic shift that has resulted in atypical business operations and emissions profiles, thereby affecting the comparability and accuracy of our progress measurements.

In light of this, the Group has planned to recalibrate our environmental targets and redefine a baseline year that marks a full year in the post-COVID recovery phase. This will provide a more accurate and relevant benchmark for assessing performance and establishing future targets. We intend to disclose the revised targets and our progress towards these new benchmarks once they are formulated, ensuring that our reporting is fair and reflects our actual environmental stewardship efforts

Please refer to the [Performance Data Summary](#) for more details on Scope 1, 2 and 3 emissions, energy consumption, water usage, and waste generation figures.



CASE STUDY: Opportunity in Crisis – Creating Synergy with Institutes and Corporations

Mangroves nurture intertidal ecosystems and maintain biodiversity near the coastal area. DB inherits mangrove traits dating back to the 1990s and has been presented as an artificial mangrove over the years. HKRI is aware of the significant role mangroves play. In the Year, HKRI organised a trial field trip with a tertiary education institute to investigate mangrove features near the shore preliminarily. In consideration of the dynamics and complexity of the ecosystem, HKRI fully understands this field trip is just a very early step in studying mangroves. However, we will continue to pay attention to the mangrove environment and remain open-minded to all partnership opportunities on the matter, co-creating a liveable environment.

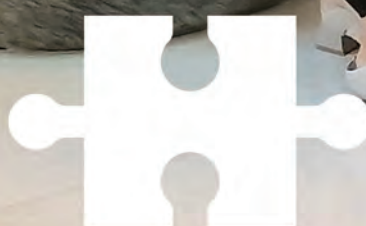


Other than the partnership opportunity with tertiary education institutes, HKRI is one of the corporate partners to join hands with Hong Kong Science and Technology Parks Corporation to advance sustainability with green technology. This synergy supports green technology development in the industry and demonstrates our commitment to building a greener and sustainable future. The collaboration is still in process, and we look forward to seeing ESG solutions thrive in our managed properties.

OUR PEOPLE



「素」^{SO} for 「soul」 good



Our utmost priority is creating a supportive work environment that nurtures growth, work-life balance, physical and mental well-being, and overall wellness



OUR PEOPLE

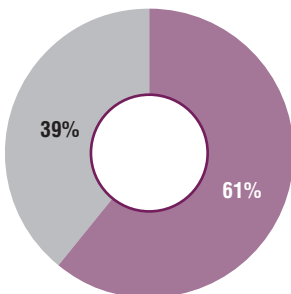


SUSTAINABLE DEVELOPMENT GOALS



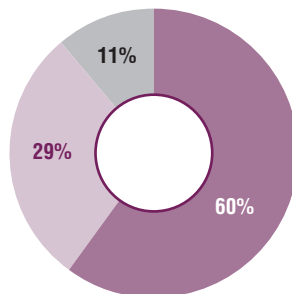
The success of HKRI is built upon the hard work of our employees. At HKRI, we are committed to complying with relevant laws and regulations regarding health and safety and prioritise our workforce's well-being, health, and personal and professional development. Our utmost priority is creating a supportive work environment that nurtures growth, work-life balance, physical and mental well-being, and overall wellness. A healthy and happy workforce is more productive and contributes to long-term sustainability. To support our employees' physical and mental health needs, we are scaling up our investment in various initiatives, including arranging more recreational activities and promoting mental health awareness. As we navigate towards a post-pandemic world, we remain committed to the well-being of our employees, providing support in every possible way.

Total Workforce by Gender



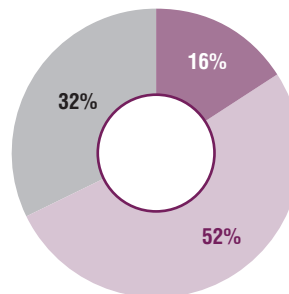
Male
Female

Total Workforce by Region



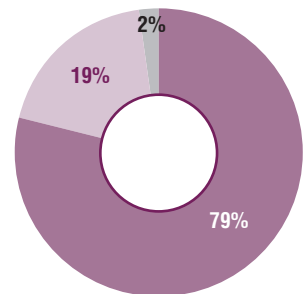
Hong Kong
Mainland China
Thailand

Total Workforce by Age Group



Under 30
30-50
Above 50

Total Workforce by Employee Category



General employee
Middle managers
Senior managers

EMPLOYEE HEALTH AND SAFETY

HKRI is committed to providing a safe working environment that prioritises the safety and well-being of our employees while minimising the potential for work-related incidents. To achieve this, OSH committees and relevant working groups are established at business unit level for formulating and developing respective OSH strategies based on the Group OSH Policies, conducting in-depth incident analyses and reviews, and providing recommendations for effective corrective and preventive measures. Our commitment to health and safety extends not only to our employees but also to our subcontractors.

To ensure our staff members are well-informed about the latest OSH policies and guidelines, we conduct regular communication and training across multiple platforms, such as the internal OSH website, training sessions, drills, and more. In addition, new employees are required to attend safety training courses shortly

after joining the Company to familiarise themselves with our safety protocols and procedures. During the Year, HKRI provided 9,005 hours of OSH training to employees across our businesses, representing a 6% increase in total hours from the previous year (2022/2023: 8,523 hours⁶).

During the Year, there were no cases of non-compliance with relevant laws and regulations regarding occupational health and safety relating to the products and services provided by the Company that could have a significant impact on the Company. HTH has been accredited with the ISO 45001 Occupational Health and Safety Management System certification for its effective OSH management.

⁶ Last year's OSH traing hours have been restated as we continue to enhance our data accuracy.



OSH Committee/Working Groups

The Company's management appoints the members of the OSH committee or working group, who are subject to periodic rotation. These groups are composed of representatives from both management and employees, with the number of management representatives not exceeding that of employee representatives. This structure can ensure that the voices of employees are effectively heard and considered.

The OSH committees or working groups formulate strategies to implement the OSH policies and monitor their implementation regularly by quarterly risk assessment and monthly workplace inspection. They are also responsible for setting and monitoring the annual OSH KPIs, which should be reviewed from time to time to ensure continuous improvement in OSH performance. Moreover, they are responsible for carrying out management functions to identify, recommend, and review measures to improve the safety and health of staff.

OUR PEOPLE

OSH Practices in the Supply Chain

HKRI prioritises the safety and well-being of its employees and contractors, a commitment reflected in the stringent health and safety measures implemented throughout its property development and renovation projects. To maintain safety standards at construction sites, we deploy safety inspection officers who thoroughly monitor operations and submit detailed safety reports on a fortnightly basis. HKRI mandates strict compliance with OSH regulations for all contractors involved in construction activities. These measures ensure that every worker is well-informed about the safety standards they must comply with while working on our sites.

To enhance control measures, HKRI requires the main contractors to prepare and submit a site supervision plan for approval by the architect. This plan outlines the necessary supervision and inspection requirements, along with the frequency of inspections. By implementing this plan, we aim to ensure the quality of work and minimise risks for all individuals present on or around the construction site. HKRI also provides all contractors working on our property development projects with All Risks Insurance and Third-Party Liabilities Insurance coverage, further securing their operations and mitigating potential risks.

We arranged OSH audits for our business units and received suggestions for improvement from independent OSH consultants during the Year. The DB OSH Management Committee oversees follow-up actions, and internal safety training is arranged for frontline supervisors to enhance OSH policy implementation. All of the above efforts aim to improve safety standards and prioritise the well-being of our workforce.

Safeguarding our Workers at DB

At DB, we prioritise “Safety first” principle in all our operations. To uphold our commitment to ensuring the safety and well-being of our staff and stakeholders, we conduct regular audits and drills to ensure preparedness and enhance overall safety measures. We also provide safety education materials to enhance awareness among our staff members. In addition, we collaborate with the OSH Council and receive subsidies to promote OSH initiatives to our partners and other stakeholders within the DB community.

The DB team’s contribution to safety is demonstrated by their proactive approach to handling safety-related incidents. Each incident is treated seriously and is thoroughly investigated to identify underlying causes. The findings of these investigations are transparently shared with all employees for open communication and to prevent the recurrence of similar incidents. Such a proactive approach mitigates risks, prevents incidents and helps establish a culture of safety within the team, emphasising the importance of vigilance and collective responsibility in maintaining a secure working environment.

To uphold the safety of our transportation operations, we consistently assess and maintain our hardware and software components. This includes regular inspections of vehicles and upkeep of essential elements such as traffic signs, road markings, and navigation facilities to ensure they function properly and provide clear traffic directions. In addition, we optimise work schedules for our crew members and bus drivers to ensure they have adequate rest periods, contributing to our transportation services’ overall safety and reliability.

At the LYC, we also equip our team with top-of-the-line safety equipment. The club’s safety policies and guidelines comply fully with the Occupational Safety and Health Regulation (Cap. 509A). The team receives regular training to enhance their safety awareness and minimise the risk of incidents through careful daily monitoring activities at the marina.



TALENT ATTRACTION AND RETENTION

Talents have always been the most valuable asset of HKRI. The Company's future success hinges on our ability to effectively recruit, retain, and cultivate our talents. As of 31 March 2024, our workforce in Hong Kong, mainland China, and Thailand totalled 2,105 employees.

To cultivate a harmonious, capable, and dynamic workforce, the Company recognises the indispensability of diversity, equity, and inclusion. We have a firm commitment to upholding objectivity and abiding by sets of fair hiring policies throughout our recruitment process. We strictly comply with non-discrimination and anti-harassment policies, guaranteeing equitable treatment of candidates regardless of gender, age, race, ethnicity, religion, or other factors. To help new joiners better adapt to the new environment, the Company has prepared a new hire orientation and familiarisation plan for them as appropriate. New joiners are being assigned a buddy to facilitate the exchange of valuable work experience from senior colleagues to junior ones and cultivate a sincere and helpful culture. We aim to effectively support our employees in achieving their personal and professional development goals. The employee will undergo yearly appraisals to encourage two-way communication between the appraisee and the appraiser. This provides an objective

and systematic way to evaluate individual performance, and is also one of the references for salary review, bonus distribution, or promotion.

We have also implemented strict measures to ensure the absence of child or forced labour in both our operations and supply chain. We maintain a zero-tolerance stance towards such illegal practices and have established comprehensive inspection and verification procedures to prevent their occurrence.

During the Year, there were no cases of non-compliance with relevant laws and regulations regarding employment and labour practices and the use of child or forced labour relating to the products and services provided by the Company that could significantly impact the Company.

To attract and retain top talent, we provide competitive remuneration packages and employee benefits, such as medical insurance, discretionary bonuses, a rental reimbursement scheme, various paid leaves, and medical check-ups. In addition, we offer exclusive discounts for our employees on a wide range of products and services, including hotel rooms, and dining experience, among others.



CASE STUDY: HKRI Fun Club

Echoing the *Company Culture Policy*, we diligently build a caring, trustful and respectful work environment that values camaraderie and a sense of belonging. In the Year, we took a significant step by establishing the HKRI Fun Club. It consists of 17 members from various departments and conducts a series of diversified activities, including sports, charity, and leisure activities, to enhance employee engagement.



Light Volleyball



Christmas Wreath DIY Workshop

OUR PEOPLE

Employee-relation and Wellness activities



Christmas Parties and Wine and Food Tasting Christmas Booth

To create a caring and connected workplace culture, we constantly organise a variety of employee-relation and wellness activities, such as birthday parties, employee appreciation gatherings, a summer ice-pops event, wine and food tasting Christmas booth, office massage, and team-building events. Apart from these activities, the Company recognises and appreciates the efforts and commitment of our talents by setting up the “PRI²DE Outstanding Employee Award”, and “Long Service Awards”.

To ensure that our employees are appropriately compensated for their valuable contributions, we endeavour to maintain competitive remuneration packages and up-to-date policies and benchmark them against industry standards.





