

Cultivating Growth for a Sustainable Tomorrow

SUSTAINABILITY REPORT 2024

嘉里建設有限公司

KERRY PROPERTIES LIMITED

(Incorporated in Bermuda with limited liability)

Stock Code : 683



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Cultivating Growth for a Sustainable Tomorrow

Kerry Properties is dedicated to striving for a sustainable future, cultivating the growth of our stakeholders. Discover in this report how we are creating shared value and building a resilient tomorrow, together.

Your feedback is critical for us to continuously improve our reporting and sustainability practices. Simply complete this survey and we will donate HK$100 for hot meals and support the vulnerable groups for each response received.

CLICK HERE



Board Statement

Dear Stakeholders,

Despite ongoing global and local challenges in 2024, I am pleased to report significant achievements this year. Kerry Properties remains steadfast in its commitment to sustainability and its Environmental, Social, and Governance ("**ESG**") goals.

Board Oversight and Governance in Driving Sustainability Leadership

Our approach to sustainability is guided by the Sustainability Vision 2030 ("**Vision 2030**") strategy, emphasising collaboration with stakeholders to enhance our influence and drive progress towards the United Nations Sustainable Development Goals ("**UNSDGs**"). This year we have launched our new mid-term 2030 carbon reduction targets as part of our commitment to achieve carbon neutrality by 2050. We are committed to reducing 2% of our Scope 1 & 2 greenhouse gas ("**GHG**") emissions intensity on a year-on-year basis starting from this year. To continue efforts in reducing GHG emissions, we are working closely with the entire value chain to foster collaboration and innovation to advance our carbon neutrality roadmap by engaging them in our decarbonisation journey.

Under the Board's leadership and guidance of Sustainability Council, the Sustainability Steering Committee ("**Committee**") and its sub-committees offer ongoing support for executing the strategy. In 2024, the Committee strengthened communication and collaboration among management and promoted efficient realisation of the Vision 2030.

Sustainability Actions: Building Resilience and Inspiring Change

A group-level Climate Risk and Vulnerability Assessment ("**CRVA**") across all managed investment properties was conducted, to help us identify and mitigate potential risks posed by climate change, positioning us ahead of schedule to meet our Vision 2030 target achieving 100% completion. We also recognise biodiversity as an emerging topic in the real estate industry, Qianhai Kerry Centre and Hong Kong Kerry Centre have piloted on-site biodiversity assessments with reference to the Taskforce on Nature-related Financial Disclosures ("**TNFD**") guidelines in 2024. The assessment will help us evaluate the microhabitats in these areas and minimise our impact on ecosystems, and we intend to extend this assessment to other properties.

We prioritise stakeholder engagement as a key pillar of our sustainability strategy, aiming to create a meaningful and positive impact on the world. Internally, we have formulated the Sustainable Event Management Guideline to promote internal awareness and integrate sustainable practices into all aspects of event planning and execution to promote waste reduction. We have also organised facilitation training for 14 colleagues as the first batch of Climate Fresk Facilitators to conduct workshop internally and externally as climate resilience programme.

Creating Positive Impact: Promoting Well-being

We continued to promote community and employee well-being and foster a healthier, happier living environment through various initiatives. We have proudly sponsored the "KERRY HONG KONG STREETATHON 2024" for the second consecutive year, solidifying our commitment to promoting wellness. This year, we incorporated UNSDGs elements into the event, targeting to raise community health consciousness as well as sustainability issues.

Meanwhile, our annual Step Challenge has become a flagship charity event, promoting walking habits and embracing healthy lifestyle by turning the steps initiated and accumulated by employees into donations. In 2024, we invested into a fund to sponsor projects on seawater filtration, ocean conservation and biodiversity preservation.

Recognising Our Efforts in Sustainability

Our sustainability performance continues to be recognised in major ESG ratings, reflecting our steadfast commitment to ESG excellence. We achieved a five-star rating in Global Real Estate Sustainability Benchmark ("**GRESB"**) for the fourth consecutive year, and were honoured as Regional Sector Leader and Regional Listed Sector Leader in the Asia Diversified category. Our MSCI ESG rating was elevated from A to AA, CDP ranking maintained at A-, and we have been included in S&P Global Sustainability Yearbook (Global) for the second consecutive year.

As we move into 2025, we remain deeply committed to advancing our Vision 2030. By working closely with our stakeholders, we aim to amplify our collective impact and deliver meaningful progress toward a more sustainable future.

For and on behalf of the Board

Kuok Khoon Hua

Chairman and Chief Executive Officer
Kerry Properties Limited
April 2025



Sustainability at a Glance

In 2024, we remained dedicated to achieving our sustainability vision targets and advancing along our sustainability roadmap. This section provides an overview of our 2024 sustainability performances highlighting our key ESG achievements and progress.



Environment

100% Investment Properties [1] completed Climate Risk and Vulnerability Assessment ("**CRVA**") **(2023: 80%)**

▼ 26% GHG intensity [2] **(2023: ▼ 29%)**

▼ 5% Energy intensity [2] **(2023: ▼ 13%)**

People

99% Employee trained rate **(2023: 98%)**

42% Women in senior positions [3] **(2023: 34%)**

8.1 per 1,000 employees Work-related injury rate [4] **(2023: 8.8)**

Community

HK$ 17 million Donations **(2023: HK$25 million)**

690+ Community initiatives **(2023: 680+)**

Value Chain

92% Contractors/suppliers are governed by Vendor Code of Conduct **(2023: 90%)**

87% Operations are governed by green procurement guidelines **(2023: 85%)**

87% Customers are satisfied with our services [5] **(2023: 95%)**

Sustainable Finance

Sustainability-linked Loan Facilities

58% of the Group's total loan facilities [6] **(2023: 48%)**

Sustainable Building

100% Major Mixed-Use Developments ("**MUDs**") received 3-Star/Gold or above sustainable building certifications [7,8] **(2023: 95%)**

84% of our Investment Properties obtained WELL Core/WELL Health-Safety Rating certifications [8] **(2023: 70%)**

LEED | LEED Zero | TRUE

40% of our Investment Properties in the Mainland has obtained all these 3 reputable accreditations [8]

1. "**Investment Properties**" refer to our owned and managed investment properties in Hong Kong and the Mainland.
2. As compared to baseline year 2019. Performance data covers our Investment Properties. The increase in GHG emissions and energy usage was mainly due to the newly reported energy contributions from projects in Shenyang, Shanghai and Shenzhen.
3. Refer to directors grades or above. The percentage is calculated based on the total number of employees directly employed by the Group (including hotels). The figure is 45% if hotel employees are excluded from the calculation. As at 31 December 2024, the Group (excluding hotels) had 4,719 employees. For 2023 figure, it referred to senior directors' grade or above.
4. Refer to recordable employee work-related injuries that resulted in incapacity for a period of exceeding 3 days.
5. Our satisfaction surveys cover offices, retail, and residential properties managed by the Group.
6. As at 31 December 2024, the Group's total sustainability-linked loan facilities stood at approximately HK$50,277 million.
7. Sustainable building certifications include BEAM/BEAM Plus, LEED, WELL, and Green Building Evaluation Label.
8. Calculated based on gross floor area ("**GFA**").

Sustainability Accreditation

2024 Top Accreditations

S&P Global

- Sustainability Yearbook 2025 Member
- Sustainability Yearbook 2024 Member (China)
- Top 15% of Real Estate Management and Development Industry in both editions

GRESB 2024 ★★★★★ | GRESB Public Disclosure 2024

- Highest **5-Star** rating for 4th consecutive year
- 2024 Sector Leaders in Asia Diversified Category (Standing Investment Benchmark)
  - **Regional Sector Leader**
  - **Regional Sector Leader – Listed**
- Public Disclosure Score: 100/100

CDP

- Maintained **A-** Rating for Climate Change

Hang Seng Corporate Sustainability Index Series Member 2024-2025 | AA+ SUSTAINABILITY HKQAA 2024-2025

- **AA+** ESG rating for 4th consecutive year
- Constituent of Hang Seng Corporate Sustainability Benchmark Index

MSCI ESG RATINGS AA

CCC | B | BB | BBB | A | AA | AAA

- Upgraded to **AA** Rating (2023: A)

FTSE4Good

- Constituent

GBABSI Greater Bay Area Business Sustainability Index 2023 粵港澳大灣區企業可持續發展指數2023

- Ranked 11th

RE BSI Real Estate Business Sustainability Index 房地產業可持續發展指數

- Obtained Top 10

SUSTAINALYTICS a Morningstar company RATED

- Maintained **Low Risk**

Remarks: The Inclusion of Kerry Properties Limited in any MSCI Index, and the Use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement or promotion of Kerry Properties Limited by MSCI or any of its affiliates. The MSCI Indexes are the exclusive property of MSCI. MSCI and the MSCI Index names and logos are trademarks or service marks of MSCI or its affiliates.

About Kerry Properties

Kerry Properties Limited ("**Kerry Properties**", "**KPL**" or the "**Company**", together with its subsidiaries referred to as the "**Group**" or "**we**") is a well-established property company with significant investments in Asia. Through a focus on premium quality property developments in prime locations in the Mainland and Hong Kong, the Group has developed a successful business model over many years, gaining considerable experience as a developer and manager of quality properties. Acting on principles of fairness and integrity, we value the many relationships forged over our long history with employees, suppliers, partners, government agencies, and other key stakeholders.

Kerry Properties is listed on The Stock Exchange of Hong Kong Limited ("**SEHK**"). The Group is committed to addressing stakeholders' concerns by maintaining transparent sustainability disclosures. Apart from its annual standalone sustainability report, the Group also shares its sustainability strategies, achievements, and performance through various sustainability benchmarks and indices.



Presence of MUDs
Please refer to page 10 of our Annual Report 2024 for the complete list.

Our Financial and Sustainability-related Performances

Financial Information

Annual Report 2024

Investor Relations Information

For details of our financial information, please refer to pages 4-5 of our Annual Report 2024, which is available on our and SEHK's websites.

Non-financial Information

Sustainability Report 2024 Highlights

SASB: Sustainability Accounting Standards Board Real Estate Sector Disclosure 2024

TCFD: Taskforce on Climate-related Financial Disclosure ("**TCFD**") recommendations

ISSB: International Financial Reporting Standards ("**IFRS**") S2

Non-financial information is disclosed in this Sustainability Report ("**Report**") and our standalone sustainability website.

Sustainable Finance

The Group views sustainable finance as an essential means to support long-term investments in sustainable economic activities and projects. Our Sustainable Finance Framework was designed and developed to adhere to international market standards and best practices. This framework has been assured with a Second-party Opinion (SPO).

Sustainability-linked Loan Facilities

As at 31 December 2024, the Group's sustainability-linked loan facilities amounted to approximately **HK$50,277 million**, accounting for **58%** of the Group's total loan facilities.

Existing Key Performance Indicators ("KPIs") for Sustainability-linked Finance Transactions

- Achieve a target reduction in GHG emissions and energy consumption intensity
  (See section Sustainability at a Glance)
- Attain sustainable building certifications for New Investment Properties [1]
  (See section Sustainability Vision 2030 Targets)
- Demonstrate continuous improvement in major sustainability ratings, such as GRESB and Hang Seng Corporate Sustainability Benchmark Index
  (See section Sustainability at a Glance)

1. "**New Investment Properties**" refer to Investment Properties that are completed in or after 2019.

Our Sustainability Journey



Our Sustainability Journey

Striving for a sustainable future with dedication

Future Trends	*Our Response*
▸ Stakeholders increasingly expect companies to demonstrate the broader impacts of their operations on society and the environment. This represents a shift from solely assessing how sustainability topics affect enterprise value to evaluating their outward impact on the world.	▸ Conducted double materiality assessment to evaluate our outward impact on society and environment, as well as inward impact on our enterprise value.
▸ There is an increasing demand for greater accountability in sustainability practices, with organisations being urged to integrate measurable targets and transparent reporting to demonstrate their commitments and progress.	▸ Aligned ESG-related KPIs with company performance to encourage active engagement in sustainability initiatives and ensure individual contributions align with organisational sustainability goals.

Sustainability Vision

Our sustainability vision statement reflects our unwavering ambition to creating a greener, more sustainable future that benefits not only the present but also generations to come, ensuring lasting positive impacts on the environment and society.

Building Sustainable Future Together

As a strategic sustainable developer, Kerry Properties continues to strive for excellent sustainability standards for our assets and throughout our communities, progressing towards our Vision 2030 and Carbon Neutrality by 2050.

We adopt a holistic approach to embedding sustainability in our business throughout our properties' life cycle: planning, procurement, construction, operations, and maintenance.

By working together with our stakeholders, we amplify the environmental and social impacts of our developments, aligning with our selected six UNSDGs. In the communities where we live, work, and play, we are dedicated to creating 'people-first places' that foster good health and well-being.

At Kerry Properties, we demonstrate our dedication to corporate sustainability by focusing on long-term shareholder value while contributing to a sustainable future for the community. Sustainability is embedded in all our business activities, guided by four core Sustainability Values: Environment, People, Community, and Value Chain.

These values shape the four key pillars highlighted in this Report: Protecting Our Environment, Putting People First, Creating Positive Communities and Empowering Our Value Chain, which provide detailed insights into our sustainability efforts. Through these initiatives, we aim to strengthen our market position and enhance our reputation within the community.



Protecting Our Environment

- Sustainable Buildings
- Climate Change and Resilience
- Biodiversity
- GHG Emissions and Energy Efficiency
- Resource Circularity and Waste Management
- Water Consumption and Conservation

Putting People First

- Human Capital Management
- Talent Development
- Healthy Lifestyle
- Occupational Health and Safety
- Diversity, Equity and Inclusion

Creating Positive Communities

- Community Building
- Nurturing Positive Changes in Our Communities

Empowering Our Value Chain

- Responsible Supply Chain Management
- Collaborative Tenant Partnership
- Quality Customer Experience
- Technology and Innovation

Sustainability Strategy

Sustainability is a core value that shapes our vision and drives our actions. We actively collaborate with stakeholders, leveraging collective influence to create meaningful change. Aligned with the UNSDGs and Vision 2030 targets, our sustainability efforts are guided by a dedicated sub-committee responsible for strategic planning, execution, and monitoring. By embedding sustainability into every phase of our developments — from upstream collaboration to downstream placemaking — we take purposeful action to align with our vision and ambition, ensuring impactful progress towards a sustainable future.

Sustainability Vision 2030 Targets

The Vision 2030 targets are our blueprint for infusing sustainability into every aspect of our operations in a measurable way. These targets undergo a thorough review process by the Sustainability Taskforces, Sub-committees, Convener, and the Committee. Once approved, they are reported to the Sustainability Council ("**Council**"), and subsequently distributed and implemented by respective units to drive our sustainability efforts forward.

As we have achieved our 2025 carbon reduction target ahead of schedule, we proudly announce a more ambitious 2030 carbon reduction target: reducing 2% of our Scope 1 and 2 GHG emissions intensity every year from now until 2030. This target not only demonstrates our commitment to achieving carbon neutrality but also provides transparency on how we shall reduce carbon emissions in our operations every year.

In 2024, apart from seven targets already achieved last year, we completed an additional target by intensifying our efforts to complete CRVA for 100% of our Investment Properties, helping our properties to analyse their climate risk exposure for climate resilience enhancement.

Sustainability Pillars	Sub-category	UNSDG Indictor	Vision 2030 Targets	Target Status	2024 Performance	Compared to 2023
Environment	GHG Emissions and Energy Efficiency	13.1	Reduce 2% of our Scope 1 and 2 GHG emission intensity every year [1] (New)	–	N/A	N/A
		13.1	Conduct carbon audits for office tenants across 100% of our Investment Properties (New)	○	44%	N/A
	Sustainable Buildings	11.6	Achieve green certifications for 100% of New Investment Properties [2]	✓	100%	–
		11.6	Adopt wellness features in building design across 100% of Investment Properties	○	95%	+1%
		11.6	Adopt biophilic design features across 50% of New Investment Properties [2]	✓	100%	–
	Climate Change and Resilience	13.1	Conduct CRVA across 100% of Investment Properties	✓	100%	+20%
		13.1	Adopt climate-resilient building features across 100% of Investment Properties	○	94%	+4%
	Water Consumption and Conservation	11.6	Implement rainwater harvesting system across 100% of Investment Properties	○	61%	+9%
People	Occupational Health and Safety	3.9	Reduce work-related injury rate of employees to 10 per 1,000 [3]	✓	8.1	-0.7
		3.9	Maintain record of zero work-related fatalities of all our employees	✓	Maintained Zero	–
	Diversity, Equity, and Inclusion	8.5	100% of employees receive gender equality, anti-sexual harassment, and related ethical training	○	91%	-6%
		5.1	Maintain zero discrimination cases in all operations by treating all people fairly, impartially and with dignity and respect	✓	Maintained Zero	–
		5.5	At least one third of senior positions are held by women [4]	✓	42%	+8%
		8.5	100% of employees receive labour rights, diversity, and social inclusion training	○	97%	–
Community	Community Engagement, Development and Investment	11.4	100% of New MUDs [5] are planned and designed with cultural and heritage conservation consideration	✓	100%	–
		11.7	100% of New MUDs [5] are planned and designed through a mandatory community engagement process, with but not limited to women, children, elderly, and disabled persons	✓	100%	–
Value Chain	Responsible Supply Chain Management	8.7	100% of contractors/suppliers are governed by Vendor Code of Conduct which forbids forced labour, slave labour, and child labour	○	92%	+2%
		12.2 & 12.5	100% of operations are governed by green procurement guidelines which include use of sustainable resources throughout property development and operation	○	87%	+2%
		12.5	100% of construction projects implement waste recycling programmes	✓	100%	–
		8.5	100% of building contractors/suppliers are governed by sustainable procurement guidelines which contain mandatory diversity requirements	○	33%	+1%

○ On track ✓ Achieved

1. This target is newly introduced in 2024 and progress updates will be presented starting in 2025.
2. "**New Investment Properties**" refer to Investment Properties that are completed in or after 2019.
3. Refer to recordable employee work-related injuries that resulted in incapacity for a period of exceeding 3 days.
4. Refer to directors grades or above. The percentage is calculated based on the total number of employees directly employed by the Group (including hotels). The figure is 45% if hotel employees are excluded from the calculation. As at 31 December 2024, the Group (excluding hotels) had 4,719 employees. For 2023 figure, it referred to senior directors' grade or above.
5. "**New MUDs**" refer to MUDs that are completed in or after 2019, please refer to page 10 of our Annual Report 2024 for the complete list of MUDs.

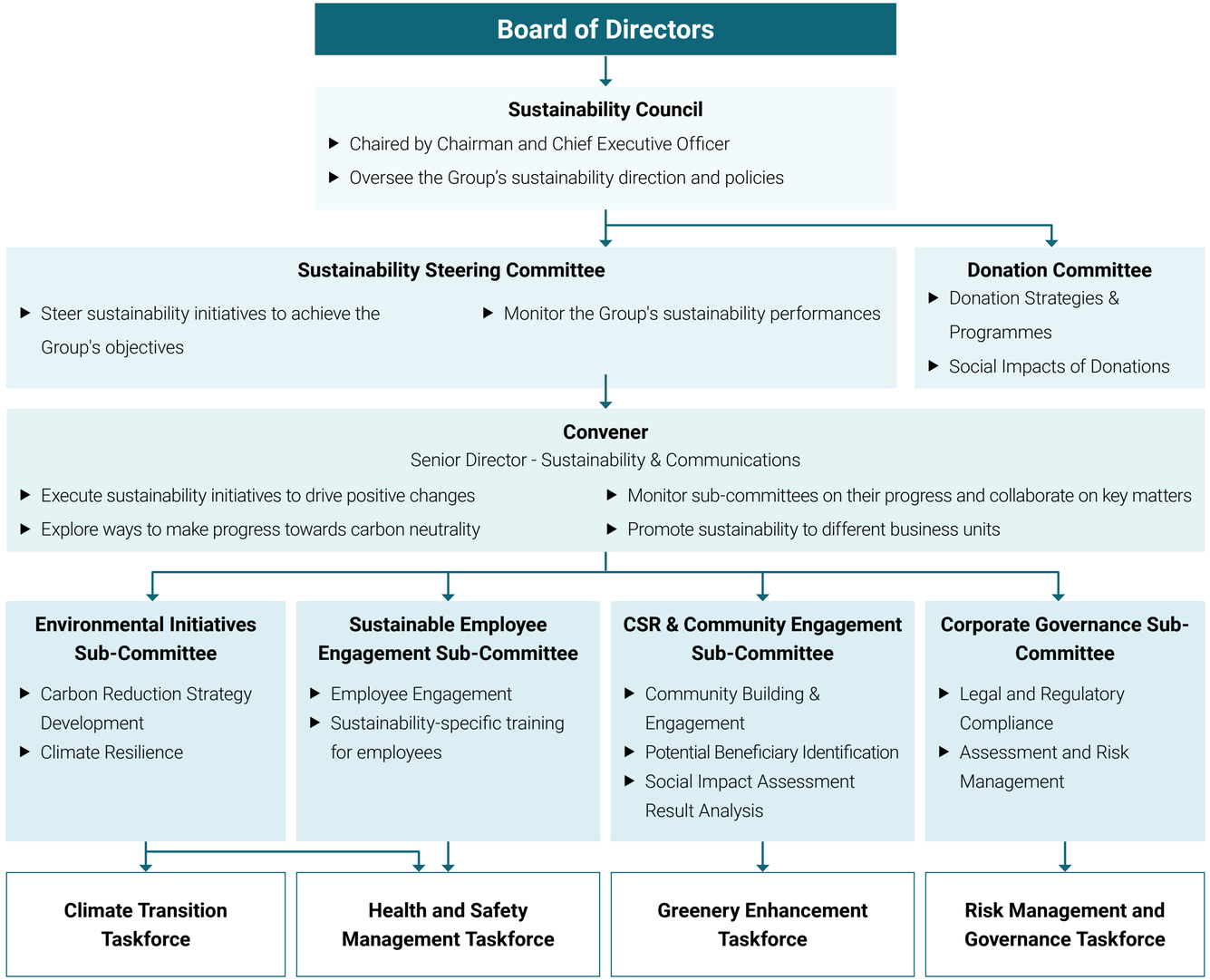
Sustainability Governance and Leadership

Building on the sustainability vision we have established, achieving our sustainability goals requires accountability from the Board of Directors ("**Board**") alongside the dedication of leaders across the Company. By integrating cross-functional expertise with senior management's focus and the Board's oversight, our sustainability governance framework ensures alignment with material topics, initiatives, and overall business strategy.

Sustainability Governance Structure

Our sustainability governance framework relies on a combination of functional expertise, senior management leadership, and Board oversight to align strategies with critical business priorities. By establishing clear accountability, the framework ensures sustainability strategies are deployed in a coordinated and effective manner across our operations.

The Board oversees the Group's sustainability and climate-related matters, ensuring that these are integral parts of our corporate agenda. The Board formulates a comprehensive strategy annually to harmonise the interests of various stakeholders and to set essential guidelines for all aspects of sustainability management. This annual strategic review ensures that our sustainability targets are consistently aligned with our business operations and stakeholder expectations.



Sustainability Council

Led by our Chairman and Chief Executive Officer, the Council reinforces our dedication to integrating sustainability into the highest levels of our decision-making processes and assists the Board in its sustainability-related duties.

Sustainability Steering Committee

The Committee, appointed by the Board, comprises Board members, senior executives of key functions and business units. The Committee is responsible for sustainability and climate-related matters within the organisation. In addition to sustainable business knowledge and mindset, Committee members are well-equipped to provide valuable insights, guidance, and forward-looking directions on sustainability.

Sustainability Sub-committees and Taskforces

Within the Committee, we have established four specialised sub-committees, each dedicated to tackling different aspects of environmental and social impacts. Their responsibilities include assessing the Company's management strategies for each significant topic, orchestrating stakeholder surveys, and drawing comparisons with both industry peers and best practices.

Regular Review of Sustainability Progress

The Committee has the following roles and responsibilities regarding sustainability:

- Report the summary of sustainability strategies and plan which are developed in collaboration with the sub-committees and taskforces for the Board's oversight
- Review performance and propose sustainability-related recommendations and targets to the Council and the Board
- Facilitate the Board's understanding of the Sustainability Report
- Review and approve the materiality assessment



2024 Sustainability Meetings

- **3** Committee meetings were held in 2024 with a **100%** attendance rate
- **Monthly meetings among the Committee members**
- **Areas of discussion:**
  - Vision and targets review
  - ESG performances tracking
  - Corporate compliance
  - New climate disclosure requirements

ESG Policies

Our Group's policies underline our dedication to responsible practices in workplace quality, environmental protection, community investment, and operations. Regular reviews and updates ensure these policies stay aligned with operational considerations and evolving community needs. In line with upholding good corporate governance, the Board, relevant committees, and senior management carefully evaluate and approve all policies to maintain accountability and relevance.

23 ESG policies *in force, including:*

Environment

- Biodiversity Policy
- Climate Change Policy
- Environmental Policy
- Green Procurement Policy
- Group Environmental Protection Policy
- Sustainability Policy
- Water Stewardship Policy

People

- Corporate Health and Safety Policy
- Equal Opportunity and Anti-Discrimination Policy
- Human Rights Policy

Value Chain

- Personal Data (Privacy) Policy
- Sustainable Procurement Policy
- Vendor Code of Conduct

Community

- Charitable Donations Policy

Governance

- Anti-Corruption Policy
- Board Diversity Policy
- Competition Law Policy Statement
- Dividend Policy
- Nomination Policy
- Policy on Inside Information Disclosure and Insider Dealing
- Remuneration Policy
- Shareholders Communication Policy
- Whistleblowing and Complaints Policy

All sustainability-related policies are publicly disclosed on our corporate website and sustainability website.

ESG-related KPIs

As part of our sustainability commitment, we have established ESG-related KPIs tailored to specific departments, ensuring a holistic and integrated approach across all business operations. These KPIs are aligned with the Company's overall ESG strategy and are regularly reviewed to reinforce sustainability as a core aspect of our corporate culture. Additionally, the accomplishment of these KPIs will be linked to company performance, motivating our teams to proactively embrace sustainable practices.

Examples of our KPIs include:

Environmental

- Obtain green building certificates
- Adopt low-carbon construction materials
- Achieve absolute carbon emission reduction

Social

- Conduct supply chain risk assessment
- Attend training sessions focused on sustainability topics

Governance

- Arrange sustainability-related training sessions for senior executives

Stakeholder Engagement and Double Materiality Assessment

Stakeholder Engagement Approach

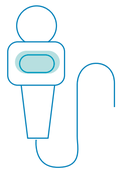
We place significant emphasis on the concerns of relevant stakeholders regarding sustainability and overall strategy. We adopt a comprehensive approach to ensure timely and effective communication with each stakeholder group and integrate feedback into overall risk management. To widen and balance impact, in 2024 we increased the portion of external stakeholders in our surveys. The responses received from downstream and upstream business partners, as well as public stakeholders doubled as compared to last year.

By actively listening to various stakeholders' feedback and incorporating their insights, we are better positioned to align our sustainability initiatives and strategic goals with the expectations and needs of our stakeholders. For instance, some colleagues reflected that they were looking for better career development through comprehensive training support. In response, new structural enhancements in human resources development was in place to focus more on training and development on cultural transformation.

2024 Materiality Assessment Profile



2,500+
Stakeholders engaged



6
In-depth interviews



2
Focus group discussions

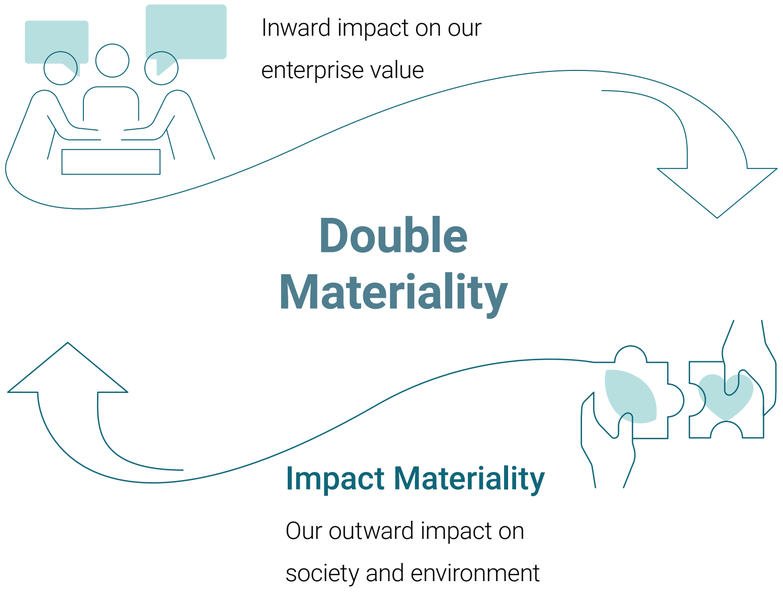


11
Tier 1 Material Topics indentified

Stakeholder	Importance to Kerry Properties	Engagement Method	
Investors and Shareholders	Investors and Shareholders drive financial support, impacting growth, investment, and strategic direction for the Company.	▶ Annual General Meetings ▶ Annual and interim reports ▶ Sustainability reports ▶ Company websites	▶ Investor visits/briefings ▶ Press and analysts' conferences ▶ Roadshows and investors' conferences
Employees	Employees drive productivity, innovation, and operational excellence, shaping the company culture and contributing to the Company.	▶ Townhall meeting ▶ Orientation and training sessions ▶ Team building activities ▶ Recreational and volunteering activities ▶ Sustainability sub-committees and taskforces	▶ Employee engagement surveys ▶ Annual performance appraisal ▶ Intranet and emails ▶ Newsletters
Academia	Academia offers research, expertise, and innovative insights, contributing to our sustainability initiatives and industry advancement.	▶ Research studies ▶ Student partnership programmes	▶ Event venue sponsorships ▶ Seminars
Local Community	Local community engagement fosters trust, supports initiatives, and shapes sustainable development, which is crucial for our operations and reputation.	▶ Public/community events ▶ Community initiatives ▶ Corporate volunteer team and employees	▶ Volunteering activities ▶ Mailing/emailing for feedback
Suppliers and Contractors	Suppliers and contractors are vital for operational efficiency, quality assurance, and sustainable practices, supporting our business operations.	▶ Surveys and meetings ▶ Green Construction Site Award ▶ Kerry Project – Community Caring Scheme	▶ Safety briefings ▶ Tendering and procurement processes
Customers and Tenants	Customers and tenants drive demand, satisfaction, and loyalty, impacting the success and sustainability of the Company.	▶ Customer satisfaction surveys ▶ Customer service hotlines	▶ Community events ▶ Corporate publications
Non-government Organisations ("**NGOs**")	NGOs offer expertise, advocacy, and partnerships, influencing sustainable practices and social impact for the Company.	▶ Focus groups ▶ Partnership programmes	▶ Sponsorships and donations ▶ Conferences and seminars
Government and Industry Associations	Government and industry associations influence regulations, provide guidance, and shape industry standards, impacting our operations and compliance.	▶ Regular meetings ▶ Public consultations	▶ Conferences, forums, and seminars
Media	Media shapes public perception, influences reputation, and communicates initiatives, impacting the visibility and public relations of the Company.	▶ Press conferences and releases ▶ Media briefings	▶ Feedback and response to enquiries

Materiality Assessment

As part of our annual materiality assessment, in 2024 we engaged an independent consultant to facilitate stakeholder engagement and evaluate the materiality of ESG topics. A double materiality approach was used to evaluate each ESG topic from two perspectives:



Financial Materiality

Inward impact on our enterprise value

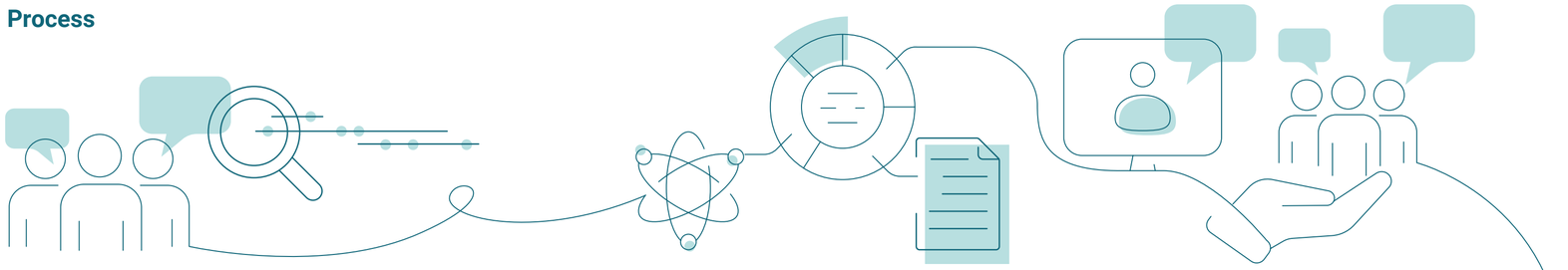
Double Materiality

Impact Materiality

Our outward impact on society and environment

Building on the findings of the previous materiality assessment, we strengthened the 2024 assessment by engaging both internal and external stakeholders in deeper discussions around impact and financial materiality. This process offered valuable insights to refine the materiality levels of ESG topics most relevant to the Group.

