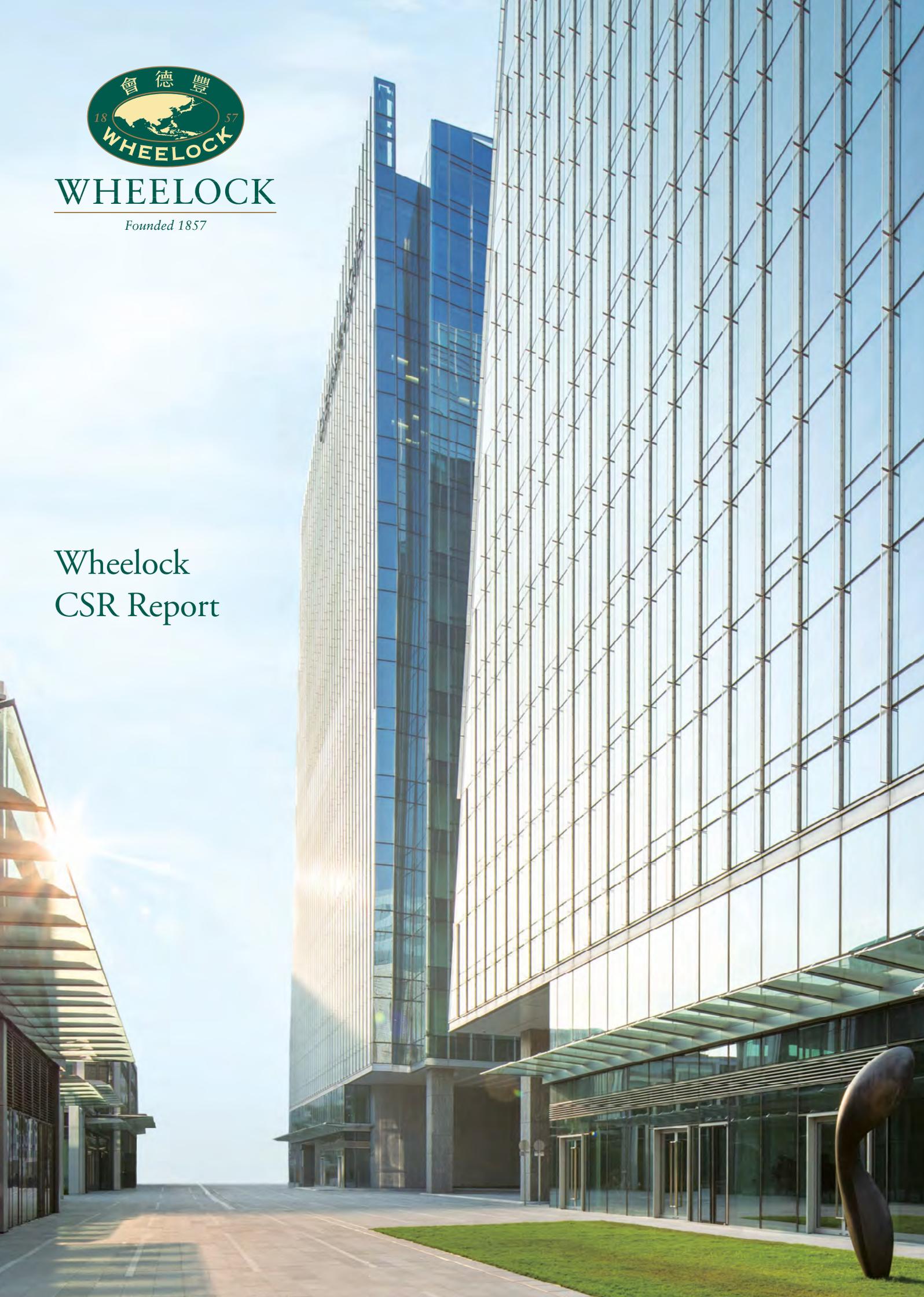




WHEELOCK

*Founded 1857*

Wheelock  
CSR Report



# CONTENTS

This Report presents Wheelock's sustainability efforts in 2016

About This Report	2
Message from the Chairman	3
Wheelock's CSR Performance at a Glance	4
Corporate Overview	6
Solid Foundation	8
Building Green	12
Building Teams	20
Building Communities	25
Building Partnerships	33
Appendices	38
• Membership & Awards	38
• List of Material Issues and Their Boundaries	41
• 2016 GRI Content Index	42
• 2016 HKEx ESG Guide	47
• Data Tables	50
• Verification Statement	57

# ABOUT THIS REPORT

This Report describes the Corporate Social Responsibility (“CSR”) initiatives of Wheelock and Company Limited (“WAC”) and its two wholly-owned subsidiaries, Wheelock Properties (Hong Kong) Limited (“WPL”) and Harriman Property Management Limited (“HPML”). This is the second annual CSR Report covering all three companies (jointly referred to as “Wheelock” in this Report).

Disclosures in this Report cover 20 material issues, which were identified through stakeholder engagement. The Report is divided into five chapters: Solid Foundation, Building Green, Building Teams, Building Communities, and Building Partnerships.

## Scope

This Report covers the Hong Kong operations of the following companies:

**Wheelock and Company Limited**, a listed investment holding company headquartered in Hong Kong.

**Wheelock Properties (Hong Kong) Limited**, a wholly-owned subsidiary of WAC that undertakes property development, sales and marketing and asset management of Wheelock and Wharf Group properties.

**Harriman Property Management Limited**, a wholly-owned subsidiary of WAC that focuses on management of residential, commercial, retail and industrial properties in Hong Kong.

WAC’s key subsidiaries, Wheelock Properties (Singapore) Limited and The Wharf (Holdings) Limited (“Wharf”), are not included in the scope of this Report. Wharf produces its own CSR Report.

## Reporting Period

Unless otherwise stated, all information and data disclosed in this Report covers the period from 1 January to 31 December 2016. Historical data is also included for comparison where applicable.

## Reporting Standard

This Report is prepared in accordance with the Core option of the Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines, the Construction and Real Estate Sector Supplement, and satisfies the requirements of the Environmental, Social and Governance (ESG) Reporting Guide issued by The Stock Exchange of Hong Kong Limited.

## Assurance

Hong Kong Quality Assurance Agency (HKQAA) has provided third party verification for this Report. Please find the assurance statement on page 57.

## Contact

Your feedback is valuable to our continuous improvement. Please email your queries or comments to [pr@wheelockcompany.com](mailto:pr@wheelockcompany.com) (for WAC and HPML) or [csr@wheelockpropertiesthk.com](mailto:csr@wheelockpropertiesthk.com) (for WPL).

# MESSAGE FROM THE CHAIRMAN

We are pleased to share our 2016 progress in this CSR Report, which provides an opportunity to reflect on the successes and challenges of the previous year, and progress plan for the future.

At Wheelock we believe that successful and sustainable businesses must be built on solid foundation. CSR is part of our strategy for the business; it is a continuous journey that sees us building relationships with stakeholders, based on a culture of integrity and community support, and endeavoring to minimise our impact on the environment.

In terms of community support, in 2016 we saw expansion of our two main Business-in-Community programmes: Project WeCan, which expanded by seven supporting partners, one school and an additional 1,000 student beneficiaries; and the Community Chest Wheelock Swim for Millions, which saw a 27% increase in participating teams and raised over HK\$4 million for youth services.

In terms of environmentally conscious development, the process involves many stakeholders. As a responsible developer we collaborate with different parties to minimise the environmental footprint. Since 2012, we have enhanced the tracking of key environmental metrics on construction sites and have required our contractors to follow the BEAM Plus Gold standard in the construction of all new buildings. We also aim to achieve LEED® certification for all new commercial buildings. Building green also includes our offices, and our headquarters have reduced energy consumption by 1% and carbon emissions by 12.8% year-on-year. We have also taken steps towards the COP21 targets by setting a target to reduce the overall GHG emissions from construction sites by 3% by 2020.

Employees are our most valuable asset and we continue to invest in activities that build team spirit and allow each individual to grow personally and professionally. In 2016, we invested in 2,140 hours of training, or an average of 5.12 hours per employee. Our staff retention rate is reasonably high for the industry and we are committed to further reducing staff turnover, which was 17% in 2016.

We partner with suppliers and contractors to deliver superior quality products and services to customers. Where possible, we strive to support local suppliers; in 2016, the majority of our suppliers were Hong Kong-based. Customers have rewarded our efforts with their continued patronage and referrals that help to build our trusted brand.

Buildings form the physical urban landscape, but people are the life of a city. Looking ahead, our CSR journey will continue to support the local and global sustainable development agenda. This starts with imbedding a focus on building better in every aspect of our operations. We will also explore ways to better capture environmental and social data, which can improve the overall management of our material impacts. We commit to playing our part to build a more sustainable Hong Kong for this and future generations.

**Douglas C K Woo**

Chairman

Hong Kong, July 2017

# WHEELOCK'S CSR PERFORMANCE AT A GLANCE

## Milestones Achieved in 2016



Wheelock became one of the **Top 5** developers for residential property sales in Hong Kong



HPML reduced carbon emissions by **912 tonnes** in managed properties year-on-year



Electricity consumption down by **↓1%** at HQ  
Waste intensity down by **↓9.1%** at HQ



Employee turnover rate of **17%** was lower than industry average



Over **2,100** volunteer hours dedicated to **81** activities



Swim for Millions **HK\$16 million** raised for youth services in the last 4 years



Achieved **LEED®** certification for all new commercial buildings



8 Bay East achieved pre-certification in **LEED® Platinum**



GHG emission reduced by **↓12.8%** at HQ  
Paper use decreased by **↓14.2%** at HQ

LEED® stands for Leadership in Energy & Environmental Design, which is an internationally recognised green building standard established by the United States Green Building Council. Official website: <http://www.usgbc.org/leed>

## Targets Yet to be Achieved



To reduce construction waste by **↓1%**



To reduce overall GHG emissions from our construction sites by **↓3%** by 2020



To reduce energy consumption from HQ by **↓7-10%** by 2020

## Previous Achievements

### Energy Savings



One HarbourGate & One Bay East **↓14,812,697** kwh saved per year  
**\$ HK\$17 million** savings in energy bills

### Water Savings



One HarbourGate & One Bay East **↓118,447m³** saved per year

### Waste Recycling



Set up **construction waste database** for better waste management

## Small but Important Steps for a Low Carbon Office

### Lights Off



HQ lights off by zoning / during non-working hours  
Electricity consumption **↓10%** per year

### Plastics Reduction



No plastic bin liners at HQ  
**70,000** plastic bags saved per year



# CORPORATE OVERVIEW

Founded in 1857, WAC is a property and investment holding company listed on The Stock Exchange of Hong Kong (HKSE: 00020) and headquartered in Hong Kong. WAC operates in Hong Kong, Mainland China and Singapore. As of 31 December 2016, total assets of the Company reached HK\$520.4 billion.

## WAC's Financial Performance in 2016<sup>1</sup>

	2015 HK\$ Million	2016 HK\$ Million	Change
Revenue	57,431	60,579	+5%
Operating profit	20,053	21,135	+5%
Net debt	78,927	50,977	-35%
Total equity	340,859	349,520	+3%
<b>Net debt to total equity</b>	<b>23.2%</b>	<b>14.6%</b>	<b>-8.6%pt</b>



<sup>1</sup> Financial data covers all WAC subsidiaries, including those outside the scope of this Report. More information is available in the 2016 Annual Report ([http://www.wheelockcompany.com/investors/2016/WAC\\_AR\\_2016\\_E.pdf](http://www.wheelockcompany.com/investors/2016/WAC_AR_2016_E.pdf)).

