

Environmental,
Social and
Governance
Report **2024**





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MESSAGE FROM THE CEO

Over the past year, significant global progress has been made toward sustainability, particularly in advancing climate finance to protect populations from the growing risks of climate-related disasters. However, the increasing frequency and intensity of extreme weather events highlight the urgent challenges facing our fragile planet. Despite these pressures, we have successfully navigated obstacles and fostered meaningful collaborations to work toward a sustainable future for generations to come. Guided by the principle of creating shared value for local communities and stakeholders, we remain committed to enhancing our sustainability performance and further integrating sustainable practices into our operations to accelerate our decarbonization journey. Recognizing the importance of a greener economy, the Board fully supports our pledge to the Science Based Targets initiative (SBTi), reaffirming our dedication to achieving ambitious greenhouse gas (GHG) reduction targets.



Our dedication to sustainability has been recognised by both local and international organisations. We are proud to have achieved a 5-star rating in the 2024 GRESB assessment for the fourth consecutive year, and once again ranked 1st in Eastern-Asia Listed Retail, reflecting our consistent leadership in ESG performance. Additionally, we were recognised as a constituent of the Hang Seng Corporate Sustainability Benchmark Index for the eighth consecutive year. These accolades, among others, are a testament to our steadfast pursuit of excellence in sustainability. We remain committed to decarbonising our operations, fostering positive social impacts, driving sustainable initiatives, and upholding the highest standards of governance across our business activities.

During the Reporting Year, we made substantial progress on achieving our science-based targets and achieved our long-term water reduction target, demonstrating the effectiveness of the measures we have implemented to minimize our environmental impact. Various waste reduction initiatives gained momentum, particularly food waste. Additionally, we increased our EV charging infrastructure by installing chargers at four more Fortune Malls, bringing the total to seven malls. To enhance customer experience, we unveiled a contactless parking system at Ma On Shan Plaza and Metro Town, integrated with the Fortune Malls App, to support a seamless customer-friendly experience.

This year's report is our first report prepared with reference to the International Financial Reporting Standards S2 Climate-related Disclosures (IFRS S2), underscoring our commitment to improving transparency and adopting global best practices in sustainability reporting. Climate change adaption and resilience remains central to our sustainability strategy. Guided by the overarching aim of delivering shared value to both the local community and our stakeholders, we will continue to strengthen our position as a leader in ESG excellence.

In closing, I would like to express my heartfelt gratitude to our dedicated team, stakeholders, and partners for their continued support. Together, we are shaping a sustainable future that benefits both our business and the wider community.

Chiu Yu, Justina

Chief Executive Officer

ESR Asset Management (Fortune) Limited

SUSTAINABILITY STATEMENT FROM THE BOARD

The Board oversees all sustainability issues, covering environmental, social and governance issues, and a Sustainability Committee was established to assist the Board in the effective execution of Fortune REIT's sustainability strategy, managing its sustainability performance and conveying its expectation to stakeholders.

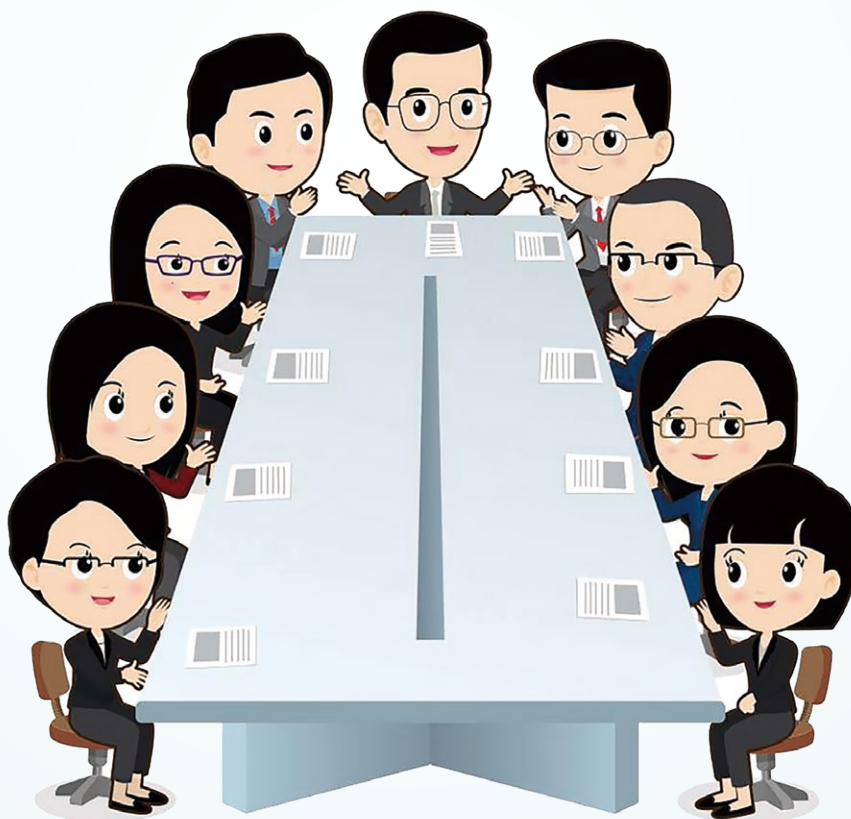
Fortune REIT's sustainability strategy focuses on five key focus areas, namely Our Footprint, Our Community, Our People, Our Space and Our Conduct. The Sustainability Committee and Management have set targets and implemented initiatives under each of these key focus areas to drive sustainability initiatives throughout the Reporting Year; details of which have been set out in this Report.

Fortune REIT conducted a risk assessment across multiple risk categories which included the topic of climate change, to allow for a more comprehensive understanding of its operating landscape and preparedness. The risk assessment of Fortune REIT is reviewed by the Audit Committee, as delegated by the Board, on a semi-annual basis. Risks are then managed through the Manager setting out adaptive and mitigation measures according to the risk analysis results and reviewing the effectiveness of the measures regularly to ensure the risks identified are managed in an appropriate manner.












To ensure these risks will be properly considered and managed, Fortune REIT has analysed the quantitative financial impacts of climate-related risks in 2024, following the qualitative analysis undertaken in 2023 and the climate scenario analysis conducted in 2022.

The Board will continue to push forward Fortune REIT's sustainability plans to fruition, with the aim of delivering sustainability excellence and maximising shared value for all our stakeholders.















Board of Directors



KEY TARGETS AND 2024 PERFORMANCE

2024 Key Topics	Targets	2024 Performance
Our Footprint 		
Energy efficiency	Energy intensity of landlord-controlled area consumption by 2035 ↓ 30%	 On track Against a 2019 baseline ↓ 15.7%
Waste management	15% waste recycled by 2035	 On track 7.7% waste recycled
Water and effluents management	Water intensity by landlord-controlled area by 2035 ↓ 10%	 Achieved Against a 2019 baseline ↓ 19.2%
Emissions management and decarbonization	Scope 1 and 2 GHG emissions by 2030 ↓ 46%	 On track Against a 2019 baseline ↓ 41.3%
	Measure and reduce Scope 3 GHG emissions	 Achieved Scope 3 GHG emissions have been measured and collaborated with tenants to reduce their energy consumption
Building sustainability and certifications	100% green building certifications for Hong Kong portfolio	 Achieved 100% of Hong Kong portfolio is green certified
Climate change adaptation and resilience	Incorporate green leases clause in standard Tenancy Agreement, install solar panels and EV chargers	 Achieved Standard tenancy agreement includes green lease clause, four Fortune Malls have solar panels installed and seven Fortune Malls are equipped with EV chargers
Our Community 		
Community engagement and investment	> 5 community engagement events each Reporting Year	 Achieved 15 community engagement events were held during the Reporting Year
Community impact monitoring	Engage with stakeholders through various channels such as stakeholder surveys, email and customer service counters, and respond to their needs and concerns	 Achieved Engaged with our stakeholders via the annual stakeholder survey, community engagement events and various other means, including Farm@Fortune

Key Targets and 2024 Performance

2024 Key Topics	Targets	2024 Performance
Our People 		
Talent attraction and retention	Maintain a female representation of no less than 50% in the workforce and 25% female representation on the Board	 Achieved 50% of workforce is female and 56% of Board is comprised of females
Diversity and fairness in workplace	> One workshop to promote diversity, equality and inclusion ("DEI") in the workplace	 Achieved DEI training was provided during the Reporting Year
Safe and healthy workplace	Zero fatality and work injuries	 Achieved Zero work-related injuries or fatalities for employees of the Manager for the past three years and zero lost days
Training and development	No less than 5 hours of ESG training per employee	 Achieved 7.83 hours of ESG training per employee
Our Space 		
Customer Health and safety	Maintain indoor air quality certification for at least five malls and conduct annual safety inspections	 Achieved Obtained Indoor Air Quality (IAQ) certification for 11 malls and periodic safety inspections have been conducted
Service Quality Management	Adopt innovative practices into our operations	 Achieved Introduced pet-friendly malls and unveiled contactless carpark system
Our Conduct 		
Procurement practice/supply chain management	100% of suppliers to Fortune Malls to comply with the Suppliers Code of Conduct	 Achieved Contractors were required to comply with the Contractor Environmental Regulation and Contractor Safety Regulation
Business integrity and anti-corruption	Promote awareness of privacy and cybersecurity attacks through training	 Achieved Provided cybersecurity training to employees during the Reporting Year
Business integrity and anti-corruption	Provide anti-corruption training to internal and external stakeholders	 Achieved Provided anti-corruption training to internal and external stakeholders
Management of sustainability-related risks	Zero incidence of non-compliance with relevant laws and regulations, zero human rights violations	 Achieved Zero incidence of non-compliance
Economic performance	> 50% of loans are sustainability-linked	 Achieved 62% loans are sustainability-linked

Key Targets and 2024 Performance

Driving Sustainable Practices at Farm@Fortune

As part of Fortune REIT's on-going efforts to raise the public's awareness of decarbonisation and to generate long-term value for its stakeholders, Farm@Fortune was unveiled in the fourth quarter of 2021 on the rooftop of Fortune City One. Farm@Fortune, serves as an integral part of Fortune REIT's initiatives to promote decarbonisation and deliver societal benefits through community and educational programs, and a platform for Fortune REIT to realize its vision for the community.



Our Space

- A dynamic and vibrant space for the community to gather, enjoy urban nature, fresh produce, and spend quality time with friends and family
- A platform to advocate for organic farming, food waste reduction, and community engagement



Our Footprint

- Surplus vegetables that are no longer suitable for consumption are donated by our tenants from the Fortune City One Wet Market
- These surplus vegetables are converted into compost for the farm, thereby reinforcing a zero-waste circular economy



Our Community

- The urban farm serves as a means for Fortune REIT to give back to the community through the donation of fresh organic produce
- Since its launch in the fourth quarter of 2021, approximately 560 kg of produce has been grown and donated to non-governmental organisations, with 312 direct beneficiaries from the farm



Our People

- Several wellness workshops have been conducted, including sessions on educating employees about a low-carbon diet, a mixing workshop, and an eco-dye workshop



We have received positive feedback from Catiline Anglo-Chinese Kindergarten, one of the participants of our community engagement programs at Farm@Fortune.

"The event at Farm@Fortune was highly successful, with positive feedback from both children and parents. The event was both educational and engaging, and we would be delighted to participate in another event in the near future."

Key Targets and 2024 Performance

Pioneering Innovation at +WOO

+WOO Phase 2, one of our flagship malls, has been awarded a gold rating for BEAM PLUS Interiors certification for renovation; the first mall in Hong Kong to attain this distinction. In 2025, +WOO was honored with the Gold Award for inclusivity and accessibility under the Universal Design Award Scheme 2024/25 and the smart toilets at +WOO have been honoured with The Best Toilet in 2024 – Best Design Ideas for Shopping Mall Toilet Award by the Hong Kong Toilet Association.

With an expanding catchment area and situated in the Northern Metropolis, +WOO has been designed to serve the community, by enhancing the functionality, safety and environmental considerations of the mall. To elevate the shopping experience, +WOO Phase 2 has been revitalized with an enhanced layout and inclusive facilities as well as interactive digital touches and sustainable elements, making it a desirable destination for shoppers of all ages.

The new zone, featuring several new escalators, a reconfigured atrium, and additional inclusive facilities, has already seen increased footfall with new food and beverage options. Furthermore, an unused outdoor space has been transformed into +WOO Playground, a new attraction that draws additional traffic to the second floor and revitalizes the surrounding area.



Our Space

- Inclusive facilities like baby care room
- Barrier-free access and accessible ramps
- Interactive digital enhancements including smart toilet system



Our Footprint

- Solar panels have been installed to generate renewable energy
- Skylight and green wall provide greenery and natural light
- EV chargers are available for use
- Building Management and Building Optimisation System installed to optimize energy efficiency



Our Community

- With a reconfigured atrium, +WOO hosted various community engagement events, including the movie *Inside Out 2* for 133 children
- +WOO Playground features seven sets of playground equipment in a 6,000 sq. ft. open space setting

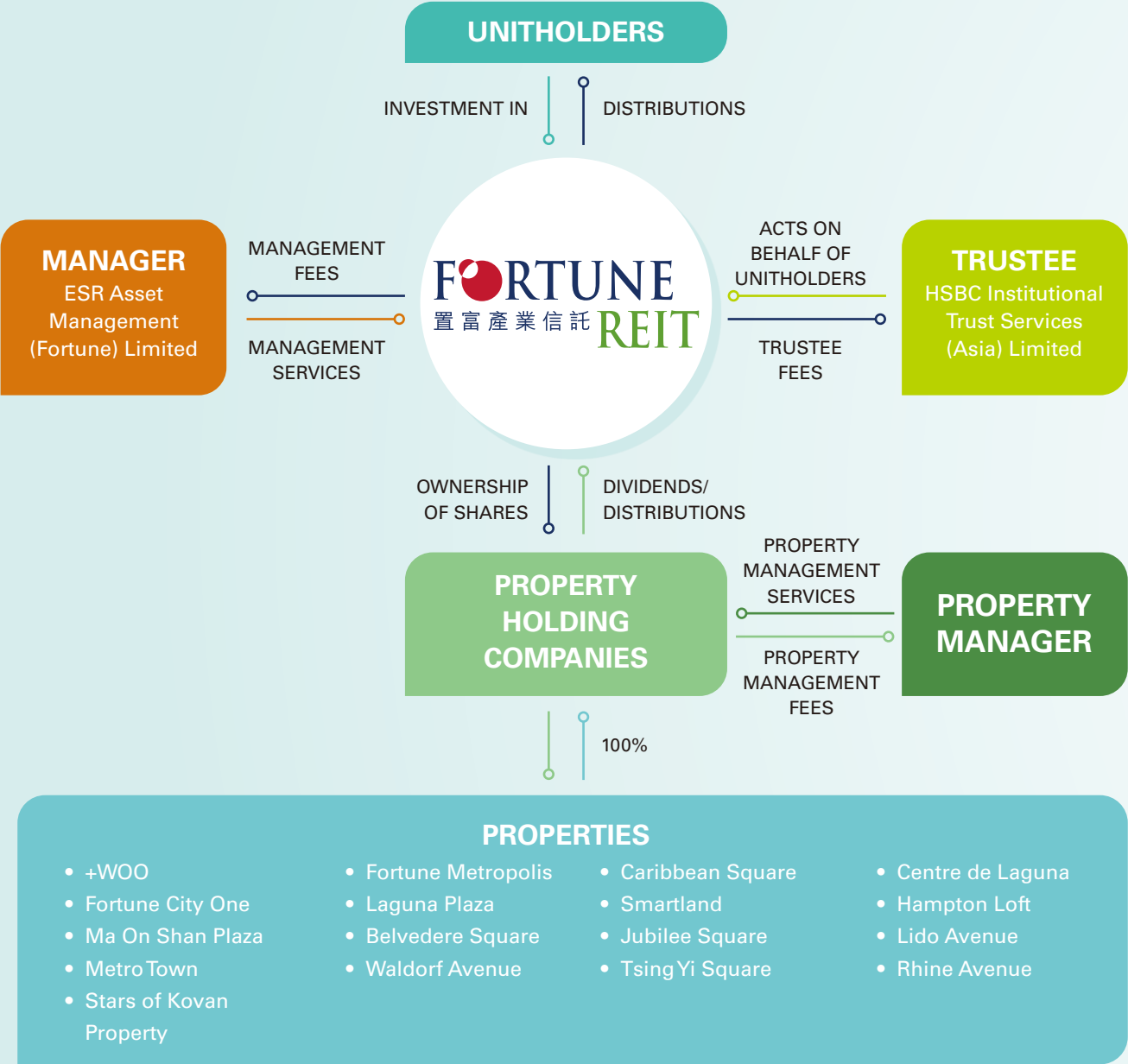


ABOUT FORTUNE REIT

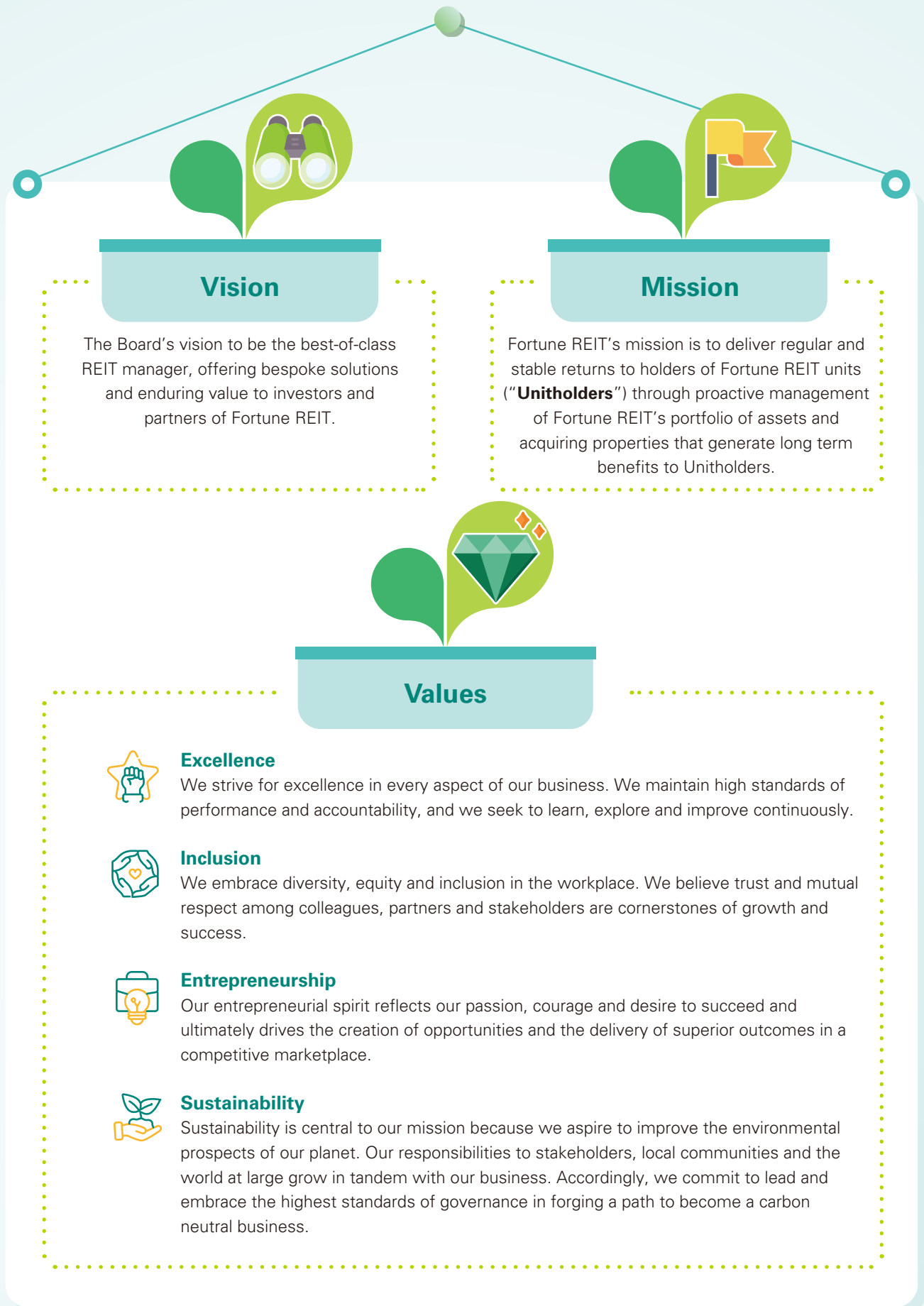
Established in 2003, Fortune Real Estate Investment Trust ("**Fortune REIT**") is a real estate investment trust constituted by a trust deed (as amended, supplemented or otherwise modified from time to time). It is the first REIT to hold Hong Kong assets and is currently listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**SEHK**"). Fortune REIT holds a portfolio of 16 private housing estate retail properties in Hong Kong ("**Fortune Malls**") and 1 neighbourhood mall in Singapore, comprising 3.0 million square feet ("**sq. ft.**") of retail space and 2,793 car parking spaces.

