Pursuing Our Continuous Efforts in Environmental Management

27.7%
Reduction in 2024's carbon intensity from a 2020 base year

97.5%
Of existing buildings with green building certificates

100%
Of new and renewal tenants signed the Green Tenancy agreement

36
Participating tenants in the Green Tenant Engagement Programme demonstrated outstanding energy performance

Demonstrating Green Building Leadership

Investing in green buildings demonstrates our firm commitment to environmental sustainability in the real estate sector. In response to escalating environmental challenges, we integrate climate-resilient features, energy-efficient systems, and biodiversity-conscious elements in our buildings in the early-stage design.

Key Performance Indicator ("KPI") for FY2024/25

90%

Of existing buildings to obtain green building certificates[4]

Performance

97.5%

Of existing buildings with green building certificates[4]

Our Commitment to Development

100%

New development and asset enhancement project to receive BEAM Plus Gold or above

100%

New commercial, retail, residential/ service apartment development to receive WELL Gold or above

Our Achievements[5]

18

BEAM Plus certifications obtained for 11 development projects and five asset enhancement projects

3

LEED certifications obtained for two development projects

1

China Green Building Label ("CGBL") building

8

WELL certifications obtained for six development projects and two asset enhancement projects

1

Building certified with WiredScore, and one building certified with SITES

[4] Green building certificates include BEAM Plus/ LEED/ WELL, etc., and the percentage covers the number of certified existing buildings as of 30 June 2025.

[5] Covering Registered, Provisional Assessment, Pre-assessment, Pre-certification, and Final Assessment in green building standards as of 30 June 2025.

Green & Innovative Building

Sustainable building is a key aspect of the Group's sustainability strategy. We have adopted green building principles across the design, construction, and operational phases of property development and management. We prioritise energy and resource efficiency to minimise our environmental footprint and improve occupants' well-being.

Our Sustainable Design and Procurement Manual provides detailed guidelines for the property development lifecycle, with a focus on design and construction. CCG uses pre-qualification and qualification assessment checklists, built in collaboration with consultants, contractors, and suppliers, to prioritise tenderers who demonstrate strong sustainability practices. With our commitment to innovation and collaboration, the Group is pursuing cutting-edge, sustainable technologies across our designs, products, and services to achieve carbon neutrality. We use the following assessment criteria with an incentive and penalty mechanism to ensure the compliance of awarded tenderers during the project cycle:

- Job experience and references for sustainable building design/construction
- Establishment of an Environmental Policy
- Prohibition from using deleterious building materials
- Building Information Modelling (“BIM”) application capability for reducing waste
- Construction waste management proposal
- No involvement in environmentally-related litigation or arbitration cases

The Sustainable Design and Procurement Manual includes key performance indicators (“KPIs”) for new development and major asset enhancement projects, such as energy performance that fulfills Zero-Carbon Ready Building Certification, a climate risk screening study, and embodied carbon disclosure by main contractors. For details about the carbon accounting approach of embodied carbon, please refer to the “Carbon Footprint Management” section in this report.

Embracing Innovation & Sustainable Construction Practices

To showcase our environmental stewardship, we harness various technological innovation throughout the project lifecycle and advocate sustainable construction practices in construction projects wherever feasible.

Sustainable & Wellness Designs

Smart Internet of Things (“IoT”) Systems and wellness designs aim to enhance operational efficiency and safeguard the well-being of occupants. These features are proactively integrated across CCG’s projects.

Smart IoT Systems

Smart IoT systems use interconnected devices and sensors to collect and analyse data in real time. These systems track energy consumption, environmental conditions, and workers’ safety. By integrating data into a central platform, we can make informed decisions, optimise resource allocation to reduce carbon footprints, and achieve substantial energy savings.

For instance, Nina Hub incorporates smart IoT systems to monitor, manage and maintain energy performance. The adoption of Artificial Intelligence (“AI”) optimisation is expected to achieve a 10% energy saving by enhancing chiller efficiency and a 20% improvement in labour efficiency in facility management.

Wellness Designs

We incorporate a range of wellness designs, including smart car park management systems, access control system, AI-powered video analytics for Closed-circuit television (“CCTV”), and UV-C sterilisation, all aimed at enhancing safety, improving air quality, and reducing the risk of illness, thereby safeguarding the well-being of occupants and fostering a healthy environment for our stakeholders.

Sustainable Construction

With low-carbon construction as a top priority, CCG applies sustainable construction practices to enhance quality control, shorten construction periods, and reduce waste and environmental impact.

Modular Integrated Construction ("MiC")

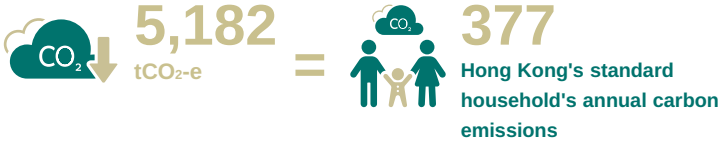
MiC begins with the off-site prefabrication of entire building modules, which are then transported to the construction site for final assembly and integration. It emphasises standardisation and repeatability, enabling consistent quality and a faster production period. It also promotes innovative design flexibility, allowing for customised solutions while maintaining the benefits of off-site construction.

We observed remarkable advantages of adopting MiC, including a reduction in carbon emissions, an improvement in the working environment and site safety, and an enhancement in construction quality.

Application in:
- ECHO HOUSE at Tonkin Street
- Tung Chung Traction Substation Residential Development

The anticipated carbon reduction for Tung Chung Traction Substation Residential Development project contributed by the adoption of MiC is as follows:

Estimated Carbon Reduction



Multi-trade Integrated Mechanical, Electrical, and Plumbing ("MiMEP")

MiMEP is an innovative construction approach where mechanical, electrical, and plumbing systems are prefabricated off-site in a controlled environment and then transported and assembled on-site. By simplifying product design to enable efficient manufacturing and assembly, we can save 30-50% of construction time, reduce waste and improve quality control throughout the building process.

Application in:
- Tung Chung East Commercial Development
- Kwai Chung Logistics Centre
- Tung Chung Traction Substation Residential Development

Building Information Modelling (BIM)

BIM enables to generate and manage building data throughout the building lifecycle. Modelling can help us facilitate better decision-making by providing access to real-time data with Building Management System ("BMS") and Digital Twin during building operation.

Application in:
- Tung Chung East Commercial Development
- Kwai Chung Logistics Centre
- Tung Chung Traction Substation Residential Development

Traditionally, construction sites rely heavily on diesel fuel for temporary power supply during the construction phase. However, we are phasing out the use of diesel generators at our construction sites. We require our foundation and superstructure contractors for new development projects to obtain power directly from utility companies via the electricity grid, thereby achieving electrification at the early stages of construction.

If accessing the electricity grid is not feasible due to site constraints, or higher output current is required, a battery energy storage system ("BESS") is adopted as “Power Amplifier”, which enables cyclic energy storage and conversion to deliver high-power output for equipment operation. The B5 Biodiesel-powered generator, which uses 5% biodiesel and 95% conventional diesel, is the final resort.

Temporary Power Connection from Utility Companies

Battery Energy Storage System

B5 Biodiesel-powered Generator

Diesel Generator

Case Study

Strategic Partnership for MiC with GMC Grand-Bay Intelligent Manufacturing and Technology Co., Ltd

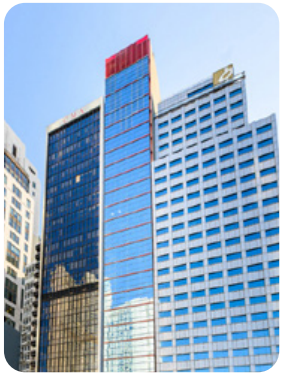
The Group signed a Memorandum of Understanding (“MoU”) with GMC Grand-Bay Intelligent Manufacturing and Technology Co., Ltd. (“GBIMT”), a market leader in prefabricated buildings in the Greater Bay Area and Guangdong Province. The MoU is to establish a strategic partnership for the development and use of the MiC system. Through knowledge exchange in technological innovation, materials procurement, and supply chain management, we aim to collaborate to maximise construction-related carbon emissions.

This partnership delivered the MiC solution for ECHO HOUSE at Tonkin Street, the first high-rise residential project in Hong Kong to utilise a concrete MiC system by private developer. The project adopted digital construction and other technologies.

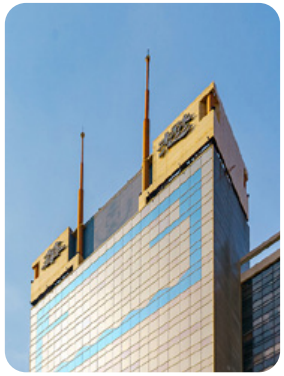
We also enhanced six of our existing buildings to achieve the Platinum level of BEAM Plus Existing Building Standards – Comprehensive Scheme, including:

Nina Tower

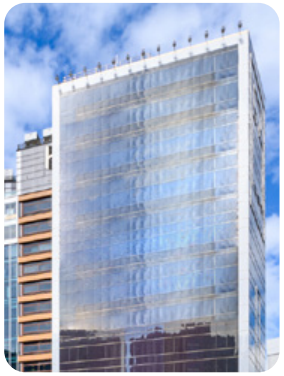
Chinachem Cameron Centre



Two Chinachem Plaza



Chinachem Leighton Plaza



Chinachem Hollywood Centre

Lucky Plaza (Level 3)

These enhancement projects generally focused on retrofitting and upgrades that significantly enhance energy and water efficiency:

Lighting

- Replace with LED bulbs
- Install automatic sensor lighting

Water

- Install automatic sensor faucets

BMS

- Monitor and optimise the energy system

Air Conditioning & Chillers

- Equip variable frequency drives in the central air-conditioning system
- Replace both water- and air-cooled chillers

Case Study

Supporting My Green Space Student Competition by Hong Kong Green Building Council

HKGBC partnered with CCG to organise a student competition themed “My Ideal Green and Smart City”. We supported students from local primary and secondary schools, as well as tertiary students from institutions across Hong Kong and the Greater Bay Area, in reimagining urban spaces through smart, sustainable, and people-centric design.

