

SUSTAINABILITY REPORT 2024

KADOORIE ESTATES LIMITED



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ABOUT THIS REPORT

REPORTING SCOPE AND BOUNDARY

This is the first sustainability report (the “Report”) for Kadoorie Estates Limited (KEL or the “Company”). This Report provides an overview of the sustainability approach taken, and the Environmental, Social, and Governance (“ESG”) performance of KEL during the reporting period from 1 April 2024 to 31 March 2025.

The Report focuses on the sustainability issues that are of material significance to the Company’s business operations and stakeholders. The Report provides information on our management approach regarding these issues and to communicate our performance and achievements in our sustainability journey. Our reporting scope reflects the boundaries of our operational control:

- Residential properties on Kadoorie Hill, Deep Water Bay Road, and Headland Road
- St. George’s Building in Central

REPORTING STANDARDS AND PRINCIPLES

The Report aligns with the Appendix C2 Environmental, Social and Governance Reporting Guide (the “Guide”) of the Stock Exchange of Hong Kong Limited (“HKEX”). The Report is prepared following the Guide’s Reporting Principles of Materiality, Quantitative, Balance, and Consistency.

REPORTING ASSURANCE

This report is independently verified by SGS Hong Kong to obtain limited assurance. Please refer to the Assurance Statement in [Appendix C](#).

LEADERSHIP MESSAGE

Dear Stakeholders,

On behalf of the Board, I am pleased to present Kadoorie Estates Limited's first public sustainability report. This report represents a significant milestone in our sustainability journey, as this is the first time we have compiled and shared highlights of our sustainability efforts publicly with our stakeholders. Although we are not a public listed company, we have chosen to follow the Hong Kong Exchanges and Clearing Limited (HKEX): Environmental, Social and Governance Reporting Guide, as a framework to orderly present our results.

We recognise strong governance is essential for sustainable development. To this end, we have established our sustainability policy which we will use to drive our forthcoming actions. To also strengthen other aspects of our governance, we conduct regular internal audits and have updated our internal policies and procedures, including the Employee Handbook, Finance Policy, Procurement Policies, Project Management Policies, and Design Guideline. We host quarterly Board meetings to evaluate the Company's strategic direction and performance, where sustainability issues and initiatives are key topics of discussion.

On the environmental side, we have spent significant efforts on understanding our footprints across both our commercial and residential portfolios. A notable example of our operational initiatives is the significant chiller upgrade we implemented at St. George's Building, which has the potential to achieve 30% energy saving. Additionally, we undertook a carbon audit to identify further energy saving opportunities. In our development projects, we strive to embed sustainability considerations as early as the planning and designing stage. We conducted comprehensive whole life cycle carbon assessments for our redevelopment of St. George's Court and a major renovation project. Through this process, we have identified key initiatives to reduce carbon emissions by optimising design choices and selecting sustainable construction materials.

We understand sustainability requires collaborative efforts. Therefore, we engage closely with our tenants, value chain partners, and the communities in which we operate. Their insights guide our journey and help us understand where we could make meaningful contributions. We have launched a series of tenant collaborations, including our newly established Green Pledge programme at St. George's Building, waste management initiatives at The Kadoorie Estate, and various joint community engagement events.

These achievements are a testament to the collective efforts of our dedicated staff. Our commitment to staff development is exemplified by the KEL Academy, our e-learning platform that offers over 100 courses focused on sustainability, safety, wellness, and more. Our innovative culture is highlighted by the "Together We Progress" competition, which brought together 36 staff members to exchange ideas on innovation opportunities for our daily operations. The winning team successfully developed a machine to prevent drain blockages, currently being piloted at one of our properties. Above all, we prioritise the safety of our staff. We organised "Green Card" trainings for all employees to enhance their understanding of construction site safety and effective risk management practices.

Sustainability is a long-term commitment, we are thoughtfully progressing one step at a time to make sure we are making meaningful impacts on the environment and our communities. I invite you to read our report and share your feedback with us, as we look forward to advancing this journey together with you.

Clement Tam

Managing Director

Jun 2025

GOVERNANCE

ABOUT KADOORIE ESTATES LIMITED

Kadoorie Estates Limited (KEL) is a Hong Kong-based luxury property company that manages both residential and commercial property assets owned by the Kadoorie Family.

The root of KEL traced back to the Hongkong Engineering & Construction Co., Ltd. (HKECC), which was founded in Hong Kong in 1922. KEL was incorporated on 25th November 1988. From 1st January 1989 onwards, it took over property management services formally rendered by HKECC, whose employees and relevant provident funds were also transferred to KEL.

OUR PORTFOLIO

Our portfolio includes commercial and residential properties across Hong Kong's prestigious addresses. These include St. George's Building, an iconic bronze skyscraper situated in the heart of Central District, Hong Kong's commercial capital, with a diverse range of tenants including boutique financial, private investors and family offices, as well as insurance and legal personnel catering to the needs of Hong Kong's finance and business communities.

On Hong Kong Island South, KEL manages luxury homes in the exclusive Deep Water Bay neighbourhood, as well as premium townhouses and low-density apartment buildings located on Headland Road.

In Kowloon, The Kadoorie Estate, situated on Kadoorie Hill, is an urban oasis that offers a rare opportunity to enjoy all the conveniences

of city-living within a calm, peaceful, and green environment. Hidden beneath a canopy of trees, this exclusive residential enclave includes luxury houses and St. George's Court, a low-rise apartment block currently under redevelopment.

OUR VISION, MISSION, VALUE

Our Vision

It is our vision to make KEL the most admired boutique luxury asset management and property development company in Hong Kong.

We have a rich tradition of caring for the city's heritage and environment, and a reputation for caring for our tenants, employees, and business partners. Since the beginning, our aim has been to build a natural "urban oasis" in the heart of the city.

Our Mission

We believe that collaborating with our diverse stakeholders is essential to the continued success of our business operations. To achieve this, it is our mission to:

- Provide excellent **tenant services** from our hearts
- Encourage **asset quality leadership**
- Deliver sustainable **financial growth** to the Kadoorie family
- Provide rewarding **career opportunities**
- Contribute to our **society and environment** positively

Our Value

Our core value is to be a responsible corporate citizen who cares about our stakeholders. As such, we fully understand the importance of a long-term perspective to land development, and the value of embedding environmental and social responsibility in every part of our corporate culture.

SUSTAINABILITY AT KEL

GOVERNANCE APPROACH

Our Board is the highest governance body of our company. It is responsible for the strategic oversight of the company, including management of sustainability-related issues. Quarterly board meetings are held, during which the company's sustainability-related issues are discussed amongst board members. Supported by the respective departments and teams, our Managing Director reports to the Board the company's sustainability achievements, progress and targets setting.

SUSTAINABILITY POLICY

In 2025, we have developed and adopted a sustainability policy as we strive to embrace our responsibility in promoting and enhancing the sustainable development of Hong Kong. The policy highlights our commitment to comply with all regulatory environmental requirements, and initiatives to embed environmental and social responsibility into our corporate culture. For more details, please refer to our sustainability policy on our website.

Based on our sustainability policy, we are in the process of formulating our sustainability strategy. As the foundation of our strategy, we have commenced a desktop-based materiality assessment to identify sustainability issues that are important to our business and operation. As a next step, we will work on developing targets and metrics to track and advance our sustainability efforts.

MATERIAL TOPICS

This year, we conducted a materiality assessment via desktop research to identify sustainability-related topics that are material to our business, considering global trends, industry peers, and local regulations. Through this exercise, we identified eight material sustainability topics (Table 3.1). We are evaluating the impacts of these topics on our business and operation, and are going to embed related considerations into our sustainability strategy.

Table 3.1
Sustainability Topics identified as material to KEL

Environmental
Energy Efficiency Management
Climate Resilience
Biodiversity
Social
Wellness, Health and Safety
Tenant and Community Engagement
Employee Development
Governance
Ethics and Governance
Product Design and Lifecycle Management

STAKEHOLDER ENGAGEMENT

It is important for us to collaborate with our diverse stakeholders as they play a crucial role in our business operations. Looking forward, we will engage in conversations with them to collect insights into their expectations regarding our sustainability performance. This will allow us to identify and prioritise material sustainability topics that matter most to our business and stakeholders.

