

Sunlight Real Estate Investment Trust Sustainability Highlights 2023-2024

The Manager of Sunlight Real Estate Investment Trust (“Sunlight REIT”) is pleased to furnish an interim review on the sustainability inputs and performance of Sunlight REIT for the period from 1 July 2023 to 30 June 2024 (“the Period”).

Major Sustainability Achievements

<p>Global Real Estate Sustainability Benchmark (“GRESB”)</p>  <p>G R E S B ★★★★☆ 2024</p> <p>2024 GRESB Real Estate Assessment 4-star rating</p>	<p>Arc</p>  <p>Outstanding Arc performance score in energy category</p>	<p>AA1000 ESG Data Assurance Standard</p>  <p>AA1000 Licensed Report 001-021/V3-OGW01</p> <p>AA1000 ESG Data Assurance Standard v3 Statement</p>
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Land

Green Buildings

- >80% of properties obtained green building certifications
- >60% of properties complied with ISO14001:2015 environmental management system (“EMS”) standard
- West 9 Zone Kids (“W9Z”) obtained BEAM Plus EB V2.0 Selective Scheme (Site Aspects) (Very Good Grade) and Indoor Air Quality (“IAQ”) Certificate (Good Class)

Human

Employee Well-being

- Conducted a Chinese medicine health talk and a mental health-related course

Training and Development

- Average training hours completed per employee : Approximately **19 hours**

Partnership

Tenant Satisfaction and Well-being

- Established **The Well** at Dah Sing Financial Centre (“DSFC”)
- Conducted a tea tasting class and a progressive full body awakening workshop

Neighbourhood

Community Investment

- Total volunteering hours : Approximately **166 hours**

Message from the ESG Committee

Sunlight REIT has made decent progress in its sustainability initiatives. We are honoured to have procured a 4-star rating in the latest GRESB Real Estate Assessment - this recognition is testament to our unwavering commitment to sustainability by integrating environmental, social and governance (“**ESG**”) values into the management and operations of Sunlight REIT. Furthermore, obtaining certification in AA1000 ESG data verification and complying with ISO 14001:2005 EMS standard underscore our efforts in aligning daily operations with international standards.

Incidental to the change of financial year end date from 30 June to 31 December, we have revisited our sustainability roadmap and targets. In particular, we aspire to enhance our awareness of energy and carbon emissions through the adoption of proptech, respond to climate change by charting a net zero transition plan and create social impact through community investment.

As a responsible landlord, we will strive to foster a culture of care and innovation to transit into a low-carbon economy and to create shared values for our stakeholders.