Employees' Birthday Parties



Summer Ice-pops Event



Festive Gifts



Team Building Outings in Mainland China and Hong Kong



Annual Dinner in Thailand

OUR PEOPLE



Employee Appreciation Gatherings in HTH and in TSB

Learning and Development

HKRI highly values and encourages continuous learning and development of the employees, offering a diverse range of training and educational opportunities in the training curriculum. Training topics cover policy refreshers, leadership programmes, mindset coaching at different levels, and tailor-made technical training. For example, the Company organised two tailor-made training workshops focused on enhancing leadership skills and management skills in July and August 2023. The first workshop, “Basic Leadership Skills for New Supervisors” covered self-management, effective communication, and task management, to empower new supervisors to build strong partnerships, adopt a proactive mindset, and develop leadership abilities. The second workshop, “Dare to Lead in the Next Normal” is a 2-day programme that equipped colleagues to navigate various situations, challenge the status quo, identify opportunities, and effectively manage changes. The Company will continue to tailor the training curriculum to accommodate the diverse needs of employees in terms of development and career paths across our various operations. In addition to the training curriculum the Human Resources Department arranged, there are other employee training opportunities, such as seminars on Generative AI and ESG during lunch hours.



Leadership Training

The Company also promotes employees’ professional growth and career advancement in their specialisation by offering education sponsorships to external training courses such as the Certificate of Vocational Education (Building Services Engineering), ITEC Level 2 Certificate for Beauty Specialist, Professional Diploma in Property and Facilities Management, and Sustainability and Climate Risk (SCR®) Certificate.

Besides, HKRI organises essential training courses to meet industry-specific requirements. For instance, the Type Rating Certificate for ferry operators, first-aid training for tunnel operators and Property Management Company Licencing Training for property management practitioners. These mandatory training programmes are vital in equipping our staff with the necessary skills to respond to emergencies effectively and compliantly with the statutory requirement.

The Group has organised Summer Internship Programme since 2016 with an objective for nurturing young talents. In the Year, we recruited 22 interns to join a variety of training, including individual assignments, sharing sessions by senior leaders, a creative problem-solving workshop, and CSR events.



Internship Programme



CASE STUDY:
The 4th PRI²DE Creative Camp to Create a Lifestyle with Young Designers

This year, HKRI organised the "PRI²DE Creative Camp" Design Competition for four consecutive years and was pleased to collaborate with its strategic partner, the Hong Kong Designers Association. The theme was "flexible and multipurpose living spaces". It echoed our values – 'Value the Individual and Cherish Our Environment' and 'Think Outside the Box'. Designers from all over the world were invited to submit innovative proposals and eventually 330 entries were received. This competition serves to create a platform for young designers to understand the needs of the commercial scene, equipping them with practical experiences to develop their design professions further. HKRI will persist in fulfilling its corporate social responsibilities in creating a lifestyle for the communities.



The 4th PRI²DE Creative Camp



OUR RESPONSIBILITY OPERATION



- OSAKA
- HONG KONG
- MILANO
- ROMA
- LONDON
- PARIS
- MADRID
- BARCELONA
- MIKOTONO
- FRANKFURT
- MOSCOW
- TOKYO
- OSAKA
- HONG KONG
- DURAI
- CALZEDONIA

ROCCO



Our policies remain detailed, efficient, and practical, through regular assessments and enhancements, enabling us to meet compliance requirements and uphold the highest standards of ethics and integrity in all aspects of our business.



OUR RESPONSIBLE OPERATION



At HKRI, we recognise the importance of understanding and meeting the needs and expectations of our customers to deliver quality products and services. We have implemented various communication channels to actively collect and encourage valuable customers input, including feedback, complaints, and suggestions. In addition, we place great emphasis on data privacy and intellectual property protection, as these aspects are crucial for building trusting relationships with stakeholders.

HKRI believes that green procurement is critical to sustainable and ethical business. While green products may involve higher investment costs, they offer our customers greater value and environmental benefits than traditional products. By prioritising the procurement of green products, we fulfil our social responsibility, align with the global sustainability agenda, and meet the expectations of our stakeholders, who are increasingly conscious of environmental issues.

To maintain customer satisfaction and socio-environmental responsibility, HKRI has been operating with business morals and ethics principles. We have established comprehensive internal policies and mechanisms to manage our value chain and maintain our consistency in operations. These policies are continuously reviewed and improved to comply with relevant laws and regulations. Our policies remain detailed, efficient, and practical, through regular assessments and enhancements, enabling us to meet compliance requirements and uphold the highest standards of ethics and integrity in all aspects of our business.

During the Year, there were no cases of non-compliance with relevant laws and regulations regarding health and safety, advertising, labelling, and privacy matters relating to the Company's products and services that could significantly impact the Company.

ANTI-CORRUPTION AND MONEY LAUNDERING

HKRI strictly complies with all laws and regulations pertaining to anti-corruption and anti-money laundering throughout our operation and value chain. We believe that high levels of personal integrity, business ethics, accountability, and transparency are key to the long-term development of the Group and are integral to gaining the trust of our investors and other stakeholders. We conduct business operations with integrity, fairness, and transparency, establishing mutually beneficial relationships with customers, contractors, suppliers, and partners. Violations of anti-corruption and anti-money laundering laws and regulations, regardless of location or circumstances, are considered serious crimes and may result in severe penalties and damage to the reputation of the Company.

At HKRI, we place great emphasis on maintaining the highest ethical standards and integrity among our employees. All employees must strictly comply with all applicable laws and regulations, including anti-corruption laws and other business ethics-related requirements. To establish clear guidelines for our employees, we have implemented several policies. The *Employee Handbook* and *Code of Conduct* outline fundamental ethical standards that all employees must strictly adhere to. Furthermore, the guidelines on confidentiality and avoidance of conflict of interest direct our employees to handle sensitive information obtained in a manner that avoids any conflict between their interests and the interests of the Company. Soliciting or accepting benefits from individuals or entities involved in company business is strictly prohibited, as well as offering bribes. Employees must avoid lavish or frequent entertainment from business contacts, protect classified information from unauthorised disclosure, and promptly declare any potential conflicts of interest to their department head. These above guidelines introduce appropriate actions for various scenarios and establish procedures for monitoring and disclosing conflicts of interest.

In addition, the *Anti-Fraud Policy* has been established to promote an ethical culture within HKRI. It includes our expectations and requirements for preventing, detecting, reporting, and investigating suspected fraud, corruption, and similar irregularities. The policy expressly prohibits offering or accepting any form of advantage to influence business decisions and strictly prohibits making any payments to or receiving payments from individuals or organisations with whom we have business dealings.



Moreover, HKRI has established a whistleblowing procedure and relevant policy to encourage stakeholders to report any suspected improprieties confidentially. The *Whistleblowing Policy* is established to provide reporting channels and guidance on whistleblowing to employees or other stakeholders. This policy ensures fair and independent investigation of these concerns and appropriate actions to address them. Our employees can raise concerns and make reports of any form of misconduct or suspicion to our internal audit department or external anti-corruption reporting channels, such as malpractice, business conduct violations and criminal offenses. Reports can also be submitted through our official email and by letter. We are committed to treating all reports in good faith with the highest confidentiality, except as required by law or for legal, audit, or law enforcement purposes. HKRI values and protects the whistle-blowers who come forward and is committed to ensuring fair treatment in all reported cases.

To ensure our employees understand and comply with our anti-corruption and anti-money laundering policies, we provide new hires with a *Code of Conduct*, and require them to sign a compliance agreement. Furthermore, we arrange annual training sessions delivered by the Independent Commission Against Corruption to refresh our management's and employees' knowledge of anti-corruption legislation and practices, and relevant materials are shared with Board members. In the Year, approximately 1,097 hours of anti-corruption training were delivered to employees and management across the Group.

DATA PRIVACY

Data privacy has been one of the key concerns for our stakeholders. To develop a trusted and stable relationship, our Company places great emphasis on data privacy, ensuring that all data are handled with utmost care and compliance with the Personal Data (Privacy) Ordinance (Cap. 486). We have established the *Security Policy*, *Information Technology ("IT") Policy*, and *Generative AI Policy* to ensure data security at our Company, safeguarding data confidentiality, integrity, and availability. In the Year, the Company organised a Cybersecurity Awareness Training by an external IT consultant for employees, covering topics extensively on cyberattacks, cyber threats, best practices of cybersecurity, data governance, and legal compliance.

Data Security within the internal operation



To maximise the security and privacy of our internal information, HKRI has formulated and implemented a series of measures. All data is securely stored in centralised locations with restricted access and complex password protection, while dedicated employees are assigned the monitoring responsibility. We enforce strict identification and verification protocols when employees access data on their mobile devices and laptops for third-party usage. The personal data we collect is stored in our Tenant and Owner Information system, with strict access restrictions limited to authorised employees only. In addition, all personal information and confidential or proprietary company information should not be submitted to the Generative AI tools to avoid leakage. These measures ensure that sensitive customer information, such as billing orders and credit card details, is protected and only accessible by the relevant teams in departments such as IT, Finance, Front Office and Reservation.

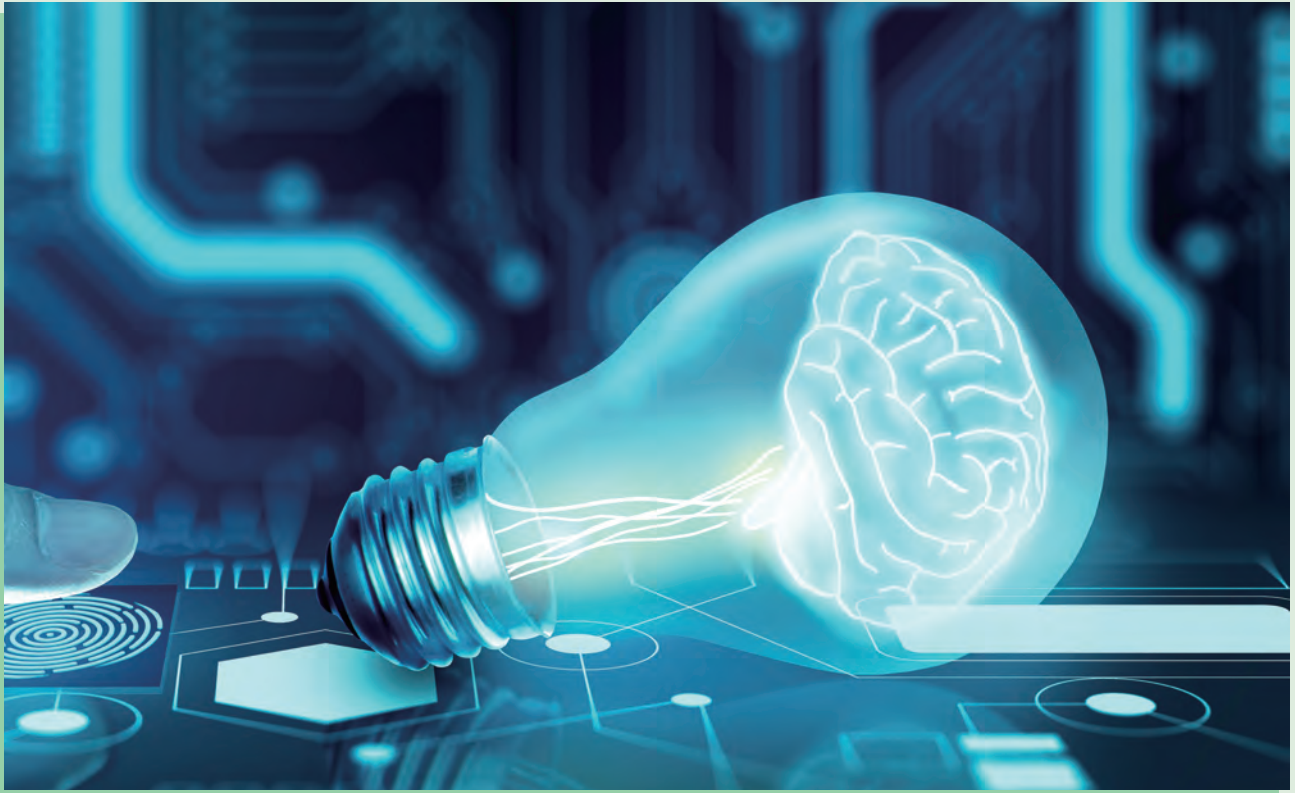
In addition to access controls, HKRI also secures data disposal. Our *IT Policy* mandates thoroughly erasing of all data before disposing of any IT equipment. Confidential documents are reliably destroyed through shredding, and regular procedures are in place to identify and remove unnecessary records. We also engage a professional document destruction company to securely dispose of outdated or obsolete data to maintain compliance and privacy standards.

