

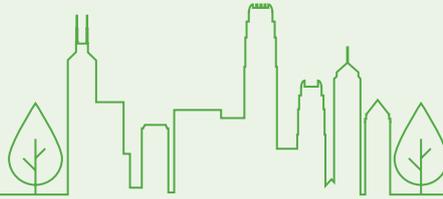


WHEELOCK

Founded 1857

CSR Report

**This Report presents Wheelock's sustainability efforts in 2017,
and is available in electronic format.**



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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 third annual CSR Report covering all three companies (jointly referred to as “Wheelock” or “the Company” in this Report).

Disclosures in this Report cover 20 material issues, which were identified through stakeholder engagement. The Report is divided into five chapters:

- Chapter 1 **Sustaining Good Values** — Provides an overview of our business model and core values which are guided by a solid foundation of integrity, and are strategically driven by the Board to maintain good corporate governance and accountability to stakeholders.
- Chapter 2 **Building for Sustainability** — Provides key performance updates and highlights how we combine modern methods of construction with environmentally-considerate design.
- Chapter 3 **Team Wellbeing** — An in-depth look at how we are creating exciting, long-term opportunities for all employees, applying family values and innovative thinking to drive excellence across the team.
- Chapter 4 **Thriving Communities** — Provides highlights of how our community investment initiatives provide support to the Hong Kong community in a lasting and meaningful way.
- Chapter 5 **Collaborating with Our Value Chain and Customers** — Provides an overview of how we develop strong partnerships across the value chain to improve business and sustainability performance, while exceeding customer expectations.

Report 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, The Wharf (Holdings) Limited, Wharf Real Estate Investment Company Limited and Wheelock Properties (Singapore) Limited are not included in the scope of this Report. These three companies produce their own CSR reports.

There have been no changes from previous reporting periods in the scope of this Report.

Reporting Period

Unless otherwise stated, all information and data disclosed in this Report covers the period from 1 January to 31 December 2017. Historical data is also included for comparison where applicable.

Reporting Standard

This Report has been prepared in accordance with GRI Standards: Core option, as well as the GRI G4 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. The GRI and HKEX ESG Content Index can be found in the GRI Standards and HKEx ESG Reporting Guide Content Indexes section on pages 55 to 60.

Material Topics

Material topics reflect the most significant impacts of our business and the issues on which our stakeholders expect us to manage and report. Every year, we conduct an extensive materiality assessment exercise through a third-party report consultant to identify issues that are material to our business. In 2017, we engaged with three internal and three external stakeholders with most representation, through in-depth telephone interviews to review our material issues and ensure our reporting remains relevant. We also sought advice from top management to confirm that 20 material issues were still applicable, and we continue to manage and report on these issues. To read more about the material topics, please see the Material Topics and Boundaries section on page 47.

Building for Sustainability

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

Team Wellbeing

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

Thriving Communities

- Community engagement
- Investing in local communities

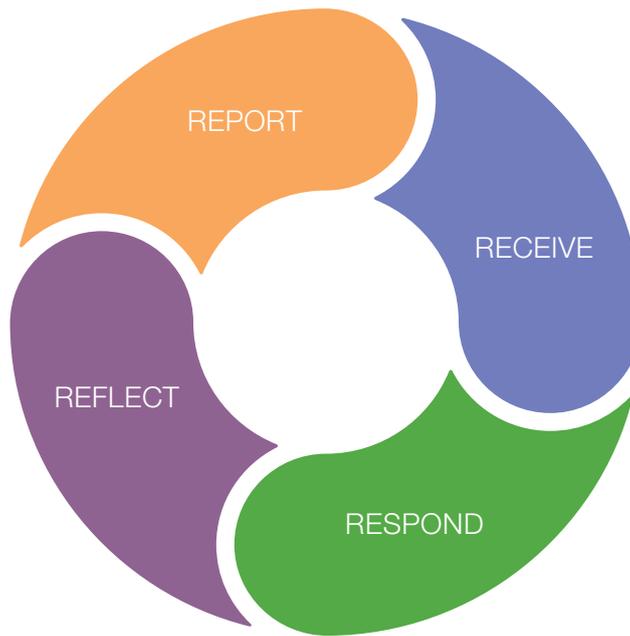
Collaborating with Our Value Chain and Customers

- Compliance
- Compliance of products and services
- Supplier environmental practices
- Supplier labour practices
- Customer satisfaction
- Customer personal data privacy
- Anti-corruption
- (included in the Sustaining Good Values chapter)*

Engaging Stakeholders

Our business depends on strong relationships with stakeholders, which are built on trust and transparency. On our path towards becoming a sustainable business, we believe it is vital to engage stakeholders in open and honest dialogue through two-way communication. To ensure our action and reporting continue to reflect business and stakeholder priorities, we actively engage key stakeholders — employees, customers, business partners, community partners, government and regulators, investors and the media — through regular meetings, calls, reports, events and other easily accessible platforms, such as our newly established social media platforms, Wheelock Living Facebook page, Club Wheelock’s Instagram and Wheelock’s LinkedIn.

Stakeholder Engagement Feedback Loop



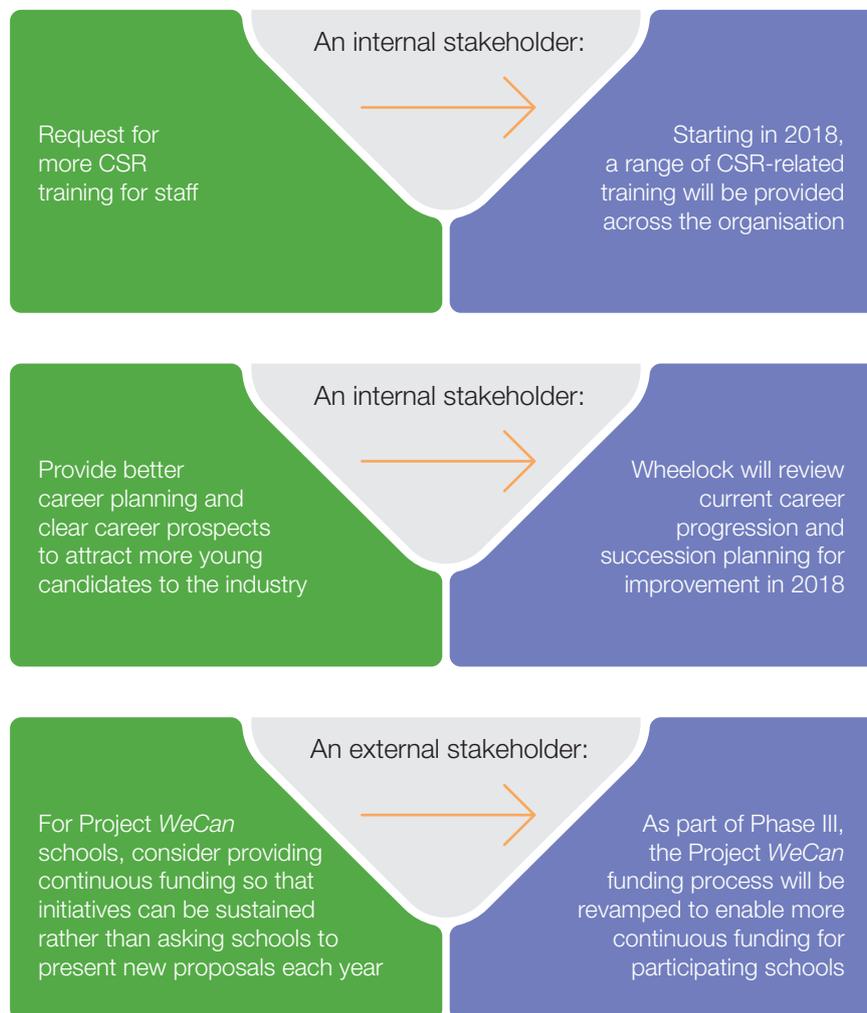
Stakeholder Engagement

We engage with stakeholders through a range of channels and processes depending on the stakeholder group, but typical channels include investor and analyst meetings, customer feedback surveys, property management activities, tenant meetings, industry forums and events, social media accounts on Facebook and LinkedIn, and the Wheelock websites.

Feedback and input from shareholders, customers, employees, suppliers and the community are collected through these channels, which are effective platforms for Wheelock to identify opportunities for improvement.

Stakeholders' Suggestions and Wheelock's Response

Several recommendations arose from the stakeholder engagement exercise. The suggested recommendations and our responses are outlined below:



Individual stakeholders were selected based on their relationship to and interest in the Company, and their expertise in the property sector and CSR issues.

Assurance

Hong Kong Quality Assurance Agency (HKQAA) has provided third-party verification for this Report. Their assurance statement can be found on page 54.

Contact

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

 Club Wheelock Instagram and  Mobile App

 Wheelock Living Facebook page  QR code

 LinkedIn: Wheelock and Company Limited, Wheelock Properties

CHAIRMAN'S MESSAGE

For Wheelock, corporate social responsibility ("CSR") is essentially making the right decisions that shape our present and future. Our approach to CSR is based on shared responsibility, creating a sustainable model in a win-win ecosystem that considers its resilience in the context of global issues. Through innovation, integrity and collaboration we are future-proofing our business and moving towards sustainability.

As a constituent of the Hang Seng Corporate Sustainability Benchmark Index and an industry leader, we aim to drive positive change as we progress along on our journey. We aim to draw a balance between our values and our actions as illustrated in the following pages of this Report.

We combine new methods of construction with environmentally considerate design to deliver innovative urban environments that encourage community wellness and connectivity. In doing so, we take reference from the climate change targets set by the Paris Agreement and the Hong Kong Government. Notably, 8 Bay East achieved LEED Platinum precertification and BEAM Plus Provisional Gold, and our carbon footprint intensity on construction sites has decreased by 46% since 2015. This year, we enhanced our ability to track waste on construction sites through a newly developed construction waste database. We also set targets to decrease energy consumption at our headquarters by 10%, and to decrease greenhouse gas emissions on construction sites by 3% by 2020.

We also aim to foster a caring culture and support the wellbeing of our community by nurturing partnerships on art and youth initiatives. Firstly, we support local, young talented interior design graduates in the community to gain from international experiences and to hone their skills through the Wheelock Interior Design Internship Program (WIND), which has been expanded to four participating schools this year. Secondly, Project *WeCan* continues to connect new combinations of businesses with community partners and is empowering over 50,000 under-resourced secondary school students, demonstrating our ongoing support for the local community. Thirdly, the National Geographic Wheelock Youth Photo Competition, which offers an international platform for emerging photographers, received over 3,500 entries from 13 countries and regions.

We are committed to creating opportunities in the long-term for all employees, applying innovative thinking to drive excellence across our team. This year, we have lengthened our full-paid paternity leave. Our MPF contributions also go beyond the minimum statutory requirements. Most importantly, we continue to invest in our team. We have increased our focus on training, development and employee wellness, and provided over 2,600 of training hours this year, averaging 5.5 hours per employee. We also installed air purifiers at the headquarters to further enhance indoor air quality.

Regular engagement with stakeholders ensures that our approach to CSR remains relevant and consistent across operations, and continues to meet their expectations. We aim to develop long-term, mutually beneficial relationships with key stakeholders and we do this by listening and responding to stakeholder feedback. We have already started to see benefits from this approach, particularly from an increase in community liaison and engagement through our newly launched social media platforms.

I am confident that we are making good progress on the issues covered in this Report, but there is more to do across all areas. I welcome your views on any aspect of our CSR approach, whether positive or negative. It is from feedback and input from all our stakeholders that inspires us to continue to identify solutions, gaps and opportunities for improvement along our CSR journey.

Douglas C K Woo

Chairman

Hong Kong, June 2018

2017 PROGRESS AT A GLANCE



Top 5
for residential sales
in Hong Kong



Constituent member of the
**Hang Seng Corporate
Sustainability
Benchmark Index**



LEED® Platinum
precertification &
BEAM Plus
Provisional **Gold**
for 8 Bay East



Low-carbon Office Operation
Programme (LOOP) certification
by WWF Hong Kong for
6th consecutive year



**Saved
72,000**
plastic bin liners at HQ



**Electricity
consumption**
↓ 6.6% at HQ &
↓ 24%
on construction sites



Waste intensity
↓ 65.6% at HQ &
↓ 26.7%
on construction sites



**Carbon footprint
intensity**
on construction sites
↓ 46%



Water intensity
on construction sites
↓ 14.3%



Swim for Millions raised
HK\$19 million
since 2013



50,000+
under-resourced
students benefitting from
Project WeCan



National Geographic Wheelock
Youth Photo Competition
received over
3,500 entries
from 13 countries/regions

SUSTAINING GOOD VALUES

2017 Financial Highlights

\$26 Billion

Record high in HK property transactions
(↑ 18% from 2016)