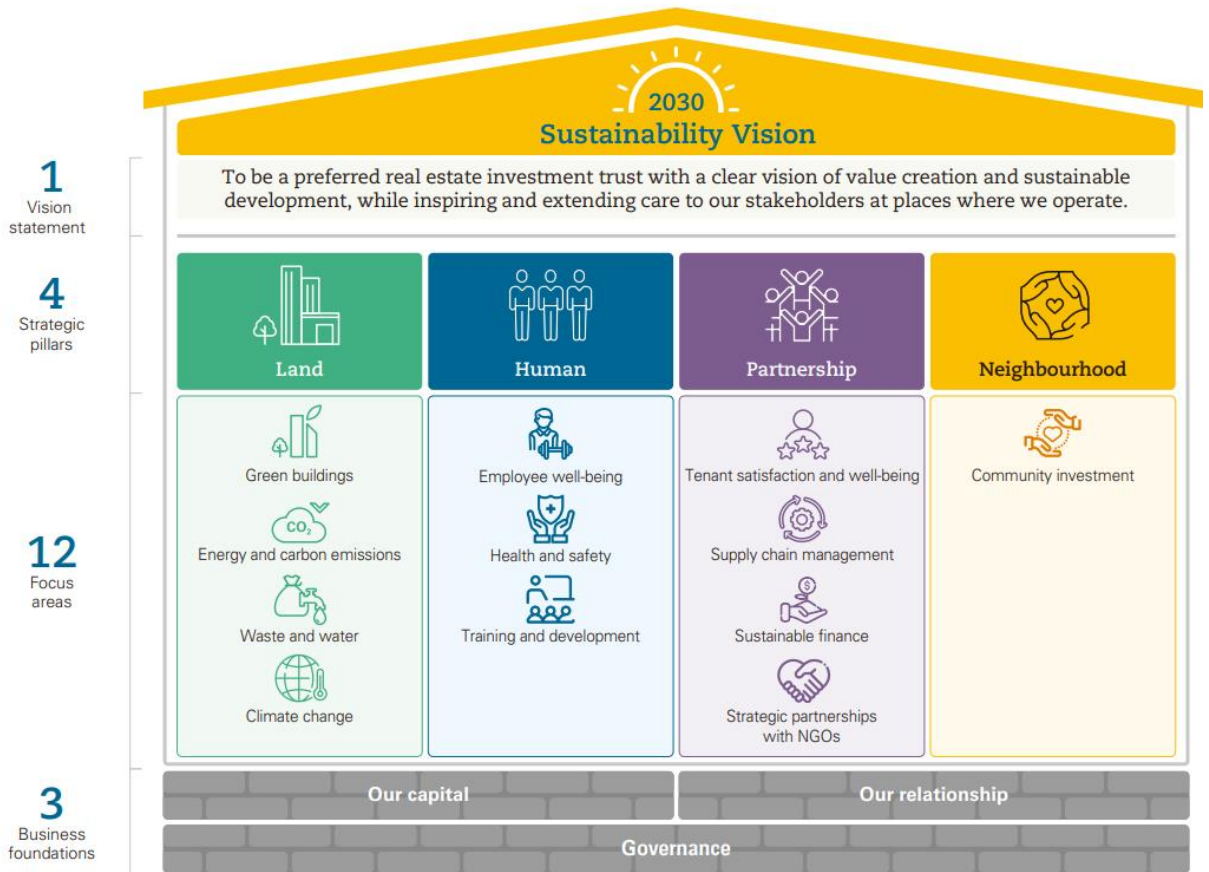


Sustainability Strategy Framework

Sunlight REIT’s 2030 sustainability vision sets a clear framework for our pathway towards key sustainability milestones, evidencing in our ongoing development of a sustainable finance network and carbon neutrality roadmap.

Guided by a vision statement endorsed by the Board of Directors of the Manager, our sustainability vision is supported by four strategic pillars: land, human, partnership, and neighbourhood. This strategic approach emphasizes material sustainability topics that are intrinsic to our operations, as outlined by our business foundations — capital, relationship and governance.

Through the framework, we have developed 21 sustainability targets, ranging from climate adaptation and disclosure to forming strategic partnerships with non-governmental organizations (“**NGOs**”) through corporate social responsibility (“**CSR**”) initiatives. By regularly monitoring and achieving these targets, we ensure that our business operations remain extensively aligned with our vision.

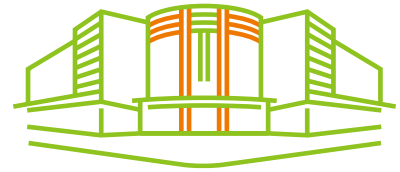


The United Nations presented “The 2030 Agenda for Sustainable Development” and provided a shared blueprint for peace and prosperity for people and the planet, represented by 17 Sustainable Development Goals, 8 of which are being tie in with our strategic pillars and focus areas listed below.



Feature Story 1

Sustainable Facilities Supporting a Care and Harmonious Community



Metro City Phase I

In the process of integrating sustainable development models into our business operations, substantial efforts are devoted to discover innovative ways to make our community-based properties more inclusive, accessible and harmonious.

Connected to the Po Lam MTR station, Metro City Phase I Property (“**MCPI**”) is located at the heart of the community, the needs of which are at the forefront of our asset enhancement agenda. Guided by the theme “*Care and Conserve*”, sustainable and inclusive design elements have been incorporated in the recent renovation completed in July 2023.

1. Care for People of All Ages



A truly vibrant community includes people of all ages and it is our responsibility to safeguard the health and safety and embrace the shopping experience for visitors. To cater for families, we have installed child-friendly toilet facilities and a seating area for parents and caretakers to relax while waiting.

Various seating areas have also been arranged throughout the mall to accommodate those with mobility needs. This allows customers to take a breather in between their shopping and dining pursuits. Further, the passageways have been improved to enhance customer experiences, ensuring that everyone can navigate the mall with ease and comfort.



Seating area outside lavatory

2. Building Harmonious Community with Green Facilities



MCPI has adopted an environmentally friendly and welcoming theme to illustrate our priority to build a harmonious community. Inspired by the way people gather under the trees for shade, "*indoor trees*" have been installed for residents and visitors creating a space to foster rapport and strengthen community spirit.

Based on the concept of circular economy which aims at reducing waste and extending product life cycles, we have installed benches crafted from scrap wood upcycled from a Tseung Kwan O desalination plant. These benches were assembled by our staff in collaboration with a local upcycling designer.

Further, water-saving sinks have been installed in toilets and tiles with green certification have been used, reflecting efforts to combine practicality with sustainability.



