

Kerry Properties Limited
Supplementary Information on Selected Material Topics 2025

ENVIRONMENT

Climate Change and Resilience

We are committed to engaging with stakeholders—including governments, regulators, industry associations, NGOs, suppliers, contractors, and employees—to support a coordinated transition towards a net-zero economy. Our membership in national and international trade bodies allows us to actively support organisations that advance climate mitigation and adaptation. The Climate Change Policy, which is subject to periodic review by the Sustainability Steering Committee, provides a comprehensive governance framework for climate-related public policy engagement applicable across all jurisdictions in which the company operates. The Committee is accountable for overseeing the Company's positions, advocacy activities, industry association memberships, public commitments and engagement on climate-related policy matters, ensuring clear accountability and executive-level oversight. The policy provides overarching guidance on corporate strategy, business development and public engagement, ensuring alignment with the Company's sustainability objectives.

As part of our reviewing and monitoring process, we maintain an up-to-date inventory of all direct lobbying activities and trade associations with which the company is affiliated, if any. In addition, we undertake a landscape review to evaluate how these activities and each association's climate policy stance aligns with our climate commitments. This includes assessing whether their direct lobbying and public positions support the objectives of Sustainability Vision 2030 Targets and the Paris Agreement.

Additionally, we clearly communicate our expectations and climate commitments to these associations to foster greater alignment. Where misalignment is identified, the matter will be escalated and investigated by the Group, and corrective actions may be taken as appropriate. We have also demonstrated our support for HKEX's market consultations on enhancing climate-related disclosures.

Sustainable Buildings

Our commitment to environmental stewardship begins at the point of property designs. Before every new property development or investment decision, we conduct a rigorous due-diligence process as part of our decision-making process. This includes an environmental audit to identify existing environmental risks, liabilities, regulatory compliance issues, and opportunities for environmental improvement. During this stage, the Group also establishes a baseline assessment of its environmental performance that allows us to regularly monitor and manage the environmental performance of our properties. During the reporting year, on average, 75.91% of Group's properties in Hong Kong and Chinese Mainland were verified under the GRESB FY2026 Assessment as holding recognised green building and energy performance certifications, including the HKGOC Energywise Certificate, BEAM Plus Platinum certification and the Arc Energy Performance Certificate.

In support of an economy that encourages sustainable consumption, we lead by example through our sustainable procurement practices. The timber used in the construction process

must be certified by an internationally recognised, globally applicable, and independent certification system for sustainable forest management. Such certification should address environmental, ecological, biodiversity, social, and economic considerations, and may include, but is not limited to, the Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC). During the reporting period, 100% temporary wood used in Hong Kong property development are certified under BEAM Plus requirement, where the wood products are sourced from suppliers accredited by FSC or PEFC. In addition, all wood-based materials must either comprise a minimum of 40% recycled wood content or be certified under sustainable forest management schemes such as FSC, PEFC, or an equivalent internationally recognised certification.

PEOPLE

Human Capital Management and Development

Our Employee Handbook outlines essential policies covering compensation, recruitment, promotion, working hours, equal opportunities, diversity, anti-discrimination, and employee welfare. The Group encourages all employees to make full use of their rest days and paid leave entitlements to foster work-life balance. In order to reduce overtime and prevent excessive working hours, the Group has established guidelines for managing overtime. These guidelines involve monitoring hours worked and requiring approval from department heads before assigning overtime.

Additionally, the Group provides benefits and support for its employees beyond mandatory social coverages, such as competitive medical coverage, retirement benefits, training subsidies, overtime pay, and discretionary performance bonuses. The Group also provides training to its project development team on sustainable design principles and other ESG-related concepts, equipping them with the knowledge and capabilities to integrate sustainability considerations into the development process. To mitigate negative effects of industrial or climate transition changes, the Group has provided relevant training and upskilling program. In 2025, 14 Climate Fresk facilitators delivered ten workshops to over 120 colleagues and tenants across Hong Kong and the Chinese Mainland, equipping participants with climate change knowledge and supporting a just transition.

