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SHUI ON LAND



SUSTAINABILITY REPORT 2025

SHUI ON LAND LIMITED

Incorporated in the Cayman Islands
with limited liability

STOCK CODE 272



Table of Contents

ABOUT THIS REPORT	2
ABOUT SHUI ON LAND	3
CHAIRMAN'S MESSAGE	4
2025 – AT A GLANCE	6
Key Achievements and Performance across the 5C Pillars	
Sustainability Benchmarks and Indices	
APPROACH TO SUSTAINABILITY	10
Sustainability Landscape of China	
Shui On Land 5C Sustainability Strategy	
Sustainability Governance	
Stakeholder Engagement	
Materiality Assessment	
OUR PERFORMANCE IN 2025	17
Community	
Clean	
Culture	
Care	
Corporate Governance	
APPENDIX	62
Analysis of Top Material Topics	
Climate-related Financial Disclosure	
Nature-related Financial Disclosure	
Awards, Recognition and Membership	
Performance Data Summary	
GRI Standards, HKEX ESG Code and SASB Content Index	
Independent Assurance Report	



ABOUT THIS REPORT

Shui On Land Limited (“Shui On Land” or “the Company”) presents its twelfth Sustainability Report (the “Report”), covering the period from 1 January to 31 December 2025. The Report outlines the environmental, social and governance policies, initiatives and performance of the Company and its subsidiaries: Shui On Xintiandi Ltd. (“SXTD”), Shanghai Feng Cheng Property Management Limited, and Shui On Construction Co. Ltd. This Report is published on 23 April 2026.

The Report adheres to local and internationally recognised reporting frameworks. It has been prepared in accordance with the *Environmental, Social and Governance (ESG) Reporting Code (“ESG Code”) in Appendix C2 of the Rules Governing the Listing of Securities* on the Stock Exchange of Hong Kong (HKEX). In response to updated HKEX requirements aligned with *International Financial Reporting Standards (IFRS) S2 Climate-related Disclosures*, we have strengthened our climate disclosures to comply with the newly implemented *Part D: Climate-related Disclosures*, effective January 2026. This Report references selected disclosures from the *Global Reporting Initiative (GRI) Standards 2021* to address the Company’s core operations and activities. It also references the recommendations of the *Taskforce on Climate-related Financial Disclosures (TCFD)*, the *Taskforce on Nature-related Financial Disclosures (TNFD)*, the *Sustainability Accounting Standards Board (SASB)* for the Real Estate Sector, and IFRS S2. In preparing this Report, we followed the reporting principles recommended by GRI and outlined in the *HKEX ESG Reporting Code*, ensuring accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability of information. In case of any discrepancies between the Chinese and English versions, the English version shall prevail.

The [Performance Data Summary](#) section offers a comprehensive overview of our sustainability progress in 2025. Standards, methodologies, assumptions, and calculation references are provided where relevant. Wherever practicable, we have employed consistent methodologies in our key performance indicator (KPI) calculations, clearly noting any changes that might influence meaningful comparisons.

To assist readers in navigating this Report, a content index is provided in the [Appendix](#). This index facilitates easy access to information concerning our sustainability-related performance. We recommend reading this Report in conjunction with the *Shui On Land 2025 Annual Report*, particularly the Sustainability Chapter, and the Corporate Governance and Sustainability sections on the [Shui On Land website](#).

Scope and Boundaries

The scope and performance metrics detailed in this Report focus on areas under our operational control, as listed in the [Shui On Land 2025 Annual Report](#).

Recognising the varied impacts of our material sustainability topics from both a financial and non-financial perspective, we have delineated how each relates to the core components of our 5C Sustainability Strategy and their respective areas of influence, internally, externally, or both. Further details are available in the [Materiality](#) section and [Appendix – Analysis of Top Material Topics](#).

Endorsement and Approval

The Sustainable Development Executive Committee has endorsed this Report, and the Board granted its approval on 26 March 2026.

Contact and Feedback

We welcome your valuable feedback for our ongoing improvement. Please direct any comments or suggestions about our sustainability performance and this Report to sustainabledevelopment@shui-on.com.cn.



ABOUT SHUI ON LAND

Founded in 2004, Shui On Land (Stock Code: 272) is a leading urban solution provider in China, offering a diverse portfolio in top tier cities across the country with two core business segments: property development and asset management. The company specialises in urban regeneration and developing communities that prioritise culture, social engagement, and sustainability. Shui On Land is committed to delivering a best-in-class lifestyle through its well-known brands "Xintiandi" and "Lakeville". As of 31 December 2025, the company holds a land bank of 7.2 million sq.m. in prime locations across key Chinese cities. Its wholly owned subsidiary, Shui On Xintiandi, serves as the commercial property investment and management arm, making it one of the largest private commercial property managers in Shanghai. This subsidiary oversees a portfolio of RMB 79 billion of office and retail premises in Shanghai, including the flagship Shanghai Xintiandi.

Shui On Land was listed on the Hong Kong Stock Exchange on 4 October 2006. The company is included in several key indices, such as the Hang Seng Composite Industry Index – Properties & Construction, the Hang Seng Composite SmallCap Index, the BI China Real Estate Owners and Developers Valuation Peers, and the Bloomberg ESG Data Index.

Our Vision

Building a Future,
Sharing a Dream

Our Mission

To become the leading
urban solution
provider in China

Our Position

A pioneer in developing
and operating
sustainable
premium urban
communities

Shui On Spirit

Integrity, Dedication, Innovation, Excellence





CHAIRMAN'S MESSAGE

The past year has presented a complex and challenging environment for China's real estate industry as the sector continues its deep structural adjustment. Yet, as consumers and investors increasingly demand high-quality, green, and health-centric environments, we view this period not simply as a headwind to navigate, but as an opportunity for meaningful transformation. By remaining true to our people-centred values, we continue to build resilience and spark innovation across our communities.

Sustainable Communities as Our Core Proposition

With decades of experience in urban regeneration, we understand that sustainability is not an add-on—it is in our DNA and fundamental to creating places that endure. More importantly, it is our distinct competitive advantage. We design and operate low-carbon, resilient, and culturally vibrant ecosystems that protect our communities and assets against future risks while fostering a deeper sense of belonging for the people who live and work within them. In doing so, we deliver lasting value for all our stakeholders.

In line with this vision, the strategic elevation of "Xintiandi" from a commercial identity to an urban community brand signals our evolution from a traditional property developer into a comprehensive urban solution provider. By positioning sustainability as the foundation of Xintiandi, our communities honour the past, thrive in the present, and are fully equipped to evolve with the future.

VINCENT H. S. LO

Chairman





CHAIRMAN'S MESSAGE

5C Pillars in Action to Build Better Communities

We continue to translate our 5C Sustainability Strategy into concrete action. A core focus this year has been future proofing our communities against climate change. We made steady progress towards our 1.5°C-aligned science-based targets and established the *Shui On Land Resilience and Adaptation Guideline for Physical Climate Risks*, embedding it into our project standards to shield our developments from climate hazards. Operationally, we maintained 35% renewable electricity usage across our portfolio. These disciplined efforts delivered a 57% reduction in Scope 1 & 2 carbon emissions intensity and a 32% reduction in Scope 3 tenant emissions intensity against our 2019 baseline. Through continuous improvement in waste diversion, water stewardship, and active mobility, we are ensuring our communities promote wellbeing and withstand the challenges of tomorrow.

Sustainability at Shui On Land also encompasses living culture. We differentiate ourselves by "Bringing Heritage to Life" through contemporary expression. Our communities continued to serve as vibrant platforms for cultural exchange, vividly demonstrated by the "Heritage Now Festival" at Panlong Xintiandi and Lingnan Xintiandi, where tradition is reinterpreted for modern urban life. We also believe that as a leader in urban regeneration, sharing our expertise drives meaningful change. In 2025, we concluded a successful three-year partnership with Tongji University, publishing over 60 project outcomes and reinforcing our shared commitment to sustainable urban development and cultural preservation. By nurturing young talent through our "RanRan" Young Artist Incubation Programme and collaborating with tenants via the new "XINTIANDI GREENOVATORS" initiative, we foster a dynamic ecosystem of co-creation that drives both cultural vitality and sustainable innovation across our communities.

To build resilient communities externally, we must first reinforce our internal foundations. Safety remains non-negotiable: in 2025, we achieved a zero contractor safety incident rate, well below our rigorous target. We also continued to invest in our people through comprehensive training programmes that delivered an average of

47 training hours per employee, and through ongoing Employee Assistance and iFamily programme, enabling employees to grow holistically and strive for excellence. Underpinning all of this is our robust governance framework; by revising our *Risk Management Policy* and updating the *Irregularity Reporting Policy*, we ensure that our culture of integrity matches the premium quality of the communities we create.

An Outlook for 2026

Our disciplined execution continues to earn market recognition. In 2025, we elevated our GRESB rating to 5 Star and HKQAA Sustainability Rating and Research performance to "AA", while maintaining our position as a CDP "A-List" company. We were also honoured to receive the "Decarbonisation Award" from the American Chamber of Commerce in Shanghai and the "Most Sustainable Organisation Award" at the "Best Corporate Governance and ESG Awards 2025" from the Hong Kong Institute of Certified Public Accountants.

While we take pride in these accolades, our focus remains firmly on the future. As we look to 2026 and beyond, we will advance the next phase of our Xintiandi community rollout, and sustainability will always be our true north. Together, we will continue to shape harmonious ecosystems where nature, culture, and people flourish, and where our rich history remains an inspiration for the cities of tomorrow and the generations to come.

Vincent H. S. Lo
Chairman

Hong Kong, 26 March 2026





2025 – AT A GLANCE

Key Achievements and Performance across the 5C Pillars

Community

- Unveiled the new **“Xintiandi”** Community Brand, launching four adaptable community models as integrated urban development solutions
- Panlong Xintiandi won the **2025 ULI Asia-Pacific Award for Excellence** and was named a National-level Tourism and Leisure Block by the Ministry of Culture and Tourism; Hong Shou Fang received the **“Outstanding Award”** in the “Shanghai Urban Regeneration Outstanding Practice Case”
- Established a comprehensive Product Sustainability Standard to embed sustainability across our community development and operations
- Achieved Green Pledge signatories from **100%** of F&B tenants, **98.6%** of retail tenants, and **98.4%** of office tenants. Launched **“XINTIANDI GREENOVATORS”** with 10 pioneering tenants as co-creators of our sustainability ecosystem
- Implemented circular furniture solutions for office tenants across **21,000m²** of leased office space, and provided energy audits for **35 tenants** over three years to improve energy efficiency
- Scaled YEAHH PARK as an ecosystem for active living, partnering with 150+ community groups to deliver 700+ events and **activating 100,000+ participants** to embrace healthy and vibrant lifestyles



Clean

- Achieved a **57%** reduction in Scope 1 & 2 carbon emissions intensity, and a **32%** reduction in Scope 3 tenant emissions intensity from the 2019 baseline
- Maintained a **35%** portfolio-wide share of renewable electricity, with over 1,000m² of roof-top solar panels installed at CPIC Xintiandi Tower 1 and Tower 2
- Achieved a reduction of **15,645 tonnes** of embodied carbon through the use of lower-emission construction materials, including concrete, cement, rebar, and steel
- Developed the *Shui On Land Resilience and Adaptation Guideline for Physical Climate Risks*, embedding climate resilience across the project lifecycle to future-proof assets against physical climate threats
- **Over 98%** of existing assets by GFA obtained at least one green or healthy building certification, with 12 additional green and healthy building certifications obtained in 2025, including five at the operational stage
- Piloted holistic ecological planning at Zhaolou Xintiandi—using ecological zoning and green corridors—to advance urban biodiversity and ecological function of the water-town ecosystem





2025 – AT A GLANCE

Culture

- Staged the **"Heritage Now Festival"** at Panlong Xintiandi and Lingnan Xintiandi, engaging over six million visitors through traditional performances and exhibitions, bringing heritage to life and creating festive memories
- Engaged **1.6 million** visitors through more than 80 performances during the 2025 Art To Gather Festival, deepening neighbourhood bonds through art and creativity
- Concluded the three-year partnership with Tongji University on the Urban Regeneration Talent Development programme, distilling our expertise into a **700-page** teaching resource for the industry
- Transformed the historic Dongtai street into Xintiandi Dongtai, an 84,000m² living gallery, featuring 16 **"Dongtai Cabinets"** that reinterpret the district's antique heritage
- Nurtured over **50 local young artists** through the three-year "RanRan" programme with UCCA, reaching a bold finale with a street exhibition at Xintiandi Dongtai



Care

- Female Board representation increased from 27% to **40%** since 2022
- Delivered an average of **47 training hours** per employee
- Achieved a zero contractor safety incident rate per 1,000 workers, and delivered occupational health and safety training to **100% of employees**
- Contributed **13,719 employee volunteer hours** and generated over RMB 2.1 million in charitable donations
- Achieved long-term employee commitment with over **25%** of our employees serving for more than 10 years



Corporate Governance

- Received the **"Most Sustainable Organisation Awards"** of the "Best Corporate Governance and ESG Awards 2025" from the Hong Kong Institute of Certified Public Accountants (HKICPA)
- Delivered external business ethics training to **160 key supply chain partners** through the 2025 Supplier and Contractor Forum
- Delivered 20 in-person internal business ethics and risk management training sessions, with online courses on responsible marketing and Foreign Corrupt Practices Act (FCPA) compliance
- Updated the *Irregularity Reporting Policy*; and completed a comprehensive review of the *Risk Management Policy*
- Renewed **ISO 27001/ ISO 27701 certifications** for our Personal Information Security Management System





2025 – AT A GLANCE

Demonstrating our strong commitment to sustainability, we have established quantitative targets within the framework of our 5C Sustainability Strategy. We are delighted to report significant progress toward our 2030 sustainability targets:

Pillar	2030 Key Targets	FY2025 Progress
Community	90% Achieve a satisfaction rate of more than 90% in our customer and occupant satisfaction survey by 2030	95% Overall customer and occupant satisfaction rate
	100+ Design and curate 100+ programmes per year across our portfolios through 2030	102 Programmes curated across our portfolios in 2025
	150 Support 150 innovators/start-ups through our incubation programme or entrepreneurship community by 2030	215 Innovators/start-ups supported by the end of 2025
Clean	62.4% Reduce Scope 1 & 2 GHG emissions intensity by 62.4% by 2030 from 2019 baseline	57% Reduction achieved from 2019 baseline
	22% Reduce Scope 3 GHG emissions intensity from downstream leased assets by 22% from 2019 baseline	32% Reduction achieved from 2019 baseline
	20% Reduce operational energy intensity by 20% by 2030 from 2019 baseline	18% Reduction achieved from 2019 baseline
	20% Reduce operational water intensity by 20% by 2030 from 2019 baseline	38% Reduction achieved from 2019 baseline
	45% Divert 45% of operational waste from landfill by 2030	42% Operational waste diversion rate achieved in 2025



2025 – AT A GLANCE

Pillar	2030 Key Targets	FY2025 Progress
Care	40 Achieve an average of 40 hours of training per employee per year by 2030	47 Average training hours per employee in 2025
	150,000 Achieve a cumulative of more than 150,000 volunteer hours by 2030 (compared to 2019)	225,517 Accumulated volunteer hours achieved from 2019
Corporate Governance	100% Maintain 100% implementation of Code of Conduct and Business Ethics for all employees across all business units	100% Maintained
	100% Communicate with 100% of contractors (construction) and suppliers (operations) to ensure they acknowledge the implementation of the Supplier Code of Conduct	100% Covered

Sustainability Benchmarks and Indices

We disclosed relevant data and management approaches in accordance with the requirements of major local and global sustainability-related benchmarks and indices. In 2025, we are very pleased to attain remarkable results in the following benchmarks and indices.

Rating Organisations	2025 ESG Rating Performance
	CDP A List – Climate A List – Supplier Engagement Assessment
	Global Real Estate Sustainability Benchmark (GRESB) 5-Star Rating (SCOV ¹)
HKQAA	HKQAA Sustainability Rating and Research AA
 Hang Seng Corporate Sustainability Index Series Member 2025-2026	Hang Seng Corporate Sustainability Benchmark Index Constituent

¹ The Shui On Land Core-Plus Office Venture.



APPROACH TO SUSTAINABILITY

Sustainability Landscape of China

In 2025, China continued to accelerate its shift toward high-quality, low-carbon economic development. On the macro level, China strengthened its climate commitments by announcing an updated Nationally Determined Contribution (NDC), introducing a new 2035 interim target to reduce economy-wide net greenhouse gas (“GHG”) emissions by 7–10% from peak levels. Concurrently, regulatory expectations for ESG disclosures became much clearer. Following the 2024 release of the *Sustainability Disclosure Standard for Business Enterprises—Basic Standard (Trial)*, China’s Ministry of Finance and other national authorities issued the *Corporate Sustainability Disclosure Standard No. 1—Climate (Trial)* in December 2025. Together, these frameworks establish a comprehensive roadmap for sustainability disclosure in China, leveraging mandatory reporting to drive tangible corporate climate action and accountability leading up to 2030.

Within the building sector, national policies increasingly prioritise urban renewal and the enhancement of existing neighbourhoods. New guidelines introduced in 2025 provide greater policy and financial support for transforming ageing residential areas. This aligns directly with the Ministry of Housing and Urban-Rural Development’s (MOHURD) call to build “Good Housing, Good Neighbourhoods, Good Communities, and Good Urban Districts.” This “People’s City” vision is further reinforced by the newly formulated *15th Five-Year Plan*, which elevates sustainability as a core pillar of national development. The Plan advocates for safe, eco-friendly, and smart housing, supported by full-lifecycle safety management and a broader societal shift toward low-carbon lifestyles.

These evolving regulatory and market dynamics strongly validate Shui On Land’s long-standing business model. Anchored in our 5C Sustainability Strategy, we are proactively embedding these national priorities across our project lifecycles. As a leading urban solution provider, we answer the call for high-quality development by designing people-centred, mixed-use communities and undertaking thoughtful urban renewal projects. Furthermore, to align with the nation’s heightened focus on climate adaptation and disclosure, we have fully integrated the *Shui On Land Resilience and Adaptation Guideline for Physical Climate Risks* into our development processes, ensuring our assets are resilient, compliant, and future-ready.





Shui On Land 5C Sustainability Strategy

Since our establishment, Shui On Land has striven to be a pioneer in developing and operating sustainable, premium urban communities. Our business approach harmonises financial success (prosperity) with a deep commitment to sustainability, creating positive environmental (planet) and social (people) impacts while contributing to the local and broader economy. Sustainability is a fundamental aspect of our operations; it is integral to our corporate mission of becoming the leading urban solution provider in China.

In 2020, we introduced our 10-year 5C Sustainability Strategy, which comprises five core pillars—Community, Clean, Culture, Care, and Corporate Governance—expanding our commitment beyond the traditional ESG framework. Following a strategy review in 2022, we refreshed our 5C Sustainability Strategy to place “Community” at its very centre, aligning with our corporate mission and positioning. Guided by the 5C Strategy, we champion the triple bottom line by interweaving environmental stewardship, cultural vitality, social equity, and ethical governance into every facet of our operations.

Our 5C Strategy outlines a comprehensive roadmap to effectively accomplish our sustainability goals by 2030, delineating clear and measurable targets for the short, mid, and long term. In 2025, we completed a thorough review of our 5C Strategy implementation progress and established a clear execution plan for the next three years. We remain firmly on track to achieve our 2030 sustainability targets.

With robust sustainability foundations in place, we are systematically integrating these values into our development and asset management processes. This rigorous integration of sustainability considerations across master planning, design, procurement, construction, and asset operations is essential for translating our commitments into tangible, measurable outcomes across all our projects.



Community	Clean	Culture	Care	Corporate Governance
Aspiration: A neighbourhood that grows sustainably as it matures. And a network of people with a clear sense of belonging, well-being, and character.	Aspiration: Advance our pathway towards net-zero carbon. Embed wellness, efficiency, resource circularity and climate resilience in all places and communities we create and manage.	Aspiration: Demonstrate leadership in conserving, revitalising and enhancing local culture that enriches the cultural vibrancy, authenticity, diversity and creativity of our communities.	Aspiration: Build a safe, healthy and inclusive environment that enhances the wellbeing and holistic development of our employees, and enables our employees to collectively contribute to society.	Aspiration: Become a trusted partner for all stakeholders by ensuring the highest standards of business ethics and risk management.
Priorities: - Master planning and development - Community wellbeing and spirit - Vibrancy - Sustainable lifestyles and work solutions - Smart and sustainable technology integration	Priorities: - Carbon emission reduction - Climate change adaptation - Urban biodiversity - Healthy communities and buildings - Resource management and circularity	Priorities: - Local culture revitalisation and enhancement - Local creativity and creator - Cultural exchange	Priorities: - Talent development - Wellbeing, health and safety - Diversity and inclusion - Shared value for society	Priorities: - Sustainability governance and transparency - Emergency preparedness and risk mitigation - Ethics and integrity



Sustainability Governance

At Shui On Land, we recognise that effective sustainability governance must start at the Board and executive levels. A robust governance framework is essential to embedding our 5C Sustainability Strategy into our corporate culture, operational practices, and business relationships. To ensure cohesive execution across all 5C pillars, we have established a clear hierarchy of accountability, defining specific roles and cross-functional responsibilities from the Board down to our operational teams.

A Statement from the Board

We recognise that robust governance fosters a culture of ethical behaviour while minimising business risk. To this end, we have instituted a comprehensive corporate governance framework, internal controls, and risk management systems to ensure that our operations are conducted with integrity. Our approach to managing and overseeing sustainability-related issues is integrated into our broader business strategy, with sustainability considerations embedded into day-to-day operations.



Our Sustainability Governance Structure



- **The Board of Directors** bears ultimate collective responsibility for the Company's sustainable development efforts, risk management, and internal controls, in line with its governance responsibilities. Through regular reports from management and dedicated committees, the Board evaluates current and emerging risks confronting our business, including sustainability related risks and opportunities, refines strategic metrics and targets, and ensures appropriate mitigation measures are in place to manage these risks.
- **The Board Sustainability Committee** provides direct support to the Board by proposing and overseeing the implementation of the 5C Sustainability Strategy. It recommends corporate sustainability priorities, goals, and initiatives, and monitors overall sustainability performance to ensure alignment with our business operations.
- **The Sustainable Development Executive Committee (SD EXCOM)**, comprising the Vice Chairman, CEO, Executive Directors, Senior Director, and the Chief Sustainability Officer (CSO) of the Company, convenes quarterly to review the progress of sustainability Key Performance Indicators (KPIs), address emerging sustainability matters, and drive informed decision-making regarding sustainability integration across the business.
- **The CSO** spearheads the integration of sustainability into our corporate strategy and guides the **Sustainable Development Department** in formulating corporate sustainability strategy and policies. The Sustainable Development Department provides technical solutions and coordinates external and internal sustainability communications and training with relevant departments. It also monitors the overall progress of the Company in meeting its short- and long-term sustainability goals.

- **5C Teams and Business Units** are entrusted with the operational implementation of 5C sustainability goals. The on-the-ground execution is coordinated by the 5C working teams to ensure seamless, cross-functional collaboration.

We have taken key steps to strengthen sustainability governance and accountability by directly linking sustainability performance to executive remuneration. Sustainability-related KPIs—covering areas such as carbon reduction, employee health and safety, talent development, and diversity and inclusion—are tied to the compensation of key executives and sustainability leaders. This includes the CEO, CFO, CSO, and SD EXCOM members, as well as department and project heads of the Company and its subsidiaries, including Feng Cheng Property Management and Shui On Construction.

Our sustainability governance framework underscores the importance we place on aligning leadership and decision-making with sustainability goals. It not only oversees the strategy's deployment across our businesses but also reinforces our objective-setting and reporting processes. We view leadership in sustainability at the Board and executive levels as fundamental to weaving sustainability management and performance into our corporate fabric, operational practices, and business relationships.