Fortune REIT is managed by ESR Asset Management (Fortune) Limited (the "**Manager**") a wholly-owned subsidiary of ESR Asset Management Limited. ESR Asset Management Limited is part of the ESR Group ("**ESR**").

Fortune REIT’s Structure And Properties Portfolio



VISION, MISSION AND CORE VALUES



MAJOR AWARDS AND RECOGNITIONS

Sustainability Benchmarks



Global Real Estate Sustainability Benchmark

- Highest **5-star** rating for four years consecutively
- **Ranked 1st** in Eastern-Asia Listed Retail



Hang Seng Corporate
Sustainability Index
Series Member 2024-2025

Hang Seng Corporate Sustainability Benchmark Index

- Included for **8 years** consecutively with a rating of **A** or above
- Rated **AA-** for 2024-25

Green Building Certifications



- Comprehensive Scheme **Platinum rating** for Fortune Metropolis and Ma On Shan Plaza
- **Excellent rating** in Management for all **16 Fortune Malls in Hong Kong**
- +WOO – First mall in Hong Kong to attain BEAM PLUS Interiors certification for renovation – **Gold rating**

Sustainability Awards



- GRESB x HERA: Standing Investment Benchmark Award (Mainland China/ Hong Kong) – Commendation



- Hong Kong Management Association: Hong Kong Sustainability Award 2024 Corporate Award – Merit Award (Large Organisation Category)



For more information, please refer to the ESG Awards and Certifications section in this report.

REPORTING YEAR AND SCOPE

The Environmental, Social and Governance Report (the “**Report**”) of Fortune REIT presents its sustainability performance for the financial year from 1 January to 31 December 2024 (“**2024**” or the “**Reporting Year**”). The reporting scope of this Report focuses on Fortune REIT’s full scope of operations for 16 private housing estate retail properties in Hong Kong and 1 neighbourhood mall in Singapore.

Property	Number of Car Parking Lots	Gross Rentable Area (sq. ft.)
Fortune City One	653	414,469
+WOO	622	665,244
Ma On Shan Plaza	290	310,084
Metro Town	74	180,822
Fortune Metropolis	179	332,168
Laguna Plaza	150	163,203
Belvedere Square	329	276,862
Caribbean Square	117	63,018
Jubilee Square	97	170,616
Smartland	67	123,544
Hampton Loft	35	74,734
Waldorf Avenue	73	80,842
Tsing Yi Square	27	78,836
Centre de Laguna	–	43,000
Lido Avenue	–	9,836
Rhine Avenue	–	14,604
Stars of Kovan Property	80	22,638
Total	2,793	3,024,520

REPORTING STANDARDS AND PRINCIPLES

The Report is prepared in accordance with the “comply or explain” provisions of the Environmental, Social and Governance Reporting Guide (the “**ESG Reporting Guide**”) under Appendix C2 of the Rules Governing the Listing of Securities on the SEHK and item 19 of Hong Kong’s Securities and Futures Commission’s ‘Circular to Licensed Corporations, Management, and Disclosure of Climate-related Risks by Fund Managers’.

In addition, this Report refers to the Global Reporting Initiative (“**GRI**”) Standards on certain material issues. This Report references Disclosures 2-3, 2-5, 2-7 to 2-9, 2-12, 2-22, 2-27, 2-29 from GRI 2: General Disclosures 2021, Disclosure 205-2 to 205-3 from GRI 205: Anti-corruption 2016; Disclosures 302-1 and 302-3 from GRI 302: Energy 2016; Disclosures 305-1 to 305-4 from GRI 305: Emissions 2016; Disclosures 405-1 to 405-2 from GRI 405: Diversity and Equal Opportunity 2016; and Disclosure 416-2 from GRI 416: Customer Health and Safety 2016. The report is also prepared with reference to the International Sustainability Standards Board’s (“**ISSB**”) new International Financial Reporting Standards S2 Climate-related Disclosures (“**IFRS S2**”) published in June 2023.

Fortune REIT adheres to the following reporting principles in defining its reporting content:

- **Materiality:** Fortune REIT focuses on issues that have a significant impact on its business and are important to its stakeholders. Material issues are identified through a series of stakeholder engagement activities and are validated.
- **Quantification:** In order to illustrate the performance of Fortune REIT, key performance indicators are presented in quantitative terms with methodology explained whenever feasible.
- **Balance:** The Report provides stakeholders with an unbiased picture of Fortune REIT’s achievements and the risks it faces.
- **Consistency and comparability:** Fortune REIT employs a consistent measurement methodology to allow for meaningful comparison of ESG data over time. There is no significant change in the methodology in the preparation of the Report during the Reporting Year.
- **Completeness:** The Report responds to the material topics identified in the Reporting Year to avoid omission of any aspects that are material to stakeholders.
- **Accuracy:** Fortune REIT is committed to upholding the truthfulness of the information set out in the Report and ensuring its traceability.
- **Timeliness:** To allow timely and informed decisions of stakeholders, the Report discloses its impact on the environment and society with the Reporting Year.
- **Clarity:** The Report is written in a manner that is comprehensible and accessible to relevant stakeholders.

Report Assurance

Fortune REIT has established internal controls and a formal review process to ensure that any information presented in the Report is as accurate and reliable as possible. With the assistance of the Sustainability Committee, the Manager’s Board of Directors (the “**Board**”) has reviewed and approved the Report.

In the Reporting Year, Fortune REIT appointed the British Standards Institution (“**BSI**”) to provide independent assurance of the Report and the environmental data (including energy, water, greenhouse gas and waste) in accordance with the ESG Reporting Guide. The assurance, the scope of work and conclusions can be found in the Independent Assurance Statement on pages 72-74.

Feedback Mechanism

Fortune REIT values feedback and comments from stakeholders. Stakeholders are welcome to share their views with Fortune REIT via enquiries@fortunereit.com to help define and strengthen its future sustainability strategy.

VALUE CREATION



Property Manager and Contractors

Fortune REIT maintains open dialogue with its Property Manager and contractors to allow effective execution of the sustainability strategy.



Employees

Fortune REIT aims to empower its employees in a work environment which promotes inclusion and prioritises health and safety.



Tenants and shoppers

Fortune REIT has created a healthy and safe environment which enables tenants and shoppers to enjoy a quality retail environment.



Investors

Fortune REIT maintains active communication with its investors to enable them to make informed investment decisions.



Trustee and regulatory bodies

Fortune REIT, through the Manager, meets its obligations under the Code on Real Estate Investment Trusts (REIT Code) and Trust Deed to remain compliant and to satisfy its fiduciary duties, with oversight from the Trustee and regulatory bodies.



Local Community and Non-governmental organisations

Fortune REIT creates comfortable shared spaces that are inclusive and continually invests in the community.

Value Creation

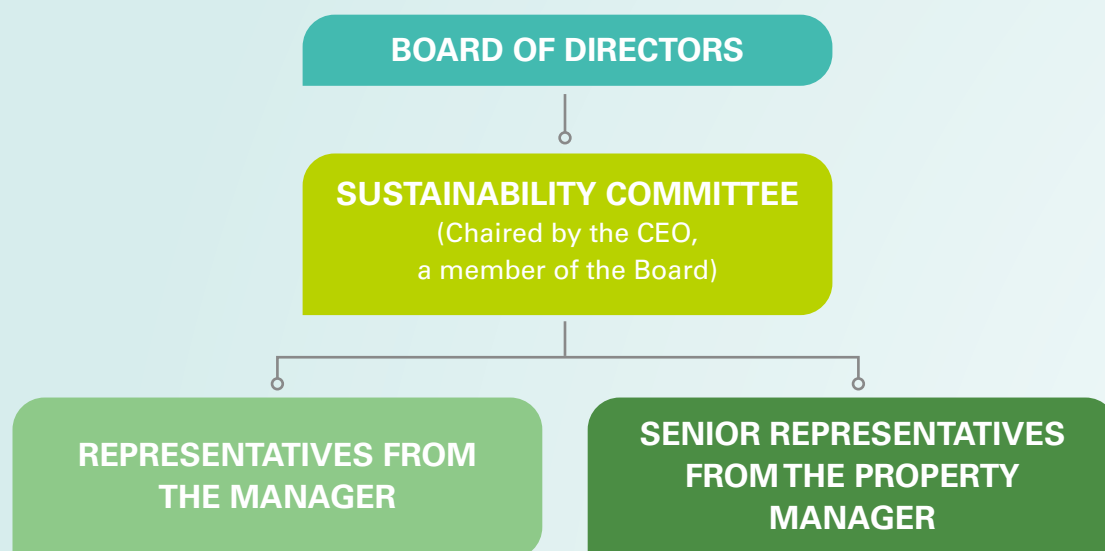
As an integral part of the real estate industry, Fortune REIT understands its operation has economic, environmental, and social impacts on the community. Fortune REIT strives to create value for its stakeholders and the community where it operates, through catering to the needs of its stakeholders.



SUSTAINABILITY APPROACH

Fortune REIT's sustainability strategy sets the foundation of its approach in managing sustainability in pursuance of its sustainability objectives and concentrates its efforts on material issues, which have a significant impact on Fortune REIT's operations and stakeholders. With the collaborative efforts of the Board, the Sustainability Committee and stakeholders, Fortune REIT progressively improves its performance through assessing and managing sustainability risks and opportunities, while addressing stakeholders' concerns in its decision-making processes.

Sustainability Governance



Board of Directors

The Board has the fundamental responsibility for Fortune REIT's sustainability. The Board oversees all sustainability issues, covering environmental, social and governance topics, such as climate-related issues. Various policies have been put in place to promote the efficient use of resources, adoption of energy efficient and industry best practices, use of renewable energy, sustainability-anchored procurement and supply chain management processes, and incorporation of climate-related considerations into the risk management framework. These initiatives are embedded within the Manager's business processes and policies, demonstrating the Manager's determination to sustainable development and to reduce its carbon footprint.

The Board is informed by Management on material ESG issues including Fortune REIT's sustainability and climate-related risk identification, evaluation and the management of potential impacts from climate risks and opportunities requiring the Board's deliberation in a timely and adequate manner. The Board is kept apprised of sustainability-related matters through scheduled Board meetings and monthly updates via detailed reports prepared by Management. Through the Audit Committee, the Board reviews the risk management framework of Fortune REIT on a semi-annual basis. The risk management framework covers climate-related risks, including physical and transition risks which have been assessed to be relevant and material to Fortune REIT. Board members are experienced and as part of the annual continuous training for the Board, Board members are provided with annual training on sustainability and climate-related issues, which were delivered by external experts or relevant advisors on climate-related topics.

Sustainability Approach

Sustainability Committee

The Sustainability Committee was established to assist the Board in the effective execution of Fortune REIT's sustainability strategy, managing its sustainability performance and conveying its expectation to stakeholders, including employees and the Property Manager. The Sustainability Committee conducts bi-monthly meetings to review sustainability issues, progress of implemented measures and considers climate-related risks and opportunities, and their potential impacts it may have on the Manager's operations, which are reported to the Board. In alignment with the Board's strategic direction, the Sustainability Committee integrates climate-related risks and opportunities into Fortune REIT's overall strategy. After risk assessments are conducted, the Sustainability Committee formulates and implements policies and initiatives to address these risks, and capitalizes on potential opportunities. The Committee also oversees the ongoing progress of these policies and initiatives, while fostering innovation and driving continuous improvement in sustainability practices to ensure Fortune REIT's strategy remains resilient and forward-looking. It is also responsible for setting long-term reduction targets, monitoring the performance of Fortune REIT against the long-term reduction targets for energy consumption, GHG emissions, water consumption and waste consumption as delegated by the Board, sets key objectives and targets, and implements measures to improve Fortune REIT's sustainability performance.

At the management level, Management meets regularly to review the operations of Fortune REIT. Key risks, including ESG and climate risks, control measures and management actions are continually identified, reviewed and monitored by Management as part of Fortune REIT's Enterprise Risk Management ("**ERM**") Framework.

At Fortune REIT, risks are proactively identified and addressed to help the Manager anticipate its risk exposure, put mitigating controls in place to counter threats, whilst pursuing its objectives. The risk profile registers are reported to the Audit Committee and the Board on a half-yearly basis to highlight changes in the risk assessment, quantitative and qualitative factors affecting the inherent risks and effectiveness of mitigating controls supporting the residual risks. Climate-related risks are evaluated with the same level of importance as other significant risks, such as financial and operational risks, within Fortune REIT's overall risk management framework. A risk is classified as "material" if it is considered to have a significant impact on the organization, regardless of whether this impact is measurable in purely monetary terms. The assessment of materiality for all risks, including climate-related risks, is conducted by the Risk Management Committee to ensure a comprehensive and balanced approach to risk prioritization. The ownership of these risks lies with the respective business functions with the overall stewardship residing with the Board.

Sustainability Approach

The Manager has incorporated ESG and climate-related performance indicators into employees' performance appraisals, which makes up a percentage of their scorecard, directly linked to employee's total remuneration package.

Responsibilities of the Sustainability Committee

- Formulate sustainability strategy
- Target setting and review
- Monitor performance
- Review policies and measures
- Identify, prioritise and manage sustainability risks and opportunities
- Coordinate ESG reporting
- Ensure execution of measures by Property Manager
- Engage stakeholders in the decision-making process



SUSTAINABILITY STRATEGY

The sustainability strategy paves the foundation for Fortune REIT in its pursuance of sustainability excellence. Fortune REIT has set focus areas around Environmental (E), Social (S) and Governance (G) aspects, enabling Fortune REIT to prioritise its efforts and resources on issues that have the greatest impact on Fortune REIT's operations and implement relevant action plans.

Sustainability Objectives










Sustainability Strategy












Focus areas		Key topics
Environment 	Our Footprint To minimise Fortune REIT's environmental footprint	<ul style="list-style-type: none"> • Energy efficiency • Waste management • Water and effluents management • Emissions management and decarbonisation • Building sustainability and certifications • Climate change adaptation and resilience
	Our Community To deliver value to the community and address their needs	<ul style="list-style-type: none"> • Community engagement and investment • Community impact monitoring
	Social	
	Our People To provide our employees a constructive and balanced working environment	<ul style="list-style-type: none"> • Talent attraction and retention • Diversity and fairness in the workplace • Safe and healthy workplace • Training and development
	Our Space To enhance our shoppers' experience with advanced technologies and pleasant shopping environment	<ul style="list-style-type: none"> • Customer health and safety • Service quality management
Governance 	Our Conduct To set a solid foundation for our business success	<ul style="list-style-type: none"> • Business integrity and Anti-corruption • Economic performance • Procurement practice/supply chain management • Management of sustainability-related risks

Sustainability Strategy






Sustainability Targets and Performance

Environment			
	Key Topics	Key Targets	2024 Performance
Our Footprint 	Energy efficiency 	<ul style="list-style-type: none"> • Reduce energy intensity by 30% by 2035 against a 2019 baseline • Improve energy efficiencies of buildings 	<ul style="list-style-type: none"> • Reduced 15.7% against 2019 baseline • Building management and building optimization system covers 85% of total GFA of Fortune Malls, allowing better operational efficiency leading to energy saving
	Waste management 	<ul style="list-style-type: none"> • 15% waste recycling rate by 2035 	<ul style="list-style-type: none"> • 7.7% of waste recycled • Tackled food waste at our malls and recycled 351.45 tonnes of food waste, equivalent to 219.7 tonnes of CO₂ • Collected 4.23 tonnes of edible surplus food via Food Angel's Smart Food Donation Machine and donated over two tonnes of fresh food from the wet market at Fortune City One to further minimise food waste • Recycled 12,478 kg of plastic bottles in our malls through Reverse Vending Machines • Avoided the use of 2,326 plastic bottles by collaborating with Fill n Go to provide environmentally-friendly personal care products and laundry products as well as Well – Urban Spring to encourage the Bring-Your-Own-Bottle refill culture
	Water and effluents management 	<ul style="list-style-type: none"> • Reduce water intensity by 10% by 2035 against a 2019 baseline 	<ul style="list-style-type: none"> • Reduced 19.2% against 2019 baseline • Installed water saving faucets • Used reclaimed water and harvested rainwater for landscaping irrigation
	Emissions management and decarbonisation 	<ul style="list-style-type: none"> • Committed to a Science-based target to reduce Scope 1 and 2 GHG emissions by 46% by 2030 from a 2019 baseline year • Committed to measure and reduce Scope 3 GHG emissions 	<ul style="list-style-type: none"> • Reduced 41.3% against 2019 baseline • Collaborated with tenants to reduce their energy consumption and Scope 3 emissions have been measured
	Building sustainability and certifications 	<ul style="list-style-type: none"> • 100% green building certifications for Hong Kong portfolio 	<ul style="list-style-type: none"> • 100% of Hong Kong portfolio is green certified
	Climate change adaptation and resilience 	<ul style="list-style-type: none"> • Incorporate green leases clause in standard Tenancy Agreement, install solar panels and EV chargers 	<ul style="list-style-type: none"> • Standard tenancy agreement includes green lease clause • Installed solar panels at four Fortune Malls, a combined total of 127.43 tonnes of GHG emissions avoided annually • Installed EV chargers at four more Fortune Malls, bringing total to seven malls

Sustainability Strategy

Social			
	Key Topics	Key Targets	2024 Performance
Our Community 	Community engagement and investment 	<ul style="list-style-type: none"> To hold at least five community engagement events each Reporting Year 	<ul style="list-style-type: none"> 15 community engagement events held during the year focused on “Nurturing the youth”, “Creating a better community” and “Caring for the elderly” for Fortune REIT’s community investment Farm@Fortune, an integrated social value chain, at Fortune City One continued to raise environmental awareness in the community and reduce food waste with over 216 kg of produce grown and donated during the Reporting Year Offered in-kind venue support for social enterprises and NGOs for 62 events which included events promoting cultural and recreational activities for young people as well as people with disabilities and the elderly
	Community impact monitoring 	<ul style="list-style-type: none"> Engage with stakeholders and respond to their needs and concerns Maintain 100% employee participation for the employee satisfaction survey 	<ul style="list-style-type: none"> Engaged with our stakeholders via the annual stakeholder survey, community engagement events and various other means, including Farm@Fortune 100% employee participation in the employee satisfaction survey
Our People 	Talent attraction and retention 	<ul style="list-style-type: none"> Maintain a female representation of no less than 50% in the workforce and 25% female representation on the Board 	<ul style="list-style-type: none"> 50% of workforce is female and 56% of Board is comprised of females
	Diversity and fairness in the workplace 	<ul style="list-style-type: none"> > One workshop to promote diversity, equality and inclusion (“DEI”) in the workplace 	<ul style="list-style-type: none"> DEI training was provided, employee satisfaction survey included DEI factors and all employees participated in the employee satisfaction survey
	Safe and healthy workplace 	<ul style="list-style-type: none"> Maintain a zero fatality and work injuries 	<ul style="list-style-type: none"> Zero work-related injuries or fatalities for employees of the Manager for the past three years and zero lost days
	Training and development 	<ul style="list-style-type: none"> No less than five hours of ESG training per employee 	<ul style="list-style-type: none"> All employees have undertaken 7.83 hours of sustainability, anti-corruption, compliance and cybersecurity training Average of 24 training hours per employee
Our Space 	Customer Health and safety 	<ul style="list-style-type: none"> Monitor and maintain indoor air quality for at least five malls and conduct annual safety inspections 	<ul style="list-style-type: none"> Obtained Indoor Air Quality (IAQ) certification for 11 malls and regular inspection of mall facilities Periodic safety inspections have been carried out by the Property Manager
	Service Quality Management 	<ul style="list-style-type: none"> Adopt innovative practices into our operations 	<ul style="list-style-type: none"> Introduced pet-friendly malls Unveiled contactless carpark system at Ma On Shan Plaza and Metro Town which is integrated with the Fortune Malls App

Sustainability Strategy

Governance			
	Key Topics	Key Targets	2024 Performance
Our Conduct 	Business integrity and Anti-Corruption 	<ul style="list-style-type: none"> • Provide anti-corruption training to internal and external stakeholders • Promote awareness of privacy and cybersecurity attacks through training 	<ul style="list-style-type: none"> • Provided anti-corruption training to internal and external stakeholders and cybersecurity training to employees during the Reporting Year
	Economic performance 	<ul style="list-style-type: none"> • More than 50% of loans are sustainability-linked 	<ul style="list-style-type: none"> • 62% loans are sustainability-linked
	Procurement practice/ supply chain management 	<ul style="list-style-type: none"> • 100% of suppliers to comply with the Suppliers Code of Conduct • Promote business integrity and sound corporate governance through training internal and external stakeholders • Maintain channels for enquiries, feedback and complaints (including whistleblowing) 	<ul style="list-style-type: none"> • Contractors were required to comply with the Contractor Environmental Regulation and Contractor Safety Regulation • ESG training was provided to internal and external stakeholders (including the Board, employees and staff of the Property Manager) • Multiple avenues of communication were available to stakeholders and potential whistleblowers
	Management of sustainability-related risks 	<ul style="list-style-type: none"> • Maintain zero incidence of non-compliance with relevant laws and regulations, zero human rights violations • Review sustainability megatrends affecting our industry 	<ul style="list-style-type: none"> • Zero incidence of non-compliance • Material risks have been integrated into the existing risk management framework • Strengthened our climate disclosures with our 2024 ESG report prepared with reference to ISSB Standards



STAKEHOLDER ENGAGEMENT

Fortune REIT believes that active response to the expectations and concerns of stakeholders is integral to its operations and development. As committed in its Stakeholder Engagement Policy, Fortune REIT communicates frequently and effectively with its stakeholders to develop positive relationships with the communities in which it operates.

