



Our communities

We engage our people to meaningfully contribute to our communities.



Our communities

At Li & Fung we are committed to creating positive impact where we live and work and aligning our community initiatives with our supply chain activities. We focus on investing in the potential of people, helping communities in need and mobilizing for change.

We engage our people to meaningfully contribute to our communities.

We believe that our communities and our people grow, develop and transform through community engagement activities. We provide resources and support for volunteering, we share our knowledge and skills, and we raise funds to support important initiatives, campaigns and disaster relief.

Community engagement is a key part of Li & Fung's Sustainability Strategy and is integral to building sustainable communities and economies that will thrive for generations to come. We believe that creating positive change goes hand-in-hand with having a successful business. It helps us attract and retain employees and transforms our people by helping them better understand our local communities and their needs. Our 'In It Together' campaign slogan signifies how, together, we can create sustainable, long-term change in the world.

Our local actions and global campaigns align our core business strengths to support the development of our people, communities and local economies, engage the time and talent of our people and establish networks of community partners.

In 2014, our employees from over 20 countries and 65 offices volunteered over 13,000 times, giving over 37,000 hours to support 254 environmental and social initiatives around the world. Corporate donations from Li & Fung to support charitable organizations and activities around the world totaled US\$1.84 million. Our employees also raised over US\$627,000 to support communities and the Fung Foundation provided over US\$361,000 to further support some of these projects. Of the 254 initiatives spearheaded in the markets where we live and work, 150 involved hands-on community activities, 57 involved working with or caring for youth, 31 had an environmental focus and 16 provided basic needs or disaster relief.

 **254**
activities

150 HANDS-ON ACTIVITIES
57 CARING FOR YOUTH
31 ENVIRONMENTAL FOCUS
16 BASIC NEEDS

 **65+** locations
participated in community initiatives

 Colleagues volunteered
13,000+ times

 **USD 627,000+**
Raised by colleagues

 **37,000+**
volunteer hours

Facilitating Community Engagement and Investment

At Li & Fung we support our people to volunteer and support causes and organizations they feel passionately about. Globally, our community engagement ambassadors inspire our people, share information, connect with community partners, organize activities, and track outcomes and results. In 2014 we published nine editions of our community engagement newsletter with each edition highlighting all of our activities and upcoming events globally.

We work closely with community partners worldwide around a strategic focus for impact, led by our community engagement team in Hong Kong. Key global partners include the Asian University for Women, Business for Social Responsibility (BSR), Captivating International, CARE International, Habitat for Humanity, Red Cross/Red Crescent, Room to Read and World Wide Fund for Nature (WWF). We also work with a large variety of partners in each of our local markets.

Our activities are sponsored by our corporate offices and/or the Fung Foundation, which provides funding for hands-on community service and matches funds for fundraising activities and disaster relief, which helps spur on our colleagues' volunteerism and generous donations. In 2014, the Fung Foundation's support totaled US\$361,000.

Our colleagues generously donated over US\$627,000 to support community initiatives in 2014, including major campaigns for girls' scholarships in Asia, building a school in Bangladesh with Room to Read, child sponsorships in China with Captivating International and global campaigns for Breast Cancer and Movember (men's health awareness).



We support our people to make a difference.

The effectiveness of our community engagement activities has increased year-on-year since we began reporting more systematically in 2011. Each community engagement activity is tracked to measure, wherever possible, the inputs, outputs, outcomes and impacts. Results are collected locally and aggregated globally. In addition to reporting our activity and impact in our annual report, measuring impact allows us to share metrics with our people and community partners and to review the focus and effectiveness of the programs each year. Inputs measured include details of the activity, the partner organization, the type and classification of the activity, the number of colleagues involved, the number of people involved from our networks (for example, customers, suppliers, family and friends), funds spent on the activity, funds raised and in-kind donations. Outputs we measure include environmental improvement, social benefits and awareness raising, the beneficiaries and how they benefited and what organizations were supported. We also use qualitative surveys and measures to help track our longer-term outcomes. Our community partners have a close connection with the beneficiaries of our activities and also help to report and share stories and statistics on how we are impacting communities.

Community Engagement and Investment in Action

Positively impacting communities involves engaging and supporting our people and leveraging our resources and networks to meaningfully contribute to our communities. To focus our efforts we invest in human potential, help communities in need and mobilize for change along the supply chain.

We support communities where we live and work.