Revenue

↑ 17%

Operating profit

↑ 13% y-o-y



7%

market share



Over **95%**

of sell-through rate on launched residential units



12%

WAC-own net gearing, solid financial position



Wheelock's Financial Performance in 2017¹

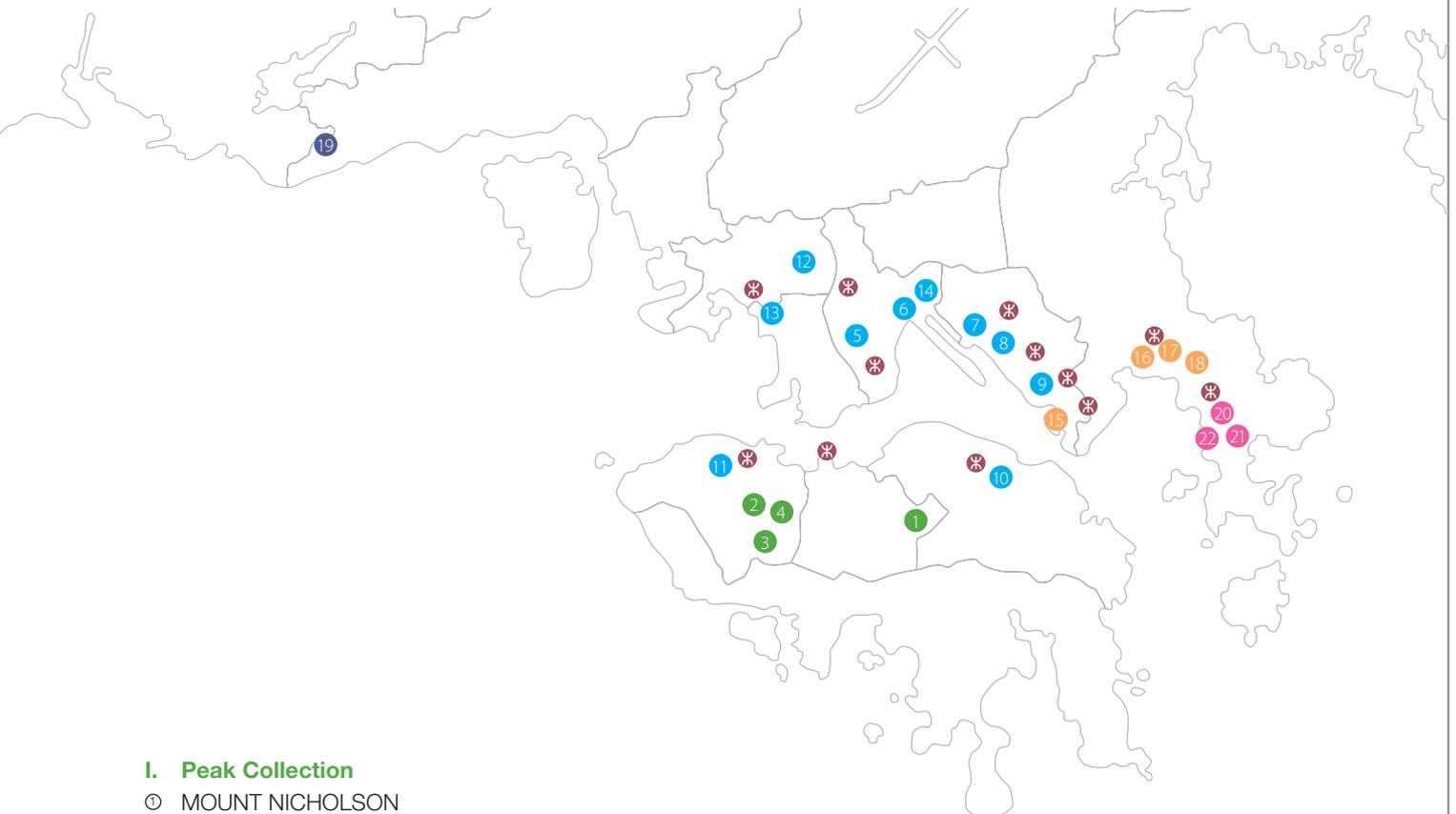
	2017 HK\$ Million	2016 HK\$ Million	Change
REVENUE	70,953	60,579	+ 17%
OPERATING PROFIT	23,857	21,135	+ 13%
NET DEBT	57,717	50,977	+ 13%
TOTAL EQUITY	387,823	349,520	+ 11%
NET DEBT TO TOTAL EQUITY	14.9%	14.6%	+ 0.3%pt

¹ Financial data covers all WAC subsidiaries, including those outside the scope of this Report. More information is available in the Company's 2017 Annual Report, pages 6 to 7.

Portfolio Overview

2017 Property Development, Sales and Marketing Highlights

- Urban focused and diversified Hong Kong property land bank spans over 7.9 million square feet (as of 9 Mar 2018)
- Three new residential sites acquired: Cheung Sha Wan (Nov 2017), Kowloon Tong (Jan 2018) and Kai Tak (Mar 2018)
- Diverse product offerings: Peak Collection, MTR Connectivity, Waterfront Living, Suburban Houses and O'East Portfolio
- 19 site operations (an increase from 16 sites in 2016)



I. Peak Collection

- ① MOUNT NICHOLSON
- ② 1 Plantation Road Residential Project
- ③ 77 Peak Road Residential Project
- ④ Mountain Court Residential Project

II. MTR Connectivity

- ⑤ ONE HOMANTIN
- ⑥ OASIS KAI TAK
- ⑦ Kowloon Godown
- ⑧ 8 Bay East
- ⑨ Kwun Tong Residential Project
- ⑩ ISLAND RESIDENCE
- ⑪ KENSINGTON HILL
- ⑫ Kowloon Tong Residential Project
- ⑬ Cheung Sha Wan Residential Project
- ⑭ Kai Tak Residential Project

III. Waterfront Living

- ⑮ Yau Tong Bay
- ⑯ CAPRI
- ⑰ SAVANNAH
- ⑱ MONTEREY

IV. Suburban Houses

- ⑲ NAPA

V. O'East Portfolio

- ⑳ LOHAS Park Phase 5
- ㉑ LOHAS Park Phase 7
- ㉒ LOHAS Park Phase 9

Corporate Governance

Wheelock is committed to the highest standards of corporate governance. Our vision to achieving long-term sustainable and balanced development begins at the top, and our corporate values are strategically driven by the Board to maintain good corporate governance and accountability to stakeholders.

At the core of our business, we aim to not only create high value living and working spaces for customers, we are also adamant about our responsibility and support for the environment, employees and the community. Our *Code of Conduct*, *Statement of Business Integrity*, *Equal Opportunity Policy*, *Grievance Procedures* and *Policy on Non-disclosure of Company Internal Information* are set at the Group level to guide management. WPL and HPML each have their own *Environmental Policy* and *Environmental Guide*, which outline actions in specific areas relevant to their businesses.

Governance Structure

The Group’s current corporate governance structure and practices, approach to risk management and internal control framework are detailed in the *Corporate Governance Report* in our 2017 Annual Report.

Anti-Corruption

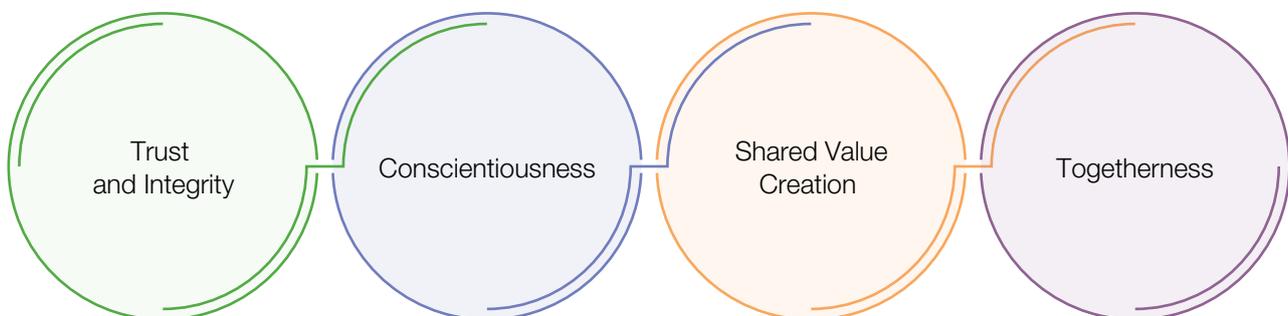
Wheelock has zero tolerance for corruption and bribery in any form. Our *Code of Conduct* clearly outlines what could be construed as unacceptable behaviour and the applicable laws, regulations and industry standards that must be adhered to. All employees are given a copy of the *Code of Conduct* to accept and sign during their induction. When there are changes to the law or when new laws are enacted, the Personnel and Administration department will issue new guidelines or update our policies, then circulate the files to each department with a sheet of acknowledgement receipt.

We have established *Whistleblowing Policy & Procedures* to ensure employees at all levels are aware of and abide by our *Code of Conduct*. Our transparent and confidential whistleblowing process provides a channel for all officers and employees of the Group, as well as its contractors and their staff, to report complaints and concerns regarding suspected malpractice, in strict confidence and without fear of retribution, directly to the Group’s Company Secretary. Further details about our zero-tolerance approach to corruption can be found in the *Whistleblowing Policy & Procedures* available online on the Company’s website.

In 2017, 69 employees underwent anti-corruption training. We also held talks conducted by the ICAC and circulated emails regarding staff gifts before festive seasons. There were no cases of corruption reported in 2017.

Our CSR Approach and Management

For Wheelock, CSR is essentially making the right decisions that shape our present and future. To do this, we proactively explore issues that create a lasting, positive impact and align with four guiding principles:



We are committed to consistent improvement and to see CSR continue to grow throughout our company culture. A CSR Committee guides our corporate strategy, and is led by our Chairman and a group of senior management who play an integral role in identifying and managing ESG topics and their impacts, risks, and opportunities, including the implementation of due diligence processes.

Throughout Wheelock, we strive to go beyond compliance and the Company was not subject to any significant fines or non-monetary sanctions for non-compliance with laws and regulations in 2017.

BUILDING FOR SUSTAINABILITY

As a conscientious developer, Wheelock turns the challenges encountered during planning, design and construction into opportunities to deliver a greener and healthier environment for customers and tenants. Maintaining the foundation of a healthy living and working environment is no small task, but it's one that Wheelock embraces in several important ways.



One HarbourGate

2017 Highlights

At Headquarters²:

Targets:

Energy intensity
decreased by
6.6%



Progress:

We have set a target to reduce energy intensity by 10% by 2020 (compared to 2015) . Our energy intensity for HQ in 2017 has reduced by
16.1%
compared to 2015, ahead of schedule.



Carbon intensity
(Scopes 1, 2 and 3)
decreased by
1.9%



Waste generation
decreased by
64.3%



Waste intensity also
decreased by
65.6%



Green events and pledges:

- Hong Kong Green Building Council — Biz-Green Day
- Hong Kong Green Building Council — Hong Kong Green Shop Alliance
- WWF — Earth Hour



Green awards:

- Low-carbon Office Operation Programme (LOOP)³ Gold
- Hong Kong Green Organization Indoor Air Quality Certificate⁴
- Green Office Awards Labelling Scheme (GOALS)⁵
- Sustainability Achievement of the Year (RICS Award)⁶



² Performance compared to 2016.

³ LOOP was established by WWF-Hong Kong to enable local companies and organisations to be part of the solution to climate change.

⁴ The Hong Kong Green Organisation Certification (HKGOC), led by the Environmental Campaign Committee (ECC) and the Environmental Protection Department (EPD), recognises and benchmarks organisations with substantial achievement in green practices and management.

⁵ The World Green Organisation initiated the Green Office Awards Labelling Scheme (GOALS) in 2013 to support offices and retailers to go green in nine stipulated operational aspects.

⁶ RICS Awards, given by the Royal Institution of Chartered Surveyors of Hong Kong, celebrates outstanding project teams and individuals.

On our construction sites⁷:

Construction Floor Area increased by

18.2%

while energy intensity decreased by

24%



Water intensity decreased by

14.3%



Total carbon footprint intensity decreased by

46%



Waste intensity decreased by

26.7%



Wheelock also recognises its responsibility to lead by example in health and wellness, and as a board member of the Hong Kong Green Building Council and Business Environment Council, Wheelock aims to drive towards greener property development and management in Hong Kong. Since 2012, we have been:

- Collecting environmental performance data on the projects we build and manage
- Refining our data collection methodology
- Improving the communication of key performance indicators and targets to better track and monitor the sustainability of our collective efforts

Environmental Targets

We have established two targets⁸:

At Headquarters:

To reduce energy consumption by

10%

by 2020



On construction sites:

To cut greenhouse gas emissions by

3%

by 2020



We have translated this ambition into actionable items for our design and construction team as well as our supply chain. Setting the target was the first step taken to improve environmental performance. The successful implementation of our common goal has required planning, continuous communication, training and collaboration.

We continually strive to go beyond compliance with relevant laws and regulations that relate to air and greenhouse gas emissions (GHG), discharges into water and land, and generation of hazardous and non-hazardous waste. An *Environmental Policy* and guidelines have been developed by WPL and periodically updated to ensure that the concerns from stakeholders are addressed and that we act in compliance with relevant local environmental laws and regulations.

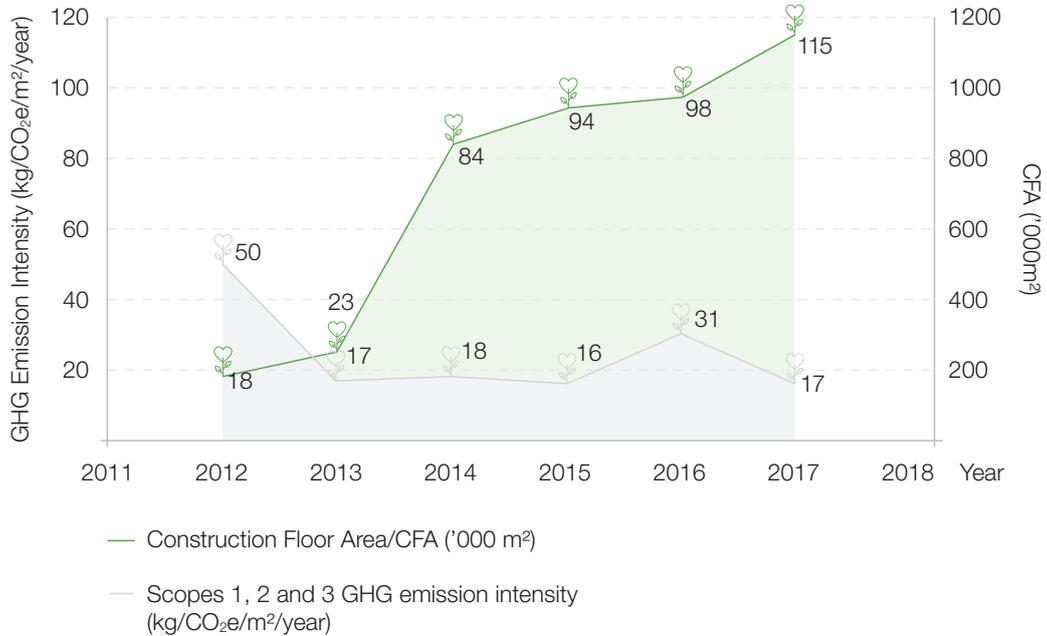
⁷ Performance compared to 2016.

⁸ 2015 as base year.

Environmental Performance

Our environmental performance is monitored through regular reporting and evaluated by management. A Green Committee is tasked with monitoring, and a decrease in nearly all environmental aspects was recorded this year.

