

# 領匯 The Link

Corporate Responsibility Report 2010



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# The Link Real Estate Investment Trust (“The Link”)

- The Link is Hong Kong’s first and largest real estate investment trust.
- Our portfolio comprises 180 properties, with approximately 11 million sq ft of retail space and 80,000 car park spaces.
- The retail facilities in our portfolio are located on the doorstep of 40% of Hong Kong’s population across various parts of Hong Kong, Kowloon and the New Territories.
- Our extensive property portfolio is closely linked to the everyday life of the people of Hong Kong, and provides a platform for us to serve the community.
- Our car park facilities mainly serve tenants of retail facilities, customers and residents of the surrounding neighbourhood.
- Apart from attracting customers to visit our shopping centres to shop and dine, we also care for the communities in which we operate, through a wide range of initiatives, from organising various charity activities, to leasing to non-profit-making bodies at concessionary rates, and supporting staff volunteer programmes.
  - ♦ Caring for the community
  - ♦ Supporting community’s sustainable development
  - ♦ Actively giving back to residents who have used facilities under The Link

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This booklet will explain how our work has improved the lives of people and created value for our customers, tenants and the communities around us.

## Awards on Corporate Citizenship



Prime Awards for Corporate Social Responsibility  
Prime Communications & Hong Kong Institute of Directors October 2009



Caring Company  
The Hong Kong Council of Social Service March 2010



CSR Advocate Mark  
Hong Kong Quality Assurance Agency November 2009



Hong Kong Outstanding Enterprises Award  
Economic Digest December 2009



# Upgrading the Retail Operating Environment

## Asset Enhancement Works Strengthen the Economy

- Our asset enhancement projects aim to unlock the potential of our property portfolio, bring better shopping experience to customers and strengthen the retail infrastructure in Hong Kong as a whole.
- Asset enhancement works completed on seven shopping centres (including Wong Tai Sin, Wo Che, Tai Wo, Choi Yuen, Kwai Fong, Tin Yiu and Fu Tung) have in total created 1,700 jobs in the construction and consulting services sectors, according to an independent survey.
- Through rejuvenating its properties and creating a more vibrant business environment, The Link creates more jobs in the retail and service sectors.
- New shops are thriving alongside with the old ones. Fashionable shops are introduced to old districts to attract and retain more young consumers to shop at neighbourhood centres.
- We will continue to invest in our assets to benefit unitholders, customers, tenants and the Hong Kong community at large.
- To enhance service standards under the direct management model, The Link strengthened its on-site management teams in 2009 with the employment of over 230 professional staff. Front-line security and cleaning staff are provided with wages in line with the corresponding average rate stipulated in the Census and Statistics Department's quarterly reports of wages and payroll statistics.
- To better facilitate access by the elderly and individuals with physical disabilities, we are undertaking barrier free enhancement works at our shopping centres. This includes provision of tactile guide paths, direction signage, ramps for the disabled and non-slip pathways.

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"Kai Fong Place" at Wo Che Shopping Centre — an ideal place for residents to rest and chat



Artist impression of renovated Tai Yuen Market

## Brand New “Da Pai Dong”

“Da Pai Dong”, also known as “mushroom pavilion”, is a common sight at public housing estates, forming part of the memory of many Hong Kong people and playing a unique role in Hong Kong’s dining culture.

### Achievements of Renovation

- Providing quality dining services to residents
- Boosting the local economy
- Completed the renovation works to five “mushroom pavilions” in 2009/10 that are located in:
  - ◆ Wo Che
  - ◆ Yau Oi (three “mushroom pavilions”)
  - ◆ Shun Tin
- These five “mushroom pavilions” have been left vacant from seven to over 20 years
- Creating job opportunities: Works completed for five “mushroom pavilions” in 2009/10 and they create more than 150 jobs
- In total, 15 “mushroom pavilions” have been renovated since listing