Stakeholders	Engagement Channels
Employees	<ul style="list-style-type: none">• Regular staff meetings• Training sessions• Staff engagement events
Vendors (including contractors and suppliers)	<ul style="list-style-type: none">• Tendering and procurement process• Regular meetings
Local Community	<ul style="list-style-type: none">• Community engagement events• Community volunteering events
Tenants	<ul style="list-style-type: none">• Partnership at volunteering events• Regular home visits with residential tenants• Regular meetings with commercial tenants• Tenant engagement activities
Government and Regulators	<ul style="list-style-type: none">• Symposiums and conferences

POLICIES AND GUIDELINES

We have formulated and implemented a range of policies and guidelines within our company. These policies and guidelines enable us to standardise and regulate our actions between our departments. They are also regularly reviewed and updated by their respective owning departments, aligning them with ongoing sustainability trends across the industry and market, as well as meeting the expectations of stakeholders.

Sustainability-related policies:

- Sustainability policy
- Procurement policy
- Supplier review policy
- Health and safety policy
- Equal opportunities policy

Governance and Compliance policies:

- Grievance policy
- Information security policy
- Anti-bribery and corruption policy
- Whistleblowing policy
- Leasing policy
- Fixed asset policy
- Project management policy
- Business continuity plan

PERSONAL DATA PRIVACY POLICY

We recognise the importance of protecting the personal data privacy of our current, former, or prospective employees. Following our information security policy, we are committed to protecting the privacy, confidentiality, and security of the personal data that we hold by abiding with the requirements of the Personal Data (Privacy) Ordinance of Hong Kong in collecting, processing, and handling employment-related personal data and records. Employment-related personal data and records are maintained as required by the Ordinance and kept confidentially at the Human Resources and

Administration Department. Employee access to this information is governed by the procedures as stipulated under the Ordinance. The policy has clear guidelines associated with the collection of personal data, the disclosure and transfer of personal data, updating and accessing personal data, retention of personal data, and security of personal data. The Head of Human Resources and Administration has been designated as the company's Personal Data (Privacy) Compliance Officer who will coordinate the company's effort in complying with the statutory requirements under the Personal Data (Privacy) Ordinance for our employees' data.

During the year, there were no cases of non-compliance with relevant laws and regulations that had a significant impact on the company.

ANTI-BRIBERY AND CORRUPTION

We are committed to maintaining a high level of integrity and ethical conduct throughout our business and operations. All employees must strictly comply with the stipulations of our anti-bribery and corruption policy. The policy aligns with Hong Kong's Prevention of Bribery Ordinance, prohibiting any employees from soliciting or accepting any advantage in relation to the works of the company, unless with prior permission of the company. All employees are required to complete the compulsory anti-corruption training courses through our online training platform, KEL Academy. In addition to this, we have also arranged additional compulsory seminars on anti-corruption run by the ICAC attended by all our employees.

During the year, there were no cases of non-compliance with relevant laws and regulations that had a significant impact on the company.

EQUAL OPPORTUNITY

We recognise the critical importance of a fair and harmonious work environment for our employees and business operations. We have an equal opportunities policy in place to ensure any employment related arrangements are equal opportunities and non-discriminatory. The selection criteria for promotions, transfer, pay increases and training shall be based on merit with

consideration such as competence and potential, performance and quality of work, working attitude and personal attributes among others. We will not tolerate any form of discrimination or harassment directed at any individual group. This policy is to provide employees with guidelines on applying these rules so as to protect the interests of the employees and the company.

During the year, there were no cases of non-compliance with relevant laws and regulations that had a significant impact on the company.

WHISTLEBLOWING

We encourage the reporting of serious and genuine concerns about malpractice at the earliest practicable stage so as to enable the Company to take appropriate action in an ethical manner. This policy ensures that the identity of the discloser will be kept confidential where possible. Disclosers will not be subject to any recrimination or detrimental treatment because they have raised an honest concern in good faith in accordance with this policy.

During the year, we are following up with one case of matter received through our whistleblowing channel.

GRIEVANCE PROCEDURES

Grievances are concerns, problems or complaints that employees may bring up to the company. We have established clear procedures under our grievance policy to ensure that an employee's justified complaints are to be settled promptly.

CYBERSECURITY

Cybersecurity has become an increasingly sensitive and critical issue. Accordingly, we have developed an information technology security policy to protect the company's information systems including email, local or wide-area networks, accounting applications, and other information systems containing privileged or sensitive information.

During the year, there were no confirmed cases of data privacy incidents and regulatory breaches.

ENVIRONMENT

Since the development of the Kadoorie Estate began in 1931, respecting and protecting the environment has been a key philosophy of our company, as evidenced by the transformation of the original, bare hillside into the extensive greenery seen today. While building and conserving luxurious houses in a heritage area in the centre of Hong Kong, we are committed to a sustainable approach and sharing our sustainable vision. In addition to protecting historical architecture, we place strong emphasis on preserving natural resources and minimising waste generation. Our staff, tenants and business partners play essential roles towards our sustainable vision, with whom we regularly engage through various channels such as meetings, events and site visits. We keep them informed about our latest initiatives and listen to their feedback.

OUR OPERATIONS

ENHANCING BUILDING EFFICIENCY

As part of our commitment to reduce our carbon emissions and enhancing our building's energy efficiency, we have recently upgraded our chilled water system at St. George's Building. The upgraded chillers, pumps, and building management system had incorporated a range of cutting-edge technology that enhances their efficiency, reliability, and sustainability. The upgraded chillers had improved Coefficient of Performance (COP) by 50%, and make use of R514A, a hydrofluoroolefin (HFO) refrigerant, which has a global warming potential (GWP) of less than 2, which is more than 500 times lower than the hydrofluorocarbons (HFC) refrigerants which were used previously.

Based on energy simulations conducted, we estimate this chiller upgrade will lead to more than 30% annual energy saving, significantly reducing our emissions and energy use associated with air cooling.



RETRO-COMMISSIONING OF ST. GEORGE'S BUILDING

In addition to upgrading our chilled water system, we acknowledged the age of St. George's Building and the potential for building systems, such as air-conditioning systems and, lighting systems to drift from their original performance. To address this, we carried out retro-commissioning of St. George's Building in 2023. This analysis enabled us to benchmark the building's energy performance against the EMSD energy indicators, placing it within the "General" range under the subgroup of common areas in Grade A office premises, which is a good rating for an office building with over 50 years of service. Through this detailed assessment, we identified key energy management and operational improvement opportunities to reduce energy consumption and enhance building operation and maintenance.

UNDERSTANDING OUR CARBON FOOTPRINT

In line with our efforts to reduce our carbon emissions, we conducted a carbon audit for St. George's Building, our commercial property located in the heart of Central. This carbon auditing exercise quantified St. George's Building's carbon emissions and allowed us to identify potential carbon emission reduction opportunities. We identified the majority of St. George's Building's existing emissions originated from our purchased energy (Scope 2 emissions). From these results, we further identified emission reduction opportunities through improving thermal efficiency. We will continue to monitor the energy use of St. George's Building for us to continue to reduce the emissions associated with its operation.

ADOPTING RENEWABLE ENERGY

We are committed to participating in the development of renewable energy and encouraging a low-carbon lifestyle for our tenants. To promote the use of renewable energy at our properties, in 2021, we implemented photovoltaic systems on Headland Road and connected them to HK Electric's Feed-in Tariff (FiT) scheme. The solar panels cover an area of 38 m² of the properties' rooftops and have generated more than 28,000 kWh since their installation.



SAFEGUARDING OUR ASSETS FOR CLIMATE RESILIENCE

Climate change poses material challenges for our company and a proactive approach towards climate change mitigation, adaptation, and resilience is essential for the sustainable development of our company.

Under the effects of climate change, flooding risk is likely to increase as precipitation patterns change, and the intensity and frequency of storms is predicted to increase. In response to this increased risk, we have implemented an IoT-enabled flood detection and warning system across our properties in Headland Road and Deep Water Bay Road. Low power consumption sensors are placed along drainage areas that are potentially prone to flooding to constantly monitor the status of these areas. Any abnormalities caused by the presence of water triggers an alarm through a mobile app.

In conjunction with the IoT-enabled flood detection and warning system, we have strategically installed flexible flood gates across our properties, which can be quickly and efficiently deployed in case of flooding. This allows our employees and tenants to rapidly respond to flood risks, minimising damage to the properties.





To foster a sustainability-driven culture throughout KEL's hierarchy levels, we launched "Together We Progress", a competition encouraging employees to identify opportunities for KEL to enhance its sustainability (see Social section for more details). The winners of this year's competition designed and built an automated machine designed to prevent drain blockages caused by fallen leaves, enhancing the climate resilience of our operations. With a solar panel attached to power its motor, the machine is able to safely and efficiently clear the drains across our properties, reducing the need for manual clearing of drains and ensuring storm and rain water can efficiently be channelled into the sewage system.



