

Stock Codes : 16 (HKD counter)
80016 (RMB counter)



Sun Hung Kai Properties Limited

SUSTAINABILITY REPORT 2024/25



Contents



Our Reporting Approach	1
Message from the Sustainability Steering Committee	2
Our Business	3
Our Approach to Sustainability	5
 Value Created for the ENVIRONMENT	15
 Value Created for PEOPLE	40
 Value Created for CUSTOMERS	49
 Value Created for SUPPLY CHAIN	62
 Value Created for COMMUNITY	72
Appendix I — Awards, Memberships and Charters	82
Appendix II — Stakeholder Engagement Process and Double Materiality Analysis Methodology	85
Appendix III — Performance Tables	86
Appendix IV — HKEx ESG Reporting Code Index	98
Appendix V — GRI Content Index	99
Appendix VI — IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information Content Index	102
Appendix VII — IFRS S2 Climate-related Disclosures Content Index	103
Appendix VIII — SASB Content Index	105
Appendix IX — TNFD Content Index	106
Appendix X — Independent Assurance Opinion Statement	108

Our Reporting Approach

Scope of the Report

Sun Hung Kai Properties Limited (SHKP) is pleased to publish its annual Sustainability Report for financial year 2024/25, covering the same period as the Annual Report from 1 July 2024 to 30 June 2025. This report highlights our commitment and achievements in creating value for the environment, our people, our customers, our supply chain and the community. It also describes the sustainability performance and initiatives of our business operations in Hong Kong and on the mainland, including our head office, wholly-owned subsidiaries of our property-related business, franchise hotels and non-property portfolio businesses (collectively: the Group).



Property Management:

- ✓ Hong Yip Service Company Limited (Hong Yip)
- ✓ Kai Shing Management Services Limited (Kai Shing)



Construction:

- ✓ Sanfield (Management) Limited (Sanfield)



Royal Brand Hotels:

- ✓ ALVA Hotel by Royal
- ✓ Royal Park Hotel
- ✓ Royal Plaza Hotel
- ✓ Royal View Hotel
- ✓ The Royal Garden



Franchise Hotels:

- ✓ Crowne Plaza Hong Kong Kowloon East
- ✓ Four Seasons Hotel Hong Kong
- ✓ Hyatt Centric Victoria Harbour Hong Kong
- ✓ The Ritz-Carlton, Hong Kong
- ✓ W Hong Kong



Non-property Portfolio Businesses:

- ✓ Airport Freight Forwarding Centre Company Limited (AFFC)
- ✓ Hoi Kong Container Services Company Limited (Hoi Kong Container Services)
- ✓ SmarTone Telecommunications Holdings Limited (SmarTone)
- ✓ SUNeVision Holdings Limited (SUNeVision)
- ✓ Wilson Group Limited (Wilson Group)
- ✓ YATA Limited (YATA)

We continued to operate on the mainland and Singapore during the reporting year, which collectively constitute approximate 20% of our portfolio by total assets. Please refer to our **Annual Report 2024/25** for the details of our portfolio. We will strive to continue to enhance the disclosure of our operations on the mainland for greater transparency and a higher level of completeness.

Based on the materiality of our businesses, we focus our qualitative disclosure on our major businesses. Meanwhile, quantitative data of our property-related and non-property portfolio businesses are disclosed in **Appendix III**. Our listed subsidiaries in Hong Kong also issue independent reports to meet the requirements of The Stock Exchange of Hong Kong Limited. Please refer to their websites for the respective reports.

Reporting Standards

The Report is prepared in accordance with the previous version of the Environmental, Social and Governance Reporting Code (ESG Code) (effective up to 31 December 2024, formerly known as the ESG Reporting Guide), the Global Reporting Initiative (GRI) Standards 2021, and with reference to the 10 principles of the United Nations Global Compact (UNGC), the IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1) and IFRS S2 Climate-related Disclosures (IFRS S2) issued by the International Sustainability Standards Board (ISSB), the Sustainability Accounting Standards Board (SASB) Standards, and the recommendations from the Taskforce on Nature-related Financial Disclosures (TNFD), to align our strategies with international sustainability principles.

This report is prepared in accordance with the four Reporting Principles stipulated in the ESG Code: materiality, quantitative, balance and consistency as well as the eight reporting principles from GRI standards.

Reporting Principles in the ESG Code

Materiality

- Regularly engages with our stakeholders to review the 'materiality' of our ESG topics
- Sustainability Steering Committee is involved throughout the process to review and validate stakeholders' comments

Quantitative

- Quantitative data are presented throughout the report and in **Appendix III – Performance Tables**

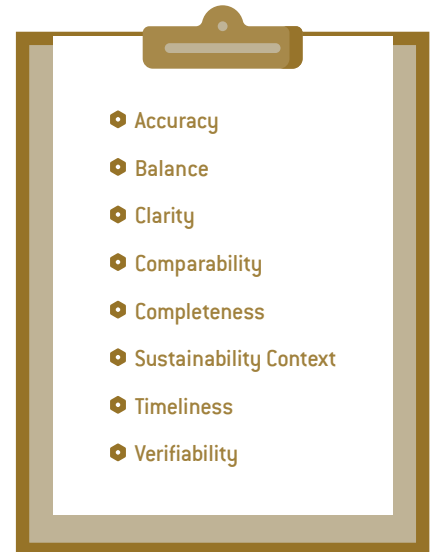
Consistency

- Includes detailed and consistent methodologies for public review and comparison
- Any changes in the reporting scope will be revealed to maintain the report's consistency

Balance

- Discloses both positive and negative aspects of our performance to present a fair and 'balanced' view of SHKP's sustainability performance

GRI Reporting Principles



Report Assurance

SHKP obtains external independent assurance for our sustainability reports. The senior management of the Group is responsible for engaging an external independent assurer to ensure that the information and data presented in this report is accurate and in accordance with the reporting standards. During the assurance process, senior executives are also interviewed by the assurer to discuss SHKP's approach to stakeholder engagement.

In accordance with the AA1000 Assurance Standard v3, this report has been independently assured by the British Standards Institution (BSI) with respect to the extent of its coverage, information and data provided according to the standards mentioned above. BSI has also conducted a limited assurance engagement on the sustainability information contained in this report in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information, and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board. The independent assurance opinion statement is presented in **Appendix X** of this report.

We welcome your comments and suggestions on our sustainability disclosures, performance and initiatives. Please contact us at



www.sustainability@shkp.com

Message from the Sustainability Steering Committee

We are pleased to present the SHKP Sustainability Report 2024/25, which showcases our unwavering commitment to sustainable development in an increasingly complex global landscape. Throughout this year, we have successfully generated positive impact for our stakeholders across our business operations, while significantly strengthening our environmental, social and governance (ESG) practices.

In our pursuit of enhanced transparency and accountability, we have prepared this year's disclosures with reference to a broader range of global reporting standards, including the International Sustainability Standards Board's (ISSB) IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and recommendations from the Taskforce on Nature-related Financial Disclosures (TNFD). This positions us at the forefront of evolving sustainability reporting standards.

Building on last year's double materiality assessment, we have deepened our engagement with internal stakeholders to enhance our management of material ESG risks and opportunities. In response to national and regional climate action imperatives, we continue to progress towards decarbonization. By referencing the ISSB's IFRS S2 Climate-related Disclosures, we communicate our climate transition progress through a globally recognized framework.

On green building and renewable energy commitment, we pledge to achieve Leadership in Energy and Environmental Design (LEED) Gold or Platinum certification for all new core commercial projects. As at June 2025, the Group has earned around 150 green-building-related certificates in Hong Kong, highlighted by a remarkable achievement: International Commerce Centre (ICC) becoming Asia's first building to achieve Platinum certification under the latest LEED v5.0 Operations and Maintenance: Existing Buildings. Beyond meeting our 10-year environmental targets, we are pioneering innovative renewable energy solutions through a joint venture to develop Hong Kong's first privately funded solar farm on a landfill site. This transformative initiative demonstrates our leadership in advancing clean energy solutions.

Our workforce remains the cornerstone of our success. Through strategic collaborations with educational institutions and tailored training programmes, we continue to foster both professional and personal growth among our employees. Our support for the government's Greater Bay Area Youth Employment Scheme underscores our commitment to developing young talent and securing a robust talent pipeline for the future.

Excellence in product and service delivery remains paramount to our operations. Since 2013, we have offered a 3-year warranty to first-hand purchasers of newly sold developments in Hong Kong. We continue to embrace cutting-edge technologies, including artificial intelligence (AI) and 5G applications, while prioritizing occupant well-being through WELL-certified properties. To better serve our customers and the community, we are upgrading the Airport Freight Forwarding Centre, creating smarter and more customer-centric warehousing and logistics facilities. Our information technology arm, SUNeVision, has commenced construction of MEGA IDC Phase Two. Upon completion, it is set to become Hong Kong's largest hyperscale data centre in terms of power capacity, fostering the advancement of AI as well as innovation and technology in Hong Kong.

Through our customer engagement and loyalty platforms – The Point by SHKP, SHKP Club, and Go Royal – we maintain strong connections with our customers, ensuring our services consistently exceed their expectations.

Sustainability is deeply embedded in our entire supply chain management approach. Through rigorous supplier evaluation processes, we effectively mitigate risks while driving decarbonization initiatives across our value chain. Our construction subsidiary, Sanfield, demonstrates industry leadership through its adoption of advanced technologies, earning prestigious Smart Site Safety System labels from both the Development Bureau of the HKSAR Government and the Construction Industry Council. Through its innovative Sustainability-linked Supplier Payment Service programme, Sanfield continues to successfully incentivize suppliers to embrace and advance sustainable construction practices.

Our dedication to community development manifests through strategic initiatives focusing on STEM education and reading among youth, encouraging sports for charity, and supporting the underprivileged. We leverage our properties to host impactful initiatives, including the Well Being · Start-Up 2.0 Programme fostering youth entrepreneurship, and the Pilot Programme on Community Living Room initiative. Our active support for the government's affordable housing efforts is exemplified by lending two pieces of land for Light Public Housing in Yuen Long and transitional social housing at United Court. The launch of GO PARK Sai Sha, our latest sports-cum-entertainment project, demonstrates our commitment to fostering social integration and community development.

Our sustained commitment to sustainability excellence continues to earn prestigious recognition, highlighted by an upgraded 'AA' rating in the latest MSCI ESG Ratings. For the second consecutive year, we have maintained our position in the Dow Jones Best-in-Class Asia Pacific Index (formerly the Dow Jones Sustainability Asia Pacific Index), the S&P Global Sustainability Yearbook 2025 and S&P Global Sustainability Yearbook (China Edition) 2025. We have once again been recognized as an ESG Regional Top Rated company by Morningstar Sustainability and remain a constituent member of the Hang Seng Corporate Sustainability Index and the FTSE4Good Index Series of London.

We express our heartfelt gratitude to our Chairman, the Board of Directors, and all stakeholders for their steadfast support. Looking ahead, SHKP remains resolute in its commitment to fostering collaborative partnerships that drive sustainable and inclusive growth, creating lasting value for generations to come.

Sustainability Steering Committee

Sustainability Steering Committee
8 October 2025

Our Business

About Sun Hung Kai Properties Limited

Since being publicly listed in Hong Kong in 1972, SHKP has become one of the leading property developers in the region, offering high-quality residential properties, offices, shopping malls and industrial buildings.

Our core business, property development for sale and investment, adopts a vertically integrated model from land acquisition, project planning, project management, material sourcing and construction to sales and marketing and property management. Our other businesses include hotel operation, construction, insurance and mortgage services,

all of which create synergies with our core property-related business. Furthermore, we invest in telecommunications, information technology, infrastructure and other businesses to diversify our business risk and contribute to the Group's long-term recurrent income streams. For more details, please refer to our [website](#).

For performance results and economic value distribution of our property and other businesses, please refer to the **Review of Operations** section of our Annual Report 2024/25.

Core Values

SHKP has long been committed to the philosophy of Building Homes with Heart, integrating sustainability into developing premium properties, delivering first-class services, and meeting the diverse needs of our customers. Aligning to our five core values, our sustainable development strategy guides our decision-making and actions to build a more sustainable future for generations to come.

Speed, Quality, Efficiency

Earning the support and trust of all stakeholders through a commitment to speed, quality and efficiency

Continuous Improvement

Keeping up with the market and setting high standards, along with lifelong learning for greater adaptability and constantly exploring of new ideas

Core Values

Building Homes with Heart

Producing premium premises and offering quality services for an ideal living environment; delivering sustainable value to the communities in which the Group operates

Customer First

Constantly anticipating what customers want and offering quality products and attentive services that exceed expectations

Teamwork

Nurturing a pool of talented and high-calibre employees capable of achieving objectives through harnessing the power of teamwork, collective experience and professional knowledge

Hong Kong Land Bank Composition

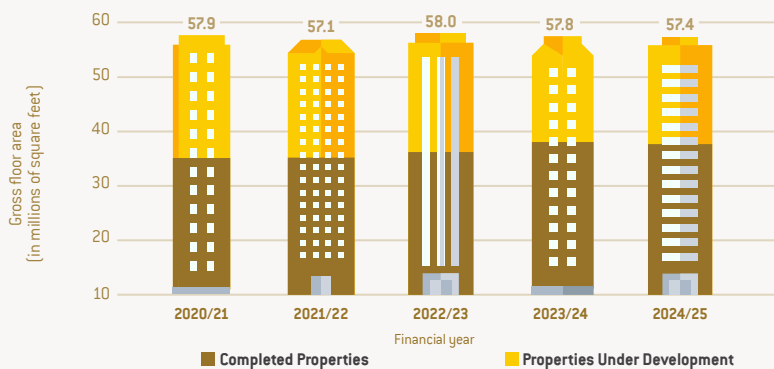
As one of the major property developers, SHKP proactively seeks new opportunities in expanding our land bank to address the critical housing demand in Hong Kong. As at 30 June 2025, the Group's attributable land bank by gross floor area in Hong Kong amounted to about 57.4 million square feet. Of these, around 37.7 million square feet were diversified completed properties, an overwhelming majority of which are for rental and long-term investment

purposes, providing sizeable recurring income for the Group. Of the remaining portions, around 13.3 million square feet were residential properties under development for sale, which are scheduled for completion in phases over the next six to seven years. For more details of the land acquired during the reporting period, please refer to **Land Bank section of the Chairman's Statement** of our Annual Report 2024/25.

Land Bank

We completed around 1.7 million square feet of attributable gross floor area in Hong Kong in FY2024/25, in which residential properties for sale accounted for about 1.5 million square feet. Please refer to the **Property Development section of the Chairman's Statement** of our Annual Report 2024/25 for our commitment to delivering premium products and services.

Over the past 53 years, the Group has navigated through crises and economic shifts with Hong Kong. With unwavering confidence in Hong Kong's long-term prosperity, we remain committed to Building Homes with Heart as we strive to enhance community living standards through our dedication and vision.



Recognized for Sustainability

The Group has been recognized by various prominent sustainability benchmarks and indices for its dedication and outstanding performance on sustainability.

Dow Jones Best-in-Class Asia Pacific Index	S&P Global Sustainability Yearbook Member Corporate Sustainability Assessment 2024	FTSE4Good	Hang Seng Corporate Sustainability Index Series Member 2024-2025 AAA
Constituent of Dow Jones Best-in-Class Asia Pacific Index ¹	Included in the S&P Global Sustainability Yearbook 2025 and S&P Global Sustainability Yearbook (China Edition) 2025	Constituent of FTSE4Good Index Series ²	AAA rating Constituent of the Hang Seng Corporate Sustainability Index and Hang Seng (Mainland and Hong Kong) Corporate Sustainability Index
MSCI ESG RATINGS AA	SUSTAINALYTICS REGIONAL ESG TOP RATED	GLOBAL BUSINESS SUSTAINABILITY INDEX	GCBSI Greater China Business Sustainability Index 2023
Rating of AA ³	Recognized as an ESG Regional Top Rated company and rated 'Low Risk' ⁴	Ranked 3rd in the Global Business Sustainability Index	Ranked 3rd in the Greater China Business Sustainability Index
GBBSI Greater Bay Area Business Sustainability Index 2023	HKBSI Hong Kong Business Sustainability Index 2023	REBSI Real Estate Business Sustainability Index	
Ranked 3rd in the Greater Bay Area Business Sustainability Index	Ranked 3rd in the Hong Kong Business Sustainability Index	Included in the Greater China Real Estate Business Sustainability Index	

1 Dow Jones Best-in-Class Asia Pacific Index was formerly known as Dow Jones Sustainability Asia Pacific Index.

2 FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that SHKP has been independently assessed according to the FTSE4Good criteria and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

3 Please refer to MSCI disclaimer: <https://www.shkp.com/html/sustainable-development/mscidisclaimer2.html>

4 Copyright ©2025 Morningstar Sustainalytics. Disclaimer: <https://www.sustainalytics.com/legal-disclaimers>

Our Approach to Sustainability

Guided by the core philosophy of Building Homes with Heart, the Group integrates Environmental, Social and Governance (ESG) factors into its decision-making process. Our robust corporate governance policies and strategies support the Group's sustainable development, while the Sustainability Steering Committee oversees the implementation and progress of our sustainability objectives. To understand the needs and concerns of our stakeholders, we actively engage with our stakeholders through diverse channels to create long-term value.

Corporate Governance

The Board of Directors (the Board) guides the overall direction of the Group's strategies and development, including our sustainability and climate-related strategies and initiatives. The Board, via the Executive Committee, monitors and reviews the Group's corporate governance practices across our business operations to maintain high standards and ensure compliance.

The Audit and Risk Management Committee, chaired by Independent Non-Executive Director Eric Li and with Dicky Yip, Norman Leung and Richard Wong as members, supports the Board in overseeing the effectiveness of the Group's risk management and internal control systems to cover a broad spectrum of risk elements, including ESG-related risks, which are evaluated and integrated into our decision-making process. The Committee's latest terms of reference can be accessed through the Group's website and the website of The Stock Exchange of Hong Kong Limited.

The Group maintains a high level of transparency by ensuring timely and accurate disclosure through regular and active engagement with stakeholders. As such, our robust corporate governance standards are widely recognized by the industry, earning numerous international and regional accolades. These include Hong Kong's Best Overall Company 2025 awarded by *FinanceAsia*, The World's Best Real Estate Developer Award by *Euromoney* and ESG Leading Enterprise by *Bloomberg Businessweek/Chinese Edition* and Deloitte. For the full list of awards, please refer to our **Corporate Website** or **Appendix I** of this report.

More details of our corporate governance structure and practices can be found in the **Corporate Governance** section of our Annual Report 2024/25.

Sustainability Governance

The Group's dedication to sustainability is overseen by an established governance framework, ensuring clear definitions and consistent maintenance of roles and responsibilities.



The Board

Leading and overseeing the Group's ESG-related issues

The Board, via the Executive Committee, integrates ESG strategies into the Group's long-term development plans. Under this structure, the Board also oversees ethical issues and ensures the effectiveness of ESG risk management and internal control systems as well as incorporating ESG risk factors into decision-making processes.



Executive Committee

Implementing ESG strategies, assessment and prioritization of material ESG issues and ESG-related risks

The Executive Committee is responsible for upholding the Group's high standards of corporate governance by overseeing and consistently reviewing corporate governance practices, including policies and reports to ensure ongoing compliance. The committee monitors the Group's progress towards ESG objectives and performance, and evaluates the impact of the ESG initiatives on the economy, environment and stakeholders. The committee approves the annual Sustainability Report, identifies areas for enhancement in the Group's ESG matters, and makes recommendations where appropriate.



Sustainability Steering Committee (SSC)

Overseeing implementation of the Group's ESG strategies throughout business operations

Chaired by a Deputy Managing Director and comprising senior managers from key divisions, the SSC is central to driving the Group's sustainability strategy. The SSC actively tracks global sustainability trends, identifies and manages material ESG issues, and provides recommendations to enhance the Group's sustainability performance. The SSC's responsibilities include formulating, monitoring, and reporting on ESG plans, performance, objectives and targets. The SSC regularly engages and evaluates stakeholders' feedback, summarizing findings for management annually. Every three years, the SSC reviews and refines its stakeholder engagement approach to strengthen communication. The SSC also systematically reviews ESG-related policies and the Sustainability Report annually to ensure relevance and accuracy. The SSC organizes meetings regularly and its chairman maintains close communication with the Board and the Executive Committee to report any significant ESG issues where necessary.

Please refer to the **Value Created for the Environment** section of this report for detailed information regarding our climate governance.

Other Sustainability-related Committees

We have established various committees comprising specialists and representatives from diverse fields to oversee sustainability-related affairs. Our subsidiaries have also established their own sustainability committees or working groups to implement the Group's sustainability policies and strategies.



Corporate Social Responsibility Committee

- Monitors our community investment projects and partnerships



Energy Optimization Committee

- Monitors energy consumption of our properties for investment purpose
- Oversees the Group's energy, water and greenhouse gas (GHG) emissions performance, and progress made against respective targets



Human Resources Committee

- Reinforces and refines our human resources policies



Occupational Health and Safety Committee

- Oversees health and safety matters across all of our construction sites and managed properties



IT Governance Steering Committee

- Manages customer data and information privacy

Sustainability Policies

To integrate sustainability into our business operations, different policies are established to address a variety of environmental and social issues. Together with respective training programmes, these policies enable us to effectively manage sustainability across our daily operations and value chain while ensuring the highest quality in our products and services. To ensure our policies are aligned with the latest industry standards and management needs, the SSC and other relevant committees regularly review the policies.



To support the HKSAR Government's Climate Action Plan 2050, we joined the Carbon Neutrality Partnership and formulated our decarbonization strategy to drive a greener economy. Our strategy encompasses the stages of project planning, construction, operation, maintenance and management, while covering other aspects, such as green energy and transportation, guiding our decarbonization approach along the value chains. Please visit [SHKP's Decarbonization Strategy](#) for more details.

Our Sustainability Strategy

The Group implements precautionary measures to minimize and mitigate any adverse environmental and social impacts that may arise from our operations and value chains. Our approach to sustainability is anchored under five pillars: Environment, People, Customers, Supply Chain and Community. Through ongoing stakeholder engagement and enhancement of our internal capabilities, we uphold our commitment to driving sustainable growth across the Group.

Our sustainability agenda is aligned with the United Nations Sustainable Development Goals (SDGs). We have joined the universal call by the United Nations Member States to end poverty, protect the planet, and ensure peace and prosperity for all by 2030. Of the 17 SDGs, we have identified eight that align most closely with our business operations and have integrated them into SHKP's five sustainability pillars.



¹ Human Rights and Equal Opportunities Policy and Whistleblowing Policy are also available internally with easy access.

Sustainable Finance

As an integral part of our decarbonization strategy, the Group is committed to expanding its green finance profile and incorporating sustainability performance indicators into its financing frameworks. We have signed two sustainability-linked loans (SLLs) with prominent local and international banks, both of which received overwhelming responses with oversubscriptions. The SLLs cumulatively valued at HK\$29.4 billion, setting unprecedented records in the Hong Kong real estate industry at respective times. The proceeds generated will be allocated towards advancing ongoing sustainability projects or deployed for general working capital. A set of predetermined sustainability performance goals has been established for SHKP to achieve based on the loan agreement, including:



We also drive transformation along our value chain. In FY2023/24, Sanfield collaborated with DBS Bank (Hong Kong) Limited to launch an innovative sustainability-linked finance mechanism for suppliers and contractors. By offering an early payment to Sanfield's suppliers and contractors upon meeting sustainability performance targets, the mechanism enhances the cash conversion cycle and sustainability performance of our value chain partners. For more details, please refer to the **Value Created for Supply Chain** section.

Our Approach to Stakeholder Engagement

Active stakeholder engagement is crucial for gaining valuable insights into their perspectives and priorities, enabling us to refine our sustainability strategies. Our **Stakeholder Engagement Policy** guides us on stakeholder engagement processes, ensuring transparent and effective communication with stakeholders.

The Group actively engages with both internal and external stakeholders through various channels to understand their concerns and interests. We constantly seek stakeholders' feedback and recommendations regarding the design, review and operation of our communication channels and grievance mechanisms. For more details on our stakeholder engagement process, please refer to **Appendix II**.

The Group adopts a three-year approach to engage with various stakeholder groups to review material ESG topics. During the previous reporting year, we conducted a double materiality assessment, as recommended by the GRI and IFRS Sustainability Disclosure Standards, to gather valuable insights that could enhance the Group's sustainability strategies, policies and practices. Two review panel discussion sessions and eight one-on-one interviews were conducted with representatives from different stakeholder groups to offer insights into our sustainability strategy. More than 600 internal and external stakeholders responded to our online surveys, in which they ranked the ESG topics according to their perceived impact on the Group's enterprise value and the Group's impacts on ESG aspects on a numerical scale system. For more details on our double materiality assessment and stakeholder engagement process, please refer to **Sustainability Report 2023/24**.

This year, we appointed an independent consultant to conduct individual interviews with internal stakeholders to ensure fair, open conversations as well as objective analysis and recommendations. We collected feedback to review the impact and financial materiality of ESG topics and gained further insights into potential sustainability risks and opportunities in the short-, medium-, and long-term. The interviews covered material topics that might have an impact on SHKP's enterprise value as identified in the double materiality assessment last year.

Materiality Analysis

The Group reviews the materiality analysis annually based on the results of our stakeholder engagement exercise. In FY2023/24, we enhanced our materiality analysis approach to incorporate double materiality, allowing us to understand the importance of each selected ESG topic from a financial materiality and impact materiality perspectives. The double materiality matrix illustrates the relative importance and significance in terms of the impact on the Group's enterprise value, and the impact on the economy, environment and people. During the reporting year, we reviewed the validity of the findings in FY2023/24 and agreed to maintain the result, as they remain aligned with our sustainability objectives. Energy, Climate

Change Mitigation and Adaptation, and Product Safety and Quality remain the top three material topics in terms of double materiality.

The assessment result as shown in this report was approved and signed off by the senior management and the Sustainability Steering Committee, which is chaired by a Deputy Managing Director. The materiality assessment process lies within the scope of our third-party assurance. For details on the material topics identification and assessment results, please refer to our **Sustainability Report 2023/24**.

Double Materiality Matrix



List of Material Topics as well as Corresponding Boundaries and Impacts

	Material Topics Identified	Boundaries and Impacts									GRI Standards	Page Number
		Customers/Tenants	Employees	Government/Regulators	Professional Bodies/Academia	NGO Partners	Shareholders and Investors	Suppliers	Media Partners and Social Media	Joint Venture Partners		
1	Corporate governance	✓	✓	✓			✓	✓	✓	✓	GRI 2	5-14
2	Business ethics and anti-corruption	✓	✓	✓			✓	✓	✓	✓	GRI 205, GRI 206	40-48; 62-71
3	Risk management	✓	✓	✓			✓	✓		✓	N/A	5-14; 15-39; 62-71
4	Supply chain management	✓	✓					✓		✓	GRI 308, GRI 414	62-71
5	Innovation	✓	✓		✓		✓	✓	✓	✓	N/A	15-39; 49-61; 62-71; 72-81
6	Economic performance		✓				✓	✓	✓	✓	GRI 201	3-4; 72-81
8	Sustainable finance						✓	✓		✓	N/A	3-4; 5-14; 49-61; 62-71
9	Materials	✓	✓		✓	✓	✓	✓		✓	GRI 301	15-39
10	Energy	✓	✓	✓	✓	✓	✓	✓	✓	✓	GRI 302	15-39
11	Climate change mitigation and adaptation		✓	✓	✓	✓	✓	✓		✓	GRI 305	15-39
12	Water	✓	✓	✓	✓	✓	✓	✓	✓	✓	GRI 303	15-39
13	Biodiversity	✓		✓	✓	✓		✓		✓	GRI 304	15-39
14	Waste	✓	✓	✓	✓	✓	✓	✓	✓	✓	GRI 306	15-39
15	Sustainable buildings	✓	✓	✓	✓		✓	✓			N/A	15-39; 49-61; 72-81
16	Labour practice and human rights		✓	✓	✓	✓		✓	✓	✓	GRI 401	40-48; 62-71
18	Well-being, health and safety	✓	✓	✓	✓	✓	✓	✓		✓	GRI 403	40-48; 62-71; 72-81
19	Employee development and succession planning		✓	✓		✓	✓				GRI 404	40-48
20	Diversity and equal opportunities	✓	✓	✓	✓	✓	✓	✓	✓	✓	GRI 405	40-48
21	Community investment	✓	✓	✓	✓	✓	✓		✓		GRI 413	72-81
22	Stakeholder engagement and collaboration	✓	✓	✓	✓	✓	✓	✓	✓	✓	GRI 2	15-39; 40-48; 49-61; 62-71; 72-81
23	Social integration and accessibility	✓		✓		✓					N/A	49-61; 72-81
24	Customer engagement, satisfaction and responsibility	✓	✓	✓		✓	✓	✓	✓	✓	GRI 2	49-61
25	Data privacy and cybersecurity	✓	✓	✓		✓	✓	✓	✓	✓	GRI 418	49-61
26	Customer well-being, health and safety	✓	✓	✓				✓	✓	✓	GRI 416	49-61
27	Product safety and quality	✓	✓	✓				✓	✓	✓	GRI 416	49-61

Other Topics Considered

7 Indirect economic impacts

17 Employee engagement

Managing ESG Risks and Opportunities in Our Operations

We adopt a vigorous approach to risk management and conduct regular assessments to evaluate company-specific risk exposure. These assessments consider the likelihood and magnitude of identified risks, including operational risks, ESG risks and interest rate risks.

The Audit and Risk Management Committee assists the Board in establishing and upholding a robust risk management and internal control system. This involves a well-defined process or framework to determine our appetite for these risks and their potential consequences, along with the mitigation measures we have implemented for at least two key risks. Our risk exposure is reviewed at least twice a year, or more frequently if necessary, and internal audits of our risk management process were conducted in the past two years to ensure effectiveness. Furthermore, our management is responsible for addressing ESG-related risks, including those related to compliance, climate change, employment practices, cybersecurity and supply chain.

Strategic initiatives are implemented to maintain a robust risk culture. We integrate risk considerations into product and service development, and provide focused training regarding risk management practices for new hires and existing staff. Key risk management metrics have been established across various departments to guide our business operations. Furthermore, general staff and management can access self-learning resources on the intranet, covering ESG topics, such as climate management, sustainable supply chain management, and enterprise risk management to enhance their knowledge on the relevant aspects.

In bolstering our resilience against ESG risks, the Group has integrated ESG risks into our enterprise risk management approach. Below is an overview of our significant ESG risks and opportunities, potential financial implications and examples of our strategies.

Climate Change and Energy

Oversight and Responsibilities	• The Board, via the Executive Committee and SSC, oversees the Group's climate strategy, plan and environmental performance improvement • The SSC oversees the execution of the Group's environmental management strategy, monitors environmental performance and targets, and evaluates the Group's climate-related risks and opportunities • The Energy Optimization Committee (EOC) monitors the buildings' performance to improve the GHG emissions and energy reduction		
Potential Risks and Opportunities	• Increase maintenance costs and revenue loss from extreme weather disruptions, along with higher litigation risks and financial risks from regulatory non-compliance • Increase energy efficiency and operating cost savings, along with higher revenue from growing sales and rentals due to rising demand for climate-resilient and sustainable properties		
Our Strategies and Action Plans	• Participate in the Carbon Neutrality Partnership and implement our decarbonization strategy • Incorporate climate-resilient building features with smart building management systems and develop adaptation plans • Implement retrofitting measures, maximize on-site renewable energy generation and procurement of renewable energy certificates • Research and pilot green building development and low-carbon construction materials		
Metrics and Targets	• Reduce scope 1 and 2 GHG emissions intensity by 35% and electricity consumption intensity by 13% for EOC-monitored buildings by FY2029/30 from FY2019/20 baseline • Increase the number of green building certificates and solar panels installation at managed properties		
Our Performance in FY2024/25	• Reduced scope 1 and 2 GHG emissions intensity by ~35.6% and electricity consumption intensity by ~14.3% for EOC-monitored buildings • Earned ~150 green-building-related certificates and installed ~20,000 solar panels in Hong Kong, including Hong Kong's first privately funded solar farm built on South East New Territories Landfill		
Relevant Material Topics	• Climate Change Mitigation and Adaptation • Energy	Relevant SDGs	7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION

Corporate Governance and Business Ethics

Oversight and Responsibilities	- The Audit and Risk Management Committee supports the Board in overseeing the effectiveness of the Group's risk management and internal control systems. It also holds ultimate responsibility for the Whistleblowing Policy and mechanism - The Executive Committee oversees and reviews corporate governance practices, including policies and reports to uphold the high standards and compliance of the Group - The Group Head of Internal Affairs and the Head of Internal Audit oversee the implementation of the Whistleblowing Policy
Potential Risks and Opportunities	- Increase litigation and financial risks from integrity breaches and regulatory non-compliance - Increase investor confidence with strong governance and ethical practices
Our Strategies and Action Plans	- Maintain our Code of Conduct and communicate to all employees for compliance - Establish the whistleblowing mechanism for employees and other stakeholders to report confidentially and anonymously - Provide training on ethical standards, anti-corruption and anti-competition practices
Metrics and Targets	- Number of non-compliance cases with the Code of Conduct - Number of full-time employees receiving anti-corruption training
Our Performance in FY2024/25	- No non-compliance cases with the Code of Conduct 22,000+ full-time employees received anti-corruption training, accounting for 8,700+ hours
Relevant Material Topics	- Business Ethics and Anti-corruption - Corporate Governance - Risk Management
Relevant SDGs  	

Customer Relationship

Oversight and Responsibilities	- The Property Investment Department regularly reviews marketing practices to align with peers' best practices and standards - Relevant parties, including the Property Investment Department, Corporate Communications Department and property management subsidiaries, manage and address stakeholders' expectations and needs - Our loyalty platforms – The Point by SHKP, SHKP Club and Go Royal by SHKP collect members' feedback and drive continuous improvement in our products and services
Potential Risks and Opportunities	- Increase litigation risks from non-compliant marketing materials and reduce competitiveness by not meeting customer demands and market trends - Enhance brand reputation and financial impact by sustaining customer satisfaction and facilitating bank financing through strong tenant relationships
Our Strategies and Action Plans	- Offer an industry-leading three-year warranty to first-hand purchasers of newly sold developments, and ensure product safety and quality through a strict internal control system - Engage with various stakeholders via customer satisfaction survey and loyalty programmes - Invest in innovative technology to enhance customer experiences and service quality
Metrics and Targets	- Improve satisfaction rates and targets in the annual customer satisfaction survey - Increase members in The Point, SHKP Club and Go Royal
Our Performance in FY2024/25	~98% of our customers rated us 'Good' or 'Excellent' in the annual customer satisfaction survey >3.5 million members joined The Point, SHKP Club and Go Royal
Relevant Material Topics	- Customer Engagement, Satisfaction and Responsibility - Product Safety and Quality
Relevant SDGs  	

Resources Consumption and Waste

Oversight and Responsibilities	● The Board, via the Executive Committee and SSC, oversees the Group's environmental strategy, plan and environmental performance improvement ● The SSC oversees the execution of the Group's environmental management strategy, monitors performance and targets, and evaluates the Group's environmental risks, including water risk ● The EOC monitors the buildings' performance to improve the water conservation and construction waste diversion		
Potential Risks and Opportunities	● Increase capital investment in low-carbon products and technologies, along with potential litigation and financial risks from regulatory non-compliance ● Increase water efficiency and reduce costs in operations, materials procurement, waste treatment, and disposal through effective environmental management systems		
Our Strategies and Action Plans	● Implement ISO 14001 Environmental Management Systems and perform environmental audits regularly ● Utilize cutting-edge techniques and off-site prefabricated materials to reduce consumption and materials waste ● Implement circular economy initiatives and water-saving measures in our operations		
Metrics and Targets	● Reduce water use intensity by 5% for EOC-monitored buildings by FY2029/30 from FY2019/20 baseline, and achieve at least 70% diversion of construction waste annually ● Increase the number of ISO 14001 or ISO 50001-certified managed properties		
Our Performance in FY2024/25	● Reduced water use intensity of EOC-monitored buildings by ~7.6% and diverted ~96.1% of construction waste ● ~60% of our managed properties and construction sites in the reporting scope, and Wilson Parking were certified with ISO 14001 or ISO 50001 management systems		
Relevant Material Topics	● Materials ● Waste ● Water	Relevant SDGs	9 INDUSTRY INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Sustainable Buildings

Oversight and Responsibilities	○ The Board, via the Executive Committee and SSC, oversees the Group's sustainability strategy and performance, including sustainable building development ○ The SSC oversees the execution of the Group's sustainability strategy, monitors performance, and regularly reviews the Sustainable Building Policy to guide the development of sustainable and healthy buildings ○ The project management teams and property management subsidiaries integrate sustainability and health considerations into building design, management and operations		
Potential Risks and Opportunities	○ Increase capital investment in sustainable building development, and litigation and financial risks from non-compliance with sustainable building policies ○ Increase revenue from growing sales and rentals due to rising demand for sustainable buildings, and reduce operating costs through improved building performance		
Our Strategies and Action Plans	○ Develop and manage sustainable buildings aligned with global standards, incorporate green and wellness elements, and pursue sustainable building certifications where feasible ○ Establish Indoor Air Quality (IAQ) programme and targets		
Metrics and Targets	○ Achieve LEED certification for all new investment properties and obtain LEED Gold or Platinum ratings for core commercial projects under development ○ Achieve WELL Building Standard where feasible		
Our Performance in FY2024/25	○ Earned ~150 green-building-related certificates for our 123 projects in Hong Kong ○ ~85% (by total attributable gross floor area) of our core completed office buildings for long-term rental in Hong Kong and Shanghai have attained LEED Gold or Platinum ratings, including pre-certification ○ 10 of our managed properties have obtained 14 WELL certificates²		
Relevant Material Topics	○ Innovation ○ Customer Well-Being, Health and Safety ○ Product Safety and Quality ○ Sustainable Buildings	Relevant SDGs	3GOOD HEALTH AND WELL-BEING 9INDUSTRY, INNOVATION AND INFRASTRUCTURE 11SUSTAINABLE CITIES AND COMMUNITIES 12RESPONSIBLE CONSUMPTION AND PRODUCTION 13CLIMATE ACTION

² Includes WELL Health-Safety Rating, WELL Performance Rating and WELL Certifications received by projects under development, and properties owned or managed by SHKP in Hong Kong.

Data Privacy and Cybersecurity

Oversight and Responsibilities	- The Board, via the Executive Committee, oversees the Group's cybersecurity strategy, and identifies, monitors, mitigates and manages cybersecurity risks - The Group's IT Governance Steering Committee assists the Executive Committee in overseeing information security and cybersecurity strategy. It works closely with the IT Department to integrate security into our operations
Potential Risks and Opportunities	- Suffer reputational damage and incur negative financial consequences from cyber-attacks and data breaches - Increase customer trust and loyalty through strong cybersecurity practices
Our Strategies and Action Plans	- Implement ISO 27001-certified Information Security Management systems - Conduct regular external vulnerability assessments and penetration-testing while maintaining a comprehensive IT security incident response plan with backup strategy - Conduct regular training and phishing simulations to raise cybersecurity awareness
Metrics and Targets	- Number of business units with ISO 27001 Information Security Management certification - Number of data breach cases and complaints regarding customer privacy breaches or data loss
Our Performance in FY2024/25	- The Group and Hong Yip earned ISO 27001 Information Security Management certification - No substantiated complaints and cases regarding customer privacy breaches or data loss
Relevant Material Topics	Data Privacy and Cybersecurity
Relevant SDGs	 

Supply Chain Management

Oversight and Responsibilities	- The Executive Committee and SSC oversees corporate governance practices, including supply chain management - The procurement teams of the Group and its subsidiaries enforce due diligence protocols, including mandatory sustainability criteria and risk assessments for suppliers
Potential Risks and Opportunities	- Increase costs of raw materials and services from supply chain disruptions due to social or environmental factors - Reduce operational risks and costs through a robust supply chain management system
Our Strategies and Action Plans	- Employ multiple sourcing strategies to avoid overreliance on single source - Standardize supplier selection and retention processes, performance assessments and supply chain risk management system based on the Sustainable Supply Chain Management Guideline - Identify critical suppliers and assess their sustainability performance via due diligence questionnaire in Sanfield's operations
Metrics and Targets	- Number of total and local suppliers and amount of procurement with environmental considerations - Number of critical suppliers and number of suppliers and contractors with high sustainability risks
Our Performance in FY2024/25	~99% of our suppliers were locally based and ~46% of our total procurement with environmental considerations - Sanfield identified 18 of its 406 suppliers and contractors as Tier-1 critical, with no suppliers or contractors assessed as high sustainability risks
Relevant Material Topics	Supply Chain Management
Relevant SDGs	     

Well-being, Health and Safety

Oversight and Responsibilities	- The Board, via the Executive Committee and SSC, oversees the Group's occupational health and safety (OHS) strategy, plan and performance - The Occupational Health and Safety Committee of our property management and construction subsidiaries manages OHS risks, initiatives, targets and performance - The Internal Affairs Department ensures employee well-being by providing training and support programmes
Potential Risks and Opportunities	- Increase work-related injuries or fatalities, and project delays due to lost workdays from poor OHS management systems - Increase productivity with improved employee well-being and reduce employees' health insurance costs in better working environments
Our Strategies and Action Plans	- Implement ISO 45001-certified OHS Management Systems in our operations and promote workplace well-being - Conduct regular internal and external safety inspections, assessments and audits to minimize OHS risks - Establish OHS targets for our employees, contractors and subcontractors
Metrics and Targets	- Increase the number of ISO 45001-certified sites - Achieve zero fatal accidents, fewer than 0.5 serious accidents and 7.0 reportable accidents per 1,000 workers
Our Performance in FY2024/25	~8.6% of our managed properties and construction sites in the reporting scope are ISO 45001-certified - Zero cases of fatalities among our construction division employees and contractors with an accident rate of 10.0 per 1,000 workers
Relevant Material Topics	Well-being, Health and Safety
Relevant SDGs	

For details on our sustainability strategies, management and performance regarding ESG material topics, please refer to **Appendix VI** and each section of our Sustainability Report 2024/25. For other risk factors, please refer to the **Corporate Governance Report** section of our Annual Report 2024/25.

Connecting with Our Stakeholders

We value the feedback and suggestions provided by stakeholders through regular communications and focused engagement activities. Here are our responses to three primary concerns raised by stakeholders in these two reporting years.

Expansion of Sustainable and Healthy Buildings

In today's rapidly evolving real estate landscape, tenants and customers increasingly prioritize spaces that incorporate health and well-being considerations. They are interested in SHKP's strategies to expand its portfolio of sustainable buildings, aiming for WELL building certifications to meet their needs.

Stakeholder Groups:
Tenants and customers

Our Response:

SHKP recognizes that sustainable buildings embody more than just physical structures; they reflect a commitment to healthier, more energy-efficient and environmentally responsible operations. To systematically manage our sustainable building initiatives, we have formulated a comprehensive Sustainable Building Policy outlining our dedication to low-carbon and sustainable practices that enhance the well-being of our customers and tenants. We have established green building targets and strive to achieve WELL certifications in our portfolio where feasible. To uphold a healthy environment in our properties, Kai Shing has initiated a real-time IAQ monitoring programme across 24 office buildings, using IoT-enabled systems to optimize air quality through filtration systems adjustment. Moreover, we signed a green lease agreement with UBS at the International Gateway Centre, committing both parties to attaining green certifications and meeting established objectives. For more details, please refer to the **Value Created for the Environment** and **Value Created for Customers** sections.



Utilization of Innovative Technology

Innovation and technology are transformative forces reshaping industry norms, streamlining operations and enhancing productivity. Employees and investors are interested in SHKP's innovative solutions for improving work efficiency and service delivery.

Stakeholder Groups:
Employees and investors

Our Response:

SHKP recognizes the pivotal role of innovation and technology in driving operational efficiency and addressing everyday challenges. For instance, Kai Shing has implemented augmented reality (AR) for security patrols and facilities management in ICC. Hong Yip has launched the Intelligent Typhoon Monitoring and Management Platform, utilizing automation, cloud computing and big data to enable quick responses during typhoon seasons. Sanfield led the use of artificial intelligence (AI) in lift monitoring at Sai Sha Development Project, employing real-time kinematics to detect hazardous areas and potential safety risks. Furthermore, SHKP partnered with Hong Kong Polytechnic University to research green building materials and construction processes, including a collaborative programme driving the development of smart, energy-efficient mega retail and office buildings at High Speed Rail West Kowloon Terminus Development through an AI-empowered Building Management System. For more details, please refer to the **Value Created for Customers** and the **Value Created for Supply Chain** sections.



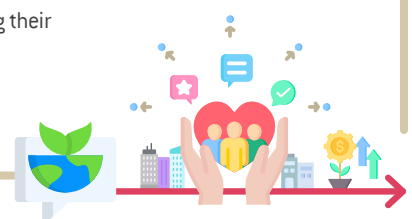
Addressing Communities' Needs in Our Development

In the realm of real estate, academia and professional bodies are interested in SHKP's strategies for creating sustainable communities that fosters intergenerational and social inclusion.

Stakeholder Group:
Academia and professional bodies

Our Response:

SHKP acknowledges its significant role in fostering a harmonious society and cultivating sustainable communities. GO PARK Sai Sha exemplifies our dedication to nurturing cohesive communities and meeting their essential requirements. Before development, we conducted a comprehensive ESG and community impact assessment, including stakeholder surveys, resident interviews and data analysis. We strive to improve local infrastructure and accessibility of the area. We have also enhanced the drainage and sewage systems, benefiting around 10,000 regional residents. The multigenerational housing design enriches the living experience while promoting inclusivity and harmony among residents of all ages. Moreover, we have also provided a rent-free venue for the Community Living Room, to offer diversified facilities and services for people living in subdivided units, improving their quality of life and contributing to community support. For more details, please refer to the **Value Created for Community** section.



Value Created for the ENVIRONMENT



We aim to continually improve the environmental performance of our properties and operations beyond compliance. By optimizing our use of resources, acting on climate change and leveraging innovative solutions, we contribute to building sustainable cities and communities.

Material topics addressed in this section:

- Biodiversity
- Climate change mitigation and adaptation
- Energy
- Innovation
- Materials
- Sustainable buildings
- Waste
- Water



Highlights of Our Performance in FY2024/25



Secured **~150**
green-building-related certifications¹
across **123** projects in Hong Kong



Advanced steadily toward
our **10-year**
environmental targets



Launched the construction
of Hong Kong's
1st private solar
farm on landfill
via a joint venture



Installed **~20,000**
solar panels across
82 managed buildings and
2 construction sites



ICC achieved
Asia's **1st**
LEED v5.0 Platinum
certification

Strategies and Management

Our Building Homes with Heart philosophy guides our commitment to Hong Kong's sustainable future, aligning with United Nations' Sustainable Development Goals while ensuring strict compliance with local environmental regulations and international standards. We maintain comprehensive adherence to applicable laws and regulations of the Hong Kong Special Administrative Region, including Air Pollution Control, Waste Disposal and Environmental Impact Assessment Ordinances.

Recognizing climate risks' impact on business continuity, we conducted scenario analyses to evaluate climate-related risks and opportunities across our operations. Our disclosure framework integrates Taskforce on Climate-related Financial Disclosures (TCFD) recommendations and references International Sustainability Standards Board (ISSB)'s IFRS S2 Climate-related Disclosures. This year, we have enhanced our disclosure by referencing Taskforce on Nature-related Financial Disclosures (TNFD) recommendations, implementing a systematic biodiversity management strategy that identifies and prioritizes low-impact sites, applies mitigation hierarchy and assesses biodiversity impacts.

To enhance sustainable building practices, we invest in and employ green and smart technologies in our design, construction and operation. Our commitment to sustainable building innovation is strengthened through partnerships with universities and research institutes for green building materials and technology development.

We conduct due diligence and initial environmental audits for each new development

site or property at the acquisition or investment stage, as considered relevant and appropriate for the project or in compliance with applicable laws and regulations. The ESG factors considered include, but are not limited to, environmental protection, land contamination and remediation, landscape and biodiversity conservation, climate adaptation, impacts on local communities and other sensitive stakeholders as well as social factors, such as transportation connectivity and accessibility. This holistic approach ensures responsible development that benefits both the environment and society.

Governance

Our environmental governance structure ensures effective implementation of sustainability initiatives through dedicated committees.

Energy Optimization Committee (EOC)

- Chaired by a representative from the Internal Audit Department
- Comprises of 17 building engineering and management professionals
- Monitors building performance to enhance energy efficiency, water conservation and greenhouse gas (GHG) emissions
- Initiates improvement plans and fosters communication to promote best practices throughout the Group

Environmental Committees at Our Subsidiaries

- Implement relevant strategies and policies, monitor targets and performance

Our Climate Change, Environmental and Sustainable Building Policies:

Climate Change Policy

- Outlines our efforts and strategy for climate change mitigation, adaptation and resilience

Environmental Policy

- Provides comprehensive guidance on sustainable buildings, energy, water usage, waste management, biodiversity, climate change, carbon management and stakeholder engagement, while communicating our environmental commitments to stakeholders

Sustainable Building Policy

- Guides the development of low-carbon, climate-resilient properties with user wellness at the forefront

These policies undergo regular reviews by our Sustainability Steering Committee to maintain their effectiveness. Complete versions are available on our [website](#).

¹ Green-building-related certifications include BEAM Plus new and existing buildings (comprehensive and selective schemes), LEED or BREEAM certificates received by projects under development, and properties owned or managed by SHKP in Hong Kong.

Sustainable Building and Environmental Targets

We proactively implement industry best practices for existing buildings and new developments. Through historical data analysis and peers benchmarking, we have established sustainable building and environmental targets and strives to continually improve our performance.

Sustainable Building Targets



Achieve **Leadership in Energy and Environmental Design (LEED)** certification across all new investment properties



Obtain **LEED Gold or Platinum ratings** for core commercial projects under development

10-year Targets for FY2029/30 (Base Year: FY2019/20)

Area	Target	Progress in FY2024/25
GHG Emissions	Reduce scope 1 and 2 GHG emissions intensity of EOC-monitored buildings ² by 35%	~35.6% ³
Electricity Consumption	Reduce the electricity consumption intensity of EOC-monitored buildings ² by 13%	~14.3% ³
Water Consumption	Reduce the water use intensity of EOC-monitored buildings ² by 5%	~7.6% ³
Waste Diversion	Divert at least 70% of construction waste per year in Hong Kong construction projects in the reporting scope	~96.1% diversion rate

We strive to set robust targets aligned with our long-term sustainability goals and Hong Kong's evolving regulatory landscape. We conduct thorough research to identify the most impactful and appropriate targets for the Group. We continue to enhance our scope 3 emissions inventory, strengthening our value chain emissions management for future target development.

² SHKP's major investment properties in Hong Kong, managed by the Energy Optimization Committee (EOC). EOC monitored 53 properties in FY2019/20, 60 in FY2020/21, 61 in FY2021/22, 62 in FY2022/23 and FY2023/24, and 63 in FY2024/25.

³ A significant reduction in GHG emissions, electricity and water consumption was observed during the reporting year. This achievement was attributed to our ongoing electricity and water usage reduction initiatives while reflecting overall business situation during the period. Although reduction targets have been met this year, we will closely monitor the progress in the coming years and consider if any adjustment is appropriate to the current targets.

Environmental Management System and Smart Management

We constantly evaluate the efficiency of our management systems through internal and external reviews. Our property management and construction subsidiaries are certified with international environmental and energy management standards, and participate in annual internal and external audits. Corrective measures ensure continuous improvement, including improving management responsibilities and enhancing data monitoring.

We have established comprehensive operating manuals and procedures to support internal communication on environmental management issues. Regular training is provided to improve employees' awareness and keep them informed of emerging best practices and regulatory developments.

During the reporting year:

- Around 60% of our managed properties and construction sites in the reporting scope, and Wilson Parking were certified with ISO 14001 or ISO 50001 management system
- 109 buildings and construction sites were ISO 14001-certified
- 15 buildings and construction sites were ISO 50001-certified



Our property management subsidiaries have obtained the Hong Kong Q-Mark Council's Green Mark Certification, validating our effective environmental management practices. We continuously invest in advanced technologies, including the Internet of Things (IoT), virtual reality (VR) and artificial intelligence (AI), to enhance the effectiveness of our management system.

Within our franchise hotel portfolio, The Ritz-Carlton, Hong Kong has achieved The Green Key certification, meeting the Foundation for Environmental Education's stringent environmental responsibility and sustainable operation requirements. Additionally, Hyatt Centric Victoria Harbour Hong Kong achieved the EarthCheck Certified Silver Accreditation, recognizing its outstanding sustainability performance in the hotel sector.

Sustainability Data Management System

Since 2014, our web-based sustainability data management system has enabled systematic data collection and monitoring. Business units submit consolidated data regularly for verification by the sustainability team. We also review and upgrade our system regularly. This year's major system revamp expanded our data scope and streamlined collection processes, maintaining alignment with market trends and disclosure requirements.

