

HONG YIP HOLDINGS

SUSTAINABILITY

REPORT

2023/24



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Introduction

Hong Yip Holdings Limited (“Hong Yip” or the “Company”) is pleased to present its 2023-24 Sustainability Report, highlighting the Company’s achievements in creating value for the environment, employees, customers, suppliers and communities during the period from 1 July 2023 to 30 June 2024.

With more than 55 years in the property and facility management business, Hong Yip’s commitment and dedication to continuously improve service quality ensures that it exceeds customer expectations and maintains its leading competitive edge in the industry. This has not only resulted in steady business growth, but also won unanimous praise from customers, business partners and other stakeholders.

As the Company expands its business and operations, Hong Yip is aware of its impact on the environment and the community, as well as its stewardship responsibilities. Hong Yip is committed to integrating corporate sustainability into its business strategy. By conducting our business ethically and providing excellent service to our customers, as well as making progress in employee engagement, community investment, volunteering work and environmental protection, Hong Yip is determined to achieve the ultimate goal through the joint efforts of all parties.

Message from Sustainability Committee

Adhering to the principles of our parent company Sun Hung Kai Properties Limited (“SHKP” or the “Group”) of “Building Homes with Heart” and “Serving Customers with Heart”, Hong Yip has always been committed to providing customers with a better place to live, creating a better quality of life and building a more harmonious community with high-quality service, innovative intelligent technology and environmental and energy-saving management.

Understanding the importance of sustainable development, the Company established the Environmental, Social and Governance (ESG) Steering Committee in April 2022, led by the Chairman of Hong Yip and comprises Hong Yip’s directors and heads of departments, to promote ESG initiatives, implement sustainability culture, set goals and directions, as well as strengthen supervision and monitoring.

During the year, Hong Yip continued to bring quality living experience to customers, keeping pace with the technological development by introducing various types of innovative technologies and is committed to providing professional and dedicated services to customers.

At the same time, the Company insists in focusing on building a green living environment to cope with future environmental challenges such as climate change. During the year, Hong Yip implemented a series of effective environmental management and monitoring systems, improved the building performance in sustainability, and formulated a renewable energy plan to promote a sustainable and green community.

Hong Yip cares about the society and has co-organized the “PeaceBox” Campaign with different organizations for 11 consecutive years. The Company also supports various community groups to promote a sustainable and inclusive society, building a beautiful and harmonious community.

About Hong Yip

Hong Yip Service Company Limited, a wholly-owned subsidiary of Sun Hung Kai Property Development Company Limited, was established in 1967. Since its establishment, Hong Yip has been committed to innovation and promoting the service level of local property management to reach international standards. At present, it manages more than 1,700 properties, including residential buildings, hotels and service apartments, shopping arcades, commercial buildings, industrial buildings, recreational facilities, and government and tertiary institution facilities, which constitute the largest community in Hong Kong and are trusted by all walks of life.

Accordingly, Hong Yip has refined our corporate vision, mission and values.



Vision

To Be Asia's Best and Most Innovative Property and Facilities Management Company



Mission

To Deliver the Most Ideal and Advanced Management Services Catering for Customer's Lifestyles and Needs



Values

Customer Focus, Innovation, Quality Service and Best Value

Core values

The Group always adheres to the commitment of "Serving Customers with Heart" and strives for providing excellent and premium services to residents. We strongly advocate the motto of Excellent Service is the Core, which is a solid foundation for our continuous improvement and development. We will continue to inherit this excellent service culture and build a beautiful home for the residents.

Serving Customers with Heart

- Provide premium property and facility management service
- Build beautiful homes for residents

Investigate strictly, Inquire politely, Decline gently

- Implement "strict investigation, polite inquiry and polite refusal"
- Improve the security service continuously

Be proactive, Smile, Be kind, Greeting

- Think what customers think and win the hearts of residents

Follow through the complaint, take action, get a good result

- Enhance the customer complaint system
- Turn crises into opportunities

Our Vision

Adhering to the core values of our parent group Sun Hung Kai Properties “Building Homes with Heart” and “Serving Customers with Heart”, Hong Yip adopts the management principles of quality services, technology integration and green management to ensure its sustainable development and foster long-term value creation for customers, employees, partners and community.

Our commitment

We pledge to achieve "carbon neutrality" by 2050 and promote Hong Kong as a sustainable green city.

SERVICE
FOR Tomorrow
— 為未來 · 服務 —

Service for Tomorrow

As a property management service provider, Hong Yip strives to achieve its sustainability goal of "SERVICE FOR TOMORROW", which is driven by seven core values of "SERVICE", being the acronym for the following namely:



With these seven core values, we would continue to strengthen our environmental, social and economic resilience in pursuit of sustainable growth, synchronizing with SHKP’s development, with a view to providing a better living environment, creating a better lifestyle, building a more harmonious and healthier community.

Sustainability Strategy

Hong Yip places great emphasis on environmental, social and corporate governance (ESG). We have incorporated sustainability into our core corporate strategy and adopted five sustainable development principles to achieve sustainable development through good governance and risk management. By mapping our sustainability strategy with the United Nations' Sustainable Development Goals (SDGs), we support SDGs and join the universal call by the United Nations Member States.

Environment: Hong Yip advocates the concept of "Sustainable Green City" to improve the living environment. In addition to continuous promotion of greenery, we set strict environmental standards for our properties to enhance environmental performance and energy efficiency. We aim to create a green and comfortable living environment for customers and contribute to the achievement of the United Nations Sustainable Development Goals.

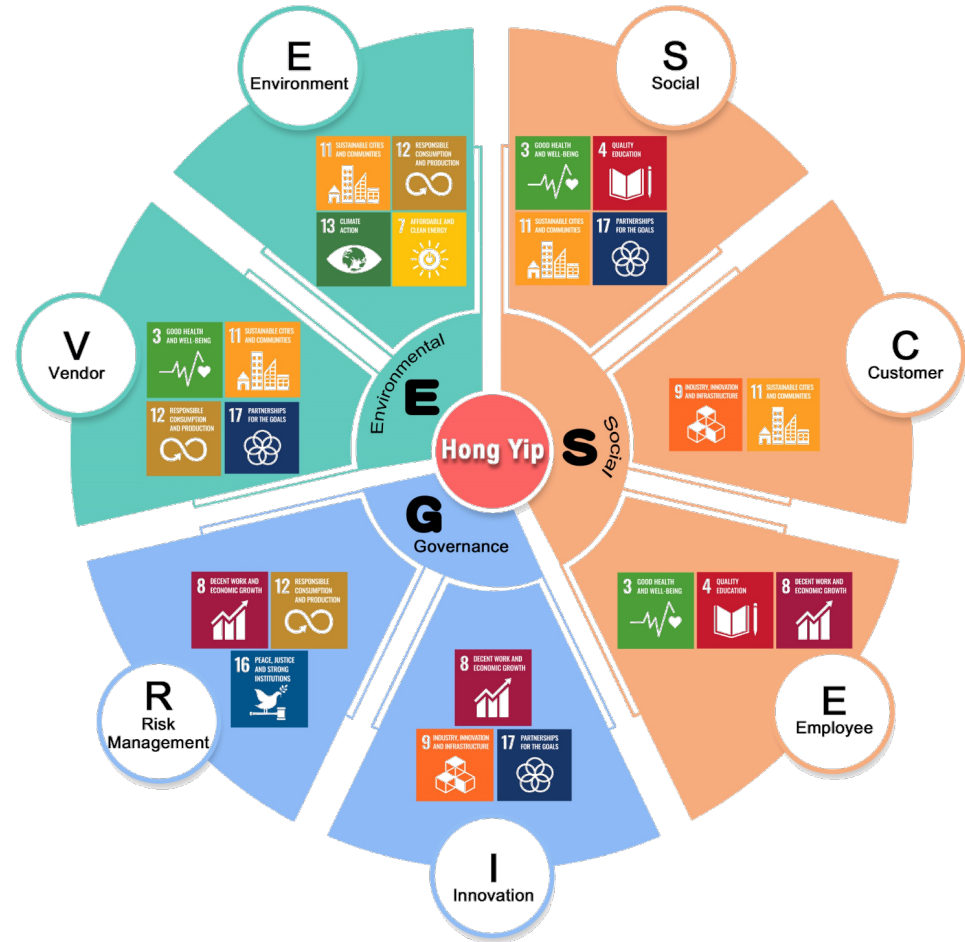
Employee: Hong Yip promotes a culture of diversity and inclusion, values health and safety, and is committed to creating a people-oriented work environment for our employees. By investing in their professional development, we help build a robust talent pool for the continued growth of the Group.

Customer: The Company adheres to the belief of "Serving Customers with Hearts" and is committed to providing excellent and premium property management and caring services. We always satisfy our customers' need and keep pace with the times through innovation and application of technology.

Vendor: Hong Yip is committed to building a sustainable supply chain in terms of environment, society and governance. We actively communicate with suppliers and contractors to establish long-term and mutually beneficial partnerships.

Community: Hong Yip cares for the underprivileged to create a positive value in their lives through the collaboration of our staff, business partners and customers.

SUSTAINABLE DEVELOPMENT GOALS



Regular Communication with Stakeholders

Hong Yip conducts regular questionnaire surveys with residents, carries out random home visits, provides a 24-hour complaint hotline, continuously develops customer mobile apps, QR codes, etc., and extensively listens to the opinions of the residents. With the policy of “Follow through the complaint, take action, get the result, result must be good”, Hong Yip also regularly organizes activities to enhance communication with residents, and publishes estate newsletters to improve the transparency of estate management.

Hong Yip continues to:

- Maintain close contact and communication with stakeholders through different channels, understand their expectations and opinions and continuously improve the our sustainability.
- Collaborate with business partners and external organizations to promote the best practices for sustainable development.
- Conduct regular employee surveys and enhance staff communication through the Group’s mobile apps WeCom.



Social

社群



Create Value for a Better Community



As a good corporate citizen, we provide continuous support for various community activities by offering volunteer service and sponsoring different community associations in their efforts to build a sustainable healthy society. We care for our employees, customers, business partners, from the general public to the environment, engaging in multi-faceted voluntary services that reach out to the needy.

With more than 170,000 units under Hong Yip's management, our clientele is much wider than that of the general industry. Therefore, in addition to providing the most comprehensive and quality management services to our customers, more than 720 staff members have participated in volunteer service activities in the past year. Leveraging the company's extensive customer network, we effectively publicize our corporate philosophy and build a better and healthier community.

Hong Yip Volunteer Team

Established in 2001, the Hong Yip Volunteer Team serves as a platform for our employees to connect with and give back to the community. Over the last 23 years, we have achieved encouraging results. The number of volunteers has continuously increased, and the scope of services is both broad and deep. We have participated in more than 1,530 activities, with nearly 2,530 participants, accumulating over 793,000 hours of volunteer service.

Currently, Hong Yip together with its business units have formed 52 sub-volunteer teams, engaging in various meaningful programs, such as charity sale, fundraising, relocation maintenance services and visiting activities. Moreover, we have established long-term partnership with St. James' Settlement, Hong Kong Society for the Blind, Neighborhood Advice Society, Haven of Hope, Helping Hands Association, The Hong Kong Federation of Youth Groups and Social Welfare Department, etc. to assist individuals in need within the community.

Over the past 5 years, our staff have received 347 Individual Gold Awards, 266 Individual Silver Awards, and 429 Individual Bronze Awards from the Social Welfare Department. Amongst Hong Yip's Volunteer Team members, 14 have won long-term service honor (calculated by the Social Welfare Department: volunteers must serve over 50 hours each year) for having contributed towards the society for more than 20 consecutive years; 15 individuals with over 15 years, 29 individuals with over 10 years, and 67 individuals with over 5 years. Our volunteer teams have also received a total of 40 Gold Awards, 26 Silver Awards, and 45 Bronze Awards.





Caring Company Scheme

Since 2002, Hong Yip and its subsidiaries have been awarded the Caring Company Logo by the Hong Kong Council of Social Services. Currently Hong Yip together with its subsidiaries and business units have been awarded a total of 20 entities. Hong Yip has been awarded the honor for the “Caring Company Plus” for 20 consecutive years, recognizing our long-term commitment to participating in various volunteering projects for the betterment of the community.



Logo	Winning List
“20 Years Plus Caring Company” Logo	<ul style="list-style-type: none"> Hong Yip Service Company Limited
“15 Years Plus Caring Company” Logo	<ul style="list-style-type: none"> Nixon Cleaning Nicole Environmental Services Royal Peninsula
“10 Years Plus Caring Company” Logo	<ul style="list-style-type: none"> Lik Kai Engineering Lik On Security Superpower Pumping Engineering Vigor Industrial Building (Hong Yip)
“5 Years Plus Caring Company” Logo	<ul style="list-style-type: none"> Hong Yip Properties Agency Maison Platinum Service Epoch Industrial Building (Hong Yip) Kwai Sing Centre (Hong Yip) Wah Sing Industrial Building (Hong Yip) Po Sing Centre (Hong Yip) Scenic View (Hong Yip)
“Caring Company” Logo	<ul style="list-style-type: none"> Trustful Engineering and Construction Homely Service Hong Chui Landscape Harbour Place eResidence (Hong Yip)

Annual Charity Event



PEACEBOX

Started with the idea of “Sharing of LOVE and BLESSINGS” on Easter in 2014, Hong Yip and other co-organisers are devoted to spreading love and care through a box – “PeaceBox” to connect the needs in the community. This initiative not only provides material support but also serves as a channel to convey care and love.

This year, we collected over 10,000 gift boxes from Hong Yip residents, more than 30 schools, private enterprises, churches, and individuals. These boxes included daily necessities, dry food, toys, and stationery. By gathering support from various sectors, we redistributed the collected items to grassroots families, the elderly, and vulnerable communities such as the homeless.

Mr Alkin Kwong, Chairman and Chief Executive of Hong Yip, said, “This is the 11 consecutive years for Hong Yip to co-organize PeaceBox Campaign with charitable organizations and institutions. This year’s theme is ‘LIGHT – Light Up Your Heart’ and we hope to send our blessings and care to those in need through these gift boxes.

Hong Yip has been encouraging young people to join the "Young Upward Mobility Mentorship Program". This year, Hong Yip arranged a visit on 19 April 2024 for young mentees, guided by mentors to spread love and chat with the elderly in the Elderly Care Center as well as to distribute gifts to them.

Peace Box Campaign is co-organized by Hong Yip Service Co Ltd, Saddleback Church Hong Kong, Hong Kong Church Network for the Poor, Hong Kong Gospel Festival Limited, YWCA, Evangelical Lutheran Church Social Service – Hong Kong and with the support of Hung Fook Tong and Jesus Online.



SHKP's Building Homes with Heart Caring Initiative & Music and the Team Intergenerational Program

The Group recently collaborated with The Neighbourhood Advice-Action Council to organize Elderly Home Safety and Environment Improvement Project, a one-year programme in which we leveraged our property management skills to enhance the living condition of the elderly in Tuen Mun and Wong Tai Sin District. Hong Yip's volunteer team also participated in the Group's Music and the Team Intergenerational Program at Pak Tin Estate, which subsidized students, the elderly and volunteers to learn ukulele, with the aim of fostering inter-generational inclusion. The parents of the students engaged in festival caring activities, visiting elderly residents in the community to foster stronger neighbourhood connections.



"Heart to Heart Project" & "Heart to Heart Neighbourhood Project"

Since 2005, Hong Yip has sponsored the "Heart to Heart School" Service Project, launched by The Hong Kong Federation of Youth Groups (HKFYG), every year, and set up a volunteer team to cultivate student volunteer leaders to participate in community volunteer activities, nurturing a spirit of helping others and caring for the community from a young age.

Our volunteer team also takes action in participating annually in neighborhood activities organized by HKFYG and delivering rice to elderly living alone or with mobility difficulties. Regardless of the pandemic, the summer heat, or heavy rain, our volunteers have consistently delivered rice to the elderly residents in areas such as Kwai Tsing, Hang Hau Estate, and Chuk Yuen Estate, offering blessings and care to them, while understanding their current living situations.