1. Investing in the Potential of People

We believe that giving people the opportunity to learn and grow can help transform lives and contribute to the wellbeing of our communities. Throughout our global network, we partner with local organizations to support children, youth and adults who may be disadvantaged or disenfranchised to access education, learn new skills, and grow personally and professionally through mentoring and life-skills coaching. Through generous donations, we provide



sponsorships for children and youth to access education and funding to build schools in remote areas. Our people volunteer their time to coach youth and young adults through job shadowing, career workshops, speaking engagements, mentorships, work placements and internships.

KEY INITIATIVES

We believe that education can change the world and that all children deserve a quality education. In 2014, we continued to partner with Room to Read to help create literate communities and to support gender equality in education in many of the countries where we work. Our colleagues generously donated over US\$150,000 and raised many more thousands of dollars to help build libraries and schools, support girls' education and help transform communities through the power of education.

We also sponsored education, job training and mentoring across several initiatives, as highlighted below.

We launched a sponsorship campaign for the Seng Girls Vocational Training School in the Qinghai-Tibetan plateau. The campaign raised funds for 75 disadvantaged girls in one of China's poorest provinces to go to school. Over US\$57,000 was raised by 314 colleagues, with all donations matched by the Fung Foundation.

We also supported the Asian University for Women (AUW), Asia's premier liberal arts university dedicated to female empowerment through education, by mentoring students, providing internships, and sharing our expertise in Hong Kong, India and Bangladesh. The Fung Foundation has extended our partnership by supporting 15 Fung Scholars per year from AUW over the next five years.

We implemented a program in the United Kingdom to employ 13 long-term unemployed 18 to 24-year-olds across core business functions. Feedback received indicates that the program has been meaningful for both the participants and our people who engaged with and/or mentored the recruits.



2. Helping Communities in Need

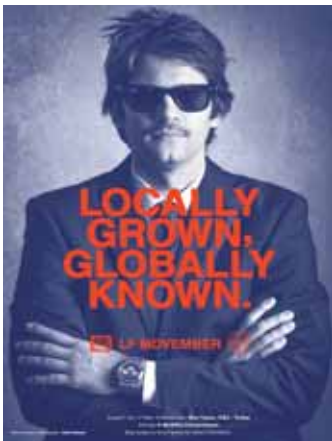
The communities around the world where we live, work and do business are as unique geographically as are their specific needs. To make a meaningful difference in these communities, we seek to raise awareness of social and environmental needs and maximize the impact we can make by mobilizing our people for action through both global campaigns supporting universal issues and locally-organized activities that target specific needs. For our global campaigns we engage all of our offices to share information and take action around common themes such as men's and women's health, donating blood and caring for the environment. We engage in a number of local activities that are specific to social needs and range from taking care of the elderly and children, to providing medical and food supplies, computers, clothing and other items to meet basic needs and enhance livelihoods.

KEY INITIATIVES

During 2014 we supported a number of initiatives to help communities in need. As part of our global 'Clean Up Our World' campaign with over 30 environmentally-focused activities, we cleaned coastlines, reinforced dams and planted flowers and trees. We also increased awareness about our environment through expert talks and information sharing.

We worked to improve awareness of men's health issues through our global "Movember" campaign; materials were translated into nine different languages to help share the message globally. We had the top fundraising team in Hong Kong and our people shared feedback that they had improved their lifestyle and went for health screenings as a result of the campaign.

As part of our initiatives to support basic needs across our communities, we supported orphans and homeless children in Thailand by teaching them how to plant and grow rice, and returned months later to help the children harvest the rice, thereby sharing knowledge and skills that they can use to help support themselves.



3. Mobilizing for Change

Li & Fung's supply chain is the foundation of our business and a connector of communities around the world. Working with our customers, suppliers and community partners we share our skills and expertise, leverage our networks and people for action and impact and create new business opportunities to effect change. We focus on raising awareness and building capacity for both workers and communities. We seek to improve their livelihoods, support people who were previously excluded from employment to find meaningful work and develop new business opportunities that support sustainable local economic development.

KEY INITIATIVE

In Jordan where women are largely excluded from the workforce, we are working with CARE International on the three-year Hemaya Project to empower women who work in select factories in the Jordanian garment sector. The project aims to improve workplace relations and improve livelihood options for local women. Feedback from the factories has indicated that by building up the skill sets of women and working with management on their interactions with female employees, more women are joining the workforce and there is a greater awareness of the benefits of women earning an income.

Photo credit: CARE Jordan

