



PLANET



There is no denying that human activity has adverse effects on the natural environment. Our daily activities, the goods we manufacture and consume, and the ways in which we travel have an impact on our planet. To this end, we are working to reduce carbon emissions, increase the use of renewable energy, increase recycling rates, and generate positive impacts with our partners.

35,250kWh of Renewable Energy Certificates (RECs)

5%

reduction in total energy consumption
compared to FY2020/21

6

properties managed by Nina Hospitality achieved the highest Excellent grade in Management aspect of BEAM Plus Existing Buildings V2.0 Selective Scheme

ACCELERATING LOW-CARBON TRANSFORMATION

The Group has acted rapidly and decisively to combat climate change and push forward our decarbonisation efforts. These actions include the establishment of carbon reduction targets validated by the Science Based Targets initiative (SBTi); the adoption of the Modular Integrated Construction (MiC) technique in a development project; revision of a previous decarbonisation plan to the “Chinachem Group Carbon Reduction Roadmap – CCG 3050+” (CCG 3050+); purchase of Renewable Energy Certificates (RECs), feasibility study to identify energy reduction opportunities, etc.

During the Reporting Period, the Group procured 35,250 kWh of Renewable Energy Certificates (“RECs”), demonstrating our commitment to renewable energy initiatives. Going forward, we will continue to seek out opportunities to partner with third-party energy providers and local organisations in Hong Kong and Mainland China to further expand our impact. In addition to the purchase of RECs, our concerted efforts in energy saving have contributed to a 4.8% reduction in total energy consumption compared to previous year during the Reporting Period.

The Group has accelerated its responses towards climate change. Please see Section “Climate-related Financial Disclosures” of this Report.

Total Amount of RECs

35,250 kWh



BUILDING SUSTAINABLE PLACES WITH HEART

The HKSAR Government announced Hong Kong's Climate Action Plan 2050, outlining the strategies and targets for combating climate change and achieving carbon neutrality to secure Hong Kong's future as a climate-resilient city. Businesses are expected to play their part. The Group aims to intensify our action to develop certified green buildings that are energy-efficient and low-carbon by design and operation.

In the global race to a low-carbon future, the Group will remain steadfast in fulfilling its commitment to ensuring that all new major projects must meet the standards for green and sustainable building certification outlined in our Guidelines for Sustainable Procurement of Project Department ("Sustainable

Procurement Guidelines"), including 100% of new major projects targeted to obtain 2nd highest green building certification (e.g. BEAM Plus) and achieve Silver level or above in the WELL Certification. During the Reporting Period, Nina Hospitality made a remarkable achievement in green building certification. Six properties managed by Nina Hospitality encompassing Nina Hotel Tsuen Wan West, Nina Hotel Island South, Nina Hotel Causeway Bay, Nina Hotel Kowloon East, Lodgewood by Nina Hospitality Mong Kok and Lodgewood by Nina Hospitality Wan Chai have attained the Excellent grade in Management Aspect of BEAM Plus Existing Buildings Version 2.0 Selective Scheme by the Hong Kong Green Building Council ("HKGBC").

6 properties managed by Nina Hospitality achieved the highest Excellent grade in
BEAM Plus Existing Buildings Version 2.0 Selective Scheme – Management Aspect