Wheelock's Yearly GHG Emissions from 2012 to 2017



Electricity and Waste Reduction Efforts

We are significantly ahead of our energy reduction target. A review of strategies to cut GHG emissions and adhere to our energy reduction target of 10% by 2020 (compared to 2015) included a feasibility study on the replacement of existing T5/T8 fluorescent tubes with T8 LED tubes. Through a phased replacement programme launched at our headquarters in 2017, we have achieved a reduction in electricity usage by 6.6% in 2017 (compared to 2016). Our carbon footprint has reduced by 1.9% in 2017 compared to 2016, while a reduction in energy intensity of 16.1% has been achieved (compared to the base year of 2015).



We have also refined the construction waste audit process and are now recording more accurate waste data. With an increased awareness of our sustainability pledges, our employees are actively practicing actions to Reduce, Reuse and Recycle, which has led to a 65.6% reduction in waste generation. The amount of recycled plastics and aluminium has also grown by 67.2% and 231.5% respectively.

Energy Consumption

Wheelock is committed to continually reducing energy consumption by improving the efficiency of our properties, and by constantly upgrading energy management systems. HPML controls energy consumption in common areas within our portfolio and encourages tenants to participate in energy saving efforts and lifestyles. When needed, HPML also upgrades building service equipment to optimise energy consumption without impacting service quality.

Emissions

Our GHG emissions primarily come from construction sites. Even though we do not have direct control of the operations on construction sites, Wheelock was one of the first property developers in Hong Kong to track and monitor indirect (Scope 3) GHG emissions from construction site activities.

Our strategy to reduce emissions, minimise risk and capitalise on opportunities for improvement involves:

- Exploring green features to be incorporated into buildings to improve environmental performance and end-user wellbeing
- Introducing company-wide sustainability initiatives
- Providing staff education and disseminating green messages about emission reductions opportunities



We also promote environmentally considerate behaviour from business partners, suppliers and customers, and encourage their active involvement in one common goal, to reduce GHG emissions, by:

- Requiring all suppliers and construction contractors to adhere to BEAM Plus criteria for all developments, and LEED criteria for commercial development. These requirements are specified in tendering documents and subsequent contracts
- Conducting monthly site inspections with main contractors, the project team, environmental consultant and other parties to review environmental performance and the effectiveness of necessary measures implemented before and during the commencement of construction works
- Holding monthly meetings to track environmental performance with the data collected, and compare actual with projected performance

Unleaded petrol with 10% fewer carbon emissions compared to diesel was used on one of the construction sites. We also encouraged our contractors to use alternative fuel for mobile and stationary vehicles.

Materials

As demand for sustainable buildings grows, we aim to continually reduce our environmental impact across the supply chain by carefully selecting materials with a low environmental footprint, where possible. We request contractors to use sustainably-sourced timber, regionally-sourced materials with high recycled content, and low volatile organic compounds. This reduces costs, improves efficiency and helps us prepare for potential future resource shortages. We evaluate this approach regularly by taking into consideration construction methods, as well as the availability, quality and cost of materials selected. We also require contractors to be ISO 14001-certified.

HPML has a Green Purchasing Guideline that prescribes how supplies, such as cleaning fluid and paints, should be properly stored and only purchased as required. HPML also prioritises suppliers who can demonstrate that their materials have a minimal environmental impact, and are taking steps to improve the environmental performance of their own businesses.

Waste

Wheelock conveys its goal of reducing construction waste to contractors by indicating this commitment in all tender specifications, regardless of the green building certification level targeted. We proactively hold workshops with the contractors and review the waste reduction performance against the set targets.

With the integration of Building Information Modelling (BIM) in design and construction stages and the preference of pre-fabricated materials, less waste was sent to landfill from construction sites. This year, over 11,000 tonnes of wastes were recycled.

11,000+
tonnes

of wastes recycled



Making Our Offices More Sustainable

Reducing our environmental impact is embedded in the way we work at Wheelock. Regular green office efforts include reducing paper usage, encouraging reduce, reuse and recycling, promoting green habits to save energy and resources, and using eco-friendly products. Our Green Office Committee spearheaded several environmentally considerate office initiatives this year, including:

- Issuing emails to promote office sustainability and green habits
- Reminding teams to use print preview before printing and only print when required
- Setting double-sided printing as default

We involve our staff in a variety of ways to support the achievement of environmental targets. Company-wide green initiatives include:

- Sending e-Christmas cards instead of paper cards (in collaboration with Hong Chi Association)
- Posters and reminders placed around offices encouraging everyone to do their part
- Lai See Reuse and Recycle Programme
- Mooncake Tins Reuse and Recycle Programme
- Participation in the 2017 WWF Earth Hour

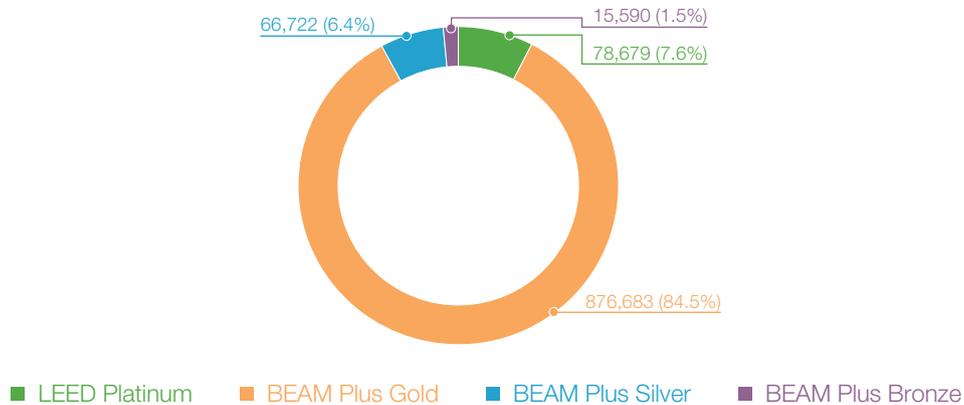
In efforts to continually reduce our reliance on paper products, we are assessing the best, most impactful ways that we can go paper free. We reviewed the feasibility of implementing an electronic tender and payment system, and are considering an adaptation of pre-qualification procedures to become paperless. In the foreseeable future, our tendering and payment will be digitalised to further reduce the use of paper.

We are also purchasing FSC-sourced paper for stationaries/collaterals, minimising paper used by adjusting default printer settings to duplex, reusing single-sided paper, reusing envelopes for internal mail, and using designated recycling boxes.

2017 Green Building Certifications and Awarded Developments

We actively pursue a minimum of BEAM Plus Gold precertification for all buildings, and strive for LEED certification for all commercial properties. For the 15 sites under construction in 2017, Wheelock has achieved BEAM Plus Gold precertification for over 80% of the construction floor area.

Green Building Certifications (Construction Floor Area m²)



Hong Kong Green Building Council – BEAM Plus Certifications

Certification	Awarded Development (2012 – 2017)
Final Gold	The Parkside Residential Development The Austin & Grand Austin Residential Developments One Bay East Commercial Development One HarbourGate Commercial Development
Provisional Gold	MOUNT NICHOLSON Residential Development 77 Peak Road Residential Development CAPRI Residential Development MONTEREY Residential and Commercial Development ONE HOMANTIN Residential Development OASIS KAI TAK Residential Development LOHAS Park Phase 5 Residential Development LOHAS Park Phase 7 Residential Development 8 Bay East Commercial Development
Provisional Silver	NAPA Residential Development KENSINGTON HILL Residential Development ISLAND RESIDENCE Residential and Commercial Development
Provisional Bronze	1 Plantation Road Residential Development

The U.S. Green Building Council – Leadership in Energy and Environmental Design (LEED) Certifications

Certification	Awarded Development
Final Gold	One Bay East One HarbourGate
Pre-certified Platinum	8 Bay East

Case study: Building Hong Kong's First Green, Mixed-Use Community

The 488-hectare area formerly encompassing Kwun Tong and Kowloon Bay, where urban fabric and pedestrian circulation were not a priority, is being revitalised as Kowloon East, the Government's vision for Hong Kong's first green, mixed-use community and the next CBD. These historical neighbourhoods are being rejuvenated with a focus on people, which requires providing mixed-use development, enhancing street level vibrancy, pedestrian connectivity and providing accessible greenery.

Wheelock Properties has been involved in regenerating the once industrial powerhouse of East Kowloon, with the development of commercial projects One Bay East and 8 Bay East, as well as residential project OASIS KAI TAK, which are exemplary of the 'Energizing Kowloon East' initiative. The buildings combined offer a total gross floor area of 149,351m² of office space, 6,043m² of retail space and 45,210m² of residential units. The combined green open space exceeds 7,700m².



The strategic location of One Bay East and 8 Bay East along the waterfront enjoy premium environment but also came with design challenges to support green initiatives and minimise building bulk, and enhance microclimate ventilation effect by opting for a podium-free design. With both BEAM Plus NB V1.1 — Final Gold and LEED Gold certification, One Bay East offers an optimal, high quality working environment which also saves significant energy costs. The desire to maximise the seafront access has given way to the legacy which One Bay East shall leave — an 18-metre-wide landscaped linkage that provides a visual connection to the waterfront from Wai Yip Street, a landscaped thoroughfare for pedestrians accessing the waterfront, and acts as a breezeway to improve local air ventilation. The line of trees provided along Hoi Bun Road enhances the experience at the pedestrian level, in line with the Government's intent to improve the streetscape.

With BEAM Plus provisional Gold and LEED Platinum precertification, 8 Bay East goes beyond the sustainable performance of One Bay East by incorporating wellness in its design DNA. A feasibility study on implementation of wellness features was undertaken in the early phases of design, resulting in the building's unique features such as 165 photovoltaic solar panels integrated on the roof, sterilised UV lamps installed in all air handling units, and nano-silver titanium oxide anti-microbial coating in high touch surfaces⁹ such as all hand railings. These are scientifically proven ways to effectively reduce the spread of viruses and bacteria.

With a BEAM Plus NB V1.2 — Provisional Gold rating, OASIS KAI TAK was the first private residential development to achieve BEAM Plus Gold or above rating in the Kai Tak Development Area. The design of OASIS KAI TAK has considered all aspects of environmental issues and the design has integrated a 5-metre set back along the site boundary, in addition to a 20-metre-wide wind corridor. It has also achieved a significant reduction in the average solar irradiance of all façades, and a permeability of 69% which is higher than the 20% required. OASIS KAI TAK also features a generous availability of daylight (19.2% to 37.9%)¹⁰ in habitable rooms, even at the lowest level of the residential buildings.



⁹ High touch surfaces play an important role in transmitting bacteria and viruses.

¹⁰ 50% higher than required by the Buildings Department, according to the Lighting and Ventilation Requirements — Performance-based Approach where the Vertical Daylight Factor for habitable rooms should be at least 8%.

TEAM WELLBEING



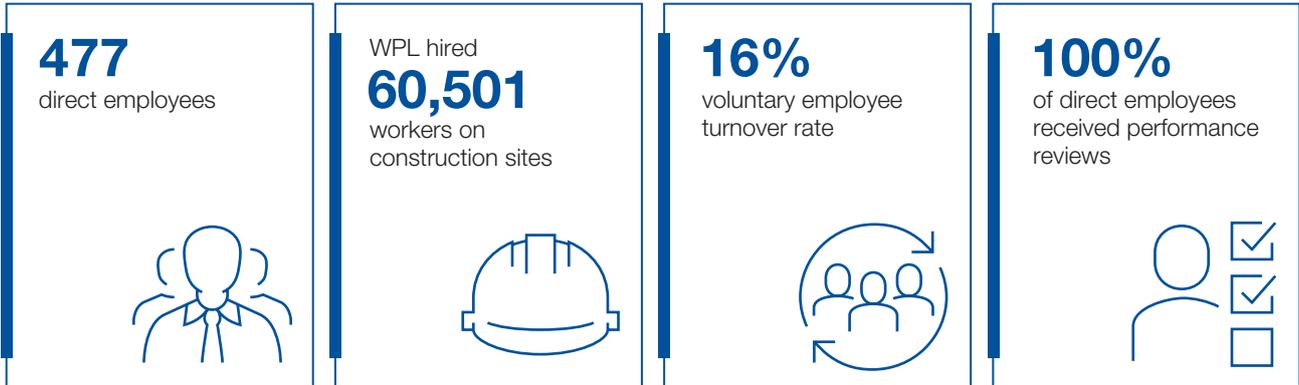
Wheelock is committed to creating exciting, long-term opportunities for all employees, applying family values to drive not only excellence but also a healthy working environment for our team. We aim to be an employer of choice by investing in training and development, offering attractive benefits and focusing on employee engagement that creates a safe and engaging company culture, where people can develop their careers, improve and excel.

The ability to engage and retain employees is critical to overall business performance. Employees who enjoy their work and feel well compensated and valued are more productive, more passionate and more inspired to innovate and deliver exceptional performance. Beyond this, through wellness initiatives, we encourage employees to make healthy lifestyle choices and promote work-life balance.

