

## CITIC Capital Real Estate Group – Sustainability Statement

### About CITIC Capital Real Estate Group

CITIC Capital Real Estate Group (“CCREG”) was established in 2005, as part of CITIC Capital Holdings Limited. With a portfolio of real estate assets ranging from retail malls, office buildings to logistic assets, across China, we aim to create growth and value for our investors while focusing on sustainability development objectives.

### Sustainability Objectives

CCREG is committed to promoting sustainability. Concern for the environment and promoting a sustainability agenda are integral to our business activities and the management of the team. We aim to follow and to promote good sustainability practice, to reduce the environmental impact of all our activities while improving performance and returns.

To measure our performance in sustainability, CCREG has participated in the Global Real Estate Sustainability Benchmark (“GRESB”) assessments. We use the results from the assessment, and continuously target to improve this score year-on-year, with the help of an engaged external consultant.

### Objectives

The objectives which will help us promote a sustainability strategy are grouped into the following:

- 1) **Environmental:** We are committed to achieving net zero emissions across our entire portfolio of retail properties. We recognize the urgent need to address climate change and its impact on the environment. Through implementing sustainable practices, utilizing renewable energy sources, and adopting energy-efficient technologies, we aim to minimize our carbon footprint and contribute to a more sustainable future. Our net zero commitment ensures that we prioritize environmental responsibility while creating vibrant and thriving retail spaces for our tenants and communities.

To achieve this, we are focused on:

- **Energy efficiency:** Implement energy-efficient practices and technologies throughout our retail properties to minimize energy consumption and reduce greenhouse gas emissions.
- **Renewable energy:** Increase the utilization of renewable energy sources, such as solar power.
- **Carbon offsetting:** Engage in carbon offset initiatives to neutralize any remaining emissions that cannot be eliminated through energy efficiency and renewable energy measures.

- **Water efficiency:** Implement water-efficient technologies and practices, including low-flow fixtures, water recycling systems, and water-efficient landscaping, to minimize water consumption and promote responsible water use.
  - **Waste management:** Implement waste reduction strategies, including recycling programs, and encouraging tenants to minimize waste generation through sustainable packaging and practices.
  - **Sustainable design:** Integrate sustainable design principles into new construction projects, focusing on energy-efficient building materials, water conservation, and environmentally friendly practices.
- 2) **Social and People:** We aim to create an environment where our employees within the team and within our project companies will be healthier, happier and more productive. Also, we aim to 'give-back' to the community. To achieve this, we are focused on:
- Talent attraction and retention
  - Safety, health and wellbeing
  - Diversity and inclusion
  - Volunteering work
  - Training and development
  - Active participation in community projects
- 3) **Partners:** We aim to continue to develop stronger and long-term mutually beneficial relationships with our business partners and other key stakeholders to improve our environmental, social and economic performance. To achieve this, we are focused on:
- **Tenants:** Tenant Engagement during new fit-out and renovation work, conducting tenant satisfaction surveys and developing appropriate KPIs for improvement.
  - **Customers:** Conducting surveys to collect customer feedback, customer research for our retail properties.
  - **Government:** Identify key government bodies in different geographical areas for available incentives and subsidies.
  - **Joint Venture Partners:** Identifying and working with JV partners who have the same goals in sustainability.
- 4) **Performance:** We aim to continue to design, construct and manage high quality developments and renovations with minimal impact to the environment. We also look at delivering sustainable economic performance. To achieve this, we are focused on:
- Energy and Water usage and efficiencies
  - Occupant wellbeing
  - Financial performance

- Disclosure and reporting
- Innovations
- Maintaining the highest ethical standards

## Principles

Our Sustainability objectives are based upon the following principles:

- To adopt and refer to all applicable regulations, and international and local best practices on green building and planning
- To integrate sustainability considerations into all our investment and asset management decisions
- To seek government support and incentives while also utilizing business partners' expertise
- To ensure that all team members are fully aware of our sustainability objectives and are committed to implementing and improving it
- To review annually, and continually strive to improve our sustainability performance of existing assets and seek innovative ways to increase the achievement of both economic and environmental performance measures.

## CCREG's memberships

<u>Organization</u>	<u>Membership Description</u>
ANREV	Corporate Member
China Real Estate Chamber of Commerce, HK	Corporate Member
Urban Land Institute	Corporate Member
GRESB	Participant Member
China Commercial Real Estate Association	Corporate Member