



REAL ESTATE
& CLIMATE FORUM
地产与气候论坛

Our Common Charter:

JOINING FORCES TO ACCELERATE CHANGE

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Executive Summary

Hang Lung Properties Limited (“Hang Lung”) and LVMH Moët Hennessy Louis Vuitton SE (“LVMH”) are each committed to advancing sustainability (collectively hereafter, “the Groups”). In October 2022, we entered into a sustainability agreement to the end of 2025 (“Agreement”). The Agreement aims to help us accelerate progress in real estate and retail. Since the Agreement was finalized, we held a Real Estate & Climate Forum in November 2022, and have been working closely to define a shared agenda that allows each of us to go deeper and move faster on sustainability. Building on our recent efforts, this Common Charter (“Charter”) outlines a set of 20 actions that we aim to pursue starting in 2023.

Some of the actions will be pursued by one of us or the other, and others are joint actions, but all actions are meant to be mutually reinforcing with regular sharing between us. We fully expect that we will

be able to accomplish more in some areas than in others. In areas where we are able to make progress, we will look to extend those actions to other partners. Future updates to the Charter will reflect our progress, or the lack thereof, so that others can learn from our experience.

We will provide an updated Charter in March 2024 and again in March 2025, including updates on previously agreed actions as well as newly identified actions. We offer this Charter to the public in a spirit of transparency and to encourage greater innovation and collaboration among stakeholders.

Summary of Key Actions

TOPIC	TYPE OF ACTION	#	DESCRIPTION OF ACTION
Climate Resilience			
Energy efficiency	Energy measurement	#1	Partner on a pilot for the sharing of tenant energy consumption data
	Reduced lighting at night	#2	Switch off lights after business hours where feasible
	Energy savings awards	#3	Encourage ideas for efficiency improvements, and give awards for most impactful results achieved in 2023
Low carbon design	Carbon footprint assessment	#4	Include carbon footprint as a factor for review and approval for proposed design of LVMH projects
	Use more low carbon materials	#5	Define and expand the use of low carbon materials
Renewable energy	Use more renewable energy	#6	Share experience and explore renewable energy opportunities
Climate adaptation	Advance climate adaptation	#7	Advance climate adaptation by exchanging information and strengthening preparedness
Resource Management			
Waste management and circularity	Audit waste from operations	#8	Third party audit of waste and recycling practices from business operations for Plaza 66 and Grand Gateway 66
	Recycling pilot for renovation project	#9	Collaborate on a recycling project focused on a store renovation in Shanghai
	Define a recycling process for demolition materials	#10	Establish a recycling process for demolition materials
	Develop a material/assets marketplace	#11	Develop a marketplace for reuse of materials and assets
Biodiversity	Biodiversity projects	#12	Implement a biodiversity project at Spring City 66 and/or Westlake 66
	Study measures to protect birds	#13	Research potential measures to protect birds and prevent bird collisions
Water management	Improve water management	#14	Collaborate on a water stress analysis, exchange ideas on water consumption and efficiency, and hold a water management campaign for the public
People and Wellbeing			
Indoor wellbeing	Air quality assessment	#15	Conduct periodic air quality tests, and carry out an outdoor air temperature and quality monitoring pilot scheme in at least one of the properties
	Acoustics guidelines	#16	Review acoustics levels and identify potential improvements
Social impact	Enhance community wellbeing	#17	Collaborate on initiatives to enhance community wellbeing
Learning and development	Develop a shared learning agenda on sustainability	#18	Develop a shared learning agenda including expanded use of learning materials from 2022 Real Estate & Climate Forum and other resources
Sustainability Governance			
Environmental governance	Leverage data and digital platforms	#19	Work with Institute of Public and Environmental Affairs (IPE) to strengthen environmental governance, including supply chain due diligence
Procurement	Sustainable procurement	#20	Exchange information on policies, plans and strategies related to sustainable procurement, including a focus on cleaning products in 2023

Background

Hang Lung and LVMH are each committed to advancing sustainability. In October 2022, we entered into an Agreement to the end of 2025 to help us accelerate sustainability progress in real estate and retail. The partnership, a first of its kind globally, demonstrates the leadership and commitments of both Groups in the sustainability arena. It also reimagines the relationship between property owners and leading retail brands on sustainability.