To enhance participants' understanding and inspire new ideas, we hosted green building tours at our headquarters office in Nina Tower, Nina Park, NINA MALL and Nina Hotel Tsuen Wan West, offering firsthand exposure to sustainable buildings and wellness-focused practices.

Following the tours, students worked in teams to develop and submit innovative proposals. Award-winning teams will showcase their works in a public exhibition and share their experiences during the award ceremony, celebrating their creativity and vision for a greener future.

Competition Highlights:

- **> 500** participants from 82 local and Greater Bay Area schools
- **> 10** green building tours organised at CCG properties
- **> 300** students, families and teachers attended

Accelerating Our Green Transformation

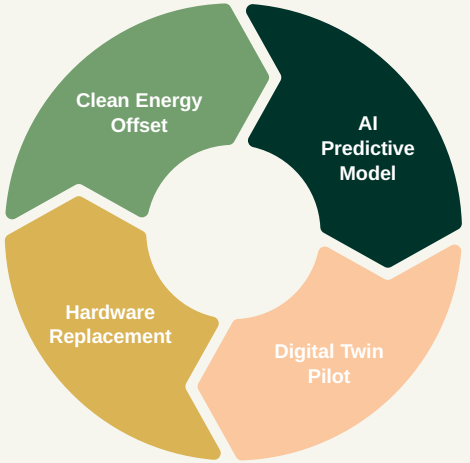
Our key operations, including the headquarters office, property services, and hospitality operations, are ISO 14001:2015 certified, demonstrating the effectiveness of our environmental management systems. Our commitment to environmental sustainability is guided by our Climate Change Policy and Sustainability Policy, which outline ongoing commitments and improvements in reducing carbon emissions, enhancing energy efficiency, and expanding the use of renewable energy sources across our operations.

Case Study

Decarbonisation Efforts at Nina Hub

Nina Tower, home to NINA MALL and Nina Hotel Tsuen Wan West, is a mixed-use development located in the heart of the Tsuen Wan district. With a commitment to decarbonisation efforts and enhancing operational efficiency, Nina Tower is undergoing a major upgrade in sustainable infrastructure, including the phased installation of a zero-carbon chiller system, implemented in partnership with CLP Power Hong Kong Limited. At NINA MALL, where foot traffic is particularly high, cutting-edge technology is being integrated to optimise energy consumption. A 5G predictive control system for air conditioning complements the energy-efficient chiller system, enhancing overall performance.

Nina Tower's decarbonisation strategy centres around four key components: hardware replacement, an AI predictive model, a digital twin pilot and clean energy offset. These initiatives are designed to maximise performance by leveraging AI and machine learning to recommend optimal operational parameters.



Case Study

Decarbonisation Efforts at Nina Hub (cont'd)

Hardware Replacement

Transition from air-cooled to water-cooled chiller systems can significantly reduce energy consumption. Another environmentally conscious upgrade involves using the eco-friendly refrigerant, which has a significantly lower impact on the environment compared to the standard refrigerant.

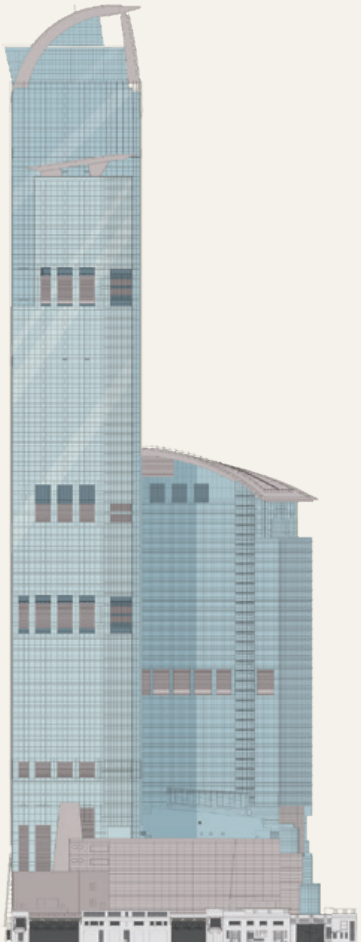
- Achieve up to **50%** energy savings in MVAC system, supplemented by advanced control technologies
- Expected to save more than **8,500,000 kWh** under full operation compared to 2024 level

Digital Twin Pilot

The digital twin pilot is being applied in the zero-carbon chiller system at Nina Tower.

The AI model uses data retrieved from the BMS to develop self-trained physics-guided machine learning models for optimising the system. This AI-driven model blends physical principles with machine learning, ensuring an accurate modelling of actual performance.

- Monitor the plant's efficiency and healthiness
- Extend the end-of-life of chillers through a comprehensive maintenance plan



AI Predictive Model

The AI predictive model, which uses a cooling load predictive model developed by CLP Power Hong Kong Limited, is employed in NINA MALL where foot traffic is particularly high. It is equipped with digital control systems for both waterside and airside systems, taking into account environmental and occupancy factors.

The operation cost can be minimised since data used by the predictive model comes from the 5G webcam system for people counting.

The investment has successfully recovered its cost within one year, demonstrating outstanding performance. Looking forward, CCG is studying the feasibility of extending the application of similar prediction models to other projects.

- Achieved estimated energy saving of **675,000 kWh** annually since implementation
- **20%** improvement in labour efficiency in facility management
- Improved comfort level at NINA MALL

Clean Energy Offset

The electricity consumed by the chiller plants at Nina Tower will be matched by an equivalent amount of Green Electricity Certificates linked to renewable energy projects in Mainland China.

Carbon Footprint Management

Performance Highlights

Compared to the previous year, carbon intensity in FY2024/25:

-11.8% in Property Services

-19.6% in Hospitality

Total Carbon Emissions (Scope 1 and 2)*
(*Location-based method)

Since FY2024/25, carbon emissions from D•PARK and Pine Care operations has been included in the reporting scope, contributing to an increase in total carbon emissions (Scope 1 and 2).

Moreover, CCG continues to optimise the methodology to adopt industry common intensity metrics for calculation and better benchmarking. Therefore, starting from FY2024/25, CCG no longer solely uses the floor area to report intensity values.

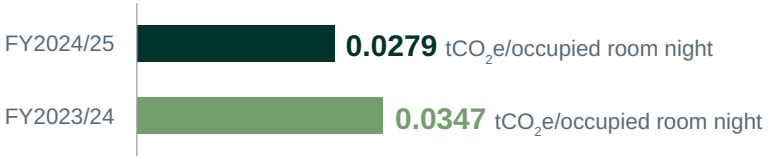
Carbon Emissions Intensity (Scope 1 and 2)*
(*Location-based method)
tCO_2e per floor area

Headquarters Office:

Property Services:

Carbon Emissions Intensity (Scope 1 and 2)*
(*Location-based method)
tCO_2e per occupied room night or occupied place night, applicable to business segments of Hospitality and Healthcare

Hospitality:



Healthcare:

We support a low-carbon economy transition with our ambitious Carbon Reduction Roadmap – CCG 3050+ ("CCG 3050+"), which aligns with targets to limit global warming to 1.5˚C above pre-industrial levels, as approved by the Science Based Targets initiative ("SBTi") in 2022. CCG conducts annual carbon footprint assessments, reviews performance, and develops enhanced carbon reduction strategies.

CGG 3050+ Targets

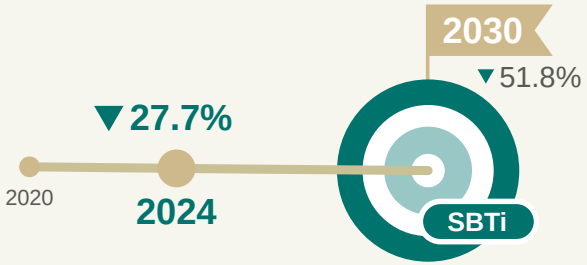
51.8%

Reduction in operational carbon intensity (Scope 1 and 2) in 2030 compared to the 2020 base year.

2024 Progress

27.7%

Reduction



To address our Scope 3 carbon emissions, we conducted a carbon inventory screening and identified Category 2: Capital Goods as a material hotspot. This category accounts for the upfront embodied carbon from our construction projects, as referenced in the SBTi Buildings Sector Explanatory Document. We assess embodied carbon using the cradle-to-site (A1 – A5 stages) approach, supported by the CIC Carbon Assessment Tool, which complies with ISO 14040:2006 standards for life cycle assessment. In collaboration with contractors as specified in contractual agreements, we collect data from purchase records of concrete, steel, façade materials, and other relevant materials to input into the tool. This practice enables the accurate measurement of embodied carbon in key building components and consolidates monitoring data from the construction site. Since FY2023/24, CCG has formally reported Scope 3 emissions under Category 2: Capital Goods for newly completed developments during the Reporting Period.

Energy Efficiency

Total Energy Consumption

Since FY2024/25, energy consumption from D•PARK and Pine Care operations has been included in the reporting scope, resulting in an increase in total energy consumption. Additionally, as the number of employees at the Headquarters Office grew by 5.3% during the Reporting Period, its energy intensity slightly increased in FY2024/25.

Energy Intensity

kWh per floor area

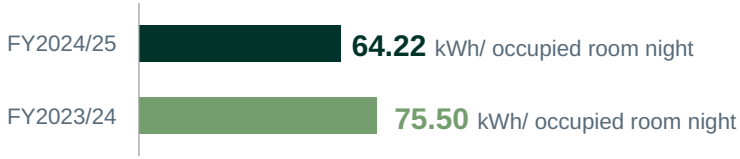
Headquarters Office:

Property Services:

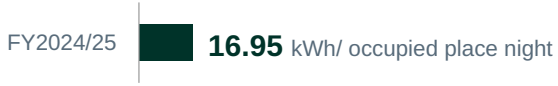
Energy Intensity

kWh per occupied room night or occupied place night, applicable to business segments of Hospitality and Healthcare

Hospitality:



Healthcare:



Apart from the energy efficiency features in new development projects showcased in the section “Demonstrating Green Building Leadership”, CCG has implemented a range of energy efficiency measures in existing buildings. These measures focus on replacing chiller plants and heat pumps, upgrading escalators, installing LED lightings and occupancy sensors, as well as conducting retro-commissioning to optimise the performance of building systems. For instance, Nina Tower has pioneered Hong Kong's first zero-carbon chiller replacement project. For details, please refer to the Case Study of “Decarbonisation Efforts at Nina Hub”. Nina Hotel Kowloon East also installed three units of water-cooled chiller in FY2022/23, connected to cooling towers, and chilled and condenser water pumps with higher efficiency. These savings have all been successfully reflected in the reduction in carbon and energy intensity in FY2024/25.

