

# MESSAGE FROM THE CHAIRMAN

The CK Hutchison Group serves society in essential ways. We keep people connected; we secure the movement of trade and supply chains; we ensure daily necessities are available; and we develop critical infrastructure to ensure that reliable electricity, gas, water, heating, waste management and other essential services are provided to millions of customers around the world. We provide products and services that are aligned to the needs of society, a reality that has never been more in focus than during the pandemic.

In 2020, each one of our divisions around the world worked tirelessly to provide essential goods and services that keep cities, towns and supply chains functioning. While many industries were able to transition their employees to working from home, many of our 300,000 employees remained at the frontline moving shipping containers, fixing power lines, maintaining network equipment, working in essential stores, and supporting our communities. Despite the disruption brought by the COVID-19 pandemic, our business divisions were able to achieve excellent operational performance and reliability of service.

Beyond operational and financial performance, we also understand that how we run our business, and the investment decisions we make, can have either positive or negative social and environmental impacts. Looking at ourselves through a sustainability lens sharpens our ability to better serve society which in turn acts as a force that strengthens our business.

Above all, our people are our top priority and we recognise that our success is built on their talent and commitment. Through attraction, retention and development programmes, we strive to be an employer of choice with employees that feel listened to, engaged and supported. In a world of rapid change and technological development, we aim to ensure employee skillsets are future-ready and aligned to the needs of our customers as well as emerging trends. Throughout the pandemic, we supported our employees with personal protective equipment and other sanitisation measures at work, flexible working arrangements if they were working from home, and wellbeing programmes to help create team cohesion and lessen feelings of isolation.

We aim to use our sustainability strategies not only as means to address social and environmental challenges but also to create profound business opportunities. Our customers' preferences are evolving – be they individual consumers, businesses or public entities. They expect more from our products and services, and are looking to align with brands that share their values and interests. Responding to this trend, the Retail division has created a number of product lines and platforms that enable customers

to shop according to their sustainability values and preferences; the Infrastructure division is pioneering in the use of renewable energy to help governments and municipalities deliver on their net zero goals; the Telecommunications businesses are preparing to achieve the lowest technically feasible carbon footprint through an expansive climate action strategy underway; and the Ports division is adopting cutting-edge innovations in smart port technology such as big data and Artificial Intelligence and progressively converting its infrastructure to electric alternatives.

Year 2020 marked the beginning of the “Decade of Action” to achieve the United Nations Sustainable Development Goals (“SDG”). The 17 SDGs provide the blueprint and call to action to achieve a better and more sustainable future. As a Group, we are committed to playing our part, and through collaborating and focusing efforts across our broad span of businesses, we believe we can contribute to increasing the speed and scale of delivery across a wide number of the SDGs and to meeting the ambitions set out in the 2015 Paris Agreement.

Leadership on the SDGs also requires embracing the values set out in the Ten Principles of the UN Global Compact in the areas of human rights, labour, environment, and anti-corruption. To this end, we have also taken the step to sign up to the UN Global Compact.

We understand incremental changes and business-as-usual will not get us to where we need to be, but equally that transformational change does not happen overnight. Through this report, we aim to show how our business divisions are taking all available steps consistent with the sectors and geographies in which they operate to contribute to sustainable development and in helping to turn the tide on the greatest challenges of our times, such as climate change.

The CK Hutchison Group is challenging itself to think critically about the way its sustainability impacts are managed: whether what we are doing is enough, in line with rapidly evolving societal expectations, and in line with rapidly developing science.

We know there is more to do. That said, this report sets out our direction of travel and not just our aspirations, but how we are working to serve society, and do it sustainably.

Thank you.

**Victor T K Li**  
Chairman, CK Hutchison  
29 June 2021