



 長江和記實業有限公司
CK HUTCHISON HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
Stock code: 1

Sustainable Finance Framework

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About CK Hutchison Holdings Limited (“CKHH”)



CKHH group (the “Group”) is a multinational conglomerate committed to development, innovation and technology in four core businesses.

- Ports and Related Services
- Retail
- Infrastructure
- Telecommunications

The Group operates in about 50 countries with about 300,000 employees.

Ports and Related Services

As the world’s leading port investor, developer and operator, the Group’s Ports division holds interests in 52 ports comprising 283 operational berths in 26 countries, including container terminals operating in six of the 10 busiest container ports in the world. It also engages in river trade, cruise terminal operations and ports-related logistics services.

Retail

The Group’s Retail division is the world’s largest international health and beauty retailer, with over 16,000 stores in over 27 markets worldwide. Its diverse retail portfolio comprises health and beauty products, supermarkets, as well as consumer electronics and electrical appliances. It also manufactures and distributes bottled water and beverage products in Hong Kong and Mainland China.

Infrastructure

The Group’s Infrastructure division includes its shareholding in CK Infrastructure Holdings Limited (“CKI”) and interests in six infrastructure assets that are co-owned with CKI. CKI is a global infrastructure company with diversified investments in energy infrastructure, transportation infrastructure, water infrastructure, waste management, waste-to-energy, household infrastructure and infrastructure-related businesses. Its investments and operations span Hong Kong, Mainland China, the United Kingdom, Continental Europe, Australia, New Zealand, Canada, and the United States.

Telecommunications

A pioneer in mobile data communication technologies, the Group’s Telecommunications division is a leading global operator and innovator of converged telecommunication and digital services implementing innovative technologies in connectivity around the world. The Group’s Telecommunications division consists of CK Hutchison Group Telecom (which consolidates the 3 Group businesses in Europe and a 66.09% interest in Hutchison Telecommunications Hong Kong Holdings Limited), as well as Hutchison Asia Telecommunications.

Group Sustainability Framework

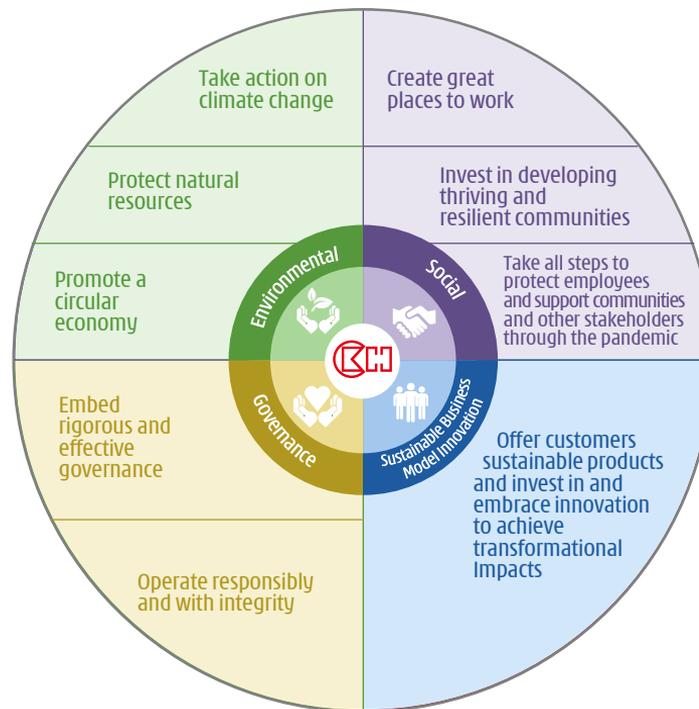


The Group serves society in essential ways across its core businesses: keeping people connected; securing the movement of trade and supply chains; ensuring daily necessities are available; and developing critical infrastructure to ensure that reliable electricity, gas, water, heating, waste management and other essential services are provided to millions of customers around the world.

The Group recognises that how it runs its businesses and the investment decisions it makes can have either positive or negative social and environmental impacts. Challenging the Group to think critically about the way these impacts are managed sharpens its ability to better serve society which in turn acts as a force that strengthens its businesses.

