



HONG KONG SUSTAINABILITY AWARD 2023



Message from Dr Y K Pang GBS JP Chairman, The Hong Kong Management Association



2023 was a year full of challenges and opportunities. As we navigated this journey of recovery, we encountered unforeseen twists and turns, but it is through these trials and difficulties that the resilience and solidarity of our community truly shine.

For over six decades, The Hong Kong Management Association has been at the forefront of promoting management excellence. In close collaboration with local businesses, we have strived to stay on top of global trends and challenges, ensuring that our members are

well-equipped to adapt and thrive in an ever-changing and increasingly complex environment. The HKMA Annual Fellowship Dinner, held towards the end of the year, marks the significant milestones and the accomplishments from a year of relentless hard work and remarkable achievements by organizations and individuals who are deeply committed to the economic development and sustainability of Hong Kong and of the country.

On this important occasion of the Annual Fellowship Dinner, I am delighted to extend a warm welcome to Mr T K Chiang, Chief Executive Officer of CLP Holdings Ltd, and Mr Peter Wong, Managing Director of The Hong Kong and China Gas Co Ltd, as our esteemed new Fellows. I would also like to recognize and congratulate eleven exceptional organizations which have joined us as our new Charter Members. Their commitment to management excellence and dedication to our shared goals make them valuable additions to our network of members. Furthermore, I extend my heartfelt congratulations to the Management Development Credit Unit Award winners. Their dedication to people development is truly commendable.

I would like to take this opportunity to convey my deepest gratitude and appreciation to Dr Delman Lee, Chairman of the Hong Kong Sustainability Award Organizing Committee, as well as all of the Committee Members, Examiners, Judges, and Sponsors. Their dedication and efforts in promoting sustainable practices has been instrumental in nurturing a sustainable future for Hong Kong. I also extend my heartfelt congratulations to all the Award winners. Their tireless pursuit of sustainable solutions, innovative ideas, and transformation initiatives is paving the way for a brighter, greener, and more sustainable future.

Last but not least, we are most grateful to our Guest of Honour, The Honorable Cheuk Wing Hing GBS JP, Deputy Chief Secretary for Administration of the Hong Kong Special Administrative Region, for gracing us with his presence and addressing this important annual event of the Association.

Leading the way on sustainability

By benchmarking sustainability best practices, the Hong Kong Sustainability Award is helping to build a greener and more socially responsible future.

As businesses in Hong Kong emerge from the impacts of the pandemic, sustainability is top of mind for many looking to build back better through green operations. "Environmental sustainability presents a major opportunity for businesses, as the world demands coordinated action across all industries and the entire global economy to advance sustainable development goals," said Dr Delman Lee, Organizing Committee Chairman of the Hong Kong Sustainability Award.

Since established in 2016, the Hong Kong Sustainability Award has been promoting sustainability in the business community, incentivizing sustainable actions while highlighting models for others in the industry to follow. The award has garnered ever wider recognition and relevance amongst organizations of all sizes and industries over the years.

This year's edition sees participation from both large corporations as well as small and medium enterprises (SMEs) representing a wide range of industries, including manufacturing, banking, government, education, property development, and healthcare.

Dr Lee was impressed by the caliber of applications evaluated for this year's award cycle. Entries were judged based on strategies, procedures and impacts in areas like reducing carbon emissions in line with global targets, supporting their workforce and communities through the pandemic, and strengthening policies on issues like supply chain management.

"The vast majority of participating companies have committed to achieving net zero emissions by 2030 through investments in renewable energy and energy efficiency projects. There are numerous innovations coming from SMEs, with many looking beyond just direct (Scope 1) and indirect energy (Scope 2) emissions to also

Message from Ms Titania Woo Executive Director, The Hong Kong Management Association



In this dynamic business environment, The Hong Kong Management Association's commitment to excellence remains unshakable. With the unwavering support of visionary leaders including members of our Council, Committees, Advisory Boards, and Special Clubs, whose dedication extends far beyond the boardrooms, we are empowered to explore uncharted territories and embrace change with open minds and bold ideas.

Their active involvement, willingness to share expertise, and passion for nurturing human capital and the next generation of leaders have significantly enriched our work.

My heartfelt appreciation goes to the organizations that have illuminated our path throughout the year through participation and generous sponsorships for the programmes, events, and awards of the Association.