Spanning Hang Lung's portfolio of properties ("Properties") across seven cities in mainland China, the partnership engages 26 LVMH brands occupying over 90 retail spaces ("Premises") with a lettable floor area in excess of 27,000 sq. m. It will bring Hang Lung and LVMH together with a clear focus on five key areas: Climate Resilience, Resource Management, People and wellbeing, Sustainability Governance, and Sustainability Communication, Events and Progress Reviews. With plans to engage the employees and suppliers of both Groups, the partnership will run to the end of 2025, and is expected to be renewed thereafter.

As our first major initiative immediately following the Agreement, we held a Real Estate & Climate Forum ("Forum") on November 24 and 25, 2022. The Forum included about 200 participants from both Groups and our partners. Adopting a hybrid approach and spanning Hong Kong, Shanghai, Paris and other cities, the Forum included shared decisions at every step, and brought together 96 changemakers from the real estate and retail sectors to collaborate on climate and sustainability solutions. The changemakers, representing a diverse mix of profiles, seniority levels and forms of expertise, together accessed a purpose-built website where they

contributed and discussed ideas in 12 sustainability topics ranging from energy efficiency to learning and development to social impact.

By design, the methodology involved a collective intelligence approach in which all participants' ideas were taken into account regardless of their role or status in their organizations. The changemakers considered all concepts on their merits, resulting in more than 200 ideas generated altogether. These ideas were further sorted and evaluated against three predefined categories of solutions: for impact in the next year, for collaboration among stakeholders, and out-of-the-box innovations. Exploring ideas through these categories helped elevate their quality and salience.

Building on our respective existing commitments and targets related to sustainability, the terms of our Agreement, the wealth of ideas generated at the Forum, and further discussions with third party experts, this Charter outlines a set of 20 actions that we aim to pursue starting in 2023.

We fully expect that we will be able to accomplish more in some areas than in others. In areas where we are able to make progress, we will look to extend those actions to other partners. Future updates to the Charter will reflect our progress, or the lack thereof, so that others can learn from our experience.

We will provide an updated Charter in March 2024 and again in March 2025, including updates on previously agreed actions as well as newly identified actions. We offer this Charter to the public in a spirit of transparency and to encourage greater innovation and collaboration among stakeholders.

Key Actions

A. CLIMATE RESILIENCE

Climate resilience includes both mitigation of pollution through the reduction of carbon emissions as well as adaptation to a changing climate. The Groups will work to improve energy efficiency, advance low carbon design, procure renewable energy, and adapt to a changing climate.

Why these issues matter

· Energy Efficiency

Energy consumption and carbon emissions are highly related. Minimizing energy consumption is a significant way to support decarbonization, while at the same time reducing costs and exposure to energy-related risks including energy shortages and higher fossil fuel prices. The real estate industry accounts for nearly 40% of global CO2 emissions, with 27% of the emissions coming from building operations.¹

· Low Carbon Design

Embodied carbon in the built environment is also a major source of greenhouse gas emissions – an estimated 11% of global CO2 emissions.² Greenhouse gases are emitted not only in the materials that go into the construction of buildings, but also in tenant fit-outs and renovations. Embodied carbon was 18% of mainland China's total emissions and 50% of building sector emissions in 2020.³

· Renewable Energy

Renewable energy is essential for decarbonization. In mainland China, since grid electricity is predominantly still powered by fossil fuels, it is important to find ways to access more energy from renewables.

· Adaptation

The changing climate is altering the frequency, intensity and severity of climate hazards such as flooding, heat waves and typhoons. These hazards can result in loss of human life and damage to properties. It is essential to evaluate climate-related risks, and formulate and implement climate adaptation measures to improve resilience and preparedness.

Hang Lung and LVMH will undertake the following actions in support of **Climate Resilience**:

ENERGY EFFICIENCY

#1 Energy management

- Hang Lung and LVMH will partner on a pilot for the sharing of tenant energy consumption data.

#2 Reduced lighting at night

- Hang Lung will aim to switch off the lights in common areas at its Properties after business hours except for circumstances where it cannot do so by law or for compelling business or safety reasons.
- LVMH will switch off the lights in its Premises after the business hours of the Premises.

#3 Energy savings awards

- Hang Lung and LVMH will encourage our Properties and Premises respectively to submit ideas for energy efficiency improvements, and in Q1 2024 will together provide awards to the most impactful results achieved in 2023.

¹Architecture 2030, "Why the Built Environment?", Accessed 23 February, 2023.

²WorldGBC, "Advancing Net Zero Status Report 2020", Accessed 23 February, 2023.