The following Sustainability Framework has been developed at the Group-level and consists of four pillars and nine goals that will form the foundational approach of the Group going forward. How the goals are achieved across the Group will differ depending on the nature of the business sectors and geographies in which each core business operates¹.

Further information on how each goal is being addressed can be found in the sustainability section of the Group's corporate website, which is updated regularly for the most current developments (<https://www.ckh.com.hk/en/esg/>).



¹ While our goal, "Take all steps to protect employees and support communities and other stakeholders through the pandemic", is not a perpetual goal as in the case of the others, it has been individually listed given the significance of the pandemic and to ensure maximum focus as the world continues its recovery.



Mapping Group Goals to the SDGs



The Group is committed to playing its part in achieving the United Nations Sustainable Development Goals (“SDGs”). Through collaborating and focusing efforts across its businesses, the Group believes it can contribute to increasing the speed and scale of delivery across a wide number of the SDGs and to meeting the ambitions set out in the 2015 Paris Agreement.

Leadership on the SDGs also requires embracing the values set out in the Ten Principles of the United Nations Global Compact (the “Global Compact”) in the areas of human rights, labour, environment, and anti-corruption.

As a signatory and active participant to the Global Compact, the Group is committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of the Group and to engaging in projects which advance the SDGs.

The Group's Sustainability Framework is shown in more detail overleaf, including how the Group's goals are mapped to the SDGs.

Mapping Group Goals to the SDGs (Cont'd)



Take action on climate change

- Contribute to helping the world achieve the goal set out in the 2015 Paris Agreement to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels
- Manage the physical and transition risks of climate change, and seize the opportunities presented as the low carbon transition continues
- Encourage and embrace scientific and technological innovation to accelerate reductions in the carbon footprints of the Group's businesses



Protect natural resources

- Conserve water, prevent pollution to land, water and air, and protect and restore biodiversity



Promote a circular economy

- Integrate circular thinking into business strategies through responsible raw material sourcing, efficient production processes and product design, and inspiring sustainable consumer behaviours



Embed rigorous and effective governance

- Maintain transparent corporate governance that guides the Group in making balanced decisions that benefit all stakeholders



Operate responsibly and with integrity

- Adhere to the highest compliance and anti-corruption standards and act with integrity always
- Promote environments where employees feel comfortable to speak up
- Implement leading practice approaches to data privacy and cyber security



Create great places to work

- Attract, develop and retain a high-performing and engaged workforce
- Make work an equitable, diverse and inclusive environment that reflects the diversity of the communities in which the Group operates
- Promote zero harm and healthy workplaces



Invest in developing thriving and resilient communities

- Deliver business growth that benefits the communities in which the Group operates
- Invest in programmes for meaningful impact and foster long-term relationships



Take all steps to protect employees and support communities and other stakeholders through the pandemic

- Keep employees safe; provide employees with the tools and support to successfully work from home; support employee wellbeing
- Protect the health and wellbeing of customers
- Maintain focus to supporting healthcare services globally and the needs of the vulnerable
- Prioritise health and wellness over profit whenever and wherever the Group's employees or communities are at risk



Offer customers sustainable products and invest in and embrace innovation to achieve transformational impacts

- Invest in innovation to provide transformational sustainability impact as well as ensure future-fit businesses
- Adapt products and services to be more sustainable, while ensuring always the highest levels of product and service quality and safety
- Communicate the sustainability benefits of products and services to customers with transparency and authenticity
- Partner with suppliers that share the Group's sustainability priorities and uphold high levels of environmental and ethical conduct





In accordance with the Group's sustainability strategy, the Group has developed this Sustainable Finance Framework (the "Framework") with reference to the following guidelines.

- ICMA Green Bond Principles 2021 ("ICMA GBP")²
- ICMA Social Bond Principles 2021 ("ICMA SBP")²
- ICMA Sustainability Bond Guidelines 2021 ("ICMA SBG" and together with the ICMA GBP and ICMA SBP, the "ICMA Principles")
- LMA, APLMA, and LSTA Green Loan Principles 2021 ("LMA GLP")³
- LMA, APLMA, and LSTA Social Loan Principles 2021 ("LMA SLP" and together with the LMA GLP, the "LMA Principles")³

The Group will strive to follow best market practice as standards develop.