Renewable Energy

Renewable energy enables the transition to low-carbon operations, by reducing Scope 2 carbon emissions.

71,320kWh
Of renewable energy generated during the Reporting Period

149%
Increase compared to the previous year

104,875kWh
Of renewable energy purchased via renewable energy certificates issued by reputable local providers

5%
Increase compared to the previous year

CCG is committed to integrating on-site renewable energy into new development projects wherever feasible. In FY2024/25, over 30% of our active new development projects are designed to incorporate renewable energy systems, with an expected annual generation of over 500,000 kWh. This contributes to long-term energy resilience and cost savings.

We continue to seek opportunities to expand renewable energy generation across our existing portfolio by conducting feasibility studies and securing off-site renewable energy options wherever feasible.

Nina Park is a good showcase of introducing experimental renewable energy technologies beyond traditional energy systems.

Solar Panel System

- Installed with 186 solar panels
- Generated 71,320 kWh of electricity in FY2024/25, covering approximately 27% of Nina Park's overall annual power consumption

Smart Bench System

- Equipped with CCTVs, reading lights, and a water-cooling feature using recycled rainwater with fans and motion sensors, all powered by 36 experimental steppable solar panels

Outdoor Recharge Bike

- Integrates exercise and energy conservation, where visitors can charge their electronic devices by pedalling
- Eight resistance levels for different workout intensities
- Displays information on distance, speed and time

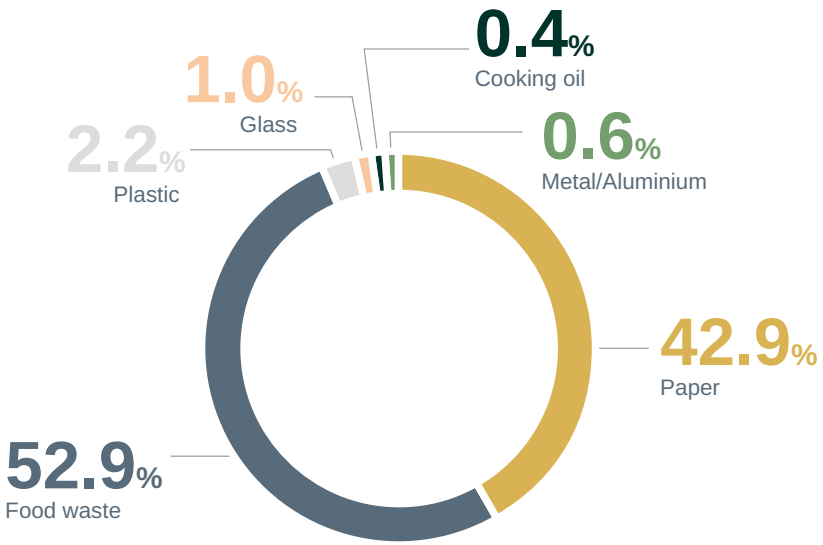
Waste Management

CCG is dedicated to minimising waste and enhancing recycling across our businesses and value chain to contribute to a circular economy. Our commitment to waste reduction extends beyond project design and construction. We implement strategies to prevent waste in our operations and leverage digital tools and technologies to manage resource consumption effectively.

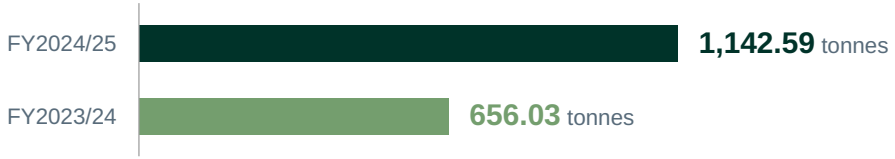
CCG is a signatory of the Waste Reduction Pledge by The Green Earth.

Performance Highlights

Composition of Materials Recycled (Non-hazardous waste) in FY2024/25



Total Amount of Material Recycled



Since FY2024/25, materials recycled from D•PARK and Pine Care operations have been included in the reporting scope, resulting in an increase in total materials recycled, with the majority of this increase attributed to food waste from Pine Care operations.

Food Waste

Acknowledging food waste as a significant component of Hong Kong's municipal waste stream, we have implemented various measures to manage and reduce our food waste.

604.5 tonnes[10]
Of food waste diverted from landfill during the Reporting Period

262.2%
Increase compared to the previous year

To better manage food waste at our malls, we actively promote EPD food waste collection programme among our food and beverage ("F&B") tenants. The participating malls are equipped with collection bins provided by EPD for daily collection by their contractors, which are then transported to the Government's treatment facilities for further waste-to-energy treatment and composting purposes. Currently, three of our eligible malls are participating in this initiative. In the future, we aim to collaborate with EPD to conduct site visits and assess the operational readiness of all eligible malls with F&B tenants.

Nina Hospitality has a comprehensive food waste circularity management strategy that encompasses food procurement, production, consumption, and waste management.

Nina Hospitality's Circular Economy Strategy on Food Waste

Food Procurement

- Develop farm-to-table concepts in restaurants to support local businesses and promote a low-carbon dining culture, such as cooperation with Farmacy and ValleyFarm
- Avoid over-ordering of ingredients and food supplies through monthly inventory checks
- Select products with less processing and packaging
- Adopt of eco-friendly plastic-free takeaway containers and cutlery

Food Production

- Fully utilise all parts of food ingredients when planning a new menu

Food Consumption

- Serve food in appropriate portions, such as offering smaller portions for buffet food
- Allow guests to select their portion size when ordering
- Encourage guests to take away their leftovers by carrying out a Bring Your Own Container ("BYOC") scheme

Food Waste Management

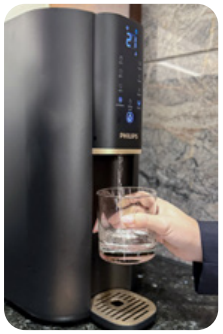
- Implement a daily leftovers and waste log for better menu planning
- Maximise the use of imperfect food or upcycle food waste into new dishes using natural additives or ingredients
- Enhance waste separation at the source through training and ongoing monitoring
- Encourage guests to bring their own reusable containers to take home any excess coffee grounds at our buffet restaurants for personal use

- Provide surplus food to those in need in the community through the charity Foodlink Foundation
- Reduce food waste sent to landfill by using on-site composting machines and transporting excess food waste to the Government's treatment facilities for further waste-to-energy treatment and composting purposes
- A remarkable 90.4% food waste recovery rate was achieved during the Reporting Period, significantly surpassing our 65% target

In an ongoing effort to increase awareness and knowledge among staff about food waste treatment, Nina Hospitality conducts regular training sessions on the importance of reducing food waste and best practices for waste management, particularly in source separation. Additional guidance has been provided to relevant staff, helping them to comply with food waste management requirements safely and effectively especially on handling on-site composting machines. Through actively connecting with our hotel guests to participate in waste reduction initiatives and training up our staff, food waste recycled by Nina Hospitality has been increased by 45.6% during the Reporting Period compared to FY2023/24.

Plastic Waste

Nina Hospitality is dedicated to reducing plastic waste and safeguarding the environment. Aligned to the Product Eco-responsibility Ordinance of Hong Kong SAR Government, we offer eco-friendly amenities to our guests. Since April 2024, we have also replaced bottled water with canned water and refillable carboy water, with two of our hotels including Nina Hotel Kowloon East and Lodgewood by Nina Hospitality Mongkok leading the way by installing water dispensers to further minimise single-use plastics. In ad dition, all our hotels provide umbrella drying machines since 2023, eliminating the need for plastic umbrella covers.



>168,000

single-use plastic bottles avoided during the Reporting Period due to the installation of water dispensers

Our efforts extend to our F&B operations, where we have transitioned to eco-friendly materials for takeaway utensils. We have also introduced double-layer takeaway cups, which remove the need for paper sleeves, and redesigned the packaging of our signature palmier by replacing plastic bags with foil alternatives. To encourage sustainable habits among our guests, we have implemented the BYOC Campaign, which aligns with EPD's "Plastic-Free Takeaway, Use Reusable Tableware" campaigns. By offering discounts to customers who bring their own containers, we promote eco-conscious behaviour and foster active participation in plastic waste reduction.

Construction Waste & Sustainable Construction Material

While all our development projects have a comprehensive waste management plan, we further reduce construction waste by adopting advanced construction practices, such as BIM, MiC and MiMEP, with off-site prefabrication. We prioritise the use of construction materials with high recycled content, such as pulverised fuel ash ("PFA") concrete and ground granulated blast-furnace slag ("GGBS") concrete. In addition, to achieve a high standard of construction waste management, we request that our foundation contractors reuse surplus construction and demolition ("C&D") materials at other construction sites. There is also a target on waste recycling for all development projects to increase the recovery rate.

Case Study

Greeners Action Zero Packaging Fiesta

CCG proudly supported the Zero Packaging Fiesta 2024, organised by environmental charity Greeners Action. This event featured sustainable markets, eco-friendly workshops, educational forums, and exhibitions designed to raise awareness about the importance of waste reduction and recycling. Over two days, we welcomed more than 12,000 visitors and avoided using 1,100 pieces of single-use packaging.

Among the highlights were upcycling workshops that engaged both adults and children in a fun and practical manner. Popular sessions included the Denim Mobile Phone Strap DIY Workshop, Natural Mosquito Repellent Workshop, and the Mooncake Box Marble Maze Parent-Child DIY Workshop, all of which drew enthusiastic participation.

