

# WASTE AND WATER MANAGEMENT POLICY

## 1. Introduction

Sunlight Real Estate Investment Trust (“**Sunlight REIT**”) 2030 Sustainability Vision, our sustainability strategy framework set in the financial year 2019/20, guides our efforts in managing the most material sustainability issues to the business and stakeholders. In the sustainability strategy framework, Henderson Sunlight Asset Management Limited (“**the Manager**”) identified eleven focus areas under four strategic pillars, of which waste and water is one of the focus areas under the pillar of Land.

We recognize the importance of managing waste and water and the associated impacts on the environment. We operate our properties in accordance with a holistic set of green building principles and benchmarks such as BEAM Plus issued by Hong Kong Green Building Council for continuous improvement of our performance.

We are committed to managing waste and water and their associated risks across our operations, guided by global best practices. By reducing water consumption and waste generation, we do not only minimize our operational footprints, but also help our business and tenants save cost. We address waste and water risks as part of our corporate risk management process. This Waste and Water Management Policy guides our management of waste and water-related activities in the operations.

## 2. Scope

The main responsibility of the Manager is to manage Sunlight REIT and all of its assets in accordance with the Trust Deed in the sole interest of the unitholders of Sunlight REIT. Henderson Sunlight Property Management Limited (“**HSPM**”) has been delegated the responsibilities of providing property management, lease management and marketing services solely and exclusively for the properties of Sunlight REIT located in Hong Kong, subject to the overall management and supervision of the Manager.

This Waste and Water Management Policy applies to all directly-managed properties and will be communicated to the Deed of Mutual Covenant Managers (“**DMC Managers**”) of all non-directly managed properties whenever necessary.

## 3. Approach

### **Establishing goals and processes**

- We will identify the significant sources of waste from our business activities and their impacts. We will set and regularly review waste management objectives and revise targets as necessary. We will incorporate waste prevention measures such as products’ efficiency, endurance, and reusability into our procurement process.

- We will identify the water usage from our business activities and implement water efficiency measures in the planning stage of our properties under management. We will also collect the water consumption data for monitoring and setting water consumption targets.

#### **Implementation and management**

- We will ensure that we comply with relevant waste and water management standards and that we meet or exceed applicable legal requirements, integrating industry best practice into our operations.
- We will engage and partner with our employees, suppliers, tenants, customers and other stakeholders to minimize waste generation and water consumption in our daily operations wherever practicable.
- Through the prevention, reuse, recycling, up-cycling and recovery of waste, we will advocate the efficient use of materials and promote the awareness of minimizing waste generation in our business activities.

#### **Stakeholder communications**

- We will communicate our Waste and Water Management Policy and strategy to those with whom we work, including employees, suppliers, tenants, customers and other stakeholders.
- We will disclose our waste and water management performance by providing annual progress updates on achievement of our predetermined targets.

### **4. Monitoring**

We will monitor, track and report on the implementation of this Waste and Water Management Policy and strategy on a regular basis. We will target waste and water usage reduction opportunities to preserve the environment. We will keep appropriate records over time and report to the ESG Committee and the Board (if applicable) on progress towards our targets. We welcome scrutiny from our stakeholders and seek to be accountable for all our actions and decisions relating to waste and water management.

### **5. Review**

This Waste and Water Management Policy will be periodically reviewed by the ESG Committee and be amended and updated according to latest codes, regulations and standards as appropriate.