2 The ICMA Principles are voluntary process guidelines that have become the leading framework globally for the issuance of green, social, and sustainability bonds. The ICMA Principles outline best practices when issuing bonds serving environmental and/or social purposes through guidelines that promote transparency and disclosure. The International Capital Market Association ("ICMA") serves as Secretariat, providing support while advising on governance and other issues.
<https://www.icmagroup.org/sustainable-finance/resource-centre/>

3 The Loan Market Association ("LMA"), Asia-Pacific Loan Market Association ("APLMA"), and the Loan Sales and Trading Association ("LSTA") jointly developed the LMA Principles to provide consistent methodology and seek to promote market integrity by clarifying the instances in which a loan may be categorised as "green" or "social". The LMA Principles build on and refer to the ICMA Principles, with a view to promoting consistency across financial markets.
<https://www.lma.eu.com/documents-guidelines/documents/category/green--sustainable-finance>

Sustainable Finance Transactions

Under the Framework, CKHH and/or its direct or indirect subsidiaries (each a "Group entity") may raise, from time to time, bond, loan, or related financing for specific assets and projects and investments that they believe will catalyse positive environmental and/or social impact (each a "Sustainable Finance Transaction"). A Group entity may act as issuer, borrower, or guarantor in a Sustainable Finance Transaction.

Examples of Sustainable Finance Transactions include the following.

- Green Bonds, in accordance with ICMA GBP
- Social Bonds, in accordance with ICMA SBP
- Sustainability Bonds, in accordance with ICMA SBG
- Green Loans, in accordance with LMA GLP
- Social Loans, in accordance with LMA SLP



Framework Scope

The Framework details the following as recommended by the ICMA Principles and the LMA Principles.

- Nature of assets, projects and investments eligible for either financing or refinancing with net proceeds from a Sustainable Finance Transaction or an amount equivalent thereof⁴ (together referred to as “Net Proceeds”) and alignment of such eligible assets, projects and investments with the SDGs
- Approach to assessing prospective assets, projects and investments for alignment with the Framework
- Tracking allocation of Net Proceeds from a Sustainable Finance Transaction and how such Net Proceeds will be managed pending allocation
- How the Group will report on both allocation and impact
- The Group's commitment to review by an independent party with recognised environmental and social expertise

The Framework (and any updates thereto) will be available in the Investor Relations section of the Group's corporate website (<https://www.ckh.com.hk/en/ir/>).

⁴ Such equivalent amounts can include amounts which have no correlation to, and are entirely independent of, a Sustainable Finance Transaction (other than it being in an amount equivalent to the net proceeds from a Sustainable Finance Transaction).



The Net Proceeds from each Sustainable Finance Transaction will be exclusively allocated to finance or refinance, in whole or in part, assets, projects, investments and other related and supporting expenditure (“Eligible Projects”) that may relate to one or more of the following categories (each an “Eligible Project Category”).

- Renewable Energy
- Energy Efficiency
- Sustainable Transportation
- Circular Economy and Design
- Emergency Response and Pandemic Relief

Qualifying expenditure for Eligible Projects includes capital expenditure and certain operating expenditure such as amounts incurred to extend the useful life of the relevant assets, projects or investments or to enhance their environmental or social benefit in addition to late-stage research and development. In addition, Sustainable Finance Transactions will not finance or refinance assets, projects or investments directly relating to fossil fuels.

In the case of refinancing, Eligible Projects include those invested within the 36 months prior to closing of the relevant Sustainable Finance Transaction.

Any such financing and re-financing activity will, at all times, be consistent with the Group Sustainability Framework and be guided by the Group’s foundational policies on sustainability and corporate governance (“Group Policies”)⁵ where applicable.

