



ESR GROUP LIMITED
(Stock code: 1821)

**QUALITY OF ASSETS AND SERVICES
POLICY**

OWNER: GROUP ESG

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1. INTRODUCTION

1.1 This Quality of Assets and Services Policy ("**Policy**") sets out the commitment of ESR Group Limited and its subsidiaries (collectively, "**ESR**" or the "**Group**") to provide exceptional quality of assets and services. These include:

- (a) Maintain high tenant satisfaction through regular engagement with tenants;
- (b) Proactive Investment, Asset and Property Management, which include:
 - i. Acquiring quality assets;
 - ii. Carrying out Asset Enhancement Initiatives ("**AEI**") or Capital Expenditure ("**CAPEX**") works to improve the quality of properties; and
 - iii. Providing excellent property management services;
- (c) Provide a safe and healthy environment for employees, tenants, customers, suppliers, and the community.

These in turn will help attract good tenants and high footfall at our properties, which generate higher investment returns.

1.2 The Group believes that high quality assets and services encourage connectivity, inclusivity, and build vibrant, thriving communities around the properties. This is driven by the selection of quality tenants that can provide a comprehensive suite of services to serve the surrounding communities.

2. TENANT SATISFACTION

2.1 Tenant satisfaction is integral to ESR's continued commitment towards quality and business excellence. Tenant retention is encouraged through tenant-centric management and regular engagements.

2.2 To better understand tenants' needs, the Property Manager ("**PM**") shall conduct tenant satisfaction surveys on all its tenants at least once annually. Metrics to be considered in the survey may include:

- (a) Net promotor score;
- (b) Overall satisfaction score;
- (c) Satisfaction with communication;
- (d) Satisfaction with property management;
- (e) Satisfaction with responsiveness;
- (f) Understanding tenant needs; and
- (g) Value for money.

2.3 Tenant satisfaction surveys can be conducted internally by the PM, or by an appointed independent third party.

2.4 The results of the tenant satisfaction surveys shall be reviewed. Subsequently, an action plan shall be established and implemented to address the tenants' feedback.

3. INVESTMENT, ASSET AND PROPERTY MANAGEMENT

3.1 Group adopts a multi-pronged approach to delivering quality assets and services. This includes acquiring quality assets in strategic locations, improving the managed properties through AEI or CAPEX works, as well as providing excellent property management services.

3.2 During asset acquisition, the Group or any of its Business Units ("**BU**s") shall conduct relevant due diligence checks to assess the quality of the property, including its indoor environmental quality, resilience to catastrophe/disaster and building materials used.

3.3 Technical and environmental assessments on areas such as geotechnical, structural, architectural works, energy efficiencies and other ESG considerations are also conducted during due diligence, where applicable.

3.4 As part of the asset management process, AEI and building technological upgrades are carried out to improve the quality of the properties, incorporating green features and optimizing energy and water efficiencies.

3.5 Additionally, the BUs shall enforce strict management during the renovation and upgrading works to comply with environmental fit-out standards. The Group strives to achieve green

building certifications/ratings for its managed properties.

3.6 The Group shall invest in property technology initiatives to drive innovation and productivity to transform its properties into smart buildings.

4. HEALTH, SAFETY AND WELLBEING OF TENANTS, CUSTOMERS, SUPPLIERS AND VISITORS

4.1 The Group is committed to providing a safe and healthy environment for its tenants, customers, suppliers, and the visitors to our properties.

4.2 The Group undertakes various steps and initiatives to ensure safety of the buildings which it manages. These include compliance with occupational health & safety (“OHS”) regulations, controlled use of materials during maintenance and fit-out works (e.g., pesticides and asbestos), emergency access and exit points within the buildings, fire safety equipment and emergency responses (e.g., fire drills and counter-terrorism exercises).

4.3 The PM shall actively identify and mitigate security risks in its managed properties. To ensure the safety and security of tenants and public, each property is closely managed by an onsite PM team. The team oversees the daily operations with the support of service providers to implement a range of safety and security measures.

4.4 On top of the day-to-day cleaning and maintenance of good sanitation and indoor air quality, the Group promotes the health and well-being of the tenants, customers and the community through health and well-being related activities and measures at the properties.

4.5 Information, training, and supervision are provided to suppliers to ensure their safety while working at the properties. In addition, suppliers shall adhere to the BUs’ health & safety policy, where applicable. These include having an effective health & safety compliance system to record and monitor risks and incidents. Conditions of the sites are also closely monitored to identify any hazards risks to prevent injuries arising from the operations.

4.6 In the event of a serious incident (i.e., deaths, fatal injuries / diseases) occurring at the Group’s properties, employees should refer to the guidelines set out under the Group’s Health and Safety Policy.

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