COLLABORATING WITH OUR SUPPLIERS

As part of our commitment to be a responsible occupier and custodian of the buildings we manage or occupy and to manage our environmental and social impacts to create net positive benefits across all our commercial and residential properties and communities, we have developed and implemented a green procurement policy in 2025, setting out our requirements in relation to procurement processes within our operations and supply chain.

We recognise that our supply chain plays a crucial part in driving our overall procurement strategy, both in how we operate and how we interact with our suppliers. Our aim is for our supply chain to be an example of responsible business with the key objectives of achieving net zero carbon, encouraging diversity and facilitating positive working environments.

A key part of our green procurement policy is the Supplier Code of Conduct. We expect our suppliers to observe the basic principles of the Supplier Code of Conduct when collaborating with our company, including compliance with relevant environmental laws and regulations issued by government authorities, and to take appropriate initiatives and actions for promoting environmental responsibility. Moreover, we encourage our suppliers to demonstrate a commitment to sustainability, develop their own sustainable procurement policies, and seek to develop innovative environmentally friendly technologies.

VALUING NATURE AND BIODIVERSITY

Nature and biodiversity represent invaluable assets for our planet, providing essential ecosystem services including clean air, food, and water. Embracing nature is a core principle at KEL, and we have strived to be responsible custodians for the properties we manage. A prime example is the Kadoorie Estate in Kowloon, often referred to as an urban oasis today.

A key feature of The Kadoorie Estate is its extensive greenery; however, the original site was bare and devoid of trees. Located at the junction of Argyle Street and Waterloo Road in Kowloon, the once desolate hillside was purchased in 1930 by HKECC, a company controlled by the Kadoorie Family and

a predecessor of KEL. It was soon developed into a modern residential suburb, with fine wide roads and modern up-to-date cottages under the influence of Garden City—community that integrates balanced urban living with planned layout, green belts, abundant green spaces. Today, the original emphasis on low-density living, green spaces, spacious homes and architectural integrity remain distinguishing features of the Estate today.

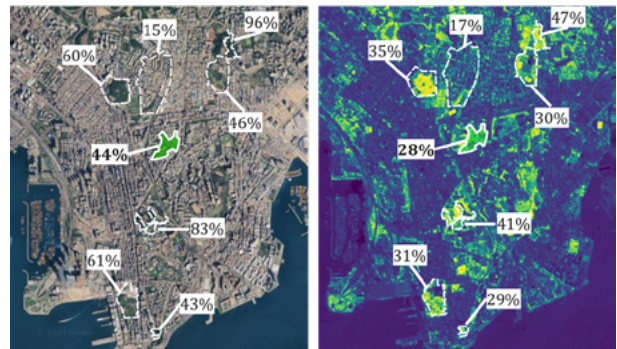


Comparison of Kadoorie Hill between the 1931 and 2024. (2024 Map data: Google, Airbus, CNES / Airbus, Maxar Technologies)

To continue our efforts in responsibly and effectively managing nature and biodiversity, we have begun conducting regular biodiversity surveys within The Kadoorie Estate to help us better understand not only the trees and vegetation, but also the wildlife that are using The Kadoorie Estate as their home. These studies continue to provide important and scientific-based information to help inform our management approach to maintain the balanced between the built and the nature environment.

In this study, despite the Estate's location within the heart of Mongkok, it boasts a **44% canopy cover (tree cover)** across the Estate, with over 700 trees

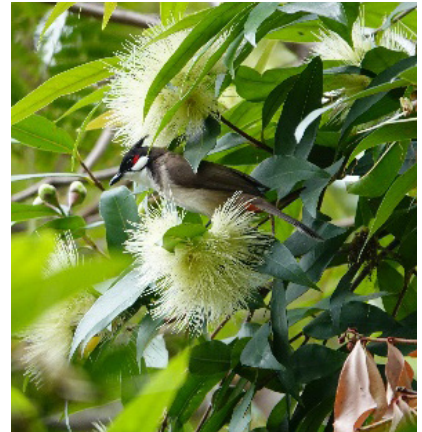
in total and over 20 trees more than 80 years old. The rich tree cover signifies strong environmental contribution to the area, comparable to some of the urban parks in the peninsula. Also, carbon sequestration is an essential ecosystem service provided by trees, reducing the amount of CO₂ in the atmosphere and mitigating the effects of climate change. It is estimated that the trees in the Estate stores approximately 510 tonnes of CO₂, roughly equivalent to the emissions of 7,500 Hong Kong families of four's daily carbon emissions, or 1,500,000 km travelled in a petrol car.



Canopy cover (left) and the Normalised Difference Vegetation Index (NDVI; right) of Kadoorie Hill and surrounding Kowloon Peninsula, including parks, playground areas, and urban greenspaces.

27 species of birds, 27 species of butterflies, and 4 species of bats were found within the Estate, providing evidence of its ecological value. The rich canopy covered environment forms an ecological corridor for these species as they move around the Kowloon Peninsula, between the Estate and other urban greenspaces and parks, contributing to the overall ecological connectivity of Kowloon. Importantly, the natural landscape also bestows residents and passers-by a calm and serene environment to enjoy and relax in.





Moreover, the urban ecosystem supported by the Estate provides various ecosystem services for the region, improving the microclimate by mitigating the urban heat island effect, enhancing air quality, and sequestering carbon from the atmosphere, along with providing intrinsic, social services to people, improving their wellbeing and providing access to urban tranquillity and quick repose from the fast-paced lifestyle of Hong Kong.

In March, we attended the symposium on “Between Development and Natural Restoration - Merging future urban life and biodiversity” held at the Chinese University of Hong Kong’s School of Architecture, where we shared our experience as a property developer on how we operate and maintain nature within our properties. With an audience including ecologists, architects, students, NGOs, and government officials, we exchanged ideas and experiences on how we can collaborate and craft a more sustainable and equitable future for Hong Kong.



We will continue to value the wildlife both passing through and living within The Kadoorie Estate, recognising the importance of nature and the benefits it can provide not only to our residents and ecosystem, but also to our city and beyond.

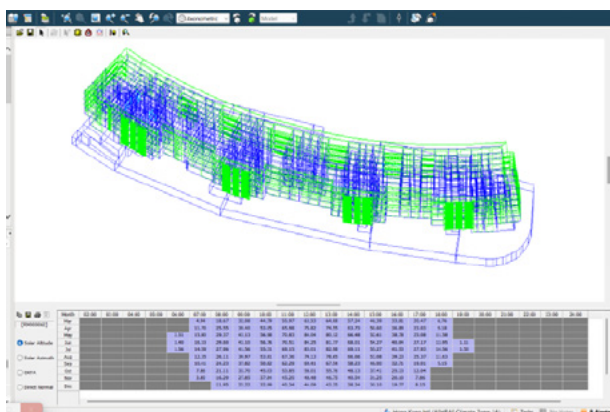
OUR DEVELOPMENT PROJECTS

WHOLE LIFE CARBON ASSESSMENT

For our residential redevelopment properties and major renovation, to further understand both the embodied carbon and operational carbon from pre-construction forecast until post-completion assessment, we conducted a whole life carbon assessment for the redevelopment of St. George's Court and one major renovation project in The Kadoorie Estate.

For the redevelopment of St. George's Court, we performed a carbon assessment forecast of the proposed design, benchmarking with peers and identifying a range of opportunities for decarbonisation strategies to consider. These include:

- Adopting lower global warming potential (GWP) refrigerant VRV/split type air-conditioner
- Improving air-conditioning system equipment efficiency
- Adopting of Electric Arc Furnace (EAF) rebar
- External shading optimisation etc.



In addition to redevelopment projects, we also conducted carbon assessment to gain a comprehensive understanding of the whole-life carbon performance of a typical house in The Kadoorie Estate. This evaluation covered both the existing building (without renovation) and the proposed renovation,

identifying key carbon hotspots such as air-conditioning systems, lighting systems, and materials used. The insights gained from this assessment have provided valuable ideas to decarbonise our managed houses through retrofitting and future upgrades, including:

- Improving the Coefficient of Performance of air-conditioning systems
- Reducing the lighting power density of the building
- Selecting energy efficient appliances
- Use vacuum-glazing and window insulation film for all windows on external walls

Apart from the above, another example of these efforts is the use of Ground Granulated Blast Furnace Slag (GGBS) in concrete. As a by-product of the steel industry, GGBS has a significantly lower carbon footprint and offers an alternative to slag that is otherwise disposed of in landfills. GGBS is being used in the major renovation project, and we continue to investigate further opportunities to make use of this low-carbon material in our future construction projects.