Contributing the Society with our Expertise

Self-enhancement Home Minor Maintenance Volunteer Program



The “Self-enhancement Home Minor Maintenance Volunteer Program” aims to assist new arrivals and single mothers in need to adapt to the community. Our technicians taught women living in Tin Shui Wai, Tsuen Wan and So Uk Estate some basic home maintenance skills, enabling them to carrying out minor home maintenance work themselves. In this way, we hope to help more needy families, promoting community inclusion and truly achieving the essence of “Helping people to help themselves”.

Elderly Home Improvement Community Program

Over the past few years, our volunteer team has frequently discovered varying degrees of home hazards and hygiene issues in the residences of the elderly. In response to this, Hong Yip volunteer team has collaborated with the Neighbourhood Advice-Action Council (NAAC) to launch the Elderly Home Improvement Community Program. This initiative aims to conduct home safety assessments and improvement services for elderly living alone and those receiving Comprehensive Social Security Assistance (CSSA) or Old Age Living Allowance (OALA) in Tuen Mun and Wang Tau Hom areas.



The scope of the programme includes replacing electrical switches, light bulbs, and conducting minor home repairs. Additionally, our volunteer team provides funding assistance for pest control services for elderlies who are facing pest issues, hoping to alleviate home safety hazards and hygiene risks for the elderly.

Active Participation in Community and Charity Events

Through sponsorship of sports activities that combine healthy living and charity, Hong Yip is committed to the mission of "Sports for Good". During the year, we have sponsored a series of sports activities to promote the enjoyment of sports while supporting the well-being of the underprivileged.

The Joy of Inclusion Bowling Competition



As in the past 13 years, Hong Yip continue to support and participate in a meaningful inclusive event organized by the Hong Kong Blind Sports Federation and supported by Rotary International District 3450 – the "Joy of Inclusion Bowling Competition 2024".

This year's competition set a record with 59 teams and 236 participants, creating a vibrant and enthusiastic atmosphere on the lanes. As global awareness of inclusivity for individuals with disabilities continues to rise, the competition aims to promote the concept of inclusivity and equal participation, fostering the integration of visually impaired individuals into society. Our team ultimately won the "Overall Team Champion" in this competition, fully embodying the spirit and strength of inclusivity.

Green Power Hike

"Green Power" is an organization dedicated to promoting environmental protection and sustainable development. Through various activities such as eco-tours, charity hikes, environmental seminars, they aim to raise public awareness and concern about environmental issues. Last year, Hong Yip sponsored colleagues to participate in the "Green Power Hike 2024", where they emerged as the champion. Hong Yip not only actively supports and participates in environmental conservation efforts but also wholeheartedly contributes to charitable endeavors.



Fair Trade Charity Football Cup

Fair Trade Hong Kong is an organization that promotes the concept of fair trade. Through organizing events, promoting fair trade products, and providing educational resources, Fair Trade Hong Kong aims to enhance public awareness and support for fair trade.

Hong Yip actively participated in the Fair Trade Charity Football Cup Competition 2023 and emerged as the champion. This competition aims to advocate for fair trade principles and encourages businesses to promote the principal of gender equality. Through this competition, Hong Yip demonstrated its commitment to social responsibility, as well as showcasing teamwork and sporting excellence.

Kat O 2.0

Hong Yip has always been very supportive of charity and environmental causes. "Amazing Greeners Fight for No Plastic - Kat O 2.0" is a charity event organized by Greeners Action. Like last year, our staff formed teams to participate in the beach cleaning activity at Kat O. This time, they successfully cleared 74 bags of over 270 kilograms of garbage, including plastic bottles, straws, disposable utensils, fishing nets, and tires. The funds raised will be used by Greeners Action for future environmental promotion activities. Additionally, the company organizes various environmental activities every year, such as red packet recycling and e-waste collection, to promote and cultivate colleagues' environmental awareness and habits.



Green Night Walk

Hong Yip sponsored and participated in the "Green Night Walk 2024" organized by the Hong Kong charity and environmental group Green Earth on January 27, 2024.



Through this activity, participating colleagues were exposed to numerous practical environmental conservation methods and gained a profound understanding of the importance of environmental awareness and sustainable living practices. It is hoped that through such engagement, environmental principles can be integrated into more areas and communities.

Green Walk Hong Kong

Hong Yip sponsored and participated in the "Green Walk Hong Kong 2024" presented by the World Green Organization and MTR Corporation. Held on March 16th this year at Central Harbourfront Event Space, the event focused on "Promoting a Walkable City and Combating Climate Change" and featured urban orienteering activities.



The event aims to raise awareness among the people of Hong Kong about climate change, encourage the use of low-carbon transportation, and promote energy-efficient and eco-friendly green living practices.

Hong Yip Christmas Social Enterprise Fair

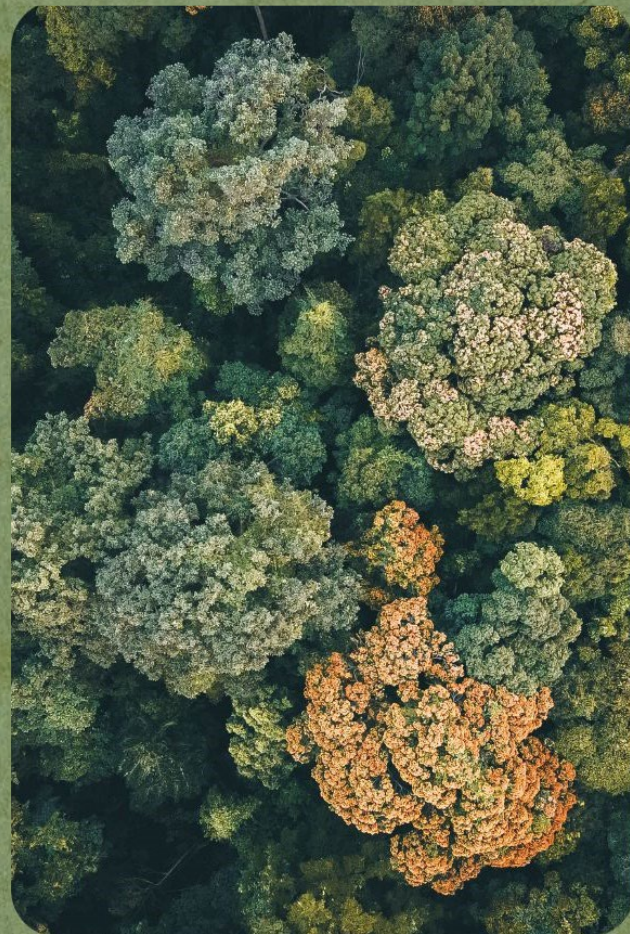
"Tithe Ethical Consumption Movement (TECM)" is a social innovation project organized by the Fullness Social Enterprises Society. This platform brings together the government, business sector, social enterprises, and volunteers to collectively support the development of social enterprises and promote conscientious consumption.



The company has always been a strong supporter of social enterprises and tirelessly assists in the promotion of conscientious consumption. Hong Yip Services Limited has been awarded the "Tithe Ethical Consumption Movement - Outstanding Support for Social Enterprise Organizations" by the Fullness Social Enterprises Society for 10 consecutive years since 2014.

Environment

環境



Caring for the Environment



Sustainable Development Concepts

Hong Yip has demonstrated innovative leadership by introducing the "Concept of Sustainable Green City" to enhance the living environment of owners and tenants. Besides continuously promoting landscaping, it also sets strict environmental protection standards for the managed properties to improve environmental performance and energy efficiency, for a green and sustainable living environment.

Environmental Management System

Hong Yip has been certified by the international certifications of ISO 14001 Environmental Management and ISO 50001 Energy Management. Revision of the management system for continuous improvement was carried out via regular internal audit and third-party assessments.

Strategy and Management

Upholding the belief of "Building Homes with Heart", Hong Yip endeavors two major scopes "Environmental Protection" and "Energy Saving" to commit achieving sustainable development. Throughout the years, we uphold the targets of Environmental Protection and Energy Saving:

- Environmental Protection - "Comply with laws, prevent pollution, reduce waste, and make good use of resources"
- Energy Saving - "Comply with laws, make continuous improvements, implement energy-saving measures and enhance energy efficiency"

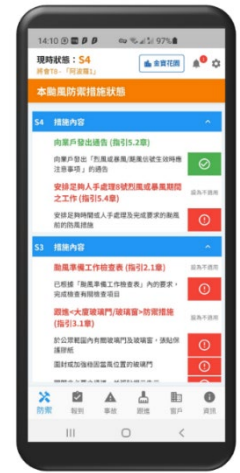
Since 2022, we have established the "Environmental, Social and Corporate Governance (ESG) Steering Committee" led by the Chairman of Hong Yip and comprising directors and heads of different departments in company, to further strengthen our work for sustainability development, social responsibility and corporate governance, in creating corporate environmental protection culture.

In addition, Hong Yip also set up a special committee more than 20 experts from different departments and technical disciplines, to responsible for formulating best practices to guide and promote Hong Yip's environmental protection efforts, including continuous monitoring of building energy consumption, enhancing green property management, and facilitating corporate environmental training and communication.

Climate Change Management

Climate change and the impact of "extreme weather" have been concerned continuously on our business. We have not only formulated contingency plans for "extreme weather", but also to strengthen the ability of our frontline staffs on handling and responding the extreme weather. In addition, we keep on enhancing the system of instant alert, implementation management, case monitoring and improvement analysis during extreme weather to ensure our tenants life and property with the greatest protection.

We self-developed several intelligent systems and tools, including Hong Yip Customer Relationship Management (HYCRM) mobile application and platform, Hong Yip internal communication and training mobile application (HY WeCom), Hong Yip intelligent building monitoring mobile application and platform (HY IntelliNet 4.0), Hong Yip Building Operation Information Management System (BOIMS) mobile application and platform and Hong Yip SoProp mobile application. HY IntelliNet 4.0, HY BOIMS, and HY SoProp have implemented a set of solutions to cope with Hong Kong's "Extreme Weather" based on the three-step process of "Prevention-Response-Alerting", which makes use of advanced technologies including automation, cloud computing, big data and other smart technologies, and automatically connects to the Hong Kong Observatory to collect information from the Observatory. It also automatically connects with the Hong Kong Observatory and collects open information and weather warnings from the Observatory. Combined with the actual situation of the industry, the 24/7 real-time updating of platform information facilitates the team to carry out prevention, follow-up, notification, management, monitoring, analysis and safety assessment in response to "extreme weather", which helps to mitigate the impact of "extreme weather" on our business and building management.



HY BOIMS

Sustainable Development Data Management System

We have demonstrated to monitoring and evaluating its sustainability performance and actively collects relevant information to keep an eye on the sustainability performance of its properties. In June 2023, the "Sustainable Development Platform System" was successfully upgraded to further enhance the monitoring and management of the sustainability performance of the entire property portfolio and individual properties. Through in-depth understanding and accurate analysis of the data, Hong Yip is able to provide reliable support for the formulation of realistic long-term measures in the future, thereby promoting our sustainable development and properties in a more effective manner. This continuous monitoring and management not only contribute identification of potential problems and opportunities, but also provides strong information support in formulating strategies and decisions, which will enable us to move forward on the path of sustainable development.

Green Building Team and Green Property Portfolio

To enhance the sustainability performance of our managed properties, Hong Yip has committed to establishing a high-quality professional team to assist our managed properties in obtaining various green certifications. We have a total of 16 employees held "BEAM Professional (BEAM Pro)" and "BEAM Affiliate" qualifications under the Hong Kong Green Building Council (HKGBC) and 10 employees registered as "RCx Professional (RCx Pro)" or "RCx Practitioner". In addition, 3 employees have also obtained the "Well Accredited Professionals" certification from the International WELL Building Institute (IWBI). In recent years, the concept of ESG has gained widespread attention across various sectors, becoming an indispensable element for enterprises over the world to achieve sustainable development. Hong Yip also put a great effort on ESG, and we have 5 employees have successfully obtained the "Certified ESG Planner (CEP)" certification from the International Chamber of Sustainable Development.

As early as 2019, Hong Yip has signed a Memorandum of Understanding (MOU) with the HKGBC and BEAM Society. In May 2024, they launched the "BEAM Plus Existing Buildings (Global)" version 1.0, expanding the service scope to regions outside Hong Kong, including the Greater Bay Area, Mainland China, and globally. Hong Yip has signed the "Memorandum for applying BEAM Plus in projects outside Hong Kong" to support the development of green buildings in adjacent and overseas regions.

Hong Yip has been proactively driving our managed buildings to obtain the BEAM Plus Existing Building certification from the HKGBC since 2020. As of this year, we have 62 properties awarded BEAM Plus Existing Building certificates, including Sun Hung Kai Centre, Harbour Centre, 26 Nathan Road, 909 Cheung Sha Wan Road, Grand City Plaza, Tsuen Wan Plaza (Shopping Arcade), Park Central (Shopping Arcade), Mikiki, PORT 33, Valais, and Imperial Cullinan being rated "Excellent" in BEAM Plus for EB Version 2.0 Selective Scheme in Management (MAN) Category. During the reporting year, 5 of our managed properties were rated "Good" in the Energy Use (EU) Category, including Harbour North, Park Central (Shopping Arcade), New Tech Plaza, Mikiki, and Tsuen Wan Plaza (Shopping Arcade).

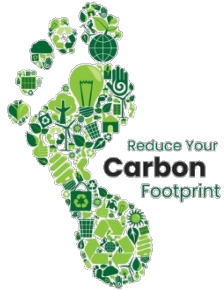
One of our managed residential properties, Wetland Seasons Park, located adjacent to the Tin Shui Wai Wetland Park, was awarded the Grand Award under Existing Buildings Category (Facilities Management) in the "Green Building Award 2023" co-organized by the HKGBC and the Professional Green Building Council. With the goal of Urban-Rural Integration, we have been continuously making efforts to protect the ecology of the habitat and use it as an educational tool for both residents and community nearby in order to create a sustainable community.



Grand Award - Existing Buildings Category (Facilities Management), Green Building Award 2023: Wetland Seasons Park

Furthermore, during the reporting year, the headquarter of Hong Yip and more than 300 properties under its management were awarded Hong Kong Green Organization Certifications (HKGOC) issued by the Environmental Campaign Committee (ECC). In the meantime, they have obtained a total of more than 650 Wastewiše Certificates, Energywiše Certificates, IAQwiše Certificates and Carbon Reduction Certificates from the ECC.

Support targets of carbon neutrality before 2050 achievement



In order to achieve the carbon neutrality target, Hong Yip has fully considered the impact of climate change in formulating its energy management strategy. The combination of external initiatives, such as the "Hong Kong's Climate Action Plan 2050", "Energy Saving Plan for Hong Kong's Built Environment 2015~2025+" and "Hong Kong Roadmap on Popularization of Electric Vehicles", have complemented our efforts and moving faster our pace of emission reduction.

In order to accurately track the emission reduction performance of our properties, we have joined the Green Hong Kong - Carbon Audit and signed the BEC Zero Carbon Charter of the Business Environment Council (BEC) in 2023. We have also conducted carbon audits for 66 developed or leased out properties of our Group annually, of which 61 properties have also participated in the carbon audits organized by the Environmental Protection Department (EPD). Those programs like join-hands effort to promote Hong Kong's move towards a low carbon economy and to respond actively to the Paris Agreement.