Stakeholder Engagement

At Shui On Land, we are dedicated to consistently engaging with stakeholders on sustainability issues. Our engagement extends beyond annual reporting to include active two-way communication, enabling us to respond to stakeholders' expectations and incorporate their feedback directly into our strategic planning. This collaborative approach underpins our sustainable business growth.

We have identified nine key stakeholder groups that significantly impact, or are impacted by, our performance.

Our Key Stakeholders	Communication Channels	The Value of Our Relationship
Government and regulatory authorities	- Press releases - Social media - Conferences, meetings and site visits - Joint projects - Working committees and consultations - The Proposal of the Members of the CPPCC - Face-to-face meetings	National policies on environment and land acquisition significantly influence our operational approach and future business strategies. Strong cooperation with government entities at all levels is crucial for our business success and the expansion of our sustainability initiatives.
Shareholders	- Events - Corporate website and newsletter - Regular meetings and interviews	Strong sustainability performance is attractive to shareholders who are focused on creating long-term value. We actively listen to our shareholders to align our interests and ensure a resilient, future-oriented business.
Tenants and customers	- Surveys - Customer service mobile applications - Community events - Joint projects	Tenants and customers drive our commitment to providing sustainable and ethical services. Their engagement in sustainability bolsters loyalty, service quality, and our brand image. We prioritise understanding and meeting their needs to adapt to their changing preferences.
Investment partners	- Sustainability benchmarks and indices - Interviews and meetings - Newsletters - Events - Investor day	Investors scrutinise our sustainability performance and impact. Understanding the concerns of our investment partners, who co-own assets with us, is vital for alignment and cooperation.
Co-developers	- Industry events - Joint projects - Multi-stakeholder meetings, seminars, and conferences - Project meetings	Our engagement with co-developers is rooted in a shared commitment to sustainability and innovation, driving us towards a collective vision for a more sustainable built environment. Together, we commit to advancing sustainable development, leveraging our collaboration to overcome challenges and foster mutual success.



Our Key Stakeholders	Communication Channels	The Value of Our Relationship
Suppliers and contractors	• Annual supplier meeting • Project meetings and briefings • Supplier screening and assessments • Joint projects • Surveys • Forums	Our supply chain's environmental and social impacts are significant. Integrating suppliers and contractors into our 5C Sustainability Strategy creates shared value and amplifies our sustainable impact. Collaborating on sustainability goals is key to our strategy's success.
Employees	• Townhall meetings • Management annual meeting/project regular meetings • Executive face to face events • Training sessions • Forums • Surveys and interviews	Our employees are at the heart of our operations and essential to the 5C Sustainability Strategy. Listening to their concerns, needs, and ideas is imperative to attract and retain top talent and fulfil our sustainability goals.
Society and the public	• Press releases • Social media • Corporate advertisements • Company website • Sustainability reports	Maintaining a positive public image and community license to operate is essential for achieving our sustainability goals. We engage with the public to address their concerns and fulfil our corporate vision and mission.
Media	• Corporate website • Press release • Interviews	We engage with media to promote awareness of sustainability and communicate SOL's green initiatives, leveraging mainstream news and information channels.

During this reporting year, we appointed an independent consultant to assist with our stakeholder engagement exercise to ensure fair and transparent conversations. With their assistance, we conducted 12 face-to-face interviews with internal stakeholders and an online survey engaging both internal and external stakeholder groups. These engagements have been pivotal in understanding perceptions of our 5C Sustainability Strategy and identifying opportunities for SOL to enhance its investor appeal and mitigate future risks.

Various departments receive ongoing stakeholder feedback, systematically elevating relevant issues through the 5C and Communications teams to the Sustainability Committee and the Sustainable Development Executive Committee as needed. The Sustainability Committee advises the Board as necessary.



Materiality Assessment

A robust materiality assessment process is fundamental in identifying and prioritising sustainability topics that are significant to the Company's operations, development, and stakeholders. We review ESG issues pertinent to our business annually and engage with stakeholders to understand how well our sustainability performance meets their expectations. Below is a summary of our approach.

Step 1: Identification	▶ Step 2: Prioritisation	▶ Step 3: Validation
- Reviewed the previous year's material topics for Shui On Land, consulted international reporting frameworks, market best practices, and relevant sustainability trends. - Identified and defined the initial list of sustainability topics.	- Solicited stakeholder feedback to gain perspectives on sustainability topics with the greatest influence on the environment, people, and economy. - Conducted benchmarking analysis to understand peers' disclosure practices, informing our prioritisation of sustainability topics.	The Sustainable Development Executive Committee reviewed and validated the list of material topics for reporting and strategic development.

Last year, we adopted the double materiality approach to take into account both financial materiality, which assesses the economic impact of sustainability issues on our business, and impact materiality, which evaluates the social and environmental implications of our operations.

In 2025, we reviewed the materiality results and reassessed our strategic priorities. We confirm that our material sustainability topics continue to align with industry trends and best practices. In line with our strategic focus as an urban solutions provider, we have renamed the material topic "Biodiversity" to "Urban Biodiversity" to more accurately reflect how biodiversity considerations apply within dense urban environments and align with the sustainability impacts most relevant to SOL's operations.

Community

- Contribute to Local Economic Development
- Innovation and Entrepreneurship
- Master Planning
- Social Contribution and Engagement
- Tenant and Customer Engagement
- Tenant and Customer Wellbeing and Safety

Clean

- Climate Change Mitigation and Adaptation
- Energy Efficiency and Emission Management
- Green and Healthy Buildings
- Green Energy
- Urban Biodiversity
- Waste Management
- Water Conservation

Culture

- Cultural Creativity and Artistic Expression
- International Cultural Exchange
- Traditional Culture Revitalisation
- Urban Regeneration and Historical Building Adaptive Reuse

Care

- Diversity and Equal Opportunities
- Employee Wellbeing
- Occupational Health and Safety
- Talent Attraction, Retention and Development

Corporate Governance

- Business Ethics and Anti-corruption
- Cyber Security and Data Privacy
- Product/Service Quality and Responsibility
- Risk Management
- Value Chain Management and Engagement

For details on the top material topics identified through our Double Materiality assessment as having the most significant impacts across SOL's business operations, the environment, society and the economy, please refer to the [Appendix – Analysis of Top Material Topics](#).

Community



2025 Highlights



Unveiled the new “Xintiandi” Community Brand, launching four adaptable community models as integrated urban development solutions



Panlong Xintiandi won the 2025 ULI Asia-Pacific Award for Excellence and was named a National-level Tourism and Leisure Block by the Ministry of Culture and Tourism; Hong Shou Fang received the “Outstanding Award” in the “Shanghai Urban Regeneration Outstanding Practice Case”



Established a comprehensive Product Sustainability Standard to embed sustainability across our community development and operations



Achieved Green Pledge signatories from 100% of F&B tenants, 98.6% of retail tenants and 98.4% of office tenants. Launched the “XINTIANDI GREENOVATORS” with 10 pioneering tenants as co-creators of our sustainability ecosystem



Implemented circular furniture solutions across 21,000 m² of leased office space and provided energy audit services for 35 tenants over three years to improve energy efficiency



Scaled YEAHH PARK as an ecosystem for active living, partnering with 150+ community groups to deliver 700+ events and activating 100,000+ participants to embrace healthy and vibrant lifestyles



Community is the heart of our 5C Sustainability Strategy. We do not just build properties; we cultivate sustainable communities that flourish today and will thrive tomorrow. By leading in master planning, nurturing innovation and entrepreneurial ecosystems, and actively engaging our partners, we create spaces that generate lasting value and embed health and sustainability into our offerings.

This year, we took a definite step forward by elevating “Xintiandi” from a commercial label to a comprehensive community brand. This transformation unlocks new possibilities for urban living, deeply embedding health, safety, and sustainability into the fabric of the future city.

The New “XINTIANDI” Community Brand

As China’s urban landscape transitions from rapid expansion to high-quality renewal, we are evolving with it. By repositioning Xintiandi as a comprehensive community brand in 2025, we reinforce our role as China’s leading urban solution provider. The rebranding aims to revitalise community identity while shaping the future of urban living, cultivating communities capable of addressing the complex challenges of modern cities.

Under the unified proposition to “**Bring Places to Life**”, this transformation is built on four pillars: developing super mixed-use communities, bringing heritage to life, fostering creativity and innovation, and driving sustainable development. Through continuous innovation in space, content, and service, we aim to create communities that continuously evolve and flourish.

To bring this vision to life, we introduced four adaptable community models: **Greater XTD, Neighbourhood, Urban Retreat,** and **Knowledge Communities**. This diverse set of community development solutions allows us to anticipate the unique needs of different demographics, geographical contexts, and stages of city development. A sustainability-forward mindset guides every aspect of these models, ensuring our neighbourhoods are human-centric, environmentally responsible, and climate-resilient by design—weaving together residential, office, and cultural ecosystems to redefine the possibilities of urban living and create exemplary solutions for the future.



XINTIANDI Community Brand Event

GREATER XINTIANDI COMMUNITY



NEIGHBOURHOOD COMMUNITY



URBAN RETREAT COMMUNITY



KNOWLEDGE COMMUNITY





Shanghai Xintiandi Welcomes a New Addition: Xintiandi Dongtaili



Xintiandi Dongtaili: Dongtai Market

Shanghai Xintiandi, developed and operated by Shui On Land, has long been a pioneer in preserving urban fabrics and reinterpreting the city's soul through the adaptive reuse of historic buildings. Originating from the revitalisation of Shanghai's historic Shikumen neighbourhood, the concept has since expanded to several major cities across China, consistently demonstrating a balanced approach to cultural preservation, community wellbeing, and contemporary urban development.

In 2025, we reached a new milestone in this journey with the launch of **Xintiandi Dongtaili**. Once the heart of Shanghai's bustling antique and flower-and-bird market, Dongtaili embodies a century of vibrant spirit. Today, we have reimagined this 84,000m² district as a modern landmark that weaves the character of the past into a contemporary urban lifestyle.

Utilising an open "block-plus-box" layout, Xintiandi Dongtaili is now a multi-sensory destination where beauty, lifestyle, and culture converge to support holistic wellbeing. The district introduces several first-in-China concepts, including AI-integrated cinema and entertainment experiences. Through an innovative urban regeneration approach, Xintiandi Dongtaili goes beyond site revitalisation to reconnect the city's historic past with a new, vibrant urban energy.

The evolution of the district continues to gain momentum in 2025 with the opening of the **CPIC Xintiandi Tower 1 and Tower 2**, which brings high-quality, sustainable office space to the heart of the community, attracting leading global enterprises. Beyond the physical architecture, we activate its spaces through a series of immersive cultural and community experiences such as the Dongtai Cabinet and Art To Gather Festival, which strengthen community connection and cultural continuity.



Xintiandi Dongtaili and CPIC Xintiandi Tower 1



Master Planning and Development

Since its establishment, Shui On Land has remained committed to leading the industry in master planning and pioneering sustainable premium urban communities that prioritise inclusiveness, vibrancy, and quality of life. Our approach is built on the belief that a sustainable community is more than a collection of buildings; it is a place where people can live, grow, and realise their values.

Nine Principles of Sustainable Urban Development of Shui On Land

Community-Oriented Urban Development

Mixed Use

Good Linkage to Transit

Pedestrian Friendly Streets and Blocks

Create Landmarks

Memorable and Vibrant Public Spaces

Respect for Local Culture

Phase Development for Success

Sustainable Development and Healthy Lifestyle

Our master planning is anchored by the *Nine Principles of Sustainable Urban Development of Shui On Land*. Developed through decades of practical experience, these principles provide the framework for our approach to urban regeneration and community development. We believe a well-designed community is a multi-use neighbourhood with a strong sense of place, belonging and wellbeing—one that grows more resilient and beautiful as it matures.

Open space is essential to this vision. In 2024, we introduced the *Shui On Land Green Open Space Inclusive Design Guideline* for all master-planned projects. This framework provides clear inclusive design guidance for five key groups: the elderly, mothers with infants, children, people with disabilities, and pet owners. From wheelchair-accessible facilities to nursing rooms and pet-friendly zones, we ensure comfort and convenience for all. We also conduct regular surveys to gather customers' feedback on accessibility and inclusivity, enabling us to refine facilities and implement improvements where needed, so that our communities continue to evolve in line with the real-world needs of our residents and community members.

Fengxian Nanqiao Tiandi

Leveraging Urban Village Redevelopment Expertise through Master Planning

Fengxian Nanqiao Tiandi was envisioned as a systematic redefinition of everyday life. Leveraging our successful experience with the Panlong urban village redevelopment, the project integrates residential, commercial, and public services into a vibrant cultural-living hub. It stands as an exemplar of urban renewal and a model for eco-friendly, liveable and resilient communities.

The project regenerates an old urban neighbourhood in Fengxian Nanqiao through an open public-space-led masterplan centred on the Punan Canal waterfront. A 1.2-kilometre riverside park serves as the ecological and social backbone, transforming a conventional greenbelt into a sequence of waterfront landscapes that integrate daily activities with biodiversity and climate adaptation design. By extending green corridors into residential clusters, we ensure that every home is within a five-minute walk of usable green space and support a low-carbon daily lifestyle. Streets are also designed as green public environments with preserved mature trees, shaded pedestrian routes and fine-grain blocks that enhance walkability and social interaction.

Through integrated planning, design and long-term operation of public spaces, the project showcases another example of SOL's place-based urban regeneration model that combines environmental performance with community wellbeing.



Vibrant and accessible open spaces planned at Fengxian Nanqiao Tiandi



Embedding Sustainability into Our Communities and Products

To embed sustainability throughout the project lifecycle, this year we established the *Shui On Land Product Sustainability Standard*, a unified framework that applies to both our community models and building products. The standard for communities sets out the sustainability requirements that must be integrated at the master-planning stages, while the product standards define the expectations for design, construction and operation across residential developments, open spaces, and other asset types. Together, they ensure that sustainability becomes an essential part of our product features and value propositions, guiding decision making throughout the entire development lifecycle. This approach is reinforced by the careful selection of partners and suppliers who uphold our sustainability commitments, along with clear guidelines for incorporating climate related considerations in all development projects, both commercial and residential.

Building on this foundation, we remain dedicated to achieving dual green and healthy certifications, including LEED for Neighbourhood Development and the WELL Community Standard, which provide credible external assurance of the environmental and wellness quality of our communities. This commitment aligns with our urban revitalisation strategy, where all previously developed or former industrial sites undergo proper investigation and remediation to meet the highest national safety standards before redevelopment.

A prime example is Wuhan Changjiang Tiandi, located on the former site of Wuhan Shipyard. Following detailed environmental assessments and remediation, the site is now being transformed into a mixed-use waterfront community featuring offices, hospitality, retail space and quality housing—restoring the value of a former industrial area and delivering a healthier, more sustainable urban environment for the residents of Wuhan.



Wuhan Changjiang Tiandi

Community Wellbeing and Spirit

Fostering community wellbeing and spirit is central to our vision to create neighbourhoods where people flourish. Our approach is built on three interconnected pillars: health, nature, and inclusiveness. Together, these principles guide us in developing vibrant environments that enhance quality of life and create a lasting sense of belonging for all who live and work within our communities.

Integrating Sports into Community Hubs to Promote Healthy Lifestyles

A thriving community is defined by the vitality of its people. We believe that true wellness takes root when residents and community members take ownership of their own health journeys. Rather than simply providing infrastructure, we act as a catalyst—fostering an environment where community groups lead their own sports and healthy living activities, creating a self-sustaining culture of wellbeing.

At the heart of this effort is **YEAHH PARK**, our dynamic sports culture platform designed to spark active lifestyles and social engagement. More than just a collection of activities, YEAHH PARK provides a stage where over 150 community-scale sports groups can join, grow and thrive by leveraging our established facilities and networks. With more than 700 activities organised over the year, the platform now supports various sports groups to host 70+ activities every month. Additionally, 30 major sporting events and 10 sports markets are organised in 2025, turning our neighbourhoods into vibrant ecosystems of health for the city.

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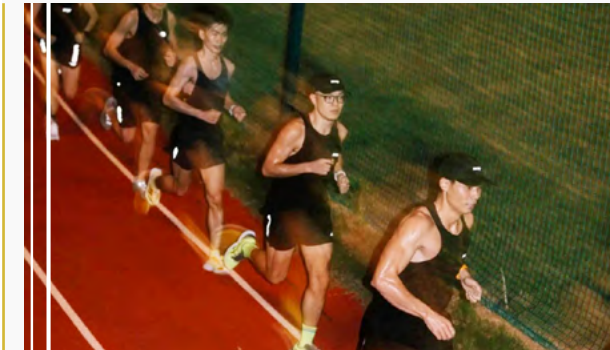
Sports activities are organised monthly on the YEAHH Park Calendar



In 2025, we activated our retail space, office towers, and public spaces across our communities with sports-driven programming that empowered diverse groups to participate:

The “Hao YEAHH” Sports Festival @ KIC

Held in celebration of National Fitness Day, this festival brought a vibrant mix of traditional and contemporary sports experiences. By blending champion-led Tai Chi sessions, creative “cosplay sports”, and youth skateboarding, we created a platform for different community groups to showcase their passions and encouraged residents of all ages to embrace an active lifestyle.



The 2nd Hazhain Sports Festival @ Ruihong Xintiandi

Spanning 58 days, this festival turned Ruihong Xintiandi into a wellness hotspot. By offering over 200 sessions across 45 disciplines—including daily Ba Duan Jin (八段锦) for seniors and Pickleball for young professionals—we enabled community members to find their own rhythm. The festival also made history by hosting the first-ever National Go Tournament in a commercial setting, merging mental and physical health into community spirit.



Landmark Vertical Runs @ Xintiandi Dongtaili and Wuhan Xintiandi

In Shanghai and Wuhan, we demonstrated how iconic architecture can be activated for health. Nearly 600 runners scaled the 58-storey CXCC Tower 1 in Shanghai, while 2,000 participants in Wuhan scaled Corporate Avenue 1, the 376-metre riverside landmark. These events, which included charity entries for youth development, show how community-led challenges can drive both personal health and social impact. Music, interactive zones, and team-based play created a festive and inclusive atmosphere in both cities.



Pets, Kids and Sports Communities @ Panlong Xintiandi

Leveraging its cultural and natural assets, Panlong Xintiandi served as a pilot model to cultivate communities around Pets, Kids, and Sports this year, with initiatives ranging from water camps with Jump Island to outdoor training with Maia Active and Salomon. Through over 50 co-created community events with tenants, we strengthened engagement and added over 13,400 new members to our community platform. Online engagement also grew significantly, with related topics under #PanlongXintiandi generating over 54 million views.





Fostering Nature-connected Community Experiences

In the relentless pulse of the city, nature provides the essential room to breathe and nurtures the mind. This is why we are dedicated to bringing nature back to the heart of the city and into the daily lives of our community residents. By weaving greenery and floral experiences into our commercial and social fabric, we create breathing urban oases that promote a natural lifestyle, offering our community opportunities to reconnect with nature.

Blooming Flowers: The 2025 Shanghai International Flower Show

In 2025, Shanghai Xintiandi served as a main venue for the city-wide Shanghai International Flower Show. Under the theme **"Blooming Flowers"**, the entire Shanghai Xintiandi was transformed into a vibrant botanical canvas. We curated over 20 themed gardens—including world-class therapeutic and artistic landscapes—that dissolved the boundaries between the street and the garden. The impact was immense, attracting over 150,000 daily visits and generating more than 10 million online interactions. It also underscored how nature can act as the ultimate catalyst for community vitality and large-scale engagement.



Blooming Flowers: The 2025 Shanghai International Flower Show

During the city-wide flower show, we hosted the **"Blooming Whisper"**, a specialised flower market at Xintiandi Dongtai, where we created over 6,500 square metres of floral living space. Featuring approximately 800,000 plants and more than 100 seasonal varieties, the market was a multi-sensory journey through nature. We collaborated with 70 retail partners and 36 creative brands to deliver an immersive experience that rekindled the district's historical identity as a flower market while setting a new standard for green commercial innovation.

Ether Bloom: A Permanent Evolution of the Traditional Flower Market at Ruihong Xintiandi



Ether Bloom at the Hall of the Moon, Ruihong Xintiandi

While our festivals provide seasonal inspiration, **Ether Bloom** at the Hall of the Moon in Ruihong Xintiandi represents another milestone in fostering community wellbeing. More than a transformation of the traditional flower-and-bird market, it is a sanctuary designed to promote a healthy lifestyle rooted in nature. Across this 2,000m² two-story space, we have created a multi-sensory environment showcasing over 100 plant species alongside aquatic and exotic wildlife—a space that invites residents to slow down, find balance, and reconnect with the natural world.

At its heart, Ether Bloom is a platform for green consumption and micro-entrepreneurship. We provide a dedicated place for 14 flower market vendors, helping traditional traders and young entrepreneurs thrive within a modern community setting. Beyond its daily operations, Ether Bloom also curates vibrant weekend and seasonal flower markets themed around Chinese traditional festivals, including the Dragon Boat Festival market, featuring over 50 botanical and lifestyle brands, complemented by seasonal food, wellness workshops, cultural games and live performances to revive traditional celebrations.

The impact of Ether Bloom extends far beyond its physical walls. We believe that wellness comes from active engagement, which is why we have turned Ether Bloom into a living classroom. In 2025, we hosted 40 nature-themed courses on plant care, urban biodiversity and aesthetics, empowering community members to move beyond the role of a visitor. They are becoming stewards of their own green spaces, learning to bring the healing presence of nature into their own homes and lives.



Vibrancy

Vibrancy is the heartbeat of a sustainable community. It is the invisible energy that transforms a physical space into a living destination. At Shui On Land, we build vibrancy through the intentional art of placemaking—a process that begins with the physical fabric but ends with human connection. Guided by our *Nine Principles of Sustainable Urban Development*, we create “15-minute community life circles” where streets, plazas, and green spaces are designed to spark social interaction. By combining this design with the careful curation of retail and cultural content, we build self-sustaining ecosystems where economic vitality and social bonds reinforce one another, ensuring our communities are as resilient as they are alive.

This commitment to vibrancy requires us to continually adjust our community micro-economies to serve residents at every stage of life. At Ruihong Xintiandi, we enhanced our services and amenities tailored for elderly residents by launching the “**Early 7 Morning**” initiative at Ruihong Fang, the community’s lifestyle station. Since March 2025, we have encouraged 19 merchants to open earlier to align with the morning routines of elderly residents. Twelve of these partners have introduced long-term senior-friendly benefits, significantly improving the accessibility and affordability of daily essentials.

To further promote active ageing and social inclusion, Ruihong Fang hosts a weekly “Morning Class” series, complemented by a range of neighbourhood services that enrich the cultural, social, and physical wellbeing of elderly community members while contributing to the local silver economy, ensuring our Ruihong community remains age-friendly, active, inclusive and supportive for our older generation.



Early 7 morning initiative at Ruihong Fang

Hong Shou Fang: A Model for Multi-Generational Vibrancy and Green Living



Hong Shou Fang Foodie

Hong Shou Fang is a living testament to how heritage-led regeneration can create a human-centric community hub. Located along Chang Shou Road, this project has transformed a 1933 lane-house district into a vibrant, walkable “15-minute community life circle.” At its heart lies Foodie Social, a space that serves as much more than a marketplace. It is the community’s symbolic hub—a multifunctional “living room”

where people of all ages converge to socialise, work, and stay. By providing a platform for 37 small and micro-businesses to thrive, Foodie Social acts as the economic and social engine that sustains the neighbourhood’s unique character.

In 2025, we expanded the role of Hong Shou Fang from a social hub to a catalyst for sustainable living. During the **2025 Green Xintiandi Festival**, the precinct became a primary stage for promoting green lifestyles among residents. We hosted the “**Green China Chic Coffee Market**” and launched a series of low-carbon challenges, incentivising the community to engage in green lifestyle “check-ins.” From walking to reduce emissions to participating in sustainability quizzes, these activities turned environmental responsibility into an engaging, everyday experience.