## Renewed Fresh Markets

- Fresh markets are an indispensable part of Hong Kong people’s daily life
- We are embarking to improve the environment of our fresh markets with a pilot scheme at Tai Yuen
- With an investment of HK\$95 million, the renovation works include:
  - ◆ Installing a central air-conditioning system for better shopping environment
  - ◆ Renewing the floor, walls, pipe work and strengthening electricity
  - ◆ Providing better lighting system and signage
  - ◆ Enhancing the market’s transparency and improving the entrances
  - ◆ Introducing new trade mix and layout concepts
  - ◆ Providing one-stop services by introducing F&B, retail, services and entertainment elements
  - ◆ Setting up a cooking studio in the market for residents



# Strengthening the Competitiveness of Quality Independent Operators

## Growing Together with the Tenants

- We treasure our Quality Independent Operators (QIO).
- Shops with space below 2,500 sq ft have been increased in terms of both numbers and internal floor area since The Link's listing in November 2005.
- We are keen to take initiatives to encourage our QIO to improve their business.
- Regular meetings are arranged and newsletters are issued to strengthen communication between The Link and the QIO.

### The Link Tenant Academy

- We believe the success of shopping centres depends largely on whether tenants are able to generate good business. In the ever-changing business environment, it is important for independent operators to keep themselves abreast of the latest management strategies and techniques.
- Since 2007, we have been organising for tenants seminars and workshops on business operations. In 2008, the seminars and workshops were further consolidated to form "The Link Tenant Academy".
- "The Link Tenant Academy" invites industry leaders and renowned professionals to host talks regularly for independent operators to enhance their knowledge in running their shops.
- In 2009/10, a total of 13 talks were held and attended by over 1,600 tenants:

Earth Day Seminar	Customer Services Workshop
Make-up and Grooming Seminar for Female Sales Staff	Chua Lam's Talk at The Link Tenant Academy's First Anniversary Ceremony
Customer Services Workshop	To Build Up Professional Image for Frontline Staff
Sunzi's Art of War and Modern Management	How To Handle Work Pressure
How To Build Your Brand	The Key to Business Success
To Run a Business by Story-telling	Innovative Ideas in Running a Business
Business and Retail Laws	



Mrs Kathleen Chow, a renowned training consultant in Hong Kong, held the customer services workshop for Tenant Academy



Mr Alfred Cheung, a renowned film director, shared on how to enhance customer relation and staff relation by story telling



Mr Shih Wing Ching, Chairman of Centaline Group



Mr Lau Kwong Choi of Country Kitchen at Tai Wo Shopping Centre



Mr Leung Chi Yan of Nutcracker at Fu Tung Shopping Centre



Mr Cheung Fat Keung of Together Restaurant at Wong Tai Sin Cooked Food Stall



### Sharing by Speakers and Tenants at The Tenant Academy

- “The quality of students at The Link Tenant Academy was high. Most of them have a basic knowledge in operating a business. Positive feedbacks were received when I was explaining my theories. Smart questions were asked which made me think about the questions further. I myself also benefited from it.” — **Mr Shih Wing Ching, Chairman of Centaline Group.**
- “I benefited from exchanging views on making dishes and customer services with Chau Lam.” — **Mr Lau Kwong Choi of Country Kitchen** at Tai Wo Shopping Centre.
- “I learned to communicate with customers and know the skills in handling complaints so as to maintain a good relationship and to build the image of the shop. The suggestion that affected me the most was – to do everything with heart.” — **Mr Leung Chi Yan of Nutcracker** at Fu Tung Shopping Centre.
- “With the support from The Link, the operation, environment as well as the image of cooked food stall have been improved so that this collective memory for the community can be sustained.” — **Mr Cheung Fat Keung of Together Restaurant** at Wong Tai Sin Cooked Food Stall.

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### Promotion Programmes for Tenants

- We helped our food and beverage tenants to post promotion coupons in popular cuisine websites in Hong Kong to boost their business.
- The Link is working to formulate a Coupon System in the long run for its food and beverage tenants to post their own promotion coupons by themselves.
- Ten tenants were invited to share their successful business stories in the programme “The Link Heroes” broadcasted by Commercial Radio.

### The Link Tenant Information Centre

- Established in 2008, the Tenant Information Centre provides updated information on shop design, renovation materials, tips on renovation, etc to tenants.
- It assists tenants in improving their shop image and management.
- The Centre has recorded visits by more than 42,000 people up till now.