Complementing these hands-on activities were four information-sharing sessions that covered sustainability topics, including the circular economy, reducing single-use plastics, and climate change mitigation strategies. Our representative from Nina Hospitality shared practical actions taken to reduce waste generation in hotel operations. This event fostered community engagement and encouraged a collective commitment to sustainable practices.

Case Study

EMAHK Waste Challenge

CCG participated as a case sponsor and a member of the judging panel of the 2024 Waste Challenge: Innovate to Eliminate, organised by the Environmental Management Association of Hong Kong Limited (“EMAHK”). The challenge aimed to raise awareness of Hong Kong's waste management issues by incorporating real-world waste management challenges into the competition. As a case sponsor, we engaged with participating teams by organising site visits and briefing sessions to provide insights on the waste management challenges faced within our businesses. Our focus was on the topic, “Towards Zero Waste: Implementing a Circular Economy for Nina Park and the Commercial Neighbourhood”. Participating teams helped develop practical solutions to the issues identified by case sponsors and presented these ideas to the judging panel. On presentation day, three teams presented their innovative solutions to our topic, incorporating smart technologies and creative implementation strategies. This challenge not only increased awareness of real-life waste management issues but also fostered collaboration and innovation.

CCG organised a red packet (“lai see”) recycling initiative with active participation from colleagues at 36 properties, successfully recycling approximately 120 kg of red packets. During Mid-Autumn Festival, CCG also organised a mooncake box recycling programme, and collected a total of 240 mooncake boxes from residents, tenants, and visitors of 21 properties.

In addition to supporting the EPD's Reverse Vending Machine (“RVM”) Pilot Scheme, we have gone the extra mile by installing 18 RVMs with CCG Hearts point incentive across our properties to further encourage the public to recycle plastic beverage containers. A total of 188,924 bottles have been collected as of the end of the Reporting Period since the RVM's first installation in October 2023.

In July and August 2024, CCG organised the Summer Olympics Plastic Bottle Recycling Initiative across NINA MALL, D•PARK, and Central Market. The campaign featured live Olympic screenings, where CCG Hearts members could redeem an electrolyte drink to cheer on their favourite Olympians. To encourage recycling habits, members who returned their empty bottles were rewarded with 500 CCG Hearts Points. The initiative successfully engaged the community, resulting in the collection of over 1,280 plastic bottles for recycling.

From January to March 2025, CCG collaborated with local artist Busymama Benny and various stakeholders to present Panda Art Land at D•PARK. The event featured a panda art installation and a bamboo forest arch made from 100% upcycled materials, supporting CCG's waste reduction goals. There were also art workshops for students focused on environmental conservation and the protection of pandas.

Water Efficiency

At CCG, we strive to conserve water resources. To foster a culture of water conservation among our stakeholders, we also actively educate our colleagues, tenants, residents, and hotel guests on water preservation initiatives.

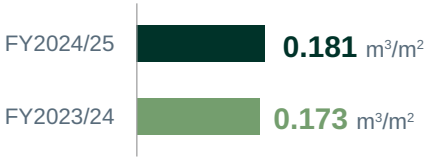
Performance Highlights

Total Amount of Water Consumption

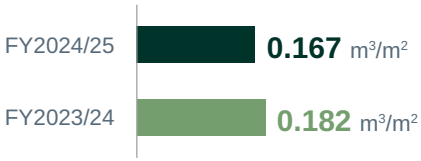
Water Intensity

m^3 per floor area

Headquarters Office:



Property Services:



[6] This figure has been restated following enhancements to the data collection mechanism.

Water Intensity

m^3 per occupied room night or occupied place night, applicable to business segments of Hospitality and Healthcare

Hospitality:

Healthcare:

Since FY2024/25, water consumption from D•PARK and Pine Care operations has been included in the reporting scope, resulting in an increase in total water consumption. Additionally, as the number of employees at the Headquarters Office grew by 5.3% during the Reporting Period, its water intensity slightly increased in FY2024/25. As for Hospitality, following the gradual transition from an air-cooled to a water-cooled chiller plant system at Nina Hub recently, water consumption at Nina Hotel Tsuen Wan West has increased compared to FY2023/24. The Group is enhancing its data collection mechanism and plans to exclude makeup water consumption of Nina Hotel Tsuen Wan West starting from FY2025/26, ensuring that reported usage reflects what is within our control and can be influenced by water-saving initiatives.

To support this commitment, CCG participates in the Quality Water Supply Scheme for Buildings initiated by the Hong Kong Water Supplies Department ("WSD"). Over 97% of our eligible existing buildings are certified under this scheme, demonstrating our commitment to maintaining superior water quality standards.

We have implemented water conservation measures across our portfolio and diligently monitor our water consumption. These measures include the installation of water meters, flow regulators, and water-efficiency fixtures such as automatic taps. Four hotels are progressing with the installation of low-flow faucet aerators for guestroom water taps, which are projected to achieve up to 30% of water savings. We also conduct regular inspections and replacements of plumbing fixtures, pipes, and drainage systems to promptly detect and repair leaks, thereby reducing water loss. We are also exploring the reuse of the bleed-off water from the cooling tower for flushing purposes wherever possible[7].

Case Study

Water-Smart Taskforce Programme (WaterTAP)

To assist customers with high water consumption in managing their usage more efficiently, the WSD has partnered with the Centre for Water Technology and Policy at the University of Hong Kong ("HKU Water Centre") to implement WaterTAP. We have volunteered four of our properties to explore ways to reduce our water consumption and support the Hong Kong SAR Government's goal of achieving a 10% reduction in per capita freshwater consumption by 2030, based on 2016 levels.

As part of the programme, smart water meters have been installed on site to automatically record water usage data, detect anomalies such as leaks, and securely transmit this information to a centralised server for analysis. This advanced smart water meter system helps us to visualise water consumption patterns and provides valuable insights into the factors contributing to high water usage.

[7] A total of 3,236 m^3 of reused water was recorded across five existing buildings during the Reporting Period. We are currently enhancing the tracking of water reuse metrics to cover a wider scope of existing buildings.

Nina Hospitality promotes sustainable use of water by posting a message card in hotel rooms to encourage guest participation in the bed linens and towels reuse programme.

Case Study

Sponge Park Design Concept at Nina Park

Nina Park has adopted the sponge park design concept to absorb, store and filter rainwater. The water tank underneath the park is equipped with a rainwater harvesting system and also provides an interactive play area for children. This dual-purpose design showcases our dedication to sustainable water management by recycling rainwater for landscaping irrigation on both dry and rainy days, thereby effectively reducing potable water usage while creating an engaging educational space for visitors. We also adjusted our landscape irrigation schedules to minimise evaporation.

Promoting Sustainability to Our Stakeholders through Collaboration

Tenant Management

Effective tenant management is essential in our commitment to environmental sustainability. We engage with our tenants regularly to foster a collaborative approach to environmental stewardship. By integrating sustainability clauses into new tenancy agreements, providing clear and comprehensive fitting-out guidelines, and launching an innovative green tenant engagement programme, we cultivate an ecosystem where tenants are our trusted partners in our sustainability journey. This proactive strategy not only enhances tenant participation but also strengthens our collective commitment to achieving a more sustainable future.

CCG has incorporated green clauses on energy efficiency, waste reduction and water conservation into the tenancy agreements be signed with new and renewal tenants. The green tenancy agreements also require tenants to implement eco-friendly designs and sustainable practices that improve resource efficiency, collaborate on resource management plans, and share information to monitor and enhance environmental performance.

Tenants are also encouraged to conduct their fitting-out in an environmentally friendly manner, thereby conserving resources, reducing waste, and maintaining indoor environmental quality. These guidelines also align with recognised interior design standards to support tenants in achieving better environmental and health outcomes during their design and fitting-out processes.

Since August 2023,

100%

Of new and renewal tenants have signed the Green Tenancy agreements

1,057

Existing leases (55% of all our active leases) were converted to green leases

Green Tenant Engagement Programme

The Green Tenant Engagement Programme is designed to foster collaboration with tenants to achieve sustainability objectives. Covering tenants from commercial, residential, and retail buildings, the programme inspires and rewards the collective efforts of tenants towards a greener lifestyle and business practices. During FY2024/25, 109 tenants in 35% of our wholly owned and managed buildings enrolled in the programme.

To enhance the effectiveness of the programme, we employ tenant-centric digital solutions and engage with tenants in person to communicate sustainability messages and provide programme details. Through our dedicated digital platform, tenants can share electricity consumption data, record green actions, participate in quizzes and surveys, join “Chill Green Friday” online talks, and watch educational videos. This platform not only aligns the Group’s sustainability goals of engaging with tenants but also creates a dynamic and engaging experience focused on achieving measurable carbon savings and promoting well-being.

To incentivise tenants to adopt sustainable behaviours, we give high-performing tenants opportunities to earn CCG Hearts Points for participating in green actions, which can be redeemed for a wide range of rewards and meaningful experiences. Additionally, tenants who achieve better energy performance compared to the industry average receive rebates on management fees. We are committed to advancing the Green Tenant Engagement Programme, enhancing our initiatives and fostering partnerships to create a more sustainable tenant community.

Overview of Green Tenant Engagement Programme

1 Tenant users register and apply for an account

2 Digital engagement platform

- Share electricity bill
- Complete green actions (BYOB, recycling, etc.)
- Complete quiz challenges and surveys
- Join "Chill Green Friday" (online talks)
- Watch educational videos

3.1 Outstanding Performance Award – Rebates on management fee

3.2 Other Awards:
Most Outstanding Green Tenant
Most Active Green Tenant
Most Progressive Green Tenant

3.3 Redeem CCG Hearts Points

3.4 Certificate of Participation

3.5 Incentive for uploading electricity bills

Highlights of the Programme in the Pilot Year

~35%
Of our wholly owned and managed buildings covered

109 Tenants
Participated across commercial, retail and residential buildings

876
Energy-saving actions and sustainable initiatives completed

~674,000 kg
CO_2e Emissions saved[8]

[8] Comparing the energy performance of our participating tenants to the industry standard, equal to the annual emissions of 50 standard households in Hong Kong

Case Study

Green Tenant Engagement Programme Award Ceremony 2025

At the Green Tenant Engagement Programme Award Ceremony 2025, we honoured tenants for their remarkable efforts in adopting greener business practices and helping to shape a more sustainable future. Trophies and special monetary rewards were given to the winners of the Most Outstanding Green Tenant, the Most Active Green Tenant, and the Most Progressive Green Tenant. Eligible tenants also received rebates on management fees to recognise their outstanding energy performance. The ceremony featured a networking event, encouraging participants to share insights and foster engagement. A representative from CLP Power Hong Kong attended the ceremony to share tips on energy-saving practices and identify opportunities for energy savings.