Looking ahead, the Association continues its devotion to shaping a future where knowledge, creativity, and excellence converge through meticulously crafted management training and education programmes, thought-provoking topical forums and conferences, vibrant networking events, and prestigious awards and competitions. These initiatives enlighten professionals with cutting-edge knowledge and skills and foster meaningful connections and collaboration within the business community.

I would like to congratulate our new Fellows, Charter Members, Management Development Credit Unit Award winners, as well as winners of the 2023 Hong Kong Sustainability Award. Please join me in offering our sincerest gratitude to Dr Delman Lee, Chairman of the Organizing Committee, for his dynamic leadership, and all Organizing Committee members, Examiners, Judges and Sponsors, for their devoted guidance and support.

I would also like to express my heartfelt gratitude to our esteemed Guest of Honour, The Honorable Cheuk Wing-hing GBS JP, Deputy Chief Secretary for Administration of the Hong Kong Special Administrative Region for gracing us with his presence.

With all your support, may the coming year be filled with fruitful endeavors, prosperity, and continued success!

reduce other indirect emissions occurring throughout their value chains (Scope 3)," he added.

According to Dr Lee, the standout companies are involved in a variety of sustainability efforts. Educational institutions explore ways to educate future generations about sustainability. Flag carriers utilize sustainable aviation fuels to lower their emissions. Property developers integrate eco-friendly construction methods and engage tenants in initiatives to reduce operational carbon footprints. Meanwhile, clothing manufacturers implement measures across their supply chains to lower greenhouse gas emissions from fiber production to product distribution.

"Recognizing top performers is critical to motivating others and promoting Hong Kong as a leader in sustainability. The award aims to demonstrate how environmental, social and governance (ESG) best practices strengthen businesses and bring wider social benefits by conserving resources for future generations," he said.

Looking to next year's entrants, Dr Lee's advice is to fully integrate ESG into strategic and operational planning: "Strong governance and transparency on your commitments and goals will impress judges. And showcasing measurable outcomes and innovative solutions will certainly grab attention. Most importantly, engage stakeholders across your value chain to maximize your positive impact."



Dr Delman Lee, Organizing Committee Chairman of the Hong Kong Sustainability Award

AWARD WINNERS

INDIVIDUAL AWARDS Sustainability Leader of the Year

- Large Organizations: Mr Jonathan Chiu, Hong Kong President (Schneider Electric)
Small and Medium-sized Organizations: Ms Ophelia Lin, Managing Director (Meiriki Japan Company Limited)

Distinguished Sustainability Leadership Award

- Large Organizations: Ms Anita Chan, Senior Vice President - Global Brand Marketing and Innovation & Technology (Dorsett Hospitality International)
Mr Jonathan Chiu, Hong Kong President (Schneider Electric)

Small and Medium-sized Organizations

- Mr Rafi Cristobal, Director, Social Impact and Sustainability Program (The Harbour School)
Mr Arthur Lam, CEO, Co-Founder (Negawatt Utility Limited)
Ms Ophelia Lin, Managing Director (Meiriki Japan Company Limited)

ORGANIZATION AWARDS

Grand Awards

- Large Organizations: Swire Properties

Small and Medium-sized Organizations

- Champion REIT

Distinction Awards

Large Organizations

- Bank of China (Hong Kong) Ltd
Cathay Pacific Airways Limited
CLP Holdings Ltd
Crystal International Group Ltd
New World Development Company Ltd
Swire Pacific Ltd
Hongkong Land (Property Management) Ltd
Hysan Development Company Ltd
MTR Corporation
New World Development Company Ltd
Swire Properties
Twingas Smart Energy Company Ltd

Small and Medium-sized Organizations

- Champion REIT
Dream Impact HK Ltd
The Harbour School
Meiriki Japan Company Ltd
Nan Fung Property Management - 8 Deep Water Bay Drive
Smart Farming HK Ltd

Merit Awards

- Large Organizations: Airport Authority Hong Kong, Henderson Land Development Company Ltd, Hong Kong Air Cargo Terminals Ltd
Small and Medium-sized Organizations: U PLACE, Fortune REIT