Stakeholder Engagement Mechanism

During the Reporting Year, Fortune REIT engaged with its significant stakeholders through various channels including questionnaires/surveys, roadshows and community events.

Significant Stakeholders of Fortune REIT

Stakeholders	Communication channels	
Trustee/ investors 	<ul style="list-style-type: none"> • Annual general meeting • Annual reporting • Surveys • Website and social media 	<ul style="list-style-type: none"> • Emails and hotline • Press releases • Investor meetings and roadshows
Customers and shoppers 	<ul style="list-style-type: none"> • Surveys • Website and social media • Fortune Malls App • Emails and hotline 	<ul style="list-style-type: none"> • Customer service counters and management offices • Partnering with NGOs and community events
Property Manager 	<ul style="list-style-type: none"> • Regular meetings • Sustainability Committee meeting • Surveys 	<ul style="list-style-type: none"> • Website • Emails and hotline
Tenants 	<ul style="list-style-type: none"> • Tenants meeting • Circulars • Eco-taskforce • Tenant satisfaction survey 	<ul style="list-style-type: none"> • Surveys • Website and social media • Fortune Malls App • Emails and hotline
Contractors 	<ul style="list-style-type: none"> • Supplier Code of Conduct • Surveys • Website 	<ul style="list-style-type: none"> • Emails and hotline • Meetings
Employees 	<ul style="list-style-type: none"> • Employee satisfaction survey • Internal employee satisfaction survey 	<ul style="list-style-type: none"> • Employee communication and engagement programmes
Non-governmental organisations 	<ul style="list-style-type: none"> • Website • Annual reporting • Emails 	<ul style="list-style-type: none"> • Survey • Partnering with NGOs and community events



Stakeholder Engagement

Materiality Assessment

1. Identification

Fortune REIT reviewed sustainability issues from previous years and focused on 18 issues that respond to global sustainability megatrends in the real estate industry, stakeholder feedback, peer benchmarking, as well as local and international reporting standards to identify sustainability issues relevant to its operation.

The 18 issues align with the focus areas in Fortune REIT's sustainability strategy.

2. Engagement

Feedback and opinions from internal stakeholders (Directors and employees) and external stakeholders (tenants, customers, suppliers, trustee, professional bodies, non-governmental organisations, media etc.) were collected via an online survey. Fortune REIT used a double materiality approach and stakeholders were invited to express their views on the identified sustainability issues based on their level of impact on Fortune REIT financially and relevant impact of Fortune REIT's business on the environment and society.

In the Reporting Year, Fortune REIT received 338 valid survey responses (2023: 374).

3. Prioritisation

Fortune REIT considered its stakeholders' feedback and prioritised the identified sustainability issues according to their impact and financial materiality. Impact materiality was based on the impact of Fortune REIT's business on the environment and society and input was sought from across stakeholder groups, while financial materiality of the issues were assessed by finance-related professionals. An additional dimension on issues' level of impact on Fortune REIT is also reflected in the matrix, reflected in the size of respective issue bubbles.

Among the sustainability issues identified, six issues were considered as most material. Emission management and decarbonisation was the most material issue identified with the other material issues in decreasing order of materiality: Energy efficiency, Water and effluents management, Waste management, Service quality management and Customer health and safety.

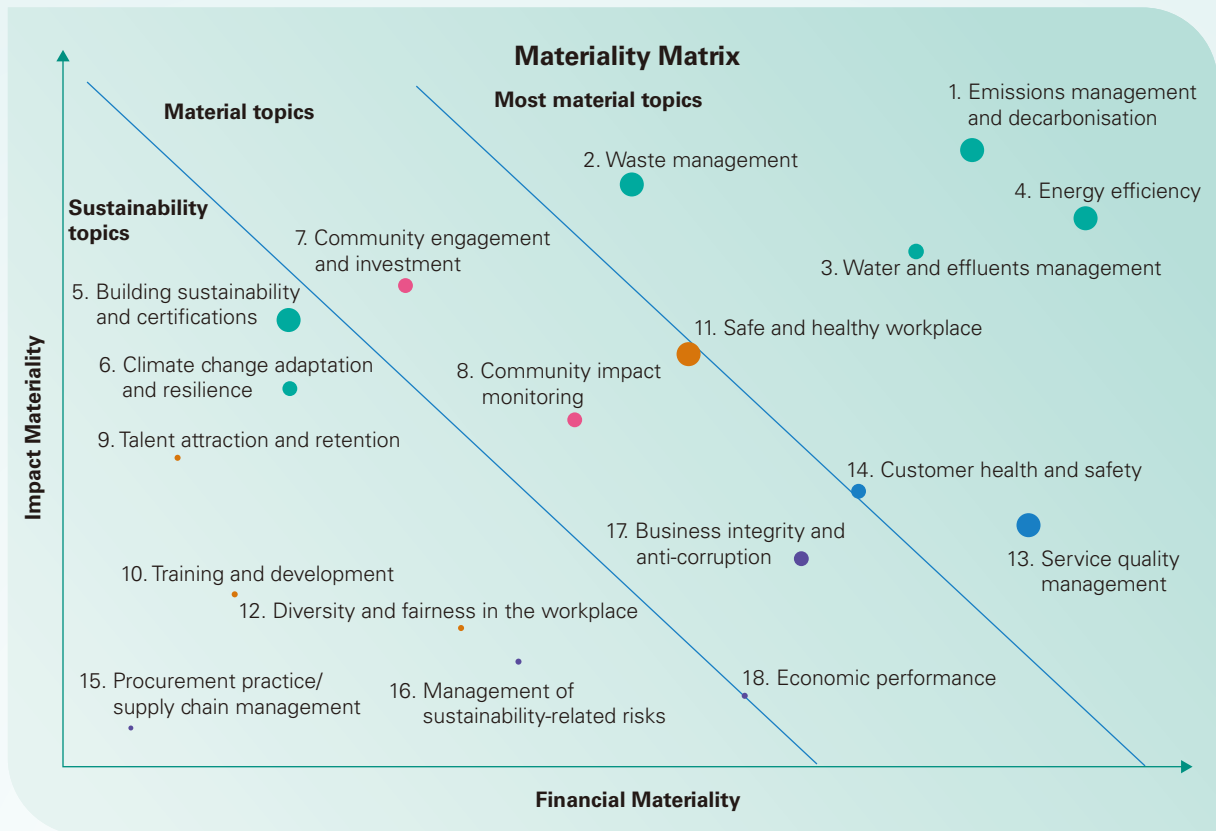
The materiality assessment results for 2024 are presented in the below materiality matrix.

4. Validation

The results of the materiality assessment were reviewed and approved by the Sustainability Committee and the Board.



Stakeholder Engagement

**Our Footprint**

1. Emissions management and decarbonisation
2. Waste management
3. Water and effluents management
4. Energy Efficiency
5. Building sustainability and certifications
6. Climate change adaptation and resilience

Our Community

7. Community engagement and investment
8. Community impact monitoring

Our People

9. Talent attraction and retention
10. Training and development
11. Safe and healthy workplace
12. Diversity and fairness in the workplace

Our Space

13. Service quality management
14. Customer health and safety

Our Conduct

15. Procurement practice/supply chain management
16. Management of sustainability-related risks
17. Business integrity and Anti-corruption
18. Economic performance



Stakeholder Engagement

Feedback and opinions from stakeholders are valuable drivers for Fortune REIT's continuous improvement, and various measures have been implemented during the Reporting Year. In addition to conducting the materiality assessment annually, Fortune REIT responds to stakeholders' feedback through the implementation of various measures, the below is shown in the order of decreasing materiality:

Stakeholders' feedback and concerned aspects	Fortune REIT's response
Emission management and decarbonisation	Fortune REIT is committed to emissions management and decarbonisation through the adoption of SBTi in reducing our GHG emissions. To understand our decarbonisation blueprint and efforts in reducing our GHG emissions, please refer to the Emission Management and Decarbonisation section under Our Footprint.
Energy efficiency	Fortune REIT has set a long-term energy intensity reduction target of 30% by 2035 against a 2019 baseline, with progress monitored bi-monthly by the Sustainability Committee. Our malls have implemented collaborative sustainability initiatives, such as upgrading energy-saving equipment to drive positive change in energy reduction. Please refer to Energy Efficiency under Our Footprint section for further details.
Water and effluents management	With a long-term water intensity reduction target of 10% by 2035 (against a 2019 baseline), Fortune REIT remains focused on sustainable water management practices, including utilising reclaimed water for irrigation and implementing smart irrigation systems at Farm@Fortune, to achieve measurable progress. Please refer to Water and Effluents Management under Our Footprint section for further details.
Waste management	Fortune REIT promotes responsible waste management by promoting recycling, reducing waste generation, and ensuring proper disposal in compliance with regulations. To encourage recycling, we introduced initiatives such as Reverse Vending Machines, food waste collection, and shopper reward programs promoting reusable items. We continue to foster sustainable waste practices across our operations with a long-term waste recycling target of 15% by 2035. Please refer to Waste Management under Our Footprint section for further details.
Service quality management	Fortune REIT is committed to enhancing service quality by actively collecting feedback from shoppers and tenants, with concerns professionally addressed by our trained Property Manager. The newly launched contactless carpark system uses license plate recognition to streamline payments, reduce delays, enhance promotions, and optimise management for an improved customer experience. Please refer to Service Quality Management under Our Space section for further details.
Customer health and safety	Fortune REIT regularly conducts inspection of mall facilities, deploys cleaning/disinfection robots and obtains air quality certifications to ensure customer health and safety. Please refer to Our Space section for further details.



OUR SPACE

Fortune Malls are the destination-of-choice for local residents to fulfil their daily necessities. As part of the Manager's aim to serve the community and to uphold the living quality of the surrounding residents, policies and procedures have been put in place to prioritize high levels of customer health and safety, and service quality, whilst also providing shoppers with innovative and relevant experiences at Fortune Malls.

Customer Health and Safety

Fortune REIT seeks to build an inclusive community and prioritises the accessibility of its malls by implementing accessible designs throughout Fortune Malls when planning its asset enhancement initiatives. These include barrier-free access, accessible ramps at mall entrances, assistance bell for visitors requiring assistance. In creation of an inclusive place, baby care rooms and family toilets are open for shoppers, to ensure a safe and convenient visit for the elderly, young families and individuals with disabilities.

With our ethos of serving the community at the forefront of our thinking, to increase walkability and accessibility of our malls for the vision-impaired, Laguna Plaza has been included on the Smart City Walk App¹. Moreover, the Fortune Malls App (the “**App**”) also has an integrated way-finding function. Fortune REIT's priority still remains to provide a healthy and safe environment for shoppers, tenants, employees, and the community. The Manager, acting through the Property Manager, has also engaged independent consultants to carry out periodic safety inspections, as well as monitoring and inspections related to the environmental quality and safety of its buildings.

Increased resources have been continuously dedicated to cleaning and disinfection across Fortune Malls, including the use of cleaning robots since the COVID-19 pandemic. The indoor air quality of the malls is vigilantly monitored and 11 of 16 Fortune Malls are certified with Indoor Air Quality Certification Scheme (Good Class), including all malls eligible for certification.



☀ Baby care room at +WOO



☀ Accessible ramps

¹ The Smart City Walk App is a mobile application for indoor navigation which shows the current location of users and is able to navigate users to their destination. The Smart City Walk App is developed under the Jockey Club Smart City Walk Project initiated by the Hong Kong Blind Union and funded by The Hong Kong Jockey Club Charities Trust.



Our Space

CASE STUDY

Pet-friendly Malls

In a bid to create a more inclusive and welcoming environment, several Fortune Malls have recently introduced a range of pet-friendly practices. Pet strollers are now available for rent at major Fortune Malls. These initiatives are designed to cater to the growing number of pet owners in the city, ensuring that both pets and their owners can enjoy a comfortable and enjoyable shopping experience. The move towards pet-friendly malls not only caters to the needs of pet owners but also fosters a sense of community and inclusivity, enhancing the overall shopping experience.



Service Quality Management

Fortune REIT is committed to continuously improving the quality of service offered at its malls, and works hand in hand with its Property Manager to regularly monitor the mall environment with an aim to provide a quality experience for shoppers and tenants alike.

The Fortune Malls App (the “**App**”) integrates information and offers for shopping, dining and parking for all 16 Fortune Malls and features the Fortune+ loyalty programme, which enables the Manager to promote its marketing campaigns in an effective and timely manner. Since its launch, the App has grown its customer base with more functions built-in the App including eVouchers and the contactless carpark system. In addition to being a useful marketing tool to stimulate spending in Fortune Malls, the App has integrated features such as a directory and way-finding to optimise usability and offers a seamless offline-to-online shopping experience for shoppers. In a bid to digitalise, the App underwent further development with the launch of the contactless carpark system during the Reporting Year, please refer to the Our Conduct section to learn more about the contactless carpark system. Fortune REIT protects the data privacy of its members and customers as outlined by the Privacy Policy Statement and Personal Information Collection Statement featured on its website and the App.

Our Space

Fortune REIT constantly improves performance by collecting stakeholders' feedback. Open and direct communication with tenants and shoppers is vital in achieving and maintaining high standards of customer service. Shoppers can also submit feedback and enquiries through Fortune Malls' website, customer service counters, dedicated hotlines, emails and satisfaction surveys, which are all designed to collect feedback. All feedback will be followed up in a timely manner. The Property Manager is also required to equip their employees with the adequate knowledge and skills to address shoppers' concerns professionally. Guidelines and training programs are made available to the employees of the Property Manager. As part of its supply chain management, Fortune REIT will consider the feedback and complaints received to evaluate the performance of property management service providers. During the Reporting Year, Fortune REIT received 147 enquiries/complaints from shoppers regarding customer service. The complaints were resolved and handled in a timely manner through clarification of relevant policies and procedures, with appropriate remedial action and improvements undertaken as necessary.



Our Space

CASE STUDY



Achieving Operational Efficiencies through the Contactless Carpark System

To streamline carpark operation and improve customer experience, a new license plate recognition technology-based access control system and a mobile application for payments was introduced at Ma On Shan Plaza and Metro Town during the Reporting Year. The new system can recognize the registered vehicles based on their license plate and allows both monthly and hourly parking payments to be settled electronically via the Fortune Malls App, providing our customers with a seamless experience.

The contactless carpark system reaps several advantages including:

- Convenient electronic payment methods and better customer experience through the Fortune Malls App;
- Detailed parking and payment history will be shown in the Fortune Malls App;
- Reducing unnecessary delay and queues at carpark entrance gates;
- Human errors are minimised, and personal data is safeguarded and protected;
- Enhances carpark promotions, customers can redeem and use parking coupons on the Fortune Malls App;
- Enables site management to monitor in real time remotely, and thereby reduces the manpower costs; and
- Displays the vacancy of the carpark to draw more drivers to Fortune Malls.



OUR CONDUCT

Fortune REIT sees integrity and ethics as the foundation of its operation. The Manager upholds the highest standards in maintaining a corruption-free and free market, and the Board has established a framework for managing internal controls and business risks. The Manager also assesses relevant sustainability risks periodically to ensure risks are managed in a timely manner. For further details of Fortune REIT's approach to managing sustainability and climate-related risks, please refer to the "Sustainability Approach" section.

Business Integrity and Anti-Corruption

Fortune REIT strives to uphold the highest standards of business integrity across all its operations, including a zero-tolerance policy on acts of corruption, bribery, extortion, fraud, money laundering, anti-competitive practices or violations against human rights. Random audits, job rotation and background checks on employees are performed regularly to eliminate corruption and anti-competitive behaviour within Fortune REIT's operations.

Adherence to all applicable laws and regulations sets the foundation for Fortune REIT's daily operation. Through effective management, policies and measures, risks of repercussions such as enforcement actions, fines, penalties and lawsuits due to non-compliance of relevant laws and regulations are minimised.

Under the Manager's risk management system, Fortune REIT assesses the regulatory compliance risks and identifies laws and regulations that have significant impact on Fortune REIT's operations, such as the Employment Ordinance and Minimum Wage Ordinance, Personal Data (Privacy) Ordinance, Occupational Safety and Health Ordinance, Air Pollution Control Ordinance, Water Pollution Control Ordinance and Waste Disposal Ordinance. Fortune REIT stays abreast of the latest regulatory developments and provides appropriate training for relevant employees.

The key ESG policies governing the operations of the Manager and Fortune REIT are listed below:

Environment



- Climate Change Adaption, Mitigation and Resilience
- Environmental Management System
- Indoor Environmental Quality
- Energy and Emissions Management
- Net Zero Carbon
- Sustainable Procurement
- Contractor Environmental Regulation
- Environmental Protection
- Environmental Resource Management

Social



- Diversity, Equity and Inclusion
- Quality of Assets and Services
- Group Human Resources
- Stakeholder Engagement
- Employee Handbook
- Community Development
- Personal Data Protection
- Human Rights
- Contractor Safety
- Health and Safety



Our Conduct

Governance



- Anti-Bribery & Corruption and the Handling of Gifts, Travel & Entertainment
- Anti-Money Laundering & Counter Terrorist Financing & Sanctions
- Code of Conduct & Business Ethics
- Employee Dealing and the Handling of Inside Information
- Enterprise Risk Management Framework
- Corporate Governance Code
- Conflicts of Interest
- Board Diversity Policy
- Whistleblowing
- Unitholders’ Communication
- Supplier Code of Conduct
- Responsible Investment
- Information Security
- Group Crisis Management
- Social Media

Please visit our website for more information in relation to our ESG policies.

The Manager seeks to promote business integrity and sound corporate governance through a variety of initiatives, such as comprehensive training for both internal and external stakeholders, with the Board, all employees and the Property Manager having received sustainability and anti-corruption training during the Reporting Year. Fortune REIT maintains clear channels for enquiries, feedback and complaints open to all stakeholders, including a whistle-blowing policy that provides clear procedures for employees and relevant stakeholders to report suspected improprieties and obstructive actions, while maintaining the identity protection of the whistle-blowers. Further details regarding the Manager’s anti-corruption and whistle-blowing procedures can be found in Fortune REIT’s 2020 Sustainability Report. As a subsidiary of ESR, the Manager will adopt the United Nations-supported Principles for Responsible Investment in its investment and asset management policies and practices.

During the Reporting Year, there is no incidence of non-compliance of relevant laws and regulations on Fortune REIT.



CASE STUDY

**Compliance Training**

The Manager strives to develop, promote and maintain high standards of corporate governance as stipulated in the Manager's Code of Conduct and Business Ethics, which is applicable to for all employees of the Manager. As part of a wider training initiative driven by ESR, a series of Compliance Training program was rolled out during the Reporting Year to educate and refresh our employees' knowledge on the relevant laws, regulations and internal controls that apply to their day-to-day job responsibilities. The robust compliance training program required employees to complete training on six compliance topics including: Individual Accountability, Preventing Financial Crime, Whistleblowing, Fraud, Operational Risk Management Essentials and Insider Trading/Global Trade Control Sanctions. The training is designed with the purpose of reducing organisational risks and boosting our stakeholders' confidence in our business and operations and was mandatory for all employees.

Employees clocked an average of 24 training hours which included 7.83 hours on sustainability, compliance, cybersecurity, diversity, equality and inclusion topics; with all employees trained. For more information about the compliance training provided by the Manager, please visit our website.



Our Conduct

Embracing Data-driven Culture

The Manager adheres to its Group's policy regarding intellectual property which requires all employees to handle intellectual property with care and respect. As stipulated in the Group Human Resources Policy, all employees must not copy or disseminate any copyright material in a manner which would be in violation of the rights of the copyright owner. To avoid misuse of intellectual property, the consequences of violation are outlined in the policy. In addition, Fortune REIT maintains responsible marketing communication by publishing truthful and honest information. Marketing materials are approved by Management before publication.