## 2016 Property Development, Sales and Marketing Highlights

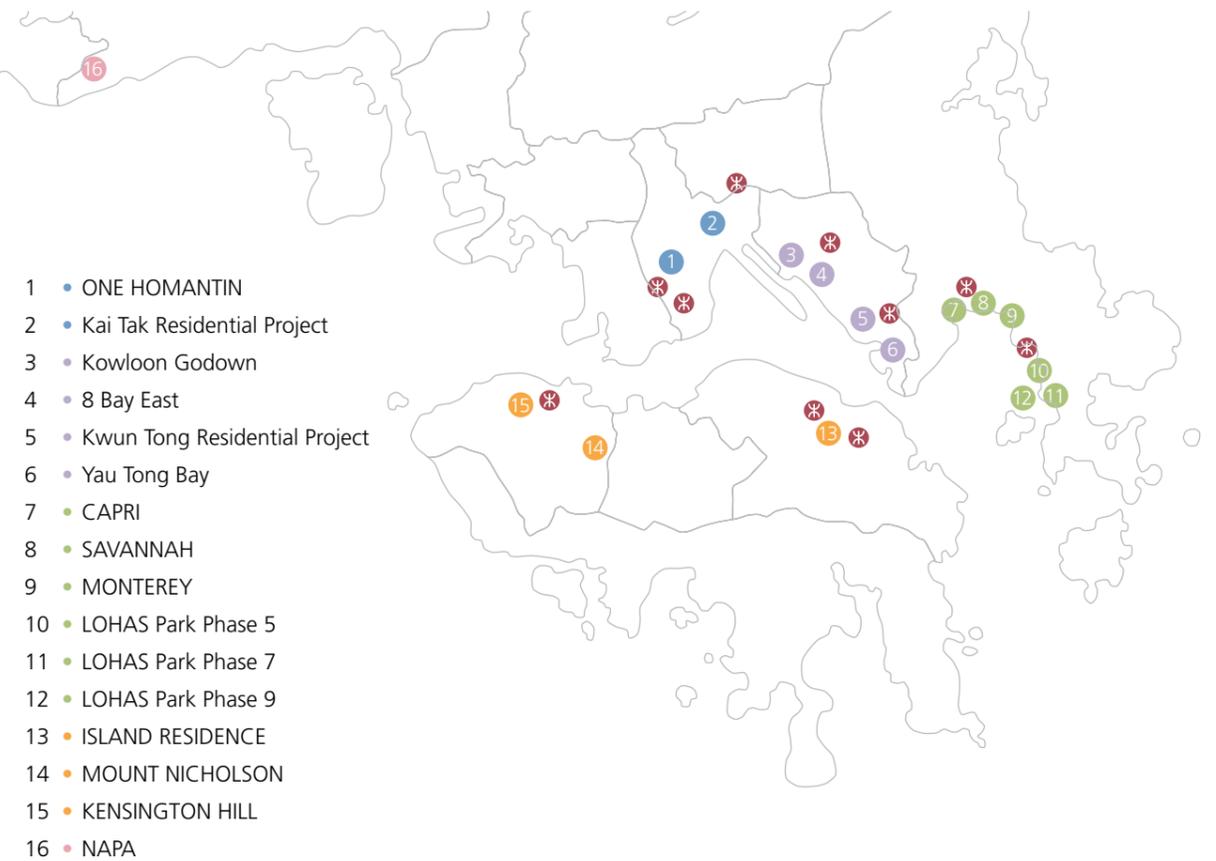
- Land bank under management stood at 8.2 million square feet
- One HarbourGate East Office Tower and East Retail Villa sold
- One new residential site acquired in Kwun Tong
- Achieved record contracted sales with a year-on-year increase of 71%, making Wheelock one of the top five developers for residential property sales in Hong Kong, with 9% market share in 2016
- 92% average sell-through rate achieved from a variety of products

  
**8.2Msf**  
 land bank

  
**97%**  
 in city centre

  
**75%**  
 on harbourfront

  
**92%**  
 close to MTR



# SOLID FOUNDATION

Wheelock's approach to CSR is built on a solid foundation of integrity, strong governance and accountability to our stakeholders. Combined with extensive engagement with stakeholders, this approach enables us to maintain accountability. With a high proportion of independent directors on our Board, and 15% of Board members being female, we benefit from a diverse range of expertise and experience as well as gender diversity, which strengthens our overall strategic approach and company culture. Guided by our corporate mission, our businesses strive to contribute to sustainable development and create a positive impact for society. Under the banner of Business-in-Community, our CSR efforts aim to bring lasting value to people, environment and the community.

We strive to embed CSR into our corporate culture and to ensure that everyone on the Wheelock team conducts business in a responsible and ethical manner. Our *Code of Conduct*, *Statement of Business Integrity*, *Equal Opportunity Policy*, *Grievance Procedures*, and *Policy on Non-disclosure of Company Internal Information* are observed across the Group. WPL and HPML each have their own *Environmental Policy* and *Environmental Guide*, which outline specific actions in areas relevant to their businesses.

Wheelock is committed to the highest standards of corporate governance, and our practices can be found on pages 24 to 36 of the Corporate Governance Report of WAC's 2016 Annual Report.



## Anti-corruption

To run our business responsibly, we have zero tolerance for corruption and bribery in any form. Our *Code of Conduct* clearly outlines what could be construed as unacceptable behaviour and the applicable laws, regulations and industry standards that must be adhered to. All employees are given a copy of the *Code of Conduct* to accept and sign during their induction. When there are changes to the law or new laws such as the 'Competition Ordinance', the Personnel and Administration department will issue new guidelines or update our policies, then circulate the files to each department.

We have established a *Whistleblowing Policy & Procedures*. Further details about our zero tolerance approach to corruption can be found in the [Whistleblowing Policy & Procedures](#) stated online.

In 2016, we invited the ICAC to provide two talks to our staff and other anti-corruption training. There were no cases of corruption reported in 2016.

## CSR Management Structure

Our commitment to CSR starts at the top. In 2012, we established a formal CSR management structure consisting of a CSR Committee, steered by senior management, which oversees the approach and initiatives of our subsidiaries. Wheelock also has Sub-committees which are responsible for executing CSR initiatives in specific areas. These Sub-committees report to the CSR Committee.

### Engaging Our Stakeholders

Our business depends on strong relationships built on trust and transparency. On our path towards a sustainable business, we believe it is vital to engage stakeholders in open and honest dialogue through mutual sharing and listening. To ensure our action and reporting continue to reflect our business and stakeholder priorities, we actively engage our key stakeholders – employees, customers, business partners, community partners, government and regulators, investors and the media – through regular meetings, calls, reports, events and other platforms.

### Key Stakeholder Groups and Ongoing Engagement

Engagement Channels	1	2	3	4	5	6	7	8
Meetings	○	○	○	○	○			
Workshop	○							
Calls	○	○	○					
Emails	○	○	○	○				
Site visit		○						
Public event		○						
Club Wheelock events and online platform			○					
Focus group			○					
Handover service survey			○					
Service hotline			○					
Employee surveys				○				
Intranet				○				
Seminars					○			
Reports					○			
Press conferences, press releases, interviews and announcements						○		
Briefings							○	
Annual and Interim Reports							○	
Company website							○	
Online materiality assessment survey								○

**Key Stakeholder Groups**

- Business Partners<sup>2</sup>**  
(Suppliers, contractors, service providers, consultants)
- Community Partners**  
(Project WeCan schools, NGOs, green groups)
- Customers**  
(Property buyers, tenants, residents)
- Employees<sup>2</sup>**
- Government and Regulators**
- Media**
- Investors<sup>2</sup>**  
(Analysts)
- Other external stakeholders<sup>2</sup>**  
(Academia, industry associations)

<sup>2</sup>Stakeholder groups specifically engaged for preparing this Report. Individual stakeholders were selected based on their relationship to and interest in the Company, and their expertise in the property sector and CSR issues.

### CSR-specific Engagement

We also engage with stakeholders specifically on CSR issues. This year, we ran a targeted focus group with WPL staff and external stakeholders to dive deeper into the topic of green building. Responses to stakeholder feedback have been incorporated into the Building Green section on page 12-19.

### Materiality Assessment

Material issues are issues that reflect the most significant impacts of our business and the issues that stakeholders expect us to manage and report on. In 2015, we conducted an extensive materiality assessment exercise and identified 20 issues that are material to our business. We engage internal and external stakeholders every year to review our material issues and ensure our reporting remains relevant. In 2016, we engaged WPL staff, consultants, an environmental expert, a contractor, an architect and representatives from the financial community specifically to review our material issues and better understand how stakeholders view our performance to date and what their expectations are. After the engagement exercise, we confirmed that our 20 material issues are still applicable, and we continue to manage and report on these issues.

### Our Materiality Issues



#### Building Green:

- Materials
- Energy consumption
- Emissions
- Waste
- Sustainable building development and certification



#### Building Communities:

- Community engagement
- Investing in local communities



#### Building Teams:

- Equal opportunities
- Non-discrimination
- Employee training and career development
- Recruitment and staff turnover
- Occupational health and safety
- Labour practices grievance mechanisms



#### Building Partnerships:

- Compliance
- Compliance of products and services
- Supplier environmental practices
- Supplier labour practices
- Customer satisfaction
- Customer personal data privacy
- Anti-corruption



Solid Foundation

# BUILDING GREEN

We believe green buildings are the future. High-density urban areas can have a significant impact on the surrounding natural environment. As a responsible developer, we see an opportunity to provide unique, refined and sustainable properties. WPL has formed a Project Sustainability Sub-committee and targeted our efforts in delivering buildings of excellent environmental performance, from design to construction methods, selection of environmentally friendly construction materials, equipment and appliances, to operation. Our sustainability principles are embedded across all stages of project development from land acquisition, planning, design, tender and procurement, to construction and operation. For example, BIM (Building Information Modelling) is adopted in the design of most of our development projects to minimise waste and streamline the design process.

Our *Environmental Policy* has been developed and periodically updated to ensure that the concerns from stakeholders are addressed. The set of guidelines which helps to implement these policies in our practice is also reviewed and updated periodically.



## 2016 Highlights

- WPL's new development, 8 Bay East, achieved precertification in LEED® Platinum and provisional assessment in BEAM Plus Gold.
- One Bay East and One HarbourGate were awarded LEED® Gold certification.
- A large-scale photovoltaic (PV) panels system installed at the top roof of 8 Bay East to generate renewable energy.
- Lohas Park Phases 5 and 7 were awarded BEAM Plus Provisional Gold certification.
- Across its managed properties, HPML achieved a 3.5% reduction in overall energy consumption compared with 2015, saving approximately 1,344,500 kWh.
- HPML also reduced carbon emissions in managed properties by 912 tonnes year-on-year.
- To achieve a 16% reduction in electricity consumption and carbon emissions, HPML modernised the lift system and replaced the staircase lighting with LEDs in a managed commercial property.
- A commercial property managed by HPML converted its radiator system to a cooling tower system in May 2016, leading to a 15% reduction in electricity consumption and carbon emissions.
- Despite an increase in office area in the headquarters of WAC and WPL, we achieved a 1% reduction in electricity consumption and a 9.1% decrease in waste intensity compared with 2015.

### Achieved

#### HPML



3.5% reduction in energy consumption compared with 2015, **saving** approximately **1,344,500 kWh**



Reduced carbon emissions by **912 tonnes**

#### WAC and WPL



Achieved **1% reduction** in electricity consumption



**9.1% decrease** in waste intensity

### Sustainable Building Development and Certification

The Hong Kong SAR Government incentivises developers to adopt BEAM Plus certification, or at a minimum achieve all the prerequisites of BEAM Plus. We have taken this challenge as an opportunity to raise the bar in green building development. Wheelock actively pursues a minimum of BEAM Plus Provisional Gold certification for all buildings and strives for LEED® certification for all commercial properties. We work with our engineers, architects, consultants, contractors, and other business partners to maximise the environmental performance of our buildings and reduce costs, whilst maintaining quality and comfort for end-users.

Recognising that we spend 90% of our time indoor, not only do we actively seek to deliver buildings with low energy and water footprints, we ensure that the materials used are free from urea-formaldehyde and low volatile organic compounds (VOCs), and the interior space is flooded with daylight and well ventilated for improved well-being.

We use construction materials with high recycled content, such as steel and concrete with pulverized fly ash, and we choose energy efficient building service systems. Vertical transportation systems with regenerative power and destination control are adopted in some of our commercial development projects. For commercial buildings with site constraints, air ventilation assessments are conducted to improve the air flow for the neighbourhood. Rainwater harvesting is also incorporated in most of our developments to reduce the demand on potable water for irrigation.

Our latest commercial development, 8 Bay East, pushes sustainability performance to target platinum level certification in LEED® and BEAM Plus. This is also our first project that incorporates a large-scale photovoltaic system on the roof.