To further enhance the programme in the next phase, we will provide free energy audits supported by local energy providers for participating tenants. These audits can identify opportunities for our tenants to reduce energy consumption and enhance their energy efficiency.

Strengthening Alliances through Partnership

CCG values each partnership opportunity to assert its influence on sustainability in our operations, value chain, and the wider community.

Case Study

Collaboration with CLP on Eco-Grade Energy Efficiency Grading & Rewards Pilot Programme

CCG has joined CLP's Eco-Grade Energy Efficiency Grading and Rewards Pilot Programme as a participating green merchant. This programme encourages CLP's household customers to adopt energy-saving habits by offering incentives for demonstrated reductions in energy use. CCG enhances the programme by awarding additional CCG Hearts Points to member participants, in addition to the standard rewards. This dual-incentive approach strengthens public motivation toward sustainable living.

Case Study

HKMU Hackathon 2025

CCG participated in the Hong Kong Metropolitan University ("HKMU") Hackathon 2025 and assisted in judging the event, which focused on developing innovative solutions for sustainability and the ageing population. This hackathon was designed to inspire students to tap into their creativity and generate creative ideas. Participating students brainstormed and shared their insights on how CCG can collect Scope 3 emissions data from tenants and collaborate with them to reduce emissions.

CCG also had the opportunity to share our expertise on the sustainability challenges faced by the industry, providing valuable feedback on the feasibility and comprehensiveness of the proposed solutions. This engagement enabled us to support the participating teams in refining their ideas for real-world applications. It was a rewarding experience to share our insights, help students refine their concepts, and explore ways to create meaningful environmental impact.

Case Study

Collaborative Partnership on Carbon Reduction with CLP

We received the International Facility Management Association ("IFMA") award for our collaborative partnership with CLP on Smart and Green Initiatives taken in our properties, hotels, malls, and Nina Park. Throughout this five-year journey, CCG has achieved significant milestones in adopting the BESS and 5G Energy Management System.

Climate Resilience

We recognise the importance of identifying and managing the possible risks and opportunities that climate change may present to our operations for assessing climate resilience. Our disclosures reference the recommendations of IFRS S2, covering the four essential pillars: governance, strategy, risk management, and metrics and targets.

Governance on Climate-related Issues

The Board assumes overall responsibilities to oversee climate-related matters, such as tracking the progress of CCG 3050+. The ESG Steering Committee, chaired by the Chief Executive Officer (the "CEO"), oversees the Group's overall ESG strategies, reviews and endorses plans and monitors progress. Additionally, the ESG Sub-Committee Environment, in its management role, focuses on integrating climate-related considerations into strategic decision-making and daily operations. The ESG Department leads Group-wide initiatives and collaborates with business units to assess and monitor climate-related risks and opportunities, supporting strategic planning and enhancing the sustainability of building lifecycles. Demonstrating the leadership team's commitment to sustainable development and the advancement of sustainability expertise, senior executives participated in the Chinachem Group Sustainability Conference 2024 to gain insights into the latest industry trends and developments.

For more detailed information on our ESG governance structure, please refer to the "Setting High Standards of ESG Governance" section.

Strategy on Climate-related Issues

We recognise that climate change has significant impacts, and we are committed to addressing climate-related issues effectively through climate-resilient strategies and policies. CCG requires its businesses, activities, supplies, products, and services to be strictly regulated under the Climate Change Policy, integrating climate change consideration into the decision-making process for climate mitigation and adaptation.

The CCG 3050+ roadmap, which aligns with the 1.5˚C pathway and has been approved by SBTi, guides our efforts in:

- Transitioning to a low-carbon economy
- Achieving significant carbon reductions across our operations and value chain

To support the roadmap, we have implemented various decarbonisation initiatives across the Group and developed plans to further drive our decarbonisation journey in the future. Initiatives such as energy efficiency measures, adoption of renewable energy, development of green buildings, and tenant engagement programmes are already underway. Looking ahead, we have planned a range of decarbonisation projects, resulting in approximately 86,000 MWh of energy saving till 2030, equivalent to the annual emissions of around 4,700 standard households in Hong Kong.

Embracing sustainability concepts in the project design and construction process is a critical step in the real estate sector. The Sustainable Design and Procurement Manual outlines both mandatory and optional sustainability elements to be incorporated throughout the design and operational phases. Our climate strategy further extends to project financing through green financial instruments. These funds support eligible green and social projects that deliver meaningful environmental and social benefits to communities, all of which are governed by the Chinachem Group Sustainable Finance Framework ("CCG SF Framework").

Defined three time horizons by CCG:

- Short-term (2030)
- Mid-term (2050)
- Long-term (2100)

The Group materialises the collaboration efforts across our properties, operations, employees and supply chain to address both physical and transition risks related to climate change. With three time horizons defined, namely short-term (2030), mid-term (2050), and long-term (2100), it facilitates us implementing mitigation strategies and responses echoing the identified climate-related risks and opportunities, ranging from short-term to long-term. These measures aim to minimise potential losses, accelerate our transition to a low-carbon economy, and strengthen our capacity to adapt to evolving climate risks.

Scenario Analysis

In response to identified climate-related risks, the Group has conducted a scenario analysis that focuses on both physical and transition risks. Developing scenarios helps understanding climate exposure to project future changes in relevant variables.

For physical risks scenario analysis, downscaled climate change projections were sourced from the Intergovernmental Panel on Climate Change ("IPCC"), National Aeronautics and Space Administration ("NASA"), the Hong Kong Observatory, and academic research.

Climate Projections of Physical Risks Scenario Analysis

Climate Scenario	Description	Global Surface Temperature Increase (by 2100)
SSP1-2.6/ Low-Emissions	A low-emissions, sustainable future is aligned with the Paris Agreement	1.8˚C
SSP2-4.5/ Moderate-Emissions	Moderate emissions, climate policies, and a balanced view	2.7˚C
SSP5-8.5/ High-Emissions	High-emissions, fossil fuel-intensive, and limited climate policies	4.4˚C

For transition risk scenario analysis, downscaled projections of the climate system, economy, and energy sector were obtained from the Network for Greening Financial Services ("NGFS") and the International Institute for Applied Systems Analysis ("IIASA"). The Group has referenced two highly contrasting transition scenarios to enable planning for both best- and worst-case outcomes.

Climate Projections of Transition Risks Scenario Analysis

Climate Scenario	Description
Current Policies (3˚C + of warming)	This scenario assumes that only currently implemented policies are preserved. Emissions continue to grow until 2080, leading to approximately 3˚C of warming. Slow developments in low-carbon technology or market changes are expected.
Net Zero 2050 (1.5˚C of warming)	This scenario assumes that ambitious climate policies are introduced immediately. Net CO_2 emissions reach zero around 2050, giving at least a 50% chance of limiting global warming to below 1.5˚C by the end of the century. Rapid developments in low-carbon innovation and technology, including carbon removal, are expected.

Physical Risks Assessment, with Impacts & Responses

Risk Type	Physical Risks Drivers	Potential Impacts	Risk Mitigation
Chronic	**Drought Stress** 	• Higher operating costs due to increased water consumption • Reduce access to portable water • Increase insurance premiums	• Inspect systems regularly to fix leaks • Upgrade to water-saving fixtures and adopt a water recycling system
	Heat Stress 	• Increase in operational cost due to higher energy consumption for cooling • Increase costs due to delays in development projects	• Conduct energy audits • Upgrade insulations, façades, and windows to reduce solar heat intake • Maintain and replace HVAC systems with energy-efficient models and advanced features • Monitor weather warnings and use shading devices to reduce solar heat gain and cooling loads
Acute	**Wildfire** 	• Damage to building infrastructure and higher repair costs • Property loss and safety hazards • Increase costs due to delays in development projects	• Install barriers to slow down fire spread • Designate multiple evacuation routes for safe exits during emergencies
	Hurricanes & Typhoons 	• Significant building damage and loss • Increased risk of ignition and explosion • Increase costs due to delays in development projects	• Conduct regular inspections to identify structural wear or instability • Secure outdoor and rooftop equipment with stable bases and anchor bolts • Inspect, repair, and upgrade to impact-resistant windows and doors • Train staff on emergency protocols for hurricanes and typhoons
	Surface Water **Flood & Coastal Flood** 	• Damage to building infrastructure and higher repair costs • Increase costs due to delays in development projects • Decrease in revenue due to business interruptions, such as access routes affected by floods • Increase insurance premiums	• Install flood barriers at main entrances and sump pumps to manage water during floods • Regularly clear drains, gutters, and downspouts to prevent blockages • Enhance emergency plans and evacuation routes, train staff on flood prevention protocols, and monitor weather warnings
	Landslide 		• Inspect slopes and vegetation regularly, and plant deep-rooted vegetation to prevent erosion and enhance stability • Monitor landslip warnings and designate multiple evacuation routes for safety

To understand the potential impacts of increased physical risks for our portfolio, we have mapped projected changes in climate variables to a selection of 42 representative buildings and five new construction project sites. Based on this, we have evaluated the overall risks of each property through a risk rating that considers its exposure and vulnerability to specific climate hazards, including drought stress, heat stress, hurricanes and typhoons, wildfire risk, surface water flooding, coastal flooding, and landslides.

The following charts illustrate the proportion of portfolio with physical risk exposure and vulnerability under different scenarios. Due to data rounding, some bar percentages may not add up to 100%.