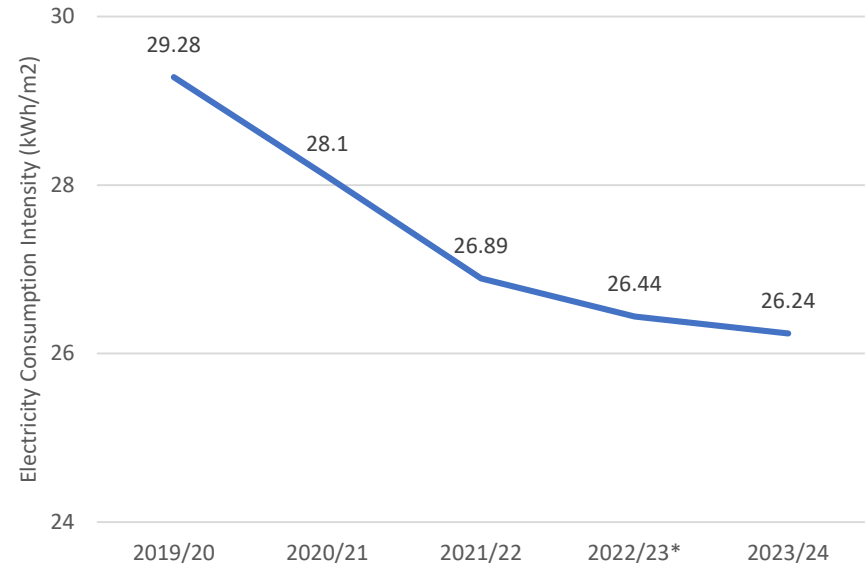
We are endeavored to commit carbon neutrality, we participated Hong Kong Green and Sustainability Contribution Awards launched by Hong Kong Quality Assurance Agency (HKQAA), and won the 's Hong Kong Green and Sustainable Contribution Awards and won the "Mentor Pioneer Award for ESG Connect" and the "Outstanding Award for Contribution to Sustainable Property (Property Management) - Promote Environmental Protection".

Hong Yip also participates in CLP's "Innovative Energy Saving Enterprise Awards" every year to achieve reduction of energy consumption actively and raise awareness of energy saving amongst colleagues and tenants. In 2023, we awarded the "Carbon Management Award" and the "Joint Energy Saving Award".

Enhancing Energy Efficiency

We have aligned ourselves with the energy saving targets set by our parent company SHKP for the 2019/20 financial year, aiming to reduce greenhouse gas emission, electricity consumption, and water use by 25%, 13%, and 5% by 2029/30. Driven by our proactive efforts, we have seen good results in each of these targets.

Energy consumption intensity of properties in Hong Yip for the period of 2019/20 to 2023/24



*The scope and data have been revised.

Upgrading Building Equipment to speed up Emission Reduction Progress

In order to improve the overall energy efficiency of our properties, a series of measures were taken including recalibration and implementing energy-saving projects in our existing buildings, such as adopting high-efficiency chiller units, utilizing automatic control of air-conditioning systems, and promoting the use of solar energy installations etc. so as to enhance the energy efficiency of the buildings in a holistic manner.

Our Energy Saving Projects

Grandeur Shopping Arcade

- Replacement of 2 escalators and 2 high-efficiency air-cooled freezers to improve energy efficiency and safety. In total, about 269 MWh of electricity was saved, equivalent to a reduction of more than 100,000 tons of carbon emissions.



Hong Kong Plaza

- Upgrades to 5 elevators that have been in use for more than 40 years to improve energy efficiency and safety. In total, about 29 MWh of electricity was saved, equivalent to a reduction of more than 1,900 tons of carbon emissions.



K Point

- Replace and use high-efficiency air-conditioning systems, including 43 coil fans equipped with permanent magnet synchronous motors and 3 high-efficiency air-cooled freezers. In total, about 317 MWh of electricity was saved, equivalent to a reduction of more than 123,000 tons of carbon emissions.

Installation of Renewable Energy Equipment

Hong Yip has further adopted increasing use of solar energy in our managed properties. 11,000 solar panels have been installed in 34 properties, with projected electricity generation of 5,000 MWh per Annum, equivalent to the annual electricity consumption of 1,500 households. We are targeting to promote more properties to install solar panels.

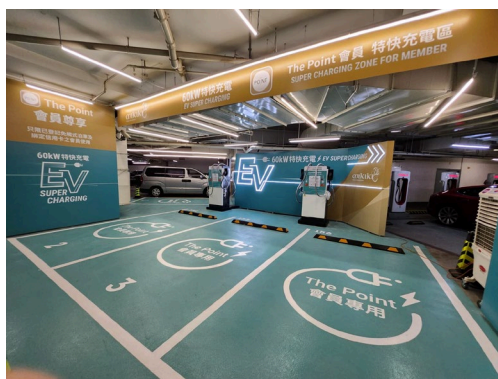
Since July 2021, we have been purchasing Renewable Energy Certificates (RECs) launched by CLP for Hong Yip training programs and designated significant events, to offset the electricity consumption associated with online and on-site training activities and large-scale events throughout in a year. This demonstrates our support and active participation in the adoption of renewable energy and the Feed-in Tariff (FiT) scheme.



Solar Panels of Brill Plaza

New Era of Vehicle Electrification

Throughout the years, the Group has actively promoted the adoption of electric vehicles, encouraging owners of our managed properties to participate EV-charging at Home Subsidy Scheme (EHSS) launched by the EPD. Under our management, over 50 housing properties covered as many as 13,000 parking spaces have been approved. At present, 1,700 parking spaces have been completed the installation.



EV Super Charging facilities of Mikiki

We have implemented a comprehensive plan to transition our fleet to electric vehicles and promote green mobility by 2030. This initiative will result in a reduction of 22 tons of carbon emissions per year, equivalent to 950 planting of trees.

Water Efficiency

Hong Yip has been promoting water conservation in managed properties, and has developed a series of related measures and codes of practice to ensure efficient water usage. To effectively detect water leaks, over 230 buildings have installed IoT water leak alarm sensors, reducing water wastage caused by leaks and disturbance to residents. Additionally, we also actively advocate for the installation of water-saving devices and the adoption of labeled water-efficient products across our properties.

In recent years, the government has also been actively promoting various water-saving initiatives, including the "Let's Save 10L Water 2.0" campaign launched by the Water Supplies Department since 2019. Hong Yip has 16 residential properties participating in the programme, installing flow controllers and promoting water conservation to the tenants.

Additionally, we actively participate in the Water Supplies Department's "Enterprises Cherish Water Campaign" to save Water. There are 31 commercial and industrial properties under our management signed the ECH2O Charter, pledging to implement water conservation measures within their operations.

Waste Management

To support waste management plans initiated by the government aiming on three visions of "Waste Reduction-Resources Circulation-Zero Landfill" such as "Waste Blueprint for Hong Kong 2035" launched in 2021, we have adopted a three-step waste reduction strategy – Avoid generating waste, Reduce waste, and Recycle waste to achieve sustainable waste management throughout our business operation. We strive to surpass regulatory requirements for achieving an ultimate goal of zero landfill.

To promote recycling and collection of different types of waste in our properties and shopping malls, we have set up smart reverse vending machines for recyclables collection in recent years, like plastic bottles, as such it integrates smart technology into waste management and recycling.

Hong Yip has been actively participated in various recycling programmes organized by the government and non-governmental organizations. 70 residential properties have participated in the one-stop reliable recycling service – GREEN COLLECT, launched by the EPD in 2022, further enhancing the recycling services of residential properties. In June 2024, the EPD also launched the "Waste Reduction and Recycling Charter" to foster recycling awareness among residents. Hong Yip has more than 160 housing estates prepared to apply for the programme. In addition, over 100 properties have signed up supporting the "Glass Container Recycling Charter" organized by the EPD, aiming at promoting public awareness of clean glass container recycling and separating wasters right at the source.



Proficient Industrial Centre joined Greeners Alliance's trial programme to compress on-site packaging film waste for recycling

For the commercial and industrial properties, we have 7 industrial buildings joining the "Local Commercial and Industrial Plastics Recycling Efficiency Enhancement Pilot Scheme" operated by the Greeners Action and funded by the Recycling Fund. It demonstrates a one-stop packaging film recycling solution to enhance the efficiency of industrial plastic recycling.

In recent years, the EPD has been actively promoting food waste recycling and has launched initiatives such as the "Pilot Scheme on Food Waste Smart Recycling Bins in Private Housing Estates", the "Supporting Residential Buildings in Adopting Smart Bins Technology in Food Waste Collection and Recycling", and the "Pilot Scheme on Food Waste Collection". Hong Yip supports our managed buildings to apply for these programmes and as of this year, we have over 20 properties submitted applications for these programs. Furthermore, to promote a culture of food conservation and surplus food recycling, Hong Yip has collaborated with Food Angel for the past 3 consecutive years for the "Food Recycling Programme". We have installed smart recycling machines in multiple residential properties and encourage residents to donate surplus food to help those in need. In 2024, Food Angel has also launched the "World Food Rescue Week 2024" to encourage the general public to develop the habit of donating surplus food. We have more than 40 buildings supporting the programme and promote food waste recycling to the public. Additionally, we have 10 housing estates serving as collection points of surplus food, which have collected over 500 kg of surplus food during the reporting period.



Certificate of Appreciation for World Food Rescue Week 2024



Collaborated with Food Angel and installed smart recycling machines in residential properties

Reduce consumption, make efficient use of resources, and take environmental considerations into account when making purchases

Use of resources

Hong Yip closely monitors resource consumption and encourages employees to avoid minimize unnecessary waste. Furthermore, Hong Yip has been awarded the "CarbonCare® Circularity Label" and "CarbonCare® Label" by the non-profit organization "Carboncare INNOLAB" for three consecutive years. We also received the "CarbonCare® Star Label" this year in recognition of our continuous efforts in carbon reduction and sustainable development. By joining the programme, we have conducted carbon audits and waste snapshot investigations to strengthen our monitoring in recycling practices, and thereby reducing carbon emission.

Environmental Considerations in Procurement

The environmental procurement policy of Hong Yip aims to adopt environmentally friendly and energy efficient products and services, protect resources, reduce waste, and promote the use of materials that minimize harm to the environment. Therefore, we have developed an environmental procurement guideline to enhance our company's environmental management system and environmental performance, raise employee awareness of environmentally friendly procurement, and, whenever feasible, consider purchasing environmentally friendly products or services.

The procurement guideline requires employees to consider, prior to the procurement process, the minimum but not limited to the following factors concerning the production and transportation of the product or service:

1. Manufactured without hazardous substances;
2. Recyclable or less waste generating;
3. Commitment to environmental protection and energy saving efficiency; and
4. Compliance of the statutory requirement and code of practices for relevant environmental protection and energy efficiency (e.g. ISO 14001 and ISO 50001).

Become an environmental advocator

We are committed to environmental protection and play a leading role in the industry. Hong Yip is a member of the HKGBC and regularly provides industry information to the industry. In May 2024, Hong Yip and the HKGBC signed a MOU of "BEAM Plus Existing Buildings (Global)" version 1.0, that BEAM Plus can be applied to the worldwide, connecting to other countries in the development of green buildings.

Hong Yip has participated in the "Earth Hour" Global Lights Out Campaign organized by the World Wide Fund for Nature (WWF) in consecutive 15 years. This campaign allows us to turn off the lights of about 170 properties under our management for one hour, allowing us to practice green living attitude and energy conservation.

In addition, we also support "Power Connect" launched by CLP, to encourage our tenants saving energy throughout the year and meanwhile subscribing e-services may also earn multiple smart points and get rewards while tenants reduce their carbon footprints and practicing low-carbon living. Meanwhile, by encouraging tenants to participate in "Summer Saver Rebate Program", they can earn rewards while contributing to environmental protection. In this year, CLP have set up the Recognition Scheme for Property Management Offices. Hong Yip was awarded the Gold Award in Top Saving in 2023 and the first runner-up in Top Average Saving in 2023. In addition, one of our managed properties - Wetland Seasons Park was awarded the Pioneer Award for Energy-Saving Promotion in 2023.

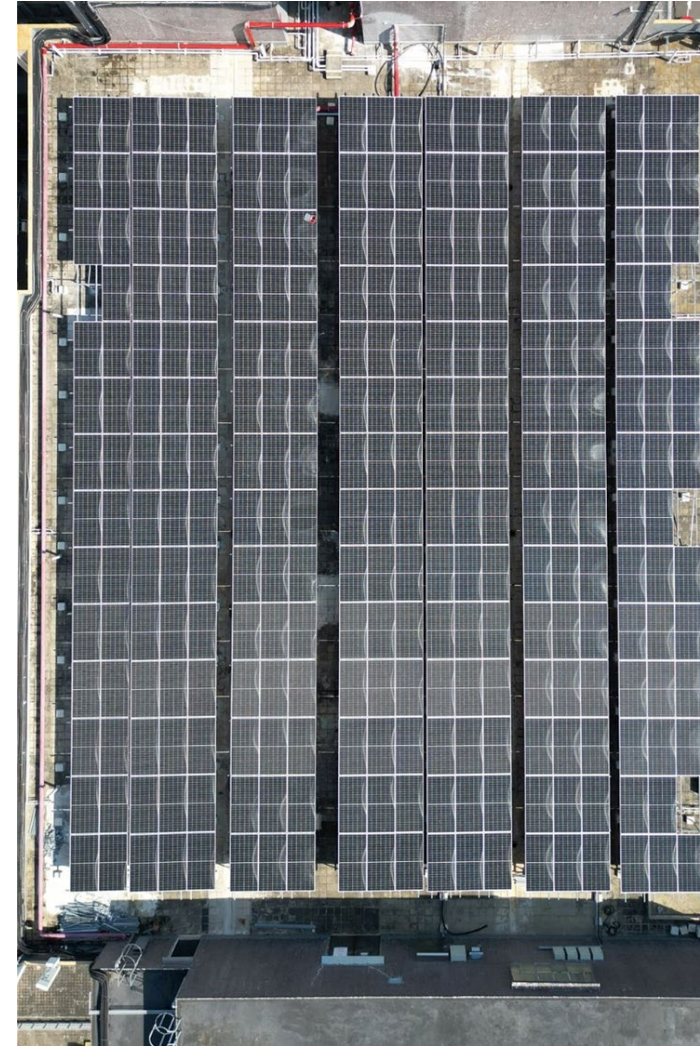


Hong Yip and the HKGBC signed a MOU of "BEAM Plus Existing Buildings (Global)" version 1.0

We work with our customers and tenants to promote a green culture by regularly implementing green initiatives and building a sustainable environment in its designated shopping malls. Harbour North received the Green Mall of the Year – Certificate of Excellence in Hong Kong Green Shop Alliance Awards 2023, and the Excellent Green Product Advocator for four properties: Harbour North, Hong Kong Plaza, King Wah Centre and Park Central (Shopping Arcade).

We received a number of awards in the Hong Kong Awards for Environmental Excellence 2022. Tsuen Wan Plaza(Shopping Arcade) and Royal Peninsula were awarded the Bronze Award of the Hong Kong Awards for Environmental Excellence, while Mikiki, Manhattan Hill and Aria were awarded the Merit Award. In addition, Tsuen Wan Plaza (Shopping Arcade) also became the "2022 Outstanding Promotion Partner Commendation Scheme" and received the Long Participation Award.

Hong Yip's managed properties, Royal Peninsula and Manhattan Hill, won the Bronze Award in the Property Management category of the BOCHK Corporate Low-Carbon Environmental Leadership Awards 2023, recognizing the outstanding performance of Hong Yip's managed properties in promoting environmental protection among their tenants.



Risk Management

風險管理



Corporate Governance



Governance Philosophy

"Serving Customers with Heart" is the belief of Hong Yip in providing services to our customer. We are committed to ensuring that environmental, social and corporate governance (ESG) factors are taken into account in the decision-making process of operations and business. We maintain our sustainable development and create value to our stakeholders based on good corporate governance strategy and related sustainable policies. In addition to seizing opportunities to promote sustainable development, we also promote communication with our stakeholders, build trust and enhance transparency with our customers, employees and the community through continuous and positive dialogue. A high level of corporate governance is an important message to stakeholders to ensure that a company has good management, ethical conduct, openness and transparency. We have put in place a comprehensive set of corporate policies and guidelines to ensure that the Group maintains good corporate governance and has established Whistleblowing Policies and channels for reporting misconduct. We have also established a solid risk management framework to respond to different situations that may arise in the rapidly changing business environment.

With a high level of corporate governance, Hong Yip ensures that the rights and interests of its stakeholders, including customers, employees, suppliers and the community, are fully protected. We adhere to the principles and policies of good corporate governance and clearly demonstrate our commitment to social responsibility to all stakeholders.

The Board of Directors (the "Board") serves as the highest governing body of the Group and is responsible for implementing corporate governance and risk management. Through its various committees, the Board of Directors ensures effective internal control, enhances transparency, and upholds accountability.