Transformative Sustainable Development Practices Through Innovation

Sustainability is embedded throughout our building lifecycle, from design and construction to operation. Our commitment to sustainable practices is articulated in our Sustainable Building Policy and the **Sustainable Building and Environmental Targets** section.

Our expert team, including 68 accredited Hong Kong Building Environmental Assessment Method (BEAM) professionals, drives improvement in energy efficiency, material use and waste management through advanced green technologies.

To accelerate construction decarbonization, we maintain strategic partnerships with universities and research institutes. Our collaboration with the Hong Kong Polytechnic University (PolyU) explores cutting-edge green applications, building materials and construction processes. At our High-Speed Rail West Kowloon Terminus Development, we piloted a smart energy management project integrating AI, IoT, and digital twin technology to enhance energy efficiency and reduce

embodied carbon. The AI-empowered Building Management System, featuring advanced Mechanical Ventilation and Air-conditioning (MVAC) optimal control strategies, achieves around 5.6 million kWh annual electricity savings. We have also developed innovative carbon-capturing concrete using steam and carbon dioxide (CO₂) curing methods, carbon capture coating and CO₂ activation processes, optimizing CO₂ sequestration while improving concrete strength and durability with reduced carbon emissions.

Our subsidiary Glorious Concrete demonstrates industry leadership by supplying Construction Industry Council (CIC) Green Product-certified low-carbon ready-mixed concrete, offering four types of Platinum-grade ground granulated blast-furnace slag (GGBS) concrete for construction uses.

In collaboration with PolyU, CLPe Solutions, Jardine Engineering Corporation Limited and Trane Service Hong Kong, Kai Shing developed a charter aimed at Smart Energy

Optimization and AI Control, which achieved three million kWh electricity savings across eight managed properties through AI-controlled air conditioning systems from July 2023 to June 2025. This collaboration empowers tenants to enhance energy efficiency through innovative technologies. In partnership with the Hong Kong Metropolitan University (HKMU) and funded by the Research Matching Grant Scheme, Hong Yip co-developed IoT solutions for preventive maintenance and environmental monitoring in selected buildings, specifically targeting water pump systems.

Our commitment extends to promoting industry-wide sustainability standards. The Group's Memorandum of Understanding (MoU) with the Hong Kong Green Building Council and BEAM Society Limited aims to expand BEAM Plus standards and certifications beyond Hong Kong, fostering a wider adoption of these recognized green building standards and advancing sustainable development globally.

Key Sustainable Building Performance Highlights as at June 2025



~150 green-building-related certificates¹ are earned across 123 projects in Hong Kong

39 of our commercial, industrial and residential buildings were rated 'Excellent' in Management in the Selective Scheme of BEAM Plus Existing Buildings V2.0, while 48 achieved 'Good' ratings



~85% (by total attributable gross floor area) of our core completed office buildings⁴ for long-term rental in Hong Kong and Shanghai have attained LEED Gold or Platinum ratings, including pre-certification

~91% of our ongoing construction sites (by total gross floor area) are BEAM Plus-registered



We have received 452 Wastewi\$e certificates, 79 IAQwi\$e, and 27 Carbon Reduction certificates



~75% (by total gross floor area) of our portfolio earned 452 Energywi\$e certificates



10 of our managed properties have obtained 14 certifications from WELL⁵



~50% of our managed properties (by total gross floor area) in the reporting scope have obtained green building-related certificates

Sierra Sea at Sai Sha: Hong Kong's first private residential development project achieving triple certification: WELL Community Standard™ pre-certification, BEAM Plus New Buildings Provisional Gold rating and WiredScore Home Platinum pre-certification



ICC: First building in Asia to achieve LEED v5.0 Operations and Maintenance: Existing Buildings Platinum certification with the highest score among seven certified buildings worldwide

Park Central (Shopping Arcade) achieved Gold rating in the Final Assessment under the new version of BEAM Plus Existing Buildings V3.0 (Beta Version)



4 Our target is to achieve 87% by the end of FY2025/26. Core office buildings are offices with at least 50% ownership by SHKP, and at least 400,000 square feet total GFA.

5 Includes WELL Health-Safety Rating, WELL Performance Rating and WELL Certifications received by projects under development, and properties owned or managed by SHKP in Hong Kong.

CASE STUDY

Upgrading Existing Buildings to Pursue Sustainability

Our comprehensive building enhancement strategy leverages innovative green technologies to elevate sustainability performance across our portfolio. Through strategic retrofitting and upgrading initiatives with targets spanning the short, medium and long term, we deliver improved energy efficiency, optimized resource utilization, and enhanced indoor air quality, creating healthier environments for customers and tenants.

Notable achievements across our portfolio:

ICC



Deployed Building Information Modelling (BIM) and digital twin technology for advanced facility operations and energy efficiency



Achieved more than 20 million kWh electricity savings since 2012, reducing 14,000 tonnes of carbon emissions in equivalence



Implemented AI-optimized air conditioning system to control the chiller sequencing and chilled water pumps operation



Secured Platinum certification under BEAM Plus Existing Buildings V3.0 Comprehensive Scheme and Super Low rating under Zero-Carbon-Ready Building Certification



Deployed AI and Extended Reality Facility Management (XRFM) systems for data-driven energy optimization



First Asian building to achieve the latest LEED v5.0 Operations and Maintenance: Existing Buildings Platinum certification



Introduced smart waste management system for improved waste monitoring

For more green features, please visit [here](#).

Airport Freight Forwarding Centre (AFFC)



Implemented comprehensive green building features, including LED lighting systems and solar panels



Designed flexible warehouse layout for enhanced space utilization



Installed ultra-fast electric vehicles (EV) chargers to support electric trucks and forklifts



Achieved Excellent in Management in the Selective Scheme of BEAM Plus Existing Buildings V2.0 and Gold certification under LEED v4.1 Operations and Maintenance: Existing Buildings



Deployed smart building management system for operational efficiency

AFFC (rendering)

ICC



CASE STUDY

Shanghai One ITC, Two ITC and Three ITC Tower A



Installed solar panels



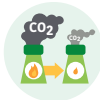
Enhanced air conditioning systems with advanced inverter technology



Minimized heat absorption with insulated curtain walls



Procured low volatile organic compound (VOC) building materials



Installed low-nitrogen burners and improved smoke exhaust and ventilation system



Achieved Platinum certifications for One ITC and Two ITC, under LEED v4 Operations and Maintenance: Existing Buildings



Obtained WELL Core Platinum certification and LEED Platinum certification under Building Design and Construction: Core and Shell for Three ITC Tower A

Nanjing IFC



Installed solar panels



Enhanced air conditioning systems by installing plate heat exchangers and frequency inverters for air conditioning water pumps



Used smart lighting system in the car park



Equipped low-nitrogen burners on boilers to reduce emissions



Applied heat-insulating film on glass curtain walls to reduce cooling loss and improve ambient temperature control



Recycled air conditioning condensate and rainwater for irrigation



Achieved Platinum certification under LEED v4 Operations and Maintenance: Existing Buildings

Nanjing IFC

Shanghai One ITC,
Two ITC and Three ITC Tower A



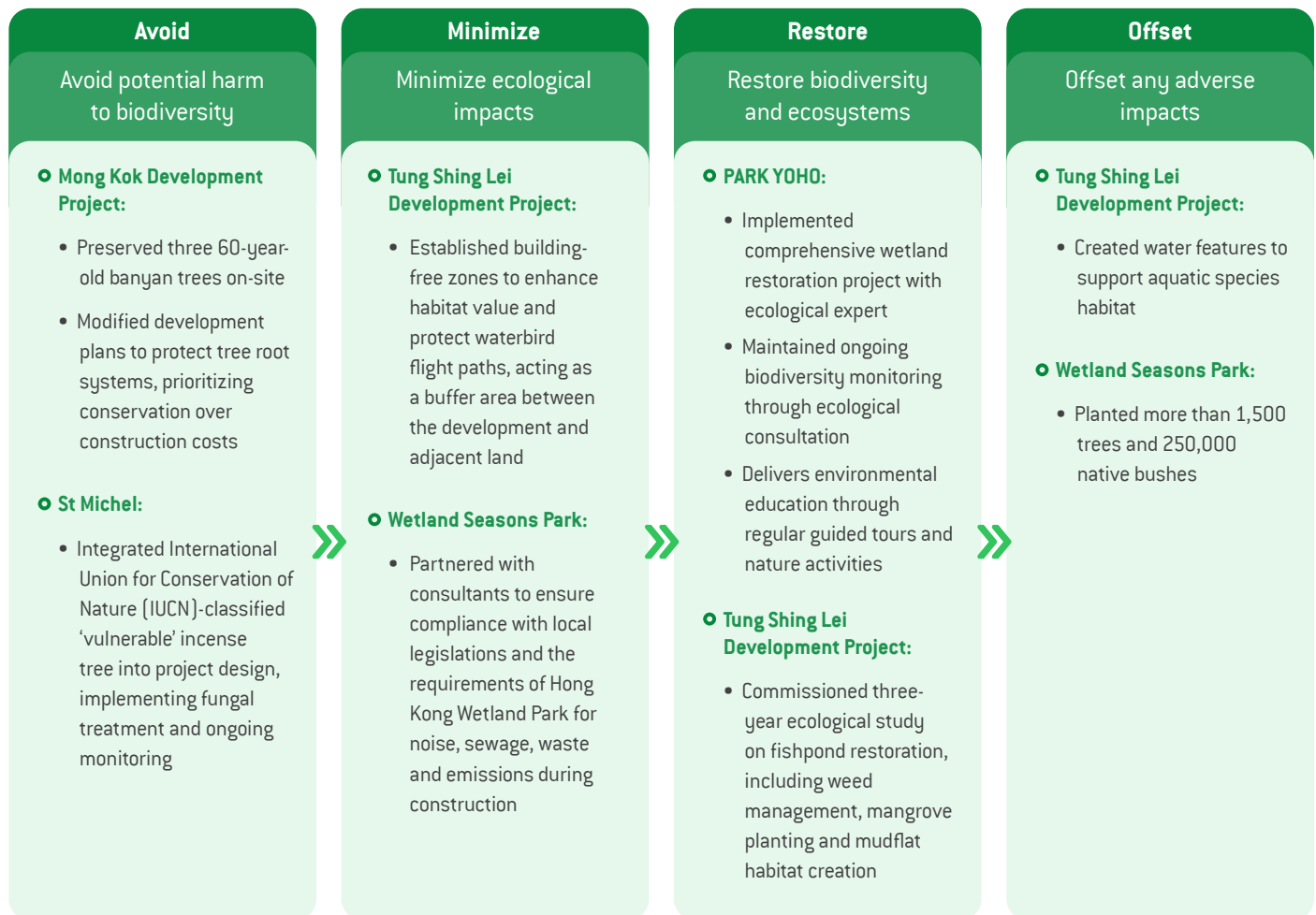
Responsible Biodiversity Management

As a responsible property developer, we acknowledge our operational impacts on nature and biodiversity, and implemented conservation measures through our comprehensive governance framework. Our Environmental Policy, Sustainable Building Policy and **Supplier Code of Conduct** provide strategic direction for biodiversity preservation and impact mitigation.

To mitigate our ecological impacts and support biodiversity, we collaborate with professionals, secure government approvals, and engage with business partners throughout the project planning and construction stages. We engage environmental and ecological consultants to study and survey sites prior to submitting development proposals to the government according to statutory requirements. This practice helps us assess the potential

impacts of our projects, their dependence on ecosystems, and establish baseline environmental performance, biodiversity-related targets for developments in priority areas and sustainable long-term management proposals in the operation phase, where applicable. We prioritize development locations that minimize environmental impact, following a systematic mitigation hierarchy to avoid, minimize, restore and offset adverse effects.

Based on the mitigation hierarchy, our biodiversity conservation efforts include:



We assess potential environmental impacts of our construction activities and operations through comprehensive environmental and biodiversity risk assessments from external consultants. These evaluations cover Wetland Seasons Park, PARK YOHO, Sai Sha and Tung Shing Lei Development Projects. We also developed management plans to minimize potential impacts on the environment. During

the reporting year, no significant biodiversity risks were identified across operations.

Tree conservation remains a cornerstone of our environmental stewardship. Hong Yip implements standardized horticultural maintenance aligned with Tree Management Office and Property Management Services Authority Best Practice Guides. We conduct

regular tree-health assessments with risk-categorization indices, pre-rainy season maintenance to prevent overgrowth and disease, and enhanced post-storm inspections for rapid damage identification and response.

For detailed TNFD framework disclosures, please refer to **Appendix IX**.

CASE STUDY

Biodiversity Conservation in Sai Sha Development Project



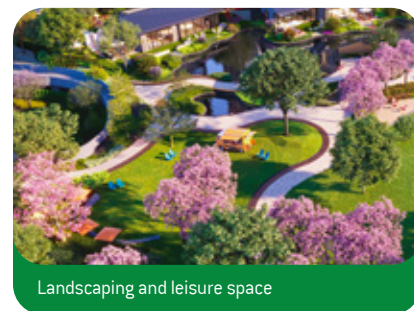
Our 6.7-million-square-foot Sai Sha Development Project exemplifies harmonious integration with mountainous and coastal ecosystems. As part of the Group's commitment to balanced development, we assessed the potential impacts of our construction activities and operations by engaging external consultants for detailed environmental and biodiversity risk assessments before project commencement. The project has incorporated multi-dimensional sustainability measures to preserve ecological integrity.

Planning, Design and Landscape

The development's stepped-height design, featuring lower coastal buildings and increased spacing, optimizes regional wind flow and ventilation. We prioritized

preservation of high-value habitats, including mature woodlands, marshes and the Tai Tung Wo Liu stream. An Animal Translocation Plan was proposed for slope stabilization as part of the mitigation measures. Our large-scale transplantation of native trees and on-site conservation measures preserved around 30,000 square feet of natural forest and introduced more than 3,000 native trees across 187,000 m² of green space, with dedicated teams regularly monitoring tree stability and growth.

To enhance biodiversity, we installed bird nest boxes creating breeding and roosting habitats, implemented wildlife-friendly fencing for habitat connectivity, and developed ecological ponds to enrich the ecosystem.



Landscaping and leisure space

Construction

To avoid air and noise pollution, we replaced diesel-powered equipment with various types of electric construction machinery. During construction, we maintained an ecological buffer zone to prevent potential pollution. Temporary weirs were also built to protect aquatic life and the surrounding environment from silt-laden discharges during emergencies.

The project has received BEAM Plus New Buildings Provisional Gold rating and WELL Community Standard™ pre-certification, establishing new sustainable community benchmarks in Sai Sha while advancing SHKP's ESG principles and sustainable built environment commitments.



Residential towers with stepped height design

Accelerating Decarbonization Throughout Our Operations

We are driving the transition to a low-carbon economy through our comprehensive **Decarbonization Strategy**, acknowledging climate change's impact on our operations, customers and society.

Our climate action commitment is demonstrated through our early signing of the Carbon Reduction Charter in 2009. We fully support the HKSAR Government's Climate Action Plan 2050 and the Energy Saving Plan for Hong Kong's Built Environment 2015-2025+, and participate in the Carbon Neutrality Partnership, hosted by the Hong Kong Environment and Ecology Bureau. We also participate in the Carbon Audit • Green Partner programme, and have joined the Business Environment Council's Net-Zero Carbon Charter.

Hong Yip and Kai Shing advance carbon offsetting through strategic renewable energy certificates (RECs) procurement from local and

international sources. This year, Hong Yip has acquired 52,000 kWh of local renewable energy through CLP's RECs for training sessions and major events, securing a total of 224,000 kWh in RECs since 2021, while ICC has purchased around 52,200 MWh of international RECs from wind, solar, and hydro sources in the past three years.

During the reporting year:

- Six of our managed properties awarded the Zero-Carbon-Ready Building Certification by the Hong Kong Green Building Council. Two Harbour Square and ICC excelled in the council's energy utilization index, scoring 'extra low' and 'super low' rating, respectively
- Our managed properties have joined and supported the ECF Carbon Neutrality Campaign Competition, organized by Hong Kong Women Professionals and Entrepreneurs Association,

in which seven estates from Hong Yip and three estates from Kai Shing were recognized as the Top 10 Participating Residential / Commercial Properties

- 260 properties joined the Energy Saving Charter
- Grand Century Place/ MOKO, ICC and Tai Po Mega Mall received the Management Award for Net-Zero Contribution (Property management) - Visionary Blueprint towards Net Zero at the Hong Kong Green and Sustainability Contribution Awards 2025, organized by the Hong Kong Quality Assurance Agency

For details on our awards and achievements, please refer to **Appendix I**.

Advancing Sustainable Practices in Construction

Our comprehensive construction sustainability framework encompasses:

Energy Saving



- Advance diesel-free energy storage and power systems (Battery Energy Storage System)



- Early electrification



- Renewable energy



- EV charging facilities



- Electric or hybrid vehicle fleet



- High energy-efficient machinery and equipment, e.g. electric truck cranes, truck mixers and trailer pumps

Water Use



- Wastewater recycling and reuse



- Rainwater harvesting

Waste Management



- BIM, Design for Manufacture and Assembly (DfMA), Modular Integrated Construction (MiC) site office and precast components



- Waste reduction and recycling



- Low-embodied-carbon materials

The Group strives to reduce on-site air pollution and emissions through the adoption of electric construction equipment. Our enhanced fleet features nine electric-powered construction equipment, including five truck cranes, two truck mixers and two trailer pumps that were procured last year. By replacing diesel machinery with electric-powered equipment, we can reduce carbon emissions, and minimize noise and air pollutants on-site, creating a healthier working environment for our frontline workers.

We are partnering with third-party experts to optimize construction site energy efficiency, transitioning from diesel generators to Battery Energy Storage Systems. During the reporting year, 23 systems were deployed at our construction sites, reducing around 4,100 tonnes of CO₂ emission annually.

GHG Emissions and Energy Consumption Reduction Progress

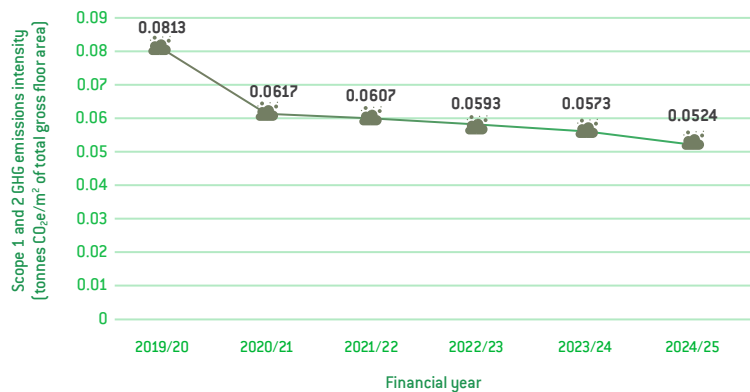
Our Decarbonization Strategy drives our low-carbon transition through multiple strategic initiatives. We continually track progress against our 10-year GHG emissions and energy consumption reduction targets.

Scope 3 Emissions

We continued to collect data from diverse stakeholders to consolidate our scope 3 inventory⁶. Through our review of our scope 3 emissions during the past four financial years, we have identified that the most significant sources of our emissions come from category 11 - use of sold products, category 13 downstream leased assets, and category 2 - capital goods (including construction materials). To further reduce our upstream and downstream emissions, we continue to explore decarbonization opportunities through low-carbon design, green procurement, and collaborate with our partners to uncover opportunities.

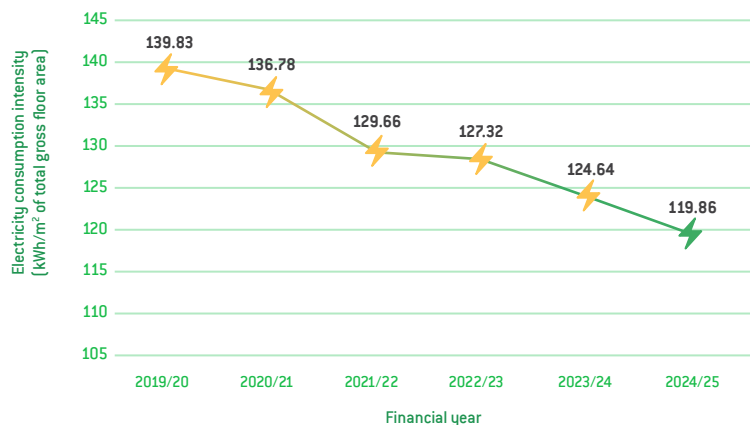
Detailed information regarding our scope 3 emissions calculation methodology can be found in Appendix III.

Scope 1 and 2 GHG Emissions Intensity of Major Buildings Monitored by the EOC²



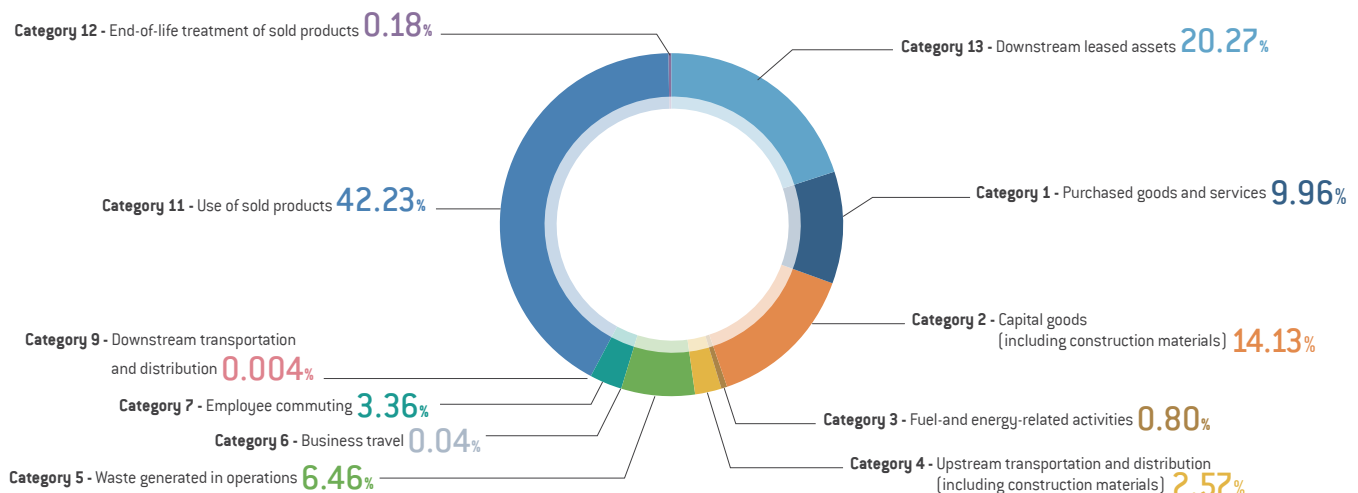
Our scope 1 and 2 GHG emissions intensity has reduced by ~35.6% since FY2019/20

Electricity Consumption Intensity of Major Buildings Monitored by the EOC²



Our electricity consumption intensity has reduced by ~14.3% since FY2019/20

Breakdown of Scope 3 Emissions by Category in FY2024/25



⁶ As we have expanded the reporting scope in FY2024/25, data from our franchise hotels and non-property portfolio businesses has been collected and added to the Group's scope 3 inventory. Due to lack of data availability, scope 3 data for Telecommunications and Information Technology businesses is currently unavailable and we will explore their inclusion in the future.

Energy Saving and Retrofitting Programmes

In pursuit of our emissions-reduction targets, we are implementing retrofitting initiatives across our operations. Key measures include chiller optimization, LED lighting conversion, chiller plant replacement and smart sensor deployment. This year saw the launch of more than 50 energy-saving projects across our properties, with 22 projects securing grants from the CLP Eco Buildings Fund or HKE Smart Power Building Fund.



Retro-commissioning and chiller system optimization at Sun Hung Kai Centre

Our managed properties showcase innovative energy management through smart technology integration. AI systems at MOKO and KCC optimize chiller plant efficiency and maintain occupant comfort through analyzing real-time chiller plant operation data, while Sun Hung Kai Centre's retro-commissioning, chiller system optimization and the BIM for facility management have achieved cumulative savings of more than 60 million kWh over the past 15 years.

Our managed properties also proactively save energy with hardware commissioning and retrofitting. Starting from 2018, MOKO has installed efficient water-cooled and air-cooled chillers while leveraging AI technology to optimize chiller plant operation. These actions have saved around 4.7 million kWh of electricity compared to the 2015 baseline year. At K-Point, 43 fan coil units (FCU) and three air-cooled chillers were retrofitted during the reporting year, saving around 300 MWh electricity annually.

Our comprehensive carbon management programme, initiated in 2008, includes voluntary carbon audit at the majority of our properties. This year's achievements include 27 energy audits and 51 carbon audits for our managed properties, complemented by complimentary energy audits, carbon audits and energy-saving recommendations for around 570 tenants. We have expanded our smart metering infrastructure and implemented tenant eco-efficiency programmes. We have also established green fitting-out guideline and provided suggestions to new tenants regarding energy saving and resource conservation during their design and fitting-out processes.



Frequency inverter for the PAU at ALVA Hotel by Royal

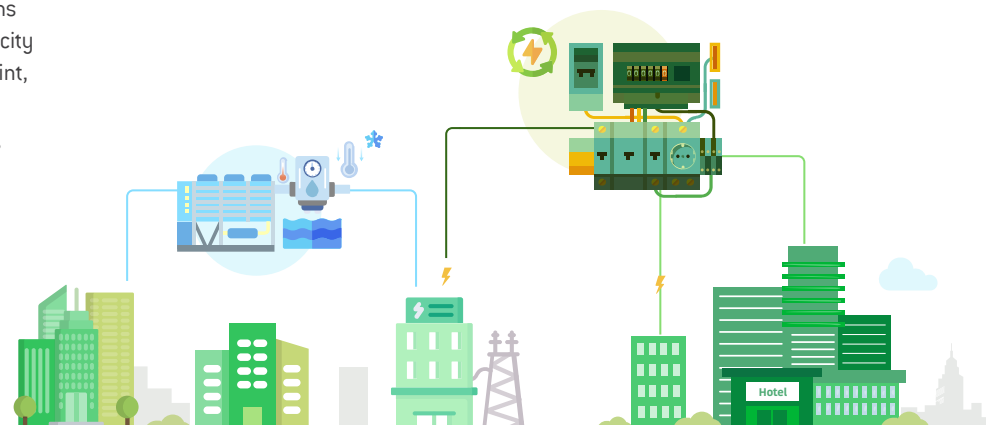
To enhance energy efficiency, our hotels have installed sub-meters for monitoring and management of electricity use. During the reporting year, ALVA Hotel by Royal installed frequency inverter for the Primary Air Unit (PAU), which saved 10-15% of operating energy. For Hyatt Centric Victoria Harbour Hong Kong, heat and UV blocking film was applied on windows throughout the property to avoid cooling loss.

Meanwhile, Sanfield conducts monthly in-house carbon emissions reviews for individual project sites.

We conduct internal webinars and events to inform our property management and technical staff about energy-saving strategies and best practices, building our internal capacity. These include topics, such as chiller plant control optimization and electronically commuted plug fans application. During the reporting year, Hong Yip organized the ESG and Occupational Safety and Health Annual Conference 2024, highlighting the path to net-zero emissions by 2050 and reinforcing ESG integration across operations. The event served as a platform to promote carbon neutrality strategy and communicate with colleagues, emphasizing the significance of embedding ESG principles into business strategies.



Hong Yip's ESG and Occupational Safety and Health Annual Conference 2024



Expanding Our Adoption of Renewable Energy with Solar Panels

SHKP fully supports the development and adoption of renewable energy, recognizing it as a vital component of our decarbonization strategy. We are actively expanding on-site energy generation and solar networks to reduce GHG emissions through sustainable and clean energy adoption.



Solar systems at Tonic Industrial Centre

Our renewable energy achievements include:

- As at 30 June 2025, around 20,000 solar panels were installed across 82 managed properties and two construction sites. These could generate around 8.9 million kWh of electricity annually, and reduce carbon emissions by around 3,800 tonnes - equivalent to the CO₂ absorption of around 165,000 trees in one year
- Our Sai Sha project features solar panels, making it the first construction site in Hong Kong to adopt a renewable energy system. We generate around 50,000 kWh of electricity annually and support the CLP's Feed-in Tariff (FiT) programme. Furthermore, a six-metre hybrid wind turbine supplies renewable energy to the workers' lounge and office



Solar farm at Sai Sha construction site

By the end of 2026, we expect to have installed around 24,000 solar panels that could generate around 11 million kWh of electricity annually, and reduce carbon emissions by around 4,600 tonnes - equivalent to the CO₂ absorption of around 200,000 trees in one year.

CASE STUDY

Hong Kong's First Privately Funded Solar Farm on South East New Territories Landfill



Groundbreaking milestone: Officials and partners inaugurate Hong Kong's first privately-funded landfill solar farm

In partnership with Veolia and CITIC Pacific, we have launched a groundbreaking solar farm project that marks a significant milestone in Hong Kong's renewable energy journey and supports the HKSAR Government's Climate Action Plan 2050.

Situated on the South East New Territories (SENT) Landfill slope in Tseung Kwan O, the solar farm will generate 1.2 million kWh of green electricity annually – enough to power around 360 households while reducing carbon emissions by around 468 tonnes yearly, equivalent to the CO₂ absorption of around 20,000 trees.

The installation showcases technical innovation through 1,800 solar panels across 100,000 square feet. The installation is carefully designed and is uniquely intended for landfill restoration, ensuring that the landfill liner remains undamaged while protecting the leachate and landfill gas collection systems. Remote power generation and solar panel performance systems are also designed to monitor all operational conditions, ensuring an efficient and safe operation.

The solar farm will participate in the CLP's FiT Scheme. SUNeVision, the Group's subsidiary and Hong Kong's largest data centre provider, has linked a six-year agreement with CLP Power to purchase CLP RECs 100% linked to the solar power generated by the solar farm, creating a closed-loop ESG model. This project represents our broader commitment to expanding large-scale solar infrastructure across vacant sites and landfills, accelerating Hong Kong's renewable energy transition.



Rendering of solar farm development at SENT Landfill

Climate-related Management

The Group remains committed to proactively managing climate-related risks and capturing related opportunities to ensure the long-term resilience and sustainable growth of our business. Recognizing the profound impact of climate change on the real estate sector, we continue to intensify our efforts to integrate climate considerations into our governance, strategy and risk management frameworks.

Since FY2020/21, we have disclosed climate-related information with reference to the TCFD framework. In response to evolving global standards, we have further enhanced our disclosures by referencing the ISSB IFRS S2 Climate-related Disclosures. This approach aligns with the Hong Kong Stock Exchange's latest ESG Code Part D, which requires strengthened climate-related disclosures in line with IFRS S2.

We acknowledge the evolving disclosure requirements and we will continue to enhance and align with emerging best practices while seeking to meet stakeholders' expectations. For more details, please refer to the content index in **Appendix VII**.

Governance

Board of Directors

The Board of Directors holds ultimate accountability for the Group's ESG strategy and performance. It leads and oversees the management of ESG issues, including climate-related risks and opportunities, as part of the Group's broader strategic agenda. The Board, via the Executive Committee, is involved in embedding ESG considerations into the Group's long-term development plan. It ensures the establishment and effectiveness of ESG-related risk management and internal control systems, whereby ESG risk elements, including climate-related factors, are assessed and integrated into key decision-making processes.

Audit and Risk Management Committee

The Audit and Risk Management Committee monitors the evolving ESG landscape and ensures that the Group addresses emerging risks in a timely and effective manner. It oversees climate-related risks, including physical and transition risks, and evaluates their implications on business operations. This ensures the Group maintains a clear understanding of potential risk exposures, and appropriate strategies are considered for mitigation.

Executive Committee

The Executive Committee implements the Group's ESG strategies and conducts regular assessments and prioritization of material issues, including climate-related risks and opportunities. It tracks and monitors the Group's ESG performance and progress against defined targets. The Committee also reviews ESG-related programmes by evaluating their impacts on the economy, environment and stakeholders. The Board and Executive Committee are kept well informed of climate-related risks and opportunities that may impact the Group. These risks and opportunities, mentioned in the Sustainability Report, are reviewed and endorsed by the Executive Committee annually prior to its publication.

Sustainability Steering Committee

The Sustainability Steering Committee manages sustainability issues in daily operations. It regularly reviews key sustainability policies, including the Group's Climate Change Policy. It also formulates, monitors and reports on environmental work plans, performances, and short- and long-term goals.

Crisis Operation Management Committee

The Crisis Operation Management Committee, led by two Executive Directors, oversees responses to critical incidents across business units and subsidiaries. It regularly reviews relevant climate-related risks and opportunities and assesses the Group's resilience to extreme weather events.

Capacity Building Regarding Climate Change

The Board and senior management should possess the skills and competencies required to oversee strategies addressing climate-related issues. To strengthen their knowledge and ensure our leadership remains current with global developments, we engaged an independent consultant during the reporting year to produce two training videos. The videos cover key topics, such as major global climate events, evolving disclosure standards, climate risk management practices, corporate strategies and best practices adopted by leading international companies. The training materials will be accessible on the Company's intranet and available to Board members, senior management and all employees. We encourage everyone in the company to take this e-learning and enhance their understanding of climate-related risks and opportunities.

Our Sustainability and Climate-change-related Policies

Group Sustainability Policy	• Sets out the foundation for the Group's overall sustainability strategy, ensuring sustainability factors are considered in decision-making throughout our business operations
Climate Change Policy	• Details our strategy and measures to mitigate the impacts of climate change, whilst increasing the adaptability and resilience against climate change
Environmental Policy	• Provides a framework to guide our operations whilst maximizing protection of the environment, including aspects in energy, biodiversity and waste management
Sustainable Building Policy	• Guides our development of low-carbon, climate-resilient properties, and focuses on users' wellness

The Sustainability Steering Committee is responsible for regularly reviewing these policies. Please refer to our **website** for the full versions and refer to the **Transformative**

Sustainable Development Practices Through Innovation, Responsible Biodiversity Management and Accelerating Decarbonization Throughout Our Operations sections for further information.

Climate-related risks and opportunities are managed and incorporated into the Group's enterprise risk management (ERM) and internal control framework. Business units are responsible for identifying, assessing and monitoring risks, including those related to climate change, through our regular risk management processes conducted twice a year. The Risk Management Steering Committee reviews the results from these assessments, provides guidance, and monitors the implementation of respective risk mitigation plans. The senior management also oversees this process to ensure alignment with the Group's risk appetite and strategic direction.

The effectiveness of the Group's risk management and internal control systems is subject to the independent assurance by the Internal Audit Department. These controls and procedures are embedded within the Group's governance structure and are implemented across relevant internal functions through established lines of responsibility and authority, documentation protocols and operational procedures.

Strategy

The Group has developed climate strategies and action plans to address the growing climate-related risks while capturing opportunities that contribute to long-term sustainability and business resilience.

We conducted a scenario analysis and risk prioritization exercise to identify climate-related risks and opportunities that are material to our business and value chain. This assessment considered both financial and non-financial impacts, enabling us to respond to climate challenges in a structured and informed manner. For more details, please refer to the **Risk Management** section below.

Decarbonization Advocacies

In support of international and local climate goals, the Group has been a supporter of the TCFD since 2023. We fully support the HKSAR Government's Climate Action Plan 2050 and the Energy Saving Plan for Hong Kong's Built Environment 2015–2025+. As a participant in the Carbon Neutrality Partnership, we are committed to supporting the city's ambition to achieve carbon neutrality by 2050. In addition, we have signed the Business Environment Council's Net-zero Carbon Charter.

Low Carbon Transition Plan

Our multi-pronged **Decarbonization Strategy** sets the overarching direction for our transition to a green economy, addressing various aspects, such as green energy, green transport and stakeholder engagement. Building on this

strategy, the transition plan is organized along two horizons: short/medium-term (to 2030) and medium/long-term initiatives (to 2050). The pace and sequencing of implementation might be adjusted as resource availability, regulatory conditions, technological advances and stakeholder expectations evolve. In recent years, the Group has significantly increased its investment in renewable energy, developed green buildings, and integrated innovative technologies into daily operations to enhance energy efficiency and reduce emissions. For more details on the transition plan, please refer to the **Risk Management** section below.

10-year Targets on GHG Emissions and Electricity Consumption

We have established 10-year targets on GHG emissions and electricity reduction in the Group. Additionally, specific energy-saving targets have been established for the majority of our residential and commercial buildings, hotels and malls. For more details, please refer to the **Accelerating Decarbonization Throughout Our Operations** section.

Sustainable Finance

We have embedded sustainability factors into our financial mechanisms, and our two sustainability-linked loans (SLLs) have received an overwhelmingly positive market response. To further promote green practices across our value chain, Sanfield continues its partnership with DBS Bank to launch a sustainability-linked financing mechanism tailored for suppliers and contractors. For more details, please refer to the **Sustainable Finance** section.

Deployment of Renewable Energy

We continue to expand our renewable energy infrastructure, including solar panels installations, across our managed properties and construction sites. We are pioneering innovative renewable energy solutions through a joint venture to develop Hong Kong's first privately funded solar farm on a landfill site. We also purchase RECs to support our decarbonization journey. In addition, EV charging facilities are being increasingly installed at our properties. For more details, please refer to the **Expanding Our Adoption of Renewable Energy with Solar Panels** section.

Collaborations with Research Institutions

As part of our green building innovation efforts, we have continued our research collaborations with research institutions, including the pilot testing of low-carbon construction materials with PolyU. For more details, please refer to

the **Transformative Sustainable Development Practices Through Innovation** section.

Tenant Engagement

We actively engage our tenants to improve their and our environmental performance by providing free energy and carbon audits along with technical recommendations. We signed a green lease agreement with UBS, the anchor tenant at International Gateway Centre, to reaffirm our commitment to decarbonization. For more details, please refer to **Accelerating Decarbonization Throughout Our Operations** and **Promoting Sustainability via Green Lease** sections.

Scenario Analysis

Prior to identifying our climate strategies and action plans, in 2023, we engaged an independent consultant to conduct a scenario analysis to assess both physical and transition risks and opportunities that could impact our assets, business operations and value chain. Given the majority of the Group's portfolio is located in Hong Kong, we consider our climate-related risks and opportunities to be primarily concentrated in this region, and our scenario analysis therefore focuses on local assets.

We use a mixed-method scenario analysis to examine impacts over the short/medium-term (up to 2030) and medium/long-term (up to 2050) timeframes. These timeframes are chosen to align with the global objective of reducing emissions and achieving net zero by 2050. We believe that projections beyond 2050 introduce greater uncertainty due to the assumptions required. Therefore, the Group prioritizes a balanced approach that ensures data reliability while still addressing long-term risks.

To assess the potential impacts of climate change on our business, we conducted a scenario analysis using climate pathways developed by globally recognized institutions, such as the Intergovernmental Panel on Climate Change (IPCC), the International Energy Agency (IEA) and the Network for Greening the Financial System (NGFS). These scenarios incorporate a wide range of factors, including political, environmental, economic and social indicators. Key variables considered include projected shifts in population, economic activity, weather patterns, energy usage, land-use patterns, technology and climate policy. Separate sets of scenarios were applied to physical and transition risks to reflect distinct risk drivers. Insights from this analysis have informed our climate strategy by helping us identify risk hotspots and actions to build long-term resilience.

The tables below summarize the scenarios selected and the timeframes used in our assessment:

Physical Risk Scenarios and Parameters

Timeframe	2030 to 2050	
Scenario	Turquoise	Brown
IPCC Scenario	RCP 2.6	RCP 8.5
Global Mean Temperature Rise Above Pre-Industrial Levels By 2100	<2°C	>3°C
Scenario Description	A low GHG emissions scenario consistent with strong climate policy action would likely result in less frequent and less severe extreme weather events, along with minimal shifts in climate patterns	A high-emissions trajectory with limited climate policy intervention is likely to lead to more frequent and severe extreme weather events, along with significant shifts in climate patterns
Risks Assessed ⁷	Acute risk: ● Rainfall flood ● Storm surge ● River flood ● Typhoon	Chronic risk: ● Drought ● Landslide ● Snow melt ● Extreme heat ● Sea level rise ● Wildfire

Transition Risk Scenarios and Parameters

Timeframe	2030 to 2050	
Scenario	Turquoise	Brown
IPCC Scenario	SSP 1-2.6	SSP 5-8.5
IEA Scenario	Sustainable Development Scenario (SDS)	Stated Policies Scenario (STEPS)
NGFS Scenario	Orderly pathways	Hot house world pathways
Global Mean Temperature Rise Above Pre-Industrial Levels By 2100	<2°C	>3°C
Scenario Description	It represents a future with strong climate action, rapid shift to renewables, clear net-zero targets, and wide corporate and policy alignment on sustainability	It represents a fossil fuel-driven future with weak climate policies, slow climate action, profit-first business models, and limited public engagement on sustainability
Risks Assessed	● Technology risk ● Policy and Legal risk ● Reputation and Market risk	

Physical Risk

We conducted an asset-level quantitative climate-related physical risk assessment on eight selected projects within our Hong Kong and mainland portfolio, chosen based on financial materiality, geographic distribution and strategic relevance. To explore a range of possible climate futures, the analysis applied two IPCC climate scenarios – RCP 2.6 and RCP 8.5, representing low- and high-emissions pathways respectively to assess potential impacts by 2030 and 2050. The assessment applied climate modelling methodologies that integrate historical records and future projections of climate variables, such as

sea-level rise, extreme precipitation, wind speed and temperature, along with geospatial analysis involving satellite imagery, topography, vegetation and buildings' footprints. Through evaluating the likelihood and severity of physical risks to our Hong Kong and Shanghai assets, we identified the material physical risks relevant to the Group.

As with all model-based assessments, a degree of uncertainty exists due to assumptions required in estimating the future frequency, intensity and location of climate events. Nonetheless, adopting this science-based

and data-driven approach enables us to better anticipate physical climate risks and develop more informed resilience strategies.

The assessment results, summarized at city-level, indicate that six types of physical risks were considered negligible and are therefore not presented below. The remaining four risks, assessed to pose low to medium levels of impact under the selected climate scenarios, are illustrated in the following table. A supplementary table is provided to outline their potential business and financial implications, along with the Group's corresponding resilience strategies.

⁷ For the physical risk assessment, a range of models were applied to enhance predictive accuracy. These include observational data, HEC and Flo2D models, NWP models, and the LARS-WG model for precipitation and flood risk assessment; global mean sea level projections and region-growing-based analysis for sea level rise assessment; observational data, NWP models, and the STSM model for temperature-related assessments; as well as the Intense AI-based models for typhoon risk assessment.

Location	Typhoon				Rainfall Flood				Extreme Heat				River Flood			
	RCP 2.6		RCP 8.5		RCP 2.6		RCP 8.5		RCP 2.6		RCP 8.5		RCP 2.6		RCP 8.5	
	2030	2050	2030	2050	2030	2050	2030	2050	2030	2050	2030	2050	2030	2050	2030	2050
Hong Kong																
Shanghai																

No risk
 Low risk
 Medium risk
 High risk

Risk Type	Acute Physical Risks (Short/Medium Term)		Chronic Physical Risks (Medium/Long Term)
Description	Typhoon	Rainfall Flood / River Flood	Extreme Heat
Potential Impact	- Higher property damage losses - More typhoon-induced business interruptions - Greater threats to human health and safety, and to the environment	- More business interruptions due to flood damage to facilities and equipment - More supply chain disruption from flooding and transport issues	- More building and equipment damage from high temperatures and power outages - Increased occupational health risks (discomfort, exhaustion and heat-related illnesses) - Reduced productivity owing to extended construction time
Potential Financial Impact	- Increased operating costs for asset repairs, inventory replacement, supply chain disruption and suspended construction - Increased property insurance premiums - Decreased asset value - Decreased revenue owing to business disruption		- Increased operating costs for increased cooling demands - Increased expenses owing to impacts on employees' health
Example of Our Strategy	- Implement the Sustainable Supply Chain Management Guideline to assess and manage environmental and social risks across our supply chain - Integrate climate-adaptive and sustainability-focused elements into the new and existing buildings - Equip frontline teams with operational handbooks and emergency support mechanisms to enhance preparedness for extreme weather scenarios - During such events, an emergency support centre will be activated to ensure operational continuity		

Transition risk

To evaluate transition risks associated with the shift to a low-carbon economy, we focused on two of the Group's core businesses, property (retail and office) and hotel and serviced apartments, across Hong Kong and Shanghai.

A mixed-method approach was adopted, integrating both quantitative scenario analysis and qualitative insights under two different climate futures, to ensure relevance and contextual accuracy. Quantitative assessments were conducted using scenario data from authoritative sources, such as the IPCC, IEA and NGFS. These data projections were used to examine transition risks under different climate policies and market futures, covering

both 2030 and 2050 horizons. To complement the quantitative analysis, we performed a qualitative review of local policy trends and regulatory developments in Hong Kong and Shanghai, recognizing that global scenario data can sometimes lack regional specificity. Subsequently, we conducted workshops and internal surveys with relevant departments and business units to gather practical insights on operational resilience and transition risk exposure across the value chain. This comprehensive assessment covered 21 risk parameters for the property sector (retail and office) and 15 for the hotel and serviced apartment sector, including policy, economic and market factors. By assessing the likelihood

and severity of transition risk exposures across our selected operations and their value chains, we identify the transition risks that are significant to the Group.

Similar to the physical risk assessment, the transition risk analysis also involves inherent uncertainties – stemming not only from climate modelling assumptions, but also from evolving regulatory environments and expert judgments influenced by market sentiment. The findings from this process are summarized in the following table, detailing the identified transition risks, their potential business and financial impacts, and our corresponding response strategies.

Technology (Short/Medium/Long Term)

Description	Increasing market and regulatory shift toward energy-efficient, low-carbon and renewable energy technologies
Potential Impact	- More drive to invest in energy-efficient and low-carbon technologies - Increased adoption of renewable energy sources, such as on-site solar panels
Potential Financial Impact	- Increased capital expenditure on low-carbon product investment and renewable energy - Increased cost of training for new technology - Decreased operating costs owing to energy savings
Example of Our Strategy	- Perform energy and carbon audits to pinpoint opportunities for energy-efficiency upgrades, including lifts, chillers and lighting systems - Deploy smart building management and energy optimization systems to enhance operational efficiency - Expand on-site renewable energy generation, such as the installation of solar power systems - Promote green technology advancement through partnerships with universities and business partners - Set up Sanfield Construction Innovations Limited to develop innovative, low-carbon construction solutions - Partner with DBS Bank to launch the Sustainability-linked Supplier Payment Service (SPS) programme, providing financial incentives to suppliers for reducing carbon emissions - Explore the purchase of RECs where appropriate

Policy and Legal (Short/Medium/Long Term)

Description	Increasingly stringent building regulations and emerging carbon pricing policies
Potential Impact	- Increased pressure to invest in low-carbon technologies and materials - Increased need for employee knowledge of green building requirements - Increased business uncertainty, arising from changing regulations and global trends - Increased litigation risks for non-compliance with green building policies
Potential Financial Impact	- Increased capital expenditure on low-carbon technologies and materials - Increased capital investment for building retrofitting to meet building regulations - Increased training costs for policy and regulation - Increased expenditure on carbon price - Increased fines owing to non-compliance
Example of Our Strategy	- Fulfil green building commitments as stipulated in the Sustainable Building Policy - Incorporate sustainable building features and low-carbon materials into building design - Work towards our 10-year environmental targets through continuous tracking and improvement - Engage in regulatory pilot schemes and industry seminars to provide feedback and stay informed on emerging laws, regulations and market trends - Assess potential exposure to carbon pricing and explore strategies for achieving carbon neutrality

Reputation and Market (Short/Medium/Long Term)

Description	Increasing market and consumer demand for green buildings and sustainable living
Potential Impact	- Influenced the business direction by prioritizing investment in green buildings - Increased drive to develop green buildings and sustainable services - Increased need to train staff in green building practices to respond to buyer inquiries - Reduced competitiveness if consumer demands are not met
Potential Financial Impact	- Increased capital expenditure on green building development and low-carbon products - Increased training costs for green building practices - Increased revenue from rising sales and demand for green building rentals
Example of Our Strategy	- Expand our portfolio of green-certified buildings while proactively managing environmental performance through ISO 14001 and ISO 50001 systems to mitigate climate, energy and carbon-related risks - Strengthen partnerships with universities and business partners to drive innovation in green technologies - Promote sustainable finance by linking environmental performance targets to financing arrangements

Risk Management

We have integrated climate-related risks into our multidisciplinary ERM system, which is structured according to COSO principles. Within this system, risks are identified, assessed, prioritized and managed, then recorded in our risk register and evaluated alongside other key business risks using a consistent risk scoring methodology. Based on their potential impact and likelihood, the risks are prioritized and consolidated into a risk map that informs the development of response plans and control activities, ensuring alignment with the company's defined risk appetite. As a result, the residual risk profile reflects risks that are considered manageable and maintained at a reasonable level. For more details, please refer to the **Managing ESG Risks and Opportunities in Our Operations** section.

To enhance our understanding of potential exposures, the ERM process works alongside the scenario analysis mentioned above. While the scenario analysis provides forward-looking insights under various climate pathways, the ERM framework ensures these insights are translated into actionable oversight and controls across the Group. Together, these tools enable us to manage both physical and transition risks in a structured and informed manner. The following outlines how we respond to these risks across different stages.

Physical Risk

To mitigate and adapt impact posed by physical risks, the Group continues to implement a wide range of measures across its operations. These efforts remain consistent with our climate resilience strategy, ensuring our properties and stakeholders are well-protected against extreme weather conditions.

We prioritize climate resilience in our building designs when launching new development projects. This includes the incorporation of typhoon-resistant structures and site-specific climate risk assessments. Where applicable, additional tests, such as wind tunnel tests, are carried out to ensure structural resilience.

Within our managed properties, climate-resilient fixtures are installed to reduce the impact of extreme weather. These include:

- Floodgates, flood sensors and submersible pumps in low-lying and flood-prone areas
- Water baffles, typhoon nets, water cut-off sensors and IoT leak detectors in washrooms and machine rooms

- Remote-monitored sensors at critical facilities, such as mains switch rooms, for early flood detection
- Intelligent windows that automatically close and seal when water levels rise, preventing water ingress into the equipment rooms
- Replacement of aged rainwater drain pipes

Our property management teams also maintain close communication with our stakeholders to ensure safety during adverse weather. Staff are equipped with handbooks, operational guidelines and regular training to ensure effective and timely responses.

The long-established Emergency Support Team in Kai Shing remains active in assessing disaster risks, sourcing preventive equipment and conducting drills. It also undertakes activities, such as drone inspections of exterior walls and structural assessments, which help enhance property resilience. In collaboration with the university, the team also explores innovative materials, such as glass with enhanced strength, to further improve building safety.

During the reporting year, Kai Shing organized an emergency response drill at Shanghai IFC to strengthen staff collaboration and response capabilities for heavy rain and flooding. The drill involved Emergency Response Team (ERT) members, staff from Shanghai IFC and officials from the Shanghai Fire Department. It simulated three scenarios: flooding caused by broken curtain wall glass, escalator failures due to water leaks, and electrical fires resulting from water damage. The team quickly executed emergency procedures, securing the area and directing customers to safe exits. The Shanghai Pudong New Area Tongshan Fire Rescue Station also participated, simulating fire rescue efforts with advanced equipment. The drill demonstrated effective incident management, ensuring the safety of tenants and customers. Following the drill, an e-learning course was developed and shared with other properties to inform steps and strategies to cope with extreme weather.



Installation of flood barriers at Shanghai IFC



ERT providing emergency first-aid responses



Firefighters demonstrate fire rescue operations during the drill

Hong Yip establishes the Intelligent Typhoon Monitoring and Management Platform, which integrates property data with real-time typhoon updates from the Hong Kong Observatory. The platform enables 24/7 coordination and rapid response through automated alerts, big data analytics and cloud-based communications. This facilitates the team's immediate response to three scenarios during the typhoon season: pre-season preparation, during typhoon impact and post-typhoon recovery. The platform supports preventive measures, monitoring, analysis and safety assessments, notifications, management and follow-ups. Annual typhoon preparedness workshops have been held since 2018 ahead of each typhoon season, providing frontline staff with updates on procedures, guidelines, and new technologies to enhance their emergency response skills. This year, Hong Yip further enhanced its mobile app for incident reporting and temporary staff deployment during adverse weather conditions. The app will synchronize real-time weather signals and prompt staff at relevant buildings to report incidents. Site management and Hong Yip's headquarters can then collect incident data, while the headquarters can control, monitor the situation and manage resource arrangements effectively, helping mitigate the impact of adverse weather on our business and building operations.

Meanwhile, Sanfield maintains its site-level emergency guidelines to address extreme weather, particularly heat-related risks. Preventive measures, such as thermal stress assessments, health monitoring, hydration stations, and training on heatstroke prevention are in place. We provide workers with cooling facilities and electrolyte supplements whenever Very Hot weather warnings are issued by the CIC.