# Environment Protection

## Environmental Initiatives in Managing Our Properties

- Aim to implement environmental initiatives and policies holistically across the Link's portfolio
- Reduce our carbon footprint by reducing energy usage in our properties
- Implement initiative for reducing the impact of climate changes
- Focus on reducing our impact on the environment in Daily Operation, Future Property Asset Enhancement Projects and promoting awareness to customers and employees alike
- During the last financial year, The Link saved over 18 million kWh of electricity which equates to 10.3 million kg of carbon dioxide that was not emitted into our atmosphere

### Daily Management Operating Practices

- Turn off lights/air-conditioning systems not in use
- Adjust the lux level
- Adjust indoor temperature
- Replace aged air cooled chiller plants with new water cooled chiller plants
- Install solar films to windows to reduce solar heat
- Replace lighting systems with T5 fluorescent lighting systems

### Capital Works – Green Initiatives in AEI

- Study being conducted at Leung King and Stanley Plaza for green opportunities in asset enhancement centres
- Future asset enhancement initiatives to incorporate more public open spaces, green roofs, recycled building materials, CFC free refrigerant, and hygienic refuse collection system

### Recognition and Awards

- Certificate in the Hong Kong Energy Efficiency Registration Scheme for Buildings (awarded by the Electrical and Mechanical Services Department)
- Indoor Air Quality Certificate (awarded by the Environmental Protection Department)
- Certificate in the Quality Water Recognition Scheme for Buildings (awarded by the Water Supplies Department)
- Corporate Social Responsibility Advocate Mark (awarded by the Hong Kong Quality Assurance Agency)
- Institutional membership of the Hong Kong Green Building Council

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Installing electric vehicle charging stations at The Link's car park







Promoting the 'Shopping Bags Borrowing Services' in fresh markets



The shopping centres help to promote the use of environmental bags



The Plant Exchange Programme



At the Eco Terrace, Lok Fu Plaza



Mr Edward Yau, Secretary for the Environment (2nd from right), Mr George Hongchoy, Chief Executive Officer of The Link (2nd from left) together with our green partners officiate at the Eco Terrace Opening Ceremony

## Community Education

### Eco Terrace at Lok Fu Plaza

- Hong Kong's first shopping centre to launch the Eco Terrace to promote green living and community participation.
- Over 3,000 pots of nearly 10,000 sets of seasonal organic vegetables are planted for public viewing from May to the end of July 2010. The public can also participate in various activities on planting and community conservation.
- In addition, an art piece titled "Kowloon Walled City Epitome" created by Mr Douglas Young, founder of G.O.D., is exhibited at the field to reminisce the unique features and flavors of the old time Kowloon Walled City.

### Promoting the 4R's within our Properties

We fully support all initiatives to Reduce, Replace, Reuse and Recycle waste materials across our properties. Thus far we have the following programmes:

- **Borrow A Shopping Bag** – A total of more than 7,000 reusable shopping bags have been lent out to shoppers and in doing so over \$57,000 have been raised for the Greeners Action and Environment Conservation Fund
- **Plastic Bag Recycle Campaign** – Over 230,000 plastic bags have been collected
- **Plastic Bag Reuse Competition** – Over 600 novel ideas on how bags could be reused were collected from shoppers
- **Lai See Packets Recycling Programme** – More than 550 kg of Lai See packets were collected for reuse
- **Food Waste Recycling Programme** – A pilot scheme to collect kitchen food waste has been initiated with the EPD. Receptacles will be installed at designated locations in one of The Link's fresh markets. The food waste will be collected by the EPD and processed into fertilizer

### Plant Exchange Program

In partnership with Commercial Radio, around 100 children from kindergartens and community centres, located within The Link's portfolio, actively joined in a series of programmes to learn about the importance of plants in caring for our environment. The children all exchanged their plants with others from different districts in Hong Kong.