This balanced approach—harmonising heritage, commerce, and community value—was recognised in 2025 with the “**Outstanding Award**” in the “**Shanghai Urban Regeneration Outstanding Practice Case**” selection. Hong Shou Fang proves that when a space is anchored by a strong social heart like Foodie Social and fuelled by a commitment to green innovation, vibrancy becomes a self-sustaining force for the future.



Sustainable Lifestyles and Work Solutions

Our live-work-play-learn concept is to bring people together and foster wellbeing across our ecosystem. We actively engage with tenants, consumers, suppliers, and stakeholders in a shared commitment to building sustainable community. By delivering high-quality building services and pioneering engagement platforms, we empower everyone in our community to adopt lifestyles and work solutions that are both sustainable and productive.

Fostering Wellbeing and Sustainable Lifestyle

The wellbeing of every individual in our communities is our primary mandate. We deliver safe, healthy, and eco-friendly services guided by rigorous internal quality standards. Under the management of our ISO 9001-certified subsidiary, **Feng Cheng Property Management**, we ensure that every property adheres to strict compliance and safety protocols. To ensure our services evolve with the needs of our tenants, customers and consumers, we maintain a continuous feedback loop through a multi-channel communication strategy—including surveys, newsletters, and digital platforms—while our complaint-handling guidelines ensure that any concerns are resolved with speed and precision to ensure high levels of customer satisfaction.

2025 Green Xintiandi

Inspiring Sustainable Lifestyles and Nurturing Mental Wellness

We believe a sustainable community is built on shared action. Rooted in our 5C Sustainability Strategy, we launched the fourth **“Green Xintiandi”** in April 2025 across ten of our projects across five cities, expanding the boundaries of sustainable urban living through a month-long immersive experiences and cross-sector collaboration.

Central to this festival was the **“Green Pal”** campaign, hosted within the **Green Community** on our iTiandi platform. This digital campaign gamified sustainable living for our customers, inviting consumers to partake in limited-time missions—including walking for carbon reduction, using reusable cups, engaging in green consumption, and participating in low-carbon quizzes—to earn “Green Hearts” redeemable for wellness-themed rewards. At RHXTD, we partnered with tenants such as lululemon, Decathlon, and CASTER to launch the “Go Green Only” activity to translate abstract sustainability concepts into multi-dimensional experiential journeys, significantly deepening consumer engagement with eco-friendly lifestyles.

This synergy between purpose and play was further amplified through a diverse ecosystem of strategic partnerships. Across our portfolio, we collaborated with leading sustainable brands and platforms such as Xiaohongshu’s “Pet Friendly Initiative”, Xianyu and BOTTLOOP. At KIC, we partnered with the Clover Nature School for the eighth time to co-cultivate

local community gardens; while at Hongqiao Xintiandi, we collaborated with tenants such as ZZER and Déjà vu to foster circular economy and second-hand markets. These connections fostered deep community roots that embrace sustainability.

The festival’s resonance was well-received through social media, where personal milestones became part of a collective narrative. This shared storytelling sparked a trending digital movement across multiple platforms, reaching a total exposure of 15,544,243 counts. Through this integration of purpose and play, we turned a sustainable lifestyle from a corporate objective into an engaging experience—one that unites our tenants and consumers in a shared commitment to the future.



Green Xintiandi @ Hong Shou Fang



Tenant Engagement and Collaboration

Tenants are vital partners in our community, and we view our relationship with them as a journey that extends beyond the traditional landlord-tenant dynamic. We embrace a model of “shared stewardship”—a partnership where we work side-by-side to co-create sustainable actions for a vibrant and resilient communities.

To support this collaborative spirit, we employ a three-tiered engagement approach designed to support tenants at every stage of their sustainability journey:

 Connect	Raising awareness and encouraging tenants to join our sustainability journey.
 Commit	Supporting tenants in making formal pledges on key environmental and social targets, with SXTD providing resources and guidance.
 Co-Create	Establishing shared goals and investing resources to innovate sustainable solutions together.

Our tenant engagement journey has matured from foundational advocacy into a comprehensive ecosystem of concrete action. We first launched the **Green Pledge** in 2021 to promote low-carbon living and environmental responsibility among tenants and suppliers, encouraging them to minimise waste, save electricity and water consumption, and introduce “Green Menus” featuring healthy, plant-based options. By 2025, this commitment reached a milestone with 100% of F&B tenants, 98.6% of retail tenants, and 98.4% of office tenants (by leasing area) becoming signatories.

Building on this foundation of trust, we introduced our pioneering **Deep Green Lease** programme in 2023, bringing sustainability into our contractual agreements with office tenants. Under this initiative, we co-create specific action plans with participating tenants focused on energy conservation, plastic waste recycling, and sustainability-themed activities. By setting measurable targets and introducing incentive measures, we recognise and reward tenants for their sustainability achievements.



Collaboration with tenant to recycle single-use plastics

To turn these commitments into reality, we encourage our partners to join the **Sustainable Solutions** platform. Through the power of alliance, this platform links multiple resources to provide enterprises with simple, efficient, and systematic low-carbon office solutions throughout their leasing cycle—from sustainable finance and consultancy to green space design. A definitive example of this is our Circular Furnishing Service. To date, this service has delivered over 44,000m² of renovated space since 2023 through recycling and reuse, proving that a circular economy is not just a concept, but a practical business solution.

In 2025, we launched the **“XINTIANDI GREENOVATORS”** tenant sustainability engagement programme—an initiative where excellence is celebrated. This initiative serves as our way of recognising the pioneers who are going above and beyond in turning sustainability commitment into tangible actions. In our inaugural phase, we collaborated with ten pioneering tenants across our communities who have already demonstrated excellence in sustainable operation. In the next phase, we will assess participating tenants’ performance annually across three core areas: low-carbon operations, resource circularity and health and wellbeing. Tenants demonstrating outstanding achievements will receive the XINTIANDI GREENOVATORS designation, becoming the living proof that when commerce and community values converge, they create a powerful force for positive change.



Launch of the XINTIANDI Greenovator Tenant Sustainability



Supplier Collaboration and Management

At SOL, we are committed to embedding sustainability across our entire value chain and encouraging our suppliers to uphold the same standards. With a network of over **7,760 suppliers**—ranging from construction contractors to professional consultants—our partners are vital to delivering the quality, safety, and sustainability that define our brand. We manage these relationships with a clear purpose: to ensure that every partner, from security and landscaping to specialised equipment maintenance, upholds our high standards of integrity and responsibility.

We recognise that responsible supplier management is crucial to achieving our sustainability goals. To uphold high standards, we have implemented clear procedures and regulations. Our *Health, Safety, and Environment Handbook* outlines the social and environmental expectations used in supplier selection. Since 2013, a comprehensive evaluation system has guided suppliers in aligning with our sustainability criteria. Compliance with our *Code of Conduct and Business Ethics* is mandatory and embedded in all contracts. We also welcome opportunities to work with contractors and suppliers on adopting more stringent standards to promote the use of sustainable and cost-effective products. To further reinforce our ethical standards, we have implemented a *Supplier Code of Conduct* for all construction-related contracts, and since 2021, adherence to our *Sustainability Supplier and Procurement Policy*—including Type I environmental labelling, has been required for all bidding and contractual documentation. SOL maintains structured oversight of its supply chain quality through formalised supplier qualification, ongoing performance monitoring and adherence to established quality assurance procedures, ensuring that all suppliers consistently meet the Group's technical, operational and sustainability requirements.

We remain committed to quality and sustainability by applying measures that go beyond industry norms and national requirements. After project completion, we provide a comprehensive two-year warranty, during which our Headquarter Project Management Team supervises maintenance performance. Unlike typical industry practice where property management relies on external contractors, we directly oversee maintenance during the warranty period—covering issues such as plumbing, façade repairs, and electrical systems—to ensure timely and effective resolution. In 2024, we strengthened our sustainability practices by introducing stringent requirements for low-embodied-carbon materials and encouraging suppliers to meet these targets. More details on our low-carbon material certifications can be found within the [“Clean”](#) chapter.

Our supplier management approach is rigorous and structured. We conduct quarterly inspections and performance evaluations of Tier-1 suppliers, while main contractors oversee Tier-2 suppliers to ensure ESG requirements are fully embedded in their contracts. Third-party engineers perform bi-monthly site inspections, with findings reviewed during regular evaluations. By maintaining strong relationships with suppliers and partners, we encourage alignment with our values and sustainability expectations. Suppliers and contractors are assessed quarterly; in cases of underperformance, corrective measures—including contract termination or blacklisting—are taken when necessary. All assessed suppliers met our performance benchmarks in 2025.

To strengthen the effectiveness of our sustainability initiatives, we have implemented a digital tracking and monitoring framework. The Shui On Cloud Construction platform streamlines ESG data collection across our construction activities. It captures monthly supplier data on low-embodied-carbon materials, water and energy consumption, air quality, workforce attendance, and safety training, along with real-time weather, water, electricity, and construction waste metrics. This collaborative system enhances ESG performance, improves supplier accountability, and enhances construction management efficiency.

Our commitment also extends to building supplier capability through ongoing training and support. We provide regular training for strategic suppliers and main contractors to ensure they understand our standards and sustainability expectations. Our Supplier and Contractor Forum—launched in 2023 and continued annually—covers topics such as our Code of Conduct, quality assurance standards, and the Group's sustainability vision and 5C Sustainability Strategy. Additional external training, specialist embodied-carbon workshops, online courses, and internal sessions further support supplier development. Instead of ending partnerships with suppliers who struggle to meet our requirements, we prioritise constructive guidance and capacity-building to help them improve their sustainability performance.



Smart and Sustainable Technology Integration

We believe that the most pressing social and environmental challenges of our time require a new kind of ecosystem—one where innovation is nurtured through open and active collaboration. At Shui On Land, we act as a comprehensive hub for visionaries and start-ups, providing the platforms and real-world environments needed to translate cutting-edge research into tangible urban solutions. In 2025, we advanced this mission through the following actions:

The Green and Sustainable Open Lab

Jointly launched with the HKUST SZ-HK Collaborative Innovation Research Institute, we successfully incubated Coalot Tech's next-generation heat-insulating film through this platform. The solution, now applied across 1,800m² at Hongqiao Xintiandi and Hong Shou Fang, is able to transmit 70–75% of visible light while blocking 80–95% of near infrared radiation, reducing indoor temperatures by up to 8°C and cutting cooling loads by about 20%. To further this dialogue, **Shui On WORKX**, our office service platform, hosted green development forums in Shanghai and Shenzhen, fostering cross-industry collaboration to explore new pathways for sustainable transformation.

The “Carbon Partner” Programme

We leverage our community scale to drive regional change. Hongqiao Xintiandi collaborated with the Minhang District Ecology and Environment Bureau to launch the **“Carbon Partner”** programme. Together with 20 on-site enterprises and our Sustainable Solutions Alliance, we have built a green, low-carbon exhibition platform that promotes regional transformation through public-private participation.

Venture Hub Global Innovation Network

InnoSpace launched the “Venture Hub Global Innovation Network” to connect global resources. By partnering with leading organisations like VivaTech, we are enabling the efficient flow of technology and capital through Hongqiao, helping international companies validate and accelerate their applications in China.

GI Green Energy Pioneer Lab

Demonstrating Early Outcomes of a Systematic and Sustainable Incubation Model



The First Innovation Incubation Camp

In June 2025, the **GI Green Energy Pioneer Lab** reached a milestone with the launch of its first Innovation Incubation Camp at the Shanghai Penta Innovation & Entrepreneurship Institute. This initiative establishes a systematic and replicable model for early-stage green energy incubation. A ten-day incubation curriculum was delivered in collaboration with leading academics and industry experts. 14 participants joined the inaugural cohort, and more than eight projects received structured incubation support. The initiative also earned external recognition, and government scholarship reimbursement is expected in 2026, reflecting confidence in the Lab's incubation outcomes and operating model.

Throughout the year, the Lab continued to strengthen its capabilities. In 2025, it broadened its ecosystem and extended its influence by organising nine activities, including campus roadshows and entrepreneurship competition rounds that helped surface more than 30 high-potential innovation projects. Open Day and Camp completion events attracted over 50 ecosystem partners and 20 experts, enriching project selection, feedback, and mentorship. Through partnerships with multiple innovation communities, the Lab enhanced cross-community engagement and extended the GI platform's brand presence beyond Yangpu, reinforcing its role as an emerging hub for green energy innovation.

Clean



2025 Highlights



Achieved a 57% reduction in Scope 1 & 2 carbon emissions intensity, and a 32% reduction in Scope 3 tenant emissions intensity from the 2019 baseline



Maintained a 35% portfolio wide share of renewable electricity, with over 1,000m² of roof-top solar panels installed at CPIC Xintiandi Tower 1 and Tower 2



Achieved a reduction of 15,645 tonnes of embodied carbon through the use of lower emission construction materials, including concrete, cement, rebar, and steel



Developed the *Shui On Land Resilience and Adaptation Guideline for Physical Climate Risks*, embedding climate resilience across the project lifecycle to future-proof assets against physical climate threats



Over 98% of existing assets by GFA obtained at least one green or healthy building certification, with 12 additional green and healthy building certifications obtained in 2025, including five at the operational stage



Piloted holistic ecological planning at Zhaolou Xintiandi—using ecological zoning and green corridors—to advance urban biodiversity and ecological function of the water-town ecosystem



Our commitment to environmental sustainability dates back to 1997, beginning with the landmark Shanghai Xintiandi a master planned urban re-development of historical significance.

In alignment with China's national sustainable development agenda, we remain focused on delivering vibrant, green, and healthy communities. Our environmental mandate encompasses carbon reduction, climate resilience, healthy buildings and communities, circular resource management, water stewardship, and urban biodiversity protection.

Decarbonisation

Decarbonisation Targets on Scope 1, 2 and 3 Emissions

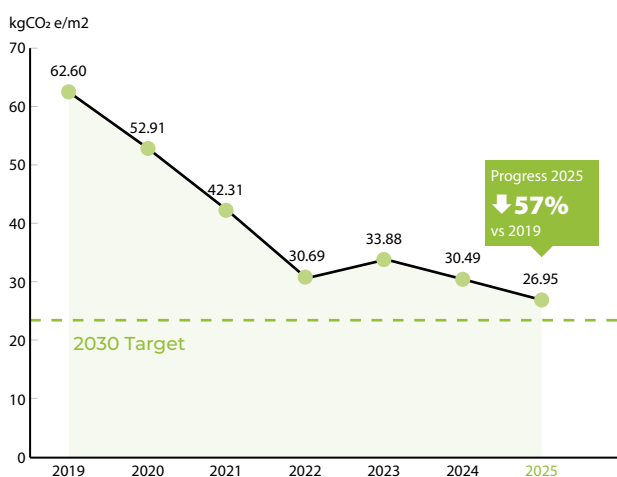
As the first real estate developer from the Chinese Mainland to join the Science Based Targets initiative (SBTi), we are honoured to be named to CDP's 2025 Climate Change "A" list for the second consecutive year. Guided by our *Climate Change Policy*, we are committed to achieving net zero emissions by 2050. This ambition forms a cornerstone of our sustainability strategy and defines a clear decarbonisation pathway toward our 2030 1.5°C aligned science-based targets.

Scope 1 & 2 Greenhouse Gas Emissions

Since 2011, we have systematically tracked our carbon emissions intensity, covering direct emissions from stationary and mobile combustion sources, fire extinguishers, and refrigerants (Scope 1), as well as indirect carbon emissions from purchased electricity, heat and cooling (Scope 2).

In 2025, Scope 2 emissions from electricity consumption accounted for 83% of total Scope 1 & 2 emissions, reinforcing the importance of energy efficiency and renewable electricity adoption in our decarbonisation strategy.

Scope 1 & 2 GHG Emissions Intensity Since 2019



Our approved science-based target:

Reduce Scope 1 & 2 GHG emissions intensity by **62.4%** by 2030 from a 2019 baseline.

2025 Progress:

Achieved a **57%** reduction compared to the 2019 baseline.

Scope 3 Greenhouse Gas Emissions

We conducted a comprehensive review of value chain emissions and identified four material categories for focused management and disclosure—use of sold products, purchased goods and services, downstream leased assets, and waste generated in operations—as the most material.

Scope 3 GHG Emissions Intensity from Downstream Leased Assets Since 2019



Our approved science-based target:

Reduce Scope 3 GHG emissions intensity from **downstream leased assets** by **22%** from a 2019 baseline.

2025 Progress:

Achieved a **32%** reduction compared to the 2019 baseline.

This result enables us to meet our 2030 target ahead of schedule, while reinforcing ongoing tenant engagement and renewable energy collaboration to sustain performance.



Scope 3 GHG Emissions Intensity from Purchased Goods and Services

Our approved science-based target:

Reduce Scope 3 GHG emissions intensity from Purchased Goods and Services by **22%** from a 2019 base year.

2025 Progress:

Achieved a **54%** reduction in 2025 compared to the 2019 baseline.

Year-to-year performance may fluctuate, depending on annual construction volume and project activity. Nevertheless, systematic embodied carbon management and the procurement of lower-carbon construction materials continue to drive substantial reductions across development projects.

Energy Management and Efficiency Enhancement

Effective energy management is critical as we strive continuously to achieve our SBTs. All our projects comply with China's building energy consumption laws, and consistently perform above standards in the China Energy Conservation Evaluation. Going beyond compliance, we mandate that energy reduction for new developments exceeds the most recent China national energy code by at least 5%. Additionally, our property management subsidiary, Feng Cheng Property Management attained ISO 14001:2015 certifications and established internal policies and guidelines aligned with the ISO 50001:2018 standard, demonstrating our dedication to robust environmental and energy management across our commercial and office portfolio. In pursuit of our 2030 goal to reduce operational energy intensity by 20% from a 2019 baseline, annual energy efficiency targets are set for each asset to manage reductions and monitor progress effectively.

Since 2021, an integrated energy management platform has been in place across our owned operating properties to streamline utility oversight. With real time monitoring, the system enables comprehensive analysis of energy use and improves data accuracy. It also identifies anomalies in consumption, supporting more sustainable operations and responsible resource management. These insights help refine energy efficiency strategies, pinpoint inefficiencies and forecast trends to optimise overall operational performance.

Decarbonising our value chain requires translating strategy into tangible tenant action. In 2024, we provided energy and indoor environmental audits for 16 major tenants—10 of whom achieved an average of 9% energy reduction within one year. We extended this service to nine additional tenants in 2025, bringing our three-year total to 35 participating tenants. This collaborative effort to ensure continuous resource efficiency and operational excellence across our leased spaces.

Energy Consumption Intensity Since 2019



2030 Target:

Reduce operational energy intensity by 20% by 2030 from a 2019 baseline.

2025 Progress:

Achieved an 18% reduction compared to 2019 baseline.

To drive continuous improvement in 2025, we undertook several upgrading and retrofitting initiatives:

- Piloted electrically-commutated (EC) fans at Hongqiao Xintiandi (HQXTD), projected to deliver up to 40% in energy savings while enhancing ventilation.
- Expanded AI integration in chiller plant control systems to 90% of assets with centralised cooling systems, reducing cooling energy use by 21% on average, with full coverage planned.
- Enhanced efficiency with advanced insulation films, sunshades, and exhaust-air energy recovery to pre-condition fresh air, reducing cooling demand and overall energy consumption.

In 2026, we plan to further enhance our retrofitting initiatives and researches with the following focuses:

- Research the implementation of an Integrated Building Management System (IBMS) to improve energy efficiency through more automated and AI-assisted equipment operations.
- Conduct chilled-water quality testing to improve chiller heat-exchange efficiency and cooling performance.

40%

projected energy savings through the pilot installation of EC fans at Hongqiao Xintiandi



Solar PV panels installed on the roof of CXCC Tower 2

CPIC Xintiandi Tower 1 and Tower 2: A Benchmark for Energy Stewardship

The CPIC Xintiandi Tower 1 and Tower 2 achieved LEED CS and WELL CS Platinum Certifications, serving as a benchmark for energy efficiency in super high-rise office developments. The project achieves an overall energy-saving rate exceeding 18% compared to the LEED baseline, driven by three core technical strategies:

Superior Thermal Envelope

The building's structural insulation performance exceeds national standards by over 10%, significantly reducing energy loss at the source.

Renewable Energy Generation

A 151.2kW rooftop solar panel system produces an estimated 160,000kWh annually, decreasing dependency on the municipal grid and enhancing self-sufficiency.

High-Efficiency Mechanical Systems

The COP of chillers is 6% higher than national efficiency standards.

Natural Ventilation & Exhaust Heat Recovery

Windows that open are provided in the office towers, providing natural ventilation at a rate of two air changes per hour. Heat is recovered from the exhaust air to pre-heat or pre-cool the incoming air.

By integrating advanced on-site renewables with high-performance engineering, CPIC Xintiandi Tower 1 and Tower 2 establishes a definitive blueprint for the next generation of sustainable urban landmarks.

Adoption of Renewable Energy

We remain committed to expanding renewable energy use, maintaining a 35% share of renewable electricity across our portfolio since 2024. In 2026, we plan to increase this to 45% as we continue broadening renewable energy adoption.

We have pioneered and maintained full renewable-electricity use across all properties in Wuhan since 2022. In 2023, Shui On Xintiandi signed a 10-year strategic power purchase agreement with the CLP Group, underscoring our long-term commitment to zero-carbon in the commercial real estate sector. Building on this agreement, Nanjing IFC completed its full transition to green electricity in 2024, earning a Carbon Neutral Certificate from the Shanghai Environment and Energy Exchange and contributing to a reduction of 11,160 tonnes in carbon emissions in 2025. Meanwhile, Shanghai Xintiandi has achieved 100% renewable-electricity use for its operating properties since July 2024. We will continue to expand these efforts, aiming for full renewable-electricity adoption at KIC in 2026.

Beyond external procurement, we are actively exploring ways to increase on-site renewable-energy generation, with a strong focus on solar installations. CPIC Xintiandi Tower 1 and Tower 2 have installed over 1,000m² of solar rooftop panels with a total capacity of 151.2 kW. At 5 Corporate Avenue, the rooftop solar system generated 16,447 kWh of electricity in 2025. Across the portfolio, existing solar panels are expected to generate 180,000kWh annually. In 2026, over 3,500m² of rooftop solar panels with a total installed capacity of 360kW are planned for deployment at Ruihong Xintiandi's Hall of the Moon. Looking ahead, we plan to install solar panel systems using at least 30% of the rooftop area in all new projects in Shanghai.

Embodied Carbon Management

To reinforce our commitment to reducing embodied carbon in our development, we have identified three key construction materials—concrete, steel, and cement—as our primary contributors, accounting for over 80% of our total embodied carbon footprint. To address this concern, in 2025, we have:

- Embedded strict carbon emissions requirements for these three construction materials into our procurement process for all new development projects, mandating suppliers to comply with stringent emission standards.
- Compiled an inventory of 89 low-carbon material suppliers, requiring product Life Cycle Assessments (LCAs) or other third-party verified reports to gain precise insights into embodied carbon data and environmental footprints.

89

No. of low-carbon material suppliers registered in our inventory in 2025



- Collected actual embodied carbon data for both new and under-construction projects since 2024, and implemented a real-time tracking system within the Shui On Cloud Construction System by recognising Environmental Product Declarations (EPDs) and linking them to procurement volumes.

In 2025, our eight ongoing development projects utilised low-carbon construction materials, leading to a reduction of 15,645 tonnes of embodied carbon emissions compared to national standard values. These results demonstrate our commitment to sustainable construction practices and the use of low-carbon materials for a greener future.

Our ongoing collaboration with the Hong Kong University of Science and Technology Shenzhen-Hong Kong Collaborative Innovation Research Institute centres on developing an embodied-carbon prediction model. The work is now progressing towards a standalone application capable of continuous data input, iterative training and ongoing optimisation. This will allow us to estimate embodied-carbon emissions as early as the master-planning stage, enabling design strategies to better incorporate embodied-carbon considerations. We also collaborated with the Shanghai Building Technology Research Institute to conduct in-depth analysis of our projects' embodied carbon emission.