HPML directly controls the environmental performance of common areas in the buildings it manages, and strives to positively influence the behaviour of tenants and residents by raising awareness of sustainable living practices, and encouraging them to adopt healthier, greener lifestyles. In each property that it manages, HPML has appointed Green Ambassadors to promote sustainable behaviour, organise environmental campaigns and advise tenants on energy efficiency measures. HPML also utilises environmental data collected to develop strategies to reduce environmental impact and to help achieve green office awards.



### Green Building Certification

#### CERTIFICATION AWARDED

##### HONG KONG GREEN BUILDING COUNCIL

#### FINAL BEAM PLUS - GOLD

#### DEVELOPMENT

- The Austin & Grand Austin Residential Developments

#### PROVISIONAL BEAM PLUS - GOLD

- MOUNT NICHOLSON (8 Mount Nicholson Road, The Peak, Residential Development)
- 77 Peak Road Residential Development
- THE PARKSIDE (18 Tong Chun Street, Tseung Kwan O, Residential Development)
- CAPRI (33 Tong Yin Street, Tseung Kwan O, Residential Development)
- MONTEREY (23 Tong Chun Street, Tseung Kwan O, Residential and Commercial Development)
- ONE HOMANTIN (1 Sheung Foo Street, Ho Man Tin, Residential Development)
- Kai Tak 1H Residential Development
- Lohas Park Phase 5 Residential Development
- Lohas Park Phase 7 Residential Development
- One Bay East (83 Hoi Bun Road, Kwun Tong, Commercial Development)
- One HarbourGate (18 Hung Luen Road, Hung Hom, Commercial Development)
- 8 Bay East (123 Hoi Bun Road, Kwun Tong, Commercial Development)

#### PROVISIONAL BEAM PLUS - SILVER

- ISLAND RESIDENCE (163 Shau Kei Wan Road, Shau Kei Wan, Residential and Commercial Development)
- KENSINGTON HILL (98 High Street, Sai Ying Pun, Residential Development)
- NAPA (88 So Kwun Wat Road, Tuen Mun, Residential Development)

#### PROVISIONAL BEAM PLUS - BRONZE

- 1 Plantation Road Residential Development

##### THE U.S. GREEN BUILDING COUNCIL

#### PRE-CERTIFIED LEED® - PLATINUM

- 8 Bay East (123 Hoi Bun Road, Kwun Tong, Commercial Development)

#### FINAL LEED® - GOLD

- One Bay East (83 Hoi Bun Road, Kwun Tong, Commercial Development)
- One HarbourGate (18 Hung Luen Road, Hung Hom, Commercial Development)



### Energy Consumption

We are constantly upgrading our energy management systems and are maximising efficiency in a variety of ways. This can be seen, for example, by a 15.6% decrease in electricity intensity on our construction sites in 2016 (compared with 2015).

Buildings account for 90% of Hong Kong's electricity consumption<sup>3</sup> and over 60% of carbon emissions are attributable to generating electricity for buildings. In its 35 core managed properties, HPML is working to upgrade building service equipment to optimise energy consumption without impacting service quality.

Although the office area of WAC and WPL headquarters increased by 0.6% in 2016, the overall energy consumption has decreased by 1% year-on-year. HPML achieved a 3.5% reduction in electricity, or 1,344,500 kWh in 2016 compared to 2015.

### Emissions

We place high priority on reducing greenhouse gas (GHG) emissions and improving local air quality. For our headquarters (WAC & WPL), GHG emission intensity has decreased by 12.8%. WPL started tracking its carbon emissions intensity in 2012 and has already achieved a reduction of 49.8%, with 2012 as baseline. HPML achieved a 3.2% reduction in GHG emissions across its managed properties, compared to 2015.



Electricity intensity decreased by **↓ 15.6%** on construction sites



GHG emission intensity decreased by **↓ 12.8%** at HQ

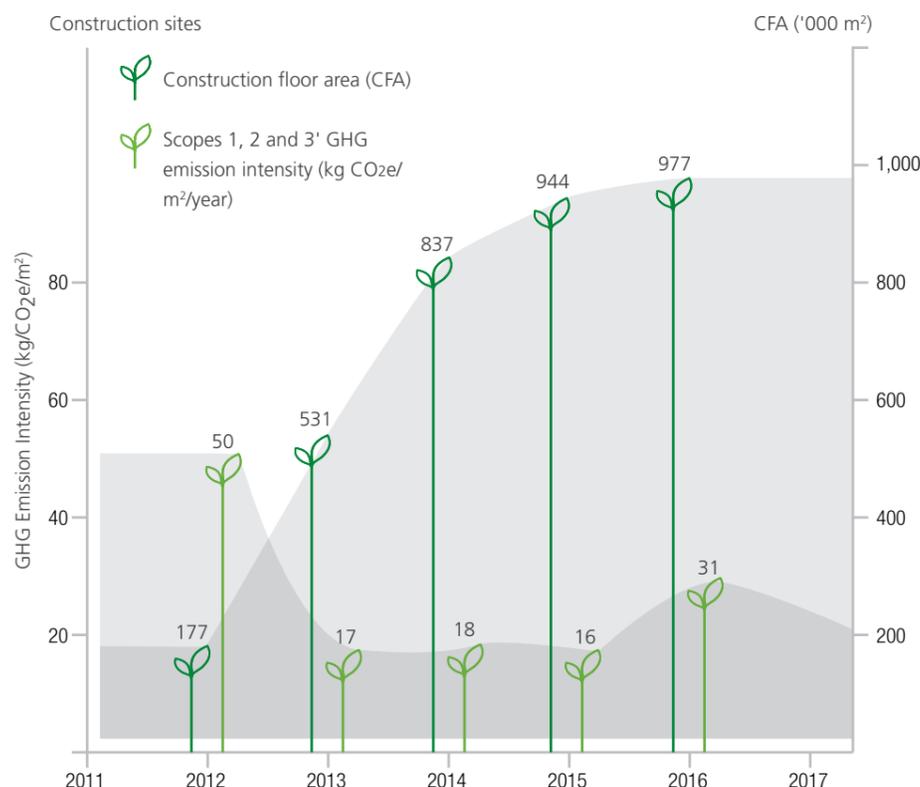
### Other Successful Highlights:

- At World Tech Centre, conversion of the radiator system to a cooling tower system was completed in 2016 and led to a 15% reduction in both carbon emissions and electricity consumption
- At One Midtown, chiller optimisation was completed in 2015 and led to a 12% reduction in both carbon emissions and electricity consumption

### Future Target



In 2015, we set a target to reduce the overall GHG emissions from our construction sites by 3% by 2020, and we have shared the same target with our contractors to work towards the common goal.



<sup>3</sup> Hong Kong Environment Bureau's (2015) ENERGY SAVING PLAN For Hong Kong's Built Environment 2015-2025+

### Water

While water is not a material issue for the Group, we are committed to reducing our reliance on this vital natural resource, as reflected in our *Environmental Policy*. Water efficient fixtures, appliances, and rainwater harvesting have been adopted in most of our projects. We also collect and monitor water consumption data from our construction sites.

### Waste

Most of the waste directly generated by our business comes from property development. WPL aims to go beyond the minimum requirements of BEAM Plus, and works closely with contractors and construction workers on site to ensure that waste is diverted from landfill. In 2016, 22.5% of our construction waste was recycled. In 2015, we set a target to reduce construction waste by 1% in 2016. The waste reduction target was not achieved due to difference in project construction stage and the absence of demolition waste which is usually recycled.

In our property management business, most of the waste is generated by tenants and residents and is therefore beyond our direct control. However, HPML's Green Ambassadors help encourage tenants and residents to adopt the 3R (recycle, reuse, reduce) principles, and HPML facilitates waste separation by providing recycling bins at convenient locations. We also provide collection points for glass, toner cartridges, and other recyclable materials in addition to the standard paper, plastic and metal receptacles.

In the WAC and WPL offices, the waste intensity per employee per square metre of area decreased by 9.1% year-on-year.



### Materials

We track our consumption of materials and where feasible, strive to source sustainable regional materials and materials with recycled content. More than 780 tonnes of the timber we used in 2016 were from sustainable sources. HPML has a *Green Purchasing Guideline* so that supplies, in particular spare parts for machinery and chemicals such as cleaning fluid or paints, are only purchased as required, are stored properly and checked regularly to avoid accidental leakage or expiration. HPML gives priority to suppliers who can demonstrate that their products have a lower environmental footprint, and are taking steps to improve the environmental performance of their own businesses. In our corporate office, all annual reports, interim reports, corporate stationery, and Club Wheelock magazines are printed on environmentally friendly paper. We are also printing fewer hard copies and encouraging readers to read online.



**780 tonnes** of timber we used are from sustainable sources

### Woo Wheelock Green Fund

The Woo Wheelock Green Fund was established in 1994 as a joint venture with the Government's Environment and Conservation Fund. It was the first joint effort of its kind between the business sector and the Government, and serves as a catalyst for other businesses to render support to environmental protection in Hong Kong. From 2010 till the end of 2016, the Fund supported 33 projects, offering over HK\$10.5 million in funding.

# BUILDING TEAMS

Wheelock's success is the result of the hard work and dedication of our people. We strive to build 'One Team with One Goal', and we provide challenging opportunities for our employees, reward performance, and encourage a healthy work-life balance.



## Building a High Performing Team

We recruit candidates based on their abilities as well as their overall suitability for the job and team. We have policies and procedures that set out our employment practice requirements regarding non-discrimination, human rights, talent recruitment and promotion, decent workplace, grievance mechanisms, and employee well-being.

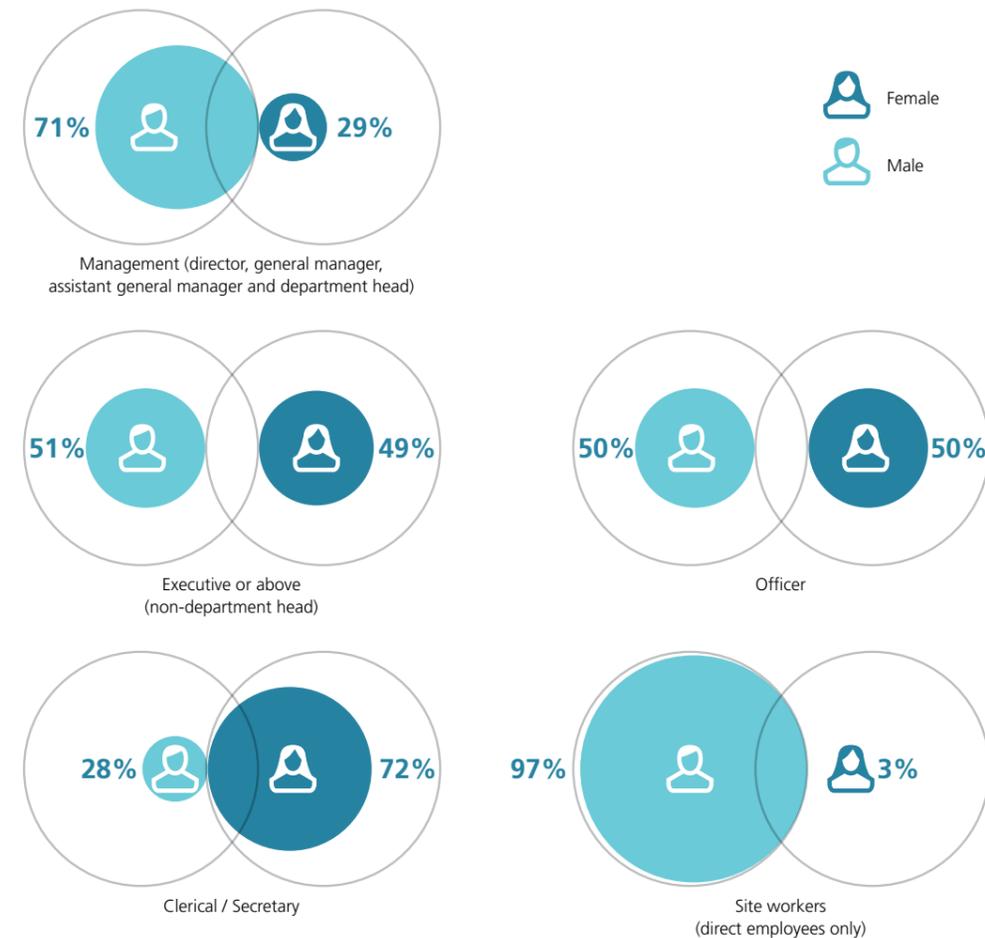
Our goal is to foster a sense of ownership amongst our people, and make sure that employees are well informed of our annual strategy and direction and understand the important part they play. We hold quarterly town hall meetings to communicate our business plan and targets to all employees, as well as drinks and offsite activities to allow employees from different departments to interact and share ideas. Social activities allow employees to relax and bond outside of the office.