Small and Medium-sized Organizations

- U PLACE, Fortune REIT

Certificates of Excellence

- Large Organizations: Analogue Holdings Ltd, Baguio Green Group, Chinachem Group, Drainage Services Department, Eaton HK
Small and Medium-sized Organizations: ITOCHU Textile Prominent (Asia) Ltd, Associated Engineers, Ltd, Consilium Education Company Ltd

Small and Medium-sized Organizations

- AluHouse Company Ltd, ITOCHU Textile Prominent (Asia) Ltd, Associated Engineers, Ltd, Consilium Education Company Ltd, Negawatt Utility Ltd

Excellence in Economic Sustainability Initiative

- Champion REIT, ITOCHU Textile Prominent (Asia) Limited, MTR Corporation, New World Development Company Limited

Excellence in Social Sustainability Initiative

- The Harbour School, Henderson Land Development Co Ltd, MTR Corporation, New World Development Company Limited, Smart Farming HK Limited, U PLACE

Excellence in Environmental Sustainability Initiative

- Champion REIT, Chinachem Group, CLP Holdings Limited, Smart Farming HK Limited, Civil Engineering and Development Department

Excellence in Innovation

- Airport Authority Hong Kong, Esquel Group, The Harbour School, Meiriki Japan Company Limited, MTR Corporation, Smart Farming HK Limited



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Sustainability Leader of the Year Distinguished Sustainability Leadership Award Large Organizations Mr Jonathan Chiu, Hong Kong President Schneider Electric



I am immensely honored to be recognized amongst Hong Kong's business leaders delivering impact for the city's long-term prosperity and sustainability.

At Schneider Electric, we remain committed to accelerating our own ESG transformation, at the same time deploying our innovation portfolio for digitization and electrification, to help accelerate our wider ecosystem's transition towards greater energy efficiency, and a smarter and greener future.

I would like to take this opportunity to thank our ecosystem of stakeholders - our employees, investors, suppliers, customers, partners, and the wider community - without whose support we would not be able to bring our sustainability ambitions to life.

Distinguished Sustainability Leadership Award Large Organizations Ms Anita Chan, Senior Vice President - Global Brand Marketing and Innovation & Technology Dorsett Hospitality International



Sustainability is our future. I firmly believe that the environment should never be compromised for comfort and convenience.

Through sustainable practices in our hotel operations, I am committed to providing guests with a responsible and enjoyable experience. Sustainable development is a collective responsibility I wholeheartedly embrace. This award constantly inspires me to make positive impacts on guests, associates, and our community.

Together, we shape a better future for generations to come.

Distinguished Sustainability Leadership Award Small and Medium-sized Organizations Mr Arthur Lam, CEO, Co-Founder Negawatt Utility Limited



Based on Bloomberg's data, ESG investing assets surpassed an impressive \$38 trillion in 2021. It's evident that we must allocate additional resources to achieve our 2050 Net Zero target. During our frequent double materiality assessments, we've identified a crucial industry gap: quantifying the ESG contributions of a company's most valuable asset—its employees. Negawatt Zero2, endorsed by UNSDG Achievement Awards, aims to address this challenge by fostering sustainable communities, enhancing economic output, and creating positive environmental impact. Our vision is to help corporates to engage employees and its stakeholders for quantifiable ESG impact instantly in Belt and Road.

Sustainability Leader of the Year Distinguished Sustainability Leadership Award Small and Medium-sized Organizations Ms Ophelia Lin, Managing Director Meiriki Japan Company Limited



Obtaining this award is truly an honor and a thrilling experience. I am sincerely grateful for the efforts and contributions our organization has made in sustainable development, which have now been recognized. The judging process has been genuinely beneficial to me, as the panel has helped boost my insights and adopt best practices in sustainability development. This opportunity will drive me to commit to further innovative approaches in sustainability development.

Distinguished Sustainability Leadership Award Small and Medium-sized Organizations Mr Rafi Cristobal, Director, Social Impact and Sustainability Program The Harbour School



This Award belongs to the collaborative efforts of all the stakeholders in our organisation including students, parents, teachers, school administrators, and neighbouring communities.

I would like to particularly thank the HK government, corporations and NGOs who share their precious time and resources to engage with K-12 schools. Your technical and financial support for the K-12 school sector could serve as part of the long-term solution to address climate and sustainability challenges in HK.