As Fortune REIT embraces digitalisation and digital culture, the importance of protecting data against potential breaches, misuse and cyberattacks has been elevated. A general guideline for the collection, access, update, security, retention and destruction of data is in place and details have been disclosed in the 2022 ESG report. The Manager respects the data privacy of its tenants and customers, a value shared with the Property Manager. The Property Manager has formulated a general guideline and set out standards for handling personal data related issues. A comprehensive procedure is in place guiding the collection, access, update, security, retention and destruction of data received. It stipulates that if personal data is collected, a privacy policy statement or personal information collection statement must be provided to the customer to clearly explain the purpose for collecting personal information, the types of information being collected, how the information will be used, disclosure of information and access to information when correction is needed. During the Reporting Year, the Manager was not aware of any non-compliance with laws and regulations related to product and service responsibility, including but not limited to the Personal Data (Privacy) Ordinance in Hong Kong.

With increased cybersecurity attacks, cybersecurity was another risk identified in Fortune REIT's Risk Profile Register again this year. In accordance with its Group's Information Security Cybersecurity Policy which governs information availability, confidentiality and security, the Manager recognises the importance of a secure and reliable digital system to protect data. Preventative measures to manage cybersecurity risks such as multiple layers of security incorporated across the IT landscape, regularly conducted network vulnerability assessment and penetration testing as well as cybersecurity training and workshop for employees have been implemented. There are multiple layers of security incorporated across the Information Technology (IT) landscape with constant monitoring of internet gateways to detect potential security events, network vulnerability assessment and penetration testing are also conducted regularly to identify any potential security gaps. Fortune REIT adheres to its Group's strategy in managing cybersecurity risks, and the preventative measures implemented during the Reporting Year include mandatory cybersecurity training for employees, random simulated phishing security tests, the introduction of multi-factor authentication for added security and the prevention of stolen passwords and against hacking, as well as a digital workshop to enhance digital skills and competencies.



Our Conduct

Management of Sustainability-related Risks

An effective risk management mechanism is essential to adapting and mitigating rising sustainability risks such as climate risks. Management assists the Board in managing relevant risks and is responsible for risk identification, evaluation and management of potential sustainability risks. To allow for a more comprehensive understanding of the operating landscape and preparedness, Fortune REIT conducted a risk assessment across multiple risk categories, identifying potential risks, outcomes, and mitigation measures, with continuous monitoring and reporting of risks to ensure that risks are effectively managed. Climate-related risks are integrated into the Manager's policies, internal controls, vision, and/or strategy. Each department has designated risk owners who are responsible for continuously monitoring and addressing these climate risks. This ensures that the Manager remains proactive in managing potential climate-related impacts and aligns its operations with sustainable practices.

Having an effective risk management system enables Fortune REIT to strengthen resilience to sustainability risks. The Risk Profile Register also incorporated climate change (including physical and transition risks) and megatrends in the real estate industry, including regulatory changes in climate reporting growing emphasis on wellness and inclusive design, landlord-tenant engagement to foster sustainability efforts, adoption of proptech, adoption of renewable energy, and demographic shifts.

To allow for a more comprehensive understanding of the operating landscape and preparedness, Fortune REIT conducted a risk assessment across multiple risk categories, identifying potential risks, outcomes, and mitigation measures for each. For more information on Fortune REIT's risk management process, please refer to the Corporate Governance Report contained in Fortune REIT's 2024 Annual Report.

Crisis Management

Effective crisis management is essential for ensuring organizational resilience and sustainability. It involves a structured approach to identifying potential threats, preparing response strategies, and implementing actions to mitigate the impact of crises. A robust crisis management plan includes clear communication channels, predefined roles and responsibilities and simulation exercises. These elements enable organizations respond swiftly and effectively to unexpected events, minimizing disruption and safeguarding stakeholders' interests.

Fortune REIT and its Manager have established a comprehensive Business Continuity Plan (the "**Plan**") to address crisis situations affecting both their internal operations and the operations of their malls in the event of a major incident or business interruption. This Plan outlines the procedures for restoring critical business functions and operations following a disruptive event. A Business Continuity Management Committee, comprising various department heads of the Manager, will be convened to ensure efficient and effective communication among the Manager, Property Manager, and contractors.

The Plan identifies the critical functions of Fortune REIT and its Manager and sets out a recovery plan prioritizing these critical functions first, followed by the resumption of the other functions. The Plan also includes a debrief and reflection session to discuss areas for improvement for the business continuity plan.

The Manager, with help from its Corporate Office, has carried out simulation drills replicating a crisis event. The report regarding the drill test is subject to internal audit review and the internal auditor presented its findings to the Audit Committee.



Our Conduct

Procurement Practice/Supply Chain Management

Due to the business nature of Fortune REIT’s operations, Fortune REIT works hand in hand with a number of suppliers, such as its Property Manager and cleaning contractors.

To align suppliers with Fortune REIT’s sustainability strategy, the Manager considers the environmental and social impacts in its selection of suppliers and contractors. Approved contractor lists are reviewed regularly and ESG-specific requirements are included in the contractor declaration form as part of the tender process to manage ESG risks in the supply chain.

In order to cultivate a culture of sustainability with its operations, all suppliers of Fortune Malls are required to adhere to the Supplier Code of Conduct, and to undertake compliance with the code of conduct, applicable laws and regulations, the ethical conduct of business, the protection of the rights of all employees and responsible operations, covering principles including health and safety, human rights, modern slavery, workplace relations, fair competition and bribery. As a result, the Manager manages the environmental and social risks in its supply chain through stipulating its minimum expectations of its suppliers in its Supplier Code of Conduct.



Our Conduct

Furthermore, the Contractor Environmental Regulation and Contractor Safety Regulation are provided to contractors when performing work at Fortune Malls. The Contractor Safety Regulation mandates the establishment of a safety plan when performing maintenance work in common areas of Fortune Malls. The Manager actively communicates with suppliers and contractors to ensure outlined expectations are met so that operations are running smoothly and responsibly.

The Property Manager is one of the major suppliers of Fortune REIT and the employees of the Manager communicate with the Property Manager daily. The Property Manager is entrusted with handling the day-to-day operations, leasing and marketing activities of Fortune Malls. Given that effective communication and management of suppliers are key to achieving Fortune REIT's sustainability ambitions, senior representatives from the Property Manager have been invited to sit on the Sustainability Committee to provide their insights and on-the-ground perspectives on the daily operations of the malls.

Fortune REIT aims to leverage its platform to drive sustainable change amongst its stakeholders. To keep the Property Manager abreast of developments, ESG training was also organised to the employees of the Property Manager on the topics of waste management, Sustainability and ESG, diversity, equality and inclusion, employee health and safety, fitness and flexibility, mental health and stress management and general health and well-being, and anti-corruption.

Economic Performance

Sustainability-linked loans provide a financial incentive for Fortune REIT to improve environmental, social, and governance (ESG) performance, as better sustainability metrics can lead to lower interest rates, resulting in significant cost savings over the life of the loan. Additionally, sustainability-linked loans demonstrates Fortune REIT's commitment to sustainability, whilst also leading to greater operational efficiencies, which can further lower costs and improve profitability.

Reinforcing the Manager's on-going commitment to sustainable development and the advancement of its ESG goals, Fortune REIT has secured five sustainability-linked loans. Fortune REIT entered into its first sustainability-linked loan in 2020 and sustainability-linked loans comprise of approximately 62% of Fortune REIT's total loans. Under the terms of the sustainability-linked loans, Fortune REIT will be entitled to annual interest rate savings if the agreed ESG benchmarks are satisfied, after being externally verified by an independent assessor.

Moreover, Fortune REIT has entered into a sustainability-linked interest rate swap in 2021, which upon the satisfaction of pre-determined targets concerning community engagement, enabled Fortune REIT to receive sponsorship, giving rise to Farm@Fortune.



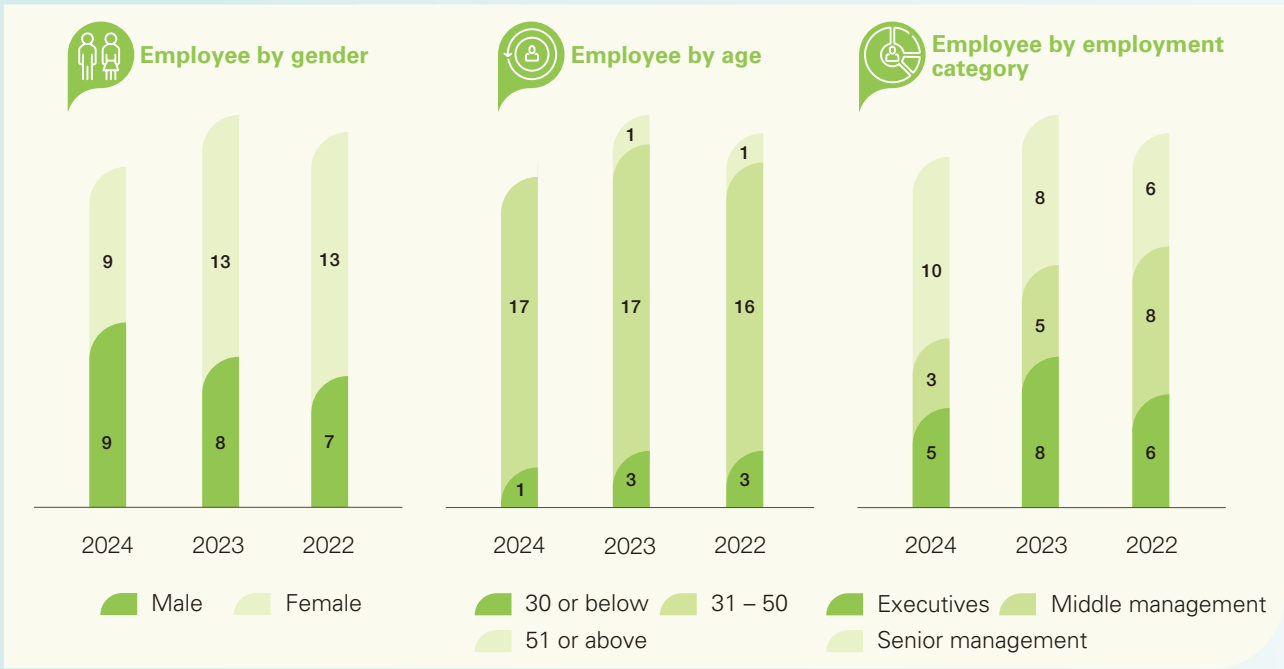
OUR PEOPLE

Fortune REIT’s employees are the driving force behind its success; they make up the fabric of who we are and what we embody as an organisation, therefore, each employee is highly valued. To continue to build the best team possible, the Manager invests in its employees, and aims to provide an inclusive work environment that prioritises health and safety, and nurtures professional development and growth. Fortune REIT’s current data collection focuses on its direct employees, and all suppliers are required to adhere to its Supplier Code of Conduct which seeks to protect the rights of workers, covering principles including health and safety, human rights, modern slavery and workplace relations.

In the Reporting Year, the Manager complied with laws and regulations related to employment and labour practices, including but not limited to the Employment Ordinance and the Occupational Safety and Health Ordinance in Hong Kong, and the Manager was not aware of any non-compliance in relation to employment, health and safety, child and forced labour.

Talent Attraction and Retention

The Manager of Fortune REIT has 18 employees, of which 100% are full-time employees of the Manager in Hong Kong, and Fortune REIT has 570 workers employed at its malls². The employment profile by gender, age and employment category are shown in the graphs below.



A set of employment policies in relation to recruitment, promotion, dismissal, working hours, rest days and holidays, compensation and benefits, are included in the Manager’s Employee Handbook. They deliver the Manager’s expectations of its employees, while supporting fair treatment of employees through transparent practices, reflecting principles such as equal opportunity, non-discrimination and professional conduct.

² Workers include workers that are not directly employed by Fortune REIT whose work and/or workplace is controlled by Fortune REIT, including property managers, cleaning contractors and security etc.



Our People

The promotion of fair, responsible and progressive employment practices among employees and the public is also paramount to Fortune REIT³. The Manager reinforced this commitment by protecting the rights and contributions of each employee with regards to remuneration, recruitment, training and promotion, irrespective of their differences throughout their employment with the Manager. Although the risks of hiring child labour or forced labour are deemed to be low due to the Manager's office-based operation, Fortune REIT does not condone child or forced labour of any kind, which is in line with the Human Rights Policy. The Manager also requires the Property Manager to adhere to the principles of respecting labour rights.

The Manager has performance management and career development tracking process in place for all employees. The annual assessment is designed to evaluate employees' performance, encourage two-way feedback as well as identify training needs and development opportunities. During the Reporting Year, all employees went through a performance management system which ensures that the staff development and performance improvement are in alignment with business priorities and employee needs. Employees are invited to share their opinions and suggestions through an open appraisal system where employees are able to discuss job related issues such as job performance, career expectations, training needs or grievances with their supervisors. In cases where employee services are to come to an end due to resignation, termination or retirement, relevant procedures are in place, including notice process, exit interviews, exit clearance and other measures as detailed in the Employee Handbook.

The Manager has incorporated ESG and climate-related performance indicators into employees' performance appraisals, which makes up a percentage of their scorecard. These indicators encompass organization-wide objectives, such as the achievement of certain ESG targets and initiatives, and improvement in ESG ratings. Additionally, individual performance indicators include metrics such as training hours, and participation in community engagement and volunteer initiatives. The fulfilment of these indicators is directly linked to discretionary remuneration.

In order to continually improve the workplace and boost employee satisfaction, Fortune REIT conducts an internal and external annual employee satisfaction survey for employees to share their feedback, expectations, and any concerns that they may have regarding the work environment, employment practices or the Manager's conduct, of which 100% of the Manager's employees participated in the Reporting Year. Moreover, all employees also completed ESR Group's external employee satisfaction survey during the Reporting Year. In view of the results collected from the various employee satisfaction surveys, the Manager will seek to engage with its employees and continue to promote initiatives focused on employee well-being and workplace satisfaction in the workplace.

³ The Manager has pledged to the Tripartite Alliance for Fair and Progressive Employment Practices is an organisation set up in 2006 by the Ministry of Manpower, National Trades Union Congress, and Singapore National Employers Federation, to promote the adoption of fair, responsible and progressive employment practices.



Our People

Diversity and Fairness in the Workplace

The Manager strives to offer a diverse workplace where a variety of ideas are appreciated and one's background, experience and thinking are respected and valued. Diversity of background, experience and thinking amongst Fortune REIT's workforce contributes to the Manager's ability to create value for customers, tenants and unitholders, and is also fundamental to attracting and retaining talent. Fortune REIT respects and appreciates differences in ethnicity, gender, age, nationality, disability, sexual orientation, education and religion. As detailed in the Group Human Resources Policy and Diversity, Equity and Inclusion Policy, the Manager embraces diversity in the workplace by hiring talent from various backgrounds, cultures and languages based on merit. The Manager respects differences in gender, ethnicity, nationality (or national origin), age, skin colour, race, religion (or belief), sexual orientation, physical, mental and development abilities and political affiliations, and is committed to a work environment that provides equal opportunities to all its employees in terms of compensation, recruitment, training, promotion, health and safety and other benefits and rights for its employees. Additionally, the Manager organises unconscious bias training for its employees on an ongoing basis. The Manager recognises the benefits of a diverse workplace and has set a diversity goal of not less than 50% female employees. As at 31 December 2024, its workforce was comprised of 50% female and 50% male, with females accounting for all senior management roles.

With DEI becoming increasingly important, the Manager has also included DEI elements in the internal employee satisfaction survey to gauge employee's opinions about workplace diversity, and the effectiveness of current policies and initiatives. The Manager recognises the importance of DEI and provides its employees with DEI training:

Diversity, Equity and Inclusion (DEI)



DEI are essential values for any workplace; and inclusion is a core value of ESR. These DEI values foster a culture of respect, innovation and collaboration among employees. By embracing DEI, a workplace can benefit from the diverse skills, experiences and perspectives of its employees, as well as attract and retain talent, enhance customer satisfaction and improve its reputation. As such, the Manager has provided training on this topic to encourage positive behaviours in the workplace.

- What is DEI (Diversity, Equity, and Inclusion)

Training and Development

The Manager has included ESG-related performance indicators in its employees' performance appraisal, including training hours and community engagement volunteer participation. With the spotlight on Sustainability and Compliance, the training provided during the Reporting Year were geared towards these two topics, with 100% employee participation. For sustainability, the topics included were Sustainability Reporting, Sustainability and Climate Change, Waste Management, Diversity, Equity and Inclusion, Employee Health and Safety, Anti-Corruption and Cybersecurity. For compliance, this included the following trainings: Individual Accountability, Preventing Financial Crime, Whistleblowing, Fraud, Operational Risk Management Essentials and Insider Trading/Global Trade Control Sanctions. Fortune REIT seeks to further develop its total workforce, and plans to continue to extend its sustainability training for workers employed by its Property Manager in the future.



Our People

Fortune REIT seeks to provide its employees with opportunities for growth, and makes consistent efforts to equip its employees with the skills and knowledge they require in order to succeed. During the Reporting Year, all employees received training, as well as regular performance and career development reviews. An average of 24.4 training hours were recorded for each employee of the Manager during the Reporting Year (2023: 20.5). The Manager has also organised refresher sessions on health insurance and mandatory provident fund talks to employees to keep them informed about their benefits. A series of training sessions were organised during the Reporting Year on the topics of diversity, equity and inclusion, real estate and IT, as well as soft skills including:

Real Estate and IT skills



Technology is constantly evolving and changing, so refreshing IT skills are essential to improving productivity and remaining relevant. Refreshing IT skills training can help IT professionals learn new skills, update existing ones, and gain confidence and credibility in their work. It can also help them adapt to changing customer needs, solve problems more efficiently, and innovate more effectively.

- ESR Learning Bite: *Discovering New Ways to Work with AI*
- ESR Learning Bite: *Business Talk on Data Centres*
- ESR Learning Bite: *Co-pilot Office Hour – Build your Prompt Library*

Soft skills



Soft skills are essential for any professional who wants to succeed in the workplace. These skills help professionals to interact effectively with others, adapt to different situations, and cope with challenges. During the Reporting Year, the following soft skills trainings were rolled out to employees.

- ESR Training programme: *Performance Management for People Managers to help managers understand their role in the performance appraisal process*
- ESR Learning Bite: *Conversations that Matter*
- ESR Learning Bite: *Hidden Traps in Decision-Making*
- ESR Learning Bite: *Building a Compelling Personal Brand*
- ESR Learning Bite: *Don't ignore the pink elephant: Emotional Intelligence and Value Alignment*



Our People

Safe and Healthy Workplace

The Manager is committed to protecting its workers from injuries, striving to minimize work injuries of employees and workers, and seeks to provide a safe workplace for its staff to perform their work through regular safety inspections. Fortune REIT also requires its Property Manager to operate with a health and safety management system certified with ISO 45001 and is guided by a set of policies and procedures applicable across all operations under Fortune REIT. Furthermore, the Property Manager has a Health, Safety and Environment Committee to ensure the effectiveness of relevant policies and implement corrective measures where appropriate. During the Reporting Year, there were two work-related injuries which resulted in 14 lost days for the staff of our Property Manager. The root causes were identified and corrective actions were taken to avoid these injuries from reoccurring.

The Manager strives to provide employees with not only a safe workplace, but one that is able to support them in maintaining their holistic wellness, including their mental health. A number of well-being initiatives and team building sessions have been rolled out during the Reporting Year, with employees participating in the eco-dye session, team building events as well as regular lunch talks. Bespoke wellness sessions were organised for employees after common concerns were identified in the internal employee satisfaction survey conducted. Employees clocked an average of 2.5 hours of wellness training/workshops during the Reporting Year by participating in a series of lunch talks and activity sessions covering various well-being topics, including:



Mental health and stress management

Wellness sessions to help employees take care of their mental health, manage their stress levels effectively and wellness activities to relax, and unwind

- Stress Management: Reduce stress with this short activity
- Daily habits to reduce stress and anxiety



General health and well-being

Wellness sessions to encourage employees to make healthy choices to improve their overall health

- Wellness 101 – How to improve your overall health
- 10 best holistic health channels you should follow for getting truly healthy
- Disease-Fighting food

Our People



Fitness and flexibility

Wellness sessions to promote physical and mental health to help employees benefit from increased productivity, creativity and satisfaction at work

- Full body stretch for flexibility
- Beginner stretch flexibility routine
- Stretches for the inflexible



Sustainable living

Sessions to promote sustainable living

- ESR Learning Bite: *Eco-Hacks Workshop*
- Eco-dye Workshop



Team cohesiveness is vital to the Manager. A cohesive team can perform better and foster a stronger sense of belonging and satisfaction. The Manager has cultivated a cohesive and open work environment which encourages the sharing of ideas, feedback, and knowledge amongst employees. Various initiatives have been implemented to strengthen bonds within the team, including townhalls and team cohesion activities to build rapport, alongside fortnightly afternoon tea and celebrations. To build cohesive relationships in the workplace, the Manager has organised various team cohesion activities during the Reporting Year including a mosaic coaster workshop, Annual Dinner, Shenzhen tour, eco-dye workshop and ESR Hong Kong Year End Party 2024.