5 These include:

- the Group’s Sustainability Policy and related policies on the environment, health and safety, human rights, modern slavery, and supply chain, as they may be supplemented or amended, may be accessed through the sustainability section of the Group’s corporate website.
https://www.ckh.com.hk/en/esg/esg_policies.php
- the Group’s Corporate Governance Policies, including the Group’s Code of Conduct, as they may be supplemented or amended, may be accessed through the sustainability section of the Group’s corporate website.
https://www.ckh.com.hk/en/about/cg_policies.php

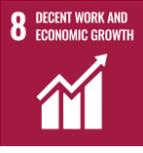
Environmental Project Categories



Category	Eligibility Criteria	SDG Alignment
Renewable Energy	<ul style="list-style-type: none">– Development, acquisition, maintenance, and operation of projects generating electricity from renewable sources, comprising any of the following.<ul style="list-style-type: none">• On-site installations• Sourcing pursuant to long-term power purchase agreements• Marginal costs associated with procuring renewable power• When other options are not available or practical, purchases of Energy Attribute Certificates or Renewable Energy Certificates <p>Supporting infrastructure for such qualifying projects, including battery storage, will likewise qualify.</p> <ul style="list-style-type: none">– “Renewable sources” comprise the following technologies.<ul style="list-style-type: none">• Solar power• Wind power• Bioenergy (biofuels, biogas and biomass) from waste sources• Geothermal power• Hydrogen produced from electrolysis using renewable energy, including (i) reforming biogas and bioliquids, and (ii) photo-electrocatalysis with solar energy• Hydropower projects ≤ 25 MW unless power density ≥ 5W/m²• Waste-to-energy projects with materials recovery and recycling prior to incineration <p>Such “renewable sources” will be limited to technologies with emissions intensity ≤ 100gCO₂/kWh.</p>	

Environmental Project Categories (Cont'd)



Category	Eligibility Criteria	SDG Alignment
Energy Efficiency	<ul style="list-style-type: none">– Development, acquisition, maintenance, and operation of projects and processes resulting in $\geq 15\%$ improvement in energy consumption or emissions generated including through electrification, automation or digitalisation of equipment and facilities, including the following.<ul style="list-style-type: none">• Energy-efficient lighting• Energy management systems and smart meters• Internet of Things networks, solutions and products– Infrastructure or digital solutions to make new or legacy communications networks and supporting infrastructure more energy-efficient, including the following.<ul style="list-style-type: none">• Development of 5G wireless communications and optical fibre deployment• Data centres expected to achieve Power Usage Effectiveness ≤ 1.5	  

Environmental Project Categories (Cont'd)



Category	Eligibility Criteria	SDG Alignment
Sustainable Transportation	<ul style="list-style-type: none">— Development, acquisition, maintenance, and operation of transport for persons or freight by significantly less carbon intensive means, including the following.<ul style="list-style-type: none">• Zero-tailpipe or direct emissions vehicles• Non-motorised multimodal transportation<p>Such assets, projects and investments will not include infrastructure designed to improve carbon intensity in conventional fossil-fuel combustion engines.</p>— Development and improvement of infrastructure supporting such sustainable transport, including the following.<ul style="list-style-type: none">• Stations, terminals and traffic management or signaling systems• Electric vehicle chargers• Connected and automated transport technologies	

Environmental Project Categories (Cont'd)



Category	Eligibility Criteria	SDG Alignment
Circular Economy and Design	<ul style="list-style-type: none">— Development, sustainable production and use of materials and products (including in packaging), that support the circular economy through increasing functionality, durability, modularity and ease of repair, or are reusable, recyclable, or compostable, including the following.<ul style="list-style-type: none">• Substitution of virgin materials with secondary raw materials and by-products, such as procurement of recycled polyethylene terephthalate (rPET)• Production of new products or assets from redundant products and assets that have been repurposed, refurbished or remanufactured— Increasing waste diversion from landfills and reducing waste at the source, including through:<ul style="list-style-type: none">• Solid waste management systems and recycling infrastructure, including for electronic waste• Efforts to recycle and minimise food waste— Development, acquisition, maintenance, and operation of projects for the capture and storage of CO₂	 