Proportion of Portfolio by Overall Physical Risk Levels in 2030

Proportion of Portfolio by Overall Physical Risk Levels in 2050

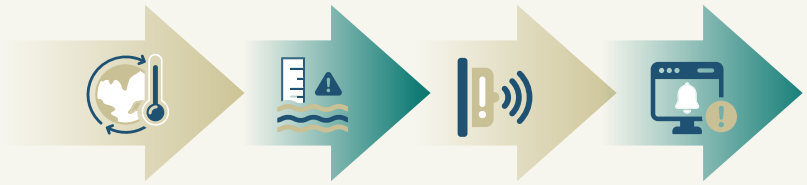
Proportion of Portfolio by Overall Physical Risk Levels in 2100

Adaptation & Mitigation Efforts

Following our evaluation of exposures and vulnerabilities to physical risks, we have implemented climate resilience design in our projects.

To enhance climate resilience, we consider deep pile foundations to improve building stability on the sloped site. Besides, a smart drainage system will be implemented for stormwater and foul water manholes to prevent overflow and water damage.

Smart Drainage System



Climate Change | **Water Level** | **Sensors** | **Building Management System (BMS)**

CCG assesses both existing buildings and new construction sites against the identified acute and chronic physical climate risks. This investigation provides insight into the current status of incorporating climate-resilient design elements across all projects. The structured evaluation serves as a practical tool to consolidate project-specific details and assess future needs for implementing necessary retrofits or adaptive measures.

Financial Impact Assessment of Physical Risks

Additionally, we have assessed the financial impacts associated with identified physical risks to evaluate their influence on our business operations, strategies, and overall economic performance. A comprehensive Value at Risk ("VaR") assessment was conducted to quantify the potential financial exposure of our assets to climate-related risks across three different scenarios (SSP1-2.6, SSP2-4.5, and SSP5-8.5) and timeframes (2030, 2050, and 2100). The VaR has been calculated for each type of physical risk, excluding wildfire and drought stress, which were considered non-material. The results indicate a minimal and immaterial financial impact projection, concluding that no property is currently considered financially material under these physical climate risks.

Apart from the direct impacts of physical climate risks, we have also evaluated the indirect effects. The most significant risks identified are rising insurance rates and capitalisation rates. Based on the results from financial tests conducted, it is observed that property owners may experience an increase in insurance premiums due to an unexpected coastal flooding event. Another risk identified is the increase in capitalisation rate due to moderate and severe coastal flooding events. However, the overall VaR remains immaterial for our portfolio throughout the analysis.

Transition Risks & Opportunities Assessment

Transition risks and opportunities were identified by supplementing the latest literature and data to provide both qualitative narratives and quantitative modelling for the transition risk scenario analysis.

Risks	Potential Impacts	Risk Mitigation
 **Policy & Legal**	• Strengthened regulations, building codes and standards on building energy efficiency • Hong Kong's plan to establish a carbon pricing scheme and the launch of the trial carbon trading market in China • Additional operating cost for greenhouse gas ("GHG") emissions	• Conduct building energy audits to ensure compliance • Develop internal future-proof targets to prepare ahead for the regulatory transition to more stringent building codes • Review material sources of carbon exposure from time to time and estimate the financial impact on the Group's operations
 **Technology**	• Emerging technologies in building construction and property management	• Invest in green technology and commercially viable alternative construction materials • Leverage partnerships with different stakeholders to drive innovative solutions for sustainable development • Proactively support tech ventures to translate research outcomes into real-world solutions to foster the Group's climate and energy transition capabilities
 **Market**	• Growing expectations from customers for green and energy-efficient properties	• Integrate sustainability, technology and innovation into our building design and daily operation • Develop internal future-proof targets to meet consumer demand for green building space further
 **Reputation**	• Higher expectations from customers and more stringent climate disclosure requirements from financiers, impacting how the company manages and discloses its climate risk and opportunities	• Enhance sustainability disclosure and continue to disclose our ESG-related information annually • Continue to conduct climate risk assessment, disclose potential climate risks, and enhance the breadth and depth of the disclosure • Strengthen engagement efforts with tenants and relevant stakeholders in climate resilience and sustainability

Opportunities	Potential Impacts	Opportunity Management
 **Digitalisation & Proptech**	• Implementation of new technologies in building construction and property management to address the climate transition needs, such as the use of smart technologies to enhance energy saving	• Conduct feasibility studies and integrate sustainability, technology and innovation into our building design and daily operation • Adopt research and development (“R&D”) on smart technology adoption in buildings • Develop smart apps and consumer engagement technology for low-carbon living • For more information, please refer to the “Embracing Innovation and Sustainable Construction” section of this Report
 **Consumer Preference**	• Growing expectations from customers for green and energy-efficient properties, which will require innovations, strategies, and systems to compete for higher rents and valuations • Decreased asset valuation of properties with high climate exposure	• Integrate sustainability, technology and innovation into our building design and daily operation • Set targets for obtaining green building certifications. Currently, the Group aims to attain at least Gold rating of BEAM Plus for 100% new major projects, and target at least Gold rating for LEED and WELL • For more information, please refer to the “Green and Innovative Building” and “Carbon Footprint Management” sections of this Report
 **Renewable Energy Growth**	• Adoption of renewable design and renewable resources as a way to decarbonise buildings, such as the use of solar panels and renewable energy	• Conduct feasibility studies to expand renewable energy use and green technology adoption • Consider renewable energy as a building option
 **Green Finance**	• Increasing trend of green and sustainable finance, allowing businesses to access lower-cost capital, which capitalises investment in green and climate-resilient projects and R&D	• Continue to invest more in low-carbon projects and the enhancement of sustainability performance, and obtain funding • Consider enhancing disclosure of the use of proceeds and progress achieved by projects funded by existing green loans to demonstrate credibility • For more information, please refer to the “Sustainable Financing and Responsible Investment” section of this Report

Financial Impact Assessment of Transition Risks

To assess the key impacts and financial implications of the Group's identified transition risks and opportunities, we have mapped relevant financial impact parameters to these risks and opportunities and conducted scenario analysis. The profit and loss implications are quantified and expressed as percentage changes in carbon and energy costs, providing a clearer view of potential financial exposure.

- Under the Net Zero 2050 scenario, we anticipate a significant rise in carbon tax beginning in the 2030s and extending from the 2100s onwards. The reduction in electricity costs is expected to begin in the 2050s and extend beyond the 2100s.

- Under the Current Policies scenario, the notable increase in carbon tax is expected to start from the 2050s onward. A substantial reduction in electricity costs will likely occur from the 2030s, with further reductions expected from the 2100s onwards.

Risk Management on Climate-related Issues

Our Group has adopted an approach to ensure accurate identification of climate risks and opportunities based on the latest scientific research, and we are making significant progress towards achieving our climate goals. We have identified, assessed and addressed the potential impacts of climate-related risks and opportunities in our operations, supply chain and business model. These risks have been integrated into the Group's Enterprise Risk Management ("ERM") framework.

Looking forward, we are working to prioritise and implement a monitoring mechanism to enhance our management of climate-related risks and capitalisation of climate-related opportunities in the future.

Metrics & Targets on Climate-related Issues

CCG identifies carbon emissions as material metrics to monitor climate risks. We also develop ambitious climate-related targets – CCG 3050+ – that align with the goals of the Paris Agreement to help limit the global temperature increase to 1.5˚C above pre-industrial levels.

In January 2022, the Group received validation from the SBTi. These approved Science Based Targets ("SBTs") are:

51.8%

Reduction in operational carbon intensity (Scope 1 and 2) in 2030 compared to the 2020 base year

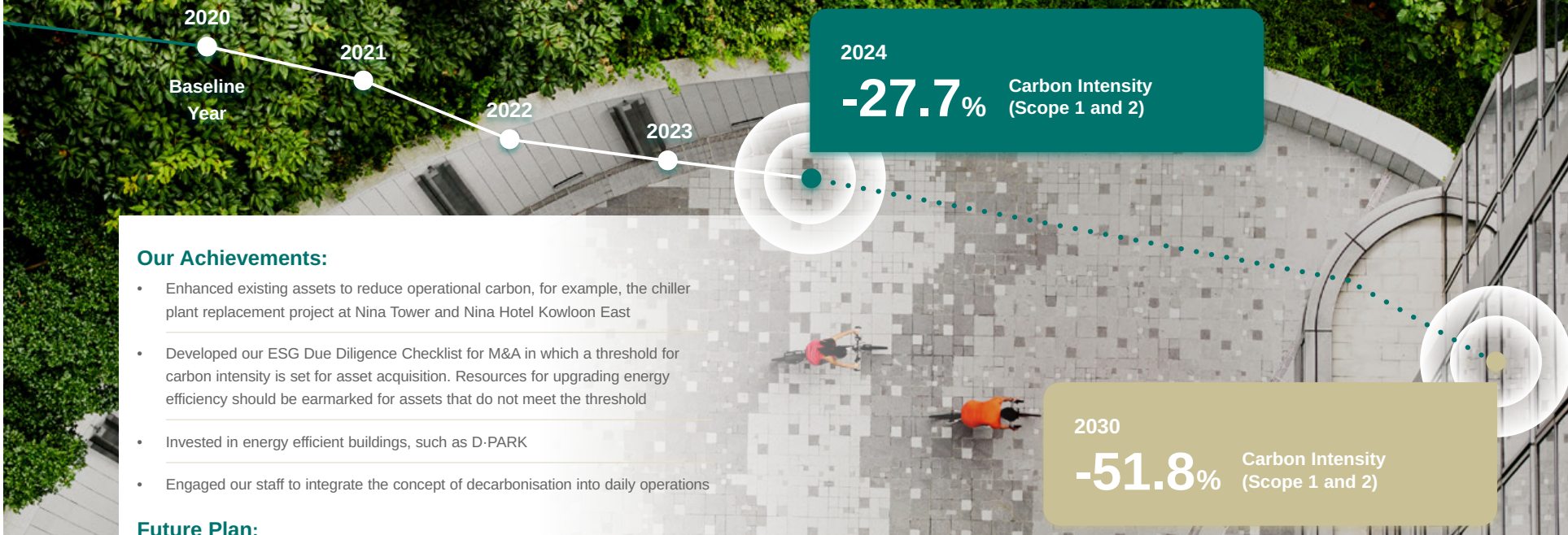
20%

Reduction in Scope 3 carbon intensity from capital goods, downstream leased assets and waste generated in operations, in 2030 compared to the 2020 base year

We are en route to lowering our operational carbon intensity under Scope 1 and 2 by 51.8% by 2030 compared to the 2020 base year.

