

SUSTAINABILITY AT CK HUTCHISON

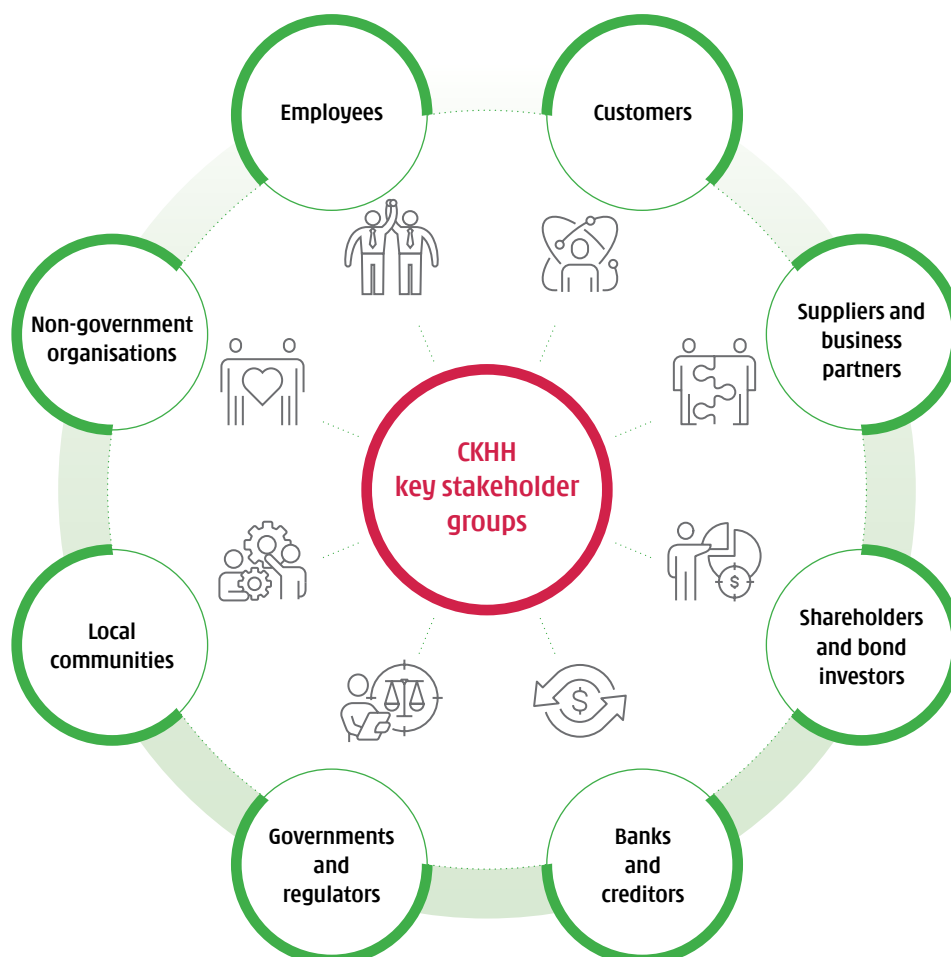
Reporting What Matters

Understanding stakeholder views is essential for businesses to define and implement development strategies that safeguard people and the planet. The Group maintains close dialogue with its key stakeholder groups to evaluate the sustainability impacts of its wide-ranging business interests and global scale of operations.

Stakeholder engagement

The Group engages with a broad range of stakeholders on an ongoing basis through a variety of channels, including meetings, liaison groups, panel discussions, workshops, and surveys. The outcomes of structured stakeholder engagement activities help to guide development of the Group's sustainability strategy.

Figure 2 CKHH key stakeholder groups



ESG rating agency assessments support investors and other stakeholder groups to evaluate the Group's sustainability efforts. Based on feedback from investors as to the ESG ratings agencies most important to them, it has enhanced its disclosures on the Group's sustainability topics to address information requests from these agencies. During 2022, through increased engagement,