OUR FOOTPRINT

Recognising the impact of Fortune REIT's operations on the environment and in line with its sustainability objectives, the Manager has undertaken proactive action to minimise its carbon footprint. Various initiatives and measures have been put in place regarding climate change, emissions, energy efficiency, water and waste management to further bolster the Manager's environmental performance pursuant to its Climate Change Adaption, Mitigation and Resilience Policy, Energy and Emissions Management Policy, Environmental Protection Policy and Environmental Resource Management Policy. As detailed in these policies, the Manager seeks to protect the environment and respond to climate change risks by reducing its carbon emissions through enhancing the energy efficiency of its facilities, monitoring its emissions intensity, reducing its consumption of natural resources, and raising environmental awareness amongst its stakeholders. The Manager also continuously evaluates and deploys upgrades, technologies and retrofits in order to further promote the efficient use of natural resources, thus reducing the use of electricity, water and GHG emissions whilst also driving down operational costs and improving investor returns. Fortune REIT is committed to the compliance of relevant environmental standards, laws and regulations, and seeks to ensure that steady progress towards its goals through regular review of implemented measures and environmental performance by the Sustainability Committee.

Climate Change Adaption and Resilience

Fortune REIT is committed to building resilience to climate change, a critical risk to all businesses and communities around the world. The Manager is conscious of the environmental impact on its operations and has adopted an adaptation and mitigation standpoint to address the climate-related issues that may impact its malls. Alongside its established Climate Change Adaptation, Mitigation and Resilience Policy, regular inspections are carried out to ensure Fortune Malls are resilient to extreme weather events.

Striving to identify and mitigate significant climate-related issues, Fortune REIT identified and assessed the climate-related risks and opportunities to better understand the actual and potential impacts of these risk and opportunities on its operations.

Climate financial impact assessment

The Manager has commissioned a third-party consultant to assess the impacts of climate change on Fortune REIT's financial performance and financial position, aiming to effectively manage climate-related risks and opportunities. This assessment builds upon the results from climate scenario analysis conducted using two scenarios, a 2°C aligned scenario and a high emission scenario, representing corresponding pathways from the Intergovernmental Panel on Climate Change (IPCC), International Energy Agency (IEA) and Network for Greening the Financial System (NGFS). Two consolidated scenarios were selected to form a holistic view of two potential scenarios in Fortune REIT's future, with one representing a low emissions future and the other representing a high emissions future.



Our Footprint

Details of the analytic choices in the scenarios are listed below:

	2°C aligned scenario	High emission scenario
Pathways	IPCC's RCP 2.6 IPCC's SSP1 IEA's Sustainable Development Scenario NGFS's Orderly Pathways	IPCC's RCP 8.5 IPCC's SSP5 IEA's Stated Policy Scenario NGFS's Hot House World Pathways
Time horizon	2030 and 2050	2030 and 2050

These two scenarios were chosen to show a contrast between the low emissions scenario (best-case scenario) and the high emissions scenario (worst-case scenario) to enable Fortune REIT to appreciate the risks and opportunities presented by climate change.

In 2023, the impacts of the climate risks and opportunities to Fortune REIT's financial performance and position were analysed in a qualitative basis by the Sustainability Committee. Certain common indicators of financial performance and position were identified due to climate change, including loss in revenue, increased operating costs, increased insurance costs, and reduced investor interest. Following in 2024, the Manager analysed the impacts of the climate risks and opportunities on a quantitative basis to assess the impact on Fortune REIT's current and anticipated financial performance, and position.

A summary of material climate-related risks and opportunities with potential financial implications and mitigation measures is set out below and the analysis was conducted based on three time horizons – 2025, 2030 and 2050, representing short, medium and long term respectively:

Physical risks/ opportunities	Timeframes	Current financial impact	Anticipated financial implications	Key mitigating measures
Tropical cyclone <i>Increasing frequency and severity of typhoons with the possibility of flooding and landslips</i>	Short, medium and long term	Fortune Malls has suffered minimal damage from tropical cyclones in the past, which was covered by insurance.	<ul style="list-style-type: none"> Reduced revenue from operational disruption (e.g., shutdowns, delayed planning approvals, supply chain shocks) Change in costs to address the physical risks (e.g., insurance premiums, recovery expenses) Write-offs or early retirement of existing assets Increase in capital expenditure for mitigating the damage from physical risks (e.g., changing location or hardening of facilities for stronger resiliency capabilities) 	<ul style="list-style-type: none"> Undertook insurance policies for all malls covering damage arising from climate-related extreme weather, including typhoons and floods Reviewed the Extreme Weather Policy to ensure that the policy remains updated and the mitigation measures are relevant Preventative measures are in place for extreme weather conditions through building management and building optimisation system which notifies the site management team for any leakages or blockages in plumbing, and detect smoke and fires to limit potential damage



Our Footprint

Physical risks/ opportunities	Timeframes	Current financial impact	Anticipated financial implications	Key mitigating measures
<p>Increase in average temperatures</p> <p><i>More frequent and longer heatwaves, and higher overall temperatures</i></p>	Short, medium and long term	<p>Due to the adoption of various preventative measures, Fortune REIT has saved approximately HK\$2 million in 2024 despite average temperatures increasing 0.3°C in 2024 when compared to 2023. This saving does not include the effect of the reduction in electricity tariffs in 2024.</p> <p>Heatwaves could cause illnesses such as heatstroke which may affect workers of Fortune Malls such as security staff and cleaners, and there was no observable increase in manpower costs attributable to heatwaves during the Reporting Year.</p>	<ul style="list-style-type: none"> Increased costs to improve energy efficiency capabilities Increasing costs to purchase energy and water Write-offs or early retirement of existing assets 	A smart building management and building optimisation system has been installed which enables the centralised collection and monitoring of building data, serving to optimise energy efficiency and regulate air quality



Our Footprint

Transition risks/ opportunities	Timeframes	Current financial impact	Anticipated financial implications	Key mitigating measures
<p>Increased adoption of renewable energy</p> <p><i>Greater incentives to supply renewable energy resulting in change in electricity energy mix between fossil fuel and renewable energy</i></p>	Short and medium term	The increased adoption of renewable energy was an opportunity to reduce Scope 2 emissions for Fortune REIT and Fortune REIT has saved approximately HK\$0.5 million under Feed-in-Tariff during the Reporting Year, which was offset against energy bills.	<ul style="list-style-type: none"> Increased costs to improve energy efficiency capabilities Increased costs due to changing output requirements (e.g., emissions controls) Change in brand value Fortune REIT is expected to save HK\$0.5 million to HK\$1 million annually based on the energy generated from the existing installed solar panels 	<ul style="list-style-type: none"> Fortune REIT has installed solar panels at 4 of its malls Validated Science-based Target, energy efficiency targets and monitored its environmental performance against these targets Adopted energy efficient goods and services and industry best practices and raised environmental awareness amongst stakeholders Incorporated climate-related considerations into the risk management framework



Our Footprint

Transition risks/ opportunities	Timeframes	Current financial impact	Anticipated financial implications	Key mitigating measures
Increased market demand for green and climate resilient properties <i>Increasing demand for sustainable properties is expected</i>	Short, medium and long term	Fortune REIT's HK portfolio has attained green and energy efficient certifications. Further market research is required to observe whether there are any tangible financial impacts.		<ul style="list-style-type: none"> 100% green building certification has been obtained across the entire Fortune REIT portfolio in Hong Kong
Market demand for green finance <i>Greater expectations from investors with increasing trend of green and sustainable finance</i>	Short and medium term	Fortune REIT monetized this opportunity and lowered borrowing costs by HK\$2 million to HK\$3 million in the Reporting Year.	A reduction in expenditure due to lower interest margin for KPIs met for sustainability-linked loans is expected, however, the long term impact cannot be quantified due to changing market conditions.	<ul style="list-style-type: none"> Fortune REIT has secured five sustainability-linked loans, representing 62% of the total loans of Fortune REIT Moreover, Fortune REIT has entered into its first sustainability-linked interest rate swap with DBS Bank

Despite the Property Manager's efforts to adapt to climate change by implementing its Extreme Weather Policy, typhoons have caused minimal disruption to operations and damage to some Fortune Malls in the past, including broken windows, glass doors and water leakage. As further protection against extreme weather events, the Manager has undertaken insurance policies for all its malls covering damage arising from climate-related extreme weather, including typhoons and floods. In view of the extreme weather events in Hong Kong, the Manager has reviewed its Extreme Weather Policy to ensure that the policy remains updated and the mitigation measures are relevant. Besides reducing energy consumption, the building management and building optimisation system is able to notify the site management team when there are leakages or blockages in plumbing, and detect smoke and fires, enabling preventative measures to be promptly implemented in extreme weather conditions to limit any potential damage to the malls.

To counter the threat of climate change, the Manager has also implemented proactive mitigation initiatives through various channels to reduce the release of GHG emissions into the atmosphere. The Manager's initiatives include committing to a Science-based Target, energy efficiency targets and monitoring its environmental performance against its targets, adoption of energy efficient goods and services and industry best practices, generation of renewable energy, sustainability-anchored procurement and supply chain management processes, and incorporation of climate-related considerations into its risk management framework. These initiatives are embedded within the Manager's business processes and policies, demonstrating the Manager's determination to sustainable development and to reduce Fortune REIT's carbon footprint.



Our Footprint

Fortune REIT owns and operates retail properties in Hong Kong and Singapore. Given the geographical concentration of our portfolio, climate-related risks and opportunities are primarily focused within Hong Kong. Physical risks within our business model, such as the impact of tropical cyclones, are predominantly relevant to the Hong Kong portfolio, as Singapore's exposure to these weather events is limited. Transition risks, such as regulatory changes, market shifts, and stakeholder expectations related to climate change, are applicable across Fortune REIT's entire portfolio.

Within Fortune REIT's investment and capital management process, ESG-related risks (including climate change) are taken into consideration in investment, portfolio management and financing activities. Fortune REIT invests in quality properties with good standing, reputation and track records. In assessing potential acquisitions, the Manager considers sustainability-related matters at the due diligence stage, including the consideration of environmental factors such as climate risks, renewable energy generation, sustainable procurement, energy efficiency, water efficiency, waste management and others alongside the financial considerations of the acquisition.

Emissions Management and Decarbonisation

ESR is a signatory to the United Nations-supported Principles for Responsible Investment ("**UN PRI**"), which underscores the importance and emphasis on responsible investing and sustainable financing. To ensure material ESG factors are considered in the investment decision making process, ESR has in place the Responsible Investment policy and an ESG Checklist which are aligned to the six principles of the UN PRI. The policy and checklist set minimum standards on responsible investment and relevant training has been made available to all employees of ESR, to guide employees with the six principles of responsible investment, with the aim to build internal capabilities to embed responsible investment practices in ESR's business.

Signatory of:



The UN PRI includes the annual disclosures and evaluation of implemented policies and procedures on responsible investing. The UN PRI principles guide ESR's approach to consider ESG issues in the investment and asset management processes across ESR. As a result, this strengthens ESR's investment approach to create value for investors and contribute to broader environmental and societal objectives, so as to preserve and promote the long-term interests of ESR's stakeholders.

In July 2024, ESR participated in its inaugural mandatory reporting as a PRI signatory. PRI assessment reports were released in Q4 2024, and ESR was awarded four stars for three core modules in the assessment, demonstrating its commitment to responsible investment practices.



Our Footprint

Our Decarbonisation Blueprint

2025

SUSTAINABLE BUILDING STRATEGIES

Eco-Friendly Building Management Approaches

- Adopt internationally recognized green building certifications for our portfolio (e.g., BEAM Plus)
- Utilize environmentally friendly and recycled materials for asset enhancement initiatives

OPTIMIZED ENERGY PRACTICES

Smart Property Management

- Implement Building Management and Building Optimization System to optimise energy usage
- Schedule routine audits and system upgrades to improve operational efficiency

Enhancing Energy Use

- Expand the use of LED lighting and automated systems in common areas
- Replace chiller plants to more energy efficient models

Renewable Power Integration

- Install solar panels to generate on-site clean energy
- Pilot innovative renewable energy solutions

Promoting Electrification

- Expand the availability of EV charging stations in our portfolio

ENGAGING STAKEHOLDERS FOR SUSTAINABILITY

Enhanced Resource Efficiency

- Work with tenants to establish comprehensive recycling initiatives across our portfolio
- Install Reverse Vending Machine for plastic bottles
- Reduce the use of single-use plastics in tenant and operational activities

Sustainable Partnerships and Programs

- Introduce green lease agreements to encourage tenants to adopt sustainable practices
- Provide sustainability guidelines for tenant fit-outs
- Organize community and tenant engagement events to raise awareness of climate resilience and sustainable living

2030

TARGET HIGHLIGHTS

Reduce Scope 1 and 2 GHG emissions by 46% from our 2019 baseline and measure the reduction of Scope 3 GHG emissions in line with SBTi methodology by 2030

Reduce 30% Energy consumption by 2035 from our 2019 baseline

Maintain 100% green building certifications for Hong Kong portfolio

2050

SHAPING A SUSTAINABLE FUTURE

Fortune REIT is focused on driving a low-carbon future through an integrated approach to decarbonisation, actionable plans to expand sustainable solutions, and strategic investments in innovation across our operations.



Our Footprint

The achievability of Fortune REIT's climate-related transition plan depends on several key assumptions, including no changes to the current portfolio composition, the Hong Kong power grid achieving its 2030 reduction target for Scope 1 and 2 GHG emissions, the successful implementation of Fortune REIT's existing and planned energy reduction initiatives, and the potential use of renewable energy certificates, if required.

Scope 1 and 2 Emissions

In July 2023, Fortune REIT received approval from the Science-Based Target Initiative for its science-based target ("**SBT**") and committed to reduce Scope 1 and Scope 2 GHG emissions by 46% by 2030 from a 2019 baseline year.

As part of our on-going decarbonisation and climate change efforts, Fortune REIT has identified several levers as the focus of its decarbonisation journey, including energy reduction and efficiency, smart building management, electrification, renewable energy generation and renewable energy procurement. Among the levers identified, energy reduction and efficiency, as well as smart building management remain the highest priority for Fortune REIT.

During the past years, Fortune REIT has been working on implementing these levers in reducing its emissions. For example, smart building management systems have been installed at major Fortune Malls. The cloud-based automated building solution allows the centralised collection and monitoring of building data, serving to optimize energy efficiency and regulate air quality. As an automated system, it also allows for the accurate data collection for Fortune REIT and its tenants.

By providing real time information, the building management and building optimisation system enables the site management team to control and monitor chiller plants, air-conditioning equipment as well as particular zones, optimising energy consumption for Fortune REIT as the landlord and our tenants.



In addition, Fortune REIT has been actively improving our malls through the replacement of chillers with more efficient models and the installation of solar panels. Fortune Malls have installed solar panels at Fortune City One, Laguna Plaza, Fortune Metropolis and +WOO, which are expected to avoid GHG emissions by 127 tonnes annually under the Feed-in Tariff Scheme.

Fortune REIT recorded a 41.3% reduction in Scope 1 and 2 emissions against 2019 baseline during the Reporting Year, which was mainly attributable to the decrease in electricity consumption arising from the effectiveness of the energy efficiency measures implemented and a decrease in the emission factor from the Hong Kong power grid.



Our Footprint

Scope 3 Emissions – Downstream Leased Assets

As part of its SBT, Fortune REIT also committed to measure and reduce its Scope 3 GHG emissions. From the preparatory work done to set the SBT, Fortune REIT has identified that its downstream leased assets account for a majority of its Scope 3 GHG emissions, which is consistent with landlords in the real estate industry. The Manager, with the help of the Property Manager, has stepped up its efforts in engaging with its tenants to provide a greener future for all. A green lease clause has been added to our standard tenancy agreement. This clause fosters collaboration with tenants to raise awareness of sustainability through communication information sharing, and support for energy saving and waste management initiatives. The aim is to drive carbon reduction and sustainable practices throughout the value chain.

At the commencement of their lease, tenants are provided with a copy of the Fitting-out Guide which sets out Fortune REIT's minimum expectations on the design and use of materials for renovation works. Over the term of the lease, the Property Manager remains in close contact with tenants and supports our tenants on their sustainability journey by offering tenants tailor-made solutions to reduce their environmental footprint through the eco-tips and eco-taskforce. Adequate waste disposal and recycling facilities are available for tenants to utilize as well. Fortune REIT also extended its ESG training to its tenants, with a focus on waste reduction initiatives, recycling and GHG emissions to aid them to integrate sustainability practices into their operations.

Fortune REIT values its tenants and invited all tenants to participate in the annual tenant satisfaction survey to collect opinions on various topics including Fortune REIT's environmental performance, communication, condition of communal facilities health and safety. Based on the results of this survey, Fortune REIT has stepped up its social media presence on LinkedIn, Facebook and will continue to connect with its tenants via publications/notifications; a testament to Fortune REIT's commitment to addressing its tenants' feedback.



Our Footprint

CASE STUDY



Working hand-in-hand with Tenants

Fortune REIT has been proactively engaging with our tenants to mitigate their environmental impact as part of our comprehensive sustainability strategy. This initiative encompasses a range of measures designed to enhance energy efficiency, reduce waste, and promote sustainable practices within our properties. For example, Fortune REIT has implemented advanced smart building management systems in major malls, optimizing energy usage and improving air quality. These systems facilitate centralized data collection and monitoring, enabling both Fortune REIT and our tenants to manage energy consumption more effectively.

Furthermore, Fortune REIT has extended its environmental, social, and governance (ESG) training programs to tenants, focusing on waste reduction, recycling, and the reduction of greenhouse gas (GHG) emissions. This training empowers tenants to integrate sustainability practices into their daily operations, fostering a collaborative approach to environmental stewardship. This is further cemented with eco-tips and a eco-taskforce to provide personalised feedback and practical solutions to our tenants.

Fortune REIT adopts a more tailored approach to help tenants on their sustainability journeys through the eco-taskforce. For example, by monitoring the energy consumption of our tenants, we can identify which tenants are consuming large amounts of energy compared to their peers. High and inconsistent energy consumption patterns often indicate that tenants are using older, less efficient appliances. These appliances not only consume more electricity but also contribute to higher operational costs and increased environmental impact. By pinpointing these inefficiencies, we can encourage tenants to upgrade to modern, energy-efficient equipment, which will reduce their energy consumption, lower their utility bills, and support our overall sustainability goals. This proactive approach not only benefits our tenants but also aligns with our commitment to environmental stewardship and operational excellence.

In conclusion, the impact of these actions is multifaceted. By engaging tenants in sustainability efforts, Fortune REIT not only reduces its overall environmental footprint but also enhances the operational efficiency of its properties. This collaborative approach results in cost savings for both Fortune REIT and its tenants through reduced energy consumption and waste management expenses. The positive environmental impact also enhances the reputation of Fortune REIT, attracting environmentally conscious tenants and investors, and ultimately supporting long-term business sustainability.



Our Footprint

Summary of greenhouse gas emissions for the Reporting Year is shown below:

GHG Emissions Target	46% absolute reduction in Scope 1 and 2 emissions by 2030 (2019 baseline)
Scope 1 and 2 emissions	17,737.8 (Reduced 41.3% against 2019 baseline)
Scope 1 and 2 emissions intensity	0.006
Total GHG emissions	49,357.7
GHG emissions intensity	0.016
Scope 1 direct GHG emissions⁴	312.8
Scope 2 energy indirect GHG emissions⁵	17,425.0
Scope 3 other indirect GHG emissions⁶	31,619.9
Current portfolio value	HK\$38,056 million
Portfolio Carbon Footprint⁷	1.30 tonnes CO ₂ -e HK\$ million

Building Resilience against Climate Change – Green Building Certifications

Fortune REIT has obtained green building certifications across all 16 Fortune Malls in Hong Kong certified by Building Environmental Assessment Method Plus (“**BEAM Plus**”) in terms of management. Fortune Metropolis and Ma On Shan Plaza have attained Platinum rating for the BEAM Plus Comprehensive Scheme, the highest accolade in BEAM Plus. The comprehensive scheme measures the combined performance of a building across multiple aspects, including property management, waste, water use, energy use, indoor air quality, etc. Moreover, +WOO is the first mall in Hong Kong to attain BEAM PLUS Interiors certification for renovation – Gold rating. For more information about Fortune REIT’s green building certifications, please see the “ESG Awards and Certifications” section of this Report.



⁴ Scope 1 emissions include emissions from diesel combustion of generators and refrigerant consumption.