During the reporting period, we engaged a third party to conduct an Employee Satisfaction Survey and gather feedback on employees' overall satisfaction on workplace experience and wellbeing. Key focus areas of questions included whether employees understand their work purpose, motivation, stress and happiness level. The survey achieved a 1.6% response rate and an overall satisfaction rate of 84.6%. Example questions include:

- “The well-being support helps me manage my stress level at work”
- “I understand how my work contributes to the company's sustainability goals”
- “The overall support I receive at work helps me maintain a generally happier state of mind”
- “I feel satisfied with my overall experience at this company”

Recognising that attracting and retaining outstanding talent is vital to our long-term success, we have established a talent acquisition framework closely aligned with our business goals. We value and recognise employees for long-term service. Additionally, we offer post-retirement employment opportunities to our employees.

We adhere to a recruitment plan founded on principles of fairness, transparency, and impartiality, covering all employment aspects from hiring and compensation to performance evaluation and rewards. We conduct regular performance reviews with ongoing and multidimensional conversations for employees and teams to identify high achievers, determine

compensation based on performance, provide development opportunities, and offer feedback and recognition. Employee contributions to ESG objectives are also incorporated into performance assessments.

Labour Practices and Human Rights

We are committed to upholding human rights across our operations and throughout our value chain. Our practices comply with national laws and international standards, including the ILO Declaration on Fundamental Principles and Rights at Work, the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the UNSDGs. In alignment with our Human Rights Policy, we engage in human rights due diligence to identify potential risks within our operations and supply chain where relevant. The Group has mitigation plans in place for all sites in case any human rights risk is identified through our due diligence and assessment processes. During the reporting period, no human rights violations were caused or contributed to by the Group, and therefore no remediation actions were required. We regularly and systematically monitoring our Group's human rights impacts, that encompasses a variety of potential human rights concerns, including discrimination, forced labour, child labour, human trafficking, freedom of association, the right to collective bargaining, and fair compensation for all individuals at risk, covering our all genders and age group among our own employees, third-party employees of our suppliers and contractors, migrant workers, indigenous people and local communities.

Occupational Health and Safety

Under the Corporate Health and Safety Policy, the Group is committed to providing and maintaining a safe and healthy workplace for employees, contractors and other stakeholders through effective health and safety management systems, hazard identification, risk mitigation, employee training and regular performance monitoring. To support continuous improvement in occupational health and safety performance, the Group is committed to establishing targets for improving occupational health and safety performance metrics. Under our Sustainability Vision 2030, the Group aims to reduce work-related injury rate of employees to 10 per 1,000 and maintain record of zero work-related fatalities of all our employees. We regularly monitor progress against these targets and implement appropriate measures to enhance workplace health and safety outcomes.

COMMUNITY and VALUE CHAIN

Community Engagement, Development and Investment

We actively consider the sustainability and strategic concerns of our stakeholders. We regularly conduct assessment among our operations and supply chain to identify our relevant stakeholders especially local stakeholders. For example, we recognise the significance of cultural heritage to the local community. In Shanghai, we played a pivotal role in the urban regeneration of Jinling Road, engaging stakeholders through urban planning, and connecting key cultural and commercial hubs. We prioritise vulnerable stakeholders, especially people in need, such as the disabled and pregnant women, to ensure we pursue ethical operations. We believe that our stakeholders have significant potential effect on our business, thus we have established dedicated strategy in terms of stakeholder engagement. We employ a comprehensive approach to ensure timely and effective communication with each stakeholder group, integrating their feedback into our overall risk management. To enhance stakeholders' communication with us, we will regularly review the perceptions of our local stakeholder on the engagement strategy, with a whistleblowing and complaint mechanism available for the stakeholders. Through collecting customers' and local stakeholders' feedback through annual satisfaction surveys and Social Impact Assessment, we improve our offerings and optimise the allocation of resources among our local stakeholders.