## Team Profile

Our 418 high calibre employees are the key to our success. Characteristics we cultivate in our people include a willingness to take initiative, open-mindedness, ability to work as a team and passion for continuous learning and improvement. With an overall gender ratio of 1.2 male employees for every female employee, we have a gender-balanced workforce and lead by example, having achieved near gender parity in our Officer and Executive or above employment categories.

Gender-balanced workforce  
**M1.2:1F**

## Percentage of employees per employment category by gender



### Employee Recruitment and Turnover Rate

The new hire rate for direct employees of Wheelock was 21% in 2016. The employee turnover rate for direct employees of Wheelock was 17% in 2016, which is relatively low compared to the full year turnover rate of 36% (down from 50.5% in 2015) for the Construction / Property Development / Real Estate sector<sup>4</sup>.



### Training and Career Development

We are constantly investing in building and enhancing the capacity of our workforce through talent development and training, in part to deliver exemplary service to our customers. To help employees reach their full potential, we offer a wide range of career development programmes. We are a relatively young and dynamic organisation with 80% of employees aged below 50. Preparing for the long-term and to enable balanced career advancement, we have a strategy for succession and continually identify high flyers at an early stage to be groomed to rise through the ranks.

Our most significant expenditure is on providing technical skills and professional development, which helps to enhance the ability of our people to do their jobs well. In 2016, we allocated a total of HK\$422,806 for internal and external training programmes.

In 2016, we provided 2,132 hours of training on diverse topics ranging from communication skills, leadership skills and customer service to compliance, CSR, and environmental issues. 61% of our workforce received training in 2016, offering an average of 5.1 hours of training per employee (up from 4.51 training hours per employee in 2015). Some employees have also received additional training in specialist technical skills and regulation updates, as appropriate for their positions.

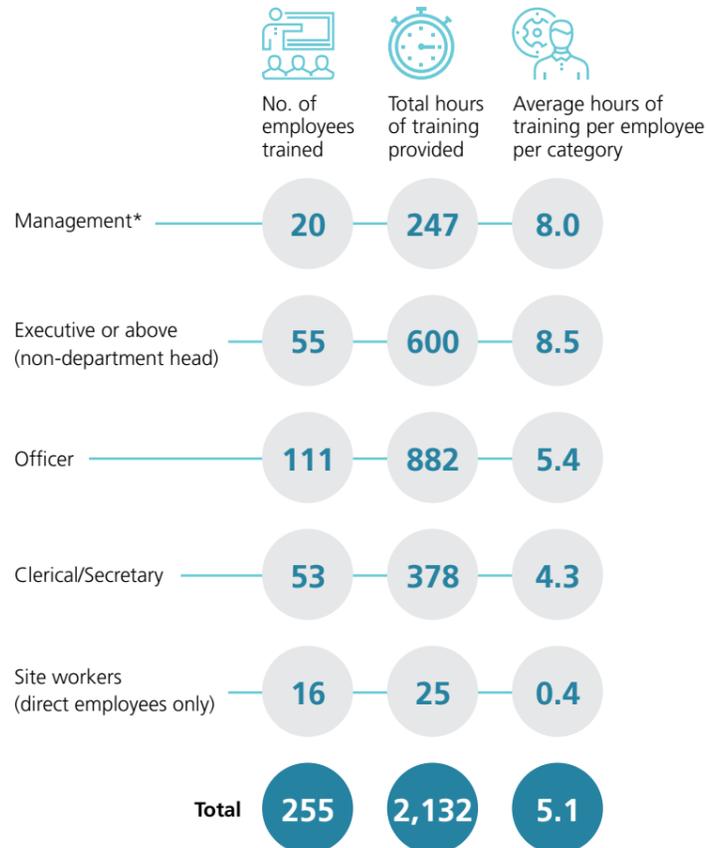
In 2015, our employees requested more technical training to enhance their professional competence and effectiveness. To facilitate these requests, in 2016 40 employees from different levels attended external training sessions on writing, leadership skills, negotiation, and first hand residential sales. We also improved our inter-and-intra departmental relationships and cooperation by putting more focus on team building and staff engagement.

For its large number of customer-facing frontline staff, HPML collaborates with the Wharf Institute of Service Excellence to deliver courses in concierge skills, customer service skills and other topics. Training is also provided to outsourced staff, such as cleaners, to ensure a consistently high standard of service.

We aim to create a working environment in which our staff are valued, supported and heard. In addition to our training and development programmes, we offer a strong annual performance review process with training for managers and employees. Our annual performance appraisals provide a formal feedback system for staff to discuss their performance, individual career ambitions, aspirations, and training needs with their supervisors. The insights we gain from our staff help us recognise what our team values. Based on the results of their performance review, management will identify training needs for their team members.

In 2016, we achieved a 100% performance review rate for all of our direct employees. In 2017, we plan to conduct a review of our performance management system and training programme.

#### Training in 2016 by employee category



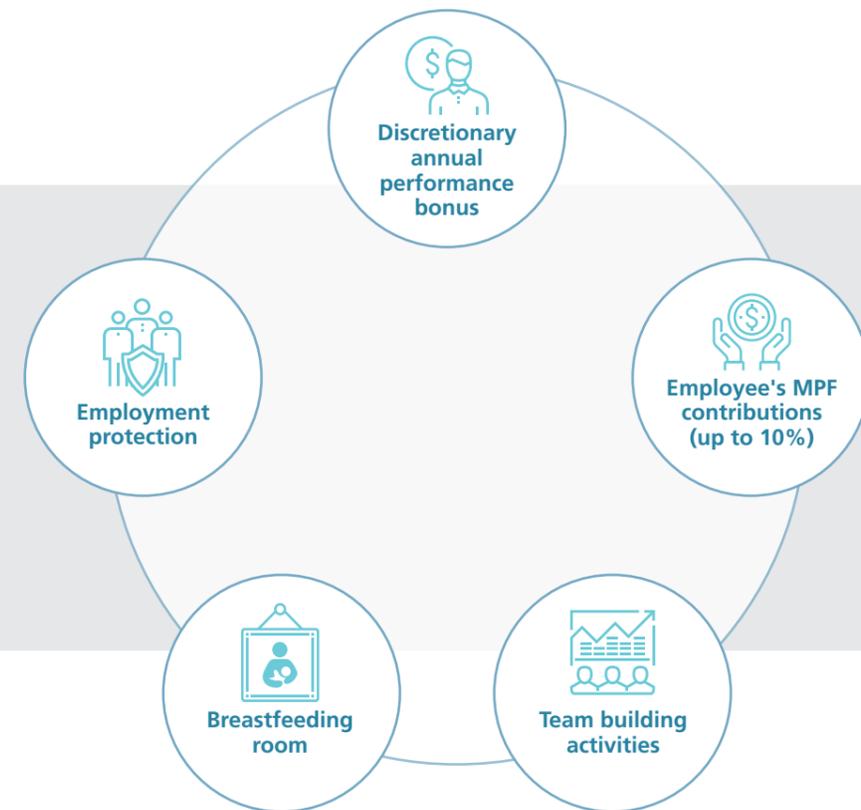
\*director, general manager, assistant general manager and department head

### Taking Care of Our Employees

Employees are remunerated according to their job responsibilities and market pay trends, with a discretionary annual performance bonus that rewards individual performance and contributions to the Company's achievement and results. In addition, we ensure that employee MPF contributions go beyond the minimum requirements and can be up to 10%, depending on an employee's level of seniority. We also follow the Hong Kong Employment Ordinance and provide a comprehensive range of employment protection and benefits for employees.

In recognition of increasing societal awareness of the health advantages of breastfeeding for infants and mothers, in 2016 we opened a breastfeeding room in our WPL and WAC headquarters, which offers a supportive environment and provides the space needed by working mothers. We have also encouraged user feedback on ways to improve the workplace environment for all staff.

We invest in team building activities to build strong relationships and team spirit amongst our staff. We host events subsidised by the Group, such as barbecues, war games, yoga and boat trips.



### Equal Opportunities and Non-Discrimination

Ensuring a safe and inclusive workplace is of the utmost importance to Wheelock. Wheelock is an equal opportunities employer and we aim to provide a working environment that is respectful, diverse, rewarding and above all, safe and non-discriminatory. We actively recruit, remunerate, and promote employees based solely on their experience, skills and job performance, without regard to age, gender, race, national origin, disability, sexual orientation, family or marital status.

Guided by our *Equal Opportunities Policy*, we respect human rights and have zero tolerance for discrimination or harassment of any kind. All employees are made aware of our formal grievance channel, and can raise concerns or complaints in confidence, without fear of retribution. No incident of discrimination was reported in 2016.

<sup>4</sup> Hong Kong Institute of Human Resource Management

## Occupational Health and Safety

Wheelock places great emphasis on health and safety for our staff as it is our responsibility to ensure that everyone on our team has a safe working environment. We recognise the inherent occupational health and safety risks of our industry. We commit to provide a healthy and safe work environment to all employees, contractors or subcontractors. We do so by identifying, assessing and mitigating risks through establishing safety standards and guidelines and conducting regular training for staff.

All new and relocated staff are provided with assistance in setting up their workstations and adjusting monitors and seating to prevent workplace injury. A questionnaire is available to collect feedback from staff. Operations staff who may have manual handling duties are provided with training every six months, which is conducted by the Labour Department's Occupational Health and Safety Team.

As the most significant health and safety risks in our operations occur on construction sites, where the majority of workers are not direct employees of Wheelock, we rely on the subcontractors to maintain good health and safety practices. Prior to engaging our subcontractors, we undergo a rigorous tendering process to select the most suitable supplier. We also conduct a prequalification exercise to ensure the suppliers' labour practices as well as financial, environmental, health and safety, and quality performance fulfil our requirements. Contractors or subcontractors with ISO 14001 and OHSAS 18001 certifications are preferred. Upon appointment of contractors, we stipulate occupational health and safety conditions in our tender agreements and supplier code of conduct, such as preparing an Environmental Health and Safety Plan and assigning a safety officer to oversee site works. More information about the labour practices we expect of our suppliers can be found in the Building Partnerships section on pages 33 to 37.

Internal site inspections are carried out monthly, whilst external safety audits are conducted half-yearly to ensure alignment with 10 elements of Cap.59AF Factories & Industrial Undertakings (Safety Management) Regulation, including:

- Safety Policy
- Safety Organisation
- Safety Training
- In-house Safety Rules and Regulations
- Programme for Inspection of Hazardous Conditions
- Personal Protective Programme
- Accident / Incident Investigations
- Emergency Preparedness
- Evaluation, Selection and Control of Subcontractors
- Safety Committee

Across our business units, corresponding task groups or departments are in place to monitor potential health and safety risks and to implement improvement plans where appropriate. We conduct relevant training on a timely basis for employees and subcontracted workers, in particular on construction sites, to minimise the risk of accidents.

In 2016, we recorded zero fatalities and 68 work-related injuries for direct employees and construction site workers. There were 4,926 lost days in 2016.



# BUILDING COMMUNITIES

Wheelock is in the business of building thriving communities. We have a long history of contributing beyond our buildings, and we value supporting the communities where we live, work, and operate. We have built our community investment approach around three pillars: **youth and education**, **community betterment**, and **nature and environment**. We also strive to bring businesses and the local community together, building networks and leveraging resources for a positive and collective impact of our programmes. We are proud to be a valued community partner, and honoured to contribute our talent and resources towards making a meaningful difference in the Hong Kong community.