Process



Step 1 Preparation

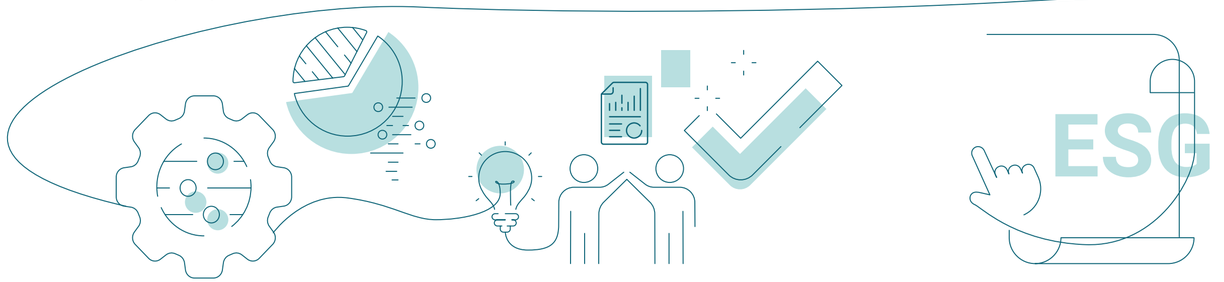
- Identify enhancement areas from last year's materiality assessment approach
- Incorporate further details on impact and financial materiality discussions to yield meaningful insights
- Identify relevant stakeholders to be engaged in accordance with the AA1000 Stakeholder Engagement Standard (AA1000 SES (2015)) in 2024, integrating inclusivity, materiality, responsiveness and impact principles from AA1000 AccountAbility Principles 2018, and based on dependency, responsibility, necessity, influence, and diversity of perspectives

Step 2 Identification

- Consolidate a long list of relevant ESG topics with reference to the latest ESG megatrends, regulatory requirements, and peer analysis
- Identify a shortlist of 22 topics following thorough consideration of research findings, with management approval

Step 3 Engagement

- Engage stakeholders and understand their views on the shortlisted ESG topics
- Channels include tailor-made in-depth interviews, focus group discussions, and online surveys
- Donate HK$100 to NGOs that promote bio-diversity and ecosystem preservation for each completed survey response



Step 4 Analysis

- Consolidate feedback from all channels and conduct analysis

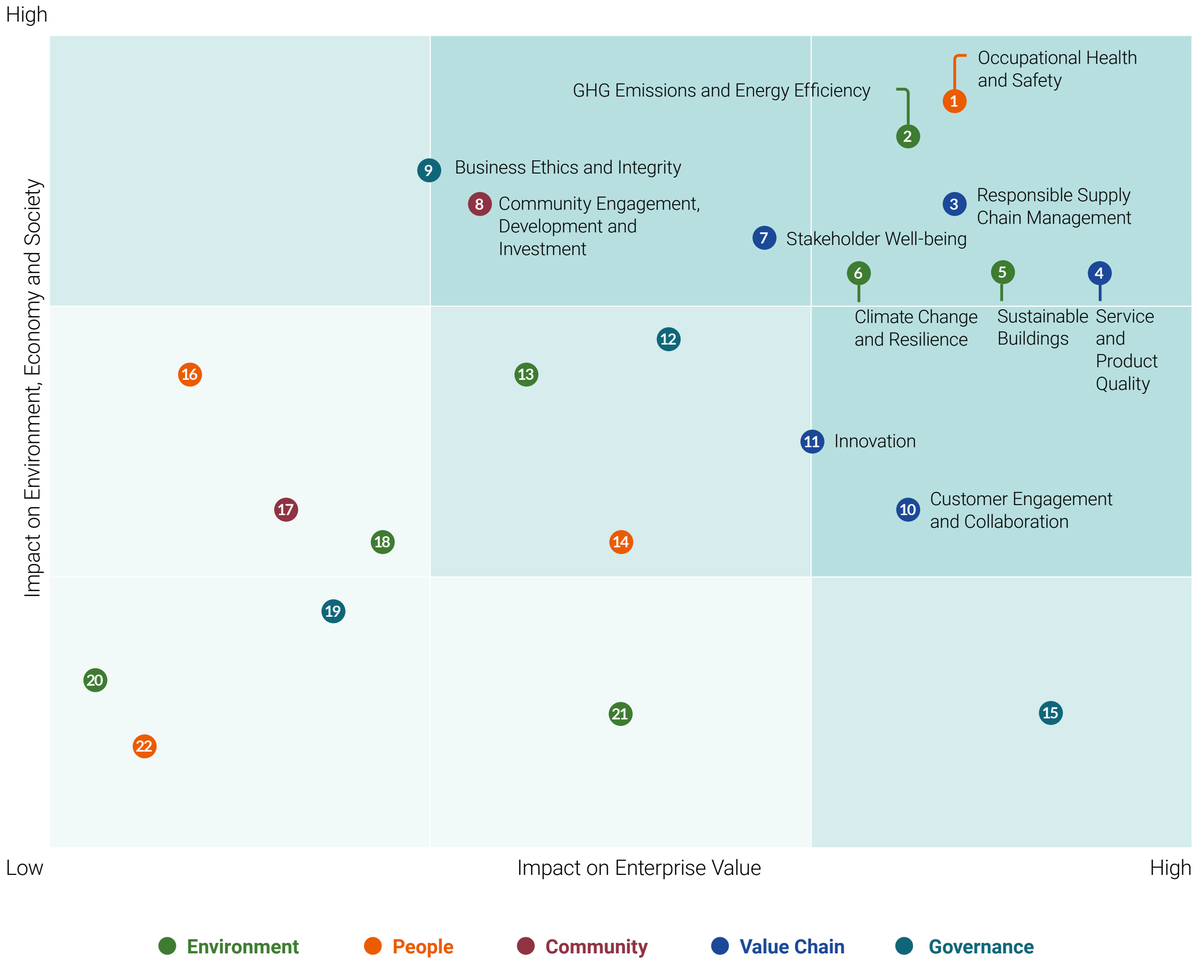
Step 5 Validation

- Results to be validated by the management

Step 6 Action

- Integrate stakeholders' feedback into the Group's ESG strategy

Double Materiality Matrix



Following the double materiality approach, we identified 11 Material Topics as well as four Moderate Topics and seven Monitored Topics, summarised below:

Tier	Classification
1	**Material Topics**

Topics that have material impact on the Environment, Society and Enterprise Value of the Company.

These topics are closely tied to our business model and must therefore be incorporated into business strategy and targets, with regular follow-up mechanisms in place.

- 1 Occupational Health and Safety
- 2 GHG Emissions and Energy Efficiency
- 3 Responsible Supply Chain Management
- 4 Service and Product Quality
- 5 Sustainable Buildings
- 6 Climate Change and Resilience
- 7 Stakeholder Well-being
- 8 Community Engagement, Development and Investment
- 9 Business Ethics and Integrity
- 10 Customer Engagement and Collaboration
- 11 Innovation

Tier	Classification
2	**Moderate Topics**

Topics that have moderate impact on the Environment, Society and Enterprise Value of the Company.

These topics are being addressed through our policies, ESG target setting, and risk management.

- 12 Information Privacy and Security
- 13 Waste Management
- 14 Human Capital Management and Development
- 15 Economic Performance

Tier	Classification
3	**Monitored Topics**

Topics that have limited impact and are related to emerging issues within the regulatory framework on which we report.

These topics are being addressed through compliance, supervision, and ongoing management perspective.

- 16 Labour Practices and Human Rights
- 17 Heritage and Culture
- 18 Water Consumption and Conservation
- 19 Risk and Crisis Management
- 20 Biodiversity
- 21 Sustainable Finance
- 22 Diversity, Equity, and Inclusion

Analysis of Tier 1 Material Topics

The Tier 1 Material Topics were assessed based on their impact on enterprise value (i.e. financial materiality) and the impact on environment, economy and society (i.e. impact materiality). By addressing these priority areas, we aim to align our business strategies with stakeholder expectations and create long-term value for the business and the communities we serve.

Environment	
Tier 1 Material Topics	▸ Climate Change and Resilience ▸ GHG Emissions and Energy Efficiency ▸ Sustainable Buildings
Financial Materiality	Facing more frequent and severe extreme weather events, climate-related risks increase development costs for resilient properties. At operational level, energy efficiency measures mitigate financial risks and lower operational costs. Moreover, investing in sustainable buildings offers opportunities to attract like-minded tenants, positioning us to meet future market expectations and stay competitive.
Impact Materiality	Aligning with the Paris Agreement, incorporating climate-resilient features and sustainable practices throughout our buildings' lifecycle lowers environmental impact and promotes well-being. Adopting energy efficiency and transition measures also reduces adverse effects on tenants, communities and the environment.
Business Strategies to Address the Material Topics	Our strategy includes assessing climate-related risks and emissions reduction potential, adopting energy-efficient design and integrating green building principles in our operations to align with global decarbonisation goals. We also strive to achieve LEED and WELL certifications to enhance environmental performance and occupant well-being.
Key Metrics for Monitoring Material Topics	▸ By 2030, 100% of Investment Properties complete CRVA ▸ By 2030, 100% of Investment Properties adopt climate-resilient building features ▸ Reduce 2% of our Scope 1 and 2 carbon emission intensity every year ▸ By 2030, 100% of Investment Properties adopt wellness features in building design ▸ By 2030, 100% of New Investment Properties achieve green certifications

People	
Tier 1 Material Topics	▸ Occupational Health and Safety
Financial Materiality	Enhancing occupational health and safety reduces operational risks, minimises financial liabilities, and improves employee productivity and morale. Addressing safety is crucial in high-risk industries.
Impact Materiality	Providing a safe and healthy working environment fosters well-being, protects human rights, and enhances job satisfaction, contributing to a stable and productive workforce.
Business Strategies to Address the Material Topics	We prioritise health and safety with rigorous systems, regular training, and continuous monitoring to ensure a zero-incident workplace.
Key Metrics for Monitoring Material Topics	▸ By 2030, reduce work-related injury rate of employees to 10 per 1,000 ▸ Maintain record of zero work-related fatalities among all our employees

Value Chain	
Tier 1 Material Topics	▸ Customer Engagement and Collaboration ▸ Innovation ▸ Responsible Supply Chain Management ▸ Service and Product Quality ▸ Stakeholder Well-being
Financial Materiality	Adopting innovative technologies enhances efficiency and products and services quality, boosting stakeholder well-being, customer satisfaction and loyalty, driving revenue and brand differentiation. In addition, prioritising sustainable suppliers ensures reliable sourcing, reduces disruptions, saves costs, and strengthens our reputation.
Impact Materiality	Collaborating with like-minded customers creates synergy, enabling us to tackle environmental and social challenges through shared goals and efforts. Providing reliable and safe products and services enhances customer well-being and fosters social cohesion in a sustainable community. A responsible supply chain encourages sustainable practices, fosters long-term partnerships, and drives broader ESG adoption.
Business Strategies to Address the Material Topics	We place customers at the centre of our strategy by collaborating with our stakeholder and leveraging innovation driven tools to deliver high-quality developments and services, enhancing satisfaction and strengthening long-term relationships. We also work with suppliers to uphold ethical, environmental, and social standards, ensuring sustainable sourcing and transparency.
Key Metrics for Monitoring Material Topics	▸ At least 90% customer satisfaction rate ▸ At least one new technology and innovation project/application/practice to be implemented annually at operational or business level ▸ By 2030, 100% of contractors/suppliers are governed by sustainable procurement guidelines which contain mandatory diversity requirements ▸ Maintain zero case of substantial complaints received ▸ At least one stakeholder well-being activity or training session is arranged for each property or at group level

Community	
Tier 1 Material Topics	▸ Community Engagement, Development and Investment
Financial Materiality	Engaging with local communities builds trust, increases tenant loyalty, attracts business, and enhances our brand value.
Impact Materiality	Investing in local communities creates jobs, supports businesses, attracts investments, and promotes sustainable development.
Business Strategies to Address the Material Topics	We engage with local communities to understand their needs and invest in economic growth, education, and social welfare.
Key Metrics for Monitoring Material Topics	▸ By 2030, 100% of New MUDs are planned and designed through a mandatory community engagement process, with but not limited to women, children, elderly, and disabled persons

Governance	
Tier 1 Material Topics	▸ Business Ethics and Integrity
Financial Materiality	Upholding business ethics fosters trust, mitigates risks, safeguards investor confidence, and ensures operational stability.
Impact Materiality	Ethical business practices support a fair marketplace, promoting social equity and confidence.
Business Strategies to Address the Material Topics	We uphold ethical standards with robust governance, compliance training, and zero tolerance for corruption.
Key Metrics for Monitoring Material Topics	▸ By 2030, 100% of contractors/suppliers are governed by Vendor Code of Conduct which forbids forced labour, slave labour, and child labour ▸ 100% employees are trained on business ethics and integrity, and anti-corruption

Protecting Our Environment



Every step towards Kerry Properties' decarbonisation is marked by measurable, multifaceted actions. Beyond reducing emissions, innovations such as climate resilience solutions and enriching local biodiversity are key to driving better performance, with the ultimate aim of creating harmony between nature and mankind.

Protecting Our Environment

Collaborating to achieve environmental sustainability and carbon neutrality

Future Trends	*Our Response*
▸ A growing emphasis on nature and biodiversity conservation, with increasing awareness of the critical role ecosystems play in maintaining environmental balance and supporting livelihoods.	▸ Conducted a pioneering biodiversity assessment at Shenzhen Qianhai Kerry Centre and surrounding areas to identify key species and ecosystems at risk, ensuring informed decisions are made to protect local biodiversity.
▸ Growing recognition of the importance of climate resilience has led to more comprehensive efforts by businesses and governments to assess climate risks and vulnerabilities, ensuring preparedness for future challenges.	▸ Completed CRVA across all Investment Properties ahead of our Vision 2030 schedule, allowing us to proactively address potential climate-related impacts across our operations.
▸ Increasing emphasis on corporate responsibility is driving companies to actively reduce GHG emissions and achieve carbon neutrality as part of their commitment to climate action.	▸ Beijing Kerry Centre received the Carbon Neutrality Certificate by China Beijing Green Exchange, becoming the first building in our portfolio to attain this milestone. This accomplishment underscores our commitment to reducing GHG emissions and advancing toward long-term carbon neutrality.

Topics Related to Environment

- Biodiversity
- Climate Change and Resilience
- GHG Emissions and Energy Efficiency
- Heritage and Culture
- Sustainable Buildings
- Water Consumption and Conservation
- Waste Management

Our Policies in Response

- Biodiversity Policy
- Climate Change Policy
- Environmental Policy
- Green Procurement Policy
- Group Environmental Protection Policy
- Sustainability Policy
- Water Stewardship Policy

Feature Story

Promoting Environmental Stewardship to Achieve Carbon Neutrality

Kerry Properties remains steadfast in driving long-term positive impact and achieving carbon neutrality by 2050 through promoting environmental stewardship. From building resilience against climate risks and integrating proven methods into operations to enhancing biodiversity conservation, our actions go beyond compliance, redefining industry standards for sustainable development. Together with our stakeholders, we are making a tangible difference and shaping a future where people and nature thrive together.



Building Climate Resilience in Our Operation

In an era of increasing unpredictable weather events, Kerry Properties has taken pivotal steps to fortify our assets against extreme weather by conducting CRVA for all Investment Properties. With our pioneering data-driven approach to identify potential vulnerabilities, we are able to inform decision makers and stakeholders ahead of time, ensuring that specific risks are effectively adapted and mitigated throughout the buildings' life cycle.

This year, Kerry Properties carried out a group-wide CRVA across our Investment Properties and eight major projects under development. In addition, we also completed a group-wide comprehensive carbon audit in Hong Kong and the Mainland for the first time. By examining the carbon footprint of each property in detail, we tailored specific and effective actions with stakeholders and enhanced our climate resilience strategy. Sharing insights from these assessments and audits increased awareness of precautionary measures to protect our properties and empowered stakeholders to actively foster a resilient operational environment.


Shenzhen


Beijing


Hangzhou

100%
Investment Properties completed CRVA

Going Above and Beyond in Biodiversity Protection

Kerry Properties believes that we are jointly responsible for protecting the resilience of nature. In 2024, we piloted an on-site biodiversity assessment at Shenzhen Qianhai Kerry Centre and extended it to the neighbouring public space at Qianhai Stone Park. By evaluating the microhabitats in these areas, we aim to avoid and minimise our impact on ecosystems. This assessment demonstrates how the private sector can extend its efforts beyond traditional responsibilities to actively influence the development of biodiversity initiatives and policies of the public sector. Moving forward, we will monitor the outcomes of our mitigation efforts and extend the assessments to other properties as part of our continuous efforts in advancing urban biodiversity.

To raise awareness for biodiversity protection, we also invited our colleagues to participate in our annual Step Challenge where total steps accumulated were converted into donations supporting ocean conservation and biodiversity efforts. By transforming individual efforts into communal impact, the Step Challenge inspires our colleagues to take an active role in protecting the environment while fostering a sense of shared responsibility for nature.


Shenzhen



Research covering:

20-hectare area

23 bird species

117 insects

63 plant species

Sustainable Buildings

Our Commitment to Green Building

In embracing sustainable design and innovative materials, we create buildings that are built for the future. Accredited sustainable building certifications achieved for our properties are recognition of our efforts in prioritising energy and water efficiency, reinforcing our commitment to sustainability. Through continuous improvement, we strive to enhance environmental performance of our buildings while delivering long-lasting benefits to the communities we serve.

95%
Investment Properties obtained sustainable building certifications

100%
Major MUDs achieved 3-STAR/ GOLD or above sustainable building certifications

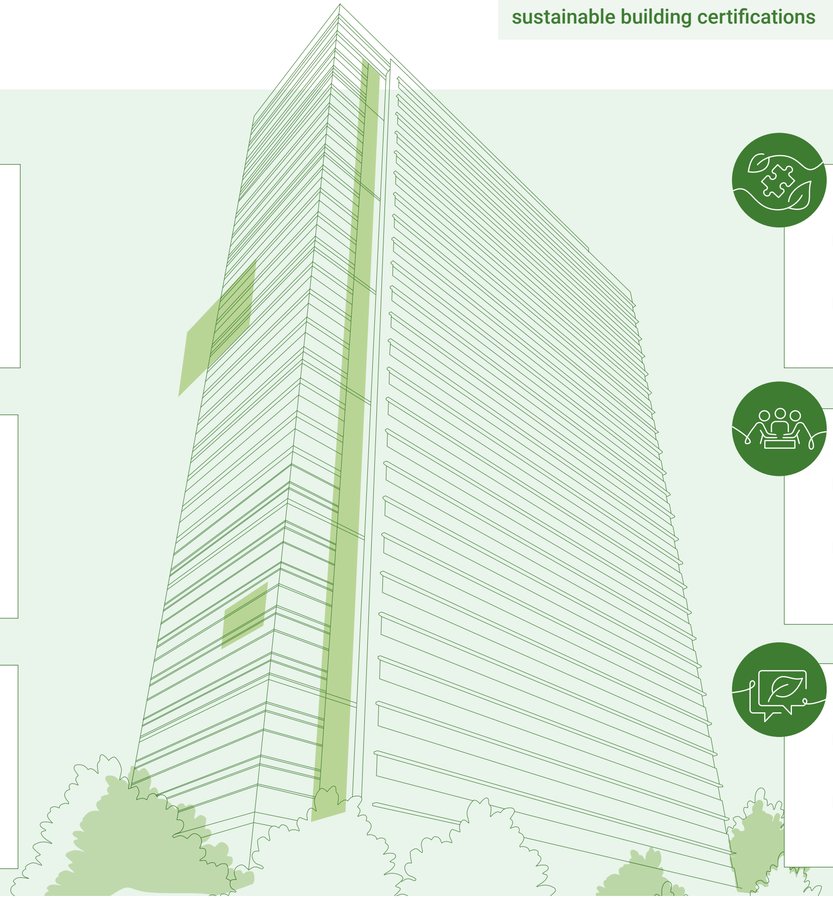
40%
Investment Properties in the Mainland obtained LEED Platinum, LEED Zero Waste and TRUE Zero Waste sustainable building certifications

Our Approach to Sustainable Buildings

Sustainable Design
- Incorporate sustainable, healthy and climate-resilient building design
- Apply Building Information Modelling ("**BIM**") technologies
- Install energy efficiency measures and solar photovoltaic systems at our properties

Wellness Integration
- Provide open space for the community
- Enhance indoor air quality ("**IAQ**") through the implementation of quality management systems
- Ensure our properties are accessible to all

Green Renovation Guidelines
- Establish green renovation guidelines encouraging tenants to adopt sustainable practices
- Promote the use of energy-efficient equipment in buildings to support the development of ultra-low energy consumption



Smart Green Solutions
- Utilise the KERRY+ mobile app to create a zero-waste management system for sorting, collecting, and recycling various types of waste
- Introduce a smart irrigation system to manage plant watering through phone applications using harvested rainwater

Collaborative Community Engagement
- Engage community representatives, property managers, and tenants to address environmental issues collaboratively
- Encourage recycling initiatives and support green practices through tenant engagement programmes

Green Culture Promotion
- Foster a green culture through various communication methods, including videos and promotional materials, to raise awareness of sustainability efforts among tenants
- Document and share the green initiatives to inspire broader community participation in environmental actions

Revitalising Cultural Heritage

We strive to preserve architectural and cultural heritage, integrating historical narratives into modern developments to strengthen community identity. Kerry Properties plays a pivotal role in Shanghai's urban regeneration through its transformative development on Jinling Road with its unique arcade-style architecture. By adopting a 'retaining the shell, renewing the core' approach and advanced modelling, we connect key cultural and commercial hubs, blending Shikumen stone-gate homes and Lilong alleyways with modern urban planning.

Our Shanghai Huangpu Mixed-Use Development has achieved prestigious LEED Communities Platinum and WELL Community Precertification, underscoring our dedication to sustainable urban revitalisation. In preserving the historical façades of the iconic arcade-style buildings, we have created the largest protected area of arcade architecture in Eastern China, ensuring meticulous documentation and conservation of this iconic Shanghai neighbourhood.





Shanghai

Achieving Carbon Neutral in Renovation

In 2024, a renovation project at Beijing Kerry Centre became the first in our portfolio to achieve the leading Carbon Neutrality Certificate issued by China Beijing Green Exchange, setting a benchmark for sustainable development. 100% of the carbon emissions throughout the project's lifecycle — including material production, transportation, and construction — were verified and offset, achieving zero carbon across the entire process.

Integrating Heritage Preservation into Urban Development

Hangzhou Kerry Centre — a living tribute to Hangzhou's history — exemplifies how heritage preservation can integrate harmoniously with modern urban development. To accomplish this, we preserved the original brick craftsmanship and the historic essence of the site, each hand-fired brick reflecting the authenticity of the industrial era of the region.



Hangzhou

Apart from consistently engaging stakeholders and implementing innovative strategies, we are dedicated to operational excellence. In recognition, Hangzhou Kerry Centre achieved multiple prestigious certifications in 2024, including LEED Operations and Maintenance Platinum, TRUE Zero Waste Platinum, LEED Zero Waste, and WELL Core Platinum.

New Sustainable Building Certifications Obtained in 2024

LEED	LEED for Operations and Maintenance	Platinum	• Hangzhou Kerry Centre • Shenyang Kerry Centre
	LEED for Building Design and Construction – Precertification	Gold	• Shanghai Huangpu Mixed-Use Development
	LEED for Communities	Platinum	• Tianjin Kerry Centre Phase I
	LEED for Communities – Precertification	Platinum	• Tianjin Kerry Centre Phase II
LEED Zero	LEED Zero Waste		• Hangzhou Kerry Centre
TRUE	TRUE Zero Waste	Platinum	• Hangzhou Kerry Centre
WELL	WELL Core	Platinum	• Hangzhou Kerry Centre
	WELL Certification	Gold	• Nanchang Enterprise Centre
	WELL – Precertification		• Shanghai Huangpu Mixed-Use Development • Tianjin Kerry Centre Phase II
BEAM Plus	BEAM Plus NB V1.2	Gold	• La Marina, Phase 2 of THE SOUTHSIDE

Achieving LEED Zero

Shanghai Jing An Kerry Centre showcases our commitment to low-carbon operations with the adoption of energy-efficient measures such as removing excessive decorative lighting fixtures and adopting high-performance chillers and variable frequency drives for fans and water pumps. These measures resulted in a 15% reduction in operational energy consumption at the property as compared to the global office average.



Shanghai

First Property in Asia:

Achieved both LEED Zero Carbon and LEED Zero Waste Certifications

First Property in the Mainland:

Achieved LEED Zero Carbon Certification

Building Wellness Integration

Our property designs, in both new and existing developments, incorporate barrier-free and family-friendly amenities which ensures a secure and inviting atmosphere for all stakeholders. Our properties are conveniently located within a 10-minute walk from public transport, featuring sustainable transport facilities, like smart parking, bicycle amenities and EV charging stations to enhance local communities' accessibility.

Accessibility Features at Our Buildings

- Barrier-free washrooms, dedicated parking spaces, and access ramps for the disabled
- Real-time parking vacancy data and guidance through visual system
- Baby-caring and nursing rooms
- Clear evacuation plans for tenants and visitors

Promoting Wellness at Our Operations

Sustainability goes beyond infrastructure — it is about the people who inhabit these spaces every day. In 2024, we deepened our collaboration with the International WELL Building Institute ("**IWBI**") to advance the health and well-being for occupants and communities by referencing the WELL Building Standard.

Impacts and Achievement in 2024

WELL PLATINUM 7 PLATINUM

WELL HEALTH-SAFETY RATED 8 HEALTH-SAFETY

84%

of our Investment Properties obtained WELL Certification/WELL Health-Safety Rating [1]

As MUDs become increasingly integral to urban life, occupants' wellness emerges as a key priority to Kerry Properties. Over the past three years, we have actively participated in the WELL at scale Programme, underscoring our dedication to creating health-centric environments that seamlessly blend work and life to elevate occupants' satisfaction while delivering tangible business benefits.

A series of seminars and sharing events were held across cities, including STAY WELL @ BKC: Building a Sustainable Future at Beijing Kerry Centre, WELL Carnival at Shenzhen Qianhai Kerry Centre, and WELL 2024 RECHARGE: Nanchang at Nanchang Enterprise Centre. Industry leaders and experts were united to exchange insights and explore best practices of creating healthier office spaces, enhancing occupants' well-being, incorporating sustainable aesthetics, and ultimately achieving zero-waste operations.

Excellent Partner Award from IWBI

- **Beijing Kerry Centre**
- **Nanchang Enterprise Centre**
- **Shenzhen Qianhai Kerry Centre**

IWBI AWARD WINNER

Successfully impacted **69,162** people in **34** locations







Commitment and Engagement Award

received from IWBI



"Congratulations to Kerry Properties, a leader among leaders in advancing healthier people, better buildings and stronger organisations. Through their participation in WELL at scale, Kerry Properties demonstrates that they put their people first."
Rachel Hodgon, President and CEO, IWBI

Improving Indoor Air Quality

The IAQ significantly impacts the health and well-being of building occupants. Maintaining excellent air quality remains a key aspect of our environmental sustainability practices and demonstrates our commitment to creating healthy indoor environments.

To achieve this, we implemented the following measures:

- Adopt building materials with low VOC/formaldehyde content
- Apply MERV-13 air filter with silver ion technology in air handling units
- Install purifiers inside refuse collections rooms to ionise bacteria
- Install CO sensor in carparks to monitor real-time IAQ
- Extend smoke-free environment and conduct regular IAQ sampling and monitoring

95%

Investment Properties adopt wellness features [2]

RESET HEALTHY BUILDINGS INTERNATIONAL STANDARD

Excellent Class IAQ 卓越級 室內空氣質素計劃 Indoor Air Quality Certification Scheme

1. Calculated based on GFA.
2. Wellness features include IAQ Certification Scheme and RESET™ Air Core & Shell Certification.

Climate Change and Resilience

Strengthening Our Future Against Climate Challenges

Climate change poses significant risks to our business operations, assets, and stakeholders. To address these challenges, we have taken proactive steps to enhance climate resilience across our portfolio. We adopt a structured approach to climate-related risk management and disclosure, as well as establishing and monitoring our Carbon Neutrality Roadmap. This ensures that we remain transparent and accountable to stakeholders while addressing the risks and challenges posed by climate change.

Commitment to Carbon Neutrality

Guided by the Climate Change Policy, a new roadmap has been developed to achieve our carbon neutrality goals. As part of this strategic initiative, we worked actively towards our targets set for 2025 and achieved the targets ahead of schedule. We have also redefined our near-term targets that will guide our ongoing progress.

In 2024, we remained steadfast in our commitment to the Science Based Targets initiative ("**SBTi**") to establish ambitious GHG emission reduction and net-zero targets, in line with the Paris Agreement's goal of limiting global warming to 1.5°C and achieving carbon neutrality by 2050. Currently, our targets are undergoing validation by SBTi.

In developing these reduction targets, we thoroughly analysed the carbon footprint of our major property developments and management operations in both Hong Kong and the Mainland. This exercise enabled us to pinpoint key areas for improvement in achieving the targets. By proactively engaging with stakeholders across the value chain, we have adopted innovative construction methods and leveraged technological advancements to enhance energy management and building management systems, thereby improving operational efficiency and driving our sustainability agenda.

Our Carbon Neutrality Roadmap

2025

- Early achievement of our 2025 carbon reduction target

NEW

- Reduce 2% of our operational emission intensity every year [1]

Near-term 2030

- To reach all near-term science-based targets
- To achieve all Vision 2030 targets

Long-term 2050

- To accomplish carbon neutrality across our operations and supply chain

How we achieve carbon neutrality

Near-term Approach

Sustainable Building Design

- Achieve/maintain sustainable building certificates

Climate-resilient Operation

- Assess and manage climate-related risks and opportunities
- Implement smart management
- Source renewable energy alternatives
- Enhance energy efficiency
- Conduct regular group-wide carbon audit

Value Chain Engagement

- Actively engage our tenants, suppliers and contractors
- Adopt the Sustainable Fitting Out Guideline
- Encourage tenants to participate in the Dark Green Leasing Programme

Long-term Approach

- Leverage technology advancement in achieving carbon neutrality
- Explore high-integrity carbon offsetting and removal options for residual emissions

1. New target set to reduce Scope 1&2 emission intensity starting from 2025.

Climate Risk Assessment and Management

In 2024, we expanded the scope of building-level climate impact assessments across our portfolio and conducted comprehensive group-level CRVA. By understanding the risks associated with extreme weather events, we integrate them into our Carbon Neutrality Roadmap and business strategies, which can enhance the resilience of our properties while reducing carbon footprint.

For a detailed overview of our approach and initiatives, please refer to the Climate-related Financial Disclosure chapter in this Report.

Strategic Measures to Carbon Neutrality

In our ongoing efforts to reduce carbon emissions, we have launched an array of initiatives throughout our value chain and business sectors, and among our stakeholders. We are adopting a range of innovative approaches that combine improvements to physical infrastructure with various engagement activities.

Approaches Adopted in Recent Years

Internal Operation		External Engagement
▶ Group-wide Carbon Audit and Energy Audit ▶ Group-wide Climate Risk and Vulnerability Assessment ▶ Renewable Energy Adoption	*Carbon Mitigation Initiatives*	▶ Supplier Low Carbon Stewardship Scheme ▶ Tenant Decarbonisation Scheme ▷ Tenant Carbon Audit Programme ▷ Dark Green Leasing Programme
▶ Sustainable Event Management Guideline ▶ Carbon Reduction Event Practice	*Sustainable Practices & Guidelines*	▶ Sustainable Fitting Out Guideline ▶ Property Management Guideline for Tenant Carbon Audit ▶ Construction Materials Data Collection Exercise
▶ Environmental and Energy Management System ▶ Energy Efficiency Advancements through Technology	*Awards & Technology Integration*	▶ Green Construction Site Award
▶ Climate Fresk Workshops	*Awareness & Education*	▶ KPL Sustainability Education Programme

Group-wide Assessment

In 2024, a group-wide CRVA was conducted to evaluate the potential impacts of climate change on all our Investment Properties and eight major development projects. The study utilised universally recognised climate models under four scenarios: SSP1-RCP2.6, SSP2-RCP4.5, SSP4-RCP6.0, and SSP5-RCP8.5. Using the Atmospheric Circulation Model, Regional Climate Model and Geospatial and Economic data, asset values at risk were analysed for 2050, focusing on eight climate-related risks:

- Tropical Cyclone
- River Flood
- Landslide
- Wildfire
- Drought
- Extreme Heat
- Extreme Cold
- Sea Level Rise

The findings provided a comprehensive understanding of vulnerabilities across our portfolio. Given the geographical locations of our properties, the assessment revealed that tropical cyclones and rising sea levels pose the most prevalent risks for our properties. Landslides, river floods, wildfires and extreme heat are some other identified risks that would have impacts across our portfolio.



Biodiversity

Enhancing Biodiversity for a Thriving Ecosystem

We are committed to mitigating the ecological impacts of our operations and addressing stakeholders' expectations. Our Biodiversity Policy provides a robust framework, integrating nature and biodiversity considerations into every operational step. Using tools like the TNFD's LEAP approach, ENCORE Biodiversity Module, and WWF Risk Filter Suite, we assess nature-related dependencies, impacts, risks, and opportunities, enabling us to plan actions that protect biodiversity effectively.

With most of our portfolio in built environments, where green spaces are shrinking and biodiversity loss is escalating, we have been evaluating nature-related opportunities to enhance living environments since 2023. A group-wide biodiversity assessment identified 33 dependency and impact indicators, offering insights into how our operations affect ecosystems and contribute to nature loss, while highlighting opportunities for positive change.

LEAP Nature Risk Assessment Approach

L – Locate

- Prioritise projects under development in Hong Kong and the Mainland based on biodiversity interactions

E – Evaluate

- Assess business dependencies on ecosystem services and exposure to nature-related risks
- Evaluate operational impacts on biodiversity and ecosystems to address nature loss

A – Assess

- Establish a framework to assess nature-related risks and opportunities across key sites
- Understand interactions between our operations and the natural environment
- Benchmark efforts and identify opportunities for biodiversity enhancement
- Set actionable goals to strengthen conservation initiatives

P – Prepare

- Collaborate with stakeholders to design and implement mitigation strategies
- Foster sustainable coexistence between developments and the natural environment

Pioneering Assessment in Qianhai

To better understand and enhance the natural ecosystems within the urban environment near our properities, we conducted a comprehensive pilot biodiversity assessment at Shenzhen Qianhai Kerry Centre and Qianhai Stone Park, in partnership with the Future Ecologies research group at the Southern University of Science and Technology (SUSTech). This collaboration reflects our dedication to leveraging expert knowledge and create a harmonious balance between development, human experience and nature.

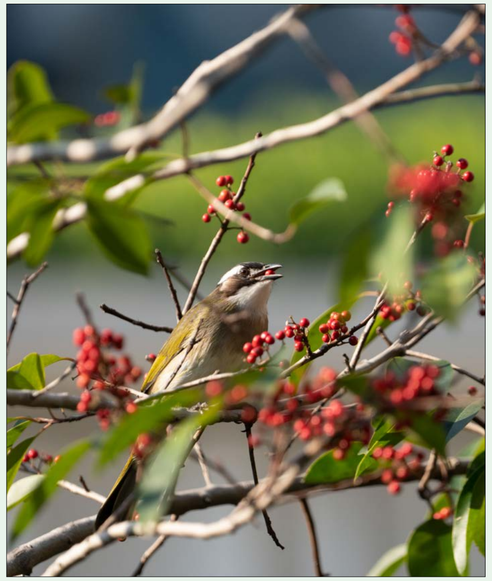


In this collaboration, we embarked on a detailed survey of birds, pollinators, and plants, uncovering valuable insights into the ecological potential of our site and identifying actionable steps to foster biodiversity.



Wildlife Findings at Qianhai

The survey revealed diverse bird species with strong ecological connectivity to Qianhai Stone Park, highlighting its role as a key stopover along the East Asian-Australasian Flyway. Pollinators, including dominant insect species, were documented, showing potential for ecological enhancement through targeted improvements. The assessment identified 20 nectar source plant species, mostly non-native, indicating limited food options for wildlife due to aesthetic-focused planting. Introducing more native and fruit-bearing plants could create a more inclusive habitat. Special sightings, such as lizards, bats, and a House Sparrow using plastic for nesting, underscored the site's biodiversity potential and the impact of human activity.



Improvement Actions

Building on the biodiversity assessment, we are taking targeted steps to enhance biodiversity:

For Birds:

- Introduce native fruiting plants for year-round food
- Create accessible water sources and install nest boxes
- Implement bird-friendly designs like patterned glass to reduce collisions

For Pollinators:

- Increase native flowering plants and replace ornamental species
- Ensure continuous seasonal blooms to support diverse pollinator species

Community Involvement:

- Launch citizen science initiatives and educational activities
- Engage the public in biodiversity monitoring and awareness-raising

These efforts aim to transform Qianhai into a thriving urban ecosystem, balancing development with nature. The insights gained will support biodiversity-friendly urban development at our sites across the Southern Region and beyond.

Raising Stakeholders' Biodiversity Protection Awareness

We aim to inspire collective action for biodiversity protection by engaging stakeholders through immersive experiences and conservation initiatives. From educational events and nature explorations to hands-on restoration projects, our efforts aim to deepen understanding, foster appreciation for natural ecosystems, and encourage proactive contributions to preserving biodiversity.

Community Enlightenment Through Nature

Bird Exploration Family Day & International Bird Day Event

In 2024, HABITAT, our property development in Qinhuangdao, collaborated with the Qinhuangdao Beidaihe Bird Rehabilitation Centre to host the Bird Exploration Family Day 2.0. Through interactive activities and educational sessions, children learnt about the importance of bird protection and environmental conservation. These events used engaging and bird-focused activities to highlight how caring for the environment and protecting wildlife are essential for our well-being and the health of the planet.



Protect Wildlife, Save Good Lives

We are proud to sponsor a project to rescue injured and endangered wildlife and help them return to their natural habitat. The project was organised by a professional unit affiliated with the Shenyang Municipal Bureau of Natural Resources.



Biodiversity Photography Expedition

Guided by experts, the biodiversity photography expedition at Shenzhen Kerry Plaza and Shenzhen Qianhai Kerry Centre celebrated the 2024 International Day for Biological Diversity by capturing the beauty of nature through photography.