Data Security of external communication



HKRI prioritises the confidentiality of negotiations and business terms with tenants. We explicitly mention the importance and our standards of confidentiality in mail communications. A confidentiality agreement may be signed in certain special cases to protect sensitive information further.

When collecting consumer personal information, such as names, phone numbers, and email addresses, we store them in encrypted Excel files, securely managed by authorised staff in the Sales and Marketing department. We offer consumers the option to opt out of receiving hotel-related information by contacting us via email or phone to unsubscribe from marketing materials. The Marketing Communications Department in mainland China ensures that the consumer information database is regularly updated with each message sent, maintaining accuracy and compliance with privacy regulations.



INTELLECTUAL PROPERTY RIGHTS

Intellectual property (“IP”) rights protection has been respected and recognised as one of the core parts of our business ethics. We hold our employees accountable to comply with copyright laws, ensuring they obtain appropriate licenses when using copyrighted works. In addition, we require proper licenses for all computer software used in our operations, strictly following the terms and conditions set. We extend this same level of respect to the IP of the Company by taking timely action against any instances of scams, information misuse, or infringement of articles and materials related to the Company.

To protect our IP rights, our Legal Department regularly oversees the renewal process of our Trade Mark Certificate of Registration. We prioritise the exclusive ownership and rights of HKRI in standard consultancy agreements, ensuring our private property rights over all drawings and specifications. These documents are shared only with relevant parties to maintain confidentiality and protect our intellectual assets. Also, we include terms that emphasise the importance of intellectual property rights in the agreements with suppliers and contractors. For marketing activities or media promotions engaged with third parties, we require signing a “Confidentiality Agreement”, which ensures the protection of project-related materials and programme designs provided by both parties.

IP rights can only be better protected under the joint effort of HKRI and our business partners. Any activity or service contract signed by us with third parties explicitly states that all services provided must comply with the laws and regulations of corresponding business locations. We prioritise legal compliance in all aspects of our business and hold our partners accountable. In the future, HKRI will seek further processes to improve the protection of IP rights.

OUR RESPONSIBLE OPERATION

QUALITY ASSURANCE AND CUSTOMER SATISFACTION

In order to meet the expectations of our customers, HKRI has established a comprehensive assurance process that draws upon our years of experience and expertise. We align with industry best practices and ensure compliance with relevant regulations to deliver quality products and services.

In our property development projects, we designed a tendering process, mandating bidders to meet strict technical specifications, quality standards, and safety requirements to ensure the quality of their deliverables. Throughout the construction phase, our staff, architects, and on-site consultants consistently monitor the progress, materials used, craftsmanship, and compliance with contractual obligations. Any identified defects or non-compliance are required to be promptly addressed and rectified. These actions improve our quality and standard control of the works of selected bidders. In the Year, VILLA LUCCA, our residential development project in Hong Kong, was honourably recognised as the Building of the Year, Five Stars Residency for the Year 2023, and Environmental Friendly of the Year 2023 by the Hong Kong Professional Building Inspection Academy (“HKPBIA”). VILLA LUCCA also attained the HKIA Merit Award of Hong Kong - Residential Building by Hong Kong Institute of Architects and Leisure Interior Award by the Asia Pacific Property Awards.



Also, our marketing department adopts responsible marketing practices. It regularly reviews and updates our marketing and advertising materials to illustrate the latest attributes of our products and services while complying with the relevant laws and regulations. We review the accuracy of the output of the generated content, especially for legal or marketing purposes. As customer satisfaction is of high importance, we offer a defect liability period to brand-new flat buyers, and our

team facilitates smooth handover to enhance the overall experience. There has been no non-compliance with relevant laws and regulations concerning our property sale in the Year.

To facilitate a better understanding of our customers' expectations, we have set up multiple channels for customers to provide feedback. For instance, our team in the hotel and leisure businesses will gather and review the feedback from customers regularly. In addition, there are regular on-site or telephone visits to tenants, administering satisfaction questionnaires through reputable third-party organisations every two years, and conducting interviews with key tenant management. Also, Transport operations address concerns and enhance customer relationships by holding regular Quarterly Passenger Liaison Group meetings to gather feedback from passengers. In addition, we conduct regular customer research and analysis to gain an understanding of the latest customer needs and expectations in the market through the CS Hotline and Platforms.

DB City Management ensures communication with owners' organisations and representatives by preparing Customer Service Reports and holding regular meetings at DB. These initiatives aim to gather valuable feedback and suggestions. To facilitate efficient follow-up, we have an internal system to log all complaints and inquiries, allowing managers to promptly take necessary actions based on the logged information. DB City Management also records and reviews the feedback received, ensuring that complaints are handled in accordance with the Standard Operating Procedures. We prepare and deliver incident reports to ensure transparency and accountability if necessary.

In compliance with the mandatory licensing regime in Hong Kong, the Group's property management teams have successfully obtained the Property Management Company Licenses. We have integrated the code of conduct mandated by the Property Management Services Authority (“PMSA”) into our daily operations, particularly in areas such as complaint-handling mechanisms. Furthermore, we have implemented a performance pledge to ensure the utmost responsiveness of our staff in addressing the needs and concerns of our clients.

QUALITY CATERING SERVICE

HKRI prioritises food safety and strictly follows the *Food Safety & Hygiene Book* guidelines. We have implemented a range of measures to minimise the risks of food hazards, such as food poisoning and foodborne illnesses, while ensuring compliance with legal requirements. All food items and raw materials delivered to us must be appropriately labelled and stored, and failure to meet these standards results in immediate returns to the suppliers. Then, we conduct thorough inspections and assessments of the received food. Once the food passes our assessment, it is stored in our inventory following the “First-In, First-Out” policy. Through systematic management of the food and beverage flow, we optimise the condition of the delivered food for the consumption of our customers.

HKRI’s restaurants consistently strive to deliver high-quality catering services and provide the best experiences to our customers. To ensure alignment with the food quality standards and the performance of equipment used in our hotel restaurants, we partner with a specialist in food safety and product testing. In addition, we incorporated the Hazard Analysis Critical Control Point (“HACCP”) Food Safety Plan, ensuring stringent control and monitoring at all critical points of food preparation. During the Year, several of our restaurants were recognised and awarded for their outstanding catering quality and customer experience.



La Scala, The Sukhothai Shanghai: TimeOut Hospitality Awards – Hotel Western Restaurant of The Year



La Scala, The Sukhothai Shanghai: The Best Restaurant Awards Since 2009 – The Best Western Cuisine & Wine Restaurant



URBAN Café, The Sukhothai Shanghai: The Best BANG! Awards – Best Trendy Popular Restaurant



OUR RESPONSIBLE OPERATION



SUPPLY CHAIN MANAGEMENT

Due to the nature of the business, HKRI's operations heavily rely on a wide-ranging network of suppliers and sub-contractors, making the development of close collaborative supply chain partnerships crucial to ensuring the quality of our products and services. With a prudence approach, we select suppliers based on comprehensive criteria, including their experience, competence, and proven track records. Our *Tender and Procurement Policies* outline guidance regarding quotation requests and vendor selection, ensuring open, fair, competitive, and transparent procurement procedures while maintaining reasonable pricing and up-to-date information. To mitigate risks, we have implemented effective monitoring and management controls, which help detect and prevent bribery, fraud, or other malpractices throughout the procurement process. Furthermore, we carefully select appropriate contract types based on our specific needs.

Furthermore, we closely monitor and evaluate our suppliers to ensure they consistently meet our standards and fulfil their responsibilities throughout the contract period. Upholding strong business ethics, all our contractors and suppliers must comply with our anti-corruption regulations. For more information, please refer to the "Anti-corruption and Money Laundering" section of this Report.

In addition to the above traditional performance benchmarks, we extend our sustainability commitment into our supply chain by prioritising suppliers who adopt CSR guidelines, such as human rights and labour and responsible materials procurement. Sustainability performance has been incorporated as one of the considerations in our tender evaluation and supplier assessment to encourage suppliers and contractors to adopt green measures. Our preference has been placed on reliable, non-hazardous, and lower emissions products. For instance, energy efficiency and emission performance are vital criteria when selecting new vehicles for our transportation operations. Similarly, demonstrating green commitments is important for securing the cleaning tenders for residential buildings in DB.

To strengthen our sustainability vision throughout the supply chain, we have developed a *Supplier Code of Conduct*. In the Year, we were implementing an upgraded procurement system with revised expectations regarding business ethics, labour and human rights, and environmental performance. DB City Management is fully committed to adhering to the PMSA's Code of Conduct on procurement as a licensed property management company.



CASE STUDY:
Sustainable Supply Chain Management @ TSB

Our green procurement vision is also demonstrated in our hotel and leisure businesses. When evaluating suppliers in Thailand, our hospitality procurement team goes beyond reviewing their reputation and commitment to sustainability. We conduct regular site visits to newly engaged suppliers' production plants or shops to verify that all ordered items are appropriately handled. Moreover, we collect certificates or evidence of social responsibility and environmentally friendly practices, such as ISO and HACCP certifications, on an ongoing basis for assessment purposes. For example, the Company adopts water-based furniture and wooden floor finishing, low Volatile Organic Compounds paints, and low-emitting and energy-efficient hot watering systems. Also, we advocate the use of environmentally friendly packaging materials for hotel room amenities and meal boxes, replacing plastic cutleries with wooden utensils, and plastic bottled water with water stations or glass bottles.

TSB periodically evaluates our suppliers' sustainability profiles, utilising wide-ranging sets of criteria that cover areas including safety and product quality, human rights and labour standards, environmental sustainability, compliance, disclosure, risk management, responsible material procurement, and social contribution. Through these comprehensive assessment procedures throughout the contract period, we aim to ensure that the suppliers can meet

our standards of sustainability and responsible business practices. These eco-friendly initiatives credited TSB as an Environmentally Friendly Tourism Accommodation 2023 by Thailand's Department of Tourism.

HKRI strives to commit to sustainability through various initiatives and practices. We maintain strict standards and give priority to environmentally and socially responsible suppliers, aiming to inspire other suppliers to address their sustainability challenges and embrace sustainable practices. In the future, we will enhance and strengthen our suppliers assessment criteria to ensure their compliance with the established standards. Through these efforts, we continuously strive to operate as an ethical and responsible business, constantly seeking opportunities for improvement and ultimately making a positive impact on the environment and society.



Environmentally-Friendly Tourism Accommodation 2023

OUR COMMUNITY



Our commitment is reflected in our support for local charities and active participation in community service events, aiming to become a positive force within our society.