Governance System

We have always complied with regulatory requirements and are committed to maintaining integrity as our core value. There are many regulatory provisions in the property management industry, and we need to strictly comply with Building Management Ordinance (Cap. 344), Property Management Services Ordinance (Cap. 626), Deed of Mutual Covenants, Occupational Safety and Health Ordinance (Cap. 509), etc., to carry out our management work.

The Board of Directors constantly reminds subsidiary and department to comply with all regulatory requirements through the bi-monthly Strategic Committee meetings, as well as the Holding Executive meeting, departmental meetings, and subsidiary meetings. It is the responsibility of all subsidiary and department heads to closely monitor the performance of employees to ensure compliance with the Code of Conduct. They should report investigation result to the Human Resources and Administration Department and then submit the report to the Board of Directors if any impropriety is found. Any employee found to have violated the Code of Conduct will be subject to disciplinary action, including dismissal. We also work with our business partners and customers to monitor the ethical conduct of our workforce.

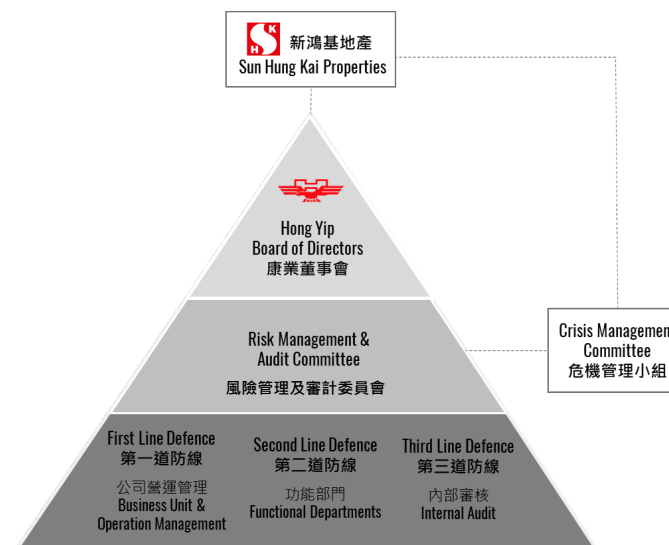
Risk Management

Hong Yip stresses great importance on risk management, therefore continues establishing and maintaining robust risk management and internal monitor systems to strengthen the Group's future business developments and create long-term interests for stakeholders.

The Group's risk management procedures cover all departments and business units, coming with great relevance to all our employees. In our property management business, the Company implements the "Building Risk Indicator System" which regularly collects information from various computer systems and departments to analyze the risk and changes for every building in the following areas quarterly: Operation, Compliance, Stakeholders and Finance, then develop measures to mitigate risks.

Risk management is an ongoing process, which is not only an integral part of the Group's day-to-day business operations, but also part of the Group's culture. The Risk Management and Audit Committee under the Board of Directors is responsible for the comprehensive, direct supervision of the Group's risk management endeavors. The Committee also evaluates and defines the nature and extent of risks that the Group is willing to undertake based on the strategic business development indicators.

To ensure effective operation of risk reporting channels, the Committee regularly recommends to the company their ideal risk level and corresponding control measures to the Board of Directors, assisting them in making the final approval.



Board of Directors

The Board of Directors is Hong Yip's highest governance body and has the overall responsibility for establishing and maintaining sound and effective risk management and internal control systems. The Board is responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic and business objectives.

Risk Management and Audit Committee

The Risk Management and Audit Committee under the Board of Directors is responsible for overseeing the overall risk management of the Group. The Committee reviews the risk management and internal control systems of the Group regularly and recommends to the Board of Directors the Group's risks and corresponding control measures and assists the Board of Directors for final approval. The Committee consists of members from senior management, including Heads of Business Units and Heads of Functional Departments of the Group.

First Line of Defence

Each business unit has the duty to manage its own risks in the course of its daily operations. Heads of Business Units are responsible for establishing their own risk management measures for identifying, measuring, mitigating and monitoring the risks in their business units.

Second Line of Defence

As the second line of defence, Heads of Functional Departments are responsible for reviewing and assessing risk and internal controls of all business units and provide support and guidance to them. They propose enhancements to risk management and internal control systems for consideration by the Risk Management and Audit Committee.

Third Line of Defence

The Internal Audit Department is primarily responsible for performing independent review and audit to evaluate the proper functioning of the risk management and internal control systems. Results of risk assessment and room for improvement are reported to the Risk Management and Audit Committee for consideration. The Internal Audit Department also puts forward any risk action plans for implementation by relevant business units and functional departments concerned.

Crisis Management Committee

The Crisis Management Committee is established to deal with crises and major emergency events, such as natural disasters, human errors, or social events which may seriously affect the operation, business, legal rights and reputation of Hong Yip. To minimize the impact of these crises or emergency events to the Group, the committee will immediately launch the "Red, Yellow and Green Three-Level" alarm sign and provide timely support to relevant business units from head office, including resource re-allocation, strategies adjustment, legal guidance, or human resources cooperation, etc. The committee will also provide a comprehensive review and report lessons learned after the closure of each case.

Crisis Management Committee members include Directors, Head of Community and Public Relations (Convener), Mayer Brown & Associates (Legal Counseling), World Union PR Consultant, SHKP Corporate Communications Department, SHKP Legal Department. Other SHKP and Hong Yip departments or subsidiaries will also be invited to attend the meeting if necessary.

Integrity Management

The Company focuses on establishing a corporate culture that emphasizes employee integrity and ethics. New employees are required to receive comprehensive mandatory training, and regularly participate in refresher training and promotion activities to ensure that they understand the Group's requirements.

The Company undertakes that all business units will comply with relevant local legislations and regulations in the markets where we operate. The Company's Employee Code of Conduct provides guidelines for employees' norms of behaviour, such as equal opportunities, fair dealing, monitoring and reporting, conflicts of interest and prevention of corruption. All employees of the Group are expected to follow the principles set out in the Employee Code of Conduct; any violation will be subject to disciplinary action.

The Company firmly requires employees and business partners to abide by the provisions and spirit of the "Prevention of Bribery Ordinance" when conducting business. The Company strictly prohibits employees from bribery, solicitation and acceptance of illegal benefits from customers, suppliers, contractors, regulators, legislatures, and other business partners.

The Company's Employee Code of Conduct promotes the core value of probity and integrity, which helps us continue to strengthen anti-fraud control measures in line with the Group's ethical culture. According to the Employee Code of Conduct, the Company is committed to preventing, detecting and reporting any misconduct that has occurred or is suspected of deceit, fraud, or similar irregularities, while also adopting a zero-tolerance approach to all cases of corruption and fraud.

Whistleblowing Policy

The Company has a Whistleblowing Policy for employees to report any cases of suspected misconduct, fraud, inappropriate, unethical or unfair treatment, in particular conduct that violates the Employee Code of Conduct or undermines the Group's principles of business ethics. The Whistleblowing Policy provides formal reporting channels and guidelines for reporting suspected misconduct. Head of the Human Resources & Administration Department and the Internal Audit Department are responsible for supervising the investigation and authentication processes. Serious cases of wrongdoing or misconduct will be reported to senior management for deliberation and further action. The Company will promptly report any violation of bribery prevention and anti-corruption policy or any anti-competitive conduct to the appropriate law enforcement agency.

Training and Awareness

All employees have received training on the Company's policy, including sections of anti-corruption and the Employee Code of Conduct. The orientation training for new employees also covers relevant content. We also regularly organize trainings and provide relevant materials to current employees, aiming to ensure that all staff adhere to the company's policies, including anti-bribery measures. Making use of our mobile application WeCom, we mandate all staff to complete corporate governance video trainings and tests every year. In addition to actively promoting the Employee Code of Conduct and Whistleblowing Policy to all employees, we also regularly deepen employees' understanding of the relevant principles to ensure that business operations strictly comply with regulatory requirements.

Anti-Competitive Practice

In our Employee Code of Conduct, we have stated our commitment to comply with all laws and regulations regarding anti-competitive practice. In order to reflect the Group's core values, the Employee Code of Conduct also provides guidelines for employees to understand the legal requirements, the importance of compliance, and the disciplinary and legal responsibilities for non-compliance.

Protection of Intellectual Property

All employees must respect copyright and comply with all applicable laws and regulations; infringement is strictly prohibited. We also require suppliers to respect intellectual property rights. In case of any infringement of intellectual property rights, suppliers must protect the Company and be liable for any compensation.

Diversity, Equal Opportunity and Anti-Discrimination

Hong Yip has been unwavering in the promotion of equal opportunity, committed to eliminating all forms of discrimination in employment, and have established the Diversity and Inclusion Policy, complying with the anti-discrimination regulations in recruitment, remuneration, compensation, benefits, promotions, transfers, training and dismissals in the jurisdictions in which we operate. We do not tolerate any employment discrimination based on age, gender, sexual orientation, marital status, pregnancy, breastfeeding, disability, family status, race, ethnic background, nationality, religion, medical condition and other legally protected rights.

We value a diverse work team and are committed to encouraging women to join the property management industry. We help them grow and continue stay in the team. Thus, starting in 2023, the Company has actively collaborated with the social enterprise "Hatch Factory" (referred to as "Hatch"), established by the Hong Kong Social Innovation Fund, to promote regional employment, job sharing, and family-friendly flexible working hours through the concept of shared factories. We also organized the "Mummy Job Share" program, primarily providing employment and a friendly work environment for grassroots women to balance work and childcare responsibilities. We are committed to continuing to hire current mothers enrolled in Hatch, aiming to encourage and empower more women to re-enter the labor market. In addition, we are active in providing employment opportunities and support to people with disabilities and the elderly.



Moreover, we have signed the "The Racial Diversity and Inclusion Charter for Employers" of the Equal Opportunities Commission, demonstrating our dedication to promoting equal employment opportunities for ethnic minorities and encouraging the establishment of racial diversity in the workplace. In order to promote harmony in the workplace, we have appointed one appropriate colleague as Equal Opportunities Officer to enhance the internal mechanisms that promote equal opportunities and eliminate discrimination and ensure that the entire process is fair, independent, and respectful.

Vendor

供應商



Vendor

“Moving Forward with Partner” – Supply Chain

Hong Yip is committed to building a sustainable supply chain in terms of environment, society and governance. We actively communicate with suppliers and contractors to establish long-term and mutually beneficial partnerships.

Vision and Strategy

Hong Yip has always adhered to our core value of 「以廈為家·以心待客」. We aim to provide property management services to clients with professionalism, so that they can live or conduct business in an ideal environment. A complete and sustainable supply chain is also crucial to our service. Vendors are our essential business partners and we work together closely to keep up with market trends. With the expertise of different vendors, we strive to provide sustainable, high-quality and high-tech property management services.



Local Supply Chain and Contractor Management

In order to set up a diversified supply chain ecology and support the development of local small and medium-sized enterprises (“SME”), we actively invite outstanding local vendors to apply for joining the list of approved contractors of Hong Yip. As of June this year, there were about 3,100 approved vendors on the List and 100% of them were local.

In addition to promoting the development of the local economy and various property management-related industries, the local supply chain often brings more sustainable benefits:

- Reducing transportation and storage of goods resulting in lower carbon emissions and energy use;
- Building a corporate image as “green leader” of the industry; and
- Responding to clients’ requests promptly and thereby enhancing their confidence.

During vendor selection process, their environmental protection and occupational safety and health performance are important considerations. For example, we will give priority to vendors with ISO14001 Environmental Management System/ ISO50001 Energy Management System/ ISO45001 Occupational Health and Safety Management System certificate. In addition, Hong Yip has also participated in the “Charter on Preferential Appointment of OSH Star Enterprise”, giving priority to hire “OSH Star Enterprises” with sound safety management systems which have passed strict audits by the Occupational Safety and Health Council, to carry out repairs, maintenance, major A&A work.

The basic information and relevant licenses of each vendor, and all updates are stored in and retrievable through the Group’s electronic vendor portal.

Vendors’ performance in daily operation is closely monitored. They are evaluated on a regular basis depending on the contract nature, including their “environmental protection and energy saving procedures”, “occupational safety and health” and “service quality”, etc. Evaluation results are reflected in the system immediately. If a low score case or a violation report is noted, the relevant departments shall follow up (such as investigation if needed) at once. Serious case may lead to suspension or delisting. Hence the quality of vendors on the list can always be assured.

Working Closely to Drive Sustainable Development

At present, all contractors' registration applications need to be processed through the vendor portal. This platform allows Hong Yip to proactively and efficiently distribute relevant requirements and the latest information to all contractors, in line with Hong Yip's corporate policy, such as:

Require newly registered vendors to sign and upload the "Safety Requirements Undertaking", "Environmental Protection and Energy Saving Requirements Undertaking", "Declaration of Interests" and other necessary declarations;

Regularly share the latest external activities and market information about occupational safety, health and environmental protection through the platform;

Issue and require strict compliance with the "Supplier Code of Conduct" formulated by the Group, covering areas including: -

- ✓ Legal Compliance
- ✓ Governance
- ✓ Business ethics
- ✓ Environmental protection
- ✓ Occupational health and safety
- ✓ Human rights and equal opportunities
- ✓ Labor Practice
- ✓ Confidential Information Protection and Privacy
- ✓ Intellectual property
- ✓ Communication

Hong Yip actively promotes "Energy Saving Charter & 4T Charter Schemes" to all vendors through the vendor portal. It aims to work together to achieve carbon neutrality by 2050. Extra credits will be given to the vendors which participated in the scheme.

In late 2023, Hong Yip had issued an ESG self-assessment tool to all approved vendors. The tool aims to assist the vendor to voluntarily conduct a review on its corporate operation and identify potential improvement point. The vendors were encouraged to submit their evaluation results to Hong Yip for further analysis and consideration of future collaborations.

Hong Yip Electronic Procurement System (“ePro”)

Our Electronic Procurement System (“ePro”) integrates our corporate procurement procedures, standard contract documents and relevant laws. The process is controlled and assured to be compliant and legal. Meanwhile, the interests and rights of clients are also safeguarded.

ePro covers the entire procurement process, from vendor selection and tender analysis to vendor performance evaluation.. The standardized and electronic platform of ePro can effectively improve approval efficiency and enhance transparency. Whenever the process reaches the next approval node, the system will immediately notify the approver. Approvers can review the uploaded data and remarks within the system, and provide their approval decision without leaving the ePro platform. The automated approval workflow in ePro streamlines the procurement process, improving efficiency and reducing the time required for data transmission and approvals.

For procurement under HK\$200,000), e-Proc provides a much more convenient direct co-working platform for vendors and the company’s purchasing team, allowing all procurement activities to be completely processed on the electronic system. This not only brings convenience to stakeholders in their daily work, but also saves tons of paper required for tender documents and contributes to global environmental protection.

Since e-Proc is fully implemented, all procurement must be processed through the system, ensuring that data is collected in a complete and systematic manner for further analysis. Relevant departments can make use of the collected data to analyze the contract management of various regions and evaluate contractors’ performance. This data-driven approach aims to continuously improve the procurement process and meet the rapidly changing market and business needs.

Standard Contract Documents with Sustainability Elements

By regularly reviewing standard contract documents and updating T&Cs such as environmental protection, employee protection and social responsibility, we clearly express Hong Yip’s related requirements and expectations to all vendors. The main elements include: environmental protection, occupation safety & health, anti-corruption, fair competition and labor rights, etc.

I. Environmental Factors

Hong Yip's procurement process is regulated by environmental protection-related terms or specifications. When purchasing products or services, we will consider the following factors: -

- Manufactured without harmful substances;
- Ability to recycle or reduce waste generation;
- Environmentally friendly and energy efficient;
- Compliance with all relevant environmental and energy efficiency regulations and codes of practice.

When purchasing electrical and mechanical equipment, we will fully consider the expenses such as electricity consumption, water consumption and maintenance costs (Life Cycle Cost). Specialist vendors are allowed to provide professional comments and alternative feasible proposals in order to achieve Energy & Cost-saving as our final goal.

II. Occupation Safety and Health

We are concerned about the importance of OSH to our supply chain. Therefore, occupational safety and health requirements are set into our standard contract documents in order to ensure that the vendors shall comply with all relevant laws and regulations, and take necessary measures to protect the safety and health of workers. In addition, we also require vendors to monitor and report on occupational safety and health issues during contract execution to ensure their compliance.