Restoring Biodiversity through Native Planting

Biodiversity is restored by our planting of more than 100 local plant species at our buildings in Shanghai, enhancing the landscape's beauty while creating habitats that attract wildlife. This initiative fosters a thriving ecosystem, promoting ecological balance and supporting the preservation of natural habitats.



Lighting Deep: Marine Environmental Art Exhibition

To celebrate World Oceans Day, Shanghai Jing An Kerry Centre held the Lighting Deep: Marine Environmental Art Exhibition inviting visitors to relax, enjoy and intimately interact with the ocean through a variety of artistic expressions and innovative installations.



Step Challenge for Ocean Conservation



In 2024, our Step Challenge for Ocean Conservation initiative continued to make significant strides in preserving marine biodiversity. This year, the event supported a coral aquaculture and transplantation project in Dapeng Bay, Shenzhen. The removal of abandoned fishing nets from the seabed further enhanced the nearshore marine ecosystem, safeguarding marine life and their habitats.

GHG Emissions and Energy Efficiency

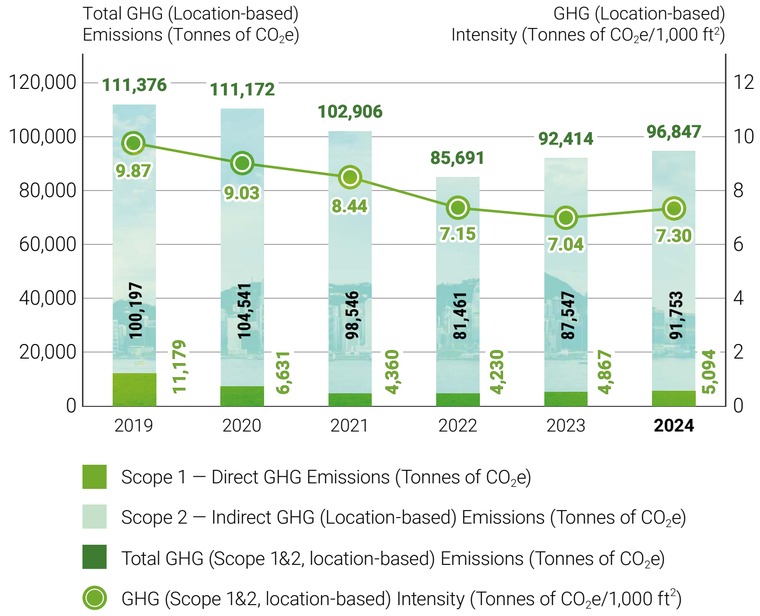
Reducing Our Carbon Footprint

Carbon Emission and Energy Consumption Performance

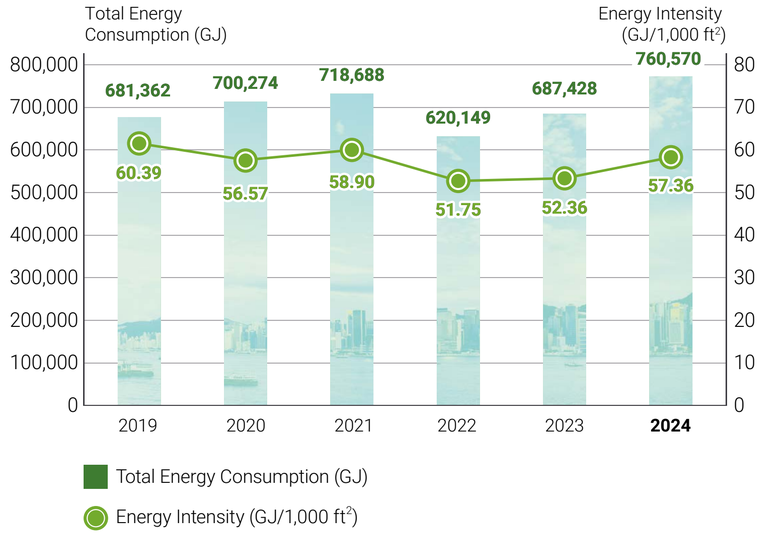
Ongoing monitoring of our carbon emissions allows us to understand the progress of our decarbonisation efforts. By implementing various energy saving and efficiency measures, we have observed remarkable progress along our emission reduction journey.



GHG Emissions Summary [1]



Energy Consumption Summary [1]



Scope 3 GHG Emissions along Our Value Chain

Working with our stakeholders is key to gathering activity data for our Scope 3 emissions measurement. Accurate data collection on Scope 3 GHG emissions is challenging due to the varying capabilities and methodologies of our partners, alongside our limited control over these sources. Reducing these emissions requires extensive collaboration with stakeholders and the integration of innovative and sustainable practices throughout the life cycle of our properties. Despite these challenges, we are committed to improving our data collection processes and fostering a collaborative environment.

Material Scope 3 Categories [3]

Category 2: Capital goods

588,761 tCO_2e

Category 3: Fuel-and-Energy Related Activities

31,842 tCO_2e

Category 4: Upstream Transportation and Distribution

21,125 [4] **tCO_2e**

Category 5: Waste Generated in Operations

85,644 [5] **tCO_2e**

Category 13: Downstream Leased Assets

123,642 tCO_2e

1. Data covers our Investment Properties.
2. As compared to baseline year 2019.
3. 1,039 tCO_2e GHG emissions under Category 1 as reported in page 85 is not listed below.
4. From which 405 tCO_2e GHG emissions were contributed by the Group's operational emissions from Investment Properties.
5. From which 854 tCO_2e GHG emissions were contributed by the Group's operational emissions from Investment Properties.

Decarbonising Our Operation

Environmental and Energy Management System

We have established a robust Environmental Management System ("**EMS**") and Energy Management System ("**EnMS**") across our operations. These systems allow us to better understand and mitigate our environmental impacts and associated risks, while also enabling us to monitor performance and achieve sustainability targets. Our EMS and EnMS are certified to the ISO 14001 Environmental Management System and ISO 50001 Energy Management System standards, ensuring adherence to regulatory requirements while faciltating ongoing enhancements in our environmental and energy performance. Regular training on energy efficiency is provided to all employees to raise awareness of energy consumption reduction.

81 %

of our Investment Properties [1] are certified with ISO 14001

89 %

of Investment Properties have undergone data verification by internal audit

Deployment of a digital data platform for environmental data collection and smart meters for performance tracking, ensures comprehensive coverage across our Investment Properties. The Group's internal audit team conducts annual environmental data verification. In addition, we have engaged independent external consultants to conduct carbon audits and energy audits. This third-party verification is essential in endorsing the credibility of our reported figures and ensuring the integrity of our environmental data management practices.

Sustainable Event Management Guideline

In 2024, we introduced the Sustainable Event Management Guideline, setting a framework for hosting sustainable events aligned with the Company's ESG commitments. The guideline provides practical measures to reduce waste and carbon emissions and adopt eco-friendly practices throughout event planning and execution. It emphasises responsible material use, promotes energy-efficient solutions, and supports initiatives such as waste segregation and recycling. By adopting this guideline, we enhance our environmental responsibility and empowers internal teams to organise events that embody corporate values and foster sustainable community engagement.



Renewable Energy

Effective implementation of renewable energy is prioritised at Kerry Properties, where solar photovoltaic systems are installed at our properties. As we develop our Carbon Neutrality Roadmap, we are actively reviewing and refining our renewable energy strategy. Our goal is to facilitate a wider adoption of alternative renewable energy sources, in order to significantly reduce our carbon footprint and contribute to a more sustainable future.

58 %

of our construction sites [2] are equipped with on-site renewable energy generation capability

We have successfully secured renewable energy and green electricity supply at our properties, and we target to increase proportion of renewable energy in the future.

On-site Renewable Energy Generation (kWh)

	Area of Solar Panel in Our Properties (ft^2)	2024	2023
The Mainland (2 properties)	12,080	188,982	203,622
Hong Kong (2 properties)	2,320	39,285	42,295

1. Calculated based on GFA.
2. Construction sites refer to projects in Hong Kong and the Mainland that are under development and are managed by the Group.

Energy Efficiency Advancements

Improving energy efficiency is a crucial lever in achieving our carbon reduction targets. Through environmentally responsible operations, we reduce our environmental footprint, while maximising energy efficiency and optimising resources utilisation.

Enhancing Energy Efficiency through Operational Upgrades

Lighting System Upgrade

We improved the lighting design in stairwells, parking lots and swimming pools, and applied more LED lights and sensor lights to improve electricity efficiency.

- Estimated electricity saved per year: 750,034 kWh
- Avoiding 314,353 kg of CO_2e GHG emissions

Heat Insulation Film

Heat insulation films for building surfaces were applied in more properties this year to block UV rays and help maintain indoor coolness.

- Estimated electricity saved per year: 145,178 kWh
- Avoiding 99,650 kg of CO_2e GHG emissions

Water Pump Renovation

Hong Kong properties renovated water pumping houses and installed high-efficiency water pumps to save energy.

- Estimated electricity saved per year: 63,253 kWh
- Avoiding 28,619 kg of CO_2e GHG emissions

Lighting, Heating, Ventilation, and Air Conditioning ("HVAC") System Upgrade

Frequency conversion fan renovations were conducted and the aging air conditioners were replaced with more efficient ones in properties across all regions.

- Estimated electricity saved per year: 767,718 kWh
- Avoiding 439,231 kg of CO_2e GHG emissions

Energy Saving with Balanced Wave Optimisers

More properties in Hong Kong installed Balanced Wave Optimisers for electrical systems to reduce energy loss and further improve electricity efficiency.

- Estimated electricity saved per year: 219,838 kWh
- Avoiding 85,737 kg of CO_2e GHG emissions

Group-wide Carbon Audit and Energy Audit

In 2024, we conducted a group-wide carbon audit covering 100% of our Investment Properties. By adopting a holistic whole-building analysis approach, we gained valuable insights into our overall building performance. These insights have been instrumental in identifying carbon reduction opportunities, actively guiding our ongoing initiatives to lower GHG emissions and shaping our future targets. Additionally, we regularly perform energy audits in our existing properties to evaluate energy consumption patterns. Through on-site evaluations and performing cost-benefit analysis, we uncover practical opportunities to improve energy efficiency across our properties in Hong Kong.

Carbon Reduction Awareness Events

Through a series of campaigns and seminars, such as the Kerry Low-carbon Pioneer programme and the Tree Planting Challenge 2024, we actively engage our stakeholders in promoting carbon reduction. The aim is to empower our stakeholders with knowledge and tools needed to make environmentally conscious decisions, ultimately contributing to a healthier planet for future generations.

In 2024, we hosted tree planting events in multiple cities and sponsored the planting of trees at Tai Lam Country Park in Hong Kong and in Shenyang.



Through the Kerry Low-carbon Pioneer programme, we invited the community to share photos of their healthy vegetable-based meals, promoting a healthier diet and reducing indirect water consumption, greenhouse gas emissions, and land degradation by choosing vegetarian options.





Resource Circularity and Waste Management

Embracing Circularity: Transforming Waste into Valuable Resources

In developing our waste management strategies, we uphold the principles of '4R' (Reduce, Reuse, Recycle, Replace) and embrace circularity throughout our entire value chain. Waste generation is monitored across the value chain using an online platform that allows us to assess our facilities' performance and the effectiveness of our waste management initiatives on a monthly basis. To ensure proper waste treatment, all waste is handled by licensed contractors, with regular qualification reviews conducted to maintain standards. As a result of our comprehensive waste management efforts, properties including Beijing Kerry Centre, Hangzhou Kerry Centre, Shanghai Jing An Kerry Centre and Shanghai Kerry Enterprise Centre Phase III have achieved verification under the LEED Zero Waste certification.

In our pursuit of waste reduction, we have introduced a Green Procurement Policy that prioritises products, materials, and suppliers with environmentally friendly attributes, enabling us to contribute to a more sustainable supply chain while reducing waste.

Waste Reduction Initiatives

The introduction of comprehensive waste reduction initiatives across our operations addresses key areas such as operational waste (including food waste) and construction waste. These initiatives reflect our dedication to environmental responsibility, focusing on minimising waste, promoting recycling, and fostering sustainable practices across different phases of operations.

Monitor Waste Data on the KERRY+

By leveraging Internet of Things ("**IoT**") technology, we have implemented waste data monitoring through our mobile app, KERRY+. The app is available to all registered customers, tenants and employees, enhancing data transparency and fostering cooperation among stakeholders in our initiatives to reduce waste.

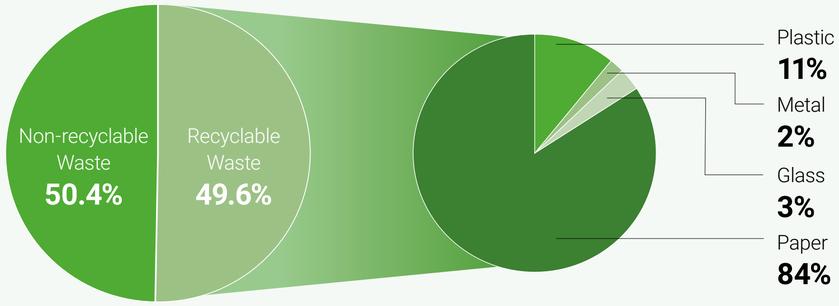
Waste Audit and Statistics

In 2024, we partnered with a social enterprise to employ individuals with hearing impairments to conduct a waste audit at our offices at Hong Kong Kerry Centre over a two-month period.

Besides identifying waste composition and exploring potential waste reduction strategies, a Lunch and Learn session was held to share with our employees effective recycling methods and practical steps to improve their recycling.

By offering ongoing guidance and awareness training to our employees, we have diverted about 50% of our office waste from landfills.

An Overview [1] of Waste Composition



Operational Waste Approach

Smart Recycling Solution



At Mantin Heights, we spearheaded Hong Kong's first IoT-enabled smart recycling system in a residential estate, inspiring tenants and residents to embrace sustainable living. Paired with the Kerry Living App, our user-friendly machines streamline sorting into seven key categories, turning recycling into a rewarding experience. This pioneering effort boosts participation and supports our goals of circular living and waste reduction.

Modern Waste Management



A recycling centre operating for on-site food waste and recyclables treatment at Shanghai Kerry Everbright City Phase III has resulted in:

- 91% of waste recycled
- 100% of food waste processed by the bio-chemical processors on-site



Shanghai Kerry Everbright City Phase III

- **First property in Asia to obtain LEED Zero Waste certification**
- **One of the ten cases of modern environmental governance by Shanghai government**

1. Data generated from our waste audit in Hong Kong.

In addition to placing recycling bins across our premises, we actively encourage tenants and occupants to participate in various recycling schemes to minimise environmental impact.

As food waste constitutes a substantial proportion of our overall waste, we are taking proactive measures to address this issue – among them, expanding the availability of food waste collection bins across more properties and enhancing processing systems to improve waste management. Through a pilot initiative with selected food and beverage tenants, we aim to enhance the separation and proper disposal of food waste. Additionally, partnerships with NGOs facilitate the collection of excess food from residents and tenants, promoting waste reduction and sustainable practices.

Black Soldier Fly Food Waste Recycling

We diverted over 700 kg of food waste from landfills in 2024 via the Black Soldier Fly Food Waste Recycling Programme. Recognised for its impact, the Programme received the Galaxy Awards 2024 – Silver Award for Promotion: Sustainability & Legacy, reflecting our ongoing commitment to environmental innovation.


Hong Kong



As we strive to minimise waste generation, operational waste management is evolving to incorporate sustainable daily habits. By integrating individual behavioural changes into operational waste strategies, we can collectively drive progress by turning byproducts into valuable resources and fostering more sustainable consumption patterns at scale.

Home Greening Workshop

Our landscape managers hosted a Home Greening Workshop at Hong Kong Kerry Centre with the Friends of the Earth (HK) to share insights on home plant maintenance, such as reusing coffee grounds as fertiliser.


Hong Kong

Zero-waste Gardening Workshop

A Zero-waste Gardening Workshop was organised at Beijing Kerry Centre to introduce zero-waste planting principles, highlighting soil fertility improvement, organic matter recycling, and microclimate benefits.


Beijing

Food Waste • Way Out Campaign

The launch of the Food Waste • Way Out Campaign at most of our residential and commercial properties in Hong Kong aimed at promoting behavioural change in reducing food waste. Food waste containers sponsored by the KPL Sustainability Sponsorship Fund were provided to participating residents for their daily collection.



Hong Kong

Loop Market

The Loop Market at Shenzhen Kerry Plaza and Shenzhen Qianhai Kerry Centre promotes the principles of the circular economy by encouraging recycling and reuse. Community members can set up stalls to sell or barter pre-owned goods. With carnival game activities and live band performances, the market creates a vibrant space for sustainable living while fostering awareness of resource reuse and second-hand culture.


Shenzhen


Shenzhen

Reimagining Plastic: A Creative Sustainable Art Exhibition

The Art Exhibition at Shenyang Kerry Centre Enterprise Square showcased creative artworks made from discarded plastic sourced from tenants, transformed it into a nature-inspired ecosystem of trees, flowers and greenery.



Shenyang

Property Development Waste Approach

Prioritising efficiency from the very beginning, we carefully manage resources during the planning and design phases to optimise their use before construction starts. This action not only reduces resource consumption but also helps lower embodied carbon, contributing to our sustainability goals. By setting a strong foundation for resource optimisation, we encourage building contractors to minimise waste during construction. Additionally, we implement various management strategies to control and reduce construction site waste to avoid disposal in landfill.

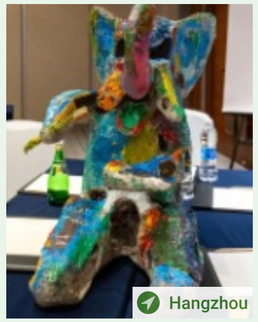
Resource Circularity: Preserving Architectural Legacies

Old bricks, tiles and stone frames were carefully salvaged from historical buildings in Shanghai Jinling Road area, reflecting a commitment to sustainability and heritage preservation. These construction materials were thoughtfully recovered, upcycled and integrated into the structure of the new buildings, not only reducing waste but also honouring the architectural legacy and cultural significance of the original structures.





Repurposing Construction Waste



The Construction Waste Repurposing Workshop inspired our colleagues in Hangzhou to turn construction waste into creative artwork.



Creating Value through Waste Recycling

Deforested trees from Hong Kong Tsuen Wan Development Project were upcycled into a bench and placed at Hong Kong Enterprise Square Five to raise public awareness on sustainability.



Waste Management Plan

In our construction projects across Hong Kong and the Mainland, we have put in place detailed waste management plans that concentrate on the demolition phase. These plans aim to minimise environmental impact by reducing waste generation, enhancing recycling efforts, and ensuring that any remaining waste is disposed of responsibly throughout the entire building lifecycle.

Notably, our waste recycling programme has been adopted in 100% of construction sites in Hong Kong and the Mainland. Materials that can be easily recycled, such as metals used in the construction process will be collected by contractors for sale or reuse at other construction sites in Hong Kong.

Waste Reduction Target

Under a waste recycling target established for our construction sites in Hong Kong, contractors are mandated to achieve a minimum recycling rate of 60% for construction and demolition ("**C&D**") waste.

A tracking system is utilised to monitor the waste management activities of our contractors, ensuring compliance with recycling requirements. Additionally, building contractors that achieve a 70% C&D recycling rate are eligible to receive rewards as a recognition for their environmental stewardship.

Education and Guidelines

In our pursuit of effective waste management, a range of policies and guidelines are specifically tailored for our construction activities in Hong Kong and the Mainland. Furthermore, we provide educational sessions to ensure that building contractors and workers are fully informed and capable of implementing the waste management techniques. Please refer to the Empowering Our Value Chain chapter for more details.

Practices and Measures

We implement comprehensive recycling and repurposing practices, ensuring materials like broken concrete, metal, timber, plastics, paper, and cardboard are collected and recycled wherever possible. Additionally, excavated soil is reused for on-site backfilling, while residual concrete is utilised to fill gaps on steel platforms, reducing the risk of tripping hazards.

Water Consumption and Conservation

Our Commitment to Water Efficiency and Responsible Consumption

At Kerry Properties, our commitment to responsible water usage is governed by our Water Stewardship Policy, guiding our strategic approach to water management across all operations. This policy is monitored and periodically evaluated by our Sustainability Steering Committee.

Water Consumption and Risk Assessment

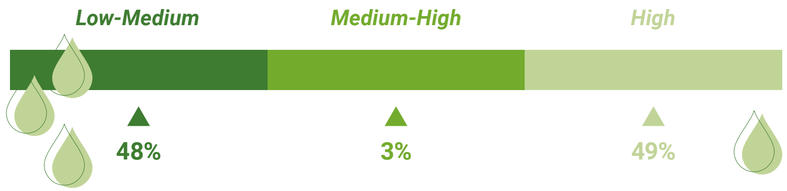
Assessment on Water-related Risk

We continued to conduct water stress assessment in 2024 using the World Resources Institute's ("**WRI**") Aqueduct tool. To ensure a comprehensive result, this tool, underpinned by the Aqueduct Water Risk Atlas, considers various parameters including future water quantities, risks related to water quality, and potential regulatory changes at the local level.

Having assessed most of our operations and existing properties, including offices, retail spaces, and residential buildings, the findings revealed that 49% of these facilities are located in areas that would experience high water stress under the business as usual scenario in 2050. Despite this, we have not faced difficulties in sourcing fresh water. Recognising our responsibility to conserve water, we are dedicated to implementing strategies that enhance water efficiency and reduce consumption across all our properties.

Baseline Water Stress and Risk Analysis

Water Stress Level [1]



1. Data covers our Investment Properties.

Water Management Measures

Conserving Freshwater

We prioritise the implementation of water conservation measures and acknowledge the essential value of freshwater resources. To identify opportunities for water conservation, we conducted a comprehensive assessment of water usage. The initiatives outlined below can help reduce water consumption and enhance water efficiency.

Property Development

- Provide incentives to contractors who recycle and reuse more than 30% of their wastewater
- Establish project-specific water consumption quotas
- Utilise treated wastewater for wheel washing
- Install rainwater harvesting systems to collect and reuse rainwater for irrigation and cleaning purposes

Property Management

- Install water recycling systems to collect and reuse rainwater
- Regularly inspect and maintain water pumps and pipes to prevent leaks
- Provide employee training on water efficiency and consumption reduction
- Conduct a feasibility study on using a dry flush waterless toilet

Ensuring Wastewater Discharge Quality

We actively monitor and adjust our wastewater treatment processes to ensure all discharged water meets regulatory requirements. Our compliance measures include:

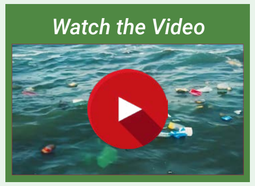
- Installation of sedimentation tanks at construction sites to remove suspended solids from wastewater before discharge
- Installation and regular maintenance of grease traps to prevent grease from food and beverage facilities from flowing directly into public sewage
- Monthly laboratory testing on effluent discharge and weekly visual check on turbidity and pH tests by contractors
- Water quality testing prior to discharging swimming pool water to ensure the residual chlorine concentration meets the effluent criteria

Improving Water Quality and Ecosystem Health

One of our goals is to improve water quality and support healthier aquatic ecosystems through targeted initiatives that address water pollution and promote sustainable practices.

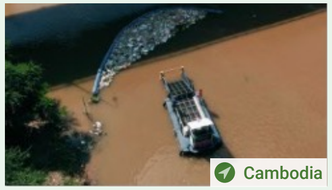
Bivalves Seawater Rejuvenation Initiative

To improve seawater quality in Hong Kong, we partnered with a local charitable organisation and introduced 300 oysters in Sai Kung. Each oyster filteres up to 200 L of water daily, removing impurities and boost marine health.



Protecting Waterways through River Cleanup

Recognising the importance of clean waterways for ecosystems, we partnered with everwave in 2024 to successfully remove 18,400 kg of river debris in Cambodia.



Putting People First

Putting employee well-being first is deeply rooted in our corporate culture. From providing a health-centric workplace to motivating and enabling each individual's continuous growth and development, we build up our people's capacity to prosper, while doing good for society.



Putting People First



Cultivating stakeholder-centric spaces that put people first

Future Trends	*Our Response*
▸ With a rising emphasis on employee well-being within organisations, particularly highlighting mental health and overall wellness, a healthy workforce is regarded as essential for productivity and development.	▸ Implemented various wellness-focused programmes that promote physical and mental health of our employees as well as their families.
▸ Young employees are increasingly drawn to companies that prioritise sustainability and social responsibility, valuing purposeful work that aligns with their personal values and contributes positively to society and the environment.	▸ ESG Think Tank, comprising 70 employees from 17 departments, organised 16 ESG-related activities in 2024. These events have created a positive impact within the Company and the broader community.
▸ There is an increasing focus on diversity, equity, and inclusion ("**DEI**") as companies recognise that a diverse workforce drives innovation, enhances problem-solving, and creates a more inclusive and equitable workplace culture.	▸ Promoting equal opportunities by tracking gender pay equity and ensuring hiring and promotion decisions are based on ability and merit. Activities were held for our employees and their families, and the communities in which we operate to raise awareness of social inclusion.

Topics Related to People

- Diversity, Equity, and Inclusion
- Human Capital Management and Development
- Labour Practices and Human Rights
- Occupational Health and Safety
- Stakeholder Well-being

Our Policies in Response

- Corporate Health and Safety Policy
- Employee Handbook
- Equal Opportunity and Anti-Discrimination Policy
- Human Rights Policy
- Ethical Guidelines
- Remuneration Policy

Feature Story

Nurturing Talent for a Sustainable Future

At Kerry Properties, we are dedicated to empowering our people, nurturing ESG champions, and fostering a collaborative culture. Our commitment to sustainability is embedded within our business objectives and through employee training, partnerships, and youth development programmes, we equip communities with relevant knowledge and tools to tackle sustainability challenges.



Internal Climate Fresk Workshop conducted by employees


Participants gained insights into the impact of climate change through interactive discussions


Group-wide Climate Fresk Workshops were held to raise awareness about climate changes

Educating Climate Champions for Impact

Since 2023, we have been supporting Climate Fresk in raising awareness and building capacity for climate change. Kerry Properties is one of the first property developers in the Mainland to organise facilitation training for employees which helps hone their skills, qualifying them to host workshops internally and externally. Through five additional training workshops held for 67 employees in Hong Kong and the Mainland, we achieved a significant milestone by conducting our first workshop entirely facilitated by our own trained employees. By empowering our people to champion sustainability, we have created a culture of awareness, understanding, and responsibility to create a ripple effect in the fight against climate change.

Overall Training Highlights

20+

Average training hours per employee

Let's see what an impact this initiative has made on participants!

"I learned the causes of climate change and actions we can take to reduce carbon emissions through the workshop."

Sunny Sun, Human Resources & Administration

"This is a meaningful workshop! I learned climate knowledge, inspiring me to spread the messages to my connections."

Grace Liu, Architecture


Students' visit to Hong Kong Kerry Centre



Winning teams of the sustainability solution challenge for Kerry Properties

Empowering the Next Generation

Our efforts in sustainability education extend beyond our employees as we strive to engage with the wider community, especially to future generations. We recognise that youth play a vital role in shaping a sustainable future and are dedicated to investing resources in their development, empowering them to make meaningful contributions to society.

In collaboration with The Chinese University of Hong Kong (CUHK), we support students from diverse academic backgrounds to pursue their journey in sustainability through a scholarship programme. The programme equips students with practical knowledge, helping them better understand challenges and opportunities in the commercial world. They can also gain insight into real-world applications using Hong Kong Kerry Centre and Hong Kong MegaBox as case studies. This initiative has inspired tailor-made ESG solutions, such as the construction of green roofs and the diversification of items collected at our properties. By nurturing the talent and ideas of the next generation, we can collectively build a sustainable future that benefits all generations.

Volunteer service benefitted

18,000+

children and youths

"Our students and I benefitted tremendously from the projects and we appreciated the generous donation from Kerry Properties. Our students are very enthusiastic, putting lots of efforts into the projects. I hope their ideas will be valuable for Kerry properties."

Prof. YANG Haibin, Programme Director, MSc in Sustainable Global Business, CUHK

"It provides a real-life example to practice what we learnt. We are very thankful for this opportunity to have a face-to-face talk with Hong Kong MegaBox's management team and for the site visit. The cooperation between companies and universities is very innovative and meaningful. This not only helps companies address their pain points, but also provides students with an efficient way to learn."

CHEN Lijie, Student of MSc in Sustainable Global Business , CUHK

Human Capital Management

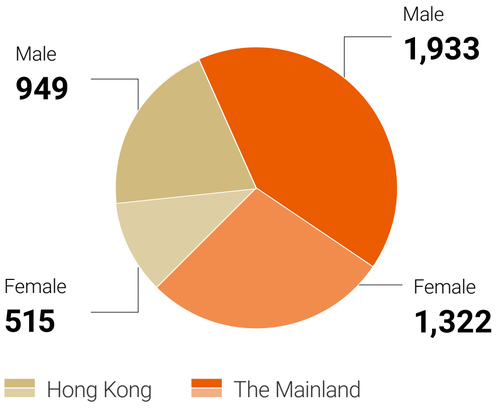
Motivating Our Workforce for Sustainable Growth

We are committed to creating a supportive work environment where employees feel valued and motivated. Motivating our people to achieve their full potential contributes to the Company's continued improvement and success.

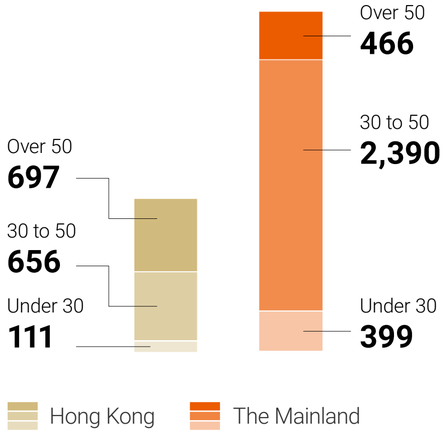
To strengthen our foundation in human capital management, we have upgraded our data management system, by establishing a single source of truth that leverages big data to improve talent management processes. This enhancement enables more informed decision-making in nurturing a sustainable workforce.

Our Workforce [1]

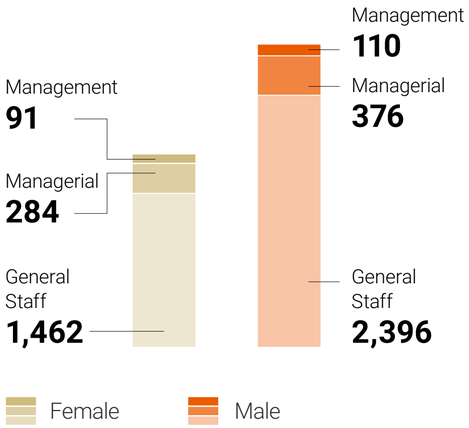
By Gender and Region



By Age Group and Region



By Employment Position [2] and Gender



Average Employment Tenure



Hong Kong 7.25 years

The Mainland 6.61 years

Talent Acquisition

Recognising that the recruitment and retention of outstanding talent is crucial for our sustained success, we have developed a talent acquisition framework that aligns closely with our business objectives. This framework enables us to discover, engage, and nurture skilled professionals who not only possess the required qualifications but also demonstrate a passion for our industry.

We are dedicated to sourcing talent through a recruitment plan that adheres to the principles of fairness, transparency, and impartiality. The plan encompasses all aspects of employment, including recruitment, compensation, performance evaluations and rewards. Additionally, the Human Resources Department teams up with a professional agency for strict background checks on new hires, ensuring the integrity of our workforce.

Our Employee Handbook provides essential information on various topics, such as compensation, recruitment, promotion, working hours, equal opportunities, diversity, anti-discrimination, and welfare. We prohibit child and forced labour by performing strict documentation checks, ensuring that our workplace remains ethical and equitable. Upon identification of any non-compliant cases, we will immediately cease the hiring process. We emphasise our core values of transparency and organisational expectations by sharing this handbook with every new team member during their orientation. Furthermore, we extend this practice to our suppliers/contractors by verifying their compliance on our Vendor Code of Conduct to prevent child and forced labour through annual performance review.

Grievances Handling

We are committed to maintaining a fair and inclusive workplace where employees feel safe to voice their concerns. Our structured grievance mechanism ensures all reports are handled confidentially, impartially, and effectively. Investigations are conducted by an impartial panel, with strict safeguards in place to prevent retaliation against those who raise concerns in good faith.

1. As at 31 December 2024, the Group had approximately 7,500 employees. The reporting scope on people-related data illustrated in this chapter pertains solely to employees directly employed by the Group (excluding hotels).
2. Management refers to employees at director grades or above. Managerial refers to employees at manager grades. General staff refers to employees at professional/associate grades.

Employee Benefits

To nurture our employees' well-being and cultivate their personal and professional growth, we offer a wide range of benefits. These initiatives are designed to promote work-life balance, enhance health and wellness, and recognise outstanding contributions, promoting a caring and inclusive culture.

Paid Leaves
- Annual leave
- Compassionate leave
- Family care leave
- Examination leave
- Marriage leave
- Maternity and paternity leave
- Sick leave
- Study leave

Competency Building
- Training sponsorship

Insurance
- Life insurance

Appreciations
- Top Achiever Awards
- Kerry Service Ambassador
- Long Service Awards

Medical Care
- Dental care
- Free vaccination
- Health check-up
- Maternity benefit
- Medical insurance

Perks and Bonuses
- Discretionary bonuses
- Employee discounts

Mental Health
- 24/7 confidential counselling hotline for employees and immediate family members
- Comprehensive medical insurance with mental health outpatient coverage

Performance appraisals are conducted annually for all employees to evaluate their performance against set objectives. Through this practice, we aim to identify high achievers, determine compensation based on performance, provide development opportunities, and offer feedback and recognition. Furthermore, employees' involvement in ESG aspects also forms part of their performance review.

Talent Development

Building Skills for a Resilient Workforce

To promote the growth of our employees, we have implemented a variety of training and capacity-building programmes to cultivate highly skilled, versatile, and innovative talents.

99%
Employee trained rate

95,000+
Total training hours
(including 8,800+ training hours on sustainability-related topics)

Unlocking Potential Across All Stages

Our comprehensive training programmes are designed to support employees at every stage of their career journey. From new joiners to senior leaders, we provide tailored development opportunities that build essential skills, enhance leadership capabilities, and drive professional growth.

New Joiners

Orientation programme features:
- Introduction to the Company's history and operations
- Team-building activities
- Informative departmental sessions
- Guided property tour

General Staff

Extensive training sessions on a variety of topics:
- Customised talent programme for aspiring property management professionals
- Modules on motivation, self-management, teamwork, and collaboration
  - Equip employees with essential skills and knowledge
  - Aim to strengthen communication abilities, leadership skills, and team dynamics

Managerial Grade

Six modules included in the Manager Development Programme (MDP) focusing on:
- Personality types
- Motivation
- Delegation
- Coaching
- Leading multi-generational teams
  - Target to enhancing leadership and management skills

Leaders

The L.E.A.D. Programme covers essential leadership competencies through:
- Workshops, simulations, case studies and action learning
- Programme features:
  - Combined academic excellence with practical application
  - Cross-regional visits, local cultural familiarisation and learning opportunities, and interactive discussions

Skills gained:
- Strategic thinking
- Effective execution
- Effective communication
- Emotional intelligence
- Change management
- Personal development

Goal:
- Develop leaders who can drive sustainable success and lead Kerry Properties confidently into the future

ESG Think Tank

Our ESG Think Tank serves as a dynamic platform providing opportunities for members to organise and participate in sustainability-focused activities, in turn driving positive environmental and social change within and beyond the organisation. Please refer to Management Approach to Community Investment for more details.

Below are some key activities:

Teddy Bear Workshop for Domestic Helpers

Nearly 60 foreign domestic helpers participated in a workshop to handcraft teddy bear clothing and accessories from donated materials. The event featured an ESG talk, promoting sustainability and expressing gratitude for their invaluable contributions to families and the community.