To understand how the Group is committed to lowering Scope 3 carbon emissions, particularly on our embodied carbon from capital goods, please refer to the "Demonstrating Green Building Leadership" section of this Report.

2024 Progress of Our CCG 3050+ Carbon Reduction Target



Our Achievements:

- Enhanced existing assets to reduce operational carbon, for example, the chiller plant replacement project at Nina Tower and Nina Hotel Kowloon East
- Developed our ESG Due Diligence Checklist for M&A in which a threshold for carbon intensity is set for asset acquisition. Resources for upgrading energy efficiency should be earmarked for assets that do not meet the threshold
- Invested in energy efficient buildings, such as D·PARK
- Engaged our staff to integrate the concept of decarbonisation into daily operations

Future Plan:

- Actively pursue asset enhancement opportunities for decarbonisation, of which we have planned a range of projects, resulting in approximately 86,000 MWh of energy saving till 2030, equivalent to the annual emissions of around 4,700 standard households in Hong Kong
- Design and construct buildings with high sustainability standard by adhering to the Sustainable Design and Procurement Manual
- Continue to uphold the principles of ESG Due Diligence Checklist in asset acquisition
- Leverage advanced technologies, such as AI and digital twin, to optimise building energy performance

Protecting Ecosystems

We have integrated biodiversity considerations and protection efforts throughout all stages of our business operations and value chain. Our commitment to raising awareness and safeguarding ecosystems is reflected in the incorporation of biodiversity features within our projects.

In support of ecosystem protection, we are proud to be an inaugural Early Adopter of the TNFD. Moreover, we hold a silver membership with the World Wildlife Fund for Nature Hong Kong and have signed significant pledges, including the No Shark Fin Restaurant Pledge and the Earth Hour Pledge. Our dedication to these initiatives underscores our commitment to fostering a sustainable and biodiverse future.

Case Study

Biodiversity Features within CCG Projects

Nina Park

Our dedication to biodiversity conservation is reflected in the diverse plant species and wood fossils on display at Nina Park. The park proudly features six unique wood fossils, each organically shaped into symbols that represent love, celebration, and other essential aspects of life.

With over 30% of its area dedicated to greenery and more than 20 plant species, including rare specimens such as Araucaria cunninghamii and Ginkgo biloba, the park serves as a habitat for a diverse range of flora and fauna. The strategic planting of evergreen species and seasonal flowers attracts pollinators and small wildlife, providing shelter and a vital food source for local butterflies and birds, thereby supporting the ecosystem throughout the year. Nina Park also seamlessly connects to the nearby Tsuen Wan Park and Tsuen Wan Promenade, both of which are rich in biodiversity, creating a green belt that serves as an oasis in the bustling Tsuen Wan area. In addition, Nina Park collaborates with the University of Hong Kong and Lingnan University to conduct an Insect Pollinator Survey, which aims to study the diversity of insect pollinators in urban settings.

Biophilic Designs

We have incorporated biophilic designs in several of our buildings. For example, green walls are integrated in both the Nina Tower in Hong Kong and One New Street Square in London. Additionally, One New Street Square also features 6,300 plants and landscaped terraces, promoting biodiversity by providing habitats for various species.

Case Study

Working with Our Stakeholders in Promoting Biodiversity

We have been collaborating with various stakeholders to promote biodiversity and foster a deeper connection with the natural environment. As part of our initiatives, we supported The Green Earth's Night Walk and the Green Council's Green Run 2025, which empower our colleagues to engage with nature firsthand. These events not only encourage participation in outdoor activities but also emphasise the importance of a low-carbon, low-waste lifestyle. By participating in these night walks and runs, our colleagues are embracing sustainable practices and actively promoting greener lifestyles, thereby contributing to our collective efforts to protect and enhance biodiversity in our communities.

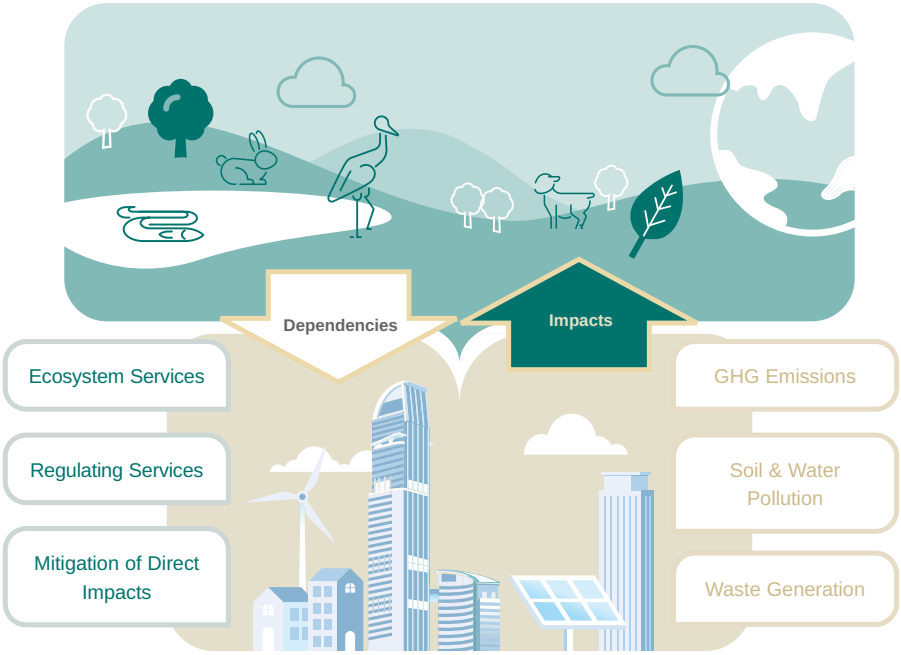
TNFD Disclosures

Governance on Nature-related Issues

The ESG Steering Committee, chaired by the CEO, is responsible for overseeing the Group's overall ESG strategies, reviewing and endorsing plans, and monitoring progress. For more details on our ESG governance structure, please refer to the "Setting High Standards of ESG Governance" section. The Group's commitment to environmental and nature protection is evident through our various policies, including the Climate Change Policy, Sustainability Policy, and Sustainable Procurement Guidelines. Moreover, the Group emphasises ecosystem balance in operations and procurement, assessing suppliers' adherence to nature-related standards. We have integrated robust governance mechanisms into our supply chain management and are committed to monitoring nature-related impacts through controls and grievance mechanisms. The Group also engages with local stakeholders and hosts Sustainability Conferences to address nature-related issues.

Strategy on Nature-related Issues

At CCG, we recognise that our businesses is deeply intertwined with nature capital, and we are committed to managing our dependencies, impacts, risks, and opportunities related to nature in a responsible and sustainable manner. Our strategy begins with a thorough assessment of our reliance on natural resources, including water, land, and biodiversity, to ensure that our operations are resilient and sustainable. We actively work to minimise our environmental footprint by adopting innovative technologies and practices that reduce resource consumption and waste generation. To mitigate potential risks, we conduct regular environmental impact studies and engage in proactive risk management, which includes developing contingency plans for natural disasters and resource scarcity. We also see significant opportunities in aligning with nature-positive initiatives, such as investing in renewable energy, sustainable supply chains, and urban biodiversity enhancement projects. By fostering a strong relationship with nature, we aim to enhance our long-term business resilience, contribute to the health of ecosystems, and create shared value for our stakeholders and the communities we serve.



Risk & Impact Management on Nature-related Issues

In 2024, we initiated our first TNFD study, aligning with the TNFD framework and adopting the LEAP (Locate, Evaluate, Assess, Prepare) approach. We have embarked on this journey to understand our impacts and dependencies on nature better and to manage the associated risks and opportunities.

Our LEAP Assessment Scope & Framework

Our LEAP assessment encompasses our 62 key assets, including hotels and residences, construction projects, as well as residential, industrial, and commercial properties in Hong Kong. Through the implementation of the LEAP approach, we have identified the locations of our operations and supply chains in critical ecosystems, evaluated our impacts and dependencies on nature, assessed the associated risks and opportunities, and devised strategies to lessen adverse effects and leverage beneficial outcomes. We have conducted stakeholder engagement to gather insights on the actual dependencies and impacts specific to the nature of the Group.

High Nature Impact/

Dependency Area	Protected Area near Assets	Key Biodiversity Area near Assets	Iconic Species
Tung Chung Area	No Protected Area is found within a 1 km buffer distance of our assets; six Protected Areas are found within a 5 km buffer distance.	No Key Biodiversity Area is located within a 1 km buffer distance of our assets. One Key Biodiversity Area is located within a five-km buffer distance. 186 International Union for the Protection of Nature ("IUCN") Red List Species and 31 Critically Endangered Species are found within a 50 km buffer distance.	Chinese Three-striped Box Turtle, Chinese Pangolin, Hawksbill Turtle, Small Persimmon, Steppe Eagle and Romer's Treefrog
Kowloon and New Territories Area	One Protected Area is located within a 1 km buffer distance of our assets, and 11 Protected Areas are situated within a 5 km buffer zone.	One Key Biodiversity Area is found within a 1 km buffer distance of our assets. Two Key Biodiversity Areas are located within a 5 km buffer distance. 183 IUCN Red List Species and 30 Critically Endangered Species are found within a 50 km buffer distance.	Caridina Apodosis, Spoon-billed Sandpiper, Baer's Pochard and Yellow-breasted Bunting
Hong Kong Island Area	One Protected Area is located within a 1 km buffer zone of our assets, and seven Protected Areas are located within a 5 km buffer zone.	One asset is located within a Key Biodiversity Area. One Key Biodiversity Area is found within a 5 km buffer distance. 184 IUCN Red List Species and 30 Critically Endangered Species are found within a 50 km buffer distance.	Wintry Starworm, Yellow Pond Turtle, King Horseshoe Bat and Indotyphlops lazuli (Hong Kong blind snake)

Based on the above results obtained from the study, our construction activities and operations will not significantly overlap with critical habitats or negatively impact ecosystem health. Additionally, habitats are situated at least 1 km from the assets thereby preventing direct and indirect disturbances to local ecosystems.

