Green Building and ESG Strategy
Asia Green Real Estate
Restricted use
Impact investing and green building milestones
A commitment to sustainable real estate since the company’s establishment

Green building investments are part of Asia Green Real Estate’s DNA since its establishment in 2009. The first investment was certified in 2010.

With its first EDGE-certified property, the company launches a strategic partnership with the IFC/World Bank on its sustainable building certification program. World Financial Center received LEED certification.

Recognized by GRESB as Regional Sector Leader in the residential category. Additionally, Asia Green was awarded the Green Star label, showing consistency across all assessment aspects.

Asia Green Real Estate committed to follow the United Nations Sustainable Development Goals and the PRI Montréal Pledge (Principle for Responsible Investments).

Er Xian Qiao received the DGNB gold certification for sustainable residential projects.

World Financial Center is awarded the WELL certification for its outstanding interior design.

Implementation of the full PRI sustainability and reporting standards.

Further improve the monitoring of resource usage in certified properties.

Development of EcoTool, a propriety sustainability assessment, which includes Health and Comfort dimensions.
**Sustainable real estate market strategy**
Asia Green Real Estate’s 5 steps strategy

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<th>Description</th>
<th>Resources</th>
<th>Tools</th>
<th>Expected Outcome</th>
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<td>1</td>
<td>Select Local Partner</td>
<td>Aligned sustainability and ESG mindset</td>
<td>Excellent local network</td>
<td>Alignment on sustainability standards for the project</td>
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<td>EcoTool Sustainability Assessment</td>
<td>Bottom-up approach to improve project with local partner</td>
<td>Asia Green Building Team experts, Project partner</td>
<td>Identification of potential savings, Additional CAPEX requirements</td>
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<td>Specify sustainability and ESG measures on project level</td>
<td>Asia Green Building Team experts, Project partner</td>
<td>Cost within budget, Certification</td>
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<td>4</td>
<td>Project Implementation</td>
<td>Ensure, monitor and audit the implementation of sustainability measures and achieve certification</td>
<td>Project partners, In-house controllers, External auditors</td>
<td>Tangible &amp; measurable resources savings, Continuous improvement</td>
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<td>5</td>
<td>Operation and Monitoring</td>
<td>Ensure stabilized assets and measure savings during operational stage</td>
<td>Project partners, Property management, In-house controllers, External auditors</td>
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**Resources**
- Excellent local network
- Asia Green Building Team experts
- Project partner

**Tools**
- EcoTool
- Contractual Agreement
- EDGE Certification
- Periodical audits

**Expected Outcome**
- Alignment on sustainability standards for the project
- Identification of potential savings
- Additional CAPEX requirements
- Cost within budget
- Certification
Sustainable real estate value chain
Adding value to all our stakeholders

- Address sustainability mindset through sustainable investment
- Global ESG contribution

- Specify green building measurements
- Increase quality
- Create economic value

- Save energy, water and material
- Save utility costs
- Enjoy higher health and comfort levels

Green Building Certifications and Pledges
EcoTool – Proprietary tool of Asia Green Real Estate
Improving projects and adding value through in-house knowledge

We align our projects with EDGE (developed by IFC World Bank) to quantify energy, water and material savings complying with our investors’ Sustainability Mindset.

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<th>Resources</th>
<th>Health</th>
<th>Comfort</th>
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<td>Reduce Energy Consumption</td>
<td>Clean Air</td>
<td>Thermal Comfort</td>
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<tr>
<td>Reduce Water Consumption</td>
<td>Clean Water</td>
<td>Humidity Control</td>
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<tr>
<td>Sustainable Material Usage</td>
<td>Avoid Unhealthy Materials</td>
<td>Light Comfort</td>
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<tr>
<td>Reduce Waste</td>
<td>Healthy Facilities</td>
<td>Layout &amp; Landscaping</td>
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EcoTool Health and Comfort qualitative dimensions look into user’s well being inside our project environment that leads to Sustainable Living Standards.

Before sustainable measures implementation (Base Case)
Overall EcoTool result: **57%** (100% = Best case)

After sustainable measures implementation (Improved Case)
Overall EcoTool result: **72%** (100% = Best case)
EDGE – International green building label

Our close partnership with the IFC World Bank Group

EDGE (Excellence in Design for Greater Efficiencies) is an initiative launched by IFC, a member of the World Bank Group, to advance global green building construction. EDGE helps to match international building codes to the certified projects without losing local context. Asia Green Real Estate has formed a strategic partnership with IFC – The World Bank since January 2017 as an effort to identify the most cost-effective solutions to obtain EDGE certification for our investments.

Example of EDGE certification for Asia Green’s project:
EDGE certification quantifies that our projects are at least 20% better compared to local building base case in terms of energy, water and material savings. Going forward, we aim to certify our project with advanced level of EDGE.
GRESB assessment
ESG assessment on a fund level

In its first year of participation to GRESB, Asia Green Real Estate was recognized as Regional Sector Leader for the performance of its core portfolio of residential buildings held by the Asia Green Real Estate Fund. The Fund was furthermore awarded the Green Star label, showing consistency across all assessment aspects.

GRESB 2020 highlights Asia Green Real Estate’s ESG commitment
Asia Green Real Estate submitted for the first time the sustainability achievements of its residential and office building portfolio for the Global Real Estate Sustainability Benchmark (GRESB) 2020. The Fund earned an overall score of 69 for its standing investments and 76 for its properties under construction. The GRESB participation is part of our strategic and consistent approach to environmental, social, and governance practices (ESG) throughout our work. We are proud of our 2020 GRESB results which reaffirm our passionate commitment to sustainability.

About GRESB
GRESB is a mission-driven and investor-led organization providing standardized and validated Environmental, Social and Governance (ESG) data to the capital markets. Established in 2009, GRESB has become the leading ESG benchmark for real estate and infrastructure investments across the world. In 2020, 1,229 real estate portfolios were reported to GRESB covering over 96,000 assets and representing US $4.8 trillion AUM. The data is used by more than 100 institutional and financial investors to monitor investments across portfolios and navigate the strategic choices needed for the industry to transition to a more sustainable future.
The sustainable real estate economics
Cost savings compensate for additional capex of green building measures

Example of moderate green building measures of a residential project in Jakarta CBD

Sustainability measures implemented in the project
• LED lighting
• Double laminated low-E glass
• Energy efficient AC system
• High efficiency water fixtures

Energy Savings - 704,047 kWh/year (consumption of 217 Indonesian households)
Water Savings - 12,632 kl/year (5 Olympic-sized pools)
CO2 Savings - 456 tCO2/year

Total additional CAPEX of 1.7% out of the total construction cost can be compensated with annual utility cost reductions generated from the implementation of sustainable measures within 3.7 years period.

Pay back period of 3.7 years