## 2016 Highlights

- Granted the Hong Kong Outstanding Corporate Citizenship Logo – Volunteer Category by the Hong Kong Productivity Council for the 7<sup>th</sup> consecutive year
- Awarded CSR Project of the Year by the Royal Institution of Chartered Surveyors for the 3<sup>rd</sup> consecutive year

### Achievement



Over **2,100** volunteer hours dedicated to **81** activities



Total donation: **HK\$43 million**

## Project WeCan

Project WeCan is our flagship Business-in-Community initiative, launched in 2011 to unlock the potential of underprivileged youth and inspire them to prepare for their future careers and reach for their dreams. Through a wide range of programmes, this open platform connects schools, organisations, business sponsors and volunteers of different industries, where resources, expertise and experience are freely shared with those in need to maximise programme impact.

By 2016, Project WeCan has benefited 43,000 secondary students in Hong Kong, cementing long-term relationships with 42 supporting partners and 51 schools. WAC, WPL, and HPML continued to collaborate with Project WeCan schools, and organised over 70 events.



Benefited **43,000** students in Hong Kong



Long-term relationships with **42** supporting partners and **51** schools



Organised over **70** events

## WAC and Fung Kai No. 1 Secondary School (“Fung Kai”)

- Students gained career exposure through a four-week Job Tasting Programme at Wheelock, visit to Nike’s office (a WAC partner on Project WeCan), as well as career sharing sessions
- The Repulse Bay, another WAC partner on Project WeCan, arranged a tour and lunch for students to experience high table etiquette. This event has been warmly received by students for several years
- Career Buddies was launched, a new mentorship programme that pairs Wheelock volunteers with Fung Kai students to provide the latter with career coaching, advice and support



### WPL and Ng Yuk Secondary School ("Ng Yuk")

- For the fourth consecutive year, Ng Yuk joined the Young Innovators Bazaar, which provides students with an opportunity to run their own retail business and inspires them to become entrepreneurs. Students spent almost six months preparing their first business, through which their team spirit, problem solving and negotiation skills were strengthened. Staff volunteers from WPL also provided support to Ng Yuk through a series of experience sharing sessions
- WPL and Ng Yuk have collaborated on a mentorship programme since 2013, with the aim of equipping students with a better understanding of personal development and career planning under their mentors' guidance. Through non-classroom interactions and diverse activities, the programme builds close relationships between mentors and mentees
- Students participated in mock interviews for a Job Tasting Programme to gain real-life, practical experience and to strengthen their communication skills

*“A very meaningful and rewarding programme to build friendship and caring between mentor and mentee.”*

*Quote from Mentorship Programme Review*



### HPML and WeCan Partner Schools

- A number of career programmes, including three company visits, a career day and a job-tasting event, were organised for students from HHCKLA Buddhist Ching Kok Secondary School (BCKSS)
- 'Ko Lui's Got Talent' was held at Ko Lui Secondary School to discover student talent and build their confidence through performances
- Three 'Shape Our Future' events were held at Caritas Fanling Chan Chun Ha Secondary School, BCKSS and Po Chiu Catholic Secondary School to provide students with a chance to learn job-related knowledge and to discover their interests and suitability in different job choices





### Collaborating for Community Betterment

We spare no effort to inspire and encourage our employees to build a caring Hong Kong together with our community partners.

### Promoting Arts and Culture

Themed 'City Transformation', WPL organised a public photo competition for the fourth consecutive year to follow Hong Kong's evolution from an industrial city to an international metropolis. Over 1,000 entries were received, of which six winners were selected. An exhibition was held to showcase the winning photographs and feature artworks that portray the city's evolution. Local students from 'The Wharf Young Art Ambassador' programme created inspiration for the theme after a visit to Kowloon East historic relics.



### Caring for the Community with Our Partners

Together with Hong Chi Association, WPL has continued to support their Christmas e-cards competition. The competition provides a platform for Hong Chi's children with intellectual disabilities to stimulate their creative and artistic capabilities and to spread the messages of love and sharing throughout the holiday season.

To help children and youth of different abilities fulfil their potential, HPML dedicated more than 330 volunteer hours in 2016 to support Heep Hong Society by organising various volunteering activities, including:

- An outing in September to Lions Nature Education Centre at Tsui Hang, Sai Kung, for children to expand their knowledge through visiting exhibition halls and by playing games
- A fun mini sports day in December at Yu Ming Centre with carnival games and team sports



### Community Chest Wheelock Swim for Millions

- This is an annual charity sports event that welcomes swimming enthusiasts who want to do their part for charity. 2016's race saw a record of 123 teams participating, an increase of 27% compared to 2015
- Over 540 participants, aged between 5 and 74, took part in 2016 and more than HK\$4 million was raised for youth services provided by welfare agencies under The Community Chest of Hong Kong



**123 teams**  
participated in 2016



Over **540**  
participants



More than **HK\$4 million**  
raised



### Nature and Environment

Wheelock supports a number of environmental NGOs and initiatives as part of our commitment to protect the planet we share.

#### Run for Change

Eight runners from Wheelock participated in the WWF-Hong Kong 'Run for Change' to raise funds for environmentally-focused conservation and education. The charity race, held along the scenic Pak Shek Kok Promenade in Shatin, attracted over 2,000 passionate eco-warriors.



#### Pledges



##### Earth Hour

organised by :  
**WWF-Hong Kong**



##### No Air-Con Night

organised by :  
**Green Sense**



##### I'm FINISHED with FINs

organised by :  
**Shark Savers Hong Kong**



##### Power Smart Energy Saving Contest

organised by :  
**Friends of the Earth**



##### Lai See Packets Reuse and Recycle Programme

organised by :  
**Greeners Action**



##### Green Plus

organised by :  
**China Light & Power**

# BUILDING PARTNERSHIPS

Wheelock has built strong partnerships across our value chain, from suppliers to customers. We believe in bringing responsible practices beyond our operations; our values are cemented in the daily activities of the organisation and are reflected in the interactions we have with suppliers. Throughout our procurement decisions, which incorporate ESG issues, we create demand that supports a more sustainable supply chain. Through the interactions we have with suppliers and partners, we endeavour to form positive outcomes for clients, the organisation, and for the Hong Kong community.

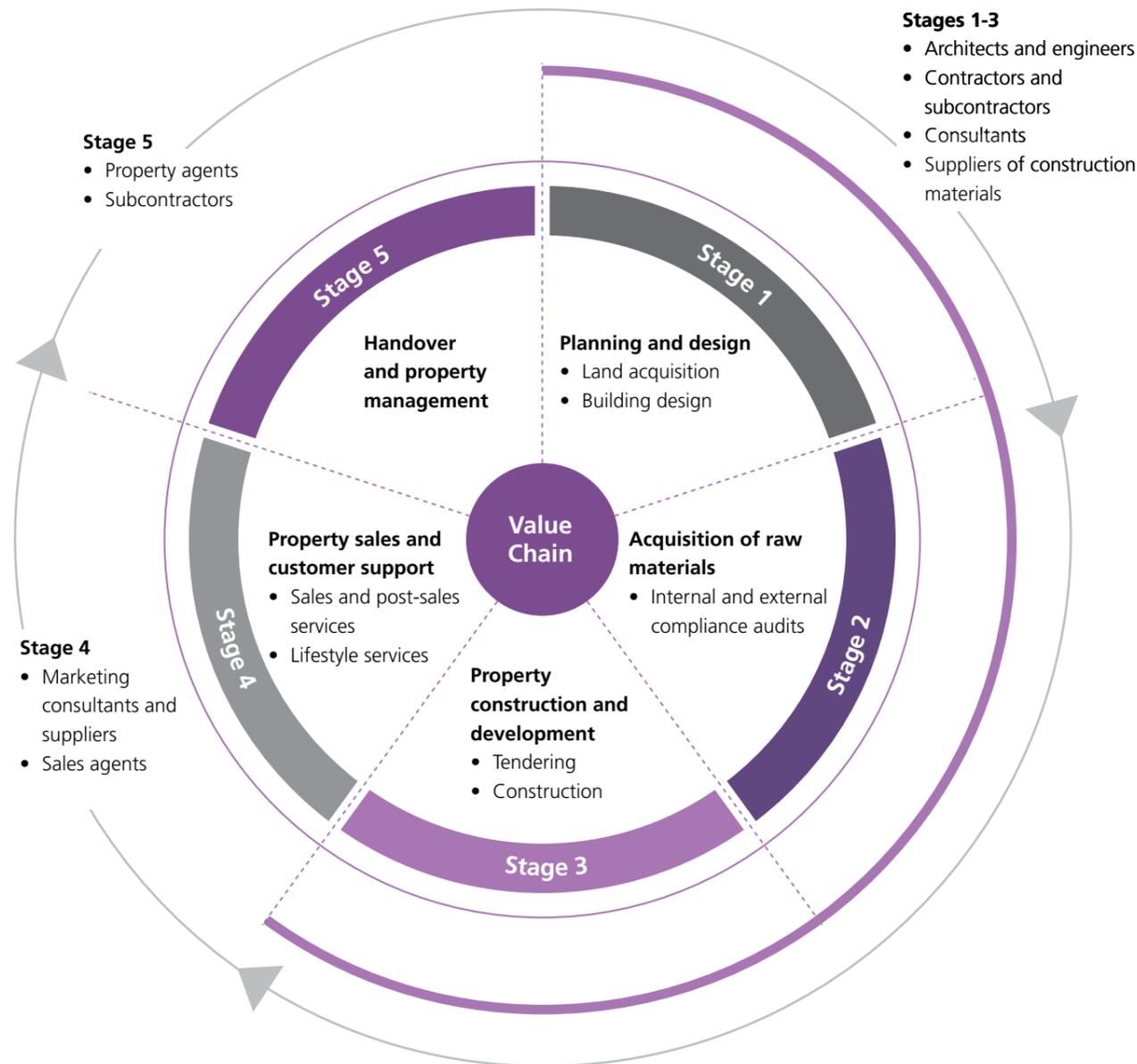
In both our property development and property management businesses, we depend on input from multiple suppliers and service providers, and our role is to coordinate ESG considerations throughout this value chain.



## Our Suppliers

Throughout a building's lifecycle - from property development and sales to handover and property management - various types of suppliers are engaged for goods and services. WPL had 600 direct suppliers and 134 indirect suppliers in 2016, and 99% of our total procurement budget was spent on local (ie. Hong Kong-based) suppliers. HPML had 770 suppliers, and all of them were located in Hong Kong.

### Major Suppliers in Wheelock's Property Development Lifecycle



## Supplier Assessment and Management

Wheelock's business units follow policies and procedures to select suppliers and contractors who share our social, environmental and labour practice standards. We address ethical conduct, labour standards, human rights, product responsibility and environmental impact. All suppliers are required to sign and commit to our *Supplier Code of Conduct*, which covers child labour, forced labour, compensation and working hours, health and safety, discrimination, bribery and corruption. We require our contractors and suppliers to comply with ordinances, laws, by-laws, Government regulations and public policy mandates as related to the execution of their contracts.

Regular reviews or assessments are in place to ensure our supply chain partners comply with local laws and our requirements. By measuring our progress and adhering to the ideal of transparency in all our decisions, our sourcing and procurement efforts are shaping a value chain that positively influences the market and joining the industry towards sustainability.

### Suppliers' Environmental Practices

All suppliers adhere to BEAM Plus criteria specified in tendering documents and subsequent contracts, and their ESG performance is reviewed during the quotation and tender analysis. All construction contractors are required to comply with relevant requirements for BEAM Plus, LEED®, and/or the EMSD's Building Energy Code. Tender documents specify BEAM Plus requirements, and tenderers are required to submit relevant supporting documents, which will be further clarified during the tender negotiation period with consultants in assessing their ability. Monthly meetings are held to track environmental performance and corrective actions are taken if any incidence of non-compliance is discovered.

At HPML, contractors shall carry out work in compliance with regulations of the Building Energy Efficiency Ordinance (Cap. 610) for all major retrofitting works and engage a Registered Energy Assessor to certify that any retrofitted works comply with the Building Energy Code. HPML also has systems in place to promote environmentally conscious behaviour from its suppliers. For example, HPML specifies in its cleaning contracts that cleaning products should meet LEED® requirements, and that the cleaning contractor should develop a green purchasing strategy. By way of illustration, in 2016 HPML required maintenance contractors to use water-based paint at World Tech Centre to reduce VOCs emissions which could be harmful to the environment and to human health.

