

SEWIT AT-A-GLANCE



SOCIAL COHESION

Materiality Assessment

- Conducted Nan Fung Group's **first Materiality Assessment** to identify key material issues
- Kick-started location-based materiality assessment with **1,000+** stakeholders for the AIRSIDE project at Kai Tak and its vicinity in Hong Kong

Community and Tenant Engagement

- **210+** partners, including NGOs, schools and local artists, participated in **65+** community programmes with **288+** events and **190k+** participants
- Rolled out **Net Positive Lease ("NPL")** in Hong Kong to engage with and support tenants in achieving sustainability goals. NPL has been launched with 9 tenants covering 9%⁴ of LFA among major portfolio in Hong Kong

Impact Measurement

- Accelerated the use of impact measurement tools such as Social Return on Investment ("SROI"), IRIS+ framework and Life Sciences Capital Index on internal and external initiatives



ENVIRONMENT

Net Zero Commitment

- Hong Kong's property portfolio⁵ has been committed to the Science-Based Targets initiative ("SBTi") to set ambitious carbon emission reduction to achieving Net Zero by 2050⁶
- Conducted the first Group-wide Net Zero Training

Green Operations and Sustainable Value Chain

- AIRSIDE became Hong Kong's first building targeting the highest rating of 5 green building certificates
- TKO Plaza has achieved BEAM Plus EB EU category Excellent Rating
- Established the Group's Sustainable Procurement Policy

Climate Adaptation and Resilience

- Conducted and published our first **climate-related financial disclosures** as per TCFD recommendations



Sustainable Finance

- Published the Group's first Sustainable Finance Framework
- **45%** of current bonds and loans are from green financing



WELLNESS

Occupational Safety and Wellbeing

- Lost Time Injury Rate ("LTIR") of **0.85** per 100 employees⁷

Wellness in Properties

- AIRSIDE in Hong Kong achieved WELL Platinum certification, while C8 project in Mainland China obtained WELL Gold certification
- 4 properties⁸ in the UK received WELL Health-Safety Rating

Wellness in Life Sciences

- Arctic Vision, an NFLS incubated company, launched a new product for dry eye disease in Hong Kong
- **50** million individuals are estimated to benefit from the innovative products from Arctic Vision by 2030



INNOVATION

Cultivating an Innovation Mindset

- Over **240** ideas were generated from internal & external incubation competitions such as Nan Fung Group Chairman's Awards and The Mills Fabrica's **Techstyle for Social Good International Student Competition**

Investing in life sciences

- **US\$1 billion+**⁹ was invested in **60+** companies and **30+** funds by Nan Fung Life Sciences and Pivotal
- Sponsored **20+** academic research projects via Life Sciences Research Sponsorship Programme, with a total of **US\$12m+** sponsorship from 2017 until Mar 2023

Accelerating Sustainable Innovations

- The Mills Fabrica has invested and/ or incubated in a total of 7 funds and 20+ start-ups since 2018



TECHNOLOGY

Digital Connectivity

- The Bailey in the UK has been WiredScore Platinum certified
- AIRSIDE has been committed to pursuing WiredScore and SmartScore Platinum certifications

Smart Waste management

- AIRSIDE became Hong Kong's first commercial building equipped with the Automatic Refuse Collection System (ARCS) to automatically weigh and sort general waste and recyclables

Smart Facility Management

- Adopted of real-time digital platforms and integrated building management technology at AIRSIDE to facilitate data-driven energy management and provide customised insights and data for reporting

Customer Engagement

- Launched the Group's first loyalty programme and mobile application NF Touch to engage with customers, tenants and communities across the properties in Hong Kong

⁴Measured by occupied lettable floor area ("LFA") of office and retail portfolios at 100% basis comprising of 33 Des Voeux Road West, AIRSIDE, Nan Fung Place, Nan Fung Tower, The Mills, TKO Plaza

⁵Covering properties where the Group has operational control in Hong Kong

⁶The Paris Agreement aims at keeping the rise in global temperature to well below 2°C above pre-industrial levels and at pursuing efforts to further limit global warming to 1.5°C

⁷LTIR represents the number of injuries per 100 employees per year. It is calculated as "total number of injuries multiplied by 200,000 and then divided by total working hours. The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year

⁸The 4 properties include 108 Cannon Street, 138 Cheapside, Regent Quarter and The Bailey in the United Kingdom

⁹Includes direct investments in life sciences companies by NFLS and Pivotal Life Sciences, excludes fund investments and public investments as of 31 Dec 2022