

Kerry Properties Limited Biodiversity Policy

Biodiversity refers to the rich variety of life on earth, including plants, animals and microorganisms that support natural ecosystems. Natural ecosystems provide valuable services that are essential to sustaining the planet, industries and societies. However, biodiversity is under threat because of human activity and climate change.

Kerry Properties Limited (“Kerry Properties” or “KPL”, which together with its subsidiaries referred to as the “Group”, “Company” or “we”) is a world-class property company with significant investments in mainland China and Hong Kong. The Group recognises that property development and operations may potentially impact biodiversity, including loss and degradation of natural habitat and wildlife. Therefore, the Group is committed to reducing the impacts of its development activities on biodiversity. Conserving and protecting biodiversity is an integral part of the Group’s sustainability policy.

The Company actively encourages its suppliers, contractors, and subcontractors to comply with this Policy.

Commitments

Kerry Properties is committed to:

a) **Regulatory Compliance**

As a minimum, ensure strict compliance with local biodiversity regulations and due diligence requirements to avoid or reduce ecological impact.

b) **Protecting Conservation Areas**

Avoid development activities that contribute to the extinction of the International Union for Conservation of Nature (IUCN) listed endangered species. Avoid development projects in World Heritage areas, and IUCN Category I-IV protected areas.

c) **Biodiversity Risks**

Conduct biodiversity impact assessment for all new or existing developments assessed to be in critical biodiversity areas to evaluate and mitigate potential risks to threatened species of plants and wildlife. For all other projects, seek to preserve and promote natural environments within and near properties by landscaping, planting native trees, shrubs, grass and vegetation within and adjacent to projects.

d) **Sustainable Design and Construction**

Consider biodiversity and conservation in the design and construction of properties to minimise the impact. Integrate features and spaces into building design to enhance biodiversity. Reduce the operational impact of construction such as waste, pollution and noise on biodiversity. For projects in greenfield locations, seek to protect, restore and conserve habitats for threatened and endangered species where applicable.

e) **Sustainable Procurement**

Consider biodiversity and forest conservation in procuring building materials and other supplies such as certified timber and paper.

f) **Green Certification**

Consider obtaining green building or biodiversity certification for new developments and fully-owned properties where relevant.

g) **Minimising the Risk of Deforestation**

Strive to avoid any level of deforestation associated with our key operations where applicable.

Stakeholder Engagement

We are committed to engaging with stakeholders such as governments and regulators, industry associations, NGOs, suppliers, contractors and employees to reduce biodiversity loss. Support local biodiversity conservation initiatives and programmes.

Reporting

We are committed to monitoring and disclosing our biodiversity performance of our newly acquired sites in our sustainability reporting.

Responsibilities

This policy has been reviewed by the Sustainability Steering Committee (the “Committee”), whose Chairman is the member of the Board, and approved by the Board. The Committee will review and update this policy periodically. The Board is responsible for overseeing the Group’s biodiversity policy and performance, and management and divisional heads are responsible for its implementation. Any breach of this policy may be brought up to the Sustainability Steering Committee.