Our commitment was further solidified by signing the *Collaboration Statement on Low Carbon Emissions Steel for Real Estate in China* in November 2024 with the World Steel Association, China Iron and Steel Association, and the Urban Land Institute. This underlines our pledge to integrate low-carbon steel into our procurement process where feasible and to improve disclosure and transparency of carbon-emission data across the steel lifecycle.

Climate Change Adaptation

Reinforcing our commitment to global best practices, we have pledged support for the Task Force on Climate Related Financial Disclosures (TCFD) framework and implemented a comprehensive *Climate Change Policy*. This policy guides our approach to climate mitigation, adaptation and resilience, and is reviewed every three years by our Sustainability Executive Committee.

Enhancing Climate Resilience

Recognising the increasing exposure of our assets to climate-related physical risks such as extreme precipitation, heatwaves, and strong winds, we conducted on-site self-assessments to identify vulnerable assets and develop mitigation measures. For all new developments, these insights informed the release of the *Shui On Land Resilience and Adaptation Guideline for Physical Climate Risks* in 2025. The guideline is now embedded across the entire project lifecycle, ensuring climate resilience is integrated from early feasibility and design through construction and operations.

For existing properties, we implemented measures such as flood barriers and drainage channels at critical locations and positioning key equipment rooms above the lowest floor. At Xintiandi Dongtaili, we integrated four rainwater retention tanks with a total capacity of 500m³ to enhance stormwater absorption and detention, reducing the load on the municipal drainage system and strengthening the communities' resilience against urban flooding. These initiatives, together with strengthened emergency response and business-continuity plans, aim to minimise damage and disruptions and ensure our assets remain prepared for escalating climate risks.

We also completed a comprehensive transition risk scenario analysis and financial quantification of identified climate-related risks and opportunities. Our methodology aligns with the Network for Greening the Financial System (NGFS), leveraging three global transition scenarios—Current Policies, Below 2°C, and Net Zero 2050—to stress-test our operations through 2030, 2040, and 2050. By translating climate data into actionable financial insights, we are better positioned to navigate the net-zero transition and safeguard our operational stability. For further details, please refer to the [Climate-related Financial Disclosure](#) section.

SOL Protocols for Lifecycle Climate Adaptation

To address the growing need for climate adaptation, SOL introduced the *Shui On Land Resilience and Adaptation Guideline for Physical Climate Risks* in 2025.

This framework integrates climate resilience across the entire asset lifecycle—from feasibility study and design through to construction and long-term operations. It establishes action protocols for all key departments to proactively mitigate physical climate risks, including pluvial flooding, extreme heat, and high wind speeds. By embedding best practices into every stage of development and operation, the guideline strengthens asset integrity and bolsters the Group's long-term resilience in an increasingly volatile climate.



Shui On Land Resilience and Adaptation Guideline for Physical Climate Risks



CPIC Xintiandi Tower 1 Lobby

Healthy Communities and Buildings

We continue to prioritise healthy buildings by creating environments that support occupant wellbeing, comfort, and productivity. Our approach aligns with leading international standards and integrates health-focused design, operations, and management practices across our portfolio.

Green and Healthy Building Certifications in 2025		
DEVELOPMENT PROJECTS	CERTIFICATION SCOPE	CERTIFICATION AWARDED
Hall of the Sun	Commercial	China Green Building Label, Two Stars, Operational
Wuhan Changjiang Tiandi B4	Residential	China Green Building Label, Two Stars
Wuhan Optic Valley Lot B8 and B9	Retail	China Green Building Label, Two Stars
Wuhan Xintiandi Lot B12	Residential	China Green Building Label, One Star
KIC 311	Office	China Green Building Label, One Star, Operational
KIC Lot 5	Office	China Green Building Label, One Star, Operational
KIC Hub 1 & 2	Office	China Green Building Label, One Star, Operational
5 Corporate Avenue	Office	LEED v4.1 Operation and Maintenance Platinum
Wuhan Optic Valley Lot B8 and B9	Retail & Office	LEED Core and Shell Gold
CPIC Xintiandi Tower 1	Office	LEED Core and Shell Platinum
CPIC Xintiandi Tower 2	Office	LEED Core and Shell Platinum
Xintiandi Dongtaili	Commercial	LEED Core and Shell Gold



DEVELOPMENT PROJECTS	CERTIFICATION SCOPE	CERTIFICATION AWARDED
CPIC Xintiandi Tower 1	Office	WELL Core, Platinum and Health-Safety Rating
CPIC Xintiandi Tower 2	Office	WELL Core, Platinum and Health-Safety Rating
Site of the First CPC National Congress · Xintiandi	Planning and Design	Green Eco-District Certification, Three Stars
Rui Hong Xin Cheng	Implementation and Operation	Green Eco-District Certification, Two Stars

Green and Healthy-Centric Building Standards

All new development projects align with our 5C Sustainability Strategy. By 31 December 2025, over 98% of our existing assets by GFA had achieved at least one green or healthy building certification, with 54 projects across our portfolio securing LEED certification. We consistently adhere to internationally recognised and domestic green and healthy building standards, including LEED, BREAM, WELL, the China Green Building Label, and the China Healthy Building Label for our design and operations.

98%

of our existing assets by GFA had achieved at least one green or healthy building certification

As a leading developer of sustainable premium urban community in Chinese Mainland, boasting the highest number of LEED Neighbourhood Development (ND) certifications and with Shanghai Xintiandi achieving the world's first WELL Healthy Community certification, we continue to pioneer sustainable development and create a greener and healthier built environment for all.

Fostering Healthy Communities

We believe environmental health plays a fundamental role in enhancing overall quality of life. Our focus extends beyond buildings to the public spaces where people gather, interact, and thrive. We are committed to embedding health-focused principles throughout the community lifecycle, including abundant green spaces, well-connected amenities, and inclusive public realms, to encourage physical activity, foster social connection, and support mental wellbeing, thereby advancing the development of healthier, more resilient communities.

Wellness is a cornerstone of Shui On communities. Since 2023, we partnered with Delos to understand how our community development and operations affect residents' health and wellbeing, and to define what constitutes a healthy community. In 2024, we conducted an exercise to benchmark eight of our existing and upcoming communities against the WELL Community Standard. Completed in 2025, this comprehensive benchmarking analysis showed that SOL's healthy community baseline already aligns with the majority of WELL standard's rigorous requirements. Leveraging these insights, we have formally integrated WELL Community criteria into our planning and design guideline and checklists. This ensures that health-centric principles are no longer just an objective, but a fundamental requirement embedded into the project lifecycle from inception to implementation.

To strengthen knowledge sharing, we invited experts from the International WELL Building Institute (IWBI) to explore how design choices shape health, wellbeing and social connection across our communities in May. Through collaborative discussions, we examined how buildings and communities influence health and social ties, emphasising the importance of human-centric design in urban regeneration. This knowledge sharing provided valuable insights that will shape our future approaches to enhancing community wellbeing.



Panlong Xintiandi



Advancing Healthy Buildings

Our commitment to a sustainable building approach spans the entire project lifecycle, from planning and design to daily operations. We strive to create spaces that prioritise the health and wellbeing of our customers and tenants. Across our developments, we are dedicated to meeting the WELL and China Healthy Building Standards, ensuring optimal indoor air quality, water quality, acoustic and thermal comfort, as well as mental health and social wellbeing.

Our commitment to enhancing indoor air quality supports our mission to deliver health-conscious buildings that safeguard tenant wellbeing. We use real-time IAQ monitoring systems across our operating office assets to track key air quality parameters in real-time, including TVOC, PM_{2.5}, CO₂, and formaldehyde levels, helping us identify areas for improvement and strengthen performance over time. At the Shanghai Xintiandi Corporate Avenue 5, in-lift displays showing real-time PM_{2.5} levels further improve transparency and increase tenant awareness.

To reduce pollutants from refurbishment, all materials used must be certified under the China Environment Labelling or the Green Building Materials Product Certification. We have integrated PM_{2.5} management into our General Specification Standard.

Lakeville VI: Embedding Health into Modern Building Design

Lakeville VI incorporates healthy building design principles across its residential and retail areas, earning recognition from national and international third-party certifications for green and healthy performance:

- Residential buildings are on track to receive the Two-Star Label from the China Green Building Label and Gold Certification from the China Healthy Building Label.
- Retail space is on track to achieve LEED Core and Shell Gold Certification, WELL Core and Shell Gold Certification, and the WELL Health-Safety Rating.

Indoor Air Quality

Before customer handover, every unit undergoes rigorous Indoor Air Quality (IAQ) testing for pollutants such as Total Volatile Organic Compounds (TVOC) to ensure compliance with national IAQ standards. This forms part of the project's standard quality assurance work.

Mechanical fresh-air and ventilation systems introduce filtered outdoor air and maintain air-exchange levels, helping sustain fresher indoor conditions.



Lakeville VI in-unit design

Acoustic Comfort

Noise insulation design meets the highest level of green and healthy building standards, creating a calmer environment for daily activities, rest and recovery, and reducing health impacts associated with long-term noise exposure.

Water Quality

Centralised water filtration and softening equipment is installed to improve water conditions for everyday use. By lowering impurities and excessive mineral levels, the system enhances comfort and helps minimise irritation associated with hard or poor quality water.



Urban Biodiversity

Recognising biodiversity's essential role in our planet's future, we are committed to avoiding or minimising negative biodiversity impacts throughout our project life cycles. Our management practices adhere to our *Biodiversity Policy*, designed to minimise harm to ecosystems, raise awareness, encourage mitigation and restoration efforts, and identify nature-related risks.

Building on this, we signed a Memorandum of Understanding (MoU) with The Nature Conservancy (TNC) in 2023 to prioritise biodiversity across the project lifecycle. We have deepened our collaboration to ensure biodiversity considerations are integrated into design, construction, and operational management, co-developing solutions for master-planning and development.

At project level, we are applying urban biodiversity design at Zhaolou Xintiandi to strengthen habitat connectivity, restore ecological functions, and create opportunities for people to connect with nature. The project adopts an ecological corridor approach with small "stepping stone" habitats linking isolated green spaces and helping wildlife move through the site. In the northern area, the Xiaoyan Lake zone, including a 1,550 m² Conservation Zone and a 2,150 m² Education Zone, will become a key ecological node supporting biodiversity enhancement and offering accessible nature-based experiences for the community.

In parallel, education and community engagement strengthen our nature-positive initiatives. This year, Ruihong Tiandi partnered with TNC to host an urban biodiversity workshop for 20 children aged 8 to 14, focusing on urban birds blending outdoor exploration with ecological lessons. The initiative deepened children's understanding of the importance of protecting local wildlife and helped build the foundation for a more biodiverse and resilient community.



"The Secrets of Nests" urban biodiversity workshop co-hosted with TNC at Ruihong Xintiandi



Self-initiated ecological survey conducted by our employees at Zhaolou Xintiandi project site.

Employee-led Citizen-Science at Zhaolou Xintiandi

At Zhaolou Xintiandi project, our employees formed an internal citizen-science team to understand the site's ecological conditions. Using repeated field visits, species identification, and deploying fish cages, they documented a wide range of species across different habitats.

This self-initiated effort reflects our team's proactive stewardship and growing awareness of local urban biodiversity. By gathering first-hand data on the site's current ecological condition, the team has established a vital baseline that deepens our collective understanding of the environment we aim to conserve.

Alongside these actions, we are enhancing governance and disclosure. In 2025, we initiated preliminary disclosure with reference to the Taskforce on Nature-related Financial Disclosures (TNFD) framework. For further details, please refer to the [Appendix](#) section.

Looking ahead, we will continue to embed biodiversity considerations into our decision-making process to contribute to the long-term conservation and enrichment of urban biodiversity across our operational footprint.



Resource Management and Circularity

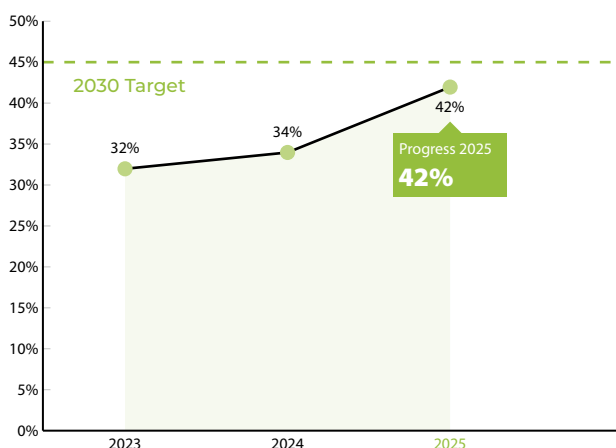
Material Use and Waste Management

Strengthening Operational Waste Management Practices

In our operations, a hierarchy of waste reduction, reuse, and recycling is prioritised. Our management practices adhere strictly to national and provincial regulations regarding municipal solid waste, including those in Shanghai, Nanjing, Wuhan, Chongqing, and Foshan, with an emphasis on exceeding baseline compliance. Waste is sorted at source—paper, plastic, and metal—while we identify strategic partners to process low-value materials. In Shui On offices, waste management practices have been further enhanced through partitioned bins and the elimination of single-use plastic utensils.

To stay on track towards our 2030 target of diverting 45% of operational waste from landfill, we leverage an integrated waste management system enhanced by AI-powered recognition, providing granular, real-time data on waste generation, enabling regional and temporal comparisons. In 2025, we produced 59,770 tonnes of non-hazardous waste, diverting 42% from landfills.

Operational Waste Diversion Rate



2030 Target:

Divert 45% of operational waste from landfill by 2030

2025 Progress:

We diverted 42% of operational waste from landfill in 2025.

Advancing Construction Waste Tracking

Through our Shanghai and Wuhan construction projects, we tracked key waste streams—scrap steel, concrete, and construction residue—and monitored how contractors managed their final disposal. These materials account for over 80% of total construction waste. This effort improved visibility into waste recovery and strengthened accountability.

Driving Circular Solutions for Tenants

Across the operating portfolio, we foster tenant sustainable habits through educational materials and dedicated recycling stations for plastic bottles. Since 2024, the KIC project partnered with “Rebirth of All Things” for annual used-goods exchanges.

Our Circular Furnishing Service, launched in 2023, delivers a one-stop sustainable solution for office tenants, built on three pillars: Green Choice, Green Service, and Green Recycle. By promoting furniture leasing and encouraging tenants to retain their existing fit-outs, the service empowers tenants to adopt circular models, while accessing flexible, future-ready office spaces. In 2025, 49% of tenants in previously occupied office projects participated, with over 21,000m² of leasable office area used our circular furnishing service.

Promoting Green Lifestyle across Communities

This year, we strengthened waste management practices at Ruihong Xintiandi by introducing AI-enabled mixed-waste detection and real-time deposit record systems. These enable residents to follow sorting rules and dispose of waste transparently. Community engagement initiatives, such as the “Rebirth Market” at RHXTD and “Bring Your Own Cup” campaign at KIC, continue to promote circularity principles across neighbourhoods.



The “Bring Your Own Cup” campaign at KIC

To reduce single-use waste at source, the “Bring Your Own Cup” (BYOC) initiative was introduced at KIC in December 2025, with 12 local merchants providing incentives for reusable cup users. The district was transformed into a hub for eco-conscious consumption. Each reusable cup saves around 40g of carbon emissions, daily participation for a year creates an environmental impact equivalent to planting a tree¹.

¹ Data Source: China Products Carbon Footprint Factors Database & Institute of Public and Environmental Affairs



Scaling Urban Circularity in the Circular Economy Fair at Ruihong Xintiandi

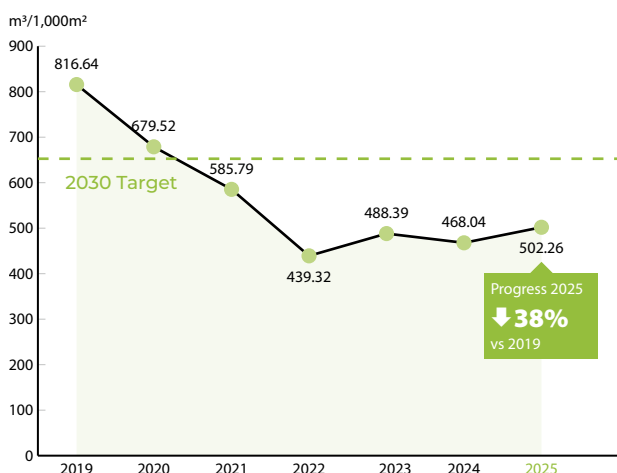
In May 2025, we launched the inaugural Circular Economy Fair at the Hall of the Moon, featuring a Rebirth Market in collaboration with local NGOs. The event engaged over 10,000 participants and resulted in the recovery of 10,208 plastic bottles, 871 garments, and 736 books, contributing to an estimated 2.4 tonnes of carbon emission reductions, equivalent to annual carbon absorption of approximately 100 trees. Circular workshops provided hands-on upcycling education, transforming coffee grounds into soap, cardboard into pet shelters, and recycled glass into coasters.



Water Conservation

Water efficiency is a fundamental pillar of our sustainability initiatives, driven by the urgency to address water scarcity challenges in China.

Water Consumption Intensity Since 2019



2030 Target:

Reduce operational water intensity by 20% by 2030 from a 2019 baseline.

2025 Progress:

Our water-reduction initiatives yielded a 38% reduction in water intensity for SXTD assets in 2025 compared to 2019.

Across our operating assets, we embed water stewardship by design and in day-to-day operations. New developments exceed standard water efficiency benchmarks; existing assets are upgraded with low-flow fixtures, water-saving irrigation and rainwater recycling systems. Online water meters enable continuous tracking and targeted interventions where abnormal consumption is detected. We have deployed an AI monitoring system for outdoor green areas that reads soil moisture and automatically adjusts irrigation. Our property management subsidiary, Feng Cheng Property Management, obtained ISO 46001:2019 certification for Water Efficiency Management Systems.

To strengthen preparedness for water-related challenges, we assessed baseline water stress using WRI's Aqueduct Water Risk Atlas for our sites, showing a combination of low to high baseline water stress across our regions of operation. While all projects rely on municipal water, we remain vigilant in enhancing water efficiency through water stewardship and water-efficient designs.

Recognising that water risks extend beyond our operations, we assessed supplier groups and identified construction and facility management as having the highest water-related risks. We have incorporated ESG sections into contractor contracts, detailing water conservation requirements for construction vehicle washing and other operations. These provisions specify the sizing of vehicle cleaning facilities, mandates water recycling, and require contractors to collect, track, and upload their water consumption data to the Shui On Cloud Construction System.

Culture



2025 Highlights



Staged the “Heritage Now Festival” at Panlong Xintiandi and Lingnan Xintiandi, engaging over six million visitors through traditional performances and exhibitions, bringing heritage to life and creating festive memories



Engaged 1.6 million visitors through more than 80 performances during the 2025 Art To Gather Festival, deepening neighbourhood bonds through art and creativity



Concluded the three-year partnership with Tongji University on Urban Regeneration Talent Development Programme, distilling our expertise into a 700-page teaching resource for the industry



Transformed the historic Dongtaili street into Xintiandi Dongtaili, an 84,000m² living gallery, featuring 16 “Dongtai Cabinets” that reinterpret the district’s antique heritage



Nurtured over 50 local young artists through the three-year “RanRan” programme with UCCA, reaching a bold finale with a street exhibition at Xintiandi Dongtaili



At Shui On Land, culture lies at the very heart of our identity. It stands as our core competency and has become the defining element that makes our communities uniquely vibrant.

Under our philosophy of “**Bringing Heritage to Life**”, we approach urban regeneration as an opportunity to preserve and rediscover historical authenticity for modern aspirations. Through thoughtful placemaking and adaptive reuse, we transform heritage assets into thriving commercial and social hubs. In these living ecosystems, tradition meets modern expression, and culture becomes a powerful catalyst that sparks deep community connection and enduring urban vitality.

Recognising Excellence in Urban Regeneration

Our unwavering commitment to urban regeneration continues to earn prominent recognition from leading industry bodies and international organisations, reflecting the quality, impact and cultural significance of our work.

Awards	Award recipient
2025 ULI Asia Pacific Awards for Excellence Urban Land Institute (ULI)	Panlaong Xintiandi
Shanghai Urban Regeneration Excellence Awards—Outstanding Practice Case Shanghai Municipal Planning and Natural Resources Bureau	Hong Shou Fang
2025 Best Urban Renewal Exemplary Case China Urban Renewal Forum	Xintiandi Dongtaili
2025 Urban Regeneration Operator China Urban Renewal Forum	Shui On Land
Tenth Batch of 20th Century Chinese Architectural Heritage List China Cultural Relics Academy	Jian's Villa (Lingnan Xintiandi)
National Tourism Leisure Street Blocks Ministry of Culture and Tourism of the People's Republic of China	Panlong Xintiandi
2025 Shanghai Qingpu Cultural Tourism Festival—Outstanding Performance Award Organising Committee of the 2025 Shanghai Qingpu Cultural Tourism Festival	Panlong Xintiandi
2025 Golden Light Awards—Cultural and Social Destination Award China Meichen Website	Panlong Xintiandi
FASHION 100+ 2025 SPACE OF THE YEAR Shanghai Promotion Centre for City of Fashion	Hong Shou Fang
2025 City Innovative Ecological Brand Selection Forbes China	Xintiandi



Local Culture Revitalisation and Enhancement

Revitalising local culture is fundamental to how we build communities. We actively breathe new life into historical expressions, fostering a deeper connection between people and their roots. By pairing the adaptive reuse of historical assets with dynamic cultural programming, we ensure that our cultural heritage and local identity remain accessible, celebrated, and continuously evolving for future generations.

Urban Regeneration and Adaptive Reuse

Rejuvenating Urban Fabric Through Adaptive Reuse

We believe that the best way to honour our history is to make it a functional part of our future. For decades, starting with the landmark Shanghai Xintiandi, we have refined our mastery of adaptive reuse—the careful process of repurposing historical assets for modern life through minimal intervention.

Such work requires a disciplined balance of rejuvenating a site's physical and economic value while protecting the character-defining elements that give it a soul. Through years of on-the-ground experience, we have distilled these lessons into our **Historic Building Preservation and Revitalisation System**. This framework consolidates our adaptive reuse expertise from retaining original facades to integrating contemporary structures. By bridging the gap between historical authenticity and modern functionality, we create spaces that are not just preserved, but truly alive.



Adaptive reuse of Shikumen at Shanghai Xintiandi



Riverville at Shanghai's Yangpu riverside

Riverville: Reimagining Heritage for Modern Living

Located at the southern end of Shanghai's Yangpu riverside, Riverville is our first residential project to fully integrate adaptive reuse into its architectural DNA. Its excellence was recognised internationally with the **MIPI Asia 2024 Silver Award for Best Residential Project**, a testament to our ability to protect historical continuity while reimagining it for contemporary life.

Riverville represents a deliberate dialogue between the past and the present. We translated traditional forms into modern architectural language, featuring eight unique façade designs and simplified "horse-head" walls that pay tribute to the area's history. Inside, we introduced 270° column-free living rooms to provide the openness and light required for modern lifestyles. By following the original urban fabric and connecting four residential clusters, Riverville creates a spatial configuration that feels both historically rooted and entirely fresh. It is a space where timeless design meets modern needs, breathing new vitality into the Yangpu district's urban renewal.



Leadership in urban regeneration is built on the continuous cultivation of knowledge. By institutionalising our expertise internally and sharing it through academic partnerships, we ensure that our mastery of urban regeneration and adaptive reuse continues to drive the industry forward.

Nurturing Future Talent with Tongji University

In 2025, we successfully wrapped up the three-year **Urban Regeneration Talent Development Programme** with Tongji University, which aimed to cultivate the next generation of urban regeneration professionals. By opening our communities as living laboratories, we bridged the gap between academic theory and the complexities of real-world development, equipping future talent with the vision and pragmatic skills to lead China's high-quality urban renewal.