Collaborative Tenant Partnership

To ensure the health and wellbeing of our tenants, we regularly conduct assessment via different channels, such as stakeholder engagement and satisfaction survey, to identify potential risks and opportunities that may have a significant impact on our tenants. We have implemented a range of measures focusing on key aspects of their living environment. Recognising the ten concepts of WELL Building Standard, which encompass indoor air quality, water quality, nourishment or healthy food, visual comfort of daylight, physical activity, thermal comfort, acoustical comfort, mental health, accessibility, biophilic design or connection to environment. For example, we optimise water quality through rigorous monitoring and filtration systems, enhance the visual comfort of daylight through strategic architectural designs and window placements, and install acoustic insulation and related facilities to improve tenant comfort. These efforts collectively aim to create living spaces that promote the holistic health and well-being of our tenants, fostering a harmonious and nurturing environment for all.

Responsible Supply Chain Management

Suppliers and contractors are required to meet minimum ESG requirements and comply with our ESG policies and Vendor Code of Conduct. Failure to address identified gaps or achieve the required standards within a set timeframe may result in exclusion from future tenders, contractual engagements, or contract termination. Significant suppliers were defined as the top 10 suppliers with the highest procurement spend. All significant suppliers were supported through supplier development measures and were also assessed through desk-based and/or on-

site assessments. The supplier assessments did not identify any significant suppliers with substantial actual or potential negative impacts; therefore, no corrective action plans were required and no supplier relationships were terminated during the reporting period.

GOVERNANCE

Risk and Crisis Management

The Sustainability Steering Committee, appointed by the Board, comprises Board members and senior executives from key functions and business units, is responsible for sustainability and climate-related matters across the organization. The Senior Director - Sustainability & Communications is responsible for overseeing the ESG and sustainability issues by monitoring the progress of the sustainability sub-committees and collaborating with relevant functions on key matters. The Group maintains a robust risk management process that integrates top-down and bottom-up approaches. Departments perform quarterly reviews of risk registers and matrices, including risk mapping to identify potential and emerging risks, including those associated with human rights. Financial incentives incorporating key risk management metrics, such as health and safety risks and climate risks, are given to targeted employees for reaching specific milestones and performance targets to promote risk management among our operations. We also organise dedicated workshops and seminars on risk management to our non-executive directors (including INEDs) on a regular basis, and provide trainings on risk management principles to all our employees within the Group.

Business Ethics and Integrity

We uphold the highest ethical standards and have implemented control measures to ensure fair and transparent decision-making. All employees are required to strictly adhere to the Company's Code of Conduct to safeguard both personal and corporate integrity. During this reporting year, the Group did not make any political contributions to and spending for political campaigns, political organisations, lobbyists or lobbying organisations, trade associations and other tax-exempt groups.

Cybersecurity

The Audit and Corporate Governance Committee treats cybersecurity as a standing agenda item. Our Technology Risk Committee operates under the Corporate Governance Committee to review cybersecurity and technology risk programmes and measures. The Technology and Innovation (T&I) Department develops relevant frameworks and implements corresponding actions, where these frameworks and actions are reported to the Committee and Senior Management Team by the Vice President of the T&I Department. We have implemented Information Security related policies which apply to employees, 3rd party contractors and agents. These policies govern the regular review, monitoring and continuous improvements of information security of our systems, including the identification and resolution of potential breaches. All security-related activities involving the Group and its IT resources are promptly recorded and evaluated to ensure the integrity and protection of data. The End User Resource Usage policy and Incident Management Policy also help guide employees on the proper response to, and the efficient and timely reporting of, computer or system-related incidents, such as application or system abnormal, hardware failure, computer viruses, unauthorised user

activity, and suspected compromise of data. When employees notice anything suspicious, they are required to report the incident in accordance with our escalation procedures.