To enhance operational resilience and resource efficiency, our property management and construction subsidiaries adopt internationally recognized environmental and energy management systems, including ISO 14001 and ISO 50001. During the reporting year, around 60% of our managed properties and construction sites in the reporting scope, and Wilson Parking were certified with ISO 14001 or ISO 50001 standards. For ICC, we have also implemented an adaptation plan aligned with ISO 22301 Business Continuity Management Systems to ensure service continuity during disruptions.

Our property management subsidiaries maintain close communication with relevant government authorities to address climate change concerns, including flooding risks. These engagements help shape more resilient urban planning, response strategies and infrastructure enhancement. When repeated flooding is observed in surrounding areas due to heavy rainfall, our teams will promptly report to the Drainage Services Department. We collaborate with the government to evaluate and implement appropriate measures, such as enhancing existing storage capacity or installing new stormwater tanks, to more effectively manage extreme rainfall events.

Transition Risk

To mitigate the transition risk, the Group adopts a comprehensive approach to risk management across its operations and value chain. These efforts support the Group's broader climate

strategy and help ensure resilience amid evolving technology, regulatory, market and stakeholder expectations. Our **Sustainable Supply Chain Management Guideline** outlines procedures for vendor registration, tender selection, critical supplier identification, performance evaluation and risk exposure assessment. This enables us to identify and manage transition-related risks throughout our procurement processes and supply chain operations. For more details, please refer to the **Mitigating the Supply Chain Risks** section.

Building on the climate-risk assessment and the mitigation and adaptation strategies outlined earlier, we have also developed a **Low Carbon Transition Plan**. This plan supports the Group's decarbonization journey and reinforces our commitment to long-term climate goals.

Low Carbon Transition Plan

This transition plan, developed to align with the HKSAR Government's Climate Action Plan 2050 and informed by our scenario-analysis results, sets out our short-, medium- and long-term strategies, actions and targets to address climate-related risks and opportunities.

Short/Medium Term (up to 2030)

Low-Carbon Design and Green Construction

- Apply green building standards and climate-resilient designs in new development planning
- Scale prefabrication and other smart, low-carbon construction and building technologies, including energy-efficient, electric equipment
- Support green material and technology development with universities and partners
- Maintain and expand green building certifications across our property portfolio

Energy and Resource Efficiency

- Work towards our 10-year environmental targets
- Conduct carbon/energy audits and retrofit projects
- Deploy smart building management systems and environmental data analytics
- Increase on-site solar energy generation and consumption
- Accelerate rollout of EVs and charging infrastructure

Circularity and Stakeholder Engagement

- Minimize waste production in our operations and encourage recycling in the community
- Engage key stakeholder groups on sustainability initiatives
- Expand the scope of the green lease agreement
- Expand the SPS programme

Medium/Long Term (up to 2050)

Low-Carbon Operation and Business

- Scale low-carbon operation and business
- Establish ambitious environmental targets towards net-zero carbon commitment

Value Chain Decarbonization

- Develop a sustainable supply chain system aligned with our guidelines and standards
- Scale existing initiatives with suppliers, contractors and other partners to drive collective decarbonization
- Purchase RECs where appropriate
- Develop programmes to reduce emissions with tenants

Financing for Decarbonization

- Develop mechanism for internal carbon pricing
- Expand our green financing profile, where applicable
- Embed measurable sustainability performance targets into new financing mechanisms

By 2030, we will reduce 35% of scope 1 and 2 GHG emissions intensity of our EOC-monitored buildings from FY2019/20

2030

2050

Considering the strategies and measures outlined above, the Group assesses that the residual physical and transition risks over the short, medium and long term are limited and well-managed. These risks are not expected to have a material impact on our business model, value chain, financial position, financial performance, or cash flows. Based on current analysis, we do not anticipate any significant changes to the carrying amounts of assets and liabilities within the next annual reporting period as a result of climate-related factors.

Deepening Insights Through Cross-Functional Engagement and Opportunity Analysis

We broadened our understanding last year through targeted stakeholder engagement and quantitative analysis of climate-related opportunities. With the support of an independent consultant, we launched an online survey and facilitated a climate-focused workshop involving cross-functional representatives from project

design, construction, project management, leasing and property management. These sessions provided an opportunity for participants to reflect on past climate events, assess the likelihood and potential consequences of emerging risks, and discuss tailored adaptation strategies and actionable plans for their respective operations. Key observations – including constraints and capacity needs – were compiled into a comprehensive report to guide management decision-making and enhance proactive risk mitigation efforts.

In parallel, we undertook a financial impact analysis to assess the potential benefits of climate-related opportunities, particularly focusing on cost savings from emissions reduction and carbon tax implications. Leveraging scenarios developed by NGFS, we estimated that a reduction of around 11,400 tCO₂e across EOC-monitored buildings in FY2024/25, compare to the previous year, could

result in potential carbon tax savings of around HKD 4.2 million⁸ under the NGFS Below 2°C scenario. Looking ahead, continued progress toward our carbon reduction goal will further increase these savings.

Metrics and Targets

The Group uses a range of metrics to monitor and manage climate-related risks and opportunities across our operations. These metrics provide insight into how climate considerations are integrated into strategic planning, operational decisions and capital allocation. In particular, selected capital deployment metrics illustrate how financial resources are being directed towards initiatives that support our climate transition. These investments are expected to gradually reshape the Group's asset profile and operating cost structure over the short, medium and long term, contributing to reduced risk exposure and enhanced long-term resilience.

Metrics Categories	Metrics	Unit of Measure	FY2024/25
Climate-related Opportunities	Percentage of gross rental income from certified green buildings ⁹	%	~80
Capital Deployment	Investment in energy-efficient or low-carbon products/services from property management subsidiaries	HKD	~\$75.3 million
	Percentage of annual capital investment in green building development ¹⁰	%	~88
Green Building Management	Number of projects in Hong Kong that earned BEAM Plus, LEED or BREEAM certifications	Number	123
	Percentage of our managed properties (by total gross floor area) in the reporting scope that obtained green-building-related certificates	%	~50
	Percentage of our core completed office buildings (by total attributable gross floor area) for long-term rental in Hong Kong and Shanghai that received LEED Gold or Platinum ratings, including pre-certifications	%	~85
	Percentage of our ongoing construction sites (by total gross floor area) that are BEAM Plus-registered	%	~91
Green Procurement	Percentage of total procurement that took environmental considerations into account	%	~46

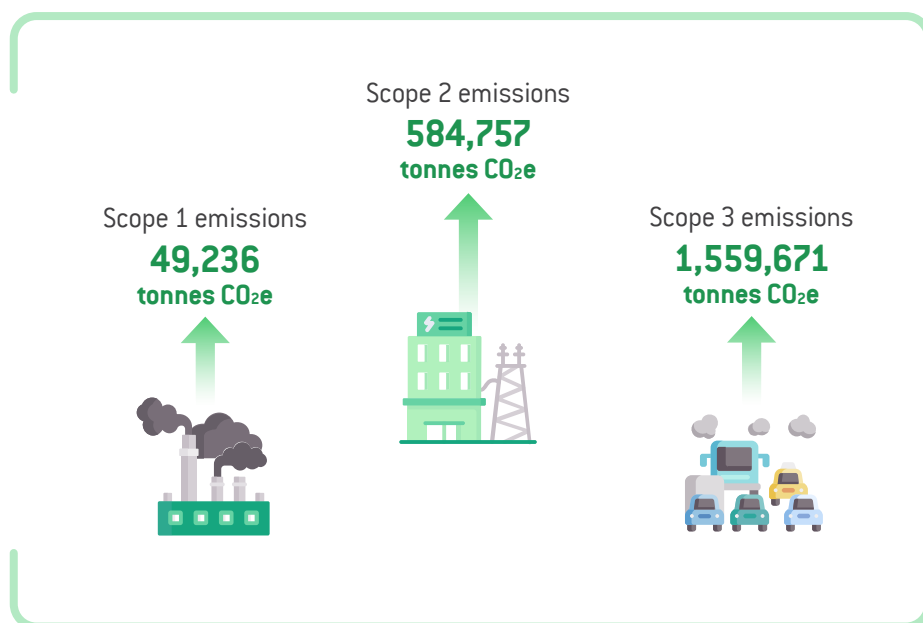
⁸ The calculation based on a carbon tax of USD48/tCO₂e is expected to be introduced in China in 2030, as suggested by the NGFS Phase 4 Scenario Explorer.

⁹ Includes BEAM Plus new and existing buildings (comprehensive and selective schemes), LEED or BREEAM certificates received by properties owned or managed by SHKP in Hong Kong.

¹⁰ Includes development projects in Hong Kong, which have achieved or committed to BEAM Plus, LEED or BREEAM certificates.

We continuously monitor our GHG emissions across scope 1, 2 and 3 to evaluate the Group's decarbonization progress. To enhance the accuracy and coverage of our emissions inventory, we initiated a third-party-led review of scope 3 emissions since 2022, with updated methodologies and data sources implemented progressively. For more details, please refer to **Appendix III**.

We regularly review the validity of our established environmental targets and assess our performance against them, taking into account our long-term sustainability objectives as well as the evolving regulatory landscape in Hong Kong. This includes considering the national commitment to carbon neutrality by 2060 and the HKSAR Government's Climate Action Plan 2050. For details of these long-term targets and our progress toward them, please refer to the **Sustainable Building and Environmental Targets** and **Accelerating Decarbonization Throughout Our Operations** sections.



Encouraging Waste Reduction and Recycling

Our operations primarily generate construction, demolition and general waste. Aligned with the Waste Blueprint for Hong Kong 2035, we implement a three-tiered waste management approach focusing on prevention, reduction and recovery. This strategic framework has driven significant progress toward our 10-year construction waste diversion target. For detailed targets and progress, please refer to the **Strategies and Management** section.

Design and Construction

We embed waste management principles throughout project lifecycles while leveraging advanced technologies for resource optimization. Through BIM simulations, precast elements and DfMA, we minimize design errors and material waste while maintaining quality standards. Our contractor engagement includes strategic measures like standardized material dimensions and on-site recycling facilities, complemented by project-specific waste reduction targets for contractors, where feasible. For instance, our project NOVO LAND implements a comprehensive waste management plan targeting 100% reuse or recycling of excavated materials and lateral support components.

Across all development sites, we maintain rigorous waste management plans and waste separation protocols. Recyclable materials, such as paper, cardboard, metal, aluminium,

plastic and glass, are directed to local recycling centres. Sanfield provides specialized waste management training to the majority of our employees and contractors. All contractor representatives undergo waste management training and comply with contractual waste management requirements.

Our material procurement strategy prioritizes waste reduction through repurposing excavated soil and sand for backfilling and reclamation, utilizing prefabricated steel reinforcement bars, and recycling scrap steel, such as bored piles and I-beams. We actively support circular economy by sourcing recycled products, including recycled High-Density Polyethylene scaffold net, timber decking, reconstituted stone, recycled steel and glass-based paving blocks. We further incentivize contractors to prioritize material recovery and recycling. These efforts helped us divert around 96.1% of construction waste from landfills this year.

Operation

Success in driving circular economy initiatives depends on strong collaboration with stakeholders, including tenants, customers and residents.

Reducing Domestic and Packaging Waste

The Royal Hotels and our property management subsidiaries have demonstrated their commitment by signing the Carbon Neutrality [Waste Reduction] Charter, focusing on comprehensive waste management and plastic reduction. In alignment with government regulations and sustainable consumption practices, our hotels have implemented various initiatives, including water stations, eco-friendly tableware, and refillable amenities to minimize single-use plastics.

We facilitate responsible consumption through extensive recycling infrastructure and initiatives across our managed properties. Key achievements include:

- Around 230 properties participating in Environmental Protection Department's (EPD) Waste Reduction and Recycling Charter while around 310 properties joined the Carbon Neutrality (Waste Reduction) Charter
- More than 110 properties enrolled in EPD's Green Collect Service to facilitate recycling among residents
- Active participation in environmental initiatives, such as EPD's Glass Container Recycling Charter and Peach Blossom and Natural Christmas Tree Recycling Programme, and Greeners Action's Lai See Reuse and Recycle Programme

Visit by the Secretary for Environment and Ecology

In June 2025, the Secretary for Environment and Ecology, Mr Tse Chin-wan, visited Castello, a residential property managed by Kai Shing that demonstrates encouraging results with its high recycling rate.

In the first quarter of this year, Castello collected a total of around 21 tonnes of food waste, six tonnes of plastics, and three tonnes of wastepaper, and achieved an average monthly recycling volume per household of 6.3 kg.

The visit included a tour of the recycling facilities, featuring a newly-installed food waste smart recycling bin subsidized by the Recycling Fund, a refuse compactor and sorting facilities, followed by a dialogue session engaging with residents at the clubhouse.



Kai Shing's staff introduces Castello's waste reduction initiatives to the Secretary

Our commitment to waste management excellence is reflected in Hong Yip and Kai Shing's achievements, with more than 400 managed buildings recognized in the Programme on Source Separation of Domestic Waste and Commercial and Industrial Waste, including four Diamond Award-winning residential properties.

Promoting Food Waste Reduction and Recycling

Our comprehensive food waste management strategy:

- Hong Yip and Kai Shing have food waste management or installed food waste machines at 66 properties, collecting around 9,700 kg daily
- 43 commercial and residential properties participated in the EPD smart recycling bin pilot scheme
- We host regular educational programmes or tours to raise stakeholders' awareness of responsible waste management

ICC

ICC completed a comprehensive waste audit this year to analyze tenant waste composition. These insights will guide our future recycling strategies and engagement programmes. We have also launched an innovative free reusable tableware rental service, enabling tenants to borrow and return cleaned tableware through the concierge, reducing waste generated from single-use containers.



Tenants can rent free tableware through ICC's concierge

- We engage tenants to divert food waste from landfill to the Organic Resources Recovery Centre (O•PARK1)
- More than 100 of our managed properties joined the World Food Rescue Week by Food Angel
- YATA and our hotels also participated in various food waste recycling initiatives, such as the World Food Rescue Week by Food Angel, Food Grace Moon Cake Recycling Campaign and CNY Food Recycling campaign, to collect leftover food from our customers, hotel guests and the public for redistribution to underprivileged communities
- Four Seasons Hotel Hong Kong has an organic waste diversion programme that converts food waste off-site into biogas for renewable energy and agricultural compost

Century Link

Our smart waste management system features five strategically placed bins facilitating efficient food waste recycling. The programme incentivizes resident participation through a points-based reward system redeemable at the clubhouse. Through educational booths and guided tours, we have enhanced community engagement, resulting in more than 22 tonnes of food waste collected in 2024.



Century Link residents learn about food waste recycling

Hotels

Both The Royal Garden and Hyatt Centric Victoria Harbour Hong Kong have implemented the Lumitics system, leveraging AI, image recognition and data analytics to optimize food waste management.

This technology has enabled Hyatt Centric Victoria Harbour Hong Kong to achieve a remarkable 46% reduction in food waste in 2024 through improved menu planning and operational adjustments. The hotel's ORCA food waste digester has further advanced our sustainability efforts, converting food waste into liquid form for safer disposal. It has diverted 30 tonnes of food waste from landfills.



The Lumitics system and ORCA food waste digester analyze food waste patterns through AI technology

Resource Management

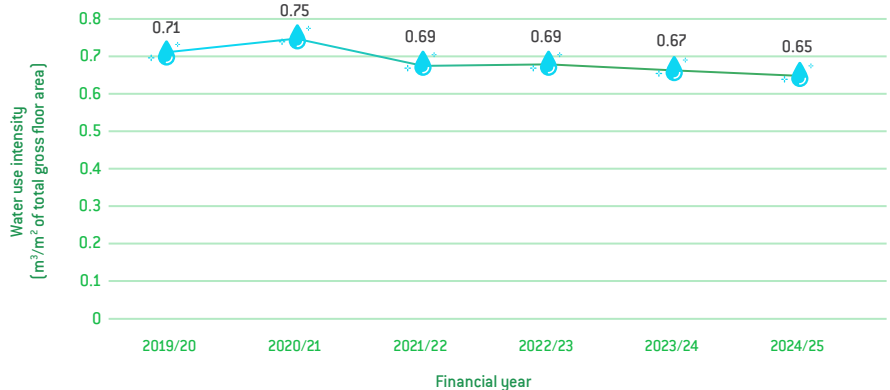
We maintain a comprehensive approach to resource stewardship, encompassing sustainable sourcing, strategic supplier selection, and detailed procurement monitoring.

Water risk represents a key ESG consideration within our Group, with our property management division being the primary consumer, followed by other business units. Water is often consumed in our daily operations through cleaning, irrigation, customers' business uses, construction processes, and hotel operations, including food and beverage preparation and laundry services. We solely consume water from municipal water sources and do not extract water from alternative sources. To evaluate water risk and availability, and to integrate water risk management into our overall business strategy, we conduct an annual water stress test and analysis covering all of SHKP's assets within the Hong Kong portfolio, using the World Resources Institute's Aqueduct Water Risk Atlas tool¹¹ for this assessment. The results assist us in evaluating water risk and availability across our portfolio and operations.

As part of our commitment to water stewardship, we aim to improve water efficiency, mitigating uncertainties related to water availability and preventing escalating water stress that could impact our operations and the communities we serve. We actively promote water conservation through various initiatives, including:

- High-efficiency water fixtures:** Our property management arms prioritize using labelled water-efficient products. We install water flow controllers and automatic faucets in our managed properties, and dual flush toilets on construction sites
- On-site wastewater treatment:** Sanfield processes wastewater on-site and reuses greywater for cleaning purposes
- Rainwater collection:** At our construction sites, Sanfield collects and reuses rainwater on-site. In our major managed malls, we also have rainwater collection facilities to collect rainwater for irrigation
- Regular inspection for water fixture:** Our subsidiary Superpower conducts pump inspections, performs maintenance activities, records data and utilizes computer analysis
- Car park cooling system:** Mikiki has developed a car park cooling system to utilizes condensation water from air conditioning

Water Use Intensity of Major Buildings Monitored by the EOC²

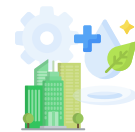


Our water consumption intensity has reduced by ~7.6% since FY2019/20

- IoT leak detection system:** KCC and Port 33 are among the first batch of properties to integrate IoT leak detection systems and automatic water shut-off systems in the industry. When a water leak is detected, wireless signals will be sent to the system and technicians for efficient follow-up. In addition, Hong Yip has collaborated with HKMU in developing IoT solutions in monitoring leakages of water pump systems
- Reduce unnecessary amenities replacement:** Most of our Royal Hotels and franchise hotels have implemented a guest linen reuse programme
- Internal tracking platform:** Hyatt Centric Victoria Harbour Hong Kong adopts the Hyatt EcoTrack to track metrics, including water use, which can generate insights and identify areas for improvements

We maintain strict compliance with the Hong Kong Water Pollution Control Ordinance, ensuring proper treatment and discharge of both residential and commercial effluents through government drainage systems. We treat construction sewage as per relevant regulations before discharge.

Our achievements on water management this year include:



Implemented water conservation projects across **46** managed properties



79 managed properties committed to the ECH₂O water management charter under the Enterprises Cherish Water Campaign



31 managed properties signed Water Supplies Department's Let's Save 10L Water v2.0 Charter

¹¹ The results indicate that none of our operations in Hong Kong have high or extremely high overall water risk. Specifically, all our Hong Kong operations face low-medium baseline water stress levels (10-20%). The Group has not faced significant challenges in securing water.

Promoting Sustainable Procurement

Our commitment to sustainable procurement is embedded in our Environmental Policy, Sustainable Building Policy, Supplier Code of Conduct, Sustainable Supply Chain Management Guideline and procurement guidelines. These frameworks ensure environmental considerations are prioritized and integrated into procurement decisions across all operations.

Resource Efficiency Enhancement in Construction

- Sanfield optimizes material usage through precast facades, aluminium formwork and green bricks
- Pre-finished and smooth blocks replace traditional plastering, reducing waste while improving efficiency

Sustainable and Green Building Materials

- All temporary construction timber (for falsework and formwork) meets BEAM Plus standards through Forest Stewardship Council (FSC) certification or from certified sustainable origins
- We prioritize timber certified by FSC or equivalent bodies, and reuse it wherever possible. Timber suppliers are required to provide certificates through their supply chain and monthly delivery records to verify compliance with our requirements
- We prioritize products with environmental and health declarations that are sourced locally, or feature recovered materials, materials with low embodied carbon, low-emitting VOC emissions and easily recyclable materials and packaging

Reducing Embodied Carbon

- We conduct comprehensive carbon assessments at construction sites covering emissions, energy and water consumption, and transportation
- Our construction material choices include green gypsum blocks, low-carbon tiles, concrete blended with pulverized fuel ash, Ground Granulated Blast Furnace Slag (GGBS)-based low carbon concrete and paving blocks containing recycled glass
- We promote CIC Green Product certification among suppliers to further reduce the embodied carbon of our projects. For details on our sustainable sourcing practices, please refer to the **Value Created for Supply Chain** section

Encouraging Green Lifestyles Through Community Engagement

Our commitment to environmental stewardship extends beyond our operations, with around 380 properties and construction sites earning Hong Kong Green Organizations recognition. We actively promote sustainability and climate change awareness through green campaigns, urban farming, and promoting green transport solutions.

Since 2011, our partnership with Green Power has driven the Love Nature campaign, featuring Hong Kong's pioneering Nature Rescue app for terrestrial and coastal clean-up coordination and waste blackspots reporting. The app's integration with The Point loyalty programme incentivizes public participation by earning bonus points, while collaborations with green organizations like A Plastic Ocean Foundation, Hong Kong CleanUp, and Plastic Free Seas expand our environmental impact. This year, we have upgraded our Nature Rescue app into an interactive platform to allow trusted green partners to initiate, organize and promote clean-ups as well as to recruit and communicate

with volunteers. During the reporting year, a large-scale clean up was organized at Tung Chung Bay on Lantau Island with participation from students, volunteers and partners, which removed around 170 kg of waste and recyclables.



To date, the Love Nature campaign has organized **>330** clean-up events, collected **>71 tonnes** of waste, and engaged **>14,500** individuals.

Our environmental leadership continues through multiple initiatives, including our 17th consecutive year supporting WWF's Earth Hour,

with more than 400 of our owned or managed properties participating. Furthermore, as part of our commitment to promoting a green lifestyle, we have established urban farms at 46 of our managed properties. For instance, Metroplaza has established an urban farm of more than 15,000 square feet with workshops organized for customers to experience harvesting.

During the reporting year, we introduced the SHKP Mall Gift Card Green Sandbag Exercise, upcycling used or expired SHKP malls' gift cards by shredding and transforming them into reusable green sandbags for operational use. Reward campaigns were also launched to incentivize customers to return used or expired gift cards at selected malls, promoting circularity and reducing waste.

We leverage our property management resources to cultivate environmental consciousness within the community and encourage the adoption of sustainable lifestyles through various initiatives.

Royal Peninsula's participation in the MilMill Recycle Bus Programme demonstrates our commitment to community-based recycling. The initiative, featuring the Mil Bus and Smart Recycling Promotion Vehicle, enhances resident engagement in sustainable waste management.



Smart Recycling Promotion Vehicle and MilMill Recycle Bus engage Royal Peninsula residents

Noah's Ark's collaboration with the Rainbow Foundation for the Ma Wan Go Green! Carnival showcases our dedication to ecological conservation. The event combined green guided tours with interactive workshops on organic farming and biodiversity.



Participants explore sustainability at the Ma Wan Go Green! Carnival

Our community engagement in raising environmental awareness extends through various channels. Mikiki and Tsuen Wan Plaza hosted educational site visits for local kindergartens, demonstrating practical environmental solutions in action. At Silicon

Hill and University Hill, we have pioneered a resource sharing platform enabling residents to borrow household items and electronics, promoting collaborative consumption. We also actively encourage new retail and office tenants to repurpose existing fixtures and equipment, embedding circular economy principles into our operations.

Our initiatives in mainland China demonstrate our cross-border commitment to environmental education. Through Hong Yip's Arbor Day celebrations and waste classification activities, we are aligning with local regulations while fostering community engagement in sustainable practices.



Employees embrace and appreciate nature on Hong Yip's Arbor Day

Supporting Green Transportation

In alignment with the Climate Action Plan 2050, we are advancing green transport initiatives through three key strategies:



Fleet Transitioning

- Sanfield is gradually transitioning its fleet of diesel and petrol company vehicles to EV or hybrid vehicles
- Hong Yip has implemented a plan to transition their fleet to EV and promote green mobility by 2030. This initiative will reduce around 20 tonnes of carbon emissions annually



Promotion of Green Transport

- Sanfield's shuttle bus network provides efficient, low-carbon transport for construction workers
- Strategic bike-parking facilities across our managed properties encourage green transport



Increase in EV Charging Facilities

- Our pioneering rewards-redeemable, high-speed EV charging network, integrated with The Point, leads Hong Kong's EV charging infrastructure
- Wilson Parking enhances user experience through smart EV charging booking services across its facilities. For more details, please refer to the **Value Created for Customers** section

Looking ahead, we remain committed to expanding our green transportation initiatives and supporting Hong Kong's transition to a low-carbon future while enhancing mobility options for our stakeholders.

Value Created for PEOPLE



By embracing diversity and prioritizing wellness and safety, the Group aims to create a people-centred working environment. We are dedicated to investing in our people and providing fair opportunities and ample support for them to thrive as a high-performing team.

Material topics addressed in this section:

- Business ethics and anti-corruption
- Diversity and equal opportunities
- Employee development and succession planning
- Employee engagement
- Innovation
- Labour practice and human rights
- Well-being, health and safety





Highlights of Our Performance in FY2024/25



33.8% female representation at management level



>339,000 hours of ESG-related training delivered



~8.6% of our managed properties and construction sites in the reporting scope are ISO 45001-certified



2nd year as the United Nations Global Compact signatory

Strategies and Management

Cultivating a people-centred and harmonious workplace culture stands as the cornerstone for our high-quality products and services delivery. We combine competitive remuneration packages, robust health and safety measures, tailored training and ongoing talent development plans to attract, retain and motivate exceptional talent. We provide support for any objectives regarding employment, diversity and inclusion, well-being, health, safety and labour standards.

We adhere to – or exceed – all relevant laws and regulations in the jurisdictions in which we operate, including Hong Kong's Employment Ordinance and Occupational Health and Safety Ordinance. As such, we implemented comprehensive health and safety systems and policies, and well-being initiatives throughout our operations.

We communicate our operational expectations and standards through our Staff Handbook, **Code of Conduct**, and **Health and Safety Policy**, incorporating internationally recognized standards, including the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

We maintain our commitment to upholding human rights across all operations as outlined in our Code of Conduct and Human Rights and Equal Opportunities Policy. This commitment aligns with the principles and guidance of the United Nations' Universal Declaration of Human Rights and SDGs. As a signatory to the United Nations Global Compact since 2024, we further strengthen our dedication by aligning business strategies and operations with universal principles on human rights, labour, environment and anti-corruption.



United Nations
Global Compact

We maintain ethical excellence through strategic anti-corruption initiatives:

- ✓ Anti-corruption training for all full-time, part-time employees, contractors and directors on our e-learning platform
- ✓ Mandatory integrity training for new employees during onboarding
- ✓ Annual business ethics webinars in partnership with the Independent Commission Against Corruption
- ✓ Annual refresher seminars on Code of Conduct, anti-corruption, anti-discrimination and ethical business practices

We maintain zero-tolerance towards human trafficking, forced or child labour across our operations. To prevent human rights violations, our employment system thoroughly vets candidates through interviews by multiple parties and reference checks, identifying and mitigating any human rights or other ethical conduct issues identified in their employment history. True copies of education and employment-related documents have to be provided for viewing before an employee formally reports for duty. We proactively investigate any potential employment violations and their impacts on an on-going basis as part of our regular operation process, following established procedures and policies to uphold our ethical standards and integrity. During the reporting year, there were no reported cases of child or forced labour.

Employees are actively encouraged to seek guidance from the Internal Affairs Department on any ethical matters. Our whistleblowing mechanism enables employees to report concerns, including misconduct, malpractice, impropriety, fraud, harassment, discrimination and safety violations with guaranteed protection against retaliation. To further deter non-compliance and reduce exposure to unethical opportunities, the mechanism is supported by comprehensive Code of Conduct, business ethics-related training or audits to ensure

Key Oversight Committees:

Committee	Responsibility
Human Resources Committee	• Establishes, evaluates and refines human resources policies
Occupational Health and Safety Committees*	• Oversee health and safety strategy and performance, and mitigate any health and safety operational risks
Internal Affairs Department	• Drives employee well-being initiatives and deliver targeted training programmes based on their feedback and business requirements

* In our property management and construction subsidiaries



compliance. The Internal Affairs Department joint force with the Internal Audit Department provides guidance on ethical matters, ensuring all reports, including anonymous submissions, are handled with strict confidentiality through our whistleblowing system and internal procedures, with diligent protection of whistleblower identities.

Where a preliminary review indicates substantive concerns, the following actions will be taken:

Step 1:

Investigation and Escalation

Investigation outcomes and recommended corrective actions presented to the Chairman and Managing Directors



Step 2:

Review of Significant Concerns

Significant concerns are reported to the Audit and Risk Management Committee



Step 3:

Disciplinary Outcomes

Confirmed violations result in proportionate consequences:

- Verbal or written warnings
- Performance improvement evaluations
- Employment termination where warranted

Our commitment to ethical standards and practices extends throughout our supply chain. For more details, please refer to the **Value Created for Supply Chain** section.

Retaining and Nurturing Talent for a Resilient Workforce

We review performance-based compensation packages regularly to attract and retain talents. Employees are provided with competitive benefits packages, and their performance and contribution are duly recognized in their remuneration and career progression.

In general, we offer wages with reference to the market benchmarks and are comparable to the living wage in Hong Kong, ensuring that our wages meet or exceed regulatory requirements. Our full-time employees are entitled to comprehensive benefits, including medical coverage, various types of leave and retirement benefits.

We are committed to cultivating our talent pipeline through long-term partnerships with local educational institutions and the government:

The Group

- ⊕ SHKP Summer Internship Programmes, Management Trainee Programme and Graduate Trainee Programme, engaging more than 35 students during the reporting year
- ⊕ Greater Bay Area Youth Employment Scheme, recruiting high-calibre graduates from leading universities during the reporting year
- ⊕ Home and Youth Affairs Bureau Scheme on Corporate Summer Internship on the Mainland and Overseas 2025, with intern expense coverage
- ⊕ Graduate-level internships through Vocational Training Council partnership for final-year Higher Diploma engineering students

Hong Yip

- ⊕ Memorandum of Understanding (MoU) with Hong Kong College of Technology (HKCT) and Hong Kong Employment Development Service Limited for property management talent development
- ⊕ MoU with Smart City Innovation Centre of Vocational Training Council (VTC) to strengthen collaboration and development of innovative technologies

Kai Shing

- ⊕ KS 100 Summer Internship Programme providing hands-on experience and professional training – including a Best Intern Award and fast-track employment for exceptional talent
- ⊕ MoU with HKCT for One-stop Training and Employment Scheme, with 20 first-cohort graduates deployed in 2025
- ⊕ MoU with Hong Kong Metropolitan University (HKMU) to provide students with work-integrated learning, enhancing their pre-employment training, communication skills and professional knowledge

Royal Hotels

- ⊕ Two-year practical learning programme in collaboration with Hong Kong Polytechnic University's College of Professional and Continuing Education, providing more than 200 internships across SHKP hotels

Sanfield

- ⊕ Specialized Summer Internship Programmes for construction and engineering undergraduates, engaging 50 students during the reporting year

Our extensive development approach includes on-the-job training, mentorship, external learning opportunities and professional qualification sponsorships. During Hong Yip's recruitment process, artificial intelligence (AI) is integrated to enhance the efficiency and reduce recruitment costs by accurately matching candidates' skills with job requirements. It also provides interviewers with a comprehensive overview of each candidate for reference.



SHKP Management Trainees meet the Group's Head of Internal Affairs



A trainee receives training under Kai Shing's One-stop Training and Employment Scheme

Facilitating Employee Engagement

We cultivate transparent communication through our extensive feedback system. We have a whistleblowing mechanism in place, together with employee suggestion boxes, and regular opinion surveys for our staff. We conduct periodic employee opinion surveys that cover various topics, such as purpose, job satisfaction, training and development, and well-being, ultimately enhancing job satisfaction and the overall workplace experience for our employees.



Our open feedback culture also extends to our subsidiaries. Our property management arms share company news and communicate with staff through their internal apps, KS CONNECT and WeCom. In Hong Yip, an annual town hall meeting enables two-way communication between the senior management and the general staff, serving as a platform for colleagues from all departments and representatives of managed sites to engage with company management. In Kai Shing, an internal newsletter is released on a regular basis to engage employees and allow them to have a better understanding of our initiatives. We also engage with our hotel staff through Staff Communications Committee meetings and regular meetings. Monthly performance awards and Staff Appreciation Day are arranged to demonstrate our recognition of their contributions.

To streamline general internal processes and workflows, our employees can access company information, submit orders and payments, reserve meeting rooms, and manage leaves, appraisals and claims through the SHKP Staff app and intranet. The platform centralizes all functions to boost efficiency and ensure data security.

Appraisals are conducted annually with key performance indicators (KPIs) to evaluate individual employees' performance and development needs. The KPIs for employee remuneration include progress towards objectives set by management, teamwork, and compliance with our Code of Conduct. Through regular discussions, supervisors provide clear feedback and identify development opportunities that support career growth.

Recognizing Our People's Excellence with Annual Awards

We acknowledge our staff through appraisals, opportunities for career advancement and annual awards. Led by our Deputy Managing Directors, our annual awards celebrate exceptional contributions that serve as powerful motivators for continued excellence.

Our commitment to people development continues to earn prestigious recognition from leading recruitment platforms. At the Employees Retraining Board (ERB) Annual Award Presentation Ceremony 2024-25, Hong Yip secured ERB Annual Excellence Award for Employers for the 14th consecutive year while Kai Shing, Royal Plaza Hotel and Wilson Parking received the ERB Outstanding Award for Employers. For detailed information on our awards and recognitions, please refer to **Appendix I**.

Fostering Diversity and Inclusion in the Workplace

We cultivate an environment where diverse talents collaborate and thrive, guided by our Staff Handbook, Code of Conduct, and Human Rights and Equal Opportunities Policy. We uphold human rights and ensure equal opportunities within a discrimination-free environment. We adhere strictly to Hong Kong laws and regulations regarding human rights, covering issues, such as human trafficking, forced or child labour, discrimination, freedom of association and the right to collective bargaining. During the reporting year, we did not identify any confirmed legal cases of harassment, discrimination or human rights risks within our operations and have not caused nor contributed to any human rights violation within our operations or supply chain. Consequently, no remedial actions were deemed necessary.

We are committed to upholding the highest standards of fair and equal employment, and to preventing and mitigating human rights issues. Hong Yip and Kai Shing have strengthened this commitment by signing the Racial Diversity and Inclusion Charter for Employers, initiated by the Hong Kong Equal Opportunities Commission. The Charter provides guidelines for promoting racial diversity and inclusive workplace through fair recruitment and promotion practices, while ensuring good engagement with racial minorities from disadvantaged communities. We also joined the racial diversity and inclusion workshop organized by the Commission, fostering an inclusive and collaborative work environment for all employees.

We enforce zero-tolerance for harassment or discrimination based on age, gender, marital status, pregnancy, disability, family status, race, colour, nationality and religion to improve workforce diversity and ensure equal opportunities for all our employees. This commitment is reinforced through annual training for all employees on workplace discrimination or harassment, covering the Anti-Discrimination Ordinance, anti-discrimination at work and company culture. These programmes enhance employee's awareness and understanding of equality in the workplace.

Our comprehensive approach to human rights protection spans across operations and supply chains. At Kai Shing, our Code of Conduct provides guidance regarding human rights and the mitigation of related risks. This is further supported by mandatory training modules and e-learning courses that cover key topics, such as non-discrimination and anti-harassment. We also provide detailed self-learning courses focused on diversity, equity and inclusion in workplace. A whistleblowing mechanism is in place through which employees can raise concerns about potential human rights issues. We treat all reports with the utmost confidentiality and strictly prohibit any form of retaliation against whistleblowers.

To uphold human rights standards in our value chain, we have implemented similar measures that encourage suppliers to conduct identity and visa status checks, where applicable, during their recruitment process to identify and prevent any human rights issues. These measures ensure responsible recruitment throughout our operation and to reduce the risk of human rights violation. We regularly identify any potential human rights-related risks in our operations via stakeholder engagement, and along the supply chain by conducting occasional supplier compliance checks and desktop research.

We encourage both internal and external stakeholders to report any suspected incidents of discrimination or harassment through our confidential whistleblowing channel. Additionally, suggestion boxes are available for raising concerns. Any employee found to have engaged in unlawful discrimination or harassment faces disciplinary action, up to and including dismissal. During the reporting year, no credible whistleblowing allegations were substantiated.

The Group actively promotes women's empowerment and gender equality through transparent monitoring and reporting of the gender pay gap annually, highlighting our progress in striving for equal remuneration for men and women. Gender is not considered in any pay-related decisions. Where necessary,



Quality-Raising
Suggestion
Scheme



Work Safety
Suggestion
Scheme



Best Handover
Quality Award



Safety Award
Scheme



Long Service
Award

we will review and take appropriate actions, including salary adjustments or other remuneration package changes, to reflect that we take account of only performance, contribution and market factors in deciding pay for each employee. We provide inclusive opportunities for all, regardless of ethnic background, disability, or other characteristics. For more details, please refer to **Appendix III**.

Our subsidiaries actively collaborate with government bodies and non-profit organizations (NPOs) to create meaningful employment pathways for diverse communities:

Hong Yip

- WISE Employment Hong Kong partnership offers student internships to those with special educational needs
- Social Ventures Hong Kong's EmpowHER2B programme offers part-time roles for returning mothers after a career break of over five years
- Building Up Sustainable Mutual Support Network with the Hong Kong Federation of Women's Centres for single mothers and new-arrival women. Participants were trained in repair and maintenance skills by Hong Yip engineers to enhance job opportunities



Kai Shing

- Partnership with Labour Department and Construction Industry Council developing programmes for craft apprentices, semi-skilled artisans, and individuals from under-represented age groups, including the over-50s, middle-aged and elderly to promote diversity and equal access to careers in property management



Royal Hotels

- Employees Retraining Board's Hire and Train Scheme supports middle-aged women and homemakers re-entering the workforce with on-the-job training opportunities



We raise awareness about diversity, inclusion and anti-discrimination to foster understanding and respect for people from different backgrounds through on-the-job training and mentorship programmes. Kai Shing has launched Cantonese language e-learning modules for Nepalese staff while Hong Yip collaborates with NPOs to deliver inclusive service skills workshops focused on supporting individuals with disabilities and the elderly.

During the reporting year:



33.8%

of female representation at management level



81¹

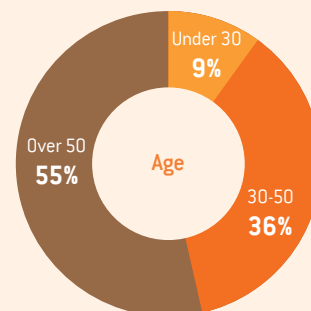
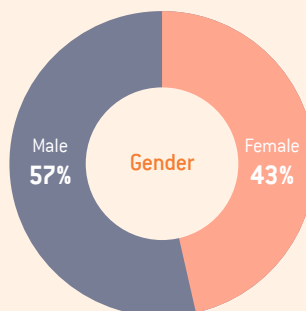
people with physical or mental disabilities recruited



890

people from minority ethnicities recruited

Workforce Distribution



Total full-time employees in Hong Kong: **32,523** (as at 30 June 2025)

Family-friendly Arrangements and Support Programmes



14 weeks of fully paid maternity leave and up to five days of fully paid paternity leave



Childcare and amenities, such as breastfeeding rooms and exclusive-use fridge



Flexible working hours and working-from-home arrangements for employees with special needs



Regular social, recreational activities and interest classes for staff and families



Part-time working options, subject to management approval



Paid care leave, beyond parental leave at our property management arms for staff to participate in health and well-being activities with families and to take care of their families

The Group extends its family-friendly benefits beyond the workplace through educational support initiatives. We provide full scholarships for employees' children to participate in overseas exchange programmes organized by the non-profit AFS while also offering financial assistance

to secondary school students from low-income households pursuing university education. Through the SHKP Group Undergraduate Scholarship Scheme, we have supported more than 150 young people in their academic pursuits to date.

¹ The decrease in the relevant figure is attributed by the termination of three cleaning contracts during the reporting year.



Empowering Our Employees for Growth and Development

We champion continuous professional development through a comprehensive learning ecosystem encompassing structured training programmes, an extensive corporate library, job rotation, secondment opportunities and self-directed learning initiatives. Our Internal Affairs Department designs tailored annual talent development plans to systematically enhance staff competencies, professional expertise and job performance.

To encourage participation, we share the latest training information via our intranet and newsletters. We also sponsor our employees to attend external seminars, accredited short courses and further education degree programmes, reinforcing our commitment to lifelong learning.

The SHKP Quality Academy stands as our cornerstone for professional excellence, delivering specialized programmes across business, aligning with both individual career aspirations and team objectives across four core disciplines: business and people management, construction, property management and personal growth. This ensures our workforce remains at the forefront of industry innovation while strengthening our market position.

Our blended learning approach combines:

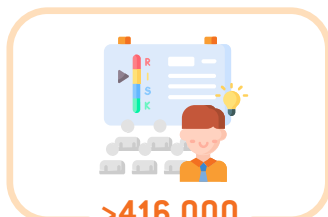
- A comprehensive digital platform that enables self-paced, location-independent learning
- An extensive library at headquarters housing more than 1,500 printed books
- A growing collection of more than 1,400 specialized e-books

This integrated resource system supports continuous skills development, evidenced by around 70% full-time headquarters employee engagement during the reporting year.



>13,000

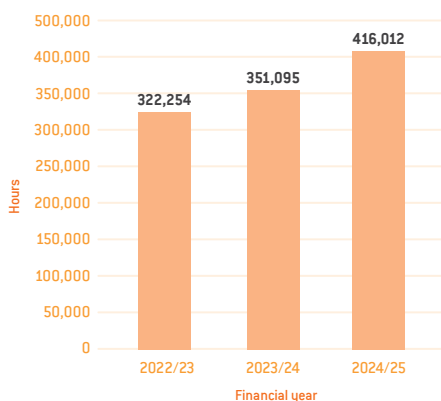
classes, seminars, webinars and online programmes



>416,000

total hours of training²

Employees' Total Training Hours²



Our training modules span essential ESG topics: climate change, project management, quality control and assurance, cybersecurity, crisis communication, enterprise risk management, sustainable supply chains, data literacy and technology, occupational health and safety (OHS), and compliance. During the reporting year, the average training hours per employee were 13.5 hours².

Type of Training

Percentage of Total Training Hours

Product and Service Quality 30 %

Profession or Industry-specific 29 %

Others (e.g. Environmental management, Management and soft skills, Health and safety and employee wellness as well as Business ethics and anti-corruption) 41 %

To enhance our employees' competitiveness in the ever-changing industry landscapes, we also provide relevant training and upskill workshops. These programmes are designed to equip our employees with the skills necessary to mitigate the negative effects of industrial or climate transition changes. Our workshops include AI and technology applications, digital marketing strategies, and sustainability practices to promote green building and energy conservation, helping employees navigate the challenges of these transitions.

CASE STUDY

Mutual Learning Sessions for Customer Care in Malls

Since 1997, our Customer Care Centres (CCCs) have delivered tailored services to shoppers and tenants across our portfolio of more than 25 major malls. To continuously elevate service standards, we conduct quarterly mutual learning sessions where mall representatives and leasing managers collaboratively review customer requests and identify improvement areas for our staff.

These sessions engaged an average of 60 participants per quarter and generated around 200 service improvements, contributing to an enhanced level of customer satisfaction consistently observed during the reporting year.

To track the business impact, we utilize annual customer satisfaction survey

outcomes as KPIs. The office and mall tenants within the Group have recorded satisfaction rates of 99%, underscoring the programme's success in upholding high service quality standards through employee development efforts. For more details, please refer to the **Value Created for Customers** section.



Customer care centre in our mall

² Training data from SmarTone and SUNeVision can be found in their respective ESG reports. We will explore the feasibility to include their data to the Group in the future.



We support employee growth through specialized training academies and development programmes:

Hong Yip People Development Academy

- Established in 2007, it aims to cultivate industry-specific talent, expand the talent pool and boost productivity
- Accredited by Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ) since 2010 to deliver Hong Kong Qualifications Framework (HKQF)-certified courses (Levels 1-4)
- First company to offer HKQF Level 4 Advanced Diploma in Integrated Property Services Management recognized by the Property Management Services Authority as a designated diploma for property management practitioners for the Tier 2 license
- Awarded more than 7,000 HKQF certificates to employees (around 90% of all HKQF credits available in the property management sector through Hong Yip's in-house programmes)
- Partnered with HKMU providing exemptions for the Professional Diploma for Executives

- in Property Management (QF Level 5) for graduates of Hong Yip's in-house QF Level 4 Programme to facilitate the development of our licensed property managers
- Established Sustainability/ESG Training Centre to launch company-wide ESG training and events with several mandatory courses
- Delivered director training programmes enhancing governance expertise, ethical practices and leadership skills

KS Service Excellence Academy

- Delivers professional training to all staff, from frontline personnel to senior directors, covering four key areas: corporate culture, work competence, professional development and personal effectiveness
- Adapts its curriculum to incorporate specialized programmes, addressing evolving business needs
- All full-time employees were trained through the academy during the reporting year

KS NOVA Management Development Programme

- Provides a two-year training programme to around 31 high-potential managers to upskill our management leaders

KS Elite Programme

- Supports mainland Chinese recruits through specialized property management training and cultural orientation, ensuring their effective transition into Hong Kong operations

Sanfield's Apprenticeship Training Scheme

- Combines practical on-the-job experience with financial support for higher diploma studies
- Spanning two to four years, it provides technical and regulatory training to develop essential construction skills
- 41 students enrolled in the scheme during the reporting year

Advancing Training Through Innovative Technologies

We enhance employee preparedness through advanced training technologies. Hong Yip integrates virtual reality (VR), augmented reality (AR), and mixed reality (MR) simulations into a self-developed Three R (VR/AR/MR) Virtual Building - Integrated Emergency Handling Platform to its training programmes. It recreates real-world scenarios, including emergency responses to flooding, fires, traffic accidents as well as safety-critical tasks in operations. These immersive training experiences ensure operational readiness during challenging situations.

CASE STUDY

Nurturing Young Talents in the Community

Property Management Excellence

Hong Yip has collaborated with HKMU to develop innovative projects, including a MR smart training platform, which along with the built-in interactive quiz function, allows employees to grasp the necessary knowledge and skills quickly. This collaboration not only builds a diverse training platform for employees, providing a more effective training experience that helps

them become familiar with handover and maintenance work, but also enriches HKMU students' practical experience in innovative technology design, assisting Hong Kong in cultivating more innovative tech talents.

Kai Shing's Property Officer Trainee Programme provides graduates with extensive training in property management, customer service, and operational excellence through integrated classroom and on-site

learning experiences. Building on this foundation, Kai Shing launched the Service Trainee Programme this year, aligned with Hong Kong Government's talent attraction policy, to develop high-calibre mainland graduates through specialized training and career development pathways. This enhanced initiative cultivates cross-cultural expertise while addressing industry talent needs in Hong Kong's dynamic service sector.



Hong Yip's MR smart training platform provides a more effective training experience for employees



Talents in Kai Shing's Service Trainee Programme

CASE STUDY

Construction Industry Leadership

Over the past five years, Sanfield's Summer Internship Programme has equipped around 700 trainees and graduate engineers with hands-on construction experience, ensuring the enduring legacy of the Sanfield Spirit. The programme continually evolves, blending ESG principles, traditional on-site training with exposure to emerging innovations, such

as Building Information Modelling (BIM) and cutting-edge construction methods like Modular Integrated Construction (MiC).

This year, 50 participants gained valuable insights through a field trip to the Guangzhou ICC, a landmark mixed-use development in the Greater Bay Area, to explore construction standards and smart site technologies in mainland China.

Learning by doing remains central to skill development. We will continue to refine talent strategies, merging technical with sustainability to stay ahead in construction's dynamic landscape.



Sanfield offers interns an educational field trip to Guangzhou ICC



SHKP executives and interns celebrate the successful completion of the apprenticeship programme

Upholding Health, Safety and Well-being of Our People

Protection of employees remains our foremost operational priority. We maintain health and safety risk mitigation strategies and ensure full regulatory compliance with all applicable laws and regulations across jurisdictions in which we operate. Our health and safety framework incorporates comprehensive policies and management systems. Our property management and construction divisions implement ISO 45001-certified Occupational

Health and Safety Management Systems, exceeding legal requirements to safeguard our workforce.

The Board, through the Executive Committee, oversees our group-wide OHS strategy and monitors OHS performance. The OHS committee, which consists of senior executives, oversees health and safety risks, initiatives, targets and performance. To embed accountability at leadership levels, Kai Shing's executive compensation factors in health and safety KPIs, such as timely reporting of a work injury.

Our OHS protocols encompass regular inspections, audits, and incident investigations to proactively identify, reduce and mitigate risks across all operations. Most properties maintain clearly communicated evacuation plans and conduct routine emergency drills, complemented by targeted training for employees and safety programmes for tenants. Annual fire system inspections and drills further reinforce our preparedness for emergency

situations and workplace safety. This year, Kai Shing introduced electric vehicle fire emergency drills to address the emerging safety needs from the increasing use of electric vehicles by customers and tenants.

To effectively manage OHS risks during daily operations and streamline the risk assessment workflow, Kai Shing has integrated a digital workflow for generating risk assessment form automatically when job orders are created. This allows real-time analysis tailored to specific tasks.

In October 2024, Hong Yip convened its annual ESG and Occupational Safety and Health Conference, promoting carbon neutrality strategy and a safe and healthy workplace while driving ESG initiatives. With more than 650 colleagues attending the conference, the event reinforced our commitment to enhancing safe workplace and ESG practices.



~8.6%

of our managed properties and construction sites in the reporting scope held ISO 45001 certifications



Across our hotel portfolio, we identify and assess occupational risks, including manual lifting, injuries from hand tools, and same-level slips, trips and falls. The results of weekly safety inspections are reported to the hotel group safety manager.

Internal Competitions to Innovate for Work Safety

Our Work Safety Suggestion Scheme fosters employee participation in sharing innovative ideas and solutions while also boosting their awareness of risks. The 16th Work Safety Suggestion Scheme recognized two innovative solutions with Silver Awards: Lighthouse Inno-Lab Limited's AI Lifting Monitoring System and Sanfield's Temporary Metal Mesh Hoarding, demonstrating our culture of continuous safety improvement.

OHS Training

Our safety framework drives continuous learning for all employees and contractors across operations. During the reporting year, we enhanced safety awareness through:

- ⊗ Industrial accident case study sessions (e.g. working on scaffolding, confined space safety)
- ⊗ Dedicated safety conferences and workshops led by professionals
- ⊗ Safety seminars and workshops delivered by external organizations and consultants

All staff undergo mandatory OHS training to strengthen workplace safety competencies. Hong Yip provided more than 40 digital training modules, including videos, quizzes, and materials on WeCom for self-learning, while Kai Shing implemented a four-month Stay Alert on Workplace Safety programme combining workshops and e-learning.

Our sustained efforts have reduced construction division accidents to 7.29³ per 1,000 employees, maintaining zero fatalities among our construction division employees and contractors since 2021. For work-related incident and injury, senior management conducts immediate investigations and review meetings. Comprehensive inspections, targeted training and monitoring systems prevent recurrence, with work resuming only after control measures ensure minimal residual risk.

Supporting Physical and Mental Health for Our Employees

We prioritize the mental and physical health of staff and promote work-life balance through our Internal Affairs Department's initiatives, including 3D coffee latte art class, singing bowl therapy experiential session, fitness and swimming classes, cancer screening and flu vaccinations. We also organized a WWF Hoi Ha Wan Eco Visit for our staff and their families during summertime. Throughout the year, we promote workplace stress management and regularly share tips on building mental fitness and coping with stress.