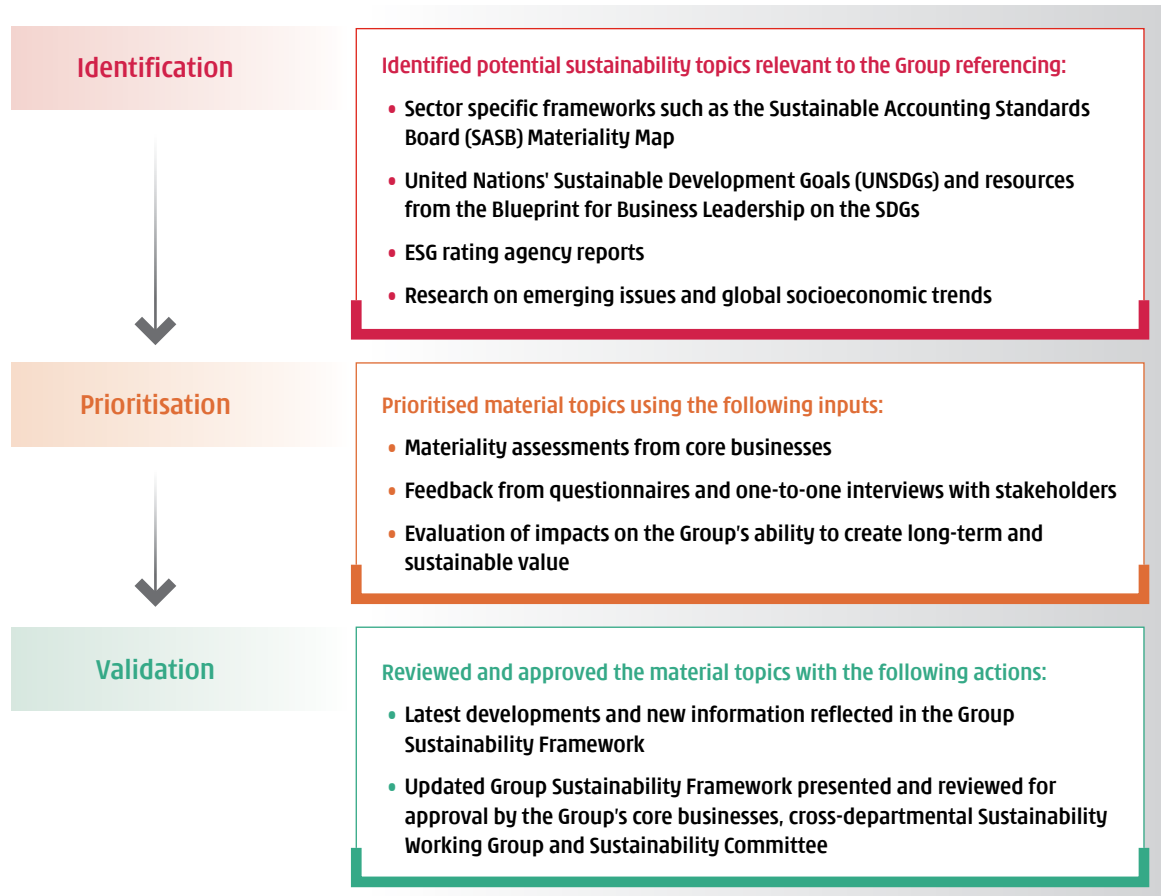
CKHH received a two-notch upgrade from MSCI moving from a B to a BBB rating. The Group's Sustainalytics ESG rating has also steadily improved year-on-year, with a score of 26.5 (Medium Risk) and a ranking of 7th best out of 115 conglomerates globally, at the time of report publishing.

Materiality

The Group's core businesses each face their own set of sustainability challenges and opportunities, requiring tailored approaches to impact identification and prioritisation, which must be validated, consolidated, and refined at the Group level. Befitting

an organisation of its size and level of complexity, the Group deploys an iterative process for frequently updating its materiality assessment to take into account latest developments and new information.