Recycling and Plastic Sorting Workshop

This workshop provided ESG Think Tank members with a hands-on experience in correctly recycling plastic at the V Cycle facility, an eco-social enterprise that empowers elderly cardboard collectors. Participants learned how to sort plastic and remove labels from bottles, gaining valuable insights into sustainable practices.



Charity Bazaar

Our Charity Bazaar was more than giving items a second life; it inspired our employees to embrace mindful consumption. This year, the ESG Think Tank collected nearly 300 brand-new and lightly used items donated by our employees, with all proceeds supporting a charitable organisation. By reusing and repurposing these goods, we've made significant strides toward a more sustainable planet.



Cultivating ESG Champions

Nurturing the next generation of professionals is essential for the long-term success of our business and the communities we serve. By offering a diverse mix of learning opportunities, mentorship, traineeship, and real-world training across various disciplines, we aim to equip young talents with the skills, knowledge, and confidence to thrive in their careers. Through these programmes, we foster personal growth, cultural exchange, and industry expertise, empowering individuals to create meaningful impacts in their respective fields.

Summer Internship Programme

The programme is designed to equip our employees' children and Kerry Group Scholarship recipients with the skills and knowledge they need to thrive in their professional journeys. It provides them with vocational guidance, training, hands-on experience, and industry insights over eight weeks in Hong Kong and six weeks in the Mainland.



Transformative Glocal Study Experience

This exchange programme offers our employees' children, aged 15 to 18.5, a chance to embark on a transformative 10-month intercultural study experience abroad. By immersing themselves in diverse cultures, participants develop a global perspective that significantly enriches their personal growth.



Youth Climate Action Camp

We organised sustainability-focused camps for our employees' children, aimed at nurturing the next generation of environmental advocates. 30 children participated in the Dual-carbon Science Expedition Summer Camp on Hainan Island, exploring marine ecosystems and tropical rainforests, and engaging in eco-friendly art projects. Meanwhile, we co-hosted the Youth Climate Action Camp with Yunhe Centre and Future Smile Charitable Foundation in Shanghai, providing students with enriching educational tours. These experiences deepened the youth's understanding of environmental conservation and inspired them to champion sustainability in the future.





Healthy Lifestyle

Encouraging Holistic Wellness for All

At Kerry Properties, we believe that well-being is the cornerstone of a thriving community and a productive workplace. Our comprehensive approach focuses on promoting physical health, mental resilience, and strong social connections. Through targeted initiatives and innovative collaborations, we empower our employees and their families to embrace healthier, more fulfilling lives.

From encouraging active lifestyles and fostering health-centric workspaces to supporting family well-being, we are committed to creating an environment where everyone feels valued, supported, and inspired. By prioritising wellness, we contribute to a sustainable future while enhancing quality of life for all stakeholders within our community.

Promoting Active Living

We believe that an active lifestyle is essential for fostering physical and mental well-being. Through engaging activities and events, we encourage colleagues to prioritise their health while contributing to meaningful causes.

Uniting Camaraderie and Fitness

Eight internal teams from across the country joined the 2024 Kerry Properties National Table Tennis Competition featuring seven innovative events, fostering camaraderie and promoting a healthy, active lifestyle among employees.





Shenzhen

Stepping Up for Sustainability

Kerry Properties hosts the annual Step Challenge, a charity initiative aimed at encouraging employees in Hong Kong and the Mainland to embrace healthy walking habits. Participants can take part individually or in teams, recording their daily step counts. For every 10,000 steps logged, a donation is made to support organisations dedicated to ocean conservation, coastal cleaning, and biodiversity preservation.

To enhance the experience, we organised a walking tips seminar led by a professional health instructor, offering valuable insights on maximising the health benefits of walking. We also partnered with a social enterprise to create unique shell-shaped medals crafted from 100% recycled plastic shampoo and conditioner bottles, which aligns with our ocean theme and adds meaningful value to the event.


Tianjin


Hong Kong

Watch the Video



HK$1.3 million+
Donated to support ocean conservation initiatives, including seawater filtration by bivalves

1,900+
Employees participated

167 million+
Steps accumulated

Football Challenge Kicks Off

Our Property Management team ignited excitement by forming a dedicated soccer team to compete in the Annual Football Challenge Tournament organised by the Hong Kong Association of Property Management Companies Limited (HKAPMC). This fosters teamwork, promotes a healthy lifestyle, and also provides a great platform for showcasing their athletic skills against peer companies in the sector.


Hong Kong

Lunch Learning

We collaborated with guest experts to offer a range of health and well-being seminars and workshops for our employees. Notable sessions included a Chronic Fatigue Management talk and a unique Singing Bowl and Sandalwood Therapy workshop.


Hong Kong

Gearing Up for STREETATHON


Hong Kong

Running practice sessions, led by an experienced instructor, were held for our employees participating in KERRY HONG KONG STREETATHON 2024. These sessions covered essential skills such as route sketching, correct posture, pacing, and effective warm-up and cool-down techniques.

Tradition Chinese Medicine Sessions



Shanghai

Health consultation sessions were arranged at properties in Shanghai to provide professional Chinese medical advice to 80 employees. Employees also participated in a workshop to create their own scented sachets, which serve the dual purpose of repelling bugs and offering a refreshing aroma.

Chill Office Sports Series

To celebrate the 2024 Paris Olympic Games, we brought the excitement of the Games to life by hosting a series of office sports events at Shenzhen Kerry Plaza. From April to December 2024, these monthly activities are designed to encourage active exercise, reduce prolonged sitting, and enhance employees' overall health.


Shenzhen

12-Hour Hike for Children's Cause

Our colleagues and community members joined forces and set off on an exhilarating 12-hour hiking journey as part of the E.G.G. Walkathon, a charity event organised by the Shanghai United Foundation. This initiative aimed to raise funds to support vital children's public welfare projects in Shanghai.


Shanghai

Stress Relief through Sports

To inspire employees to engage in sports and alleviate stress, we hosted the tenth Sports Games in the Southern Region. This lively event featured a variety of fun sports activities, allowing employees to enjoy themselves while strengthening their connections with others.



Shenzhen, Fuzhou and Wuhan

Caring for Employees' Families

We acknowledge that the wellness of our employees is intimately linked to the happiness and support of their families. Through a variety of family-focused initiatives, we aim to strengthen family bonds and promote connections between each other, ensuring employees and their families feel valued and supported, as a part of our community.

Fun Day Puts Families in Focus

We hosted our Annual Family Day in both Hong Kong and the Mainland, providing employees and their family a delightful day of fun and togetherness. At Kerry Centre in Hong Kong, the event featured engaging activities like balloon twisting, face painting and captivating magic shows. Meanwhile, the fourth Family Open Day at Shenzhen Qianhai Kerry Centre brought employees and their children together for a lively day filled with fun, learning and connection. With creative crafts workshops, exciting game booths and delicious carnival treats, the event fostered a strong sense of community and appreciation among our staff, creating enjoyable and memorable experiences for everyone involved.

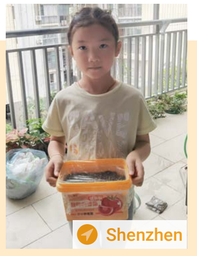


Shenzhen


Hong Kong

Parent-child Learning with Tomatoes

The third Kerry Back-to-School initiative in Shenzhen Kerry Plaza, embraced a tomato theme with a parent-child activity that included home tomato planting. Participants also explored the innovative 'Pomodoro Technique', designed to help children manage their time effectively by breaking tasks into focused intervals.


Shenzhen

Occupational Health and Safety

Strengthening Safety Practices for a Healthier Workforce

The Group is dedicated to reducing Occupational Health adn Safety **("OHS")** risk, improving compliance, and fostering a safe and secure workplace. We have implemented a solid management structure, reinforced by detailed internal guidelines and standards, to ensure that safety measures are effectively communicated to and adhered by all stakeholders. We adopt a proactive approach to identifying and tackling potential hazards and OHS risks in the workplace, cultivating an environment that prioritises safety while continuously improving our OHS practices.

Zero

employee work-related fatality

ISO 45001

81%

of our Investment Properties [1] are certified with ISO 45001

8.1

per 1,000 employees work-related injury rate [3]

Safety Management System

To guarantee the safety of our operations in property development and management, we have formed dedicated Safety Committees, responsible for identifying potential OHS risks, developing relevant policies, and overseeing performance. Additionally, we have established a Health and Safety Management Taskforce, chaired by our general managers, to ensure that safety practices are effectively implemented.

Policies and Procedures

To manage and minimise risks in all our operations, from construction to daily operations, we consulted and discussed with relevant stakeholder representatives to understand their working conditions and establish a robust Corporate Health and Safety Policy. Covering procedures [2] that follow industry-leading practices, this policy is shared with all stakeholders, ensuring everyone is fully informed.

Training and Sharing

All new and existing employees are required to undergo mandatory safety training to promote safe and healthy behaviours in our workplace. Our sharing and training courses cover the following:

- Safety conference to provide employees with knowledge of safety hazards and to share case studies related to safety
- Guidance on the use of personal protective equipment
- Role-specific training for employees conducting high-risk tasks
- Regular drills to test emergency response and preparedness

First Aid and Fire Safety Training

We organised first aid and fire safety training sessions to equip employees and communities with essential lifesaving and emergency response skills. Led by experts, these programmes covered vital topics such as CPR, AED usage and fire safety management, including evacuation protocols. By enhancing safety awareness and preparedness, these initiatives empower participants to effectively protect lives and property during emergencies.



Shenzhen



Hangzhou

Occupational Health and Safety Training

We regularly conduct OHS training for office and construction site employees. At Shanghai Huangpu Mixed-Use Development, practical safety guidance and tips are provided, helping strengthen employees' health and safety awareness and reducing the likelihood of work-related injuries.



Shanghai

1. Calculated based on GFA.
2. The scope of the policies and procedures encompasses various aspects related to workers, activities, and workplaces in our property management and property development businesses. It includes contractor workers involved in repair and maintenance, construction, cleaning, office work, and shuttle bus services, whose work and/or workplace falls under our control.
3. Refer to recordable employee work-related injuries that resulted in incapacity for a period of exceeding 3 days.

Rescue Team Training for Extreme Weather

With the rising frequency of extreme weather events, we sponsored the Blue Sky Rescue Team, a group of rescuers in the Mainland, to participate in a four-day water training programme to enhance community resilience.



Frontline Staff Trained for Heat Safety

We provided specialised training for frontline staff to prevent heat stroke in hot working environment. This programme focused on recognising symptoms, understanding risks, and implementing effective preventive measures to safeguard employees' safety and well-being.



Highlighting Safety in Construction

A lunch seminar was co-hosted with Construction Industry Council ("**CIC**") for our contractors to promote best practices and enhance their safety awareness. The Chairman of the CIC was invited to share valuable insights on a strong safety culture, effective leadership, and innovative technologies in improving safety performance.



Executing and Checking

We place a strong emphasis on identifying potential risks and hazards through regular risk assessments and proactive safety inspections. Our dedication stringent safety measures and proactive prevention helps avoid accidents and minimise risks.

Construction Site Operational Safety

- Integrate safety requirements into tendering process, ensuring building contractors possess valid ISO 45001 certification
- Require all workers to complete mandatory role-based safety training before entering the sites
- Deploy safety officers for regular inspections at construction sites
- Utilise advanced technologies like IoT, artificial intelligence ("**AI**"), and cloud computing to enhance work safety
- Issue OHS alerts, for example: prevention of heat stroke at work with guidance notes on heat stress index and rest time arrangement for different work trades

Property and Workplace Safety

- Deliver prompt and reliable facilities management and maintenance services
- Ensure a safe, healthy, and productive environment within our properties and workplace
- Proactively seek feedback from tenants and promptly respond to their safety concerns

Reacting and Reviewing

Safety Committees undertake comprehensive investigations of incidents and ensure appropriate follow-up actions are implemented. It promptly addresses any concerns raised by employees and reviews our OHS risk management controls.

Incident Handling Procedures

Step 1

- Gather evidence and carry out interviews for detailed insights on the incident

Step 2

- Analyse the evidence thoroughly and compile them to facilitate an in-depth investigation

Step 3

- Identify the underlying causes of the incident and recommend preventive measures to mitigate the risk of future occurrences

Step 4

- Implement the suggested preventive measures and maintain compliance to avoid similar incidents

All work-related injuries are documented and covered by our insurance policy. We have established a comprehensive programme that ensures injured employees receive appropriate medical treatment and ongoing support during their recovery and rehabilitation process.

Diversity, Equity, and Inclusion

Building an Inclusive Future with Opportunities for All

A strong commitment to DEI is vital to a company's resilience in today's complex business environment. By embedding these values into our culture, we can nurture an inclusive workplace that aligns with societal expectations.

4,500+
Hours of training in DEI

Prioritising diversity in our recruitment and hiring processes ensures equal opportunities for growth and development for all. The Group values and respects individuals from all backgrounds, cultures, and religions, actively cultivating an inclusive workplace where everyone feels supported.

97%
of employees receive labour rights, diversity and social inclusion training

We maintain a strict zero-tolerance policy against discrimination and harassment, supported by robust protocols to address any reported incidents promptly, ensuring the protection of human rights. Comprehensive training programmes equip our employees with knowledge to uphold anti-discrimination laws, foster effective communication, and prevent harassment and unwanted behaviours.

Boosting DEI Knowledge for Employees

In 2024, we introduced comprehensive anti-discrimination training that included workshops on Hong Kong's ordinances in collaboration with the Equal Opportunities Commission. Additionally, our employees in the Mainland accessed online modules focusing on equality, rights, diversity and inclusion.



Hong Kong

Gender Pay Equity

We also recognise that building a diverse and inclusive culture is essential for attracting and retaining talent. Regular assessments of average pay levels between male and female employees have shown a minimal gender pay gap, reflecting our progress in achieving pay equity. Moving forward, we remain committed to closely monitoring employee compensation and taking proactive measures to address and eliminate any disparities.

Female to Male Employees Remuneration Ratio [1]

Hong Kong 1 : 1.02

The Mainland 1 : 1.04

Women's Empowerment

As part of our commitment to promote DEI, we ensure that hiring and promotion decisions are based solely on ability and merit, fostering equal opportunities for all employees. We value the unique contributions of women across all levels and actively cultivate a workplace where female thrive. By creating an environment rooted in fairness and respect, we empower women to achieve their full potential while contributing to the success of our organisation. In our workforce, 60% of managerial and higher-level positions in revenue-generating functions [3] are held by women, while 18% of STEM-related positions [4] are held by women.

42%
Women in senior positions [2]

Celebrating International Women's Day

To celebrate International Women's Day, we organised activities in over ten cities, including pilates sessions, wellness workshops, candleholder making, and makeup salons, promoting self-care and expressing appreciation for women's contributions.


Shenyang



Nanchang

Putting Women in the Spotlight

In 2024, we partnered with National Geographic to present the WOMEN: BORN TO SHINE exhibition at Hangzhou Kerry Centre. This captivating event celebrated stories, strengths, and contributions of women, featuring interactive workshops and inspiring themes.


Hangzhou

Caring for Teenage Girls in Rural Xinjiang

We organised health education workshops and donated sanitary products to nearly 500 teenage girls in rural areas of Xinjiang, while also working to enhance their learning environment for improved development.


Xinjiang

1. Remuneration ratio = average remuneration of female employees : average remuneration of male employees.
2. Refer to directors grades or above. The percentage is calculated based on the total number of employees directly employed by the Group (including hotels). The figure is 45% if hotel employees are excluded from the calculation. As at 31 December 2024, the Group (excluding hotels) had 4,719 employees. For 2023 figure, it referred to senior directors' grade or above.
3. Including various positions in Leasing and Sales departments.
4. STEM refers to science, technology, engineering and mathematics. The figure includes various technical positions in Project Development, Property Management, and Technology and Innovation functions.

Creating Positive Communities

Creating well-designed spaces that support, engage and are inclusive of everyone who will use them is our goal for all communities in which we operate. We call this community building. In promoting wellness and strengthening connections, we hope to make a lasting, positive impact that will endure for generations to come.

Creating Positive Communities

Fostering vibrant, inclusive, and resilient societies

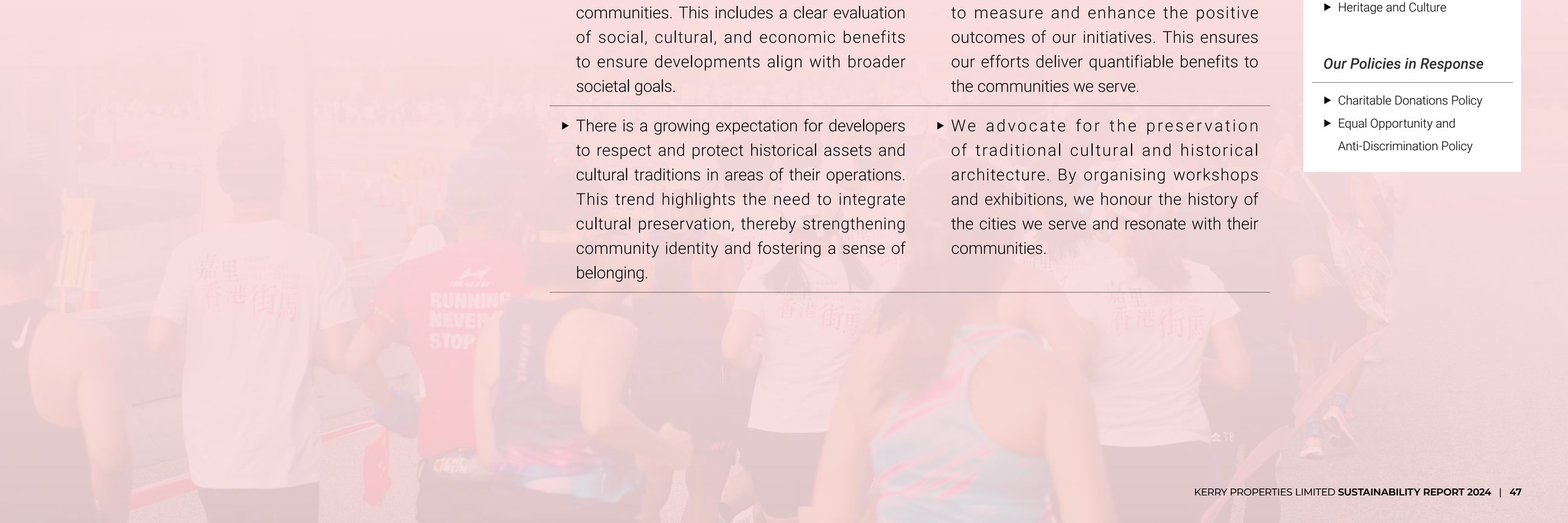
Future Trends	*Our Response*
▸ Stakeholders increasingly demand evidence of how projects positively influence local communities. This includes a clear evaluation of social, cultural, and economic benefits to ensure developments align with broader societal goals.	▸ Since 2021, we have implemented Social Impact Assessments ("**SIA**") principles to measure and enhance the positive outcomes of our initiatives. This ensures our efforts deliver quantifiable benefits to the communities we serve.
▸ There is a growing expectation for developers to respect and protect historical assets and cultural traditions in areas of their operations. This trend highlights the need to integrate cultural preservation, thereby strengthening community identity and fostering a sense of belonging.	▸ We advocate for the preservation of traditional cultural and historical architecture. By organising workshops and exhibitions, we honour the history of the cities we serve and resonate with their communities.

Topics Related to Community

- Community Engagement, Development and Investment
- Heritage and Culture

Our Policies in Response

- Charitable Donations Policy
- Equal Opportunity and Anti-Discrimination Policy



Feature Story

Running Together, Connecting Communities

At Kerry Properties, we are committed to promoting wellness and strengthening community connections through a wide range of events and initiatives. As the title sponsor of KERRY HONG KONG STREETATHON for the second consecutive year, we proudly support this citywide running event to promote physical well-being and advocate for the UNSDGs.

In 2024, it brought together nearly 20,000 runners, including over 800 of our colleagues and invited guests from Hong Kong and the Mainland. Prior to the event, we hosted month-long training sessions led by professional coaches to help our colleagues prepare for the run.

We strive to make a positive impact on the communities by supporting this citywide running event. To assess its impact, we engaged an independent consultant to conduct a SIA among participants on-site on the event day, focusing on four key areas: health and well-being, corporate image, event sustainability, and social connectedness.

Independent SIA for KERRY HONG KONG STREETATHON 2024

91% Participants were satisfied with the event

93% Participants agreed the event promoted physical health

86% Participants agreed the event fostered social connectedness

91% Participants said they would recommend the event to friends and family



Nearly 20,000 runners participated in KERRY HONG KONG STREETATHON 2024

KERRY HONG KONG STREETATHON 2024

1,599 Runners from 26 charitable organisations

645 Teachers and students from 50 schools

100+ Visually impaired runners

Feedback from participants

"This event was incredibly supportive and beneficial to the participants. I would love to see the company organise more similar activities in the future."

"I enjoyed the running classes, which better prepared us for the STREETATHON and allowed us to get to know colleagues from different departments."

Run Well Carnival

Bringing Communities Together through World's Largest Treadmill

Run Well Carnival, a lead-in event for KERRY HONG KONG STREETATHON 2024 at Hong Kong MegaBox, featured the Asian debut of the world's largest 11.7-metre treadmill, previously showcased at major world marathons.

During the two-week carnival, participants of all abilities were invited to take on a two-minute speed challenge on the treadmill. The experience ranged from seasoned marathoners attempting to match world record speeds to casual runners and shoppers of all fitness levels. Various community groups, including office tenants, school children, teenagers and NGOs, were also invited to take part in trial runs.

Sports-Meet-Arts Community Experience

Additionally, in partnership with WestK, the Carnival's Performing Arts Partner, and as a prelude to our support for the WestK Street Performance Scheme under a two-year collaboration starting in 2025, nearly 20 street performances by young talents were showcased during the Carnival, creating a dynamic and enriching sports-meet-arts experience for the community.




Run Well Carnival at Hong Kong MegaBox

Community Building

A vibrant community extends beyond its infrastructure — it thrives on shared experiences and meaningful connections. Through a diverse range of thoughtfully curated events and initiatives — from sports tournaments to arts and cultural programmes and leisure activities — we infuse our neighbourhoods with energy and positivity, and nurture communities where people can live happily and flourish.

Advocating Active Lifestyles through Sports

We inspire communities to nourishing active lifestyles through a broad spectrum of sports activities.

Ice Sports Tournaments

We hosted our annual world ice sports tournaments at Hong Kong MegaBox featuring the Mega Ice Hockey 5s, participated by 1,800 players from 100 teams; and the 2024 Asian Open Figure Skating Trophy, brought together athletes from 16 countries and regions across Asia. These events attracted ice sports enthusiasts and audiences from both near and far, offering thrilling moments on the ice.



Watch the Video





Hong Kong

Basketball Leagues

To enhance teamwork and sportsmanship while fostering community connections, we organised a series of competitive yet inclusive basketball leagues, bringing together our tenants and the wider community.



Beijing



Shenzhen



Shanghai

Themed Sports Games

A diverse range of fun, themed sports activities brought communities together, fostering a sense of camaraderie and enjoyment.



Shanghai



Beijing



Shenyang

Outdoor Yoga

We partnered with leading sportswear brands to invite community members to outdoor yoga sessions at our properties. These sessions provided perfect opportunities for participants to unwind and relieve stress while immersing themselves in the beauty of nature.



Beijing



Shenzhen

Fun Run Sessions

Enjoyable running activities for individuals and families was held across various regions to promote an active lifestyle within the communities. These events inspired everyone to embrace fitness and well-being while having fun.



Tianjin



Beijing

Promoting Arts and Culture

Celebrating the richness of art and culture, we organised diverse initiatives to connect communities, inspire creativity, and honour timeless traditions, seamlessly bridging the past and present.

Supporting Street Performances

Beginning in 2025, we will embark on a two-year collaboration with WestK as the Lead Partner of the WestK Street Performance Scheme. This scheme aims to support young artistic talents and promote vibrant street performances. Hong Kong MegaBox will act as an Extended Stage for the collaboration, providing opportunities for street performers and fostering community engagement throughout the East Kowloon district.





Hong Kong

Creating Spaces for Musical Interludes

Many of our properties transformed their shared spaces into vibrant stages for live music performances. These melodious interludes provide individuals and groups with opportunities to showcase their talents. By creating an engaging and inclusive atmosphere with music, occupants and visitors can enjoy a joyful, music-filled respite during the afternoon breaks.


Shenzhen

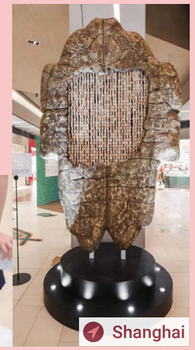

Tianjin


Hangzhou

Exploring Ancient Chinese Inscriptions

Shanghai Kerry Parkside, partnered with the National Museum of Chinese Writing and the Anyang Culture, Radio, Television, Sports and Tourism Bureau to present the Charm of Oracle Bones: Exploring Ancient Scripts exhibition – the first of its kind in a Shanghai commercial complex. This captivating exhibition highlighted oracle bone inscriptions, a 3,000-year-old cultural treasure, through nearly 30 themed activities that seamlessly blended cultural heritage with contemporary experiences.




Shanghai

In Honour of Cultural Heritage

We celebrated cultural heritage through a series of festive activities and exhibitions, such as Dragon Boat Competition with office tenants at Shanghai Kerry Parkside, and Intangible Cultural Heritage Exhibition at Tianjin Kerry Centre Riverview Place. These events educated communities, strengthened cultural identity, and fostered a deep appreciation for the traditions and artistry passed down through generations.


Shanghai



Tianjin

Placemaking that Strengthens Ties via Recreation

A variety of leisure initiatives and recreational activities were organised to cultivate multicultural communities, encouraging individuals from all backgrounds to participate and connect in their community life.

Vintage Street

We revitalised street stores in Shenyang with a vintage theme, featuring artistic installations, food kiosks, and pop-up shops designed to attract foot traffic and support the local economy.



Shenyang

Local Blossom at Flower Market

The Flower Market at Shanghai Kerry Parkside, brought together numerous local and national flower and plant entrepreneurs, providing them with a valuable platform to showcase their products, share knowledge, and attract customers, as well as support the local economy.



Shanghai

Watch the Video



Night Bazaar Offers a Community Escape

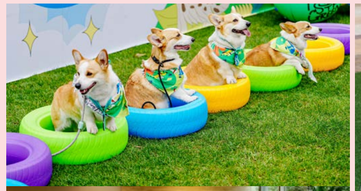
The APPLELAY night market at Beijing Kerry Centre embraced the 'tang ping' philosophy, which encourages a laid-back approach to life. Over nine vibrant days, it showcased more than 100 brands offering global cuisine, handcrafted goods, live music performances, outdoor movie screenings, and a lively jazz dancing party.



Beijing

Engaging Events for Pet Lovers

Connecting pet lovers at our properties fosters a welcoming pet-friendly environment. The Fluffy Green Pet Market at Hangzhou Kerry Centre showcased activities, including dog barrier challenge racing, a pet toy-making workshop, and a swap market – all set in a harmonious and joyful atmosphere. Meanwhile, at Hong Kong MegaBox a lively pet carnival brought together people and their pets for a day of fun-filled events and a delightful stroll in our roof garden pet park.





Hangzhou



Hong Kong

Circular Economy Takes Centre Stage

Community Loop Markets and themed circular marketplaces featuring engaging workshops and talent performances were held across various regions to promote the idea of circular economy and sustainable environmental practices within local communities.



Tianjin



Shenzhen

Nurturing Positive Changes in Our Communites

Management Approach to Community Investment

Our charitable donation efforts are guided by a clear and collaborative framework to ensure resources are allocated effectively and responsibly, reflecting our commitment to driving positive change in the communities we serve.

Management Structure

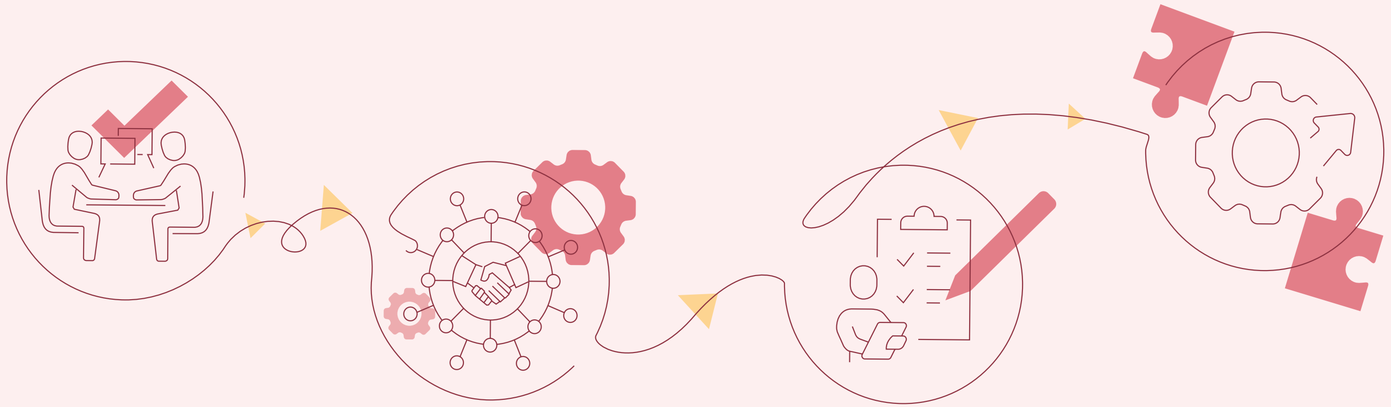
All community investment and partnership strategies are evaluated by our Donation Committee which reports directly to the Chairman and collaborates closely with the Corporate Social Responsibility and Community Engagement Sub-committee, and ESG Think Tank.

Process to Shape Charitable Donation Initiatives

We adopt a step-by-step approach to develop and enhance charitable donation initiatives, focusing on creating meaningful partnerships and delivering long-term benefits to the community.

The Sub-committee, composed of members from various departments, actively engages with community stakeholders while overseeing the implementation of our Corporate Social Responsibility activities. The ESG Think Tank, comprised of colleagues with a passion for sustainability, contributes ideas and mobilises the workforce to organise activities as a bottom-up approach to the organisation.

Our commitment to maximising our impact ensures that the monitoring of our donation processes upholds the principles of accountability, transparency and effectiveness. Updated in 2024, our Charitable Donations Policy provides clear guidance on decision-making, reporting, and approval processes related to community investment.



Step 1
Building Foundation
- Approve the donation initiatives and proposal by the Donation Committee
- Identify social issues and potential partnerships
- Conduct background checks and on-site visits

Step 2
Creating Lasting Impact
- Collaborate with eligible NGOs/social enterprises
- Allocate resources
- Engage employees via volunteering activities

Step 3
Assessing Effectiveness
- Conduct due diligence visits with colleagues participation
- Prepare event summary for assessment
- Gain feedback from beneficiaries and evaluate outcome through SIA surveys

Step 4
Strengthening Impacts
- Implement recommendations to enhance effectiveness of initiatives

Due Diligence Visits by Our Employee Volunteers

- Our volunteers conduct due diligence visits to ensure that the programmes are well-designed and productive
- To achieve this, they are required to provide suggestions during each visit

Messages from Our Employee Volunteers

"I believe the programme was valuable and that the treatments would alleviate the beneficiaries' pain."
Cherry Tong, *Promotion, Hong Kong MegaBox*

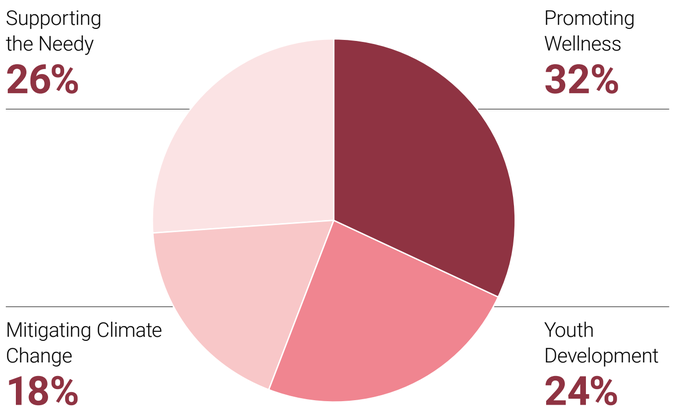
"The programme was impactful and the beneficiaries appreciated this kind of assistance. The underprivileged and the elder beneficiaries conveyed their gratitude for the hot meal donations."
Dreamy Yuan, *Sustainability & Communications*

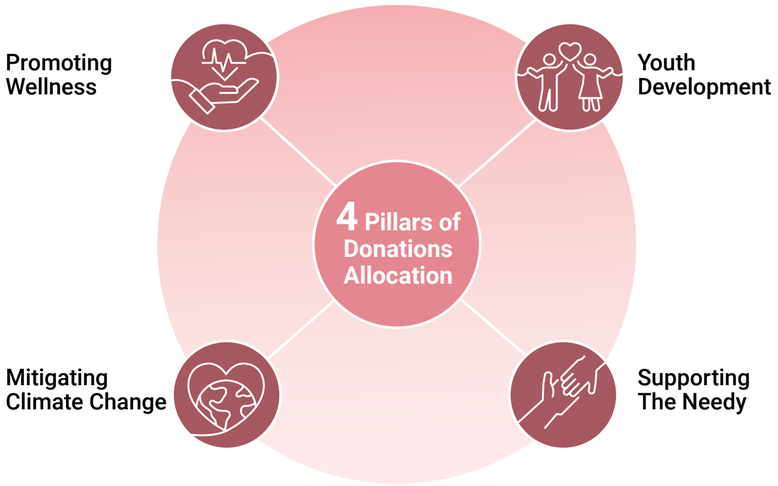
Our Community Investment

We focus on fostering connections with our stakeholders and gaining a thorough understanding of community needs through active engagement and communication. By utilising our resources and network, we contribute positively through initiatives such as donations, sponsorships, volunteering, and community support. In 2024, our donation amounted to HK$17 million.

Donation in 2024
HK$ 17 million

Breakdown of Donations





Community Initiatives in 2024

690+ Community initiatives

700+ Employee volunteers

5,000+ Employee volunteering hours

25,000+ Beneficiaries reached

Social Impact Assessment

We conduct SIA on our charitable donation initiatives to evaluate their impact and optimise the allocation of resources at all local operations. This approach ensures that resources are effectively directed to the intended beneficiaries while providing valuable insights into the efficiency and effectiveness of our initiatives, enabling continuous improvement in addressing community needs.

SIA Results in 2024

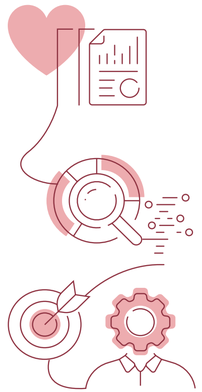
2,000+ Responses received

96 % Inspired to help others

89 % Found our donation helpful

93 % Overall satisfaction rate

Assessment Process Flow



Obtain Feedback

- Engage beneficiaries and NGOs via sampling information collection or local stakeholders engagement to identify emerging concerns

Conduct Impact Analysis

- Consolidate and analyse feedback received to assess the social impacts of our actions

Implement

- Execute relevant suggestion for improvement

Highlights of Our Donation Initiatives

By leveraging our funding resources and community network, we have identified the key needs of communities where we operate. As a result, the following aspects have been specifically chosen as focal points for our donations.

Promoting Wellness

By addressing critical health and well-being needs, we provide young people with resources, education, and care that require to lead healthier and more empowered lives.

Funding Surgery for Cataract Patients

In 2024, we celebrated our fourth consecutive year of funding 100 cataract operations for individuals living in rural areas.



Carnival with a Heartfelt Mission

We hosted the Love & Lohas Charity Carnival to raise funds in support of surgical procedures for 34 children with congenital heart disease from low-income families.