Finally, thank you HKMA for recognising K-12 schools in all these years of Hong Kong Sustainability Award. I am truly grateful to the panel of judges for their thought-provoking and invaluable advice during the judging process.

(Large Organizations Category)

PANEL OF JUDGES

(Small-and Medium-sized Organizations Category) and Individual Awards

Table listing panel of judges: Dr Delman Lee (Chairman), Mr Kelvin Cheung, Mr Francis Ngai, Ms Titania Woo, Dr Delman Lee, Ms Jessica Leung, Mr Billy Wong, Ms Titania Woo, Ms Michelle Chan, Mr Thomas Leung, Mr Chris Chong, Mr Ricky Wong, Mr Aaron Yim.

BOARD OF EXAMINERS

Table listing board of examiners: Dr Delman Lee (Chairman), Suzanne Cheung, Dr Irene Lau, Prof Carlos Lo, Ms Rita Wong, Ms Crystal Chan, Dr Vincent Cheng, Andy Law, Mr Hendrik Rosenthal, Ms Jane Liu, Mr Aaron Tam, Ms Michelle Chan, Mr Wilson Kwong, Mr Anthony Leung, Mr Francis Ngai, Prof Joseph Ngai, Mr Billy Wong, Mr Ricky Wong.

ORGANIZING COMMITTEE

Table listing organizing committee members: Dr Delman Lee, Ms Michelle Chan, Mr Wilson Kwong, Mr Anthony Leung, Mr Francis Ngai, Prof Joseph Ngai, Mr Billy Wong, Mr Ricky Wong.

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The Hong Kong General Chamber of Commerce
The Hong Kong Institution of Engineers
Junior Chamber International Hong Kong
Social Ventures Hong Kong
Support and Consultation Centre for SMEs





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# Negawatt zeros in on enhancing ESG through maximum employee and stakeholder involvement

Negawatt's Zero2 mobile app helps not only general users but also your employees and stakeholders lead a low-carbon lifestyle and gain attractive incentives while boosting your company's ESG performance.



Negawatt joined the Hong Kong Government delegation to Dubai to sign the MoU of the "Green Smart City" project to introduce carbon-reducing technologies

ESG initiatives are typically led by management top-down with minimal employee and stakeholder engagement. The reasons are four-fold: the lack of budget to reward or encourage employees and stakeholders to practice ESG in their daily lives; not knowing where to start; difficult to record and centralize the ESG efforts of every individual; and not empowered to actively contribute to ESG in real life. All these lead to ineffective ESG results. "We call this ESG 1.0, which is not a successful direction to follow," says Arthur Lam, Co-founder and CEO of Negawatt.

To solve these challenges, Negawatt has kickstarted a change for companies to evolve from ESG 1.0 to ESG 2.0, changing the top-down approach into a bottom-up approach – engaging every employee and stakeholder to voluntarily and persistently participate in ESG activities.

"Boosting employee initiative and enthusiasm is the key to success in promoting ESG 2.0," Lam says. "This is done through our Zero2 app which employees and stakeholders can use every day as a platform to jointly make an impact in green living."

The concept of the Zero2 platform has been recently recognized by the United Nations and has won the United Nations Sustainable Development Goals Achievement Awards Hong Kong 2023. This outstanding achievement brings ESG 2.0 a huge step forward.

## A sustainable ESG reward platform



CBRE collaborates with Negawatt to empower landlords and tenants to optimize building efficiencies and stakeholder engagement

The Zero2 app provides incentives in which users can earn points (Zero Coins) after completing carbon-reduction tasks, such as recycling clothes; reducing the use of plastic; bringing your own shopping bag; uploading utilities bills to show that you have reduced the use of water, gas and electricity; using your own cutlery when ordering takeout from restaurants; and walking instead of taking transportation. Points earned on the app can redeem discounts and coupons at selected merchants.

The most striking feature of Zero2 lies in its collection of all carbon reduction data of every employee and stakeholder to become the company's ESG achievements, meaning that it can be used at an individual and a corporate level.

We have won Overall UNSDG Achievement Awards 2023 for Climate Action under SME Category with our ESG gamification app - Zero2

"In Zero2, 'zero' means zero carbon emissions, '2' refers to both you and I, because we cannot do it alone; we need everyone to work together," explains Lam.

