



ESR receives inaugural A Rating by MSCI ESG Ratings

Recognition of ESR's approach in building a sustainable business for all

HONG KONG, 29 April 2021 – ESR Cayman Limited (“ESR” or the “Company”, together with its subsidiaries as the “Group”; SEHK Stock Code: 1821), the largest APAC focused logistics real estate platform, received an MSCI ESG rating of A, recognising its outstanding performance in environmental, social and governance (“ESG”) best practices.

The rating places ESR among the top 20% of companies in the real estate development and diversified activities industry rated for their ESG performance in its first endeavour to participate in the MSCI rating. MSCI ESG Research provides MSCI ESG Ratings on global public and private companies on a scale of AAA (leader) to CCC (laggard), according to exposure to industry-specific ESG risks and the ability to manage those risks relative to peers. It offers in-depth research, ratings and analysis of the ESG-related business practices of thousands of companies worldwide.

Jeffrey Shen and Stuart Gibson, ESR Co-founders and Group Co-CEOs, remarked, “It is our great pleasure that our sustainability initiatives are well recognised. ESG is at the heart of our business, driving all decisions to maximise value for our stakeholders across the value chain. We’ll strive to continue to set the standard for sustainable development in APAC logistics real estate as we steer positive changes towards a more resilient future for the new economy.”

ESR has taken significant sustainability initiatives under its ESG 2025 Roadmap, underscored by sustainable properties and operations as well as best corporate practices, across the three key pillars of its ESG Framework: Human Centric, Property Portfolio and Corporate Performance.

In support of the Paris Agreement and in line with the climate change resilience focus area under the Property Portfolio pillar, ESR is embarking on a scenario-based climate risk assessment aligned with the TCFD (Task Force on Climate-related Financial Disclosures) guidelines.

Climate-related risks across ESR’s property portfolio are measured through MSCI Real Estate Climate Value-at-Risk (“Climate VaR”) assessments. By calculating both transition risk from changing legislation due to climate action and physical risk from extreme weather impacts, Climate VaR offers a framework to improve portfolio performance, risk management, regulatory reporting and progress towards broader sustainability goals. It provides forward-looking and return-based valuation assessment to measure climate related risks and opportunities in an investment portfolio.

“MSCI’s mission is to empower investors to make better investment decisions for a better world. In this regard, we are glad to support ESR’s goal to move towards a net-zero framework by offering our suite of tools and solutions to conduct climate stress testing and climate benchmarking,” said Varun Malik, Head of APAC Real Estate Client Coverage at MSCI.

“The move to a net-zero economy requires capital market participants to adapt their own business models beyond reduction of their own operational carbon footprints. In the investment community, scaling up the availability of investment options aligned with the net-zero trajectory — and being accountable to the alignment in a transparent and measurable way — is imperative for accelerating

the flow of capital toward net-zero solutions. We are supportive of capital market participants' commitment to providing investors with more green financial products to drive the transition to a net-zero economy.”

Emma Larsson, ESG Officer of ESR, stated, “This recognition by MSCI, among other renowned international organisations, is a testament to our dedication to working with stakeholders to promote environmental stewardship, social responsibility and strong governance as we strive to meet the ambitious targets set by our ESG 2025 Roadmap.”

ESR's ESG leadership is acknowledged through a number of highly respected industry recognitions, including being named a Sector Leader in Asia by GRESB (Global Real Estate Sustainability Benchmark). In 2020, it also received LEED silver certification for properties in PRC and South Korea, as well as ABINC (The Association for Business Innovation in harmony with Nature and Community) and CASBEE (Comprehensive Assessment System for Built Environment Efficiency) A for its facilities in Japan. ESR Bucheon Logistics Park in South Korea is the first logistics facility in APAC to attain a WELL Gold certification.

For more details about ESR's ESG efforts and achievements: [Corporate Website](#) | [ESG 2025 Roadmap](#)

About ESR

ESR is the largest APAC focused logistics real estate platform by gross floor area (GFA) and by value of the assets owned directly and by the funds and investment vehicles it manages. ESR and the funds and investment vehicles it manages are backed by some of the world's preeminent investors including APG, CPP Investments, JD.com, Oxford Properties, PGGM and SK Holdings. The ESR platform spans major economies across the APAC region, including the People's Republic of China, Japan, South Korea, Singapore, Australia, and India. As of 31 December 2020, the fair value of the properties directly held by ESR and the assets under management with respect to the funds and investment vehicles managed by ESR recorded approximately US\$30 billion, and GFA of properties completed and under development as well as GFA to be built on land held for future development comprised over 20 million sqm in total. Listed on the Main Board of The Stock Exchange of Hong Kong Limited in November 2019, ESR is a constituent of the FTSE Global Equity Index Series (Large Cap), Hang Seng Composite Index and MSCI Hong Kong Index.

For more information on ESR, please visit www.esr.com.

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