Indoor trees seating area



Upcycled bench

3. Creating a Hub for Sustainability

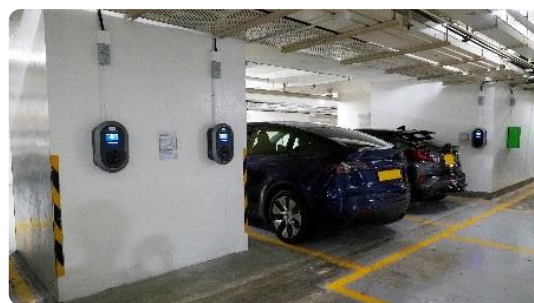


With a renewed passion for sustainability, we are committed to transforming MCPI into a sustainable hub for the local community through green facilities and initiatives. Notably, a dedicated recycling corner has been established to encourage recycling practices, while recycling events with different themes were being held with local NGOs, such as collecting reusable children's books and toys for redistribution to underprivileged community members.



Recycle corner

During the Period, 28 electric vehicle (“EV”) charging stations have been installed at MCPI’s carpark, representing our aspiration to contribute to the goal of creating an emission-free environment for the community.



EV charging stations



Supporting Tenants’ Sustainability Achievements



Sustainability is not only a fundamental operating principle for the landlord, it is also an important theme to promote to our tenants. We are pleased to assist our tenants in attaining sustainability objectives through various programs, including:

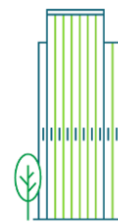
- Working together to facilitate workshops and events for elderly and caregivers
- Coordinating events to promote environmental protection, waste reduction and resource efficiency



Summer Green Garden Event

Feature Story 2

Shared Spaces for Tenants and Community



Dah Sing Financial Centre

The Well

Located at the sixth floor of DSFC, the podium garden is a tranquil retreat from the lively Wan Chai district, providing our tenants with a restful area amidst the hustle and bustle of the workplace.

By addressing feedback from tenant surveys, we proactively explore ways to improve tenant well-being through resource optimization and introduction of new amenities. In 2023, we introduced **The Well**, a vibrant shared space situated on the same floor of the podium garden and equipped with well-being related facilities for tenants' enjoyment. **The Well** is a versatile space for social gatherings, meetings and events. For creating the sense of community, activities such as yoga, tea workshops and wellness days were organized with various organizations. Tenants, employees and NGOs are encouraged to utilize **The Well**, reinforcing our commitment to enhancing well-being and tenant relationships.



Tea Château



Meditation chair yoga workshop

Communal Pantry

On top of **The Well**, the Manager also created a communal pantry with bar sitting area on 37/F of DSFC to enhance tenants' well-being.

This setup helps placemaking and fosters community while encouraging efficient use of resources.

This is a pilot scheme and the refurbishment was completed in December 2023.



Communal pantry



Land

We continuously explore innovative methods to improve the sustainability profile of our properties so as to achieve our goal of maximizing resource efficiency, strengthening climate resilience and minimizing environmental impact.



Green Buildings

For the Period, over 80% of our properties have obtained green certificates. We employ a combination of software and hardware solution, to continuously explore innovative methods to improve the sustainability profile of our properties.

Subsequent to the acquisition of W9Z, we have taken proactive steps to improve the indoor environment of the mall. We devoted resources to enhance the daily property management and IAQ management through obtaining the Very Good Grade in Site Aspects of BEAM Plus EB V2.0 Selective Scheme and the Good Class under IAQ certification scheme.

Green initiatives at W9Z



Water-saving faucets



IAQ Assessment



Waste and Water

1. Installation of recycling facilities

To achieve the objective of waste reduction, we proactively installed recycling facilities to encourage tenants to minimize their waste footprints. On top of the recycling corner set in MCPI, we established a recycle station at the lobby of Java Road 108 Commercial Center (“**Java 108**”).

2. Waterproofing programme

To ensure a safe and healthy work environment, we conduct regular waterproofing works in our properties. In the first half of 2024, we carried out roof waterproofing, skylight and canvas waterproofing and curtain wall waterproofing works at DSFC, The Harvest and Sheung Shui Centre Shopping Arcade (“**SSC**”) respectively.



Recycle station at Java 108



Waterproofing at SSC



Human

We are committed to supporting our employees' personal and professional development. We hope to cultivate a caring, competent and ethical workforce by investing in resources and offering training programs to our employees. During the Period, we increased average training hours per employee to approximately 19 hours. Meanwhile, we conducted independent employee surveys which have provided us with constructive insights in dealing with material topics relevant to our employees' professional development in sustainability.



Employee Well-being

Independent employee satisfaction survey

Starting from the Period, we opted for a new approach and have retained an external consultant to administer our employee satisfaction survey, ensuring the survey's authenticity, effectiveness and independence. By conducting this annual survey, we strive to take positive measures to address the concerns of our employee to improve the overall employee satisfaction.



