

### Carbon Neutrality Partnership

Aspects of Decarbonisation	How Your Organisation Could Help (Examples for Reference)	Your Organisation's Target / Plan / Action <i>(for Input)</i>
<b>Overall: Decarbonisation Target</b>		
Setting a target for total carbon emissions	<ul style="list-style-type: none"> <li>- set a carbon neutrality target with a timeline</li> <li>- set carbon emissions reduction target with a timeline</li> </ul>	We are working on our carbon neutrality target and our updated carbon emissions reduction targets. We expect to disclosure our updated carbon emissions reduction targets, as well as the roadmap to our carbon neutrality target latest by 2023.
<b>Green Economy</b>		
Green procurement	<ul style="list-style-type: none"> <li>- set green procurement policy and standards</li> <li>- procure energy efficient appliances (such as those with Grade 1 energy labels under the Mandatory Energy Efficiency Labelling Scheme)</li> </ul>	<p>Both group level and core operation, as well as property management, have already established green procurement policy and standards.</p> <p>For all new and existing development, we are committed to following HK BEAM Plus and/or US LEED building standards on green purchasing of materials and products including energy efficient appliances.</p>
Green finance	<ul style="list-style-type: none"> <li>- utilise green financing instrument to raise fund</li> </ul>	Green financing instruments we have utilized and adapted include: sustainability linked derivative hedging solutions, a Sustainable Finance Framework, sustainability bonds, and sustainability-linked loans. We will

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		<p>continue to strengthen our sustainable finance portfolio through various types of financing instrument including sustainable bonds, green loans, sustainability-linked loans or bonds. We aim to have 40% of debts to be financed by sustainable finance transactions by 2030.</p>
<b>Net-Zero Electricity Generation</b>		
Developing renewable energy	<ul style="list-style-type: none"> <li>- set a renewable energy adoption target with a timeline</li> <li>- install renewable energy generating equipment (e.g. solar panel, solar hot water system) where possible</li> <li>- participate in the Feed-in Tariff Scheme</li> <li>- purchase Renewable Energy Certificates</li> </ul>	<p>We aim to generate a total of 100,000 kWh by renewable energy by 2025.</p> <p>For all new developments, we are committed to installing renewable energy generating equipment where possible.</p> <p>We have already participated in the Feed-in Tariff Scheme for our existing solar panel installations.</p> <p>We have been purchasing Renewable Energy Certificates from HK Electric and will consider further purchasing in the coming years.</p>
<b>Energy Saving and Green Buildings</b>		
Energy saving targets	<ul style="list-style-type: none"> <li>- set electricity usage reduction target with a timeline</li> </ul>	<p>We target to achieve an average of 20% reduction in purchased electricity by 2024 (baseline: 2005). We are working on our new electricity reduction targets. We expect to disclosure the targets latest by 2023.</p>

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Enhancing energy efficiency performance of buildings	<ul style="list-style-type: none"> <li>- target for green building certification (e.g. BEAM Plus) at Platinum level</li> <li>- conduct green building certification for all new buildings</li> <li>- select existing buildings for green building certification</li> <li>- achieve energy efficiency performance above the statutory requirements</li> <li>- procure energy efficient equipment and switch them off when not in use</li> <li>- adopt smart building technologies to reduce electricity consumption and enhance energy efficiency (e.g. smart technology to enhance energy efficiency in air-conditioning system)</li> </ul>	<p>For all new developments, we are committed to targeting and achieving HK BEAM Plus "Gold" or above, and/or US LEED "Gold" or above.</p> <p>Our existing buildings (Lee Garden One, Lee Garden Three and Hysan Place) have obtained HK BEAM Plus and/or US LEED building certifications.</p> <p>We have obtained ISO 50001 Energy Management System for Lee Garden Three and Hysan Place and will continue to implement in other buildings of our portfolio in the coming years.</p> <p>We have been carrying out energy audits for our portfolio under the Buildings Energy Ordinance (BEEO) as per EMSD's mandatory requirements.</p> <p>In the coming years, we have plans to upgrade and apply the latest innovative technologies to further reduce building energy consumption. For example, integrating a smart energy management platform through AI technology and big data analysis for chiller plan optimization and overall system performance enhancement.</p> <p>For all new and existing developments, we are committed to following HK BEAM Plus and/or US LEED building standards on green purchasing of energy efficient equipment and switch them off when not in use, as well as to adopting smart building technologies to further reduce electricity consumption.</p>