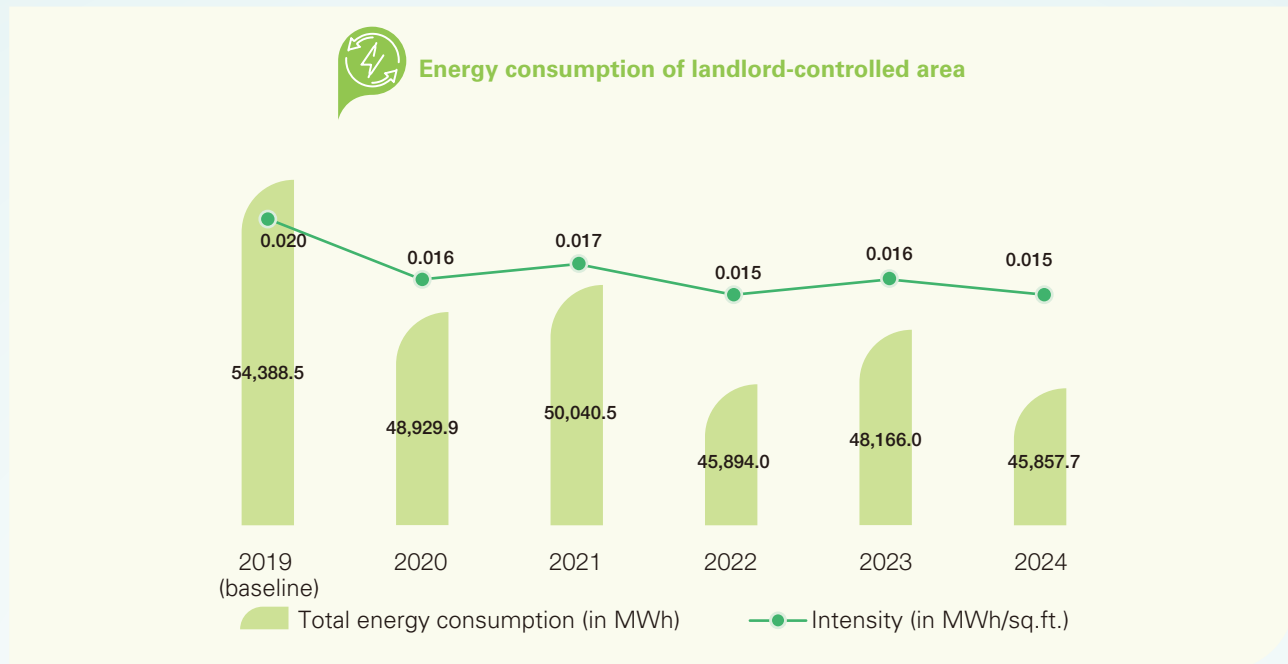
⁵ Scope 2 emissions include emissions from electricity consumption of the manager’s office and directly managed malls.

⁶ Scope 3 emissions have been calculated in alignment with the categories outlined in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011), which includes emissions from electricity purchased by tenants.

⁷ Fortune REIT fully finances the properties within its portfolio and hence accounts for 100% of Scope 1 and 2 emissions of the properties in its portfolio, which is aligned with PCAF recommendation for Commercial Real Estate. Property value (i.e., Gross Asset Value) is adopted for calculation based on the nature of REIT.



Our Footprint

Energy Efficiency^{8,9}

The Sustainability Committee has set a long-term energy intensity reduction target of 30% by 2035 against a 2019 baseline. The Sustainability Committee monitors the Manager's performance against the long-term reduction target and reviews the effectiveness of energy reduction measures on a bi-monthly basis, continually reviewing the efficiency of existing equipment and conducting maintenance as needed, including the replacement of chiller plants to more efficient models, sewage/clear water pumps and LED lighting. When considering the energy consumption of landlord-controlled area, there was a 15.7% decrease in consumption against a 2019 baseline due to the energy efficiency measures implemented.

Summary of energy consumption for the Reporting Year is shown below:

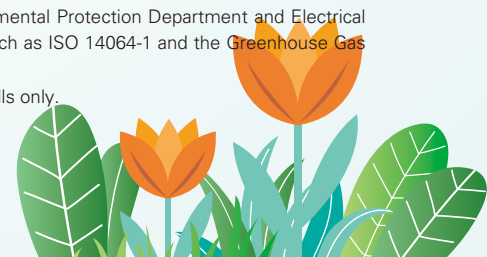
Energy Target	30% reduction of energy intensity of landlord-controlled area of Fortune Malls by 2030 (2019 baseline)
Energy consumption of landlord-controlled area	45,857.7 MWh
Energy consumption intensity of landlord-controlled area	0.015 MWh/sq.ft

The Manager also strives to use its platform to create positive change. On the tenants' front, the Manager works closely with its tenants in sustainability efforts, monitoring tenant energy consumption, updating tenants about the latest sustainable ideas through eco-tips notification, personalised focus eco-taskforce as well as ESG training.

Furthermore, Fortune REIT continues to explore the use of emission-free, renewable energy solutions to reduce fossil fuel consumption. Solar panels have been installed at four Fortune Malls and are expected to avoid 127 tonnes of GHG emissions under the Feed-in Tariff Scheme.

⁸ The quantification was carried out according to the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong compiled by the Environmental Protection Department and Electrical and Mechanical Services Department of Hong Kong, and with reference to international standards such as ISO 14064-1 and the Greenhouse Gas Protocol.

⁹ Environmental data includes the consumption from office and landlord-controlled areas of Fortune Malls only.



Our Footprint

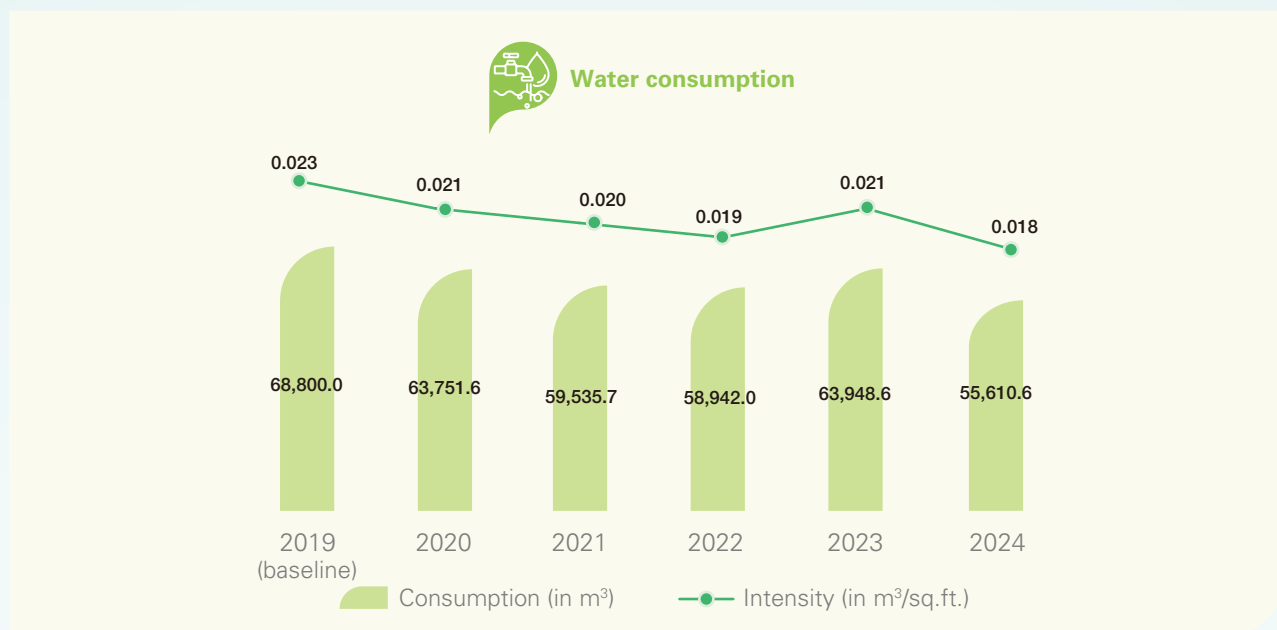
Energy efficiency measures

- Installed solar panels at Laguna Plaza, Fortune Metropolis, Fortune City One and +WOO
- Installed Building Management and Building Optimization System to identify energy reduction opportunities and monitor energy consumption for malls and tenants
- Replaced chiller plants to more energy efficient models
- Monitored and adjusted temperature setting of air-conditioning system which is able to produce on demand monitoring for common areas and tenanted areas
- Worked with tenants to reduce consumption of resources through eco-tips notification
- Educated stakeholders of Fortune REIT of more energy efficient practices, by participating in Green Sense's "No Air-Con night"
- Set up an eco-taskforce and advised top energy users in reducing their energy usage
- Used energy-efficient lighting such as LED lighting in common areas
- Maximised the use of natural lighting, including the installation of skylight at +WOO
- Provided training to tenants on sustainability topics to encourage sustainable behaviour



Our Footprint

Water and Effluents Management



In addition to energy efficiency and emissions reduction, Fortune REIT is also committed to optimizing water usage and minimizing wastewater generation within its operations in line with or better than regulatory guidelines. The initiatives implemented to meet these targets include the installation of water-saving taps and regular inspection to prevent water leakage, the utilisation of reclaimed water for landscaping irrigation, rainwater harvesting, as well as the installation of smart irrigation at Farm@Fortune at Fortune City One. The total water consumption for the Reporting Year was 55,610.6m³, which decreased by 13.0% compared with the previous Reporting Year due to the water efficiency measures implemented. The water consumption intensity was 0.018m³ per sq. ft. The Sustainability Committee has set a long-term water intensity reduction target of 10% by 2035 against a 2019 baseline, which was exceeded during the Reporting Year with a 19.2% decrease recorded against a 2019 baseline. The Sustainability Committee will review and assess the validity of the long-term water intensity reduction target in 2025.



Our Footprint

Water management measures

- Installed water saving faucets
- Used reclaimed water for landscaping irrigation
- Rainwater harvesting implemented where possible
- Routine checks on pipes, taps, urinals and WC flush systems
- Installed Building Management and Building Optimization System which can help identify leakages or blockages in plumbing



Our Footprint

Waste Management

Fortune REIT aims to reduce waste in the operations of its malls wherever possible, in order to reduce its environmental footprint as well as to decrease waste handling costs. The Manager has adopted a zero-waste mentality in its attempt to tackle waste, actively communicating with its tenants on waste reduction initiatives, encouraging its tenants to improve their recycling rates and to adopt innovative packaging solutions.



In the Reporting Year, Fortune REIT's operations did not produce hazardous waste (2023: 0.11 tonnes) and its operations generated 9,386.8 tonnes of general waste (2023: 10,311.0 tonnes), with an intensity of 3.1 tonnes per thousand sq. ft. In addition, 784.5 tonnes of recyclable items were collected by waste recycler for recycling purposes and the rest were sent to landfill. The decrease of general waste was mainly due to the waste management measures implemented. The Sustainability Committee has set a long-term waste recycling target of 15% by 2035 and 7.7% of waste was recycled during the Reporting Year.

Since the launch in the second-half of 2022, through Fortune REIT's participation in the Reverse Vending Machine from the Recycling Fund, 12,478 bottles were diverted from landfill. Other waste reduction initiatives rolled out include the installation of food waste compost machines in two of its malls, as well as a program for shoppers to exchange Fortune+ points for Fill n Go bottles, a waste initiative to provide environmentally-friendly personal care products and laundry products via vending machines at selected Fortune Malls.



Our Footprint

CASE STUDY



Tackling Food Waste

At present, Hong Kong faces a food waste catastrophe with food waste from restaurants and wet markets disposed at landfill. Food waste constitutes about 30% of Hong Kong’s landfill. Besides unnecessarily filling up our limited landfill, when food waste decomposes, it produces methane, which is more damaging to climate change than carbon dioxide. To tackle this issue, the Environmental Protection Department unveiled its Food Waste Management Strategy. This strategy involves reduction at source, food donation, food waste collection and recycling at facilities.

Food waste collection was rolled out in Fortune Metropolis to collect food waste from food and beverage tenants since December 2022. Due to the positive response from tenants, Fortune Malls expanded the pilot scheme at eight Fortune Malls. This year, 351.5 tonnes of food waste was collected, equivalent to avoiding 219.7 tonnes of GHG emissions.

Reporting Year	Food Waste Collected (tonnes)	GHG avoided (tonnes)
2022 (for the month of December only)	4.5	2.1
2023	260.7	162.9
2024	351.5	219.7

The Property Manager educated tenants on how to sort food waste and rolled out tenant recycling stations with dedicated food waste bins. By sorting their food waste, tenants could also save on municipal solid waste disposal fees. The collected food waste will be transformed into energy at O-PARK1, which is a renewable energy generation plant which turns waste into energy. It is the first organic resources recovery centre in Hong Kong which adopts anaerobic digestion technology to convert food waste into biogas for electricity generation. The residue by-product from this process can be produced as compost for landscaping and agricultural use.

This case study serves as an example of how Fortune Malls utilises its platform to promote sustainable practices, actively collaborating with tenants to create a greener future.



Our Footprint

Waste management measures

- Participated in the Environmental Protection Department's pilot scheme to collect and recycle food waste from food and beverage tenants with 351.45 tonnes of food waste collected during the Reporting Year
- Collected food waste from the Fortune City One wet market and to produce fertilizer at urban farm (Farm@Fortune)
- Partnered with Foodlink Foundation, a local NGO, to collect near-expiration food from the Fortune City One wet market for donation to those in need
- Focused on waste reduction, collection and recycling including rolling out new recycling bins to boost recycling rate
- Reduced waste in our malls by signing up for the Recycling Fund's Reverse Vending Machines for plastic bottles
- Reduced the use of single-use plastics by collaborating with Fill n Go to provide environmentally-friendly personal care products and laundry products and Well – Urban Spring to encourage the Bring-Your-Own-Bottle refill culture
- Organised peach blossom and Christmas tree collection for recycling



OUR COMMUNITY

Fortune REIT is committed to building strong communities in line with its motto, “Our Care, Your Fortune”. To better understand the needs of the community and its stakeholders, the Manager offers multiple channels for stakeholders to express their views and conducts an annual survey with its significant stakeholders. The Fortune Volunteer team actively engages with communities by organizing and participating in various community engagement and investment activities. Additionally, Fortune REIT provides dedicated spaces at Fortune Malls to support community engagement activities organised by non-governmental organizations.

Community engagement is deeply embedded in the Manager’s workplace culture. Collectively, the Fortune Volunteer team has devoted over 227 hours to community service, enhancing the well-being of communities in areas such as environmental management, social improvement, and educational support.

To inculcate the spirit of volunteerism with an engaged workforce, employees of the Manager are entitled to two days of paid volunteer leave each year to dedicate time to volunteer in community related activities.

Community Impact Monitoring

To gain a deeper understanding of the community’s needs for effective resource allocation, the Manager commissioned a third-party consultant to conduct a community impact assessment with its shoppers. This assessment surveyed various aspects, including liveability, local residents’ well-being and walkability.

Based on the findings, the Manager planned and participated in several activities aimed at promoting the healthy development of the community. Clear guidelines were established to encourage employees to engage in community activities and support charitable events, with participation in community engagement initiatives being a key performance indicator in employee appraisals.

Community Engagement and Investment

Community Engagement Themes of Fortune REIT



Creating a Better Community



Nurturing the Youth



Caring for the Elderly



Our Community

During the Reporting Year, the Fortune Volunteer Team participated in the following activities:

Creating a Better Community

Bringing Festive Cheer to the community for Tuen Ng Festival

The Fortune Volunteer Team packed gift packs and distributed rice dumplings for Tuen Ng Festival (Dragon Boat Festival) to families in Tin Shui Wai District.



Cultivating a greener tomorrow – Farm@Fortune

Farm@Fortune, part of Fortune REIT's effort to raise awareness on decarbonisation and generate societal benefits through community and educational programs provides an avenue for Fortune REIT to deliver on its vision for the community. In partnership with Rooftop Republic, the urban farm creates a new and vibrant place for the community to come together to enjoy urban nature, fresh produce, and spend time with their friends and family, whilst offering Fortune REIT with a platform to promote organic farming, food waste reduction and community engagement. For more information, please visit our website – Farm@Fortune.



216 kgs
of produce grown



10 community
engagement events



115 hours of
engagement



312 participants in
community engagement



Our Community

Skip Lunch Day

The Fortune Volunteer team donated to the Skip Lunch Day organised by The Community Chest, where participants were encouraged to donate the cost of their lunch to support the provision of meals to the needy.



Nurturing the Youth

Enjoying the movies with youth at +WOO



The Fortune Volunteer Team lined up with local NGO Pok Oi Hospital Mr. Ng Hung Mow Memorial Family Multiple Intelligences Centre to recruit about 133 children from Tin Shui Wai and Tuen Mun district to enjoy the movie "Inside Out 2" at +WOO. Our tenant, Broadway Cinema, also provided free popcorn and drinks for all participants. At the end of the event, all participants were given a Fortune bag filled with snacks and drinks. The children thoroughly enjoyed the event!

Spreading Christmas joy with local students

To spread Christmas joy, the Fortune Volunteer team visited Tak Tin kindergarten to play games and decorate Christmas tree with 20 children. The children also received snacks, biscuits, colour pencils and sketch books as Christmas gifts.



Our Community

Caring for the Elderly

Chinese New Year Lucky Bag to the Elderly

With Lunar New Year around the corner, the Fortune Volunteer Team visited an elderly center in Fortune City One to distribute lucky bags to ring in the new year. The Fortune Volunteer Team enjoyed heartfelt conversations with the elderly and shared their festive blessings.



Bringing festive cheer to the elderly for Mid-Autumn festival

The Fortune Volunteer Team brought festive joy to the community in Shatin. In collaboration with a local NGO, the Fortune Volunteer Team visited a community centre and handed out fortune gift bags loaded with mooncakes and other goodies to the elderly who were over the moon.