Training and Development

Sustainability workshop and ESG seminar

During the Period, we have invited an external consultant to host a sustainability workshop for our staff. Our objective is to integrate sustainability into the foundation of our operations by promoting continuous learning at all levels. With a total of 37 participants spanning various departments, they have gained valuable insights particularly on the integration of ESG risks and opportunities into the operational and financial aspects of Sunlight REIT.

Meanwhile, a majority of our board and senior management participated in this sustainability training session, focusing on industry best practices for climate-related governance, integration of ESG into risk management frameworks and alignment of sustainability performance with investor expectations. It is our conviction that participants are well informed of the most recent ESG trends and advancements.

By educating our employees on ESG principles, we aspire that pivotal ESG concepts are being incorporated into all of our business decisions.



Sustainability workshop



ESG seminar

Partnership and Neighbourhood



Sunlight REIT is committed to building long-lasting and mutually beneficial connections with its business partners, tenants and NGOs. By offering high quality properties and services, our aim is to promote shared value among all our stakeholders through partnership and collaboration. To build an inclusive and sustainable community, we have actively engaged and partnered with NGOs to organize CSR programmes to create positive impacts to the communities in which we operate.



Strategic Partnerships with NGOs

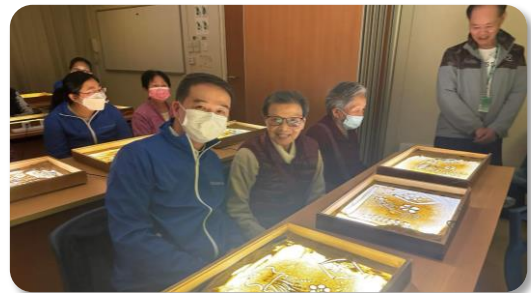
Community Investment



	Sustainable Art & Design Program	Drawing from the Heart
Activity	Recycled art piece workshop competition and art piece showcase	Sand painting workshops and art piece exhibition
Partner	YMCA	Christian Family Service Centre
Beneficiary	Teenagers	Elderly living alone
Participants	50	36



Recycled art piece workshop competition



Sand painting workshop



Art piece showcase at DSFC



Art piece exhibition at MCPI

Impacts to the community

- We utilize our properties as a platform through showcase and exhibition to promote sustainability and environmental awareness.
- Our CSR programmes are closely tied to the well-being of the community and foster a culture of environmental responsibility.
- Our staff actively participated in CSR programmes as volunteers.

About Sunlight REIT



Listed on The Stock Exchange of Hong Kong Limited since 21 December 2006, Sunlight REIT is a real estate investment trust authorized by the Securities and Futures Commission and constituted by the amended and restated trust deed dated 10 May 2021. The trustee of Sunlight REIT is HSBC Institutional Trust Services (Asia) Limited.

Property Portfolio

Gross Rentable Area : 1.3 million sq. ft.

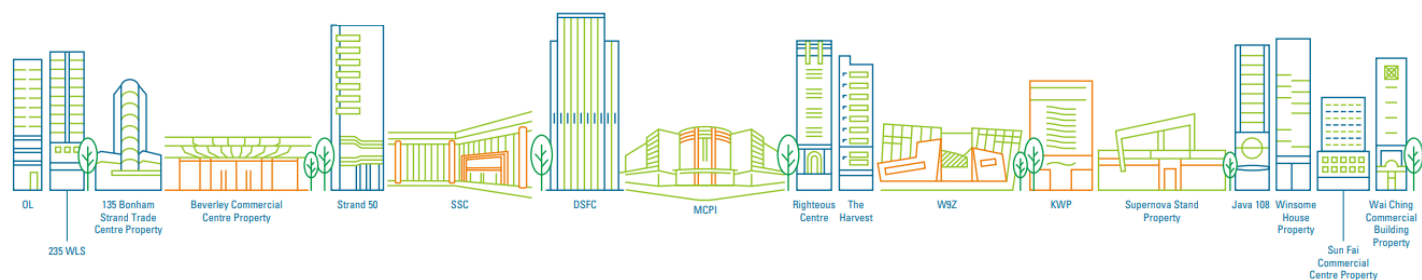
11 Office Properties

1. Dah Sing Financial Centre ^
4. Strand 50 ^
5. 135 Bonham Strand Trade Centre Property
6. Winsome House Property
7. 235 Wing Lok Street Trade Centre ^
8. The Harvest ^
9. Righteous Centre ^
10. Java Road 108 Commercial Centre ^
11. On Loong Commercial Building ^
12. Sun Fai Commercial Centre Property
13. Wai Ching Commercial Building Property

^ Properties wholly-owned by Sunlight REIT

6 Retail Properties

2. Sheung Shui Centre Shopping Arcade ^
3. Metro City Phase I Property ^
14. Kwong Wah Plaza Property
15. West 9 Zone Kids ^
16. Beverley Commercial Centre Property
17. Supernova Stand Property



Disclaimer

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