Figure 3 A three-step iterative process for Group materiality assessment



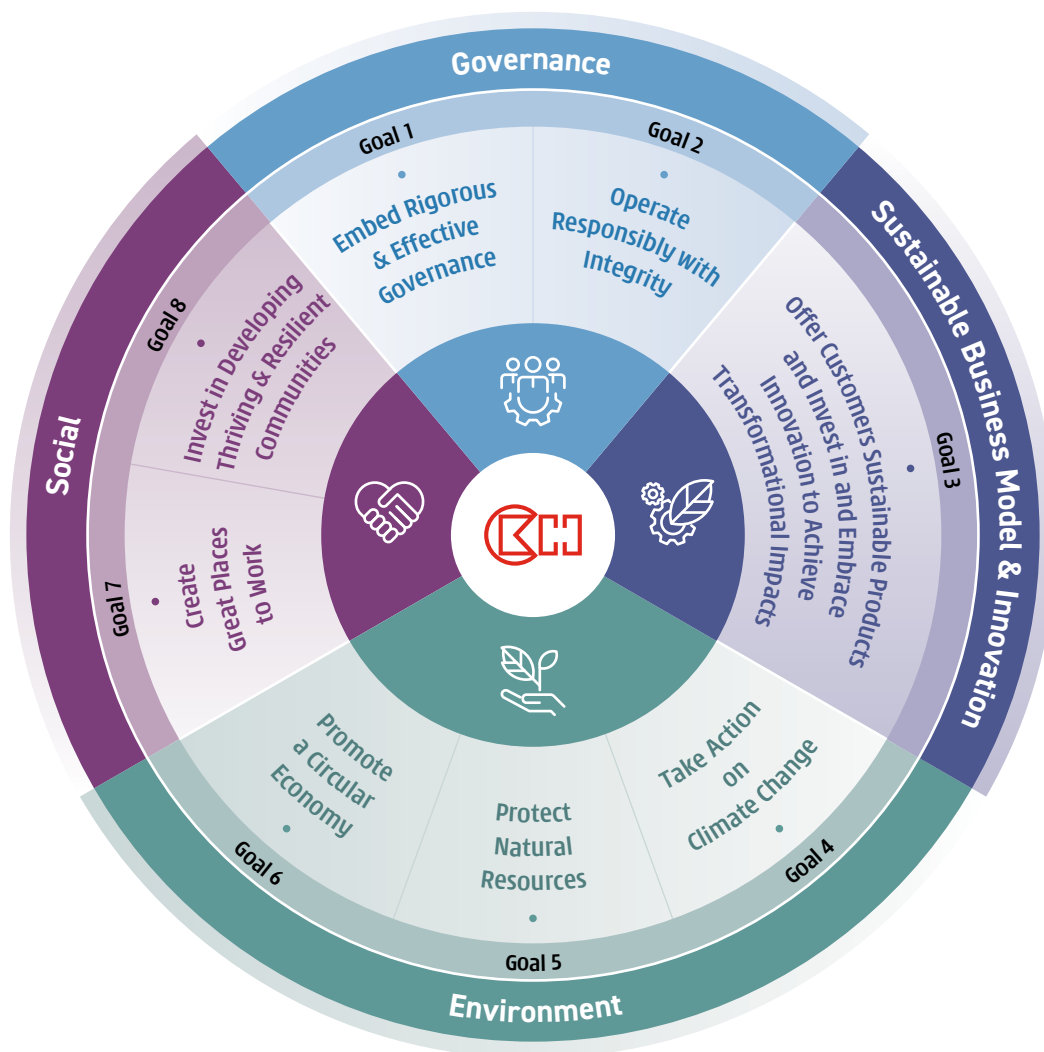
Group Sustainability Framework

The Group has identified eight goals to guide its strategy on sustainable development across all core businesses.

As illustrated in the Group Sustainability Framework, these goals have been arranged into four sustainability pillars and mapped to the UNSDGs. How these goals are achieved and how these material topics are impacted across the Group will differ depending on the nature of the business sectors and geographies in which each core business operates. While this report is focused on material information from the Group perspective, further detail is available within the Sustainability Reports prepared by the core businesses.

In 2022, the Group Sustainability Framework was updated to incorporate Sustainable Investing as a material topic given greater emphasis being placed by the Group on this topic. Also, following publication of the Group's inaugural TCFD Report in 2022, the Climate Resilient Business topic has been re-allocated to the Sustainable Business Model & Innovation pillar, reflecting the importance of the topic in strengthening current business models, as well as it being a lens for new product development and innovation. Lastly, the pandemic-focused goal - "Take all steps to protect employees and support communities and other stakeholders through the pandemic" - has also been removed as a standalone goal, with these efforts now incorporated as part of the goal - "Invest in developing thriving and resilient communities".

Figure 4 Group Sustainability Framework



Governance	Sustainable Business Model & Innovation	Environment	Social
Material Topics			
<ul style="list-style-type: none"> Integrated Governance Structure Internal Control Framework Data Privacy and Cyber Security Labour and Human Rights Supply Chain Responsibility Sustainable Investing 	<ul style="list-style-type: none"> Service Excellence Climate Resilient Business Social Inclusion Sustainable Product Choices 	<ul style="list-style-type: none"> Decarbonisation Biodiversity Protection Water Management Air Quality Circular Economy 	<ul style="list-style-type: none"> Talent Attraction Employee Engagement Learning and Development Health, Safety, and Wellbeing Inclusion and Diversity Community Investment
Mapping to the SDGs			
<div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div>	<div>7 AFFORDABLE AND CLEAN ENERGY</div> <div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>11 SUSTAINABLE CITIES AND COMMUNITIES</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div>13 CLIMATE ACTION</div> <div>14 LIFE BELOW WATER</div> <div>15 LIFE ON LAND</div>	<div>2 ZERO HUNGER</div> <div>6 CLEAN WATER AND SANITATION</div> <div>7 AFFORDABLE AND CLEAN ENERGY</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div>13 CLIMATE ACTION</div> <div>14 LIFE BELOW WATER</div> <div>15 LIFE ON LAND</div>	<div>3 GOOD HEALTH AND WELL-BEING</div> <div>4 QUALITY EDUCATION</div> <div>5 GENDER EQUALITY</div> <div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div>10 REDUCED INEQUALITIES</div>



Progress Highlights and Plans

The Group reports annually on progress to create value for its stakeholders in line with the Group Sustainability Framework. To sustain its momentum on implementing and refining the

framework, it has identified short-term objectives and targets for management priority under each pillar.