III. Anti-corruption

We are committed to maintaining the highest ethical standards and principles of integrity in our business operations. We have strictly regulated the supply chain against any corruption, money laundering, extortion, fraud or misrepresentation. Through our rigorous procurement policies, e-Proc platform and standard contract documents, all suppliers and contractors shall understand and comply with our anti-bribery and anti-corruption policies. Tenderers must complete the “Declaration of Interests Form” to declare any possible or actual conflict of interest. If a vendor is involved in any actual or suspected corrupt activities, we will immediately suspend the vendor from participating in the company's procurement activities or remove it from the approved list.

IV. Fair Competition

Fair competition is the foundation of a prudent and fair supply chain. We fully prohibit any anti-competitive conduct in accordance with the Competition Ordinance. To prevent bid rigging during the tendering process, we regularly update and evaluate the list of approved vendors. All tender documents specify the anti-collusion requirements, and will strictly control the number of companies invited to tender to ensure that there is room for competition in the tender process and protect the interests of customers. All tenderers must submit a “Confirmation of Integrity and Anti-Bid Rigging Clauses” stating that their operations are free from any anti-competitive behavior.

V. Labor rights

We concern whether our vendors provide their employees with reasonable salary and a safe working environment. To ensure labor right protection measures are implemented and to better manage human rights risks in our supply chain, our tender documents require suppliers and contractors to strictly comply with labor rights laws and regulations. In addition, we also monitor the performance of workers on a daily basis. If any abnormality is found, we will immediately communicate with the contractor and take appropriate follow-up action.

Sustainable Procurement

In the reporting year, Hong Yip continued the membership of the “Sustainable Procurement Charter” formulated by Green Council. The members of the Charter include many large public utilities and private corporations in Hong Kong. All members are committed to implementing sustainable procurement procedures with reference to ISO 20400. In order to continuously improve sustainable procurement, it is a great learning platform that the members can share their best practices as well as difficulties during the implementation process. This year, Hong Yip has implemented Sustainable Procurement Guideline in which encouraging selection of environmentally preferable products and services.

Innovation

創新



Innovation

Digitalized Communication Publication Go Paperless; Combat Climate Change

"Net-zero" and "sustainability" have been regarded environmental issues and ethical actions for the past decades. However with more and more countries announcing their net-zero emission campaigns for 2050, ESG is now gaining greater attention from enterprises around the world. The trend towards growing a global green economy has become unstoppable.

In addition, in response to the impact of the pandemic in the past two years, companies, industrial and commercial organizations, and government bodies have started practicing "Work from Home", revolutionizing the office operation pattern and environment. Traditional paper documents are substituted by digital and paperless forms, thus reducing paper waste, saving energy and the forest. All these show a positive effect on climate change.

Digital Development Supporting Diversified Businesses

Since the implementation of the electronic form and approval system, through the cooperation and efforts of IT department and other departments, the paperless system has successfully replaced various complicated processes across departments and slowly integrated into the daily work of our colleagues. Data have shown that in the past two years, the electronic system has processed more than 110,000 approval procedures. In other words, the system processes one approval procedure every two minutes each day. This has greatly improved the efficiency and transparency of the approving processes compared to the previous internal document circulation approach, when documents were circulated across divisions and headquarters on a daily basis.

Approval at Anytime and Anywhere

Digital forms and approval systems are available on different platforms. In addition to the general online application operation, staff can use the mobile application WeCom or tablet application i-Approve to process the approval. Users can also review any additional documents attached or approval history during the process to further enhance the efficiency of the whole approval procedure.

Hong Yip E-Learning Management System

To simplify administrative and operational processes with a view to continuously achieving carbon reduction goals, we have developed a new "Hong Yip E-Learning Management System". Through the system's new functions and digitalized operations, employees can flexibly enroll for training courses, apply for class absences, obtain electronic certificates, and access training records anytime. These system operations replace the course administrative process through paper and employee training record storage space, thereby achieving a paperless working environment. With the application of "Hong Yip E-Learning Management System", over 30,000 sheets of paper can be saved each year to tie in with the corporate initiative to achieve paperless practice in our routine operations.

WeCom Mobile Application

In order to convey information efficiently and effectively, we developed our own WeCom mobile application to open up and deepen the company's horizontal and vertical communication channels. Employees can view close to 600 training videos, course notes, company policies, company activities and employee discount information on WeCom anytime, anywhere. In addition, employees can also take examinations and express their opinions through WeCom. It is estimated that more than 500,000 pieces of paper can be saved every year through the use of WeCom.

E-Audit

To ensure the quality of cleaning services, our subsidiary Nixon has performed cleaning audits remotely through real-time communication software. Auditors can use video communication to instruct site supervisors to go to designated locations to review the quality and hygiene condition in real time. At the same time, documents can be shared through the communication software for audit purposes. This largely reduces the need for auditors to go to different buildings, thereby reducing carbon emissions and combating the impact of climate change in the world.

Utilizing Technology to Reduce Consumption

To effectively evaluate the performance of our properties in terms of sustainability, we have a sustainable data management system to monitor greenhouse gas emissions, electricity usage, water consumption, waste disposal, and recycling performance within our managed properties. In addition, to keep pace with the trend of digital transformation and achieve paperless management, Hong Yip has been actively encouraging employees to use a series of mobile applications developed in-house. For example, in the area of security patrols, we encourage employees to use a smart mobile patrol system (HY Nitrol), instead of patrol sticks. In addition, in order to enhance efficiency and improve service quality, we use HY CRM to issue work instructions and arrange work tasks for employees. We also regularly post training videos and other information to our staff through HY WeCom. As for our customers, we use HY SoProp and HY PropBiz to keep them posted of the latest information about the properties, thereby reducing paper consumption resulting from printing and driving paperless operations.

Enhancement in Communication for Work Efficiency through Technology

Hong Yip has incorporated intelligent management in the daily operations of our managed properties and applied to occupational safety and health areas, for example using mobile app to carry out safety inspections instead of traditional methods using paper. Inspection records generated are also recorded electronically and transmitted immediately to the relevant personnel in-charge in the course of patrol or carrying out maintenance work for taking necessary actions.

All employees can use mobile app to receive important, instant messages and watch useful safety videos such as “Prevention of Typhoon Management”, “Use of Anchorage in Working at Height”, “Use of Chemicals for Swimming Pools”, etc. and videos prepared by Labour Department and Occupational Safety and Health Council at anytime, anywhere. A simple quiz will be provided at the end of each video to ensure viewers understand the contents.

To ensure building management tasks are completed in compliance with the Group’s standards and policies, with reference to Factories and Industrial Undertakings (Safety Management) Regulation and its code of practices. An annual safety review will be conducted for the properties to assess the safety management and on-site implementation plans. The safety review process will be carried out using electronic forms for collecting data efficiently and environmental-friendly reasons.

Encouraging Innovation Hong Yip Innovative Suggestion Scheme

To encourage employees to use their creativity and apply innovative ideas to help enhance the overall service quality, work safety standard and performance, Hong Yip launched the "Hong Yip Innovative Suggestion Scheme" since 2013. This scheme aims to provide a platform for employees from Departments, Subsidiary Companies, Property Management Districts, individuals or groups, to think creatively and share constructive ideas. Through this incentive scheme, those who are able to provide valuable recommendations will be duly recognized and awarded.

"Hong Yip Innovative Suggestion Scheme 2023" - Service Quality Enhancement Suggestion Category and Work Safety Suggestion Category, the Gold Awards were won by "iApprove Mobile Payment Approval Platform" and "Upcycling Anti-Slip Glass Sand Coating" respectively. In addition, the "Property Management License Talent - In-house Training Program" and the "Upcycling Anti-Slip Glass Sand Coating" were awarded the Silver Awards of 2023 SHKP Group's "Quality Raising Suggestion Scheme (QRSS)" and "Work Safety Suggestion Scheme (WSSS)" respectively. These accomplishments underscored the high recognition our innovative idea received from the Group.

Case sharing 1: "Property Management Practitioner Licence Talent - In-house Training Program" Silver Award winner of 2023 SHKP Group's "Quality Raising Suggestion Scheme (QRSS)"

From August 2023, according to Chapter 626 of the "Property Management Services Ordinance", property management practitioners are required under the newly enacted law to hold a specified license regulated by the Property Services Management Authority (PMSA). To prepare for this statutory requirement, Hong Yip had successfully obtained the approval from the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ) to offer the "Advanced Diploma in Integrated Property Services Management (QF Level 4)", which was subsequently endorsed by PMSA as specific course for its Property Management Practitioner (Tier 2) Licence. This allows Hong Yip to attract, retain, and nurture talents. Through the on-the-job training and coursework of the Program, the company nurtures licensed supervisors, improve the overall service quality, attract talents and strengthen the company's leading position in the industry.

By offering this license program, the group has become the first and only company in the industry to provide a diploma program not only pitched at QF Level 4 but also qualified for Property Management Practitioner (Tier 2) Licence course. The company continues to be the industry leader in offering the most Qualifications Framework-recognized courses and the highest number of Qualifications Framework credits.

Case sharing 2: "Upcycling Anti-Slip Glass Sand Coating" Gold Award winner of "Hong Yip Innovation Suggestion Scheme 2023" – Work Safety Suggestion Category Silver Award winner of 2023 SHKP Group's "Work Safety Suggestion Scheme (WSSS)"

In recent years, there has been a gradual increase in the recycling of glass bottles. Drawing inspiration from the use of glass sand in road construction in foreign countries, Wonderland Villas has spearheaded the development of an innovative technology known as "Upcycling Anti-Slip Glass Sand Coating". This pioneering approach involves the crushing of thoroughly cleaned glass bottles, blending them with a precise mixture of adhesive and paint, and subsequently applying this composition to pedestrian walkways. The primary aim is to enhance traction and prevent slip-related accidents effectively, yielding significant improvements in safety.

This suggestion not only clinched the championship in "Hong Yip Innovative Suggestion Scheme 2023" - Work Safety Suggestion Category, but also granted the Silver Award of 2023 SHKP Group's "Work Safety Suggestion Scheme (WSSS)". Furthermore, it received prestigious recognition by winning Gold awards in two highly acclaimed environmental competitions in Hong Kong—the "2020 Hong Kong Awards for Environmental Excellence" and the "2022 BOCHK Corporate Low-Carbon Environmental Leadership Awards." These accolades highlight the proposal's dual impact of enhancing environmental safety standards and furthering the objectives of carbon reduction initiatives.

Customer

顧客



Customers First

We are fully committed to our principle of “Serving Customers with Heart” and strive to provide excellent quality property management and caring services. Meeting our customers’ needs through the latest technology and innovative ideas is always our top priority.

Create Ideal Homes for Customers

Hong Yip strives to provide high quality premium property management services. In addition, the Company endeavors to safeguard the health and safety of customers and secure all customer-related data and information, complying with related international standards in property and facility management.

In the course of pursuing digital innovation and continuous improvement, we actively seek opportunities to integrate digital solutions into the management programs and measures at our managed properties. We draw on SHKP’s integrated shopping mall platform, SHKP Malls App and our corporate customer-loyalty program ‘The Point by SHKP’ to provide exceptional shopping experience to our customers.

We have also introduced smart-living concepts through the use of mobile applications (SoProp and SoPropBiz) at many of our residential properties. Besides, a dedicated TOWNPLACE App is designed for our residents at one of the residential leasing properties TOWNPLACE to provide one-stop property management services. In particular, it allows tenants to operate the electronic door lock with smartphone authentication technology, get notifications when receiving mails by applying smart-sensor technology, as well as access to wireless charging. With just one click on the App, residents can control the home automation system, reserve facilities of Duo Social Space and access communal areas via QR code for greater convenience, which help create smart and sustainable living.

Excelling in Property Management

Customer Satisfaction and Complaints Handling: ISO 10002

Our property management subsidiaries all have had ISO 10002-certified Complaints Handling Management Systems in place. We are committed to undertaking formal reviews on each complaint we have received and provide timely response.

Health and Safety: ISO 45001

The Group has adopted ISO 45001-certified Health and Safety Management Systems. We conduct regular audits and reviews to ensure the effectiveness of the systems.

Information Security: ISO 27001

Hong Yip plays pioneering and leading roles in the application of information security in the property and facility management industry and we are the first property management company to obtain the ISO 27001 certification. Professional training is provided regularly to employees who have to handle sensitive customer and company information.

Service Quality: ISO 9001

The Group has long earned ISO 9001 certification for Quality Management Systems. By identifying best service management practices through performing peer benchmarking, clear guidelines and regular training are provided to employees to enhance their customer-handling skills.

Environmental Management System: ISO 14001

The Group always expends great efforts to implement environmental management system good practices, with regard to energy saving, noise reduction, sewage treatment, tree planting, etc.

Energy management System: ISO 50001

The Group continuously devotes effort in “Retro-commissioning” (RCx) schemes and installation of smart devices to enhance energy efficiency and save costs for better environmental protection on an on-going basis.

Smart Living

Working closely with our subsidiary, Lik On Security Ltd, we have developed customer-friendly technologies, such as SoProp and SoPropBiz mobile apps, Home Intake Easy and VisitorGo, etc. and integrated well into our property management operation, enhancing work efficiency and bringing convenience to our customers. In addition, we have provided Home Automation system for our serviced apartments.

In order to provide a safe and secure living environment, we introduced a number of touchless technologies in the Wetland Seasons Park with the automation functions of existing facilities. For example, residents can use the estate-specific mobile App to automatically open and close the entrance door or activate the lift. Residents can also enjoy the convenience brought by a series of smart technology designs, including using their smartphone to activate the traditional building intercom function to verify visitors' identities and also use the estate-specific App for online shopping and ordering takeaways. Visitors will find it a breeze to arrive at their destinations by using the navigation program's real-time map.

Innovative property management

We have adopted smart property management solutions to create sustainable smart living for tenants and residents. A number of innovative technologies, including smart sensors and smart home automation systems, have been introduced in our residential leasing brand "Townplace".

Close Communication with Customers

To ensure seamless communication with our customers, we make use of different types of communication channels, including home visits, tea gatherings, SoProp and SoPropBiz feedback collection, QR codes, 24-hour customer hotline, and customer relationship system (CRM).

SoProp and SoPropBiz, mobile applications developed by Hong Yip, enable residents to pay management fees, reserve clubhouse facilities in advance, and get the latest information about the building, etc.. The visitor booking app "VisitorGo" is equipped with a "visitor registration function", allowing visitors to register in advance and confirm their identity with a unique QR code, for better logistic efficiency. Hong Yip has also developed a mobile phone navigation - "Wayfinding" function to help visitors to locate and reach the building they plan to visit.

SoProp is also equipped with Home Automation function, which enables residents to control their home installations such as lights, air conditioning and TV channels, creating ideal comfortable homes for them.

Mobile applications do not only facilitate our daily management, but also improve communication between the management team and customers during the current pandemic time. In addition to posting epidemic prevention poster in the lobby, Hong Yip management team also makes good use of SoProp and SoPropBiz to keep customers posted of the latest information, so that they can keep abreast of the pandemic situation.

Digital technologies are also adopted to improve the overall property handover process and experience. We have developed the mobile application 'Intake Easy' to facilitate homebuyers during the handover process. With this application, homebuyers can conveniently sign off documents, report any defects identified during the handover, and keep track of all repairs and maintenance work during the warranty period.

Enhance Quality of Living

Hong Yip has always been firmly upholding the corporate mission of "Delivering the Most Ideal and Advanced Management Services Catering for Customer's Lifestyles and Needs". We are committed to meeting the expectations of our customers by keeping abreast of the latest technological advancements, striving for excellence, and continuously improving intelligent management to demonstrate our ultimate pursuit of high quality services. By introducing the Internet of Things (IoT) to support property management, we have developed our own system, Nitrol (smart mobile patrol system), greatly enhancing our work efficiency and management quality.

We have always been providing value-added and caring services to our customers, including cleaning, security, club management, operational & financial management and housekeeping services. Besides, we also provide professional and diversified services in different aspects, such as building maintenance, environmental protection & energy saving, greening & landscaping, and catering services, etc. to create ideal homes for customers.