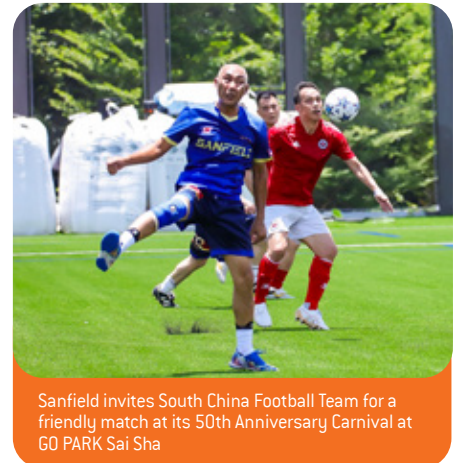
Hosting singing bowls and meditation workshop at head office during lunch hours

We facilitate staff participation in major sporting and charitable events through priority access and for employees and families. Key SHKP-sponsored events include the Sun Hung Kai Properties Hong Kong Cyclothon, the Sun Hung Kai Properties Hong Kong 10K Championships and other events on which we collaborate with charitable organizations. For more details, please refer to the **Value Created for Community** section.

Our subsidiaries foster staff health and work-life balance through different wellness programmes. Through internal platforms, we share practical resources while Staff Activities Committees organize diverse recreational opportunities – from sports courses to international tours.

This year, Hong Yip and Sanfield organized a company-wide large-scale staff event in GO PARK Sai Sha, respectively. The inaugural Hong Yip Sports Day engaged more than 800 employees and their families in friendly athletic

competitions. Sanfield hosted an entertaining staff and family carnival at the golf course and football pitch, including matches with three Hong Kong football legends. Both events reinforced our commitment to employee well-being and a supportive work environment. Kai Shing's Wellness Festival delivered blended learning opportunities through workshops, webinars and e-learning modules. The programme featured practical health sessions, including Acupressure for Self-Treatment and Chronic Pain Relief at the Workplace.



Sanfield invites South China Football Team for a friendly match at its 50th Anniversary Carnival at GO PARK Sai Sha

In support of employees and their families, we provide a complimentary 24/7 Hearty Hotline offering free, confidential support from qualified social workers, psychologists and counsellors to help employees and their families to address personal, family and work-related challenges.

To maintain our relationship and demonstrate our care for long-serving staff, we maintain a SHKP Evergreen Club, allowing retired employees to gather and reconnect during festive occasions.

3 The calculation uses methodology adopted by the Hong Kong Construction Association.

Value Created for CUSTOMERS



By putting customers first, the Group is determined to deliver premium properties and attentive services that exceed expectations. We anticipate customer needs, protect their rights, safeguard their health and safety, and we seek innovative technologies and ideas for continuous improvement.

Material topics addressed in this section:

- Customer engagement, satisfaction and responsibility
- Customer well-being, health and safety
- Data privacy and cybersecurity
- Innovation
- Product safety and quality
- Social integration and accessibility



Highlights of Our Performance in FY2024/25



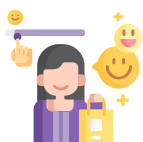
3-year warranty
offered to first-hand
purchasers of newly sold
developments in Hong Kong



The Point launched Instant
Point Earn service at
26 SHKP shopping malls in
~3,000 stores



26 managed
properties offered nearly
100 super-fast
EV chargers



~98% customers¹
rated the Group
'Good' or 'Excellent'
in our annual customer
satisfaction surveys



GO PARK Sai Sha spans
~1.3 million
square feet,
offering **10+**
various sports facilities

Strategies and Management

The Group prioritizes customer satisfaction, customer rights protection and the advancement of health, safety and well-being through our comprehensive property and service offerings. Our certified management systems ensure premium quality and safety standards, enabling us to deliver properties that align with the United Nations Sustainable Development Goals.

We foster lasting customer relationships through SHKP Club and our loyalty programmes, including The Point by SHKP and Go Royal by SHKP for hotels. These platforms deliver exclusive benefits while integrating sustainability into the customer journey, generating shared value for stakeholders and communities.

Through strategic investments in innovative technology, we continuously enhance customer experience across all touchpoints to align with evolving customer expectations and sustainability principles.

Since 2013, we have led Hong Kong's real estate sector by offering an unprecedented three-year warranty to first-hand purchasers of newly sold developments. This industry-leading initiative has garnered widespread recognition, reinforcing our position as a trusted developer of premium properties.

Design and Construction

- Prioritize product safety, customer needs and environmental sustainability through customer-centric design
- Deploy innovative technologies to enhance efficiency and quality
- Implement stringent material sourcing and procurement protocols
- Maintain comprehensive supervision for optimal safety and quality



Pre-sale

- Apply Group-wide standards and internal expert inspections for quality assurance
- Execute thorough quality and safety audits through our project-monitoring team to ensure completed projects meet standards with minimal defects
- Implement internal controls, guidelines and policies for responsible marketing



Quality Properties for Customers

Our vertically integrated development approach ensures stringent quality and sustainability standards throughout the project lifecycle—from land acquisition, project planning and management, material sourcing and construction, to marketing, sales and property management. Guided by our comprehensive frameworks—including the **Group Sustainability Policy, Sustainable Building Policy, Climate Change Policy and Environmental Policy**—we embed Speed, Quality and Efficiency core value into procurement, construction and final inspections.

Handover

- Plan handovers with six-month lead time
- Conduct a minimum of three full-scale inspections in each unit, covering more than 120 items to maintain quality and safety standards
- Deliver training to sales, customer service and handover teams for accurate information dissemination



After-sale

- Deploy qualified safety officers to monitor sold property quality and safety
- Enhance handover efficiency via mobile apps for electronic document signing, issue reporting during handover and maintenance tracking during warranty periods
- Conduct property handover surveys to gather buyers' feedback



¹ Covers homebuyers, office tenants and shopping mall tenants.

Our commitment to product and service quality and safety excellence is upheld through comprehensive controls and regular training. At Sanfield, we proactively identify potential risks and ensure that materials and products comply with established quality and safety standards. Material inspections are carried out under a comprehensive protocol. During construction, both internal and external registered professionals conduct inspections at critical stages to ensure compliance with recognized product safety standards. In the unlikely event of a product quality or safety issue, a dedicated investigation team is established to assess the incident and develop a corrective action plan, which is reported to senior management. For

materials, non-compliant items are returned to suppliers and replaced with approved batches. In construction, necessary repairs or rework are undertaken, particularly in cases of significant concern. External experts may be consulted for additional support during the rectification process. Sanfield's senior management closely monitors the implementation and outcomes of corrective actions. Regular internal and external audits are conducted at the site level to ensure ongoing compliance with all relevant regulatory requirements. To prevent recurrence, documented cases—including identified issues and implemented solutions—are shared across teams via our internal knowledge-sharing platform.

We maintain our commitment to zero product recalls and full regulatory compliance. During the reporting year, there were no instances of non-compliance with health and safety regulations, voluntary codes, or related penalties.

Our sustained commitment to quality and innovation has garnered prestigious recognition, including Best Overall Developer in Global, Asia Pacific, China and Hong Kong categories, in winning a total of eight accolades in Real Estate Awards 2024 by *Euromoney*. For additional achievements, please refer to **Appendix I**.

Pursuing Excellent Property Management

Our subsidiaries exemplify our customer-centric approach through adherence to international best practices and continuous service enhancements.

Service Quality

ISO 9001

- All our property management and construction subsidiaries maintain ISO 9001 Quality Management Systems certification with annual external audits
- We benchmark against industry best practices and internal standards for continuous improvement in service quality
- We implement clear operational guidelines supported by regular staff training

Customer Satisfaction and Complaint-Handling

ISO 10002

- Hong Yip implements ISO 10002-certified procedures for systematic complaint categorization, root cause analysis and targeted improvements
- We maintain a structured review process to ensure prompt complaint acknowledgment and timely resolution in accordance with service standards

Building Information Modelling

ISO 19650

- Our Sanfield subsidiary EVERBIM Digital Tech Limited achieved ISO 19650 certification: Information Management using Building Information Modelling (BIM)

Food Safety Management

ISO 22000

- The Royal Garden achieved ISO 22000 certification for its Food Safety Management System

Business Continuity

ISO 22301

- ICC, under Kai Shing's management, maintains ISO 22301-certified Business Continuity Management Systems, ensuring robust preparedness for any operational disruptions
- Regular risk assessments, simulation drills and process refinements for rapid threat response are conducted

Information Security

ISO 27001

- The Group and Hong Yip secured ISO 27001 Information Security Management certification for customer data protection
- Hong Yip pioneered as Hong Kong's first property management company with this certification

Facility Management

ISO 41001

- Kai Shing leads as Hong Kong's first property management company with ISO 41001 certification for ICC management
- Hong Yip obtained ISO 41001 certification for Tsuen Wan Plaza

Health and Safety

ISO 45001

- We maintain premium workplace safety standards through ISO 45001-certified Occupational Health and Safety Management Systems. Regular audits and reviews for continuous system enhancement are conducted



Innovating Property Management Through Tailored Philosophy

WeSpire Living in Kai Shing embodies our Smart Living Well philosophy, integrating cutting-edge technologies, including our advanced robotics team and virtual key, to create exceptional residential experiences that promote health and sustainable smart living. Our vision transcends traditional property management to foster dynamic, inclusive and diverse communities that nurture holistic well-being.

Through our Inno-Sports Concept Management Limited, the Group pioneers the integration of innovative solutions with sports management. This vision manifests prominently at GO PARK Sai Sha, our flagship sports and commercial complex, which sets new benchmarks for athletics facilities and community wellness. The bespoke GO PARK Sports mobile app enables seamless facility and sports class booking with real-time availability checks.

Ensuring Responsible Marketing in Our Operations

We recognize responsible marketing as fundamental to fostering enduring customer relationships and sustainable growth. Our management framework integrates internal controls, guidelines and policies to govern all marketing activities. We maintain systematic and regular audit systems for communication and marketing materials, with external professionals and our internal expert committee conducting regular reviews of marketing collateral, including sales brochures, to ensure compliance with relevant regulations and industry guidelines, particularly the Residential Properties (First-hand Sales) Ordinance.

Our commitment to ethical excellence is reinforced through training:

- Bi-monthly internal meetings and on-the-job training covering consumer rights, legal protections and regulatory updates
- Specialized webinars addressing critical areas like competition law, intellectual property rights, copyrights and trademark usage
- Knowledge-sharing channels disseminating industry best practices and emerging trends

During the reporting year, we recorded more than 200 training hours in responsible marketing. No incidents of non-compliance with such laws or regulations in relation to advertising and labelling were recorded.

Advancing Management and Customers' Experience Through Technology

Our innovation-driven approach enables us to capitalize on emerging opportunities, leveraging smart technology to deliver superior service and enhance customer and tenant experiences across our property operations.

Enhancing Customers' Experience

The Point by SHKP, our integrated loyalty programme with more than three million members, delivers membership services and privileges to customers who shop at 26 malls while continuously evolving its mobile app functionality to create seamless mall experiences.

Instant Point Earn

Our customer experience has been revolutionized through Instant Point Earn, an innovative point-earning system deployed across 26 SHKP malls. This seamless solution enables members to instantly earn points at around 3,000 participating merchants by scanning their membership QR codes, eliminating the need to queue at the mall customer service center. This offers a hassle-free and convenient rewards process.

The results have been transformative, with more than 90% merchant participation in Instant Point Earn across our malls. Comparing the data from January 2024 to June 2025, the monthly transaction volume using Instant Point Earn has surged by over 40 times, becoming a popular feature among members.



Instant Point Earn promotion

Extensive Electric Vehicle (EV) Charging Network and Contactless Parking Ecosystem

Supporting SHKP's sustainability goals and aligning with national and Hong Kong's carbon neutrality initiatives, The Point has introduced exclusive EV Super Charging services in SHKP malls and designated car parks since 2023, and partnered with Wilson Parking to provide contactless parking access via The Point membership in more than 100 car parks. As at June 2025, The Point Super Charging Stations have been installed in all 18 districts in Hong Kong, with nearly 100 super-fast EV chargers at our 26 managed properties, allowing member drivers to charge their vehicles conveniently.

Besides, The Point has expanded the EV charging payment methods to include 'paid by point only', 'paid by cash only' and a hybrid 'points plus cash' option. These payment options allow member drivers to enjoy EV Super Charging at an affordable rate, ensuring cost-effective and convenient access to sustainable mobility solutions.



The Point EV Super Charging Service

Enhancing Residents' and Tenants' Convenience

Hong Yip and Kai Shing lead property management innovation through advanced digital solutions that enhance resident and tenant experiences.

Smart Property Management Apps

SoProp & SoPropBiz (Hong Yip) and Live e-asy, Mall e-asy and Work e-asy (Kai Shing) deliver advanced digital services:

- Virtual keys and smart-card secure access
- Streamlined visitor registration and facility booking
- Digital management fee payments
- Remote smart home and workplace control
- Integrated access to property notices, maintenance, air conditioning, indoor air quality, cargo lift booking, exclusive offers and restaurant reservations

Smart Robot Team

Our properties leverage multifunctional smart robots to enhance service quality and hygiene standards. Kai Shing introduced smart robots at the earliest stage and has the largest smart robot team in Hong Kong. The robot service scope includes cleaning, security patrol, parcel delivery, meal serving and concierge service, enhancing community efficiency. For instance, the robot service squad at NOVO LAND has seven members with different functions:

- Smile, a PR ambassador to interact with residents
- Handie, a delivery assistant to deliver small parcels for residents
- Heartie, an assistant to support different needs of residents
- Mightie, a mighty robot to deliver heavy parcels or luggage
- Guardie, an all-day security guard to protect residents' lives and property
- Shinnie, a disinfection specialist to protect residents' health



Smart robot service squad at NOVO LAND

AI-video Analysis System

Hong Yip's groundbreaking AI-video analysis system revolutionizes residential experience through AI-assisted wayfinding and smart amenity monitoring. Residents can locate and reach destinations efficiently with instant availability checks for clubhouse amenities. This system has now been successfully implemented in premier projects, such as Wetland Seasons Bay.

Pioneering Smart City Integration

Hong Yip's partnership with Lik On Security Limited for the HKSAR Government's iAM Smart Sandbox Programme demonstrates our smart city leadership, as Lik On is the first provider of the integrated 'iAM Smart Personal Code' service. Key features include:

- Efficient visitor registration through smart personal QR code scanning, ensuring data privacy
- Applied in Wetland Seasons Park, Wetland Seasons Bay and St. Michel, with planned expansion to other properties

For further details of the iAM Smart Sandbox Programme, please see [here](#).



User-friendly smart personal QR code scanning

Enhancing Building and Facility Management

We leverage innovative technology to drive continuous improvements in quality and operational efficiency across our facility management operations.

Building Next-Generation Logistic Facilities Through Major Upgrade

Following our agreement with Airport Authority Hong Kong, we have transformed AFFC into a leading-edge logistics hub, fostering a smarter and customer centric environment. Key enhancements include:

- Smart Digital Systems** – Incorporation of a smart traffic management system to improve vehicle flow control, utilizing big data to enhance logistics efficiency. A smart building management system is introduced to increase energy efficiency
- Green Building Features** – Extensive eco-upgrades incorporating LED lighting, solar panels and EV charging infrastructure. It earned Gold certification under LEED v4.1 Operations and Maintenance: Existing Buildings



Term extension of SHKP's AFFC with the Airport Authority Hong Kong

Recognizing Our Innovation

The Group maintains its position at the forefront of Hong Kong's real estate digital transformation through internationally recognized certifications. We are among the first developers locally to pursue both WiredScore and SmartScore certifications:

- The Millennity was our first project to earn WiredScore Platinum certification
- High-Speed Rail West Kowloon Terminus Development (XRL) obtained dual WiredScore and SmartScore certifications
- ICC became Asia's tallest building with WiredScore Platinum certification
- Sai Sha Development Project's residential component is the first project in Hong Kong by a private developer to achieve WiredScore Pre-certification for Homes, targeting Platinum

CASE STUDY

Embrace Technology and Innovation for Intelligent Building Management

Our property management subsidiaries continue to integrate digital transformation with sustainable technology through several innovations:

Mixed Reality (MR) Smart Training Platform

This innovative platform utilizes digital twin technology to combine and compare the actual environment with unit layouts and wall structures, assisting property management teams in unit inspection work.



Hong Yip's MR smart training platform wins the Gold Award at the International Exhibition of Inventions Geneva

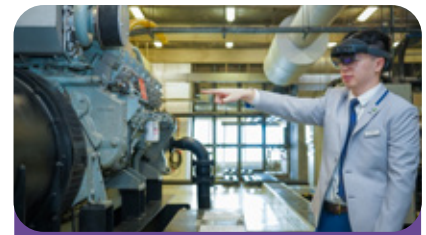
Hong Yip's team only needs to wear MR glasses to view the unit in real-time and completes the inspection process according

to the system procedure, significantly enhancing the workflow efficiency. This smart training platform, along with the built-in interactive quiz function, allows employees to grasp the necessary knowledge and skills quickly, thereby improving our service quality as it reduces errors and enhances customer satisfaction.

Extended Reality (XR) Integration

Kai Shing is leading the industry in smart facility management with its Extended Reality Facility Management (XRFM) platform at ICC. This innovation accurately scans the internal and external structures of the entire ICC, enabling robust structural monitoring and centralized control through the XRFM system platform, which significantly enhances work efficiency and enables paperless management. In addition, the technology can be used for staff training and assisting security guards

to draw up route maps during patrols, enhancing the accuracy and safety of patrols and improving the quality of property management. The technology creates a safer and more comfortable environment for customers, earning Kai Shing recognition as Hong Kong's first Technology Award recipient at the IWFM Impact Awards 2024 organized by the Institute of Workplace and Facilities Management (IWFM).



Remote facility monitoring and operations via centralized XRFM platform at ICC

Offering Outstanding Hotel Guest Experiences

We elevate guest experiences through diverse staff training programmes that anticipate and respond to evolving market demands. Our extensive curriculum encompasses:

- Personalized meet-and-greet protocols
- Specialized event/party-room management
- Telephone courtesy standards
- Regular guest rewards programme

Digital platforms enable real-time satisfaction monitoring, complemented by regular refresher courses to ensure continuous service enhancement.

Our commitment to service excellence is reinforced through staff recognition programmes:

- Guest Compliment Awards
- Honesty Awards and Employee of the Quarter
- Employee of the Year
- Excellent Service Awards

Go Royal by SHKP leads Hong Kong's mobile-based hotel loyalty landscape, seamlessly integrating hospitality with lifestyle rewards. The platform unifies hotel stays, dining, leisure activities and shopping benefits within a

unified rewards system, enabling members to accumulate and redeem points across all services. Since 2024, members can convert bonus points into Point Dollars for immediate redemption at participating venues. Our dedication has earned us recognition from global travel authorities, including Agoda, TripAdvisor, Meituan and Forbes Travel Guide.

Offering Flexible and Mixed-Use Properties in Our Portfolio

Our portfolio of flexible, mixed-use properties responds dynamically to the evolving needs of customers and communities across Hong Kong and mainland China.

Nanjing IFC

- Launched in 2024, Nanjing IFC stands as a landmark in the Yangtze River Delta region.



Nanjing IFC, located above Nanjing Metro Yuanfeng Station, connects seamlessly to two existing metro lines

This 3.4-million-square-foot mixed-use development integrates a premium shopping centre, dual first-class office towers and a boutique hotel

- Strategically positioned above a major metro interchange, the development offers seamless connectivity while its proximity to Hexi Central Park and the convention centre enriches its lifestyle destination appeal

Signature Homes

- Signature Homes revolutionizes urban living through versatile leasing solutions across luxury apartments, houses, penthouses and serviced suites. Our extensive offering combines flexible leasing options, modern furniture packages and personalized services, supported by dedicated tenant service teams ensuring swift response to residents' needs
- The SHKP Lifestyle initiative, launched last year, actively supports Hong Kong's talent acquisition programmes, including the Top Talent Pass Scheme and Quality Migrant Admission Scheme. This community platform has served more than 23,000 individuals in a year, providing relocation support and showcasing Signature Homes' premium facilities, demonstrating our commitment to facilitating seamless transitions for international professionals

Safeguarding Health, Safety and Well-being of Customers and Tenants

We maintain unwavering commitment to guest and tenant health and safety across our hospitality, retail and managed property portfolio. Our risk assessment protocol proactively identifies enhancement opportunities while elevating safety standards.

~8.6%

of our managed properties and construction sites in the reporting scope are certified with ISO 45001 Occupational Health and Safety Management Systems

Maintaining Food Safety within Our Hotels

- Our hotels and retail operations maintain food safety standards through certified systems and innovative quality measures. The Royal Garden adopts ISO 22000-certified Food Safety Management Systems, ensuring compliance with international food handling protocols, regular audits and staff training. We systematically verify health certificates and test reports, conducting monthly microbial testing of food, beverages, drinking water and ice.

Minimizing Safety Risks at Our Properties

- Placement of automated external defibrillators and first-aid resources
- Comprehensive inspection protocols, including equipment and gondola pre-use checks
- Real-time risk identification through AI visual analysis systems
- Instant emergency communication and quick access to safety protocols for tenants via Hong Yip's SoProp, SoPropBiz and WeCom platforms
- Regular security, evacuation exercises and emergency drills with clear evacuation plans
- Annual fire system inspections, drills and safety training for our employees and tenants. This year, specialized EV fire drills were conducted with the Hong Kong Fire Services Department, enhancing Kai Shing's EV incident response capabilities

Promoting Health and Well-being for Customers, Tenants and Residents

Our portfolio-wide wellness initiatives address diverse stakeholder needs through multiple approaches:

Ensuring Cleanliness and Hygiene	- Comprehensive water quality monitoring, including lead and legionellosis testing - Regular swimming pool water analysis - Regular pest control services
Maintaining Good Indoor Air Quality	- Property-wide indoor air quality (IAQ) quantitative targets supporting occupant health and well-being. Progress is measured through IAQ certifications achieved by our managed properties, with focus on increasing certification rates in next year - Consistent 'Good' or 'Excellent' IAQ ratings for the majority of our properties since 2006 - Kai Shing and Hong Yip obtained more than 40 IAQ certificates. Kai Shing also monitors the indoor air quality index and discloses through the Work e-asy app - Internet of Things (IoT) enabled IAQ monitoring implemented across 24 office buildings managed by Kai Shing, enabling filtration system optimization with ongoing data analysis
Creating a Pleasant Working Environment	Specialized acoustics and noise criteria measurements at Sun Hung Kai Centre ensuring optimal working environments for tenants
Promoting Exercise and Physical Health	- ICC Olympic Challenge featured diverse sports activities for tenants, including a golf simulator tournament, badminton and a basketball championship - Wonderland Villas Chronic Disease Co-Care Pilot Scheme provides resident with health screenings and risk assessments - Our malls - including New Town Plaza, Ocean PopWalk, Park Central, Tai Po Mega Mall, V city, V Walk and YOHO Mall - feature free bike parking and convenient self-service repair stations - St. Martin offers more than 250 specialized parking spaces featuring double-deck racks, family-sized boxes and dedicated storage for folded bikes and bike-sharing app for shared bicycles
Provision of Healthy Dining Options	Diverse dietary options are offered to our hotel guests, including vegetarian, keto, plant-based and sugar-free selections

We prioritize the health and well-being of our customers, tenants, and residents through thoughtfully designed spaces and holistic wellness initiatives. We apply for WELL certificates for our projects where practicable. Our Sai Sha Development Project earned a WELL Community Platinum pre-certification. The Millennity was recognized as Hong Kong's first WELL Core Platinum-certified office-retail development by the International WELL Building Institute. It incorporates wellness features, including indoor air quality, water quality, thermos comfort and acoustic comfort. For more details about the wellness features, please visit [here](#).

Other projects that have acquired health and wellness certifications and pre-certifications include:

- St Michel: SHKP's first WELL pre-certification in our portfolio
- NOVO LAND: Hong Kong's first large-scale residential development achieving WELL Community Standard™, WELL Building Standard™ version 2 pre-certifications, and Fitwel two-star rating
- XRL project: WELL Core Platinum pre-certification
- Shanghai ITC: WELL Platinum pre-certification



A vibrant environment promotes residents' health and well-being in NOVO LAND

CASE
STUDY

Ensuring the Health and Well-being of Tenants at XRL Project



[Rendering]

The project sets new benchmarks in healthy building design, pursuing eight major international sustainability certifications while implementing holistic wellness features:

Indoor Air Quality

- ✓ Increased fresh air provision 30% beyond international standards
- ✓ Advanced filtration combining MERV 14 filters, bi-polar ionizer and UV-C disinfection
- ✓ Real-time IAQ monitoring of CO₂, PM10 and PM2.5
- ✓ Low-VOC material implementation

Water Quality

- ✓ UV sterilization and filtration systems for all drinking water
- ✓ Regular testing meeting WELL requirements

Nourishment and Health

- ✓ Certified organic snacks in common areas promoting healthy and nutritious eating habits

Visual Comfort and Adequate Daylight

- ✓ 23% enhanced daylight penetration through elevated floor-to-ceiling heights
- ✓ Optimized lighting systems with controlled glare and optimal colour rendering properties
- ✓ 90% regularly occupied spaces have access to outdoor views

Physical Activity

- ✓ Extended walking network connecting to West Kowloon Cultural District and Central Kowloon Route Landscape Deck
- ✓ Dedicated outdoor activity spaces, including rooftop decks and podium landscape areas

Thermal Comfort

- ✓ Around 50-metre building separation optimizing wind flow and reducing heat island effects
- ✓ Zone-specific temperature control
- ✓ 30-60% humidity regulation for ideal comfort environment

Acoustical Comfort

- ✓ Sound-absorbing materials for optimal acoustical comfort
- ✓ Enhanced noise intrusion prevention through mechanical, electrical and plumbing systems and interior design

Mental Health

- ✓ Green slot balconies for mental wellness
- ✓ Community-fostering social spaces, such as podium gardens and roof decks

Accessibility

- ✓ Universal access to public spaces
- ✓ Comprehensive barrier-free facilities

Biophilic Design

- ✓ Building designs with natural elements like plants and vegetation
- ✓ Native species and plants for nesting of butterflies and birds
- ✓ A policy of minimal chemical use to restore urban habitats and ecosystems

Encouraging Social Integration and Inclusiveness

Accessibility fundamentally shapes our property design and service philosophy. Our portfolio-wide barrier-free initiatives encompass wheelchair ramps, accessible restrooms, and low-level lift controls. In mainland China, we have further enhanced accessibility through lobby ramps and voice-assisted elevator systems in our managed properties.

Tsuen Wan Plaza pioneers smart safety solutions with IoT fall detection sensors in accessible toilets, enabling prompt staff response while maintaining customer privacy. This innovation contributed to Tsuen Wan Plaza shopping arcade's Bronze Award in the Universal Design Awards by the Equal Opportunities Commission in 2024, recognizing excellence in inclusive accessibility and safety provisions for customers with special needs.

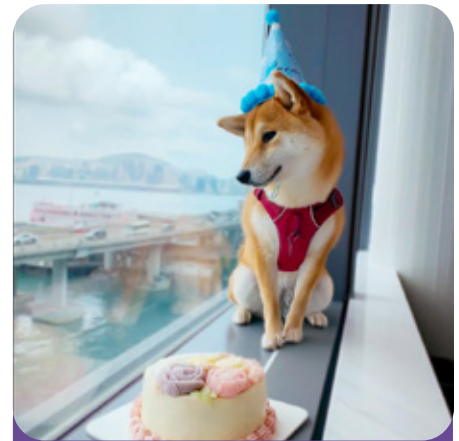
Our hospitality services demonstrate equal commitment, with accessible restrooms in public areas and restaurants, and with dedicated accessible rooms for people with disabilities at ALVA Hotel by Royal and Royal View Hotel. This year, Hyatt Centric Victoria Harbour Hong Kong's CrescentRating accreditation for Halal/Muslim travel services marks a significant advancement in our ongoing efforts for service inclusivity.

We enhance accommodations through staff training in diversity and inclusion, including Hong Yip's customer service workshops on sign language and specialized assistance techniques for employees to better serve guests with visual or hearing impairments.

To enhance customer and guest experience, we provide pet-friendly facilities at our properties, including the unique VIPet Lounge at Harbour North, and other SHKP malls, such as YOHO MALL, Mikiki and Metroplaza, where we introduced a 1,800-square-foot Pet Park.

Additionally, we utilize the outdoor spaces of our malls to create kid-friendly environments, such as the apm Garden, Dino Park and Chill Park at New Town Plaza, ensuring a welcoming atmosphere for families and pet owners alike. Hyatt Centric Victoria Harbour Hong Kong also offers similar features where spaces are designed to be as inclusive as possible through child-friendly and pet-friendly amenities.

During the reporting year, we fostered community connections through a variety of activities and workshops to commemorate special occasions, including the Lunar New Year, Easter, Mid-Autumn Festival and Christmas,



Enjoying the pet-friendly hotel room at Hyatt Centric Victoria Harbour Hong Kong

bringing together residents and customers within a vibrant and festive setting.

Our development strategy prioritizes accessibility. The majority of our projects are either directly above or within 10 minutes' walking distance of transportation hubs or public transportation. We further promote eco-friendly commuting through comprehensive cycling infrastructure across our portfolio.

CASE STUDY

Promoting Healthy Living at GO PARK Sai Sha

Launched in early 2025, GO PARK Sai Sha transforms around 1.3 million square feet into an integrated sports and leisure destination. Under the theme Happiness in Nature, this complex harmoniously combines sports, entertainment, dining and leisure facilities within a natural setting to advance community wellness. The park features an exceptional range of facilities designed to engage every age group and interest.

Highlights include:

- GO PARK Sports: An outdoor area spans one million square feet dedicated to more than ten popular, newly emerged and urban sports facilities
- Family-centric spaces: 40,000 square feet of children's parks and 3,000 square feet of pet-friendly zones
- Versatile venue: 24,000 square feet indoor stadium accommodating sports and cultural events
- Sports innovation: Hong Kong's first Olympic-specification artificial turf lacrosse field



The Adventure Land covers 18,000 square feet for children of different ages

- Comprehensive facilities: Integrated public cycling track, indoor temperature-controlled swimming pool, professional fencing school and climbing wall
- GO PARK Aqua: 130,000 square feet of premium water sports amenities
- Lifestyle hub: Integrated commercial complex combining sports, leisure, dining and entertainment

We have a dual-lane cycling and running track stretching around 1.5 kilometres, allowing parents and children to walk or ride side by side and enjoy quality family

time. The SPORTS bistro offers nutritionist-recommended menus. The GO PARK Sports mobile app enables real-time booking of facilities and classes, with live availability updates featuring streamlined digital processes.

By combining expansive green spaces with state-of-the-art sports infrastructure, smart technology, and wellness-focused food and beverage offerings, GO PARK Sai Sha represents a transformative approach to community recreation – one that makes healthy living both enjoyable and effortlessly accessible.



Two courts at GO PARK Sports specifically designed for pickleball

Enhancement on Products and Services Quality

Thorough audits are conducted to evaluate the management services provided by our employees. Hong Yip implements service evaluation methods for continuous improvement, including mystery shoppers, VIP and Complaint Audits, Mentorship Scheme Audits and District Instructors Audits. We recognize employee excellence in our products and services through salary adjustments, promotions, team awards, and external award nominations for frontline mall teams.

Quality-Raising Suggestion Scheme

31 years of fostering employee innovation in submitting creative ideas for efficiency and service improvements. Additional information can be found in the case study within the **Value Created for Supply Chain** section

Best Handover Quality Award

Recognizing excellence in property handovers, with NOVO LAND Phase II achieving outstanding performance this year

Service Talent Award

Our mall teams received more than 30 awards at the Hong Kong Retail Management Association's prestigious Service Talent Awards during the reporting year, demonstrating sector-leading customer service. Further details are available in **Appendix I**

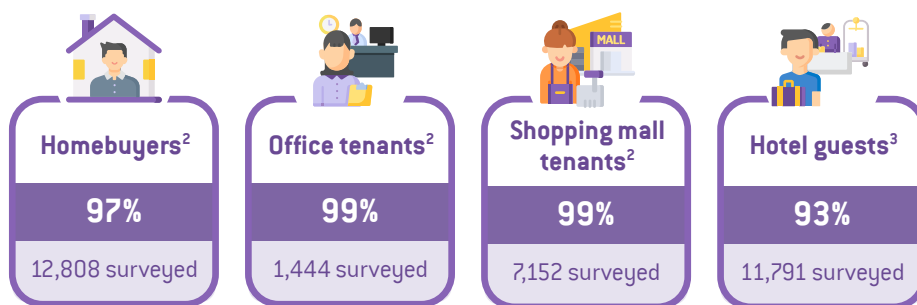
Hong Yip Innovative Suggestion Scheme Competition

This programme encourages operational innovation through initiatives like the Star of Service Excellence Election and Appreciation from Customers with Heart

Fulfilling Customer Needs and Expectations

We maintain customer engagement through systematic monitoring of tenant turnover and eviction rates, while considering socio-economic and market trends, and ongoing improvement to pursue excellent services. Further retention strategies based on our analysis, such as communication enhancement and relationship-building activities, enhance tenant satisfaction and encourage long-term residency. By regularly collecting and analyzing feedback through multiple channels, including customer satisfaction surveys, we gain valuable insights to effectively address their needs for service enhancement.

Annual Customer Satisfaction Survey Results - Rated Us 'Good' or 'Excellent'



Our structured customer service framework ensures response to feedback across malls, hotels, office and residential properties within a reasonable time. This is supported by a dedicated complaint resolution system and extensive staff training in effective complaint management and conflict resolution.

We maintain systematic communication and analysis of feedback across multiple channels to identify service improvements and training needs.

Hotels

All complaints
Response within **48 hours**

Property Management



Emergency complaints
Immediate response

Verbal complaints
Verbal response within
10 minutes



Written complaints
Written response within
10 working days

Hotels

- Systematic monitoring of online travel platform reviews to enhance service delivery
- Multi-channel insight gathering through loyalty programmes, birthday initiatives, courtesy calls and direct engagement

Residential Properties

- Management Service Brainstorming Sessions facilitating open dialogue
- Hong Yip's regular resident tea gatherings enabling one-on-one feedback on estate management

Commercial Properties

- Work e-easy and Mall e-easy mobile apps allow tenants to provide service feedback
- SoPropBiz's innovative platform features an automated tenant feedback system, which enables instant routing to area managers and designated email accounts for timely resolution

² Hong Yip's and Kai Shing's satisfaction targets for FY2024/25 are respectively a minimum of 90% and 100% of 'Good' or 'Excellent' ratings from homebuyers, office tenants and shopping mall tenants.

³ Figures for customer satisfaction survey only cover guests from Royal Brand Hotels, except ALVA Hotel by Royal, as it has suspended its customer survey this year. We will explore the feasibility to include our franchise hotels in the future.

Promoting Sustainability via Green Lease

We design products and services tailored to customers' and tenants' evolving needs. Our green lease partnership with UBS at International Gateway Centre (IGC) is expected to move in 2026. This pioneering partnership demonstrates our commitment to sustainable infrastructure and shared environmental goals.

Green lease agreement features:

- Mutual commitment to green certifications and green leasing aspirations
- Incentivized collaborative measurement and sharing of environmental data to enhance sustainability across the value chain, particularly in waste management and resource efficiency
- Regular investment to improve the building's environmental and wellness performance, ensuring alignment with the latest industry benchmarks and certifications

As the property manager, we are committed to implementing top-tier sustainability practices to operate, maintain and upgrade the premises, aligning with best practices for environmental and wellness performance as benchmarked against the latest industry standards and holding relevant green building certifications. Through tenant engagement initiatives and incentive programmes, we support both tenants' environmental goals and the HKSAR Government's carbon neutrality targets to address ESG issues and contribute to carbon reduction.

Safeguarding Data Privacy and Responding to Cybersecurity Risks

We maintain the highest standards of business integrity by implementing rigorous cybersecurity measures and safeguarding customer privacy. Our multi-layered governance structure ensures cybersecurity and privacy risk management.

Cybersecurity Governance

The Board

- Via the Executive Committee, directs our cybersecurity strategy, overseeing risk identification, monitoring, mitigation and management

The Audit and Risk Management Committee

- Oversees information security issues and risks

IT Governance Steering Committee (IT Committee)

- Led by executive management, supports the Executive Committee in overseeing information security and IT infrastructure integrity
- Collaborates with the IT department to embed security protocols across all business units
- Ensures effective implementation of cybersecurity strategies

We have formulated relevant policies to govern our management:

Cybersecurity Policy (updated)

- Establishes clear risk management framework and defines organizational responsibilities

Customer Data (Privacy) Policy

- Informs customers about transparent data collection methods, handling procedures and usage purposes

Cybersecurity Operating Guideline

- Guides our approach to monitor and respond to data breaches and cyberattack

We maintain strict compliance with the Personal Data (Privacy) Ordinance and applicable data protection laws and regulations through regular policy and procedure reviews. Property purchases require explicit homebuyer consent via signing the Personal Information Collection Statement that specifies the purposes for data collection and handling.

To minimize potential data breaches, we have implemented the following:

- Mandatory employee compliance with the latest data management protocols
- Regular internal and external security audits to ensure alignment with industry standards and regulatory requirements
- Continuous evaluation to ensure system effectiveness, pinpointing opportunities for further strengthening our defence

During the reporting year, we recorded no substantiated complaints regarding customer privacy breaches or data loss.



Rendering of IGC

Cybersecurity Risk Management

The Group has earned ISO 27001 Information Security Management certification, demonstrating our commitment to high standards of information security and protection. To safeguard operations and stakeholders, we maintain cybersecurity risk management procedures—preventing threats, mitigating impacts and ensuring rapid recovery from disruptions.

Preventive Measures

- Conduct regular external vulnerability analyses and penetration testing to identify potential weaknesses
- Engage 24/7 security operations centre service to enable real-time threat detection and immediate response
- Deploy next-generation firewalls to monitor all network traffic, identify suspicious activities and block unauthorized access attempts
- Install advanced security software to detect, isolate, and mitigate threats to prevent data exfiltration
- Implement regular, tamper-proof backup systems with immutable storage to prevent unauthorized deletion or alteration
- Employ a multi-layered cybersecurity approach, including regular security updates, real-time anti-malware protection, and advanced monitoring systems to detect anomalies, prevent breaches and safeguard critical data

Responsive Measures

- Develop a comprehensive business continuity plan and IT Security Incident Response Plan, outlining procedures, roles and responsibilities for identifying, addressing, and recovering from cybersecurity incidents, ensuring minimal disruption to operations
- Establish a clear escalation process and communication strategies for employees to report incidences, vulnerabilities or suspicious activities to ensure swift, coordinated action during an incident. Reported cases will be directed to the Legal and Compliance Department, IT Department, or other relevant internal stakeholders

Continuous Staff Training and Awareness Enhancement

As part of our commitment to operational integrity and data security, all employees undergo mandatory cybersecurity awareness training on a regular basis. These programmes equip staff with the knowledge to recognize potential threats, promptly report suspicious activities, and adhere to established protocols for handling sensitive information. During the reporting year, our training covered cybersecurity trends, policies and tools, the Personal Data (Privacy) Ordinance and data security measures. Staff are reminded to use only approved and registered removable drives and to remain vigilant against fraudulent emails.

Anti-phishing

As part of our cybersecurity strategy, we conduct regular phishing simulations for all full-time employees to strengthen organizational defences. These exercises enhance staff vigilance and improve threat recognition capabilities. Employees who initially fail the simulated attacks receive targeted remedial training, including specialized webinars that address cybersecurity best practices, threat identification techniques and proper response protocols. This proactive training approach has yielded significant results, with the number of employees failing in the subsequent testing cycle decreased by 29.3% due to increased security awareness.

Measures for Our Business Units and Hotels

All business units must comply with our extensive internet guidelines, which govern website design, footers, language, content, and-critically-data collection practices. Notably, any webpage collecting customer data must explicitly include the Customer Data (Privacy) Policy to ensure transparency and compliance. Our security framework is further reinforced by the Data Backup, Restore and DRILL Test Policy, along with stringent password change and management policies, to maintain data integrity and access control. Hong Yip attained the Platinum Award in the Cyber Security Staff Awareness Recognition Scheme 2024, co-organized by The Hong Kong Internet Registration Corporation Limited and ISACA China Hong Kong Chapter.

This year, SmarTone enhanced its data security with two key initiatives: Hong Kong's first Staff Verification Code, enabling customers to authenticate SmarTone staff during phone interactions, and a 24-hour 'Anti-Scam WhatsApp Hotline' for expert consultation if customers suspect their devices have been compromised. SmarTone also offers a comprehensive cybersecurity solution that includes Data Guard, Call Guard and Phishing Alerter, providing continuous protection against data leaks, blocking junk calls at the network level and alerting users instantly to suspicious SMS messages. For detailed information, please refer to SmarTone's ESG Report 2024/25.

Our hotels have implemented robust safeguards to protect customer privacy. Royal Plaza Hotel conducts bi-annual third-party penetration testing to identify and remediate vulnerabilities. Additionally, the hotel employs an endpoint security programme with detection and response capabilities to defend against cyber threats. Meanwhile, Royal View Hotel and ALVA Hotel by Royal strengthen its cybersecurity posture with quarterly phishing simulations, enhancing staff awareness and preparedness against cybersecurity attacks.

SHKP Club

Fostering Sustainable Community Engagement

Founded in 1996 as Hong Kong's first developer loyalty club, SHKP Club has been the city's largest property-focused membership club since its establishment, with a membership base exceeding 540,000. The Club is committed to nurturing long-term relationships with members across Hong Kong, mainland China, and beyond by facilitating transparent, two-way communication. SHKP Club provides timely updates on the Group's properties, shopping malls, and hospitality offerings while promoting a sustainable community ethos through its Loving Home initiative.

Enhancing Member Engagement and Understanding Their Needs

SHKP Club is dedicated to delivering tailored members' benefits, including exclusive discounts, events, and privileges across the Group's property sales, shopping malls, hotels, and other business units. By actively engaging members through online and offline channels, the Club ensures it remains attuned to their evolving needs and preferences. The Loving Home campaign continues to inspire community connection through family-oriented activities.

SHKP Club advanced its commitment to sustainable community engagement and member-centric services through the following initiatives:

Expanded Digital Outreach:

Launched an official WeChat account to strengthen communication with mainland China members, delivering timely updates on property developments, mall promotions, and hospitality offers, fostering greater accessibility

Enhanced Property Services:

Introduced the Property Viewing Appointment Service to streamline access to the Group's first-hand residential properties. Additionally, we organized NOVO LAND show flat tours for



A show flat guided tour and property seminar for participants under the Top Talent Pass Scheme

Hong Kong Top Talent Pass Scheme members, complemented by on-site surveys to capture instant member feedback and ensure our services align with their needs. Exclusive property seminars featuring industry experts were held in both Cantonese and Putonghua to accommodate diverse language preferences. To extend our engagement, seminar video recordings, including buyer interviews, were promptly shared online

Strengthening Community Connection Through Digital Engagement:

Enhanced member communication and services by inviting property buyer members to join the Group's mall and hotel loyalty programmes, The Point and Go Royal, fostering deeper relationships through the group's club network and a stronger sense of community across the Group's loyal clubs

Professional On-Site Support:

Established bank consultation counters at sales venues, staffed by professionals to provide members with immediate and expert advice, enhancing customer experience

Member Engagement in the Group's New Landmark Project Through Experiential Events:

Partnered with the Group's new Landmark project at Sai Sha, an integrated sports and commercial complex, we delivered unique experiences, such as the 'Golf Experience Day at GO PARK Sai Sha', 'Explore Sai Sha Natural Ecology Tour and Sightseeing Bus', and All-day Complimentary ride on KMB Pet Bus 'PB5' & 'GO PARK Sai Sha Pet Park' Exclusive Session. These events promoted family bonding and wellness while showcasing sustainable lifestyle offerings



SHKP Club members enjoy exclusive experience at GO PARK Sai Sha

Loving Home Campaigns:

The 2024 Creating a Loving Home Together campaign attracted more than 11,000 entries, celebrating family stories through creative expression. The 2025 Seasons of Loving Home campaign further encouraged members and the public to share inspiring narratives through diverse mediums, fostering stronger emotional connections to our home



A winner and her family participate in the Creating a Loving Home Together at the Loving Home Campaign Prize Presentation 2024

Commitment to Continuous Improvement

SHKP Club remains dedicated to proactively engaging with members through multi channels, gathering valuable feedback to refine services and deepen relationships. We continue to cultivate a vibrant and connected membership base that embodies the Loving Home.

Value Created for **SUPPLY CHAIN**



The Group aims to promote a sustainable supply chain in line with our environmental, social and governance principles. We focus on building long-term, mutually beneficial relationships with our suppliers and contractors through active engagement and management.

Material topics addressed in this section:

- Business ethics and anti-corruption
- Innovation
- Labour practice and human rights
- Supply chain management
- Well-being, health and safety





Highlights of Our Performance in FY2024/25



~46% of our total procurement took environmental considerations into account



~1.2 million attendees completed health and safety training



Construction site accident rate of **10.0** per 1,000 workers, below industry average



Hong Kong's **1st** smart scaffolding monitoring system was developed by SCIL

Strategies and Management

Our supply chain exemplifies our Building Homes with Heart principle by prioritizing transparency, resilience and alignment with United Nations Sustainable Development Goals. We actively collaborate with business partners to advance ethical and sustainable practices across our operations.

Suppliers¹, contractors¹ and subcontractors must adhere to all relevant environmental and social laws and regulations, such as the Occupational Safety and Health Ordinance, Employment Ordinance and Waste Disposal Ordinance. We encourage them to align their practices with the principles delineated in the Universal Declaration of Human Rights and United Nations Global Compact. We strictly prohibit child and forced labour from our supply chain, and promote a work environment that is inclusive and free of discrimination for all.

We require our suppliers, contractors and subcontractors to comply with our **Supplier Code of Conduct**, which establishes standards for legal compliance, governance, business ethics, environmental stewardship, biodiversity conservation, occupational health and safety (OHS), human rights and equal opportunities, labour practices, and confidential information and privacy. The Supplier Code of Conduct has been updated during the reporting year to align with our improved sustainability commitments.

By integrating our **Sustainable Building Policy** with green procurement guidelines, we embed sustainability criteria throughout supplier selection and material sourcing for building materials, building equipment and office

products. We encourage suppliers, contractors, subcontractors, joint ventures and other service providers to uphold business integrity and quality requirements outlined in our **Environmental Policy, Health and Safety Policy and Cybersecurity Policy**.

Our vertically integrated approach to supply chain management ensures consistent excellence and compliance across our network of new and existing suppliers and contractors.

Vertically Integrated Approach for Supply Chain Management



Standardized processes for supplier selection, retention, performance assessment, risk management and development of evaluation systems



Stipulate in tender documents that business partners, suppliers and contractors must adhere strictly to labour rights laws and regulations



Thorough evaluation of suppliers' compliance, labour management and human rights protection, focusing on reasonable compensation and a safe working environment

SHKP is dedicated to fostering innovation and technology development. We integrate technologies across our business, spanning from construction to property management. By nurturing a culture of innovation and providing support for creative solutions, we empower our employees to pioneer industry advancements. Our knowledge sharing with peers and partners enhances competitiveness while delivering premium quality products and services.

Our safety operating guidelines and procedures are tailored to address unique requirements and specific construction risks, with regular updates to ensure continued effectiveness. Our project and safety teams work closely with contractors to establish and maintain rigorous protocols and standards, conducting thorough safety inspections to ensure regulatory compliance.

We maintain active engagement with suppliers and contractors through daily correspondence, regular assessments and meetings. Sanfield's contractor engagement includes kick-off meetings, pre-work briefings and safety training. Our commitment to industry advancement is demonstrated through regular knowledge and experience sharing on cutting-edge technologies like the Tension and Tilting Inspection Engine AI System (TIE.Ai), Unmanned Tower Crane (UMTC), Building Information Modelling (BIM), Design for Manufacture and Assembly (DfMA) and AI Lift via industry forums and social media platforms.

¹ Our suppliers and contractors provide cleaning, security, laundry, landscaping, construction activities and E&M services, etc.



Powering Sustainable Transformation Through Responsible Procurement

Our diverse supplier network serves multiple business segments: hotels (food), construction (building materials), property management (building services machinery), and corporate operations (office supplies). This multi-sourcing strategy promotes fair competition while enhancing supply chain resilience through reduced single-supplier dependency.

During the reporting year:

We have partnered
more than **8,700** suppliers

Total procurement expense
exceeded **HK\$8.5 billion**

Top five suppliers represented
less than **30%** of total purchases

Adhering to our green procurement guidelines, our procurement and engagement processes with suppliers and contractors incorporate environmental and social considerations. We prioritize those who demonstrate the following:

- ISO 14001 environmental management standards alignment
- BEAM Plus scheme participation
- Green procurement policy implementation
- Adoption of other sustainable practices, such as OHS in their operations

The considerations incorporated into our procurement and engagement with suppliers and contractors in different business are:

Head Office

- Favours green procurement through prioritizing suppliers that offer sustainable products, such as Forest Stewardship Council (FSC)-certified paper

Property Management

- Prefers suppliers engaged in the Energy Saving Charter and 4T Charter of the Environment and Ecology Bureau, and the Green Council's Sustainable Procurement Charter
- Encourages vendors to appoint an independent accredited auditing body to evaluate its in-house procedure as well as service or product

- Motivates suppliers by offering bonus scores during assessments for possessing certificates related to quality, environment, energy and OHS
- Champions workplace safety through the Charter on Preferential Appointment of OSH Star Enterprise, prioritizing suppliers with safety management systems who have completed Occupational Safety and Health Council safety audits for repair, maintenance, alteration and addition works

Construction

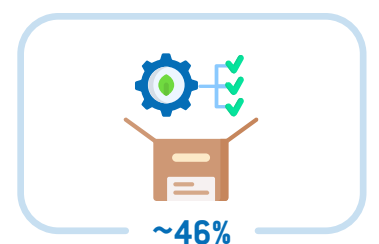
- Includes contract specifications for sustainable practices, such as utilizing rechargeable power for cranes and material hoists, and substituting wood formwork with aluminium
- Mandates suppliers to provide documentation proving that timber is FSC-certified

Hotels

- Prioritizes products and packaging that are biodegradable, recyclable or FSC-certified
- Promotes responsible seafood sourcing with Marine Stewardship Council and Aquaculture Stewardship Council certifications

Our local sourcing strategy delivers triple benefits: reduced carbon footprints, strengthened regional economies and expanded community employment. We also support small, medium-sized and social enterprises across our value chain, creating positive impact in local communities.

	Head Office	Construction	Hotels ²	Property Management	Total ³
Suppliers (Hong Kong)	309	286	4,365	3,776	8,736
Suppliers (non-Hong Kong)	0	6	54	2	62



of total procurement took environmental considerations into account



suppliers sourced locally

² Figures for hotel suppliers only cover Royal brand hotels this year.

³ Supplier data from SmarTone and SUNeVision can be found in their respective ESG reports. We will explore the feasibility to include data from our franchise hotels and other non-property portfolio businesses in the future.



Mitigating the Supply Chain Risks

Our suppliers are encouraged to adopt international environmental management standards. Sanfield's executive management oversees the implementation of its **Sustainable Supply Chain Management Guideline** and ESG programmes for suppliers and contractors.

Engaging and Communicating with Suppliers and Contractors

We actively identify and evaluate environmental and social risks across our supply chain to address potential disruptions from natural disasters, extreme weather, epidemics, safety incidents and labour disputes. Through transparent two-way communication, monitoring of market trends and diversified sourcing strategies, we maintain supply chain resilience and cost-effectiveness.

Our Supplier Code of Conduct establishes clear expectations across compliance, business ethics, environmental protection, biodiversity conservation, OHS, human rights and equal opportunities, labour practices and data privacy. We evaluate the performance of suppliers and contractors through annual sustainability-related assessments. Non-compliance, including violations of laws and regulations, failure to meet contract requirements, misconduct, or

failure to attain satisfactory results, may lead to downgrading or delisting.

Providing Training

We deliver extensive ESG-related training focusing on OHS, environmental management, anti-corruption and business ethics, including the use of whistleblowing channels, to suppliers, contractors and subcontractors. In addition, we disseminate industry best practices as benchmarks for their ongoing enhancement. Annual quality assurance training encompasses all full-time and part-time employees, suppliers and contractors. Our procurement teams also receive specialized training on supplier ESG programmes, strengthening internal management capabilities. During the reporting year, we provided around 430,000 hours of health and safety training at construction sites in Hong Kong, with an average of 12.1 training hours per employee.

Engaging with Industry Peers to Address Environmental Concerns

We collaborate with industry partners to pioneer solutions that optimize production, reduce costs and advance sustainable building practices. We work closely with them to address environmental concerns in the supply chain

and explore innovation. This year, Sanfield participated in the American Concrete Institute [ACI] – Singapore Chapter's Annual Seminar 2024 and the 3rd China Concrete and Cement-based Products Association (CCPA)'s Belt & Road Forum. We engage in discussions on DfMA and lightweight concrete applications, generating valuable insights into low-carbon materials and techniques, and inspiring continued industry collaboration for greener construction practices.