WPL also takes into consideration the need to balance environmental benefits with costs when selecting raw materials and interior fittings. Further details of our green approach can be found in the Building Green section on pages 12-19.

### Suppliers' Labour Practices

In 2016, WPL hired 70,204 workers on construction sites. Every potential supplier goes through a stringent prequalification process, which checks past performance and project references. Our *Supplier Code of Conduct* details Wheelock's expectations for labour standards and basic human rights. The Code of Conduct is clearly communicated to suppliers in tender documents and contracts.

HPML requires that all the works provided by contractors fully comply with the requirements of the Safety Management Regulation and all relevant Government regulations. Neither illegal workers nor employment of illegal immigrants shall be allowed on site. We will not tolerate child labour and forced labour by our contractors. In 2016, no incidents of child labour or forced labour were reported.

Occupational health and safety is a concern on construction sites, therefore subcontractors are required to submit a method statement, and implement risk assessment and control measures, which must be approved by Wheelock's onsite professional team. Regular site checks are conducted to ensure that all measures are being followed at all times. More details on Occupational Health and Safety can be found in the Building Teams section on page 24.



Joining the industry towards **sustainability**



Promote **environmentally conscious behaviour** from our suppliers



Our supplier **Code of Conduct** details Wheelock's expectations for labour standards and basic human rights

### Providing Quality Products and Services

Given our diverse operations and customer base, Wheelock is dedicated to providing quality products and services to our customers. Regular product and service assessment and customer engagement are in place to ensure compliance with local laws and industry regulations, as well as fulfilling customers' expectations.

We strive to exceed customers' expectations through a service quality assurance process, which involves five quality-focused steps:

1. Team training
2. Internal auditing
3. External auditing
4. Benchmarking
5. Regular review and implementation of improvement plan

### Customer Satisfaction

Customer satisfaction is of utmost importance, and we strive to ensure that our service exceeds their expectations. Each property buyer is assigned a personal after-sales ambassador who also provides support on handover procedures, updates and other useful information. In our property management business, we believe in the importance of the personal touch, whether it is a smile or a greeting, and we train staff to be attentive to all customers' needs.

In 2016, HPML appointed the Hong Kong Baptist University to conduct a Management Services Opinion Survey on 26 properties under its management. The survey sought the opinions of customers on HPML services in the following categories:

1. Management and security
2. Staff attitude
3. Maintenance
4. Hygiene
5. Club House services
6. Shuttle bus services
7. Landscaping services
8. Overall performance

Almost all respondents (98.5%) declared overall satisfaction with HPML's property management services.

HPML received five complaints in 2016 relating to management service standards, staff attitude, or product defect handling. Complaints were resolved in a timely manner either via direct follow up with complainant(s), enhancing training on complaint handling, verbal instructions to associated staff regarding public demeanour and attitudes, or by creating a special taskforce together with WPL to follow up with defect rectification procedures.



Dedicated to providing **quality products and services** to our customers



Club Wheelock is a social platform established in 2012 to enhance communication with customers, property owners and tenants. Members enjoy special privileges and are invited to dining and lifestyle activities organised by WPL. The platform creates a new touch point with property buyers, clients and partners.

In 2016, we organised fun family activities such as yoga and cupcake making classes, as well as events to promote stylish living, including a whiskey appreciation event, an organic fruit and floral tea-blending workshop, a photography experience with award-winning photographer Tugo Cheng, and a Chinese pastry class with renowned local dim sum Chef Ip Yun Fat.

Positive feedback from the Club Wheelock Survey included customer appreciation of the superior services provided, attention paid to customers' opinions and Club Wheelock's position as a premier property lifestyle club.



**98.5%** of respondents declared overall satisfaction with HPML's management services



*“I feel that Wheelock Properties really cares about customers' thoughts feedback into consideration to better shape their products. They truly encourage two-way communication!”*

*“Best among all property lifestyle clubs!”*

*“Club Wheelock has delivered superior experience to members.”*

*Quotes from the Club Wheelock Survey*

### Customer Personal Data Privacy

We are committed to respecting and protecting the privacy of individuals and keeping personal information secure by complying with applicable data protection, privacy and information security laws and regulations. We manage and protect all collected customer data in compliance with the Personal Data (Privacy) Ordinance.

During the reporting period, there was no substantiated complaint regarding breach of customer privacy or loss of customer data.

# APPENDICES

## Memberships

### Corporate Memberships

Organisation	Capacity
APEC Business Advisory Council	Government-appointed Alternative Representative of Hong Kong, China
Development Bureau	Non-official member of Land and Development Advisory Committee Member of Land Sub-committee
Environment and Conversation Fund	Chairman
Commission on Poverty	Member of Social Innovation and Entrepreneurship Development Fund Task Force
The Real Estate Developers Association of Hong Kong	Director Chairman of Executive Committee Member of Executive Committee Member of Legal Sub-Committee
Hong Kong General Chamber of Commerce	Chairman Chairman of Real Estate and Infrastructure Committee Member of Economic Policy Committee
Project WeCan	Patron
Chinese People's Political Consultative Conference	Member of Beijing Committee
Employers' Federation of Hong Kong	Council member Vice-Chairman of General Committee Member of General Committee Chairman of Property and Construction functional group
Hong Kong Trade Development Council	Council Member
Hong Kong Green Building Council	Director
Royal Institution of Chartered Surveyors	Council member
Estate Agents Authority	Board member
Hong Kong Special Administrative Region – Central Policy Unit	Associate member
Hong Kong Examinations and Assessment Authority	Co-opted member of the Hong Kong Diploma of Secondary Education Examination – Applied Learning Subject Committee
Licensing Appeals Board	Member

## Awards

### WPL

Award	Awardee	Awarder
<b>BCI Asia Top 10 Developer Awards 2016 – Hong Kong</b> • Our 5th consecutive year!	✓ Wheelock Properties (Hong Kong) Limited	BCI Asia
<b>RICS Hong Kong Awards 2016</b> • Corporate Social Responsibility Project of The Year • Our 3rd consecutive year! • Sustainability Achievement of The Year	✓ Wheelock Properties (Hong Kong) Limited ✓ One Bay East	Royal Institution of Chartered Surveyors (RICS)
<b>China Property Awards</b> • Best Green Development • Best Office Development (Hong Kong & Macau) • Best Office Architectural Design	✓ One HarbourGate	Property Guru
<b>LOOP Labelling Scheme 2016 – Gold Label</b> • Our 4th consecutive year!	✓ Wheelock Properties (Hong Kong) Limited	WWF – Hong Kong
<b>Caring Company Logo</b>	✓ Wheelock Properties (Hong Kong) Limited	The Hong Kong Council of Social Service
<b>GoHome Awards 2016</b> • Best Luxury Residential Development • Most Prestige Member Experience	✓ NAPA ✓ Club Wheelock	GoHome.com.hk
<b>The Communicator Awards - Website Category - Award of Distinction</b>	✓ Wheelock Properties (Hong Kong) Limited	Academy of Interactive and Visual Arts

### HPML

Award	Awardee	Awarder
<b>Hong Kong Green Organisation - Wastewi\$e Certificate</b>		
<b>Hong Kong Green Organisation - Wastewi\$e Certificate - Excellent Class</b>	✓ Metro Loft ✓ Cable TV Tower ✓ Chelsea Court	Environmental Campaign Committee
<b>Indoor Air Quality Certificate</b>		
<b>Indoor Air Quality Certification Scheme 2015 - Good Class Certificate</b>	✓ Wing On House ✓ Cable TV Tower ✓ Metro Loft ✓ Bellagio	Indoor Air Quality Information Centre
<b>Caring Company Awards</b>		
<b>Caring Company Logo 10 years+</b>	✓ HPML	The Hong Kong Council of Social Service

HPML

Award	Awardee	Awarder
<b>Occupational Safety &amp; Health</b>		
<b>15th Occupational Safety &amp; Health Award Safety Performance Award - Other Industry Merit Award</b>	√ HPML	Occupational Safety and Health Council & Construction Industry Council
<b>Best Security Personnel</b>		
<b>The Security Services Best Training Award 2015 Award of Gold (Licensed Security Company – Type 1)</b>	√ HPML	VTC & Hong Kong Police Force Crime Prevention Bureau
<b>Hygiene &amp; Environmental Management</b>		
<b>World Green Organisation-United Nations Sustainable Development Goals</b>		World Green Organisation
<ul style="list-style-type: none"> <li>• Green Advocate 2016</li> <li>• Green Office Awards Labelling Scheme</li> </ul>	<ul style="list-style-type: none"> <li>√ HPML Head Office</li> <li>√ HPML Head Office</li> <li>√ Wheelock House</li> <li>√ Chelsea Court</li> <li>√ Bellagio</li> <li>√ Crawford House</li> <li>√ One Island South</li> <li>√ Wing On House</li> <li>√ Metro Loft</li> <li>√ One Midtown</li> </ul>	
<b>Others</b>		
<b>ERB Manpower Developer Award Scheme 2015-16 ERB 2015-16 - Manpower Developer</b>	√ HPML	Employees Retraining Board
<b>2014 - 2016 Corporate Volunteering Award - Certificate of Recognition</b>	√ HPML	Social Welfare Department
<ul style="list-style-type: none"> <li>• Our 3rd consecutive year!</li> </ul>		
<b>Hong Kong Corporate Citizenship Award Scheme - The 7th Hong Kong Outstanding Corporate Citizenship Logo - Volunteer Category</b>	√ HPML	Hong Kong Productivity Council

List of Material Issues and Their Boundaries

ASPECT BOUNDARY

Material Issue	Where the Impacts Occur	
	Within Wheelock	Beyond Wheelock
Materials	WPL, HPML	Suppliers and subcontractors
Energy consumption	Group	Suppliers, subcontractors, customers
Emissions	Group	Suppliers, subcontractors, customers
Waste	Group	Suppliers, subcontractors, customers
Sustainable building development and certification	WPL, HPML	Suppliers, subcontractors, customers
Suppliers' environmental practices	Group	Suppliers, subcontractors
Customer satisfaction	WPL, HPML	Customers
Compliance	Group	Suppliers, subcontractors, regulators
Compliance of products and services	WPL, HPML	Suppliers, subcontractors, regulators, customers
Anti-corruption	Group	Suppliers, subcontractors
Customer personal data privacy	WPL, HPML	Customers
Equal opportunities	Group	-
Employee training and career development	Group	Customers
Recruitment and staff turnover	Group	Customers
Occupational health and safety	Group	All suppliers, subcontractors and others
Labour practices grievance mechanisms	Group	Subcontractors
Suppliers' labour practices	Group	Subcontractors
Community engagement	Group	Community
Investing in local communities	Group	Community
Non-discrimination	Group	Subcontractors, customers

## 2016 GRI Content Index

GRI Aspect and Indicator	Page(s)	Section Reference	Remarks
<b>General Standard Disclosures</b>			
<b>Strategy and Analysis</b>			
G4-1	CEO statement and explanation of strategy	3	Message from the Chairman
<b>Organisational Profile</b>			
G4-3	Name of the organisation	2	About This Report
G4-4	Primary brands, products and services	2	About This Report
G4-5	Headquarters location	6	Corporate Overview
G4-6	Countries of operation	6	Corporate Overview
G4-7	Nature of ownership and legal form	2, 6	About This Report, Corporate Overview
G4-8	Markets served	6-7	Corporate Overview
G4-9	Scale of the organisation	6-7	Corporate Overview
G4-10	Employee statistics	21,52-55	Building Teams, Data Tables
G4-11	Employees covered by collective bargaining agreements	-	-
			No formal collective bargaining agreements in place. Mechanisms have been established to deal with grievances presented by employee
G4-12	Supply chain description	33-37	Building Partnerships
G4-13	Significant changes during the reporting period	-	-
			No significant changes during the reporting period
G4-14	Report how precautionary approach is addressed	12-19 33-37	Building Green, Building Partnerships
G4-15	External charters, principles, or other initiatives	32	Memberships & Awards
G4-16	Memberships of associations and advocacy organisations	38	Memberships & Awards
<b>Identified Material Aspects and Boundaries</b>			
G4-17	Entities included in the organisation's consolidated financial statements	2	About This Report
			Also refer to Wheelock and Company's 2016 Annual Report: <a href="http://www.wheelockcompany.com/investors/2016/WAC_AR_2016_E.pdf">http://www.wheelockcompany.com/investors/2016/WAC_AR_2016_E.pdf</a>
G4-18	Process for defining report content and aspect boundaries	8-11	Solid Foundation
G4-19	List of material aspects	11	Solid Foundation

