



Our Communities

We engage our people to meaningfully contribute to our communities, and support them in making a positive impact across our global network.



Our Communities

Caring for and investing in our communities 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 creating positive impact goes hand-in-hand with having a successful business. Community engagement helps us attract and retain employees and helps them better understand our local communities and their needs. Our communities and our people grow, develop and transform through active engagement.

We aim to harness our strengths, including our global networks, local knowledge, relationships and over 16,700 people to make a positive impact. The Li & Fung Foundation helps our colleagues contribute to communities by providing resources and support for volunteering, sharing knowledge and skills, and raising funds for initiatives, campaigns and disaster relief. Each activity is tracked to measure the inputs, outputs and outcomes. We share our metrics and use them to review the focus and effectiveness of our programs.

Our community partners have a close connection with the beneficiaries of our activities and help us report and share stories and statistics on how we are creating impact. Guided by the interests of our volunteers, we aim to support long-lasting, sustainable activities that matter to our beneficiaries, partners, volunteers and colleagues, and that align with our values.

Our community investment and engagement activities focus on making progress towards the UN Sustainable Development Goals (SDGs) of No Poverty, Good Health and Wellbeing, Gender Equality, Decent Work and Economic Growth, and Responsible Consumption and Production.



In 2019, we updated our purpose statement to reflect our commitment to our colleagues, by noting that we are focused on *improving the lives of a billion people along the supply chain, starting with our own*. Reflecting this change, throughout the year we shared personal, practical tips to improve general, mental and physical wellbeing. We believe that when our people are healthier and happier, they are better enabled to make a positive impact in the community.

2019 Community Impact Results



There is a significant difference in our 2019 figures compared with previous years. This is primarily due to the Li & Fung Foundation changing how volunteer hours are recorded to focus on practical, hands-on activities and exclude participation in more general, awareness-raising campaigns and separating out financial and volunteering contributions related to other Fung Group companies.

In 2019, our colleagues spent over 4,800 hours on hands-on activities, such as tree planting and working with children, almost 2,000 hours participating in awareness-raising activities on issues ranging from community health activities to protecting the environment, and almost 10,000 hours for other events, including in-kind donation activities and fundraisers.

Our colleagues generously donated over US\$80,000 to support community initiatives, including educational sponsorships for children, disaster relief, global campaigns for both women's and men's health and a wide variety of programs to care for local communities. In addition, our Company donated over US\$120,000, providing further support to charitable organizations and activities around the world.

The Li & Fung Foundation provides funding for hands-on community service and matches funds from a number of fundraising activities, to help spur on our people's volunteerism and generous donations. Disaster relief donations made by our colleagues were also matched by the Fung family. In 2019, total support from the Fung Group, via the Fung Hon Chu Foundation and the Li & Fung Foundation, was over US\$190,000.

Our aggregated metrics since 2011 include our colleagues volunteering over 120,000 times, and contributing over 226,000 hours to support 2,561 social and environmental initiatives around the world. Since 2011, our colleagues have donated over US\$1.9 million to support communities, the Fung (1906) Foundation, the Fung Hon Chu Foundation and the Li & Fung Foundation have provided over US\$3.9 million to further support some of these projects, and our corporate donations have totalled over US\$7.3 million.

Supporting our people to meaningfully contribute to our communities is an important part of our Sustainability Strategy and aligns with the strategic focus of the Li & Fung Foundation.



Our "Make It Green Always" tree-planting initiative in the Chambok community with supplier partners in Cambodia.

Our Approach to Community Engagement

We harness the expertise, interests and time of our people around the world to raise awareness and take action to help meet social and environmental needs. We do this by investing in the potential of people and helping communities in need.

Colleagues around the world volunteer their time and share their skills to help transform lives and contribute to the wellbeing of our communities through locally-organized activities and global campaigns. Volunteer hours are logged by colleagues via our self-serve app, One Touch, and we encourage colleagues to take advantage of our eight-hour volunteer leave policy. In 2019, we continued our successful "Make Life Better" volunteer recognition program whereby colleagues that log at least eight volunteer hours receive a US\$25 Kiva credit to loan to an entrepreneur in any of the 80 countries where Kiva operates. This not only enables team leaders to highlight their community impact but also expands that impact worldwide to others needing support. Our Make Life Better program sends a strong message encouraging colleagues to make a difference, find their purpose and extend impact to others outside of our direct communities. Since the program began, our colleagues have funded 483 entrepreneurs, 85% of whom are female, across 40 countries. Many of their enterprises are along our supply chain, including in Cambodia, Guatemala, Indonesia, the Philippines and Vietnam.

We engage colleagues to act as community engagement ambassadors to inspire others, share information, connect with community partners, organize activities, and track outcomes and results. In 2019, we continued to publish regular community engagement newsletters to highlight how our work relates to global issues and to share stories of how our colleagues create impact around the globe. We also maintained communications with our volunteers through One Family, our internal communications platform, website updates and social media channels.