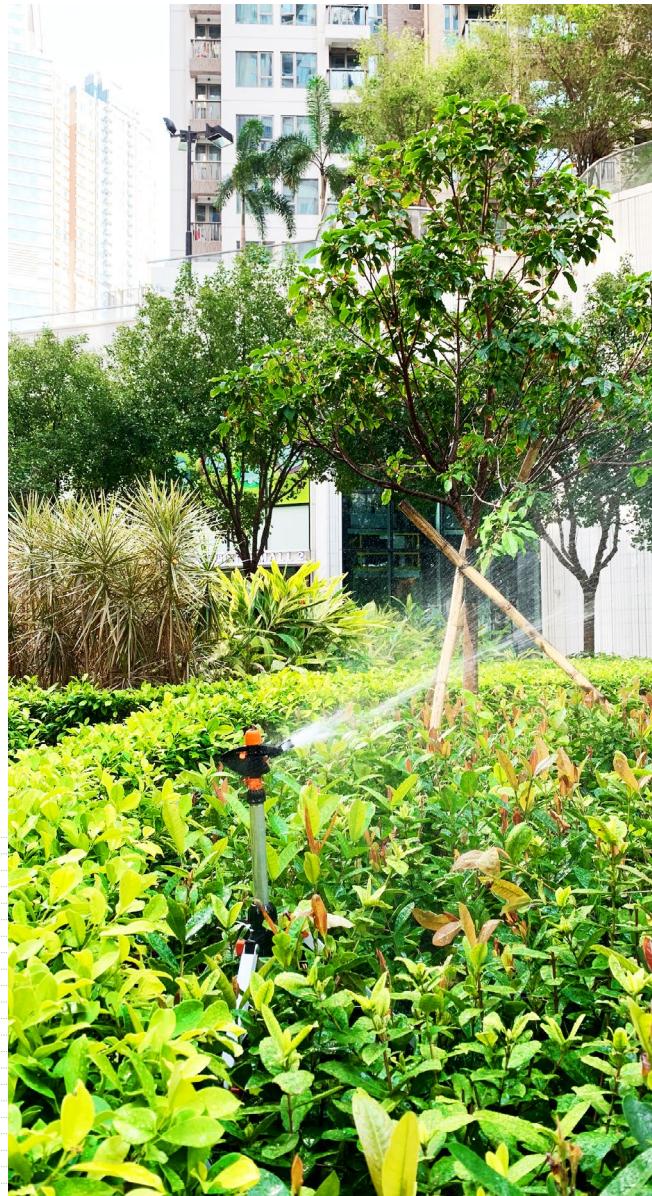
VALUING OUR RESOURCES

Reducing Our Waste

In line with the principles of a circular economy, the Group remains steadfast in managing our waste efficiently and seeks to reduce, reuse, and recycle waste across our operations. We have removed all the trash bins from each colleague's workstation to raise their consciousness about proper waste disposal and clean recycling. Nina Hospitality has taken a comprehensive review of the entire process of food waste management, from procurement and operations to implementation. In addition, our housekeepers have received extensive training on the importance of minimising waste and maximising recycling efforts.

The issue of single-use plastics is gaining prominence in the public consciousness. Nina Hospitality has established a policy and procedure, including a ban on single-use plastics and a push for recyclable or biodegradable alternatives.

During the Reporting Period, about 18,724 tonnes of non-hazardous waste was disposed of by our managed buildings. In the same year, the amount of recyclables collected increased by 191 tonnes, 80% of which was paper.



Minimising Our Water Consumption

Water is our valuable resource. We take a holistic approach towards water management and closely monitored water consumption within our business operation and strive to minimise it. Different scales of water reduction measures are implemented.

Water harvesting systems such as rainwater harvesting systems are deployed in our construction projects to reduce water consumption. In addition, a rainwater recycling system is a suggested item under the Optional Green Design and Construction Checklist, Sustainable Procurement Guidelines. Nina Hospitality reduces the use of tablecloths, which minimises laundry water consumption. In the future, Nina Hospitality will consider installing a water harvesting system.

We plan to install a rainwater harvesting system with an estimated water reduction of 51.7% for irrigation for the renovated Nina Park. We will continue regularly reviewing the water management plans for all our buildings and construction projects and introduce initiatives where areas for improvement are identified.

CO-DRIVING IMPACTS WITH OUR STAKEHOLDERS

Active collaboration with our key stakeholders, especially tenants and suppliers, is critical in the Group's sustainability drive. Through working with like-minded partners, we are dedicated to introducing constructive programmes and establishing a standardised mechanism to drive positive changes.