³Carbon Brief "Construction fever" responsible for one fifth of China's CO2 emissions" 9 June, 2020

Key Actions

LOW CARBON DESIGN

#4 Carbon footprint assessment

- Hang Lung will include carbon footprint as a factor in the review and approval of proposed designs of LVMH projects, and LVMH will provide the relevant information required.

#5 Define and expand the use of low carbon materials

- Hang Lung and LVMH will identify and use low carbon materials wherever feasible. We will create a shared library of recommended local materials and materials with recognized certifications (e.g., Environmental Product Disclosure (EPD), Product Carbon Footprint (PCF)), recycled content and/or bio-based content), and make best efforts to increase the use of those materials in future projects.

RENEWABLE ENERGY

#6 Share experience and explore renewable energy opportunities

- Both Groups have significant renewable energy commitments. Hang Lung and LVMH will each share our experience and key learnings on strategies for increasing renewable energy with reference to various jurisdictions including mainland China, and including the evaluation of power purchase agreements ("PPAs"), renewable energy credits, and onsite renewable energy. Hang Lung will share details of its PPAs with LVMH and will work with LVMH to advocate for increasing the availability of PPAs overall in mainland China.

CLIMATE ADAPTATION

#7 Advance climate adaptation by exchanging information and strengthening preparedness

- Hang Lung will expand and deepen its analysis of climate hazards and vulnerabilities, identify appropriate

adaptation measures, and communicate with LVMH its key findings, where relevant. Hang Lung and LVMH will review our respective crisis management practices in China and identify ways to strengthen preparedness for potential climate hazards and extreme weather events. Hang Lung and LVMH will together identify other stakeholders in adaptation planning and emergency preparedness (e.g., municipal departments, universities, insurers, NGOs), and reach out to at least three such stakeholders to explore potential ways of collaborating in 2023.

B. RESOURCE MANAGEMENT

Resource Management includes management of waste, biodiversity, and water. The Groups will work to reduce waste, promote biodiversity, and optimize use of water resources in supporting a transition from a linear to a circular economy.

Why these issues matter

• Waste Management and Circularity

We currently operate in a wasteful linear economy, where less than 5% of materials are recycled. A more circular economy can bring both environmental and economic benefits. By one estimate, a shift towards a circular economy could save businesses and households in mainland China approximately CNY 32 trillion (USD 5.1 trillion) in 2030 in spending on products and services.⁴

• Biodiversity

Rapid urbanization and pollution have led to significant reductions in natural land and undisturbed habitats. The resulting loss of biodiversity has become another crisis alongside the climate crisis. Since 1970, global vertebrate populations have declined by 68%.⁵ As global biodiversity continues to decline at an alarming rate, action must be taken to protect existing biodiversity.

⁴Ellen MacArthur Foundation & Arup. "The circular economy opportunity for urban and industrial innovation in China". September 2018.
⁵The Nature Conservancy "Biodiversity Action Guide", 11 October, 2022.

Key Actions

· Water Management

There is no substitute for water: it is essential for our lives, food, and energy. In mainland China, water resources per capita are only approximately 2,000m³, just one quarter of the worldwide average.⁶ With an expanding global population and resource-intensive economic development, water scarcity is an increasing problem that also needs to be addressed.

Hang Lung and LVMH will undertake the following actions in support of **Resource Management**:

WASTE MANAGEMENT AND CIRCULARITY

#8 Audit waste from operations in Shanghai

- Hang Lung and LVMH will collaborate in reviewing the waste and recycling practices from business operations in Plaza 66 and Grand Gateway 66, covering both the landlord's operations and some of the operations of identified LVMH stores, supported through an audit by a third party. The audit will give specific attention to current and potential recycling practices for paper, metal, glass, plastic, wood, and food waste.

#9 Recycling pilot for renovation project in Shanghai

- Hang Lung and LVMH will collaborate on a pilot recycling project focused on a store renovation in Shanghai. The pilot will identify two high potential materials for recycling, develop uses cases for these materials (e.g., renovation materials with recycled contents, other materials for non-retail renovation scenarios, or custom products using recycled materials), and deliver output materials/products.
- Hang Lung and LVMH will apply lessons learned from the pilot to other properties and stores and review opportunities to extend the number of materials covered.

#10 Establish a recycling process for demolition materials

- Hang Lung and LVMH will collaborate to establish a recycling process for demolition materials, potential labelling for major recycling items, and developing standards for material selection with recycling at end-of-life in mind.