Hong Yip collaborated with Visa, the world's leader in digital payments to empower over 100,000 residents at more than 100 residential complexes with the option to pay for their property management fees with Visa.

Property management going smart is the latest trend in the industry nowadays. Our subsidiary, Superpower Pumping Engineering Company Limited, has developed a system called "Intelligent Flooding Alarm", now widely applied in our managed properties. When a water pipe bursts and floods, the flood alarm will be triggered and the water source will be cut off automatically. An alert message will be sent to the management team via cloud for immediate handling, avoiding any further potential losses.

New Shopping Experiences

Since 2017, Tsuen Wan Plaza has introduced the Internet of Things (IoT) which enables the management team to conduct environmental monitoring and intelligent control of building facilities. Lighting in the mall can be adjusted remotely according to the sunlight; temperature and humidity can also be monitored to regulate indoor temperature by controlling the air-conditioning operation, so as to provide a comfortable environment for customers.

Ensure Customers Health and Safety

Maintaining a safe and healthy environment in our properties and operations has always been our top priority. Besides complying with the minimum legal requirements, we have obtained ISO 45001 Occupational Health and Safety Management Systems certifications (previously named OHSAS 18001) for our health and safety management systems since 2001.

Occupational Health and Safety Management Systems

To enable us offer timely resuscitation in case of emergencies, in particular heart attacks, all of our major shopping malls, offices and residential properties are equipped with automated external defibrillators (AED). Regular customer safety and first-aid training are provided to our frontline staff to enable them to deal with emergency situations. We have also stepped up our efforts in maintaining indoor air quality to prevent the spread of virus during the outbreak of coronavirus.

We strive to maintain optimal indoor air quality to create a healthy indoor environment for all our property users. As such, we have adopted the latest indoor air quality technologies and introduced a variety of measures, including conducting regular inspections of air-handling units and replacing filters as necessary, to improve indoor air ventilation. In view of the coronavirus outbreak, we have enhanced the frequency of cleansing and disinfection of the ventilation systems to ensure good air circulation and hygiene indoor.

We conduct annual fire system inspections, fire drills and safety talks at our buildings. IoT technology contributes to our smart fire safety management, including magnetic door sensors and our internal Intellinet 4.0 system. High-risk areas are monitored and tenants receive emergency notifications via our SoProp and SoPropBiz apps. An AI visual analysis system at Hong Yip's properties monitors high-risk areas and sends alerts to our control room.

WOW Service Appreciation Scheme

With our motto of "Serving Customers with Heart", Hong Yip strives to promote the excellent service culture. Since 2015, we have been holding the "WOW Service Appreciation Scheme", recognizing the essence of quality service through the heartfelt cases of our staff and to commend their excellent service performance.

The following are two award-winning cases -

Case 1: "The Fire Suppression Hero"

An employee smelled an unusual odor and noticed thick smoke emanating from a lightbox. The employee promptly reported the incident to the fire department and simultaneously organized the orderly evacuation of tenants and visitors, and sealed off the underground lobby to prevent anyone from entering. The supervisor arrived swiftly on the scene and discovered that the fire was spreading. Recalling the knowledge learned from fire drills, where firefighters used CO2 fire extinguishers to effectively suppress fire caused by electrical equipment, the supervisor immediately grabbed a CO2 fire extinguisher and successfully extinguished the fire before the arrival of the firefighters. Without this prompt action, it would have dire consequences.

Case 2: "Breaking Barriers, Creating Praise"

A property owner was notoriously known for causing nuisance at the customer service office. Despite her opposition to a crucial waterworks project in the housing estate, engineers bravely faced her criticisms. They patiently listened to her concerns, promised dedicated supervision of the project, and worked to alleviate the discontent and worries of the residents. Upon completing the project, the property owner expressed her appreciation in a commendation letter to the Management, praising the engineers' professionalism and service attitude.

Secure Customers' Data Privacy

Both data privacy and cybersecurity issues are the growing concerns of all consumers. As the first property management company accredited with the ISO 27001 certification, Hong Yip plays a pioneering and leading role in safeguarding information security in its service delivery, serving as a role model in the local property and facility management industry. Extensive regular professional training is provided to employees who need to handle sensitive customer and company information. Our IT Department is responsible for ensuring secure handling of personal information. Relevant policies and procedures have been established and updated as necessary according to the Personal Data (Privacy) Ordinance and other relevant laws and regulations. The Customer Data (Privacy) Policy provides details to our customers about how their personal information is collected, handled and used in order to safeguard confidentiality. We regularly invite external professionals to provide updates on the latest data privacy regulations and data security issues related to operations to enhance employees' understanding and awareness on data protection.

To enhance awareness of cybersecurity among frontline staff, we introduce cybersecurity measures and carry out internal training to equip them with the required knowledge and skills in handling customer and company information. Every staff member is required to follow the latest prescribed procedures when handling customer data to prevent any possible information leakage. Hong Yip also keeps all employees updated on fraudulent emails, text messages and the use of phone and USB flash units through issuing cybersecurity alerts and tips on our intranet. Obligations for each business unit during each data collection process are also highlighted in the guidelines. In addition, webpage that collects customer data is required to include the Customer Data (Privacy) Policy statement as stipulated in the corporate guidelines to comply with relevant laws and regulations.

Employee

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Employee Caring



Hong Yip adheres to the philosophy of "Serving Customers with Heart", and is committed to providing premium property management and caring services to our customers. We keep pace with the times through the application of innovative technologies and initiatives to meet the needs of our customers in all aspects.



Talent Strategy and Management

We value and support fair employment practices and ensure full compliance with relevant labour laws and regulations, including the Employment Ordinance and the Minimum Wage Ordinance. Our Human Resources & Administration Department and Safety and Health Committee are responsible for reviewing, monitoring, and improving current human resources policies, as well as addressing health and safety-related issues and monitoring the market trends. Through regular reviews, we aim to minimize potential risks in daily operations. Additionally, we have formulated the Diversity and Inclusion Policy, the Equal Opportunity Policy, and the Occupational Health and Safety Policy, and we regularly review these policies based on business strategies and feedback. Through these policies, we are committed to creating a safe, equal, and friendly working environment for all employees.

1. Talent Acquisition

We have always been committed to attracting talent, including recruiting outstanding individuals with innovative thinking and a proactive mindset, with a view to maintaining business competitiveness and cultivating a talent pool for the continuous development of property management in the future.

Since the Property Management Services Ordinance came into effect on August 1, 2023, the property management industry has been moving towards professionalism, requiring property management companies and individuals to hold relevant professional licenses. As a result, we have stepped up our recruitment campaign to ensure that we can hire a sufficient number of licencees in the market. In addition to our attractive employee referral schemes, we have also expanded our talent pool by adding many local and mainland partners and participating in large-scale recruitment fairs in both Hong Kong and Greater Bay Area. Additionally, our company has been actively supporting the development in the Greater Bay Area, sending young people to participate in the Greater Bay Area Youth Employment Program annually. Moreover, each year we arrange for Management Trainees to undergo internships in Mainland China. In recent years, we have been actively recruiting non-local talent, and have applied through the "Enhanced Supplementary Labor Scheme" for non-local frontline colleagues to work in designated properties under our management starting from early 2024.

2. Providing Diverse Internship and Work Experience Opportunities

The Company has maintained close collaborations with the Qualifications Framework Secretariat, the Property Management Services Authority, and the Employers' Federation of Hong Kong, organizing numerous career planning seminars and company visits to help hundreds of students explore their career paths. Additionally, we actively participate in various employment seminars in the market, including those organized by the Hong Kong Professional and Senior Executive Association, the Hong Kong Management Association, and the Vocational Training Council, to introduce Hong Yip and the property management industry to secondary school students and the general public. In May, we became the first property management company to assist the Correctional Services Department in providing career planning for inmates. We aim to help more students and the public understand the property management industry and join Hong Yip.

Moreover, we continuously collaborate with various non-profit organizations such as the Seed Foundation, the Youth Development Entrepreneurship Alliance, the Employees Retraining Board, and the Equal Opportunities Commission to provide unconventional workplace experiences for students and job seekers, equip students with career readiness, and arrange outstanding interns to continue working with the company on a full-time or part-time basis after their internships, with the view of absorbing suitable talents into the Hong Yip family.



"I am.. Job Tasting - Workplace Experience" Program

Hong Yip continued to participate in the Youth Vocational Training Platform co-organized by St. James' Settlement - the "I am... Job Tasting - Workplace Experience" Program. During the "Form Six Student Work Experience" event held every July, Hong Yip Service Company Limited was invited as one of the property management companies to offer work experience opportunities to graduating DSE students. The organization referred students to Hong Yip for a 4-day work experience activity, allowing them to gain firsthand experience of the company's daily property management operations and the workplace culture, helping them to acquire the necessary skills for future employment early on.



The Jockey Club Professional Pathways Program

Initiated and sponsored by The Hong Kong Jockey Club Charities Trust Fund, the one-year "Professional Pathways Program", which is held in collaboration with employers from various industries, aims to provide continuous on-the-job training and professional guidance for aspiring and proactive graduates (typically holding diplomas to associate degrees) and early career professionals. This program is designed to enhance their future employability and pre-employment readiness. In the past two years (2023 and 2024), Hong Yip has wholeheartedly supported this program by offering internship opportunities to several participants, assisting them in establishing interpersonal relationships and professional industry networks early. Additionally, the program has received funding from the government's Anti-epidemic Fund to provide wage subsidies for eligible employers who hired employees to fill up newly-created positions.



Child Development Initiative Alliance, "Y-WE" program

Since 2019, Hong Yip has consistently supported and participated in the "Y-WE" Program organized by the Child Development Initiative Alliance (CDIA). Through the "Y-WE" program, we provide comprehensive vocational and career planning training and support for young people. This program offers young individuals opportunities to gain work experience in various industries, helping to gradually build a valuable talent pool and laying the foundation for the city's long-term sustainable development.



The program primarily targets grassroots aged 16 to 21, matching them with summer work experience opportunities. They come from families receiving comprehensive social security assistance, low-income households, single-parent families, new immigrants, and ethnic minorities. In June this year, the youths interned at Hong Yip, and in July, they were sent to suitable housing estates for a 4-day internship

training. The work experience allows them to hone their skills in a real workplace environment, build confidence and cultivate a sense of responsibility, enhance their resilience, interpersonal skills, and communication abilities, helping them to identify their career paths early and prepare for their future entry into society.

Tertiary Institution Internship Program

Every year, our company is dedicated to providing a wealth of internship opportunities for college students. In addition to our ongoing partnerships with 14 colleges, we have expanded this year to include 4 new institutions, totaling 18, encompassing nearly 95% of the 19 colleges in Hong Kong. As an example, within one of our subsidiary companies, its three hotels have offered 14 internship positions to students from the same hotel management program, making it the top provider of internship opportunities for that particular program. Three outstanding students have not only received scholarships but have also been offered priority employment within the hotels.



3. Succession Planning and Talent Development Program

We have attached great importance in talent development. Besides establishing the "Succession Planning" mechanism for Senior Management which helps to identify successors of senior leaders, we have also developed a Talent Development program to cultivate potential employees and strengthen the talent pool to support sustainability and the continuous growth of our business. In order to achieve the Group's goals and meet with the needs of top talents, we have designed tailor-made training for these high-flyers, including applying A.I. Competency Assessment Tool, establishing "Meeting with Management sessions", tailored-made training program for directors, "ESG Governance" and delivering training programs such as Executive Diploma in High Impact Leadership Development, Elite Leadership Development program, Team Building Workshops, DISC Communication Skills Training, Outward Bound Training, e-Learning programs, Management Skills program and Group Project Management, etc.. All are designed to provide potential talents opportunities to uplift their professionalism, drive their sense of engagement and help plot a clearer way for advancing their career prospects.



Management Trainee Program

The Company actively recruits both local and non-local graduates as Management Trainees, aiming to expand the talent pool and lay a more solid foundation for future development. This strategy not only enriches the team's diversity but also brings a broader range of professional knowledge and perspectives to the company, fostering innovative thinking, strengthening collaboration and cohesion among teams, and enhancing the company's competitiveness and sustainability.

The Management Trainee Program spans 24 months, with the aim of nurturing future leaders and establishing a talent pool for the company's long-term development. This program empowers driven and ambitious young individuals to equip themselves comprehensively in various business categories through cross-team training, helping them to plan their ideal career paths. In July 2023, we had 5 Management



Trainees participate in this program. The company is committed to providing diversified work experiences and training to cultivate Management Trainees into future managerial talents: this includes designing structured training programs covering various departmental and functional training content; assigning mentors to guide them in accumulating experiences in their daily work and providing career development advice; encouraging them to learn through practical experience, complete challenging projects, conduct self-reflection and summarization; arranging cross-team rotations to enable them to gain a comprehensive understanding of company operations and develop cross-departmental collaboration skills; providing challenging tasks to stimulate their creativity and problem-solving abilities, nurturing their leadership potential. Additionally, the company has established clear promotion standards and pathways to offer fast-track promotion opportunities for outstanding Management Trainees, motivating them to actively learn, work hard, and cultivate more management talents with leadership potential for the company.

4. Providing ongoing employee training and professional development

We offer employees a great variety of learning opportunities, including systematic training programs, on-the-job "Mentoring", on-site practice and coaching after class, on-site observation and learning, secondment opportunities, various e-learning platforms, etc., which are supplemented by different auxiliary tools/materials. To make full use of various learning methods, Hong Yip provides employees with tailor-made training programs to uplift their professional knowledge, skills, experience and ultimately work performance. We cultivate potential talents not only to meet our current operational needs but to also cope with the Group's future development.

"Hong Yip People Development Academy"

In 2007, Hong Yip established the "Hong Yip People Development Academy" (HYPDA), with "Initiative, Proactive, Learning, and Experience" as the core values. Its set up not only enhances our staff's professionalism, but also provides them with job skills and industry knowledge that help their career development and acquisition of more advanced qualifications. The Board of Directors of HYPDA, chaired by our Chairman and Chief Executive Officer, is responsible for planning and charting the overall talent development direction, formulating policy, scrutinizing and approving action plans. This is to ensure that a desirable pool of quality talents is maintained, who are able to meet the current operational needs as well as the Group's future development.

HYPDA has formed a "Program and Quality Advisory Committee" in its governance structure, which is composed of senior professionals from the industry and academia to ensure that the quality and content of the training programs meet the needs of the industry and society. During the reporting year, HYPDA has organized more than 700 courses, lectures, online seminars and video training sessions totaling over 222,900 training hours. We also subsidize employees to take external work-related training programs, ranging from seminars to master's degree pursuits.

The "Sustainability/ESG Training Centre" of the academy provides various ESG-related training activities for employees to enhance their awareness and understanding, and to encourage the incorporation of ESG elements into their daily work processes and operations so as to help drive the company's ESG strategy and realize ESG objectives in different areas.

Focus on ESG and sustainable development

The "Sustainability/ESG Training Centre" set up under the "Hong Yip People Development Academy" organizes on a regular basis programs and events to promote ESG and sustainability to all levels of employees across various disciplines to ensure their awareness, alignment and compliance with the corporate objectives on ESG and sustainability.

With our well defined target in implementing the Group's ESG strategy in mind, we started to organize and arrange relevant training activities for our employees on a regular basis in recent years, including "Introduction to ESG Seminar", "Competition Law Workshop", "Business Ethics Training Series", "Occupational Safety and Health Training Series", "Environmental Protection Training Series", etc.. Especially in the "Business Ethics Training Series", we covered topics and elements of business ethics, anti-corruption, fair competition, and these are arranged as mandatory training for all new employees to ensure that they are well aware of the Group's requirements on these important topics. To enhance colleagues' awareness, the "Corporate Governance Series" video training has been launched since 2023. The training content includes: business ethics, corruption prevention, equal opportunities, discrimination and harassment topics. The training, which is launched on an annual basis, is a compulsory program for our employees at all levels of Hong Yip Holdings.