Bringing Healthy Smiles to Rural Communities

Our employee and volunteer dentists organised a dental care initiative in a remote Hebei village, providing check-ups, fluoride treatments, education, and care packages to promote healthy oral habits among children in five schools.



Supporting Children with Rare Diseases

We partnered with an organisation that supports children with rare diseases, helping to build their confidence and raise awareness through artistic experiences.



Nourishing Kids Through Daily Nutrition

The Nutrition Every Day initiative delivers fresh eggs to children in rural areas every day. By distributing approximately 5,000 eggs to over 300 children, we significantly enhance their nutrition and enrich their school experience.



Mitigating Climate Change

A series of environmentally-focused initiatives and educational activities was implemented to raise public awareness about environmental protection, while fostering collective responsibility for creating a greener and more sustainable future.

Coastal Cleaning

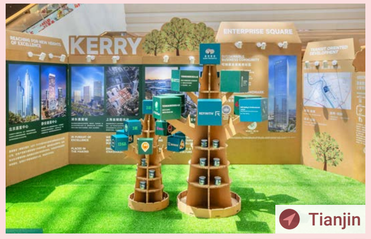
Over 500 of our employees, along with their families, students, and teachers, took part in beach cleanup events in Hong Kong and 11 cities across the Mainland.





Advocating Sustainable Living

We organised a range of engaging initiatives and exhibitions for our customers and local communities to champion green living and showcase Kerry Properties' commitment to creating vibrant, sustainable communities.







Lighting Up Nature for Kids

At the Light of Nature summer camp hosted at Tianmu Mountain, children embarked on a journey through ancient forests, where they discovered ecological principles and participated in a variety of activities. From stargazing to bamboo crafting and observing nocturnal species, the camp offered a unique opportunity for young minds to connect with nature.


Hangzhou

Watch the Video



Youth Development

We promote equity and support youth development through year-round activities. By empowering young individuals with skills and interests, we create an environment for personal growth and success.

Harvesting Change with Agriculture

We supported a sustainable agriculture initiative at a local secondary school in Tin Shui Wai, empowering students with the training and resources to implement smart urban farming solutions for cultivating fresh hydroponic produce. Alongside hands-on farming experience, students benefited from STEM education and social entrepreneurship training. The freshly grown vegetables were donated to families in need within the community and sold through charity sales at our properties, with all proceeds directed towards charitable causes.


Hong Kong

Watch the Video



Enhancing Science Literacy

In collaboration with an NGO, Beijing Kerry Centre supported a science education initiative in Hebei that benefited 486 students and teachers across ten rural primary schools. This programme aimed to enhance scientific literacy while also supporting teacher development.


Hebei

Teen Activities Drive Sustainability Awareness

Various summer camps and educational tours on climate action, teamwork, and city transformation were organised with NGOs. This can immerse students and teenagers in engaging activities and visits that promote sustainable development, critical thinking, and a deeper connection to nature.


Shenzhen

In Support of Vocational Education

To support vocational education schools in Qinghai in their efforts to raise funds for student development, we sponsored venues for auctions and charity sales featuring student art pieces. This initiative not only provided a platform for showcasing the creativity of the students but also helped generate much-needed resources for their growth and education.


Qinghai

Books Exchange Inspires Young Minds

The collection of pre-owned books in Tianjin and Shenzhen provided knowledge and inspiration to children in need, fostering the passion for reading in underserved communities. A generous library of books was donated to a primary school in Guizhou, and 38 employees from Shanghai volunteered their time to prepare audiobooks for the students.



Shenzhen


Guizhou

Building Better Lives for Teachers


Shanghai

We transformed unused shipping containers into comfortable dormitories for teachers at rural primary schools, significantly improving their living conditions. Our colleagues and their families from Shanghai enthusiastically joined in, helping to decorate and enhance these spaces, as well as to create a more welcoming and supportive environment for the teachers.

Nurturing Hope for Underprivileged Youths

We are dedicated to nurturing and empowering teenagers in rural and underprivileged areas. Our initiatives range from providing care for left-behind children to offering vital sex education and organising charitable programmes in schools. We are committed to creating a safe and supportive environment where every young individual has the opportunity to learn, grow and thrive.


Tianjin





Hangzhou

Supporting The Needy

Our sustainability mission focuses on creating inclusive communities. We support vulnerable populations and ensure everyone feels respected and cared for.

Improving Comfort for Street Cleaners

In our second year of partnership with Caritas Hong Kong, we provided street cleaners with pain assessments and treatment to alleviate discomfort from prolonged standing. Additionally, we distributed sneakers and antibacterial, eco-friendly T-shirts made with patented technology to street cleaners, the homeless, and elderly citizens, ensuring they remain comfortable in the heat of the outdoors.


Hong Kong

Christmas Cheer for Ethnic Minorities

We organised a Christmas volunteer event at the Hoi Lai Children Development Centre, engaging ethnic minorities and families in a fun, interactive card game centred around the UNSDGs.


Hong Kong

Unity for Disabled Support

Our employees and their family members joined a walk with people with disabilities hosted by the Hong Kong Federation of Handicapped Youth. We also sponsored wheelchairs for free rental service and supported sports development for their members.


Hong Kong

Hot Meals for the Elderly

We donated hot meals to elderly individuals in need, demonstrating our commitment to supporting the community and enhancing the well-being of vulnerable populations.


Shanghai


Tianjin



Hong Kong


Shenyang

Bringing Fun to Children with Diverse Needs

A variety of fun and impactful activities was organised for children with autism, including baking workshops, charity music performances, painting classes, a Children's Day party, and an inclusive movie day.


Hangzhou



Beijing


Zhengzhou


Fuzhou

Watch the Video



Vocational Training for Hearing-impaired Youths

Partnership with our tenants at their coffee shop in Shanghai, we sponsored barista training for youths with hearing impairment, equipping them with valuable skills for employment.


Shanghai

Empowering Our Value Chain

Impactful sustainability strategies encompass every link of the value chain. Through an approach that engages all upstream and downstream business partners, we grow together on our sustainability journey, achieving our shared visions through collaborative actions.



Empowering Our Value Chain

Driving changes with our value chain partners

Future Trends	*Our Response*
▸ There is an increasing focus on value chain collaboration to address Scope 3 emissions. Companies are fostering deeper partnerships with value chain to ensure alignment on sustainability goals, transparency, and shared accountability.	▸ We collaborate actively with upstream (suppliers and contractors) and downstream (tenants and customers) partners across our value chain, which is essential in realising our sustainability strategy. ▸ ESG principles are embedded in the supplier selection process. After suppliers are onboarded, their ESG performance shall be closely monitored. ▸ The KPL Sustainability Education Programme supported our suppliers to enhance their capacity and foster stronger collaboration on our carbon neutral journey.
▸ Amidst escalating customer expectations, the imperative for elevated service standards is more pronounced than ever. Meeting these demands has become a critical driver for cultivating trust and fostering enduring customer loyalty.	▸ Customer satisfaction surveys are conducted regularly to understand stakeholders' expectations and to improve service quality. ▸ ISO 9001:2015 Quality Management Systems are implemented to ensure the consistent delivery of high-standard services.

Topics Related to Value Chain

- Customer Engagement and Collaboration
- Innovation
- Responsible Supply Chain Management
- Service and Product Quality
- Stakeholder Well-being

Our Policies in Response

- Green Procurement Policy
- Sustainable Procurement Policy
- Vendor Code of Conduct

Feature Story

Collaborating across the Entire Value Chain

At Kerry Properties, we understand that sustainability is a responsibility we all share that extends beyond our day-to-day operations. By fostering stronger partnerships across the entire value chain, we tackle the shared challenges and navigate the journey towards a more sustainable future together.





▲ **20 %**

Number of carbon audits conducted to tenants

Empowering Tenants to Mitigate Climate Impact

Recognising that tenant activities contribute significantly to our downstream emissions, the Tenant Carbon Audit Programme was launched to offer tenants free carbon audits. The Programme has improved tenants' understanding of emissions attributed to their operations, enhancing data accuracy and transparency, which in turn has supported enhancement of their sustainability performance. This year, we welcomed 20 new tenant participants. In response to the growing demand, we are planning to expand the programme in the coming year.

In 2023, a mutually beneficial Dark Green Leasing Programme was introduced for our office tenants in Hong Kong Enterprise Square Five. This year, we have doubled the number of participants in the programme. Tenants who demonstrate meaningful improvements in carbon reduction, energy efficiency, and environmental performance within our permises are offered additional incentives. Through such collaborative efforts, we can build a stronger partnership and drive mutual progress towards achieving carbon neutrality.

> *"It is our pleasure to join the carbon audit programme provided by Kerry Properties, as a commitment to carbon reduction and green finance. We are glad to work together with Kerry Properties for a more sustainable future."*
>
> **China Resources SZITIC Trust Co.Ltd**, one of our tenants

Educating Suppliers to Enhance ESG Performance



Our KPL Sustainability Education Programme aims to engage suppliers and contractors who support projects during construction and keep our properties operating seamlessly through daily operations and maintenance. With the support of all teams across our portfolio, the Programme was offered to all our suppliers and contractors with a 25% participation rate.

The programme was offered across **ALL** of our supply chain

The ten episodes of the programme started in 2024 and covered a range of ESG topics. The initial six episodes addressed key topics such as carbon emissions, carbon neutrality, renewable energy, carbon tax and carbon trading, green building and biodiversity. The Programme showcases our dedication to addressing emerging sustainability challenges and equipping our partners with forward-looking knowledge and practical tools. From 2025, we will broaden the coverage to a wider group of stakeholders by disseminating these comprehensive materials through the Kerry Living app.

> *"We appreciate Kerry Properties' active promotion of green building practices in recent years. It is encouraging to see a leading organisation in the real estate sector taking significant steps towards sustainability."*
>
> **Schneider Electric**, one of our suppliers

Introducing Supplier Low Carbon Stewardship Scheme

Achieving our carbon reduction targets hinges on close collaboration with our supply chain partners. Through the Supplier Low Carbon Stewardship Scheme, we engaged our value chain with workshops, seminars, e-learning and free carbon audits. In addition, we collaborated with our major suppliers to collect and analyse their carbon emissions data, identify emission hotspots, and thereby support them in reducing their emissions. The Scheme enhances our understanding and transparency of Scope 3 emissions across our supply chain. In 2024, we engaged 20% of key property management suppliers in Hong Kong.



100 %

Our stakeholder groups along value chain are engaged to promote ESG practices

Responsible Supply Chain Management

Ensuring Transparency and Responsibility in Our Supply Chain

As a property developer, we are committed to maintaining the integrity of our supply chain and fostering strong relationships with our suppliers. The Board retains ultimate responsibility for overseeing supply chain management and supplier ESG programmes, reflecting its dedication to our sustainability goals.

We have been implementing robust policies and guidelines that prioritise sustainable and green procurement. These efforts are crucial for ensuring our procurement decisions are environmentally friendly and socially aware. We are also committed to equipping our employees with the knowledge to excel in supply chain management and to assess our supply chain to ensure they align with our sustainability objectives.

In addition to delivering internal supply chain management training and conducting service provider evaluations, we uphold compliance by mandating that all suppliers and contractors sign and follow our Contractors' Declaration, ensuring the fairness in the bidding and tendering process while communicating key policies, including the Vendor Code of Conduct which will be periodically revised, to our supply chain.

In 2024, we identified our most significant suppliers [1] which consist of real estate brokerage, public utilities, and electromechanical engineering companies, taking up around 63% of the total procurement expenses, in order to strengthen our supply chain management.

92%
Contractors/suppliers are governed by Vendor Code of Conduct

87%
Operations are governed by green procurement guidelines

Supply Chain Screening and Assessment

We integrate ESG considerations into our supply chain management process to promote sustainable practices. During the screening and onboarding stage, preference is given to suppliers and contractors with strong ESG performance. The performance is verified through certifications and in compliance with our ESG policies and Vendor Code of Conduct. They are required to sign and adhere to our Contractors' Declaration, which covers ESG and anti-corruption clauses comprehensively, and those who fail to meet these baseline requirements are not considered for tenders or contracts.

100 %
Contractors and suppliers underwent annual performance review [2]

Once onboard, suppliers and contractors are assessed regularly to ensure continued adherence to ESG standards and provide technical support to implement improvement actions. Our supply chain risk assessment incorporates risk criteria across our value chain, focusing on country-specific, sector-specific, and commodity-specific impacts. Targeting major suppliers in Hong Kong and the Mainland, the assessment evaluates both technical capacity and key ESG and business relevance factors, including environmental management systems, biodiversity preservation, OHS measures, labour rights protection, equal pay, anti-discrimination measures, sustainability governance, responsible sourcing practices, product safety and quality, and substitutability. We will also provide internal supply chain management training to our employees and conduct service provider evaluations to align supply chain's performance with our sustainability values. Non-compliance on our ESG policies and Vendor Code of Conduct may result in contract termination.

In 2024, 3,011 contractor performance assessments were conducted while warning letter has been issued to three contractors due to underperformance.

Supply Chain Management Process

Step 1
Screening & Onboarding

- Request suppliers and contractors to submit qualifications and documents through platforms such as the Development Project Online Bidding Supplier Management Platform
- Require suppliers and contractors to acknowledge our policies on product and service quality and sustainable procurement

Step 2
Performance Review & Management

- Review process and work initiated by suppliers
- Conduct Contractor Performance Review and Contractor Response Review regularly

Step 3
Evaluation

- Evaluate suppliers and contractors' performance focusing on the key aspects:
  - Environmental Commitment
  - Technical Capacity
  - Social Responsibility

1. The most significant suppliers refer to the top 10 suppliers with the largest procurement expenses in Hong Kong operation.
2. Refer to business operation in Hong Kong.

Supply Chain Engagement

A wide range of engagement events are offered to our supply chain stakeholders, including contractors and suppliers, to ensure they are equipped with the knowledge and tools needed to align with our sustainability standards. These efforts enhance their ESG performance and foster a culture of continuous improvement throughout the value chain. Our KPL Sustainability Education Programme aims to enhance the understanding and management of carbon emissions while incentivising suppliers to adopt more sustainable practices across our supply chain.

Recognising Contractors' Sustainability Performances

We recognised contractors at Shanghai Huangpu Mixed-Use Development who consistently adhere to our health and safety procedures. Through working hand-in-hand with our contractors, we strive to reinforce our commitment to building a sustainable construction environment.


Shanghai

Educating Suppliers on Sustainable Practices

We regularly invite suppliers and contractors to seminars aimed at educating them on sustainable supply chain management practices. These seminars focus on reducing adverse environmental and social impacts within their operations.


Hong Kong

Green Award Fosters Creative Collaboration

Entering its 11th year, the 2024 Green Construction Site Award embraced the theme Waste Less Together • Kerry and You. Seven project teams, comprising over 100 members from Kerry Properties, contractors, and consultants, participated in a variety of contests. These included the Family Upcycling Competition, an Upcycling Fair, and a Green Poetry Performance, all aimed at promoting sustainability and creativity within our community.


Hong Kong

Contractors Engage in Community Caring

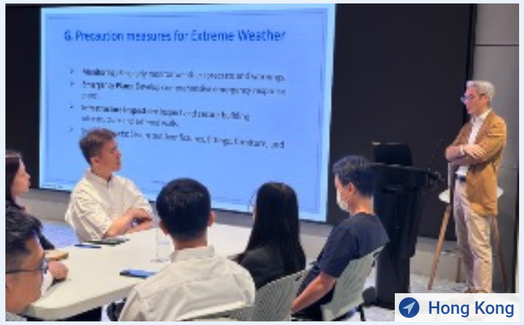
We engaged our contractors not just on a business level but also encouraged them to take an active interest in the community. As part of the Kerry Project – Community Caring Scheme, our Project Development team in Hong Kong hosted three volunteer activities in 2024. Over 30 contractors and consultants joined our employees in initiatives that included tree planting, caring for underprivileged children and those with special educational needs, as well as visiting children with intellectual disabilities.



Hong Kong

Knowledge Sharing with Our Supply Chain

By fostering open dialogue and engaging in collaborative initiatives, we aim to empower our supply chain with knowledge and tools necessary to ensure they have enough capacity in understanding and implementing sustainability practices. As part of our ongoing efforts to raise awareness among stakeholders, we collaborate with industry experts and organisations to host seminars for our suppliers and contractors.



Hong Kong



Shenzhen

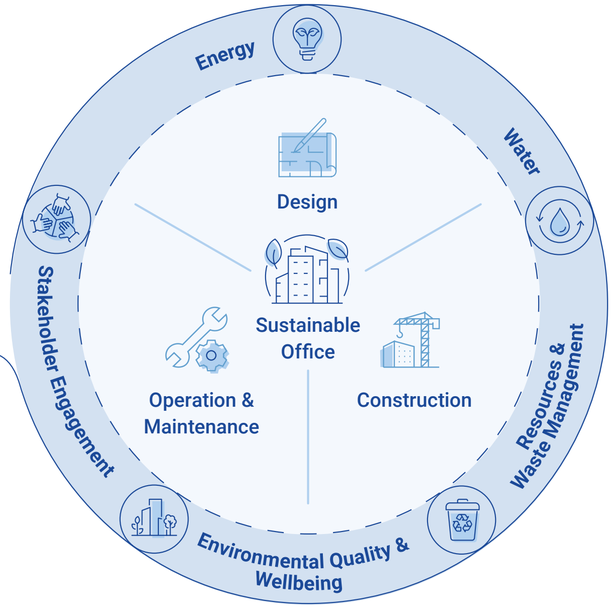
Collaborative Tenant Partnership

Collaborative Living, Sustainable Growth

Engaging our tenants is pivotal in advancing our sustainability journey. By fostering partnerships with them, we align our sustainability objectives to drive collective action. Building on our successful implementation in 2023, we have further advanced our Tenant Carbon Audit Programme under the Tenant Decarbonisation Scheme in 2024. By enhancing these established initiatives, we demonstrate our unwavering commitment to reducing our environmental impact and achieving carbon neutrality. Our joint efforts with tenants have yielded tangible progress as we continue to align our goals and work towards more sustainable property management practices.

In 2024, we have developed two new guidelines, namely the Tenant Carbon Audit Guideline for Property Management and the Sustainable Fitting Out Guideline (Office). These guidelines are designed to streamline our auditing processes, establish standardised methodologies, and promote the use of energy-efficient systems and eco-friendly materials. By implementing these guidelines, we aim to minimise environmental impacts, improve data management, and foster a common understanding of emissions from leased spaces across our portfolio. Our green building ambassadors are also on hand to provide expert technical guidance, ensuring that tenants can effectively adopt and benefit from these sustainable practices.

Sustainable Framework for Tenants



Tenant Engagement

By working together, we ensure that both tenants and we are aligned in our shared vision and efforts to promote eco-friendly practices, ultimately contributing to a healthier planet for future generations.

In Harmony with Nature

Hosted by Shanghai Kerry Everbright City Phase III, the workshop aimed to promote sustainable environmental practices and foster a deeper understanding of harmonious coexistence between humans and nature.


Shanghai

Cooking up Sustainability

To celebrate Sustainable Gastronomy Day on 18 June, Beijing Kerry Centre organised a Green Cooking Workshop for tenants, inviting them to create delicious, healthy, and environmentally friendly dishes.


Beijing

Sports Activities for Tenants

To promote active lifestyles among our tenants, we hosted sports activities for our tenants, such as KERRY UP at Shenzhen Qianhai Kerry Centre and Shenzhen Kerry Plaza, and KEEP WAVE at Tianjin Kerry Centre Riverview Place, and Spring Fun Walk at Shenyang Kerry Centre. We offered a series of events featuring a variety of fitness activities to the tenants, including jogging, Zumba, stretching, frisbee, skateboarding, cycling, and pickleball, encouraging tenants to stay active and explore different ways to stay healthy.


Tianjin


Shenyang


Shenzhen

Free Medical Consultation for Residents

Shanghai Central Residences partnered with local hospitals and health centres to host a free healthcare consultation for residents. It offered expert medical consultations, family health guidance, elderly care advice, and vaccination appointments, all conveniently provided within the neighbourhood.


Shanghai

Quality Customer Experience

Engaging Partners, Inspiring Change

We provide premium services to our customers, ensuring quality and excellence in every interaction. We offered regular customer service training for our frontline employees and conducted regular inspections to identify potential deficiencies at our properties. Our commitment to high standards is evident, with approximately 61% of our Investment Properties [1] are certified under ISO 9001:2015 Quality Management Systems.

To effectively address the concerns of our customers, tenants, and residents, we carry out annual satisfaction surveys that cover a broad spectrum of topics, including customer services' communication effectiveness and responsiveness, facility management, maintenance, security, safety, cleanliness as well as sustainability. Through collecting their feedback, we are able to identify areas for enhancement and take the required steps to improve our offerings. Besides, we actively monitor the tenant turnover and the eviction rates. Zero substantiated products and service-related complaints or grievances that significantly impacted our operations were received in 2024.

87%
Customers are satisfied with our services [2]

Maintaining service quality is our priority. We have developed mobile apps and management systems that facilitate effective communication and ensure a high-quality experience. These tools enable seamless interactions and timely updates, enhancing overall customer satisfaction and fostering a more connected and responsive service environment.

KERRY+ & Kerry Living Mobile Apps



We strive to deliver innovative and high-quality experiences for our customers and have established two mobile apps: KERRY+ and Kerry Living. While we have successfully launched the Kerry Living app across 23 properties in Hong Kong as of 2024, we are planning to fully launch the KERRY+ app across our Mainland portfolio in 2025. Through KERRY+ app, we have integrated technology into property services, enabling seamless access with the KERRY+ access code for both office tenants and invited visitors, flexi shared spaces booking, community activities and promotions enrollment, and offering door-to-door robot meal delivery at certain projects for a convenient and smart office experience. Our Kerry Living app serves as an online platform to streamline occupant engagement. Users can receive news updates, privileges, activity enrolment, value-added services, and purchase/redeem products and services, creating a connected and engaging community.

Customer Relationship Management System

Kerry Customer Relationship Management (CRM) System is designed to manage customer engagement across our properties in various regions. This system enables us to streamline and integrate sales, marketing, customer service, technical support, and other digital management processes. By enhancing customer satisfaction and loyalty, it also helps reduce costs and increase profitability.

Key features include:

- Revamped store navigation system
- Membership benefits: membership points, e-vouchers, item rental
- Marketing and event management
- Smart parking: online payment with discounts
- Online customer service
- Membership points as payment

When customers voice their concerns, we address these complaints promptly and professionally with our comprehensive complaint handling procedures.

Process of Customer Complaint Handling



Step 1
We handle complaints received from customers in accordance with the complaint handling procedures to guarantee equitable and consistent outcomes in addressing complaints.

Step 2
Upon receipt of a complaint, the appropriate department employee will conduct a thorough examination.

Step 3
We ensure timely communications with customers and prompt remedial measures will be implemented to avoid the reoccurrence of similar problems in the future.

1. Calculated based on GFA.
2. Our satisfaction surveys cover offices, retail, and residential properties managed by the Group.

Technology and Innovation

Harnessing Technology for Sustainable Solutions

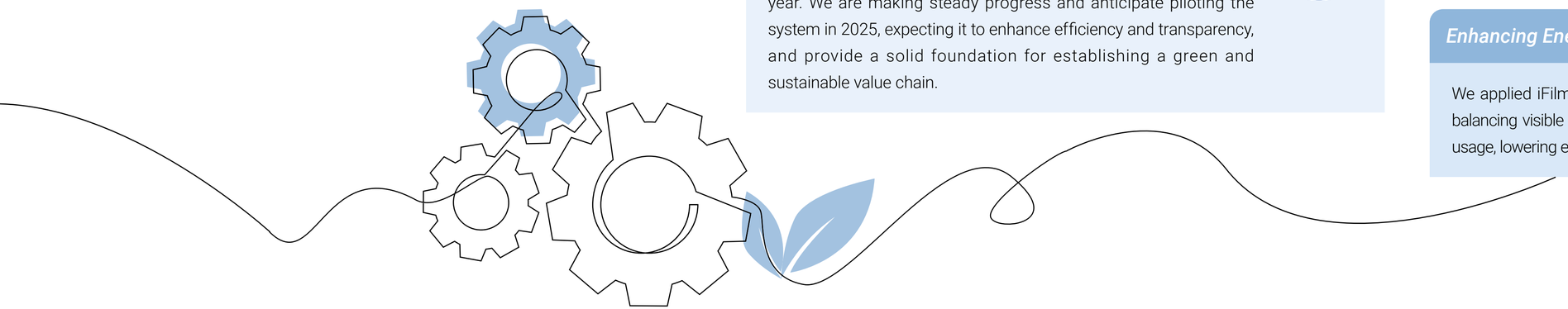
Recognising the transformative power of technology, we are dedicated to shaping a smarter, more innovative city. By integrating advanced technologies into our property development process, we aim to create intelligent, efficient, and socially inclusive buildings. Our efforts focus on enhancing property management, streamlining operations, and fostering sustainable urban environments through collaboration with value chain partners. We actively engage with collaborative groups and business partners to foster innovation and knowledge sharing, including:

- Member of Hong Kong PropTech Alliance & China Working Taskforce on Embodied Carbon
- Steering Member of the Asian Corporate Coalition for Climate Change Resilience (A4CR)
- Signatory of Construction Industry Council (CIC) Construction Digitalisation Charter

In 2024, Technology and Innovation Department introduced and adopted generative AI powered tools, such as smart meeting assistant, for improving the daily productivity at work. The department also streamlined multiple manual processes by using Robotic Process Automation tools to emulate repeatable human actions and minimise human errors in business processes.

Digitalised Supply Chain Management Platforms

To strengthen supply chain management and mitigate environmental, social, and economic risks along the supply chain, we have been developing and implementing eTender system and eProcurement system – digitalised platforms that streamline tendering and procurement procedures, respectively.



eTender System

In 2024, we have taken a significant step towards enhancing the procurement processes by embracing digital transformation. We have transitioned to an eTender system to collect data and responses from our suppliers and service providers. This system is designed to promote digitisation by leveraging a platform that manages the tendering process, from vendor management and tender issuance to handling inquiries and awarding contracts. Featuring an automated and auditable platform, it is targeted to highly minimise manual and paper-based procedures, thus raising the standard of procurement while ensuring compliance, efficiency, and sustainability benefits. The system can also be used to disseminate important documents and internal policies to our suppliers, such as our Vendor Code of Conduct, Environmental Guidelines, Sustainable Procurement Policy, etc.

eProcurement System

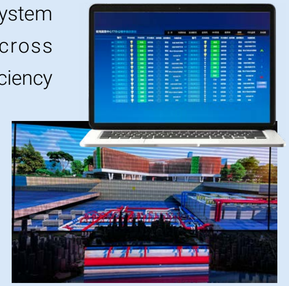
To strengthen the procurement and supplier management and further digitalise procurement procedures, we have been implementing an eProcurement system for general purchases this year. We are making steady progress and anticipate piloting the system in 2025, expecting it to enhance efficiency and transparency, and provide a solid foundation for establishing a green and sustainable value chain.

Tenant and Customer Comfort Improvement

We have introduced a digitalised central building management system and advanced equipment to enhance the liveability and comfort for tenants and customers.

Smart Tech for Greener Operations

We implemented the Kerry Building Integrated System (KBIS) to optimise building management across properties. To enhance building management efficiency by providing a centralised platform to monitor key building systems such as HVAC, lighting, and power. It enables real-time monitoring of building systems operation and triggers alerts when potential errors or issues are detected.



Key monitoring capabilities:

- Energy consumption management
- Smart lighting
- HVAC control
- Alert centre for equipment lifecycle tracking

Enhancing Energy Efficiency with iFilm Technology

We applied iFilm to our properties, blocking solar radiation and thermal gain while balancing visible light transmission and UV blocking rate. This reduces air conditioning usage, lowering energy consumption and costs, while ensuring indoor comfort.

Corporate Compliance and Governance Behaviour



Corporate Compliance and Governance Behaviour

Acting ethically in corporate compliance

Future Trends	*Our Response*
▸ As digitalisation accelerates, cybersecurity threats are rising due to the rapid development of AI.	▸ Conducting regular cybersecurity training equips our employees with the knowledge to embrace digitalisation, while safeguarding sensitive data and meeting compliance standards. ▸ We have newly established the T&I Resources and Assets End User Usage Policy and the End User Computer Assets Management Policy for governing the information technology resource and asset usage.
▸ Stakeholders demand greater transparency, diversity, and strategic alignment in board operations. Regular review and continuous training for directors ensure the Board's effectiveness.	▸ The Board undergoes annual review guided by the Remuneration Committee and Nomination Committee, ensuring alignment with corporate goals, diversity, and market expectations. ▸ To support continuous improvement, the Directors receive training on governance, regulatory updates, sustainability, and monthly updates on business developments. These training programmes are tailored to the Group's needs and strategic objectives.

Topics Related to Governance

- Business Ethics and Integrity
- Information Privacy and Security
- Risk and Crisis Management

Our Policies in Response

- Anti-Corruption Policy
- Board Diversity Policy
- Equal Opportunity and Anti-Discrimination Policy
- Human Rights Policy
- Personal Data (Privacy) Policy
- Whistleblowing and Complaints Policy

Corporate Governance

Upholding Strong Corporate Governance for Sustainable Success

The Board is responsible for establishing and implementing the Group's corporate governance practices. To uphold high standards of governance and accountability across all areas of the Group's operations, the Board has set a clear strategic direction to ensure accountability and sustainability through robust review, challenge, and guidance in collaboration with management.

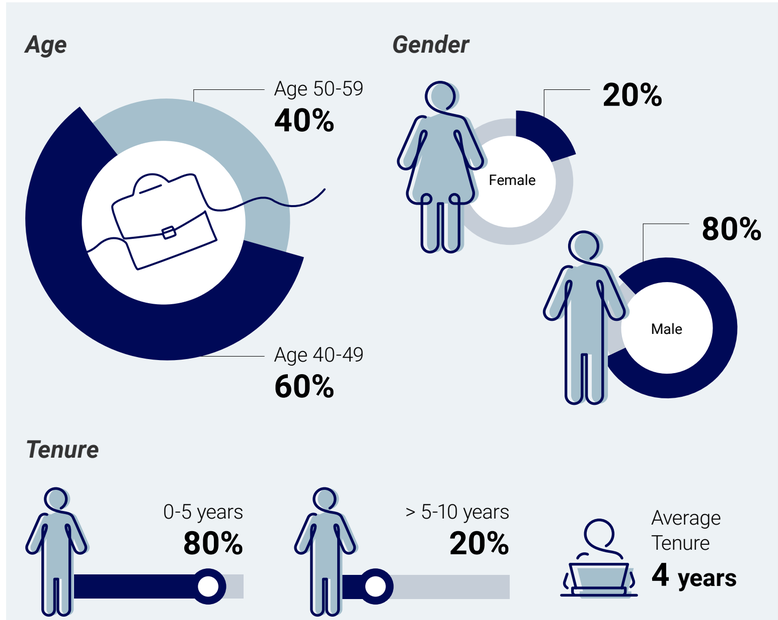
The Remuneration Committee reviews and advises the Board on the remuneration proposals, including benefits in kind, pension rights and compensation payments, for all Directors and senior management with reference to individual performance, goals and objectives of KPL, market trend and other relevant factors to ensure that the remuneration packages are commensurate with the qualifications and competencies of the Directors and senior management and are appropriate to the best interests of KPL and the Shareholders. Where necessary, independent professional advice regarding remuneration proposals for the executive directors can be sought by the Remuneration Committee. Based on the Nomination Committee's recommendations, the Board may consider any proposed changes to its structure to align with the Company's corporate strategy. This annual review process is typically conducted in January.

For further disclosures on corporate governance, please refer to the Corporate Governance Report of our Annual Report 2024.

Board Independence, Diversity and Training

The Board consists of five members, each bringing their own unique expertise. To ensure objectivity and independence, more than half of the Board is comprised of independent non-executive directors.

1 Executive Director | **3** Independent Non-executive Directors | **1** Non-executive Director



Our Nomination Policy and Board Diversity Policy guide the appointment of Board members. The Nomination Committee conducts annual review of the Board's composition and provides recommendations as needed. The composition of the Board is determined by taking into account various aspects, including gender, age, cultural, educational background, ethnicity, professional experience, skills, knowledge and length of services and other factors that may be relevant from time to time towards achieving a diversified Board.

The Directors receive training on key topics such as governance, regulatory updates, and sustainable developments. Additionally, Directors are provided with monthly updates on business developments in order to stay informed about the Group's operations and performance. Training courses are tailored to the Directors' needs, identified through assessments, and aligned with the Group's strategic development objectives.



Directors' Training Topics

- Sustainability workshops;
- E-learning – Introduction to share repurchase and treasury shares;
- E-learning – Overview of SEHK's new climate disclosure requirements;
- ESG reading materials – Cybersecurity and anti-corruption; and
- Corporate governance updates

Business Ethics and Integrity

Placing a high priority on operating ethically, we have implemented a series of control measures for fair decision-making. Our employees must strictly adhere to the Company's Code of Conduct to protect both personal integrity, as well as the Company's. To support this commitment, we have collated a set of Ethical Guidelines covering essential areas such as anti-corruption, competition law, and whistleblowing. Additionally, we offer online training on these critical topics to ensure that all employees are well-informed and equipped to uphold our ethical standards. Any breach of our Code of Conduct may result in disciplinary action, which could impact performance appraisals and remuneration.

The Code of Conduct, outlined in the Employee Handbook, provides clear guidelines on addressing potential corruption cases, including procedures for obtaining approvals, criteria for decision-making, and internal declarations of interests. These guidelines cover areas such as:

- Prohibited payments and offers (i.e., bribes, kickbacks, fraud, money laundering and insider dealing)
- Gifts, entertainment, and hospitality
- Procurement process
- Handling of Company assets

To uphold ethical standards and ensure effectiveness, the Internal Audit Department conducts regular review, audits and inspections. Recommendations are then provided to the Audit and Corporate Governance Committee ("**ACGC**") to enhance integrity management. During the reporting period [1], there were no reported breaches on the Code of Conduct.

1. "**Reporting peroid**" refers to the financial year from 1 January to 31 December 2024.

Anti-corruption Compliance

Prioritising training as a key preventive measure to combat corruption, we provide all employees and directors with mandatory online courses on corruption, conflicts of interest, and integrity. These training sessions aim to deepen our employees' understanding of business ethics and anti-corruption practices and refresh their knowledge regularly. During the reporting period, there were no legal instances of corruption against the Group or our employees.

2024 Anti-corruption Training

We uphold zero-tolerance for corruption. This year, we partnered with Independent Commission Against Corruption (ICAC) for anti-corruption training for 79 employees. Online training on ethical conduct offered to all employees reached a 93% completion rate.



All relevant competition and anti-trust laws are strictly adhered, including the Hong Kong Competition Ordinance. We provide comprehensive guidelines to help our employees in understanding and complying with these laws, covering areas such as proper interactions with competitors, avoiding abusive market dominance practices, and engaging in trade associations. Additionally, we have implemented a Competition Law training programme for our employees in both Hong Kong and the Mainland. During the reporting period, there were no legal cases against the Company for anti-competition behaviour.

Whistleblowing Mechanism

We encourage employees, suppliers, business partners, customers, and other stakeholders to report to senior management any whistleblowing or complaints, as well as any integrity or operational concerns. Our Whistleblowing and Complaints Policy was reviewed in 2024, which outlines how we maintain the confidentiality of all complainants and details of our investigation procedures. Employees and related parties can raise in confidence and anonymity about any integrity or operational concerns. This process is formalised via a reporting structure that directs concerns through the ACGC to the Board. Upon receipt of any whistleblowing or complaint reports, a thorough assessment will be conducted to determine if an investigation is warranted. Additionally, we are committed to protecting the confidentiality of whistleblowers and their information. Whistleblowing and complaint reports are handled on an anonymous basis, and we would only disclose details when legally obligated or when reporting to regulators or law enforcement.