Sanfield at ACI Singapore Chapter's Annual Seminar 2024



Sanfield at CCPA Belt & Road Forum

Our subsidiaries also implement supplier selection, assessment procedures and guidelines:

Property Management

Effective Tendering and Supplier Management

We require all suppliers and contractors to sign an Environmental, OHS Commitment and abide by our environmental and energy policies. Hong Yip's ePro tendering system allows suppliers to receive invitations and submit tenders online. All registering vendors must complete a self-assessment,

covering managerial competency, financial conditions, labour compliance and safety. An ESG performance self-assessment tool for approved vendors was also introduced which shared latest ESG trends and ideas for future engagement. Vendors who responded earned bonus assessment marks. Vendors' profiles and performance are assessed annually through scoring, which is subsequently used as indicators

of their viability for tenders. Vendors failing to meet expectations might receive verbal or written warnings or, in severe cases, be removed from the list of approved vendors. Systematic quality assurance and monitoring are conducted through our vendor complaint management system. For major projects, we require detailed method statements, work programmes and delivery schedules for approval.

Hotels

Monitoring of Suppliers' Compliance

Systematic supplier oversight is conducted through annual Supplier ESG Performance Evaluation Questionnaires, with new suppliers pledging Supplier Code of Conduct compliance. During the reporting year, Royal Park Hotel's evaluation covered more than 200 suppliers and none of them were considered as high risk. In addition, stringent food safety protocols and standards mandate Food Safety and Health Declaration Forms alongside comprehensive documentation

spanning business registration documents, food factory licenses, laboratory tests for products, food health and safety certificates as well as food-grade certificates during initial qualification checks. Suppliers' product quality, delivery timeliness and after-sales service throughout the contract period are regularly reviewed with questionnaires, laboratory tests, pre-delivery quality checks and end-product quality surveys. Annual audits and on-site inspections cover personal hygiene, food processing, storage, waste

management, site safety, food safety certification, chemical storage, equipment cleaning and pest control. Suppliers handling high-risk products, such as ready-to-eat food and fresh seafood, are subject to closer examination and enhanced oversight. Should non-compliance arise, immediate rectification is followed by a re-audit. During the reporting year, three hotels conducted food safety audits and 100% of our active suppliers met our requirements. No suppliers failed or were suspended during the reporting year.

Construction

Sanfield's Sustainable Supply Chain Management Guideline establishes robust processes for vendor registration, tender selection, critical supplier identification, sustainability performance scoring and risk exposure assessment.

Incorporating ESG Criteria in Suppliers Selection

Our procurement practices undergo regular reviews for alignment with our Supplier

Code of Conduct and Sustainable Supply Chain Management Guideline. Sanfield's supplier contracts explicitly mandate the requirements of sustainable material usage, while tender participation is restricted to invited contractors who meet prerequisites and initial assessment criteria. We assign a minimum weight to ESG criteria when selecting suppliers and contractors, prioritizing those with stronger ESG performance.

Identifying and Managing Critical Suppliers

We identify critical suppliers and contractors by ranking them according to their total awarded contract sum in aggregate during the reporting period. Suppliers and contractors who collectively account for 50% of the total contract sum are categorized as critical. We manage our critical suppliers as follows:

Due Diligence Questionnaire	Verification and Risk Identification	Follow-up	Result
- We conduct annual sustainability and ESG performance assessments for critical suppliers and contractors with a due diligence questionnaire, which covers environmental management, pollution control, labour practices, anti-discrimination, human rights protection, OHS, anti-corruption, code of conduct and whistleblowing - Suppliers and contractors must exhibit their dedication to labour and human rights, ensuring workers receive statutory benefits, have access to complaint channels, and are free from discrimination and harassment	- We systematically review and verify their evidence to ensure its accuracy - High-risk suppliers and contractors are identified based on their sustainability and ESG performance scores	- If required, senior management will initiate, chair, and oversee detailed investigations and corrective action - Suppliers and contractors who attain unsatisfactory results will not be considered in the tendering process	- During the reporting year, Sanfield identified 18 of its 406 suppliers and contractors as Tier-1 critical - No assessed suppliers and contractors were considered to have high sustainability risks⁴

Ongoing Monitoring and Improvement in the Contract Period

Regular inspections are conducted to identify and evaluate safety and environmental issues, including concerns related to air pollution, waste management and wastewater treatment. Suppliers, contractors and subcontractors undergo biannual assessments at construction sites, covering work quality and efficiency, environmental awareness and initiatives, and site safety. Sustainability performance and scores will be integrated into the assessment criteria for future tender decisions.

Advancing ESG Development Through Sustainability-linked Supplier Payment Services Programme

Dedicated to working with suppliers and contractors who share our vision for a sustainable construction ecosystem, Sanfield introduced the Sustainability-linked Supplier Payment Services (SPS) programme last year, a pioneering initiative in Hong Kong's construction industry. The programme establishes sustainability targets across ESG disclosure, safety performance, waste reduction, innovative technology adoption and carbon reduction. Sanfield's suppliers and contractors can benefit from early payment for their goods or projects upon achieving predetermined targets, enhancing their cash conversion cycle and incentivizing improved

ESG performance. During the reporting year, six suppliers and subcontractors joined the programme as the first batch of participants. This year, we hosted a seminar in collaboration with DBS bank bringing together 40 suppliers and contractors as ESG partners to explore construction industry sustainability opportunities.



Contributing to a sustainable construction ecosystem through our innovative SPS programme

Our commitment to supply chain excellence was recognized through the Sustainability Supply Chain Award at the sixth ESG Leading Enterprises 2024, co-organized by *Bloomberg Businessweek/Chinese Edition* and Deloitte.

⁴ This year, Sanfield did not identify any non-Tier 1 critical suppliers. There was a total of 18 critical suppliers (Tier-1 and non-Tier 1) and 18 suppliers (100%) were assessed via desk /on-site assessment. No suppliers with actual/potential negative impacts were identified. No suppliers required corrective action, termination or support in corrective action plan implementation. We engaged with all critical suppliers identified in capacity building programmes.

CASE STUDY

Sustainable and Safe Construction with Innovative Technology

We leverage cutting-edge technology, including Modular Integrated Construction (MiC), Mechanical, Electrical & Plumbing (MiMEP), DfMA, Internet of Things (IoT) and BIM, to revolutionize construction efficiency, safety and quality while creating long-term stakeholder value through strategic industry partnerships.

Strengthening Construction Safety with Smart Site Safety System Labelling Scheme

During the reporting year, Sanfield was among the first batch in the construction industry to be awarded Smart Site Safety System (4S) labels by the Development Bureau and the Construction Industry Council (CIC) with the following applications:



Self-developed Advanced Confined Space Surveillance-
gas detection and real time camera feeds with automatic alert system



Danger Zone Alert System-
mobile equipment and mobile cranes equipped with 360-degree monitoring to alert workers of danger zones



Digitalized Record-
Sanfield Safety mobile app and QR Code tracking system for information sharing and real-time monitoring



Danger Zone Access Control-
smart locks to secure restricted areas



AI Monitoring-
AI camera and smart watch to detect unsafe behaviours and send emergency alerts

The 4S now protects more than 3,700 workers across our High Speed Rail West Kowloon Terminus Development, Cullinan Harbour, and Tuen Mun residential projects.

Innovation Efforts by Sanfield's Subsidiaries

Sanfield Construction Innovations Limited (SCIL), established in 2021, spearheads construction industry innovation through advanced solutions, including Construction Robots, AI-IoT Hub, Blockchain-enabled Platform, SMART FM Energy Efficiency and Flexibility, 5G-Enabled UMTC, and Advanced Confined



TIE.Ai is piloting at our Kwu Tung project and we will be offering free trials to industry partners

Space Monitoring System. Our subsidiary Everbim Digital Tech Limited achieved ISO 19650 certification for BIM management, marking a significant digitalization milestone.

The latest SCIL development is Hong Kong's first smart scaffolding monitoring system – the Tension and Tilting Inspection Engine AI System (TIE.Ai). Using AI, IoT and precision sensors, it provides real-time monitoring of different types of scaffolds, with features including precise tilt detection, tension monitoring, fire alerts, and 24/7 mobile app reporting with 3D visualization and BIM integration. The system delivers near-instant alerts regardless of weather and time, detecting risks invisible to manual inspections. For more details, please refer to [here](#).

In 2024, SCIL and Lighthouse Inno-Lab Limited showcased UMTC's sustainability and safety benefits to key stakeholders, including the Labour Department of Hong Kong and CIC. Operated remotely and automatically, the system's AI-driven path planning optimizes lifting and reduces energy consumption by 10-15%, while preventive maintenance capabilities minimize tower crane downtime, optimize operational efficiency and reduce operation costs. SCIL is also developing another



Showcasing UMTC's innovative capabilities to industry stakeholders and government authorities

special module, in which UMTC can locate the MiC accurately with precise rotational control, boosting the installation efficiency of MiC.

Joining Force with Industry Partners

We believe innovation flourishes through collaborative partnerships with industry peers, and we actively participate in industry events to drive innovation. At the Building Safety Seminar organized by the Buildings Department of Hong Kong, we shared our insights of innovative solutions in enhancing building safety and sustainability, particularly through drone technology. Such advancements could significantly support us in executing work at



height, ultimately reducing potential hazards and improving real-time monitoring — both of which are crucial for promoting overall building safety.



Sanfield shares insights on innovative solutions at the Building Safety Seminar

In addition, Sanfield participated in the CIC - See What I See event to share Sanfield's vision of improving operational efficiency and optimizing resource usage, and unveiled the innovative technologies implemented in the Sai Sha Development Project. One notable technology is the Panel Robot, designed for installing precast partitions. The sharing received positive reception, inspiring potential collaborations and paving the way for industry-wide innovation.



Demonstrating smart construction solutions in the Sai Sha Development Project during CIC event

In collaboration with The Hong Kong Institution of Engineers, we organized site visit to GO PARK Sai Sha, accommodating more than 30 members, consultants and industry professionals. During the visit, participants gained insight into the cutting-edge electrical and building services systems integrated into the park's infrastructure, smart engineering solutions, green building design and sustainable urban development, enhancing knowledge sharing and supporting the advancement of the industry.

Collaborating with Academia to Drive Innovation

Our strategic partnership with Hong Kong Polytechnic University drives breakthrough research in green applications, building

materials and construction processes. This project focuses on developing an intelligent, efficient and adaptable energy management system at the XRL Project. Desktop research indicates that total annual savings is around 5 million kWh, driven by optimal MVAC control strategies and integration with an AI-powered Building Management System. We are now implementing this system in the actual buildings, marking a significant milestone for real-world application. For green building materials, we engineered an innovative steam and CO₂ combined curing technique that improved the strength and reduced the sorptivity of cement paste while also creating a CO₂ activation process to incorporate a greater amount of low-carbon supplementary cementitious materials into concrete.

Demonstrating our digital leadership, Sanfield signed the CIC's Construction Digitalization Charter and is developing a comprehensive digitalization roadmap integrating BIM, common data environment, and advanced site monitoring digital tools.

Elevating Safety Standards in Construction

Ensuring the health and safety of our construction workers is our top priority and we have a robust health and safety framework:

Health and Safety Governance

The Board

- ✦ Guides our group-wide health and safety strategy and oversees performance through the Executive Committee

The Occupational Health and Safety Committee

- ✦ Comprises of senior executives and manages health-and-safety risks, initiatives, targets and performance

We maintain strict compliance with all laws and regulations, including Occupational Safety and Health Ordinance, Employees' Compensation Ordinance, and Factories and Industrial Undertakings Ordinance as well as the commitments outlined in our Health and Safety Policy.

All contractors and subcontractors must align with our Health and Safety Policy, protocols, applicable OHS standards, and maintain

ISO 45001-certified (or equivalent) OHS management systems. We constantly upgrade our in-house safety standards and require subcontractors' compliance. From this year, all elevating work platforms must comply with our new safety standard and be equipped with a smart protective height-limited sensor.

We set annual safety targets for all employees, contractors and subcontractors. Through regular monitoring of safety performance and evaluation against these targets, we prioritize and integrate extensive action plans to prevent health-and-safety issues and mitigate identified risks.

When projects fail to meet safety targets, project managers and site agents must convene at a Safety Executive Committee meeting to propose corrective actions for enhancing the OHS system and improving site conditions, with particular focus on high-risk activities. External safety consultants will be engaged to conduct safety management system audits for continuous improvement. Safety performance is linked to the related executives' and employees' annual performance bonuses.

Our Annual Safety Targets⁵



0 fatal accidents



Less than 0.5 serious accidents⁶ per 1,000 workers



Less than 7.0 reportable accidents per 1,000 workers

We oversee and monitor on-site health and safety through effective protocols to prepare and respond to emergency situations. Our safety mobile app enable supervisors to submit monthly safety reports, permits and checklists while providing colleagues with latest updates.

⁵ This target is applicable for the calendar year 1 January 2024 to 31 December 2024.

⁶ Work-related injuries that result in hospitalization for more than 21 days (loss of 9% or above of permanent total incapacity); and, or fatalities.

During the reporting year:

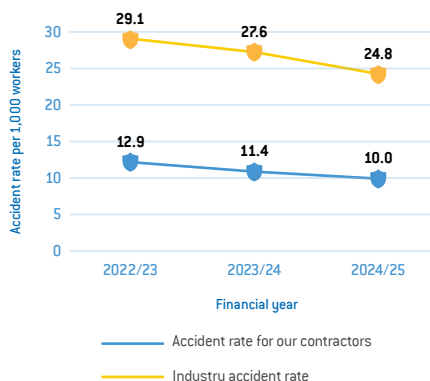


Our contractor accident rate was **10.0** per 1,000 workers against an industry average of 24.8⁷



0 fatalities were recorded among our contractors

Accident Rate of Our Contractors at Construction Sites Compared with the Industry



We foster a safety culture where workers are encouraged to report any hazards or unsafe conditions to supervisors or site managers. Workers are encouraged to leave unsafe work environments without any concern of facing retaliation.

We raise OHS awareness through regular training for our contractors and subcontractors. Our OHS awareness training recorded around 1.2 million attendances this year, covering essential topics from latest safety policies and legal updates, safety card renewal, the use of personal protective equipment, proper handling of hand tools and electrical equipment, working at heights and on scaffolding, confined space safety and lifting safety. External organizations complemented our programme with specialized safety sessions and health awareness training on heat stroke prevention, mosquito prevention and prevention of hearing loss for contractors

and subcontractors. This year, a webinar on tower crane erections and its operations statutory requirements was organized for construction workers to enhance operational compliance and safety.



Frontline staff receives safety standards training and updates



Safety sharing session led by the Deputy Commissioner for Labour and CIC at Kwu Tung project

We adopt a proactive approach to further elevate awareness of safety standards and guidelines at construction sites.

Before Construction

- » Deliver extensive health and safety induction for all new workers
- » Implement site-specific health-and-safety training for all workers
- » Establish clear operating procedures and safety protocols
- » Identify and assess potential risks during design and planning phases



During Construction

- » Conduct weekly toolbox talks or whenever procedural changes occur
- » Deliver site-specific training for complex technical operations
- » Ensure comprehensive information, instructions, training and supervision across all work processes



After Construction

- » Perform safety effectiveness assessments to drive continuous improvement

Proactive on-site safety management is achieved through comprehensive risk identification, prioritization, assessment and management processes. We conduct regular internal inspections and organize construction project director and project manager safety walks at least four times a year to review our safety performance. Senior management also inspect our sites at least twice annually through:

- Director Safety Walks
- Developer Project Management Safety Walks
- Construction General Manager Safety Walks

The Central Safety team further conducts surprise checks on projects that fail to meet safety targets or exhibit unsatisfactory safety performance. Findings from these inspections are reported to our OHS Committee for evaluation and improvement.

We maintain a rigorous audit schedule, with internal site-safety professionals conducting compliance audits quarterly and external audits performed biannually, in accordance with the Factories and Industrial Undertakings (Safety Management) Regulation. These external safety audits cover both site-level and corporate-level. Sanfield also participates in Real Estate Developers Association's inspections to verify site safety compliance.

By waiving the standard industry fees for contractors on claims, we collect the most precise and thorough data on work-related incidents, which enables targeted safety measures implementation and accident prevention.

In case of an incident, near miss, injury, or an immediate need for medical attention, we will:

- Establish a dedicated investigation team comprising first aider, safety officer, site agent and subcontractor representative to carry out a detailed investigation and develop follow-up actions
- Adhere to all pertinent laws and regulations, and report all injuries according to the accident reporting stipulations
- Execute follow-up measures to improve site safety and prevent recurrence

⁷ Industry rate is calculated per the calendar year and refers to the Hong Kong Labour Department's Occupational Safety and Health Statistics Bulletin (August 2025).



We continuously innovate to enhance on-site safety through advanced technological solutions and strategic improvements:



Adopting 5G-enabled UMTS



Enhancing air quality in enclosed spaces



Equipping workers with the Group's award-winning SmartWorks smart helmets



Creating an elevated workers' path



Adopting metal scaffolding methods



Adopting Danger Zone Access Control



Implementing the launching method for installing noise barriers along the rail system



Installing a tower crane anti-collision system

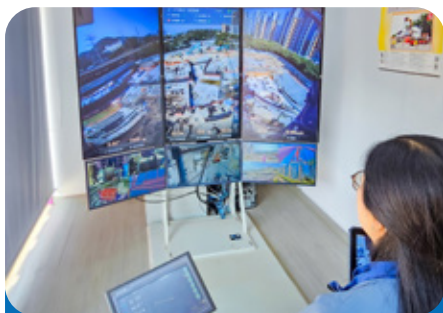


Utilizing Confined Space Surveillance system

The Advanced Confined Space Monitoring System, introduced by SCIL, enhances safety in confined spaces through real-time monitoring of environmental conditions, including harmful gases, oxygen levels, temperature, humidity and PM2.5. The system features portable cameras for workers, external monitoring capabilities, and instant alerts for safety officers when safety thresholds are exceeded.



SCIL's Advanced Confined Space Safety Monitoring System demonstrates our industry leadership in smart safety solutions



Smart tower crane operations enhance construction safety at Ha Ko Po Tsuen project

Independent consultants regularly review our safety standards, while our Safety Hero scheme recognizes workers with exemplary safety performance. During the reporting year, our health-and-safety initiatives have earned multiple industry awards. Please refer to **Appendix I** for details.

Anti-corruption

We maintain zero tolerance for corruption and bribery throughout SHKP's value chain, strictly adhering to the Prevention of Bribery Ordinance, Anti-corruption Policy, **Code of Conduct** and Supplier Code of Conduct. Our ethical standards and performance undergo annual review.

Anti-corruption Governance

The Board

- Oversees Anti-corruption Policy, manages business ethics and corruption-related issues

The Executive Committee

- Reviews and updates Anti-corruption Policy when necessary

Our policies prohibit employees from soliciting or accepting advantages, gifts, or entertainment from business partners, including suppliers and contractors. Offering such benefits is also prohibited. Facilitation payments to expedite administrative processes are strictly forbidden, and all charitable contributions must maintain transparency and regulatory compliance. Anti-corruption policies and guidelines are readily accessible via our intranet and website.

Anti-corruption Training Programmes

To enhance awareness, we deliver extensive anti-corruption and ethical standards training across all levels of our organization:

- All new employees undergo anti-corruption policy and guidelines training during induction
- Regular refresher training ensures directors and employees remain updated on industry-specific ethical standards and anti-corruption practices
- Independent Commission Against Corruption (ICAC) provided anti-corruption and business ethics training or online training material to all our full-time and part-time employees, contractors and subcontractors
- Directors received additional anti-corruption and business ethics training materials

Our property management subsidiaries organized training on their e-learning platforms, including Code of Conduct training, Business Ethics Training Series, and online workshops on topics, such as Integrity and Competition Law. External speakers shared their latest insights on business ethics, anti-corruption and fair competition. These trainings promote ethical practices at all levels, empowering employees to act with integrity and professionalism.

Assessing Risk

We proactively prevent conflicts of interest by restricting access to inside information to employees on a need-to-know basis. During

the hiring process, we conduct interviews and reference checks on candidates to mitigate ethical conduct risks. We also encourage suppliers and contractors to verify candidates' identity and visa status, where applicable. To further ensure ethical practices, Hong Yip performs an annual audit on its anti-corruption policy and practices to prevent and enhance bribery and staff awareness. During the reporting year, Hong Yip also conducted a staff ethical audit, focusing on compliance with Employee Code of Conduct and General Ethics and Guidelines on Acceptance of Advantages and Prevention of Bribery. These measures contribute to maintaining a transparent and accountable environment within the Group.



During the reporting year, we delivered **8,700+** hours of anti-corruption training to **22,000+** full-time employees.

Maintaining Ethical Standards in the Supply Chain

We maintain zero tolerance for corruption, bribery, money laundering, extortion, anti-competitive practices, fraud, false declarations and other forms of malpractice. Our Supplier Code of Conduct sets clear expectations. Additionally, Hong Yip shares ICAC, Development Bureau, and CIC's Integrity Charter guidelines with vendors through its vendor portal. Companies participating in tenders are required to disclose any potential or perceived conflicts of interest. Any vendors involved in corruption, whether through confirmed or suspected allegations, may face suspension or exclusion from the list of approved tenderers.

Suppliers, contractors and subcontractors are required to maintain anti-corruption policies and programmes that align with our established standards. Our whistleblowing procedures encourage them to report any suspicious activities or misconduct, encompassing corruption, anti-competitive behaviours, fraud and false declarations. During the reporting year, we did not engage with any suppliers or contractors known to violate our anti-bribery and anti-corruption policy.

Whistleblowing

Our whistleblowing system provides a secure, accessible channel for both internal and external stakeholders, including customers and business partners, to report concerns while ensuring their protection and confidentiality. The system covers reporting of misconduct, malpractice, impropriety, or unethical and unfair treatment, as detailed in our Whistleblowing Policy. We also provide training on the use of reporting channel for whistleblowing.

Our whistleblowing procedures:

Reporting

- Employees can raise concerns through suggestion boxes, grievance procedures, or direct communication with supervisors
- Complete anonymity is guaranteed throughout the investigation process



Investigation

- All reports undergo thorough investigation with utmost seriousness
- Findings and recommendations are presented to the Chairman and Managing Director if an investigation is required
- The Audit and Risk Management Committee assesses significant issues
- Whistleblowers are protected from any form of intimidation or retaliation



Resolution

- Confirmed cases of corruption or criminal behaviour are promptly escalated to the Chairman and Managing Director, the Audit and Risk Management Committee, and where necessary, law enforcement authorities for appropriate action



The Audit and Risk Management Committee oversees the Whistleblowing Policy and its mechanisms while the execution of the policy is overseen by the Group's Head of Internal Affairs

and the Head of Internal Audit. For more details, please refer to the **Corporate Governance Report** section of our Annual Report 2024/25.

Anti-competition

We champion fair competition as a cornerstone of sustainable business practices and an equitable supply chain. Our Supplier Code of Conduct strictly prohibits suppliers, contractors and subcontractors from participating in any manner of anti-competitive practices. We adhere to all relevant laws and regulations, including Hong Kong's Competition Ordinance.

We maintain strict anti-collusion measures throughout our procurement process, clearly articulated in all tender documents. Our comprehensive approach includes mandatory integrity and anti-collusion declarations from vendors during our procurement process. We conduct regular reviews of eligible companies to prevent practices like bid-rigging, and careful monitoring of applicant numbers to maintain competitive bidding.

Sanfield's e-tendering platform provides a secure, efficient environment for document submission and access, with strict authorization controls protecting tender information confidentiality.

To enhance understanding of competition laws and regulations, Hong Yip encourages approved vendors to participate in the Online Webinar on Competition Ordinance held by the Competition Commission. Our Royal brand hotels staff receive regular training on Competition Ordinance principles, while routine sampling and review of supplier contracts and tender documents help identify any potential issues related to competition law compliance. Royal Plaza Hotel conducts quarterly management meetings to address competition law compliance and ensure consistent adherence to regulations.

Value Created for COMMUNITY



Our longstanding belief in Building Homes with Heart extends to supporting the needs of the communities in which we operate. We invest in promoting reading and STEM education among youth, encouraging sports for charity and supporting the underprivileged to create a long-term positive value.

Material topics addressed in this section:

- Community investment
- Economic performance
- Innovation
- Social integration and accessibility
- Stakeholder engagement and collaboration
- Sustainable buildings
- Well-being, health and safety



Highlights of Our Performance in FY2024/25



~70,000 volunteer service hours¹ contributed by **1,200** SHKP Volunteer Team members



30,000+ upper primary and junior secondary students from underprivileged families engaged through Read to Dream since 2008



HK\$6.1 million raised through SHKP Hong Kong Cyclothon and The Community Chest Corporate Challenge



1st SHKP's Community Living Room provided for underprivileged families

Strategies and Management

Led by senior executives, including the Public Affairs Department head and a Deputy Managing Director who chairs the Sustainability Steering Committee, the Corporate Social Responsibility Committee oversees our community investments and charitable collaborations to address the community's needs. Generally, the Public Affairs Department head manages community relations. He supports engagement with governmental bodies and local community groups and reports to respective management for development projects. We actively collaborate with non-governmental organizations (NGOs) and stakeholders to identify emerging concerns, manage our programmes effectively, and promote community sustainability.

Our approach to community investment and well-being initiatives is shaped by the following strategies:



Our Three-pronged Approach to Community Outreach



1 Encouraging reading and STEM education among youth



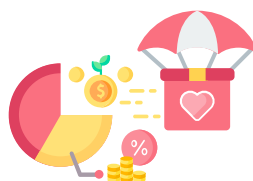
2 Promoting sports for charity and healthy living



3 Providing care for the underprivileged

Our commitment to community has earned us Hong Kong Council of Social Services (HKCSS) Caring Company recognition for the 23rd consecutive year, with 43 business units—including malls, hotels, property management and construction companies—receiving certification for their 10th, 15th or 20th consecutive year.

During the reporting year:



HK\$4,869 million tax contribution



HK\$43 million of charity and in-kind sponsorships

¹ Volunteer hours are calculated by calendar year.

Supporting the Community with the SHKP Volunteer Team

Since 2003, the SHKP Volunteer Team has driven community transformation through its 'ABC Caring Spirit':



Association to work as a team



Belief in Building Homes with Heart



Commitment to serving the community and reaching out to those in need

Our strategic partnerships with public-sector stakeholders operate through five focused sub-groups:

- Home Building
- Elderly Support
- Youth Development
- Disabled Support
- Youth Volunteer Involvement

Supporting Underprivileged Communities

The volunteer team has partnered and supported various organizations with our resources and expertise. At Pak Tin Estate, a public housing estate in Kowloon, our volunteer team partnered with the Neighbourhood Advice Action Council on a year-long initiative, supporting vulnerable residents on their transitions to new housing. SHKP volunteers trained community volunteers in building



Our volunteer team installs bathroom exhaust fans to enhance living conditions for the low-income families



Ergonomic chair cushions and eye-protecting desk lamps are provided to children from underprivileged families, improving their learning environment

inspection skills and knowledge, assisting low-income families to adapt while fostering neighbourhood relations. This effort alleviated relocation-related anxieties and financial pressures while encouraging mutual support. Our team's sustained commitment earned us the Outstanding Social Capital Partnership Award at the 2024 Social Capital Builder Awards, presented by the Community Investment and Inclusion Fund under the Home and Youth Affairs Bureau.

Building Homes with Heart Caring Initiative



Volunteers distribute festive gift bags to elderly residents

Through our Building Homes with Heart Caring Initiative, SHKP volunteers bring festive cheer to communities throughout the year. During Mid-Autumn Festival, we engaged with underprivileged families in Tsuen Wan District at the Caritas Community Centre, hosting interactive games and distributing festive gift bags with mooncakes and stationery for the children. Our outreach extended to elderly residents in Pak Tin Estate. For Chinese New Year, we distributed 3,000 festive lucky bags to elderly residents in Sha Tin and Sham Shui Po districts through home visits.

Caring for the Elderly

To encourage the elderly to embrace their golden years with enthusiasm, the volunteer team launched an 18-month SHKP S.miles Journey Programme in collaboration with the Yang Memorial Methodist Social Service. The programme fosters intergenerational connections and creative storytelling in West Kowloon by engaging recently retired 'golden-age' volunteers as SHKP Community Volunteer Partners, and guided by SHKP volunteers, to create short media films documenting local stories and neighbourhood transformations. We also provided emotional support to the socially isolated elderly, people with dementia, and caregivers, alleviating emotional pressures of their daily life.



Volunteers carefully groom and dress the elderly, capturing warm family photos to create priceless memories for them and their families

Empowering Youth Through Education and Leadership Training

We also engaged and empowered youth as part of our community outreach. This year, in partnership with Chatteris Educational Foundation, we delivered two tailored programmes for underprivileged secondary students: a beach clean-up on Lamma Island that combined environmental education with english language practice. This was followed by a leadership training activity filled with exciting games and competitions, allowing the students to develop leadership and teamwork skills while gaining confidence in speaking english.



Beach clean-up with english language practice on Lamma Island led by SHKP Volunteer Team

Our community engagement excellence was recognized at the Hong Kong Volunteer Award 2024, hosted by the Home and Youth Affairs Bureau and the Agency for Volunteer Service:

- Top Ten Highest Volunteer Hours (Corporate with 1,000 or above full-time employees)
- The Excellence Gold Award



3,200

SHKP Volunteer Team members



~1,650,000

cumulative hours of charity work since 2003

STEM and Knowledge Discovery for the Younger Generation

Our investment in inspiring young readers is driven by the transformative impact of reading on individuals and communities. The SHKP Reading Club, which is free and open to all, has around 59,000 members across Hong Kong and the mainland. Diverse activities and competitions are organized to raise young people's awareness of innovation and Science, Technology, Engineering and Mathematics (STEM) education.



Reading and STEM Education Development

Objective

Promote a happy reading and learning culture among youth

Approach

- Spread the joy of reading via SHKP Reading Club programmes and initiatives
- Share experiences and book recommendations via our online Read for More platform
- Promote reading via seamless online-offline experiences

CASE STUDY

Promoting STEM Education and Reading via Read to Dream



Read to Dream is an annual flagship programme of the SHKP Reading Club, benefitting more than 30,000 primary and secondary students from underprivileged families since 2008.

Read to Dream: Enlightening Dream of Aerospace Technology

This year, the SHKP Reading Club collaborated with the Patriotic Education Centre, established by the Hong Kong Federation of Education Workers – the city's largest teachers' union, to organize the 2024 Read to Dream programme. This initiative sponsored 1,000 underprivileged students with book allowances at the Hong Kong Book Fair and launched aerospace-themed activities, deepening youth engagement

with China's technological advancements in the aerospace sector and enhancing their sense of identity.

An aerospace technology seminar, attended by more than 300 students, showcased China's achievements in space exploration, bridging theoretical knowledge with national



Students interact at the SHKP Reading Club's booth at Hong Kong Book Fair 2024

pride. The SHKP Reading Club's Hong Kong Book Fair booth transformed into a Space Reading Station, combining online platform Read For More's content with interactive exhibits related to aerospace. This hybrid space engaged visitors through immersive storytelling, sparking their curiosity about reading, innovation and space exploration.

Expanding Access via Targeted Sponsorships

SHKP Reading Club's strategic initiatives to inspire youth through accessible STEM and cultural learning during the reporting year included:

- Facilitated aerospace education for more than 2,000 students through sponsored visits to the Patriotic Education Centre's Hong Kong Aerospace Science Education Centre, deepening their understanding of the nation's technological progress
- Funded a cross-border learning tour to Shenzhen for more than 40 teachers and students from seven Hong Kong secondary schools, connecting Hong Kong youth with mainland China's aerospace industry

By integrating hands-on experiences and cross-border collaboration, we strengthened both STEM literacy and civic belonging among young learners.

Driving STEAM Engagement Through Community Partnerships

By offering free venue space for its exhibition at eight of our malls, SHKP and the Sun Hung Kai Properties Charitable Fund supported innovation and technology education through the 'Meng Xi' InnoTech Promotional Programme. It featured STEAM (Science, Technology, Engineering, Arts and Mathematics) workshops and the Youth Science and Technology Innovation Challenge, inspiring young visitors to explore STEAM careers through accessible, hands-on learning experiences.



Aerospace-themed roving exhibition at SHKP malls

Promoting Reading for All to Foster a Citywide Reading Habit

SHKP continued to support Hong Kong Reading for All Day 2025, responding to the government's citywide reading initiative through two sponsorships. In partnership with the Hong Kong Publishing Federation and Cultural and Creative Industries Development Agency, we venue sponsored the 2025 Hong Kong Reading+ Reading Carnival, promoting community-wide reading engagement. Additionally, the 2025 Hong Kong Reading Survey gathered vital data on public reading habits to promote reading.

Inspiring Readers Through Our Read for More Platform

Our online reading platform Read for More champions a reading culture through an extensive library of more than 950 multimedia resources, including videos and audio content, available anytime and anywhere. Launched in 2019, the platform primarily serves students and young people, offering content across personal growth, STEM education, and Chinese culture and literature. For more details, please visit the **Read for More** website.

As at 30 June 2025, the Read for More online platform has:



1.5 million+ users

4.4 million+ page views

950+ multimedia features content
(articles/videos/audio)

Healthy Lifestyles Through Charity Sports Programmes



Sports for Charity and Healthy Living

Objective

Encourage healthy lifestyles and Sports for Charity

Approach

- Organize and/or sponsor signature charitable sporting events and other initiatives to advocate the spirit of Sports for Charity and help underprivileged families and the needy in the community
- Promote the fun of exercise and the importance of a healthy and sustainable lifestyle to the public

SHKP Sports for Charity Initiatives

SHKP actively encourages healthy living in community through organizing and sponsoring various sporting events, proceeds from which are donated to support vulnerable families and individuals in our community. This year, we raised a total of HK\$6.1 million through the 2024 Sun Hung Kai Properties Hong Kong Cyclothon and The Community Chest Corporate Challenge 2025 to support two cancer initiatives and four youth mental health projects – all run by charity organizations under The Community Chest of Hong Kong, benefiting around 25,000 service users. The funded projects include but not limited to:

Charity Organizations and Project Name	Description	Number of Beneficiary
Counselling on Cancer Prevention & Early detection The Hong Kong Anti-Cancer Society	Raising public awareness about cancer prevention and early detection, with a focus on high-risk and vulnerable communities	~2,300
Self Help Group of Laryngectomees and Laryngeal Cancer Survivors The New Voice Club of Hong Kong	Supporting laryngectomees and laryngeal cancer survivors during their rehabilitation journey while promoting a spirit of self-help and mutual support among patients and caregivers	~9,700 users and public
Youth Outlook - Youth Mental Health Service Stewards	Providing mental health interventions tailored to youth who are at risk or coping with early psychosis or other mental health conditions	~1,900 youth and public
Soar 2 Light Project Hong Kong Children and Youth Services	Offering financial aid to youth from low-income families with mental health issues for prompt assessment and treatment, and other support services while they await public hospital appointments	~120
Uncle Long Legs' Letter Box Counselling Programme Evangelical Lutheran Church Social Service – Hong Kong	Enhancing the abilities of students in articulating their difficulties and concerns, nurturing positive attitudes towards sharing with others and seeking help proactively	~14,000
Creative Arts Workshop for Pediatrics and Adolescent Patients Art in Hospital	Conducting art workshops in hospitals for paediatrics and adolescent patients, offering the opportunity of emotions expression and anxiety relief through art creation and appreciation	~2,900

Please visit the **Sports for Charity** website for more details about other funded projects during the reporting year.

Sun Hung Kai Properties Hong Kong Cyclothon

The SHKP Hong Kong Cyclothon 2024 exemplifies our commitment to promoting active lifestyles and community engagement, drawing around 6,000 cyclists. Organized by the Hong Kong Tourism Board, this year's event featured a carnival in the West Kowloon Cultural District, providing large-scale photography installations, a cycling-themed marketplace, sports activities and culinary offerings. The event attracted a remarkable 36,000 participants and public, successfully combining sports with cultural engagement.

Public donations from the event, along with SHKP's top-up contributions, were given to The Community Chest of Hong Kong. This donation supports underprivileged communities' access to cancer screening services and assists survivors in their recovery journey.



Thousands of cyclists participate in the SHKP Hong Kong Cyclothon 2024

The Community Chest Corporate Challenge

We once again support The Community Chest Corporate Challenge 2025. The event, featuring half-marathon and 10K categories, attracted around 750 runners from more than 90 corporate teams, including 300 SHKP employees and family members. The Royal Garden Hotel provided refreshments throughout the event for participants.

The event raised HK\$4.6 million to fund youth mental health and rehabilitation and aftercare services subsidized by The Community Chest. SHKP again received the Top Fund-raising Corporations Award, demonstrating its leadership in supporting sports promotion with a good cause.



SHKP employees and families exemplify Sports-for-Charity spirit at the Corporate Challenge 2025

Sun Hung Kai Properties Hong Kong 10K Championships

Organized by the Hong Kong, China Association of Athletics Affiliates, the SHKP Hong Kong 10K Championships attracted around 3,500 long-distance runners and local athletes. To promote healthy living among our staff, we sponsored more than 400 employees with one of our employees securing second place in the Men's Advanced Group.



SHKP employee achieves podium finish in the Men's Advanced Group

The Community Chest New Territories Walk for Millions

Our latest landmark, GO PARK Sai Sha, served as the venue sponsor for The Community Chest New Territories Walk for Millions 2025, featuring a 1.5km route along the park's cycling and running trails. At the finishing point, more than 5,700 participants, including representatives from more than 70 corporate teams and individual supporters, enjoyed a fun fair to learn about emerging sports, such as padel, pickleball and lacrosse, guided by coaches. All proceeds support The Community Chest's family and child welfare programmes, underscoring SHKP's commitment to fostering inclusive well-being through innovative collaborations.



Distinguished guests officiate the event



Participants experience padel tennis at GO PARK Sai Sha

Empowering Elite Athletes Through the SHKP Supernova Cycling Team

SHKP has sponsored the SHKP Supernova Cycling Team since 2019, offering structured training to more than 300 underprivileged youth aged 12–18 who are passionate about cycling. Among its current 80 members, 12 of them have been selected to join the Hong Kong Cycling Team or Junior Squad, representing Hong Kong in international competitions.

2025 marked a breakthrough year with two members signing contracts with continental teams based in Belgium and Romania, while another junior member joined the development team for the Spanish UCI road cycling team Equipo Kern Pharma. Notably, this member won the junior road cycling event at the Asian Cycling Championship 2025, marking Hong Kong's first Asian championship win in 34 years.

Through this programme, SHKP continues to strengthen Hong Kong's sports talent pool, advancing cycling as a pathway for youth empowerment and excellence.

Fundraising for Intellectually Disabled Individuals Through the Hong Chi Climathon

SHKP sponsored again the Hong Chi Association in championing social inclusion through the Hong Chi Climathon. The initiative raises vital funds for individuals with intellectual disabilities and their families. Six SHKP employees joined Hong Chi students in integrated teams, conquering both 29-floor and 75-floor challenges. The Group further catalysed participation and donations through sponsored event prizes.



Our senior management presents prizes to family winners of Best Costume Awards

Community Care and Support

Caring for the Community

Objective

Supporting those in need

Approach

- Sponsor charitable and educational programmes in Hong Kong and the mainland
- Provide timely and critical support to families in need via our Building Homes with Heart Caring Initiative
- Encourage employees and their families to volunteer
- Donate and support community development and worthy causes



Contributing to Charitable and Fundraising Events

Hong Yip's longstanding partnership with PeaceBox since 2014 has mobilized staff, residents, tenants, and school volunteers to support vulnerable communities. Through home visits and community activities, more than 100,000 gift boxes containing surplus toys, stationery and essential items have reached low-income families and isolated seniors, demonstrating our commitment to reducing barriers for low-income residents and advancing community welfare.



More than 400 adolescents participate in the launching ceremony of Peace Box 2025 at GO PARK Sai Sha

Strengthening Community Ties and Environmental Stewardship at Noah's Ark

Since 2009, Noah's Ark Hong Kong has served as an integrated family park and resort, advancing environmental education and community well-being. Its achievements include:

- Collaborations with 330 corporates and 1,800 local charities
- Delivery of more than 12,700 educational and public welfare events
- Engagement with more than 870,000 beneficiaries (53% youth and children; 47% underprivileged groups, including elderly, disabled, and chronically ill individuals)

For five consecutive years, the Three S Project Learning Programme for Secondary School Students—organized by The Boys' Brigade Hong Kong Anchor House and sponsored by SHKP and Sanfield—has continued to foster career development and personal growth among students. Centred on three themes – Self and Society, Summer Internship, and Step Forward [Three S Project] – the initiative combines workshops to identify students' strengths and values with sector-specific internships. This structured approach equips participants with practical skills while advancing their understanding of societal roles and professional pathways. This year, 21 Hong Kong Diploma of Secondary Education student gained hands-on experience across various departments of Sanfield, Noah's Ark, Hong Yip and Park Island Transport, including BIM, contract subletting, landscape, quantity surveying, safety team and hospitality. Additionally, Noah's Ark continued its partnership with the Rainbow Foundation, sponsoring underprivileged students to engage in tailored summer camps and career-focused workplace training. These efforts advance three strategic priorities: child and youth development, social inclusion and environmental conservation.



Students develop professional skills through Noah's Ark Three S Project

This year, Noah's Ark continued its collaboration with the China Hong Kong Paralympic Committee for the fourth consecutive year, organizing the Inclusive Para Sports Day to bring together more than 200 students from special schools and their family members to experience the joy of sports. Through disabled athlete sharing and interactive activities, participants explore diverse sporting events while learning from disabled athletes' remarkable stories of courage and perseverance. The event promotes inclusivity and fosters a more equitable society through the transformative power of sports.



A student experiences sitting volleyball during the Inclusive Para Sports Day

Driving Youth Empowerment Through the Strive and Rise Programme

The Group has supported the government-led Strive and Rise Programme for three consecutive years. In the latest cohort, more than 220 employees volunteered as mentors, providing career guidance and life skills to underprivileged students through tailored workshops. In December 2024, 70 mentors and mentees experienced emerging sports under professional guidance at GO PARK Sai Sha. This initiative expanded in January 2025 with a 1,000-person celebration, including students, teachers and mentors, featuring Olympic gold medallist Vivian Kong, who provided a pickleball demonstration to inspire youth exploration and personal development.

CASE STUDY

Supporting Community Development and Promoting Social Cohesion



Launched in early 2025, the 1.3 million square feet GO PARK Sai Sha represents SHKP's vision for integrated community development, harmoniously blending sports, entertainment, dining and leisure within natural surroundings. Nestled amidst the stunning landscape of Sai Sha, this expansive complex serves as Hong Kong's inclusive backyard, fostering community connection and healthy living.

Comprehensive Stakeholder Engagement and Impact Study Prior to Project Development

To guarantee that the project is in line with the enduring interests of local stakeholders and reduces disruptions, we engaged an external consultant to conduct a thorough ESG and community impact assessment through desktop research, stakeholder surveys, local interviews and extensive data analysis. The study examined five essential dimensions—innovative construction, sustainable infrastructure, natural conservation, community improvement, and lifestyle and well-being—ensuring alignment with community needs while minimizing adverse impacts. For more details on the GO PARK Sai Sha's sustainability features, please refer to the **Value Created for the Environment** section.

Infrastructure and Accessibility Enhancement for the Region

As part of our commitment to improving the living environment for the community, the Sai Sha infrastructure enhancement project prioritizes accessibility at the site. We widened a 1.5km sector of Sai Sha Road into four traffic lanes to improve local traffic flow. Three footbridges and cycling tracks



We improve local infrastructure by widening roads, building footbridges and cycling tracks in Sai Sha

enhance walkability and promote green transport options for local communities and visitors, complemented by new bus routes to University and Wu Kai Sha MTR stations. We have enhanced drainage and sewage systems as well as the roadside landscape design.

Diverse Facilities Provision for the Community

Designed as both a premier sports destination and a vibrant social hub, it enables families and pet owners to enjoy healthy lifestyles together. The venue features a wide range of facilities, including various sports facilities, an indoor multi-purpose stadium, outdoor children playgroups and a pets park. For more details, please refer to the **Value Created for Customers** section.



GO PARK Sai Sha provides ample open space and multi-functional amenities to the community

Complementing these offerings, GO PARK Sai Sha integrates a variety of social welfare facilities, including a residential-care home, a day-care centre for the elderly, a district-support centre for people with disabilities and a specialized child-care centre to serve the community, exemplifying SHKP's vision for holistic wellness and intergenerational harmony.



Participants enjoy outdoor climbing at GO PARK Sai Sha

Community Sports and Well-being Promotion and Partnerships

The GO PARK Sports Academy delivers professional coaching in both newly emerged and traditional sports for beginners to advanced levels, with online booking via the GO PARK Sports app and website.

In anticipation of the 12th edition of The World Games 2025, the International World Games Association (IWGA) hosted the World Games Series in Hong Kong for the first time in October 2024. The event was hosted at GO PARK Sai Sha, featuring 88 athletes who competed in roller sports, cheerleading and wushu (martial arts). Additionally, the successful staging of the 2nd Tai Po Cycle Fest at GO PARK Sai Sha, attracting more than 2,000 enthusiasts, further demonstrated its versatility in supporting both elite competition and community engagement.



The IWGA World Games Series kick-off ceremony takes place at GO PARK Sai Sha

Partnerships for Charity to Promote Social Inclusion and Support Economic Development

We partnered with local social enterprises to offer convenient meal-pack services for residents, using innovative vending machines. To foster inclusivity, we create employment pathways and vocational training for underprivileged individuals and people with disabilities. The initiative extends to provide professional career development for affiliates, retired athletes and athletes with disabilities. Through collaborations with tertiary institutions, we offer internships that give students hands-on experience developing and operating community sports initiatives.

Elevating Living Spaces and Promoting Social Harmony

To foster sustainable development and social harmony, we strategically deploy our land reserves and expertise to address pressing housing needs.

Transitional Social Housing Project: United Court

SHKP has partnered with the Hong Kong Sheng Kung Hui Welfare Council to address housing demand from low-income citizens and underprivileged families by leveraging its land for transitional social housing initiatives, exemplified by the United Court project. This collaboration has delivered 1,800 transitional housing units, benefiting around 5,000 underprivileged families. The people-centric development integrates public leisure and recreational spaces, social enterprise stores and weekend markets to foster a vibrant, community-driven atmosphere.

United Court delivers accessible and affordable housing solutions for low-income families while offering integrated employment support, vocational training, and employment assistance to enhance residents' livelihoods.

Addressing the Strain on Public Housing

Supporting the HKSAR Government's affordable housing efforts, we have provided a seven-year land lease for free in Yuen Long for the inaugural batch of Light Public Housing (LPH), a project undertaken in collaboration with the government. This pioneering initiative is set to provide around 2,100 units to individuals and families. Officially opened to welcome residents from March 2025, it stands as one of the Hong Kong's earliest LPH developments to commence occupancy, marking a significant milestone in addressing urgent housing needs. The project's innovative approach and social impact were recognized with the Leading Social Initiative Award at the ESG Leading Enterprises 2024, underscoring its role as a scalable model for sustainable, community-focused housing.

Our contribution to the government's Pilot Programme on Community Living Rooms includes a rent-free venue at Ko Shan Road, featuring convenient location, shared living space, social area, cooking and dining facilities and laundry facilities. Hong Yip will provide operational support, with SHKP volunteer team actively contributing to build a caring and inclusive community. More than 500 subdivided flat households are expected to benefit from the community living room, improving living standards and well-being for underprivileged families.



Open ceremony of the Ko Shan Road Community Living Room

Developing Multigenerational Housing

The Group's Sai Sha residential development exemplifies our commitment to cross-generational living through thoughtful design features:

- Adaptable unit designs with flexible living spaces
- Wide corridors and doorways to ensure barrier-free access
- Ample turnaround space to facilitate movement
- Slip-resistant and anti-bacterial floor finishes
- Spacious washrooms with additional anti-slip handrails
- Retractable pulley baskets in kitchens
- Corridor motion-sensing floor lamps

Facilities and support services encompass amenities customized for elderly residents along with an outdoor space designed for enjoyment across all age groups. Additionally, health and fitness programmes, housekeeping, meal provision, interest groups, mentoring initiatives, and activities fostering connections between various generations are provided. By combining age-appropriate designs, supportive facilities and caregiving services, we aim to cultivate vibrant communities where elderly residents live joyfully alongside extended family members.



Spacious washrooms with additional anti-slip handrails



Retractable pulley baskets in kitchens

Urban Revitalization Through Adaptive Reuse and Innovative Design

Our revitalization project, Life@KCC, embodies the strategy of 'The Seed of Regeneration'. The building embraces industrial heritage through sustainable urban renewal. Life@KCC preserves the Luen Tai Industrial Building's legacy while transforming it into a vibrant mixed-use destination. The revitalization space integrates retail, leisure, and facilities that prioritize environmental sustainability. This renewal project, featuring artwork by local illustrator Messy Desk, preserves industrial heritage while injecting fresh vitality into Kwai Chung.



Life@KCC: pioneering industrial building revitalization

Supporting Public Health Through Dementia Care Innovation

In response to Hong Kong's ageing population, SHKP partners with NGOs, the Hong Kong University of Science and Technology, and the Jockey Club Centre for Positive Ageing to advance dementia care via the Caring Communities for Dementia initiative. More than 100 iBeacon devices have been installed across 18 SHKP malls, alongside the rollout of the Dementia's Secret Angel app in 25 locations. This Bluetooth-enabled system allows caregivers to instantly locate disoriented elderly people through real-time location sharing. The programme aims to strengthen support networks for dementia patients and their families in the community.

Nurturing Entrepreneurs Through Partnership and Programme

To encourage and support the younger generation in pursuing their entrepreneurial ambitions, SHKP has joined the Well Being · Start-Up 2.0 Programme launched by the Hong Kong Housing Authority, offering shop premises at Man Wan 1868 for young entrepreneurs to start their business plans with rent discounts. We also support social enterprises, small business and creation of local jobs at GO PARK Sai Sha. Our collaboration with social enterprises supports local business development through innovative solutions like convenient meal-vending services, fostering economic inclusion and community growth.

Encouraging Art and Cultural Enrichment

Ma Wan Park Revitalization Project

The project exemplifies our commitment to conservation and revitalization. Following an initial phase focused on tourism, environmental protection and social welfare, the second phase emphasizes the conservation, restoration and rejuvenation of Ma Wan island's historical structures.

The newly completed second phase of Ma Wan Park, unveiled as Ma Wan 1868, pays tribute to the island's historical significance. Highlighting the island's rich heritage and marking a significant milestone in its development, the name references Ma Wan's role as a key stop on the Maritime Silk Road and the establishment of a Qing Dynasty customs station in 1868.

The development integrates conservation, cultural creativity, tourism and art retail. The coastal village houses, adorned with murals by local and international artists, create an Italian fishing village ambiance while incorporating creative studios, art shops, a performance venue, a campsite and an urban farm. These features aim to revitalize the Ma Wan village, nurture artists, and enhance local employment while offering diverse artistic experiences for both local and international visitors.

Key historical sites, including the Tin Hau Temple, Stone Tablets of the Old Kowloon Customs, and Mui Wai rock inscription, are preserved in their original locations. By preserving historical sites and integrating art, culture and leisure activities, the project seeks to foster cultural exchange and establish Ma Wan as a seaside arts community.



Ma Wan 1868 revitalizes village houses to establish colourful creative hubs for artists, with studios, workshops, dining and art retail areas

Offering Space for Supporting Community and Cultural Projects

In collaboration with Ocean Park Hong Kong, New Town Plaza launched a sustainability-themed competition that encouraged public participation in panda conservation through

donations. Participants received panda sculptures to colour and decorate, with the top 10 creative designs exhibited at Ocean Park to raise awareness. All proceeds directly supported the park's conservation initiatives, demonstrating a commitment to environmental stewardship through community engagement.

At GO PARK Sai Sha, Hong Kong artist On Tai collaborated with local students to create 75 eco-friendly panda sculptures using recycled plastic bottles and school-collected wastepaper, demonstrating SHKP's commitment to fostering cultural creativity and community engagement through sustainable art initiatives.



More than 100 students create unique panda portrayals with Hong Kong's distinctive local themes

Nurturing the Future Generation via the SHKP Kwoks' Foundation

Since 2002, the SHKP-Kwoks' Foundation has empowered talented individuals through educational support, delivering significant impact across the mainland and Hong Kong:

80+
Charity projects involved

740M+
Donations made (in RMB)

75,000+
Beneficiaries supported by the Foundation (person-time)

~30
Universities reached by the initiatives

Through partnerships with leading institutions, the Foundation supports talented underprivileged youth from Hong Kong and mainland China to receive advanced levels of education and is dedicated to supporting the development of higher education institutions in Hong Kong and on the mainland. Our targeted scholarships and bursaries adapt to evolving educational needs while developing high-calibre talent crucial for national development.

The Foundation's accomplishments during the reporting year include:

Expansion of Project Scope

Launch of the Inter-School Postgraduate Scholarship programme at Zhejiang University and Nanjing University, extending support to recipients of undergraduate scholarships and students from other partner universities who pursue postgraduate studies at the above two universities.