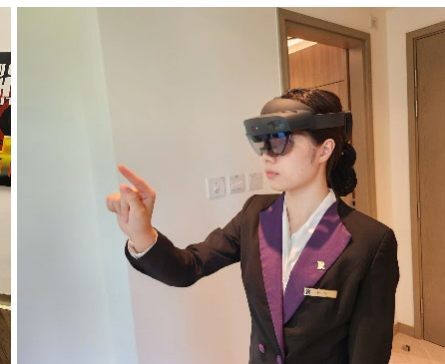
To further enhance employees' understanding about the development of ESG aspects, the Company regularly invites external organizations (e.g. HKPC, ICAC)/professionals(e.g. practising lawyer) to brief our employees on the latest trends of "Environmental, Social and Governance (ESG)/Sustainable Development" and understanding of legislation and regulations. We collaborate with external professional bodies (e.g. Hong Kong Career Development Service, Hong Kong Management Association, Hong Kong Electrical & Mechanical College) to organize certificate courses of related topics on "Environmental, Social and Governance (ESG)/Sustainability". With the aids of these educational events,

Diversified Training and Learning Experience

In 2014, Hong Yip launched a self-developed mobile app "WeCom", which has become one of the main communication platforms between the Group and employees. Nearly 600 training videos have been uploaded onto WeCom, which are categorized into 35 "themes". The contents and elements of the videos cover: ESG, business ethics, anti-corruption, equal opportunities, laws and regulations, emergency handling, occupational safety and health, environmental protection, mental health, etc. Employees can click in easily to watch all videos anytime anywhere to help enhance their work efficiency. Simultaneously, invaluable property management experience, knowledge and skills are also being shared through this effective app platform.

To cope with the development of Innovative Technology as part of the corporate strategy, Hong Yip organizes a wide range of technology development and application training programs. In the property management industry, Hong Yip is the first company to introduce new training technologies, such as Virtual Reality (VR), Augmented Reality (AR) and Mixed Reality (MR). They have been applied in various internal courses including Traffic Accident Handling, Injured Handling, Emergency Flooding, Arboriculture Safety, Work at Height, Fire Handling and New Unit Inspection, etc., to provide close-to-real experience in the virtual world. Furthermore, we have introduced web-based training utilizing gamification, which could be run on computers and mobile phones, to increase learning interest as well as enhance training effectiveness.

In addition, the Academy maintains close collaboration with community-related organizations to provide training and activities aimed at enhancing employees' knowledge and skills, enabling them to better serve the needs of our customers. For instance, by partnering with the Hong Kong Sheng Kung Hui Lady MacLehose Centre, the college has become a service collaborator. Apart from lending facilities for training "Pilot Scheme on Living Allowance for Carers of Elderly Persons from Low-income Families" volunteers, we actively participate in the "Elderly Friends in the Neighborhood" community support program. This involvement includes assisting in establishing social work consultation stations in buildings to aid elderly individuals living alone or in need. Our engagement in these initiatives underscores our commitment to community welfare and the empowerment of vulnerable populations through practical and meaningful support.



Besides, with the support from the Hong Kong PHAB Association, the Hong Kong Sheng Kung Hui Lady MacLehose Centre, Elderly Resources Centre and the Hong Kong Society for the Aged, Hong Yip organized "Disability and Elderly Friendly Service Skills Training Workshop", "From Home to Community: Experiential Course on Caring for the Elderly and People with Cognitive Impairments" and "Online Course on Caring for and Supporting Caregivers" for our employees. The workshop introduces the Social Welfare Department's "Walking with Carers" program, teaching skills and methods to properly understand and assist the needs of the elderly and those in need. This initiative upholds and continues the parent company's "Building Home with Heart" and Hong Yip's "Serving Our Customers with Heart" principles.

Enhancement of Professionalism through Promoting Qualification Framework

HYPDA has been an active promoter of the "Qualifications Framework", realizing its value to our employees as well as to our Group for nurturing and retaining our talents. In 2010, Hong Yip became the first property management company qualified to run QF-recognized Level 1-4 training programs in the industry. In the same year, we succeeded as the first in private sector authorized to offer in-house QF Specifications of Competency Standards (SCS) based courses for our staff. Within a short span of 14 years, the academy has successfully organized 24 QF-recognized courses and issued over 6,600 QF certificates, accounting for the majority of QF-recognized programs offered by the property management industry.

Furthermore, Hong Yip was the first company in the market (beginning as early as 2014) that signed MOU on Credit Accumulation and Transfer Agreements with various universities and educational institutions, which establishes the recognition of qualifications and facilitates the learning progression from our in-house programs to programs offered by other universities/institutes without having to replicate those overlapping parts. Hong Yip successfully developed and launched the Advanced Diploma in Integrated Property Services Management (QF Level 4) in year 2022. It has been approved by Property Management Services Authority (PMSA) as the specified qualification for Property Management Practitioners' Tier 2 License. Hong Yip is the first and the only course provider in the property management industry at this QF level. Besides, the Academy signed a MOU with the Li Ka Shing School of Professional and Continuing Education of the Hong Kong Metropolitan University, allowing for exemption for our employees who had passed our in-house QF Level 4 Program for their organized the Certificate Course in Property Management for Provisional Property Management Practitioner (Tier 1), thereby reducing their course fee and study time. This helps to pave the way for the development of our own licensed property managers to support the continuous growth of our company.

5. Installing a "Promote from Within" Promotion Mechanism

We proactively create an environment where employees can showcase their strengths and talents can be fully developed. Our goal is to cultivate a culture of continuous development, support employees in creating shared value for various stakeholders, and equip the team for the future of property management development.

Hong Yip has always placed a strong emphasis on talent development and has clear career development pathways in place. We encourage colleagues to continuously train and learn, while providing ample opportunities for career advancement.

In March 2024, we took significant strides by refining the criteria for entry and internal promotion within our property management sector. Moving forward, we are dedicated to regularly updating our succession plans and talent pool lists to ensure that every employee has a well-defined career roadmap tailored to their aspirations. The company has consistently upheld a "promote from within" policy, prioritizing internal promotions to provide ample career development opportunities for employees. Additionally, the company has established promotion assessment boards aimed at ensuring that appropriate talents are promoted through refined promotion criteria and systems. This approach is aligned with employees' career planning and development, fostering stability, retaining top talents, and supporting the ongoing business growth of the company.

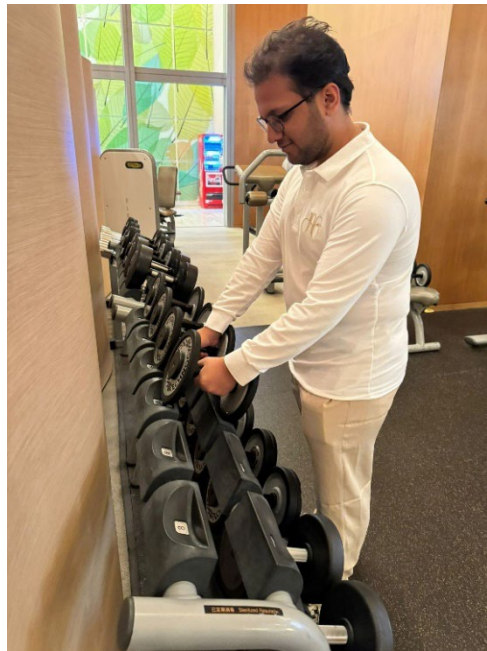
In line with our dedication to fair and thorough evaluations, we conduct structured interviews and assessments for employees under consideration for promotion. To secure a promotion, employees must receive unanimous approval from the review panel, ensuring that each advancement decision is founded on comprehensive evaluation and alignment with our organizational goals and values.

6. Establishing a Diverse and Inclusive Work Environment

In recent years, there has been a significant increase in the proportion of female employees in the company, surpassing that of male employees this year. This reflects our commitment to gender equality. Additionally, the number of part-time employees has also increased significantly year on year to provide flexible work arrangements to meet the diverse needs of candidates in the labor market.

This year, we have actively recruited more and more employees aged 40 and above, providing a new platform for individuals looking to re-enter the workforce or transition their careers for a long-term career path. We have also actively encouraged retired employees to continue working, enhancing their relevant employee benefits.

Furthermore, we have hired employees from various nationalities and cultural backgrounds, enriching our workforce and promoting cross-cultural communication and understanding. These initiatives and policies not only enhance employee engagement and job satisfaction but also lay a solid foundation for the company's long-term development and success.



7. Focusing on Employee Welfare

We have established a wide-range of employment practices, including family-friendly policies, competitive remuneration packages, etc. to create a satisfactory and attractive working environment for our employees.

Full-time employees in Hong Kong are entitled to various staff benefits, including maternity leave, paternity leave, medical and dental insurance, education allowance and performance-based year-end bonus, childbirth medical assistance and employee assistance services. Eligible employees are also entitled to children's education funding, which enables their children receive company scholarships for overseas exchange programs and attending local universities. At the same time, we have developed family-friendly measures for employees who need to take care of their families, including flexible working hours. Employees can also apply for special leaves such as marriage leave, compassionate leave and other temporary leaves. This year, the Company has further increased the entry annual leave and maximum annual leave limit for frontline and frontline supervisory employees, while also optimized the medical benefits of office and frontline employees. The Company also timely updated the work arrangements and relative policies in times of adverse weather and "extreme conditions".

Our Company will keep abreast of the labor market trend to review and adjust the compensation and benefits to reward our employees for their performance and contribution.

8. Enhancing Effective Employee Communication Channels

We value communication with our employees, utilizing various methods to transmit and receive messages, thereby strengthening our relationships with them.

Regularly Hosting Sharing Sessions

We conduct regular brainstorming sessions led by the Chairman, CEO, Directors, and Department/Subsidiary/Regional Heads. Through interactive formats like brainstorming and group discussions, employees offer suggestions on current company policies and future business development directions. These suggestions are shared with all employees at the annual conference, providing a platform for effective communication, enhancing unity, and fostering collective efforts towards future successes.



"Visit Tour" Activity

We place a high emphasis on talent development, organizing various training and networking activities to cultivate and nurture talent. One such initiative is our "Visit Tour" through which colleagues visit properties and facilities under the company to learn and interact with their management, enabling diverse perspectives on the company's development direction, understanding others' needs, and promoting effective communication.



Utilizing Information Technology for Employee Communication

We have developed the WeCom mobile application to facilitate employee communication. Through this online platform, employees can instantly access all company information anytime, anywhere, eliminating the issues of information loss or omission that may occur in traditional person-to-person communication. The WeCom application includes messages from management, employee training materials, highlights of company activities, and avenues for collecting employee feedback, enhancing both horizontal and vertical communication channels within the company. This strengthens the communication bridge between management and employees, aligning the entire company towards common goals.



9. Implementing Employee Care Program

For many years, we have been providing an Employee Assistance Program (EAP) for employees and their families. This program aims to offer comprehensive support and resources to promote mental well-being. It provides 24/7 emotional support services for employees and their families. In addition to hosting three annual orientation seminars, the company also conducts workshops on emotional management, communication skills, lifestyle changes, and more to support personal growth, professional development, and family harmony. Furthermore, the company uploads various emotional management, family life, parenting tips, and wellness advice to the WeCom platform on a monthly basis to cater to the diverse needs of employees.

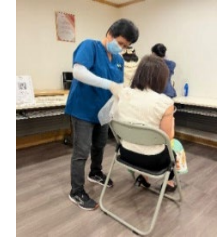
Moreover, we organize various activities such as "Lunchtime Stretching Classes" workshops on sleep issues and diet hosted by the Chinese University of Hong Kong Medical Center, and office massage services for office employees. These activities are designed to promote relaxation, enhance health awareness, and improve overall well-being.



Employee Assistance Program



Lunchtime Stretching Classes



Office Massage Services (shoulder and neck massage services)

Employee Social and Engagement Activities

Employees are a crucial asset to the company. Apart from work, the company places a strong emphasis on the physical and mental well-being of its employees. For many years, the company has established a "Recreational Activities Committee" comprising representatives from various departments, subsidiaries, and regions, with members ranging from department directors and general managers to frontline colleagues. By organizing various forms of recreational, sports, and travel activities, the committee aims to foster communication among colleagues of different ranks and departments. The company encourages and supports colleagues to participate in a wide range of sports activities and sports-friendly initiatives. Through the regular arrangement of both large and small group or individual sports and recreational activities, we demonstrate our care and concern for our employees.

After experiencing the trials of the pandemic in recent years, we have become even more proactive in providing a diverse range of activities for our employees. These activities not only give colleagues the opportunity to come together outside of work but also help them build stronger connections, enhance future cooperation in the workplace, and foster a greater sense of belonging to the company.



Over the past year, we have organized more than 30 employee activities, including large-scale company anniversary celebrations such as Christmas parties, karaoke contests, environmental education activities, sports competitions, lunchtime craft workshops, outdoor exploration, and fitness activities. We encourage active participation from employees to promote interaction and communication, enhance work-life balance, foster teamwork, and facilitate collaboration among colleagues.

10. Occupational Health and Safety Development

To foster an occupational safety and health culture, Hong Yip is dedicated to provide our employees a safe and healthy work environment. To achieve this, we have established a Corporate Safety and Health Committee chaired by an Executive Director with members comprising of all Department Heads, regional managers and frontline representatives to review company safety and health policies and procedures, as well as risk management mechanism, etc., and hold regular meetings and seminars/activities related to health and safety. Hong Yip was certified by International Standard Organization for meeting OHSAS 18001 requirements in 2000, which was successfully converted to ISO 45001 by external certification body in 2019. In order to continuously improve and raise the standard of safety and healthy working environment, Hong Yip has formulated long-term strategies on health and safety and pledged to give its employees and contractors a safe and healthy work environment within the ambit of law. In tendering stage, all contractors are required not only to submit their quality and financial status, but also their past safety conviction records and resultant penalties, if any. They are all required to commit to following all legal requirements, our safety policies and guidelines during their operations.

Continuous Improvement of Occupational Safety and Health

To enhance occupational safety and health, the Company has fully implemented the "Safety and Health Management System" formulated by the Labor Department in 2016. Annual safety audits are conducted every year to review the level of safe and healthy working environment in the buildings. For high-risk off-site work, the Company actively encourages our staff to make use of various kinds of safety enhancement equipment, such as the "Off-site Work Safety Trio", the "Rolling Fall Arrestor" and the "Safety Alarm" designed by our staff. In addition, in order to prevent frontline staff from suffering from heat stroke while working outdoors, the Company has provided cooling undershirts, ice-cold towels, sun sleeves and portable fans to protect the safety and health of staff at work. The Company's implementation of the above efforts and measures has helped minimize injuries to employees.

In order to raise the awareness of occupational safety and health and environmental protection among our staff, Hong Yip organized the "WhatsApp Sticker Design Competition" this year, so that our staff can make use of these beautifully-designed and interesting WhatsApp Stickers to further promote Hong Yip's occupational safety and health and environmental protection culture to colleagues, contractors and other stakeholders.

Good OSH Performance Recognized Openly

Hong Yip actively participates in external occupational safety and health competitions and has received multiple accolades. In the past year, the company was awarded the Silver Award and the Most Popular Innovation Project Award in the 1st "The OSH Innovation and Technology Award" organized by the Occupational Safety and Health Council. Hong Yip is the first and only property management company to receive these awards. In the "21st Hong Kong Occupational Safety & Health Award" competition, Mount One, Valais and Downtown 38 won the Excellence Award and Outstanding Award respectively in the "Safety Performance Award". In the "10th Best Property Safety Management Award" competition, Imperial Cullinan won the Best Property Management Award in Occupational Safety and Health – Bronze Award, while Mount One won the Merit Award. In the "18th Occupational Health Award" competition, De Novo won the Outstanding Award, while Wetland Seasons Park, Downtown 38, Park Central (both Residential and Shopping Arcade), eResidence and Tak Tin Estate won the Merit Award. In addition, Valais was awarded the Excellence Award and Tsuen Wan Plaza (Shopping Arcade) was awarded the Outstanding Award. Eight of our buildings including Grandeur Shopping Arcade and Sham Wan Towers won the Merit Award. In the "The 15th Outstanding OSH Employees Award" competition, our staff including the assistant technical manager of Harbour North, the estate manager of Yee Nga Court and the project foreman of Victoria Harbour were awarded the Merit Award.