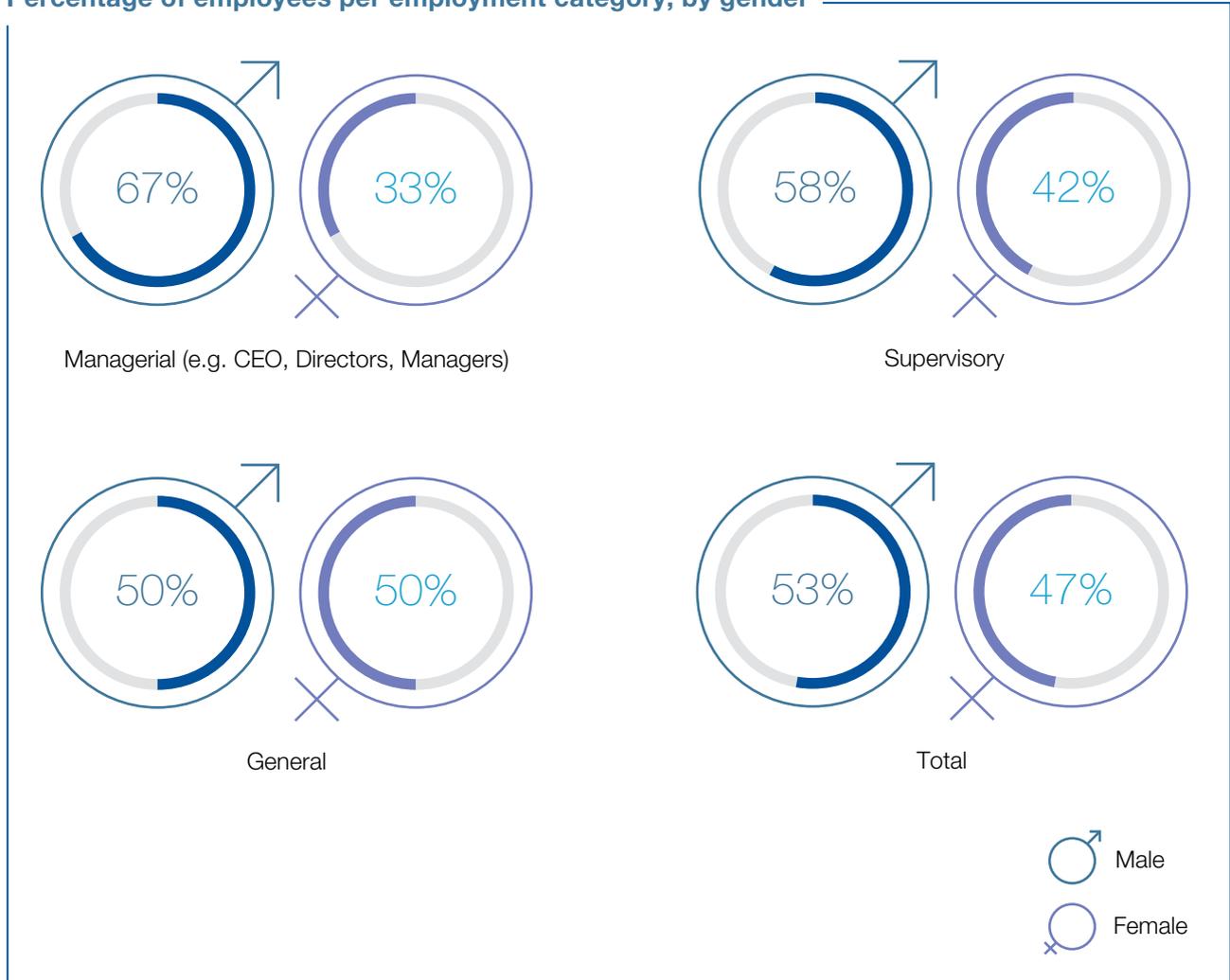
Guided by an *Equal Opportunities Policy*, we try to instil our values and employment practice requirements regarding non-discrimination, talent recruitment and promotion, decent workplace, grievance mechanisms and employee wellbeing for all staff.

About Our Team

Workforce Profile Highlights in 2017



Percentage of employees per employment category, by gender



Attracting and Retaining Talent

We recruit candidates based on their abilities as well as their overall suitability for the job and team. During 2017, with 117 new hires, we directly employed 477 people in our headquarters and across subsidiaries. The voluntary employee turnover rate at WAC, HPML and WPL decreased this year to 16% (2016: 17%), and is well below the industry average, indicating that our employees are satisfied with the Company.

Benefits

Wheelock remains committed to providing meaningful, compliant and competitive employee benefits. We follow the Hong Kong labour legislation – Chapter 57 of the Employment Ordinance, which covers a comprehensive range of employment protection and benefits for employees. We aim to support the physical health, financial wealth and emotional wellbeing of our team through a variety of benefits including:

- Offering a five-day work week for office staff (since 2006)
- Attractive medical insurance
- Exclusive discounts on spending in Harbour City
- New in 2017:
 - special rates on vaccination against influenza
 - up to five days of fully-paid paternity leave (two days more than the statutory three days' leave)

We also reward employees according to their job responsibilities and the market pay trends, with a discretionary annual performance bonus that ties individual performance to organisation-wide achievement. In addition, we ensure that employee MPF contributions go beyond the minimum requirements and can be up to 10%, depending on level of seniority.

Non-Discrimination, Equal Opportunities and Diversity

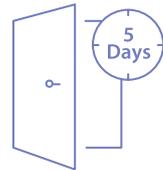
When it comes to hiring new employees, decisions are based on merit and qualifications, regardless of race, colour, national origin, religion, gender, sexual orientation, age, disability, or any other legally protected status.

We embrace diversity and equal opportunities to access a broader talent pool and foster diversity. Guided by an *Equal Opportunities Policy* and a group-wide *Grievance Procedures Policy*, we believe our Company offers a safe and inclusive workplace, allowing everyone to be treated equally no matter their background. We respect human rights and have zero tolerance for discrimination or harassment of any kind.

We have established internal grievance procedures regarding issues or complaints concerning discrimination, harassment, victimisation or vilification within the Company. Every reported incident is thoroughly and promptly investigated in a confidential manner, with the rights of both the complainant and respondent duly respected. All employees are made aware of the formal grievance channel, and can raise concerns or complaints in confidence, without fear of retribution. No incident of discrimination was reported in 2017.



Voluntary
employee turnover
16%



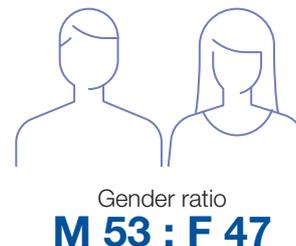
Five-day
work week since
2006

Board Diversity

Our Board of Directors also has a higher-than-average percentage (54%) of Independent Non-Executive Directors, who bring an independent viewpoint to the deliberations of the Board, which is objective and independent of the activities of the management.

Gender Diversity

The construction sector has traditionally been a male-dominated industry. However, there is a strong business case for diversity and inclusion as our Company widens the talent pool, helping us to better reflect the customer base and ultimately improve decision making. In 2017, we had an overall gender ratio of 53:47 (M:F).



Training and Career Development

Our stakeholders expect the highest levels of service, which is why it is important our workforce can deliver quality service. In a sector where new tools and equipment are constantly being introduced and legal requirements in health and safety are always evolving, it is our obligation to meet these demands by training all employees accordingly to ensure an even safer working environment. We also recognise that as the Company develops and adapts to ever-changing industry needs, so too should our training programmes. We consider this a win-win investment for the Company and our team with the aim of increasing job satisfaction, which improves motivation, reduces employee turnover and enhances productivity.

We are a relatively young and dynamic organisation with over 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 coached 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 2017, we arranged internal training programmes covering a range of topics such as:

- Professional development (eg. communication and leadership skills, customer service, time management)
- Anti-corruption and *Code of Conduct*
- Health and safety
- Team building activities
- Compliance with laws and regulations
- Sustainability and green lifestyle options

Our team received an average of 5.5 hours of training per employee this year (2016: 5.12 training hours per employee). We also provide employees with tuition reimbursement for additional training in specialist technical skills, as appropriate to their role and responsibilities.

Training in 2017 by Employee Category

	Total hours of training provided	Average training hours per employee category
Management*	267	2.8
Non-management	2,346	6.2
Total	2,613	5.5

* Directors, general managers, assistant general managers and department heads

Performance Management and Coaching

In addition to training and development programmes, we offer a robust 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 gained help to identify areas for improvement including training needs.

In 2017, all direct employees underwent performance review. In addition, we encouraged managers to discuss performance with employees throughout the year, giving feedback on what has gone well and what could be improved.

In 2016, we announced plans to review the performance management system and training programme. In 2017, the performance review and appraisal system was revamped and instead of two appraisals held half-yearly, a quarterly Performance Management Cycle was put in place. This provides more regular engagement between staff and managers and allows employees to set targets with their manager, review progress throughout the year, and to adjust accordingly. Performance bonuses are also based on this process.



Performance Management Cycle

Team Communication

Consistent two-way communication helps us to keep employees up-to-date with changes in the business, create a team spirit and better understand employee views. We hold town hall meetings to present our business plan and targets to all employees, and coordinate quarterly drinks and offsite meetings to allow employees from different departments to interact and share ideas. These social activities encourage employees to relax and bond outside of the office.



Other forms of employee engagement include monthly email updates on how to live healthier and more sustainable lifestyles. The emails share a range of actions from 'Green lunchbox recipes' to 'Tidy office, tidy mind' initiatives.

Taking Care of Our Employees

We are committed to ensuring all employees have their needs met to live a healthy and productive life. We continually strive to improve health and safety in the workplace and draw attention to this by highlighting good safety performance and improved standards and knowledge through team training and Occupational Health and Safety (OHS) awareness raising campaigns.

Beyond a focus on safety performance, we also host a range of family-friendly and stress relieving staff activities. Highlights from the year include a Happy@Work initiative that promotes healthy work-life balance, and a BBQ get-together organised by the Wheelock Team, which brought together colleagues from various departments for a delicious meal, encouraging stronger relationships amongst our staff and improving team spirit.



Happy@Work at Ocean Park



Wheelock BBQ get-together at Whitehead, Ma On Shan

Occupational Health and Safety

We recognise the inherent occupational health and safety (“OHS”) risks of our industry and are committed to providing a safe and healthy working environment to all employees, contractors and subcontractors. Guided by our *Safety Plan*, *Contractors’ Safety Performance Evaluation*, *Site Wellness & Health Provisions Checklist* (which includes guidance on construction site provisions such as cold drinks, showers, and rest rooms), we promote a culture of safety as a top-priority on construction sites. We do so by identifying, assessing, and mitigating risks through established safety standards and guidelines. The *Safety Plan* is constantly updated to make sure it matches current industry practices and OHS regulation updates.



Across our offices and business units, we monitor potential health and safety risks and implement improvement plans where appropriate. Internal site inspections are carried out monthly, whilst external safety audits are conducted biannually to ensure alignment with the Cap. 59AF Factories & Industrial Undertakings (Safety Management) Regulation. We monitor all lost-time, reportable and major injuries involving direct employees and contractors’ employees. Near-miss incidents are also monitored to prevent potential future accidents. We provide regular OHS, wellbeing training and annual safety talks for employees, construction site staff and subcontracted workers, with the aim to minimise the risk of accidents.

Within our offices, all employees 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 and improve the office environment with a bottom-up approach. For example, air purifiers are installed at headquarters to address employees’ quest to further improve indoor air quality for better health and productivity. Operations staff who may have manual handling duties are provided training by the Labour Department OHS Team every six months.

As the most significant health and safety risks in our operations occur on construction sites, where most workers are not direct employees of Wheelock, we rely on subcontractors to deliver good health and safety practices. Prior to engaging subcontractors, we undergo a rigorous tendering process that involves a Prequalification exercise for Suppliers to ensure supplier labour practices as well as financial, environmental, health and safety, and quality performance met our exact requirements. Contractors or subcontractors with ISO 14001 and OHSAS 18001 certifications are given preference. Upon appointment of contractors, we stipulate OHS conditions in the tender agreements and *Supplier Code of Conduct*, such as requiring them to prepare 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 Collaborating with Our Value Chain and Customers chapter on pages 41 to 46.



Despite our efforts to keep everyone on construction sites safe, one fatal incident regrettably occurred at the LOHAS Park Phase 5 construction site during the year, when a worker fell from height. The Group took immediate action and suspended all works until the sub-contractor checked and demonstrated that all safety measures and provisions were in order, to the satisfaction of Authorized Person, MTR, independent safety consultants and our team. Moving forward, an independent safety consultant will be employed to conduct safety audits and physical condition inspection more regularly and additional safety personnel will be deployed to the LOHAS Park Phase 5 site to ensure the safety of our team.

Beyond this incident, there were 28 work-related injuries for direct employees and construction site workers, as well as 3,353 lost days and 361 absentee days throughout the year.

THRIVING COMMUNITIES



Job Tasting Programme 2017 — Mr. Stewart Leung (centre) and Mr. Ricky Wong (fourth from left) presented certificates to student interns in the Completion Ceremony

Wheelock is in the business of creating not just quality spaces to live and work, but also thriving communities. Our community investment activities are focused on how we can create shared value¹¹ for both customers and the community. We aim to leverage our skills and resources to create collaborative platforms which enable us to actively engage in the communities where we live and operate. Our community initiatives are centred around three key areas, namely youth and art, community betterment, and nature and the environment.

¹¹ Shared value is a business strategy for addressing social needs while exploring new business opportunities.

Highlights of Our Community Initiatives in 2017:

Over **1,700** volunteer hours contributed through **75** events



Wheelock Interior Design Internship Program sponsors talented interior design graduates from 4 schools to undertake overseas internships



Ng Yuk students were invited to participate in the Group's results announcement press conference where Chairman met and chatted with them afterwards.

Project *WeCan* worked with **34** business partners, 3 consulates, 5 universities and 3 professional organisations to increase funding and diversify exposure for students



Project *WeCan* empowered **50,000+** students who are disadvantaged in learning across **53** secondary schools



Phase III of Project *WeCan* will expand from 53 schools to **75** schools in the 2018/2019 academic year



National Geographic Wheelock Youth Photo Competition attracted over **3,500 entries** from 13 countries and regions



Winning work (3rd Place) from LEUNG Chun Pong

Swim for Millions has raised **HK\$19 million** since 2013



Community Initiatives

We support Hong Kong’s neighbourhoods to thrive through a range of initiatives that create lasting and meaningful impact. Our programmes focus on enhancing engagement and integration with the local community, working closely with various partners.

Project WeCan - The Journey

Launched in 2011, Project *WeCan* is a Business-in-Community initiative providing secondary school students who are disadvantaged in learning with opportunities and care, to empower them for pursuing higher studies and future careers.

Using an “adopt a school” model, *WeCan* is an open platform where each school is coupled with a partner in a multi-year collaboration for providing financial and volunteer support. To facilitate mutual learning and exchange, *WeCan* schools are also invited to take part in joint-school programmes including Young Innovators Bazaar, Career Exploration Day, Job Tasting Programme, Teachers’ Development Days, etc.

Phase I: Project Initialisation and Growth

Since 2011, the Group and its business units have pledged to provide financial support, software support and staff volunteers serving as mentors and coaches to their partner schools.