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Greater use of energy management tools	<ul style="list-style-type: none"> <li>- conduct energy audit and implement identified energy management opportunities</li> <li>- conduct retro-commissioning</li> </ul>	We have started conducting energy audits and carrying out retro-commissioning in our major commercial buildings.
Construction / Work sites	<ul style="list-style-type: none"> <li>- adopt Modular Integrated Construction (MiC) as appropriate</li> <li>- recycle construction wastes</li> <li>- electrify diesel-run equipment in construction sites or other works areas</li> <li>adopt low carbon construction (e.g. prefabricated construction methods, low carbon construction materials)</li> </ul>	<p>We will study to apply Modular Integrated Construction (MiC) to our new development.</p> <p>We will sort recyclable materials, upcycle existing concrete/timber/bricks, and inert C&amp;D waste will be reused in other projects.</p> <p>We will apply for electricity supply from Hong Kong Electric Co for construction power use.</p>
Development of district cooling system	<ul style="list-style-type: none"> <li>- adopt high efficiency chillers</li> </ul>	We will use water-cooled efficient chillers which utilises HFO R514A environmental refrigerant.
<b>Green Transport</b>		
Zero carbon emissions from transport	<ul style="list-style-type: none"> <li>- equip parking spaces with electric vehicle charging provision, preferably with a</li> </ul>	We aim to increase parking spaces with electric vehicle charging provision from 253 to 553 by 2025.

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	target and a timeline	
Phasing out of fuel-propelled and hybrid vehicles progressively	<ul style="list-style-type: none"> <li>- electrify the corporate fleet, preferably with a target and a timeline</li> <li>- adopt low carbon logistics planning and delivery with technology to reduce carbon footprint</li> </ul>	<p>We are committed to electrifying 50% of our corporate fleet by 2025.</p> <p>We will study the applicability of low carbon logistics planning and delivery in our sustainable procurement system review.</p>
Maintaining a public transport system with railway as the backbone	<ul style="list-style-type: none"> <li>- encourage employees to use public transport</li> </ul>	<p>Our HR policy recommends and encourages employees to take public transportation.</p>
<b>Waste Reduction</b>		
Promoting waste reduction and recycling	<ul style="list-style-type: none"> <li>- support the implementation of municipal solid waste charging (e.g. not to allow bulk-purchasing “designated garbage bags” and distributing them to tenants)</li> </ul>	<p>To show our support for the implementation of municipal solid waste charging, we will install large scale food waste conversion machines at our portfolio and will launch and partner with F&amp;B tenants on a comprehensive waste reduction and recycling programme in the coming years.</p> <p>We have been engaging and continue to invite more of our F&amp;B tenants to</p>

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	<ul style="list-style-type: none"> <li>- promote waste separation and recycling in commercial premises and residential estates with the set-up of centralised “recycling corners”</li> <li>- promote food waste recycling and participate in food waste collection programme</li> </ul>	<p>join our food waste collection programme, which sends food waste to the Organic Waste Treatment Facility operated by the Hong Kong government's Environmental Protection Department.</p> <p>For residential tenants, we have set up a food waste decomposer which recycles organic waste into compost for their urban farming sessions.</p> <p>We are a signee of Food Wise Charter Signatory, for which we are committed to promoting best practices to reduce food waste.</p> <p>We also have centralized recycling corners in most of our commercial premises and residential estate.</p>
Controlling the use of single-use plastics	<ul style="list-style-type: none"> <li>- set a plan for minimising the use of single-use plastics, preferably with a target and a timeline</li> <li>- reduce the use of single-use plastic packaging</li> <li>- request on-site caterers and food business tenants to use reusable and durable cutleries and food containers for eat-in customers, and avoid distributing disposable plastic</li> </ul>	<p><u>Disposable Plastic</u></p> <p>We have been running the "Be Straw Free" campaign since 2019 with our F&amp;B tenants, and target to have other initiatives to reduce the use of disposable plastic and promote the use of biodegradable or non-plastic tableware at food premises in the coming years.</p> <p><u>Single-use Plastic</u></p> <p>During the rainy seasons, we support the reduction of waste, in this case, plastic umbrella bags by setting up eco-friendly alternative facilities and solutions at all of our portfolio properties' entrances. We were recognized with a Gold Level award from the Greeners Action's Umbrella Bags Reduction Accreditation Program 2021. Moreover, a reverse vending</p>

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	<ul style="list-style-type: none"> <li>tableware for takeaways</li> <li>- install filtered water dispensers to reduce the use of plastic water bottles</li> <li>- offer single-use toiletries on request only</li> <li>- avoid the use of disposable plastic umbrella bags and install umbrella drying facilities</li> </ul>	<p>machine ("RVM") has been installed at Hysan Place and collected nearly 20,000 plastic bottles in 2021.</p> <p><u>Free Water Dispensers</u></p> <p>Free water refilling stations have been set up at Lee Garden Two and Hysan Place for shoppers and tenants, as well as in 100% of our building management offices for our frontline employees. We encourage stakeholders to refill their own containers and bottles with quality filtered drinking water, so as to reduce the impact of beverage packaging. More free water dispensers will be provided under standard "Landlords provisions" for new tenants in our commercial portfolio from 2022.</p>