Over the course of this collaboration, we transformed traditional education into a dynamic, experiential journey. Our methodology integrated SOL's practical urban regeneration experience into the university's undergraduate, master's and doctoral curricula. We brought students out of the classroom and into the heart of our communities such as Panlong Xintiandi, Hong Shou Fang, and Hongqiao Xintiandi. These sessions served as a platform for dialogue, connecting professors and students with representatives from government and industry leaders to explore the intersection of heritage preservation and modern community building.



Mr. Albert Chan delivering a guest lecture under this programme

The impact of this partnership has been both profound and far-reaching. Over three years, we published more than 60 project outcomes, which were widely shared across social media and featured by prominent outlets such as *Shangguan News* and government publications. To ensure this collective wisdom remains a permanent asset for the industry, we consolidated insights from nine specialised courses led by our Chief Sustainability Officer and Director of Planning and Development, Mr. Albert Chan, into a comprehensive 700-page teaching resource. This three-year programme marked the end of a chapter, but not the partnership. We remain committed to evolving our work with Tongji University and setting new standards for sustainable urban renewal together.

Sustaining Our Internal Expertise

Our external impact is built on a foundation of internal excellence. For decades, Shui On Land has pioneered the adaptive reuse of historical neighbourhoods. To sustain this legacy, we established the **Shui On Land Historical Building Preservation and Revitalisation System** in 2023. This methodical framework extracts over 20 years of our urban regeneration expertise from our projects such as Shanghai Xintiandi and Lingnan Xintiandi into a blueprint for future success, setting a rigorous technical standard that spans from architectural design to restoration engineering.

To drive the implementation of this system, we formed the **Shui On Land Historic Preservation and Regeneration Committee** in 2024 with the mission to ensure our teams are equipped with specialised, well-rounded knowledge in urban regeneration and maintain SOL's market leadership. This year, the Committee transformed our knowledge-sharing culture by launching **Xiao Cheng Shu** (小橙書), a dynamic and interactive internal forum that enables employees to shift from passive learners to active contributors by sharing insights on the nuances of historical renewal.



Internal knowledge sharing session hosted by the Historic Preservation and Regeneration Committee

Beyond digital engagement, the Committee also developed a robust curriculum of expert-led training. In 2025, this included three specialised training courses on the latest engineering and technical advancements in historical building construction and maintenance, attracting over 250 participants. We complemented classroom training with our "Historical Regeneration" experience series, organising immersive site visits to Riverville and the "Yan Garden". These on-the-ground sessions allowed our teams to observe innovative preservation techniques in practice, ensuring they possess not just the understanding of heritage, but also the mastery to reinvent it for the modern world.

60

Project outcomes published over the three-year Urban Regeneration Talent Development Programme



Bringing Heritage to Life

Restoration of physical structure is the first step. To truly bring heritage to life, we activate these spaces with the energy of the people who inhabit them, transforming historic sites into vibrant, human-centred ecosystems where art and innovation meet tradition. By infusing our projects with living culture, we ensure our communities thrive as a dynamic part of contemporary lifestyle.

Reviving Tradition: The Heritage Now Festival

Building on the success of the 2024 “Xinsheng Festival”, we evolved this cultural IP into the Heritage Now Festival in 2025. This signature cultural event reimagines traditional Chinese festivals through immersive experiences, bringing ancient customs into the rhythm of modern life.



The 2025 Heritage Now Festival

This autumn, the Heritage Now Festival came alive at Panlong Xintiandi and Lingnan Xintiandi through a core creative concept of **“Bringing Heritage to Life”**. By reinterpreting traditional symbols through a modern visual language, we created a living bridge between ancient culture and contemporary rhythm. We moved beyond simple display, inviting visitors to fully immerse themselves in celebrating tradition through five immersive dimensions—Light Installations, Feasting, Performances, Workshops, and Markets. Historic precincts were turned into stages where tradition could be tasted, touched, heard, and experienced.

>6 Million

Visitors experienced the 2025 Heritage Now Festival at Panlong Xintiandi and Lingnan Xintiandi



Art installation during the Heritage Now Festival at Lingnan Xintiandi

Under the theme of **“Autumn Scenery of Lingnan”**, Lingnan Xintiandi became a vibrant canvas for Greater Bay Area heritage. Four striking public art installations commanded attention while over fifteen traditional performances—from the explosive Foshan lion dance to soulful folk music—filled the air in the streets. The aroma of authentic Cantonese flavours drifted from shared tables as visitors explored workshops and discovered treasures among themed market stalls.

At Panlong Xintiandi, the **“Full Moon Festival”** expressed Jiangnan traditions through a contemporary lens. Modern light installations brought the mythical Jade Rabbit to life, while the “Haiyue Tea Pavilion” ceremony elegantly fused ancient tea etiquette with fine wine. This dedication to design excellence has garnered international acclaim—the inaugural 2024 Xinsheng Festival at Panlong Xintiandi received both the **Golden Pin Design Award** and the **Gold Cube from the ADC Awards**, proving that locally rooted cultural innovation can achieve world-class standards.



Light installations at Panlong Xintiandi

By creating spaces where history meets modern life, the Heritage Now Festival drew over six million visitors, breathing lasting vitality into our communities and ensuring traditions remain not a relic of the past, but a dynamic force shaping how we live tomorrow.



Revitalising Urban Memory at Xintiandi Dongtaili

While festivals provide a momentary spark, we activate our communities through permanent creative storytelling. **Xintiandi Dongtaili** is the definitive expression of this approach.

Historically, Dongtaili was the soul of Shanghai's antique culture. As the city's first legal antique market, it was a place where every object held a story and every corner whispered of the past. It was a repository of urban memory.

Today, we have reimagined this historic landmark as an 84,000 m² living gallery. To re-energise this century-old street, we moved beyond traditional retail to create a curated cultural destination. We partnered with historians, illustrators, and digital designers to create **16 "Dongtai Cabinets"** across the precinct. These installations act as doors to the past, inviting all passers-by to "open" and rediscover 12 precious stories of the area's history. By blending urban memory with contemporary retail, we have turned a commercial site into a community hub where visitors engage with the soul of Shanghai through a modern lens.



Dongtai Cabinets—stories about the Dongtai street history

Tomorrow, Xintiandi Dongtaili will serve as a permanent stage for the city's creative energy that will continue to evolve and welcome future generations to add their own stories to Shanghai's enduring legacy.

Local Creativity and Creators

We believe culture thrives when local voices are amplified and given space to experiment and innovate. This is why we build ecosystems that connect emerging talent within and beyond the community, so that our projects remain vibrant centres of innovation and authentic expression.

Creators 100

Since 2020, Creators 100 has served as a cultural content and creative platform of the Xintiandi community to facilitate open dialogue among pioneering artists, designers, and cultural innovators to sustain the local creative ecosystem in China. This platform bridges online and offline worlds, connecting visionary creators and consumers with the XINTIANDI brand.

Over the years, Creators 100 has brought together over 400 creators from diverse cultural, artistic, and community backgrounds to exchange ideas, and produced 23 podcast episodes that reached over 1.5 million listeners. This dedication to storytelling earned the **Bronze Award from the 2025 Tiger Roar Awards** (Government & Real Estate Image Category), **China Content Marketing Awards for Best Brand Podcast**, and the **Brandstar Awards for Best Brand Content of the Year**, proving that authentic narratives resonate deeply.



The Xintiandi Book of Creators



Our podcast: Huaihai 333



The Creative X Conference

To deepen the impact of creative collaboration, we hosted the inaugural **Creative X Conference “Breaking Boundaries”** in partnership with TOPYS. This conference represents the first seed planted for a new neighbourhood ecosystem—one where we move beyond traditional industry silos to explore the future of urban life.

The conference served as a high-level collision of visions, bringing together 18 global pioneers to dismantle the grand narrative of “the city” into tangible, human-scale insights. As Ms. Stephanie Lo, Vice Chairman of Shui On Land, articulated during the event: *“The best communities are not designed; they grow through the creativity of every participant.”* This belief drives our approach of using creativity as a practical tool to solve real-world urban challenges.



The inaugural Creative X Conference “Breaking Boundaries”

Beyond the forum, we launched **“X PART: Future Neighbourhood”**, a living laboratory where brands experimented with cross-disciplinary solutions. We believe that true innovation is born through deep dialogue between commerce, design, and daily life. By fostering these connections, we ensure our creative strategy remains at the absolute forefront of urban development.

“The best communities are not designed; they grow through the creativity of every participant.”

Ms. Stephanie Lo

Vice Chairman of Shui On Land

2025 Young Artist Incubation Programme “RanRan”: The Dongtaili Finale



2025 RanRan Young Artist Incubation Programme: City in Touch

While Creators 100 amplifies established voices, RanRan (“a rising fire”) cultivates the next generation of local artists. Launched in 2022 with the UCCA Centre for Contemporary Art, this three-year mission concluded in 2025 with a transformative finale at Xintiandi Dongtaili.

The 2025 theme, “City in Touch”, returned to the programme’s roots while elevating its vision. Art pieces were relocated from traditional galleries into the streets of Xintiandi Dongtaili to bring artistic practice back into everyday social spaces, igniting memories of the city’s vibrant past. Scenic artworks were integrated into the public fabric of the neighbourhood, creating a tangible storyline that traced RanRan’s three-year evolution. In tandem with a series of cultural forums, RanRan programme has transformed Xintiandi Dongtaili into a living gallery for artistic expression.

Over its three-year journey, RanRan has left an enduring legacy of innovation by nurturing over 50 young local artists, providing a visible stage for the new generation to experiment boldly at the heart of Shanghai.



Cultural Exchange and Expression

True innovation is the product of cultural exchange. Our communities are designed to be platforms for mutual sharing—places where traditions, knowledge, and experiences from diverse backgrounds converge. By fostering these connections, we enrich the cultural fabric of our neighbourhoods and inspire new forms of collective expression.

2025 “Art To Gather” Festival: Bringing Places to Life

The 2025 “Art To Gather” Festival embodied this spirit of connection. Echoing the strategic elevation of the Xintiandi community brand, the festival—centred on the theme **“Bring Places to Life”**—creating a community experience infused with artistic inspiration and grounded in cultural awareness, weaving together culture, commerce, and tourism through diverse and co-creative engagement.

The journey began with the Shanghai Rainbow Chamber Singers performing an original piece, “Bring Places to Life”, which captured the welcoming soul of our communities and drew enthusiastic participation from residents and visitors alike.



Street dance at Shanghai Xintiandi during the “Art to Gather” Festival

We once again joined hands with the China Shanghai International Arts Festival to create platforms for young performers to show their talents. From street-dance flash mobs to musicals by the Rising Artists’ Works at Ruihong Xintiandi and Hongqiao Xintiandi, the festival turned our public spaces into vibrant theatres. We also collaborated with the Shanghai Student Theatre Alliance, guided by the Shanghai Education Commission, to bring arts education directly into the community. Beyond supporting local art performances, we introduced 36 international world-class artistry to everyday audiences in Shanghai, Wuhan, Foshan, and Chongqing. The Paris Olympic opening act performed at Wuhan Xintiandi, alongside several other overseas productions debuting in China for the very first time.

By Integrating global vitality with local aspirations, the festival presented more than 80 performances and inspired 1.6 million visitors, weaving artistic resonance into the fabric of daily life.



2025 “Art To Gather” Festival



Notable Cultural Partnership in 2025

For over a decade, we have been celebrating the creativity of artists locally and globally to facilitate international cultural exchange through our festivals and cultural events. In 2025, this included:



Ancient Egypt Unveiled: Treasures from Egyptian Museums

To deepen cultural ties within the Greater Bay Area, we partnered with the Hong Kong Palace Museum to promote the exhibition “Ancient Egypt Unveiled: Treasures from Egyptian Museums” at Lingnan Xintiandi. Art installations inspired by ancient Egyptian cultural motifs, alongside engaging workshops from hieroglyph decoding to gold-foil painting of Egyptian cats—were featured in our community. This collaboration brought together a millennium of Lingnan cultural heritage and ancient Egyptian civilisation, creating a dialogue across time and space in a landmark that blends historical depth with modern vitality.



Shanghai Fashion Week

Continuing our decade-long partnership as a venue sponsor, we hosted 26 debut shows at Shanghai Xintiandi. Under the theme “Shaping Quality, Building the Unseen”, the event integrated cutting-edge technology into the catwalk, fostering cross-industry synergy at Asia’s premier fashion destination.



2025 KIC Knowledge Art Festival

The third edition of the festival at KIC Shanghai celebrated the theme “Cheers to Knowledge”. Through more than 40 activities held with local collaborators, we transformed the district into a “boundaryless university”—a space where literature, sustainability, art, and artificial intelligence meet to spark new ideas.

Care



2025 Highlights



Female Board representation increased from 27% to 40% since 2022



Delivered an average of 47 training hours per employee



Achieved a zero contractor safety incident rate per 1,000 workers, and delivered occupational health and safety training to 100% of employees



Contributed 13,719 employee volunteer hours and generated over RMB 2.1 million in charitable donations



Achieved long-term employee commitment with over 25% of our employees serving for more than 10 years



Shui On Land's vision of developing sustainable premium urban communities that deliver long-term stakeholder benefits begins from within. By fostering growth, wellbeing, inclusion, and shared values, we empower our people and, in turn, strengthen our partnerships with customers and the communities we serve. Our 5C Sustainability Strategy defines our 2030 priorities and guides our comprehensive approach to Care.

Talent Management and Development

Our people are our most important asset. To lead in a competitive market, we provide a supportive and inclusive work environment that enables holistic growth and helps us attract and retain top talent. We ensure our recruitment is fair, open and impartial and we are devoted to building diverse teams that value differences in gender, sexual orientation, cultural background, and ethnicity.

Attracting and Onboarding Top Talent

To build a robust talent pipeline, we actively engage high-potential candidates from various places and graduates of leading universities in China and overseas. In 2025, our three-year Management Trainee Programme attracted over 1,000 applications through multiple channels and social media. To ensure new hires are aligned with our corporate vision from Day one, we have integrated mandatory sustainability and business ethics modules into our new staff orientation, setting a strong foundation for their professional journey at SOL.

Shui On Academy: Empowering Holistic Growth

We believe development is most effective when it is employee-led. Our Shui On Academy champions the philosophy of "Own My Learning" through a structured "Learning Map" and the Annual Development Plan, featuring a tiered curriculum built upon three core pillars to guide employees in their own self-directed growth:

- **Individual Skills:** Focuses on personal effectiveness, including time management, systematic thinking, and public speaking.
- **Leadership Skills:** Centred on management development and team coaching to build high-performing units.
- **Professional Expertise:** Specialised training in historical preservation, urban regeneration, real estate development, asset management, and the Knowledge Sharing Session.

The Shui On Academy's Ouzai online platform also provides on-demand access to over 3,000 courses—including newly introduced AI-focused modules—alongside 1,700 audio literature resources and a dedicated 5C sustainability knowledge forum to connect learning to the Company's strategic priorities.

Beyond systematic training, we facilitate "Shui On Knowledge" sessions to encourage internal expertise sharing. In 2025, we hosted six sessions led by internal and external experts, covering 5C sustainability topics such as healthy communities, urban regeneration, community wellbeing and lifestyle, and broader real estate industry trends.

This commitment to learning yielded strong results: in 2025, we achieved an average of 47 training hours per employee, exceeding our annual target of 24 hours and consistently surpassing our 2030 goal. Additionally, we ensured 100% completion of mandatory occupational health and safety and business ethics training among all employees, totalling 4,212 hours.

Driving Career Progression and Engagement

Recognising that career progression is a key driver of employee retention, our Talent Development Committee and Human Resources department establish clear organisational goals annually to promote upward mobility. Through the SOL Talent Development Programme, we clarify role expectations and strengthen succession readiness for key positions. We empower employees to actively shape their professional journeys through the Annual Development Plan and performance management system, which are led by managers with Human Resources department's support to ensure structured career progression planning and personal growth.

To complement this structured progression, we foster open communication and a strong sense of workplace belonging through dedicated engagement channels:

- **"Talk with CEO" Sessions:** Direct dialogues between leadership and staff to align on the Company's vision and strategy.
- **Shui On+ WeChat Official Account:** a digital hub for internal news and sustainability updates that strengthens transparency and connectivity across the organisation.



Career Week 2025: Together We Achieve Bigger Dreams

To support the holistic development of our employees, we hosted our sixth annual Career Week. Under the theme “Together We Achieve Bigger Dreams”, the five-day event brought together over 1,200 participants and received an outstanding 4.9 out of 5 satisfaction rating. Featuring a diverse lineup of speakers—including our Chairman, Vice Chairman and esteemed external guests—this week provided an inspiring platform for cross-level dialogue on leadership and personal growth.



Career Week 2025

Leadership Insights

Independent Non-Executive Directors, Ms Randy Lai and Mr Clement Kwok shared valuable insights on enhancing brand value through curiosity and a people-customer-centric mindset. In a dedicated session, our Chairman explored the concept of “equilibrium”, highlighting the importance of balanced judgement and disciplined decision-making in leadership.

Executive Face-to-Face Sessions

To translate inspiration into actionable career growth, we continued to feature this signature element of the Career week for engagement with senior managements, drawing around 150 participants this year. These sessions fostered mentorship through informal gatherings and one-to-one meetings, where senior executives discussed topics ranging from company strategy to individual career aspirations.

Personalised Career Consultations

The HR department offered one-to-one consultations to help employees explore their leadership potential. Participants received structured and constructive feedback on their strengths, capabilities, and future development paths. To ensure everyone could benefit, we utilised digital channels and mini programmes to make guidance and resources easily accessible to all staff.

By combining visible leadership with practical, accessible career support, Career Week continues to be a cornerstone of how we build engagement, drive retention, and nurture long-term capability across SOL.



Employee Wellbeing and Benefits

Diversity and Inclusion

Diversity is a core strength of Shui On Land and we believe it is essential for building a thriving, innovative workplace. We are committed to fostering a culture built on respect, dignity, and equal opportunity for every individual, ensuring our teams reflect the diverse communities we serve.

To embed these values across the organisation, we maintain a strict zero-tolerance approach to discrimination and harassment based on race, religion, gender, or disability. This commitment is formalised through the Company's *Diversity and Inclusion Policy*, *Board Diversity Policy*, *Code of Conduct*, and *Employee Handbook*, which establish clear standards for fair employment practices.

We understand that inclusion requires psychological safety. To translate our policies into everyday practice, we focus on building ongoing awareness and empowering our employees. As a core part of our annual Code of Conduct and Business Ethics training, the anti-sexual harassment modules ensure that our teams are continuously equipped to identify inappropriate behaviour and feel supported in safely and confidentially utilising our established grievance reporting channels. We also back this supportive environment with active listening; through multiple communication channels outlined in the *Employee Handbook*, employees can safely raise concerns at any time, with a guaranteed follow-up within three working days.

In 2025, we continued to turn our diversity and inclusion commitments into measurable progress, particularly in advancing gender equity. At the highest level of leadership, female representation on our Board increased from 27% in 2022 to 40% in 2025, ensuring balanced perspectives in the decision-making process. Board appointments are driven by a rigorous, competence-based selection process that prioritises diverse experiences, skills, and professional backgrounds in alignment with the Company's strategy and governance needs. We are also proud to maintain 1:1 gender pay ratio and remain committed to upholding this equity across the organisation.

Our leadership team continues to set benchmarks for female empowerment in the real estate industry. This year, our Vice Chairman, Ms. Stephanie Lo, was recognised as one of the leaders in the *Fortune China Most Powerful Women 2025*. Additionally, our Executive Director and CEO, Ms. Jessica Wang received the prestigious 2022-2024 Shanghai March 8th Red-Banner Pacesetter award. These accolades honour leaders who drive meaningful change, navigate complex challenges, and redefine possibilities within the Asia-Pacific business landscape.



Ms. Stephanie Lo was recognised as one of the leaders in the Fortune China Most Powerful Women 2025



Ms. Jessica Wang participated in the U.N. Women China CEO Roundtable

Advocating Gender Equality at the U.N. Women China CEO Roundtable

As a signatory of the United Nations Women's Empowerment Principles (WEPs) since 2023, and following the U.N. WEPs Asia-Pacific Award (Transparency and Disclosure category) we received in 2024, we are dedicated to supporting gender equality within and beyond our workplace. During the 2025 International Women's Day, our Executive Director and CEO, Ms. Jessica Wang, took part in the U.N. Women China CEO Roundtable. Speaking about female leadership and career progression, she highlighted that equality is one of our greatest competitive advantages, reminding us that success should be defined purely by talent and merit rather than gender.



Ensuring Health and Safety for All

At Shui On Land, we provide a safe and healthy working environment and are committed to achieving zero fatalities across our workforce. Accountability for this commitment starts at the top. Our health and safety strategy is overseen by the Board-level Sustainability Committee, alongside our CEO and CSO, whose compensation is tied to health and safety outcomes. We bring this strategy to life through our “Target Zero” initiative, cultivating a shared “Safety Never Takes a Day Off” mindset across our organisation and contracted partners to foster a culture of safety and wellbeing.

To protect our people, we rely on robust management systems and continuous education. In 2025, we successfully maintained our ISO 45001 Occupational Health and Safety Management System certification across all operational sites. Because safety challenges vary widely across our business, we tailor our training programmes to specific workplace environments—such as commercial properties, shopping malls, and construction sites. The curriculum goes beyond basic machinery and safety protocols, equipping our teams with vital knowledge on emergency management and mental health support. Our focus on education yielded strong engagement: in 2025, 100% of our employees completed their annual occupational health and safety training, dedicating a total of 2,354 hours to building a safer workplace.

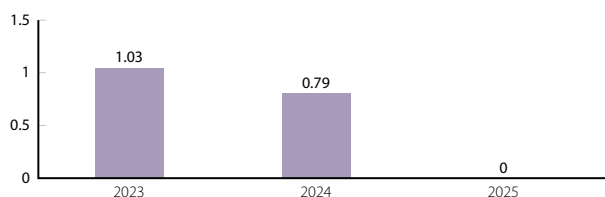
We hold our contractors and suppliers to the same uncompromising standards. Beyond our established Environmental, Health, and Safety (EHS) systems, we mandate bi-monthly, third-party investigations that include health and safety assessments at all construction sites. This ensures all contractor partners strictly comply with our ESG-specific requirements to prevent injury.

To proactively prevent accidents, we leverage the Smart Construction module within our SOL Cloud Construction System. This technology allows us to monitor site conditions and track worker training and injury data in real time, enabling us to address unsafe practices before they lead to injury. In 2025, this focus on systemic oversight and technology delivered an outstanding result—we achieved a contractor safety incident rate of zero per 1,000 workers—well below our annual target of less than three.

 **2,354 hours**
of employee OHS training
completed in 2025

Moving forward, we will continue engaging employees and workers through communication, training, and innovative solutions to prevent injuries and advance our “Target Zero” commitment.

Annual Contractors Incident Rate (per 1,000 workers)



Annual Target = 3 per 1,000 Workers

Improving Employee Wellbeing

We believe that high performance naturally flows from financial security, physical and mental health, and a healthy work-life balance. Guided by our philosophy of “Innovation, Change, and Creating Infinite Possibilities”, we cultivate a human-centred culture designed to support our people at every stage of their lives.

To ensure our people feel secure and valued, we provide a comprehensive benefit package that is reviewed annually to remain highly competitive in the market. We recently expanded our insurance coverage to include critical illness and newborn protection, and to support growing families, we offer at least 10 days of paternity leave and 22.6 weeks of maternity leave.

Beyond foundational benefits, we prioritise the daily work experience and psychological wellbeing of our teams. Our “Social Renaissance” office design fosters connection and flexibility, offering diverse workspaces that feature ergonomic desks, abundant natural light, and vibrant greenery.

For mental and emotional support, our Employee Assistance Platform offers confidential, round-the-clock resources for employees and their families. In 2025, the programme delivered 119 consultations (which is a 3.9% utilisation rate), addressing a wide range of needs—from career counselling and workplace communication to mental and physical health. This professional support is complemented by monthly workshops, bi-monthly e-journals, and quarterly activities specifically designed to build emotional resilience.