Category	Eligibility Criteria	SDG Alignment
Emergency Response and Pandemic Relief	<p>— Projects seeking to alleviate the impact of specific crises on target populations and identified based on the date of the declaration of an emergency or pandemic, limited to the period immediately following the declaration of such emergency or pandemic, and detailed accordingly in post-issuance reporting</p> <p>Such may projects may include the following.</p> <ul style="list-style-type: none">• Enhanced health and safety measures on-site for customers and employees to ensure continuity of services offered• Enhanced affordability of products and services• Enhanced network capacity and deployment of high-speed Internet access to enable continued access to essential services such as healthcare, education and financial services	 

Project Evaluation and Selection



The Group's established cross-departmental Sustainability Working Group will be responsible for the maintenance of the Framework and for nominating assets, projects, and investments for consideration as Eligible Projects for Sustainable Finance Transactions.

The Sustainability Working Group is currently co-chaired by Mr. Frank Sixt (Group Finance Director and Deputy Managing Director) and Ms. Edith Shih (Executive Director and Company Secretary), and includes the following senior executives from key departments that manage the Group's material sustainability impacts.

- Group Deputy Chief Financial Officer
- General Manager - Group Management Services
- General Manager - Group Human Resources
- Group Senior Sustainability Manager
- Group Treasurer
- General Manager - Group Corporate Affairs
- Group General Counsel

The Sustainability Committee of the Group, a Board-level committee, will be responsible for designating assets, projects and investments as Eligible Projects once eligibility is determined. The Sustainability Committee is tasked with overseeing management and advising the Board of Directors of CKHH on the development and implementation of the corporate social responsibility and sustainability initiatives of the Group, including reviewing related policies and practices, and assessing and making recommendations on matters concerning the Group's sustainability development and risks.

The evaluation and selection process for Eligible Projects will comprise the following, guided by the Group Sustainability Framework and relevant Group Policies. Assessment and designation may take place before, during or even after the implementation of the potential Eligible Projects.

- The Sustainability Working Group will assess potential assets, projects and investments against the criteria stipulated in the Framework for each Eligible Project Category.
- Should it so choose or if required by relevant eligibility criteria specified under "Use of Proceeds", the Sustainability Working Group will further assess potential assets, projects and investments for compliance with a relevant principle, standard, or taxonomy for sustainable activity (such as the EU Taxonomy, the Climate Bonds Standard, or an internationally recognised sector-specific certification or benchmark) before nominating them for consideration by the Sustainability Committee.

If Eligible Projects are assessed to be so aligned, subject to the designation by the Sustainability Committee of the relevant potential assets, projects and investments as Eligible Projects, such alignment will be disclosed in the relevant allocation report(s) for the relevant Group entity.

- The Sustainability Committee will consider the assessments made by the Sustainability Working Group and, should it agree with the recommendations of the Sustainability Working Group, designate the relevant assets, projects and investments so nominated as Eligible Projects for the purposes of the Framework.

Project Evaluation and Selection (Cont'd)



After designation is made, the Sustainability Working Group will classify amounts equivalent to capital expenditure and qualifying operating expenditure incurred for each Eligible Project under one of the following pools, provided that the Sustainability Working Group will maintain an Environmental Project Portfolio and a Social Project Portfolio for each Group entity with Sustainable Finance Transaction(s) outstanding.

- Environmental Project Portfolios will comprise Eligible Projects that qualify under the “Renewable Energy”, “Energy Efficiency”, “Sustainable Transportation”, and “Circular Economy and Design” Eligible Project Categories
- Social Project Portfolios will comprise Eligible Projects that qualify under the “Emergency and Pandemic Response” Eligible Project Category

In the case where the relevant Sustainable Finance Transaction is guaranteed by another Group entity, the Environmental Project Portfolio and Social Project Portfolio will be maintained with respect to the borrowing or issuing Group entity of such Sustainable Finance Transaction.