#11 Develop a marketplace for reuse of materials and assets

- Hang Lung and LVMH will collaborate in developing a marketplace for reuse of materials and assets at the end of their initial use, such as furniture, office equipment, decorative elements, etc., leveraging existing examples within LVMH. The marketplace will endeavor to secure new uses for these materials, extending their useful lives and reducing waste. The marketplace will launch in Shanghai and will then be expanded to other cities.

BIODIVERSITY

#12 Biodiversity project at Spring City 66 and/or Westlake 66

- Hang Lung and LVMH will collaborate in examining potential opportunities related to such biodiversity practices as sustainable landscaping, urban farming, beekeeping, animal-aided design (e.g., insect hotels, bird feeding and drinking points, artificial birds' nests) in enhancing the property's biodiversity features.

#13 Measures to protect birds

- Hang Lung and LVMH will conduct research on potential measures to protect birds and prevent bird collisions in at least one property. The Groups will study how to prevent or reduce bird collisions in the daytime, and examine the feasibility of installing dimmer systems to keep the minimum lux level for facade lights that cannot be turned off at night, with a particular focus on lightboxes.

Key Actions

WATER MANAGEMENT

#14 Improve water management

- Hang Lung and LVMH will collaborate on a water stress analysis examining our respective exposures to water-stressed areas and water risk. Hang Lung and LVMH will exchange data on water consumption and water reduction measures for the Properties and the Premises respectively. Each party will recommend to the other ideas for improved water efficiency and management. Lastly, Hang Lung and LVMH will collaborate on a campaign in at least one property, and including at least one LVMH brand, to communicate ideas to the public related to water stress and responsible water management.

C. PEOPLE AND WELLBEING

People and wellbeing includes physical, mental and emotional wellbeing. The Groups will: work to foster more learning and development among our employees, especially in relation to sustainability; enhance indoor wellbeing; and improve community wellbeing through social initiatives.

Why these issues matter

• Learning and Development

A strong learning culture is essential for attracting, engaging and retaining talent, and is also critical for driving sustainability progress.

• Indoor Wellbeing

People stay in enclosed indoor spaces more than 90% of the time.⁷ Ventilation remains important in the post-pandemic era. Clean air can reduce the risks of respiratory issues, eye and nose irritation, while good acoustics design can reduce noise levels and improve sleep quality.

• Social Impact

In mainland China, the number of volunteers continues to increase especially in areas such as healthcare, disaster relief, emergency rescue, rural revitalization and community-level governance. Especially for younger talent, levels of job satisfaction are tied to social impact, diversity and inclusion, and sustainability.

Hang Lung and LVMH will undertake the following actions in support of **People and Wellbeing**:

INDOOR WELLBEING

#15 Conduct air quality assessments

- Hang Lung will conduct periodic air quality tests in the indoor common areas of its Properties, and LVMH will conduct periodic air quality tests in at least some of its Premises, with each Group sharing the results of such tests with the other at least once a year in 2023, 2024 and 2025.
- Hang Lung will carry out an outdoor air temperature and quality monitoring pilot scheme in at least one of the Properties, with a focus on measuring any differences between outdoor and indoor air quality, and potential adjustments to indoor temperature set points. LVMH will explore the feasibility of installing air quality sensors in at least some of its Group of Companies' Premises.

#16 Review acoustics levels and identify potential improvements

- Hang Lung and LVMH will measure noise levels and patterns in selected Properties and Premises and exchange data with one another. Based on the findings, the Groups will exchange ideas on how to reduce negative noise sources and minimize background noise for the Premises and Properties as applicable.

Key Actions

SOCIAL IMPACT

#17 Collaborate on initiatives to enhance community wellbeing

- Hang Lung and LVMH will collaborate on at least three initiatives each year between 2023 and 2025 to enhance community wellbeing. Such initiatives may include volunteering activities, charitable activities, educational activities, cooperation with social enterprises, outreach to disadvantaged communities, and programs to cultivate leadership capabilities in young women.

LEARNING AND DEVELOPMENT

#18 Develop a shared learning agenda on sustainability

- Hang Lung and LVMH will together develop a shared learning agenda, including: a plan to expand the use and impact of the training materials developed for the Real Estate & Climate Forum; finding ways to share our respective internal training materials with one another; and review of external learning platforms that could be leveraged in support of common goals.