The ACGC regularly checks and monitors the Whistleblowing and Complaints Policy to ensure it remains relevant and effective.

Whistleblowing Channels and Procedures



Step 1

Reporting

- Employees can make a report via our Whistleblowing Report Form

Step 2

Assessment, Acceptance and Investigation (Ombudsperson)

- Case assessment
- Evidence search, clarification and verification

Step 3

Settlement (Complaints Committee)

- Hold meetings for communicating the results
- Report investigation results to the Chief Executive Officer and the ACGC, if necessary

Responsible Marketing

We place a strong emphasis on ethical marketing and communications through our policies and standard operating procedures, which ensure the accuracy of information and compliance with relevant laws and regulations. The marketing materials for our property sales are developed according to our internal guidelines with professional advice from external experts. Our responsible marketing strategy prioritises key areas such as advertising, promotional materials development, privacy considerations, and compliance with applicable local regulations, enabling our customers to make informed decisions in accordance with local and national standards.

In Hong Kong, we have established internal procedures to guide our employees in producing responsible marketing materials. These procedures are regularly audited by the Internal Audit Department to ensure compliance and effectiveness. All property marketing materials require approval from the Head of the Marketing Department prior to release, ensuring truthfulness and compliance with regulations. Additionally, we engage external professional advisors to oversee the content of our sales brochures and marketing materials. To guarantee the data presented is accurate and complies with the Residential Properties (First-hand Sales) Ordinance in Hong Kong, architects, surveyors, and solicitors, are consulted as necessary. A similar practice is maintained throughout our business in the Mainland as well.



Intellectual Property Rights

We uphold the intellectual property ("**IP**") rights of all parties we work with. Our Ethical Guidelines mandate our employees to protect company assets, respect third-party IP rights and prohibit the misuse, copying, selling, or distribution of any form of IP against local laws or licence agreements. In addition to maintaining the confidentiality of privileged information, our Employee Handbook provides relevant guidance for employees. They are required to acknowledge receipt and understanding of our policies and commit to upholding them.

Cybersecurity

Acknowledging the importance of cybersecurity in today's digital world, robust cybersecurity measures have been implemented to ensure the highest standards of information protection and the compliance with relevant laws and regulations. The ACGC is responsible for overseeing the cybersecurity strategy. This year, we introduced three new policies, including the T&I Resources and Assets End User Usage Policy and the End User Computer Assets Management Policy, which enhanced our commitment to safeguarding sensitive information. Technology Risk Committee, consisting of representatives of Technology and Innovation, Human Resources, Legal, and Internal Audit departments, will be established to conduct regular meetings, review the corporate cybersecurity level and assess our capability to tackle any potential risks.

We were ranked Platinum in the Cyber Security Staff Awareness Recognition Scheme 2024/25, recognising our outstanding effects in safeguarding information security. This award emphasised the importance of establishing a second line of defence for the Company by enhancing employees' cybersecurity awareness.

With the increasing prevalence of cybersecurity threats, our employees' awareness of information security is crucial. To cope with the application of AI technology as a global trend, we provide guidance on the secure use of generative AI tools, permitting only authorised AI tool for work purposes. We have also upgraded our email security solution that extends the anti-phishing and safe attachment protection from traditional email messaging to internal communication software and cloud data storage.

Further, we have established precautionary measures on information security, integrity, and accountability. The incident management and disaster recovery plan for critical system are reviewed yearly. Practical tips are provided to our employees through emails and the Technology & Information Portal. We have engaged a third-party to conduct a vulnerability analysis, including a penetration test, to assess the effectiveness of our cybersecurity maturity.

Online training is provided to all employees, with 100% completion rate covering the following topics:

- Spear phishing
- Safeguard measures regarding password safety and network safety
- Latest trend of cybersecurity threats

During the reporting period, there were no known issues of data leaks, thefts, losses, or substantial complaints about non-compliance with regulations concerning customer data privacy.



Information and Data Privacy

In maintaining responsible marketing practices, we are dedicated to ensuring the safety and privacy of our stakeholders to strengthen internal control and operation, an internal Personal Data (Privacy) Policy was introduced, appliable across the Company. The guidelines cover the definition, handling procedure and hierarchy of personal data privacy roles, along with a response mechanism for handling any data breach. Each department is required to allocate designated departmental coordinators to keep an inventory record for departmental use.

Our policies are regularly reviewed to enhance customer data privacy and safeguard stakeholders' interests. We offer all employees necessary annual awareness training, supporting the procedures and guidelines outlined in our Employee Handbook and Personal Privacy Data System Management Standard. Training including Data protection and destruction, and Personally Identifiable Information (PII) handling is arranged for colleagues.

Human Rights

We are committed to respecting human rights across our own activities and in business relationships with our value chain partners. All practices are in accordance with national laws and international norms including the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, the Universal Declaration of Human Rights, the UN Guiding Principles of Business and Human Rights, and the UNSDGs. Our Human Rights Policy clearly outlines our commitment to identifying human rights risks in our own operations and supply chain and safeguarding human rights in key areas such as non-discrimination, child rights, forced or compulsory labour, freedom of association and collective bargaining, diversity and inclusion, and health and safety.

To ensure the effective integration of human rights into business operations, we provide regular training for all employees. Additionally, we are dedicated to conducting ongoing assessments of our projects' impact on human rights – both positive and negative – and proactively implement mitigation plans to address any identified risks across all our operations. This holistic approach ensures that we not only comply with legal requirements but also foster a culture of respect for human rights throughout the Group. During the reporting period, we have not caused nor contributed to any human rights violation, thus no remediation actions were taken.

Risk and Crisis Management

Supported by the ACGC, the Board holds ultimate responsibility for overseeing and monitoring the Group's risk management activities.

Our risk management and internal control ("**RMIC**") framework is based on that of the Committee of Sponsoring Organization of the Treadway Commission (COSO) for internal control. This framework ensures that adequate personnel and processes are in place to identify, assess, and monitor both existing and emerging risks. The Group has implemented a robust risk management process that combines both top-down and bottom-up approaches. Departments conduct quarterly reviews of the risk register and matrix, incorporating risk mapping to identify potential issues, including those related to human rights, and emerging risks. This process helps determine which risks are relevant to specific departments and how they may impact both the department and the Group as a whole. This dual methodology enables the organisation to comprehensively review and communicate risks across all governance levels, ensuring alignment with strategic and operational objectives.

In 2024, we introduced a rating form to evaluate the effectiveness of RMIC and track the enhancement implemented during the testing period. These ratings aim to provide insights on the current situation and development opportunities, without affecting compliance outcomes. The risk management process was further strengthened by conducting assessments within the Group, as well as closely monitoring macroeconomic trends and market changes through periodic market analysis. This includes benchmarking against peer companies to gain deeper insights into industry dynamics, as well as performing regular SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis to maintain a balanced approach between risk and opportunity in business decision-making.

To enhance our risk management capabilities and foster a strong compliance culture throughout all business units, we adopt a Three Lines of Defence model. This helps to effectively manage potential risks and controls, with clearly defined and coordinated responsibilities. Meeting frequency of the ACGC has been increased from at least three times a year, to quarterly.

For more information regarding our risk management, please refer to the Corporate Governance Report in our Annual Report 2024.

Anti-greenwashing Seminar

The World Green Organisation was invited to share insights on greenwashing trends and prevention. Over 20 employees and tenant representatives attended, strengthening compliance and integrity awareness.



Climate-related Financial Disclosure

As we progress towards our goal of achieving carbon neutrality by 2050, our primary focus is on effectively mitigating climate-related risks, seizing emerging opportunities, and enhancing the quality of our reporting in these areas.

In 2024, we have conducted a double materiality assessment and identified that Climate Change and Resilience remained one of our most material topics. Given the significant impact of climate change on our business operations, addressing it is essential as it represents one of our key ESG risks. We report with reference to the TCFD recommendations and the IFRS Sustainability Disclosure Standard S2 ("**IFRS S2**") Climate-related Disclosures issued by the International Sustainability Standards Board ("**ISSB**"), providing our stakeholders with a clear and comparable understanding of our efforts to manage, adapt to, and mitigate climate-related risks and opportunities.

We maintain transparency in communicating our efforts to the public, covering the four thematic areas from the TCFD recommendations, namely governance, strategy, risk management, and metrics and targets.

As we continue our journey towards carbon neutrality by 2050, we will regularly report on the management of climate-related risks and opportunities.

Governance | Strategy | Risk Management | Metrics and Targets

Governance

The Board plays a pivotal role in steering the management of climate-related topics, ensuring that adaptation and mitigation measures are seamlessly integrated into the overall business strategy. For further details on our sustainability governance structure, please refer to Sustainability Governance and Leadership.

Board Oversight

The Board assumes ultimate responsibility for overseeing the management of climate-related risks, opportunities, and initiatives aimed at driving climate mitigation and adaptation strategies. At the next level, the Council supervises the Group's sustainability direction and policies.

The Committee reports to the Council and informs the Board regularly. The Committee is also tasked with overseeing and managing the Group's sustainability agenda, strategies, policies, and performance. This includes critical activities such as materiality assessments and climate scenario analysis.

Regular updates on sustainability matters, including climate-related targets, are provided to both the Board and the Committee by the Environmental Initiatives Sub-committee and the Sustainability Team at least twice a year.

Management's Role

The management is responsible for designing and implementing climate-related policies, targets and action plans, with regular progress updates provided to the Board and the Committee. Drawing upon the corporate-level climate risk assessment, strategic responses are coordinated through various bodies.

The Environmental Initiatives Sub-committee, consisting of department heads, supports the Committee in driving and ensuring carbon reduction progress in line with our carbon neutrality goal. Additionally, we have established taskforces under the Environmental Initiatives Sub-committee to implement initiatives at asset level. This ensures that such measures are effectively integrated into our daily operations.

The Climate Transition Taskforce is responsible for formulating transition plans and conducting analysis concerning the implementation of carbon transition strategies, initiatives and our contribution to achieving carbon neutrality.

Informed Decision Making

The established governance structure ensures that the Board can make informed decisions when integrating climate-related considerations into our overall business strategies. To support this, we conduct regular training sessions and workshops to equip the Board and senior management with the latest knowledge on climate change. In addition, Climate Fresk training was provided to the Environmental Initiatives Sub-committee, to deepen understanding of the context of climate change and response actions.

Remark: This section is prepared with reference to IFRS S2 paragraph 6.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Strategy

Keeping up to date with our understanding of climate change on our business is crucial in adapting and mitigating relevant impacts. It also allows us to incorporate climate-related considerations and adjust our business strategies accordingly. We have conducted scenario analysis to understand climate-related physical and transition risks on our business operations in Hong Kong and the Mainland. The assessment analysed the potential risks and opportunities due to climate change under the scenarios from the Shared Socioeconomic Pathways ("**SSP**") by the Intergovernmental Panel on Climate Change ("**IPCC**") and the Network for Greening the Financial System ("**NGFS**"). The risks are assessed in selected timeframes from 2030 (short-term), 2050 (medium-term), and 2100 (long-term).

Considering the nature of our business, we anticipate that transition risks will have a more profound impact in the short- to medium-term. These risks include regulatory changes, market shifts towards low-carbon solutions, and evolving stakeholder expectations. In the long term, physical risks, such as rising sea levels and increased temperatures, are expected to become increasingly significant. Recent climate events have underscored the urgency of building resilience against these risks.

By proactively addressing both transition and physical climate risks, our Carbon Neutrality Roadmap ensures that we are well-prepared to navigate the evolving landscape of climate change. This comprehensive strategy not only supports our sustainability goals but also enhances the resilience and longevity of our business operations.

Our Carbon Neutrality Roadmap has set strategic directions in adopting sustainable building design, transitioning to climate-resilient operations and enhancing value chain engagement. We will align our future capital expenditures with our long-term carbon targets to effectively advance our decarbonisation efforts.

Some of our key actions include:

Sustainable Building Design	Climate-resilient Operation	Value Chain Engagement
▶ Achieve/maintain sustainable building certificates	▶ Implement smart management ▶ Assess and manage climate-related risk and opportunities ▶ Source renewable energy alternatives ▶ Enhance energy efficiency ▶ Conduct regular group-wide carbon audit	▶ Actively engage our tenants, suppliers and contractors ▶ Adopt the Sustainable Fitting Out Guideline (Office) ▶ Encourage tenants to participate in Dark Green Leasing Programme

As part of our Vision 2030 in promoting climate resilience, we have been integrating a variety of technologies throughout the entire lifecycle of our buildings. This includes the use of BIM during the construction phase to enhance design accuracy and efficiency. During the operational phase, we incorporate IoT technologies to optimise building performance and energy management.

We are committed to continuously exploring and adopting additional technologies to support our ongoing decarbonisation efforts. This proactive approach ensures that our buildings are not only resilient to climate impacts but also contribute to a sustainable future through reduced carbon emissions and improved energy efficiency.

To further reduce emissions in the long run, we plan to leverage technological advancements and explore high-integrity carbon removal options for residual emissions. This includes exploring options of cutting-edge technologies such as AI, carbon capture and storage, and renewable energy solutions to significantly reduce our carbon footprint. By focusing on both emission reductions and high-integrity carbon removal, we aim to achieve a balanced and effective approach to carbon neutrality by 2050.

At site level, each site is provided with a tailored Climate Checklist for Mitigation Measures, aimed at enhancing awareness about key risks and offering practical ways to prepare for and alleviate the effects of climate change on buildings. The Checklist is structured as follows:

Management Process	Preparedness	Improvement Works
▶ Highlights management actions to be completed and checked upon to prepare for climate impacts ▶ Risks covered include for typhoon, black rain, flooding, landslide	▶ Specific actions to be taken to prepare for extreme weather events, for example checking the availability of valid protective equipment	▶ Specific actions to be taken to complement Preparedness actions, to bolster as smooth a response as possible to climate impacts

Remark: This section is prepared with reference to IFRS S2 paragraphs 9(a), 9(c), 10(a) – 10(c), 14(a) and 22.

Risk Management

Our Internal Audit Department plays a crucial role by leading regular reviews to evaluate the effectiveness of our overall risk management and internal controls. This process includes identification, assessment, management and monitoring of climate-related risks, as well as broader risks that could impact our business. This ensures that our risk management practices are consistent and aligned with our strategic objectives.

Our proactive approach to climate risk management not only helps us mitigate potential adverse impacts but also positions us to capitalise on emerging opportunities in the transition to a low-carbon economy.

RMIC Systems	Internal Audit
The Group has incorporated climate risk management into the overall risk management through the group-wide RMIC Systems. These systems are used to identify, assess and manage operational, financial, as well as ESG risks. The Board conducts a review of the system on an annual basis to ensure its effectiveness and performance across both management and business unit levels.	In addition to environmental data, the Internal Audit team has expanded its audit scope to include physical risks. This serves to ensure data accuracy and help with preventive measures when encountering physical risks, such as super typhoons and storm surges. For further details regarding risk management, please refer to the Corporate Governance Report in our Annual Report 2024.

Climate Risk Identification and Assessment

In our comprehensive CRVA, we identified both physical and transition risks across our entire value chain through detailed scenario analysis. This analysis spans a timeframe from the near-term to 2030 and extends as far as 2100, taking into account a wide range of relevant climate parameters. While we observe rather homogeneous transition risks across our portfolios, we acknowledge that physical risks could vary based on geographical factors. For example, Shanghai has higher flooding risks while tropical cyclones are more material to our properties in Hong Kong.

Senior executives from various departments, including Project Development, Architecture, Technical Service, and Internal Audit, contribute valuable insights to help map and prioritise our climate-related risks and opportunities.

Recognising that our properties are situated in diverse cities, each subject to distinct local government policies, we are implementing an initiative to gather data at regional or city level. This initiative aims to develop more granular analysis of climate scenarios tailored to our properties. By doing so, we can better understand and address the specific climate risks and opportunities associated with each location.

We are committed to formulating robust action plans that will enhance the disclosure of financial implications linked to climate-related risks and opportunities. This includes improving transparency and communication with our stakeholders about how these risks and opportunities impact our financial performance. At the same time, we strive to integrate climate-related considerations more deeply into our overall business strategy, ensuring that sustainability and resilience are at the core of our decision-making processes.

Physical Risk Assessment

In 2024, we conducted an updated assessment of physical risks to our Investment Properties and selected development projects. We leveraged historical hazard data, including frequency and intensity, for the regions where our properties are located to evaluate the risk exposures. The assessment was conducted based on the SSP, referring to selected scenarios SSP1-RCP2.6, SSP2-RCP4.5, SSP4-RCP6.0 and SSP5-RCP8.5. These scenarios align with the latest international agreements on achieving a lower carbon economy and are widely recognised for global climate projects, incorporating socioeconomic and technological variables into the analysis.

The updated assessment aimed to understand the impacts of extreme weather and shifts in climate patterns on our properties, thereby allowing us to enhance resilience of our properties. We investigated our Investment Properties and projects under development located across 11 cities and identified the most material physical risks associated with climate change.

Transition Risk Assessment

We conducted a transition risk assessment based on scenarios from the orderly pathways and hot house world scenarios by the NGFS. The assessment allowed us to better understand the potential financial impacts during the transition towards a lower carbon business.

Remark: This section is prepared with reference to IFRS S2 paragraphs 10, 13-16, 22(b), 25.

Governance | Strategy | **Risk Management** | Metrics and Targets

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Risk Management

Key risks and opportunities drivers identified are shown below:

Climate Risks and Opportunities		Timeframe	Potential Financial Impacts	Our Response
Physical	Increased severity of extreme weather events, such as tropical cyclone, landslides and flooding	Short-term	▶ Increased operational and maintenance expenses ▶ Increased insurance premiums ▶ Increased expenses in human resources ▶ Reduced revenue from delayed service or temporary closure of properties	▶ Early achievement of our target on conducting CRVA for all our Investment Properties ▶ Enhance energy efficiency through innovative technologies ▶ Adopt climate-resilient building features ▶ Roll out of Climate Checklist for Mitigation Measures to each of our sites to mitigate climate impacts ▶ Internal training sessions to increase our employees' know-how on these topics
	Rising mean temperatures and occurrences of heatwaves	Long-term	▶ Increased expenses incurred by negative impacts on employees' health and safety ▶ Increased utility expenses	
Transition	Tightened building energy codes and guidelines	Short-term	▶ Increased capital investment and expenditures to meet the requirements	▶ Maintain our target for 100% of New Investment Properties to achieve green certifications ▶ Keep abreast of regulatory developments ▶ Develop green partnerships with tenants e.g. providing free carbon audit/accounting to tenants and Dark Green Leasing Programme ▶ Engage with our value chain partners on sustainability education to advance our decarbonisation strategy ▶ Cooperate with Internal Audit Department to audit physical risk responsive measures and environmental data ▶ Retrofit existing buildings to meet the growing appetite for sustainable workplaces and homes ▶ Increase the use of renewable energy and decarbonisation technologies in our New Investment Properties
	Increased adoption of renewable energy (change in energy mix)	Short-term	▶ Increased capital expenditure ▶ Decreased utility expenses	
	Increased ambition of decarbonisation strategies and roadmaps	Short-term	▶ Increased capital expenditure on decarbonisation ▶ Decreased operating expenses, including utilities	
	Increased market demand for climate-resilient properties	Medium-term	▶ Increased revenue from attracting high value tenants ▶ Increased capital expenditure on adopting climate-resilient features	

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Metrics and Targets

The primary climate-related metrics we use include Scope 1, 2, and 3 GHG emissions data, along with our progress towards achieving our climate targets. Our GHG emissions calculations follow established standards such as the GHG Protocol, ISO14064-1 and the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential, or Institutional Purposes) in Hong Kong.

Central to our commitment to transparency, we utilise a robust data management system to enhance our capabilities in data collection and target setting, thereby improving our reporting quality. We are committed to enhancing the disclosure of Scope 3 GHG emissions by collecting activity data from our tenants and contractors. This year, we implemented the Tenant Carbon Audit Programme with its scope extend to more properties in the Mainland and initiate the contstruction materials data collection exercise.

With a more mature Scope 3 GHG dataset collected, we have disclosed material Scope 3 categories in our report for a more comprehensive and transparent view of our environmental performance. For more details on our performance, please refer to the Carbon Emission and Energy Consumption Performance.

We are proud to have achieved our 2025 carbon reduction target ahead of schedule. Building on this success, we have set a new reduction goal of 2% for our Scope 1&2 emission intensity annually. In addition, we have established a science-based target, which is currently undergoing validation by the SBTi. Our engagement targets are designed to enhance both upstream and downstream emission performances. We are committed to building capacity and providing incentives to our tenants and supply chain to achieve these goals.

Our 2030 Decarbonisation Targets

Carbon Intensity Reduction	▶ Reduce 2% of our Scope 1&2 emission intensity annually
Stakeholder Engagement	▶ Offer free carbon audits to office tenants in 100% of our commercial Investment Properties ▶ Provide green leasing as an option to office tenants in 30% of our commercial Investment Properties

Other Key Metrics

95%	**94%**	**87%**
of Investment Properties obtained sustainable building certifications	of Investment Properties adopt climate-resilient building features	of operations governed by green procurement guidelines for property development and operation

By continuously refining our strategies and expanding our initiatives, we are committed to leading the way in sustainability and climate action. We will proactively seek and implement initiatives to enhance our current efforts and introduce new and impactful measures within our operations. We believe that through collaboration and innovation, we can achieve our ambitious targets and contribute to a more sustainable future for all.

Remark: This section is prepared with reference to IFRS S2 paragraphs 29(a), 32, 33, 34 and 36(a) – 36(b).

Sustainability Accounting Standard Board (SASB) Real Estate Sector Disclosure

Kerry Properties adopted SASB Real Estate Sustainability Accounting Standard (Version 2023-06) to enhance communication with stakeholders on the financial impacts of industry-specific material issues. The section aligns with the scope of this Report as detailed on page 82.

The data and metrics reported in this section covers not only the base building but also the tenant spaces, allowing comprehensive evaluation of overall impact of our entire building.

Energy Management [1]

SASB Code	Accounting Metric	Property Sector	2022	2023	2024
IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property sector (%)	Office	75.4%	81.1%	81.8%
		Retail	62.3%	66.4%	67.2%
		Residential [2]	1.1%	1.1%	1.3%
IF-RE-130a.2	Total energy consumed by portfolio area with data coverage (GJ)	Office	582,038	655,208	767,531
		Retail	579,332	560,641	627,312
		Residential	111,922	109,469	80,848
	Total energy consumed by percentage grid electricity, by property sector (%)	Office	52.9%	61.5%	60.8%
		Retail	79.7%	78.8%	74.6%
		Residential	65.0%	66.7%	78.3%
	Total energy consumed by percentage renewable, by property sector (%)	Office	25.9%	26.0%	21.9%
		Retail	3.6%	11.2%	15.5%
		Residential	10.5%	16.1%	21.0%
IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property sector (%)	Office	-11.7%	12.6%	17.1%
		Retail	-9.8%	-3.2%	11.9%
		Residential	-37.6%	-2.2%	-26.1%
IF-RE-130a.4	Percentage of eligible portfolio that has an energy rating, by property sector (%) [3]	Office	100%	100%	100%
		Retail	100%	100%	100%
		Residential	91.9%	91.5%	99.7%
	Percentage of eligible portfolio that is certified to ENERGY STAR®, by property sector (%)	Office	Not Applicable to Hong Kong and the Mainland		
		Retail			
		Residential			
IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy				

Adhering to ISO 50001:2018, we have established the Energy Policy and Energy Management System and conducted regular reviews on them. We also regularly conduct energy audits accordingly. We prioritise energy excellence in our new projects, following our Sustainable Building Guidelines, which consider both environmental impacts and energy costs.

In 2024, despite the expanded reporting scope, we successfully achieved a 5.0% reduction in energy intensity, as compared to 2019. Considering our landbank pipeline, we anticipate increased energy consumption in the future, and as a result, we will closely monitor our energy performance.

We place significant emphasis on continuously improving energy performance in our existing buildings and strive to obtain recognised green building certifications for our Investment Properties. To facilitate energy management, we have been developing an integrated building management system and actively collaborating with stakeholders to raise awareness about energy conservation and to foster behavioural change.

We strive to source renewable energy whenever possible, we have installed solar panels at several properties in Hong Kong and the Mainland. As we develop our Carbon Neutrality Roadmap, we are actively reviewing and refining our renewable energy strategy. Our goal is to facilitate the wider adoption of alternative renewable energy sources, in order to significantly reduce our carbon footprint and contribute to a more sustainable future.

For more detailed information, please refer to page 24.

1. It is important to note that while the data presented here represents the whole building, there are limitations in the data coverage, particularly in tenant spaces in Hong Kong as shown in IF-RE-130a.1. We remain committed to addressing these gaps and continuously improving our reporting practices.
2. There is particularly low data coverage in residential properties. This is mainly due to common practices in residential buildings, where occupants pay energy bills directly to the energy providers.
3. There is a lack of energy rating schemes in the Mainland so we excluded the relevant GFA from the denominator as suggested in the Real Estate Sustainability Accounting Standard.

SASB STANDARDS
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Water Management [1]

SASB Code	Accounting Metric	Property Sector	2022	2023	2024
IF-RE-140a.1	Water withdrawal data coverage as a percentage of total floor area, by property sector (%)	Office	100%	100%	100%
		Retail	77.7%	76.8%	76.8%
		Residential [2]	22.4%	23.3%	23.7%
	Water withdrawal data coverage as a percentage of total floor area, by property sector (%) floor area in regions with High or Extremely High Baseline Water Stress, by property sector (%)	Office	100%	100%	100%
		Retail	100%	100%	100%
		Residential	39.9%	39.9%	41.1%
IF-RE-140a.2	Total water withdrawn by portfolio area with data coverage, by property sector (Thousand m^3)	Office	1,118	1,465	1,150
		Retail	1,261	1,399	1,123
		Residential	141	160	152
	Total water withdrawn by percentage in regions with High or Extremely High Baseline Water Stress, by property sector (%)	Office	89.1%	86.1%	79.3%
		Retail	79.6%	87.6%	84.5%
		Residential	93.8%	94.3%	96.3%
IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property sector (%)	Office	-5.6%	31.0%	-21.5%
		Retail	-10.7%	10.9%	-19.7%
		Residential	-44.6%	13.6%	-5.2%

SASB Code	Accounting Metric
IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks

In 2024, we reviewed our baseline water stress at the WRI Water Risk Atlas tool to assess our baseline water stress and the results are consistent with previous results, indicating relatively high baseline stress in our operational areas. However, we have encountered no issues with water sourcing due to our water-efficient designs, water-conserving measures, and robust infrastructure in those areas.

Our Water Stewardship Policy outlines our strategies for effective water management throughout our operations. To safeguard water resources, we remain committed to reducing water consumption by implementing practical designs such as rainwater harvesting systems. Additionally, we aim to enhance water-saving practices and implement wastewater recycling initiatives at our operational sites.

As part of our Vision 2030 targets, we have set a goal of implementing rainwater harvesting systems in 100% of our Investment Properties. Furthermore, we have successfully reduced water consumption intensity by 16.2% compared to the baseline year of 2019.

To improve water efficiency and decrease water consumption, we have implemented various measures in our Investment Properties. These include the installation of water-efficient fittings and the incorporation of water reclamation systems, enabling us to reuse greywater and harvest rainwater. Additionally, we conduct regular inspections and maintenance of water supply systems to prevent water leakage and wastage at our Investment Properties.

Regarding construction sites, we establish project-specific water consumption quotas. Furthermore, our Enhanced Safety Performance and Environmental Protection Scheme offers incentives to contractors who recycle and reuse more than 30% of wastewater on-site.

1. It is important to note that while the data presented here represents the whole building, there are limitations in the data coverage, particularly in tenant spaces in Hong Kong as shown in IF-RE-140a.1. We remain committed to addressing these gaps and continuously improving our reporting practices.
2. There is particularly low data coverage in residential properties. This is mainly due to common practices in residential buildings, where occupants pay water bills directly to the freshwater providers.

SASB STANDARDS
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Management of Tenant Sustainability Impacts

SASB Code	Accounting Metric	Property Sector	2022	2023	2024
IF-RE-410a.1	Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements, by property sector (%)	Office	A pilot Dark Green Leasing Programme was in preparation	Pilot Dark Green Leasing with office tenants in Hong Kong	Doubled tenant participants in the Dark Green Leasing Programme
		Retail			
		Residential			
	Associated leased floor area of new leases that contain a cost recovery clause for resource efficiency-related capital improvements, by property sector (ft^2)	Office			
		Retail			
		Residential			
IF-RE-410a.2	Percentage of tenants that are separately metered or sub-metered for grid electricity consumption, by property sector (%) [1]	Office	100%	100%	100%
		Retail	100%	100%	100%
		Residential	100%	100%	100%
	Percentage of tenants that are separately metered or sub-metered for water withdrawals, by property sector (%) [1]	Office	100%	100%	100%
		Retail	100%	100%	100%
		Residential	100%	100%	100%
IF-RE-410a.3	Discussion of approach to measuring, incentivising, and improving sustainability impacts of tenants				

Consistent interaction with our tenants forms the cornerstone of building trust and fostering collaborative relationships in our business. We have incorporated environment-focus incentive, namely the Dark Green Leasing Programme, to encourage tenants in reducing their carbon and water footprint. Tenants demonstrating measurable year-on-year reductions in energy consumption are eligible for financial incentives.

Upon the arrival of new tenants, we provide them with the Environmental Guideline for Residents and the Sustainable Fitting Out Guideline (Office). These resources aim to encourage their active involvement in sustainability initiatives within our properties.

In addition, the Tenant Carbon Audit Programme was implemented in 2024 to offer complimentary carbon audits for our tenants, allowing enhanced data quality and providing insights for tenant-related engagement and measures.

As a testament to our commitment to raising awareness, we have established the KPL Sustainability Sponsorship Fund and the ESG Event Fund. Through these initiatives, we regularly organise events and implement improvement projects centred around various sustainability themes for the benefit of our tenants.

1. In the regions we operate, submeters are commonly installed for individual occupants, but data may not be available to landlords.

Climate Change Adaptation

SASB Code	Accounting Metric	Property Sector	2022	2023	2024
IF-RE-450a.1	Area of properties located in 100-year flood zones, by property sector (ft^2)	Office	'100-year flood zones' is a U.S. definition and is unavailable in both Hong Kong and the Mainland. Through the CRVA focusing on physical risks at property level, Investment Properties with flood-related risks are preliminarily identified.		
		Retail			
		Residential			
IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks				

We have identified a list of high-impact climate-related physical and transition risks. The assessment analysed the potential risks and opportunities due to climate change under the scenarios from the SSP by the IPCC and the NGFS. The risks are assessed in selected timeframes from 2030 (short-term), 2050 (medium-term), 2100 (long-term).

In 2024, we have reached our target of completing CRVA at 100% of our Investment Properties. Notably, we have observed variations in high-impact climate risks across different regions, particularly concerning physical risks. The assessments have provided us with detailed and localised insights into regional climate risks, enabling us to develop specialised and localised mitigation plans. Furthermore, we actively engage our stakeholders and communicate the results of the CRVA, sharing our progress and seeking tenants' input on strengthening related measures.

In addition, we have incorporated physical risks into audit engagements. This proactive approach ensures that property management teams effectively implement precautionary actions as required.

Recognising the environmental benefits of technology, we have been integrating various technologies throughout the building life cycle. This includes leveraging BIM during the construction stage and implementing Integrated Building Management Systems during operations. Additionally, we are committed to driving decarbonisation across our upstream and downstream value chain. In 2024, we have enhanced our Scope 3 emissions disclosures with material Scope 3 emissions disclosed. Through an engagement-oriented approach, we provide training, webinars, and pilot programmes to raise awareness and make progress in Scope 3 emissions reduction.

For more detailed information, please refer to pages 25 and 28.

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Activity Metrics

SASB Code	Accounting Metric	Property Sector	2022	2023	2024
IF-RE-000.A	Number of assets, by property sector	Office	13	14	15
		Retail	17	15	15
		Residential	13	12	11
IF-RE-000.B	Leasable floor area, by property sector (ft²) [1]	Office	4,169,071	5,593,410	5,759,406
		Retail	4,829,858	4,916,901	4,963,842
		Residential	1,912,121	1,912,121	1,841,291
IF-RE-000.C	Percentage of indirectly managed assets, by property sector (%)	Office	0	0	0
		Retail	0	0	0
		Residential	0	0	0
IF-RE-000.D	Average occupancy rate, by property sector (%) [1]	Office	93.1%	82.6%	81.6%
		Retail	89.5%	90.6%	92.8%
		Residential	89.2%	89.1%	95.0%

1. All properties that are held for sale are not included

FTSE NAREIT Classification of Property Sectors

Scope		Property Nature
The Mainland	Beijing Kerry Centre	Office
		Residential
		Retail
	Hangzhou Kerry Centre	Office
		Retail
	Shanghai Central Residences Phase II Towers 1 and 3	Residential
	Jing An Kerry Centre Phase I	Office
		Residential
		Retail
	Jing An Kerry Centre Phase II	Office
		Retail
	Kerry Everbright City Phase I (The Lightbox)	Office
		Retail
	Kerry Everbright City Phase III	Office
		Residential
		Retail
	Kerry Parkside	Office
		Residential
		Retail
	Shenyang Kerry Centre Phase II	Office
		Retail
	Shenyang Kerry Centre Enterprise Square	Office
	Shenzhen Kerry Plaza Phase I	Office
	Shenzhen Kerry Plaza Phase II	Office
		Retail
	Qianhai Kerry Centre Phase I	Office
		Retail
	Qianhai Kerry Centre Phase II	Office
		Retail
	Tianjin Kerry Centre Riverview Place	Retail
Hong Kong	Aigburth	Residential
	Branksome Crest	Residential
	Branksome Grande	Residential
	Enterprise Square Three	Retail
	Enterprise Square Five/MegaBox	Office
		Retail
	Gladdon	Residential
	Kerry Centre	Office
		Retail
	The Bonham	Residential
	Tavistock	Residential

About This Report

This Report covers the Group's sustainability performance for the financial year from 1 January to 31 December 2024 ("**reporting period**").

The Report covers the Group's sustainability strategies, initiatives, and performances, focusing on the Group's core business operations in Hong Kong and the Mainland. This includes property development, investment, management, and leasing in offices, retails, residential properties, and apartments. Hotel and warehouse businesses, as well as properties not directly managed by the Group are excluded from this Report.

Throughout the Report, "**Investment Properties**" refer to owned and managed investment properties in Hong Kong and the Mainland. "**New Investment Properties**" refer to investment properties that are completed in or after 2019. "**New MUDs**" refer to MUDs that are completed in or after 2019.

The Report provides both qualitative and quantitative information regarding the Group's approach, initiatives, and priorities for managing material ESG factors. Additional information on corporate governance can be found in the Corporate Governance Report of our Annual Report 2024.

The Board oversees the content of this Report. This Report has been reviewed and approved by the Board.

Reporting Standards and Principles

This Report has been prepared in accordance with the requirements of the Environmental, Social and Governance Reporting Guide ("**ESG Reporting Guide**"), set out in Appendix C2 to the Listing Rules issued by SEHK, the Global Reporting Initiative's Standards ("**GRI Standards**") and Sustainability Accounting Standards Board's ("**SASB**") Real Estate Sustainability Accounting Standard. Our climate actions are disclosed with reference to the recommendations of the TCFD and the ISSB IFRS S2 Climate-related Disclosures.

To ensure a comprehensive depiction of the Group's sustainability efforts for our stakeholders, this Report aligns with essential performance indicators from key sustainability benchmarks such as CDP, DJSI, FTSE4Good, GRESB, and MSCI.