OUR COMMUNITY



Having grown and flourished alongside the local communities for over 45 years, HKRI is committed to making a positive impact through a range of non-community events and activities. From our early days, we have emphasised employee participation in volunteering programmes, facilitating donations, and providing sponsorships to support those in need, particularly the vulnerable and underprivileged. For nearly two decades, our HKRI Care & Share team has been instrumental in designing and organising community activities. In the Year, as the world recovers from the pandemic, our HKRI Care & Share team continued to organise various community activities, further demonstrating our commitment to giving back to the communities we serve.



HKRI Care & Share "All-In" volunteering works

HELPING THOSE IN NEED

“Smile Life +: Spring Kite Festival”

In May 2023, HKRI launched the “Smile Life +: Spring Kite Festival” campaign in support of the World Health Organisation’s “World Smile Day”. The event attracted the participation of approximately 1,200 individuals who took part in both online and offline kite painting workshops, including HKRI colleagues from Hong Kong and mainland China. To further extend our social impact, our properties collaborated with public welfare organisations in Shanghai and Hangzhou to co-organise kite painting activities for the general public. These activities were held at HKR International Centre, Oasis One in Hangzhou, and the four beneficiary schools under the “Love & Design” Corporate Social Responsibility project. Additionally, the Group donated RMB 15,000 to the Future Smile Charitable Foundation, a 5A-level public fund, to support cleft palate surgeries for underprivileged children in remote areas of mainland China.



Group Winner – The “So” Lifestyle

Dress Casual Day

On Dress Casual Day hosted by The Community Chest of Hong Kong in October 2023, HKRI earned the “Highest Participation Rate” award in the “Companies and Organisations” category for the second consecutive year with over 1,600 employees from all six of our business locations participated. Meanwhile, HKRI also launched an employee DIY photo competition for further staff engagement and received more than 160 photos. As a result, we made a cash donation of HK\$115,150 to the Community Chest of Hong Kong to support child protection and welfare services in Hong Kong. We will continue to encourage more colleagues to participate in this meaningful activity to contribute to the betterment of underprivileged individuals in society.

TSS x Pearlstige

In partnership with Pearlstige, the Sukhothai Shanghai (“TSS”) has organised a campaign to support the education of girls residing in remote, mountainous regions. This initiative received widespread support from over twenty media outlets and key opinion leaders (“KOLs”), arousing substantial public attention and engagement. Desserts and cocktails created particularly for this campaign were available at Beans & Grapes and The ZUK Bar. One-fifth of the proceeds were donated to Pearlstige’s exclusive foundation, enabling continuous support for the education of girls in these disadvantaged areas.



COLOURISING OUR ART AND CULTURE LIFE

Promoting the development of the arts and supporting talents stands as one of our key initiatives. The originality and resourcefulness of our future generations are essential in building and sustaining a prosperous and innovative society. HKRI is determined to promote imagination and nurture potential by actively supporting arts functions and activities within the community, further demonstrating our commitment to supporting talents and social advancement.



“Play Me, I’m Yours” Campaign

From June to August 2023, HTH launched its sixth season of the “Play Me, I’m Yours” campaign. This Year, HTH introduced a unique integration of music and architecture by collaborating with renowned French artist Cyril Lancelin. The highlight of the event was the “CUBE PIANO”, an inflatable installation that offered the public an unprecedented art and cultural experience. The mall also showcased creatively decorated pianos and limited-edition merchandise in partnership with two tenants, Harrods and Drivepro Lab. To complement the campaign, a WeChat mini programme was developed to provide citizens with a city-wide music experience, with artist Victor Ma as the public welfare ambassador, extending music promotion to a broader audience

Together with Pearlstige and Cedar Highrise Charity Fund, HTH initiated a charity tour for the “Play Me, I’m Yours” campaign. Seven community ambassadors from HTH visited a primary school in Da Liang Shan, Sichuan, and conducted music lessons to ignite the students’ interest in music. The sessions included general piano introduction, basic music theory, choral singing, and interactive games to engage the students.

Following the successful conclusion of the “Play Me, I’m Yours” initiative, several pianos were donated to various regions. One of the recipient schools was the aforementioned primary school, providing its students with an excellent opportunity to experience piano playing. This initiative promotes the love for music and supports the development of artistic talents among young students to establish a creative and inclusive environment within the community. The outdoor art installation is being upcycled to more than 980 Eco-Friendly Handbags afterward. Please refer to the “Hazardous and Non-Hazardous Waste” section for details.

NAAC – DB Cultural Art Carnival

In October 2023, Love • Together@DB and the Neighbourhood Advice-Action Council (NAAC) jointly hosted a DB Cultural Art Carnival at DB Plaza. This energetic event served as a platform for talented performers to showcase their skills and bring joy to the DB community. The Carnival featured a diverse range of performances, including captivating hip-hop, Indian and Irish dances, a mesmerising string ensemble, lively busking, impressive martial arts demonstrations, and the harmonious melodies from the Sing For Joy Choir. Participants also enjoyed workshops featuring Hanfu (Chinese traditional costume), Chinese dough figurines, Chinese knots, decoupage, Japanese masks, and Thai woven fish mobiles (Pla taphian).



Make It Better Programme

We take pride in our sponsorship of the Sovereign Art Foundation's Make It Better ("MIB") Programme in Hong Kong. The MIB Programme is an initiative aimed at supporting children from underprivileged backgrounds and with special educational needs. It provides a series of expressive arts workshops tailored to build self-esteem, confidence, self-awareness, and interpersonal skills. Our sponsorship reflects our commitment to promoting the community's growth and well-being, especially those most in need.

HKRI Love & Design 4.0: Completed Renovation Project for Nam Ying Kindergarten

The fourth project of "HKRI Love & Design" was collaborated with Shanghai's "Design with Love" to renovate Nam Ying Kindergarten in Peng Chau in August 2023. This project themed "Building Dreams for Children", aiming to optimise the use of space, enhance school facilities, and transform the entire campus with an improved learning environment that harmonises with the breathtaking coastal scenery of the island. Since 2019, HKRI Love & Design has renovated an area of over 18,800 sqm.



"Sing For Love Annual Performance Show 2023"

The "Sing For Love Annual Performance Show 2023" was co-organised by Love • Together@DB and Sing For Love in August 2023. Members of the Cantonese opera training classes, aged five to ninety, showcased exceptional performances that captivated an audience of approximately 380 spectators. Their remarkable talents earned them numerous rounds of applause throughout the show. The event celebrated the rich tradition of Cantonese opera and highlighted the passion and commitment of the performers, fostering a sense of community and appreciation for the arts.



BUILDING AN ENERGETIC COMMUNITY

"Wellness August"

In 2023, DB City Management organised a series of community activities in "Wellness August", centred around the theme of the "eight elements". These elements include **emotional, spiritual, intellectual, physical, environmental, financial, occupational** and **social wellness**, aiming to enhance the overall well-being of residents. The activities include:

- (1) **"Forest Bathing x Live Music"**: This activity allowed residents to immerse themselves in the natural beauty of DB and enjoy fresh air while exploring the natural environment;
- (2) **"Breathwork & Self-optimising"**: Participants learned and practised the correct and stress-relieving breathing techniques, including deep breaths, to relax and enhance self-awareness and self-confidence; and
- (3) **"Mindfulness Meditation"**: This activity aimed to enhance concentration, cultivate a calm and composed mindset and achieve mental clarity. Participants learned mindfulness techniques to manage emotions, achieve emotional balance, and build resilience.

These activities offered diverse experiences catering to each aspect of wellness, and were carefully designed to address the different needs of the community and improve the quality of life of DB residents.



"All-In" Foam Bar Football Play-off

HKRI Care & Share introduced Foam Bar Football, an age-friendly sport for seniors from Japan to Hong Kong. In August 2023, we collaborated with Tung Wah Group of Hospitals' Wilson T.S. Wang District Elderly Community Centre for the second consecutive year to organise two "All-In" Foam Bar Football Play-Offs for the elderly in the community. This Year, the scale of the event was expanded in partnership with five different charitable organisations' elderly centres⁷. With the participation of 50 seniors, they came together to compete on the field and experience the joy of team sports. The primary objective was to encourage them to adopt a regular exercise routine and enhance their social lives.



Participating in this activity gives elderly citizens a unique opportunity to rekindle their passion for sports and enhance their overall health. Engaging in foam bar football allows them to develop and improve essential cognitive and physical skills, including agility, hand-eye coordination, and cognition. Moreover, the sport develops a sense of competition and team spirit, enabling competitors and audiences to build interpersonal relationships with their teammates. Recognising the positive impact of foam bar football, the HKRI Care & Share team is actively planning to expand this initiative to additional community centres, with the aim of encouraging more elderly individuals to participate in this beneficial and engaging sport.

⁷ The five neighbourhood elderly centres were Shatin Rhenish Neighbourhood Elderly Centre, Sun Chui Lutheran Centre for the Elderly, International Church of the Foursquare Gospel Lung Hang Church Elderly Centre, New Life Church of Christ Sun Tin Wai Neighbour Elderly Centre, and Caritas Elderly Centre – Shatin.

OTHER COMMUNITY CONTRIBUTIONS

Besides the events mentioned above, HKRI has also arranged, sponsored, or participated in many other meaningful activities during the Year, including blood donation, Home Alone Elderly visits, culture preservation initiatives. Here are some examples:

Street Cleaning Day in Thailand

TSB is committed to the well-being of the areas surrounding the hotel. Led by TSB's General Manager, Alexander Schillinger, the staff team participated in the Street Cleaning Day 2023, clearing garbage from the roads near the hotel. These collective efforts showcased our unity and commitment to creating a cleaner neighbourhood and promoting environmental awareness within the community.

Preserving Thai Cultural Heritage in Thailand

TSB hosted the "Bangkok Uncovered & Beyond" in December 2023 with the goal of promoting sustainable development of vanishing cultures and communities. The event featured a diverse range of activities, such as an exhibition showcasing traditional handicrafts, an outdoor market offering unique products, and a mini food expo highlighting local cuisine and music performances.