Locate

In the Locate phase, we examined the geographical distribution of our operations and their interactions with the natural surroundings. The aim was to pinpoint priority zones where these interactions could yield substantial risks or opportunities to guide our decision-making processes. Our prioritisation was based on the proximity of operational sites to areas of significant biodiversity value (e.g., IUCN Red List) through the utilisation of tools such as the Integrated Biodiversity Assessment Tool ("IBAT"), the World Wide Fund for Nature Hong Kong ("WWF") Risk Filter, and comprehensive desktop research. In conducting the location-based analysis, we have shortlisted 23 sites that are near crucial biodiversity areas. We have conducted an assessment to identify the impacts and propose potential mitigation strategies.

Evaluate

To assess the dependencies and impacts related to nature throughout the real estate value chain, we have conducted an in-depth analysis. This evaluation offers a comprehensive view of the interactions between each aspect of the value chain and natural ecosystems, highlighting notable areas of concern and opportunities for improvement. By utilising the ENCORE (Exploring Natural Capital Opportunities, Risks, and Exposure) database, as recommended by the TNFD, along with insights from stakeholder engagement, we have identified the top five nature dependency and impact topics within our value chain.

Top Five Nature Dependency Topics		Top Five Nature Impact Topics	
1.	Mass Stabilisation and Erosion Control	1.	Soil Pollutants
2.	Ground Water and Surface Water	2.	Water Pollutants
3.	Climate Regulation	3.	Non-GHG Air Pollutants
4.	Mediation of Sensory Impacts	4.	Solid Waste
5.	Flood and Storm Protection	5.	Water use

Assess & Prepare

The LEAP approach recommends that, for better integration of nature-related considerations in businesses, a company should identify and prioritise the nature-associated risks and opportunities associated with the most significant impacts and dependencies highlighted during the initial "Locate" and "Evaluate" phases. The Group has acknowledged the nature-related physical and transition risks and opportunities that could influence our operations, outlined in the table presented below.

Physical Risks

Risks	Potential Impacts	Risk Mitigation
Biodiversity Loss: Construction activities near protected areas and key biodiversity zones can have a negative impact on local biodiversity	• Increased costs for biodiversity mitigation measures (e.g. flood barriers, enhanced site management) • Potential delays in project timelines due to stricter environmental regulations	• Implement monitoring and reporting mechanisms for construction activities
Resource Scarcity: Supply chain disruptions for essential raw materials due to resource scarcity and ecosystem degradation	• Project delays due to the unavailability of materials • Raw materials extracted from ecologically sensitive areas may incur additional costs to comply with regulations	• Diversify suppliers to reduce dependency on single sources • Enforce compliance with the Supplier Code of Conduct (“SCOC”), prioritising suppliers with certified sustainable practices • Optimise resource efficiency by adopting efficient construction practices to minimise consumption, such as the MiC method at ECHO HOUSE
Natural Disasters: Ecosystem degradation may reduce natural barriers, increasing vulnerability to natural disasters	• Increased costs for disaster recovery and infrastructure repairs • Potential damage to property and business continuity	• Ensure all new major development projects achieve the second-highest sustainable building assessment scheme rating (such as BEAM Plus, LEED and WELL certifications) • Integrate climate-resilient infrastructure (e.g. flood barriers) and biophilic design (e.g. green roofs) in new development projects • Collaborate and support institutions and NGOs to conserve and protect biodiversity, such as partnering with The Green Earth to organise beach and trail clean-ups and supporting The University of Hong Kong and Lingnan University in conducting an Insect Pollinator Survey at Nina Park
Pollution: Air and noise pollution from construction activities may harm local ecosystems and communities	• Increased health and safety costs, potential legal claims, and fines • Negative community relations and opposition to future projects	• Use low-emission and quieter construction methods, such as the adoption of electric-powered construction equipment, MiC and MiMEP methods

Transition Risks

Risks	Potential Impacts	Risk Mitigation
Policy & Regulatory: Stricter regulations on biodiversity, land use, and environmental impact assessments ("EIAs")	• Increased compliance costs and potential project delays • Risk of fines and legal repercussions for noncompliance	• Proactively monitor and align with emerging policies and regulations • Participant in industry coalitions (e.g. policy groups of HKGBC, Business Environment Council ("BEC") and Hong Kong Green Finance Association ("HKGFA") to advocate for balanced regulations • Conduct regular training on environmental compliance
Market Risks: Fluctuating prices of alternative construction materials	• Budget unpredictability and potential delays in project schedules • Risk of reduced competitiveness if sustainable materials are not prioritised	• Build strategic partnerships with certified sustainable suppliers • Incubate and invest in R&D for innovative, low-environmental-impact solutions (e.g. "CCG Accel – Powered by HKSTP" accelerator programme and partnering with the Nano and Advanced Materials Institute ("NAMI") to green building technology)
Reputational: Increased public scrutiny and awareness of biodiversity and sustainability issues	• Potential decline in revenue and customer trust • Increased costs for marketing and public relations efforts	• Disclose nature-related performance annually via TNFD-aligned reports • Engage with stakeholders through different channels (e.g. focus groups and surveys, allowing stakeholders to report environmental concerns and feedback)
Technological: Growing market preference for alternative construction materials with lower environmental and biodiversity impacts	• Higher procurement costs for sustainable materials • Lagging behind industry innovation curves	• Incubate and invest in R&D for innovative, low-environmental-impact solutions (e.g. "CCG Accel – Powered by HKSTP" accelerator programme and partnering with NAMI to green building technology)
Liability: Potential liability arising from non-compliance with environmental regulations or damage caused by the Group's activities	• Legal costs and potential fines for regulatory breaches or environmental harm claims • Restoration costs to remediate damaged ecosystems • Long-term reputational damage leading to decreased customer trust and loss of business opportunities	• Establish a robust compliance framework to ensure adherence to environmental regulations • Implement monitoring and reporting mechanisms for construction activities • Engage with stakeholders through different channels (e.g. focus groups and surveys allowing stakeholders to report environmental concerns and feedback

Opportunities

Opportunities	Potential Impacts	Opportunity Management
Sustainable Buildings & Certifications	• Growing demand for sustainable-certified properties in Hong Kong's competitive market • Higher rental premiums and enhanced tenant retention due to sustainable-focused designs (e.g., BEAM Plus and WELL certifications) • Enhanced market positioning as a leader in sustainability	• Integrate biophilic design elements (e.g., green walls at Nina Tower) and blue-green infrastructure (e.g., rainwater harvesting at Nina Park) to enhance sustainability and biodiversity • Ensure all new major development projects achieve at least the second-highest ratings in sustainable building assessment schemes (such as BEAM Plus, LEED and WELL certifications)
Resource Efficiency & Circular Economy	• Cost savings achieved through reduced material waste and energy/water consumption • Regulatory compliance advantages with Hong Kong's tightened waste disposal regulations	• Adopt MiC at ECHO HOUSE and recycled materials (e.g., applying materials with 96% recycled content in Shun Fook Barn) to reduce construction waste • Install net-zero carbon chillers at Nina Tower and LED lighting/water-saving fixtures across hotels • Establish effective and proper sorting and recycling practices for waste generated at construction sites
Eco-Tourism & Community Engagement	• New revenue streams through biodiversity-focused offerings and activities • Strengthened community relations and loyalty fostered through educational initiatives	• Explore opportunities for eco-tours and workshops at Nina Park, highlighting the importance of pollinator habitats • Partner with the Green Earth to organise beach and trail clean-ups
Innovation & Partnerships	• First-mover advantage gained by adopting cutting-edge sustainable technologies • Improved access to sustainable financing for TNFD-aligned projects	• Incubate and invest in R&D for innovative and low-impact solutions (e.g. "CCG Accel – Powered by HKSTP" accelerator programme and partnering with NAMI to enhance green building technology) • Participate in policy groups, including the HKGBC, the BEC and HKGFA, to shape future regulations
Reputation & ESG Leadership	• Aligning with international guidelines (e.g., TNFD recommendations) to improve ESG ratings and overall market evaluation	• Publish TNFD-aligned disclosure with third-party verification. • Highlight biodiversity efforts (e.g., pollinator habitats at Nina Park) in marketing campaigns

Metrics & Targets

To effectively monitor and track nature-related performance, CCG is currently identifying and gathering relevant metrics. The selection of the metrics outlined below addresses the identified nature-related risks and opportunities:

Spatial Footprint	Resources	Engagement Workshop
• % of controlled/ managed surface area for which the biodiversity factor has been assessed	**Water** • Total wastewater discharged • Total reclaimed water • Number of water pollution incidents	• Number of engagement workshops that have discussed biodiversity-related matters
• Extent of land/ freshwater/ocean ecosystem use change	**Plastics** • Total plastic packaging material used	

CCG will take steps to collect accurate and reliable data for the identified metrics. Targets will be established for both the short and long term concerning key metrics that reflect the significant nature-related dependency and impact, ensuring effective linkage with the Group's overall strategy.

During the reporting year, CCG has not violated any nature-related laws or regulations, nor has it incurred any fines or penalties.

Summary

CCG leverages its deep roots in real estate to lead the way in green building development, integrating innovation and sustainable practices across its portfolio. Beyond incorporating environmentally conscious features and cuttingedge technologies in new developments, CCG has implemented a wide range of energy-efficiency measures in existing buildings. These initiatives, such as replacing chiller plants, installing LED lighting and occupancy sensors, have contributed to a reduction in carbon and energy intensity in FY2024/25. Through our collective efforts, CCG achieved a 27.7% reduction in operational carbon intensity in 2024 compared to the 2020 baseline.

Complemented by strong stakeholder partnerships through our Green Tenant Engagement Programme, CCG continues to accelerate its decarbonisation journey, driving meaningful progress toward a low-carbon future.