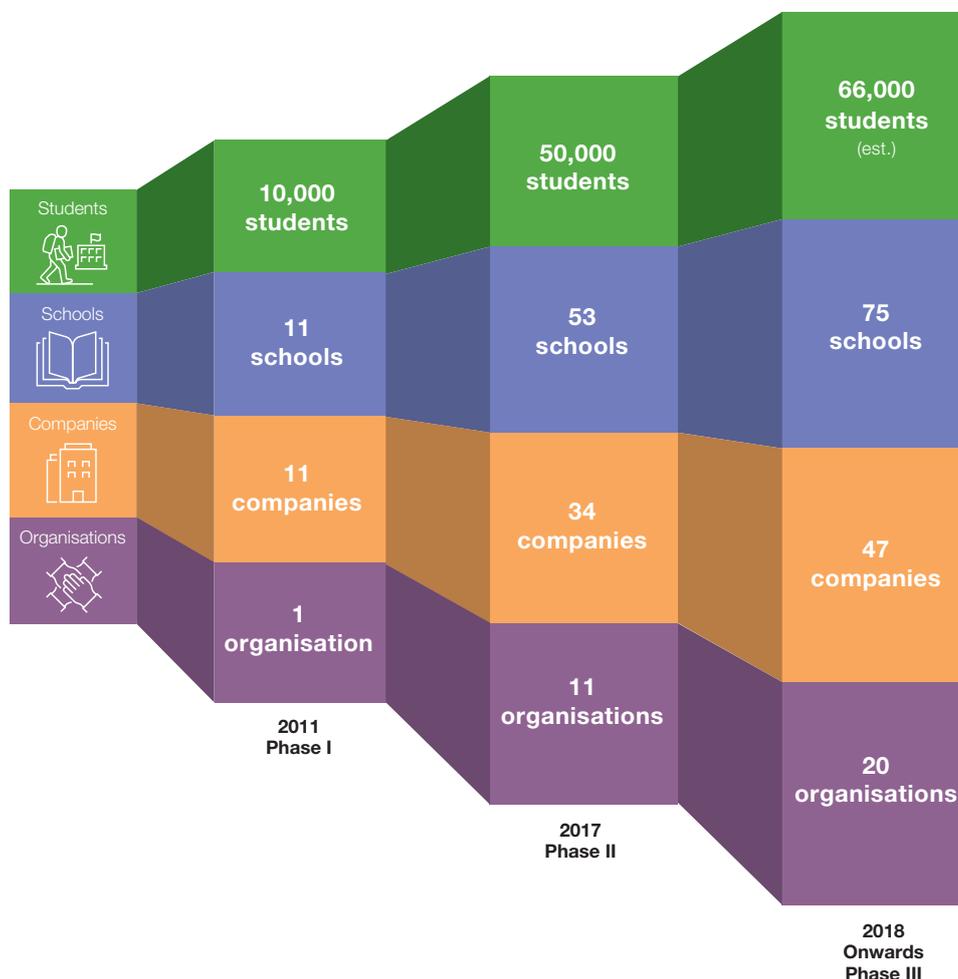
Phase II: Building the Project WeCan Network

As of 2017, with the current support of volunteers and 45 partners, Project *WeCan* has been empowering over 50,000 students who are disadvantaged in learning across 53 secondary schools in Hong Kong. Collaboration between the community, the universities and the private sector inspires students to pursue higher education and develop their future career path. There is a wide range of extra-curricular programmes to students, who gain unique learning experiences shared by Wheelock volunteers and partner organisations.

Phase III: Creating Collective Impact

The next phase of Project *WeCan* is being planned to support 22 more secondary schools, bringing the total number of schools to 75 in the 2018/19 academic year.

Phase III also aims to include more business partners across more sectors, enabling students to learn more about diverse topics/types of business.



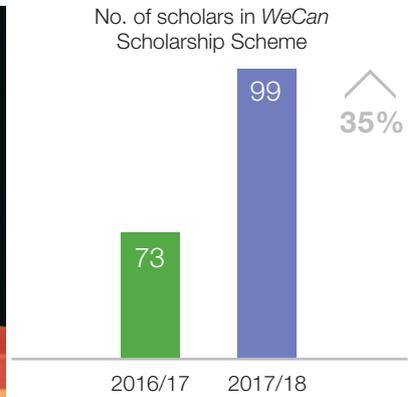
Highlights of Project WeCan Joint-school Programmes in 2017

WeCan Scholarship Scheme

The WeCan Scholarship Scheme provides scholarship grants for graduates from WeCan schools to pursue four-year degree courses at publicly-funded tertiary institutions. The total number of scholars in 2017/18 increased by over 35% from the previous year. A total of eight students have been awarded the scholarship from two partner schools of Wheelock.



WeCan Scholarship Presentation Ceremony



Young Innovators Bazaar

In 2017, WeCan partnered with the Global Business programme of the Hong Kong University of Science and Technology for university students to provide support to participating students. WAC supported students from Fung Kai No. 1 Secondary School (Fung Kai) and Ng Yuk Secondary School (Ng Yuk) to gain first-hand experience in entrepreneurship. Students were tasked to deploy innovation, creativity and passion to develop a viable business plan and to source and sell their products at the Bazaar. Students from Ng Yuk won seven prizes in total, including the “Most Favourite Booth” and the “Best Team Spirit” awards.



Young Innovators Bazaar



Job Tasting and Career Planning

Career Exploration Day

Two Career Exploration Days in 2016/17 were held on 26 November 2016 and 24 June 2017. With the support of 26 corporations and organisations, over 4,000 students from 51 secondary schools participated in over 40 job tasters, mock interviews, workshops, talks and other career planning activities to gain career insight and inspiration.

Wheelock volunteers took part in a “Career Info Day” at Fung Kai. Over 50 students attended the event, which inspired students to prepare for their future careers prior to entering the workforce, equipping them with practical skills such as CV writing, interview skills, dressing professionally and communicating in the workplace.



Career Info Day

Job Tasting Programme

The Job Tasting Programme aims to offer students real-life work experience. In 2017, Wheelock offered seven job openings for students, giving them opportunities to broaden professional experience, and build awareness about their own strengths and weaknesses.



Job Tasting Programme 2017

Teachers' Development Days

Teachers' Development Days bring together principals and teachers from Project *WeCan* schools to encourage introspection and facilitate knowledge exchange. Both Ng Yuk and Fung Kai joined this event to share teaching methods and good practices among schools.

Company Visits

Company visits give students a unique opportunity to experience the intricate workings of companies across a wide range of industries such as retail, logistics, media, hotels and telecommunication. Students from Ng Yuk and Fung Kai participated in different company visits and met with staff members who share anecdotes from their careers. This helps students to identify career aspiration.



Visit to Hong Kong Country Club

Wheelock and its Partner Schools

WAC & Fung Kai No.1 Secondary School



Office visit to Wheelock House



Show flat visit

WPL & Ng Yuk Secondary School



Mentorship volunteering



Rice distribution

HPML & HHCKLA Buddhist Ching Kok Secondary School



Career Day

HPML & Ko Lui Secondary School



Young Innovators Bazaar

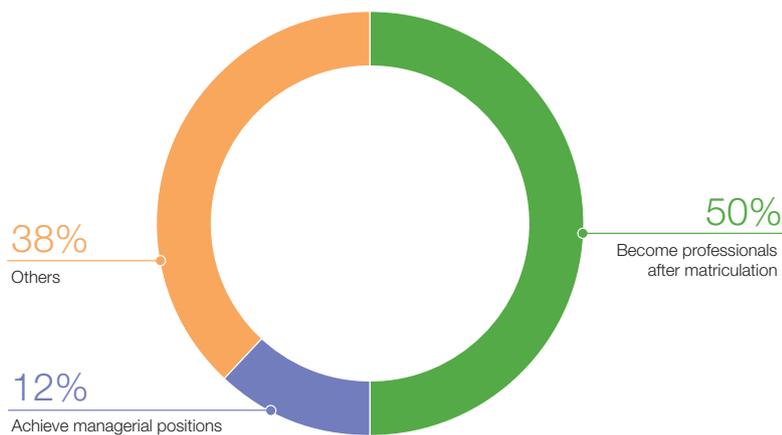
Our Impact

Since its launch in 2011, Project *WeCan* started to collaborate with the Quality School Improvement Project (QSIP) of the Chinese University of Hong Kong (CUHK) to facilitate the partnership with the 13 Phase I schools. Partnering with academic institutions like CUHK can help us better support schools, document and monitor our impact and offer an impartial perspective of the views of community stakeholders. Every year, QSIP would conduct a study on Project *WeCan*'s impact on the 13 schools and their students.

The 2017 review found that:

- Project *WeCan*'s network has strengthened, with more corporates in different industries joining in to support more schools
- Participating schools have become more mature and proficient at teaching. Core teachers are also encouraged to act as 'internal change agents/leaders' to ensure continuous development of teaching skills
- Participation in the programme develops and fosters an inter-school learning community that shares best practices
- Of students who have participated in the programme, 49.7% expect to become professionals after matriculation. 11.8% of them aspire to managerial positions, and the proportion continues to rise, reflecting increasing expectations of their employment options and opportunities after joining the programme

Student Expectations Since Joining Project *WeCan*



- Overall, students have higher academic and profession aspirations, based on the student surveys
- When asked to pick the top three activities which are most important for their personal development, students selected:

<p>Career information and consultation</p> 	<p>Advancement in learning and consultation</p> 	<p>Participation in an overseas learning tour</p> 
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We are delighted to learn of this positive and progressive feedback and will continue to consider the views and expectations of stakeholders as the programme continues.

Nature and Environment

Wheelock supports several environmental NGOs and initiatives as part of our commitment to the environment and advocate for sustainability across Hong Kong.

Support to Local and Global Campaigns in 2017:

Hong Kong Green Shop Alliance
By: Hong Kong Green Building Council



Hong Kong Green Shop Alliance encourages participants to take the initiative in municipal solid waste reduction and reuse and recycling of materials.

Earth Hour
By: WWF-HK

Red packet envelope collection
By: Greeners Action

Power Smart Energy Saving Contest
By: Friends of the Earth

I'm FINished with FINs
By: Shark Savers Hong Kong



Biz-Green Dress Day
By: Construction Industry Council and HKGBC



Over 130 companies and organisations in Hong Kong dressed light to promote a green office culture.

Mooncake donation
By: Food Angel

No Air-Con Night
By: Green Sense

Green Plus
By: China Light & Power

"The Story of Dr. Jane Goodall and the Chimp Eden" Exhibition
By: Jane Goodall Institute (Hong Kong), The National Geographic and Wheelock



The exhibition showcases some previously undisclosed pictures and stories between Dr. Jane and Chimp Eden, as well as her contribution to chimpanzees conservation.

Youth and Art

We believe that art and culture form a vital part of quality living. WPL strives to promote an appreciation of art and culture in our community, as we believe it provides a platform for inclusion and sparks creativity for society.

National Geographic Wheelock Youth Photo Competition 2017

To celebrate the 20th Anniversary of HKSAR, WPL's Youth Photo Competition joined forces with National Geographic to offer emerging photographers an international stage to showcase their talents. The global competition attracted over 3,500 entries from 13 countries and regions, including Hong Kong, Macau, Taiwan, Mainland China, Europe and the United States. Both amateur photographers and experienced enthusiasts aged between 16 and 40 were invited to explore and promote the best of Hong Kong through their lens.



Award ceremony



National Geographic Wheelock Youth Photo Competition 2017 was held to celebrate the 20th Anniversary of HKSAR

Wheelock Interior Design Internship Program (WIND)

Established by WPL, WIND sponsors outstanding interior design graduates to carry out internships in overseas professional design practices, helping them to become well-rounded professionals with exposure to the right skill sets.

In 2017, WIND grew from one to four participating schools and universities, expanding the candidate pool to more institutions (Hong Kong Design Institute, Insight School of Interior Design, Savannah College of Art and Design and The Hong Kong Polytechnic University). Graduates also had the opportunity this year to use their interior design skills to enhance the design of one of our existing residential clubhouses.



Wheelock's interior designer shared with students about putting design thinking into practice

Supporting Community Art

To support the professional development of local artists, the winning photographs from our Facebook campaign, "Sharing your moments in Kai Tak", were auctioned to benefit a local charity. All proceeds were donated to kaitak, Centre for Research and Development in Visual Arts of the Hong Kong Baptist University in support of their promotion of community-engaged arts.



Winning works from "Sharing your moments in Kai Tak" photography campaign

“2017 where to find heART” Charity Art Exhibition

We are always delighted to offer our gallery spaces (Wheelock Gallery in Admiralty and Wheelock Gallery West/LEX Coffee in Kennedy Town) for charitable causes.

Wheelock provided venue support for a charity art exhibition co-hosted by Find Arts Studio and iCare Edutainment. Members of the public were welcomed to explore the imaginary world of over 200 young painters and to join free painting workshops. Participants raised HK\$94,000 by donating on behalf of their favourite child painters via a crowdfunding platform. Proceeds went to support iCare’s service for underprivileged special educational needs (SEN) students and their families.



Mr. Ricky Wong graced the event, supporting child painters to create art for a good cause.

Community Betterment

In 2017, our Community Care efforts continued with a variety of initiatives to support vulnerable population, to protect and improve the environment, and to promote healthy lifestyle choices. We believe that achieving sustainability for our city is a collaborative effort, hence we work with local environmental and community-based NGOs to maximise the impact of our community investment initiatives. Our efforts to nurture community spirit and to include employees in charitable activities have been acknowledged for the past five years with the “5 Years Plus Caring Company” logo by the Hong Kong Council of Social Service (HKCSS).



5 Years Plus Caring Company

Swim for Millions

Swim for Millions is a joint programme with The Community Chest, which has grown to become one of our most successful charitable initiatives. This year, although the programme was cancelled due to weather and safety issues, it was still able to raise over HK\$3 million to support The Community Chest's youth services. The initiative has raised over HK\$19 million since its inception.



Hong Chi Association

Wheelock has collaborated with the Hong Chi Association to organise the Christmas eCard Design Competition for nine consecutive years. The competition inspires the creativity of students living with intellectual disabilities. To share the talent of the students of Hong Chi, winning eCards were used as Wheelock's corporate Christmas cards and shared with business partners.



Wheelock x Hong Chi
"Green Christmas" Card
Design Competition

Hike for Hospice 2017

WPL took part in "Hike for Hospice 2017" and sent a corporate team to compete in the 8km race to raise funds for the Society for the Promotion of Hospice Care, showing support for people with life-limiting illnesses.



Hike for Hospice 2017

COLLABORATING WITH OUR **VALUE CHAIN AND CUSTOMERS**

We build strong partnerships across the value chain to sustain business and performance. We believe that by collaborating with customers and suppliers, sustainable and customer-focused objectives that balance cost, time and environmental considerations can be better met. With 535 direct and 150 indirect suppliers, working collaboratively with them and using carefully sourced materials allow us to build better, stronger relationships and keep our CSR approach in focus.