Propelling Tenant Decarbonisation through Green Pledge

The Group launched the Green Pledge to encourage tenants to take environmental actions, such as switching to eco-friendly products, learning more about environmental protection, and communicating with the building's management about any environmental issues that may arise. Six buildings, including Nina Tower, Chinachem Exchange Square, and Two Chinachem Exchange Square, have installed electricity sub-meters so that the Group can track the total amount of energy used by tenants for calculating carbon emissions of Downstream Leased Assets¹.



Fostering Sustainable Procurement

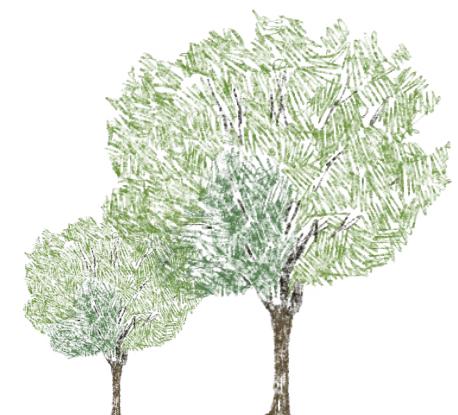
As a developer with diverse businesses, we have a complex value chain that inherently impacts the environment, community and economy. We work closely with suppliers and business partners to deliver a responsible value chain while embedding sustainability at every level.

We have diverse policies and procedures, including the Procurement Management Framework, the General Procurement Principles, and the Standard Operating Procedures (SOP) of Procurement to set out systematic purchasing methods. At the same time, each business unit maintains its tailored policy and/ or guidelines. We conduct due diligence and audits to evaluate suppliers' product/service specification accuracy, price, response time, after-service quality, and operation regions.

We have developed the Sustainable Procurement Guidelines to demonstrate our commitment and provide guidance on incorporating sustainability into our procurement decisions. The Sustainable Procurement Guidelines are established to set out specifications for sustainable product design and construction, which provides a list of recommended green requirements. Departments and business units are expected to adhere to the respective green requirements during the purchasing/design/construction Process.

The Sustainable Procurement Strategy Committee ("SPSC") is established to govern our procurement practices systematically and effectively. SPSC oversees the sustainable procurement process, steering high-level project directions and yearly objectives, reviewing sustainable procurement strategies, relevant green design and construction requirements, and performance appraisals against the Group's overall strategy in the annual SPSC meeting.

During the Reporting Period, there were 4,260 suppliers, where 4,224 were based in Hong Kong, nine were based in Mainland China, and 27 were from overseas. We favour local suppliers because this reduces our carbon footprint and supports the local economy and communities to create prosperity for all.



¹ Downstream Leased Assets is the Category 13 under Scope 3 emissions, Technical Guidance for Calculating Scope 3 Emissions (version 1.0), Greenhouse Gas Protocol, 2013.

PROMOTING A GREEN LIVING STYLE

Change begins with habit building. Green habits can positively affect the environment, the community, and the sense of well-being.

We introduced the “Chinachem X Green Life Challenger” programme to encourage decarbonisation and reward colleagues and friends for their green efforts. In the programme’s first phase, the idea of “Upcycling of Waste” was promoted, and colleagues were encouraged to find ways to reuse or repurpose unwanted or unused goods. Phase 2 of the programme was themed “Energy Saving in Household”; colleagues and their friends are encouraged to reduce electricity consumption at home compared to the same months

in the prior year. There was a total of 23 participants coming from the Group and the public.

The “Mat-2-Life Platform” was developed as an online marketplace where colleagues and departments may list surplus items for sale or exchange with one another. This platform also strengthens the bonds among our colleagues.

Furthermore, we backed the Biz-Green Dress Day co-organised by the Construction Industry Council (CIC) and HKGBC, during which colleagues were encouraged to dress lighter to reduce the need for air conditioning.