## Other Green Initiatives

### Charging Systems for Electric Vehicles

- We have partnered with the two power suppliers to install electric charging stations for electric vehicles (EV) within five of our properties. Thus far these have been installed at:
  - Oi Tung Shopping Centre;
  - Fu Tung Shopping Centre;
  - Shek Lei Shopping Centre;
  - Lung Cheung Plaza;
  - Lok Fu Plaza;
- Introduction of an EV Pass allowing drivers to enjoy special parking privileges while charging their EVs within our properties

# Community Engagement

## The Link Fun Academy

- Shopping centres under The Link have been turned into fun-filled platforms to provide our children with inspiring and innovative learning experience.
- A total of more than 60 programmes boasting an attendance of over 11,000 participants have been organised to date.
- The programmes spanned across subjects including environmental protection, photography, parent-child reading, storytelling workshops, comics and living wisdoms.
  - About 500 children aged 9 to 11 have participated in storytelling workshops sponsored by The Link and led by Seven Stories, a renowned children's literature organisation from the United Kingdom.
  - Professor Wang Ze hosted sharing workshops on "Old Master Q", one of the most popular and legendary comics characters who has been with Hong Kong people for more than 40 years.
  - Hong Kong top writers cum TV talk show pioneers Chua Lam and Ni Kuang shared with young people their views on life and learning.

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## Care for the Elderly

### "Dim Sum Treat" for the Elderly

- Under The Link's cooperation, nearly 30 Chinese restaurants in our shopping centres offered free "dim sum" to the elderly on the 15th day of every lunar month from April to December 2009, benefiting close to 25,000 elderly.



"Dim Sum Treat" for the elderly



Wang Ze X Old Master Q Sharing Workshops



Storytelling Workshops by Seven Stories



Double Talk by Tsao Chip and Michael Chugani



The Link's volunteers visited Shui On Nursing Centre at Shun On Shopping Centre during Mid-Autumn Festival





Donation of milk powder and rice to People's Food Bank of St James' Settlement



Mr Nicholas Sallnow-Smith, Chairman of The Link and our volunteer team visited a family in Tseung Kwan O to distribute food packs to them



The Link received Certificate of Appreciation from St James' Settlement



Donation to "Operation Santa Claus"



FAMA, the local music band, helped promote moon cake donation for People's Food Bank in Mid-Autumn Festival

## Networking with the Community and Taking Care of Those in Need

### Supporting People's Food Bank

- By using the extensive networks of shopping centres and car parks, we provide support to People's Food Bank run by St James' Settlement (SJS) to help families in need. Provision of assistance includes:
  - Setting up of permanent food donation points at 34 shopping centres for public donation. In the past 10 months, we collected: 3,820 kg of rice; 21,920 packs of noodles; 3,840 cans of tinned food and 9,302 pieces of assorted food, valued at approximately HK\$300,000.
  - Based on customers' spending amount, we donated 520,000 grams of milk powder which could feed 100 babies for six weeks and 10 tonnes of rice which could feed 700 adults for six weeks.
  - We donated "fresh food coupons" valued at HK\$460,000, which could supply 1,200 people with fresh food consumption for six weeks.

### Fortune Bag Distribution Programme

The Link joined hands with the Oriental Daily News Charitable Fund and the Sun Charitable Fund to distribute food packs to over 10,000 families all over Hong Kong.

### Supporting "Operation Santa Claus"

We donated HK\$250,000 to the Operation Santa Claus, a charity campaign jointly organised by South China Morning Post and Radio Television Hong Kong.



# Bringing Arts Programmes into the Community

## Introducing Chinese Opera into the Community and Nurturing the New Generation for the Opera

- We sponsored the Hong Kong Chinese Opera & Performing Arts Group Association in organising “The Link Hong Kong 18 Districts Chinese Opera Competition”. Capitalising on its extensive network of shopping centres, we helped popularise the traditional Chinese Opera singing art among the general public.
- About 20 preliminary and district competitions were held at our shopping centres, offering free Chinese Opera entertainment to customers and residents nearby.
- We believe that with the concerted efforts of various parties and our territory wide network, the art of the Chinese Opera can be passed on to the next generations in Hong Kong.
- During the Lunar New Year, we also sponsored Ming Chee Sing Chinese Opera for the New Year performance, offering free entertainment to over 1,000 people including the elderly, tenants and members of charitable groups.