## Setting a shining example as the largest community ESG engagement programme

Negawatt joined hands with the Hong Kong Housing Society (HKHS) to launch "Community ESG Programme" as part of HKHS's 75th anniversary activities themed "Creating Homes for Sustainable Living".

From 1 July to 31 December 2023, residents of HKHS's 20 housing estates, which include 150 buildings, can download Zero2 app to digitize their daily green activities in the form of games.

Residents can start with "clothing, food, housing and transportation" to record their carbon reduction actions and thereby sustain an eco-friendly and low-carbon lifestyle. As they complete carbon reduction tasks, points will be earned to redeem discounts from over 600 shops and restaurants.

In addition, fabulous gifts, including home appliances and theme park accommodation packages, will be awarded to the top ten residents with the greatest carbon reductions. The resident with the highest carbon reduction will receive the grand prize of an electric car!



Negawatt partners with the Hong Kong Housing Society to launch "Community ESG Programme"



Negawatt's Zero2 app received a UNSDG Achievement Awards 2023 for Climate Action

Results are encouraging. Over 10,000 residents have joined within a month, forming the largest ESG community in Hong Kong. Initial statistics show that the whole community has recycled approximately 21 tons of items, including plastics, paper, glass bottles and clothing. When they buy food from green merchants, they did not take plastic bags and disposable cutlery. The Zero2 app also recorded a walking distance of 65,933 kilometers by the group, which is equivalent to burning 3,277,440 calories.

In total, the Zero2 app has saved 391 tons of carbon dioxide for Hong Kong, and planting 16,300 trees in an area comparable to three Victoria Park. What's more, residents going out more often can keep their physical and mental help in shape. "It's definitely a win-win situation," describes Lam.

Major corporations are teaming up with Negawatt. One of them is the world's largest commercial real estate and investment firm CBRE, which is engaging not only employees, but also landlords and tenants to improve building efficiencies, reduce electricity consumption and lower carbon emissions by completing carbon reduction missions at Zero2.

## Expanding the Zero2 concept to build a smart city in the Middle East

This February, Negawatt signed a strategic partnership with Catalyst, a tech accelerator in the United Arab Emirates, to introduce green technologies to reduce carbon emissions in Abu Dhabi's Masdar City. This upcoming smart city has a target population of 50,000 and aims to generate nearly 100 percent of its electricity from renewable energy sources by 2050.

Lam reveals that Negawatt will introduce energy-saving technologies and launch a mobile app to integrate environmental protection through gamification in which every user is a Planet Hero against global warming, while incorporating point systems and rewards to achieve carbon reduction.

More projects are in the pipeline for a green, sustainable, low-carbon lifestyle through the unifying power of the Zero2 app. Stay tuned on Zero2's website at www.zero2.app.

## Engage your employees to form a corporate ESG community

Companies can mobilize their employees to form a corporate community through the Zero2 mobile app. As employees complete low-carbon activities and obtain rewards, the company can also benefit from their low-carbon records and data in its ESG performance. Over time, these low-carbon activities become sustainable habits as employees happily and willingly make a change in lifestyle.

"Zero2 can make it enjoyable and easier for companies and individuals to put ESG into practice so that every person can become a Planet Hero to achieve a truly sustainable and regenerative economy," Lam reiterates.

Companies can set up their own corporate ESG community by contacting Arthur Lam at arthur.lam@negawatt.co.



HONG KONG SUSTAINABILITY AWARD 2023



# Cathay strives for sustainability leadership as it embraces the spirit of 'Greener Together'



Through pioneering initiatives to reduce its carbon footprint and pursue circular solutions, Cathay demonstrates its long-term commitment to sustainable development as it seeks to rebuild global connectivity from its Hong Kong hub.

## Fueling sustainability

Cathay has demonstrated true leadership in sustainability through its pioneering climate efforts to support the development of sustainable aviation fuel (SAF) over the past decade. The company is equally committed to continually improving operational efficiency regarding resource consumption.

However, Cathay understands achieving ambitious sustainability goals requires collective effort. Through its 'Greener Together' approach, the company embraces partnerships with other businesses, travelers, and its own people to push boundaries and reach new heights in building a greener future.