D. SUSTAINABILITY GOVERNANCE

Sustainability Governance includes sustainable procurement and environmental governance. The Groups will work to improve governance and make procurement more sustainable.

Why these issues matter

Good governance (“G”) is the foundation for driving progress on complex environmental (“E”) issues like climate resilience and circularity, as well as key social (“S”) issues like employee wellbeing and social impact. As a key feature of good governance, responsible companies must work with their suppliers to ensure alignment on priority issues.

Hang Lung and LVMH will undertake the following actions in support of **Sustainability Governance**:

#19 Leverage data & digital platforms to improve environmental governance

- Hang Lung and LVMH will work with the Institute of Public and Environmental Affairs (IPE), an environmental NGO based in Beijing, to strengthen our environmental governance, including use of IPE’s database and capabilities for enhanced supply chain due diligence and supplier engagement.

#20 Make procurement more sustainable, including a focus on cleaning products

- Hang Lung and LVMH will share with one another our policies, plans and strategies related to sustainable procurement, including the processes we have in place to ensure that materials are sourced with sustainability considerations in mind, and the strategies we have in place to improve environmental outcomes and beneficial community impacts, including in surrounding communities. This action will incorporate the findings of the waste audit (Action 8) and the results of the recycling efforts (Actions 9 and 10) to ensure that findings related to end-of-life and circularity are reflected.
- As a particular focus in 2023, Hang Lung and LVMH will make efforts to select and procure certified cleaning products which eliminate harmful ingredients and reduced potential associated hazards, and each will provide to the other, at least once a year, cleaning products’ and equipments’ material safety datasheets and/or laboratory test reports. Upon receiving such information from one another, the two groups will exchange ideas on how to source more sustainable cleaning products and otherwise improve such practices.

Measuring and Communicating Progress

Hang Lung and LVMH are developing and implementing plans to make progress throughout 2023 in each of the 20 actions. We will be working closely together with one another and with our respective stakeholders – business functions and Properties for Hang Lung, and the Maisons for LVMH – to advance these actions throughout 2023. Key elements of the plans are as follows:

Data and Information Exchange

Hang Lung and LVMH will share data and relevant information with one another in at least the following areas:

- Energy consumption
- Water consumption
- Operational waste and recycling rate
- Indoor air quality test results
- Renewable energy procurement and generation
- Climate adaptation measures

Quarterly Reviews

The Groups shall meet virtually or in person at least quarterly in each of 2023, 2024 and 2025 to establish plans, review and evaluate progress, and exchange ideas for more effective execution to accelerate progress.

Evaluation and Verification

Hang Lung and LVMH will evaluate the progress and impacts of the actions with reference to relevant metrics. The metrics cited below are indicative and will be evaluated for their relevance and feasibility. They may be adjusted or substituted where appropriate.

Indicative Metrics

#	DESCRIPTION OF ACTION	PROCESS METRIC	IMPACT METRICS
1	Partner on a pilot for the sharing of tenant energy consumption data	<ul style="list-style-type: none"> # and details of energy measurement enhancements # of sub-meters installed in stores # of ideas received for improvements Details of ideas that received awards 	<ul style="list-style-type: none"> Hang Lung's change in annual electricity intensity, in kWh/m², across Mainland portfolio Percentage of LVMH's stores above or below 300 kWh/m² Verified impacts of ideas implemented
2	Switch off lights after business hours where feasible		
3	Encourage ideas for efficiency improvements, and give awards for most impactful results achieved in 2023		
4	Include carbon footprint as a factor for review and approval of proposed design of LVMH projects	<ul style="list-style-type: none"> # of projects calculated carbon footprint Details of projects that apply low carbon materials 	<ul style="list-style-type: none"> Hang Lung construction and renovation projects' embodied carbon emissions intensity (kgCO₂e/m²) LVMH renovation projects' embodied carbon emissions intensity (kgCO₂e/m²) Hang Lung's and LVMH's % of EPD or PCF certified products
5	Define and expand the use of low carbon materials		
6	Share experience and explore renewable energy opportunities	<ul style="list-style-type: none"> Provision of documents for LVMH to verify 100% renewable energy procurement 	<ul style="list-style-type: none"> Hang Lung's % of electricity from RE by PPA Hang Lung's total area of onsite renewable energy (m²) LVMH's % of electricity from RE by REC
7	Advance climate adaptation by exchanging information and strengthening preparedness	<ul style="list-style-type: none"> # of adaptation measures # of crisis management practices reviewed # of stakeholders that both Groups worked with in adaptation planning 	<ul style="list-style-type: none"> Hang Lung's % of properties that have completed technical analysis for climate adaptation measures LVMH's % of Premises that have completed annual climate adaptation and crisis management practices review
8	Third party audit of waste and recycling practices from business operations for Plaza 66 and Grand Gateway 66	<ul style="list-style-type: none"> Waste assessment report for renovation and operation waste # of use cases for improving renovation wastes' recyclability Operation waste management guideline for sorting process, non-recyclable replacements # of materials' assessment have completed and shared in material library 	<ul style="list-style-type: none"> Hang Lung's % recycled from business operations and renovation waste LVMH's % recycled from business operations and renovation waste % of materials have been included in the shared material library
9	Collaboration on a recycling project focused on a store renovation in Shanghai		
10	Establish a recycling process for demolition materials		
11	Develop a marketplace for reuse of materials and assets		
12	Implement a biodiversity project at Spring City 66 and/or Westlake 66	<ul style="list-style-type: none"> # of animal-aided design enhancements # of measures to protect birds and prevent bird collisions 	<ul style="list-style-type: none"> % of Hang Lung's properties and development projects that have implemented animal-aided design enhancements annually % of Hang Lung's properties that have enhanced facade design to prevent bird-window collisions annually
13	Research potential measures to protect birds and prevent bird collisions		