We treat suppliers fairly and aim to improve industry practices in areas like occupational health and safety as well as their social and environmental policies and practices (see page 28).



Building Better Partnerships

We are aware of the positive social impact our operations can have, and we continue to support business partners and customers by adding value through the services we provide. We are constantly working with subcontractors and suppliers to better understand and appreciate current and future building trends, so that together we can promote innovation, reduce costs and minimise business risks. We also expect all key supply chain partners (including construction site contractors, goods suppliers, and materials and service providers at managed properties) to share our commitment to environmental and social responsibility.

Wheelock is a member of several industry bodies and accredited with various standards and certifications, which demonstrates our desire to create shared value for our partners, suppliers and customers. We use the framework of these membership organisations and accreditations to benchmark our business and identify areas that we can improve upon. They also enable interaction and knowledge sharing across the industry, which encourages us to continually build our expertise and constantly innovate to remain future focused and competitive.

We are also proud to have received the “Corporate Social Responsibility Project of the Year” award by RICS Hong Kong for four consecutive years and the “Top 10 Developers” Award by BCI Asia for six consecutive years.

Our partnerships and support for trade growth and collaboration include:

- Business Environment Council (BEC)
- Employers’ Federation of Hong Kong (EFHK)
- The Hong Kong Green Building Council (HKGBC)
- The Hong Kong General Chamber of Commerce (HKGCC)
- The Real Estate Developers Association of Hong Kong (REDA)

For further details see the Appendix: Charters, Memberships and Awards on pages 52 to 53.

Working with Suppliers

Suppliers play an important role in our business, providing the materials we use to build properties and carrying out the construction work on our sites. We select suppliers who share the same values and treat their people well, respect human rights and look after the environment.

In 2017, 99% of our total procurement budget was spent on local (ie. Hong Kong-based) suppliers. We are proud to work with small and local businesses providing a range of labour and services. This benefits the business by giving us access to a diverse range of skills and experience, as well as helping to support the local communities in which we work.

Our supply chain is inherently complex due to the number of suppliers involved and the diverse services, materials and equipment required to deliver dynamic, on-time and quality developments. As such, we recognise the need to mitigate supply chain risks while building partnerships with suppliers and achieve greater savings through efficient solutions.



Procurement Budget

Local	Non-local
99%	1%



Supplier Assessment and Management

By conducting regular reviews and assessments, Wheelock can therefore ensure supply chain partners comply with local laws and our own ESG requirements. By adhering to the idea of transparency, our sourcing and procurement efforts shape the value chain and positively influence the market.



Our *Supplier Code of Conduct* outlines what we define as a responsible supplier and is the first and most critical step in communicating the standards and expectations to our suppliers, employees and the broader value chain. All suppliers are required to sign and commit to the *Supplier Code of Conduct*, which is clearly communicated to them in tender documents and contracts. We also require contractors and suppliers to comply with all ordinances, laws, by-laws, government regulations, and/or public policy mandates as related to the execution of their contracts. We have zero tolerance for child and forced labour, discrimination, bribery and corruption in any part of the supply chain.

Supplier Environmental and Social Assessment

Our *Supplier Environmental and Social Assessment* stipulates stringent compliance from all contractors and suppliers with environmental and social criteria specified in tender documents. These criteria include requirements on labour training, occupational health and safety standards, product health and safety stipulations, compliance with laws and regulations, and policies on non-discrimination, anti-corruption and anti-competitive behaviour. New suppliers were screened using criteria for impacts on society, and all our suppliers were screened based on their impact on the environment.

We assess contractor and supplier compliance using ESG criteria during a prequalification process that begins one to three months before tendering. During the tender period, tenderers are required to submit supporting documentation or clarify during tender negotiations their compliance with our criteria.

Ensuring Quality Working Practices

We make every effort to avoid contributing to or becoming linked to the use of forced or compulsory labour through our relationships with suppliers, contractors or clients. Should a supplier no longer meet our expectations, actions are taken to address the issue and if the issue continues, we provide further warning, and terminate the contract if their response is considered unacceptable or unsatisfactory. Supplier performance is assessed periodically and a review is conducted before any prequalification of future tenders take place.



Should any partner across the value chain, whether a supplier or contractor, be discovered to carry significant risk for incidents of child, forced or compulsory labour, our immediate actions are as follows:

1. Stop all work conducted that has been discovered to have used child labour or forced labour
2. Inform the Labour Department
3. Provide a formal warning letter to the offending party to implement corrective actions as soon as possible

During the reporting year, no operations or direct suppliers were considered to be at risk for incidents of forced, child labour or young workers exposed to hazardous work.

Customers

Our commitment to customers goes beyond offering quality products and services. We aim to improve sustainability performance and exceed expectations by focusing on developing long-term, mutually beneficial relationships with customers. We also strive to add real value to them and we want our new developments to support wellness in their daily living.

We also place great emphasis on complying with all regulatory and ethical guidelines, ensuring that our customers and their data privacy are protected and respected at all times.



Providing Quality Products and Services

To create a unique and value-added experience for customers, we must deliver quality products and services that are positive, proactive and support customer health and wellbeing. We have several dedicated internal committees and task forces to oversee and develop initiatives on product concept, design and service quality.

We know our customers seek a sense of community both at their workplace and at home. In 2017, our new residential and commercial developments were designed to reflect customer needs. This contributes to long-term customer satisfaction and helps us develop projects that enhance community connectivity and wellness.

We assess quality against standards at key stages of the building process to ensure that our buildings match our own and customers' expectations. Our five-step, quality-focused service quality assurance process starts with team training, internal and external auditing, benchmarking, regular reviews, and improvement planning.

There were no significant fines for non-compliance with laws and regulations concerning the provision and use of products and services during the reporting year.

Customers' Feedback from the Annual and Event Satisfaction Surveys

"Club Wheelock builds long-term relationships with buyers and our feelings and opinions are valued. I will definitely consider repurchasing from the Wheelock Properties brand in the future. Their aftersales services are what we are looking for, it's not just handover and go."

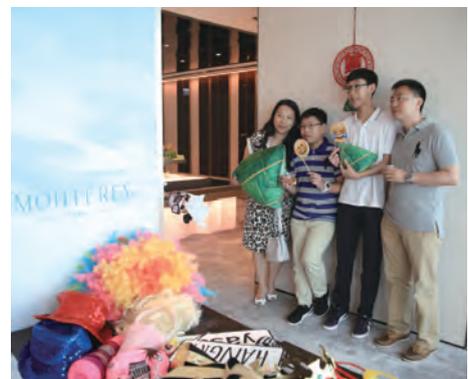
"Club Wheelock creates a strong circle where residents enjoy an exceptional quality of life. Events are beautifully designed, with fine attention to details, and we appreciate the staff's efforts in making all these events. Surely Club Wheelock adds great value to the Wheelock Properties brand."

"Club Wheelock team is focused on what customers like us want. Their survey shows that they listen to our feedback and the events provide a good opportunity to get to know the Wheelock Properties business philosophy and development."

Communicating with Customers

Creating a lasting and meaningful impact for customers starts with effective communication. We provide extensive customer information on our website, in marketing brochures and through social media channels.

Club Wheelock is our social platform for customers, property owners and tenants. Designed as an extension of our properties, Club Wheelock members enjoy special privileges, including lifestyle events and bespoke presentations and activities, exclusive offers from leading fashion and lifestyle brands, as well as Wheelock Properties-related benefits such as exclusive previews and property purchase rewards.



Club Wheelock's exclusive events for members, including festival party, luxury brand experience and wellness workshop

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 and updates on other useful information. In our property management arm, we believe in the importance of personal touch, whether it is a smile or a greeting, and we train our staff to be attentive to all our customers' needs.

If issues arise for our customers — whether it be in a new home or commercial space — we aim to respond proactively, positively and professionally. We aim to place ourselves in our customers' position and to treat them fairly. This is overseen by our Market Development Department's specialised Customer Service Team, which manages customer enquiries and resolves complaints. Issues raised and the time taken to resolve them are monitored so that future performance can be improved.

Making Buyers Comfortable in Their New Homes

Our well-established residential after-sales customer support system is designed to provide easy guidance to new homeowners through the full process of taking on a new property. The system enables us to respond to customers' requests by offering prompt and reliable after-sales services that ensure customer satisfaction. We strive to ensure that every property sold becomes a home and place for our residents to 'live well.'

Customers' Personal Data Privacy

Wheelock recognises its obligation to protect the data privacy of everyone who provides personal information and manages and protects all collected customer data in compliance with the 2013 Personal Data (Privacy) Ordinance. General provisions of the Ordinance relate to the acquisition and intended use of personal information, restrictions on use, non-disclosure to third parties, and other key matters.

In addition, Club Wheelock has a clear Personal Data Collection Statement placed on the website and hard copies of application forms, and Members are required to declare that they "have read and understood" the terms and conditions when applying for membership and/or enrolling for events. Customers have the option to receive direct marketing materials when submitting their membership application, and can unsubscribe at any time.

Internally, Wheelock's Sales Team quarterly reviews the right of access of personal data, which is stored in a PSS Sales System. Divided into distinct groups based on staff grade, sensitive data is only available to staff based on their employment position. For example, some sensitive data can only be accessed by management while some data export functions can only be seen by staff who control or manage sales. With these protocols, Wheelock is making every effort to strictly manage and handle confidential information.

During the reporting year, there were no substantiated complaints received concerning breaches of customer data privacy or loss of customer data.

99%
Customer
Satisfaction



in handover
services and
property
management
provision



APPENDICES

Material Topics and Boundaries

In 2017, three internal stakeholders (ie. Wheelock employees) and three external stakeholders were engaged through telephone interviews to gain a better understanding of how they view our performance to date, and of their expectations as related to ESG topics.

After the engagement exercise, we confirmed that the 20 material topics are still applicable, and we continue to manage and report on these topics. The priority topics are captured in the table below, providing a snapshot of the connections between the sustainability issues of greatest importance to our business and of highest concern to our stakeholders. We plan to conduct the next materiality assessment before the 2018 report.

We will also continue to engage with key stakeholder groups on the material topics. We understand that success depends on meaningful engagement and we will ensure that stakeholders' respective needs are being met to the best extent possible. Continual assessment on these issues will ensure our action and CSR reporting reflect stakeholders' concerns.

No.	Material Topics	Aspect Boundary				
		Within Organisation		Outside of Organisation		
		WPL, HPML	Group	Contractors/ suppliers	Customers/ Tenants	Community
Environment						
1	Materials	✓		✓		
2	Energy consumption		✓	✓		
3	Direct GHG emissions		✓	✓		
4	Waste		✓	✓		
5	Compliance (Environmental)		✓	✓		
6	Supplier environmental practices		✓	✓		
7	Sustainable building development and certification	✓		✓	✓	
Labour Practices and Decent Work						
8	Recruitment and staff turnover		✓			✓
9	Occupational health and safety		✓	✓	✓	✓
10	Employee training and career development		✓			✓
11	Equal opportunities		✓			
12	Supplier labour practices		✓	✓		
13	Labour practice grievance mechanisms		✓	✓		
14	Non-discrimination		✓	✓	✓	
Society						
15	Community engagement		✓		✓	✓
16	Investing in local communities		✓		✓	✓
17	Anti-corruption		✓	✓		✓
Product Responsibility						
18	Customer satisfaction	✓			✓	
19	Customer personal data privacy	✓			✓	
20	Compliance of products and services	✓			✓	

Performance Data

Environmental	Unit	Year		
Indicator		2017	2016	2015
Headquarters (WAC and WPL Offices in Wheelock House)				
Gross Floor Area (GFA)	m ²	4,984	4,978	4,948
Materials				
Paper used	Tonnes	13.99	8.3	9.6
Energy Consumption				
Total electricity purchased	gigajoules (GJ)	1,090	1,124	1,135
Total electricity purchased	'000 kilowatt hours (kWh)	303	312	315
Energy (electricity) intensity per unit of area	kWh/m ² /year	61	63	64
Energy (electricity) intensity per employee	kWh/employee/year	983	1,051	1,164
GHG Emissions*				
Direct GHG emissions (Scope 1)	CO ₂ e tonnes	0	0	0
Energy Indirect GHG emissions (Scope 2) ^{Note 1}	CO ₂ e tonnes	243	244	249
Other indirect GHG emissions (Scope 3)	CO ₂ e tonnes	161	153	164
Total GHG emissions (Scope 1, 2 and 3)	CO ₂ e tonnes	404	397	413
Emissions intensity (Scope 1, 2 and 3) per unit of area	kg CO ₂ e/m ² /year	81	80	83
Emissions intensity (Scope 1, 2 and 3) per employee	tonnes CO ₂ e/employee/year	1.3	1.3	1.5
Waste				
Total waste to landfill	Tonnes	13	35.3	35.2
Total waste recycled	Tonnes	1.4	4.1	2.9
Recycled by type				
Paper	Tonnes	1.36	4.1	2.8
Plastic	Tonnes	0.02	0.01	0.03
Aluminium	Tonnes	0.012	0.004	0.02
Proportion of total waste recycled	%	10	10	8
Waste intensity per employee	kg/employee/year	41	119	130

* Emissions data was calculated using the EMSD Standard

¹ Scope 2 emission factors used: 0.78kgCO₂e/kWh (Hong Kong Electric) and 0.54kgCO₂e/kWh (CLP)

Performance Data (Continued)