Recognising that our employees' lives extend far beyond the office, our iFamily Programme helps employees seamlessly balance caregiving responsibilities with their professional ambitions. In 2025, we approved a total of 825 iFamily days of special leave and offered flexible working hours and locations, ensuring our employees need not choose between their family and career.

We extend this family-focused approach through our Recreation Club, which promotes a "Healthy Life, Happy Work" ethos. By organising regular sports sessions, wellness activities, and major events like our Annual Gathering, Family Day and holiday celebrations, the club continuously strengthens relationships and collaboration across the Company.

Ultimately, these integrated support systems create a workplace where people truly want to stay and grow. Today, more than 25% of our workforce has been with us for over ten years—a powerful testament to the stability, innovation, and genuine care fostered within our organisation.



Employee team building activity

Shared Value for Society

Our approach to creating shared value starts with our people. We cultivate a sustainability mindset across our workforce through volunteering and employee-led giving to scale social impacts. At SOL, giving back to society is an enduring aspiration. We have set a goal to accumulate 150,000 volunteer hours by 2030; in 2025 alone, our employees contributed 13,719 hours, recording 1,370 employee volunteer participations, and generated more than RMB 2.1 million in donations in total. In 2025, our efforts primarily focused on supporting individuals and groups in need, including underprivileged communities, migrant children, and the elderly.

1,370

employee volunteer
participations in 2025



2025 Pay It Forward campaign

2025 Pay It Forward –

A Relay Race of Hope and Love

Since 2020, we have co-organised "Pay It Forward" with the Lianquan Charity Foundation to support vulnerable groups and encourage public participation in philanthropy. After its successful debut in Shanghai, the event has expanded to Nanjing, Wuhan, Foshan, and Chongqing.

This year, over 450 participants took part in charity walk, immersive experiences exploring the daily lives of visually impaired individuals and dementia patients, and engagements with migrant children communities. We also hosted a "Non-Stop Love" second-hand market to promote circularity. Through these activities, "Pay It Forward" continues to spread warmth and compassion, rippling outward into the wider community like a true relay race of hope.





We integrated “diverse low-carbon” elements into our flagship charity event, “Pay It Forward” to advance environmental responsibility. Employees were incentivised to adopt sustainable daily practices—such as utilising low-carbon transport, replacing single-use plastics with reusable cups and bags, and actively participating in the circular economy through recycling and book donations—with their actions tracked and celebrated throughout the campaign.



Book donations for vegetables event

Shui On Seagull Club

Founded by our employees, the Seagull Club is a non-profit charitable entity dedicated to promoting Shui On's commitment to social responsibility and sustainability. All registration fees and donations collected from its activities are funnelled directly into social welfare projects, reinforcing our dedication to making a tangible difference.

Community Support: Wang Fuk Court Fire Resettlement

Following the tragic fire at Wang Fuk Court in Tai Po, Hong Kong, SOL allocated HKD 5 million to support the resettlement of affected residents. To provide on-the-ground help, the Seagull Club partnered with external organisations to form a volunteer team, offering practical assistance such as painting, masonry, furniture installation, and plumbing and electrical repairs. These efforts address urgent post-disaster needs, facilitate a smoother transition for residents moving into new homes, and contribute to the overall recovery and resilience of the local community.

Empowering Local Epidemic Prevention

During the 2025 Chikungunya outbreak in Foshan, SOL quickly mobilised to support public health protection by donating over 3,900 bottles of mosquito repellent and 1,200 bottles of drinking water to frontline teams. This effort strengthened local resilience during the peak epidemic prevention periods, and helped safeguard residents' wellbeing amid rising summer health risks.



Donating materials to support epidemic prevention in Foshan

Corporate Governance



2025 Highlights



Received the “Most Sustainable Organisation Awards” of the “Best Corporate Governance and ESG Awards 2025” from the Hong Kong Institute of Certified Public Accountants (HKICPA)



Delivered external business ethics training to 160 key supply chain partners through the 2025 Supplier and Contractor Forum



Delivered 20 in-person internal business ethics and risk management training sessions, with online courses on responsible marketing and Foreign Corrupt Practices Act (FCPA) compliance



Updated the *Irregularity Reporting Policy*; and completed a comprehensive review of the *Risk Management Policy*



Renewed ISO 27001/ISO 27701 certifications for our Personal Information Security Management System



Sustainability Governance and Transparency

Our robust governance framework ensures our decisions and their implementation are tracked, and the processes are delivered with clarity, transparency, and accountability across all levels of the business. The Board is responsible for the leadership and control of the Company and oversees the Company's businesses, strategic decisions, and performance. The Board has delegated the daily operations and administration of the Company to the management. In addition, the Board has established five Board committees with defined terms of reference, namely the Audit and Risk Committee, the Remuneration Committee, the Nomination Committee, the Sustainability Committee, and the Strategy Committee.

We recognise that integrating sustainability into a robust corporate governance framework is essential to advancing sustainable development in urban communities. Our commitment is embedded across the organisation through targeted training and compensation-linked sustainability-related key performance indicators (KPIs). These KPIs, which cover climate-related and social objectives, are incorporated into annual performance appraisals and tied to performance-based remuneration.

Sustainability-related KPIs apply to the CEO, CFO, CSO, the Sustainable Development Executive Committee, the 5C Working Team, department heads and project heads, and teams across Feng Cheng Property Management and Shui On Construction. To ensure effective execution, these KPIs are cascaded to individual projects and assets, translating our sustainability commitments into concrete, on-the-ground actions.

Sustainability oversight is seamlessly integrated into business planning and the day-to-day management of sustainability tasks. This involves aligning corporate governance practices with sustainability priorities and embedding sustainability-related risks into our enterprise risk management systems. We also regularly review our sustainability practices and programmes to identify improvement areas.

Ensuring Corporate Governance is Sustainable

Leadership in embedding sustainability management and performance is crucial at both the Board and executive levels, shaping our culture, operations and business relationships. In 2025, we advanced alignment between our governance practices and the 5C Sustainability Strategy through several initiatives:

- Cascaded compensation-linked sustainability KPIs to department and project heads across the Group, including Feng Cheng Property Management and Shui On Construction and for all development projects and operating assets
- Conducted a comprehensive review of the *Risk Management Policy* and delivered advanced risk management training for governance body
- Provided targeted training to strengthen the Board's understanding of evolving corporate governance standards and emerging ESG trends

The Board leads the planning and execution of the 5C Sustainability Strategy, supported by the Board Sustainability Committee, which ensures its integration into overall business operations. The Sustainable Development Department, led by the CSO, formulates sustainability policies, oversees implementation across business units, and monitors progress toward both short- and long-term goals.

Our *Board Diversity Policy* provides a structured framework to promote a balanced Board in terms of skills, experience, gender, and knowledge. In 2025, we conducted a comprehensive review of Board composition in line with the revised *HKEX Corporate Governance Code*, assessing directors' tenure, qualifications and skills, and enhancing the Board evaluation process through an updated evaluation form. By year-end, Independent Non-Executive Directors (INEDs) represented 60% of the Board, and female representation reached 40%, up from 36% in 2024 and 31% in 2023—demonstrating our continuous commitment to inclusive leadership.

To strengthen our data infrastructure and reporting capabilities, we remain focused on building robust data systems and enhancing reporting processes. Since 2022, our Annual Corporate Governance Report has aligned with relevant GRI disclosures standards on governance structure and impact management. In 2025, we further reviewed our practices against the revised *HKEX Corporate Governance Code* to maintain the quality and integrity of our disclosures.



Engaging employees in our sustainability vision remains a priority. In 2025, we delivered eight sustainability onboarding sessions for new employees, hosted an anti-corruption film screening, and organised two townhall sessions to encourage open dialogue on sustainability and governance topics across the organisation. We will continue to invest in sustainability-related training and engagement programmes to support consistent understanding and effective execution throughout the company.

Incorporating Sustainability-related Risks into Enterprise Risk Management

Our governance framework reflects our commitment to ethical conduct and effective risk management. The Board oversees enterprise risk management and internal controls to safeguard our assets and shareholder interests. As sustainability-related risks increasingly shape our operating environment, the Board's supervisory role has become even more critical. These risks are now fully embedded within our Enterprise Risk Management (ERM) framework to strengthen organisational resilience.

To assess and manage sustainability-related risks—particularly climate risks—we conducted a comprehensive physical risk assessment across all operating assets in 2023 and engaged an external consultant to perform transition-risk scenario analysis in 2024, quantifying potential financial impacts. These insights informed the development and launch of the *Shui On Land Resilience and Adaptation Guideline for Physical Climate Risks* in 2025, which is now integrated throughout the project lifecycle to enhance climate resilience. We also adopted the TCFD framework, and implemented a Group-wide *Climate Change Policy*.

To build management capacity, we delivered targeted training for the Sustainable Development Executive Committee and the Board Sustainability Committee, focusing on climate risk assessment findings, scenario analysis, business implications, and emerging regulations and frameworks—including the *HKEX ESG Reporting Code*, Hong Kong's sustainability disclosure roadmap (including the *Hong Kong Financial Reporting Standards*), *IFRS Climate-related Disclosures*, and sustainability disclosure trends in China.

Sustainable Financing

As a responsible real estate developer, we remain committed to integrating sustainable development across our business and actively utilise green financing to support these efforts. In November 2019, we launched our first green bond, directing proceeds towards retrofitting selected assets to meet higher green building standards. These upgrades included energy-efficiency improvements and water-saving measures at Shui On Plaza and our headquarters.

In 2021, we issued a Sustainability-Linked Bond tied to a Sustainability Performance Target of reducing Scope 1 & 2 GHG emissions intensity (per square metre) by 25% by 2024 from the 2019 baseline. By the bond's maturity in 2024, we achieved a 51.3% reduction in emissions intensity compared to the 2019 baseline—far exceeding the original target. This demonstrates our continued commitment to delivering meaningful environmental impact through sustainable financing while advancing a more sustainable future.

Emergency Preparation and Risk Mitigation

Our Emergency Preparedness Team plays a critical role in maintaining robust preventive measures and standardised protocols to safeguard the long-term safety of all stakeholders.

To strengthen our risk management and compliance framework, we follow the Committee of Sponsoring Organisations (COSO) Risk Management Framework to assess principal risks facing our operations. Our Compliance Manual and consolidated risk and incident-related policies provide clear guidance to ensure alignment with industry standards.

In 2025, we conducted a thorough review of our *Risk Management Policy* to streamline processes for managing and responding to evolving risks. The Internal Audit team carried out capital expenditure audits across four projects, using data analytics to enhance internal controls and risk management capabilities. The team also delivered 11 risk management training sessions to over 400 employees, embedding risk awareness into our culture and deepening cross-functional understanding of financial and legal compliance.



Looking ahead, our targeted actions are:

- Updating governance KPIs in line with the latest *HKEX Corporate Governance Code*;
- Strengthening collaboration with Internal Audit and Risk Department to promote robust risk management practices, while expanding the scope and depth of training programmes;
- Offering legal compliance training for leasing teams, particularly for projects involving multinational tenants, supported by partnerships with international law firms;
- Reviewing and improving existing risk management and internal control processes;
- Working with the IT Department to integrate an enterprise risk mindset into cybersecurity management, including reviewing and developing cybersecurity protocols;
- Enhancing tenant engagement on the Code of Conduct and ESG-related initiatives through forums and written communication.

Cybersecurity

Recognising that cybersecurity is foundational to business resilience, we are committed to strong data and information protection for the company and all stakeholders. We strengthened our capabilities through the new *Information Safety Policy*, which sets out our strategic approach to safeguarding information. Our Personal Information Security Management System earned ISO 27701 and 27001 certifications, underscoring our commitment to network security compliance, risk management, and the protection of sensitive enterprise and personal data. To support the growing use of customer-facing systems, we also obtained China's National Classified Protection of Information Security Class III certification for a key customer platform and related systems.

We conduct regular simulated hacker-attack drills and data-centre inspections to prepare for emerging threats and reinforce our defences. Employees receive frequent information security and data protection training, including phishing-defence programmes and routine system-review updates. Since 2023, we have been conducting annual cybersecurity online training for all employees. In anticipation of wider AI adoption, the Internal Audit team delivered targeted training on responsible AI use to key departments and we began developing the Group's AI protocol—scheduled for release in 2026—to ensure generative AI is adopted in a compliant, responsible, and secure manner.

Highest Standards of Integrity in Our Business Operation and Supply Chain

Our commitment to ethical conduct underpins the trust we have built with customers, partners, and stakeholders. This trust is supported by strict compliance with laws and regulations¹, strong corporate governance, and a rigorous system of internal controls and risk mitigation protocols.

The Ethics Committee and the Board Audit and Risk Committee oversee all matters related to conduct and business ethics. They regularly review governance practices and policies, including the *Code of Conduct and Business Ethics*, and lead anti-corruption training. Under an annual audit plan, the Internal Audit and Risk Department conducts comprehensive audits of all business units every three years and uses ongoing data analytics to identify irregularities and potential business ethics concerns.

Our ethical foundation is anchored in the *Code of Conduct and Business Ethics*, which guides the ethical and legal behaviour of the organisation and our employees. The Code is routinely updated to reflect the Shui On ethos and evolving standards.

To ensure our employees are fully aware of our expectations for business ethics, all employees are required to submit an annual declaration of adherence to the *Code of Conduct and Business Ethics*. In 2025, we achieved full compliance with this requirement across all employees.

¹ See the Content Index which outlines relevant laws and regulations in more detail for each topic.



Below is a summary of the business ethics trainings and workshops we organised for different categories of employees during the reporting year:

Participants	Types of training
All employees (senior management to part-time staff and contractors)	- Conducted 17 Mandatory annual <i>Code of Conduct and Business Ethics</i> training sessions, covering procurement, sales, leasing, and internal control and risk management (COSO and ERM frameworks). - Online cybersecurity, responsible marketing and advertising training available on the staff portal. "The Knockout" themed micro courses, offered as optional business ethics compliance training, significantly enhanced employee engagement. - Two anti-corruption short films accessible on Shui On Academy and one anti-corruption film screening event was hosted.
Senior management	- Integrity leadership training was delivered to 70 senior executives in 2025. - Quarterly news briefs on fraud and corruption shared by Internal Audit team. - Integrity e-learning courses offered by the Independent Commission Against Corruption are provided.
New employees	- Eight onboarding ethics sessions held in 2025. - Training introduced the <i>Code of Conduct and Business Ethics</i>, <i>Irregularity Reporting Policy</i>, organisational culture, and relevant Listing Rules requirements.
Employees in property management team	Interactive workshops to enhance their knowledge of business ethics and share best-practices and case studies.
Specific employees	Annual online "Business Ethics" training, focused on spotting corruption risks and reporting violations of the <i>Code of Conduct and Business Ethics</i>.

Anti-Corruption Measures Across the Value Chain

We maintain strict adherence to anti-corruption laws across all jurisdictions. To ensure accountability, our anti-corruption policies are embedded into the standard contracts with business partners. We launched the Foreign Corrupt Practices Act (FCPA) compliance training module on the staff portal in 2025, enabling all employees to access critical compliance knowledge. Besides, the Ethics Committee regularly issued pre-holiday integrity reminders to mitigate corruption and fraud risks.

We extend our Code of Conduct and Business Ethics expectations externally to suppliers and tenants. In 2025, we engaged 160 key suppliers through our Supplier and Contractor Forum, delivering Code of Conduct and Business Ethics training. For tenants, we streamlined lease templates to improve clarity and compliance. SXTD allows tenant-specific ethics provisions to be incorporated, reinforcing shared responsibility for ethical practices.



Promoting Ethical Practice Awareness

All SOL employees must report irregularities through designated channels. Our Irregularities Reporting System (or whistleblowing system) allows employees and business partners to confidentially raise concerns via phone or email. In 2025, we updated *Irregularity Reporting Policy* to clarify procedures and outline consequences for non-compliance, and improve transparency.

Employees may also raise compliance matters with line managers, Human Resources or the Legal departments. SOL enforces a strict and no-retaliation policy, ensuring protection for anyone reporting concerns in good faith. The *Irregularity Reporting Policy* guarantees that employees are safeguarded from unfair dismissal, victimisation or unwarranted disciplinary action, even if allegations are unsubstantiated.

All whistleblowing cases are reviewed by the Ethics Committee and escalated to the Board Audit and Risk Committee when necessary. Complaints involving senior management can be submitted to a dedicated email accessible only by the chairman of the Board Audit and Risk Committee. Other cases go to the chairman of the Ethics Committee. Investigations may involve Internal Audit and relevant departments, including Human Resources, Legal, Finance and Accounting, Projects, and/or Operations. After review, the Ethics Committee determines disciplinary actions and recommends corrective measures to the Board Audit and Risk Committee, which reports findings and improvement recommendations to the Board.

Preventing Forced and Child Labour

Our Human Resources, Legal, and Internal Audit teams work closely to ensure compliance with labour laws and minimise risks of forced or child labour. Preventive measures include mandatory identity verification during recruitment and registration on provincial government platforms to prevent underage employment.

Job roles and employment terms are clearly communicated before hiring, and contractor agreements specify position, location, and remuneration. Labour contract registration dates are verified for legality. If forced or child labour is suspected, SOL will conduct a rigorous investigation into the employment conditions, and termination of the employment will take place if violations are confirmed. Subsequent compensation measures, disciplinary action against responsible parties will be taken, which may include termination.

These expectations extend across our value chain, through our *Supplier Code of Conduct* which requires suppliers to avoid forced or child labour and uphold legal and ethical labour standards.

Responsible Marketing

SOL is committed to responsible marketing practices, that comply with international standards and local regulations. Our guidelines on responsible marketing ensure customers receive accurate and non-misleading information.

Marketing contracts and promotional materials comply with the *Advertising Law* and *Civil Code of the People's Republic of China*, including intellectual property requirements. The corporate operations team conducts annual inspections of residential marketing workflows to ensure compliance.

We embed ethical marketing principles into iTiandi, our marketing and loyalty platform, fostering a transparent, trustworthy, and responsible digital ecosystem for our members. Internal Audit team performs regular assessments to ensure adherence to responsible marketing standards and ethical promotion practices.

Employees receive annual training on responsible marketing and advertising. In 2025, training emphasised content compliance and common marketing pitfalls. Internal Audit team also delivered tailored sessions for headquarters and project teams on internal controls and risk management, along with workshops on data analysis integrity and internal control mechanisms.

Strengthening Governance and Transparency in Marketing Promotion Activities

In July 2025, Internal Audit team delivered targeted training on internal control risks in marketing promotion activities to 30 members of the Marketing Team at the SXTD Marketing Workshop. The session covered updates to the *HKEX Corporate Governance Code*, as well as core principles of internal control and risk management, strengthening compliance awareness and enhancing process resilience.





APPENDIX

Analysis of Top Material Topics

The following table presents the potential risks and opportunities associated with the top material topics identified from our double materiality assessment. These impacts will be periodically reviewed and updated to reflect evolving impacts and priorities.

5C Pillar	Material Topics	Impact to the economy, environment and people	Impact on our business	Value Chain Impacts		
				Upstream	Operations	Downstream
Clean	Energy Efficiency and Emission Management	Energy efficiency improvements and cleaner energy adoption play a vital role in reducing GHG emissions and supporting global climate goals. These efforts help conserve natural resources, strengthen ecosystem health, and contribute to a more resilient, low-carbon economy and society.	While retrofitting may increase short term capital costs, long term investments in energy efficient technologies reduce operational costs and maintenance expenses, enhance property value, attract sustainability focused tenants, and ensure compliance with tightening energy efficiency regulations. This strengthens long term profitability and reduces exposure to energy price volatility and potential carbon related costs.	●	●	●
Clean	Green and Healthy Buildings	There are increasing demand for sustainable and healthy buildings under growing interest in decarbonisation from stakeholders and strengthened green building requirements in cities such as Shanghai for new developments. SOL's adoption of innovative green design supports healthier indoor environments and high quality public spaces, while contributing to a low-carbon economy and more resilient communities. Industry wide shift—driven by both regulation and market expectations—further accelerates sustainable urban development.	Adopting green building strategies reduces operating costs by lowering energy, water and waste management needs, while protecting asset value over time. As green building certification becomes an increasingly common compliance requirement in major cities including Shanghai, investing in sustainable, healthy, and resilient buildings strengthens regulatory alignment and reduces legal and operational risks. Such buildings also attract ESG minded tenants, supporting stable occupancy and long term revenue, while reinforcing our competitive advantage.	●	●	●



5C Pillar	Material Topics	Impact to the economy, environment and people	Impact on our business	Value Chain Impacts		
				Upstream	Operations	Downstream
Community	Master Planning	Thoughtful community master planning enhances liveability by promoting accessibility, pedestrian friendly design, and community oriented development. By incorporating wellness, resilience and inclusion into master-planning, our communities support healthier lifestyles, strengthen environmental sustainability, and foster social cohesion. This approach builds trust with local stakeholders, including local communities and regulators, and helps ensure that developments contribute positively to both current and future community needs.	Master planning is central to SOL's competitive advantage, influencing financial performance and operational efficiency. A holistic long term planning approach optimises land use, reduces construction and operating costs, enhances asset value, and aligns developments with municipal priorities and market demand, ultimately supporting sustainable growth and reducing financial risks.	●	●	●
Culture	Urban Regeneration and Historical Building Adaptive Reuse	Urban regeneration and adaptive reuse of historical buildings significantly contribute to community revitalisation and cultural preservation by breathing new life into dilapidated areas and forgotten local culture, fostering social cohesion, and enhancing local quality of life. Preserving the historical context of buildings also contributes to economic growth by attracting tourism, increasing property values, and stimulating local businesses.	Urban regeneration is a core aspect of SOL's business strategy and aligns with the development priorities of the cities in which we operate. Reusing historical buildings enables efficient resource utilisation while preserving heritage value. By integrating traditional architectural elements with modern building techniques, SOL can differentiate its projects and enhance brand reputation. Strong capabilities in heritage adaptive reuse also position the Company as a strategic partner for governments, supporting long term financial performance.	●	●	●



5C Pillar	Material Topics	Impact to the economy, environment and people	Impact on our business	Value Chain Impacts		
				Upstream	Operations	Downstream
Corporate Governance	Product/Service Quality and Responsibility	Stakeholders increasingly demand properties to meet safety, environmental, and ethical standards. By focusing on quality and responsibility, SOL contributes to sustainable development, enhances community wellbeing, builds trust, and supports broader social goals.	High quality products and services are critical to maintaining strong revenue performance. Superior property quality enhances tenant satisfaction, increases occupancy, and boosts rental income. Investing in quality also reduces maintenance costs, protects asset value, and strengthens brand reputation, attracting investors and supporting SOL's long term financial stability and growth.	●	●	●
Corporate Governance	Risk Management	By addressing risks related to environmental impact, safety, and regulatory compliance, SOL demonstrates commitment to social responsibility. This approach minimises negative impacts on communities while fostering positive relationships with residents, local authorities, business partners and investors. Robust risk management ultimately supports the long-term viability of both SOL and the communities we serve.	Risk management directly impacts our sustainable development and brand reputation. It identifies, assesses, and mitigates potential financial losses from market fluctuations, regulatory changes, and operational challenges. By implementing robust strategies, we can safeguard assets, optimise investment returns, and ensure financial stability, leading to improved profitability and sustainability.	●	●	●



Climate-related Financial Disclosure

In alignment with the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD)—now incorporated into the International Financial Reporting Standards (IFRS) S2 Climate-related Disclosures—we maintain a systemic approach to identify, assess, and manage climate-related risks and opportunities, bolstering the resilience of our business, assets, communities, customers, and workforce. Recognising climate change's profound impacts on real estate investments, we adopt a science-based, pragmatic climate resilience approach to mitigate and adapt to climate-related physical risks such as extreme weather, rising temperatures, and heavy rainfall.