ESG AWARDS AND CERTIFICATIONS

Sustainability Benchmarks

Global Real Estate Sustainability Benchmark

- First Hong Kong REIT to attain 5-star rating
- Ranked 1st in Eastern-Asia Listed Retail
- Retained the highest 5-star rating for 4 consecutive years
- Awarded A rating for public disclosure for 4 consecutive years

Hang Seng Corporate Sustainability Benchmark Index

- Included for 8 years consecutively with a rating of A or above
- Rated AA– for 2024-25

Morningstar Sustainalytics' ESG Risk Ratings

- Rated LOW

MSCI ESG Ratings

- Rated BB (was B in 2023)

Principles for Responsible Investment

- ESR was awarded four stars for three core modules in its inaugural mandatory reporting as a PRI signatory

ESG Awards	Organiser
GRESB x HERA: Standing Investment Benchmark Award (Mainland China/Hong Kong) – Commendation	GRESB, Hong Kong ESG Reporting Awards
Hong Kong Sustainability Award 2024 – Merit Award (Large-Sized Organisation Category)	Hong Kong Management Association
6th BDO ESG Awards 2024 – Best in Reporting Awards (Merits in Small Market Capitalisation Category)	BDO
GBA ESG Achievement Awards 2024 – Grand Award – Outstanding Green Sustainable Award – Outstanding Social Sustainable Award – Outstanding Corporate Governance Award	Metro Finance
Hong Kong Sustainability Contribution Awards 2024 – Mentor Pioneer Award for ESG Connect	Hong Kong Quality Assurance Agency
CarbonCare® ESG Star Label	CarbonCare®
CarbonCare® ESG Reporting Label Level 4	CarbonCare®
Hong Kong Green Shop Alliance Award 2024 – New Alliance Member – Strategic Partner	Hong Kong Green Building Council Limited
10 Years Plus Caring Company Logo	The Hong Kong Council of Social Service

ESG Awards and Certifications

Green Building Certifications

Green Building Certification	Mall(s)
BEAM Plus Comprehensive Scheme Platinum rating	Fortune Metropolis Ma On Shan Plaza
BEAM PLUS Interiors certification for renovation – Gold rating	+WOO
BEAM Plus Excellent certifications for Management Aspect of the Selective Scheme	Fortune City One Ma On Shan Plaza Fortune Metropolis Metro Town Jubilee Square Laguna Plaza Caribbean Square +WOO Belvedere Square Smartland Hampton Loft Waldorf Avenue Tsing Yi Avenue Centre de Laguna Lido Avenue Rhine Avenue
BEAM Plus Excellent certifications for Energy Use Aspect of the Selective Scheme	Ma On Shan Plaza
Outstanding grade in Energy Use and was awarded with the “Highest Advancement” in Energy Saving in 2021 (Selective Scheme)	Ma On Shan Plaza
BEAM Plus Excellent certifications for Water Use aspect of the Selective Scheme	Fortune Metropolis

ESG Awards and Certifications

Sustainability Awards by Property

Award	Organiser	Mall(s)
Indoor Air Quality Certification Scheme (Hong Kong)	Environmental Protection Department	+WOO Belvedere Square Caribbean Square Fortune Metropolis Jubilee Square Laguna Plaza Ma On Shan Plaza Metro Town Smartland Centre de Laguna
Wastewi\$e Certificate	Environmental Campaign Committee	Belvedere Square Caribbean Square Fortune City One Fortune Metropolis Jubilee Square Laguna Plaza Ma On Shan Plaza Smartland Centre de Laguna
Energywi\$e Certificate	Environmental Campaign Committee	Belvedere Square Fortune City One Fortune Metropolis Jubilee Square Ma On Shan Plaza Caribbean Square
Hong Kong Green Organization	Environmental Campaign Committee	+WOO Belvedere Square Caribbean Square Jubilee Square Laguna Plaza Smartland Fortune Metropolis Ma On Shan Plaza Centre de Laguna

ESG Awards and Certifications

Award	Organiser	Mall(s)
Energy Saving Charter	EMSD	Fortune Metropolis Laguna Plaza +WOO Belvedere Square Caribbean Square Smartland Hampton Loft Centre de Laguna
4T Charter	Environment Bureau	+WOO Fortune Metropolis Laguna Plaza Belvedere Square Caribbean Square Smartland Hampton Loft Centre de Laguna
Caring Company	Hong Kong Council of Social Service	Belvedere Square Caribbean Square Fortune City One Fortune Metropolis Laguna Plaza Metro Town Smartland Ma On Shan Plaza Jubilee Square Centre de Laguna
Charter for Age-friendly Shopping Malls of Jockey Club Age-friendly City Project	The Hong Kong Jockey Club Charities Trust	+WOO Belvedere Square Fortune Metropolis Ma On Shan Plaza Jubilee Square
Mental Health Workplace Charter	Mental Health Friendly Organisation	Fortune City One Metro Town Fortune Metropolis
Hong Kong Awards for Environmental Excellence	Environmental Campaign Committee	+WOO Belvedere Square Laguna Plaza Ma On Shan Plaza Jubilee Square Smartland Hampton Loft Centre de Laguna Tsing Yi Square Lido Avenue Rhine Avenue

ESG Awards and Certifications

Award	Organiser	Mall(s)
Commendation Scheme on Source Separation of Commercial and Industrial Waste	Environmental Protection Department	+WOO Belvedere Square Fortune City One Jubilee Square Ma On Shan Plaza Metro Town Laguna Plaza Caribbean Square Smartland
Heart Caring Charter	Occupational Safety & Health Council	Fortune City One Hampton Loft Laguna Plaza Smartland Tsing Yi Square Fortune Metropolis Belvedere Square Caribbean Square Centre de Laguna
Universal Design Award Scheme 2024/25 – Gold Award	Equal Opportunities Commission	Fortune City One +WOO
Hong Kong Green Award 2024 – Green Management Award – Service Provider (SME) – Bronze Award	The Green Council	Fortune City One
Good Employer Charter	Labour Department	Fortune Metropolis Belvedere Square
Outstanding HKAEE Promotional Partner	Environmental Protection Department	Belvedere Square
Food Wise Hong Kong Campaign Charter	Environmental Protection Department	Fortune Metropolis
Occupational Health Award Joyful@Healthy Workplace Best Practices Award	Occupational Safety & Health Council	Fortune Metropolis
The Best Toilet in 2024 – Best Design Ideas for Shopping Mall Toilet Award	Hong Kong Toilet Association	+WOO

PERFORMANCE DATA SUMMARY

Environmental Key Performance Indicators¹⁰

	2024	2023	2022	Unit
Nitrogen oxides	16.3	42.5	37.5	kg
Sulphur oxides	1.1	2.8	2.5	kg
Respirable suspended particles	1.1	3.0	2.6	kg
GHG emissions in total ¹³	49,357.7	19,633.4	18,912.9	tonnes of CO ₂ -e
Scope 1 ¹¹	312.8	794.9	973.8	tonnes of CO ₂ -e
Scope 2 – Location-based Method ¹²	17,425.0	18,547.6	17,654.2	tonnes of CO ₂ -e
Scope 1 & 2 emissions	17,737.8	19,342.5	18,628.0	tonnes of CO ₂ -e
Greenhouse gas intensity (Scope 1 & 2)	0.006	0.006	0.006	tonnes of CO ₂ -e per sq. ft.
Scope 3 – Category 13 Downstream Leased Asset (Asset-specific) ¹³	31,619.9	290.8	284.9	tonnes of CO ₂ -e
Greenhouse gas intensity (Scope 1, 2 & 3)	0.016	0.006	0.006	tonnes of CO ₂ -e per sq. ft.
Total hazardous waste	0	0.11	1.04	tonnes
Hazardous waste intensity	0	0.04	0.34	tonnes per million sq. ft.
Total non-hazardous waste	9,386.8	10,311.0	9,675.8	tonnes
Non-hazardous waste intensity	3.1	3.4	3.2	tonnes per thousand sq. ft.
Total energy consumption	45,857.7	48,166.0	45,984.0	MWh
Direct energy consumption	2.49	6.2	5.5	MWh
Diesel	2.49	6.2	5.5	MWh
Indirect energy consumption	45,855.2	48,159.8	45,888.5	MWh
Purchased electricity (landlord-controlled)	45,855.2	48,159.8	45,888.5	MWh
Energy Intensity (landlord-controlled)	0.015	0.016	0.015	MWh per sq. ft.
Total water consumption	55,610.6	63,948.6	58,942.0	m ³
Water consumption intensity	0.018	0.021	0.019	m ³ per sq. ft.

¹⁰ Fortune REIT reports on two types of intensity where applicable, where intensity uses the gross floor area of total directly managed assets as the denominator and intensity (landlord-controlled) uses the gross floor area of landlord-controlled area of directly managed assets.

¹¹ Scope 1 emissions include greenhouse gas emissions from diesel combustion of generators and refrigerant consumption.

¹² Scope 2 emissions include greenhouse gas emissions from electricity consumption of directly managed Fortune malls.

¹³ The significant increase in Scope 3 emissions this year is attributed to a change in the calculation methodology compared to previous years. In prior years, Scope 3 emissions were limited to electricity consumption in common areas of directly managed malls, paper waste disposal in landfills, and electricity used for processing freshwater and sewage. This year, Scope 3 emissions have been calculated in alignment with the categories outlined in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011), which now includes emissions from electricity purchased by tenants.

Performance Data Summary

Social Key Performance Indicators

			2024		2023		2022	
Number of employees and workers ¹⁴			Number	Total	Number	Total	Number	Total
Employees ¹⁵	By gender	Male	9		8		7	
		Female	9		13		13	
	By age group	30 or below	1		3		3	
		31–50	17		17		16	
		51 or above	0	18	1	21	1	20
	By employee category	Executives	5		8		6	
		Middle management	3		5		8	
		Senior management	10		8		6	
Other workers ¹⁶	Property management ¹⁷		277		278		268	
	Cleaning workers		293	570	296	574	278	546

			2024		2023		2022	
Number and percentage of turnover employees			Number	%	Number	%	Number	%
Turnover employees ¹⁸	By gender	Male	2	22%	2	25%	0	0%
		Female	6	66%	3	23%	3	23%
	By age group	30 or below	0	0	2	67%	1	33%
		31–50	6	35%	3	18%	2	13%
		51 or above	2	100%	0	0%	0	0%
	Total		8	44%	5	24%	3	15%

Work-related fatality or injury			2024	2023	2022
Employees	Number of work-related fatalities		0	0	0
	Number of work-related injuries		0	0	0
	Lost days due to work injury		0	0	0
Other workers ¹⁹	Number of work-related fatalities		0	0	0
	Number of work-related injuries		2	1	2
	Lost days due to work injury		14	4	5

¹⁴ Based on employees as of 31 December 2024.

¹⁵ All employees are full-time employees located in Hong Kong.

¹⁶ Other workers include workers that are not directly employed by Fortune REIT whose work and/or workplace is controlled by Fortune REIT.

¹⁷ Property Management workers include security and employees from property managers, working at Fortune Malls.

¹⁸ Employee turnover = number of employees who left employment in the specific category / number of employees in the specific category.

¹⁹ Minor injuries occurred during patrol and festival decoration, medical care was provided to the injured workers and training on health and safety has been strengthened.

Performance Data Summary

		2024		2023		2022	
Number of trained employees ^{20,21}		Number	Total	Number	Total	Number	Total
By gender ²²	Male	9		8		7	
	Female	9		12		13	
By employee category ²³	Executives	5	18	8	20	6	20
	Middle management	3		4		8	
	Senior management	10		8		6	

		2024		2023		2022	
Average training hours		Number	Overall	Number	Overall	Number	Overall
By gender	Male	18.2		12.7		41.0	
	Female	36.6		27.3		46.7	
By employee category	Executives	16.1	24.4	13.5	20.5	38.3	44.7
	Middle management	16.5		14.3		44.6	
	Senior management	30.9		33.1		51.3	

		2024		2023		2022	
Number of trained employees on anti-corruption		Number	Total	Number	Total	Number	Total
By employee category	Executives	5		8		6	
	Middle management	3	18	4	20	8	20
	Senior management	10		8		6	

Number of suppliers		2024	2023	2022
Asia		246	265	289
% of suppliers with management practices implemented ²⁴		100%	100%	100%

²⁰ Includes employees who have left the Group during the Reporting Year.

²¹ 100% of employees have received training during the Reporting Year.

²² Among the employees trained, the percentage of male and female are 35% and 65% respectively.

²³ Among the employees trained, the percentage of executives, middle management and senior management are 30%, 40% and 30% respectively.

²⁴ Management practices include signage of Supplier Code of Conduct and supplier training etc.

INDEPENDENT ASSURANCE OPINION STATEMENT



By Royal Charter

Statement No.: **SRA-HK 817066**

Fortune Real Estate Investment Trust Environmental, Social and Governance Report 2024

The British Standards Institution is independent of Fortune Real Estate Investment Trust ("**Fortune REIT**") and ESR Asset Management (Fortune) Limited as manager of Fortune REIT (the "**Manager**"), and has no financial interest in the operation of Fortune REIT other than for the assessment and assurance of Fortune REIT for its Environmental, Social and Governance Report 2024 ("**Report**").

This independent assurance opinion statement has been prepared for Fortune REIT solely for the purposes of assuring its statements relating to the Report, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or towards any person by whom the independent assurance opinion statement may be read. This opinion statement is intended to be used by stakeholders of Fortune REIT and management of the Manager of Fortune REIT.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by the Manager of Fortune REIT. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to the Manager of Fortune REIT only.

Scope

The scope of engagement agreed upon with the Manager includes the following:

1. The assurance covers the whole Report and focuses on systems and activities of Fortune REIT, which include the operations of 16 private housing estate retail properties in Hong Kong and one neighbourhood mall in Singapore, during the period from 1st January 2024 to 31st December 2024 (the "**Reporting Year**"). The Report is prepared in accordance with the Hong Kong Stock Exchange's ("**HKEX**") Environmental, Social and Governance Reporting Guide ("**ESG Reporting Guide**"). It covers the data from Fortune REIT, its tenants and the Manager, and includes energy data, GHG emissions data, water consumption data and waste management data, from the operations of Fortune Malls.
2. Type 1 Moderate Level of Assurance in accordance with the AA1000 Assurance Standard v3 ("**AA1000AS v3**") evaluates the nature and extent of Fortune REIT and/or the Manager's adherence to four reporting principles: Inclusivity, Materiality, Responsiveness and Impact. The specified sustainability performance information/data disclosed in the Report has been evaluated.

Opinion Statement

We conclude that the Report provides a fair view of Fortune REIT's sustainability programmes and performance in the Reporting Year. We believe that the social and environmental performance indicators are fairly represented in the Report, in which Fortune REIT's efforts to pursue sustainable development are widely recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurers in accordance with the AA1000 Assurance standard v3, AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations. We considered Fortune REIT and its Manager has provided sufficient evidence that Fortune REIT's self-declaration of compliance with the HKEX's ESG Reporting Guide were fairly stated.

Independent Assurance Opinion Statement

Methodology

Our work was designed to gather evidence on which our conclusion is based. We undertook the following activities:

- A top level review of issues raised by external parties that could be relevant to Fortune REIT's policies to check on the appropriateness of statements made in the Report;
- Discussion with senior executives on Fortune REIT's approach to stakeholder engagement. We had no direct contact with external stakeholders;
- Interview with staff involved in sustainability management, report preparation and provision of report information;
- Review of key organizational developments;
- Review of supporting evidence for claims made in the Report including raw data and supporting evidence of the sustainability information; and
- An assessment of Fortune REIT's reporting and management processes concerning reporting against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000 AccountAbility Principles 2018 Standard ("**AA1000AP (2018)**").

Conclusions

A detailed review against the AA1000AP (2018) Principles of Inclusivity, Materiality, Responsiveness and Impact, and the HKEX's ESG Reporting Guide is set out below.

Inclusivity

The Report has reflected the fact that Fortune REIT and its Manager engage with its significant stakeholders through various channels such as annual general meeting; annual reporting; surveys; website and social media; email and hotline; press releases; investor meetings and roadshows; Fortune Malls App; customer service counters and management offices; partnering with NGOs and community events; regular meetings, Sustainability Committee meetings; tenants meetings; circulars; eco-taskforce; tenant satisfaction survey; supplier code of conduct; meetings; employee satisfaction survey; internal employee satisfaction survey; employee communication and engagement programmes; and more.

Fortune REIT's operation involves various methods of engaging its stakeholders on an on-going basis. The Report covers economic, social and environmental aspects of concern to its stakeholders with a fair level of disclosure. In our professional opinion, Fortune REIT adheres to the principle of Inclusivity. Areas for enhancement of the Report were adopted by Fortune REIT and/or its Manager before the issuance of this opinion statement.

Materiality

Fortune REIT publishes sustainability information that enables its stakeholders to make informed judgments about Fortune REIT's management and performance. In our professional opinion, the Report adheres to the principle of Materiality and identifies Fortune REIT's material aspects by using appropriate methods of materiality analysis and demonstrating material issues in a matrix form. Areas for enhancement of the Report were adopted by Fortune REIT and/or its Manager before the issuance of this opinion statement.

Responsiveness

Fortune REIT and its Manager have implemented practices that respond to the expectations and perceptions of its stakeholders. These include various surveys and feedback mechanisms for both internal and external stakeholders. In our professional opinion, Fortune REIT adheres to the principle of Responsiveness. Areas for enhancement of the Report were adopted by Fortune REIT and/or its Manager before the issuance of this opinion statement.

Independent Assurance Opinion Statement

Impact

Fortune REIT and its Manager have established processes to understand, measure and evaluate its impacts in qualitative and quantitative way. These processes enable Fortune REIT and/or its Manager to assess its impact and disclose them in the Report. In our professional opinion, Fortune REIT adheres to the principle of Impact. Areas for enhancement of the Report were adopted by Fortune REIT and/or its Manager before the issuance of this opinion statement.

HKEX's ESG Reporting Guide

Based on our verification review, we are able to confirm that social responsibility and sustainable development key performance indicators and disclosures in the two ESG subject areas: Environmental and Social, are reported in accordance with the HKEX's ESG Reporting Guide. Areas for enhancement of the Report were adopted by Fortune REIT and/or its Manager before the issuance of this opinion statement.

We were engaged to review the disclosures in the Report against the HKEX's ESG Reporting Guide.

Assurance Level

The Type 1 Moderate Level of Assurance provided in our review is defined by the scope and methodology described in this opinion statement.

Responsibility & Limitations

It is the responsibility of the Manager's senior management to ensure that the information being presented in the Report is accurate. The assurance is limited by information presented by the Manager of Fortune REIT. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of Lead Auditors, who are experienced in the industrial sector, and trained in a range of sustainability, environmental and social standards including GRI G3, GRI G3.1, GRI G4, GRI Standards, AA1000, HKEX's ESG Reporting Guide, UNGC's Ten Principles, ISO 20121, ISO 14064, ISO 14001, OHSAS 18001, ISO 45001, ISO 9001, and ISO 10002, etc. British Standards Institution is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI



Michael Lam, Senior Vice President, APAC Assurance
08 Mar 2025



AA1000
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000-157/V3-JI1WL

HKEX ESG GUIDE CONTENT INDEX

Material Aspect	Content	Page Index/Remarks
Mandatory Disclosure Requirements		
Governance Structure		
Board statement	A disclosure of the board's oversight of ESG issues	Message from the CEO, p.2 Sustainability Statement form the Board, p.3 Vision, Mission and Core Values, p.9
	The board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses)	Message from the CEO, p.2 Sustainability Statement form the Board, p.3 Key Targets and 2024 Performance, p.4-5 Materiality Assessment, p.22-24
	How the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses	Message from the CEO, p.2 Sustainability Statement form the Board, p.3 Vision, Mission and Core Values, p.9
Reporting Principles		
Description of the application of the Reporting Principles	Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement.	Reporting Standards and Principles, p.12 Stakeholder Engagement, p.21-24
	Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.	Reporting Standards and Principles, p.12
	Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	Reporting Standards and Principles, p.12
Reporting Boundary		
Description	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report.	Reporting Year and Scope, p.11

HKEX ESG Guide Content Index

Material Aspect	Content	Page Index/Remarks
Comply or Explain Provisions		
A. Environmental		
A1 Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Our Conduct, p.29 Our Footprint, p.42
A1.1	The types of emissions and respective emissions data.	Our Footprint – Energy Efficiency, p.52 Performance Data Summary, p.69-71
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity.	Our Footprint – Energy Efficiency, p.52 Performance Data Summary, p.69-71
A1.3	Total hazardous waste produced and, where appropriate, intensity.	Waste Management, p.57 Performance Data Summary, p.69-71
A1.4	Total non-hazardous waste produced and, where appropriate, intensity.	Our Footprint – Waste Management, p.57 Performance Data Summary, p.69-71
A1.5	Description of emissions target(s) set and steps taken to achieve them.	Our Footprint – Energy Efficiency, p.52-53 Fortune REIT has not set an air emissions target as it is relatively insignificant to its operation.
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Our Footprint – Waste Management, p.57-59 Fortune REIT has not set an hazardous waste target as it is relatively insignificant to its operation.

HKEX ESG Guide Content Index

Material Aspect	Content	Page Index/Remarks
A2 Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Our Footprint, p.42
A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Our Footprint – Energy Efficiency, p.53 Performance Data Summary, p.69-71
A2.2	Water consumption in total and intensity.	Our Footprint – Water and Effluent Management, p.55 Performance Data Summary, p.69-71
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Our Footprint – Energy Efficiency, p.53-54
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Our Footprint – Energy Efficiency, p.55-56 No issue in sourcing water
A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced.	Due to Fortune REIT's business nature, there is no packaging material used during the Reporting Year.
A3 The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	Our Footprint, p.42
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Our Footprint – Climate Change Adaption and Resilience, p.42
A4 Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Our Footprint, p.42
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Our Footprint – Climate Change Adaption and Resilience, p.42-47

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Material Aspect	Content	Page Index/Remarks
B. Social		
B1 Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Our Conduct, p.29-30 Our People, p.36
B1.1	Total workforce by gender, employment type, age group and geographical region.	Our People, p.36 Performance Data Summary, p.69-71
B1.2	Employee turnover rate by gender, age group and geographical region.	Our People, p.36 Performance Data Summary, p.69-71
B2 Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Our Conduct, p.29-30 Our People – Safe and Healthy Workplace, p.40-41
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Performance Data Summary, p.69-71
B2.2	Lost days due to work injury.	Our People – Safe and Healthy Workplace, p.40 Performance Data Summary, p.69-71
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Our People – Safe and Healthy Workplace, p.40-41
B3 Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Our People, p.36-38
B3.1	The percentage of employees trained by gender and employee category.	Our People, p.36 Performance Data Summary, p.69-71
B3.2	The average training hours completed per employee by gender and employee category.	Our People, p.36 Our People – Safe and Summary, p.69-71

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Material Aspect	Content	Page Index/Remarks
B4 Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Our Conduct, p.29 Our People, p.36-37
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Our People, p.36-37
B4.2	Description of steps taken to eliminate such practices when discovered.	Our People, p.36-37
B5 Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Our Conduct – Procurement Practice/ Supply Chain Management, p.34-35
B5.1	Number of suppliers by geographical region.	Performance Data Summary, p.69-71
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Our Conduct – Procurement Practice/ Supply Chain Management, p.34-35 Performance Data Summary, p.69-71
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Our Conduct – Procurement Practice/ Supply Chain Management, p.34-35
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Our Conduct – Procurement Practice/ Supply Chain Management, p.34-35
B6 Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Our Space – Service Quality Management, p.26-28 Our Conduct – Procurement Practice/ Supply Chain Management, p.34-35 Due to Fortune REIT's business nature, the Manager has not established policies in relation to advertising and labelling.