ELECTRIFYING OUR CONSTRUCTION SITES

In our construction sites, we have begun using CLP's Battery Energy Saving System (BESS). These are advances battery systems that act as a temporary power source for construction sites prior to connecting to the grid. The BESS have been used for our most recent construction projects within The Kadoorie Estate, reducing the amount of diesel being used and the associated greenhouse gasses and air pollutants that would have been released.



MANAGING OUR CONSTRUCTION WASTE

Construction and demolition waste is a major source of solid municipal waste for the construction industry, and we recognise that effective construction waste management is a crucial part of our sustainability journey. As a result, management of construction and demolition waste is an essential part of our planning process, with the goal to maximise the amount of construction and demolition materials repurposed for other projects.

For our redevelopment projects, we have developed project-specific waste management plans integrated to minimise the amount of waste generated and maximise our recycling rates. All wastes generated during redevelopment is carefully controlled, tracked, and managed based on the waste management hierarchy. For our Redevelopment project of St. George's Court, our recycle rate was over 65% during the demolition stage and over 85% during the sub-structure stage.

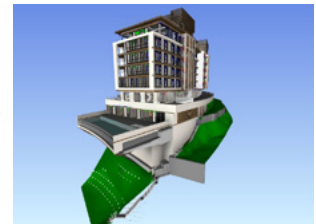


UTILISING BUILDING INFORMATION MODELLING

With the continuous technology advancement, Building Information Modelling (BIM) has become an indispensable part of the modern construction industry, especially in a high-density and high-efficiency construction environment like Hong Kong. BIM is the process of generating and managing building data during its design and construction stages, with the objective of increasing productivity, improving quality and safety, and enhancing sustainability by reducing unnecessary waste generated.

We used BIM throughout the design and construction of Redevelopment at St. George's Court, providing multiple environmental-related benefits. For example:

- BIM was used to create digital mock-ups of the interior finishes and furniture, reducing the cost and waste associated with constructing physical mock-up on-site
- The terrain near St. George's Court was modelled to ensure alignment of the environment with the design, maximising safety during construction
- Clash reports with a 3D model were generated and reviewed by involving parties to resolve these design issues prior to construction, reducing time and resources wasted
- The volume of construction materials required for the project was also calculated based on the BIM, preventing unnecessary waste



SUPPORTING LOCAL CIRCULARITY INITIATIVES

To further manage our wastes generated during our construction, we are constantly seeking opportunities to use low-carbon construction solutions to reduce the carbon footprint throughout our building's lifecycles. Recently, we engaged Hong Kong-based start-up EcoBricks, who produces sustainable, industry-grade concrete building materials that are made with local Hong Kong waste (also named EcoBricks). By giving the C&D waste a second life as EcoBricks, we are able to reduce our embodied carbon emissions while promoting a local circular economy.

TENANT ENGAGEMENT

We strive to offer our tenants the best possible living experience. We pay great attention to detail and go above and beyond to develop unique long-term relationships with our tenants. Through continuous efforts to engage with our tenants through personal contact, meetings and social events, we have established a reputation for long-term bonding with our tenants and stakeholders at large. These intimate relationships motivate us to keep enhancing services to ensure tenant satisfaction.

GREEN PLEDGE

As sustainability continues to evolve into a core business consideration for our stakeholders, ongoing efforts have already been made between us and our tenants, such as providing recycling bins and collection services for our tenants accommodating the recycling of various materials. To more formally cement these conversations and promote further dialogues and discussions between us and our tenants on sustainability-related collaborations, we have developed and launched a Green Performance Pledge (“the Green Pledge”), proactively implemented with the support from our commercial tenants. Through this voluntary pledge, we outline a set of principles fostering mutual support and cooperation between us and our tenants, ensuring sustainable and environmentally responsible practices during both the fitting-out period and daily operations. It includes a practical roadmap with measurable guidelines and recommendations to achieving sustainable operations while creating shared value between us and our tenants.

The Green Pledge encompasses two aspects for our tenants, a pledge for office renovations, and a pledge for office operations. For both aspects, the Green Pledge provides tenants with guidance and recommendations on practical considerations related to energy management, waste management, water saving measures, and wellness and indoor air quality. Through these recommendations, we work with our tenants to identify and implement green enhancements where feasible, based on mutual agreement.

So far, 12 of the building tenants have signed up to the Green Pledge, and we look forward to continue inviting more of our tenants to collaborate with us through this pledge.

American Century Investments

American Century Investment Management (Asia Pacific) Limited (“ACI”) is a US-headquartered premier investment manager in St. George’s Building and became the first office tenant in this building who has signed our KEL Green Pledge, as part of the Tenancy Agreement. This pledge by our tenant exemplifies the success of our initiative in achieving green building practices, followed by all the tenants who renewed their leases in the past year.

In alignment with our commitment to enhancing sustainability performance and integrating best practices into office operations, ACI has walked an extra mile at the beginning of the office renovations after the first lease. Following its global practice on the reduction in paper, electricity, water usage and the responsible disposal of electronic assets, ACI’s Asia Pacific office adopted in installing recycling bins, energy-efficient LED lighting with sensors, sustainable Interface carpets, window shades for thermal efficiency, and a dedicated wellness room during the period of office’s fitting-out.

One of the highlights was Hong Kong office-specific, with ACI installing a sparkling water machine with CO₂ refills instead of ordering bottled sparkling water for business occasions. The installation would annually save around 360-400 plastic bottles by not purchasing bottled sparkling water.



During the initiative, we engaged in discussions with ACI to explore ways in which we can enhance our support for ACI's sustainable operations. The Green Pledge is a perfect example of tenant-landlord partnership that fosters open communication, promotes best practices and cultivates an eco-conscious culture across St. George's Building. Looking ahead, we will continue collaborating with tenants on ESG eco-friendly initiatives and try to extend this collaboration to our residential tenants, reinforcing our shared commitment to positive environmental change.

WASTE RECYCLING

As part of our collaboration with our tenants to promote sustainability, we have an ongoing recyclable waste collection program, ten years running, to encourage and facilitate our tenants at The Kadoorie Estate to recycle their wastes. Partnering with "HK Recycles", we offer weekly collection services to all our tenants at The Kadoorie Estate, giving them an opportunity to recycle plastics (bottles and other recyclable plastic items), papers (magazines, packaging, carton boxes, and newspapers), aluminium cans, and glass bottles. We have also deployed recycling bins for our tenants in St. George's Building, encouraging them to recycle their plastic, paper, metal, and glass wastes.

Additionally, we have recently implemented a voluntary food waste composting programme at The Kadoorie Estate to encourage our tenants to make use of composting to reduce the amount of food wastes sent to landfills. Through this programme, we offer each of our tenants a food waste composter produced by Advanced Eco Engineering (AEE), turning their daily domestic food waste into garden fertilizer. 39% of our residential tenants have voluntarily signed up for this program so far and have been using the generated compost in their gardens.

CHRISTMAS INSTALLATION AND DECORATIONS

Christmas decorations hold a special place in many people's hearts, serving as symbols of joy, togetherness, and the festive spirit of the season. In Hong Kong's annual celebration of Christmas, holiday decorations adorn the city, reflecting its vibrant, multicultural

atmosphere. However, it is essential to recognise that many conventional decorations can have negative environmental impacts, as these often are single use, containing non-biodegradable materials that have heavy energy consumption and intensive manufacturing processes.

As part of our sustainability journey, since 2023, we integrated sustainability as a core theme into our Christmas decorations, designing a sustainable Christmas tree inspired by St. George's Court, which was demolished for redevelopment. In 2023, we upcycled waste of building materials from St. George's Court, including glass blocks, door handles, metal railings, and the door number signs, we offered them a second life by constructing a unique Christmas tree that also celebrates the memorable history and craftsmanship of St. George's Court while also embracing sustainability. Following the festive season, the Christmas tree was given a third life, with the materials being further upcycled into furniture pieces.