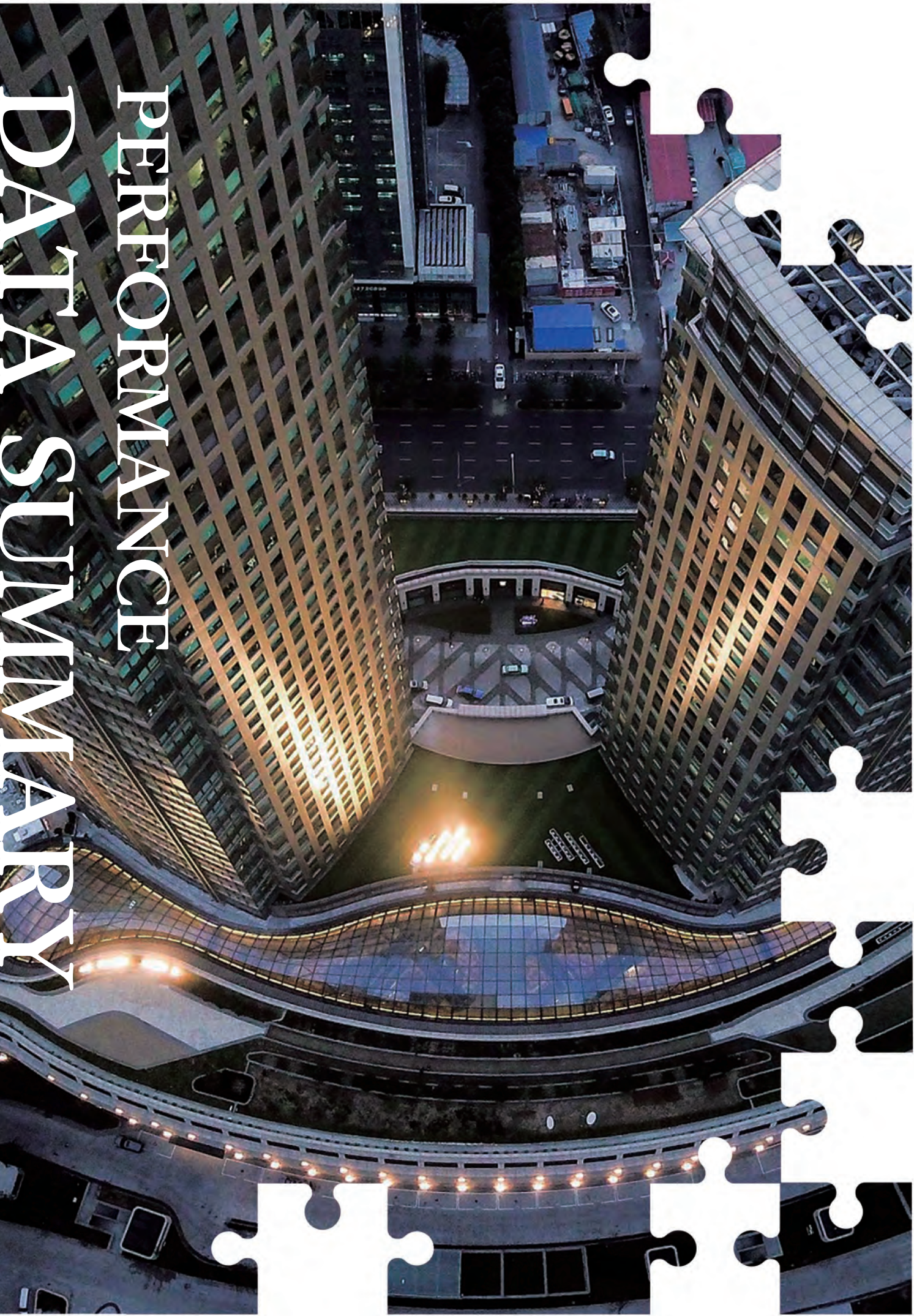
A total of THB540,000 was raised at the end of the event, which would be used to support nine social development projects aimed at preserving the cultural heritage of local communities.



Blood Donation in Shanghai

In May and December 2023, our staff in Shanghai organised blood donation activities, which saw significant employees participation.

At HKRI, we believe that being a responsible corporate citizen goes beyond fulfilling our business obligations. We are always actively seeking opportunities to make a meaningful contribution to the betterment of the society in which we operate. This commitment is reflected in our support for local charities and active participation in community service events, aiming to become a positive force within our society. As we move forward, we will continue to explore new and innovative avenues to create a lasting and positive impact on the communities we serve.



PERFORMANCE DATA SUMMARY

Segment	Unit	Property Development				Property Investment & Management				Discovery Bay City Management & Transportation				Total
		2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	
Emissions														
NOx ⁸	Tonnes	2.35 ⁹	1.27	0.01	0.00	1.14	0.77	150.11	289.33	153.61	291.38			
SOx ¹⁰	Tonnes	0.00	0.00	0.00	0.00	0.00	0.00	17.77	17.85	17.78	17.85			
PM ¹¹	Tonnes	0.13	0.10	0.00	0.00	0.08	0.06	2.73	4.34	2.95	4.49			
Sewage ¹²	m ³	-	-	-	-	0.10	-	24.00	48.00	24.10	48.00			
Greenhouse Gas (GHG) Emissions¹³														
Direct emission (Scope 1)	CO ₂ e tonnes	49.44	40.43	1,999.76	1,810.01	4,131.27	4,281.02	24,504.16	24,253.98	30,684.63	30,385.44			
Direct emission (Scope 1) intensity	CO ₂ e tonnes/Segment revenue HK\$'000	0.0000	0.0001	0.0009	0.0008	0.0075	0.0076	0.0933	0.0912	0.0054	0.0089			
Indirect emission (Scope 2)	CO ₂ e tonnes	567.07	564.82	22,822.39	23,135.79	12,361.20	12,292.06	840.32	854.19	36,590.98	36,846.86			
Indirect emission (Scope 2) intensity	CO ₂ e tonnes/Segment revenue HK\$'000	0.0002	0.0021	0.0099	0.0100	0.0225	0.0218	0.0032	0.0032	0.0065	0.0108			
Other indirect emission (Scope 3)	CO ₂ e tonnes	68.75	14.14	26.18	60.50	7.84	5.19	80.90	2.29	183.68	82.11			
Other indirect emission (Scope 3) intensity	CO ₂ e tonnes/Segment revenue HK\$'000	0.0000	0.0001	0.0000	0.0000	0.0000	0.0000	0.0003	0.0000	0.0000	0.0000			
Total GHG emissions	CO ₂ e tonnes	685.26	619.40	24,848.34	25,006.29	16,500.31	16,578.27	25,425.38	25,110.46	67,459.29	67,314.42			
Total GHG emissions intensity	CO ₂ e tonnes/Segment revenue HK\$'000	0.0003	0.0023	0.0108	0.0108	0.0300	0.0294	0.0968	0.0945	0.0119	0.0197			

⁸ The NOx emissions are confined to the use of LPG in the hospitality operation town gas emissions in property investment and management operations, emissions from construction machinery, vessel emissions in Discovery Bay, and vehicular emissions across all our operations.

⁹ An increase in recorded emissions is observed as we expand our reporting scope regarding emissions produced by our construction machinery in use.

¹⁰ The SOx emissions are confined to the use of LPG in the hospitality operation, town gas emissions in property investment and management operations, vessel emissions in Discovery Bay, and vehicular emissions across all our operations.

¹¹ The PM emissions are confined to emissions from construction machinery, vessel emissions in Discovery Bay, and vehicular emissions across all our operations.

¹² The sewage is confined to black water generated in hospitality operations and vessel emissions in Discovery Bay.

¹³ Scope 1 emissions include combustion of LPG, Towngas, natural gas, kerosene, Euro V diesel, diesel, unleaded petrol, marine light diesel, charcoal, and fugitive emissions from refrigerant. Scope 2 emissions include indirect emissions from electricity and emissions associated with consumption of purchased Towngas. Scope 3 emissions include emissions from business air travel.

PERFORMANCE DATA SUMMARY

Segment	Unit	Property Development			Property Investment & Management			Hospitality			Discovery Bay City Management & Transportation			Total	
		2023/ 2024	2022/ 2023	2023/ 2024	2023/ 2024	2022/ 2023	2023/ 2024	2023/ 2024	2022/ 2023	2023/ 2024	2022/ 2023	2023/ 2024	2022/ 2023	2023/ 2024	2022/ 2023
Energy Consumption															
Electricity	'000 kWh	1,272.93	1,235.70	44,768.71	44,413.74	29,671.37	29,162.00	1,863.94	1,896.21	77,576.95	76,707.66				
Electricity intensity	'000 kWh/Segment revenue HK\$'000	0.0005	0.0045	0.0195	0.0192	0.0540	0.0518	0.0071	0.0071	0.0137	0.0225				
Towngas	'000 kWh	-	-	0.4	-	-	-	-	-	0.4	-				
Towngas intensity	'000 kWh/Segment revenue HK\$'000	-	-	0.0000	-	-	-	-	-	0.0000	-				
LPG	'000 kWh	-	-	-	-	5,604.29	5,146.67	-	-	5,604.29	5,146.67				
LPG intensity	'000 kWh/Segment revenue HK\$'000	-	-	-	-	0.0102	0.0091	-	-	0.0101	0.0031				
Natural gas ¹⁴	'000 kWh	-	-	9,844.58	8,967.89	2,269.46	1,797.07	-	-	12,114.04	10,764.96				
Natural gas intensity	'000 kWh/Segment revenue HK\$'000	-	-	0.0043	0.0039	0.0041	0.0032	-	-	0.0021	0.0032				
Unleaded petrol	'000 kWh	177.23	143.79	64.43	87.08	471.77	464.96	360.64	445.32	1,074.07	1,141.15				
Unleaded petrol intensity	'000 kWh/Segment revenue HK\$'000	0.0001	0.0005	0.0000	0.0000	0.0009	0.0008	0.0014	0.0017	0.0002	0.0003				
Euro V diesel	'000 kWh	-	-	-	-	1,311.52 ^{15,16}	743.19	15,635.82	14,992.16	16,947.35	15,735.35				
Euro V diesel intensity	'000 kWh/Segment revenue HK\$'000	-	-	-	-	0.0024	0.0013	0.0595	0.0564	0.0030	0.0046				
Marine light diesel	'000 kWh	-	-	-	-	-	-	69,673.93	69,973.48	69,673.93	69,973.48				
Marine light diesel intensity	'000 kWh/Segment revenue HK\$'000	-	-	-	-	-	-	0.2653	0.2633	0.0123	0.0205				
Diesel	'000 kWh	49.91	41.70	9.68	10.19	86.09 ¹⁶	374.47	15.95	7.93	161.63	434.30				
Diesel intensity	'000 kWh/Segment revenue HK\$'000	0.0000	0.0002	0.0000	0.0000	0.0002	0.0007	0.0001	0.0000	0.0000	0.0001				
Charcoal	'000 kWh	-	-	-	-	71.51 ¹⁷	46.85	-	-	71.51	46.85				
Charcoal intensity	'000 kWh/Segment revenue HK\$'000	-	-	-	-	0.0001	0.0001	-	-	0.0000	0.0000				
Wood ¹⁸	'000 kWh	-	-	-	-	24.48	24.48	-	-	-	24.48				
Wood intensity	'000 kWh/Segment revenue HK\$'000	-	-	-	-	-	0.0000	-	-	-	0.0000				

¹⁴ This data is confined to our operations in mainland China.

¹⁵ The increase is mainly attributed to a surge in vehicle usage following the resumption of normal business operations.

¹⁶ The decrease is due to the migration from Diesel usage to Euro V Diesel usage, aimed at reducing associated environmental impact.

¹⁷ The increase in charcoal usage is attributed to higher consumption demands from restaurants as business resumes to normal.

¹⁸ This data is confined to our hospitality operations in Thailand.

Segment	Unit	Property Development		Property Investment & Management		Hospitality		Discovery Bay City Management & Transportation		Total	
		2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023		
Water Consumption											
Municipal water	m ³	6,579.45	7,616.80	322,516.75	279,526.21	347,953.20	342,243.03	11,664.45	8,576.10	688,713.85	637,962.14
Municipal water intensity	m ³ /Segment revenue HK\$'000	0.0026	0.0278	0.1402	0.1209	0.6337	0.6076	0.0444	0.0323	0.1215	0.1868
Reservoir	m ³	-	-	-	-	47,866.77	424,998.99	5,401.20	4,559.00	53,257.97	429,557.99
Reservoir intensity	m ³ /Segment revenue HK\$'000	-	-	-	-	0.0872	0.7545	0.0206	0.0172	0.0094	0.1258
Hazardous Wastes Disposed											
Ink cartridges/Toners	kg	-	-	2.10	2.00	1.80	6.15	30.07	46.00	33.97	54.15
Ink cartridges/Toners intensity	kg/Segment revenue HK\$'000	-	-	0.0000	0.0000	0.0000	0.0000	0.0001	0.0002	0.0000	0.0000
Used engine oil	kg	-	-	15.00	10.00	-	-	-	-	15.00	10.00
Used engine oil intensity	kg/Segment revenue HK\$'000	-	-	0.0000	0.0000	-	-	-	-	0.0000	0.0000
Lube oil ¹⁹	L	-	-	-	-	31.82	14.80	32,400.00	28,630.00	32,431.82	28,644.80
Lube oil intensity	L/Segment revenue HK\$'000	-	-	-	-	0.0001	0.0000	0.1234	0.1077	0.0057	0.0084
Batteries	kg	3.97	9.61	48.20	17.30	145.18	144.64	-	-	197.35	171.55
Batteries intensity	kg/Segment revenue HK\$'000	0.0000	0.0000	0.0000	0.0000	0.0003	0.0003	-	-	0.0000	0.0001
Fluorescent tubes	kg	-	-	139.00	134.88	8.00 ²⁰	43.00	-	-	147.00	177.88
Fluorescent tubes intensity	kg/Segment revenue HK\$'000	-	-	0.0001	0.0001	0.0000	0.0001	-	-	0.0000	0.0001
Wastes from electronic and electrical equipment	kg	-	-	-	38.10	1,947.50 ²¹	533.46	-	-	1,947.50	571.56
Wastes from electronic and electrical equipment intensity	kg/Segment revenue HK\$'000	-	-	-	0.0000	0.0035	0.0009	-	-	0.0003	0.0002

¹⁹ We used lube oil for maintaining facilities that were no longer under warranty. The usage fluctuates in accordance with maintenance needs.