Figure 5 Group highlights and ambitions



Governance

Goals

- Embed Rigorous & Effective Governance
- Operate Responsibly with Integrity

Highlights for 2022

- Completed the rollout of a Group online sustainability data management system.
- Launched CKHH's inaugural green bond and closed out allocation in Year 1.
- Published the Group's first Green Bond Report.
- Implemented Group-wide green spend tracking for annual reporting to Head Office.
- Implemented new annual board review of adequacy of sustainability resources.

Objectives & Targets (2023-24)

- Support divisions in rolling out sustainability strategies that address the impacts and material topics specific to their industries.
- Continue to integrate sustainability into performance metrics and compensation schemes.
- Conduct first large-scale, Group-wide Sustainability Conference.
- Develop a Group sustainability portal for information-sharing and enhancing collaboration.
- Continue Group sustainability investment programme, embedding sustainability into core finance and investment planning.
- Evolve sustainability reporting in line with sustainability reporting frameworks such as the EU Taxonomy and the Corporate Sustainability Reporting Directive.



Sustainable Business Model & Innovation

Goals

- Offer customers sustainable products and invest in and embrace innovation to achieve transformational impact

Highlights for 2022

- Ongoing focus and delivery of business solutions in renewable and clean energy generation; clean transportation; and energy efficiency and smart city solutions.
- Re-launched A.S. Watson's Sustainable Choices campaign with more stringent requirements for product sustainability.
- Expanded refill and take-back programmes for customers across markets in the Retail and Telecommunications divisions.
- Published the first Group TCFD Report.
- Hutchison Ports completed a global climate risk assessment, identifying a shortlist of ports for further monitoring/action.
- The Infrastructure division completed an initial assessment of its climate-related risks and opportunities and a first stage climate scenario analysis.

Objectives & Targets (2023-24)

- Continue to build product services and solutions that help drive the net-zero transition; that enable greater diversity, equity and inclusivity; and solutions that drive sustainable sourcing and a circular economy.
- Collaborate and share solutions internally and externally, particularly in breakthrough scientific progress.
- Deliver digital inclusion benefits for target populations including senior citizens, remote community access and small businesses.
- Build climate resiliency into new projects and investments.
- Continue to enhance Group TCFD reporting.



Environment

Goals

- Take action on climate change
- Protect natural resources
- Promote a circular economy

Highlights for 2022

- Developed new Group emissions reduction targets: reduce scope 1 and 2 emissions by 50% by 2035 versus 2020; commitment to the pursuit of net-zero by 2050.
- Division-level progress:
 - Hutchison Ports is committed to having both its short and long-term targets validated by the SBTi.
 - A.S. Watson and CKHGT received validation of their near-term targets by the SBTi.
 - CKHGT formally committed to setting a net-zero target to be validated by the SBTi.
 - CK Infrastructure set its first division-wide target and commitment to the pursuit of net-zero.

Objectives & Targets (2023-24)

- Publish a standalone Climate Transition Plan.
- Develop a Group-wide renewable electricity strategy.
- Further expand/improve scope 3 emissions reporting.
- Report to the Carbon Disclosure Project.
- Develop a Biodiversity Policy.
- Continue expansion of biodiversity net gain philosophy into the operational ethos of businesses.



Social

Goals

- Create great places to work
- Invest in developing thriving and resilient communities

Highlights for 2022

- Enabling a pipeline of young talent: A.S. Watson target established to recruit 200,000 school-leavers by 2030 without previous work experience.
- Refreshed employer branding campaigns: "Where you can be you" launched by Superdrug and "#friendstream" by Kruidvat.
- WINDTRE achieved EQUAL-SALARY certification, the first company in the ICT sector to do so.
- Continued 3 Ireland and Trinity College Dublin STEM scholarship partnership which is funding the creation of 25 Scholarships for Women in STEM over five years, and two Trinity Access Teacher Fellowships for three years.
- Ongoing advancements in port automation and remote-controlled connectivity to enable more inclusive hiring and safer port environments.
- Recognition: Superdrug and WINDTRE were spotlighted in the Financial Times Leader in Diversity report for leadership; 3 UK was included in the list of 100 best places to work by the National Centre for Diversity; and 3 Ireland received an Investors in Diversity Gold award from the Irish Centre for Diversity.

Objectives & Targets (2023-24)

- Launch skills development programmes that develop future-readiness.
- Continue to make progress in addressing gender imbalances, particularly in leadership roles, in addition to building wider inclusion and diversity strategies (beyond gender).
- Maintain a zero harm workplace and culture. Promote healthcare and wellbeing initiatives in the workplace.
- Be active members of the community, targeting investments to the needs of the community.