14	Collaborate on a water stress analysis, exchange ideas on water consumption and efficiency, and hold a water management campaign for the public	<ul style="list-style-type: none"> • % of facilities with recycled water systems • # and type of recycled water initiatives under development • Carbon footprint (tonne CO2e/ton) of water consumption • Details of water management campaign 	<ul style="list-style-type: none"> • % of water consumed that has been recycled and reused • Hang Lung's water intensity in m³/m²/year • LVMH's water intensity in m³/m²/year
15	Conduct periodic air quality tests, and carry out an outdoor air temperature and quality monitoring pilot scheme in at least one of the properties	<ul style="list-style-type: none"> • IAQ and OAQ parameters will be measured • Air quality tests results • Identify improvements for acoustics especially background noise management 	<ul style="list-style-type: none"> • Annual indoor and outdoor air quality measurement results in terms of PM10 in µg/m³, PM2.5 in µg/m³, VOC in µg/m³ and CO₂ in ppm • # of properties and premises with acoustics improvements
16	Review acoustics levels and identify potential improvements		
17	Collaborate on initiatives to enhance community wellbeing	<ul style="list-style-type: none"> • Details of activities • Groups of people involved • # of volunteers 	<ul style="list-style-type: none"> • Impacts of events on identified members of community, e.g., # of mentoring hours delivered to a disadvantaged group, ¥ (CNY) donated, etc.
18	Develop a shared learning agenda including expanded use of learning materials from 2022 Real Estate & Climate Forum and other resources	<ul style="list-style-type: none"> • Details of internal training materials 	<ul style="list-style-type: none"> • # of training hours by topics, department, and employee category • % of employees that have received sustainability-related training • % of employees that have passed the ESG exam • Learner satisfaction rating in absolute score (1-10)
19	Work with Institute of Public and Environmental Affairs (IPE) to strengthen environmental governance, including supply chain due diligence	<ul style="list-style-type: none"> • % of Hang Lung's procurement reviewed through IPE • % of LVMH's procurement reviewed through IPE 	<ul style="list-style-type: none"> • Hang Lung's CATI and CITI index • LVMH's CATI and CITI index • Number of compliance issues identified and remedied/improved
20	Exchange information on policies, plans and strategies related to sustainable procurement, including a focus on cleaning products in 2023	<ul style="list-style-type: none"> • Details of policies, plans and strategies related to sustainable procurement • Details of cleaning products' and equipments' material safety datasheet(s) or laboratory test report 	<ul style="list-style-type: none"> • % of materials that are locally sourced • % of cleaning products procured with recognized certifications

Communication to Public and Other Stakeholders

The Groups will disclose progress of our collaboration in their respective annual sustainability reports in 2023, 2024 and 2025. In addition, Hang Lung and LVMH will collaborate on communication to mall visitors and customers on key aspects of the collaboration, including the communication of actions that are relevant to the broader public. We will also share updates through posts on social media on specific areas of progress and case studies as appropriate.