From the successes in 2023 of this marriage of celebration and sustainability, and the positive feedback we collected from our stakeholders, we continued this theme in 2024 to blend festive cheer and sustainability by designing and building a quasi-Kadoorie Hill Christmas Town. The display was

crafted from recycled and eco-friendly materials, including recycled glasses collected from the recycling bins of St. George's Building, paper, and certified green bamboo¹, making our staff and tenants a vital part of this initiative. Beyond the festive season, the stunning glass trees were transformed into table lamps and rewarded as part of our newly launched Energy Saving Challenge, where the top 50 participants who achieved the highest percentage of electricity savings were given one of these unique table lamps, giving them a third life. At the conclusion of the programme, all winning participants were able to drive an impressive 13% energy reduction based on year-on-year comparison, showcasing the power of collective action to spark real, meaningful change.

We aim to continue this trend of celebrating the Christmas season in a sustainable and responsible manner with our stakeholders.



1 Certified by Construction Industry Council Green Product – Platinum Level

EARTH HOUR 2025

On 22nd March 2025, KEL supported WWF's Earth Hour initiative, turning off all non-essential lights and appliances for one hour at St. George's Building to show our commitment to tackling the climate crisis and rapid decline of global biodiversity.

While Earth Hour was a one-hour event, sustainability is a long-term commitment for us, and this collaborative action represents only one of our many ways in enhancing the sustainability of our operations. For example, designed with minimal decorative lighting, the façade of St. George's Building reflects this sustainable philosophy in our everyday operation. By prioritising energy efficiency, we reduce our environmental footprint of carbon emission while continuing to provide exceptional spaces for our tenants and community at large.



KADOORIE ESTATES LIMITED
嘉道理置業有限公司

承諾支持世界自然基金會地球一小時
IS COMMITTED TO WWF'S EARTH HOUR

SOCIAL

OUR EMPLOYEES

We value our employees and have implemented policies, platforms, and initiatives to create a fair, engaging, and supportive environment throughout our company. We aim to build a harmonious workplace for our employees, prioritising employee wellbeing and driving continuous improvement.

EMPLOYEE DEVELOPMENT

Our commitment to employee development is vital for our growth and long-term success. By investing in ongoing training and professional development, we can ensure that our workforce remains skilled, motivated, and adaptable to changing industry trends. This not only enhances overall productivity but also fosters innovation and creativity within the organisation. In 2024, we recorded a 69% increase in employee training hours compared to 2023.

KEL Academy

To achieve this goal of continuous development, we launched an e-learning platform, KEL Academy in January 2025 to support our employees' continued growth and development. With over 100 courses, both compulsory and elective, across 18 categories, such as Safety, Information and Cybersecurity, Sustainability, Wellness, and Crisis Management, KEL Academy supports our employees' learning and development needs. Since its launch, over 800 courses have been completed by our employees, totalling more than 1,900 hours spent on completing courses on the platform.

We have also established monthly themes to spotlight specific learning topics, encouraging employees to delve deeper into these subjects through the e-learning platform, as well as in-person seminars and training sessions. These themes included Performance Management: Goal setting, offering effective strategies for setting goals; Information Security, enhancing employee awareness and understanding of cybersecurity; and Sustainability, deepening employee understanding of essential sustainable practices. Furthermore, upcoming themes will cover Health and Wellness, and Work Safety.

Beyond an internal training platform through KEL Academy, we also have a Training Sponsorship Policy in place, offering employees external study opportunities to enrich themselves for further advancement and upskilling. The policy provides our employees with training sponsorships for self-selected or company-requested courses that are job-related, or for acquiring higher professional qualifications.

We are also currently in the process of further developing our internal development and learning plans for all our employees. In 2025, we are rolling out our "High Impact Leadership" Program to cultivate exceptional leaders within the organisation, focusing on building strong foundation of management skills, fostering impactful leadership skills, and driving positive organisational impact. The program will first be piloted for all senior managers and above and subsequently be cascaded to all assistant managers

and managers. Beyond leadership development, we are also designing and implementing Development Plans for all levels of employees. These plans will be tailored for every employee based on their staff levels and job roles. In addition to compulsory training and courses, these plans will also be adaptive, addressing the employees' specific skill gaps and development needs identified through their performance.

For our security team, we provide extensive and continued training specific to security services. For these efforts, we were recently awarded with the Gold Security Services Best Training Award by the Security and Disciplined Services Training Board of the Vocational Training Council and the Hong Kong Police Force.



It's Friday Time to Sparkle and Shine

To encourage cross-department interactions and communication within KEL, we have organised "It's Friday Time to Sparkle and Shine" since 2022, a series of departmental sharing sessions during which every department takes turn in leading sharing sessions on various topics, including project updates, departmental updates, and other valuable experiences with colleagues.

Under a casual environment, colleagues can learn more about the work and projects of colleagues in other departments and break the silos. Through these sharing sessions, we can better leverage a more diverse perspective on the challenges faced by KEL, combining our expertise together to develop better

solutions to our services and operations. These sessions also help us ensure cross-departmental alignment of KEL's goals and priorities, fostering a collaborative culture within KEL that encompasses the whole company.



EMPLOYEE ATTRACTION AND RETENTION

Diversity, equity, and inclusion are crucial for fostering a fair, supportive, and healthy work environment. In accordance with our Equal Opportunity Policy, we are committed to treating all job applicants and current employees fairly and equally, where employment decisions are made based on merit and ability to meet the requirements of the job. Our security team includes employees from eight nationalities. We encourage our employees to celebrate the different festivals from their own cultures and religions and share their individual experiences with their colleagues. Our security team also provides interviews and training sessions in four different languages to accommodate applicants and employees from diverse backgrounds.

We recognise that employee benefits play a crucial role in attracting and retaining top talent within an organisation. Beyond full compliance with Hong Kong's Employment Ordinance on remuneration and benefits, we have implemented Flexible Benefits (KEL Flexi-Benefits) for our office staff from 2023 onwards. KEL Flexi-Benefits allows employees to make important benefit choices for themselves and their families to best suit their healthcare and lifestyle needs. Employees can tailor their insurance coverage, opting to stay put, opt up, opt down, or opt out dependents, converting the difference in insurance premiums to other items of their choice. Possible

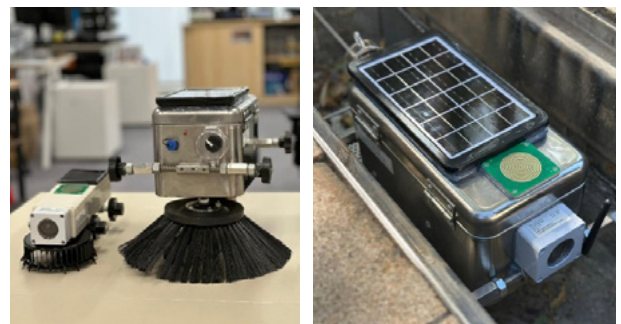
flexible spending account items include family holiday subsidies, fitness club or gym memberships, hospital and surgical expenses not covered or beyond insured plan, or health management or counselling fees.

TOGETHER WE PROGRESS

We believe that achieving sustainable growth requires collective actions throughout KEL across the company's hierarchal levels. To foster collaborations within KEL, we launched a special program "Together We Progress" in 2024, an internal cross-team competition spanning nine months which encouraged employees to identify improvement opportunities for KEL through enhancing overall efficiency and reducing wastes to time, resources, and energy. The goal of the competition is to promote collaboration and teamwork between employees across the different departments and hierarchical levels by fostering a culture of sustainability and continuous improvement within KEL. 36 participants formed six teams with each team selecting a work area or process that can be improved, addressing current challenges and inefficiencies. The teams then developed a proposal to solve the identified challenges, including practical implementation plans and expected outcomes. After a mid-competition presentation where ideas were exchanged, the teams proceeded to implement their plans and documented the impacts of their improvements. Lastly, each team presented the results of their proposal, highlighting how their project addressed the existing real-life situations at work. Each team was finally judged based on five criteria by our Managing Director and all Heads of Department: Feasibility, Impact, Collaboration, Alignment of contest goals, and Sustainability. The winning, first, and second runner-up teams were then highlighted and awarded as a team.

The winning team designed and built an innovative automated machine targeted to prevent drain blockages caused by fallen leaves in our residential properties. The machine improves efficiency by reducing the risk to workers during inclement weather; makes use of solar energy to power its motors, promoting environmental friendliness; and has a low installation cost. The customised device showcased the team's dedication in enhancing work

processes at KEL with their proactive and creative approach to identifying improvement opportunities and solving the problems. This achievement also underscored the power of teamwork and cross-departmental collaboration.



OCCUPATIONAL HEALTH AND SAFETY

Workplace safety is our top priority. To ensure the health and safety of our staff and partners, we strictly adhere to all safety regulations and standards.