²⁰ Since November 2023, we have hired a contractor to recycle fluorescent tubes that come from our LED lighting replacement project, rather than disposing of them. The recycled amount increased accordingly.

²¹ The surge in electronic waste comes from a one-time disposal from TSB.

PERFORMANCE DATA SUMMARY

Segment	Unit	Property Development		Property Investment & Management		Hospitality		Discovery Bay City Management & Transportation		Total	
		2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023
Hazardous Wastes Recycled											
Ink cartridges/Toners	kg	83.20	83.10	-	19.70	131.40	113.03	58.00	20.00	272.60	235.83
Ink cartridges/Toners intensity	kg/Segment revenue HK\$'000	0.0000	0.0003	-	0.0000	0.0002	0.0002	0.0002	0.0001	0.0000	0.0001
Used engine oil	kg	-	-	5,120.00	5,120.00 ²²	36.03	191.00	-	-	5,156.03	5,311.00
Used engine oil intensity	kg/Segment revenue HK\$'000	-	-	0.0022	0.0022 ²³	0.0001	0.0003	-	-	0.0009	0.0016
Lube oil	L	-	-	-	529.96	-	1,204.30	-	-	-	1,734.26
Lube oil intensity	L/Segment revenue HK\$'000	-	-	-	0.0002	-	0.0021	-	-	-	0.0005
Batteries	kg	-	-	34.90	4.00	5,565.00	11,383.10	- ²⁴	222.00	5,599.90	11,609.10
Batteries intensity	kg/Segment revenue HK\$'000	-	-	0.0000	0.0000	0.0101	0.0202	-	0.0008	0.0010	0.0034
Fluorescent tubes	kg	-	-	78.07	135.90	124.70 ²⁰	44.00	- ²⁵	800.00	202.77	979.90
Fluorescent tubes intensity	kg/Segment revenue HK\$'000	-	-	0.0000	0.0001	0.0002	0.0001	-	0.0030	0.0000	0.0003
Wastes from electronic and electrical equipment	kg	146.00	467.00	772.20	-	174.50	152.00	-	-	1,092.70	619.00
Wastes from electronic and electrical equipment intensity	kg/Segment revenue HK\$'000	0.0001	0.0017	0.0003	-	0.0003	0.0003	-	-	0.0002	0.0002
Neon lightings	kg	-	-	25.00	-	-	-	-	-	25.00	-
Neon lightings intensity	kg/Segment revenue HK\$'000	-	-	0.0000	-	-	-	-	-	0.0000	-

²² Last year's used engine oil figures have been restated as we continue to enhance our data comprehensiveness.

²³ Last year's used engine oil intensity have been restated as we continue to enhance our data accuracy.

²⁴ Since April 2023, we have not recorded any recycling figures for batteries and fluorescent tubes. This is likely because these items have been recycled through a Green@Community Station in DB, rather than our internal recycling channels, during this period.

²⁵ Since April 2023, we have not recorded any recycling figures for batteries and fluorescent tubes. This is likely because these items have been recycled through a Green@Community Station in DB, rather than our internal recycling channels, during this period.

Segment	Unit	Property Development			Property Investment & Management			Discovery Bay City Management & Transportation			Total	
		2023/2024	2022/2023	2023/2024	2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023
Non-hazardous Wastes Disposed												
Paper ²⁶	kg	13,640.18	14,404.57	3,604.77	4,587.48	24,501.49	25,163.27	5,208.48	4,168.74	46,954.92	48,324.06	
Paper intensity	kg/Segment revenue HK\$'000	0.0053	0.0525	0.0016	0.0020	0.0446	0.0447	0.0198	0.0157	0.0083	0.0142	
Carton boxes	kg	50.22	91.88	55.00	-	49.60	-	-	-	154.82	91.88	
Carton boxes intensity	kg/Segment revenue HK\$'000	0.0000	0.0003	0.0000	-	0.0001	-	-	-	0.0000	0.0000	
Plastic	kg	313.55 ²⁷	67.94	311.05	515.35	-	810.00	-	-	624.60	1,393.29	
Plastic intensity	kg/Segment revenue HK\$'000	0.0001	0.0002	0.0001	0.0002	-	0.0014	-	-	0.0001	0.0004	
Metal cans	kg	-	-	316.00 ²⁸	1.00	-	800.00	-	-	316.00	801.00	
Metal cans intensity	kg/Segment revenue HK\$'000	-	-	0.0001	0.0000	-	0.0014	-	-	0.0001	0.0002	
Wood	kg	-	-	2,788.00 ²⁸	1,231.00	-	-	-	-	2,788.00	1,231.00	
Wood Intensity	kg/Segment revenue HK\$'000	-	-	0.0012	0.0005	-	-	-	-	0.0005	0.0004	
Food waste	kg	-	-	-	-	50,203.00	30,965.00	-	-	50,203.00	30,965.00	
Food waste intensity	kg/Segment revenue HK\$'000	-	-	-	-	0.0914	0.0550	-	-	0.0089	0.0091	
Glass bottles	kg	-	-	-	1.00	-	-	-	-	-	1.00	
Glass bottles intensity	kg/Segment revenue HK\$'000	-	-	-	0.0000	-	-	-	-	-	0.0000	
General waste	kg	45,168.59	36,070.46	26,074.80 ²⁹	374.8	705,611.00 ²⁹	574,095.00	16,080.00	15,760.00	792,934.39	626,300.26	
General waste intensity	kg/Segment revenue HK\$'000	0.0177	0.1315	0.0113	0.0002	1.2850	1.0192	0.0612	0.0593	0.1399	0.1834	

²⁶ The amount of waste paper was estimated from paper procurement.

²⁷ The increase in plastic usage is due to an increase in demand caused by a fully launched development project in Shanghai.

²⁸ The increase was due to the decorations for the Christmas events in Discovery Bay, with the majority of metal cans and wood used being recycled.

²⁹ General waste consumption has increased as demand rises with the return to normal business operations in our hospitality businesses and at HTH.

PERFORMANCE DATA SUMMARY

Segment	Unit	Property Development		Property Investment & Management		Hospitality		Discovery Bay City Management & Transportation		Total	
		2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023
Non-hazardous Wastes Recycled											
Paper	kg	3,169.20	3,595.90	74,895.62 ³⁰	34,061.80	25,224.00	28,130.90	113,472.48	109,758.00	216,761.30	175,546.60
Paper intensity	kg/Segment revenue HK\$'000	0.0012	0.0131	0.0326	0.0147	0.0459	0.0499	0.4321	0.4129	0.0383	0.0514
Carton boxes	kg	42.00	45.00	57,701.00	42,832.20	5,021.20	8,469.60	-	-	62,764.20	51,346.80
Carton boxes intensity	kg/Segment revenue HK\$'000	0.0000	0.0002	0.0251	0.0185	0.0091	0.0150	-	-	0.0111	0.0150
Plastic	kg	105.12	101.02	23,042.18 ³¹	3,608.40	3,573.00	5,493.00	17,411.01	15,572.90	44,131.31	24,775.32
Plastic intensity	kg/Segment revenue HK\$'000	0.0000	0.0004	0.0100	0.0016	0.0065	0.0098	0.0663	0.0586	0.0078	0.0073
Metal cans	kg	57.00	58.00	10,294.50 ³²	2,711.70	1,565.80	1,761.50	13,230.65	13,173.60	25,147.95	17,704.80
Metal cans intensity	kg/Revenue HK\$'000	0.0000	0.0002	0.0045	0.0012	0.0029	0.0031	0.0504	0.0496	0.0044	0.0052
Cooking oil	L	-	-	-	-	11,807.00	11,868.00	-	-	11,807.00	11,868.00
Cooking oil intensity	L/Segment revenue HK\$'000	-	-	-	-	0.0215	0.0211	-	-	0.0021	0.0035
Wood	kg	-	-	742.00 ³²	100.00	-	-	17,100.00	16,200.00	17,842.00	16,300.00
Wood intensity	kg/Segment revenue HK\$'000	-	-	0.0003	0.0000	-	-	0.0651	0.0609	0.0031	0.0048
Food waste	kg	-	-	2,215,922.00	1,735,856.00	236,491.46	238,896.90	187,966.00	250,523.00	2,640,379.46	2,225,275.90
Food waste intensity	kg/Segment revenue HK\$'000	-	-	0.9635	0.7510	0.4307	0.4241	0.7158	0.9425	0.4660	0.6517
Glass bottles	kg	15.00	11.50	46,233.60 ³²	27,698.00	22,950.10 ³²	13,503.10	137,948.06	129,930.00	206,546.76	171,142.60
Glass bottles intensity	kg/Segment revenue HK\$'000	0.0000	0.0000	0.0201	0.0120	0.0407	0.0240	0.5253	0.4888	0.0365	0.0501
Tetrapak	kg	674.18	519.72	-	-	-	-	-	-	674.18	519.72
Tetrapak intensity	kg/Segment revenue HK\$'000	0.0003	0.0019	-	-	-	-	-	-	0.0001	0.0002
Coffee waste	kg	-	-	-	-	432.00	-	-	-	432.00	-
Coffee waste intensity	kg/Segment revenue HK\$'000	-	-	-	-	0.0008	-	-	-	0.0001	-
Fabrics	kg	-	-	304.00	-	-	-	-	-	304.00	-
Fabrics intensity	kg/Segment revenue HK\$'000	-	-	0.0001	-	-	-	-	-	0.0001	-
Metals	kg	-	-	404.00	-	-	-	-	-	404.00	-
Metals intensity	kg/Segment revenue HK\$'000	-	-	0.0002	-	-	-	-	-	0.0001	-

³⁰ Paper consumption has surged as demand increases following the return to normal business operations. The Group has already implemented measures to curb this increase.

³¹ The increase in plastic recycling figures is due to an increase in tenants' participation in our recycling programme and the resumption of GREEN@COMMUNITY following last year's suspension.

³² The increase was mainly contributed by higher consumption resulting from the resumption of business in our hospitality businesses, along with increased tenant participation in our recycling programme across our managed properties.