Real Estate & Climate Forum in 2024

In early 2024, building on the success of our inaugural Real Estate & Climate Forum in November 2022, the groups will arrange a second Real Estate & Climate

Forum in China. At the second forum, we will transparently report on progress achieved for each of the 20 actions, including obstacles faced, key lessons learned, case studies and recommended best practices.

Annual Updates to Charter

This Charter will be updated in 2024 to reflect lessons learned throughout 2023, stakeholder feedback, and progress and insights gained from the second Real Estate & Climate Forum in March 2024.

Other Sustainability Commitments from Hang Lung and LVMH

Outside of this Charter, each Group has made substantial commitments related to sustainability. Below is a summary of key commitments and targets that relate to the content of the actions in this Charter:

CLIMATE RESILIENCE

Energy Efficiency

- **Hang Lung:** Hang Lung: achieve an 18% cumulative reduction in electricity intensity (kWh/m²) relative to 2018
- **LVMH:** limit its energy consumption to not more than 300 kWh/m²/per year at each of its premises within Hang Lung's properties

Low Carbon Design

- **Hang Lung:** Demonstrate best efforts to achieve at least 10% reduction in embodied carbon intensity (kg CO₂e/m²) for new development project that begin in 2022 or later, compared to typical practice in an equivalent building

Renewable Energy

- **Hang Lung:** By the end of 2025, 25% of our mainland China landlord electricity demand will be met by renewable energy
- **LVMH:** achieve 100% low-carbon energy, for all sites and stores, by 2026

Climate Adaptation

- **Hang Lung:** complete technical analysis for climate adaptation measures for all properties by 2025

RESOURCE MANAGEMENT

Waste Management and Circularity

- **Hang Lung:**
 - Demonstrate best efforts to maximize the use of recycled, reused and bio-based materials on all new projects
 - 60% of construction waste diverted from landfill for new projects starting in 2022 with maximized recycling
 - 70% of operational waste diverted from landfill
- **LVMH:** Recycle locally 100% of the demolition waste by 2026

Biodiversity

- **Hang Lung:**
 - Avoid development of projects and operational activities in ecologically sensitive and nationally protected sites deemed critical for biodiversity.
 - Make best efforts to avoid or minimize biodiversity loss through land use, invasive species, and air and water pollution during the design and operation of our properties.
 - Develop practices to promote, conserve and restore biodiversity.
- **LVMH:**
 - Will restore or rehabilitate 5 million hectares of fauna and flora habitat by 2030. We are also partners with Canopy on forest conservation.
 - We support the Man and Biosphere program in partnership with UNESCO, and pilot trials, such as regenerative agriculture for the Wines & Spirits sector.

Other Sustainability Commitments from Hang Lung and LVMH

Water Management

- **Hang Lung:** 10% reduction in water intensity (m³/m²/year) relative to 2018 by 2025

PEOPLE AND WELLBEING

Indoor Wellbeing

- **Hang Lung:**
 - Obtain local or international health and wellness certification for all our existing Mainland properties by 2025
 - Obtain WELL Gold certificate or equivalent for at least one new property in Hong Kong and mainland China by 2025

Social Impact

- **Hang Lung:**
 - Conduct an audit of all our properties and corporate practices on how to enhance wellbeing and opportunities for persons with disabilities by 2025
 - Work with youth on wellbeing community initiatives at all properties by 2025
- **LVMH:**
 - Is committed to supporting local employment, facilitating professional integration and access to education
 - Supports many worthy causes, locally and globally (response for natural catastrophes, medical research, etc.)
 - Is protecting and transmitting our world heritage's savoir-faire
 - Is supporting diversity and inclusion

Learning and Development

- **Hang Lung:** Deliver priority ESG training targeted to all departments and seniority levels by 2025
- **LVMH:** Train all employees on sustainability before the end of 2026

SUSTAINABILITY GOVERNANCE

- **Hang Lung**
 - First real estate company in Hong Kong and mainland China to receive approval from the Science Based Target initiative for its near- and long-term company-wide emissions reduction targets
 - Embrace technology to build a robust digital platform for assessing suppliers' ESG performance by 2025
 - 100% of leases incorporate sustainability provisions by 2025
- **LVMH:**
 - The LIFE 360 sustainability roadmap on fighting climate change to 2026 is approved by the Science Based Targets initiative
 - Was rated AAA by the Carbon Disclosure Project, in 2022, for its leadership in terms of climate, forests and water protection