For over seven decades, Cathay has played an integral role in developing Hong Kong into a global aviation hub by connecting the city to destinations worldwide. As the home airline looks to the future following the immense challenges presented by the pandemic, positive signs of recovery bring promise for continued growth – the Cathay Group, comprising Cathay Pacific and HK Express, has reached 70% of pre-pandemic passenger capacity levels.

Sustainability leadership has always been a core element of Cathay's brand purpose to move people forward in life, by being committed to doing so in a sustainable and responsible manner for current and future generations. Even during the pandemic, Cathay continued to take important steps on its journey to be 'Greener Together' through mitigating environmental impacts and pioneering changes towards greater sustainability in aviation.

Cathay General Manager Sustainability Grace Cheung said: "We are truly honored to have received the HKMA Distinction Award, which is a testament to our ongoing commitment to driving decarbonization and moving towards more sustainable use of resources. Going forward, we will continue to work hand in hand with business partners, travellers and our people to build a greener future."



Grace Cheung, Cathay General Manager Sustainability

As one of Asia's first airlines to pledge net zero carbon emissions by 2050, Cathay understands the enormity yet necessity of decarbonizing its operations. To advance this goal, the company employs a five-pronged strategy focused on SAF, fleet modernization, operational efficiency, new technologies and carbon offsets.

Of these, SAF represents the most important lever to transition the industry to a net-zero carbon future. SAF can be produced from municipal solid waste or used cooking oil, reducing lifecycle carbon emissions by over 80%. Importantly, it is compatible with existing aircraft engines and infrastructure. In 2022, Cathay introduced Asia's first major Corporate SAF Programme, letting businesses offset emissions from business travel or airfreight by contributing to SAF uplifted from Hong Kong International Airport for the first time.

Building on this in 2023, the company completed its first overseas SAF refuel on commercial flights in Singapore and partnered with the Chinese firm State Power Investment Corporation (SPIC) to foster the development of the regional supply chain. These show the airline's relentless dedication to environmental stewardship through pioneering solutions that curb aviation's climate impact.

## Waste reduction

Cathay is committed to achieving a more circular model by reducing single-use plastics (SUP) across its operations and sharing this vision with customers and employees. In pursuit of this goal, it set an ambitious target to cut SUP usage by 50% from the 2018 baseline by the end of 2022.

Through dedicated efforts, the company is proud to have surpassed this target by achieving a 56% reduction per passenger – equivalent to removing nearly 200 million individual plastic items. Notable initiatives included replacing SUP beverage cups with certified Flustix paper cups and phasing out plastic cutlery in Economy class in favor of lightweight metal versions. Cathay continues to build on this achievement and will set new plastics and waste-reduction targets before 2023 concludes.

## Promoting youth development

Community investment is another key priority for Cathay, with a focus on empowering youth. As one of the supporting organizations of the HKSAR government's Strive and Rise Programme, the airline is fully committed to providing members of the next generation with unique industry exposure and experiences. The company hosted a number of Aviation Exploration Days over the past year to give young people an inside look into the world of aviation, and celebrated its participation in the Strive and Rise Programme with a grand finale involving the return of its ever-popular Cathay Community Flight.

Over the years, the airline has proactively launched and funded pioneering youth-development programmes. The signature Cadet Pilot Training Programme cultivates the next generation of pilots, with Cathay targeting to recruit more than 800 cadets in 2023 and 2024 combined. The 'I Can Fly' scheme, launched in 2003, actively recruits Hong Kong students who show a passion for aviation and a commitment to community service.

And the Cathay Hackathon, taking place this coming weekend, provides a platform for young innovators to contribute ideas and solutions, and be part of Cathay's drive towards digital leadership. Through these initiatives, Cathay continues its ongoing commitment to nurturing and developing young talent for the aviation industry in Hong Kong.







HONG KONG SUSTAINABILITY AWARD 2023



# Schneider Electric spearheads digital transformation for a smarter and greener energy future

For Schneider Electric, digitization and electrification are intertwined, crucial parts of our sustainability transition.



Jonathan Chiu, President of Schneider Electric Hong Kong, is committed to growing the company with a long-term positive impact on the city

The global leader in the digital transformation of energy management and automation has a clear value proposition on sustainability: to lead ESG by example in their ecosystem, and serve as the digital partner for sustainability and efficiency for their customers.