Segment	Unit	Property Development			Property Investment & Management			Hospitality			Discovery Bay City Management & Transportation			Total
		2023/ 2024	2022/ 2023	2023/ 2024	2022/ 2023	2023/ 2024	2022/ 2023	2023/ 2024	2022/ 2023	2023/ 2024	2022/ 2023	2023/ 2024	2022/ 2023	
Total Workforce														
By gender														
Male	No. of people	138	145	274	275	500	483	368	344	1,280	1,247			
Female	No. of people	173	194	164	164	406	399	82	80	825	837			
By age group														
Under 30	No. of people	36	51	56	70	210	203	41	38	343	362			
30-50	No. of people	202	219	300	290	431	426	152	145	1,085	1,080			
Above 50	No. of people	73	69	82	79	265	253	257	241	677	642			
By employment type														
Full-time	No. of people	300	313	433	432	806	816	359	371	1,898	1,932			
Part-time	No. of people	5	18	5	7	53	43	90	52	153	120			
Temporary	No. of people	6	8	-	-	47	23	1	1	54	32			
By geographical region														
Hong Kong	No. of people	215	235	109	114	485	475	450	424	1,259	1,248			
Mainland China	No. of people	86	89	329	325	190	192	-	-	605	606			
Thailand	No. of people	10	15	-	-	231	215	-	-	241	230			
By employee category														
General employee	No. of people	183	207	396	393	680	721	412	385	1,671	1,706			
Male	No. of people	71	78	251	253	383	393	339	313	1,044	1,037			
Female	No. of people	112	129	145	140	297	328	73	72	627	669			
Middle managers	No. of people	108	112	37	40	210	147	35	36	390	335			
Male	No. of people	55	56	20	19	106	77	27	29	208	181			
Female	No. of people	53	56	17	21	104	70	8	7	182	154			
Senior managers	No. of people	20	20	5	6	16	14	3	3	44	43			
Male	No. of people	12	11	3	3	11	10	2	2	28	26			
Female	No. of people	8	9	2	3	5	4	1	1	16	17			
Employee with disabilities	No. of people	-	-	-	-	5	4	-	-	5	4			
Employee entitled to parental leave	No. of people	264	283	433	430	672	519	360	372	1,729	1,604			
Male	No. of people	104	127	271	271	298	240	287	296	960	934			
Female	No. of people	160	156	162	159	374	279	73	76	769	670			
Employee that took parental leave	No. of people	7	4	6	12	5	5	5	3	23	24			
Male	No. of people	3	2	1	4	3	3	3	1	10	10			
Female	No. of people	4	2	5	8	2	2	2	2	13	14			

PERFORMANCE DATA SUMMARY

Segment	Unit	Property Development		Property Investment & Management		Hospitality		Discovery Bay City Management & Transportation		Total
		2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	
Employee Turnover Rate										
By gender										
Male	%	25.44	26.81	14.94	21.40	25.03	39.61	10.67	21.42	28.66
Female	%	32.70	37.87	20.73	32.12	20.12	33.46	20.99	37.04	32.51
By age group										
Under 30	%	48.28	73.12	33.33	54.90	25.18	36.09	32.91	59.70	45.10
30-50	%	28.03	25.06	15.59	19.56	26.60	43.15	11.45	20.91	29.13
Above 50	%	22.54	30.77	9.94	18.18	14.67	26.24	10.04	21.64	23.52
By geographical region										
Hong Kong	%	34.67	43.65	28.70	61.75	26.04	40.00	12.59	24.38	35.44
Mainland China	%	14.86	11.56	13.15	14.53	4.71	6.93	-	-	18.74
Thailand	%	40.00	-	-	-	31.39	58.33	-	-	49.89
Health and Safety										
Work-related fatalities	No. of people	-	-	-	-	-	-	-	-	-
Work-related illness	No. of people	3	1	1	2	19	18	15	19	40
Lost days due to work injury	Days	10.00	4.00	0.50	32.00	511.00 ³³	117.00	522.00 ³⁴	1,015.50	1,168.50
Contractor's work-related fatalities	No. of people	-	-	-	-	-	-	-	-	-
Contractor's lost days due to work injury	Days	-	-	3.00	-	-	-	467.00 ³⁵	-	470.00
Development and Training										
Employee trained by gender										
Male	%	82.96	75.17	93.73	91.27	81.86	74.74	72.73	60.17	74.42
Female	%	87.27	76.68	92.59	88.41	88.89	71.68	83.56	82.50	77.18
Employee trained by employee category										
General	%	85.55	71.98	93.09	90.05	82.01	69.21	72.27	61.04	72.49
Middle managers	%	84.11	84.82	94.59	94.87	91.12	91.84	97.14	97.22	90.42
Senior managers	%	90.00	70.00	100.00	100.00	98.25	92.86	100.00	100.00	96.47

³³ The significant increase is mainly due to more long-duration cases in FY2023/2024 compared to FY2022/2023.

³⁴ The significant decrease is mainly due to the drop in long-duration cases in FY2023/2024 compared to FY2022/2023.

³⁵ The contractor's lost days due to work injury are mainly from building renovation contractors and security guards.

Segment	Unit	Property Development			Property Investment & Management			Hospitality			Discovery Bay City Management & Transportation			Total
		2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	
Employee trained by geographical region														
Hong Kong	%	86.51	67.23	70.64	64.04	64.12	50.74	59.78	64.39	66.96	59.70			
Mainland China	%	73.26	100.00	99.39	99.38	86.84	99.48	-	-	91.74	99.50			
Thailand	%	70.00	73.33	-	-	100.00	100.00	-	-	98.76	98.26			
Average training hours of employee trained by gender														
Male	Hours	9.79	21.15	16.64	12.63	27.67	24.31	17.87	29.83	20.49	22.01			
Female	Hours	11.84	13.15	8.61	7.00	22.95	19.59	30.27	24.33	18.11	15.77			
Average training hours of employee trained by employee category														
General	Hours	8.21	10.57	12.74	9.56	17.87	15.64	13.43	17.65	14.45	14.08			
Middle managers	Hours	10.81	15.83	12.90	10.39	29.38	19.56	33.22	25.56	22.31	17.88			
Senior managers	Hours	11.19	14.70	12.00	5.38	38.87	15.87	29.17	21.75	30.43	14.27			
Average training hours of employee trained by geographical region														
Hong Kong	Hours	13.48	24.12	10.00	11.30	16.38	11.52	20.68	28.50	16.53	20.29			
Mainland China	Hours	3.77	3.95	14.52	10.40	5.02	7.44	-	-	10.47	8.52			
Thailand	Hours	7.93	8.45	-	-	52.34	47.35	-	-	51.03	45.45			
Total amount invested in training	HKD equivalent	205,944.75	567,225.00	206,927.69	121,500.00	511,893.60	431,066.74	455,013.86	1,151,700.00	1,379,779.89	2,271,491.74			
Service-related Complaints Received														
Service-related Complaints Received	No. of complaint	12	2	43	14	467	374	777	349	1,299	739			
Total Suppliers														
Hong Kong	No. of supplier	221	204	2	4	-	-	-	-	223	208			
Mainland China	No. of supplier	155	217	340	301	283	303	-	-	778	821			
Thailand	No. of supplier	-	-	-	-	-	-	-	-	-	-			
Japan	No. of supplier	-	-	1	-	-	-	-	-	1	-			
Other	No. of supplier	-	-	1	-	15	15	-	-	16	15			
Green Procurement Amount														
Green Procurement Amount	HKD equivalent	12,382,469.46 ³⁶	749,074.87	3,913,894.04 ³⁶	51,398.29	7,458,339.58	58,504,774.33	2,818,000.00	8,850,000.00	26,572,703.08	68,155,247.49			
Total Products Sold or Shipped Subject to Recalls for Safety and Health Reasons														
Recalled cases	%	-	-	-	-	-	-	-	-	-	-			
Community Investment														
In-kind sponsorship and donations	HKD equivalent	2,169,376.50	2,749,359.53	53,840.00	205,524.00	144,188.81	500,833.10	1,415,541.21	1,449,626.01	3,782,946.52	4,905,342.64			
Total service hours	Hours	255.00	109.00	-	-	51.00	219.50	1,020.00	-	1,326.00	328.50			

³⁶ The significant increase is mainly due to the retrofitting projects undertaken by Hong Kong Projects and in HTH.

HKEX ESG REPORTING GUIDE INDEX

Aspect	HKEX KPI	Description	Section/Remarks	Page Number
A. ENVIRONMENTAL				
A1 Emissions	A1	General Disclosure	Our Environment	26-43
	A1.1	The types of emissions and respective emissions data	Our Environment; Performance Data Summary	26-43; 73-78
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions in total and intensity	Our Environment; Performance Data Summary	26-43; 73-78
	A1.3	Total hazardous waste produced and intensity	Hazardous and Non-Hazardous Waste; Performance Data Summary	33-34; 73-78
	A1.4	Total non-hazardous waste produced and intensity	Hazardous and Non-Hazardous Waste; Performance Data Summary	33-34; 73-78
	A1.5	Description of emission target(s) set and steps taken to achieve them	Our Environment	26-43
	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	Hazardous and Non-Hazardous Waste	33-34
A2 Use of Resources	A2	General Disclosure	Conserving Our Resources	27-32
	A2.1	Direct and/or indirect energy consumption by type in total and intensity	Conserving Our Resources; Performance Data Summary	27-32; 73-78
	A2.2	Water consumption in total and intensity	Use of water; Performance Data Summary	32; 73-78
	A2.3	Description of energy use target(s) set and steps taken to achieve them	Conserving Our Resources	27-32
	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	Use of water	32;
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Due to the business operations of HKRI, this KPI is considered not material.	–

Aspect	HKEX KPI	Description	Section/Remarks	Page Number
A3 The Environment and Natural Resources	A3	General Disclosure	Conserving Our Resources	27-32
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Conserving Our Resources	27-32
A4 Climate Change	A4	General Disclosure	Our Climate Resilience	37-43
	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	Our Climate Resilience	37-43
B. SOCIAL				
B1 Employment	B1	General Disclosure	Our People	46-53
	B1.1	Total workforce by gender, employment type, age group and geographical region	Performance Data Summary	79-81
	B1.2	Employee turnover rate by gender, age group and geographical region	Performance Data Summary	79-81
B2 Health and Safety	B2	General Disclosure	Employee Health and Safety	47-48
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	We have zero work-related fatality over the past three years.	–
	B2.2	Lost days due to work injury	Performance Data Summary	79-81
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Employee Health and Safety	47-48
B3 Development and Training	B3	General Disclosure	Our People	46-53
	B3.1	The percentage of employees trained by gender and employee category	Performance Data Summary	79-81
	B3.2	The average training hours completed per employee by gender and employee category	Performance Data Summary	79-81

HKEX ESG REPORTING GUIDE INDEX

Aspect	HKEX KPI	Description	Section/Remarks	Page Number
B4 Labour Standards	B4	General Disclosure	Our People	46-53
	B4.1	Description of measures to review employment practices to avoid child and forced labour	Talent Attraction and Retention	49-53
	B4.2	Description of steps taken to eliminate such practices when discovered	Talent Attraction and Retention	49-53
B5 Supply Chain Management	B5	General Disclosure	Supply Chain Management	62-63
	B5.1	Number of suppliers by geographical region	Performance Data Summary	79-81
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Supply Chain Management	62-63
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Supply Chain Management	62-63
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Supply Chain Management	62-63

Aspect	HKEX KPI	Description	Section/Remarks	Page Number
B6 Product Responsibility	B6	General Disclosure	Our Responsible Operation	56-63
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reason	Performance Data Summary	79-81
	B6.2	Number of products and service-related complaints received and how they are dealt with	Performance Data Summary	79-81
	B6.3	Description of practices relating to observing and protecting intellectual property rights	Intellectual Property Rights	59
	B6.4	Description of quality assurance process and recall procedures	Quality Assurance and Customer Satisfaction	60-61
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Data Privacy	58
B7 Anticorruption	B7	General Disclosure	Anti-Corruption and Money Laundering	57
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	No concluded legal cases regarding corrupt practices brought against the Group or its employees during the Reporting Period.	–
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Anti-corruption and Money Laundering	57
	B7.3	Description of anti-corruption training provide to directors and staff	Anti-corruption and Money Laundering	57
B8 Community Investment	B8	General Disclosure	Our Community	66-71
	B8.1	Focus areas of contribution	Our Community	66-71
	B8.2	Resources contributed to the focus area	Performance Data Summary	79-81

SUSTAINABILITY COMMITMENT AND POLICY INDEX

To effectively tackle the ESG concerns in our sector and marketplace, we have established comprehensive policies across our organisation. These policies cater to specific subjects and take into account local laws and regulations, including but not limited to:

