

ESR partners with SK Plug Hyverse and Coupang Fulfilment Services to develop and operate S.Korea’s first hydrogen powered fulfilment centre



First hydrogen powered fulfilment centre in ESR’s Mokcheon Logistics Park

SEOUL/HONG KONG, 19 September 2022 – ESR Group Limited (“ESR” or the “Group”; SEHK Stock Code: 1821), APAC’s largest real asset manager announced today that, through its subsidiary Kendall Square Asset Management, it has signed a memorandum of understanding “MOU” with SK Plug Hyverse (“SKPH”) and Coupang Fulfilment Services (“CFS”) for the development and operations of South Korea’s first eco-friendly hydrogen powered fulfilment centre.

ESR, SKPH, a joint venture between Korea’s SK E&S and Plug Power (a US provider of hydrogen fuel cell turnkey solutions), and CFS (the subsidiary of one of Korea’s largest e-commerce platforms) will cooperate and develop ESR’s existing Mokcheon Logistics Park into a hydrogen powered fulfilment centre. Mokcheon Logistics Park is a 148,000 sqm modern logistics property located in Chungcheong-do, currently 100% leased by CFS. The trio will install liquefied hydrogen storage infrastructure and charging stations at the property and will convert the forklifts from conventionally powered into hydrogen fuel-cell powered.

The logistics industry is trying to reduce its carbon footprint by adopting hydrogen fuel-cell powered forklifts that improve work efficiency and productivity due to their short charging time and longer operation. The hydrogen fuel-cell powered forklifts may operate for 8 hours at maximum capacity with one single 3-5 minute refuelling, where heat and water are the by-products of energy generation. The future plans include rolling this initiative out to ESR's other logistics parks in Korea, and to provide clean blue or green hydrogen.

Thomas Nam, CEO of ESR Kendall Square, ESR's South Korean platform, said: "We are pleased to announce this MOU as it will enable our tenants to access hydrogen, one of the leading options for storing renewable energy, which is in line with Korea's ambitious plans to become a global leader in the development of hydrogen projects. With the partnership, we can now work with SKPH and CFS and leverage their great knowledge of the renewable space and strong footing in Korea, one of our most important markets, to accelerate in transiting to clean energy."

Jeffrey Shen and Stuart Gibson, Co-founders and Co-CEOs of ESR, said: "We are extremely excited to collaborate with our partners to pilot this hydrogen powered fulfilment centre. Aligned with ESR's ESG 2025 Roadmap, our ambition is to maximise the renewable power generation at our properties in all operating markets and pursue potential business initiatives which focus on green energy. In addition, we have stayed ahead of the curve by integrating sustainability features and low-carbon innovations into our best-in-class facilities to mitigate environmental impacts. Our partnership with SKPH and CFS demonstrates our commitment in deploying and actualising the environmental value of renewable energy resources to achieve sustainable and efficient operations not only in our premises, but also along our value chain."

ESR is the one of the largest logistics owners in Korea. With all other real estate asset classes, ESR has US\$14.4 billion of assets under management ("AUM") and 5 million sqm of GFA as of 30 June 2022. In addition to its strong track record in fund management and its best-in-class portfolio of institutional-grade logistics assets, its sustainable approach to investments and operations has gained industry-wide recognition. In the 2021 Global Real Estate Sustainability Benchmark ("GRESB") Assessment, ESR-KS I was named "Regional Sector Leader" in the Development Benchmark, industrial real estate sector. The fund also received the highest possible five Green Stars rating, scoring 93 points and topped five "GRESB Development" rankings.

ESR Kendall Square's properties have also earned numerous awards and green building certifications, including APAC's first WELL Gold Certification for logistics real estate and a number of LEED Gold Certifications.]

About ESR

ESR is APAC's largest real asset manager powered by the New Economy and the third largest listed real estate investment manager globally. With over US\$140 billion in total assets under management (AUM), our fully integrated development and investment management platform extends across key APAC markets, including China, Japan, South Korea, Australia, Singapore, India, New Zealand and Southeast Asia, representing over 95% of GDP in APAC, and also includes an expanding presence in Europe and the U.S. We provide a diverse range of real asset investment solutions and New Economy real estate development opportunities across our private funds business, which allow capital partners and customers to capitalise on the most significant secular trends in APAC. ESR is the largest sponsor and manager of REITs in APAC with a total AUM of US\$45 billion. Our purpose – Space and Investment Solutions for a Sustainable Future – drives us to manage sustainably and impactfully and we consider

the environment and the communities in which we operate as key stakeholders of our business. Listed on the Main Board of The Stock Exchange of Hong Kong, 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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About SK Plug Hyverse

SK Plug Hyverse is a joint venture established in January 2022 by Korean energy company SK E&S (affiliated with SK Group) and Plug (a U.S hydrogen company promoting hydrogen business in Asia), with SK E&S owning 51% and Plug owning 49% of SKPH. SKPH is planning to develop a mega hydrogen production and research facility for the mass production of hydrogen fuel-cells and electrolyzers for supplying the Asia markets including Korea. SKPH aims to establish itself as the “Total Solution Provider” within the SK E&S hydrogen value chain for activities from hydrogen production, storage, and transportation, to fuel-cell charging and utilization.

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About Coupang Fulfilment Services

Coupang Fulfillment Service is a logistics subsidiary of Coupang, one of the fastest growing e-commerce companies in the world. Coupang has more than 100 logistics infrastructure in more than 30 regions across Korea, and based on its innovative system, Coupang is providing 'Rocket Delivery', a fast next-day delivery service.

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