"Businesses are undergoing a dual transformation: sustainable and digital," says Jonathan Chiu, President of Schneider Electric Hong Kong.

"Companies are stepping up ambition and action to decarbonize and build resilience. At the same time, the transition to a low-carbon future will rely on technological innovations that will allow us to make smarter and faster decisions. The good news is that technologies already exist to deliver this future that we are striving towards."

### Digitization + Electrification = Sustainability

Schneider Electric believes that a more digital and electric world is key to a sustainable and resilient future.

With digital innovation and smart devices, apps, analytics, and software, the invisible becomes visible. This enables us to see and monitor how we deploy energy, in turn driving efficiency, eliminating waste, and addressing a huge amount of untapped potential for energy savings.

Second, electricity is the most efficient energy, and represents the best vector for decarbonization.



Schneider Electric Innovation Hub Hong Kong

And a combination of the two makes a future which is smarter and more sustainable.

Together with its customers and partners, Schneider Electric is accelerating sustainability action by providing smart energy in homes, buildings, data centers, industries, infrastructure, and grids – at all stages of their lifecycle.

### Do well and do good, and embed ESG into the company's DNA

Schneider Electric executes a comprehensive corporate sustainability strategy with decarbonization goals as its core.

The Schneider Sustainability Impact (SSI) program, which represents the company's continuous improvement process to deliver outstanding ESG performance in line with its business strategy, is built on six long-term commitments.

They are to act for a climate-positive world, be efficient with resources, live up to principles of trust, create equal opportunities, harness the power of all generations, and empower local communities.

### Drive green business and support customers to decarbonize through digital solutions

As part of the SSI, Schneider Electric has pledged to help customers save and avoid 800 million tons of CO<sub>2</sub> emissions by 2025.

At the heart of this commitment is the EcoStruxure™ platform, which represents the company's backbone connecting best-in-class operational technology (IO) solutions with the latest in information technology (IT) to unlock trapped value in operations, and leverage the true potential of the Internet of Things (IoT).

While decarbonization of buildings has become a top priority in Hong Kong and cities worldwide, action needs to happen three times faster. To this end, Schneider Electric has identified a three-step approach – strategize, digitize, decarbonize – coupled with high environmental performance products and full transparency on environmental impact with Green Premium™ offers, to bridge net-zero ambition and action for the built environment.

A prime example is Schneider Electric's collaboration with Swire Properties. With 21 buildings and 47,000+ data points connected across Hong Kong and the Chinese mainland, Schneider Electric's cloud-based energy management platform is expected to save 10-20% of the portfolio's energy costs annually.



EcoStruxure integrates building systems and data to simplify control, provide insights and optimize energy use

### Inspire the community to maximize impact

For Schneider Electric, the climate challenge is one which goes beyond the capabilities of individual companies, industries, and geographies.

"Collaborations are key to ensuring that our efforts create meaningful impact," says Jonathan Chiu, President of Schneider Electric Hong Kong. "The curation of the recently concluded Innovation Summit Hong Kong 2023 embodied the essence of this belief, by convening a record 780+ business leaders and sustainability practitioners spanning multiple industries and sectors to exchange on the disruptions needed for delivering a more sustainable future."

This year's Schneider Electric Innovation Summit Hong Kong featured a distinguished line-up of more than 30 industry changemakers, as well as strategic partnerships with the Business Environment Council, the Hong Kong Green Building Council, and the International Facility Management Association (Hong Kong Chapter) – all contributing to a thought-provoking agenda uncovering the power of digital technologies and collaboration.

The event was made more impactful with a new partnership with Friends of the Earth (HK) to plant one tree on behalf of each in-person attendee in Hong Kong.

The convergence of sustainability and digitization is creating a new set of challenges for businesses, making it more important for leaders to turn to digital solutions to address our environmental impacts. To this end, Schneider Electric is uniquely positioned to join the dots for a future that is more efficient, resilient, and sustainable.



Innovation Summit Hong Kong 2023 spotlighted the need and power of open collaboration via cross-sectoral partnerships



HONG KONG SUSTAINABILITY AWARD 2023



# Champion REIT, a 'super connector' which shapes a collaborative ecosystem for sustainable well-being



Over 150 participants from diverse industries and sectors supported the Trust's inaugural ESG Forum.