ENVIRONMENT			
Internal policies	<ul style="list-style-type: none"> Sustainability Policy Climate Change Policy Project management guideline on controlling environmental emission during the construction phase and encouraging energy saving features Other individual guidelines set up by business units to govern environmental practices such as wastewater discharge, chemical waste handling and air pollution control 		
Statutory regulations in place	<table border="0"> <tr> <td style="vertical-align: top;"> <p>Hong Kong</p> <ul style="list-style-type: none"> Ferry Services Ordinance (Cap. 104) Air Pollution Control Ordinance (Cap. 311) Waste Disposal Ordinance (Cap.354) Water Pollution Control Ordinance (Cap.358) Road Traffic Ordinance (Cap. 374) Noise Control Ordinance (Cap. 400) Ozone Layer Protection Ordinance (Cap.403) Environmental Impact Assessment Ordinance (Cap. 499) Hazardous Chemicals Control Ordinance (Cap. 595) Product Eco-responsibility Ordinance (Cap.603) Motor Vehicle Idling (Fixed Penalty) Ordinance (Cap. 611) <p>Thailand</p> <ul style="list-style-type: none"> The Enhancement and Conservation of National Environmental Quality Act in Thailand </td> <td style="vertical-align: top;"> <p>mainland China</p> <ul style="list-style-type: none"> Environmental Protection Law of the People's Republic of China Environmental Impact Assessment Law of the People's Republic of China Prevention and Control of Environmental Noise Pollution Law of the People's Republic of China Prevention and Control of Atmospheric Pollution Law of the People's Republic of China Marine Environmental Protection Law of the People's Republic of China Energy Conservation Law of the People's Republic of China Prevention and Control of Environmental Pollution by Solid Waste Law of the People's Republic of China Self-monitoring technology guidelines for pollution sources – General Rule (HJ 819-2017) Emission standard for industrial enterprises noise at boundary (GB12348-2008) Integrated wastewater discharge standard (DB31/199-2018) </td> </tr> </table>	<p>Hong Kong</p> <ul style="list-style-type: none"> Ferry Services Ordinance (Cap. 104) Air Pollution Control Ordinance (Cap. 311) Waste Disposal Ordinance (Cap.354) Water Pollution Control Ordinance (Cap.358) Road Traffic Ordinance (Cap. 374) Noise Control Ordinance (Cap. 400) Ozone Layer Protection Ordinance (Cap.403) Environmental Impact Assessment Ordinance (Cap. 499) Hazardous Chemicals Control Ordinance (Cap. 595) Product Eco-responsibility Ordinance (Cap.603) Motor Vehicle Idling (Fixed Penalty) Ordinance (Cap. 611) <p>Thailand</p> <ul style="list-style-type: none"> The Enhancement and Conservation of National Environmental Quality Act in Thailand 	<p>mainland China</p> <ul style="list-style-type: none"> Environmental Protection Law of the People's Republic of China Environmental Impact Assessment Law of the People's Republic of China Prevention and Control of Environmental Noise Pollution Law of the People's Republic of China Prevention and Control of Atmospheric Pollution Law of the People's Republic of China Marine Environmental Protection Law of the People's Republic of China Energy Conservation Law of the People's Republic of China Prevention and Control of Environmental Pollution by Solid Waste Law of the People's Republic of China Self-monitoring technology guidelines for pollution sources – General Rule (HJ 819-2017) Emission standard for industrial enterprises noise at boundary (GB12348-2008) Integrated wastewater discharge standard (DB31/199-2018)
<p>Hong Kong</p> <ul style="list-style-type: none"> Ferry Services Ordinance (Cap. 104) Air Pollution Control Ordinance (Cap. 311) Waste Disposal Ordinance (Cap.354) Water Pollution Control Ordinance (Cap.358) Road Traffic Ordinance (Cap. 374) Noise Control Ordinance (Cap. 400) Ozone Layer Protection Ordinance (Cap.403) Environmental Impact Assessment Ordinance (Cap. 499) Hazardous Chemicals Control Ordinance (Cap. 595) Product Eco-responsibility Ordinance (Cap.603) Motor Vehicle Idling (Fixed Penalty) Ordinance (Cap. 611) <p>Thailand</p> <ul style="list-style-type: none"> The Enhancement and Conservation of National Environmental Quality Act in Thailand 	<p>mainland China</p> <ul style="list-style-type: none"> Environmental Protection Law of the People's Republic of China Environmental Impact Assessment Law of the People's Republic of China Prevention and Control of Environmental Noise Pollution Law of the People's Republic of China Prevention and Control of Atmospheric Pollution Law of the People's Republic of China Marine Environmental Protection Law of the People's Republic of China Energy Conservation Law of the People's Republic of China Prevention and Control of Environmental Pollution by Solid Waste Law of the People's Republic of China Self-monitoring technology guidelines for pollution sources – General Rule (HJ 819-2017) Emission standard for industrial enterprises noise at boundary (GB12348-2008) Integrated wastewater discharge standard (DB31/199-2018) 		

EMPLOYEE BENEFITS AND WELFARE; CHILD AND FORCED LABOUR PREVENTION

Internal policies	<ul style="list-style-type: none"> Sustainability Policy Employee Handbook Code of Conduct Group Human Resources ("HR") Policy Company Culture Policy 	
Statutory regulations in place	<p>Hong Kong</p> <ul style="list-style-type: none"> Employment Ordinance (Cap.57) Inland Revenue Ordinance (Cap. 112) Employees' Compensation Ordinance (Cap.282) Sex Discrimination Ordinance (Cap.480) Mandatory Provident Fund Schemes Ordinance (Cap. 485) Disability Discrimination Ordinance (Cap.487) Family Status Discrimination Ordinance (Cap.527) Race Discrimination Ordinance (Cap. 602) Minimum Wage Ordinance (Cap. 608) 	<p>mainland China</p> <ul style="list-style-type: none"> Labour Law of the People's Republic of China Labour Contract Law of the People's Republic of China Social Insurance Law of the People's Republic of China Provisions of the State Council on Working Hours of Workers and Staff (No. 174 of the State Council of the People's Republic of China) The Regulation on Paid Annual Leave for Employees (No. 513 Order of the State Council of the People's Republic of China) <p>Thailand</p> <ul style="list-style-type: none"> Labour Protection Act

OCCUPATIONAL HEALTH AND SAFETY

Internal policies	<ul style="list-style-type: none"> Group Occupational Health and Safety Policy Sustainability Policy 	
Statutory regulations in place	<p>Hong Kong</p> <ul style="list-style-type: none"> Occupational Safety Health Ordinance (Cap.509) Factories and Industrial Undertakings Ordinance (Cap.59) Fire Services Ordinance & Regulations (Cap.95) 	<p>mainland China</p> <ul style="list-style-type: none"> Prevention and Treatment of Occupational Diseases Law of the People's Republic of China Production Safety Law of the People's Republic of China <p>Thailand</p> <ul style="list-style-type: none"> Labour Control Act Occupational Safety, Occupational Health, and Environment Act

SUSTAINABILITY COMMITMENT AND POLICY INDEX

SERVICE AND PRODUCT RESPONSIBILITY		
Internal policies	<ul style="list-style-type: none"> Sustainability Policy Anti-Fraud Policy Whistleblowing Policy Supplier Code of Conduct Procurement Policy GF&A Tendering Policy Privacy policy statement and disclaimer shown on official websites User guide of green procurement tracking function in property management system 《物業管理系統中環保採購跟踪系統使用指南》 Guide of selecting materials and products meeting environmental requirements 《挑選材料和產品的環保要求指引》 	
Statutory regulations in place	<p>Personal data protection</p> <ul style="list-style-type: none"> Personal Data (Privacy) Ordinance (Cap.486) in Hong Kong Cyber Security Law of the People's Republic of China Protection of Consumer Rights and Interests Law of the People's Republic of China Consumer Protection Act in Thailand <p>Intellectual property right</p> <ul style="list-style-type: none"> Patents Ordinance (Cap. 514) in Hong Kong Trademark Law of the People's Republic of China Patent Act in Thailand 	<p>Services and products related to different business segments:</p> <p>Hong Kong</p> <ul style="list-style-type: none"> Sales of Goods Ordinance (Cap.26) Ferry Services Ordinance (Cap. 104) Road Traffic Ordinance (Cap. 374) Consumer Goods Safety Ordinance (Cap. 456) Discovery Bay Tunnel Link Ordinance (Cap. 520) Residential Properties (First-hand Sales) Ordinance (Cap.621)
ANTI-CORRUPTION		
Internal policies	<ul style="list-style-type: none"> Sustainability Policy Employee Handbook Code of Conduct 	
Statutory regulations in place	<p>Hong Kong</p> <ul style="list-style-type: none"> Prevention of Bribery Ordinance (Cap. 201) <p>mainland China</p> <ul style="list-style-type: none"> Criminal Law of the People's Republic of China 	<p>Thailand</p> <ul style="list-style-type: none"> Civil and Commercial Law Criminal Law

SDGs INDEX




The index below aims to provide better transparency regarding our continuous commitment towards the United Nations Sustainable Development Goals in response to their urgent call for action, by disclosing the specific targets and indicators HKRI is focused on within relevant Sustainable Development Goals identified during the Year.

Strategic Pillars	SDGs	
Environment		SDG 3.9 Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination
Human Capital, Community		SDG 4.4 Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship
		SDG 4.5 Eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations
		SDG 4.7 Ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development
Human Capital		SDG 5.1 End all forms of discrimination against all women and girls everywhere
		SDG 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life
Environment		SDG 6.4 Substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity
		SDG 6.5 Implement integrated water resources management at all levels, including through transboundary cooperation as appropriate

Strategic Pillars	SDGs
Environment 	<p>SDG 7.3 Double the global rate of improvement in energy efficiency</p> <p>SDG 7A Enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology</p>
Environment, Human Capital, Product Responsibility 	<p>SDG 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors</p> <p>SDG 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services</p> <p>SDG 8.4 Improve progressively, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead</p> <p>SDG 8.5 Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</p> <p>SDG 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment</p>
Environment, Product Responsibility 	<p>SDG 9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all</p> <p>SDG 9.4 Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</p>

Strategic Pillars		SDGs
Environment, Human Capital, Community, Product Responsibility		SDG 11.2 Provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons
		SDG 11.3 Enhance inclusive and sustainable urbanisation and capacity for participatory, integrated and sustainable human settlement planning and management in all countries
		SDG 11.4 Strengthen efforts to protect and safeguard the world's cultural and natural heritage
		SDG 11.5 Significantly reduce the number of deaths and the number of people affected and substantially decrease the direct economic losses relative to global gross domestic product caused by disasters, including water-related disasters, with a focus on protecting the poor and people in vulnerable situations
		SDG 11.6 Reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management
		SDG 11A Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning
Environment, Community, Value Chain		SDG 12.2 Achieve the sustainable management and efficient use of natural resources
		SDG 12.3 Halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses
		SDG 12.5 Substantially reduce waste generation through prevention, reduction, recycling and reuse
		SDG 12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle
		SDG 12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities
		SDG 12.8 Ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

SDGs INDEX

Strategic Pillars	SDGs	
Environment		<p>SDG 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p> <p>SDG 13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</p>
Environment		<p>SDG 14.1: By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution</p>
Value Chain		<p>SDG 16.10: Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements</p> <p>SDG 16B: Promote and enforce non-discriminatory laws and policies for sustainable development</p>

HKRI

香港興業國際集團有限公司
HKR International Limited

STOCK CODE : 00480

www.hkri.com

23/F, China Merchants Tower, Shun Tak Centre,
168 Connaught Road Central, Hong Kong