Continuation of Support

Building on the Foundation's previous work in Hong Kong and on the mainland, it established new scholarship programmes at the Zhejiang University and Nanjing University while continuing to support community events. This year, the Foundation's second Building Homes with Heart Scholarship Programme provided financial assistance to nine outstanding Hong Kong Polytechnic University students in architecture, real estate, or engineering-related disciplines. The scholarships specifically target academically excellent students facing financial difficulties, enabling them to complete their education and advance their careers in these fields.

Recognized Contribution

Peking University presented an award to the Foundation in recognition of its longstanding commitment in the field of education at Peking University.

The Foundation prioritizes students' holistic development through meaningful engagement in diverse activities and charitable initiatives that cultivate leadership potential and personal growth. Over two decades, the Foundation has built an influential alumni network driving educational advancement through collaboration and advocacy. During the reporting year, the Foundation organized reunions and experience-sharing salons across Beijing, Shanghai and the Greater Bay Area to strengthen these vital connections, amplifying our impact across generations.



Educational dialogue between the Foundation and Zhejiang University leadership



Appendix I – Awards, Memberships and Charters

Awards and Recognitions

Organizer	Award	Awarded Unit
Agoda.com	Customer Review Awards 2024	Royal Park Hotel
American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE)	2025-2026 ASHRAE Regional XIII Technology Award	
	• Residential (Existing) – Regional Winner	Hong Yip – Valais
	• Commercial Building (Existing) – Regional Winner	Kai Shing – ICC
	Hong Kong Chapter Technology Award 2025	
	• Commercial Buildings (Existing) – Winner	Kai Shing – ICC
	• Residential (Existing) – Merit	Hong Yip – Valais
BCI Asia	BCI Asia Awards 2024 • 2024 BCI Asia Top Ten Hong Kong Developers	SHKP
Bloomberg Businessweek	ESG Leading Enterprises Awards 2024 • ESG Leading Enterprise Award • Leading Social Initiatives Award • Sustainable Supply Chain Award	SHKP
CLP	CLP Smart Energy Awards 2024	
	• Carbon Management Award – Excellence	Kai Shing – New Town Plaza
	• Joint Energy Saving Award • Low Carbon Driving Award	Hong Yip
	CLP Summer Saver Rebate Program 2024 – Recognition Scheme for Property Management Offices	
	• Top Average Savings in 2024 – Champion	Kai Shing
	• Top Saving in 2024 – Silver	Hong Yip, Kai Shing
	• Top Smart Saving in 2024 – 2 nd runner up	Hong Yip
	• Pioneer Awards for Energy – Saving Promotion in 2024	Hong Yip – Century Link; Kai Shing – Tai Po Mega Mall, The Wings II, V city
	Construction Industry Council (CIC)	
	CIC Construction Digitalisation Award 2024 • Project (Private) – Bronze Award	Sanfield
Corporate Governance Asia	Asian Excellence Award 2025 • Asia's Best CSR • Best Environmental Responsibility • Sustainable Asia Award	SHKP
CTgoodjobs	Best HR Awards 2024	
	• Employer of the Year – Grand Award • Best ESG Award – Grand Award	Hong Yip, Kai Shing
	• Best Innovative L&D Initiative Award – Grand Award	Hong Yip
	• Best Gen Z Attraction Award – Grand Award • Best Innovative HR Initiative Award – Grand Award	Kai Shing
Dianping	Must-stay Hotel in Hong Kong 2024	Royal Park Hotel
EarthCheck	Silver Accreditation 2024	Hyatt Centric Victoria Harbour Hong Kong
Employee Retraining Board (ERB)	Manpower Developer Award Scheme • Super MD (Manpower Developer)	SHKP, Hong Yip, Kai Shing, Sanfield
	ERB Annual Award 2024-25	
	• ERB Annual Excellence Award for Employers	Hong Yip
	• ERB Outstanding Award for Employers	Kai Shing, Royal Plaza Hotel, Wilson Parking
Environmental Campaign Committee	Hong Kong Awards for Environmental Excellence 2023	
	Property Management (Commercial & Industrial) • Gold	Kai Shing – ICC

Organizer	Award	Awarded Unit
Environmental Campaign Committee	• Certificate of Merit	Hong Yip – Harbour North, Tsuen Wan Plaza (S.A.); Kai Shing – Metropolis Plaza, Tai Po Mega Mall, V Walk
	Property Management (Residential) • Silver	Kai Shing – Park Island
	• Bronze	Hong Yip – Century Link
	• Certificate of Merit	Hong Yip – Royal Peninsula, Valais, Manhattan Hills; Kai Shing – Royal Palms, The Wings IIIA
	Outstanding Promotional Partner Commendation Scheme	Hong Yip – 7 properties; Kai Shing – KCC, Villa Rhapsody
	Long Participation Award	Hong Yip
Equal Opportunities Commission	Universal Design Award Scheme 2024/25	
	• Special Recognition Award	Hong Yip – Park Central (S.A.); Kai Shing – Two Harbour Square, V city
	• Gold Award	Hong Yip – Harbour North, Mikiki, Park Central (S.A.), Port 33; Kai Shing – HomeSquare, One Harbour Square, Plaza 228
	• Silver Award	Hong Yip – W212
	• Bronze Award	Hong Yip – Tsuen Wan Plaza (S.A.)
Euromoney	Euromoney Real Estate Awards 2024 • Best Developer (8 categories)	SHKP
FinanceAsia	Asia's Best Companies 2025 • Hong Kong Best Managed Company – Gold Award • Hong Kong Best Real Estate Company – Gold Award • Hong Kong Best Conglomerates Company – Gold Award • Hong Kong Most Committed to DEI – Gold Award • Hong Kong Most Committed to ESG – Gold Award	SHKP
Forbes Travel Guide	2025 Forbes Travel Guide	
	• Five-Star Honor	Four Seasons Hotel Hong Kong, The Ritz-Carlton, Hong Kong
	• Four-Star Honor	W Hong Kong
	• VERIFIED Luxury	The Royal Garden
	• VERIFIED Responsible Hospitality	Four Seasons Hotel Hong Kong, The Ritz-Carlton, Hong Kong
Fullness Social Enterprises Society	Social Enterprise Supporter Award Scheme 2024	
	• Social Enterprise Supporter Excellence Award	Hong Yip, Kai Shing – ICC
	• Social Enterprise Supporter	Kai Shing – Avignon, YOHO Midtown
Greeners Action	Hong Kong Outstanding Green Management Award 2024	
	• Gold Award (Commercial)	Kai Shing – 6 properties
	• Gold Award (Mall)	Hong Yip – Tsuen Wan Plaza (S.A.); Kai Shing – 6 properties
	• Gold Award (Mall & Commercial)	Kai Shing – HomeSquare, Metroplaza
	• Gold Award (Residential)	Hong Yip – Wonderland Villas; Kai Shing – 6 properties
	• Gold Award (Mall & Residential)	Kai Shing – Metropolis Plaza
Green Council	UNSDG Achievement Awards Hong Kong 2024 • Merit	Hong Yip



Organizer	Award	Awarded Unit
HK01	01 Gold Medal Awards 2024	
	• Outstanding Enterprise Award – Excellent Property Management	Hong Yip
	• Outstanding Enterprise Award – Elite Carpark Management	Wilson Parking
Home and Youth Affairs Bureau and Agency for Volunteer Service	Hong Kong Volunteer Awards 2024 • Top Ten Highest Volunteer Hours (Corporate with 1,000 or above full-time employees) • Excellence Gold Award	SHKP Volunteer Team
Hong Kong Construction Association (HKCA)	HKCA Environmental Awards Presentation Ceremony 2024 • Environmental Merit Award	Sanfield
Hong Kong Council of Social Service	20 Year Plus Caring Company Logo	SHKP, Hong Yip, Royal Park Hotel, Royal Plaza Hotel; Kai Shing – 4 properties and/or subsidiaries
	15 Year Plus Caring Company Logo	Sanfield, Royal View Hotel, The Royal Garden; Hong Yip – 3 properties and/or subsidiaries; Kai Shing – 18 properties and/or subsidiaries
	10 Year Plus Caring Company Logo	Hong Yip – 4 properties and/or subsidiaries; Kai Shing – 7 properties and/or subsidiaries
Hong Kong Economic Times (HKET)	HKET Excellence Awards 2024	
	• Excellence in Hong Kong Building Leadership	SHKP
	• Excellence in Innovative and Smart Property Management	Hong Yip
Hong Kong Green Building Council	Hong Kong Green Shop Alliance Awards 2024	
	Green Mall of the Year • Green Mall of the Year	Kai Shing – Tai Po Mega Mall
	• Merit	Hong Yip – Harbour North, Tsuen Wan Plaza; Kai Shing – Landmark North, Metropolis Plaza, V Walk
	Collaborative Project of the Year (Circular Economy)	Kai Shing – V city
	Excellent Green Practices Award – Waste Management	Kai Shing – Landmark North, Metroplaza, MOKO, Uptown Plaza (Commercial)
	Excellent Green Product Advocate	Hong Yip – 5 properties; Kai Shing – Landmark North, Metropolis Plaza
	New Alliance Member – Mall	Kai Shing – life@KCC, joy@KCC
	Zero-Carbon-Ready Building Certification Scheme	
	• Super Low	Kai Shing – ICC
	• Extra Low	Kai Shing – Two Harbour Square
	• Level 3 Improvement	Kai Shing – Chelsea Height, Transport Plaza
	• Level 1 Improvement	Hong Yip – Park Central (S.A.), Tsuen Wan Plaza (S.A.)
Hong Kong Institute of Housing (HKIH)	HKIH Elite Awards 2024	
	Outstanding Team (Private Housing – Non-residential) • Excellence Award	Kai Shing – Grand Central Plaza, HomeSquare
	Outstanding Team (Private Housing – Residential) • Grand Award / Excellence Award	Kai Shing – Park YOHO
	• Excellence Award	Kai Shing – Grand YOHO
	• Merit Award	Kai Shing – Kennedy 38, Mount Regency
	Best Crisis Management Team • Grand Award	Hong Yip – Wetland Seasons Park
	Best ESG Team • Grand Award	Hong Yip – Wonderland Villas
	• Excellence Award	Kai Shing – YOHO Midtown
	• Merit Award	Kai Shing – Millennium City 5 & apm
	Best Innovative Idea Award • Excellence Award	Hong Yip – Harbour North
	• Merit Award	Hong Yip – Mikiki

Organizer	Award	Awarded Unit
Hong Kong Institute of Housing (HKIH)	Best Safety Team • Grand Award	Kai Shing – ICC
Hong Kong Institute of Human Resources Management	HR Excellence Award 2024/25 • Age-Friendly Workplace Award	Hong Yip
Hong Kong Internet Registration Corporation Limited (HKIRC) and ISACA China Hong Kong Chapter (ISACA)	Cyber Security Staff Awareness Recognition Scheme 2024 • Platinum Award	Hong Yip
Hong Kong Police Force Crime Prevention Bureau	Security Services Best Training Award 2024 • Gold Award	Hong Yip
Hong Kong Quality Assurance Agency	Hong Kong Green and Sustainability Contribution Awards 2025	
	• Outstanding Award for Excellent Contribution to Sustainable Property (Property Management) – Promote Community Caring • Outstanding Award for Excellent Contribution to Sustainable Property (Property Management) – Promote Environmental Protection • Outstanding Pioneer Award for Excellent Contribution to Liveable City Living – Promote Silver-friendly Community • Pioneering Organisation in ESG Disclosure Enhancement	Kai Shing
	• Management Award for Net-Zero Contribution (Property management) – Visionary Blueprint towards Net-Zero	Kai Shing – Grand Century Place/ MOKO, ICC, Tai Po Mega Mall
	• Mentor Pioneer Award for ESG Connect	Hong Yip, Kai Shing
Hong Kong Retail Management Association	• Pioneer Award Excellence for ESG Connect	Hong Yip – Wonderland Villas; Kai Shing – YOHO Midtown
	Service Talent Award 2024	
	My Favorite Outstanding Service Retail Brand	Kai Shing – New Town Plaza
	The Potential Brand Award • Silver Award	Kai Shing – ICC
	The Best Team Award • Bronze Award	Kai Shing – New Town Plaza (Phase 1)
	Retail Excellence Award • Silver Award	Kai Shing – Grand Century Place
	• Merit Award	Hong Yip – Park Central; Kai Shing – apm, ICC
	Outstanding Flagship Service Brand	Hong Yip – 2 properties; Kai Shing – 9 properties
Institute of Workplace and Facilities Management (IWFM)	IWFM Impact Awards 2024 • Technology Award	Kai Shing – ICC
International Facility Management Association (IFMA)	IFMA Asia Pacific Awards of Excellence 2024	
	Asia Pacific Award of Excellence in Collaborative Partnership • Certificate of Excellence	Kai Shing – ICC
	• Certificate of Merit	Hong Yip; Kai Shing – ICC, NOVO LAND
	Asia Pacific Award of Excellence in ESG Achievement • Winner	Kai Shing – ICC
	Asia Pacific Award of Excellence in Facility Management Operations (Residential) • Certificate of Excellence	Kai Shing – Lime Stardom, NOVO LAND
	• Certificate of Merit	Kai Shing – The Leighton Hill, Kennedy 38
	Asia Pacific Award of Excellence in Facility Management Operations (Commercial & Industrial) • Winner	Kai Shing – Millennium City 1,2,3 & 6
	• Certificate of Merit	Kai Shing – 4 properties
	Asia Pacific Award of Excellence in Innovation and Technology Application in FM • Certificate of Merit	Hong Yip, Kai Shing
	Asia Pacific Award of Excellence in Risk Management • Certificate of Excellence	Kai Shing – New Town Plaza
	• Certificate of Merit	Kai Shing – ICC, Royal Ascot



Organizer	Award	Awarded Unit
JobMarket	Employer of Choice 2024	
	• Employer of Choice Award	Hong Yip, Kai Shing , Wilson Parking
	• Greater Bay Area Outstanding Employer Award	Hong Yip, Kai Shing
	• Corporate Sustainability Award • ESG HR Strategy Award	Hong Yip
	• Innovative HR Strategy Award • Innovative Technology Development Award	Kai Shing
JobsDB	The Hong Kong HR Awards 2024/25 • Employer Of The Year – Greater Bay Area	Kai Shing
Labour Department	Construction Safety Award Scheme 2024-2025	
	Construction Sites Category • Outstanding Performance in Work-at-Height Safety Award • Merit Award	Sanfield – Area 25 Kwu Tung North project
	• Certificate of Good Performance	Sanfield – 13-23 Wang Wo Tsai Street project
Leisure and Cultural Services Department	Best Landscape Award for Private Property Management 2024 • Gold Award	Hong Yip – 5 properties; Kai Shing – Aegean Coast, Mount Regency
	• Merit Award	Hong Yip – 7 properties; Kai Shing – Central Peak, The Wings IIIA, V Walk
	• Environmental Efficiency	Hong Yip – 4 properties; Kai Shing – Landmark North, New Town Plaza, The Wings IIIA
Meituan Hotel	Influential Hotel of the Year 2024	Royal View Hotel
	Popular Family-Friendly Hotel of the Year 2024	Royal Park Hotel
Occupational Safety and Health Council	The 23rd Hong Kong Occupational Safety and Health Award	
	OSH Enhancement Program Award • Bronze	Sanfield – Tin Wing Project
	Safety Performance Award – Construction Industry Category • Outstanding	
	Safety Performance Award – SME Category • Excellence Award	Hong Yip – Mount One
	• Outstanding Award	Hong Yip – Downtown 38, Regency Bay; Kai Shing – Metropolis Plaza
	Safety Performance Award – SME Category – Rookie Safety Performance Award • Outstanding Award	Kai Shing – No.1 Ho Man Tin Hill
	Safety Performance Award – All Industry Category • Excellence Award	Hong Yip – Kwai Sing Centre (S.A.); Kai Shing – Landmark North
	• Outstanding Award	Hong Yip – Imperial Cullinan, Tsuen Kam Centre (S.A.), Wonderland Villas (S.A.); Kai Shing – New Town Plaza
Palexpo SA	International Exhibition of Inventions Geneva 2025 • Gold Medal	Hong Yip
Quality Building Award Organizing Committee	Quality Building Award 2024	
	• Hong Kong Residential (Single Building) – Grand Award	Kennedy 38
	• Temporary Building – Grand Award	United Court
RX France	MIPIM Asia Awards 2024	
	• Best Hospitality, Tourism and Leisure Project – Gold Award	TOWNPLACE WEST KOWLOON
	• Best Retail Project – Gold Award	Nanjing IFC
The Asset	Triple A Treasure Awards 2025 • Best ESG Solution in Hong Kong	Sanfield
Trip.com	Trip.Best 2025 • 2025 China 100 Luxury Hotel	The Ritz-Carlton, Hong Kong

Organizer	Award	Awarded Unit
Tripadvisor	Travelers' Choice Best of the Best Hotels 2025	Four Seasons Hotel Hong Kong
	Travelers' Choice Award 2025	Alva Hotel by Royal, Royal Park Hotel, Royal View Hotel, The Royal Garden
World Travel Awards	Hong Kong's Leading Conference Hotel 2024	Crowne Plaza Hong Kong Kowloon East

For information of our listed subsidiaries, please refer to their respective corporate websites and ESG Reports for details.

Memberships and Charters

Memberships

- Business Environment Council (Founding Member since 2002)
- Employers' Federation of Hong Kong (Corporate Member since 1994)
- Hong Kong General Chamber of Commerce (Member since 1977)
- The Chamber of Hong Kong Listed Companies (Corporate Member since 2004)
- The Hong Kong Council of Social Service of The Caring Company Scheme Patron's Club (Jade Member since 2007)
- The Hong Kong Green Building Council (Gold Patron Member since 2011, Platinum Patron Member since 2023)
- The Real Estate Developers Association of Hong Kong (Corporate Member since 1974)

Charters

- 4T Charter of Hong Kong Environment and Ecology Bureau and Hong Kong Electrical and Mechanical Services Department (Signatory since 2017)
- BEC Net-zero Carbon Charter (former name as Low Carbon Charter, Signatory since 2021)
- Carbon Neutrality Partnership by Hong Kong Environment and Ecology Bureau (Signatory since 2021)
- Carbon Reduction Charter and Carbon Audit - Green Partner of Hong Kong Environmental Protection Department (Signatory since 2009)
- Charter on External Lighting of Hong Kong Environment and Ecology Bureau (Signatory since 2016)
- Charter on Preferential Appointment of OSH Star Enterprise of Occupational Safety and Health Council (Signatory since 2016)
- Charter on the Sales of First-hand Residential Properties of Estate Agents Authority (Signatory since 2018)
- Energy Saving Charter of Hong Kong Environment and Ecology Bureau and Hong Kong Electrical and Mechanical Services Department (Signatory since 2016)
- Glass Container Recycling Charter of the Environmental Protection Department (Signatory since 2016)
- ‘Let's Save 10L Water’ 1.0 & 2.0 Campaign of Hong Kong Environment Bureau and Hong Kong Water Supplies Department (Signatory since 2015)
- Organ Donation Promotion Charter of Department of Health (Signatory since 2016)
- Participant Tier of UN Global Compact (Signatory since 2024)

Appendix II – Stakeholder Engagement Process and Double Materiality Analysis Methodology

Stakeholder Engagement Process

Understanding stakeholder perspectives is fundamental to SHKP's sustainability development. We have engaged various stakeholder groups annually since 2013. Through surveys, interviews and/or stakeholder review panel discussions, we collect their feedback on our sustainability strategy and performance. Our double materiality assessment allows us to identify topics material to both ESG aspects and our enterprise value.

We maintain ongoing and proactive communication with our stakeholders through various channels, including direct dialogues, interviews and surveys to ensure our sustainability efforts align with their expectations.

The insights and feedback gathered deepen our understanding of stakeholder priorities and concerns, enabling us to further identify and prioritize current and emerging sustainability-related risks in our daily operations.

We engage in regular and customized communications with stakeholders through the following channels:

Stakeholder Groups



Customers and Tenants

(including residents, commercial and industrial building tenants and hotel corporate clients)

- Apps from property management
- Concierge, retail stores, call centres, customer hotline, online and mobile phone applications
- Customer satisfaction surveys
- E-mail
- Go Royal
- SHKP Club
- The Point by SHKP
- Website and social media



Professional Bodies and Academia

- Industry forums
- Interviews



Shareholders and Investors

- Analyst briefings and annual general meetings
- Annual and interim reports
- Investor forums and conferences
- Investor meetings and conference calls
- Investor Relations page on SHKP's website
- Overseas roadshows



Suppliers

- Audits and assessments
- Interviews
- Meetings
- Ongoing direct engagements
- Online tendering system
- Supplier assessment
- Vendor portal e-platforms

Media Partners and Social Media

- Meetings
- Press conferences
- Website and social media

Joint-venture Partners

- Real estate industry trade associations and advisory groups

NGO Partners

- Community programmes run by the SHKP Reading Club
- SHKP Hong Kong Cyclothon
- SHKP Building Homes with Heart charity programmes by the SHKP Volunteer Team
- Visits to charities on programmes supported by Group donations
- Interviews

Government and Regulators

- Interviews
- Meetings
- Public consultation

Employees

- Employee engagement activities
- Interviews
- Intranet
- Meetings
- Performance reviews
- Quality-Raising Suggestion Scheme
- SHKP Quality Academy
- Staff surveys
- Training
- Work Safety Suggestion Scheme

Double Materiality Analysis Methodology

In 2023/24, SHKP commissioned an independent consultant to conduct a double materiality assessment advocated by the Global Reporting Initiative (GRI) and the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards. The assessment examines ESG topics through two dimensions: 'financial materiality', assessing their impact on SHKP's enterprise value, and 'impact materiality', examining their impact on the economy, environment and people. This process influences our sustainability strategy and shapes our sustainability efforts.

The double materiality assessment process adheres to the AA1000 Stakeholder Engagement Standard and aligns with the principles of stakeholder inclusivity, materiality, responsiveness and impact of the AA1000 AccountAbility Principles and the GRI Standards 2021 requirements. Through a structured three-step methodology, we systematically identify, prioritize and validate the ESG topics most critical to our business operations. We engaged a diverse range of internal and external stakeholders to assess the importance of sustainability issues and to share their views on our sustainability performance.

Step 1

Identifying potentially material ESG topics

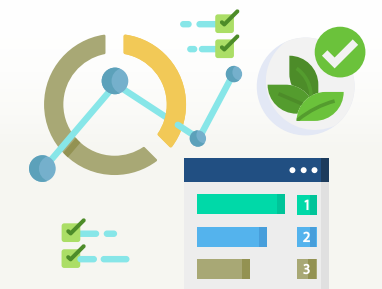
- Update list of potential material ESG topics with reference to the Group's previous material topics resulting from peer benchmarking and industry trend analysis.
- Categorize material ESG topics into five key themes based on sustainability landscapes and emerging trends:
 - Governance and Economic
 - Environment
 - Workplace Practices
 - Society
 - Product Responsibility



Step 2

Ranking ESG topics through impact materiality and financial materiality

- Invite internal and external stakeholders to participate in online surveys. Employees, customers, NGOs, partners, investors, academia, suppliers, industry associations and media partners were invited to participate in the impact materiality survey, while senior management, investors and shareholders participated in the financial materiality survey.
- Rank ESG topics based on the perceived impact on the Group's enterprise value and the Group's impacts on ESG aspects on a numerical scale system.
- Supplement survey results with qualitative feedback from stakeholder review panel discussions and interviews.



Step 3

Validating the results

- Develop a double materiality matrix that visualizes the relative significance of ESG topics based on the collected quantitative and qualitative feedback from stakeholders to inform decision-making.
- The Sustainability Steering Committee reviews and endorses the results of the materiality assessment, including the prioritized material topics and the finalized matrix.





Appendix III – Performance Tables

Environmental Performance – Operations in Hong Kong

	Unit	Head Office			Construction			Property Management			Hotels			Telecommunications and Information Technology			Transport Infrastructure and Logistics			Other Businesses			Group Total		
		2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25 ¹	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25 ²	2023/24 ³	2022/23 ⁴
Greenhouse Gas (GHG) Emissions																									
Direct GHG emissions (scope 1)	tonnes of CO ₂ equivalent (tonnes CO ₂ e)	266	--	--	7,440	--	--	5,409	--	--	7,606	--	--	1,974	--	--	5,645	--	--	20,896	--	--	49,236	18,002 ⁵	17,316 ⁵
Indirect GHG emissions (scope 2) – market-based	tonnes CO ₂ e	1,194	--	--	5,891	--	--	196,234	--	--	55,805	--	--	288,069	--	--	24,081	--	--	13,483	--	--	584,757	200,189 ⁵	212,896 ⁵
Indirect GHG emissions (scope 2) – location-based	tonnes CO ₂ e	1,390	--	--	10,815	--	--	334,278	--	--	90,188	--	--	488,438	--	--	44,354	--	--	16,574	--	--	986,037	332,908	339,829
Indirect GHG emissions (scope 3)	tonnes CO ₂ e	663,611	--	--	243,600	--	--	464,279	--	--	71,396	--	--	--	--	--	17,559	--	--	99,226	--	--	1,559,671	1,774,679	209
Category 1: Purchased goods and services	tonnes CO ₂ e	4,900	--	--	4,681	--	--	14,946	--	--	48,342	--	--	--	--	--	5,759	--	--	76,659	--	--	155,287	45,288	--
Category 2: Capital goods (including construction materials)	tonnes CO ₂ e	35	--	--	212,931	--	--	4,750	--	--	2,336	--	--	--	--	--	179	--	--	85	--	--	220,316 ⁶	418,653	--
Category 3: Fuel- and energy-related activities	tonnes CO ₂ e	98	--	--	1,937	--	--	6,668	--	--	1,865	--	--	--	--	--	1,610	--	--	306	--	--	12,484	10,513	--
Category 4: Upstream transportation and distribution (including construction materials)	tonnes CO ₂ e	24	--	--	13,537	--	--	80	--	--	6,562	--	--	--	--	--	565	--	--	19,349	--	--	40,117	39,733	--
Category 5: Waste generated in operations	tonnes CO ₂ e	2	--	--	5,353	--	--	89,220	--	--	6,113	--	--	--	--	--	20	--	--	24	--	--	100,732	84,548	--
Category 6: Business travel	tonnes CO ₂ e	389	--	--	**	--	--	19	--	--	96	--	--	--	--	--	53	--	--	7	--	--	564	494	209
Category 7: Employee commuting	tonnes CO ₂ e	2,914	--	--	5,161	--	--	32,402	--	--	6,072	--	--	--	--	--	4,769	--	--	1,149	--	--	52,467	44,778	--
Category 9: Downstream transportation and distribution	tonnes CO ₂ e	**	--	--	**	--	--	**	--	--	10	--	--	--	--	--	**	--	--	51	--	--	61	--	--
Category 11: Use of sold products	tonnes CO ₂ e	652,381	--	--	**	--	--	**	--	--	**	--	--	--	--	--	4,603	--	--	1,596	--	--	658,580 ⁷	793,540	--
Category 12: End-of-life treatment of sold products	tonnes CO ₂ e	2,868	--	--	**	--	--	**	--	--	**	--	--	--	--	--	**	--	--	**	--	--	2,868 ⁷	3,499	--
Category 13: Downstream leased assets	tonnes CO ₂ e	**	--	--	**	--	--	316,194	--	--	**	--	--	--	--	--	1	--	--	**	--	--	316,195	333,633	--
GHG Emissions Intensity – Market-based																									
Scope 1 & 2 emissions intensity	tonnes CO ₂ e /m ²	0.070	0.070	0.070	0.008	0.013	0.009	0.030	0.040	0.040	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
	tonnes CO ₂ e/ room night	--	--	--	--	--	--	--	--	--	0.039	0.027	0.034	--	--	--	--	--	--	--	--	--	--	--	--
	tonnes CO ₂ e/ revenue HK\$'000	--	--	--	--	--	--	--	--	--	--	--	--	0.039	--	--	0.012	--	--	0.012	--	--	--	--	--
Non-hazardous Waste Disposal ⁸																									
Total	tonnes	**	--	--	52,893	--	--	138,308	--	--	10,457	--	--	217	--	--	**	--	--	**	--	--	201,875	213,506	253,287
General waste	tonnes	**	--	--	**	--	--	138,308	--	--	10,457	--	--	217	--	--	**	--	--	**	--	--	148,982	123,485	102,188
Construction and demolition waste	tonnes	--	--	--	52,893 ⁹	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	52,893	90,021	151,099
Non-hazardous Waste Recycled ⁸																									
Total	tonnes	**	--	--	345,750	--	--	4,004	--	--	581	--	--	8	--	--	8	--	--	**	--	--	350,351	195,756	953,206
Paper	kg	**	--	--	17,796	--	--	2,860,892	--	--	171,940	--	--	7,765	--	--	8,088	--	--	**	--	--	3,066,481	2,750,417	2,453,599
Plastic	kg	**	--	--	1,014	--	--	215,449	--	--	3,714	--	--	--	--	--	18	--	--	**	--	--	220,195	172,984	96,141
Metal	kg	**	--	--	597,989 ⁹	--	--	98,404	--	--	2,582	--	--	--	--	--	**	--	--	**	--	--	698,975	1,531,448	3,440,402
Used cooking oil	kg	**	--	--	**	--	--	109,585	--	--	13,023	--	--	--	--	--	**	--	--	**	--	--	122,608	112,442	130,706
Food waste	kg	**	--	--	**	--	--	614,473	--	--	324,860	--	--	--	--	--	**	--	--	**	--	--	939,333	479,874	380,187
Glass	kg	**	--	--	9	--	--	106,277	--	--	64,589	--	--	--	--	--	**	--	--	**	--	--	170,875	68,149	79,038
Construction and demolition waste	tonnes	--	--	--	345,133 ⁹	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	345,133	190,641	946,626

** denotes zero or insignificant data
-- denotes not applicable or historical data not disclosed in previous reports

1

Starting from 2024/25, the environmental performance of 5 franchise hotels is included in the calculations.

2

After the review of business operations, we have expanded our data collection scope this year. Environmental data of 2024/25 includes head office, 18 construction sites, 144 buildings from property management, 5 Royal brand hotels, 5 franchise hotels and our non-property portfolio businesses. 'Telecommunications and Information Technology' includes our listed subsidiaries, SmartOne and SUNeVision, while 'Transport Infrastructure and Logistics' includes Wilson Group and Hoi Kong Container Services. 'Other Businesses' includes YATA, but data for AFFC is currently included under property management. Due to the lack of data availability, scope 3 data for Telecommunications and Information Technology businesses is currently unavailable and we will explore their inclusion in the future. With the expansion of our data collection scope this year, data for 2024/25 cannot be directly compared with 2022/23 and 2023/24 data.

3

Environmental data of 2023/24 includes head office, 18 construction sites, 87 buildings from property management, and 5 Royal brand hotels.

4

Environmental data of 2022/23 includes head office, 19 construction sites, 87 buildings from property management, and 5 Royal brand hotels.

5

The figure has been restated to reflect the actual situation in that year.

6

In the capital goods for the 2024/25, due to a significant reduction in the total amount of construction materials used compared to the previous year, there was a notable decrease in Category 2 emission.

7

This year, we have enhanced our data collection, resulting in a reduction of Category 11 and 12 emissions. The emissions for the 2023/24 were calculated based on the estimated area of completed properties. In 2024/25, we refined our calculations to use actual sold property data, thereby deriving more accurate carbon emissions.

8

This year, we have enhanced our data collection system for waste and were able to disclose the data breakdown by business sector.

9

Data variance is due to the stage of construction, resulting in significant differences in construction and demolition waste disposed and recycled, metal recycled, fuel consumption, diesel consumption, water consumption, and the quantity of major construction materials used.



	Unit	Head Office			Construction			Property Management			Hotels			Telecommunications and Information Technology			Transport Infrastructure and Logistics			Other Businesses			Group Total		
		2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25 ¹	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25 ²	2023/24 ³	2022/23 ⁴
Hazardous Waste Collected and Recycled ^{8, 10}																									
Total	kg	667	--	--	2,739	--	--	14,985	--	--	621	--	--	928	--	--	22,163	--	--	**	--	--	42,103	27,239	13,908
Batteries	kg	**	--	--	2	--	--	344	--	--	**	--	--	**	--	--	16,285	--	--	**	--	--	16,631	609	159
Chemicals	kg	**	--	--	**	--	--	**	--	--	40	--	--	928	--	--	204	--	--	**	--	--	1,172	300	80
Electronic and electrical waste	kg	456	--	--	2,122	--	--	8,140	--	--	443	--	--	**	--	--	1,467	--	--	**	--	--	12,628	11,924	7,512
Fluorescent lamp	kg	**	--	--	**	--	--	5,874	--	--	114	--	--	**	--	--	3,843	--	--	**	--	--	9,831	12,745	4,387
Toner cartridge	kg	211	--	--	615	--	--	627	--	--	24	--	--	**	--	--	364	--	--	**	--	--	1,841	1,661	1,770
Energy Generation																									
Total renewable energy generated and exported— Solar ¹¹	kWh	**	**	**	27,419	36,337	**	1,173,706	429,353	405,893	12,009	**	**	**	--	--	27,681	--	--	**	--	--	1,240,815	465,690	405,893
Energy Consumption																									
Total	Gigajoules (GJ)	10,698	10,606	10,498	157,064	277,942	266,191	1,800,987	1,430,151 ⁵	1,448,013 ⁵	581,494	252,519	270,831	2,519,561	--	--	278,557	--	--	478,120	--	--	5,826,480	1,971,218 ⁵	1,995,533 ⁵
Energy intensity	GJ/m ²	0.48	0.48	0.47	0.10	0.15	0.11	0.24	0.29 ⁵	0.29 ⁵	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
	GJ/room night	--	--	--	--	--	--	--	--	--	0.36	0.26	0.33	--	--	--	--	--	--	--	--	--	--	--	--
	GJ/revenue HK\$'000	--	--	--	--	--	--	--	--	--	--	--	--	0.34	--	--	0.11	--	--	0.17	--	--	--	--	--
Electricity consumption ¹²	GJ	7,149	6,970	6,824	55,618	77,140	75,408	1,719,144	1,419,127	1,440,930	463,823	208,860	224,528	2,511,967	--	--	228,104	--	--	85,240	--	--	5,071,045 ¹³	1,712,097	1,747,690
	kWh	1,985,841	1,936,204	1,895,588	15,449,424	21,427,647	20,946,736	477,539,884	394,202,006	400,258,401	128,839,604	58,016,561	62,368,845	697,768,624	--	--	63,362,150	--	--	23,677,801	--	--	1,408,623,329 ¹³	475,582,418	485,469,570
Gas consumption	GJ	198	208	245	**	**	**	77,702	6,213 ⁵	3,578 ⁵	116,886	42,867	45,681	**	--	--	275	--	--	392,880	--	--	587,941 ¹⁴	49,288 ⁵	49,504 ⁵
Fuel consumption	GJ	3,351	3,427	3,429	101,446 ⁹	200,803	190,783	4,141	4,811	3,505	785	792	622	7,594	--	--	50,179	--	--	**	--	--	167,496	209,833	198,339
Diesel consumption	L	3,247	2,910	3,512	2,797,134 ⁹	5,570,143	5,279,475	99,428	117,040	78,925	13,461	9,819	6,465	194,944	--	--	1,144,587	--	--	**	--	--	4,252,801	5,699,912	5,368,377
Petrol consumption	L	92,703	95,271	94,639	44,238	54,033	65,262	212	218	437	7,736	11,946	10,773	4,368	--	--	176,463	--	--	**	--	--	325,720	161,468	171,111
Water Consumption																									
Total	m ³	6,833	6,961	5,409	275,945 ⁹	1,064,431	638,115	2,533,590 ¹⁵	1,625,354 ⁵	1,612,076	1,262,467 ¹⁶	526,174	541,752	353,412	--	--	87,934	--	--	107,422	--	--	4,627,603	3,222,920 ⁵	2,797,352
Water intensity	m ³ /m ²	0.31	0.31	0.24	0.18 ⁹	0.58	0.26	0.34 ¹⁵	0.33	0.33	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
	m ³ /room night	--	--	--	--	--	--	--	--	--	0.77 ¹⁶	0.55	0.66	--	--	--	--	--	--	--	--	--	--	--	--
	m ³ /revenue HK\$'000	--	--	--	--	--	--	--	--	--	--	--	--	0.12	--	--	0.04	--	--	0.04	--	--	--	--	--
Major Construction Materials Used																									
Concrete	m ³	--	--	--	233,048 ⁹	544,807	663,575	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	233,048	544,807	663,575
Bricks	piece	--	--	--	675,832 ⁹	2,805,835	3,112,985	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	675,832	2,805,835	3,112,985
Steel	tonnes	--	--	--	58,881 ⁹	96,238	199,711	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	58,881	96,238	199,711

10 Hazardous waste is collected by licensed waste collectors.

11 The energy generated by the Group was exported to the Government's Feed-in Tariff Scheme.

12 The data for property management refers to electricity consumption of common area and air conditioning system in office buildings, shopping malls and residential properties.

13 The increase in electricity consumption is due to our expanded reporting scope this year to include more managed properties and non-property portfolio businesses, which include SUNeVision's high energy consumable data center operations, resulting in a significant rise in electricity usage.

14 The increase in gas consumption is due to our expanded reporting scope this year to include more managed properties and non-property portfolio businesses, with YATA's operations use gas for food service provision, resulting in a significant rise in gas consumption.

15 Water consumption data of 19 managed properties remains unavailable from the Water Services Department at the time of the Report publication, thus the respective water consumption is estimated. The data shall be updated in the next Sustainability Report.

16 The increase in water consumption and water intensity in 2024/25 were mainly due to the inclusion of franchise hotels this year. These newly included hotels are larger in scale and hosted more extensive events throughout the year, greater water usage was required to meet cooling demands and food service needs, resulting in an overall rise in water intensity.



Scope 3 GHG Emissions Methodology

We refer to the Greenhouse Gas Protocol (GHG Protocol) for scope 3 emissions calculation.

Scope 3 Category		Applicability to SHKP	Definition (and Exclusion)	Source of Emission Factor
1	Purchased goods and services	Yes	Emissions from extraction, production and transportation of goods and services purchased and acquired that are not included in categories 2 to 8.	- Hong Kong Water Supplies Department (WSD) Annual Report - Supply Chain Greenhouse Gas Emission Factors published by the United States Environmental Protection Agency (USEPA)
2	Capital goods (including construction materials)	Yes	Emissions from extraction, production, and transportation of capital goods purchased or acquired by the company during the reporting year. Emissions from extraction, production, and transportation of construction materials purchased or acquired by the company during the reporting year.	- Construction Industry Council (CIC) Carbon Assessment Tool (CAT) - Supply Chain Greenhouse Gas Emission Factors published by the USEPA
3	Fuel- and energy-related activities	Yes	Emissions related to the production of fuels and energy purchased and consumed by the company during the reporting year that are not included in scope 1 or scope 2.	- CLP Group Sustainability Report - HK Electric Investments Sustainability Report - Towngas ESG Report - UK Government GHG Conversion Factors for Company Reporting published by the UK Department for Environment, Food and Rural Affairs (DEFRA)
4	Upstream transportation and distribution (including construction materials)	Yes	Emissions from transportation and distribution of products purchased during the reporting year, between a SHKP's suppliers and SHKP's own operations in vehicles not owned or operated by the company.	- GWP from the IPCC AR6 - Inter-airport distance from the US Bureau of Transportation Statistics - Other transport routing from the EcoTransIT World - USEPA Emission Factors for Greenhouse Gas Inventories
5	Waste generated in operations	Yes	Emissions from waste treatment (e.g. disposal in landfill, incineration, composting, recovery for recycling, waste-to-energy, wastewater treatment, etc.) in facilities owned or operated by third parties.	- Hong Kong Drainage Services Department (DSD) Sustainability Report - UK Government GHG Conversion Factors for Company Reporting published by the UK DEFRA - USEPA Emission Factors for Greenhouse Gas Inventories
6	Business travel	Yes	Emissions from transportation of employees for business-related activities in vehicles owned or operated by third parties.	International Civil Aviation Organization (ICAO) Carbon Emissions Calculator
7	Employee commuting	Yes	Emissions from transportation of employees between their homes and their worksites.	GHG Protocol Scope 3 Evaluator
8	Upstream leased assets	No	Operation of assets leased by the SHKP (as lessee) during the reporting year has been covered in scope 2, thus is excluded in this scope 3 category to avoid double counting.	N/A
9	Downstream transportation and distribution	Yes	Emissions from transportation and distribution of products between SHKP's operational locations and its end customers, using vehicles not owned or operated by the company.	- GWP from the IPCC AR6 - Other transport routing from the EcoTransIT World - USEPA Emission Factors for Greenhouse Gas Inventories
10	Processing of sold products	No	There is no further processing of sold products in the core business of SHKP. This category is irrelevant to SHKP, thus is excluded.	N/A
11	Use of sold products	Yes	Emissions from the use of goods, products, and properties sold by SHKP during the reporting year.	- CLP Group Sustainability Report - EMSD Energy Utilisation Index-Residential Sector - ENERGY STAR Scope 3 Use of Sold Product Analysis Tool V2.0 - HK Electric Investments Sustainability Report
12	End-of-life treatment of sold products	Yes	Emissions from the end-of-life demolition, treatment, and waste disposal of properties and products sold by SHKP during the reporting year.	- USEPA Emission Factors for Greenhouse Gas Inventories - WBCSD report "Net-zero buildings - Where do we stand?" - end-of-life embodied carbon (Modules C1-C4 as in BS EN 15978)
13	Downstream leased assets	Yes	Emissions from operation of leased assets owned by SHKP during the reporting year, not included in scope 1 and scope 2.	- CLP Group Sustainability Report - EMSD Energy Utilisation Index-Commercial Sector - HK Electric Investments Sustainability Report
14	Franchises	No	SHKP does not own any franchises business. This category is irrelevant to SHKP, thus is excluded.	N/A
15	Investments	No	The low level of investment activity does not significantly contribute to SHKP's overall GHG emissions, thus is excluded.	N/A

Social Performance – Operations in Hong Kong

	Unit	Head Office			Construction			Property Management			Hotels			Telecommunications and Information Technology			Transport Infrastructure and Logistics			Other Businesses			Group Total		
		2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25 ¹	2023/24	2022/23
Employment Practice																									
Workforce																									
Total workforce ²	no. of people	1,714	1,723	1,725	3,042	3,428	3,646	23,319	24,473	24,031	3,612	1,440	1,612	1,715	--	--	2,937	--	--	878	--	--	37,217 ³	31,064	31,014
Total Full-time Workforce																									
By Employment Contract ⁴																									
Permanent	no. of people	1,695	1,698	1,696	2,924	3,318	3,537	15,578	16,752	16,698	3,418	1,319	1,491	--	--	--	2,680	--	--	647	--	--	26,942	23,087	23,422
Contract	no. of people	19	25	29	112	105	104	3,427	3,002	2,749	154	121	121	--	--	--	125	--	--	29	--	--	3,866	3,253	3,003
By Gender																									
Male	no. of people	845	840	841	2,224	2,510	2,693	9,891	10,306	10,250	1,973	827	965	1,156	--	--	2,189	--	--	224	--	--	18,502 ³	14,483	14,749
Female	no. of people	869	883	884	812	913	948	9,114	9,448	9,197	1,599	613	647	559	--	--	616	--	--	452	--	--	14,021 ³	11,857	11,676
By Age Group																									
Under 30	no. of people	193	201	226	340	464	561	1,397	1,398	1,417	801	345	373	144	--	--	89	--	--	44	--	--	3,008 ³	2,408	2,577
30 – 50	no. of people	944	956	943	1,473	1,607	1,665	5,342	5,094	5,127	1,765	790	774	1,038	--	--	717	--	--	397	--	--	11,676 ³	8,447	8,509
Above 50	no. of people	577	566	556	1,223	1,352	1,415	12,266	13,262	12,903	1,006	305	465	533	--	--	1,999	--	--	235	--	--	17,839 ³	15,485	15,339
By Employee Category																									
Managerial	no. of people	463	--	--	112	--	--	780	--	--	462	--	--	--	--	--	96	--	--	123	--	--	2,036	1,505	1,448
Officer-grade	no. of people	909	--	--	382	--	--	1,772	--	--	515	--	--	--	--	--	146	--	--	58	--	--	3,782	3,159	3,171
Operational	no. of people	61	--	--	1,643	--	--	14,380	--	--	2,428	--	--	--	--	--	2,470	--	--	463	--	--	21,445	18,203	18,434
Supporting	no. of people	281	--	--	899	--	--	2,073	--	--	167	--	--	--	--	--	93	--	--	32	--	--	3,545	3,473	3,372
By Nationality ⁵																									
Chinese	no. of people	1,654	1,665	1,667	3,018	3,400	3,612	17,978	18,805	18,475	3,278	1,413	1,583	--	--	--	2,798	--	--	676	--	--	29,402	25,283	25,337
North, Central, and South America	no. of people	3	19	19	0	0	0	7	7	5	7	0	0	--	--	--	0	--	--	0	--	--	17	26	24
Australian and New Zealander	no. of people	30	14	14	0	0	0	1	3	5	1	0	0	--	--	--	0	--	--	0	--	--	32	17	19
European	no. of people	18	18	20	0	0	0	335	359	390	38	2	4	--	--	--	0	--	--	0	--	--	391	379	414
Other Asian countries	no. of people	9	7	5	18	23	29	679	576	567	240	25	25	--	--	--	7	--	--	0	--	--	953	631	626
African	no. of people	0	0	0	0	0	0	5	4	5	8	0	0	--	--	--	0	--	--	0	--	--	13	4	5
Total Part-time Workforce																									
By Gender																									
Male	no. of people	0	0	0	0	1	1	1,727	1,824	1,761	17	0	0	--	--	--	78	--	--	28	--	--	1,850	1,825	1,762
Female	no. of people	0	0	0	6	4	4	2,587	2,895	2,823	23	0	0	--	--	--	54	--	--	174	--	--	2,844	2,899	2,827
New Hire ⁶																									
Total new hire	no. of people	181	221	329	360	493	1,047	8,010	7,699	8,308	731	395	531	--	--	--	874	--	--	83	--	--	10,239	8,808	10,215
By Gender (Number and Rate ⁷)																									
Male	no. of people	77	81	125	204	296	664	3,927	3,767	4,226	397	221	313	--	--	--	600	--	--	27	--	--	5,232	4,365	5,328
	%	9.1	9.6	14.9	9.2	11.8	24.7	39.7	36.6	41.2	20.1	26.7	32.4	--	--	--	27.4	--	--	12.1	--	--	30.2	30.1	36.1
Female	no. of people	104	140	204	156	197	383	4,083	3,932	4,082	334	174	218	--	--	--	274	--	--	56	--	--	5,007	4,443	4,887
	%	12.0	15.9	23.1	19.2	21.6	40.4	44.8	41.6	44.4	20.9	28.4	33.7	--	--	--	44.5	--	--	12.4	--	--	37.2	37.5	41.9

-- denotes not applicable or historical data not disclosed in previous reports

1 After the review of business operations, we have expanded our data collection scope to include non-property portfolio businesses and 5 franchise hotels. 'Telecommunications and Information Technology' includes our listed subsidiaries SmarTone and SUNeVision, while 'Transport Infrastructure and Logistic' includes Wilson Group and Hoi Kong Container Services. 'Other Businesses' includes YATA, but data for AFFC is currently included under property management. Due to the limited data availability and categorization difference for SmarTone and SUNeVision, their data are excluded from the group total, unless otherwise specified in footnote 3. For detailed data regarding SmarTone and SUNeVision, please refer to their respective ESG reports. With the expansion of our data collection scope this year, data for 2024/25 cannot be directly compared with 2022/23 and 2023/24 data.

2 We expanded our data collection and began to collect part-time employee data since 2022/23.

3 The data includes telecommunications and information technology business.

4 Seasonal employment does not cause significant variations to the total workforce.

5 North, Central and South America include American and Canadian, Panamanian and Honduran, etc. European includes British, German, Portuguese and Hellenic, etc. Other Asian countries include Indonesian, Japanese, Pakistani, Nepalese, Malaysian, Filipino, Thai, Vietnamese and Singaporean, etc. In 2024/25, we did not have any employees from other nationalities.

6 The internal transfer rate in 2024/25 is 9%, which is calculated by the number of internal transfers over the total new hire and internal transfer.

7 New hire rate refers to the total number of full-time new hire of the gender group per the total number of full-time employees of the corresponding gender group.



Unit		Head Office			Construction			Property Management			Hotels			Telecommunications and Information Technology			Transport Infrastructure and Logistics			Other Businesses			Group Total		
		2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25 ¹	2023/24	2022/23
By Age Group (Number and Rate ⁸)																									
Under 30	no. of people	71	80	125	50	97	275	942	975	1,022	259	99	133	--	--	--	62	--	--	13	--	--	1,397	1,251	1,555
	%	36.8	39.8	55.3	14.7	20.9	49.0	67.4	69.7	72.1	32.3	28.7	35.7	--	--	--	69.7	--	--	29.5	--	--	48.8	52.0	60.3
30 – 50	no. of people	95	132	192	99	188	431	2,008	1,846	2,067	324	189	239	--	--	--	215	--	--	60	--	--	2,801	2,355	2,929
	%	10.1	13.8	20.4	6.7	11.7	25.9	37.6	36.2	40.3	18.4	23.9	30.9	--	--	--	30.0	--	--	15.1	--	--	26.3	27.9	34.4
Above 50	no. of people	15	9	12	211	208	341	5,060	4,878	5,219	148	107	159	--	--	--	597	--	--	10	--	--	6,041	5,202	5,731
	%	2.6	1.6	2.2	17.3	15.4	24.1	41.3	36.8	40.4	14.7	35.1	34.2	--	--	--	29.9	--	--	4.3	--	--	34.9	33.6	37.4
By Employee Category (Number and Rate ⁹)																									
Managerial	no. of people	19	--	--	3	--	--	47	--	--	85	--	--	--	--	--	8	--	--	27	--	--	189	116	170
	%	4.1	--	--	2.7	--	--	6.0	--	--	18.4	--	--	--	--	--	8.3	--	--	22.0	--	--	9.3	7.7	11.7
Officer-grade	no. of people	116	--	--	2	--	--	453	--	--	79	--	--	--	--	--	19	--	--	23	--	--	692	718	883
	%	12.8	--	--	0.5	--	--	25.6	--	--	15.3	--	--	--	--	--	13.0	--	--	39.7	--	--	18.3	22.7	27.8
Operational	no. of people	6	--	--	334	--	--	6,633	--	--	526	--	--	--	--	--	835	--	--	32	--	--	8,366	6,832	7,804
	%	9.8	--	--	20.3	--	--	46.1	--	--	21.7	--	--	--	--	--	33.8	--	--	6.9	--	--	39.0	37.5	42.3
Supporting	no. of people	40	--	--	21	--	--	877	--	--	41	--	--	--	--	--	12	--	--	1	--	--	992	1,142	1,358
	%	14.2	--	--	2.3	--	--	42.3	--	--	24.6	--	--	--	--	--	12.9	--	--	3.1	--	--	28.0	32.9	40.3
Employee Turnover																									
Total employee turnover	no. of people	197 ¹⁰	178	237	754 ¹⁰	309	442	8,518 ¹⁰	3,900	5,241	1,009	480	595	--	--	--	614	--	--	142	--	--	11,234 ¹⁰	4,867	6,515
By Gender (Number and Rate ¹¹)																									
Male	no. of people	76	58	95	495	229	296	4,214	1,926	2,425	556	313	343	--	--	--	381	--	--	41	--	--	5,763	2,526	3,159
	%	9.0	6.9	11.3	22.3	9.1	11.0	42.6	18.7	23.7	28.2	37.8	35.5	--	--	--	17.4	--	--	18.3	--	--	33.2	17.4	21.4
Female	no. of people	121	120	142	259	80	146	4,304	1,974	2,816	453	167	252	--	--	--	233	--	--	101	--	--	5,471	2,341	3,356
	%	13.9	13.6	16.1	31.9	8.8	15.4	47.2	20.9	30.6	28.3	27.2	38.9	--	--	--	37.8	--	--	22.3	--	--	40.6	19.7	28.7
By Age Group (Number and Rate ¹²)																									
Under 30	no. of people	46	46	68	79	83	99	696	484	639	290	100	115	--	--	--	25	--	--	11	--	--	1,147	713	921
	%	23.8	22.9	30.1	23.2	17.9	17.6	49.8	34.6	45.1	36.2	29.0	30.8	--	--	--	28.1	--	--	25.0	--	--	40.0	29.6	35.7
30 – 50	no. of people	100	115	146	234	141	221	1,541	1,045	1,276	459	244	302	--	--	--	142	--	--	81	--	--	2,557	1,545	1,945
	%	10.6	12.0	15.5	15.9	8.8	13.3	28.8	20.5	24.9	26.0	30.9	39.0	--	--	--	19.8	--	--	20.4	--	--	24.0	18.3	22.9
Above 50	no. of people	51	17	23	441	85	122	6,281	2,371	3,326	260	136	178	--	--	--	447	--	--	50	--	--	7,530	2,609	3,649
	%	8.8	3.0	4.1	36.1	6.3	8.6	51.2	17.9	25.8	25.8	44.6	38.3	--	--	--	22.4	--	--	21.3	--	--	43.5	16.8	23.8
By Employee Category (Number and Rate ¹³)																									
Managerial	no. of people	40	--	--	16	--	--	74	--	--	140	--	--	--	--	--	5	--	--	27	--	--	302	109	153
	%	8.6	--	--	14.3	--	--	9.5	--	--	30.3	--	--	--	--	--	5.2	--	--	22.0	--	--	14.8	7.2	10.6
Officer-grade	no. of people	111	--	--	35	--	--	389	--	--	124	--	--	--	--	--	10	--	--	24	--	--	693	617	678
	%	12.2	--	--	9.2	--	--	22.0	--	--	24.1	--	--	--	--	--	6.8	--	--	41.4	--	--	18.3	19.5	21.4
Operational	no. of people	4	--	--	594	--	--	7,269	--	--	661	--	--	--	--	--	593	--	--	88	--	--	9,209	3,512	4,925
	%	6.6	--	--	36.2	--	--	50.5	--	--	27.2	--	--	--	--	--	24.0	--	--	19.0	--	--	42.9	19.3	26.7
Supporting	no. of people	42	--	--	109	--	--	786	--	--	84	--	--	--	--	--	6	--	--	3	--	--	1,030	629	759
	%	14.9	--	--	12.1	--	--	37.9	--	--	50.3	--	--	--	--	--	6.5	--	--	9.4	--	--	29.1	18.1	22.5
Regular Performance Review ¹⁴																									
Full-time employees receiving regular performance reviews	%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	97.0	96.1	95.6
By Gender (Number and Rate ¹⁵)																									
Male	%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	97.3	96.4	95.8
Female	%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	96.7	95.6	95.3

8 New hire rate refers to the total number of full-time new hire of the age group per the total number of full-time employees of the corresponding age group.