We maintain an up-to-date understanding of the climate-related risks and opportunities affecting our operations and future developments, with periodic reviews of climate scenario analyses to refine adaptation strategies. This approach enables proactive mitigation of climate change impacts while safeguarding operational continuity. In 2024, we completed on-site physical climate risk assessments for all operating assets, yielding valuable insights into climate vulnerabilities, and enabling us to plan and implement relevant mitigation measures to strengthen climate resilience across all our assets. We also appointed an external consultant last year to conduct a transition risk scenario analysis, evaluating and quantifying the financial implications that SOL may encounter in the shift toward a low-carbon economy.

Governance

As detailed in this Report's Corporate Governance chapter, our Board is responsible for the planning and execution of our 5C Sustainability Strategy, and overseeing the climate-related risks and opportunities it encompasses. The Board Sustainability Committee directly supports the Board to ensure our business operations align with our 5C Sustainability Strategy. This governance structure highlights our commitment to embed sustainability efforts in our senior leadership, particularly climate resilience. The 5C Sustainability Strategy will continue to guide our sustainability endeavours, including decarbonisation and climate adaptation.

Sustainability Governance and Oversight

The Board of Directors	Our highest governance body with overall responsibility for our sustainability efforts.
The Board Sustainability Committee	The Committee, chaired by an Independent Executive Director and comprised of selected company directors, meet regularly to discuss and decide on sustainability objectives, including climate-related issues, for SOL's long-term development and stakeholder value creation. The Committee directly monitors and guides our overall sustainability performance. During the reporting year, the Committee reported to the Board twice on sustainability-related progress and issues, including matters related to climate change.
Sustainable Development Executive Committee (SD EXCOM)	Consisting of Vice Chairman, Executive Directors, Senior Directors, the CEO and the CSO, the SD EXCOM is responsible for the strategic direction of the Company's sustainable development and establishing key long-term targets. The Committee meets quarterly to discuss on sustainability topics, including climate-related issues, and make decisions on behalf of the Board Sustainability Committee, which makes further decisions as necessary.
Chief Sustainability Officer	The CSO leads and drives the integration of sustainability principles and practices into SOL's strategy and operations. The CSO is also tasked with fostering a culture within SOL that embeds and prioritises sustainability and climate-related matters.
5C Teams	Responsible for the central steering and implementation of SOL's sustainability strategy, these teams manage the KPIs for their goals. They meet regularly to drive implementation and address problems that arise. KPIs are distributed to relevant departments for execution. Each team reports progress to the Sustainable Development Executive Committee regularly and provides consolidated reports to the Audit and Risk Committee for submission to the Board of Directors.
Sustainable Development Department	The Department supports the development and implementation of sustainability policies and strategies by offering technical expertise, coordinating communication across departments and sustainability-related trainings, both internally and externally, and monitoring SOL's progress in achieving its sustainability goals and targets. During the reporting year, we reported four times to the Sustainable Development Executive Committee, and twice to the Board Sustainability Committee on sustainability and climate-related progress and issues.



Sustainability matters that require immediate attention are escalated to the Board. Under its guidance, we have integrated sustainability and climate-related risks into our daily operations, long-term strategy and major business decision-making. The Board is equipped with the skills and competencies required to oversee sustainability related risks and opportunities, including climate matters. The Nomination Committee has conducted an annual review on the Board's skills matrix. Further details on the Board's capabilities in managing sustainability risks are provided in the Board's skills matrix within the Corporate Governance Report. Regular training on climate-related issues is provided to the Board and senior management to inform latest and evolving trends in the climate change and sustainability landscape. This year, we provided training to our Board members and SD EXCOM members on the newly developed *Shui On Land Resilience and Adaptation Guideline for Physical Climate Risks*. To promote sustainable performance, we have linked sustainability KPIs, including performance on carbon reduction and climate risk management and sustainability governance, to the remuneration of members of key governance body and sustainability team. These KPIs are also cascaded to department and project directors, embedding sustainability in the decision-making and actions across various levels to ensure a cohesive and accountable approach to drive our 5C sustainability objectives.

Risk Management

Our climate scenario analyses have systematically evaluated both physical and transition risks and opportunities that climate change posed to our business, guiding the development of long-term adaptation and resilience strategies. We have quantified the potential financial impacts of these climate-related risks and opportunities on our assets and operations. Building on these insights, we are strengthening our climate risk mitigation and adaptation measures through progressive investment in various aspects including but not limited to enhancing our climate risk analyses, constructing green and healthy buildings, and improving our overall climate resilience through master-planning.

Physical Risks

In 2023, we completed an asset-level climate scenario analysis of physical risks using three Shared Socioeconomic Pathways (SSP1-2.6, SSP2-4.5, and SSP5-8.5) from the Intergovernmental Panel on Climate Change across selected time horizons (2030, 2050, and 2070). These scenarios provided a robust, decision-relevant basis for assessing the resilience of our strategy across a range of plausible climate futures. Our analysis took into account six climate hazards—extreme heat, extreme precipitation, river flood, typhoons, drought, and wildfires, along with sea level rise, and assessed their impacts across our existing assets in Shanghai, Wuhan, Foshan, Nanjing and Chongqing. For precise analysis, each asset was geocoded and aligned with rooftop-level coordinates.

Assumptions Adopted for the Analysis

SSP scenario-specific assumptions						
Macroeconomic trends	SSP1 - 2.6		SSP2 - 4.5		SSP5-8.5	
	World of sustainability-focused growth and equality		“Middle of the road” world where trends broadly follow their historical patterns		World of rapid and unconstrained growth in economic output and energy use	
	Low GHG emissions	CO ₂ emissions cut to net zero around 2050	Intermediate GHG emission	CO ₂ emissions around current levels until 2050, then falling but not reaching net zero by 2100	Very high GHG emissions	CO ₂ emissions triple by 2075
Estimated warming (2081 - 2100)	1.3 – 2.4°C		2.1 – 3.5°C		3.3 – 5.7°C	
Global GDP	High		Medium High		Very high	
Population growth	Low - medium depending on country		Medium		Low - high depending on country	
Education	High		Medium		High	
Global primary energy use by fuel type in 2100	Gas (217 EJ) and Renewables (181 EJ)		Coal (359 EJ) and Gas (347 EJ)		Coal (888 EJ) and Gas (447 EJ)	
Fossil-fuel prices	Low		Medium		High	



From the exercise, we have identified that the most pertinent climate hazards for SOL are extreme heat and extreme precipitation, which constitutes acute shocks. Our analysis pinpointed the top five assets with the highest climate value-at-risk (CVaR) under the SSP5-8.5 scenario for the year 2070, which are located in Shanghai, Nanjing, and Wuhan. Below tables detail the risk levels¹ for the two most pertinent climate hazards faced by the cities where our assets are situated, projected under various scenarios and timeframes.

Risk Identification Results by City — Extreme Precipitation

	2030			2050			2070		
City	SSP1- 2.6	SSP2- 4.5	SSP5- 8.5	SSP1- 2.6	SSP2- 4.5	SSP5- 8.5	SSP1- 2.6	SSP2- 4.5	SSP5- 8.5
Chongqing									
Foshan									
Nanjing									
Shanghai									
Wuhan									

Risk Identification Results by City — Extreme Heat

	2030			2050			2070		
City	SSP1- 2.6	SSP2- 4.5	SSP5- 8.5	SSP1- 2.6	SSP2- 4.5	SSP5- 8.5	SSP1- 2.6	SSP2- 4.5	SSP5- 8.5
Chongqing									
Foshan									
Nanjing									
Shanghai									
Wuhan									

Low

Medium

High

Very High

The potential financial and operational impacts of the identified physical hazards are described in the following table:

Physical Risk	Potential Operational Impacts on our Business and Value Chain	Current and Anticipated Financial Impacts
Extreme heat: More frequent and prolonged heatwaves, along with highest average temperatures	- Increased health and safety risks to employees, workers, tenants and customers due to prolonged exposure under high temperature - Increased energy demand may lead to overloading of the power system, and potential power cuts or even outage - Increase demand for cooling facilities	- Increased health and safety risks to outdoor construction workers, potentially decreasing productivity and increasing costs related to impact on workforce - Higher cooling cost and overall operating expenses - Extreme heat may discourage visitors and reduce consumer traffic to our properties
Extreme precipitation and flooding: More frequent extreme precipitation	- Increased safety risks to workers, employees, tenants and consumers - Greater need for robust business continuity to ensure the safety of workers, employees, tenants and customers - Heightened demand for installing flooding-proof measures - Potential business interruptions due to flooding and transport issues - Reputational damage from delayed project completion and disruptions in the supply chain	- Potential loss of revenue due to operational disruptions and impeded traffic flow affecting projects - Potential increase in operating costs related to ensuring the safety of workers, employees, tenants and customers - Potential increase in loss and damage, as well as insurance premium for climate-induced incidents - Higher capital expenditures for preventive measures

¹ The risk levels in the climate model are presented as value ranges, the weighted average of 5th percentile, 50th percentile and 95th percentile values are adopted to generate the risk identification results.



Based on these findings, we conducted comprehensive on-site assessments for all our operating assets in 2024 to assess their climate vulnerability against extreme precipitation and extreme heat, which are the most pertinent climate hazards identified in 2023, as well as typhoon, which emerges as a recurring extreme weather event across our asset locations.

The on-site assessment, conducted by our property management team, evaluated the effectiveness of our facilities and management practices against the identified physical climate risks, including site basement entrances, roof, drainage system, air conditioning and refrigeration unit, curtain wall and emergency response mechanism. The inspections helped us identify on-site vulnerabilities pertinent to each of the climate hazards and the mitigation measures needed to address them. Considering these findings, the Group has initiated or is considering the following climate change mitigation and adaptation measures:

- Developed the *Shui On Land Resilience and Adaptation Guideline for Physical Climate Risks*, embedding climate resilience across the project lifecycle to future proof assets against physical climate threats.
- Compiled an inventory of 89 low-carbon material suppliers for concrete, cement and steel, requiring product LCAs or other third-party verified reports to gain precise insights into embodied carbon data and environmental footprints.
- Over 98% of our existing assets by GFA attained at least one green or healthy building certification.
- Continuously raising the Group's renewable electricity shares across our portfolio.
- Established an operational manual to guide operational practice for enhancing climate resilience. Evaluating the performance of each asset and seeking the most cost-effective approaches to reduce building maintenance and lifecycle expenses.
- Established a standardised early warning, disaster prevention and business recovery plan to ensure business continuity.
- Fostering long-term partnerships with research institutions to stay abreast of the latest developments in green technology.
- Adopted "green tenancy" principles in our tenant engagement and management strategies, including the development of enhanced green leases focusing on energy efficiency and smart technology to lower tenant energy consumption and improve visibility of energy use during tenancy.
- Engaging with government authorities as an urban solution provider to bolster community resilience.



Transition Risks

In 2024, we engaged an external consultant to conduct a scenario analysis on climate-related transition risks, aimed at evaluating the risks SOL may face while transitioning to a low-carbon economy. We utilised three global transition scenarios developed by the Central Banks and Supervisors' Network for Greening the Financial System (NGFS)—Current Policies, Below 2°C, and Net Zero 2050—across three time horizons—2030 (short-term), 2040 (medium term), and 2050 (long term). These high-contrast scenarios were chosen to examine the range of potential implications for SOL.

Assumptions Adopted for Transition Risk Scenario Analysis

NGFS scenario-specific assumptions			
	Current Policies	Below 2°C	Net Zero 2050
Macroeconomic trends	Only currently implemented climate policies are preserved, leading to high physical risks.	Climate policies are introduced immediately and become gradually more stringent though not as high as in Net Zero 2050.	Global warming is limited to 1.5°C through stringent climate policies and innovation, reaching global net zero CO ₂ emissions around 2050.
Estimated warming	~3°C	~1.8°C	~1.4°C
Policy reaction	None – current policies	Immediate and smooth	Immediate and smooth
Technology change	Slow change	Moderate change	Fast change

The Current Policies Scenario – Reflects the ongoing policies and regulations as they currently exist worldwide. It assumes no additional climate measures beyond what is already implemented. Consequently, warming is projected to exceed 3°C above pre-industrial levels.

The Below 2°C Scenario – Outlines a path where global warming is limited to below 2°C. It requires significant and immediate reductions in greenhouse gas emissions, supported by strong policies and technological advancements aimed at achieving climate targets.

The Net Zero 2050 Scenario – Envisions reaching net-zero greenhouse gas emissions by the year 2050. It entails drastic emission cuts, widespread adoption of clean energy, and enhanced carbon capture technologies to balance out any remaining emissions with equivalent removals from the atmosphere.

These high-contrast scenarios aim to highlight the spectrum between more favourable and less favourable outcomes, providing insights for SOL to understand the risks and opportunities associated with climate change, which could significantly affect our business operations and value chain.

During the scenario analysis, we assumed steady business growth and excluded projections of future new property developments, given their inherent unpredictability.

Results from Transition Risks and Opportunities

The following table outlines the transition risks that are assessed to be relevant to our business and their potential financial and operational impacts, in particular under a Net Zero 2050 scenario, where transition risks are expected to be more material. During the exercise, we shortlisted a total of 9 transition risks and opportunities based on desktop research and stakeholder engagement, evaluating their relevance to SOL from a group-level.



Transition Risk	Current and Anticipated Financial and Operational Impacts
R1 Mandates and regulations due to climate change	- Incentives for active decarbonisation may facilitate SOL's ability to meet current targets. - Meeting mandates and regulations could necessitate higher capital costs.
R2 Change in energy costs	- Transitioning to low-carbon electricity and phasing out fossil fuels may lead to short-term increases in energy costs. - In the long term, energy costs could decline as renewable energy prices decrease.
R3 Change in raw material prices	- Carbon taxes and stringent regulations on carbon-intensive industries like cement and steel could raise the costs of these materials. - A shift towards innovation and technology focused on low-carbon alternatives may emerge.
R4 Changing consumer preference	- Potential need for rapid adaptation to meet the demands of consumers willing to pay a premium for sustainable building features. - Failing to adapt could undermine SOL's competitive advantage.
R5 Changing investor/ financial expectations	- Tighter green finance standards may necessitate greater effort to obtain green financing - Without adopting mitigation and adaptation measures, SOL may face "brown discounts" or divestment of stranded assets.
R6 Increased cost of insurance	A slower increase in insurance premiums could be expected with lower projected physical risks in the long term, coupled with proactive efforts to enhance climate resilience and achieve net-zero emissions.
Climate-related opportunities	
O1 Use of lower-emission sources of energy and adoption of energy efficient measures	Existing buildings requiring retrofitting with energy-efficient technologies could benefit from lower capital costs.
O2 Development of low-carbon and resilient buildings	- Opportunities exist for developing low-carbon and resilient buildings, attracting environmentally conscious tenants. - More energy-efficient assets could secure green finance more easily.
O3 Resource substitutes/ diversification	- The building sector could transition rapidly towards renewable energy, with low-carbon electricity projected to make up over half of its energy mix. - This diversification could help reduce SOL's energy costs and lower capital expenditures.

The heat map below presents an overview of the findings from the scenario analysis, highlighting the rate of change of transition risks and climate-related opportunities as compared to baseline year, 2024.

We anticipate transition risks to have a greater impact in the short term under the Net Zero 2050 scenario. This is largely due to the significant changes in regulations, market dynamics, and technology adoption required to facilitate a shift toward a low-carbon economy.

On the other hand, climate-related opportunities are expected to become more prominent, as there could be a growing preference for sustainable practices and low-carbon products and services. This shift could create business opportunities for SOL to increase our focus on business models centred around sustainability.



Estimated Climate-related Transition Risks and Opportunities under Different Climate Scenarios across three time horizons

	2030			2040			2050		
	Current Policies	Below 2C	Net Zero 2050	Current Policies	Below 2C	Net Zero 2050	Current Policies	Below 2C	Net Zero 2050
Transition Risks									
R1 Mandates and regulations due to climate change									
R2 Change in energy cost									
R3 Change in raw material price									
R4 Changing consumer preference									
R5 Changing investor/financier expectations									
R6 Increased cost of insurance									
Transition Opportunities									
O1 Use lower-emission energy and energy efficient measures									
O2 Development of low-carbon and resilient buildings									
O3 Resource substitutes/ diversification									

Transition Risk

Low	Medium	High	Very High
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Transition Opportunities

Low	Medium	High	Very High
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To further understand the potential implications of transition risks and opportunities at an asset-level, all our operating properties in Chinese Mainland across Shanghai, Chongqing, Foshan, Nanjing and Wuhan were included to assess their existing building efficiency (e.g. level of building certification attained, energy costs per floor area and level of Scope 2 emissions). For assets that are identified to be of lower efficiency, we will consider the need for further engagement with the respective asset managers to ensure the properties can stay resilient as the economy transition to lower-carbon.

While our assessment of transition risks and opportunities includes quantitative financial impact analysis, we have, due to commercial sensitivity, elected not to disclose this information at present. We will review evolving circumstances and reconsider the appropriateness of disclosure in the future.

The Group has undertaken or is contemplating the following measures:

- Established the *Shui On Land Product Sustainability Standard* to embed sustainability into the core of our community development and operations lifecycle, equipping our communities and products to better transition to a low-carbon economy.
- Adhering to relevant national standards for building energy efficiency and renewable energy utilisation, which includes implementing energy-saving measures such as expanding AI integration in chiller plants to 90% of our commercial offices to reduce cooling energy use by 21%, and acquiring energy-efficient equipment, and performing energy audits to ensure compliance.
- Continuing our commitment on increasing the use of renewable electricity across our portfolio in a phased approach. As of 2025 year-end, the Group's operational renewable electricity maintained at 35% portfolio-wide, with Shanghai Xintiandi and Nanjing IFC transitioned to use 100% renewable electricity for its operation, supported by the installation of over 1,000 m² of rooftop solar panels at CPIC Xintiandi Tower 1 and Tower 2.
- Increasing the use of low-carbon materials in construction to curb carbon emissions during the building process and transportation; while signed the *Collaboration Statement on Low Carbon Emissions Steel for Real Estate* in China to collaborate with industry working groups on reducing high embodied-carbon materials.



- Continuously increasing the coverage of our Deep Green Lease Programme to engage more tenants in adopting sustainable and energy-efficient operation, while also launching “XINTIANDI GREENOVATORS” tenant engagement programme with 10 pioneering tenants as co-creators of our sustainability ecosystem.
- Continuing collaboration with ecosystem partners to foster a green and sustainable innovation ecosystem; while scouting for emerging green technologies and exploring feasibilities to apply in our development and operation such as the insulation film proof-of-concept with HKUST.
- Attaining at least one green or healthy building certification in all new developments, and considering additional recognised building standards that highlight our dedication to climate change preparedness.

Strategy

Our strategic timeframes are categorised as follows: the short-term encompasses a period of up to three years, which aligns with our company’s financial planning cycle. The medium-term spans up to five years, in line with our science-based targets established in 2023. The long-term extends from the present year, 2024, to 2050, reflecting the enduring nature of our business and supporting the climate action agenda of the Chinese Mainland and Hong Kong.

The shift from a carbon-intensive economy to a low-carbon one is anticipated to unveil opportunities for enterprises like us. To support our mitigation and adaptation activities, we have established a structured approach to resourcing funded through internal budgets and co-investor capital. We have developed clear internal guideline on climate risk mitigation and adaptation and embedded the relevant requirements into our development process from the outset, ensuring that the necessary budget and resources are planned and dedicated to enable effective execution. Each development project and operating asset adopts a Project Sustainability Tracking Sheet to document and monitor sustainability targets, including carbon reduction and climate change adaptation. This mechanism provides ongoing oversight of progress and helps project teams allocate and manage the resources required to deliver these measures consistently across our portfolio.

Through climate scenario analysis, we identified material physical and transition risks and opportunities rated high or above. In response, we have implemented various strategies and mitigation measures in relieving the negative impacts of climate-related risks, and remain committed to identifying climate-related opportunities and enhancing our resilience against climate change. We invest in climate mitigation and adaptation measures, such as upgrading to energy-efficient technology across our assets and procuring renewable energy, which is expected to result in a short-term increase of our capital expenditure. We are confident that our company is well-positioned to leverage the potential opportunities arising from the impacts of climate change in the future.

To guide our decarbonisation journey, we have also developed a comprehensive transition plan aimed at achieving SOL’s 2030 5C Sustainability Strategy and enhancing our climate resilience. This plan outlines our transition levers and strategic changes, such as changing our energy mix, while emphasising stakeholder engagement and robust monitoring.

During the development of our transition plan, we assume a stable regulatory environment with continued technological advancements and growing market demand for green buildings, and access to necessary funding. We also recognise that a successful implementation of the transition plan will depend on collaboration with stakeholders, a resilient supply chain, and active employee engagement. By addressing these factors, our plan positions SOL as a leader in sustainability and effective climate action.

As the climate risk landscape evolves, it continues to influence our business operations. We have incorporated these risks into our corporate enterprise risk management (ERM) framework to comprehensively identify sustainability risks. Recognising both the challenges and opportunities of climate change, we are dedicated to reducing its impacts and investing in climate resilience planning.



Metrics and Targets

We are committed to achieving net-zero emissions by 2050 across our operations and development projects as guided by the following targets:

Time Horizon	Targets	Progress
2024	Develop climate change adaptation strategy against physical risk for new developments from design to operation stage	✓
	Develop climate change physical risk assessment checklist and conduct internal assessment of all operating assets	✓
	Review existing transition risk assessment results and consider engaging an external consultant to further define transitional risk for the company	✓
2025	Develop <i>Shui On Land Resilience and Adaptation Guideline for Physical Climate Risks</i>	✓
	Embed this Guideline in all future development projects and assets	○

Progress key:  Ongoing  Achieved

As the first developer in China to join the SBTi, we are honoured to share that our near-term science-based emissions reduction targets have received SBTi approval. These targets^{2,3} include:

- Reduction in Scope 1 & 2 GHG emissions intensity by 62.4% by 2030, from a 2019 baseline.
- Reduction in Scope 3 GHG emissions intensity from purchased goods and services by 22% from a 2019 baseline.
- Reduction in Scope 3 GHG emissions intensity from downstream leased assets by 22% from a 2019 baseline.

We are committed to continuing reviewing and, if necessary, recalculating and revalidating our science-based targets at least every five years. In 2025, there were no revisions made to our science-based target.

Following the launch of our 5C Sustainability Strategy in 2020, we have achieved a 57% reduction in Scope 1 & 2 carbon emissions intensity and 32% reduction in tenant emissions from our 2019 baseline. Coupled with our new efforts, we are constantly considering investments in new technologies and seeking partnerships with our business associates to advance our goal of achieving carbon neutrality.

Please refer to the Appendix: Environmental Performance in this Report for details of our Scope 1 & 2 emissions from 2022 to 2025, and Appendix: Greenhouse Gas Emissions – Scope 3 Emissions Inventory and Methodology for details of our Scope 3 emissions.

² The targets were derived using a sectoral decarbonisation approach.

³ The targets apply to the entire group.



Nature-related Financial Disclosure

Shui On Land has taken a significant step in its sustainability disclosures by starting to disclose its nature-related issues with reference to the recommendations of the Taskforce on Nature-related Financial Disclosure (TNFD) framework. The reporting boundary focuses on real estate and construction activities under our own operations, covering assets under management in Shanghai, Wuhan, Nanjing, Chongqing and Foshan.