The Sustainability Working Group will meet periodically and at least semi-annually to monitor the aggregate amount of Eligible Projects in each Environmental Project Portfolio and each Social Project Portfolio. Should changes to an Environmental Project Portfolio or to a Social Project Portfolio become necessary including due to the following, the Sustainability Working Group will be responsible for ensuring the relevant classifications are updated as soon as a substitute asset, project, investment or related and supporting expenditure is identified, assessed and confirmed as eligible.

- Divestment of asset, project or investment
- Asset, project or investment no longer meets the relevant criteria
- Material controversies relating to the asset, project or investment emerge

To the extent Eligible Projects are owned and operated by Group entities which are not wholly-owned directly or indirectly by the issuing, borrowing or guaranteeing Group entity, amounts corresponding to such Eligible Projects recognised in the relevant Environmental Project Portfolio or Social Project Portfolio will be adjusted for the pro-rata equity ownership of the issuing or borrowing Group entity or the guaranteeing Group entity (whichever is higher) in such Group entities.

The Group will ensure that amounts equivalent to capital expenditure and qualifying operating expenditure relating to Eligible Projects will not be listed more than once in any Environmental Project Portfolio or any Social Project Portfolio to guard against double-counting.

Management of Proceeds



The Sustainability Working Group will track receipt and allocation of Net Proceeds, in addition to classification of Eligible Projects to an Environmental Project Portfolio or a Social Project Portfolio as more fully described under 'Project Evaluation and Selection'.

Net Proceeds from each Sustainable Finance Transaction will be deposited in general funding accounts pending allocation to Eligible Projects. The Group intends to reach full allocation of Net Proceeds for each Sustainable Finance Transaction within 36 months from the closing of such Sustainable Finance Transaction (in each case considering factors including the tenor of the relevant Sustainable Finance Transaction).

Net Proceeds awaiting allocation or re-allocation will be temporarily invested in the following, in accordance with the corporate treasury policy of the issuing, borrowing or guaranteeing Group entity.

- Cash or cash equivalents
- Liquid and marketable instruments not relating to greenhouse gas-intensive activities

The Group will ensure the following information will be monitored for each issuing or borrowing Group entity with respect to each of its outstanding Sustainable Finance Transaction(s).

- Terms for each relevant Sustainable Finance Transaction such as: (a) settlement and maturity dates, (b) currency of denomination and amount outstanding, and (c) labelling (i.e. Green Bond, Social Bond, Sustainability Bond, Green Loan, or Social Loan)
- Details of allocation of the Net Proceeds of each relevant Sustainable Finance Transaction to Eligible Projects, such as: (a) portion of the Net Proceeds allocated to each Eligible Project and Eligible Project Category, and (b) SDG(s) supported



The Group commits that with respect to each issuing or borrowing Group entity, a report on both allocation and impact will be made on or before the first anniversary of its first-completed Sustainable Finance Transaction under the Framework.

Allocation and impact reporting for each issuing or borrowing Group entity with respect to its Sustainable Finance Transaction(s) which remains outstanding will be made at least annually thereafter and on a timely basis in the case of material developments until the Net Proceeds of such Sustainable Finance Transaction(s) are fully allocated to Eligible Projects.

Reporting will be available in the Investor Relations section of the Group's corporate website (<https://www.ckh.com.hk/en/ir/>).

Allocation Reporting

The Group will report the following information on relevant Sustainable Finance Transactions for each relevant Group entity, each Environmental Project Portfolio, and each Social Project Portfolio.

- Amounts and corresponding percentage shares of (a) Net Proceeds allocated to Eligible Projects, and (b) Net Proceeds yet to be allocated
- Among allocated amounts:
 - Amounts and corresponding percentage shares between (a) financing, and (b) refinancing activity
 - Amounts and corresponding percentage shares in (a) the Environmental Project Portfolio, (b) the Social Project Portfolio, and (c) each Eligible Project Category
 - Amounts and corresponding percentage shares aligned with each SDG

Should Net Proceeds of a Sustainable Finance Transaction be allocated to an Eligible Project which contributes to more than one Eligible Project Category, apportioned Net Proceeds amounts will be attributed to each relevant Eligible Project Category to eliminate the risk of double counting.



Impact Reporting

Impact reporting will likewise contain the following information as of the relevant date.