In the preparation of this Report, we have made reference to the GRI Standards' reporting principles and followed the SEHK's ESG Reporting Guide:

- **Materiality:** Material sustainability topics are identified through diverse stakeholder engagement channels, considering factors such as the Group's strategic priorities and stakeholders' concerns. The identified topics are reviewed and endorsed by the Committee and subsequently approved by the Board.
- **Quantitative:** As approved by the Committee, we have established Vision 2030 targets to reduce our operational impact on the ESG aspects. The progress towards these targets are regularly reviewed by the Board.
- **Balance:** We review and disclose our achievements as well as areas for improvement to provide an unbiased picture of our performance.
- **Consistency:** We adopt consistent methodologies to enable meaningful comparisons of sustainability data over time.



Reporting Boundary of Sustainability Data

Our environmental performance data scope as listed below primarily covers Investment Properties in Hong Kong and the Mainland that are owned and managed by the Group. Properties that are being held for sale or with a significant portion sold are not included. The environmental performance data scope also covers new properties which have reached the predetermined occupancy level or operating period. In 2024, we have further disclosed certain environmental performance data (e.g., material Scope 3 GHG emissions) covering our projects under development that are directly managed by the Group.

The Mainland	
Beijing Kerry Centre	Shenyang Kerry Centre Enterprise Square
Hangzhou Kerry Centre	Shenyang Kerry Centre Phase II
Jing An Kerry Centre Phase I	Shenzhen Kerry Plaza Phase I
Jing An Kerry Centre Phase II	Shenzhen Kerry Plaza Phase II
Kerry Everbright City Phase I	Qianhai Kerry Centre Phase I
Kerry Everbright City Phase III	Qianhai Kerry Centre Phase II
Kerry Parkside	Tianjin Kerry Centre Riverview Place
Shanghai Central Residences Phase II Towers 1 and 3	

Hong Kong	
Aigburth	Gladdon
Branksome Crest	Kerry Centre
Branksome Grande	The Bonham
Enterprise Square Five/MegaBox	Tavistock
Enterprise Square Three	

The reporting scope of social performance data covers our managed properties and projects under development in both Hong Kong and the Mainland. People-related data illustrated in this Report pertains solely to employees directly employed by the Group (excluding hotels).

Internal Audit and Independent Assurance

The process of measuring and monitoring various aspects is integral to effective management, and we place great importance on the governance of data and information. We have put in place internal verification, conducted by our Internal Audit and Sustainability teams, as well as engaging a third-party organisation for independent assurance.

The Group's internal audit team has conducted verification over selected environmental data, covering 89% of the total GFA of Investment Properties in this Report.

Furthermore, this Report has been independently verified by Hong Kong Quality Assurance Agency (HKQAA) in accordance with the ISAE 3000. The independent assurance statement can be found on page 95-96 of this Report.

Share Your Thoughts

Thank you for reading Kerry Properties' Sustainability Report 2024. Your feedback is critical for us to continuously improve our reporting and sustainability practices. As a token of our gratitude, we will donate HK$100 to provide hot meals and support vulnerable groups for every survey received.

If there is any inconsistency or conflict between the English and the Chinese versions, the English version shall prevail.

Email enquiry: sustainability@kerryprops.com

Major Awards and Memberships

Our commitment to sustainability, excellence, and social responsibility has earned us recognition from prestigious organisations. We value our achievements and remain dedicated to innovation and sustainable practices. For a list of our accomplishments, please refer to the Major Awards and Recognitions section of our Annual Report 2024.

Awards



2024 WELL at Scale Award

International WELL Building Institute (IWBI)

- Commitment and Engagement Award



The Asset ESG Corporate Awards 2024

The Asset

- Benchmark – Platinum Award



Mercury Excellence Awards 2023-2024

MerComm, Inc.

- Silver Award in Campaigns – Corporate Social Responsibility Practices – Empowering Change: Sustainable Food Waste Solutions for Hong Kong's Community



Hong Kong Sustainability Award 2024

Hong Kong Management Association

- Distinction Award in the Large Organisation Category



Hong Kong ESG Reporting Awards 2024

Hong Kong ESG Reporting Awards (HERA)

- Commendation for the Best ESG Report – Middle Market Capitalisation: Sustainability Report 2023
- Commendation for GRESB x HERA: Standing Investment Benchmark Award (Mainland China/Hong Kong)





Hong Kong Green Awards 2024

Green Council

- Sustainable Procurement Award (Large Corporation) – Grand Award
- Green Management Award – Corporate (Large Corporation) – Gold
- Sustained Performance (15 Years+)



Hong Kong Green and Sustainability Contributions Awards 2024

Hong Kong Quality Assurance Agency

- Outstanding Award for ESG Disclosure Contribution



ESG Achievement Awards 2023/2024

The Institute of ESG & Benchmark (IESGB)

- ESG Benchmark Awards – Diamond Award
- ESG Benchmark Awards – Outstanding Performance in Social Responsibility

Sustainability Awards and Recognitions

Awards and Recognitions	Issuing Authority
ASTRID Awards 2024 ▶ Gold Award in Annual Reports – Online: Sustainability & ESG: Reporting Sustainability Report 2022	MerComm, Inc.
BDO ESG Awards 2024 – Middle Market Capitalisation ▶ Best in ESG Awards ▶ ESG Report of the Year Awards ▶ Best in Reporting Awards	BDO Limited
Best Annual Reports Awards 2024 ▶ Certificate of Excellence in Environmental, Social and Governance Reporting: Sustainability Report 2023	Hong Kong Management Association
CarbonCare® Label 2024 ▶ CarbonCare® Label ▶ CarbonCare® ESG Label ▶ CarbonCare® Star Label	CarbonCare InnoLab
Caring Company ▶ 20 Years Plus	The Hong Kong Council of Social Services (HKCSS)
Fair Trade & SDGs Award 2023/24 ▶ Distinguished Achievement Award	Fair Trade Hong Kong
Galaxy Awards 2024 ▶ Silver Award in Promotion – Sustainability & Legacy: Black Soldier Fly Food Waste Recycling Programme ▶ Honors in Design – Various – Environmental/Societal/Governance (ESG) Report: Sustainability Report 2023	MerComm, Inc.
iNOVA Awards 2024 ▶ Silver Award in Environmental, Social & Governance Report: Sustainability Report 2023	MerComm, Inc.
International ARC Awards 2024 ▶ Silver Award in Script/Writing – Sustainability Report – Hong Kong: Sustainability Report 2023 ▶ Honors in Design/Graphics – Sustainability Report – Hong Kong: Sustainability Report 2023	MerComm, Inc.
Social Enterprise Supporter Award 2023 ▶ SE Supporter Award	Fullness Social Enterprises Society (FSES)
Sustainable Business Award 2023 **Sustainable Leadership Award 2023**	World Green Organisation
The International Annual Report Design Awards 2024 ▶ Silver Award in Interior Design: Sustainability Report 2023 ▶ Silver Award in Overall Presentation: Sustainability Report 2023 ▶ Bronze Award in Integrated Presentation: Sustainability Report 2023	IADA Global

Memberships & Charters

Organisation	Nature of Membership/Charter
Asian Corporate Coalition for Climate Change Resilience	Steering Member
Business Environment Council	Council Member Low Carbon Charter – Participating Organisation
China Green Building & Carbon Neutral (Hong Kong) Council	Founding Member
Environment and Ecology Bureau	Carbon Neutrality – Participating Organisation Charter on External Lighting – Participating Organisation
Fair Trade Hong Kong	Corporate Partner
Green Council	Sustainable Procurement Charter – Founding Member
Hong Kong Association of Property Management Companies	Founding Member – Kerry Property Management Services Limited
Hong Kong Council of Social Service	Caring Company Patron's Club – Coral Membership
Hong Kong General Chamber of Commerce	Member
Hong Kong Green Building Council	Gold Patron Member
Hong Kong PropTech Alliance	Alliance Member
The Chamber of Hong Kong Listed Companies	Full Member

Performance Data Summary [1]

Environmental Performance [2]

GHG Emissions [3]

Indicator	Unit	Total	Hong Kong				The Mainland			
		2024	2024	2023	2022	2021	2024	2023	2022	2021
Direct GHG emissions (Scope 1) [4,5]	Tonnes of CO_2e	**5,094**	53	246	279	58	5,041	4,621	3,952	4,302
Energy indirect GHG emissions (Scope 2, location-based) [6]	Tonnes of CO_2e	**91,753**	13,755	14,762	15,172	20,695	77,998	72,785	66,289	77,851
Energy indirect GHG emissions (Scope 2, market-based) [6]	Tonnes of CO_2e	**91,753**	13,755	14,762	15,172	20,695	77,998	44,607	52,032	48,055
Other indirect GHG emissions (Scope 3) [7]	Tonnes of CO_2e	**2,298**	809	764	464	528	1,489	1,407	583	13
Total GHG emissions (Scope 1&2, location-based)	Tonnes of CO_2e	**96,847**	13,808	15,009	15,451	20,753	83,039	77,406	70,241	82,153
Total GHG emissions (Scope 1&2, market-based)	Tonnes of CO_2e	**96,847**	13,808	15,009	15,451	20,753	83,039	49,228	55,984	52,357
Total GHG emissions [8] (Location-based)	Tonnes of CO_2e	**99,145**	14,617	15,773	15,915	21,281	84,528	78,813	70,824	82,166
Total GHG emissions [8] (Market-based)	Tonnes of CO_2e	**99,145**	14,617	15,773	15,915	21,281	84,528	50,636	56,567	52,370
GHG intensity (Scope 1&2, location-based)	Tonnes of CO_2e/1,000ft^2	**7.30**	5.16	5.61	5.63	7.23	7.84	7.40	7.61	8.81
GHG intensity (Scope 1&2, market-based)	Tonnes of CO_2e/1,000ft^2	**7.30**	5.16	5.61	5.63	7.23	7.84	4.71	6.06	5.61
GHG intensity [8] (Location-based)	Tonnes of CO_2e/1,000ft^2	**7.48**	5.47	5.90	5.80	7.41	7.98	7.54	7.67	8.81
GHG intensity [8] (Market-based)	Tonnes of CO_2e/1,000ft^2	**7.48**	5.47	5.90	5.80	7.41	7.98	4.84	6.12	5.61

1. Numbers may not add up due to rounding.
2. The reporting scope of environmental performance is detailed in Reporting Boundary of Sustainability Data on page 82.
3. The calculation methodologies and emission factors for GHG emissions:
   - Methodologies are referenced from the GHG Protocol, the ISO14064-1 standard, and the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong (2010 edition) published by the Environmental Protection Department (EPD) and the Electrical and Mechanical Services Department (EMSD).
   - Hong Kong: The sources of energy conversion and emissions factors for the reporting of GHG emissions include the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong (2010 edition), the emissions intensity for electricity sold published by CLP Power Hong Kong Limited and The Hongkong Electric Company, Limited.
   - The Mainland: The sources of energy conversion and emissions factors for the reporting of GHG emissions include the emission factors from General Rules for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020), GHG Protocol Tool for Energy Consumption in China (Version 2.1), Ministry of Ecology and Environment of the People's Republic of China, cooling efficiency from local district cooling facilities, and the Standard for Calculating Carbon Emissions from Building 2019 (GB/T51366-2019).
   - Global Warming Potential (GWP) values are referenced from the IPCC Sixth Assessment Report (AR6).
   - The GHG calculations cover carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O) and hydrofluorocarbons (HFCs) while perfluorocarbons (PFCs), sulphur hexafluoride (SF_6) and nitrogen trifluoride (NF_3) are not applicable.
   - No biogenic CO_2 emissions in the reporting period.
   - The operational control approach was adopted to aggregate the data.
4. The increase in Scope 1 GHG emissions in the Mainland in 2024 is mainly due to the increase in natural gas consumption during several cold waves throughout winter season.
5. The decrease in Scope 1 GHG emissions in Hong Kong in 2024 is primarily attributed to the purchase of refrigerants for our Investment Properties in 2023, which reduced the need for additional refrigerant replenishment in 2024.
6. The increase in Scope 2 GHG emissions in the Mainland in 2024 is mainly due to the newly reported district heating from Investment Properties in Shenyang, the opening of Shanghai Kerry Everbright City Phase I – The Lightbox, and the newly inclusion of Shenzhen Qianhai Kerry Centre Phase II, in the reporting scope.
7. Refer to the Group's Scope 3 operational emissions from Investment Properties, including methane generation at landfill due to disposal of paper waste and GHG emissions due to electricity used for EV-charging stations, electricity used for freshwater and sewage processing, and fuel used for outsourced shuttle bus services.
8. Calculation of GHG emission/intensity cover Scope 1, Scope 2, and Scope 3 (as stated in footnote 7) emissions.

Waste [1]

Indicator	Unit	Total	Hong Kong				The Mainland			
		2024	2024	2023	2022	2021	2024	2023	2022	2021
Waste generated (hazardous) [2]	Tonnes	**3.5**	0.6	0.6	1.2	1.8	2.9	2.7	6.5	5.8
Waste generated (non-hazardous)	Tonnes	**256,857**	161,088	54,889	78,191	70,024	95,769	1,103,890	340,435	351,476
Waste disposal (non-hazardous) [3]	Tonnes	**157,337**	80,799	39,114	39,269	15,670	76,539	1,096,578	331,959	335,939
Waste recycled/reused (non-hazardous)	Tonnes	**99,520**	80,289	15,774	38,922	54,353	19,231	7,313	8,476	15,540
Paper	Tonnes	**563**	258	260	241	299	306	278	236	356
Plastic	Tonnes	**63**	12	11	10	14	51	52	48	61
Metals	Tonnes	**48**	1	1	1	4	47	23	19	643
Glass	Tonnes	**38**	5	5	7	23	33	81	2	2
Food waste	Tonnes	**7,578**	52	52	56	18	7,526	4,943	4,227	4,430
C&D waste	Tonnes	**91,227**	79,960	15,444	38,605	53,995	11,268	1,934	3,943	10,047
Others (clothes and cloth hangers)	Tonnes	**1**	1	1	1	2	0	1	1	2

1. Including waste and recyclables generated from operational activities under the reporting scope and construction activities in Hong Kong and the Mainland.
2. Including compact fluorescent lamps, fluorescent light tubes, LED tubes, toner cartridges, rechargeable batteries and chemical waste collected by qualified contractors in Hong Kong and the Mainland.
3. The increase in waste generation and disposal in Hong Kong in 2024 is due to the increase in the number of construction sites commencing construction activities, including foundation, superstructure, and renovation, during the year.

Use of Resources

Indicator	Unit	Total	Hong Kong				The Mainland			
		2024	2024	2023	2022	2021	2024	2023	2022	2021
Energy consumption [1]										
Direct energy consumption										
Diesel	GJ	**342**	68	39	7	162	274	206	124	240
Petrol	GJ	**634**	577	596	521	542	56	55	17	67
Liquefied petroleum gas (LPG)	GJ	**-**	-	-	-	32	-	-	-	-
Natural gas	GJ	**96,340**	-	-	-	-	96,340	88,427	75,509	82,386
Indirect energy consumption										
Purchased electricity	GJ	**549,624**	109,217	113,650	113,020	162,901	440,406	423,164	390,479	438,213
Purchased heating	GJ	**77,144**	-	-	-	-	77,144	44,803	40,473	34,144
Purchased cooling	GJ	**35,805**	-	-	-	-	35,805	16,356	-	-
Total										
Total energy consumption [2]	GJ	**760,570**	109,862	114,285	113,548	163,637	650,707	573,143	506,601	555,051
Energy consumption intensity	GJ/1,000ft^2	**57**	41	43	41	57	62	55	55	60
Water consumption										
Total freshwater consumption	1,000m^3	**1,232**	123	124	116	195	1,108	1,105	931	1,103
Water consumption intensity	m^3/ft^2	**0.093**	0.046	0.046	0.042	0.068	0.105	0.106	0.101	0.118
Paper consumption										
Total paper consumption	Tonnes	**13**	9	2	2	5	4	7	9	3

1. The quantification process and conversion factors are based on the Energy Statistics Manual prepared by the International Energy Agency for Hong Kong, heat content from U.S Environment Protection Agency for the Mainland.
2. The total energy consumption includes direct and indirect energy consumption, and the consumption of renewable energy.

Social Performance

Total Workforce [1]

Indicator	Total 2024		Hong Kong 2024		2023		2022		2021		The Mainland 2024		2023		2022		2021	
Total number of employees	4,719		1,464		1,511		1,550		1,559		3,255		3,373		3,365		3,216	
By gender																		
Male	2,882	61.1%	949	64.8%	974	64.5%	1,010	65.2%	1,025	65.7%	1,933	59.4%	2,019	59.9%	2,031	60.4%	1,946	60.5%
Female	1,837	38.9%	515	35.2%	537	35.5%	540	34.8%	534	34.3%	1,322	40.6%	1,354	40.1%	1,334	39.6%	1,270	39.5%
By age group																		
Under 30	510	10.8%	111	7.6%	143	9.5%	181	11.7%	190	12.2%	399	12.3%	764	22.7%	724	21.5%	647	20.1%
30 to 50	3,046	64.5%	656	44.8%	676	44.7%	676	43.6%	696	44.6%	2,390	73.4%	2,173	64.4%	2,256	67.0%	2,160	67.2%
Over 50	1,163	24.6%	697	47.6%	692	45.8%	693	44.7%	673	43.2%	466	14.3%	436	12.9%	385	11.4%	409	12.7%
By employee category [2]																		
Management	201	4.3%	82	5.6%	83	5.5%	86	5.5%	87	5.6%	119	3.7%	129	3.8%	126	3.7%	117	3.6%
Male	110	54.7%	47	57.3%	48	57.8%	51	59.3%	51	58.6%	63	52.9%	72	55.8%	74	58.7%	70	59.8%
Female	91	45.3%	35	42.7%	35	42.2%	35	40.7%	36	41.4%	56	47.1%	57	44.2%	52	41.3%	47	40.2%
Managerial	660	14.0%	254	17.3%	247	16.3%	231	14.9%	212	13.6%	406	12.5%	392	11.6%	374	11.1%	337	10.5%
Male	376	57.0%	159	62.6%	153	61.9%	139	60.2%	132	62.3%	217	53.4%	214	54.6%	199	53.2%	175	51.9%
Female	284	43.0%	95	37.4%	94	38.1%	92	39.8%	80	37.7%	189	46.6%	178	45.4%	175	46.8%	162	48.1%
General staff	3,858	81.8%	1,128	77.0%	1,181	78.2%	1,233	79.5%	1,260	80.8%	2,730	83.9%	2,852	84.6%	2,865	85.1%	2,762	85.9%
Male	2,396	62.1%	743	65.9%	773	65.5%	820	66.5%	842	66.8%	1,653	60.5%	1,733	60.8%	1,758	61.4%	1,701	61.6%
Female	1,462	37.9%	385	34.1%	408	34.5%	413	33.5%	418	33.2%	1,077	39.5%	1,119	39.2%	1,107	38.6%	1,061	38.4%
By employment contract																		
Full-time	4,715	99.9%	1,460	99.7%	1,503	99.5%	1,544	99.6%	1,554	99.7%	3,255	100%	3,373	100%	3,365	100%	3,216	100%
Male	2,881	61.1%	948	64.9%	973	64.7%	1,009	65.3%	1,025	66.0%	1,933	59.4%	2,019	59.9%	2,031	60.4%	1,946	60.5%
Female	1,834	38.9%	512	35.1%	530	35.3%	535	34.7%	529	34.0%	1,322	40.6%	1,354	40.1%	1,334	39.6%	1,270	39.5%
Part-time	4	0.1%	4	0.3%	8	0.5%	6	0.4%	5	0.3%	0	-	0	-	0	-	0	-
Male	1	25.0%	1	25.0%	1	12.5%	1	16.7%	0	-	0	-	0	-	0	-	0	-
Female	3	75.0%	3	75.0%	7	87.5%	5	83.3%	5	100%	0	-	0	-	0	-	0	-

Indicator	Total 2024		Hong Kong 2024		2023		2022		2021		The Mainland 2024		2023		2022		2021	
By employment type																		
Permanent	4,638	98.3%	1,383	94.5%	1,453	96.2%	1,497	96.6%	1,551	99.5%	3,255	100%	3,373	100%	3,365	100%	3,216	100%
Male	2,815	60.7%	882	63.8%	928	63.9%	970	64.8%	1,019	65.7%	1,933	59.4%	2,019	59.9%	2,031	60.4%	1,946	60.5%
Female	1,823	39.3%	501	36.2%	525	36.1%	527	35.2%	532	34.3%	1,322	40.6%	1,354	40.1%	1,334	39.6%	1,270	39.5%
Temporary/ fixed term	81	1.7%	81	5.5%	58	3.8%	53	3.4%	8	0.5%	0	-	0	-	0	-	0	-
Male	67	82.7%	67	82.7%	46	79.3%	40	75.5%	6	75.0%	0	-	0	-	0	-	0	-
Female	14	17.3%	14	17.3%	12	20.7%	13	24.5%	2	25.0%	0	-	0	-	0	-	0	-

1. As at 31 December 2024, the Group had approximately 7,500 employees. The reporting scope on people-related data illustrated in Social Performance pertains solely to employees directly employed by the Group (excluding hotels).
2. Management refers to employees at director grades or above. Managerial refers to employees at manager grades. General staff refers to employees at professional/associate grades.

New Hires [1]

Indicator	Total 2024		Hong Kong 2024		2023		2022		2021		The Mainland 2024		2023		2022		2021	
Total number and rate of new hires	**846**	**17.9%**	372	25.4%	430	28.5%	373	24.1%	372	23.9%	474	14.6%	530	15.7%	826	24.5%	701	21.8%
By gender																		
Male	**496**	**17.2%**	215	22.7%	238	24.4%	204	20.2%	249	24.3%	281	14.5%	300	14.9%	492	24.2%	431	22.1%
Female	**350**	**19.1%**	157	30.5%	192	35.8%	169	31.3%	123	23.0%	193	14.6%	230	17.0%	334	25.0%	270	21.3%
By age group																		
Under 30	**212**	**41.6%**	56	50.5%	102	71.3%	109	60.2%	116	61.1%	156	39.1%	221	28.9%	338	46.7%	299	46.2%
30 to 50	**487**	**16.0%**	178	27.1%	203	30.0%	167	24.7%	149	21.4%	309	12.9%	304	14.0%	476	21.1%	382	17.7%
Over 50	**147**	**12.6%**	138	19.8%	125	18.1%	97	14.0%	107	15.9%	9	1.9%	5	1.1%	12	3.1%	20	4.9%
By employee category [2]																		
Management	**17**	**8.5%**	8	9.8%	6	7.2%	9	10.5%	14	16.1%	9	7.6%	10	7.8%	12	9.5%	24	20.5%
Managerial	**93**	**14.1%**	43	16.9%	39	15.8%	40	17.3%	29	13.7%	50	12.3%	72	18.4%	103	27.5%	64	19.0%
General staff	**736**	**19.1%**	321	28.5%	385	32.6%	324	26.3%	329	26.1%	415	15.2%	448	15.7%	711	24.8%	613	22.2%
By employment type																		
Full-time	**846**	**17.9%**	372	25.5%	429	28.5%	372	24.1%	372	23.9%	474	14.6%	530	15.7%	826	24.5%	701	21.8%
Male	**496**	**17.2%**	215	22.7%	238	24.5%	204	20.2%	249	24.3%	281	14.5%	300	14.9%	492	24.2%	431	22.1%
Female	**350**	**19.1%**	157	30.7%	191	36.0%	168	31.4%	123	23.3%	193	14.6%	230	17.0%	334	25.0%	270	21.3%
Part-time	**0**	**-**	0	-	1	12.5%	1	16.7%	0	-	0	-	0	-	0	-	0	-
Male	**0**	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-
Female	**0**	-	0	-	1	14.3%	1	20.0%	0	-	0	-	0	-	0	-	0	-
By employment contract																		
Permanent	**823**	**17.7%**	349	25.2%	415	28.6%	367	24.5%	366	23.6%	474	14.6%	530	15.7%	826	24.5%	701	21.8%
Male	**484**	**17.2%**	203	23.0%	227	24.5%	201	20.7%	246	24.1%	281	14.5%	300	14.9%	492	24.2%	431	22.1%
Female	**339**	**18.6%**	146	29.1%	188	35.8%	166	31.5%	120	22.6%	193	14.6%	230	17.0%	334	25.0%	270	21.3%
Temporary/ fixed term	**23**	**28.4%**	23	28.4%	15	25.9%	6	11.3%	6	75.0%	0	-	0	-	0	-	0	-
Male	**12**	**17.9%**	12	17.9%	11	23.9%	3	7.5%	3	50.0%	0	-	0	-	0	-	0	-
Female	**11**	**78.6%**	11	78.6%	4	33.3%	3	23.1%	3	150%	0	-	0	-	0	-	0	-

Ratio of Basic Salary of Female Employees to Male Employees [3,4]

Indicator [2]	Hong Kong 2024	2023	2022	2021	The Mainland 2024	2023	2022	2021
Management	1:0.93	1:0.92	1:0.97	1:0.97	1:0.85	1:0.72	1:1.31	1:1.05
Managerial	1:1.06	1:0.92	1:0.88	1:0.97	1:0.98	1:0.98	1:1.07	1:0.91
General staff	1:1.06	1:0.98	1:0.96	1:1	1:1.11	1:1.13	1:0.69	1:0.64

Ratio of Remuneration of Female Employees to Male Employees [3,4]

Indicator	Hong Kong 2024	2023	2022	2021	The Mainland 2024	2023	2022	2021
Ratio of remuneration	1:1.02	1:1.03	1: 1.02	1:1.01	1:1.04	1:0.98	1:0.98	1:0.77

1. New hire rate = number of new employees of the category / total workforce of the category as at 31 December 2024 x 100%.
2. Management refers to employees at director grades or above. Managerial refers to employees at manager grades. General staff refers to employees at professional/associate grades.
3. Basic salary means fixed, minimum amount paid to an employee for performing his or her duties, excluding any additional remuneration, such as payments for overtime working or bonuses. Remuneration means basic salary plus allowances, bonuses, welfare, overtime pay and other subsidies.
4. Ratio of basic salary/remuneration = average basic salary/remuneration of female employees : average basic salary/remuneration of male employees.

Employee Turnover [1]

Indicator	Total 2024		Hong Kong 2024		2023		2022		2021		The Mainland 2024		2023		2022		2021	
Total number and rate of employee turnover	1,035	21.9%	419	28.6%	472	31.2%	383	24.7%	390	25.0%	616	18.9%	708	21.0%	624	18.5%	583	18.1%
By gender																		
Male	600	20.8%	241	25.4%	275	28.2%	219	21.7%	257	25.1%	359	18.6%	437	21.6%	378	18.6%	357	18.3%
Female	435	23.7%	178	34.6%	197	36.7%	164	30.4%	133	24.9%	257	19.4%	271	20.0%	246	18.4%	226	17.8%
By age group																		
Under 30	200	39.2%	72	64.9%	110	76.9%	86	47.5%	105	55.3%	128	32.1%	225	29.5%	243	33.6%	235	36.3%
30 to 50	556	18.3%	170	25.9%	191	28.3%	171	25.3%	151	21.7%	386	16.2%	411	18.9%	335	14.8%	315	14.6%
Over 50	279	24.0%	177	25.4%	171	24.7%	126	18.2%	134	19.9%	102	21.9%	72	16.5%	46	11.9%	33	8.1%
By employee category [2]																		
Management	26	12.9%	10	12.2%	10	12.0%	14	16.3%	11	12.6%	16	13.4%	26	20.2%	20	15.9%	10	8.5%
Managerial	100	15.2%	48	18.9%	40	16.2%	44	19.0%	30	14.2%	52	12.8%	81	20.7%	62	16.6%	41	12.2%
General staff	909	23.6%	361	32.0%	422	35.7%	325	26.4%	349	27.7%	548	20.1%	601	21.1%	542	18.9%	532	19.3%
By employment type																		
Full-time	1,029	21.8%	413	28.3%	472	31.4%	374	24.2%	388	25.0%	616	18.9%	708	21.0%	624	18.5%	583	18.1%
Male	600	20.8%	241	25.4%	275	28.3%	211	20.9%	257	25.1%	359	18.6%	437	21.6%	378	18.6%	357	18.3%
Female	429	23.4%	172	33.6%	197	37.2%	163	30.5%	131	24.8%	257	19.4%	271	20.0%	246	18.4%	226	17.8%
Part-time	6	150%	6	150%	0	-	9	150%	2	40.0%	0	-	0	-	0	-	0	-
Male	0	-	0	-	0	-	8	800%	0	-	0	-	0	-	0	-	0	-
Female	6	200%	6	200%	0	-	1	20.0%	2	40.0%	0	-	0	-	0	-	0	-
By employment contract																		
Permanent	998	21.5%	382	27.6%	442	30.4%	366	24.4%	382	24.6%	616	18.9%	708	21.0%	624	18.5%	583	18.1%
Male	574	20.4%	215	24.4%	255	27.5%	204	21.0%	253	24.8%	359	18.6%	437	21.6%	378	18.6%	357	18.3%
Female	424	23.3%	167	33.3%	187	35.6%	162	30.7%	129	24.2%	257	19.4%	271	20.0%	246	18.4%	226	17.8%
Temporary/fixed term	37	45.7%	37	45.7%	30	51.7%	17	32.1%	8	100%	0	-	0	-	0	-	0	-
Male	26	38.8%	26	38.8%	20	43.5%	15	37.5%	4	66.7%	0	-	0	-	0	-	0	-
Female	11	78.6%	11	78.6%	10	83.3%	2	15.4%	4	200%	0	-	0	-	0	-	0	-

Employee Voluntary Turnover [3]

Indicator	Total 2024		Hong Kong 2024		2023		2022		2021		The Mainland 2024		2023		2022		2021	
Total number and rate of voluntary turnover	660	14.0%	316	21.6%	-	-	-	-	-	-	344	10.6%	-	-	-	-	-	-

1. Employee turnover rate = number of turnover / total workforce as at 31 December 2024 x 100%.
2. Management refers to employees at director grades or above. Managerial refers to employees at manager grades. General staff refers to employees at professional/associate grades.
3. Employee voluntary turnover rate = number of voluntary turnover / total workforce as at 31 December 2024 x 100%.

Employment Tenure [1]

Indicator	Hong Kong				The Mainland			
	2024	2023	2022	2021	2024	2023	2022	2021
Average employment tenure in years	7.3	7.0	7.1	7.2	6.6	6.1	6.2	6.0
By gender								
Male	7.5	7.4	7.2	7.0	6.8	6.3	6.4	6.2
Female	6.8	6.8	7.1	7.5	6.3	5.8	5.9	5.7

Parental Leave

Indicator	Total	Hong Kong				The Mainland			
	2024	2024	2023	2022	2021	2024	2023	2022	2021
Total number of employees that were entitled to parental leave									
Male	2,882	949	974	1,010	1,019	1,933	2,447	2,409	1,946
Female	1,837	515	537	540	532	1,322	1,581	1,580	1,270
Total number of employees that took parental leave									
Male	42	13	7	11	16	29	38	35	35
Female	67	12	12	9	11	55	58	47	57
Total number of employees that should return to work after parental leave ended									
Male	42	13	7	11	16	29	38	32	35
Female	67	12	12	9	11	55	45	36	41
Total number of employees that did return to work after parental leave ended									
Male	39	13	7	11	16	26	38	31	35
Female	62	12	12	9	9	50	43	33	37
Return to work rate of employees that took parental leave [2]									
Male	92.9%	100%	100%	100%	100%	89.7%	100%	96.9%	100%
Female	92.5%	100%	100%	100%	81.8%	90.9%	95.6%	91.7%	90.2%

Health and Safety (Employees)

Indicator	Total				Hong Kong				The Mainland			
	2024	2023	2022	2021	2024	2023	2022	2021	2024	2023	2022	2021
Work-related fatalities [3,4]												
Number of fatalities reported	0	0	0	0	0	0	0	0	0	0	0	0
Rate (per 200,000 hours worked)	0	0	0	0	0	0	0	0	0	0	0	0
Rate (per 1,000 employees)	0	0	0	0	0	0	0	0	0	0	0	0
High-consequence work-related injuries [5,6,7]												
Number of high-consequence work-related injuries reported	1	2	4	0	1	2	4	0	0	0	0	0
Rate (per 200,000 hours worked)	0.02	0.04	0.08	0	0.07	0.13	0.26	0	0	0	0	0
Rate (per 1,000 employees)	0.21	0.41	0.81	0	0.68	1.32	2.58	0	0	0	0	0
Recordable work-related injuries [8,9,10]												
Number of recordable work-related injuries reported	38	43	34	29	20	21	17	13	18	22	17	16
Rate (per 200,000 hours worked)	0.81	0.88	0.69	0.61	1.37	1.39	1.10	0.83	0.55	0.65	0.51	0.50
Rate (per 1,000 employees)	8.05	8.80	6.92	6.07	13.66	13.90	10.97	8.34	5.53	6.52	5.05	4.98

1. Calculated based on employment tenure of all employees as at 31 December 2024.
2. Return to work rate of employees that took parental leave = total number of employees that did return to work after parental leave ended / total number of employees that should return to work after parental leave ended x 100%.
3. Work-related fatality rate per 200,000 hours worked = number of fatalities as a result of work-related injury / number of hours worked x 200,000.
4. Work-related fatality rate per 1,000 employees = number of fatalities as a result of work-related injury / total number of employees as at 31 December 2024 x 1,000.
5. High-consequence work-related injuries refer to work-related injuries that resulted in an injury such that a worker cannot, does not or is not expected to recover fully to pre-injury health status within 6 months, excluding fatalities.
6. Rate of high-consequence work-related injuries per 200,000 hours worked = number of high-consequence work-related injuries / number of hours worked x 200,000.
7. Rate of high-consequence work-related injuries per 1,000 employees = number of high-consequence work-related injuries / total number of employees as at 31 December 2024 x 1,000.
8. Recordable work-related injuries refer to work-related injuries that resulted in incapacity for a period exceeding 3 days, excluding fatalities and first-aid level injuries.
9. Rate of recordable work-related injuries per 200,000 hours worked = number of recordable work-related injuries / number of hours worked x 200,000.
10. Rate of recordable work-related injuries per 1,000 employees = number of recordable work-related injuries / total number of employees as at 31 December 2024 x 1,000.

Health and Safety (Employees)

Indicator	Total				Hong Kong				The Mainland			
	2024	2023	2022	2021	2024	2023	2022	2021	2024	2023	2022	2021
Lost days due to work-related injuries/occupational diseases [1,2]												
Number of lost days due to work-related injuries/occupational diseases	**1,235**	1,540	2,274	855	569	768	1,221	200	666	772	1,053	655
Male	**1,075**	870	1,847	698	535	422	969	184	540	448	878	514
Female	**160**	670	427	157	34	346	252	16	126	324	175	141
Lost day rate	**0.1%**	0.1%	0.2%	0.1%	0.2%	0.2%	0.3%	0.1%	0.1%	0.1%	0.1%	0.1%
Male	**0.2%**	0.1%	0.2%	0.1%	0.2%	0.2%	0.4%	0.1%	0.1%	0.1%	0.2%	0.1%
Female	**0.03%**	0.1%	0.1%	0.03%	0.03%	0.3%	0.2%	0.01%	0.04%	0.1%	0.1%	0.04%
Absent days [3,4]												
Number of absent days	**29,658**	30,589	53,645	20,874	8,769	8,544	10,227	717	20,889	22,045	43,418	20,157
Male	**15,302**	15,018	30,730	12,016	5,787	5,188	6,715	573	9,515	9,830	24,015	11,443
Female	**14,356**	15,571	22,915	8,858	2,982	3,357	3,512	144	11,374	12,215	19,403	8,714
Absentee rate	**2.5%**	2.5%	4.4%	1.8%	2.4%	2.3%	2.6%	0.2%	2.6%	2.6%	5.2%	2.5%
Male	**2.1%**	2.0%	4.0%	1.6%	2.4%	2.1%	2.7%	0.2%	2.0%	2.0%	4.7%	2.4%
Female	**3.1%**	3.3%	4.9%	2.0%	2.3%	2.5%	2.6%	0.1%	3.4%	3.6%	5.8%	2.7%
Number of hours worked [5]												
Number of hours worked	**9,438,000**	9,768,000	9,830,000	9,550,000	2,928,000	3,022,000	3,100,000	3,118,000	6,510,000	6,746,000	6,730,000	6,432,000
Days scheduled to work [6]												
Days scheduled to work	**1,179,750**	1,221,000	1,228,750	1,193,750	366,000	377,750	387,500	389,750	813,750	843,250	841,250	804,000
Male	**720,500**	748,250	760,250	742,750	237,250	243,500	252,500	256,250	483,250	504,750	507,750	486,500
Female	**459,250**	472,750	468,500	451,000	128,750	134,250	135,000	133,500	330,500	338,500	333,500	317,500

1. For Hong Kong, it is calculated based on calendar days starting from the date of the accident while for the Mainland, it is calculated based on scheduled work days starting from the date of the accident.
2. Lost day rate = lost days / days scheduled to work x 100%.
3. Absent days include days lost due to work-related injuries and other diseases. Reasons for employee's absence include but are not restricted to sick leave and work-related injury.
4. Absentee rate = absent days / days scheduled to work x 100%.
5. The number of hours worked for employees is calculated by the number of employees as at 31 December 2024 x 8 hours per day x 250 days.
6. The number of days scheduled to work per year is 250 days.