Raising our Employee's Safety Awareness

Our operations involve lots of on-site activities, including work that requires entry into construction sites. To safeguard the safety of all our employees, including those that are primarily based in offices, in 2023, we invited all our employees to attend the Mandatory Basic Safety Training Courses (commonly

known as “Green Card”). The training courses provide a myriad of topics that helps enhance the awareness of occupational health and safety for all our employees, including non-technical employees and those work in back office. These topics include an overview of relevant occupational safety and health legislation, general concepts of work safety, and more specific construction-related safety measures. Through these courses, we aim to equip our employees, regardless of whether their primary roles involve working on construction sites, with a good understanding and awareness of safety within construction sites.

Construction Project Safety Management

To ensure a safe working environment for our staff and partners, identify potential hazards and risks, and implement measures to prevent accidents, we exceed industry standards by appointing an independent safety consultant to carry out regular safety inspection and monitor the contractor performance for all our redevelopment and major renovation projects. This proactive measure helps us to achieve not only compliance with regulations but also to cultivate a safety-first culture that enhances overall project safety and success.

Smart Site Safety System (4S)

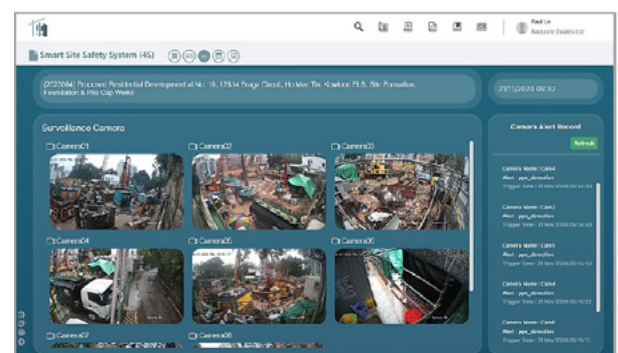
More recently, as part of our commitment to maintain and enhance the safety performance of our construction works, we participated in the Smart Site Safety System Labelling Scheme (4SLS), embracing digital transformation, and successfully adopted the 4S label for both our redevelopment projects on Kadoorie Hill.

In recent years, the HKSAR Government highlighted using real-time monitoring and alert systems for high-risk activities to address the number of construction accidents. In March 2024, the Buildings Department mandated the adoption of the “Smart Site Safety System” (4S) in capital works projects over HK\$30 million and encouraged its use in the private sector. The Development Bureau, in partnership with the Construction Industry Council, launched the Smart Site Safety System Labelling Scheme to promote 4S adoption across public and private projects to enhance industry safety.



KEL was an early adopter and supporter of 4S, earning the 4S Label for our two ongoing projects by November 2024. We were among the first 10 private-sector participants and contributed two of the first 21 private projects recognised under the scheme. KEL's 4S

implementation included a centralised management platform, a digitised permit-to-work system, alert systems for mobile plant operation danger zones, AI-powered safety monitoring, and smart devices, such as AI cameras, anti-collision sensors, and smart helmets, for our workers and frontline personnel.



Pay for Safety Scheme (PFSS)

Additionally, we have implemented the Pay for Safety Scheme in our redevelopment projects. This scheme aims at promoting proper safety management in construction site through providing financial incentives to contractors. Task-based and performance-based safety items, such as welfare facilities and safe working cycle and safety training etc. which are subjected to bonus payments under the scheme, further encouraging construction site safety.



Incorporating Safety within our Design Process

At KEL, we always strive to implement best practices. As part of our commitment to construction safety, we continuously review and refine our construction methodology to enhance safety wherever possible.

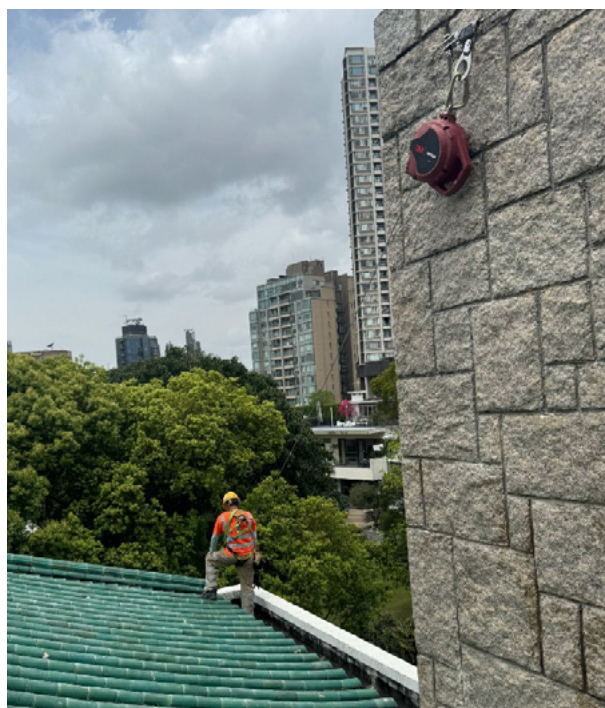
In 2024, during the substructure works of our St. George's Court redevelopment at Kadoorie Hill, our team identified an opportunity to improve safety and reduce potential hazards by replacing the originally planned piles with smaller ones, which were to be installed on a steep slope. In Hong Kong, it is not uncommon to conduct piling work on slopes using a combination of crawler crane and rigs positioned far from the piling location at the top of the slope. Instead, our team explored an alternative approach by adopting smaller piles, allowing the use of smaller piling rigs positioned on multiple levels of timber platforms along the slope, much closer to the piling locations. This alternative construction methodology was adopted to better manage construction site safety, safeguard the surrounding neighbourhood, and eliminate the risk of catastrophic consequences associated with the original approach.



Continued Safety Enhancements to our Properties

Fall arrest systems are essential for ensuring safety when working at heights. These systems are designed to prevent or minimise the impact of falls, which are one of the leading causes of injuries and fatalities during maintenance and cleaning work. Reflecting our commitment to creating a safe working environment and to safeguard our workers and contractors from potential falls, we engaged an external safety consultant to identify effective fall protection measures for our houses on Kadoorie Estate. Through this study, 38 houses have been identified to be suitable for a fall arrest system, and installations are currently in place and will be completed within this year.

In addition to the aforementioned fall arrest system, we will continue to explore opportunities to further improve the safety of our properties, such as adding barriers at the edges of the roofs, ladder brackets, or vertical fall arrest systems for ladders.



COMMUNITY ENGAGEMENT

Throughout our community engagement events, we have three main focal pillars that represent our core principles:

1. Respecting our cultural heritage
2. Appreciating quality architectural design
3. Care for the natural environment and our local community

These three pillars drive the activities we engage and participate in, aiming to integrate these principles into the daily work of our employees and sharing them with our tenants, stakeholders, and the larger local community. By offering care to our people and the environment, we continue to join hands with our tenants and business partners to support our community, helping build a better future for our society.

Respecting our Cultural Heritage

Building luxury while maintaining heritage is an endeavour fraught with many challenges. Regardless of these challenges, we go to great lengths to preserve the architecture of our properties. In addition to respecting the heritage, these efforts help to extend the lifespan of our building materials and fixtures. The result is the unique combination of prestigious luxury lifestyle and Old Hong Kong heritage that co-exists in the luxury houses situated on Kadoorie Hill.

Beyond our assets, we strive to instil this tradition of caring for and respecting Hong Kong's architectural history and heritage in our employees and tenants. We organise various activities for our commercial and residential tenants, and employees to embody and embrace this tradition.

CLP Pulse

As part of our initiatives in continuing the tradition of caring and respecting the history and heritage of our properties, guided tours at CLP Pulse, the revitalised former head office of CLP now transformed into

a cultural and heritage hub, were organised for our employees and tenants. These visits allowed participants to learn about and appreciate the Grade I-listed CLP clock tower building while gaining insight into the history of the Kadoorie family and their businesses, including the development of Kadoorie Hill. The tours also showcased how intangible cultural heritage strengthens connections among the people who live there.

Looking ahead for the energy sector, the guided tours showcased our sister company CLP's efforts and plans to shape a greener and more sustainable business as a leading electricity provider in Hong Kong and Asia, highlighting how participants can contribute to sustainable living.



Appreciating Quality Architectural Design

Tai Po Island House

The Tai Po Island House, built in 1905, was a typical example of Hong Kong legacy architecture. The pitched tile roof is a nod to Chinese building styles, while large verandahs allowed its inhabitants to stay cool in the summer. Today, the villa is protected as a historic monument and is home to WWF's Island House Conservation Studies Centre.