Collaborative commitments to sustainability are more effective than individual efforts alone in addressing universal material issues like climate change. This is why Champion REIT, a Hong Kong real estate investment trust that owns and invests in a portfolio of prime properties including Three Garden Road and Langham Place, seeks to serve as a 'super-connector,' leveraging stakeholders' resources to promote environmental and social wellness that are equally essential among their internal and external supply chains, from tenants, business partners, investors, and staff, to the community.



Langham Place Mall supported the Hong Kong Cancer Fund as part of its Care Bears Christmas campaign to drive social impacts.

### Embarking on Net Zero journey through inaugural ESG Forum

Progressively realising the 42% reduction targets in both energy and carbon emissions by 2030, which were set in 2019 to align with nine United Nations Sustainable Development Goals (UNSDGs), the Trust has further reinforced its decarbonisation commitment by pledging with its parent company to achieve Net Zero by 2045.

Achieving these ambitious targets relies significantly on engagement from tenants, who are one of the important stakeholders across the Trust's value chain. As such, Champion REIT has introduced novel partnership approaches targeted at collaborating with tenants to advance its environmental objectives.

Take the Trust's inaugural ESG forum back in July, for instance. Themed 'Championing Shared Values and Greater Resilience', the event aimed to facilitate dialogue on transitioning to net zero emissions and promoting social inclusion. The insights imparted by the industry experts underscored the importance of collaboration to align all business and environmental decisions for an equitable green transition. Another highlight was a keynote sharing that added excitement by emphasizing how diversity and inclusion can bring people together.

### Champion Green Challenge gamifies sustainable actions among office tenants

The Trust also debuted the Champion Green Challenge – an incentive-based initiative designed to encourage office tenants' action in reducing energy consumption and waste. This six-month competition helps participating companies develop environmental management plans through formalizing timely eco-friendly policies and practices. Besides optimizing daily operations and peer benchmarking, the challenge welcomes tenants' innovative ideas toward sparking environmental stewardship through collaboration.

Related sustainability best practices were also communicated with tenants to keep them informed on market and regulatory updates. Approximately 20% of office tenants, based on leased office space, participated in the challenge. The competition aspires to present a win-win outcome, allowing tenants to participate in making positive impacts on the environment, and enabling the Trust to collect scope 3 emission data for advancing sustainability strategies.

### Co-creating shared values with customers and tenants

The Trust strives to amplify social impacts by co-creating positive, uplifting values across society through consistent multi-partnership that brings together business and community for a common goal.

An example is Langham Place Mall's collaboration with the Hong Kong Cancer Fund as part of its Christmas campaign featuring lovable Care Bears characters. The event will feature an exclusive sale of Care Bears, with all proceeds to be donated to its Rainbow Club to help children whose families are affected by cancer. This initiative aims to actively involve customers in caring for the society while making positive impacts in a fun and engaging way.

Another trilateral collaboration is the seasonal campaign promoting warmth and care in our community. At Three Garden Road, a large-scale Christmas 'Sharelebration' will be held this December, featuring a pop-up market cum the 12th Tithe Ethical Consumption Movement (TECM) in partnership with Fullness Social Enterprises Society (FSSES), a non-governmental organization specializing in connecting social enterprises to promote ESG-aligned products and services. Besides, children

from the Music Children Foundation, which is committed to nurturing underprivileged youth's musical talents, will perform Christmas carols. Altogether, 20 social enterprises along with over 200 beneficiaries and volunteers will join this 'Sharelebration' to celebrate Christmas.

All these initiatives show that united efforts around shared goals can be powerful, even if individual influence seems narrow. Moving ahead, Champion REIT will further consolidate contributions from all collaborators to champion environmental and social resilience through strengthened partnerships in the years to come.

THREE GARDEN ROAD CHRISTMAS SHARELEBRATION 2023

**1 December (Friday)**  
12:00 - 19:30 Social Enterprise Christmas Market  
18:45 Christmas Carols by Great Eagle Music Children Ensemble

**2 December (Saturday)**  
12:00 - 18:30 Social Enterprise Christmas Market & DIY Workshops

**Free Admission**  
Three Garden Road, Central

ChampionREIT 冠君地產信託  
THREE GARDEN ROAD CENTRAL