Health and Safety (Other Workers [1])

Indicator	Total				Hong Kong				The Mainland			
	2024	2023	2022	2021	2024	2023	2022	2021	2024	2023	2022	2021
Work-related fatalities [2]												
Number of fatalities reported	**0**	0	0	0	0	0	0	0	0	0	0	0
Rate (per 200,000 hours worked)	**0**	0	0	0	0	0	0	0	0	0	0	0
High-consequence work-related injuries [3,4]												
Number of high-consequence work-related injuries reported	**0**	0	0	0	0	0	0	0	0	0	0	0
Rate (per 200,000 hours worked)	**0**	0	0	0	0	0	0	0	0	0	0	0
Recordable work-related injuries [5,6]												
Number of recordable work-related injuries reported	**7**	4	0	3	7	4	0	1	0	0	0	2
Rate (per 200,000 hours worked)	**0.1**	0.1	0	0.2	0.5	0.3	0	0.4	0	0	0	0.2
Number of hours worked [7]												
Number of hours worked	**19,589,510**	17,873,238	15,261,692	3,269,835	2,928,553	2,794,290	2,121,100	549,146	16,660,957	15,078,948	13,140,592	2,720,689

Employee Training [8]

Indicator	Total		Hong Kong								The Mainland							
	2024		2024		2023		2022		2021		2024		2023		2022		2021	
Total number and rate of employees trained	**4,667**	**98.9%**	1,415	96.7%	1,426	94.4%	1,480	95.5%	1,513	97.0%	3,252	99.9%	3,373	100%	3,365	100%	3,086	96.0%
By gender																		
Male	**2,833**	**98.3%**	905	95.4%	929	95.4%	973	96.3%	985	96.1%	1,928	99.7%	2,019	100%	2,031	100%	1,870	96.1%
Female	**1,834**	**99.8%**	510	99.0%	497	92.6%	507	93.9%	528	98.9%	1,324	100%	1,354	100%	1,334	100%	1,216	95.7%
By employee category [9]																		
Management	**203**	**100%**	82	100%	78	94.0%	85	98.8%	80	92.0%	121	100%	129	100%	126	100%	121	103.4%
Managerial	**656**	**99.4%**	248	97.6%	243	98.4%	226	97.8%	211	99.5%	408	100%	392	100%	374	100%	489	145.1%
General staff	**3,808**	**98.7%**	1,085	96.2%	1,105	93.6%	1,169	94.8%	1,222	97.0%	2,723	99.7%	2,852	100%	2,865	100%	2,476	89.6%

1. The scope of other workers includes workers working in the construction sites of our properties under development.
2. Work-related fatality rate per 200,000 hours worked = number of fatalities as a result of work-related injury / number of hours worked x 200,000.
3. High-consequence work-related injuries refer to work-related injuries that resulted in an injury such that a worker cannot, does not or is not expected to recover fully to pre-injury health status within 6 months, excluding fatalities.
4. Rate of high-consequence work-related injuries per 200,000 hours worked = number of high-consequence work-related injuries / number of hours worked x 200,000.
5. Recordable work-related injuries refer to work-related injuries that resulted in incapacity for a period exceeding 3 days, excluding fatalities and first-aid level injuries.
6. Rate of recordable work-related injuries per 200,000 hours worked = number of recordable work-related injuries / number of hours worked x 200,000.
7. The number of hours worked for workers is calculated by the number of workers as at 31 December 2024 x 8 hours per day x 250 days.
8. Employee trained rate = number of employees trained in the category / total workforce of the category as at 31 December 2024 x 100%.
9. Management refers to employees at director grades or above. Managerial refers to employees at manager grades. General staff refers to employees at professional/associate grades.

Training Hours [1]

Indicator	Total	Hong Kong				The Mainland			
	2024	2024	2023	2022	2021	2024	2023	2022	2021
Average training hours of employees	20.2	16.8	16.2	15.6	13.7	21.7	31.7	26.9	23.1
By gender									
Male	21.1	17.0	17.2	16.0	14.0	23.1	35.4	28.2	25.0
Female	18.7	16.6	14.4	14.7	13.0	19.5	26.1	24.9	20.2
By employee category [2]									
Management	37.6	15.4	7.7	14.9	16.6	52.9	21.8	24.5	41.7
Managerial	13.9	13.7	16.9	19.0	16.9	14.0	23.5	25.7	39.0
General staff	20.3	17.6	16.7	14.9	13.0	21.4	33.2	27.1	20.4

Supply Chain Management

Indicator	Total	Hong Kong				The Mainland			
	2024	2024	2023	2022	2021	2024	2023	2022	2021
Total number of vendors/suppliers for property development [3]	2,405	1,379	1,362	1,237	1,185	1,026	954	682	646
Total number of vendors/suppliers for property management	1,826	585	525	947	860	1,241	1,367	1,247	2,160

1. Average training hours = total hours of training received by employees of the category / total workforce of the category as at 31 December 2024.
2. Management refers to employees at director grades or above. Managerial refers to employees at manager grades. General staff refers to employees at professional/associate grades.
3. The scope of vendors/suppliers for property development includes all projects under development.

Assurance Statement

Verification Statement

Scope and Objective

Hong Kong Quality Assurance Agency ("HKQAA") was commissioned by Kerry Properties Limited ("KPL") to conduct an independent verification for its Sustainability Disclosures (the "selected disclosures") stated in its Sustainability Report 2024 ("the Report"). The selected disclosures covered the period from 1st January 2024 to 31st December 2024 and represented the sustainability performance of KPL.

The objective of this verification is to provide an independent opinion with a limited level of assurance on whether the selected disclosures (including but not limited to the Selected Key Performance Indicators) are prepared in accordance with the following reporting criteria:

- the Environmental, Social and Governance Reporting Guide ("ESG Guide") set out in Appendix C2 of the Listing Rules of The Stock Exchange of Hong Kong Limited (version effective from 31st December 2023, which remains applicable to annual reports for financial years commencing before 1st January 2025)
- the Global Reporting Initiative's Sustainability Reporting Standards ("GRI Standards")
- the Sustainability Accounting Standards Board ("SASB") industry-specific standards ("SASB Standards")

The verification team also reviews the disclosures in the Report by making reference to the following disclosure frameworks, as the Report has been prepared with references to:

- IFRS S2 Climate-related Disclosures ("IFRS S2")

Selected Key Performance Indicators

- Direct GHG emissions (Scope 1)
- Energy indirect GHG emissions (Scope 2, location-based)
- Energy indirect GHG emissions (Scope 2, market-based)
- Material Scope 3 GHG Emissions to Kerry Properties Limited
- Total GHG emissions (Scope 1&2, location-based)
- Total GHG emissions (Scope 1&2, market-based)
- GHG intensity (Location-based)
- GHG intensity (Market-based)
- Direct energy consumption
- Indirect energy consumption
- Total energy consumption
- Energy consumption intensity
- Waste generated (Hazardous)
- Waste generated (Non-hazardous)
- Waste disposal (Non-hazardous)
- Waste recycled/reused (Non-hazardous)
- Water consumption
- Water consumption intensity
- Absentee rate
- Number of fatalities - employee
- Number of work-related injuries - employee
- New investment properties achieve green certifications
- Hang Seng Corporate Sustainability Benchmark Index

Level of Assurance and Methodology

HKQAA's verification procedure has been conducted with reference to the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000") issued by the International Auditing and Assurance Standards Board. The evidence gathering process was designed to obtain a limited level of assurance as set out in the ISAE 3000 by using a risk-based approach.

Our verification procedure included, but not limited to:

- Sampling the sustainability information stated in the Report, e.g. claims and performance data for detail verification;
- Verifying the raw data and supporting information of the selected samples of the sustainability information;
- Interviewing responsible personnel; and
- Checking the internal control mechanism

Roles and Responsibilities

KPL is responsible for the organisation's information system, the development and maintenance of records and reporting procedures in accordance with the system, including the calculation and determination of sustainability information and performance. HKQAA verification team is responsible for providing an independent verification opinion on the selected disclosures provided by KPL for the reporting period. The verification was based on the verification scope, objectives and criteria as agreed between KPL and HKQAA.

Independence

HKQAA did not involve in collecting and calculating data or compiling the reporting contents. Our verification activities were entirely independent and there was no relationship between HKQAA and KPL that would affect the impartiality of the verification.

Limitation and Exclusion

The following limitations and exclusions were applied to this verification due to the service scope, nature of verification criteria, and characteristics of the verification methodology.

I. Our verification scope is limited to verifying the transcription/transformation of the raw data or information into the selected disclosures,
   e.g., Claims and Performance Data stated in the Report. This Sustainability Information may be subject to inherent uncertainty.
II. Evaluating the quality of execution and implementation effectiveness of the ESG practices, the appropriateness of the assumptions made, and the estimation techniques applied are outside the scope of our verification.
III. The verification of raw data or information is based on the use of a sampling approach and reliance on the client's representation. As a result, errors or irregularities may occur and remain undetected.
IV. Any information outside the established verification period has been excluded.

Conclusion

Based on the evidence obtained and the results of the verification process, it is the opinion of the verification team that, with a limited level of assurance, nothing has come to the team's attention that the Report has not been prepared, in all material respects, in accordance with the ESG Guide set out in Appendix C2 of the Listing Rules of The Stock Exchange of Hong Kong Limited (former version, which remains applicable to annual reports for financial years commencing before 1st January 2025), GRI Standards, and SASB Standards.
In addition, the verification team reviewed the Report with reference to the IFRS S2 Climate-related Disclosures and considered that the Report has been prepared by making reference to the contents or parts of the contents of the aforementioned disclosure frameworks.

Signed on behalf of Hong Kong Quality Assurance Agency



Connie Sham
Head of Audit
April 2025

Ref: 14953386-VER

Content Index

SEHK ESG Reporting Guide

Mandatory Disclosure Requirements	Description	References and Remarks	Page no.
MD13 Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) 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); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	▶ Board Statement ▶ Our Sustainability Journey ▶ Climate-related Financial Disclosure	3 7-17 72-76
MD14 Reporting Principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: 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. 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. 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.	▶ About This Report ▶ Our Sustainability Journey ▶ Performance Data Summary – Environmental Performance	81-82 7-17 85-87
MD15 Reporting Boundary	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. If there is a change in the scope, the issuer should explain the difference and reason for the change.	▶ About This Report	81-82

Aspects, General Disclosures, KPIs	Description	References and Remarks	Page no.
Aspect 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 Sustainability Journey – Sustainability Governance and Leadership ▶ Climate-related Financial Disclosure ▶ Protecting Our Environment – ▷ Sustainable Buildings ▷ Climate Change and Resilience Relevant sustainability policies are available on our Sustainability Website, including: - Climate Change Policy - Group Environmental Protection Policy - Sustainability Policy - Sustainable Procurement Policy - Environmental Policy - Green Procurement Policy In 2024, the Group was not aware of any violation of relevant laws and regulations.	11-12 72-76 21-23 24-25
KPI A1.1	The types of emissions and respective emissions data.	▶ Performance Data Summary – Environmental Performance Air emissions (e.g., NO_x, SO_x, and other pollutants) are not included in this report as they are not material to our operations.	85-87
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	▶ Performance Data Summary – Environmental Performance	85-87
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	▶ Performance Data Summary – Environmental Performance	85-87
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	▶ Performance Data Summary – Environmental Performance	85-87
KPI A1.5	Description of emissions target(s) set, and steps taken to achieve them.	▶ Our Sustainability Journey – Sustainability Vision 2030 Targets ▶ Climate-related Financial Disclosure – Metrics and Targets ▶ Protecting Our Environment – ▷ Climate Change and Resilience ▷ GHG Emissions and Energy Efficiency	10 76 24-25 28-30
KPI 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 Sustainability Journey – Sustainability Vision 2030 Targets ▶ Protecting Our Environment – Resource Circularity and Waste Management	10 31-33

Aspects, General Disclosures, KPIs	Description	References and Remarks	Page no.
Aspect A2: Use of Resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	▶ Our Sustainability Journey – Sustainability Governance and Leadership	11-12
		▶ Protecting Our Environment –	
		▷ Sustainable Buildings	21-23
		▷ Climate Change and Resilience	24-25
		▷ GHG Emissions and Energy Efficiency	28-30
		▷ Resource Circularity and Waste Management	31-33
		▷ Water Consumption and Conservation	34
		Relevant sustainability policies are available on our Sustainability Website, including - Climate Change Policy - Group Environmental Protection Policy - Sustainability Policy - Sustainable Procurement Policy - Environmental Policy - Green Procurement Policy - Water Stewardship Policy	
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	▶ Performance Data Summary – Environmental Performance	85-87
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	▶ Performance Data Summary – Environmental Performance	85-87
KPI A2.3	Description of energy use efficiency target(s) set, and steps taken to achieve them.	▶ Our Sustainability Journey – Sustainability Vision 2030 Targets	10
		▶ Protecting Our Environment –	
		▷ Sustainable Buildings	21-23
		▷ Climate Change and Resilience	24-25
		▷ GHG Emissions and Energy Efficiency	28-30
KPI 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.	▶ Protecting Our Environment – Water Consumption and Conservation	34
		▶ Sustainability Accounting Standard Board (SASB) Real Estate Sector Disclosure	77-80
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	In 2024, there was no massive use of packaging material involved in our products.	-
Aspect A3: The Environment and Natural Resources			
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	▶ Our Sustainability Journey – Sustainability Governance and Leadership	11-12
		▶ Protecting Our Environment –	
		▷ Biodiversity	26-27
		▷ Resource Circularity and Waste Management	31-33
		Relevant sustainability policies are available on our Sustainability Website, including: - Group Environmental Protection Policy - Sustainability Policy - Sustainable Procurement Policy - Environmental Policy - Green Procurement Policy - Water Stewardship Policy	

Aspects, General Disclosures, KPIs	Description	References and Remarks	Page no.
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	▶ Protecting Our Environment – Resource Circularity and Waste Management ▶ Climate-related Financial Disclosure	31-33 72-76
Aspect 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 Sustainability Journey – Sustainability Governance and Leadership ▶ Protecting Our Environment – ▷ Climate Change and Resilience ▷ GHG Emissions and Energy Efficiency Relevant sustainability policy is available on our Sustainability Website, including: - Climate Change Policy	11-12 24-25 28-30
KPI 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.	▶ Protecting Our Environment – ▷ Climate Change and Resilience ▷ GHG Emissions and Energy Efficiency ▶ Climate-related Financial Disclosure	 24-25 28-30 72-76

Aspects, General Disclosures, KPIs	Description	References and Remarks	Page no.
Aspect 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 Sustainability Journey – Sustainability Governance and Leadership ▶ Putting People First – ▷ Human Capital Management ▷ Diversity, Equity and Inclusion Relevant sustainability policies are available on our Sustainability Website, including: - Equal Opportunity and Anti-Discrimination Policy - Remuneration Policy Internal policies: - Employee Handbook - Ethical Guidelines In 2024, the Group was not aware of any violation of relevant laws and regulations.	11-12 38-39 45
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	▶ Performance Data Summary – Social Performance	88-94
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	▶ Performance Data Summary – Social Performance	88-94

Aspects, General Disclosures, KPIs	Description	References and Remarks	Page no.
Aspect 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 Sustainability Journey – Sustainability Governance and Leadership ▶ Putting People First – ▷ Healthy Lifestyle ▷ Occupational Health and Safety Relevant sustainability policy is available on our Sustainability Website, including: - Corporate Health and Safety Policy Internal policy: - Employee Handbook In 2024, the Group was not aware of any violation of laws and regulations relating to health and safety that had a significant impact.	11-12 41-42 43-44
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	▶ Performance Data Summary – Social Performance	88-94
KPI B2.2	Lost days due to work injury.	▶ Performance Data Summary – Social Performance	88-94
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	▶ Putting People First – ▷ Healthy Lifestyle ▷ Occupational Health and Safety	41-42 43-44
Aspect B3: Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	▶ Putting People First – Talent Development	39-40
KPI B3.1	The percentage of employees trained by gender and employee category.	▶ Putting People First – Talent Development ▶ Performance Data Summary – Social Performance	39-40 88-94
KPI B3.2	The average training hours completed per employee by gender and employee category.	▶ Putting People First – Talent Development ▶ Performance Data Summary – Social Performance	39-40 88-94
Aspect 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 Sustainability Journey – Sustainability Governance and Leadership ▶ Putting People First – Human Capital Management Internal policy: - Employee Handbook In 2024, the Group was not aware of any violation of relevant laws and regulations.	11-12 38-39
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	▶ Putting People First – Human Capital Management	38-39
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	▶ Putting People First – Human Capital Management	38-39
Aspect B5: Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	▶ Our Sustainability Journey – Sustainability Governance and Leadership ▶ Empowering Our Value Chain – Responsible Supply Chain Management Relevant sustainability policies are available on our Sustainability Website, including: - Green Procurement Policy - Sustainable Procurement Policy - Vendor Code of Conduct	11-12 61-62

Aspects, General Disclosures, KPIs	Description	References and Remarks	Page no.
KPI B5.1	Number of suppliers by geographical region.	▶ Performance Data Summary – Social Performance	88-94
KPI 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.	▶ Empowering Our Value Chain – Responsible Supply Chain Management	61-62
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	▶ Empowering Our Value Chain – Responsible Supply Chain Management	61-62
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	▶ Empowering Our Value Chain – Responsible Supply Chain Management	61-62
Aspect 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 Sustainability Journey – Sustainability Governance and Leadership ▶ Empowering Our Value Chain – ▷ Responsible Supply Chain Management ▷ Quality Customer Experience ▶ Corporate Compliance and Governance Behaviour – ▷ Responsible Marketing ▷ Information and Data Privacy Relevant sustainability policies are available on our Sustainability Website, including: - Green Procurement Policy - Sustainable Procurement Policy - Vendor Code of Conduct - Personal Data (Privacy) Policy In 2024, the Group was not aware of any violation of relevant laws and regulations.	11-12 61-62 64 70 71

Aspects, General Disclosures, KPIs	Description	References and Remarks	Page no.
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	In 2024, there were no recalls concerning the provision and use of products and services for safety and health reasons.	-
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	In 2024, there were no substantiated complaints received relating to the provision and use of products and services that had a significant impact on our operations.	-
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	▶ Corporate Compliance and Governance Behaviour – Intellectual Property Rights	70
KPI B6.4	Description of quality assurance process and recall procedures.	▶ Empowering Our Value Chain – Quality Customer Experience Recall procedures are not considered as material to our operations.	64
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	▶ Corporate Compliance and Governance Behaviour – Information and Data Privacy	71
Aspect 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 Sustainability Journey – Sustainability Governance and Leadership ▶ Corporate Compliance and Governance Behaviour – Business Ethics and Integrity Relevant sustainability policy is available on our Sustainability Website, including: - Anti-Corruption Policy In 2024, the Group was not aware of any violation of relevant laws and regulations.	11-12 68-69

Aspects, General Disclosures, KPIs	Description	References and Remarks	Page no.
KPI 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.	▶ Corporate Compliance and Governance Behaviour – Business Ethics and Integrity In 2024, there were no concluded legal cases of corruption brought against the Group or its employees.	68-69
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	▶ Corporate Compliance and Governance Behaviour – Business Ethics and Integrity	68-69
KPI B7.3	Description of anti-corruption training provided to directors and staff.	▶ Corporate Compliance and Governance Behaviour – Board Independence, Diversity and Training	68
Aspect 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 Sustainability Journey – Sustainability Governance and Leadership ▶ Creating Positive Communities – ▷ Community Building ▷ Nurturing Positive Changes in Our Communities Relevant sustainability policy is available on our Sustainability Website, including: - Charitable Donations Policy	11-12 49-51 52-57
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	▶ Creating Positive Communities – ▷ Community Building ▷ Nurturing Positive Changes in Our Communities	49-51 52-57
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	▶ Creating Positive Communities – ▷ Community Building ▷ Nurturing Positive Changes in Our Communities	49-51 52-57

GRI Standards

GRI Standard Indicator	Description	References and Remarks	Page no.
GRI 1: Foundation 2021			
	Statement of use	Kerry Properties Limited has prepared the report in accordance with the GRI Standards for the period from 1 January to 31 December 2024.	-
GRI 2: General Disclosures 2021			
2-1	Organisational details	▶ About Kerry Properties	6
2-2	Entities included in the organisation's sustainability reporting	▶ About This Report	81-82
2-3	Reporting period, frequency and contact point	▶ About This Report	81-82
2-4	Restatements of information	There are no restatements of information in this reporting year.	-
2-5	External assurance	▶ About This Report ▶ Assurance Statement	81-82 95
2-6	Activities, value chain and other business relationships	▶ Empowering Our Value Chain – Responsible Supply Chain Management ▶ Empowering Our Value Chain – Collaborative Tenant Partnership ▶ Empowering Our Value Chain – Quality Customer Experience Corporate Website	61-62 63 64
2-7	Employees	▶ Putting People First – Human Capital Management ▶ Performance Data Summary – Social Performance	38-39 88-94

GRI Standard Indicator	Description	References and Remarks	Page no.
2-8	Workers who are not employees	Workers who are non-employees are not a majority of the worker population of the Group.	-
2-9	Governance structure and composition	▶ Our Sustainability Journey – Sustainability Governance and Leadership	11-12
		▶ Corporate Compliance and Governance Behaviour – Corporate Governance	68
2-10	Nomination and selection of the highest governance body	▶ Our Sustainability Journey – Sustainability Governance and Leadership	11-12
		▶ Corporate Compliance and Governance Behaviour – Corporate Governance	68
2-11	Chair of the highest governance body	▶ Our Sustainability Journey – Sustainability Governance and Leadership	11-12
		▶ Corporate Compliance and Governance Behaviour – Corporate Governance	68
2-12	Role of the highest governance body in overseeing the management of impacts	▶ Our Sustainability Journey – Sustainability Governance and Leadership	11-12
		▶ Corporate Compliance and Governance Behaviour – Corporate Governance	68
2-13	Delegation of responsibility for managing impacts	▶ Our Sustainability Journey – Sustainability Governance and Leadership	11-12
2-14	Role of the highest governance body in sustainability reporting	▶ Our Sustainability Journey – Sustainability Governance and Leadership	11-12
2-15	Conflicts of interest	Kerry Properties Limited Annual Report 2024	-
2-16	Communication of critical concerns	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Corporate Compliance and Governance Behaviour – Risk and Crisis Management	71
2-17	Collective knowledge of the highest governance body	▶ Our Sustainability Journey – Sustainability Governance and Leadership	11-12
		▶ Corporate Compliance and Governance Behaviour – Corporate Governance	68
2-18	Evaluation of the performance of the highest governance body	▶ Our Sustainability Journey – Sustainability Governance and Leadership	11-12
		▶ Corporate Compliance and Governance Behaviour – Corporate Governance	68
2-19	Remuneration policies	Kerry Properties Limited Annual Report 2024	-
2-20	Process to determine remuneration	Kerry Properties Limited Annual Report 2024	-
2-21	Annual total compensation ratio	Kerry Properties Limited Annual Report 2024	-
2-22	Statement on sustainable development strategy	▶ Board Statement	3
2-23	Policy commitments	▶ Our Sustainability Journey – Sustainability Governance and Leadership	11-12
2-24	Embedding policy commitments	▶ Our Sustainability Journey – Sustainability Governance and Leadership	11-12
2-25	Processes to remediate negative impacts	▶ Corporate Compliance and Governance Behaviour – Business Ethics and Integrity	68-69
2-26	Mechanisms for seeking advice and raising concerns	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
2-27	Compliance with laws and regulations	▶ Corporate Compliance and Governance Behaviour – Business Ethics and Integrity	68-69
2-28	Membership associations	▶ Major Awards and Membership – Memberships & Charters	84
2-29	Approach to stakeholder engagement	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
2-30	Collective bargaining agreements	Currently, the Company does not involve in any collective bargaining agreements.	-

GRI Standard Indicator	Description	References and Remarks	Page no.
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
3-2	List of material topics		
Economic Topics			
GRI 201: Economic Performance 2016			
3-3	Management of material topics	▶ About Kerry Properties	6
		▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Climate-related Financial Disclosure	72-76
201-1	Direct economic value generated and distributed	Kerry Properties Limited Annual Report 2024	-
201-2	Financial implications and other risks and opportunities due to climate change	▶ About Kerry Properties	6
		▶ Climate-related Financial Disclosure	72-76
201-3	Defined benefit plan obligations and other retirement plans	Kerry Properties Limited Annual Report 2024	-
201-4	Financial assistance received from government	We did not receive any financial assistance from governments where we have business operations.	-
GRI 202: Market Presence 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Putting People First – Diversity, Equity, and Inclusion	45
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	We provide competitive wages that are well above the minimum wages in both Hong Kong and the Mainland, ensuring they adequately cover the basic needs of employees and their falimies.	-
202-2	Proportion of senior management hired from the local community	A majority of the working population of the Group are hired from the local community.	-

GRI Standard Indicator	Description	References and Remarks	Page no.
GRI 203: Indirect Economic Impacts 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Our Sustainability Journey – Sustainability Governance and Leadership	11-12
		▶ Creating Positive Communities – Community Building	49-51
203-1	Infrastructure investments and services supported	▶ Creating Positive Communities – Community Building	49-51
203-2	Significant indirect economic impacts		
GRI 204: Procurement Practices 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Empowering Our Value Chain – Responsible Supply Chain Management	61-62
204-1	Proportion of spending on local suppliers	A system is under development to measure the spending on local suppliers, and will disclose the data in short term once available.	-
GRI 205: Anti-corruption 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Corporate Compliance and Governance Behaviour – Business Ethics and Integrity	68-69
205-1	Operations assessed for risks related to corruption	▶ Corporate Compliance and Governance Behaviour – Business Ethics and Integrity	68-69
205-2	Communication and training about anti-corruption policies and procedures		
205-3	Confirmed incidents of corruption and actions taken		

GRI Standard Indicator	Description	References and Remarks	Page no.
GRI 206: Anti-competitive Behaviour 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Corporate Compliance and Governance Behaviour – Business Ethics and Integrity	68-69
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	▶ Corporate Compliance and Governance Behaviour – Business Ethics and Integrity	68-69
Environmental Topics			
GRI 301: Materials 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Protecting Our Environment – Resource Circularity and Waste Management	31-33
301-1	Materials used by weight or volume	▶ Protecting Our Environment – Resource Circularity and Waste Management	31-33
301-2	Recycled input materials used		
301-3	Reclaimed products and their packaging materials	▶ Performance Data Summary – Environmental Performance	85-87
GRI 302: Energy 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Protecting Our Environment – GHG Emissions and Energy Efficiency	28-30
302-1	Energy consumption within the organisation	▶ Protecting Our Environment – GHG Emissions and Energy Efficiency	28-30
302-2	Energy consumption outside of the organisation		
302-3	Energy intensity	▶ Performance Data Summary – Environmental Performance	85-87
302-4	Reduction of energy consumption	▶ Protecting Our Environment – GHG Emissions and Energy Efficiency	28-30
302-5	Reductions in energy requirements of products and services		
GRI 303: Water and Effluents 2018			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Protecting Our Environment – Water Consumption and Conservation	34
303-1	Interactions with water as a shared resource	▶ Protecting Our Environment – Water Consumption and Conservation	34
303-2	Management of water discharge-related impacts		
303-3	Water withdrawal	▶ Performance Data Summary – Environmental Performance	85-87
303-4	Water discharge		
303-5	Water consumption		
GRI 304: Biodiversity 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Protecting Our Environment – Biodiversity	26-27
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	▶ Protecting Our Environment – Biodiversity	26-27
304-2	Significant impacts of activities, products and services on biodiversity		
304-3	Habitats protected or restored		
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		

GRI Standard Indicator	Description	References and Remarks	Page no.
GRI 305: Emissions 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Protecting Our Environment – GHG Emissions and Energy Efficiency	28-30
305-1	Direct (Scope 1) GHG emissions	▶ Protecting Our Environment – GHG Emissions and Energy Efficiency	28-30
305-2	Energy indirect (Scope 2) GHG emissions		
305-3	Other indirect (Scope 3) GHG emissions	▶ Performance Data Summary – Environmental Performance	85-87
305-4	GHG emissions intensity		
305-5	Reduction of GHG emissions		
305-6	Emissions of ozone-depleting substances (ODS)		
305-7	Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions		
GRI 306: Waste 2020			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Protecting Our Environment – Resource Circularity and Waste Management	31-33
306-1	Waste generation and significant waste-related impacts	▶ Protecting Our Environment – Resource Circularity and Waste Management	31-33
306-2	Management of significant waste-related impacts		
306-3	Waste generated	▶ Performance Data Summary – Environmental Performance	85-87
306-4	Waste diverted from disposal		
306-5	Waste directed to disposal		

GRI Standard Indicator	Description	References and Remarks	Page no.
GRI 308: Supplier Environmental Assessment 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Empowering Our Value Chain – Responsible Supply Chain Management	61-62
308-1	New suppliers that were screened using environmental criteria	All new suppliers were screened using environmental criteria through our procurement process. We were not aware of any material negative environmental impacts in the supply chain during the reporting period.	-
308-2	Negative environmental impacts in the supply chain and actions taken		
Social Topics			
GRI 401: Employment 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Putting People First – Human Capital Management	38-39
401-1	New employee hires and employee turnover	▶ Putting People First – Human Capital Management	38-39
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	▶ Performance Data Summary – Social Performance	88-94
401-3	Parental leave		
GRI 402: Labour/Management Relations 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Putting People First – Human Capital Management	38-39
402-1	Minimum notice periods regarding operational changes	Minimum notice periods can be found in employment contracts. No collective bargaining agreements were signed between the Group and worker's organisation.	-

GRI Standard Indicator	Description	References and Remarks	Page no.
GRI 403: Occupational Health and Safety 2018			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Putting People First – Occupational Health and Safety	43-44
403-1	Occupational health and safety management system	▶ Putting People First – Occupational Health and Safety	43-44
403-2	Hazard identification, risk assessment, and incident investigation	▶ Performance Data Summary – Social Performance	88-94
403-3	Occupational health services		
403-4	Worker participation, consultation, and communication on occupational health and safety		
403-5	Worker training on occupational health and safety		
403-6	Promotion of worker health		
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		
403-8	Workers covered by an occupational health and safety management system		
403-9	Work-related injuries		
403-10	Work-related ill health		
GRI 404: Training and Education 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Putting People First – Talent Development	39-40
404-1	Average hours of training per year per employee	▶ Putting People First – Talent Development	39-40
		▶ Performance Data Summary – Social Performance	88-94
404-2	Programmes for upgrading employee skills and transition assistance programmes	▶ Performance Data Summary – Social Performance	88-94
404-3	Percentage of employees receiving regular performance and career development reviews	▶ Putting People First – Human Capital Management All employees receive regular performance and career development evaluations.	38-39
GRI 405: Diversity and Equal Opportunity 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Putting People First – Diversity, Equity, and Inclusion	45
405-1	Diversity of governance bodies and employees	▶ Our Sustainability Journey – Sustainability Governance and Leadership	11-12
405-2	Ratio of basic salary and remuneration of women to men	▶ Putting People First – Diversity, Equity, and Inclusion	45
		Hong Kong and the Mainland are considered as significant locations of our operations.	
GRI 406: Non-discrimination 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Putting People First – Diversity, Equity, and Inclusion	45

GRI Standard Indicator	Description	References and Remarks	Page no.
406-1	Incidents of discrimination and corrective actions taken	No discrimination case was reported in the reporting period.	-
GRI 408: Child Labour 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment ▶ Putting People First – Human Capital Management	13-17 38-39
408-1	Operations and suppliers at significant risk for incidents of child labour	No operations and suppliers with significant risk for incidents of child labour were identified during the reporting period.	-
GRI 409: Forced or Compulsory Labour 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment ▶ Putting People First – Human Capital Management	13-17 38-39
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	No operations and suppliers with significant risk for incidents of forced or compulsory labour were identified during the reporting period.	-
GRI 411: Rights of Indigenous Peoples 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
411-1	Incidents of violations involving rights of indigenous peoples	No incidents of violations involving rights of indigenous peoples were identified during the reporting period.	-

GRI Standard Indicator	Description	References and Remarks	Page no.
GRI 413: Local Communities 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment ▶ Creating Positive Communities – Community Building Currently, we are exploring to enhance the system to collect data of operations with local community engagement, impact assessments and development programmes.	13-17 49-51
413-1	Operations with local community engagement, impact assessments, and development programmes	▶ Creating Positive Communities – Community Building	49-51
413-2	Operations with significant actual and potential negative impacts on local communities	▶ Creating Positive Communities – Nurturing Positive Changes in Our Communities – Social Impact Assessment We are in the process of developing a more robust system to collect data of operations with local community engagement, impact assessments and development programmes.	53
GRI 414: Supplier Social Assessment 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment ▶ Empowering Our Value Chain – Responsible Supply Chain Management	13-17 61-62
414-1	New suppliers that were screened using social criteria	▶ Empowering Our Value Chain – Responsible Supply Chain Management	61-62
414-2	Negative social impacts in the supply chain and actions taken		

GRI Standard Indicator	Description	References and Remarks	Page no.
GRI 416: Customer Health and Safety 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Protecting Our Environment – Sustainable Buildings	21-23
		▶ Putting People First – Occupational Health and Safety	43-44
416-1	Assessment of the health and safety impacts of product and service categories	▶ Protecting Our Environment – Sustainable Buildings	21-23
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	▶ Putting People First – Occupational Health and Safety	43-44
		There were no non-compliance cases concerning the health and safety impacts of products and services during the reporting period.	
GRI 417: Marketing and Labelling 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Corporate Compliance and Governance Behaviour – Responsible Marketing	70
417-1	Requirements for product and service information and labelling	▶ Corporate Compliance and Governance Behaviour – Responsible Marketing	70
417-2	Incidents of non-compliance concerning product and service information and labelling	There were no non-compliance cases concerning marketing communications during the reporting period.	
417-3	Incidents of non-compliance concerning marketing communications		

GRI Standard Indicator	Description	References and Remarks	Page no.
GRI 418: Customer Privacy 2016			
3-3	Management of material topics	▶ Our Sustainability Journey – Stakeholder Engagement and Double Materiality Assessment	13-17
		▶ Corporate Compliance and Governance Behaviour – Information and Data Privacy	71
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	▶ Corporate Compliance and Governance Behaviour – Information and Data Privacy	71
		There were no substantial complaints concerning breaches of customer privacy and losses of customer data during the reporting period.	