In October 2024, a group of our employees visited the Tai Po Island House, participating in various activities including a guided tour of the Island House Conservation Studies Centre, where they learned about the century-old architectural features that were designed for efficient energy use and to merge with the natural environment; an eco-tour of the Island House's gardens, where they learned about the rare plants and their ecology in the arboretum; a sea glass workshop, where marine litter found on the coast of Tolo Harbour is upcycled into memorable souvenirs; and a kokedama workshop, where they learned more about sustainable living within Hong Kong's fast changing urban landscape while making kokedamas (moss balls) that can be brought home to spruce up their own living spaces.



Ex-Sham Shui Po Service Reservoir

The Ex-Sham Shui Po Service Reservoir (Ex-SSPSR) was constructed in 1904 and was accorded a Grade I historical building status in 2021. In September 2024, a group of our employees took part in a guided tour of the Ex-SSPSR, during which they learned about the historical background of the building while appreciating its internal structure. The event raised awareness on the importance of the conservation of Hong Kong's historic buildings and heritage amongst our colleagues from cross departments.



Care for the Natural Environment and our Local Community

The natural environment and local communities are essential to KEL's long-term sustainability and embody our commitment as a responsible corporate citizen. To support and contribute to the ecosystems and communities that sustain us, we engage in various volunteering and initiatives focused on environmental protection with our employees and commercial tenants.

Kadoorie Farm and Botanic Garden

Recognising the importance of the environment goes beyond our buildings and tenants but also includes valuing nature and leveraging the benefits provided by the environment to elevate the wellbeing of our employees. For our employees, in 2023, we organised day trips to the Kadoorie Farm and Botanic Garden (KFBG), providing the opportunities for them to experience the first-hand wonders of nature and cultivating their appreciation of the natural world in our local community. The morning of the trip consisted of an ecotour at KFBG's greenhouses and farmlands, led by environmental interpreters who taught participants about the local biodiversity, the conservation of flora and fauna, organic farming, and sustainable living.



In the afternoon, our employees participated in hands-on activities, including a nature sensory walk, stimulating participants' senses of sight, smell, sound, and touch as they walk through the hillside within KFBG. Lastly, the trip ended with a pot planting workshop, where participants were shown how to propagate houseplants through stem cuttings, and each of our employees was able to make their own potted plant to take back home.



Wu Zhi Qiao (Bridge to China) Charitable Foundation

We have partnered with the Wu Zhi Qiao (Bridge to China) Charitable Foundation, a local NGO focusing on architecture and sustainability, for a series of volunteering activities, uniting our tenants and employees in collaborative efforts to support rural revitalisation and sustainable living in Hong Kong.

In November 2024, employees from Alvarez & Marsal Asia Limited and KEL jointly went on a mission trip to Mui Tsz Lam Village in New Territories, where participants enjoyed a guided tour of the Hakka village. The tour introduced them to local culture, architecture and history, the sustainability practices adopted by the villagers, and how these can be integrated into the fast-paced lives of Hong Kong urbanites. Participants also took part in a mural painting session, decorating the communal kitchens for the local villagers and breathing new life into the space through this collective endeavour.



Child Development Initiative Alliance

We will be joining the Y-WE Youth Work Explorer Program (Y-WE) launched by the Child Development Initiative Alliance (CDIA) in the summer of 2025 to provide week-long work-shadowing experiences to underprivileged secondary school students, equipping these young interns with more knowledge about our industry and workplace, and providing a long-term solution to the problem of intergenerational poverty by giving these students access to work exposure and trials on prospective career choices. Through Y-WE, we aim to helping some young people from the program identify their career aspirations while building their confidence and motivation as they move forwards in their lives.

Diverse Volunteering Initiatives

We actively encourage our staff to participate in charitable activities aligned with our values and objectives that address societal needs and contribute to sustainable development through supporting local organisations through fundraising events, and community engagement projects. We participated in various volunteering activities aimed at different target groups and beneficiaries, including poverty alleviation and elderly care by providing hot meals and winter clothing to the local workers and elderly around the neighbourhood; education and youth development, engaging in teaching days and outings with Nepalese children with special needs; a visit to the Ronald McDonald House organising a series of fun and exciting group games with chronically ill children, creating meaningful connections with the children and their families; local animal shelter building projects and adoption days to encourage animal welfare awareness and provide physical aid to animal welfare organisations; and country park, beach, and coastal clean-ups to restore Hong Kong's natural environment.



APPENDIX A

PERFORMANCE TABLE

Environmental

	Unit of measure	2022/23 Total	2023/24 Total	2024/25 Total
Air Emissions²				
NOx emissions	kg	<0.01	<0.01	<0.01
SOx emissions	kg	<0.01	<0.01	<0.01
PM emissions	kg	-	-	-
Energy Consumption³				
Gross floor area	sq ft	801,533	696,444	696,444
Gross floor area	sq m	74,465	64,702	64,702
Towngas	MJ	1,632	1,488	624
Renewable energy generated on-site and exported to grid	MWh	8.4	4.7	6.7
Purchased electricity	MWh	4,025	3,498	3,382
Purchased electricity intensity	kWh/ sq m	54	54	52
Greenhouse Gas Emissions²				
Total GHG emissions (Scope 1 & Scope 2)	tCO ₂ e	1,617	1,411	1,312
Scope 1 emissions	tCO ₂ e	0.02	0.02	0.01
Scope 2 emissions	tCO ₂ e	1,617	1,411	1,312
Total GHG Emission (Scope 1 & Scope 2) intensity	kgCO ₂ e/ sq m	22	22	20
Refrigerant refilled				
Total Refrigerants refilled	kg	0	0	0
Water Consumption⁴				
Total consumption	cubic metres	45,213	19,795	23,160
Total water consumption intensity	cubic metres/ sq m	0.6	0.3	0.4
Waste				
Hazardous waste produced	kg	0	0	0
Hazardous waste intensity	kg/ sq m	0	0	0
Non-hazardous waste produced ⁵	kg	-	-	154,520
Non-hazardous waste intensity	kg/ sq m	-	-	2.4
Non-hazardous waste recycled or reused				
Paper	Tonnes	-	-	24,912
Plastics	Tonnes	-	-	6,724
Metal	Tonnes	-	-	560
Glass	Tonnes	-	-	9,243
Total	Tonnes	-	-	41,438
Non-hazardous recycle/reuse rate	Percentage (%)	-	-	27%
Construction waste				
Construction waste produced	Tonnes	-	7,278	61,653
Construction waste recycled	Tonnes	- ⁶	4,690	47,353
Construction waste recycle rate	Percentage (%)	- ⁶	64%	77%

2 Does not include data from vehicle fuel emissions

3 Energy consumption data is limited to landlord consumption

4 Water consumption data is limited to landlord consumption

5 Includes six months of residential waste data only

6 No significant construction activities during the 2022/2023 year

Social

			2022/23	2023/24	2024/25
Unit of measure			Total	Total	Total
Employment					
Total Workforce			177	183	163
By Gender	Male	Number	141	142	123
	Female		36	41	40
By Employment Type	Full-time		177	183	162
	Part-time		-	-	1
By Age Group	Aged 30 or below		17	15	12
	Aged 30 - 50		105	117	104
	Aged 51 or above		55	51	47
By Employee Category	Senior management		6	7	6
	Middle Management		46	52	51
	General Staff		125	124	106
New Employees					
Total number of new hires			64	33	19
By Gender	Male	Number	56	20	11
	Female		8	13	8
By Age Group	Aged 30 or below		10	2	6
	Aged 30 - 50		36	27	13
	Aged 51 or above		18	4	0
Turnover Rate					
Total number of leavers			32	27	31
By Gender	Male	Percentage (%)	18%	13%	20%
	Female		17%	20%	18%
By Age Group	Aged 30 or below		29%	7%	50%
	Aged 30 - 50		19%	12%	17%
	Aged 51 or above		13%	24%	15%
Health and Safety					
Employees					
Work-related fatalities		Number of cases	0	0	0
Work-related fatalities rate		Per 100 employees ⁷	0	0	0
Work-related injuries		Number of cases	1	6	3
Work-related injuries rate		Per 100 employees ⁷	0.56	3.28	1.84
Lost days due to work-related injury		Days	2	17	21
Contractors					
Total working hours		Hours	-	-	252,327
Work-related fatalities		Number of cases	-	-	0
Work-related fatalities rate		Per 100,000 work hours	-	-	0
Work-related injuries		Number of cases	-	-	3
Work-related injuries rate		Per 100,000 work hours ⁸	-	-	1.2
Lost days due to work-related injury		Days	-	-	476

⁷ Calculated by dividing number of cases by total number of employees in the reporting year

⁸ Calculated by the total number of lost days due to work-related injuries divided by total number of workhours and then multiplied by 100,000.