Construction Sites ^{Note 2}		Unit	Year		
Indicator			2017	2016	2015
Number of construction sites covered	no. of sites		15	16	17
Total Construction Floor Area (CFA) of sites covered	m ²		1,153,936	976,661	944,111
Materials					
Aluminium	Tonnes		0	135	207
Bricks	Tonnes		1,684	9,624	1,781
Cement	Tonnes		1,091	6,611	1,813
Cement mortar	Tonnes		19,341	154	1,235
Concrete	m ³		287,037	250,277	222,818
Glass	Tonnes		0	2,208	2,232
Joint steel	Tonnes		1,078	3,605	18,328
Reinforcing steel bars	Tonnes		63,483	46,285	60,160
Sand	Tonnes		3,120	6,535	9,175
Stones	Tonnes		34	6	2,475
Timber	Tonnes		5,415	784	2,086
Energy Consumption					
Total electricity purchased	GJ		15,454	17,215	19,729
Total electricity purchased	'000 kWh		4,293	4,782	5,480
Total diesel consumption	litres		5,347,513	4,788,135	3,715,604
Total diesel consumption in gigajoules ^{Note 3}	GJ		211,761	189,610	147,138
Total energy consumption (electricity + diesel)	GJ		227,215	206,826	166,867
Energy intensity per unit of CFA	kWh/m ² /year		3.72	4.9	5.8
Water ^{Note 5}					
Total water purchased	m ³		279,049	275,729	236,941
Water intensity per unit of CFA	m ³ /m ²		0.24	0.3	0.3
GHG Emissions					
Direct GHG emissions (Scope 1) ^{Note 4}	CO ₂ e tonnes		0	0	0
Energy indirect GHG emissions (Scope 2) ^{Note 1}	CO ₂ e tonnes		2,421	2,964	3,745
Other indirect GHG emissions (Scope 3)	CO ₂ e tonnes		16,714	21,935	11,538
Total GHG emissions (Scope 1, 2 & 3)	CO ₂ e tonnes		19,135	29,966	15,283
Emissions intensity (Scope 1,2 & 3) per unit of CFA	kg CO ₂ e/m ²		16.58	30.68	16.19
Waste					
Total waste to landfill	Tonnes		45,706	52,844	27,315
Total waste recycled	Tonnes		11,170	15,306	78,440
Breakdown of recycled waste by type					
Aluminium	Tonnes		4	199	N/A
Paper	Tonnes		10	6	10
Plastic	Tonnes		0	1	7
Steel	Tonnes		9,862	12,060	18,396
Concrete	Tonnes		825	2,292	59,943
Wood	Tonnes		469	749	84
Proportion of total waste recycled	%		20	22	74
Waste intensity per unit area	kg/m ² /year		40	54	29

² Construction site data were collected from main contractors in 15 sites: 1 Plantation Road Residential Project, 77 Peak Road Residential Project, Mountain Court Residential Project, ISLAND RESIDENCE, ONE HOMANTIN, NAPA, CAPRI, SAVANNAH, MONTEREY, 8 Bay East, OASIS KAI TAK, Kwun Tong Residential Project, LOHAS Park Phase 5, LOHAS Park Phase 7 and LOHAS Park Phase 9

³ Conversion factor for diesel: 39.6MJ/litre

⁴ Wheelock does not directly own or operate machinery and vehicles used on its construction sites; GHG emissions from diesel consumption are therefore reported as Scope 3 emissions rather than Scope 1 emissions

⁵ Figures for water consumption for ISLAND RESIDENCE in Nov-Dec 2017 were based on assumption by recording the water metres of each unit as the water bill was still outstanding at the time of Report preparation

Performance Data *(Continued)*

Workforce

Total workforce	Unit	2017
Direct employees	no. of people	477
Sub-contracted construction workers	no. of people	60,501

Direct employees by employment contract and gender	Unit	2017	
		Male	Female
Permanent contract	no. of people	244	224
Fixed term contract	no. of people	0	0
Temporary contract	no. of people	9	0
Permanent employees by employment type			
Full-time	no. of people	253	224
Part-time	no. of people	0	0
New hires by age group and gender			
Below 30	no. of people	29	35
30–50	no. of people	22	23
Above 50	no. of people	9	0
New hire rate by age group and gender			
Below 30	%	12	16
30–50	%	9	10
Above 50	%	4	0
Staff turnover rate by age group and gender			
Below 30	%	4	6
30–50	%	6	10
Above 50	%	4	3

Work-related injuries and fatalities	Unit	2017	
		Male	Female
Direct employees of WAC, WPL and HPML			
Injuries	no. of people	0	0
Fatalities	no. of people	0	0
Construction sites (sub-contracted workers)			
Injuries	no. of people	19	9
Fatalities	no. of people	1	0
Injuries by type			
Injured whilst lifting or carrying	no. of people	2	2
Slip, trip or fall on same level	no. of people	12	4
Fall of person from height	no. of people	0	0
Striking against fixed or stationary object	no. of people	0	0
Striking against or struck by moving object	no. of people	3	1
Contact with moving machinery or object being machined	no. of people	1	0
Trapped in between objects	no. of people	0	0
Injured by hand tool	no. of people	0	1
Others	no. of people	1	1

Injury and fatality rate 2017

Direct employees of WAC, WPL and HPML			
Injury rate (per 1,000 workers)			0
Fatality rate (per 1,000 workers)			0
Construction sites (sub-contracted workers)			
Injury rate (per 1,000 workers)			0.46
Fatality rate (per 1,000 workers)			0.01652
Lost days and absenteeism			
Direct employees of WAC, WPL and HPML			
	Male	Female	Total
Lost day rate	0	0	0
Absentee rate	0	0	0
Construction sites			Total
Lost days			3,353 days
Lost day rate			0.024%*
Absentee days			361 days
Absentee rate			0.0025%*

* A different methodology has been used for calculating lost day rate and absentee rate in 2017

Employee Training and Career Development (WAC, WPL and HPML direct employees only) 2017

Percentage of total employees trained, by gender	
Male	80.2%
Female	91.1%
Percentage of total employees trained, by employee category	
Management	90.0%
Non-management	84.2%
Average hours of training by gender	
Male	4.8 hours
Female	6.3 hours
Average hours of training by employee category	
Management	2.8 hours
Non-management	6.2 hours
Percentage of employees receiving regular performance reviews by gender	
Male	100%
Female	100%
Percentage of employees receiving regular performance reviews by category	
Management	100%
Non-management	100%

Equal Opportunities**Indicator****Workforce composition by employee category, age group and gender**

		Male	Female	<30	30-50	50+
Managerial (e.g. CEO, Directors, Managers)	no. of people	22	11	0	12	21
Supervisory	no. of people	37	27	0	54	10
General	no. of people	183	186	86	236	47
Others	no. of people	11	0	0	3	8

Governance Body Diversity**In total numbers**

Executives	no. of people	5	0	0	1	4
Non-Executive Director	no. of people	0	1	0	0	1
Independent Non-Executive Directors	no. of people	6	1	0	0	7

Board composition by age group and gender

Board of Directors	%	85%	15%	0%	8%	92%
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Non-discrimination

Total number of incidents of discrimination and corrective actions taken	number of incidents	0
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Supply Chain Management**Number of suppliers by geographical region**

	Unit	2017
Hong Kong	no. of suppliers	643
Outside of Hong Kong	no. of suppliers	31

Community Investment**Resources contributed (e.g. money or time) to the focus area**

	2017
Total cash donations	HK\$45 Million
Total volunteer hours	1,743 hours

Charters, Memberships and Awards

Charters

Company	Charter	Organisation	Year
WPL	Green Shop Pledge	HK Green Building Council	since 2017
HPML	Green Shop Alliance	HK Green Building Council	since 2017
HPML	Charter on External Lighting	Environment Bureau	since 2015
HPML	Energy Saving Charter	Environment Bureau/EMSD	since 2014
HPML	Energy Saving Charter on "No ILB"	Environment Bureau/EMSD	since 2013
WPL	I'm finished with FINS	Shark Savers Hong Kong	since 2013
WPL	No Air-Con Night	Green Sense	since 2012
HPML	Carbon Reduction Charter	Environment Bureau	since 2008
HPML	Green Cross Group Member	Occupational Safety & Health Council	since 2004

Memberships

Organisation	Capacity
APEC Business Advisory Council	Alternative Representative of Hong Kong, China
Business Environment Council	<ul style="list-style-type: none"> Board member Steering Committee Member of the 2017-19 Waste Management Advisory Group
Chinese People's Political Consultative Conference	Member of Beijing Committee
Development Bureau	<ul style="list-style-type: none"> Non-official member of the Land and Development Advisory Committee Member of the Land Sub-committee
Employers' Federation of Hong Kong	<ul style="list-style-type: none"> Council Member Vice-Chairman of General Committee Member of General Committee Chairman of Executive Committee Chairman of Property & Construction functional group
Environment and Conservation Fund	Chairman
Estate Agents Authority	Ordinary Member
Hong Kong Examination and Assessment Authority	<ul style="list-style-type: none"> Co-opted member of the Hong Kong Diploma of Secondary Education Examination-Applied Learning Subject Committee
Hong Kong General Chamber of Commerce	<ul style="list-style-type: none"> Council Members Member of General Committee Chairman of Real Estate and Infrastructure Committee Member of Economic Policy Committee
Hong Kong Green Building Council	Director
Licensing Appeals Board	Member
The Real Estate Developers Association of Hong Kong	<ul style="list-style-type: none"> Director Executive Committee Chairman Executive Committee Member Member of the Legal Sub-Committee
Royal Institution of Chartered Surveyors	Fellow

Awards

Award	Awardee	Awarder
A constituent member of the 2017–18 Hang Seng Corporate Sustainability Benchmark Index	WAC	Hang Seng Indexes Company Limited
President's Award in the Community Chest 2016/17 Annual Presentation of Awards	WAC	The Community Chest
Top 100 Hong Kong Listed Companies Selection 2016 — Top 100-Comprehensive Strength	WAC	Finet.HK and Tencent
HSBC Sustainable Living Business Partners' of HSBC Living Business 2017 Award	WAC	HSBC
Caring Company Logo	WPL	Hong Kong Council of Social Service
RICS Hong Kong Awards 2017 — Corporate Social Responsibility Project of The Year	WPL	Royal Institution of Chartered Surveyors
RICS Hong Kong Awards 2017 — Sustainability Achievement of The Year (Certificate of Excellence)	WPL for One Bay East	Royal Institution of Chartered Surveyors
RICS Hong Kong Awards 2017 — Best Deal of The Year	WPL for One HarbourGate	Royal Institution of Chartered Surveyors
BCI Asia Top 10 Developer Awards 2017 — Hong Kong	WPL	BCI Asia
The CIOB (HK) Construction Manager of The Year Awards 2016 — Silver	WPL for One HarbourGate	The Chartered Institute of Building (Hong Kong)
LOOP Labelling Scheme 2017 — Gold Label	WPL	WWF-Hong Kong
Good MPF Employer Award 2016/17	WPL	Mandatory Provident Fund Schemes Authority (MPFA)
Capital and Capital Weekly Awards — Low Density Waterfront Urban Residence	WPL for MONTEREY	Capital Magazine & Capital Weekly
Capital and Capital Weekly Awards — Waterfront Grade-A Commercial Landmark Architecture	WPL for 8 Bay East	Capital Magazine & Capital Weekly
Capital and Capital Weekly Awards — The Outstanding Developer Awards 2017	WPL	Capital Magazine & Capital Weekly
2017 – 2018 Hong Kong Corporate Citizenship Award Scheme – The 8th Hong Kong Outstanding Corporate Citizenship Logo – Volunteer Category	HPML	Hong Kong Productivity Council
RICS Awards Hong Kong 2017 — Property Management Team of the Year	HPML for One Bay East	Royal Institution of Chartered Surveyors
Hong Kong Awards for Environmental Excellence 2016 — Certificate of Merit — Property Management (Commercial & Industrial)	HPML for World Tech Centre	Environmental Protection Department and Environmental Campaign Committee and its Secretariat
Best Property Safety Management Award 2016–2017 — Gold Award in Nomination Award of Best Property — Contractor in OSH	HPML for One Island South	Occupational Safety and Health Council
The 16th Hong Kong OSH Award — Safety Performance Award	HPML for Crawford House	Occupational Safety and Health Council
Good Housekeeping 2017 — Best presentation award (Silver)	HPML for My Loft	Occupational Safety and Health Council
The 9th OSH Employee Award Scheme 2017 — Merit Award (Management Level)	HPML for Wheelock House	Occupational Safety and Health Council

Verification Statement

Scope and Objective

Hong Kong Quality Assurance Agency (“HKQAA”) has been commissioned by Wheelock and Company Limited (“WAC”) to undertake an independent verification for the company’s Corporate Social Responsibility (CSR) Report 2017 (“the Report”). The scope of this verification covers the sustainability performance data and information of WAC, Wheelock Properties (Hong Kong) Limited and Harriman Property Management Limited (herein jointly referred to as “Wheelock”) for the period 1st January 2017 to 31st December 2017, as defined in the Report. The Report outlines Wheelock’s commitments, efforts and the overall performance with respect to corporate social responsibility.

The aim of this verification is to provide a reasonable assurance on the reliability of the Report contents. The Report has been prepared in accordance with the Core Option of the GRI Sustainability Reporting Standards (GRI Standards), GRI G4 Construction and Real Estate Sector Disclosures and the Environmental, Social and Governance Reporting Guide (“ESG Guide”) of The Stock Exchange of Hong Kong Limited.

Level of Assurance and Methodology

The process applied in this verification was referenced to the International Standard on Assurance Engagement 3000 (ISAE 3000) – “Assurance Engagement Other Than Audits or Reviews of Historical Financial Information” issued by the International Auditing and Assurance Standards Board. Our verification process is designed to obtain a reasonable level of assurance for devising opinions and conclusions. The extent of this verification process undertaken covered the criteria set in the GRI Standards: Core Option, Construction and Real Estate Sector Disclosures and the ESG Guide.

The verification process included verifying the systems and processes implemented for collecting, collating and reporting the sustainability performance data, reviewing relevant documentation, interviewing responsible personnel with accountability for preparing the reporting contents and verifying selected representative sample of data and information. Raw data and supporting evidence of the selected samples were also thoroughly examined during the verification process.

Independence

Wheelock was responsible for the collection and presentation of the information. HKQAA did not involve in the collection and calculation of data or the compilation of the reporting contents where HKQAA’s verification activities were entirely independent from Wheelock.

Conclusion

Based on the verification results and in accordance with the verification procedures undertaken, HKQAA has obtained reasonable assurance and is in the opinion that:

- The Report has been prepared in accordance with the GRI Standards: Core Option, Construction and Real Estate Sector Disclosures and the ESG Guide;
- The Report illustrates the sustainability performance of Wheelock’s material aspects in a balanced, comparable, clear and timely manner; and
- The data and information disclosed in the Report are reliable and complete.

In conclusion, the Report reflects truthfully the commitments and involvement of Wheelock towards sustainable development and discloses transparently the sustainability performance of the company that is commensurate with its sustainability context and materiality.