## Design of Lucky Cotton Tigers to Spread Message of Integration of the Disabled and Able-Bodied

- We partnered with Arts with Disabled Association Hong Kong (ADA) to have a number of disabled and local artists to make more than 80 auspicious cotton tigers during Lunar New Year, all of which were displayed at our shopping centres for public viewing.
- All the cotton tigers were put up on Facebook for open bidding, which raised around HK\$50,000 for ADA in encouraging the disabled artists in art promotion and creation.

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Mr Nicholas Sallnow-Smith (middle right), Chairman of The Link, hit the gong to mark the opening of “The Link Hong Kong 18 Districts Chinese Opera Competition” together with other local opera supporters



In summer of year 2009, we had the renowned Chinese Opera master Ms Lau Wai-ming as lecturer to hold free Chinese Opera training courses for children and their parents



Mr George Hongchoy, Chief Executive Officer of The Link (2nd from left) officiated at the Chinese Opera Final Competition



“ADA” artists created their own cotton tigers to celebrate the Lunar New Year as well as to raise fund for the Association



Stanley Artsmart – Sound and Vision Project – Hedda Morrison Heritage Photo Exhibition



Stanley Artsmart – “Eileen Chan, The Bottlemania” Arts Exhibition



Stanley Artsmart x Swing – Mini Concert



## Providing Workplace Experience to New Generation

- In partnership with a secondary school in Tuen Mun, we have arranged for 20 students from the school to act as ambassadors for exhibition activities in our shopping centres. We are strengthening the partnership programme to better equip the young generation for employment in the future.

## Offering Support for Local Art Creation to Highlight Community Characteristics

- We have joined hands with the Hong Kong Arts Development Council to organise the “18 Districts ID Design Competition”. Teams from each participating secondary and primary school will design a logo and a poster and create a sculpture for their school districts, with a view to capturing the uniqueness of the 18 districts of Hong Kong. Participants’ works will be displayed at a shopping centre of The Link.
- The programme aims to strengthen the students’ understanding of their own district and boost their sense of belonging in the community.
- Our property network serves as a platform for local artists to showcase their creative works and to promote arts in the community.

## Stanley Artsmart

### Promoting Arts, Culture and Encouraging Local Creativity

- In view of the proximity of our properties to the community, we hope to introduce diversified cultural and arts activities into the community.
- Stanley Artsmart comprises “Art Market”, “Creative Zone” and “The Link Showup”.

### Featured Cultural and Arts Activities

- Stanley Artsmart Sound and Vision Project-Hedda Morrison Heritage Photo Exhibition was held to exhibit photos taken by a renowned German photographer, Ms Hedda Morrison, who visited Hong Kong in 1946 and 1947. Mr Douglas Young, the founder of the Hong Kong brand G.O.D., and Jim Chim, a well-known drama artist, have contributed to the decoration and narration of the exhibition.
- A local band, Swing, staged a mini-concert at “The Link Showup” to share their music with audiences.
- “Eileen Chan, The Bottlemania” Arts Exhibition was held to showcase the bottle artworks created by local artist, Ms Eileen Chan.



# Recreational Facilities

- We are keen to keep the recreational facilities well-maintained for the residents and other members of the community to enjoy.
- In the year under review, The Link started a systematic and complete revamp of our recreational facilities, including (with the number of facilities in brackets):
  - Tennis courts (32)
  - Badminton courts (35)
  - Basketball courts (44)
  - Volleyball courts (21)
  - Football facilities (4)
  - Children play areas (49)
  - Sitting out areas (59)
- We are providing the facilities to residents at reasonable costs.
- A new proactive modern maintenance strategy replacing the previous “Fix when something breaks” approach now applies to all our recreational facilities.
- Encouragingly, we have been receiving positive feedback from residents on our maintenance work and the aforesaid new proactive modern maintenance strategy.

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## Offering Free Venues

- Through venue sponsorship programmes, we provide venues in our shopping centres free of charge to non-profit making and charity organisations for staging various activities and exhibitions.
- Within the reporting period, over 2,200 venue-days have been offered for free, benefiting close to 1,700 organisations.







## The Link Real Estate Investment Trust

[www.thelinkreit.com](http://www.thelinkreit.com)

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