Social

			2022/23	2023/24	2024/25
			Unit of measure	Total	Total
Development and Training					
Percentage of employees who took part in training		Percentage (%)	57%	36%	64%
By Gender	Male	Percentage (%)	54%	37%	60%
	Female	Percentage (%)	69%	32%	78%
By Employee Category	Senior management	Percentage (%)	83%	86%	83%
	Middle Management	Percentage (%)	65%	87%	88%
	General Staff	Percentage (%)	53%	14%	52%
Average training hours per employees					
By Gender	Male	Hours per employee	0.8	2.7	5.3
	Female	Hours per employee	1.1	5.0	8.3
By Employee Category	Senior management	Hours per employee	2.5	9.1	9.7
	Middle Management	Hours per employee	1.4	7.6	12.0
	General Staff	Hours per employee	0.6	1.0	3.0

APPENDIX B

HKEX ESG REPORTING GUIDE

CONTENT INDEX

HKEX ESG Reporting Guide	Section	Remark
Mandatory Disclosure Requirements		
Governance Structure	A statement from the board containing the following elements:	
	<ul style="list-style-type: none"> i. a disclosure of the board's oversight of ESG issues; ii. the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and iii. how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses. 	Leadership message Our vision, mission, value Governance approach
Reporting Principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report:	
	<p>Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement.</p> <p>Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.</p> <p>Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison</p>	Material topics Stakeholder engagement Performance Table
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	About this report Our portfolio

Comply or Explain Provisions		Section	Remark
A. ENVIRONMENTAL			
<u>Aspect A1: Emissions</u>			
General disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Sustainability policy Policies and Guidelines	There were no instances of non-compliance with relevant local laws and regulations relating to air and greenhouse gas emissions, discharges into water and land, and the generation of hazardous and non-hazardous waste that have had a significant impact on KEL's performance in 2024.
KPI A1.1	The types of emissions and respective emissions data.	Performance Table	-
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) GHG emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).		-
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).		-
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).		-
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Sustainability policy	We are currently in the process of developing targets and metrics to track and reduce our emissions
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.	Environment	We are currently in the process of developing targets and metrics to track and advance our waste management
<u>Aspect A2: Use of Resources</u>			
General disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Sustainability policy Green procurement policy	-
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Performance Table	-
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).		-
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Sustainability policy	We are currently in the process of developing targets and metrics to track and reduce our energy consumption
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.	Environment	We are currently in the process of developing targets and metrics to track and reduce our water consumption

Comply or Explain Provisions		Section	Remark
A. ENVIRONMENTAL			
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	-	The data is not tracked as the use of packaging material is not material to the Company
<u>Aspect A3: The Environment and Natural Resources</u>			
General Disclosure	Policies on minimizing the issuer’s significant impacts on the environment and natural resources.	Sustainability policy Green procurement policy	-
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Our operations Our development projects	-
<u>Aspect A4: Climate Change</u>			
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Sustainability policy Safeguarding our assets for climate resilience	-
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.	Safeguarding our assets for climate resilience	-
B. SOCIAL			
Employment and Labour Practices			
<u>Aspect B1: Employment</u>			
General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Policies and guidelines	There were no instances of non-compliance with relevant local laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare that have had a significant impact on KEL’s performance.
KPI B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	Performance Table	-
KPI B1.2	Employee turnover rate by gender, age group and geographical region.		-
<u>Aspect B2: Health and Safety</u>			
General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Policies and guidelines	There were no instances of non-compliance with relevant laws and regulations relating to occupational health and safety that have had a significant impact on KEL’s performance in 2024.
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Performance Table	-
KPI B2.2	Lost days due to work injury.		-

Comply or Explain Provisions		Section	Remark
B. SOCIAL			
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Occupational Health and Safety	-
<u>Aspect B3: Development and Training</u>			
General Disclosure	Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities.	Employee Development	-
KPI B3.1	The percentage of employees trained by gender and employee category. (e.g. senior management, middle management).	Performance Table	-
KPI B3.2	The average training hours completed per employee by gender and employee category.		-
<u>Aspect B4: Labour Standards</u>			
General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Policies and guidelines	There were no instances of non-compliance with relevant laws and regulations relating to child and forced labour that have had a significant impact on KEL’s performance in 2024.
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.		For more information, please refer to our Green Procurement Policy.
KPI B4.2	Description of steps taken to eliminate such practices when discovered.		
Operating Practices			
<u>Aspect B5: Supply Chain Management</u>			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Green procurement policy Supplier Code of Conduct	For more information, please refer to our Responsible Sourcing Policy.
KPI B5.1	Number of suppliers by geographical region.		Data for our suppliers is currently not available.
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.		-
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.		-
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.		-
<u>Aspect B6: Product Responsibility</u>			
General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Policies and guidelines	-

Comply or Explain Provisions		Section	Remark
B. SOCIAL			
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	-	This KPI is not applicable to our business.
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	-	We are currently developing a formalised tenant complaint handling guideline
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Personal data privacy policy	-
KPI B6.4	Description of quality assurance process and recall procedures.	-	This KPI is not applicable to our business.
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Personal data privacy policy	The collection, retention and disposal of personal data in relation to lease management shall comply with the Hong Kong Personal Data (Privacy) Ordinance and other statutory requirement
<u>Aspect B7: Anti-corruption</u>			
General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-bribery and corruption	There were no concluded legal cases brought against KEL concerning corruption or fraud in 2024. Additionally, there have been no instances of non-compliance with relevant laws and regulations relating to bribery, extortion, fraud, and money laundering that have had a significant impact on KEL's performance.
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.		
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Whistleblowing	For more information, please refer to the Whistleblowing section.
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-bribery and corruption	All employees are required to complete compulsory anti-corruption training.
Community			
<u>Aspect B8: Community Investment</u>			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Engagement	-
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).		-
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.		-

APPENDIX C

ASSURANCE STATEMENT



ASSURANCE STATEMENT

SGS HONG KONG LIMITED'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE SUSTAINABILITY REPORT 2024 OF KADOORIE ESTATES LIMITED (KEL)

NATURE OF THE ASSURANCE/VERIFICATION

SGS Hong Kong Limited (hereinafter referred to as SGS) was commissioned by Kadoorie Estates Limited (KEL) (hereinafter referred to as KEL) to conduct an independent assurance of the "Sustainability Report 2024" (hereinafter referred to as the Report). The reporting period of the Report is 1 April 2024 to 31 March 2025.

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all KEL's Stakeholders.

RESPONSIBILITIES

The information in the Report and its presentation are the responsibility of the directors, governing body and the management of KEL. SGS has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform all KEL's stakeholders.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The process applied in this verification was based on the International Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE 3000) issued by the International Auditing and Assurance Standards Board. The verification process was designed to obtain a limited level of assurance for the purpose of devising the verification opinion and conclusion.

The assurance of this report has been conducted according to the following Assurance Standard:

Assurance Standard	Level of Assurance
ISAE 3000	Limited

SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information and evaluation of adherence to the following reporting criteria:

Reporting Criteria

Environmental, Social and Governance (ESG) Reporting Guide of Appendix C2 (formerly named as Appendix 27) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research, interviews with relevant employees, documentation and record review as well as data validation.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a

reasonable assurance engagement been performed.

INHERENT LIMITATIONS

The Greenhouse Gas (GHG) emissions are quantified based on the relevant estimated values provided by the relevant organizations. There is a certain level of inherent uncertainty because the estimated values come from estimation.

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and ESG report assurance. SGS affirms our independence from KEL, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditor(s) and sustainability professional(s) specializing in the Environmental, Social and Governance (ESG), environmental and climate change fields.

FINDINGS AND CONCLUSIONS

ASSURANCE/VERIFICATION OPINION

On the basis of the methodology described and the verification work performed, nothing has come to our attention that causes us to believe that the specified performance information included in the scope of assurance is not fairly stated and has not been prepared, in all material respects, in accordance with the reporting criteria.

We believe that KEL has chosen an appropriate level of assurance for this stage in their reporting.

Signed:

For and on behalf of SGS Hong Kong Limited



Miranda Kwan
Director
Business Assurance
15th July 2025

WWW.SGS.COM