9 New hire rate refers to the total number of full-time new hire of the employee category per the total number of full-time employees of the corresponding employee category.

10 This year, turnover is redefined as employees who leave the company voluntarily and involuntarily. Data for 2024/25 cannot be directly compared with 2022/23 and 2023/24 data. The total voluntary employee turnover rate in 2024/25 and 2023/24 are both 128%.

11 Turnover rate refers to the total number of full-time employee turnover of the gender group per the total number of full-time employees of the corresponding gender group.

12 Turnover rate refers to the total number of full-time employee turnover of the age group per the total number of full-time employees of the corresponding age group.

13 Turnover rate refers to the total number of full-time employee turnover of the employee category per the total number of full-time employees of the corresponding employee category.

14 The performance review is complemented by open feedback channels, such as one-to-one conversations between employees and supervisors, to allow employees to express opinions and give recommendations. Approaches of management by objectives and team-based performance appraisal are usually adopted. Multidimensional appraisal process is adopted in our property management subsidiary to ensure a more accurate and holistic evaluation of performance, helping them better understanding on their strengths and areas for improvement. On-going performance review will take place and performance appraisals will be conducted at least once a year where applicable.

15 Performance review rate refers to the total number of full-time employees receiving performance review of the gender group per the total number of full-time employees of the corresponding gender group.

16 Performance review rate refers to the total number of full-time employees receiving performance review of the employee category per the total number of full-time employees of the corresponding employee category.

17 The scope for the gender pay ratio currently includes our head office, construction, property management, and 5 Royal brand hotels. We will explore the feasibility of expanding the scope to cover our other business units in the future.

18 Regrettably, one case of fatality was recorded this year in our transport infrastructure business. The incident is currently under legal proceedings, and we have implemented corresponding follow-up actions, including a full investigation, enhancing personal protective equipment, and reinforcing road safety awareness among staff. More information will be disclosed when the case is concluded.

19 The figure has been restated to reflect the actual situation in that year.

20 Injury rate refers to work-related injuries with sick leave equal to or more than three days per the total number of employees of the corresponding gender group.

21 Lost day refers to sick leaves due to all types of work-related injuries.

22 Lost day rate refers to sick leaves due to all types of work-related injuries per the scheduled working days of the total number of employees.

23 Absentee rate refers to all types of work-related injuries and non-work-related sick leaves per the scheduled working days of the total number of employees.

24 The major causes of injury included falls, slips, sprains, strains, bruises, lacerations and contusions, etc. Following the incidents, the injured employees received necessary medical care. To prevent future recurrences, we implemented follow-up actions, such as equipment inspections, health and safety education, and documentation on equipment usage.

	Unit	Head Office			Construction			Property Management			Hotels			Telecommunications and Information Technology			Transport Infrastructure and Logistics			Other Businesses			Group Total		
		2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25 ¹	2023/24	2022/23
Return to Work Rate ²⁵																									
Male	%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	99.2	98.9	96.9
Female	%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	91.2	95.7	89.5
Number of Employees Returned to Work After Taking Parental Leave in the Prior Reporting Year																									
Male	no. of people	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	129	88	118
Female	no. of people	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	99	58	75
Number of Employees Still Employed for 12 months After Returning to Work																									
Male	no. of people	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	126	77	102
Female	no. of people	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	90	38	55
Retention Rate ²⁶																									
Male	%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	97.7	87.5	86.4
Female	%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	90.9	65.5	73.3
Development and Training																									
Average Training Hours per Employee by Gender and Employee Category																									
Managerial																									
Male	hours	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	17.1	16.5	14.8
Female	hours	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	17.8	21.8	17.3
Officer-grade																									
Male	hours	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	36.1	38.4	29.0
Female	hours	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	43.5	51.1	55.9
Operational																									
Male	hours	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	12.5	11.1 ¹⁹	9.0
Female	hours	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	8.2	6.0 ¹⁹	5.2
Supporting																									
Male	hours	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	8.1	6.0 ¹⁹	9.0
Female	hours	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	16.3	12.9 ¹⁹	17.5
Anti-corruption ²⁷ and Anti-competition																									
Reported case of corrupt practices	no. of cases	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	0 ³	0	0
Reported case of anti-competitive behaviour	no. of cases	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	0 ³	0	0

25 Return to work rate refers to the total number of employees that did return to work after parental leave per the total number of employees due to return to work after taking parental leave.

26 Retention rate refers to the total number of employees retained 12 months after returning to work following a period of parental leave per the total number of employees returning from parental leave in the prior reporting period.

27 22,802 of our full-time employees attended internal and external anti-corruption training in 2024/25, totalling 8,803 training hours.



Environmental Performance – Operations on the Mainland

	Unit	Head Office			Property Management			Transport Infrastructure			Group Total		
		2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25 ¹	2023/24 ²	2022/23 ³
Greenhouse Gas (GHG) Emissions													
Direct GHG emissions (scope 1)	tonnes of CO ₂ equivalent (tonnes CO ₂ e)	121	--	--	2,535	--	--	-- ⁴	--	--	2,656	2,333 ⁵	2,864 ⁵
Indirect GHG emissions (scope 2) ⁶	tonnes CO ₂ e	587	--	--	144,267 ⁷	--	--	3,184	--	--	148,038 ⁷	47,710 ⁵	51,373 ⁵
GHG emissions intensity (scope 1 & 2)	tonnes CO ₂ e/m ²	0.05	0.04 ⁵	0.06 ⁵	0.23 ⁷	0.09	0.10	--	--	--	--	--	--
	tonnes CO ₂ e/revenue HK\$'000	--	--	--	--	--	--	0.05	--	--	--	--	--
Non-hazardous Waste Disposal ⁸													
General waste	tonnes	32	--	--	22,724	--	--	**	--	--	22,756	27,595	18,427
Non-hazardous Waste Recycled ⁸													
Total	kg	3,285	--	--	5,695,713	--	--	**	--	--	5,698,998	5,985,847	5,255,935
Paper	kg	887	--	--	209,553	--	--	**	--	--	210,440	229,384	222,410
Plastic	kg	219	--	--	23,221	--	--	**	--	--	23,440	19,619	19,045
Metal	kg	47	--	--	6,035	--	--	**	--	--	6,082 ⁹	4,175	5,095
Used cooking oil	kg	3	--	--	**	--	--	**	--	--	3	2	3
Food waste	kg	2,123	--	--	5,435,400	--	--	**	--	--	5,437,523	5,716,752	4,991,165
Glass	kg	6	--	--	21,504	--	--	**	--	--	21,510	15,915	18,217
Hazardous Waste Collected and Recycled ^{8,10}													
Total	kg	356	--	--	8,787	--	--	**	--	--	9,143	10,082 ⁵	9,689
Batteries	kg	**	--	--	**	--	--	**	--	--	**	** ⁵	**
Electronic and electrical waste	kg	**	--	--	180	--	--	**	--	--	180	**	**
Fluorescent lamp	kg	9	--	--	7	--	--	**	--	--	16	18	13
Toner cartridge	kg	327	--	--	**	--	--	**	--	--	327	216	77
Waste oil	kg	20	--	--	8,600	--	--	**	--	--	8,620	9,848	9,600
Energy Consumption													
Total	Gigajoules (GJ)	5,309	3,877 ⁵	4,596 ⁵	1,218,679 ⁷	334,552	335,827	21,362	--	--	1,245,350 ⁷	338,429 ⁵	340,423 ⁵
Energy intensity	GJ/m ²	0.38	0.29 ⁵	0.49 ⁵	1.89 ⁷	0.62	0.63	--	--	--	--	--	--
	GJ/revenue HK\$'000	--	--	--	--	--	--	0.33	--	--	--	--	--
Electricity consumption ¹¹	GJ	3,812	2,331 ⁵	2,325 ⁵	362,754	298,693	300,127	21,362	--	--	387,928	301,024 ⁵	302,452 ⁵
	kWh	1,058,993	647,597 ⁵	645,934 ⁵	100,765,059	82,970,257	83,368,496	5,933,900	--	--	107,757,952	83,617,854 ⁵	84,014,430 ⁵
Centralized heating ¹¹	GJ	172	207	1,050	819,967 ⁷	**	**	**	--	--	820,139 ⁷	207	1,050
	kWh	47,750	57,411	291,667	227,768,553 ⁷	**	**	**	--	--	227,816,303 ⁷	57,411	291,667
Fuel consumption	GJ	1,324	1,339 ¹²	1,220 ¹²	35,958	35,859 ¹²	35,701 ¹²	** ⁴	--	--	37,282	37,198 ¹²	36,921 ¹²
Natural gas consumption	GJ	**	** ⁵	** ⁵	35,930	35,831	35,685	** ⁴	--	--	35,930	35,831 ⁵	35,685 ⁵
Diesel consumption	L	81	187 ⁵	234 ⁵	779	720	400	** ⁴	--	--	860	907 ⁵	634 ⁵
Petrol consumption	L	37,975	38,284	34,807	**	**	**	** ⁴	--	--	37,975	38,284	34,807
Water Consumption													
Total	m ³	15,998	12,150 ⁵	13,101 ⁵	819,452	695,491	714,281	16,170	--	--	851,620	707,641 ⁵	727,382 ⁵
Water intensity	m ³ /m ²	1.15	0.91 ⁵	1.39 ⁵	1.27	1.30	1.33	--	--	--	--	--	--
	m ³ /revenue HK\$'000	--	--	--	--	--	--	0.25	--	--	--	--	--
Water recycled	m ³	**	**	**	1,632	1,450	1,600	**	--	--	1,632	1,450	1,600
Rain water recycled	m ³	**	**	**	157	122	125	**	--	--	157	122	125

** denotes zero or insignificant data
-- denotes not applicable or historical data not disclosed in previous reports

1 Environmental data of 2024/25 for the mainland covers our main operations in 9 offices in Beijing, Chengdu, China South and East, 4 key properties from property management – Shanghai IFC / Mall, Shanghai ICC / IAPM, Shanghai One ITC and Shanghai Central Plaza, as well as transport infrastructure business - Wilson Parking. With the new inclusion of Wilson Parking this year, data for 2024/25 cannot be compared with 2022/23 and 2023/24 data.

2 Environmental data of 2023/24 for the mainland covers our main operations in 9 offices in Beijing, Chengdu, China South and East and 2 key properties from property management – Shanghai IFC / Mall and Shanghai ICC / IAPM.

3 Environmental data of 2022/23 for the mainland covers our main operations in 8 offices in Beijing, Chengdu, China South and East and 2 key projects from property management – Shanghai IFC / Mall and Shanghai ICC / IAPM.

4 Due to the nature of the business in Wilson Parking, GHG emissions (scope 1) and fuel consumption are insignificant.

5 The figure has been restated to reflect the actual situation in that year.

6 We use the latest emission factors to calculate our indirect GHG emissions (scope 2). The indirect GHG emissions (scope 2) here is location-based. Since the emissions factors for market-based regional grid are not up to date, we continued to use the national emission factor for electricity to calculate the indirect GHG emissions (scope 2) in mainland China.

7 The increase in total indirect GHG emissions (scope 2), energy consumption and centralized heating in 2024/25 was due to the expansion of reporting scope. The newly included properties contribute significantly to overall energy consumption, resulting in a corresponding rise in GHG emissions intensity and energy intensity.

8 This year, we have enhanced our data collection system for waste and were able to disclose the data breakdown by business sector.

9 The increase in metal recycled in 2024/25 was due to the expansion of property management reporting scope and increased recycling from Shanghai IFC / Mall.

10 Hazardous waste is collected by licensed waste collectors.

11 The data for property management refers to electricity consumption and centralized heating of common area in office buildings and shopping malls.

12 The figure has been restated to align the calculation methodology and include natural gas under fuel consumption.



Social Performance – Operations on the Mainland

Unit		Head Office			Property Management			Transport Infrastructure			Group Total		
		2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25 ¹	2023/24 ²	2022/23 ²
Employment Practice													
Workforce													
Total workforce	no. of people	1,268 ³	1,317	1,315	2,904 ³	2,806	2,801	67 ³	--	--	4,239 ³	4,123	4,116
Total Full-time Workforce													
By Employment Contract ⁴													
Permanent	no. of people	840	855	727	2,894	2,806	2,796	64	--	--	3,798	3,661	3,523
Contract	no. of people	428	462	588	0	0	5	3	--	--	431	462	593
By Gender													
Male	no. of people	601	653	670	1,881	1,822	1,807	35	--	--	2,517	2,475	2,477
Female	no. of people	667	664	645	1,013	984	994	32	--	--	1,712	1,648	1,639
By Age Group													
Under 30	no. of people	107	132	164	783	723	797	2	--	--	892	855	961
30 – 50	no. of people	1,039	1,061	1,040	1,770	1,734	1,649	54	--	--	2,863	2,795	2,689
Above 50	no. of people	122	124	111	341	349	355	11	--	--	474	473	466
By Employee Category													
Managerial	no. of people	312	--	--	141	--	--	27	--	--	480	486	470
Officer-grade	no. of people	648	--	--	401	--	--	3	--	--	1,052	1,052	1,031
Operational	no. of people	127	--	--	2,170	--	--	24	--	--	2,321	2,218	2,178
Supporting	no. of people	181	--	--	182	--	--	13	--	--	376	367	437
By Nationality ⁵													
Chinese	no. of people	1,267	1,316	1,314	2,893	2,805	2,801	67	--	--	4,227	4,121	4,115
Other Asian countries	no. of people	1	1	1	1	1	0	0	--	--	2	2	1
Total Part-time Workforce													
By Gender													
Male	no. of people	0	--	--	1	--	--	0	--	--	1	--	--
Female	no. of people	0	--	--	9	--	--	0	--	--	9	--	--
New Hire													
Total new hire	no. of people	91	114	219	726 ⁶	464	613	1	--	--	818	578	832
By Gender (Number and Rate ⁷)													
Male	no. of people	36	40	121	463	295	408	0	--	--	499	335	529
	%	6.0	6.1	18.1	24.6	16.2	22.6	0	--	--	19.8	13.5	21.4
Female	no. of people	55	74	98	263	169	205	1	--	--	319	243	303
	%	8.2	11.1	15.2	26.0	17.2	20.6	3.1	--	--	18.6	14.7	18.5
By Age Group (Number and Rate ⁸)													
Under 30	no. of people	32	31	69	460	228	315	0	--	--	492	259	384
	%	29.9	23.5	42.1	58.7	31.5	39.5	0	--	--	55.2	30.3	40.0
30 - 50	no. of people	52	76	139	246	213	269	1	--	--	299	289	408
	%	5.0	7.2	13.4	13.9	12.3	16.3	1.9	--	--	10.4	10.3	15.2
Above 50	no. of people	7	7	11	20	23	29	0	--	--	27	30	40
	%	5.7	5.6	9.9	5.9	6.6	8.2	0	--	--	5.7	6.3	8.6

-- denotes not applicable or historical data not disclosed in previous reports

1 Social data of 2024/25 covers our main operations in offices in Beijing, Chengdu, China South and East and property management of Hong Yip and Kai Shing on the mainland, as well as transport infrastructure business - Wilson Parking. With the new inclusion of Wilson Parking this year, data for 2024/25 cannot be directly compared with 2022/23 and 2023/24 data.

2 Social data of 2023/24 and 2022/23 cover our main operations in offices in Beijing, Chengdu, China South and East and property management of Hong Yip and Kai Shing on the mainland.

3 We expanded our data collection and began to collect part-time employee data since 2024/25.

4 Seasonal employee and part-time employee do not cause significant variations to the total workforce.

5 We have also collected the breakdown of the total workforce from other nationalities [i.e., North, Central and South American, Australian and New Zealander, European, African, and Others]. North, Central and South American include American and Canadian, Panamanian and Honduran, etc. European includes British, German, Portuguese and Hellenic, etc. In 2024/25, 2023/24 and 2022/23, we did not have any employees from these nationalities. Other Asian countries include Indonesian, Japanese, Pakistani, Nepalese, Malaysian, Filipino, Thai, Vietnamese and Singaporean, etc.

6 The increase in new hire in 2024/25 was due to new project requirements and organizational restructuring of project teams.

7 New hire rate refers to the total number of full-time new hire of the gender group per the total number of full-time employees of the corresponding gender group.

8 New hire rate refers to the total number of full-time new hire of the age group per the total number of full-time employees of the corresponding age group.

	Unit	Head Office			Property Management			Transport Infrastructure			Group Total		
		2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25 ¹	2023/24 ²	2022/23 ²
By Employee Category (Number and Rate ⁹)													
Managerial	no. of people	12	--	--	8	--	--	0	--	--	20	34	51
	%	3.8	--	--	5.7	--	--	0	--	--	4.2	7.0	10.9
Officer-grade	no. of people	46	--	--	46	--	--	0	--	--	92	79	162
	%	7.1	--	--	11.5	--	--	0	--	--	8.7	7.5	15.7
Operational	no. of people	14	--	--	653	--	--	1	--	--	668	417	534
	%	11.0	--	--	30.1	--	--	4.2	--	--	28.8	18.8	24.5
Supporting	no. of people	19	--	--	19	--	--	0	--	--	38	48	85
	%	10.5	--	--	10.4	--	--	0	--	--	10.1	13.1	19.5
Employee Turnover													
Total employee turnover	no. of people	139 ¹⁰	70	77	634 ¹⁰	462	582	20	--	--	793 ¹⁰	532	659
By Gender (Number and Rate ¹¹)													
Male	no. of people	91	31	29	391	287	383	14	--	--	496	318	412
	%	15.1	4.7	4.3	20.8	15.8	21.2	40.0	--	--	19.7	12.8	16.6
Female	no. of people	48	39	48	243	175	199	6	--	--	297	214	247
	%	7.2	5.9	7.4	24.0	17.8	20.0	18.8	--	--	17.3	13.0	15.1
By Age Group (Number and Rate ¹²)													
Under 30	no. of people	23	21	30	336	244	295	0	--	--	359	265	325
	%	21.5	15.9	18.3	42.9	33.7	37.0	0	--	--	40.2	31.0	33.8
30 – 50	no. of people	89	43	40	255	203	261	14	--	--	358	246	301
	%	8.6	4.1	3.8	14.4	11.7	15.8	25.9	--	--	12.5	8.8	11.2
Over 50	no. of people	27	6	7	43	15	26	6	--	--	76	21	33
	%	22.1	4.8	6.3	12.6	4.3	7.3	54.5	--	--	16.0	4.4	7.1
By Employee Category (Number and Rate ¹³)													
Managerial	no. of people	19	--	--	13	--	--	2	--	--	34	17	11
	%	6.1	--	--	9.2	--	--	7.4	--	--	7.1	3.5	2.3
Officer-grade	no. of people	83	--	--	36	--	--	0	--	--	119	41	53
	%	12.8	--	--	9.0	--	--	0	--	--	11.3	3.9	5.1
Operational	no. of people	20	--	--	565	--	--	18	--	--	603	438	532
	%	15.7	--	--	26.0	--	--	75.0	--	--	26.0	19.7	24.4
Supporting	no. of people	17	--	--	20	--	--	0	--	--	37	36	63
	%	9.4	--	--	11.0	--	--	0	--	--	9.8	9.8	14.4
Regular Performance Review													
Full-time Employees receiving regular performance reviews	%	--	--	--	--	--	--	--	--	--	99.6	99.3	98.9
By Gender (Number and Rate ¹⁴)													
Male	%	--	--	--	--	--	--	--	--	--	99.9	99.6	99.1
Female	%	--	--	--	--	--	--	--	--	--	99.2	99.0	98.5
By Employee Category (Number and Rate ¹⁵)													
Managerial	%	--	--	--	--	--	--	--	--	--	99.0	99.2	99.6
Officer-grade	%	--	--	--	--	--	--	--	--	--	99.8	99.7	99.9
Operational	%	--	--	--	--	--	--	--	--	--	99.9	99.4	98.7
Supporting	%	--	--	--	--	--	--	--	--	--	98.1	98.4	96.6

9 New hire rate refers to the total number of full-time new hire of the employee category per the total number of full-time employees of the corresponding employee category.

10 This year, turnover is redefined as employees who leave the company voluntarily and involuntarily. Data for 2024/25 cannot be directly compared with 2022/23 and 2023/24 data.

11 Turnover rate refers to the total number of full-time employee turnover of the gender group per the total number of full-time employees of the corresponding gender group.

12 Turnover rate refers to the total number of full-time employee turnover of the age group per the total number of full-time employees of the corresponding age group.

13 Turnover rate refers to the total number of full-time employee turnover of the employee category per the total number of full-time employees of the corresponding employee category.

14 Performance review rate refers to the total number of full-time employee receiving performance review of the gender group per the total number of full-time employees of the corresponding gender group.

15 Performance review rate refers to the total number of full-time employee receiving performance review of the employee category per the total number of full-time employees of the corresponding employee category.

	Unit	Head Office			Property Management			Transport Infrastructure			Group Total		
		2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25 ¹	2023/24 ²	2022/23 ²
Occupational Health and Safety													
Work-related fatalities	no. of people	--	--	--	--	--	--	--	--	--	0	0	0
Work-related fatalities rate	no. of work-related fatalities per million hours worked	--	--	--	--	--	--	--	--	--	0	0	0
Lost time injury frequency rate - employees	no. of lost time injury (N) per million hours worked	--	--	--	--	--	--	--	--	--	3.22 ¹⁶	1.40	1.55
Injury Rate ¹⁷													
Male	per 1,000 workers	--	--	--	--	--	--	--	--	--	6.36 ¹⁶	3.64	2.83
Female	per 1,000 workers	--	--	--	--	--	--	--	--	--	1.17	2.43	1.83
Lost Days ¹⁸													
Male	days	--	--	--	--	--	--	--	--	--	795 ¹⁶	536	362
Female	days	--	--	--	--	--	--	--	--	--	84	186	126
Lost Day Rate ¹⁹													
Total	%	--	--	--	--	--	--	--	--	--	0.13 ¹⁶	0.07	0.05
Absentee Rate ²⁰													
Total	%	--	--	--	--	--	--	--	--	--	1.82	0.56	0.97
High-consequence Work-related Injury (Exclude Fatality)													
Male	no. of cases	--	--	--	--	--	--	--	--	--	6 ¹⁶	0	2
Female	no. of cases	--	--	--	--	--	--	--	--	--	0	0	0
Work-related Ill Health													
Total	no. of cases	--	--	--	--	--	--	--	--	--	0	0	0
Fatalities As a Result of Work-related Ill Health													
Total	no. of cases	--	--	--	--	--	--	--	--	--	0	0	0
Parental Leave													
Number of Employees Entitled to Parental Leave													
Male	no. of people	--	--	--	--	--	--	--	--	--	1,374	--	--
Female	no. of people	--	--	--	--	--	--	--	--	--	1,216	--	--
Number of Employees Took Parental Leave													
Male	no. of people	--	--	--	--	--	--	--	--	--	43	55	--
Female	no. of people	--	--	--	--	--	--	--	--	--	61	60	--
Number of Employees Returned to Work After Parental Leave													
Male	no. of people	--	--	--	--	--	--	--	--	--	43	55	--
Female	no. of people	--	--	--	--	--	--	--	--	--	55	47	--
Return to Work Rate ²¹													
Male	%	--	--	--	--	--	--	--	--	--	100	100	--
Female	%	--	--	--	--	--	--	--	--	--	90.2	78.3	--
Number of Employees Returned to Work After Taking Parental Leave in the Prior Reporting Year													
Male	no. of people	--	--	--	--	--	--	--	--	--	57	67	--
Female	no. of people	--	--	--	--	--	--	--	--	--	69	65	--
Number of Employees Still Employed for 12 months After Returning to Work													
Male	no. of people	--	--	--	--	--	--	--	--	--	52	55	--
Female	no. of people	--	--	--	--	--	--	--	--	--	52	53	--

16 The increase was due to traffic accidents when commuting to work, fall injury, sprains and fractures. Following the incidents, the injured employees received necessary medical care. To prevent future recurrences of workplace injury, we implemented follow-up actions, such as equipment inspections, health and safety education, and documentation on equipment usage.

17 Injury rate refers to work-related injuries with sick leave equal to or more than three days per the total number of employees of the corresponding gender group.

18 Lost day refers to sick leaves due to all types of work-related injuries.

19 Lost day rate refers to sick leaves due to all types of work-related injuries per the scheduled working days of the total number of employees.

20 Absentee rate refers to all types of work-related injuries and non-work-related sick leaves per the scheduled working days of the total number of employees.

21 Return to work rate refers to the total number of employees that did return to work after parental leave per the total number of employees due to return to work after taking parental leave.

	Unit	Head Office			Property Management			Transport Infrastructure			Group Total		
		2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25	2023/24	2022/23	2024/25 ¹	2023/24 ²	2022/23 ²
Retention Rate ²²													
Male	%	--	--	--	--	--	--	--	--	--	91.2	82.1	--
Female	%	--	--	--	--	--	--	--	--	--	75.4	81.5	--
Development and Training													
Average Training Hours per Employee by Gender and Employee Category													
Managerial													
Male	hours	--	--	--	--	--	--	--	--	--	20.6 ²³	7.6	12.8
Female	hours	--	--	--	--	--	--	--	--	--	23.0 ²³	15.9	14.7
Officer-grade													
Male	hours	--	--	--	--	--	--	--	--	--	24.8 ²³	7.7	8.2
Female	hours	--	--	--	--	--	--	--	--	--	26.7 ²³	13.1	12.4
Operational													
Male	hours	--	--	--	--	--	--	--	--	--	64.0 ²³	20.7	17.7
Female	hours	--	--	--	--	--	--	--	--	--	69.1 ²³	22.1	19.3
Supporting													
Male	hours	--	--	--	--	--	--	--	--	--	110.4 ²³	27.0	15.8
Female	hours	--	--	--	--	--	--	--	--	--	31.8 ²³	11.6	9.8
Anti-corruption and Anti-competition													
Reported case of corrupt practices	no. of cases	--	--	--	--	--	--	--	--	--	0	0	0
Reported case of anti-competitive behaviour	no. of cases	--	--	--	--	--	--	--	--	--	0	0	0

22 Retention rate refers to the total number of employees retained 12 months after returning to work following a period of parental leave per the total number of employees returning from parental leave in the prior reporting period.
23 In 2024/25, we have rolled out more training for our employees with newly launched projects and online courses, resulting in higher average training hours overall.



Appendix IV – HKEx ESG Reporting Code Index

We currently refer to the previous version of the ESG Code (effective up to 31 December 2024, formerly known as the ESG Reporting Guide).

General Disclosures and KPIs	Description	Reference (Page number)	Remarks
Environmental			
Aspect A1: Emissions			
General disclosure		Value Created for the Environment (15-39)	There was no material non-compliance regarding the emissions of greenhouse gas, water and waste during the reporting year. Relevant sustainability policies are available on our website .
KPI A1.1	The types of emissions and respective emissions data	N/A	Air emissions are not material to our operations.
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity	Appendix III – Performance Tables (86-97)	
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity	Appendix III – Performance Tables (86-97)	
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity	Value Created for the Environment (15-39); Appendix III – Performance Tables (86-97)	
KPI A1.5	Description of emission target(s) set and steps taken to achieve them	Value Created for the Environment (15-39)	
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	Value Created for the Environment (15-39)	Hazardous waste generation and handling are not material to our operations.
Aspect A2: Use of Resources			
General disclosure		Value Created for the Environment (15-39); Value Created for Supply Chain (62-71)	Relevant sustainability policies are available on our website .
KPI A2.1	Direct and/or indirect energy consumption by type in total (kWh in '000s) and intensity	Appendix III – Performance Tables (86-97)	
KPI A2.2	Water consumption in total and intensity	Appendix III – Performance Tables (86-97)	
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	Value Created for the Environment (15-39)	
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	Value Created for the Environment (15-39)	We do not encounter any problems in sourcing water for our daily operations, hence is not material to the Group.
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	N/A	The use of packaging material for finished products is not material to the majority of the Group's business.
Aspect A3: The Environment and Natural Resources			
General disclosure		Value Created for the Environment (15-39); Value Created for Supply Chain (62-71)	Relevant sustainability policies are available on our website .
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Value Created for the Environment (15-39); Value Created for Supply Chain (62-71)	
Aspect A4: Climate Change			
General disclosure		Value Created for the Environment (15-39)	Relevant sustainability policies are available on our website .
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	Value Created for the Environment (15-39)	
Social			
Employment and Labour Practices			
Aspect B1: Employment			
General disclosure		Value Created for People (40-48)	Please refer to the Corporate Governance Report (pp.108-126) and Directors' Report (pp.127-140) of our Annual Report 2024/25 for details. There was no material non-compliance regarding employment and labour practices during the reporting year.
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	Appendix III – Performance Tables (86-97)	Within our operations, seasonal employment does not cause significant variations in the total workforce. Hong Kong and the mainland are the locations of operations covered in this report.
KPI B1.2	Employee turnover rate by gender, age group and geographical region	Appendix III – Performance Tables (86-97)	Hong Kong and the mainland are the locations of operations covered in this report.
Aspect B2: Health and Safety			
General disclosure		Value Created for People (40-48)	During the reporting year, there was one case of non-compliance regarding occupational health and safety in our operations. Following the incident, we have conducted a thorough investigation and followed up with the involved employee. To prevent the recurrence of similar incident, we will continue to monitor our health and safety risks and raise awareness among our employees. This includes reviewing our safety management practices, enhancing site supervision and respective training to safeguard and protect our employees.
KPI B2.1	Number and Rate of work-related fatalities occurred in each of the past three years including the reporting year	Value Created for People (40-48); Appendix III – Performance Tables (86-97)	
KPI B2.2	Lost days due to work injury	Appendix III – Performance Tables (86-97)	

General Disclosures and KPIs	Description	Reference (Page number)	Remarks
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored	Value Created for People (40-48)	
Aspect B3: Development and Training			
General disclosure		Value Created for People (40-48)	
KPI B3.1	The percentage of employees trained by gender and employee category	Value Created for People (40-48); Appendix III – Performance Tables (86-97)	All of our employees received regular training relevant to their job nature. We report the average training hours as required by KPI B3.2 in the relevant chapters, which demonstrates our effort in talent development.
KPI B3.2	The average training hours completed per employee by gender and employee category	Appendix III – Performance Tables (86-97)	
Aspect B4: Labour Standards			
General disclosure		Value Created for People (40-48)	Child and forced labour issues are not material to the Group's operations. There were no non-compliance incidents regarding child and forced labour during the reporting year.
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	N/A	See remarks for Aspect B4 General disclosure.
KPI B4.2	Description of steps taken to eliminate such practices when discovered	N/A	See remarks for Aspect B4 General disclosure.
Operating Practices			
Aspect B5: Supply Chain Management			
General disclosure		Value Created for Supply Chain (62-71)	
KPI B5.1	Number of suppliers by geographical region	Value Created for Supply Chain (62-71)	
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Value Created for Supply Chain (62-71)	
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Value Created for Supply Chain (62-71)	
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Value Created for Supply Chain (62-71)	
Aspect B6: Product Responsibility			
General disclosure		Value Created for Customers (49-61)	There was no material non-compliance regarding product responsibility during the reporting year. Labelling is not relevant to SHKP business.
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	N/A	There were no recalls concerning the provision and use of the Group's products and services that have a significant impact on our operations.
KPI B6.2	Number of products and service related complaints received and how they are dealt with	Value Created for Customers (49-61)	There were no substantiated complaints received during the reporting year.
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	N/A	Intellectual property rights are not material to our operations.
KPI B6.4	Description of quality assurance process and recall procedures	Value Created for Customers (49-61)	Recall procedures are non-material to the Group's operations.
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	Value Created for Customers (49-61)	
Aspect B7: Anti-corruption			
General disclosure		Value Created for Supply Chain (62-71)	There were no non-compliance with anti-corruption practices or breaches of Code of Conduct during the reporting year, thus no incurred fines.
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	Appendix III – Performance Tables (86-97)	A legal case regarding fraudulent practices during 2017-2021 was concluded against a former employee of SHKP's franchise hotel during the reporting year. The individual, a former accountant from the Four Seasons Hotel Hong Kong, was convicted and sentenced to six and a half years' imprisonment following legal proceedings that concluded in April 2025.
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	Value Created for People (40-48); Value Created for Supply Chain (62-71)	
KPI B7.3	Description of anti-corruption training provided to directors and staff	Value Created for Supply Chain (62-71)	
Community			
Aspect B8: Community Investment			
General disclosure		Value Created for Community (72-81)	
KPI B8.1	Focus areas of contribution	Value Created for Community (72-81)	
KPI B8.2	Resources contributed to the focus area	Value Created for Community (72-81)	

For information of our listed subsidiaries in Hong Kong, please refer to their respective corporate websites and ESG Reports for details.



Appendix V – GRI Content Index

Statement of use	Sun Hung Kai Properties Limited has reported in accordance with the GRI Standards for the period 1 July 2024 to 30 June 2025
GRI 1 used	GRI 1: Foundation 2021

GRI Standards Indicator	Details	UNGC's Ten Principles	Reference (Page number)	Remarks/Omission
GRI 2: General Disclosure 2021				
The Organization and Its Reporting Practices				
2-1	Organizational details		Our Reporting Approach [1]; Our Business [3-4]	Our headquarters is located in Hong Kong and we operate in Hong Kong, mainland and Singapore.
2-2	Entities included in the organization's sustainability reporting		Our Reporting Approach [1]	Our principal subsidiaries are listed on pp.216-221 of our Annual Report 2024/25 .
2-3	Reporting period, frequency and contact point		Our Reporting Approach [1]	
2-4	Restatements of information		Appendix III – Performance Tables (86-97)	
2-5	External assurance		Our Reporting Approach [1]; Appendix X – Independent Assurance Opinion Statement [108-109]	
Activities and Workers				
2-6	Activities, value chain and other business relationships		Our Business [3-4]; Value Created for Customers (49-61); Value Created for Supply Chain (62-71)	To pursue alignment with financial reporting scope, we have expanded our reporting scope to include more properties with operational control and our non-property portfolio businesses this year. The information about our newly included business units can be found throughout the report and specifically in Appendix III. Although there are changes to the business relationship and value chain with the inclusion of new business units, the management approach of our supply chain remains consistent within the Group. We are working to streamline our data collection to provide more comprehensive data in the future.
2-7	Employees	Principle 6	Our Reporting Approach [1]; Appendix III – Performance Tables (86-97)	As at 30 June 2025, the Group employed more than 38,000 employees. We do not employ non-guaranteed hours employees. The data disclosed for social performance in Appedix III covers our full-time and part-time employees. Seasonal employment does not cause significant variations in the total workforce.
2-8	Workers who are not employees	Principle 6	Our Reporting Approach [1]; Appendix III – Performance Tables (86-97)	Seasonal employment does not cause significant variations in the total workforce. Hong Kong and the mainland are the locations of operations covered in this report. The information of workers who are not employees is not available for the reporting year.
Governance				
2-9	Governance structure and composition	Principle 10	Our Approach to Sustainability (5-14)	More details can be found on Directors' Biographical Information (pp.141-151) and Corporate Governance Report (pp.108-126) of our Annual Report 2024/25 and our website - Directors and Board Committees .
2-10	Nomination and selection of the highest governance body	Principle 10	Our Approach to Sustainability (5-14)	More details can be found in the Corporate Governance Report (pp.108-126) of our Annual Report 2024/25 .
2-11	Chair of the highest governance body		Our Approach to Sustainability (5-14)	More details can be found in the Corporate Governance Report (pp.108-126) of our Annual Report 2024/25.
2-12	Role of the highest governance body in overseeing the management of impacts		Our Approach to Sustainability (5-14); Appendix II – Stakeholder Engagement Process and Double Materiality Analysis Methodology (85)	The Board meets at least once annually to review sustainability-related issues.
2-13	Delegation of responsibility for managing impacts		Our Approach to Sustainability (5-14)	
2-14	Role of the highest governance body in sustainability reporting		Our Approach to Sustainability (5-14)	The Board, via the Executive Committee, is also responsible for the Group's Sustainability Report approval and endorsement.
2-15	Conflicts of interest	Principle 10	Our Approach to Sustainability (5-14)	There were no confirmed incidents or breaches of relevant laws or regulations regarding conflict of interest during the reporting year. More details can be found in the Corporate Governance Report (pp.108-126) of our Annual Report 2024/25.
2-16	Communication of critical concerns		Our Approach to Sustainability (5-14); Value Created for Supply Chain (62-71)	The Audit and Risk Management Committee reports to the Board on all critical concerns. There were no critical concerns communicated in the Sustainability Steering Committee during the reporting year.
2-17	Collective knowledge of the highest governance body		Our Approach to Sustainability (5-14); Value Created for People (40-48)	We circulate our Sustainability Report and ESG news regularly to strengthen the collective knowledge of the Board and conduct internal reviews on ESG issues.
2-18	Evaluation of the performance of the highest governance body		Our Approach to Sustainability (5-14)	More details can be found in the Directors' Report (pp.127-140) of our Annual Report 2024/25.
2-19	Remuneration policies		N/A	The remuneration policy for the Board is treated as confidential. More details on remuneration can be found in the Independent Auditor's Report and Consolidated Financial Statements (pp.153-224) of our Annual Report 2024/25.

GRI Standards Indicator	Details	UNGC's Ten Principles	Reference (Page number)	Remarks/Omission
2-20	Process to determine remuneration		N/A	More details on remuneration can be found in the Corporate Governance Report (pp.108-126) of our Annual Report 2024/25.
2-21	Annual total compensation ratio		N/A	The information is treated as confidential.
Strategy, Policies and Practices				
2-22	Statement on sustainable development strategy		Message from the Sustainability Steering Committee [2]	
2-23	Policy commitments		Our Reporting Approach [1]; Our Business [3-4]; Our Approach to Sustainability (5-14); Value Created for People (40-48)	There is no intergovernmental instrument in our policy commitment. Our Sustainability Policies are listed on our website . Currently, the Human Rights and Equal Opportunities Policy and the Whistleblowing Policy are treated as internal documents.
2-24	Embedding policy commitments		Our Approach to Sustainability (5-14); See Strategies and Management section in each chapter for details.	
2-25	Processes to remediate negative impacts		See Strategies and Management section in each chapter for details.	
2-26	Mechanisms for seeking advice and raising concerns	Principle 1, 2, 3	Value Created for People (40-48); Value Created for Supply Chain (62-71)	
2-27	Compliance with laws and regulations	Principle 10	Our Approach to Sustainability (5-14)	We see compliance as a minimum requirement and require all employees and suppliers to comply with all applicable laws and regulations. During the reporting year, there was no non-compliance of laws and regulation in environmental and economic areas in Hong Kong. During the reporting year, there was one case of non-compliance regarding occupational health and safety in our operations and the subsequent fine was HKD 35,000. Following the incident, we have conducted a thorough investigation and followed up with the involved employee. To prevent the recurrence of similar incident, we will continue to monitor our health and safety risks and raise awareness among our employees. This includes reviewing our safety management practices, enhancing site supervision and respective training to safeguard and protect our employees.
2-28	Membership associations		Appendix I – Awards, Memberships and Charters (82-84)	
Stakeholder Engagement				
2-29	Approach to stakeholder engagement		Our Approach to Sustainability (5-14); Appendix II – Stakeholder Engagement Process and Double Materiality Analysis Methodology (85)	Our stakeholder identification and selection process adheres to the principles of stakeholder inclusivity, materiality, responsiveness and impact of the latest AA1000 AccountAbility Principles (2018) and the GRI Standards 2021. In 2023/24, we conducted a new materiality assessment employing the principle of 'double materiality', which is recommended by the GRI and IFRS Sustainability Disclosure Standards.
2-30	Collective bargaining agreements	Principle 3	N/A	There are no formal collective bargaining agreements in place within SHKP. Yet, our employees can enjoy the freedom to take part in trade unions and collective bargaining if they wish.
GRI 3: Material Topics 2021				
Disclosures on Material Topics				
3-1	Process to determine material topics		Our Approach to Sustainability (5-14); Appendix II – Stakeholder Engagement Process and Double Materiality Analysis Methodology (85)	
3-2	List of material topics		Our Approach to Sustainability (5-14)	Please refer to the Double Materiality Matrix (pp. 8-9) for details.
3-3	Management of material topics		Our Approach to Sustainability (5-14); Appendix II – Stakeholder Engagement Process and Double Materiality Analysis Methodology (85); See Strategies and Management section in each chapter for details.	More details of our economic impacts can be found on pp.94-99 of our Annual Report 2024/25 .
Economic Topics				
GRI 201: Economic Performance (2016)				
GRI 3: Material Topics 2021	3-3 Management of material topics		Our Business (3-4)	More details can be found in the Review of Operations (pp.26-93) of our Annual Report 2024/25.
201-1	Direct economic value generated and distributed		Our Business (3-4)	More details can be found in the Review of Operations (pp.26-93) of our Annual Report 2024/25.
201-2	Financial implications and other risks and opportunities due to climate change		Value Created for the Environment (15-39)	



GRI Standards Indicator	Details	UNGC's Ten Principles	Reference (Page number)	Remarks/Omission
GRI 203: Indirect Economic Impacts (2016)				
GRI 3: Material Topics 2021	3-3 Management of material topics		Value Created for Supply Chain (62-71); Value Created for Community (72-81)	Indirect economic impacts include jobs supported in the supply chain and community initiatives.
203-1	Infrastructure investments and services supported		Value Created for Supply Chain (62-71); Value Created for Community (72-81)	We work closely with government and local communities when developing properties and must take into consideration the impact of our developments on local traffic conditions and other infrastructure. While our investments are commercial, we go beyond regulatory requirements to build high-quality properties.
GRI 204: Procurement Practices (2016)				
GRI 3: Material Topics 2021	3-3 Management of material topics		Value Created for Supply Chain (62-71)	
204-1	Proportion of spending on local suppliers		Value Created for Supply Chain (62-71)	Local suppliers are defined as suppliers in Hong Kong.
GRI 205: Anti-corruption (2016)				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 10	Value Created for People (40-48); Value Created for Supply Chain (62-71)	We circulate our Sustainability Report to inform our stakeholders on anti-corruption issues.
205-2	Communication and training about anti-corruption policies and procedures	Principle 10	Value Created for People (40-48); Value Created for Supply Chain (62-71)	During the reporting year, all directors received additional anti-corruption training material and 22,802 (74%) of our full-time employees received anti-corruption training.
205-3	Confirmed incidents of corruption and actions taken	Principle 10	Appendix III – Performance Tables (86-97)	A legal case regarding fraudulent practices during 2017-2021 was concluded against a former employee of SHKP's franchise hotel during the reporting year. The individual, a former accountant from the Four Seasons Hotel Hong Kong, was convicted and sentenced to six and a half years' imprisonment following legal proceedings that concluded in April 2025.
GRI 206: Anti-competitive Behaviour (2016)				
GRI 3: Material Topics 2021	3-3 Management of material topics		Value Created for Supply Chain (62-71); Appendix III – Performance Tables (86-97)	We circulate our Sustainability Report to inform our stakeholders on anti-competitive behaviour issues.
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices		N/A	During the reporting year, there were no legal proceedings involving anti-competitive behaviour, or involving anti-trust and monopoly practices in Hong Kong.
Environmental Topics				
GRI 301: Materials (2016)				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 7,8,9	Value Created for the Environment (15-39); Appendix III – Performance Tables (86-97)	We circulate our Sustainability Report to inform our stakeholders on environmental issues.
301-1	Materials used by weight on volume		Appendix III – Performance Tables (86-97)	Within our operations, the use of packaging material for finished products is not material to the majority of the Group's business. The major materials we use are for construction-related activities. Although timber is not a key material used, in general, most of the timber we use comes from sources that are certified as sustainable.
GRI 302: Energy (2016)				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 7,8,9	Value Created for the Environment (15-39); Appendix III – Performance Tables (86-97)	We circulate our Sustainability Report to inform our stakeholders on environmental issues.
302-1	Energy consumption within organization		Appendix III – Performance Tables (86-97)	
302-3	Energy intensity		Appendix III – Performance Tables (86-97)	
302-4	Reduction of energy consumption		Value Created for the Environment (15-39)	
GRI 303: Water and Effluents (2018)				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 7	Value Created for the Environment (15-39); Appendix III – Performance Tables (86-97)	More details can be found in our Environmental Policy .
303-1	Interactions with water as a shared resource		Value Created for the Environment (15-39)	Most of our businesses are not water-intensive. Municipal water is the only source for entities covered in this report. All water discharged from our operations was transported to the local municipal wastewater systems.
303-2	Management of water discharge-related impacts		Value Created for the Environment (15-39)	See remarks for 303-1 above.
303-3	Water withdrawal		Value Created for the Environment (15-39); Appendix III – Performance Tables (86-97)	
303-5	Water consumption		Appendix III – Performance Tables (86-97)	See remarks for 303-1 above.

GRI Standards Indicator	Details	UNGC's Ten Principles	Reference (Page number)	Remarks/Omission
GRI 304: Biodiversity (2016)				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 7,8	Value Created for the Environment (15-39)	We strictly comply with all legal requirements during development and performed all the necessary biodiversity assessment as required by the government. During the reporting year, we did not identify any significant biodiversity-related risks in our operations.
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		Value Created for the Environment (15-39)	
304-2	Significant impacts of activities, products and services on biodiversity		Value Created for the Environment (15-39)	
304-3	Habitats protected or restored		Value Created for the Environment (15-39)	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		Value Created for the Environment (15-39)	One incense tree – classified as 'vulnerable' by the IUCN – was conserved and incorporated into the planning and landscape design of the St Michel project.
GRI 305: Emissions (2016)				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 7,8,9	Value Created for the Environment (15-39)	We circulate our Sustainability Report to inform our stakeholders on environmental issues.
305-1	Direct (Scope 1) GHG emissions		Appendix III – Performance Tables (86-97)	Direct emissions include fuel, diesel, petrol, natural gas and refrigerant. The methodology for estimating greenhouse gas emissions comes from the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings in Hong Kong – 2010 edition and Guidelines for Calculation Methods and Reporting of Greenhouse Gas Emissions from Industrial and Other Industrial Enterprises (Trial). We also measure our greenhouse gas emissions with reference to the Greenhouse Gas Protocol.
305-2	Energy indirect (Scope 2) GHG emissions		Appendix III – Performance Tables (86-97)	See remarks for 305-1 above. Indirect emissions include purchased electricity and town gas. For indirect GHG emissions (scope 2) – market-based, the emission factors for purchased electricity are illustrated by referring to the information released by CLP and HEC in 2024, and that for purchased towngas is adopted from Towngas in 2024. As for indirect GHG emissions (scope 2) – location-based, the emission factors for purchased electricity referenced the territory-wide default value from HKEx's 'Appendix 2: Reporting Guidance on Environmental KPIs'. The emission factors for purchased heating on the mainland refer to Guidelines for Calculation Methods and Reporting of Greenhouse Gas Emissions from Industrial and Other Industrial Enterprises (Trial).
305-3	Other indirect (Scope 3) GHG emissions		Value Created for the Environment (15-39); Appendix III – Performance Tables (86-97)	We measure our greenhouse gas emissions with reference to the Greenhouse Gas Protocol.
305-4	GHG emissions intensity		Appendix III – Performance Tables (86-97)	
305-5	Reduction of GHG emissions		Appendix III – Performance Tables (86-97)	
GRI 306: Waste (2020)				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 7,8,9	Value Created for the Environment (15-39); Value Created for Supply Chain (62-71)	We circulate our Sustainability Report to inform our stakeholders on environmental issues.
306-1	Waste generation and significant waste-related impacts		Value Created for the Environment (15-39)	During the reporting year, the Group generated no significant hazardous waste.
306-2	Management of significant waste-related impacts		Value Created for the Environment (15-39)	See remarks for 306-1 above.
306-3	Waste generated		Appendix III – Performance Tables (86-97)	See remarks for 306-1 above.
306-4	Waste diverted from disposal		Appendix III – Performance Tables (86-97)	
306-5	Waste directed to disposal		Appendix III – Performance Tables (86-97)	General waste are sent to landfill while construction and demolition waste are sent to public fill, sorting facilities or landfill. Hazardous waste are collected and recycled by licensed collectors.
GRI 308: Supplier Environmental Assessment (2016)				
GRI 3: Material Topics 2021	3-3 Management of material topics		Our Approach to Sustainability (5-14)	We circulate our Sustainability Report to inform our stakeholders of environmental issues.
308-1	New suppliers that were screened using environmental criteria		Value Created for Supply Chain (62-71)	During the reporting year, around 46% of our total procurement took environmental considerations into account. We are collecting such data for new suppliers and will disclose once the data is available.



GRI Standards Indicator	Details	UNGC's Ten Principles	Reference (Page number)	Remarks/Omission
Social Topics				
GRI 401: Employment (2016)				
GRI 3: Material topics 2021	3-3 Management of material topics	Principle 6	Value Created for People (40-48)	
401-1	New employee hires and employee turnover		Appendix III – Performance Tables (86-97)	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		Value Created for People (40-48)	The information is not available for the reporting year.
401-3	Parental leave		Value Created for People (40-48); Appendix III – Performance Tables (86-97)	
GRI 403: Occupational Health and Safety (2018)				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 1,2	Value Created for People (40-48); Value Created for Supply Chain (62-71); Appendix III – Performance Tables (86-97)	
403-1	Occupational health and safety management system		Value Created for People (40-48); Value Created for Supply Chain (62-71)	
403-2	Hazard identification, risk assessment, and incident investigation		Value Created for People (40-48); Value Created for Supply Chain (62-71)	
403-3	Occupational health services		Value Created for People (40-48); Value Created for Supply Chain (62-71)	
403-4	Worker participation, consultation, and communication on occupational health and safety		Value Created for People (40-48); Value Created for Supply Chain (62-71)	
403-5	Worker training on occupational health and safety		Value Created for People (40-48); Value Created for Supply Chain (62-71); Appendix III – Performance Tables (86-97)	
403-6	Promotion of worker health		Value Created for People (40-48); Value Created for Supply Chain (62-71)	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Value Created for People (40-48); Value Created for Supply Chain (62-71)	
403-8	Workers covered by an occupational health and safety management system		Value Created for People (40-48); Value Created for Supply Chain (62-71)	
403-9	Work-related injuries		Appendix III – Performance Tables (86-97)	
403-10	Work-related ill health		Appendix III – Performance Tables (86-97)	
GRI 404: Training and Education (2016)				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 6	Value Created for People (40-48)	
404-1	Average hours of training per year per employee		Appendix III – Performance Tables (86-97)	
404-3	Percentage of employees receiving regular performance and career development reviews		Appendix III – Performance Tables (86-97)	
GRI 405: Diversity and Equal Opportunity (2016)				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 6	Value Created for People (40-48)	
405-1	Diversity of governance bodies and employees		Value Created for People (40-48); Appendix III – Performance Tables (86-97)	See Directors' Biographical Information chapter on pp.141-151 of our Annual Report 2024/25 for details of the diversity information of our Board of Directors.
GRI 406: Non-discrimination (2016)				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 6	Value Created for People (40-48)	
406-1	Incidents of discrimination and corrective actions taken		Value Created for People (40-48)	There were no non-compliance incidents regarding discrimination or harassment during the reporting year.