- Estimated environmental and/or social benefits contributed to by relevant Eligible Projects to which an allocation has been made, on a per Eligible Project Category basis
- Methodology and underlying assumption(s) relating to each impact indicator for the relevant Eligible Project Category

Should an Eligible Project comprise a portion of a larger transaction, the Group's reporting will detail impact relating to such Eligible Project's pro-rata share of the larger transaction.

Sample impact reporting indicators for each Eligible Project Category are listed overleaf. These indicators are consistent with current guidance for the reporting of environmental and social impact. The Group may report on a subset of these metrics or alternative metrics if relevant to or appropriate for the Eligible Projects or due to availability of information.

The Group will strive to adhere to prevailing market practice for impact reporting, subject to availability of information.

Category	Sample Impact Indicators
Renewable Energy	<ul style="list-style-type: none"> – Annual renewable energy generated or purchased (electricity in MWh/GWh and other energy in GJ/TJ) – Installed generation capacity (MW) – Electricity consumption from renewable sources (GWh and share in percentage terms) – Annual greenhouse gas emissions reduced or avoided (tCO₂e) – Energy recovered from waste (minus support fuel) (MWh/GWh of net energy generated p.a.)
Energy Efficiency	<ul style="list-style-type: none"> – Annual energy savings (MWh/GWh) – Annual reduction in energy consumed (share in percentage terms) – Annual reduction in energy intensity, such as energy consumed per unit of data traffic (MWh/Tbit) or energy consumed per unit of commercial space (MWh/sqft) – Annual greenhouse gas emissions reduced or avoided (tCO₂e) – Number of persons benefitting from energy efficient technologies
Sustainable Transport	<ul style="list-style-type: none"> – Annual greenhouse gas emissions reduced or avoided (tCO₂e) – Carbon intensity in passenger-kilometres (i.e. transport of a passenger over one kilometre) or tonne-kilometres (i.e. transport of a tonne over one kilometre) – Number of passengers or number of tonnes transported – Number of electric or hybrid vehicles acquired or deployed – Number of electric charging stations installed
Circular Economy and Design	<ul style="list-style-type: none"> – Greenhouse gas emissions abated through products and services (tCO₂e) – Waste prevented, minimised, reused or recycled before and after the project (share of total waste in percentage terms or tons p.a. in absolute terms) – Waste separated and/or collected, treated (including composted) or disposed of (tons p.a. and share of total waste in percentage) – Increase in materials, components and products that are reusable, recyclable, and/or certified compostable (percentage or tonnes p.a.)
Emergency Response and Pandemic Relief	<ul style="list-style-type: none"> – Beneficiaries of response and relief measures <ul style="list-style-type: none"> • Number of individuals • Number of public institutions • Number of micro, small and medium enterprises



Pre-issuance External Review

The Group obtained a second party opinion (“SPO”) from an independent consultant with recognised expertise in environmental and social matters. The SPO confirms alignment of the Framework with the relevant standards referenced herein.

The SPO is available in the Investor Relations section of the Group's corporate website (<https://www.ckh.com.hk/en/ir/>).

Post-issuance External Review

Post-issuance allocation reporting is expected to be accompanied by the following.

- Management assertions as to allocations to Eligible Project Categories for each Sustainable Finance Transaction
- Review by an independent party who will examine and verify such management assertions before providing assurance as to the compatibility in all material respects of selected Eligible Projects in accordance with the criteria set forth in the Framework

External review reports will be available in the Investor Relations section of the Group's corporate website (<https://www.ckh.com.hk/en/ir/>).

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The Framework contains information provided by the Group and by other sources. Information provided by such other sources has not been independently verified by the Group and, thus, no representation or warranty, express or implied, is made by any of them as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of such information and any opinions or conclusions contained herein.

The Group, the directors, officers, employees, advisers, representatives and agents of the Group do not accept any liability whatsoever for any losses arising from any information contained in the Framework.