We continue to use One Family and social media platforms to tell impactful community engagement stories and encourage best practice sharing. Our One Family community engagement blog is the most read blog on the platform with over 32,000 views, and our social media audience continued to grow throughout the year, and now has an audience of almost 1,500 followers.

Each year we work with over 80 community organizations to maximize impact including: cancer funds in various markets, Cambodian Children’s Fund, Captivating International, Christina Noble Children’s Foundation, Crossroads, Habitat for Humanity, Movember Foundation, Red Cross, Room to Read, The Women’s Foundation (TWF) and the Worldwide Fund for Nature (WWF).

Details of our some of our activities in 2019 are shared below under our four focus areas of Happiness, Environment, Health & Wellbeing and Community.

Happiness

Activities to increase the emotional wellbeing and happiness of participants and beneficiaries include:

- Supporting fun environmental activities in our New York office paired with a Bring Your Child to Work Day
- Hosting a Fun Activity Day with Tribal School Students in Bangladesh, building on a long-term relationship with the school
- Organising Christmas activities in the UK, Hong Kong, the Philippines and South Korea with local community partners to spread festive joy and support those most in need. Beneficiaries included underprivileged children, children in orphanages and those living with disabilities

Environment

To help protect, preserve and restore the local environment in our communities across the world we focused our action on:

- Allocating over 5,100 hours on environmental activities, including collecting waste from coastlines and cityscapes, building firebreaks in national parks and holding workshops to raise awareness about environmental impact as part of our annual “Clean Up Our World” campaign. Since it began in 2012, the campaign has brought together over 18,500 colleagues, friends and family members in support of almost 300 environmentally-beneficial activities
- Continuing momentum from our 2018 RETHINK Challenge, an addition to our well-established Clean Up Our World campaign, we again partnered with local, non-profit organization EcoDrive, bringing to the fore the issue of single-use plastic and exploring what can be done by individuals and businesses to address this problem. This year, colleagues worldwide participated in a campaign to avoid using single-use plastic items in daily life



We supported EcoDrive’s “Enough Plastic” campaign to further single-use plastic reduction in Hong Kong.

Health & Wellbeing

Activities that lead to improved health and wellbeing, both physical and mental, included:

- Organizing a four-month Health & Wellbeing campaign in 2019 to bring different topics including fitness and nutrition, mental health, emotional wellbeing and health awareness to colleagues and to highlight the importance of each to their daily life. The campaign also featured a variety of interactive and educational activities, including a panel session on health and wellbeing, slow yoga lessons and professional health consultations, which enabled our colleagues to benefit from learning how to incorporate mindfulness into their lives and to relax and meditate in the workplace
- Donating almost 200 pints of blood and raising awareness for humanitarian needs across our offices from Thailand to Turkey, potentially saving up to 600 lives¹. In Hong Kong, we supported the Red Cross with our 21st year of blood donations, and were recognized with the Bronze Award of the Give Blood Alliance for our efforts
- Our annual women's and men's health awareness campaigns, Pink Month and Movember, reached colleagues worldwide and resulted in awareness events and fundraising campaigns that were matched by the Li & Fung Foundation. For the sixth year running, Li & Fung was one of the top five Movember fundraisers in Hong Kong
- In Hong Kong, our people led monthly gatherings with refugees and asylum seekers including a series of workshops designed to help participants deal with anxiety and stress, learn evidence-based positive thinking techniques, and address destructive behaviors and habits. Over 100 refugees and asylum seekers joined these sessions in 2019

Community

To support the communities we live and work in, we undertook the following key activities:

- Supporting children's education through donations of basic necessities, such as uniforms and classroom supplies, and by improving schools through hands-on construction, refurbishment and maintenance activities in Bangladesh, Cambodia, China, Pakistan, Turkey and Vietnam
- Donating clothing, meals and school supplies, along with volunteer time and financial support globally, to refugees, students, elderly, children in need, underprivileged women, orphans and the homeless
- Sponsoring girls' education and daily living essentials in a safe and nurturing environment and empowering girls with vocational training in China
- Partnering with Cambodian Children's Fund, Captivating International, Christina Noble Children's Foundation, Foster Pride and other youth-focused organizations to empower, engage and uplift underprivileged yet high-potential young adults. We shared our skills, experience and expertise through career workshops, speaking engagements, mentorships and coaching, and provided financial support globally. In Cambodia and Vietnam, our support also included donating items such as food, books and school supplies
- Fundraising to support those impacted by natural disasters in Bangladesh, Cambodia and Thailand
- Working with our Logistics business to collect and deliver used clothes and donated samples to support Hong Kong community partners including Redress, the Rotary Club of Kowloon Golden Mile, Crossroads and the Christian Action Centre for Refugees

¹ Determined based on calculations from www.bnl.gov that each pint of blood donated could potentially save as many as three lives.