GRI Standards Indicator	Details	UNGC's Ten Principles	Reference (Page number)	Remarks/Omission
GRI 408: Child Labour (2016)				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 5	Value Created for People (40-48); Value Created for Supply Chain (62-71)	
408-1	Operations and suppliers at significant risk for incidents of child labour		Value Created for People (40-48); Value Created for Supply Chain (62-71)	During the reporting year, there were no incidents of child or forced labour in our operations and suppliers.
GRI 409: Forced or Compulsory Labour (2016)				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 4	Value Created for People (40-48); Value Created for Supply Chain (62-71)	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour		Value Created for People (40-48); Value Created for Supply Chain (62-71)	During the reporting year, there were no significant risks for incidents of forced or compulsory labour in our operations and suppliers.
GRI 413: Local Communities (2016)				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 1,8	Value Created for Community (72-81)	
413-1	Operations with local community engagement, impact assessments, and development programmes	Principle 1	Value Created for Community (72-81)	All our community investments and engagements are managed at Group level.
GRI 414: Supplier Social Assessment (2016)				
GRI 3: Material Topics 2021	3-3 Management of material topics		Our Approach to Sustainability (5-14); Value Created for Supply Chain (62-71)	
414-1	New suppliers that were screened using social criteria		Value Created for Supply Chain (62-71)	
GRI 416: Customer Health and Safety (2016)				
GRI 3: Material Topics 2021	3-3 Management of material topics		Value Created for Customers (49-61)	
416-1	Assessment of the health and safety impacts of product and service catogories		Value Created for the Environment (15-39); Value Created for Customers (49-61)	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		N/A	There were no non-compliance incidents during the reporting year.
GRI 418: Customer Privacy (2016)				
GRI 3: Material Topics 2021	3-3 Management of material topics		Value Created for Customers (49-61)	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		N/A	There were no substantiated complaints regarding breaches of customer privacy or loss of customer data during the reporting year.

GRI Standards Indicator	Other Material Topics Identified	UNGC's Ten Principles	Reference (Page number)	Remarks/Omission
N/A	Risk Management		Our Approach to Sustainability (5-14)	
N/A	Innovation		Value Created for the Environment (15-39); Value Created for People (40-48); Value Created for Customers (49-61); Value Created for Supply Chain (62-71); Value Created for Community (72-81)	
N/A	Sustainable Finance		Our Approach to Sustainability (5-14)	
N/A	Sustainable Buildings		Value Created for the Environment (15-39); Value Created for Customers (49-61)	
N/A	Social Integration and Accessibility		Value Created for Customers (49-61); Value Created for Community (72-81)	



Paragraph	Description	Reference (Page number) and Remarks
35	Specifically, an entity shall disclose quantitative and qualitative information about: (a) how sustainability-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; (b) the sustainability-related risks and opportunities identified in paragraph 35(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements; (c) how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities, taking into consideration: (i) its investment and disposal plans, including plans the entity is not contractually committed to; and (ii) its planned sources of funding to implement its strategy; and (d) how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities.	We have preliminarily identified sustainability-related risks and opportunities and disclosed their potential financial impact in the Managing ESG Risks and Opportunities in Our Operations section under Our Approach to Sustainability. In addition, we have disclosed the anticipated financial effects for the climate-related risks and opportunities. Please refer to the Value Created for the Environment section for more information. We are currently examining frameworks and analytical approaches to strengthen our identification and measurement of potential financial impacts arising from sustainability-related risks and opportunities. In the future, we will review the feasibility of disclosing more information on the financial implications of our identified sustainability-related risks and opportunities over different timeframe.
Resilience		
41	An entity shall disclose information that enables users of general purpose financial reports to understand its capacity to adjust to the uncertainties arising from sustainability-related risks. An entity shall disclose a qualitative and, if applicable, quantitative assessment of the resilience of its strategy and business model in relation to its sustainability-related risks, including information about how the assessment was carried out and its time horizon. When providing quantitative information, an entity may disclose a single amount or a range.	Our Approach to Sustainability [5-14]; Value Created for the Environment (15-39)
Risk Management		
43	The objective of sustainability-related financial disclosures on risk management is to enable users of general purpose financial reports: (a) to understand an entity's processes to identify, assess, prioritize and monitor sustainability-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process; and (b) to assess the entity's overall risk profile and its overall risk management process.	
44	To achieve this objective, an entity shall disclose information about: (a) the processes and related policies the entity uses to identify, assess, prioritize and monitor sustainability-related risks, including information about: (i) the inputs and parameters the entity uses; (ii) whether and how the entity uses scenario analysis to inform its identification of sustainability-related risks; (iii) how the entity assesses the nature, likelihood and magnitude of the effects of those risks; (iv) whether and how the entity prioritizes sustainability-related risks relative to other types of risk; (v) how the entity monitors sustainability-related risks; and (vi) whether and how the entity has changed the processes it uses compared with the previous reporting period; (b) the processes the entity uses to identify, assess, prioritize and monitor sustainability-related opportunities; and (c) the extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring sustainability-related risks and opportunities are integrated into and inform the entity's overall risk management process.	Our Approach to Sustainability [5-14]; Value Created for the Environment (15-39) At present, scenario analysis is only used to support the analysis of climate-related risks and opportunities. Going forward, we will explore the use of scenario analysis to analyze other sustainability-related risks and opportunities.
Metrics and Targets		
45	The objective of sustainability-related financial disclosures on metrics and targets is to enable users of general purpose financial reports to understand an entity's performance in relation to its sustainability-related risks and opportunities, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.	
46	An entity shall disclose, for each sustainability-related risk and opportunity that could reasonably be expected to affect the entity's prospects: (a) metrics required by an applicable IFRS Sustainability Disclosure Standard; and (b) metrics the entity uses to measure and monitor: (i) that sustainability-related risk or opportunity; and (ii) its performance in relation to that sustainability-related risk or opportunity, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.	Appendix VIII – SASB Content Index (105) Our Approach to Sustainability [5-14]; Appendix III – Performance Tables (86-97) More metrics are disclosed under individual chapters. Please refer to the respective chapters for more information.
48	Metrics disclosed by an entity shall include metrics associated with particular business models, activities or other common features that characterize participation in an industry.	Appendix VIII – SASB Content Index (105)
49	If an entity discloses a metric taken from a source other than IFRS Sustainability Disclosure Standards, the entity shall identify the source and the metric taken.	Our Reporting Approach (1)
50	If a metric has been developed by an entity, the entity shall disclose information about: (a) how the metric is defined, including whether it is derived by adjusting a metric taken from a source other than IFRS Sustainability Disclosure Standards and, if so, which source and how the metric disclosed by the entity differs from the metric specified in that source; (b) whether the metric is an absolute measure, a measure expressed in relation to another metric or a qualitative measure; (c) whether the metric is validated by a third party and, if so, which party; and (d) the method used to calculate the metric and the inputs to the calculation, including the limitations of the method used and the significant assumptions made.	Appendix III – Performance Tables (86-97); Appendix V – GRI Content Index (99-101); Appendix X – Independent Assurance Opinion Statement (108-109) We referenced various disclosure standards, including the HKEx ESG Code, GRI and SASB, to measure and disclosure relevant metrics. Metrics that have been verified by a third party are specified. For details, please refer to Appendix X – Independent Assurance Opinion Statement. Meanwhile, calculation methodologies are also found in Appendix III – Performance Tables and Appendix V – GRI Content Index.
51	An entity shall disclose information about the targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation. For each target, the entity shall disclose: (a) the metric used to set the target and to monitor progress towards reaching the target; (b) the specific quantitative or qualitative target the entity has set or is required to meet; (c) the period over which the target applies; (d) the base period from which progress is measured; (e) any milestones and interim targets; (f) performance against each target and an analysis of trends or changes in the entity's performance; and (g) any revisions to the target and an explanation for those revisions.	Our Approach to Sustainability [5-14]



Appendix VII – IFRS S2 Climate-related Disclosures Content Index

Paragraph	Description	Reference (Page number) and Remarks
Governance		
5	The objective of climate-related financial disclosures on governance is to enable users of general purpose financial reports to understand the governance processes, controls and procedures an entity uses to monitor, manage and oversee climate-related risks and opportunities.	
6	To achieve this objective, an entity shall disclose information about: (a) The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about: (i) how responsibilities for climate-related risks and opportunities are reflected in terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individuals(s); (ii) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities; (iii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities; (iv) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and (v) how the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies. (b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about: (i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and (ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Environmental Policy; Our Approach to Sustainability (5-14); Value Created for the Environment (15-39); Value Created for People (40-48); Appendix V – GRI Content Index (99-101) Environmental Policy; Value Created for the Environment (15-39)
Strategy		
8	The objective of climate-related financial disclosures on strategy is to enable users of general purpose financial reports to understand an entity's strategy for managing climate-related risks and opportunities.	
9	Specifically, an entity shall disclose information to enable users of general purpose financial reports to understand: (a) the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects; (b) the current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain; (c) the effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan; (d) the effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning; and (e) the climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities.	Please see the reference for paragraph 10. Please see the reference for paragraph 13. Please see the reference for paragraph 14. Please see the reference for paragraphs 15-16. Please see the reference for paragraph 22.
Climate-related Risks and Opportunities		
10	An entity shall disclose information that enables users of general purpose financial reports to understand the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall: (a) describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects; (b) explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk; (c) specify, for each climate-related risk and opportunity the entity has identified, over which time horizons- short, medium or long term- the effects of each climate-related risk and opportunity could reasonably be expected to occur; and (d) explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	Value Created for the Environment (15-39)
Business Model and Value Chain		
13	An entity shall disclose information that enables users of general purpose financial reports to understand the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose: (a) a description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain; and (b) a description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated.	Value Created for the Environment (15-39)
Strategy and Decision-making		
14	An entity shall disclose information that enables users of general purpose financial reports to understand the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose: (a) information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about: (i) current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities; (ii) current and anticipated direct mitigation and adaptation efforts; (iii) current and anticipated indirect mitigation and adaptation efforts; (iv) any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies; and (v) how the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets.	Climate Change Policy; SHKP's Decarbonization Strategy; Value Created for the Environment (15-39)

Paragraph	Description	Reference (Page number) and Remarks
14	(b) information about how the entity is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 14(a); and (c) quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 14(a).	Value Created for the Environment (15-39) Value Created for the Environment (15-39)
Financial Position, Financial Performance and Cash Flows		
15	An entity shall disclose information that enables users of general purpose financial reports to understand: (a) the effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects); and (b) the anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	Please see the reference for paragraph 16. Please see the reference for paragraph 16.
16	Specifically, an entity shall disclose quantitative and qualitative information about: (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; (b) the climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements; (c) how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans, including plans the entity is not contractually committed to; and (ii) its planned sources of funding to implement its strategy; and (d) how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	Value Created for the Environment (15-39)
Climate Resilience		
22	An entity shall disclose information that enables users of general purpose financial reports to understand the resilience of the entity's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities. The entity shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with the entity's circumstances. In providing quantitative information, the entity may disclose a single amount or a range. Specifically, the entity shall disclose: (a) the entity's assessment of its climate resilience as at the reporting date, which shall enable users of general purpose financial reports to understand: (i) the implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the entity's assessment of its climate resilience; (iii) the entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including: (1) the availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities; (2) the entity's ability to redeploy, repurpose, upgrade or decommission existing assets; and (3) the effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience; and (b) how and when the climate-related scenario analysis was carried out, including: (i) information about the inputs the entity used, including: (1) which climate-related scenarios the entity used for the analysis and the sources of those scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) the time horizons the entity used in the analysis; and (7) what scope of operations the entity used in the analysis; and (ii) the key assumptions the entity made in the analysis, including assumptions about: (1) climate-related policies in the jurisdictions in which the entity operates; (2) macroeconomic trends; (3) national- or regional-level variables; (4) energy usage and mix; and (5) developments in technology; and (iii) the reporting period in which the climate-related scenario analysis was carried out.	Value Created for the Environment (15-39) Our Reporting Approach (1); Value Created for the Environment (15-39)
Risk Management		
24	The objective of climate-related financial disclosures on risk management is to enable users of general purpose financial reports to understand an entity's processes to identify, assess, prioritize and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process.	
25	To achieve this objective an entity shall disclose information about:	



Paragraph	Description	Reference (Page number) and Remarks
25	(a) the processes and related policies the entity uses to identify, assess, prioritize and monitor climate-related risks, including information about: (i) the inputs and parameters the entity uses; (ii) whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks; (iii) how the entity assesses the nature, likelihood and magnitude of the effects of those; (iv) whether and how the entity prioritizes climate-related risks relative to other types of risk; (v) how the entity monitors climate-related risks; and (vi) whether and how the entity has changed the processes it uses compared with the previous reporting period; (b) the processes the entity uses to identify, assess, prioritize and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities; and (c) the extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	Climate Change Policy; Environmental Policy; Value Created for the Environment (15-39) Please refer to the Corporate Governance Report section of our Annual Report 2024/25. Value Created for the Environment (15-39) Value Created for the Environment (15-39)

Metrics and Targets

27	The objective of climate-related financial disclosures on metrics and targets is to enable users of general purpose financial reports to understand an entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation.	
28	To achieve this objective, an entity shall disclose:	
	(a) information relevant to the cross-industry metric categories;	Please see the reference for paragraph 29.
	(b) industry-based metrics that are associated with particular business models, activities or other common features that characterize participation in an industry; and	Please see the reference for paragraph 32.
	(c) targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets .	Please see the reference for paragraphs 33-36.

Climate-related Metrics

29	An entity shall disclose information relevant to the cross-industry metric categories of:	
	(a) greenhouse gases – the entity shall:	Appendix III – Performance Tables (86-97); Appendix V – GRI Content Index (99-101) The Group's methodology for calculating GHG emissions is in accordance with the Greenhouse Gas (GHG) Protocol.
	(i) disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO ₂ equivalent, classified as:	
	(1) Scope 1 greenhouse gas emissions;	
	(2) Scope 2 greenhouse gas emissions; and	
	(3) Scope 3 greenhouse gas emissions;	
	(ii) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions;	
	(iii) disclose the approach it uses to measure its greenhouse gas emissions including:	Our Reporting Approach (1); Appendix III – Performance Tables (86-97); Appendix V – GRI Content Index (99-101) The Group adopts the operational control approach, as recommended by the GHG Protocol, to measure and account for its greenhouse gas emissions.
	(1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions;	
	(2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	
	(3) any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	
	(iv) for Scope 1 and Scope 2 greenhouse gas emissions disclosed, disaggregate emissions between:	Appendix III – Performance Tables (86-97)
	(1) the consolidated accounting group; and	
	(2) other investees excluded from paragraph 29(a)(iv)(1);	
	(v) for Scope 2 greenhouse gas emissions disclosed from paragraph 29(a)(i)(2), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions; and	Appendix III – Performance Tables (86-97)
	(vi) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(3), disclose:	Appendix III – Performance Tables (86-97)
	(1) the categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and	
	(2) additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance;	
	(b) climate-related transition risks - the amount and percentage of assets or business activities vulnerable to climate-related transition risks;	Our current study covers selected assets and businesses, we will explore the feasibility of expanding the scope in the future.
	(c) climate-related physical risks - the amount and percentage of assets or business activities vulnerable to climate-related physical risks;	Our current study covers selected assets and businesses, we will explore the feasibility of expanding the scope in the future.
	(d) climate-related opportunities - the amount and percentage of assets or business activities aligned with climate-related opportunities;	Value Created for the Environment (15-39)
	(e) capital deployment - the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;	Value Created for the Environment (15-39)
	(f) internal carbon prices - the entity shall disclose:	Internal carbon pricing is currently not a part of our decision-making. However, a pilot study has been launched to explore the adoption of an internal carbon price, using data projected by the Network for Greening the Financial System (NGFS) to evaluate its reasonableness.
	(i) an explanation of whether and how the entity is applying a carbon price in decision-making; and	
	(ii) the price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions; and	

Paragraph	Description	Reference (Page number) and Remarks
29	(g) remuneration - the entity shall disclose:	In 2024, we introduced ESG and climate-related KPIs for the senior manager in the ESG-focused role as a first step toward strengthening accountability. We will explore the feasibility of linking executive remuneration to climate-related metrics.
	(i) a description of whether and how climate-related considerations are factored into executive remuneration; and	
	(ii) the percentage of executive management remuneration recognized in the current period that is linked to climate-related considerations.	
32	An entity shall disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterize participation in an industry. In determining the industry-based metrics that the entity discloses, the entity shall refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the Industry-based Guidance on Implementing IFRS S2.	
	Appendix VIII – SASB Content Index (105)	

Climate-related Targets

33	An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose:	
	(a) the metric used to set the target;	Value Created for the Environment (15-39)
	(b) the objective of the target;	Value Created for the Environment (15-39)
	(c) the part of the entity to which the target applies;	Value Created for the Environment (15-39)
	(d) the period over which the target applies;	Value Created for the Environment (15-39)
	(e) the base period from which progress is measured;	Value Created for the Environment (15-39)
	(f) any milestones and interim targets;	Value Created for the Environment (15-39)
	(g) if the target is quantitative, whether it is an absolute target or an intensity target; and	Value Created for the Environment (15-39)
	(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	Value Created for the Environment (15-39)
34	An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	
	(a) whether the target and the methodology for setting the target has been validated by a third party;	Value Created for the Environment (15-39)
	(b) the entity's processes for reviewing the target;	We have set 10-year targets on GHG emissions and energy consumption for our properties. Having already met our FY2029/30 GHG emissions target, we have set a new goal for the future. As we move forward, we will explore the feasibility of having our targets validated by a third party.
	(c) the metrics used to monitor progress towards reaching the target; and	
	(d) any revisions to the target and an explanation for those revisions.	
35	An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance.	
	Value Created for the Environment (15-39)	
36	For each greenhouse gas emissions target disclosed, an entity shall disclose:	
	(a) which greenhouse gases are covered by the target;	Value Created for the Environment (15-39) Carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O) and hydrofluorocarbons (HFCs) are included in our GHG calculations.
	(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target; and	Value Created for the Environment (15-39)
	(c) whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target;	Value Created for the Environment (15-39) Our target is a gross GHG target.
	(d) whether the target was derived using a sectoral decarbonization approach; and	Currently, our established target is not derived using a sectoral decarbonization approach.
	(e) the entity's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits the entity shall disclose information including:	We will explore the feasibility of purchasing carbon credits to offset GHG emissions in our operations.
	(i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;	
	(ii) which third-party scheme(s) will verify or certify the carbon credits;	
	(iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and	
	(iv) any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use.	



Appendix VIII – SASB Content Index

SHKP discloses with reference to the SASB Standards for its property-related operations in Hong Kong to fulfil the industry-based disclosure requirements from the IFRS Sustainability Disclosure Standards.

SASB Code	Accounting metric	Reference (Page number)	Additional information and remarks
Energy Management			
IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property sector	Our Reporting Approach {1}	Head Office: 100% Construction: 100% Property Management: 100% for properties owned and those with operational control under the reporting scope Hotels: 100%
IF-RE-130a.2	Total energy consumed by portfolio area with data coverage, by property sector	Appendix III – Performance Tables {86-97}	
	Total energy consumed by percentage grid electricity, by property sector	Appendix III – Performance Tables {86-97}	Head Office: 66.8% Construction: 35.4% Property Management: 95.5% Hotels: 79.8%
	Total energy consumed by percentage renewable, by property sector	Appendix III – Performance Tables {86-97}	Majority of the renewable energy generated by the Group was exported to the Government’s Feed-in Tariff Scheme and was not consumed by us.
IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property sector	Appendix III – Performance Tables {86-97}	Head Office: 0.9% Construction: -43.5% Property Management: 25.9% Hotels: 130.3% ¹
IF-RE-130a.4	Percentage of eligible portfolio that has an energy rating, by property sector	Value Created for the Environment {15-39}	Percentage of eligible portfolio that received Energywise Certificate from the Hong Kong Green Organization Certification (HKGOC): Head Office: 0% Construction: 62.5% Property Management: 75.8% Hotels: 63.5% ²
	Percentage of eligible portfolio that is certified to ENERGY STAR®, by property sector	Sustainable Building Policy; Value Created for the Environment {15-39}	Not applicable to Hong Kong
IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Environmental Policy; Sustainable Building Policy; Value Created for the Environment {15-39}	
Water Management			
IF-RE-140a.1	Water withdrawal data coverage as a percentage of total floor area, by property sector	Our Reporting Approach {1}	Head Office: 100% Construction: 100% Property Management: 100% for properties owned and those with operational control in the reporting scope Hotels: 100%
	Water withdrawal data coverage as a percentage of floor area in regions with High or Extremely High Baseline Water Stress, by property sector	Value Created for the Environment {15-39}	According to the WRI’s Aqueduct Water Risk Atlas tool, none of our operations in Hong Kong are in regions with high or extremely high baseline water stress.
IF-RE-140a.2	Total water withdrawn by portfolio area with data coverage, by property sector	Value Created for the Environment {15-39}	Total water withdrawal is same as total water consumption for our operations in Hong Kong and on the mainland.
	Total water withdrawn by percentage in regions with High or Extremely High Baseline Water Stress, by property sector	Value Created for the Environment {15-39}	According to the WRI’s Aqueduct Water Risk Atlas tool, none of our operations are in regions with high or extremely high baseline water stress.
IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property sector	Appendix III – Performance Tables {86-97}	Head Office: -1.8% Construction: -74.1% Property Management: 55.9% Hotels: 139.9% ¹
IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks	Environmental Policy; Value Created for the Environment {15-39}	
Management of Tenant Sustainability Impacts			
IF-RE-410a.1	Percentage of new leases that contain a cost recovery clause for resource efficiency related capital improvements, by property sector		At present, our lease agreement does not cover any cost recovery clauses for resource efficiency related capital improvements.
	Associated leased floor area of new leases that contain a cost recovery clause for resource efficiency related capital improvements, by property sector		

1 The significant increase in like-for-like energy and water consumption during 2024/25 was primarily due to the inclusion of larger-scale franchise hotels that hosted more extensive events, thereby consumes more energy and water to meet the greater demand for cooling and food services.
2 Data includes Royal brand hotels only.

SASB Code	Accounting metric	Reference (Page number)	Additional information and remarks
IF-RE-410a.2	Percentage of tenants that are separately metered or submetered for grid electricity consumption, by property sector	Value Created for the Environment {15-39}	We are in the process of installing more submeters in our properties to monitor and track tenants' electricity consumption.
	Percentage of tenants that are separately metered or submetered for water withdrawals, by property sector	Value Created for the Environment {15-39}	We are in the process of installing more submeters in our properties to monitor and track tenants' water consumption.
IF-RE-410a.3	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	Environmental Policy; Sustainable Building Policy; Value Created for the Environment {15-39}	
Climate Change Adaptation			
IF-RE-450a.1	Area of properties located in 100-year flood zones, by property sector	Value Created for the Environment {15-39}	'100-year flood zones' is a definition specific to the United States and is unavailable in both Hong Kong and the mainland.
IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Value Created for the Environment {15-39}	
Activity Metrics			
IF-RE-000.A	Number of assets, by property sector	Appendix III – Performance Tables {86-97}	Total number of assets under our reporting scope: Head Office: 1 Construction: 18 Property Management: 144 Hotels: 10
IF-RE-000.B	Leasable floor area, by property sector		We are in the process of collecting and consolidating the leasable floor area of our property management and will disclose such data when it is available.
IF-RE-000.C	Percentage of indirectly managed assets, by property sector		Total leasable floor area in our reporting scope: Head Office: N/A Construction: N/A Property Management: N/A. Our properties in the reporting scope all fall under managed assets. Hotels: N/A
IF-RE-000.D	Average occupancy rate, by property sector		Our average occupancy rate is listed on pp.42-93 of our Annual Report 2024/25 .



Appendix IX – TNFD Content Index

Starting this year, SHKP will disclose with reference to the TNFD recommendations for its property-related businesses in Hong Kong.

Paragraph	Description	Our Approach	Reference (Page number) and Remarks
Governance			
a	Describe the board's oversight of nature-related dependencies, impacts, risks and opportunities	Our Board of Directors (the Board), via the Executive Committee and the Sustainability Steering Committee (SSC), guides the overall direction of the Group's strategies and development, including our sustainability, climate-related, and nature-related strategies and initiatives. The Board is accountable for effective ESG risk management and ensuring internal control systems are implemented and maintained. This includes the integration of identified ESG risk elements, including climate-related and nature-related risks, into all decision-making processes to ensure responsible and sustainable business practices.	Environmental Policy; Value Created for the Environment (15-39)
b	Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities	Chaired by the Deputy Managing Director and comprised of senior managers from key divisions, the Sustainability Steering Committee (SSC) is responsible for monitoring, assessing, and coordinating nature-related risks and opportunities. The SSC reviews the Group's ESG and environmental policies regularly and organizes periodic meetings to discuss relevant issues. The SSC also reviews the Group's nature-related performance and progress against nature-related targets. The chairman of the SSC maintains close communication with the Board and the Executive Committee. Serious nature-related issues will be reported to the Board and Executive Committee immediately.	Environmental Policy; Value Created for the Environment (15-39)
c	Describe the organization's human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organization's assessment of, and response to, nature-related dependencies, impacts, risks and opportunities	The Board oversees the effectiveness of ESG risk management and internal control systems, which also covers relevant human rights policies and engagement activities. The SSC oversees the endorsement and implementation of our Stakeholder Engagement Policy. As detailed in our Stakeholder Engagement Policy, the Group identifies and prioritizes key stakeholders, including individuals or groups that have interests and are affected or could be affected by SHKP's activities by referring to international best practice. All parties, including local communities, affected and other stakeholders, can communicate with us or raise grievances through designated channels specified in our Sustainability Report and the Stakeholder Engagement Policy. Our whistleblowing mechanism provides a safe and confidential channel for internal and external stakeholders, including customers, to report concerns regarding misconduct, malpractice, impropriety, and unethical or unfair treatment. We have a grievance procedure in place to address concerns related to our potential and actual impact on nature-related aspects. In line with our Code of Conduct and Human Rights and Equal Opportunities Policy, we are committed to protecting human rights throughout our operations. Our policies are informed by internationally acknowledged standards, including the International Labour Organization (ILO) Declaration. We align our business practices with global standards by adhering to the principles and guidance of the United Nations' Universal Declaration of Human Rights (UDHR) and the Sustainable Development Goals. Since 2024, we have been a signatory of the United Nations Global Compact (UNGC), reinforcing our commitment to integrate universal principles on human rights, labour, environment, and anti-corruption into our strategies and operations. Across our supply chain, we conduct annual due diligence assessments of critical suppliers and contractors, evaluating their sustainability and ESG performance across environmental management, pollution control, human rights protection, code of conduct and whistleblowing mechanism.	Code of Conduct; Stakeholder Engagement Policy; Our Approach to Sustainability (5-14); Value Created for the Environment (15-39); Value Created for Supply Chain (62-71); Appendix II – Stakeholder Engagement Process and Double Materiality Analysis Methodology (85)
Strategy			
a	Describe the nature-related dependencies, impacts, risks and opportunities the organization has identified over the short, medium and long term	Dependencies SHKP's value chain is intrinsically linked to natural capital. Our ability to construct new developments and maintain our current portfolios relies on both ground and surface water, which are essential for our construction activities and property management, to meet the needs of our customers and tenants. Additionally, the ecosystem's ability to mitigate climate change significantly influences our building designs, operations, and the well-being of our portfolio's inhabitants. In instances where our new developments are situated near coastal regions and rivers, local ecosystems also serve as a form of defence against storms and flooding triggered by severe weather occurrences. Other nature-related dependencies that affect our operations include pest control, water quality, water flow regulation, etc. Impacts Our construction has an effect on the terrestrial ecosystem through the use of land and natural resources. Both concrete and steel supply chains are recognized for their impact on nature, affecting terrestrial ecosystems, water usage, and airborne emissions. The extraction of stone, sand, and iron ore alters terrestrial land use, while the substantial water consumption during extraction and production processes influences the nearby water ecosystems. Although our operations are located mainly in built-up urban areas, they also generate greenhouse gas (GHG) emissions, solid waste, air pollutants and water pollutants, which may also lead to direct and indirect impact on natural environment.	Value Created for the Environment (15-39)

Paragraph	Description	Our Approach	Reference (Page number) and Remarks
a		Risks We face acute physical risks due to climatic and geologic events, including typhoon, rainfall flood and river flood, as identified in our climate-risk assessment. These climate events will likely bring business interruptions and disruptions on supplies of essential natural resources, including water and timber as well as other water-dependent supplies, such as concrete and steel. Chronic risk may be imposed by rising temperatures, causing building and equipment damage from extreme heat and power outages, increased occupational health risks, and reduced productivity. Meanwhile, we face transition risks related to nature across several categories. Policy and legal risks include more stringent nature-related legislation and reporting obligations. We also face reputation and market risks related to increasing raw material costs and changing consumer preferences. Fluctuations in natural systems, changing population, and land use may also contribute to risks to water supply, leading to increased water cost. Opportunities We see opportunities in several key areas related to nature. The Group builds reputational capital through stakeholder engagement and conservation initiatives in our portfolio. Through stakeholder engagements and environmental awareness programmes, we strive to restore biodiversity and ecosystems affected by our business activities and offset adverse impacts. Market opportunities may also arise from shifting customer preferences towards buildings that are climate resilient, flood-proof, energy-efficient and biophilic. Moving forward, the Group will explore the feasibility to conduct a comprehensive analysis on nature-related dependencies, impact, risks and opportunities in our operations and value chain, covering our various operating locations over the short, medium and long term.	
b	Describe the effect nature-related dependencies, impacts, risks and opportunities have had on the organization's business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place	Dependencies The Group's dependencies on natural resources and ecosystem services significantly impact our business model—from upstream material sourcing to operational resilience against nature-related risks. These dependencies inform our risk management strategies. Impacts The disturbances caused by the Group's operational activities could have an impact on natural capital. Consequently, depleted natural resources may impact the Group's business activities throughout the value chain. Risks If left unmitigated, our identified risks could disrupt operations, raise raw material costs along the Group's upstream value chain, increase water consumption and associated costs, and decrease our revenue. These risks may expose us to reputational harm, legal liabilities, and higher capital costs, potentially limiting performance in property sales and rentals. Opportunities Proactive measures to address potential risks can enhance resource efficiency and build resilience towards supply instability of natural resources, strengthen the Group's reputation among stakeholders. By implementing energy-efficient systems, smart technologies, and utilizing renewable energy, we may also enhance our resources efficiency and reduce operational costs. Transition Plan The Group is dedicated to reducing its potential disturbance on the natural environment and depletion of natural resources. As prescribed in our Environmental Policy, we support no net deforestation in our operations within the project boundary, and advocate to suppliers and relevant partners along our value chain. We avoid deforestation or logging in own operations and the supply chain where possible and set up monitoring system to ensure Group-wide compliance. Our Sustainable Building Policy and green procurement policy are integrated into our operations, with sustainable considerations taken into account when selecting suppliers and sourcing of building materials, equipment and office products. Across our business units, we prioritize eco-friendly supplies from sustainable sources, such as Forest Stewardship Council (FSC)-certified timber and paper. In our hotels, we prefer seafood certified by Marine Stewardship Council. In addition, the Group engages stakeholders on biodiversity protection and work with conservation non-governmental organizations (NGOs) or external experts and partners in biodiversity assessment and management. We collaborate with third-party professionals, seek government approval and engage with business partners throughout planning and construction. We use our property management resources to raise environmental awareness in the community and inspire the public to adopt sustainable lifestyles. We set up education centres at our managed properties and offer workshops and seminars to promote environmental protection and raise awareness of resource circularity. Moving forward, we will continue to collaborate with stakeholders to enhance the nature-resilience of our business model. We will explore to develop a comprehensive transition plan with targeted measures to address nature-related risks faced across the Group's value chain.	Value Created for the Environment (15-39); Value Created for Supply Chain (62-71)



Paragraph	Description	Our Approach	Reference (Page number) and Remarks
c	Describe the resilience of the organization's strategy to nature-related risks and opportunities, taking into consideration different scenarios	Demonstrating our commitment to sustainable practices, nature-related risks and opportunities are considered in our ESG risk management process. The Environmental Policy and Sustainable Building Policy outline our plans to mitigate nature-related risks throughout the building cycle, covering aspects such as material sourcing, energy consumption, water consumption, waste management, biodiversity, and climate change and carbon management. We have implemented various initiatives addressing resource management during project development and operations. The Group also closely monitors its performance on established metrics and targets, including our 10-year targets for FY2029/30 on GHG emissions, electricity consumption, water consumption and waste diversion as well as our sustainable building targets. We engage with our partners to develop innovative solutions and collaborate with suppliers to build resilience of our business operations.	Value Created for the Environment (15-39)
d	Disclose the locations of assets and/or activities in the organization's direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations	As stipulated in our Environmental Policy, we avoid any operational activities near sites containing globally or nationally important biodiversity throughout the entire value chain, including World Heritage areas or International Union for Conservation of Nature (IUCN) Category I-IV protected areas without government approval, if necessary, before developing projects. Biodiversity risk assessments are conducted on development sites to measure the impact on biodiversity where applicable. During the reporting year, no significant risks related to biodiversity across our operations were identified. Recognizing water risk as one of our key nature-related considerations, we have identified that our property management business consumes the highest volume of water, followed by construction and hotels. To systematically assess water risk in our portfolio and incorporate water risk management into our overall business strategy, we conducted a thorough water stress test and analysis, using the World Resources Institute's Aqueduct Water Risk Atlas tool during the reporting year. The results indicate that none of our operations in Hong Kong have high or extremely high overall water risk. SHKP will explore the possibility for conducting location-specific impact assessments in the future to pinpoint priority locations, including areas crucial for biodiversity, possessing high ecosystem integrity, and locations with significant nature-related dependencies, impacts, risks and opportunities.	Value Created for the Environment (15-39)
Risk and Impact Management			
a(i)	Describe the organization's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its direct operations	To ensure that we evaluate the potential impacts of our construction activities, our Environmental Policy stipulates that we engage external consultants to conduct thorough environmental and biodiversity risk assessments where applicable. Specific projects, including Wetland Seasons Park, PARK YOHO, Sai Sha and Tung Shing Lei Development Projects, have engaged external consultants to conduct biodiversity risk assessments, in which management plans were developed to minimize any potential impacts made to the surroundings. To quantify our nature-related risks and opportunities, we have conducted a water risk assessment by utilizing the Aqueduct Water Risk Atlas, which informs the water stress levels in our portfolio. As a result, the assessment concludes that our operations in Hong Kong face low-medium baseline water stress levels (10-20%). We have engaged an independent third-party consultant to perform detailed climate risk assessments and scenario analysis, which inform our understanding of several nature-related dependencies, such as flood control, rainfall pattern and storm mitigation.	Value Created for the Environment (15-39)
a(ii)	Describe the organization's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s)	We recognize that our impacts to the environment also extends to our upstream and downstream value chains. We engage with our upstream and downstream value chain partners through various channels, including stakeholder engagement and materiality assessment, supplier due diligence questionnaire and partnerships with external organizations to identify, assess and prioritize nature-related issues. We review nature-related trends that could potentially affect our value chain, ensuring that we stay informed and proactive in monitoring and managing the identified nature-related risks effectively. For example, we advocate to our suppliers and partners to support no deforestation in our operations, which will allow us to manage and mitigate deforestation risk along our value chain. A due diligence questionnaire, covering environmental management and pollution, and other ESG aspects, is conducted at least annually, allowing us to assess the sustainability and ESG performance of our critical suppliers and contractors. Moving forward, we will continue to explore methods in expanding the scope of risk assessment to our upstream and downstream value chains partners, demonstrating our commitment to environmental stewardship and sustainability.	Value Created for the Environment (15-39); Value Created for Supply Chain (62-71)
b	Describe the organization's processes for managing nature-related dependencies, impacts, risks and opportunities	To effectively manage our nature-related dependencies, impacts, risks and opportunities, we ensure that environmental considerations are integrated in our operations through our environmental management systems. During the reporting year, around 60% of our managed properties and construction sites in the reporting scope, and Wilson Parking were certified with ISO 14001 or ISO 50001 management systems, underscoring our commitment to manage the environmental impact arising from our operations. Where necessary, we will also aim to restore biodiversity and ecosystems affected by our business activities, such as relocation of aquatic plants for restoration and ecological enhancement in Sai Sha Development Project and implementing a wetland restoration project with ecologists in PARK YOHO. In terms of our supply chain, our procurement takes environmental aspects into account. Priority is given to suppliers and contractors who follow ISO 14001 environmental management standards, adopt green procurement policy and practices and incorporate sustainable measures. Sustainability considerations, including nature-related elements, are incorporated into our procurement and engagement with suppliers and contractors in different businesses.	Environmental Policy; Sustainable Building Policy; Value Created for the Environment (15-39)

Paragraph	Description	Our Approach	Reference (Page number) and Remarks
c	Describe how processes for identifying, assessing, prioritising and monitoring nature-related risks are integrated into and inform the organization's overall risk management processes	We have integrated ESG risks into our multidisciplinary Enterprise Risk Management, in which relevant risks are reviewed in our risk register. Our Audit and Risk Management Committee supports the Board in overseeing the effectiveness of the Group's risk management and internal systems. This ensures that ESG-related risks, are evaluated and integrated into our decision-making process. The SSC also conducts regular prioritization and assessment of material topics, including potential nature-related risks and opportunities, and implement relevant ESG strategies. We organize meetings regularly and the chairman of the SSC maintains clear communication with the Board and the Executive Committee to report relevant ESG issues where necessary. Although the Locate, Evaluate, Assess and Prepare (LEAP) methodology is not formally adopted across all projects, we apply a mitigation hierarchy focused on the four pillars: avoid, minimize, restore and offset, to reduce any adverse effects to the environment and the ecosystem in our operations. Prioritizing sites with minimal environmental, biodiversity and ecosystem impact, we collaborate with external consultants to conduct site assessments and establish baseline environmental performance standards. Additionally, the Group closely monitors its performance in terms of GHG emissions, material and water usage, waste generation, and biodiversity to ensure sustainable practices and environmental responsibility.	/
Metrics and Targets			
a	Disclose the metrics used by the organization to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process	We track and monitor our environmental performance and resource consumption to manage relevant nature-related risks and opportunities, in which the SSC tracks and monitors our progress towards the Group's ESG performance. We utilize key nature-related metrics to evaluate the material risks and opportunities, including water and natural resource utilization, changing costs for water and natural resource as well as other capital expenditure directed towards nature-related opportunities. During the reporting year, the Group did not receive any significant fines or penalties, or received any litigation actions due to negative nature-related impacts.	Value Created for the Environment (15-39); Value Created for Supply Chain (62-71)
b	Disclose the metrics used by the organization to assess and manage dependencies and impacts on nature	To ensure transparency and progress monitoring, we disclose environmental metrics, including Scope 1, 2 and 3 GHG emissions, water consumption, material use and waste annually. Please refer to Appendix III for more information on our environmental performance. In the future, we strive to enhance the scope of data collection to report more relevant metrics, which will allow us to identify areas with high nature-related dependencies and impacts to further improve our performance.	/
c	Describe the targets and goals used by the organization to manage nature-related dependencies, impacts, risks and opportunities and its performance against these	As outlined in our Environmental Policy, we strive to establish biodiversity-related targets for developments in priority areas, where applicable. We have established qualitative target for our biodiversity management, including the support for no net deforestation and avoid deforestation or logging in own operations and the supply chain where possible and set up monitoring system to ensure Group-wide compliance. To guide our approach in managing nature-related risks and opportunities, we have established 10-year environment targets for FY2029/30 against FY2019/20 baseline, covering GHG emissions, electricity consumption, water consumption and waste diversion, in which progress is reviewed and disclosed annually in our sustainability reports. We will continue to develop targets that monitors our approach in managing relevant nature-related dependencies, impacts, risks and opportunities.	Environmental Policy; Value Created for the Environment (15-39)



Appendix X – Independent Assurance Opinion Statement

Sun Hung Kai Properties Limited Sustainability Report 2024/25

The British Standards Institution is independent to Sun Hung Kai Properties Limited (hereafter referred to as “SHKP” in this statement) and has no financial interest in the operation of SHKP other than for the assessment and assurance of SHKP Sustainability Report 2024/25 (“Report”).

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

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

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

Scope

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

- 1 The assurance covers all information and data presented in the Report, and focuses on systems and activities of SHKP and its wholly-owned subsidiaries (“the Group”) in Hong Kong, including property management, construction, hotel and non-property portfolio businesses (including: air cargo consolidation centre; container and cargo handling services; telecommunication services; data centre services; provider of transport infrastructure asset management and smart mobility solutions; department store and supermarket during the period from 1st July 2024 to 30th June 2025. The Report is prepared in accordance with the previous version of Hong Kong Stock Exchange’s (“HKEx”) Environmental, Social and Governance Reporting Code (“ESG Code”) (effective up to 31st December 2024, formerly known as the ESG Reporting Guide) and the GRI Sustainability Reporting Standards (“GRI Standards”), and with reference to the ten principles of the United Nations Global Compact (“UNGC”).
- 2 Type 1 Moderate Level of Assurance in accordance with the AA1000 Assurance Standard v3 (“AA1000AS v3”) evaluates the nature and extent of SHKP’s adherence to four reporting principles, which include Inclusivity, Materiality, Responsiveness and Impact. The specified sustainability performance information/data disclosed in the Report has been evaluated.

This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the Report provides a fair view of the SHKP’s sustainability programmes and performances in the reporting year. We believe that the economic, social and environmental performance indicators are fairly represented in the Report, in which SHKP’s efforts being made to pursue sustainable development are widely recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurors in accordance with AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations. We considered SHKP has provided sufficient evidence that SHKP’s self-declaration of compliance with the previous version of HKEx ESG Code and the GRI Standards, and with reference to the ten principles of the UNGC were fairly stated.

Methodology

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

- A top level review of issues raised by external parties that could be relevant to SHKP’s policies to provide a check on the appropriateness of statements made in the Report
- Discussion with senior executives on SHKP’s approach to stakeholder engagement. We had no direct contact with external stakeholders
- Interview with staff involved in sustainability management, report preparation and provision of report information
- Review and assessment of the double materiality assessment process
- Review of key developments of the Group
- Review of supporting evidence for claims made in the Report
- Review of environmental, social and governance data, including the target progress achieved
- An assessment of the Group’s reporting and management processes concerning this Report against the principles of Inclusivity, Materiality, Responsiveness and Impact

Conclusions

A detailed review against the AA1000AP (2018) Principles of Inclusivity, Materiality, Responsiveness and Impact, and in accordance with the previous version of HKEx ESG Code and GRI Standards and the ten principles of the UNGC is set out below:

Inclusivity

The Report has reflected a fact that SHKP is seeking the engagement of its stakeholders through numerous channels such as apps from property management, concierge, retail stores, call centres, customer hotline, online and mobile phone applications, customer satisfaction surveys, e-mail, Go Royal, SHKP Club, The Point by SHKP, website and social media, industry forums, interviews, analyst briefings and annual general meetings, annual and interim reports, investor forums and conferences, investor meetings and conference calls, investor relations page on SHKP’s

website, overseas roadshows, audits and assessments, meetings, ongoing direct engagements, online tendering system, supplier assessment, vendor portal e-platform, press conferences, real estate industry trade associations and advisory groups, community programmes run by the SHKP Reading Club, SHKP Hong Kong Cyclothon, SHKP Building Homes with Hearts charity programmes by the SHKP Volunteer Team, visits to charities on programmes supported by Group donations, public consultation, employee engagement activities, intranet, performance review, Quality-Raising Suggestion Scheme, SHKP Quality Academy, staff surveys, training, Work Safety Suggestion Scheme, and more.

SHKP’s operation involves various methods of engaging its stakeholders on daily basis. The Report covers economic, social and environmental aspects concerned by its stakeholder with a fair level of disclosures. In our professional opinion, SHKP adheres to the principle of Inclusivity. Area for enhancement to the Report was adopted by SHKP before issue of this opinion statement.

Materiality

SHKP publishes sustainability information that enables its stakeholders to make informed judgments about the company’s management and performance. In our professional opinion, SHKP adheres to the principle of Materiality and identifies SHKP’s material aspects by using appropriate method of double materiality analysis and demonstrating material issues in a matrix form. Area for enhancement to the Report was adopted by SHKP before issue of this opinion statement.

Responsiveness

SHKP has implemented practices to respond to the expectations and perceptions of its stakeholders. It includes various surveys and feedback mechanisms to both internal and external stakeholders. In our professional opinion, SHKP adheres to the principle of Responsiveness. Area for enhancement to the Report was adopted by SHKP before issue of this opinion statement.

Impact

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

HKEx ESG Reporting Code

Based on our verification review, we are able to confirm that social responsibility and sustainability related key performance indicators and disclosures in two ESG subject areas (Environmental and Social) being reported are based on the previous version of HKEx ESG Code.

In our professional opinion, the Report covers the SHKP’s social responsibility and sustainability issues. Area for enhancement to the Report was adopted by SHKP before issue of this opinion statement.

Statement No.: SRA-HK-825330a



GRI Standards Reporting

SHKP provided us with their self-declaration of compliance with to report in accordance with GRI Standards. Based on our verification review, we are able to confirm that social responsibility and sustainability related disclosures in all three categories (Environmental, Social and Economic) are reported with reference to “In accordance” with the GRI Standards.

In our professional opinion, the report covers SHKP’s social responsibility and sustainability issues. Areas for enhancement of the Report were adopted by SHKP before the issue of this opinion statement.

Assurance Level

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

Responsibility

It is the responsibility of SHKP’s senior management to ensure the information being presented in the Report is accurate. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of Lead Auditors, who are experienced in real estate sector, and trained in a range of sustainability, environmental and social standards including GRI G3, GRI G3.1, GRI G4, GRI Standards, GRI Certified Sustainability Professional, AA1000 Certified Sustainability Assurance Practitioner (CSAP), HKEx ESG Code, HKEx ESG Guide, UNGC’s Ten Principles, ISO 10002, ISO 14001, OHSAS 18001, ISO 45001 and ISO 9001, etc. British Standards Institution is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI:

Verifier of the Report:

Dr. Tatiana Schmollack-Tarasova,
Managing Director Greater China, APAC Assurance

22nd September 2025

Mr. Aaron Chim
Lead Assuror





Sun Hung Kai Properties Limited Sustainability Report 2024/25

To the stakeholders and management of Sun Hung Kai Properties Limited

The British Standards Institution (BSI) has conducted a limited assurance engagement on the sustainability information (described in the “Scope”) in the Sun Hung Kai Properties Limited Sustainability Report 2024/25 (“Report”) of Sun Hung Kai Properties Limited (hereafter referred to as “SHKP” in this statement)

Scope & Verification Criteria

The Scope and verification criteria of engagement agreed upon with SHKP includes the following:

- 1. The assurance covers all information and data presented in the Report, and focuses on systems and activities of SHKP and its wholly-owned subsidiaries (“the Group”) in Hong Kong, including property management, construction, hotel and non-property portfolio businesses (including: air cargo consolidation centre; container and cargo handling services; telecommunication services; data centre services; provider of transport infrastructure asset management and smart mobility solutions; department store and supermarket during the period from 1st July 2024 to 30th June 2025. The Report is prepared in accordance with the previous version of Hong Kong Stock Exchange's (“HKEx”) Environmental, Social and Governance Reporting Code (“ESG Code”) (effective up to 31st December 2024, formerly known as the ESG Reporting Guide) and the GRI Sustainability Reporting Standards (“GRI Standards”), and with reference to the ten principles of the United Nations Global Compact (“UNGC”).
- 2. Limited assurance in accordance with ISAE3000 (Revised) evaluates the specified sustainability performance information/data disclosed in the Report, including but not limited to:

Environment:

- Total direct GHG emissions (Scope 1)
- Total indirect GHG emissions (Scope 2)
- Total indirect GHG emissions (Scope 3)
- GHG emission intensity (Scope 1 & 2)
- Total non-hazardous waste disposal (General waste, Construction and demolition waste)
- Total non-hazardous waste recycled (Paper, Plastic, Metal, Used cooking oil, Food waste, Glass, Construction and demolition waste)
- Hazardous wastes collected and recycled (Batteries, Chemicals, Electronic and electrical waste, Fluorescent lamp, Toner cartridge)
- Energy generation (Total renewable energy generated and exported - Solar)
- Total energy (non-renewable) consumption and its intensity
- Purchased electricity consumption

This statement was prepared in English and translated into Chinese for reference only.

- Gas consumption
- Fuel consumption
- Diesel consumption
- Petrol consumption
- Total water consumption and its intensity

Social:

- Gender pay ratio (female to male) as mean base salary for total workforce
- Total number of work-related fatalities (employees and contractors)
- Work-related fatalities rate
- Lost time injury frequency rate - employees
- Lost time injury frequency rate - contractors
- Absentee rate

Opinion Statement & Conclusion

We have conducted a limited assurance engagement on the sustainability information described in the “Scope” above (Sustainability Information).

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the accompanying Sustainability Information is not prepared, in all material respects, in accordance with the previous version of HKEx ESG Code and the GRI Standards.

Methodology

Our assurance engagements were carried out in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information, and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board. Our work was designed to gather evidence on which to base our conclusion. These standards require that we plan and perform this engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement. We undertook the following activities:

- A top level review of issues raised by external parties that could be relevant to SHKP's policies to provide a check on the appropriateness of statements made in the Report
- Discussion with senior executives on SHKP's approach to stakeholder engagement. We had no direct contact with external stakeholders
- Interview with staff involved in sustainability management, report preparation and provision of report information
- Review and assessment of double materiality assessment process

- Review of key developments of the Group
- Review of the process and systems for collecting and reporting the sustainability information/data
- Review of supporting evidence for claims made in the Report
- Review of environmental, social and governance data, including the target progress achieved, to ensure the data had been appropriately measured, recorded, collated and reported
- An assessment of the Group's reporting and management processes concerning this Report against the principles of Inclusivity, Materiality, Responsiveness and Impact

Responsibility

It is the responsibility of SHKP for the preparation and fair presentation of the Sustainability Information in accordance with agreed criteria as stated in the Scope and verification criteria section of this statement. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of Sustainability Information that is free from material misstatement, whether due to fraud or error.

BSI is responsible for providing an independent assurance opinion statement to stakeholders giving our professional opinion based on the Scope and methodology described. Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to SHKP only.

Independence, Quality Control and Competence

BSI is independent to SHKP and has no financial interest in the operation of SHKP other than for the assurance of the sustainability statements contained in this Report.

This independent assurance opinion statement has been prepared for the stakeholders of SHKP only for the purposes of verifying its statements relating to its environmental, social and governance (ESG), more particularly described in the Scope above.

This independent assurance opinion statement is prepared on the basis of review by BSI of information presented to it by SHKP. In making this independent assurance opinion statement, BSI has assumed that all information provided to it by SHKP is true, accurate and complete. BSI accepts no liability to any third party who places reliance on this statement.

BSI applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021-1:2015 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Statement No.: SRA-HK-825330b



BSI is a leading global standards and assessment body founded in 1901. The BSI assurance team has extensive experience in conducting verification over environmental, social and governance (ESG), including GRI G3, GRI G3.1, GRI G4, GRI Standards, GRI Certified Sustainability Professional, AA1000 Certified Sustainability Assurance Practitioner (CSAP), HKEx ESG Code, HKEx ESG Guide, UNGC's Ten Principles, ISO 10002, ISO 14001, OHSAS 18001, ISO 45001 and ISO 9001, etc. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI:

Verifier of the Report:

Dr. Tatiana Schmollack-Tarasova,
Managing Director Greater China, APAC Assurance

22nd September 2025

Mr. Aaron Chim
Lead Assuror



Sun Hung Kai Properties Limited

Registered Office

45th Floor, Sun Hung Kai Centre
30 Harbour Road
Hong Kong
Telephone: (852) 2827 8111
Fax: (852) 2827 2862
Email: shkp@shkp.com
Website: www.shkp.com

Information for Shareholders

SHKP's shares are listed on The Stock Exchange of Hong Kong Limited (Stock Exchange) and are traded over the counter in the United States in the form of American Depositary Receipts (ADR).

Stock Exchange: 16 (HKD counter) and 80016 (RMB counter)

Bloomberg: 16 HK Equity (HKD counter) and 80016 HK Equity (RMB counter)

Reuters: 0016.HK (HKD counter) and 80016.HK (RMB counter)

Trading Symbol for ADR: SUHJY

CUSIP: 86676H302

ISIN: HK0016000132