GRI Aspect and Indicator	Page(s)	Section Reference	Remarks
G4-20	Aspect boundary within the organisation for each material aspect	41	List of Material Issues and Their Boundaries
G4-21	Aspect boundary outside the organisation for each material aspect	41	List of Material Issues and Their Boundaries
G4-22	Effect of any restatements of information provided in previous reports	-	-
G4-23	Significant changes from previous reporting periods in scope/aspect boundaries	-	-
			No significant changes during the reporting period
<b>Stakeholder Engagement</b>			
G4-24	Stakeholder groups engaged	10	Solid Foundation
G4-25	Basis of identification and selection of stakeholders	10	Solid Foundation
G4-26	Stakeholder engagement approach and frequency	10-11	Solid Foundation
G4-27	Key topics and concerns raised by stakeholders and the organisation's response	10-11	Solid Foundation
<b>Report Profile</b>			
G4-28	Reporting period	2	About This Report
G4-29	Date of most recent previous report	-	-
			This is the second joint CSR Report of WAC, WPL and HPML. The first joint CSR Report was published in September 2016
G4-30	Reporting cycle	2	About This Report
			Annual
G4-31	Contact details of the companies	2	About This Report
G4-32	GRI 'in accordance' option chosen	2	About This Report
			Core
G4-33	External assurance	57	Verification Statement
			HKQAA verification statement on page 57
<b>Governance</b>			
G4-34	Governance structure	8	Solid Foundation
			Wheelock and Company's 2016 Annual Report, pages 24 to 36 ( <a href="http://www.wheelockcompany.com/investors/2016/WAC_AR_2016_E.pdf">http://www.wheelockcompany.com/investors/2016/WAC_AR_2016_E.pdf</a> )
<b>Ethics and Integrity</b>			
G4-56	Describe the organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics	8, 20-24, 33-37	Solid Foundation, Building Teams, Building Partnerships
			- All employees are given a copy of <i>Code of Conduct</i> to accept and sign during orientation - Regular reminders are sent to vendors and business partners about refraining from gifts and offerings

**Specific Standard Disclosures**

Environmental	Page(s)	Section Reference	Remarks
<b>Materials</b>			
DMA <sup>1</sup>	12, 19	Building Green	
G4-EN1	Materials used by weight or volume	50-51	Data Tables
<b>Energy consumption</b>			
DMA	12, 18	Building Green	
G4-EN3	Energy consumption within organisation	50-51	Data Tables
G4-EN5	Energy intensity	50-51	Data Tables
<b>Emissions</b>			
DMA	12, 18	Building Green	
G4-EN15	Direct GHG emissions (scope 1)	50-51	Data Tables
G4-EN16	Energy indirect GHG emissions (scope 2)	50-51	Data Tables
G4-EN17	Other indirect GHG emissions (scope 3)	50-51	Data Tables
G4-EN18	GHG emissions intensity	50-51	Data Tables
<b>Waste</b>			
DMA	12, 19	Building Green	
G4-EN23	Total weight of waste by type and disposal method	50-51	Data Tables
<b>Compliance</b>			
DMA	12, 14	Building Green	WPL goes beyond compliance by requesting that contractors follow BEAM Plus guidelines for all construction projects
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	-	-
<b>Supplier Environmental Practices</b>			
DMA	33, 35	Building Partnerships	
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	-	-
<b>Sustainable Building Development and Certification</b>			
DMA	14-17	Building Green	
CRE8	Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment	14-15	Building Green

<sup>1</sup> Disclosure of Management Approach

Social - Labour Practices and Decent Work	Page(s)	Section Reference	Remarks
<b>Recruitment and Staff Turnover</b>			
DMA	20-22	Building Teams	
G4-LA1	Total number and rate of new employee hires and employee turnover by age group, gender and region	52	Data Tables
<b>Occupational Health and Safety</b>			
DMA	24	Building Teams	
G4-LA6	Types of injury and rates of injury, occupational diseases, lost days and absenteeism, and number of work related fatalities by region and gender	53	Data Tables
<b>Employee Training and Career Development</b>			
DMA	22	Building Teams	
G4-LA9	Average hours of training per year per employee, by gender and by employee category	54	Data Tables
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	54	Data Tables
<b>Equal Opportunities</b>			
DMA	23	Building Teams	
G4-LA12	Composition of governance bodies and breakdown of employees by indicators of diversity	55	Data Tables
<b>Supplier Labour Practices</b>			
DMA	35	Building Partnerships	
G4-LA14	Percentage of new suppliers that were screened using labour practices criteria	-	-
<b>Labour Practices Grievance Mechanisms</b>			
DMA	9, 23	Solid Foudation, Building Teams	Wheelock has whistleblowing policy
G4-LA16	Number of grievances about labour practices filed, addressed and resolved through formal grievance mechanisms	-	-
<b>Labour Practices Grievance Mechanisms</b>			
G4-LA16	Number of grievances about labour practices filed, addressed and resolved through formal grievance mechanisms	-	-

100% of WPL's suppliers were screened during tendering process which involves criteria for labour practices, health and safety and human rights

No grievances reported in the reporting year

Human Rights		Page(s)	Section Reference	Remarks
<b>Non-discrimination</b>				
DMA		21 & 23, 35	Building Teams, Building Partnerships	
G4-HR3	Total number of incidents of discrimination and corrective actions taken	23	Building Teams	No incident of discrimination in the reporting year
<b>Society</b>				
<b>Community Engagement &amp; Investing in Local Communities</b>				
DMA		25-32	Building Communities	
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programmes	-	-	
<b>Anti-corruption</b>				
DMA		9	Solid Foundation	
G4-SO5	Confirmed incidents of corruption and actions taken	-	-	No incident of corruption in the reporting year
<b>Product Responsibility</b>				
<b>Customer Satisfaction</b>				
DMA		36-37	Building Partnerships	
G4-PR5	Results of surveys measuring customer satisfaction	36-37	Building Partnerships	
<b>Customer data privacy</b>				
DMA		37	Building Partnerships	
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	-	-	No substantiated complaint regarding customer privacy or loss of customer data in the reporting year
<b>Compliance of products &amp; services</b>				
DMA		36	Building Partnerships	
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	-	-	No non-compliance of laws and regulations concerning the provision and use of products in the reporting year

## 2016 HKEx ESG Guide

A. Environmental		Page(s)	Section Reference
<b>A1 Emissions</b>			
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	12-19	Building Green
A1.1	The types of emissions and respective emissions data	50-51	Data Tables
A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity	50-51	Data Tables
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity	-	-
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity	-	-
A1.5	Description of measures to mitigate emissions and results achieved	18-19	Building Green
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives, and results achieved	19	Building Green
<b>A2 Use of Resources</b>			
General disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	12-19	Building Green
A2.1	Direct and/or indirect energy consumption by type (eg. electricity, gas or oil) in total (kWh in '000s) and intensity (eg. per unit of production volume, per facility)	50-51	Data Tables
A2.2	Water consumption in total and intensity (eg. per unit of production volume, per facility)	50-51	Data Tables
A2.3	Description of energy use efficiency initiatives and results achieved	18	Building Green
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	19	Building Green
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	-	-
<b>A3 The Environment and Natural Resources</b>			
General disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources	12-19	Building Green
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	12-19	Building Green

B. Social		Page(s)	Section Reference
<b>B1 Employment</b>			
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	20-24	Building Teams
B1.1	Total workforce by gender, employment type, age group, and geographical region	52	Data Tables
B1.2	Employee turnover rate by gender, age group and geographical regions	52	Data Tables
<b>B2 Health and Safety</b>			
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	20-24	Building Teams
B2.1	Number and rate of work-related fatalities	53	Data Tables
B2.2	Lost days due to work injury	53	Data Tables
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	20-24	Building Teams
<b>B3 Development and Training</b>			
General disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	22	Building Teams
B3.1	The percentage of employees trained by gender and employee category (eg. senior management, middle management)	54	Data Tables
B3.2	The average training hours completed per employee by gender and employee category	54	Data Tables
<b>B4 Labour Standards</b>			
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	33-37	Building Partnerships
B4.1	Description of measures to review employment practices to avoid child and forced labour	35	Building Partnerships
B4.2	Description of steps taken to eliminate such practices when discovered	-	-

B. Social		Page(s)	Section Reference
<b>B5 Supply Chain Management</b>			
General disclosure	Policies on managing environmental and social risks of the supply chain	33-37	Building Partnerships
B5.1	Number of suppliers by geographical region	56	Data Tables
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	33-37	Building Partnerships
<b>B6 Product Responsibility</b>			
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	36-37	Building Partnerships
B6.1	Percentage of products subject to recalls for safety and health reasons	-	-
B6.2	Number of products and service related complaints received and how they are dealt with	36-37	Building Partnerships
B6.3	Description of practices relating to observing and protecting intellectual property rights	-	Not material
B6.4	Description of quality assurance process and recall procedures	36	Building Partnerships
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	37	Building Partnerships
<b>B7 Anti-corruption</b>			
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	9	Solid Foundation
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	9	Solid Foundation
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	9	Solid Foundation
<b>B8 Community Investment</b>			
General disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	25-32	Building Communities
B8.1	Focus areas of contribution (eg. education, environmental concerns, labour needs, health, culture, sport)	25-32	Building Communities
B8.2	Resources contributed (eg. money or time) to the focus area	56	Data Tables

## Data Tables

Indicator	Unit	Year	
<b>ENVIRONMENTAL PERFORMANCE</b>			
<b>WAC and WPL Offices in Wheelock House</b>		<b>2016</b>	<b>2015</b>
Gross Floor Area (GFA)	m <sup>2</sup>	4,978	4,948
<b>Materials</b>			
Paper used	Tonnes	8.3	9.6
<b>Energy Consumption</b>			
Total electricity purchased	gigajoules (GJ)	1,124	1,135
Total electricity purchased	'000 kilowatt hours (kWh)	312	315
Energy (electricity) intensity per unit of area	kWh/m <sup>2</sup> /year	63	64
Energy (electricity) intensity per employee	kWh/employee/year	1,051	1,164
<b>GHG Emissions</b>			
Direct GHG emissions (Scope 1)	CO <sub>2</sub> e tonnes	0	0
Energy indirect GHG emissions (Scope 2) <sup>Note 1</sup>	CO <sub>2</sub> e tonnes	244	249
Other indirect GHG emissions (Scope 3)	CO <sub>2</sub> e tonnes	153	164
Total GHG emissions (Scope 1, 2 and 3)	CO <sub>2</sub> e tonnes	397	413
Emissions intensity (Scope 1, 2 & 3) per unit of area	kg CO <sub>2</sub> e/m <sup>2</sup> /year	80	83
Emissions intensity (Scope 1, 2 & 3) per employee	tonnes CO <sub>2</sub> e/employee/year	1.3	1.5
<b>Waste</b>			
Total waste to landfill	Tonnes	35.3	35.2
Total waste recycled	Tonnes	4.1	2.9
<b>by type</b>			
Paper	Tonnes	4.1	2.8
Plastic	Tonnes	0.01	0.03
Aluminium	Tonnes	0.004	0.02
Proportion of total waste recycled	%	10	8
Waste intensity per employee	kg/employee/year	119	130