Signed on behalf of Hong Kong Quality Assurance Agency



Connie Sham

Head of Audit

April 2018

GRI Standards and HKEx ESG Reporting Guide Content Indexes

HKEx Indicator	GRI Disclosure		Section Reference/Remarks	Page(s)
	Number	Disclosure Title*		
	GRI 102: General Disclosures 2016			
	102-1	Name of the organisation	About This Report	4
	102-2	Activities, brands, products, and services	Sustaining Good Values – Portfolio Overview	11
	102-3	Location of headquarters	About This Report	4
	102-4	Location of operations	Sustaining Good Values	11
	102-5	Ownership and legal form	About This Report	4
	102-6	Markets served	Sustaining Good Values	10-11
	102-7	Scale of the organisation	Sustaining Good Values Team Wellbeing – About Our Team – Workforce Profile Highlights in 2017	10-11 23-24
KPI B1.1	102-8	Information on employees and other workers	Team Wellbeing – About Our Team – Workforce Profile Highlights in 2017 Appendices – Performance data	23 51
KPI B5.1	102-9	Supply Chain	Collaborating with Our Value Chain and Customers	41-43
	102-10	Significant changes to the organisation and its supply chain	<i>There were no significant changes to our size, structure, ownership or supply chain during the reporting period.</i>	-
	102-11	Precautionary principle or approach	Sustaining Good Values – Corporate Governance	12
	102-12	External initiatives	Appendices – Charters, Memberships and Awards	52-53
	102-13	Membership of associations	Appendices – Charters, Memberships and Awards	52
	102-14	Statement from senior decision maker	Chairman's Message	8
	102-16	Values, principles, standards, and norms of behaviour	Sustaining Good Values – Corporate Governance	12
KPI B7.2	102-17	Mechanisms for advice and concerns about ethics	Sustaining Good Values – Anti-Corruption	12
	102-18	Governance structure	Sustaining Good Values – Corporate Governance	12
	102-40	List of stakeholder groups	About This Report – Engaging Stakeholders	6-7
	102-41	Collective bargaining agreements	<i>All of Wheelock's employees are located in Hong Kong where there is no statutory recognition of collective bargaining agreements.</i>	-
	102-42	Identifying and selecting stakeholders	About This Report – Stakeholder Engagement – Stakeholders' Suggestions and Wheelock's Response	6
KPI B6.2	102-43	Approach to stakeholder engagement	About This Report – Engaging Stakeholders	6-7
KPI B6.2	102-44	Key topics and concerns raised	About This Report – Stakeholders' Suggestions and Wheelock's Response	7
	102-45	Entities included in the consolidated financial statements	Sustaining Good Values	10
	102-46	Defining report content and topic boundaries	About This Report – Material Topics Appendices – Material Topics and Boundaries	5 47
	102-47	List of material topics	About This Report – Material Topics Appendices – Material Topics and Boundaries	5 47
	102-48	Restatements of information	<i>A different methodology has been used for calculating lost day rate and absentee rate in 2017.</i>	-
	102-49	Changes in reporting	<i>There are no significant changes from previous reporting periods to the list of material topics and topic boundaries.</i>	-
	102-50	Reporting period	About This Report – Reporting Period	5
	102-51	Date of most recent report	Our previous Report was published in June 2017	-

* GRI definitions have been used for disclosure title descriptions, where there are no GRI indicators for the specific issues, we have used definitions from HKEx.

HKEx Indicator	GRI Disclosure Number	Disclosure Title*	Section Reference/Remarks	Page(s)
	102-52	Reporting cycle	About This Report <i>The Report is produced annually.</i>	5
	102-53	Contact point for questions regarding the report	About This Report – Contact	7
	102-54	Claims of reporting in accordance with the GRI Standards	About This Report – Reporting Standard	5
	102-55	GRI content index	Appendices – GRI Standards and HKEx ESG Reporting Guide Content Indexes	55-60
	102-56	External assurance	Appendices – Verification Statement	54
Material Topics				
	GRI 200: Economic Topics 2016			
	GRI 103	Management Approach 2016	Collaborating with Our Value Chain and Customers – Building Better Partnerships	42
	204-1	Proportion of spending on local suppliers	Collaborating with Our Value Chain and Customers – Working with Suppliers	42
	GRI 205: Anti-Corruption 2016			
Aspect B7 Anti-corruption: General Disclosure KPI B7.2	GRI 103	Management Approach 2016	Sustaining Good Values – Anti-Corruption	12
Aspect B7 Anti-corruption: General Disclosure KPI B7.1	205-3	Confirmed incidents of corruption and actions taken	Sustaining Good Values – Anti-Corruption	12
	GRI 300: Environmental Topics 2016			
	GRI 301: Materials 2016			
Aspect A2 Use of Resources: General Disclosure Aspect A3 The Environment and Natural Resources: General Disclosure KPI A3.1	GRI 103	Management Approach 2016	Building for Sustainability – Environmental Performance – Materials	17
KPI A2.5	301-1	Materials used by weight or volume	Appendices – Performance Data <i>Data on materials by renewable and non-renewable material types was not collected for this reporting cycle</i>	48-49
	GRI 302: Energy 2016			
Aspect A2 Use of Resources: General Disclosure KPI A2.3 Aspect A3 The Environment and Natural Resources: General Disclosure KPI A3.1	GRI 103	Management Approach 2016	Building for Sustainability – Environmental Performance – Energy Consumption	17-18
KPI A2.1	302-1	Energy consumption within the organisation	Appendices – Performance Data	48-49
KPI A2.1	302-3	Energy intensity	Appendices – Performance Data	48-49
KPI A2.3	302-4	Reduction of energy consumption	Building for Sustainability – 2017 Highlights	14-16
KPI A2.2	303-1	Water consumption in total and intensity (eg. per unit of production volume, per facility)	Appendices – Performance Data	49
KPI A2.4		Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	<i>Not Applicable – Sourcing water that is fit for purpose is not considered to be a material issue for our organisation.</i>	-

HKEx Indicator	GRI Disclosure Number	Disclosure Title*	Section Reference/Remarks	Page(s)
GRI 305: Emissions 2016				
Aspect A1 Emissions: General Disclosure KPI A1.5 Aspect A3 The Environment and Natural Resources: General Disclosure KPI A3.1	GRI 103	Management Approach 2016	Building for Sustainability – Environmental Performance – Emissions	17
KPI A1.1 KPI A1.2	305-1	Direct (Scope 1) GHG emissions	Building for Sustainability – 2017 Highlights Building for Sustainability – Environmental Performance – Emissions Appendices – Performance Data	14 16 48-49
KPI A1.1 KPI A1.2	305-2	Energy indirect (Scope 2) GHG emissions	Building for Sustainability – 2017 Highlights Building for Sustainability – Environmental Performance – Emissions Appendices – Performance Data	14 16 48-49
KPI A1.1 KPI A1.2	305-3	Other indirect (Scope 3) GHG emissions	Building for Sustainability – 2017 Highlights Building for Sustainability – Environmental Performance – Emissions Appendices – Performance Data	14 16 48-49
KPI A1.2	305-4	GHG emissions intensity	Building for Sustainability – 2017 Highlights Building for Sustainability – Environmental Performance – Emissions Appendices – Performance Data	14 16 48-49
KPI A1.5	305-5	Reduction of GHG emissions	Building for Sustainability – Environmental Performance – Emissions	16-17
GRI 306: Effluents and Waste 2016				
KPI A1.6 Aspect A3 The Environment and Natural Resources: General Disclosure KPI A3.1	GRI 103	Management Approach 2016	Building for Sustainability – Environmental Performance – Waste	18
KPI A1.3 KPI A1.4 KPI A1.6	306-2	Waste by type and disposal method	Appendices – Performance Data <i>Our operation does not produce significant amounts of hazardous waste.</i>	48-49
GRI 307: Environmental Compliance 2016				
Aspect A1 Emissions: General Disclosure	GRI 103	Management Approach 2016	Building for Sustainability	13-21
	307-1	Non-compliance with environmental laws and regulations	<i>During 2017, Wheelock was not affected by any incident of non-compliance with any laws, regulations or voluntary codes concerning the environment.</i>	12

HKEx Indicator	GRI Disclosure		Section Reference/Remarks	Page(s)
	Number	Disclosure Title*		
	GRI 308: Supplier Environmental Assessment			
Aspect B5 Supply Chain Management: General Disclosure KPI B5.2	GRI 103	Management Approach 2016	Collaborating with Our Value Chain and Customers – Working with Suppliers – Supplier Assessment and Management	42-43
KPI B5.2	308-1	New suppliers that were screened using environmental criteria	Collaborating with Our Value Chain and Customers – Working with Suppliers – Supplier Environmental and Social Assessment	43
	GRI G4 CRE8: Sustainable Building Development and Certification			
	GRI 103	Management Approach 2016	Building for Sustainability – 2017 Green Building Certifications and Awarded Developments	19
	CRE8	Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment	Building for Sustainability – 2017 Green Building Certifications and Awarded Developments	19
	GRI 400: Social Topics 2016			
	GRI 401: Employment 2016			
Aspect B1 Employment: General Disclosure	GRI 103	Management Approach 2016	Team Wellbeing – About Our Team – Non-Discrimination, Equal Opportunities and Diversity	24
KPI B1.2	401-1	New employee hires and employee turnover	Appendices – Performance Data	50
	GRI 403: Occupational Health and Safety 2016			
Aspect B2 Health and Safety: General Disclosure KPI B2.3	GRI 103	Management Approach 2016	Team Wellbeing – About Our Team – Taking Care of Our Employees, Occupational Health and Safety	27-28
KPI B2.1 KPI B2.2	403-2	Types of injury and rates of injury, occupational diseases, lost days, absenteeism, and number of work-related fatalities.	Appendices – Performance Data	50-51
	GRI 404: Training and Education 2016			
Aspect B3 Development and Training: General Disclosure	GRI 103	Management Approach 2016	Team Wellbeing – Training and Career Development	25
KPI B3.2	404-1	Average hours of training per year per employee	Appendices – Performance Data	51
	404-3	Percentage of employees receiving regular performance and career development reviews	Appendices – Performance Data	51
KPI B3.1		The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Appendices – Performance Data	51

HKEx Indicator	GRI Disclosure		Section Reference/Remarks	Page(s)
	Number	Disclosure Title*		
	GRI 405: Diversity and Inclusion 2016			
Aspect B1 Employment: General Disclosure	GRI 103	Management Approach 2016	Team Wellbeing – About Our Team – Non-Discrimination, Equal Opportunities and Diversity	24
KPI B1.1	405-1	Diversity of governance bodies and employees	Team Wellbeing – About Our Team – Percentage of employees per employment category, by gender	23
			Appendices – Performance Data	51
	GRI 406: Non-discrimination			
Aspect B1 Employment: General Disclosure	GRI 103	Management Approach 2016	Team Wellbeing – About Our Team – Non-Discrimination, Equal Opportunities and Diversity	24
	406-1	Incidents of discrimination and corrective actions taken	Team Wellbeing – About Our Team – Non-Discrimination, Equal Opportunities and Diversity	24
Aspect B4 Labour Standards: General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	Collaborating with Our Value Chain and Customers – Working with Suppliers – Supplier Assessment and Management	43
			Collaborating with Our Value Chain and Customers – Working with Suppliers – Ensuring Quality Working Practices	43
KPI B4.1		Description of measures to review employment practices to avoid child and forced labour	<i>In compliance with local laws, Wheelock does not employ any person below the age of eighteen years at the workplace. Wheelock prohibits the use of child, forced or compulsory labour in all its business units and subsidiaries. No employee is made to work against his/her will or work as bonded/forced labour, or subject to corporal punishment or coercion of any type related to work.</i>	–
KPI B4.2		Description of steps taken to eliminate such practices when discovered	Collaborating with Our Value Chain and Customers – Ensuring Quality Working Practices	43
	GRI 413: Local Communities 2016			
Aspect B8 Community Investment: General Disclosure	GRI 103	Management Approach 2016	Thriving Communities	29-40
	413-1	Operations with local community engagement, impact assessments, and development programs	Thriving Communities – Community Initiatives – The Journey of Project WeCan – Our Impact	35
Aspect B8 Community Investment: General Disclosure		Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	Thriving Communities	29-40
B8.1		Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Thriving Communities	29-40
B8.2		Resources contributed (e.g. money or time) to the focus area	Appendices – Performance Data	51

HKEx Indicator	GRI Disclosure Number	Disclosure Title*	Section Reference/Remarks	Page(s)
GRI 414: Supplier Social Assessment				
Aspect B5 Supply Chain Management: General Disclosure KPI B5.2	GRI 103	Management Approach 2016	Collaborating with Our Value Chain and Customers – Working with Suppliers – Supplier Assessment and Management	42-43
KPI B5.2	414-1	New suppliers that were screened using social criteria	Collaborating with Our Value Chain and Customers – Working with Suppliers – Supplier Environmental and Social Assessment	43
Aspect B6 Product Responsibility: 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	Collaborating with Our Value Chain and Customers – Customers	44
B6.1		Percentage of products subject to recalls for safety and health reasons.	Percentage of products subject to recall for health and safety reasons are not considered to be a material issue.	
B6.3		Description of practices relating to observing and protecting intellectual property rights	Description of practices relating to observing and protecting intellectual property rights are not considered to be a material issue.	
B6.4		Description of quality assurance process and recall procedures	Collaborating with Our Value Chain and Customers – Customers – Providing Quality Products and Services	44
B6.5		Description of consumer data protection and privacy policies, how they are implemented and monitored	Collaborating with Our Value Chain and Customers – Customers – Customers' Personal Data Privacy	46
GRI 418: Customer Privacy 2016				
Aspect B6 Product Responsibility: General Disclosure KPI B6.2	GRI 103	Management Approach 2016	Collaborating with Our Value Chain and Customers – Customers – Customers' Personal Data Privacy	46
Aspect B6 Product Responsibility: General Disclosure KPI B6.2 KPI B6.5	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Collaborating with Our Value Chain and Customers – Customers – Customers' Personal Data Privacy	46
GRI 419: Socioeconomic Compliance 2016				
	GRI 103	Management Approach 2016	Sustaining Good Values – Our CSR Approach and Management	12
Aspect B1 Employment: General Disclosure Aspect B2 Health and Safety: General Disclosure Aspect B4 Labour Standards: General Disclosure Aspect B6 Product Responsibility: General Disclosure Aspect B7 Anti-corruption: General Disclosure	419-1	Non-compliance with laws and regulations in the social and economic area	<i>The Company was not subject to any significant fines or non-monetary sanctions for non-compliance with laws and regulations in 2017</i>	–



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