The Framework contains certain statements which may constitute "forward-looking statements". These statements are not guarantees or predictions of future performance, and are subject to risks and uncertainties. These statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Group to be materially different from those expressed, implied and/or reflected in the forward-looking statements. There can be no assurance that any of the matters set out in such forward-looking statements are attainable, will actually occur or will be realised or are complete or accurate. Actual results may differ materially from those expressed, implied and/or reflected in such forward-looking statements. The Framework speaks as of the date hereof. The Framework is subject to change without notice and is not intended nor can be relied on, to create legal relations, rights or obligations. None of the Group, the directors, officers, employees and agents of the Group or any other person undertakes any obligation to correct, update, supplement or revise any information or forward-looking statements in the Framework, either as a result of new information, future events or otherwise.

The Framework is provided for information purposes only and does not constitute, or form part of, a prospectus or other offering document. The Framework is not, and should not be construed as, an invitation or offer for sale or subscription of, or a solicitation of any offer to buy or subscribe for, any securities issued or guaranteed by CKHH and/or any entity within the Group in any jurisdiction or an inducement to enter into investment activity.

There is currently no clear definition (legal, regulatory or otherwise) of, nor clear market consensus as to what constitutes, a "green", "environmental", "sustainable", "social" or equivalently labelled project or as to what precise attributes are required for a particular project to be defined as "green", "environmental", "sustainable", "social" or such other equivalent label, nor can any assurance be given that a clear definition or consensus will develop over time nor if a definition or consensus develops, that it will not change over time. Accordingly, no assurance is given that the Eligible Projects will satisfy any present or future investment criteria or guidelines with which an investor is required, or intends, to comply, in particular with regard to any direct or indirect environmental or sustainability impact of any project or uses, nor that it will meet investor expectations or requirements regarding such "green", "environmental", "sustainable", "social" or similarly labelled performance objectives or any other definition or market consensus (together, "Investor Requirements"). Investors should have regard to the factors described in the Framework and determine for themselves the relevance of such information for the purposes of an investment in any Sustainable Finance Transaction, before deciding to invest.

No representation or warranty, expressed or implied, is made and no opinion is expressed as to whether the Framework is aligned with the ICMA Principles and/or the LMA Principles, any other guidelines that promote transparency, market integrity and disclosure and/or market practice.

No representation is made and no assurance is given as to the relevance, suitability or reliability of any opinion or certification of any third party made available in connection with the Framework. Any such opinion or certification is not a recommendation by the Group or any other person to buy, sell, hold or invest in any Sustainable Finance Transaction. As at the date of the Framework, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight. Prospective investors must determine for themselves the relevance, suitability and reliability of any such opinion or certification and/or the information contained herein.

In the event that any green bonds or sustainability bonds are listed or admitted to trading on a dedicated "green" or "sustainable" or other similarly labelled segment of a stock exchange, securities market or index or given any other similar accreditation (a "Green Listing"), no representation is made and no assurance is given by the Group or any other person that any such Green Listing satisfies any present or future Investor Requirements. Furthermore, it should be noted that the criteria for any Green Listing may vary from one stock exchange, securities market or index to another.

No representation is made and no assurance is given by the Group or any other person that any Green Listing will be obtained in respect of any green or sustainable bonds or that any Green Listing that is obtained will be maintained during the life of the green or sustainable bonds.

While it is the intention of the Group to apply an amount equivalent to the Net Proceeds of any Sustainable Finance Transaction to Eligible Projects and to report on the Eligible Projects as described herein, there is no contractual obligation to do so. There can be no assurance that any such Eligible Projects will be available or capable of being implemented in the manner anticipated and, accordingly, that the Group will be able to use the Net Proceeds for such Eligible Projects as intended. Furthermore, no assurance is given that any projects or uses the subject of, or related to, any Eligible Projects will be met or made, nor that adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Eligible Projects. None of these events, nor a failure by the Group to allocate the proceeds of any Sustainable Finance Transaction to meet Investor Requirements, nor a failure to obtain or maintain any Green Listing, will constitute an event of default or breach of contract with respect to any Sustainable Finance Transaction. Any such event may have a material adverse effect on the value of the relevant investment and/or may have consequences for investors with Investor Requirements.