Construction Sites <sup>Note 3</sup>		2016	2015	2014
Number of construction sites covered	no. of sites	16	17	14
Total Construction Floor Area (CFA) of sites covered	m <sup>2</sup>	976,661	944,111	836,991
<b>Materials</b>				
Aluminium	Tonnes	135	207	130
Bricks	Tonnes	9,624	1,781	12,579
Cement	Tonnes	6,611	1,813	4,081
Cement mortar	Tonnes	154	1,235	400
Concrete	m <sup>3</sup>	250,277	222,818	288,877
Glass	Tonnes	2,208	2,232	81
Joint steel	Tonnes	3,605	18,328	201
Reinforcing steel bars	Tonnes	46,285	60,160	47,164
Sand	Tonnes	6,535	9,175	1,313
Stones	Tonnes	6	2,475	63,282
Timber	Tonnes	784	2,086	1,694
<b>Energy Consumption</b>				
Total electricity purchased <sup>Note 1</sup>	GJ	17,215	19,729	11,803
Total electricity purchased <sup>Note 1</sup>	'000 kWh	4,782	5,480	3,279
Total diesel consumption	litres	4,788,135	3,715,604	4,556,692
Total diesel consumption in gigajoules <sup>Note 2</sup>	GJ	189,610	147,138	180,445
Total energy consumption (electricity + diesel)	GJ	206,826	166,867	192,248
Energy intensity per unit of CFA	kWh/m <sup>2</sup> /year	4.9	5.8	3.9
<b>Water</b>				
Total water purchased	m <sup>3</sup>	275,729	236,941	251,270
Water intensity per unit of CFA	m <sup>3</sup> /m <sup>2</sup>	0.3	0.3	0.3
<b>GHG Emissions</b>				
Direct GHG emissions (Scope 1)	CO <sub>2</sub> e tonnes	0	0	0
Energy indirect GHG emissions (Scope 2) <sup>Note 1</sup>	CO <sub>2</sub> e tonnes	2,964	3,745	2,160
Other indirect GHG emissions (Scope 3)	CO <sub>2</sub> e tonnes	21,935	11,538	13,226
Total GHG emissions (Scope 1, 2 & 3)	CO <sub>2</sub> e tonnes	24,899	15,283	15,386
Emissions intensity (Scope 1, 2 & 3) per unit of CFA	kg CO <sub>2</sub> e/m <sup>2</sup>	25.49	16.19	18.38
<b>Waste</b>				
Total waste to landfill	Tonnes	52,844	27,315	11,690
Total waste recycled	Tonnes	15,306	78,440	10,634
<b>Breakdown of recycled waste by type</b>				
Aluminium	Tonnes	199	N/A	N/A
Paper	Tonnes	6	10	7
Plastic	Tonnes	1	7	0
Steel	Tonnes	12,060	18,396	7,464
Concrete	Tonnes	2,292	59,943	2,165
Wood	Tonnes	749	84	998
Proportion of total waste recycled	%	22	74	48
Waste intensity per unit area	kg/m <sup>2</sup> /year	54	29	14

WORKFORCE (data covers WAC, WPL and HPML)					
Total workforce		2016		2015	
Direct employees	no. of people	418		430	
Sub contracted construction workers	no. of people	70,204		49,215	
Direct employees by employment contract and gender		Male	Female	Male	Female
Permanent contract	no. of people	216	189	230	191
Fixed term contract	no. of people	11	2	8	1
Temporary contract	no. of people	0	0	0	0
Permanent employees by employment type		Male	Female	Male	Female
Full-time	no. of people	227	191	238	192
Part-time	no. of people	0	0	0	0
Direct employees by age group and gender					
New hires by age group and gender (total number of people)		Male	Female	Male	Female
Below 30	no. of people	14	23	12	13
30-50	no. of people	25	14	45	27
Above 50	no. of people	9	2	21	2
New hire rate, by age group and gender		Male	Female	Male	Female
Below 30	%	78	70	55	37
30-50	%	17	10	29	20
Above 50	%	15	9	36	11
Staff turnover by age group and gender (total number of people)		Male	Female	Male	Female
Below 30	no. of people	11	11	3	4
30-50	no. of people	20	20	13	24
Above 50	no. of people	6	1	11	1
Staff turnover rate, by age group and gender		Male	Female	Male	Female
Below 30	%	61	33	14	11
30-50	%	13	15	8	18
Above 50	%	10	4	19	5

OCCUPATIONAL HEALTH AND SAFETY							
Work-related injuries and fatalities		2016		2015			
		Male	Female	Male	Female		
Direct employees of WAC, WPL and HPML							
Injuries	no. of people	2	1	2	0		
Fatalities	no. of people	0	0	0	0		
Construction sites (sub-contracted workers)							
Injuries	no. of people	59	6	48	7		
Fatalities	no. of people	0	0	0	0		
Injuries by type							
Injured whilst lifting or carrying	no. of people	9	4	11	2		
Slip, trip or fall on same level	no. of people	17	2	15	3		
Fall of person from height	no. of people	6	0	4	0		
Striking against fixed or stationary object	no. of people	7	0	7	0		
Striking against or struck by moving object	no. of people	5	0	6	0		
Contact with moving machinery or object being machined	no. of people	7	0	0	0		
Trapped in between objects	no. of people	1	0	0	0		
Injured by hand tool	no. of people	2	0	2	0		
Others	no. of people	5	0	3	2		
Injury and fatality rate		2016		2015			
Direct employees of WAC, WPL and HPML							
Injury rate	per 1,000 workers	7.18		4.7			
Fatality rate	per 1,000 workers	0		0			
Construction sites (sub-contracted workers)							
Injury rate	per 1,000 workers	0.93		1.1			
Fatality rate	per 1,000 workers	0		0			
Lost days and absenteeism		2016			2015		
Direct employees of WAC, WPL and HPML		Male	Female	Total	Male	Female	Total
Lost day rate	%	0.66	0.02	0.37	N/A	N/A	0.01
Absentee rate	%	2.01	2.52	2.24	N/A	N/A	6.5
Construction sites		Total			Total		
Lost days	no. of days	4,926			8,988		
Lost day rate	%	7.86			N/A		
Absentee days	no. of days	6,018			9,071		
Absentee rate	%	9.6			N/A		

<b>EMPLOYEE TRAINING AND CAREER DEVELOPMENT (WAC,WPL and HPML direct employees only)</b>			
<b>Percentage of total employees trained, by gender</b>		<b>2016</b>	<b>2015</b>
Male	%	49	N/A
Female	%	51	N/A
<b>Percentage of total employees trained, by employee category</b>			
Management	%	65	N/A
Executive or above	%	77	N/A
Officer	%	68	N/A
Clerical/Secretary	%	60	N/A
Construction site workers (direct employees only)	%	25	N/A
<b>Average hours of training by gender</b>			
Male	hours	4.7	4.0
Female	hours	5.6	5.4
<b>Average hours of training by function</b>			
Office staff	hours	6.0	5.5
Site staff	hours	0.4	0.2
<b>Average hours of training by employee category</b>			
Management	hours	8.0	11.5
Executive or above	hours	8.5	6.8
Officer	hours	5.4	5.9
Clerical/Secretary	hours	4.3	2.8
Construction site workers (direct employees only)	hours	0.4	0.2
<b>Percentage of employees receiving regular performance reviews by gender</b>			
Male	%	100	88
Female	%	100	94
<b>Percentage of employees receiving regular performance reviews by category</b>			
Management	%	100	70
Executive or above	%	100	90
Officer	%	100	91
Clerical/Secretary	%	100	100
Construction site workers (direct employees only)	%	100	85

**EQUAL OPPORTUNITIES**

<b>Workforce composition by employee category, age group and gender</b>		<b>2016</b>			<b>2015</b>		
		<b>&lt;30</b>	<b>30-50</b>	<b>50+</b>	<b>&lt;30</b>	<b>30-50</b>	<b>50+</b>
Management	%	0	39	61	0	41	59
Executive or above	%	0	80	20	1	86	13
Officer	%	15	74	11	18	71	11
Clerical/Secretary	%	28	59	13	26	65	9
Construction site workers (direct employees only)	%	2	64	34	2	57	41
<b>Workforce composition by employee category, age group and gender</b>		<b>2016</b>		<b>2015</b>			
		<b>Male</b>	<b>Female</b>	<b>Male</b>	<b>Female</b>		
Management	%	71	29	70	30		
Executive or above	%	51	49	46	54		
Officer	%	50	50	54	46		
Clerical/Secretary	%	28	72	25	75		
Construction site workers (direct employees only)	%	97	3	97	3		
<b>Non-discrimination</b>		<b>2016</b>		<b>2015</b>			
Total number of incidents of discrimination and corrective actions taken	number	0		0			

**SUPPLY CHAIN MANAGEMENT**

Number of suppliers by geographical region		2016	2015
Hong Kong	no. of suppliers	686	N/A
Outside of Hong Kong	no. of suppliers	48	N/A

**COMMUNITY INVESTMENT**

Resources contributed (e.g. money or time) to the focus area		2016	2015
Total donations	HK\$m	43	43
Total volunteer hours	no. of hours	2,189	900
Youth and Education	no. of hours	1,939	N/A
Nature and Environment	no. of hours	47	N/A
Community Betterment	no. of hours	63	N/A
Others	no. of hours	140	N/A

**Notes**

<sup>1</sup> Scope 2 emission factors used: 0.78kgCO<sub>2</sub>e/kwh (Hong Kong Electric) and 0.54kgCO<sub>2</sub>e/kwh (CLP)

<sup>2</sup> Conversion factor for diesel is 39.6MJ/litre

<sup>3</sup> Data of construction sites are collected from main contractors in 16 sites: MOUNT NICHOLSON, 1 Plantation Road, 11 Plantation Road, 77 Peak Road, CAPRI, SAVANNAH, MONTEREY, PENINSULA EAST, ONE HOMANTIN, ISLAND RESIDENCE, KENSINGTON HILL, LOHAS Park Phase 5 Residential Development, LOHAS Park Phase 7 Residential Development, NAPA, Kai Tak Residential Development and 8 Bay East

# VERIFICATION STATEMENT

**Scope of Verification**

Hong Kong Quality Assurance Agency (HKQAA) has been engaged by Wheelock and Company Limited (WAC) to undertake an independent verification for the company's Corporate Social Responsibility (CSR) Report 2016 (referred to as "the Report"). The scope of HKQAA's verification covers the data and information associated with the sustainability performance of WAC, Wheelock Properties (Hong Kong) and Harriman Property Management Limited (herein jointly referred to as "Wheelock") for the period 1st January 2016 to 31st December 2016. The Report depicts Wheelock's commitments, efforts and progress in CSR performance in 2016.

**Level of Assurance and Methodology**

The process applied in this verification was based on the International Standard on Assurance Engagement 3000 (Revised) – "Assurance Engagement Other Than Audits or Reviews of Historical Financial Information" issued by the International Auditing and Assurance Standards Board (ISAE 3000). Our evidence gathering process was designed to obtain a reasonable level of assurance as set out in ISAE 3000 for the purpose of devising the verification conclusion and the extent of this verification process undertaken was provided for the reporting criteria selected i.e. Core Option of the GRI G4 Sustainability Reporting Guidelines, Construction and Real Estate Sector Disclosures and the Environmental, Social and Governance Reporting Guide (ESG Reporting Guide) issued by The Stock Exchange of Hong Kong Limited ("SEHK").

We assessed the disclosure and presentation of the Report and undertook analytical review of:

- the information provided by Wheelock on its reporting and management processes;
- Wheelock's approach to stakeholder engagement and recent outputs;
- current sustainability issues that are critical to Wheelock and are of interest to stakeholders;
- how related data was measured, recorded and reported; and
- the process for gathering and consolidating the specified key performance data and sample checking the data consolidation.

Also, we performed testing on a selective basis of data and information to assure that such had been appropriately measured, recorded, collated and reported.

**Independence**

Wheelock is responsible for the collection and presentation of the information presented. HKQAA was not involved in calculating, compiling, or in the development of the Report. Our verification activities are independent from Wheelock.

**Conclusion**

On the basis of the results of our verification undertaken, it is the opinion of HKQAA's verification team that:

- the Report outlines Wheelock's sustainability performance in a material, responsive, fair and balance manner;
- the data and information stated in the Report are reliable and complete; and
- the Report has been prepared in accordance with the reporting criteria.

Wheelock has demonstrated a robust and effective process for identifying and prioritizing material issues. The materiality assessment process considered inputs from a wide range of sources, including the expectations of internal and external stakeholders, policies and regulations, local environments and overall sustainability context of the company. The Report covers Wheelock's CSR strategies with objectives and targets defined, and it provides a good overview of performance including upstream and downstream operations. The Report reflects truthfully Wheelock's CSR commitments, efforts and progress of performance in 2016.

**Signed on behalf of Hong Kong Quality Assurance Agency**

**Connie Sham**  
Head of Audit  
May 2017



**WHEELLOCK**

*Founded 1857*