Case sharing: "Three R (VR/AR/MR) Virtual Building - Integrated Emergency Incident Training Platform"

The Occupational Safety and Health Council "The 1st OSH Innovation and Technology Award" – Silver Award (Open Category) and Most Popular Innovation Award

The "Three R (VR/AR/MR) Virtual Building - Integrated Emergency Handling Platform" uses innovative form of knowledge management to conduct systematic and quality training. Compared to traditional methods, it is more interactive and can have a more lasting impact. The platform utilizes innovative technologies such as Augmented Reality (AR), Virtual Reality (VR) and Mixed Reality (MR), combined with a virtual building for property management. Through VR headsets, MR smart glasses and AR tablets, users can apply their knowledge acquired and experience it in a virtual environment. The "Learn, Experience, Practice" model allows employees to undergo the training in a practical and progressive manner. This project has been recognized externally and received the Silver Award (Open Category) and the Most Popular Innovation Award in the "The 1st OSH Innovation and Technology Award" organized by the Occupational Safety and Health Council.



I – Award and Appreciation

Organizer	Awards		Awarded Unit
CLP Power Hong Kong	CLP Smart Energy Award 2023	<ul style="list-style-type: none"> Carbon Management Award – Excellence: Joint Energy Saving Award: 	Hong Yip Hong Yip
	CLP Summer Saver Rebate Program 2023	<ul style="list-style-type: none"> Top Saving in 2023: Top Average Saving in 2023 - 1st runner-up: Pioneer Awards for Energy-Saving Promotion in 2023: 	Hong Yip Hong Yip Wetland Seasons Park
Environmental Campaign Committee	Hong Kong Awards for Environmental Excellence 2022	<ul style="list-style-type: none"> Bronze: Merit: Outstanding Promotional Partner Commendation Scheme: Long Participation Award: 	Tsuen Wan Plaza (Shopping Arcade), Royal Peninsula Mikiki, Manhattan Hill, Aria, Valais Tsuen Wan Plaza (Shopping Arcade) Hong Yip
Federation of Hong Kong Industries	Corporate Low-Carbon Environmental Leadership Awards 2022	<ul style="list-style-type: none"> Gold Award: Bronze Award: 	Wonderland Villas Royal Peninsula, Tsuen Wan Plaza (Shopping Arcade)
Hong Kong Green Building Council	Hong Kong Green Shop Alliance Award 2023	<ul style="list-style-type: none"> Green Mall of the Year: Excellent Green Product Advocate: New Alliance Member – Mall: 	Certificate of Excellence: Harbour North Finalist: Port 33, Tsuen Wan Plaza (Shopping Arcade) Harbour North, Park Central (Shopping Arcade), Hong Kong Plaza, King Wah Centre 618 Shanghai Street, King Wah Centre
	Green Building Award 2023	<ul style="list-style-type: none"> Existing Building Category - Grand Award : 	Wetland Season Park
Hong Kong Quality Assurance Agency	Hong Kong Green and Sustainability Contribution Awards 2024	<ul style="list-style-type: none"> Pioneering Organisation in ESG Disclosure Enhancement: Outstanding Award for Excellent Contribution to Sustainable Property (Property Management) - Promote Environmental Protection: Gold Seal for Contribution to Sustainable Property / Facility - Promote Environmental Protection: Gold Seal for Contribution to Sustainable Property - Promote Hygiene and Health: 	Hong Yip Hong Yip Sun Hung Kai Centre, Harbour Centre, Tsuen Wan Plaza (Shopping Arcade), Park Central (Shopping Arcade), Mikiki, K Point, Woodland Crest, The Parcville, Tsuen Kam Centre, Wonderland Villas, New Jade Gardens, Yu Chui Court Sun Hung Kai Centre

I – Award and Appreciation

Organizer	Awards		Awarded Unit
Hong Kong PropTech Association and Hong Kong Cyberport Management Company	PropTech Excellence Awards 2024	<ul style="list-style-type: none"> The Best PropTech Solution of the Year: ESG in PropTech – Diamond (Corporate): Property Management – Diamond (Corporate): PropTech Integration Company of the Year - Gold (Corporate): 	Hong Yip Hong Yip Hong Yip Hong Yip
CIBSE HONG KONG REGION	CIBSE Hong Kong Awards 2023	<ul style="list-style-type: none"> Project of the Year (Commercial/ Industrial Building) – Merit : Facilities Management Team Award – Merit : 	Marine 8 Park Central (Shopping Arcade)
Environmental Protection Department	Program on Source Separation of Domestic Waste and the Program on Source Separation of Commercial and Industrial Waste 2022/23	<ul style="list-style-type: none"> Diamond: Gold: Silver: Bronze: Merit: 	5 Buildings 6 Buildings 10 Buildings 18 Buildings 254 Buildings
CarbonCare InnoLab	CarbonCare® Label 2023	<ul style="list-style-type: none"> CarbonCare® Label – Level 2: CarbonCare® Circularity Label – Level 5: Carboncare® Star Label: 	Hong Yip Hong Yip Hong Yip
Hong Kong Institution of Engineers	Excellent Building Awards 2023	<ul style="list-style-type: none"> Grand Award (Existing Building): Retro-Commissioning Award: Anti-epidemic (Covid-19) Achievement Award: Excellent Leadership Award: 	Sun Hung Kai Centre Sun Hung Kai Centre Sun Hung Kai Centre Sun Hung Kai Centre
	Manufacturing, Industrial and Systems Division – Industry Award (Innovation Category)	<ul style="list-style-type: none"> Silver : 	Hong Yip
Hong Kong Recreation Management Association (HKRMA)	Residential Clubhouse Management Awards 2023	<ul style="list-style-type: none"> Merit: 	Wetland Seasons Park

I – Award and Appreciation

Organizer	Awards		Awarded Unit
International Facility Management Association (IFMA) – Hong Kong Chapter	IFMA Asia Pacific Awards of Excellence 2022-2023	• Asia Pacific Best Facility Management Operation Award:	PolyU West Kowloon Campus
	Inter-Institutional Competition on Facility Management	• Platinum Award:	Hong Yip
Hong Kong Institute of Certified Property Managers, Hong Kong Mediation Centre and Hong Kong Property Innovative Technology and Environmental Protection Association	The Property Management Week 2024 – “Outstanding Practitioner Award”	<ul style="list-style-type: none"> • Elderly Care Service Award: • Customer Service Award: • Middle Management Practitioner Award: • Frontline Practitioner Award: 	Champion: Hong Yip (Lam King Lok) 1st Runner Up: Wonderland Villas (Zeng Ling Long) Champion: Tsz Oi Court (Yau Man Wai Yamy) Excellence: Galaxy Factory Building (Ho Chun Hung Steven), eResidence (Hui Mei Yin Ada) Excellence: Galaxy Factory Building (Kwan Ka Fai), Proficient Industrial Centre (Hung Lee), Saint Francis University & Caritas Bianchi College or Career (Chan Chi Kwan)
Hong Kong Police Force, Security and Disciplined Services Training Board of Vocational Training Council	Security Services Best Training Award	• Gold Award (Above 500)	Hong Yip
The Qualifications Framework Secretariat (QFS)	“Award Scheme for Learning Experiences” under the Qualifications Framework 2023		Hong Yip Property Management: Tsz Oi Court(Yau Man Wai Yamy), Yan Fook Centre(Yeung Mei Na) Security Service: Park Central(Sum Cheuk Yan)
Employees Retraining Board (ERB)	ERB Excellence Award for Employers		Hong Yip
	ERB Manpower Developer Award Scheme (2022-2024)	• Grand Prize Award	Hong Yip
The Hong Kong Institute of Human Resource Management	HR Excellence Awards	• Learning Technology Award – Silver Award:	Hong Yip

I – Award and Appreciation

Organizer	Awards		Awarded Unit
Occupational Safety & Health Council (OSH)	The 1st OSH Innovation and Technology Award	• Silver Award (Open Category)	Hong Yip - "Three R (VR/AR/MR) Virtual Building - Integrated Emergency Handling Platform"
		• Most Popular Innovation Award	Hong Yip - "Three R (VR/AR/MR) Virtual Building - Integrated Emergency Handling Platform"
• Commendation Certificates		Hong Yip - "Typhoon Surveillance and Management Platform" Hong Yip - "Smart Weather Alert System"	
	The 11th Best Property Safety Management Award	• Best Property Management Award in Occupational Safety and Health:	Bronze - Oscar By The Sea Merit - Imperial Cullinan
		• Best Promotion Award for Light-Duty Working Platforms:	Merit - Victoria Harbour, Pristine Villa
		• Heart Caring Organization Award:	Grand Award - Harbour North Excellence Organization - Hong Kong Industrial Centre Block A, Tsuen Wan Plaza (Shopping Arcade) Outstanding Organization: 17 of our Buildings
Agency for Volunteer Service	Top 10 Caring Estate	• Top 10 Caring Estate:	Oscar By The Sea
		• Caring Estate:	Park Central, Royal Peninsula, Scenic View, The Parcville, eResidence
Hong Kong Council of Social Service	Caring Company Scheme	• 20 Years Plus Caring Company	Hong Yip
HSBC	HSBC Living Business	• Merit	Cheung Sha Wan Division I
Fullness Social Enterprises Society (FSES)	Tithe Ethnical Consumption Movement	• Social Enterprise (SE) Supporter Plus Award 2023	Hong Yip
Fair Trade Hong Kong	Fair Trade & SDGs Award 2023/2024	• Impact and Achievement Award	Hong Yip

I – Award and Appreciation

Organizer	Awards		Awarded Unit
JobMarket	2023 Employer of Choice Award	<ul style="list-style-type: none"> Employer of Choice Award 2023: Employer Brand Management Award: ESG HR Strategy Award: Greater Bay Area Outstanding Employer Award: 	<p>Hong Yip</p> <p>Hong Yip</p> <p>Hong Yip</p> <p>Hong Yip</p>
CTgoodJobs	Best HR Awards 2023	<ul style="list-style-type: none"> Employer of the Year – Grand: Best L&D Technology Implementation Award – Grand: Best Corporate Social Responsibility Award – Gold: L&D Team of the Year: Recruitment Team of the Year: Excellent HR Professional Award: HR Rising Star of the Year: 	<p>Hong Yip</p> <p>Hong Yip</p> <p>Hong Yip</p> <p>Hong Yip</p> <p>Hong Yip</p> <p>Hong Yip (Mr Joe Poon)</p> <p>Hong Yip (Ms Ella Pang, Ms Kathleen Wong)</p>
Oriental Daily News	Elite Brand Awards 2023	<ul style="list-style-type: none"> Elite Property Management Award: 	Hong Yip
Sing Tao Daily	Sing Tao Service Awards	<ul style="list-style-type: none"> Property Management in Sustainability Award: 	Hong Yip
Headline Daily	Headline No.1 Award	<ul style="list-style-type: none"> Sustainable Property Management Award: 	Hong Yip
HK01	HK01 Gold Medal Awards - Outstanding Enterprise Award	<ul style="list-style-type: none"> Excellent Property Management 	Hong Yip
AM730	ESG Green Development & Carbon Neutrality Awards	<ul style="list-style-type: none"> Outstanding Sustainable Enterprise Award - Unlisted Company (Property Management Category): 	Hong Yip
Television Broadcasts Limited (TVB)	TVB ESG Awards 2023	<ul style="list-style-type: none"> ESG Special Recognition Award: 	Hong Yip
Methodist Centre	Healthy Corporate Award Scheme	<ul style="list-style-type: none"> Silver Award: 	Hong Yip
GreenPower	Green Power Hike	<ul style="list-style-type: none"> 10km Property Management Cup: 	Hong Yip
Greater-China Association of Branding Industry (GABI)	Greater Bay Area ESG Sustainable Development Enterprise Award	<ul style="list-style-type: none"> 100% HK Branding Award: 	Hong Yip

II – Performance Overview

<u>Environmental Performance</u>	Unit	2021/22	2022/23	2023/24
Greenhouse gas (GHG) emissions				
GHG emission intensity (scope 2)	tonnesCO2e/m2	0.014*	0.014*	0.012
Waste recycled				
Paper	Kg	1,591,899	1,337,639	1,086,052
Plastic	Kg	37,672	47,459	65,313
Metals	Kg	92,504	61,426	74,026
Glass	Kg	70,911	65,604	49,832
Used Clothes	kg	27,820	51,250	47,738
Electricity consumption Intensity (Head office)				
Head office	kWh/m2	0.087	0.090	0.086

*Remarks: Revised scope of monitoring calculations

II – Performance Overview

Certification / Membership / Professionals

- Certification of ISO14001 and ISO50001
- Hong Kong Green Organization Certification of Environmental Campaign Committee
- Green Office Awards Labelling Scheme of World Green Organization
- Platinum Patron Members of Hong Kong Green Building Council
- Member of Hong Kong Green Shop Alliance under Hong Kong Green Building Council
- Member of Business Environment Council
- Net-Zero Certificate Program of Hong Kong Quality Assurance Agency
- "BEAM Pro" and "BEAM Affiliate" of Hong Kong Green Building Council
- "RCx Facility Management Firms" of Hong Kong Green Building Council
- "RCx Pro" and "RCx Practitioner" of Hong Kong Green Building Council
- WELL Accredited Professionals of International WELL Building Institute (IWBI)
- Certified ESG Planner (CEP) of International Chamber of Sustainable Development

Charters

- Charter on External Lighting of Hong Kong Environment Bureau
- Energy Saving Charter of Hong Kong Environment Bureau and Hong Kong Electrical and Mechanical Services Department
- 4Ts Charter of Hong Kong Environment Bureau and Hong Kong Electrical and Mechanical Services Department
- Let's Save 10L Water 2.0 Campaign of Hong Kong Environment Bureau and Hong Kong Water Supplies Department
- Carbon Reduction Charter and Carbon Audit · Green Partner of Hong Kong Environmental Protection Department
- Glass Container Recycling Charter of the Environmental Protection Department
- Net-zero Carbon Charter (former name as Low Carbon Charter) of Business Environment Council
- ECH2O Charter of Water Supplies Department and Green Council
- MoU Signing for Applying BEAM Plus to Projects Outside Hong Kong (Hong Kong Green Building Council)
- ESG+ Charter of The Chinese Manufacturers' Association of Hong Kong

III – Stakeholder Communication

Hong Yip has engaged stakeholders via extensive channels regularly to communicate and gather feedback on our performance.

Stakeholder Groups	Method of Engagement
Customers and Tenants (including residents, commercial and industrial building tenants)	<ul style="list-style-type: none"> • Customer satisfaction surveys • Mobile Applications - SoProp、SoPropBiz • Customer service office and concierge • QR code • Customer hotlines • 24-hour control centre • Company website
Employees	<ul style="list-style-type: none"> • Interviews • Meetings • Intranet • Mobile Applications - WeCom • “Hong Yip People Development Academy” • “Innovative Suggestion Scheme” • Staff activities
Suppliers	<ul style="list-style-type: none"> • Interviews • Audits and assessments • Vendor portal • Ongoing direct engagements
Industry Peers	<ul style="list-style-type: none"> • Industry forums • Seminars • Regular meetings • The Hong Kong Association of Property Management • The Hong Kong Institute of Housing • The Hong Kong Institute of Real Estate Administrators • The Hong Kong Institute of Facility Management • The Hong Kong Management Association, etc.

Stakeholder Groups	Method of Engagement
Charitable organizations	<ul style="list-style-type: none"> • Community activities organized by SHKP and Hong Yip Volunteer Team • Christian Family Service Centre • YMCA of Hong Kong • Hong Kong Church Network for the Poor • Suicide Prevention Services • St. James' Settlement • Rainbow Foundation, etc.
Professional organizations	<ul style="list-style-type: none"> • Employees Retraining Board • Vocational Training Council • Occupational Safety & Health Council, etc.
Institutions	<ul style="list-style-type: none"> • Cooperation framework agreements with various universities and institutions
Environmental organizations	<ul style="list-style-type: none"> • The Green Earth • Hong Kong Environmental Protection Association • Friends of the Earth (HK) • Green Sense • Greeners Action • World Green Organisation, etc.



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