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Material Aspect	Content	Page Index/Remarks
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Due to Fortune REIT's business nature, product recall is not applicable to Fortune REIT.
B6.2	Number of products and service-related complaints received and how they are dealt with.	Our Space – Service Quality Management, p.26-28
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Our Conduct – Embracing Data-driven Culture, p.32
B6.4	Description of quality assurance process and recall procedures.	Our Space – Service Quality Management, p.26-28
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Our Space – Service Quality Management, p.26-28
B7 Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Our Conduct – Business Integrity and Anti-Corruption, p.29-31
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Our Conduct, p.29
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Our Conduct, p.29
B7.3	Description of anti-corruption training provided to directors and staff.	Our Conduct, p.29-31 Performance Data Summary, p.69-71
B8 Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Our Community, p.60-63
B8.1	Focus areas of contribution	Our Community, p.60-63
B8.2	Resources contributed to the focus area.	Our Community, p.60-63

IFRS S2 CONTENT INDEX

Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Explanation
Objective		
1	The objective of IFRS S2 Climate-related Disclosures is to require an entity to disclose information about its climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.	
2	This Standard requires an entity to disclose information about climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term. For the purposes of this Standard, these risks and opportunities are collectively referred to as 'climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects'.	
Scope		
3	This Standard applies to: <ul style="list-style-type: none"> (a) climate-related risks to which the entity is exposed, which are: <ul style="list-style-type: none"> (i) climate-related physical risks; and (ii) climate-related transition risks; and (b) climate-related opportunities available to the entity. 	
4	Climate-related risks and opportunities that could not reasonably be expected to affect an entity's prospects are outside the scope of this Standard.	
Governance		
5	The objective of climate-related financial disclosures on governance is to enable users of general purpose financial reports to understand the governance processes, controls and procedures an entity uses to monitor, manage and oversee climate-related risks and opportunities.	
6	To achieve this objective, an entity shall disclose information about: <ul style="list-style-type: none"> (a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about: <ul style="list-style-type: none"> (i) how responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s); (ii) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities; 	<p>Sustainability Approach – Board of Directors, p.14</p> <p>Sustainability Approach – Sustainability Committee, p.15-16</p> <p>Sustainability Approach – Board of Directors, p.14</p>

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Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Explanation
	(iii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	Sustainability Approach – Board of Directors, p.14 Sustainability Approach – Sustainability Committee, p.15
	(iv) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and	Sustainability Approach – Board of Directors, p.14
	(v) how the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies.	Sustainability Approach – Sustainability Committee, p.15
	(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	
	(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	Sustainability Approach – Board of Directors, p.14 Sustainability Approach – Sustainability Committee, p.15
	(ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Sustainability Approach, p.14
7	In preparing disclosures to fulfil the requirements in paragraph 6, an entity shall avoid unnecessary duplication in accordance with IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1). For example, although an entity shall provide the information required by paragraph 6, if oversight of sustainability related risks and opportunities is managed on an integrated basis, the entity would avoid duplication by providing integrated governance disclosures instead of separate disclosures for each sustainability-related risk and opportunity.	

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Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Explanation
Strategy		
8	The objective of climate-related financial disclosures on strategy is to enable users of general purpose financial reports to understand an entity's strategy for managing climate-related risks and opportunities.	
9	Specifically, an entity shall disclose information to enable users of general purpose financial reports to understand:	
	(a) the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47
	(b) the current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain;	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47
	(c) the effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan;	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47 Our Footprint – Emissions Management and Decarbonisation, p.47
	(d) the effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning; and	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47
	(e) the climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities.	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47

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Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Explanation
Climate-related Risks and Opportunities		
10	<p>An entity shall disclose information that enables users of general purpose financial reports to understand the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall:</p> <p>(a) describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;</p> <p>(b) explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk;</p> <p>(c) specify, for each climate-related risk and opportunity the entity has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and</p> <p>(d) explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.</p>	<p>Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47</p> <p>Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47</p> <p>Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47</p> <p>Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47</p>
11	In identifying the climate-related risks and opportunities that could reasonably be expected to affect an entity's prospects, the entity shall use all reasonable and supportable information that is available to the entity at the reporting date without undue cost or effort, including information about past events, current conditions and forecasts of future conditions.	
12	In identifying the climate-related risks and opportunities that could reasonably be expected to affect an entity's prospects, the entity shall refer to and consider the applicability of the industry-based disclosure topics defined in the Industry-based Guidance on Implementing IFRS S2.	
Business Model and Value Chain		
13	<p>An entity shall disclose information that enables users of general purpose financial reports to understand the current and anticipated effects of climate related risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose:</p> <p>(a) a description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain; and</p> <p>(b) a description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).</p>	<p>Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47</p> <p>Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47</p>

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Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Explanation
Strategy and Decision-making		
14	<p>An entity shall disclose information that enables users of general purpose financial reports to understand the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose:</p> <p>(a) information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about</p> <p>(i) current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments);</p> <p>(ii) current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications);</p> <p>(iii) current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains);</p> <p>(iv) any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies; and</p> <p>(v) how the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets, described in accordance with paragraphs 33-36.</p> <p>(b) information about how the entity is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 14(a).</p> <p>(c) quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 14(a).</p>	<p>Our Footprint – Emissions Management and Decarbonisation, p.47 Our Footprint – Energy Efficiency, p.53 Our Footprint – Water and Effluents Management, p.55</p> <p>Our Footprint – Climate Change Adaption and Resilience, p.42</p> <p>Our Footprint – Climate Change Adaption and Resilience, p.42</p> <p>Sustainability Strategy – Sustainability Targets and Performance, p.18</p> <p>Our Footprint – Emissions Management and Decarbonisation, p.47</p> <p>Our Footprint – Climate Change Adaption and Resilience, p.42 Our Footprint – Emissions Management and Decarbonisation, p.47</p> <p>Sustainability Strategy – Sustainability Targets and Performance, p.18</p>

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Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Explanation
Financial Position, Financial Performance, and Cash Flows		
15	An entity shall disclose information that enables users of general purpose financial reports to understand:	
	(a) the effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects); and	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47
	(b) the anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47
16	Specifically, an entity shall disclose quantitative and qualitative information about:	
	(a) the effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period;	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47
	(b) the climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;	No substantial risk of a material adjustment is anticipated in the next annual reporting period.
	(c) how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	
	(i) its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to; and	The Group will further explore our feasibility in disclosing quantitative information on investment, disposal plans and fundings in terms of climate-related risks and opportunities management.
	(ii) its planned sources of funding to implement its strategy; and	
	(d) how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation).	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47

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Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Explanation
17	In providing quantitative information, an entity may disclose a single amount or a range.	
18	In preparing disclosures about the anticipated financial effects of a climate-related risk or opportunity, an entity shall:	
	(a) use all reasonable and supportable information that is available to the entity at the reporting date without undue cost or effort; and	
	(b) use an approach that is commensurate with the skills, capabilities and resources that are available to the entity for preparing those disclosures.	
19	An entity need not provide quantitative information about the current or anticipated financial effects of a climate-related risk or opportunity if the entity determines that:	
	(a) those effects are not separately identifiable; or	
	(b) the level of measurement uncertainty involved in estimating those effects is so high that the resulting quantitative information would not be useful.	
20	In addition, an entity need not provide quantitative information about the anticipated financial effects of a climate-related risk or opportunity if the entity does not have the skills, capabilities or resources to provide that quantitative information.	
21	If an entity determines that it need not provide quantitative information about the current or anticipated financial effects of a climate-related risk or opportunity applying the criteria set out in paragraphs 19-20, the entity shall:	
	(a) explain why it has not provided quantitative information;	
	(b) provide qualitative information about those financial effects, including identifying line items, totals and subtotals within the related financial statements that are likely to be affected, or have been affected, by that climate-related risk or opportunity; and	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47
	(c) provide quantitative information about the combined financial effects of that climate-related risk or opportunity with other climate-related risks or opportunities and other factors unless the entity determines that quantitative information about the combined financial effects would not be useful.	

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Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Explanation
Climate Resilience		
22	<p>An entity shall disclose information that enables users of general purpose financial reports to understand the resilience of the entity's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities. The entity shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with the entity's circumstances. In providing quantitative information, the entity may disclose a single amount or a range. Specifically, the entity shall disclose:</p> <p>(a) the entity's assessment of its climate resilience as at the reporting date, which shall enable users of general purpose financial reports to understand:</p> <p>(i) the implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis;</p> <p>(ii) the significant areas of uncertainty considered in the entity's assessment of its climate resilience;</p> <p>(iii) the entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including:</p> <p>(1) the availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities;</p> <p>(2) the entity's ability to redeploy, repurpose, upgrade or decommission existing assets; and</p> <p>(3) the effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience; and</p>	<p>Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47</p> <p>Our Footprint – Emissions Management and Decarbonisation, p.47</p> <p>business model to climate change over the short, medium and long term, including:</p> <p>The Group will explore our feasibility in disclosing the existing financial resources in respond to effects identified in the climate-related scenario analysis in the upcoming reports.</p> <p>Our Footprint – Climate Change Adaption and Resilience, p.42</p> <p>Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47</p>

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Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Explanation
	(b) how and when the climate-related scenario analysis was carried out, including	
	(i) information about the inputs the entity used, including:	
	(1) which climate-related scenarios the entity used for the analysis and the sources of those scenarios;	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47
	(2) whether the analysis included a diverse range of climate-related scenarios;	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47
	(3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks;	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47
	(4) whether the entity used, among its scenarios, a climate related scenario aligned with the latest international agreement on climate change;	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47
	(5) why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties;	Our Footprint – Climate Change Adaption and Resilience, p.42
	(6) the time horizons the entity used in the analysis; and	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47
	(7) what scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis);	Reporting Year and Scope, p.11
	(ii) the key assumptions the entity made in the analysis, including assumptions about:	
	(1) climate-related policies in the jurisdictions in which the entity operates;	Our Conduct – Business Integrity and Anti-Corruption, p.29
	(2) macroeconomic trends;	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47
	(3) national- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources);	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47
	(4) energy usage and mix; and	Our Footprint – Energy Efficiency, p.53
	(5) developments in technology; and	Our Conduct – Management of Sustainability-related Risks, p.33
	(iii) the reporting period in which the climate-related scenario analysis was carried out.	Sustainability Statement from the Board, p.3
23	In preparing disclosures to meet the requirements in paragraphs 13-22, an entity shall refer to and consider the applicability of cross-industry metric categories, as described in paragraph 29, and industry-based metrics associated with disclosure topics defined in the Industry-based Guidance on Implementing IFRS S2 as described in paragraph 32.	

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Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Explanation
Risk Management		
24	The objective of climate-related financial disclosures on risk management is to enable users of general purpose financial reports to understand an entity's processes to identify, assess, prioritise and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process.	
25	To achieve this objective, an entity shall disclose information about:	
	(a) the processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about:	
	(i) the inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes);	Reporting Year and Scope, p.11
	(ii) whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks;	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47
	(iii) how the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria);	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47
	(iv) whether and how the entity prioritises climate-related risks relative to other types of risk;	Sustainability Approach – Sustainability Committee, p.15
	(v) how the entity monitors climate-related risks; and	Sustainability Approach – Sustainability Committee, p.15
	(vi) whether and how the entity has changed the processes it uses compared with the previous reporting period;	There are no changes in the processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks
	(b) the processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities; and	Our Footprint – Climate Change Adaption and Resilience – Climate financial impact assessment, p.42-47
	(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	Sustainability Approach, p.14

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Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Explanation
26	In preparing disclosures to fulfil the requirements in paragraph 25, an entity shall avoid unnecessary duplication in accordance with IFRS S1. For example, although an entity shall provide the information required by paragraph 25, if oversight of sustainability-related risks and opportunities is managed on an integrated basis, the entity would avoid duplication by providing integrated risk management disclosures instead of separate disclosures for each sustainability-related risk and opportunity.	
Metrics and Targets		
27	The objective of climate-related financial disclosures on metrics and targets is to enable users of general purpose financial reports to understand an entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation.	
28	To achieve this objective, an entity shall disclose: <ul style="list-style-type: none"> (a) information relevant to the cross-industry metric categories; (b) industry-based metrics that are associated with particular business models, activities or other common features that characterise participation in an industry; and (c) targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets. 	<p>The Group will explore our feasibility in referencing cross-industry metrics in the upcoming reports</p> <p>Key Targets and 2024 Performance, p.4-7</p>
29	An entity shall disclose information relevant to the cross-industry metric categories of: <ul style="list-style-type: none"> (a) greenhouse gases – the entity shall: <ul style="list-style-type: none"> (i) disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO₂ equivalent, classified as: <ul style="list-style-type: none"> (1) Scope 1 greenhouse gas emissions; (2) Scope 2 greenhouse gas emissions; and (3) Scope 3 greenhouse gas emissions; (ii) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions; 	<p>Performance Data Summary, p.69-71</p> <p>Performance Data Summary, p.69-71</p> <p>Performance Data Summary, p.69-71</p> <p>Performance Data Summary, p.69-71</p>

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Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Explanation
	(iii) disclose the approach it uses to measure its greenhouse gas emissions including:	
	(1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions;	Performance Data Summary, p.69-71
	(2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	Reporting Standard and Principles, p.12 Performance Data Summary, p.69-71
	(3) any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	There are no changes in the measurement approach of GHG emissions.
	(iv) for Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(1)-(2), disaggregate emissions between:	
	(1) the consolidated accounting group (for example, for an entity applying IFRS Accounting Standards, this group would comprise the parent and its consolidated subsidiaries); and	Reporting Year and Scope, p.11
	(2) other investees excluded from paragraph 29(a)(iv)(1) (for example, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries);	The Group does not own any associates, joint ventures and unconsolidated subsidiaries
	(v) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(2), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions; and	Performance Data Summary, p.69-71
	(vi) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(3), and with reference to paragraphs B32-B57, disclose:	
	(1) the categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and	Performance Data Summary, p.69-71

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Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Explanation
	(2) additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance;	The Group does not engage in financial activities, such as holding equity assets or issuing debt, which Category 15 (Investments) financial-related greenhouse gas emissions is not applicable to our operations.
	(b) climate-related transition risks – the amount and percentage of assets or business activities vulnerable to climate-related transition risks;	
	(c) climate-related physical risks – the amount and percentage of assets or business activities vulnerable to climate-related physical risks;	Only qualitative disclosures are available. The group will explore incorporating quantitative analyses of both physical and transition risks in upcoming reports.
	(d) climate-related opportunities – the amount and percentage of assets or business activities aligned with climate-related opportunities;	
	(e) capital deployment – the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;	
	(f) internal carbon prices – the entity shall disclose:	
	(i) an explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis); and	Internal carbon pricing is not applied in the Group's decision making.
	(ii) the price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions;	
	(g) remuneration – the entity shall disclose:	
	(i) a description of whether and how climate-related considerations are factored into executive remuneration (see also paragraph 6(a)(v)); and	Sustainability Approach – Sustainability Committee, p.15
	(ii) the percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations.	Our People – Talent Attraction and Retention, p.36
30	In preparing disclosures to meet the requirements in paragraph 29(b)-(d), an entity shall use all reasonable and supportable information that is available to the entity at the reporting date without undue cost or effort.	
31	In preparing disclosures to meet the requirements in paragraph 29(b)-(g), an entity shall refer to paragraphs B64-B65.	

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Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Explanation
32	An entity shall disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the entity discloses, the entity shall refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the Industry-based Guidance on Implementing IFRS S2.	The Group will explore our feasibility in disclosing industry-based metric in the upcoming reports
Climate-related Targets		
33	An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose:	
	(a) the metric used to set the target;	Our Footprint – Emissions Management and Decarbonisation, p.47 Our Footprint – Energy Efficiency, p.53 Our Footprint – Water and Effluents Management, p.55 Our Footprint – Waste Management, p.57
	(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	Sustainability Strategy – Sustainability Targets and Performance, p.18 Our Footprint – Climate Change Adaption and Resilience, p.42
	(c) the part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region);	Reporting Year and Scope, p.11
	(d) the period over which the target applies;	Key Targets and 2024 Performance, p.4-7
	(e) the base period from which progress is measured;	Key Targets and 2024 Performance, p.4-7
	(f) any milestones and interim targets;	Sustainability Strategy – Sustainability Targets and Performance, p.18
	(g) if the target is quantitative, whether it is an absolute target or an intensity target; and	Sustainability Strategy – Sustainability Targets and Performance, p.18
	(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	Sustainability Strategy – Sustainability Targets and Performance, p.18

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Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Explanation
34	An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	
	(a) whether the target and the methodology for setting the target has been validated by a third party;	Our Footprint – Emissions Management and Decarbonisation, p.47
	(b) the entity's processes for reviewing the target;	Sustainability Approach – Sustainability Committee, p. 15
	(c) the metrics used to monitor progress towards reaching the target; and	Sustainability Strategy – Sustainability Targets and Performance, p.18
	(d) any revisions to the target and an explanation for those revisions.	No revision on the targets were made
35	An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance.	Sustainability Strategy – Sustainability Targets and Performance, p.18
36	For each greenhouse gas emissions target disclosed in accordance with paragraphs 33–35, an entity shall disclose:	
	(a) which greenhouse gases are covered by the target.	Sustainability Strategy – Sustainability Targets and Performance, p.18
	(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	Sustainability Strategy – Sustainability Targets and Performance, p.18
	(c) whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target.	Sustainability Strategy – Sustainability Targets and Performance, p.18
	(d) whether the target was derived using a sectoral decarbonisation approach.	Fortune REIT is committed to the SBTs which are not derived using a sectoral decarbonisation approach.

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Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Explanation
	(e) the entity's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits the entity shall disclose information including, and with reference to paragraphs B70-B71:	
	(i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;	
	(ii) which third-party scheme(s) will verify or certify the carbon credits;	
	(iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and	
	(iv) any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset).	Fortune REIT has not purchased carbon credits to offset its emissions in the reporting period. The Group remains committed to decarbonise through sustainable operation and climate resilience enhancements. The Group will further explore its feasibility to help realise our decarbonisation targets.
37	In identifying and disclosing the metrics used to set and monitor progress towards reaching a target described in paragraphs 33-34, an entity shall refer to and consider the applicability of cross-industry metrics and industry-based metrics, including those described in an applicable IFRS Sustainability Disclosure Standard, or metrics that otherwise satisfy the requirements in IFRS S1.	

GRI CONTENT INDEX

GRI Standards Disclosure		Page No./Remarks
GRI 2: General Disclosures 2021		
2-3	Reporting period, frequency and contact point	Reporting Year and Scope, p.11 Reporting Standards and Principles, p.12
2-5	External assurance	Independent Assurance Opinion Statement, p.72-74
2-7	Employees	Our People – Talent Attraction and Retention, p.36 Performance Data Summary, p.69-71
2-8	Workers who are not employees	Our People – Talent Attraction and Retention, p.34-35 Performance Data Summary, p.69-71
2-9	Governance structure and composition	Sustainability Approach, p.14
2-12	Role of the highest governance body in overseeing the management of impacts	Message from CEO, p.2 Sustainability Approach, p.14
2-22	Statement on sustainable development strategy	Sustainability Approach, p.14-16
2-27	Compliance with laws and regulations	Our Conduct – Business Integrity and Anti-Corruption, p.29-30
2-29	Approach to stakeholder engagement	Stakeholder Engagement, p.21-24
Topic-specific standards		
GRI 200 Series: Economic Topics		
GRI 205: Anti-corruption 2016		
205-3	Communication and training about anti-corruption policies and procedures	Our Conduct – Business Integrity and Anti-Corruption, p.29-31
205-3	Confirmed incidents of corruption and actions taken	Our Conduct – Business Integrity and Anti-Corruption, p.29-31
GRI 300 Series: Environmental Topics		
GRI 302: Energy 2016		
302-1	Energy consumption within the organisation	Our Footprint – Energy Efficiency, p.53 Performance Data Summary, p.69-71
302-3	Energy intensity	Our Footprint – Energy Efficiency, p.53 Performance Data Summary, p.69-71
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	Our Footprint – Energy Efficiency, p.53 Performance Data Summary, p.69-71
305-2	Energy indirect (Scope 2) GHG emissions	Our Footprint – Energy Efficiency, p.53 Performance Data Summary, p.69-71
305-3	Other indirect (Scope 3) GHG emissions	Our Footprint – Energy Efficiency, p.53 Performance Data Summary, p.69-71
305-4	GHG emissions intensity	Our Footprint – Energy Efficiency, p.53 Performance Data Summary, p.69-71
GRI 400 Series: Social Topics		
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	Performance Data Summary, p.69-71
404-3	Percentage of employees receiving regular performance and career development reviews	Our People – Talent Attraction and Retention, p.36-37
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	Our Community, p.60-63
GRI 416: Customer Health and Safety 2016		
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Service Quality Management, p.26-28 There are no confirmed incidents of non-compliance concerning the health and safety impacts of services.

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