TNFD's Core Element	Our Approach	Section cross reference									
Governance	As natural resource depletion and biodiversity loss increasingly threaten the essential ecosystem services and human wellbeing, SOL recognises that the sustainability of our business operations and supply chain is deeply dependent on nature. In line with the recommendations of the TNFD, we disclose our nature-related risks and opportunities through four key pillars: governance, strategy, risk and impact management, and metrics and targets. The Board has the overall collective responsibility to oversee the management approach to sustainability issues including nature-related dependencies, impacts, risks and opportunities. For more information about our sustainability governance, please see the Sustainability Governance — Approach to Sustainability. Our Biodiversity Policy recognises the importance of preventing nature-related impact cause by business activities and operation, and is committed to making best efforts of minimise the negative impact and capture opportunities throughout the life cycle of our projects.	Sustainability Governance — Approach to Sustainability Biodiversity Policy									
Strategy	Our real estate and construction operations are intrinsically linked to the natural ecosystem, making sustainable management of natural capital a critical component of our business strategy. We evaluate the impact of our business activities on nature and its dependencies using the TNFD-recommended LEAP framework (Locate, Evaluate, Assess, Prepare), in alignment with industry best practices. We utilised ENCORE and WWF Biodiversity and Water Risk Filter tools to screen and identify material nature-related dependencies and impacts with potential high risk for real estate and construction activities, see listed table and detailed discussion below.										
	<table> <tr> <th></th><th>Nature-related Dependencies</th><th>Nature-related Impacts</th></tr> <tr> <td>Real Estate Activities</td><td> - Visual amenity services </td><td>/</td></tr> <tr> <td>Construction Activities</td><td> - Soil and sediment retention services - Rainfall pattern regulation services (at sub-continental scale) </td><td> - GHG Emissions - Disturbances (e.g. noise, light) - Emissions of toxic pollutants to water and soil </td></tr> </table>		Nature-related Dependencies	Nature-related Impacts	Real Estate Activities	Visual amenity services	/	Construction Activities	- Soil and sediment retention services - Rainfall pattern regulation services (at sub-continental scale)	- GHG Emissions - Disturbances (e.g. noise, light) - Emissions of toxic pollutants to water and soil	
	Nature-related Dependencies	Nature-related Impacts									
Real Estate Activities	Visual amenity services	/									
Construction Activities	- Soil and sediment retention services - Rainfall pattern regulation services (at sub-continental scale)	- GHG Emissions - Disturbances (e.g. noise, light) - Emissions of toxic pollutants to water and soil									



TNFD's Core Element	Our Approach	Section cross reference
	Visual amenity service, such as scenic landscapes and access to green and blue spaces, is key nature-related dependency closely linked with culture ecosystem services. For instance, several of our communities rely on surface water resources (e.g., lakes and water canals) as an important element of community wellbeing and vibrancy. Current assessment indicates that it presents low risk at all of our operating locations. Soil and sediment retention services are fundamental components of regulating and maintenance ecosystem services, as they help regulate water flow, stabilise vegetation, prevent landslides and reduce flood risks. Construction activities disrupt these services and raise risks in project delays, incident occurrence and reputational damage. Rainfall pattern regulation services (at sub-continental scale) are ecosystem services contributed by forests and other vegetation through evaporation, to recycle moisture back to the atmosphere and generate rainfall. Construction activities depend on rainfall pattern regulation for water supply. GHG emissions from construction activities are driven by heavy machinery and vehicular traffic. The release of carbon dioxide and other potent gases accelerates climate change and global warming, and amplifies the risk of extreme weather to real estate assets. Noise and light disturbance from construction activities could disrupt natural ecosystem by interfering wildlife behaviour, degrading habitat quality, impairing ecosystem functions such as pollination and natural pest control. Over time, cumulative disturbances can lead to ecosystem simplification and biodiversity loss, also posing risks in regulatory non-compliance and business reputation. Emissions of toxic pollutants to water and soil could be sourced from construction waste disposal, excavated material and toxic chemicals contamination, contributing to irreversible soil salinisation and water pollution. Following the preliminary identification, SOL will further assess nature-related dependencies and impacts under specific asset context, while also expanding the mapping of these dependencies and impacts across our value chain.	



TNFD's Core Element	Our Approach	Section cross reference
Risks & Impact Management	Material sustainability-related risks have been incorporated into our ERM framework. Through regular risk identification, analysis, and strategic review of our methodologies and internal controls, the Board devises and refines measures to effectively manage and mitigate these risks. By evaluating nature-related dependencies, impacts, risks and opportunities according to our business activities, we will prioritise and focus on the material issues with significant potential to affect our operations and strategic outcomes. To better manage and enhance the natural environments where our business operates, we embedded ecological design and nature-based solutions into our development processes, ensuring long-term resilience and value creation across our portfolio. We integrate ecological design and zoning throughout the project lifecycle to maintain habitat connectivity and allocate resources efficiently. At project level, we have partnered with TNC to adopt ecological corridor approach as part of the urban biodiversity design at the Zhaolou Xintiandi to connect isolated green spaces and support urban wildlife migration. The zone planning at Xiaoyan Lake zone organises the area into Conservation Zone and Education Zone, to enrich biodiversity and provide natural based experiences for the community. Both projects rely on key ecosystem services like soil and sediment retention, rainfall regulation and visual amenity. By recognising and managing the ecosystem services our projects depend on, we design and deliver development that takes nature into account. We also recognise that these ecosystem services contribute to community wellbeing and experience, and we incorporate relevant stakeholder feedback received during operations into site management where practicable. We will leverage our experiences and continuously develop innovative solutions to enhance biodiversity and creating lasting community and environmental value through our projects.	Urban Biodiversity — Clean
Metrics & Target	We disclose key metrics on Scope 1, 2 and 3 GHG emission, material use, waste management and water consumption every year, enabling us to identify natural-related areas with high dependencies and impacts for effective management. Guided by our 5C Sustainability Strategy, we have set 2030 targets for key environmental indicators, available in the Clean chapter of this report. In addition, we are exploring corporate-level metrics and targets related to urban biodiversity to strengthen how we monitor biodiversity outcomes. We will continue to develop our approaches towards managing nature-related dependencies, impacts, risks and opportunities to foster sustainable relationship between developments and the nature environment. In addition, we are committed to continuously exploring and implementing nature-based solutions that integrate business activities with ecological protection. Through systematic conservation, restoration, and biodiversity enhancement initiatives, we strive to achieve a net positive impact on nature, advancing sustainable development and contributing meaningfully to the long-term health of ecosystems.	Clean



Awards, Recognition and Membership

In 2025, we earned numerous sustainability-related certifications and awards. Most significantly, we were delighted to be recognised for our efforts relating to:

Recognition and Major Awards

AWARD	AWARD RECIPIENT	ISSUING ORGANISATION
2025 ULI Asia Pacific Awards for Excellence	Panlong Xintiandi	Urban Land Institute (ULI)
Shanghai Urban Regeneration Excellence Awards — Outstanding Practice Case	Hong Shou Fang	Shanghai Municipal Planning and Natural Resources Bureau
2025 Best Urban Renewal Exemplary Case	Xintiandi Dongtaili	China Urban Renewal Forum
2025 Urban Regeneration Operator	Shui On Land	China Urban Renewal Forum
Tenth Batch of 20th Century Chinese Architectural Heritage List	China Cultural Relics Academy	Jian's Villa (Lingnan Xintiandi)
National Tourism Leisure Street Blocks	Panlong Xintiandi	Ministry of Culture and Tourism of the People's Republic of China
2025 Shanghai Qingpu Cultural Tourism Festival — Outstanding Performance Award	Panlong Xintiandi	Organising Committee of the 2025 Shanghai Qingpu Cultural Tourism Festival
2025 Golden Light Awards — Cultural and Social Destination Award	Panlong Xintiandi	China Meichen Website
FASHION 100+ 2025 SPACE OF THE YEAR	Hong Shou Fang	Shanghai Promotion Center for City of Fashion
2025 City Innovative Ecological Brand Selection	Xintiandi	Forbes China
Shanghai Green and Low-Carbon Retrofit Assessment of Existing Buildings, Silver Award	Xintiandi Style I	Shanghai Green Building Council
Best Corporate Governance and ESG Awards 2025 — The Most Sustainable Organisation Award	Shui On Land	Hong Kong Institute of Certified Public Accountants
2025 Sustainability and Responsibility Leadership Award — Decarbonisation Award	Shui On Land	The American Chamber of Commerce in Shanghai
Sustainability-related Financial Disclosure Pioneer Programme, Gold Badge	Shui On Land	Hong Kong Quality Assurance Agency
Most Powerful Women China	Ms. Stephanie B.Y. Lo	Fortune China
Shanghai Municipal March 8th Red Banner Holder (2022-2024)	Ms. Jessica. Y. Wang	Shanghai Women's Federation, Shanghai Municipal Human Resources and Social Security Bureau

Memberships and Affiliation

NAME OF ORGANISATION	NATURE OF MEMBERSHIP
Shanghai Foreign Investment Association	Vice Chairman
Shanghai Foreign Investment Association – Urban Regeneration Branch	Chairman
Shanghai Foreign Investment Association – MNC Regional Headquarters ESG Branch	Vice Chairman
Shanghai Real Estate Trade Association	Vice Chairman
Shanghai Real Estate Chamber of Commerce	Vice Chairman
Shanghai Services Federation	Vice Chairman
Shanghai Green Building Council	Vice Chairman
Chamber of International Commerce Shanghai	Vice Chairman
Shanghai Female Enterprisers Association	Vice Chairman
Shanghai Council for Brand Development	Affiliate Member
Shanghai Public Relations Association	Member
China Carbon Neutral Action Alliance	Corporate member
ULI Net-zero Imperative	Expert Panel
Hong Kong Protech Alliance – Low Carbon Construction Solutions Working Group	Working Group Member



Performance Data Summary

Environmental Performance

Relevant Disclosure	Description	Unit	2022	2023	2024	2025
Emissions						
Greenhouse gas emissions ^{4,5,6}						
HKEX Part D 28; GRI 305-1, 305-2, 305-3	Scope 1 (Direct emissions)		8,376	9,932	9,867	8,287
	Scope 2 – market-based		73,121	81,182	76,654	67,781
	Scope 2 – location-based	tCO ₂ equivalent	81,304	91,968	95,140	99,599
	Scope 1 & Scope 2 combined – market-based		81,496	91,114	86,521	76,068
	Scope 1 & Scope 2 combined – location-based		89,680	101,900	105,006	107,886
	Scope 1 & Scope 2 per square metre of floor area – market-based		0.031	0.034	0.030	0.027
	Scope 1 & Scope 2 per square metre of floor area – location-based	tCO ₂ equivalent/m ²	0.034	0.038	0.037	0.038
Energy						
Energy consumption and intensity						
HKEX A2.1; GRI 302-1; GRI 302-3	Natural gas		29,678	32,459	36,555	30,451
	Diesel		499	489	449	447
	Gasoline		1,817	1,988	2,128	1,872
	Electricity purchased from the grid (non-renewable)	MWh	104,707	108,586	108,655	100,100
	Electricity purchased from renewable source		15,921	27,131	37,630	50,256
	Purchased Cooling		7,067	8,284	8,763	9,376
	Purchased Heat		3,515	3,794	4,233	4,717
	Total energy consumption		163,204	182,731	198,413	197,219
	Intensity of energy consumption	MWh/1000m ²	61.47	67.94	69.93	69.87
Water						
Water consumption and intensity						
HKEX A2.2	Total water consumption	m ³	1,166,466	1,313,503	1,328,037	1,417,663
	Water consumption intensity	m ³ /1000m ²	439.32	488.39	468.04	502.26
	Sewage discharge	m ³	1,045,720	1,182,153	1,195,233	1,275,896
Waste						
Hazardous waste						
HKEX A1.3	Hazardous waste produced	kg	3,464	1,350	1,601	1,681
	Discharge density of hazardous waste	kg/1,000m ²	1.30	0.50	0.56	0.60
Non-hazardous waste						
HKEX A1.4	Total discharge of construction waste		27,136	14,882	18,227	17,998
	Dry garbage		22,473	21,513	20,398	16,695
	Food waste		14,524	14,635	14,136	19,334
	Total discharge of household garbage	tonnes	39,116	39,039	39,863	41,773
	Total discharge of non-hazardous waste		66,249	53,901	58,089	59,770
	Recycled materials		2,116	2,871	5,328	5,744
	Discharge density of non-hazardous waste	tonnes/1,000m ²	24.95	20.04	20.47	21.18

4 We calculate our GHG emissions using an operational control approach, allowing us to accurately account for emissions stemming from activities over which we have direct influence and control. There are no changes to our measurement compared to the last reporting period. In our calculation, we refer to the Greenhouse Gas Protocol (GHG Protocol).

5 GHGs include Carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) and hydrofluorocarbons (HFCs). Carbon emissions are calculated based on ISO 14064-1:2018 Greenhouse Gases. The Global Warming Potential (GWP) was taken from the "IPCC Sixth Assessment Report (2021)".

6 Our scope 2 emission includes emissions from purchased electricity, heat and cooling.



Greenhouse Gas Emissions – Scope 3 Emissions Inventory and Methodology

We have disclosed the emissions of nine categories along our value chain since 2024. In our calculation, we refer to the Greenhouse Gas Protocol (GHG Protocol).

Scope 3 Category	Description	Applicability	Methodology and assumptions (or exclusion justification) ⁷	Source of emission factor	2024 (tCO ₂ e)	2025 (tCO ₂ e)
1: Purchased goods and services	Emissions from extraction, production and transportation associated with SOL's purchased goods and services	Yes	Amount of construction materials delivered to construction sites is multiplied by emission factor provided by suppliers. For suppliers who are unable to provide embodied carbon, an average of national values was used. Emissions from miscellaneous purchased goods and services were excluded due to insignificant embodied carbon impact.	Embodied carbon emission factor provided by suppliers. Standard for building carbon emission calculation (GB/T 51366-2019).	182,999	90,958
2: Capital goods	Emissions from extraction, production and transportation associated with SOL's capital goods	Yes	Procurement spend data are multiplied by emission factors.	"Supply Chain GHG Emission Factors for US Commodities and Industries" published by the United States Environmental Protection Agency.	145	439
3: Fuel and energy-related activities	Emissions related to the production of fuels and energy purchased and consumed by SOL that are not included in scope 1 or scope 2.	Yes	Data on gasoline and diesel are multiplied by average emission factors.	China Products Carbon Footprint Factors Database (2022).	35	36
4: Upstream transportation and distribution	Emissions from transportation and distribution of product purchased by SOL	Yes	Distance of transportation and distribution of good are multiplied by the weight of goods, and emission factor of heavy goods vehicle.	China Products Carbon Footprint Factors Database (2022).	575	274
5: Waste generated in operations	Emissions from disposal and treatment of waste generated	Yes	Primary waste data from operating properties are multiplied by respective emission factor by waste categories.	China Products Carbon Footprint Factors Database (2022).	13,934	11,730
6: Business travel	Emission from employees' business-related activities by transportation	Yes	Flight distance is multiplied by corresponding emission factor.	China Products Carbon Footprint Factors Database (2022).	178	154
7: Employee commuting	Emissions from transportation of employee between their homes and worksites	Yes	Number of employees are multiplied by the average commuting distance in "China Major Cities Commuting Monitoring Report 2024", and emission factor of diesel bus.	China Products Carbon Footprint Factors Database (2022).	224	204
8: Upstream leased assets	Emissions from operation of assets leased by SOL	Excluded	This is reported as scope 1 & 2 emissions.	N/A	N/A	N/A
9: Downstream transportation and distribution	Emissions from transportation and distribution of product sold	Excluded	SOL is a real estate company focused on developing and managing property assets for lease or sale. There are no manufactured products and hence no emission to report under this category.	N/A	N/A	N/A
10: Processing of sold products	Emissions from processing of sold intermediate product by third parties	Excluded	SOL does not process sold products and therefore there are no emissions to report under this category.	N/A	N/A	N/A

⁷ There are no changes compared with the previous reporting period.



Scope 3 Category	Description	Applicability	Methodology and assumptions (or exclusion justification) ⁷	Source of emission factor	2024 (tCO ₂ e)	2025 (tCO ₂ e)
11: Use of sold products	Emissions from use of goods and services sold by SOL	Yes	GFA of each building multiplied by national average energy consumption of building, years of usage, and emission factor.	GB/T 51161-2016 Standard for Energy Consumption of Building. Electricity: Average emission factor for regional power grids published by China's Ministry of Ecology and Environment. Natural gas: Default Emission Factor × Calorific Value × Oxidation Rate, where the default emission factor and oxidation rate are referenced from the "IPCC 2006 National Greenhouse Gas Inventory Guidelines," and the calorific value is sourced from the China Energy Statistical Yearbook.	334,032	77,535
12: End-of-life treatment of sold products	End of life carbon emissions from waste disposal and treatment of trading properties	Excluded	The end-of-life treatment approach for sold products is highly uncertain and lacks objective methodology for reliable reporting under this category.	N/A	N/A	N/A
13: Downstream leased assets	Emissions from operation of assets owned by SOL and leased to other entities	Yes	Data of metred electricity consumption are multiplied by regional emission factors.	Average emission factor for regional power grids published by China's Ministry of Ecology and Environment.	124,795	117,651
14: Franchises	Emissions from operation of SOL's franchises	Excluded	SOL has no franchises within the business and therefore there are no emissions to report under this category.	N/A	N/A	N/A
15: Investments	Emissions from operation of SOL's investments	Excluded	SOL mainly develops and manages properties. The low level of investment activity does not constitute a material contribution to overall GHG emissions.	N/A	N/A	N/A



Social Performance

Relevant Disclosure	Description	Unit	2022	2023	2024	2025	
HKEX B1.1 GRI 2-7 GRI 2-8	Workforce – General Employment						
	Employment by gender						
	Male	# employees	1,631	1,592	1,477	1,454	
	Female		1,467	1,462	1,374	1,322	
	Total		3,098	3,054	2,851	2,776	
	Employment by contract type						
	Permanent contract						
	Permanent contract by gender						
	Male	# employees	526	556	607	663	
	Female		582	609	657	681	
	Permanent contract by region						
	Hong Kong		6	7	6	5	
	Chinese Mainland	1,102	1,158	1,258	1,339		
	Total	1,108	1,165	1,264	1,344		
	Temporary contract						
	Temporary contract by gender						
	Male	# employees	1,105	1,036	870	791	
	Female		885	853	717	641	
	Temporary contract by region						
	Hong Kong		2	2	2	0	
	Chinese Mainland	1,988	1,887	1,585	1,432		
	Total	1,990	1,889	1,587	1,432		
	Employees by employment type						
	Full time						
	Full Time by Gender						
	Male	# employees	1,631	1,592	1,477	1,454	
	Female		1,467	1,462	1,374	1,322	
	Full Time by Region						
	Hong Kong		8	9	8	5	
	Chinese Mainland	3,090	3,045	2,843	2,771		
	Total	3,098	3,054	2,851	2,776		
	Part time						
	Total		0	0	0	3	
	Non-guaranteed hours						
	Total ⁸		0	5	0	3	
	Total Employees by age group						
	Under 30 years	# employees	450	394	307	284	
	30-50 years		2,286	2,330	2,263	2,187	
	Above 50 years		362	330	281	305	
	Employment by geographical region						
	Hong Kong	# employees	8	9	8	5	
	Chinese Mainland		3,090	3,045	2,843	2,771	
	Employment by employee category						
	Senior Management						
	Male	# employees	–	26	24	24	
	Female		–	22	22	22	
	Total		45	48	46	46	
	Middle Management ⁹						
	Male	# employees	–	49	45	180	
	Female		–	51	51	228	
	Total		101	100	96	408	
	Staff						
	Male	# employees	–	1,517	1,408	1,250	
	Female		–	1,389	1,301	1,072	
	Total		2,952	2,906	2,709	2,322	

⁸ Non-guaranteed hours employees include interns.

⁹ In 2025, the definition of middle management has been revised to align with internal management structure, resulting in a higher reported number of middle-management employees compared with prior years. As a result, 2025 data are not directly comparable with prior years.



Relevant Disclosure	Description	Unit	2022	2023	2024	2025
Workforce – New Hires and Turnover						
GRI 401-1	New employee hires rate by gender					
	Male	%	–	57%	56%	60%
	Female		–	43%	44%	40%
	New employee hires rate by age group					
	Under 30 years	%	–	31%	55%	31%
	30-50 years		–	68%	44%	68%
	Above 50 years		–	2%	1%	1%
	New employee hires rate by geographical region					
	Hong Kong	%	–	0.2%	0.3%	0%
	Chinese Mainland		–	99.8%	99.7%	100%
HKEX B1.2	Employee turnover rate by gender					
	Male	%	19%	21%	23%	17%
	Female		16%	16%	19%	15%
	Employee turnover rate by age group					
	Under 30 years	%	31%	29%	39%	24%
	30-50 years		15%	16%	18%	15%
	Above 50 years		17%	25%	21%	14%
	Employee turnover rate by geographical region					
	Hong Kong	%	13%	0%	25%	60%
	Chinese Mainland		18%	19%	21%	16%
Workforce – Occupational Health and Safety						
HKEX B2.1	Number and rate of work-related fatalities					
	Number of work-related fatalities	# employees	0	1	0	0
	Rate of work-related fatalities	%	0%	0.03%	0%	0%
HKEX B2.2	Lost days due to work injury					
	Lost days due to work injury	Days	159	508	452	351
	Work-related injuries					
GRI 403-9	Fatalities as a result of work-related injury	Cases	0	1	0	0
		per 100 employees	0	0.03%	0	0
	High-consequence work-related injuries (excluding fatalities)	Cases	0	0	0	0
		per 100 employees	0	0	0	0
	Recordable work-related injuries	Cases	13	18	13	12
		per 100 employees	0.42	0.59	0.45	0.43
	Workforce – Training					
HKEX B3.1	Employees trained by gender					
	Male	%	99.8%	99.4%	99.6%	99.5%
	Female		99.8%	98.7%	99.9%	99.7%
	Employees trained by employee category					
	Senior Management	%	100%	100%	100%	100%
	Middle Management		100%	99.0%	100%	100%
	Staff		99.8%	99.1%	99.7%	99.5%
HKEX B3.2	Average training hours completed by gender					
	Male	Hours	24.0	29.6	45.6	45.2
	Female		19.8	26.9	42.4	50.0
	Average training hours completed by employee category					
	Senior Management	Hours	15.5	19.7	29.6	29.1
	Middle Management		15.7	21.6	28.1	45.2
	Staff		23.3	28.7	44.9	48.2



Relevant Disclosure	Description	Unit	2022	2023	2024	2025
Workforce – Diversity						
GRI 405-1	Diversity of Governance Body and Employee					
	<i>Diversity of governance body</i>					
	By age group					
	Under 30 years old		0%	0%	0%	0%
	30-50 years old	%	27%	25%	27%	20%
	Above 50 years old		73%	75%	73%	80%
	By gender					
	Male	%	73%	67%	64%	60%
	Female		27%	33%	36%	40%
	<i>Diversity of employee</i>					
	By age group					
	Under 30 years old		15%	13%	11%	10%
	30-50 years old	%	74%	76%	79%	79%
	Above 50 years old		12%	11%	10%	11%
	By gender					
	Male		53%	52%	52%	52%
	Female	%	47%	48%	48 %	48%
Workforce – Employee Benefits						
GRI 401-3	Employees that took parental leave					
	Male		22	22	31	40
	Female	# employees	67	62	70	73
	Total		89	84	101	113
	Employees that returned to work after parental leave ended that were still employed 12 months after their return to work					
	Male		21	14	20	23
	Female	# employees	54	45	39	54
	Total		75	59	59	119
	Retention rate of employees that took parental leave					
	Male		62%	64%	95%	74%
	Female	%	83%	67%	74%	77%
	Total		76%	66%	80%	76%
Supply Chain – Suppliers						
HKEX B5.1	Suppliers by geographical region					
	From Hong Kong		52	52	127	138
	From Chinese Mainland	#	4,943	5,464	7,586	8,394
	From elsewhere		67	67	53	53
	Total		5,062	5,583	7,766	8,585
GRI 204-1	Proportion of spending on local suppliers					
	Products and services purchased locally	%	100%	100%	100%	100%
Community Investment						
HKEX B8.2	Resources Contributed (e.g. money or time) to the Focus Area					
	Total Charitable Donations (in cash)	RMB	5,038,566	2,073,304	2,063,970	2,106,612
	Total hours of employee volunteering contributed	Hours	179,924	11,900	14,323	13,719
Product Responsibility and Customer Satisfaction						
HKEX B6.2	Service-related complaints received					
	Total complaints received	#	2,777	2,960	2,073	1,662
	Complaint handling rate	%	100%	100%	100%	100%
	Customer satisfaction					
	Overall customer satisfaction of the properties		93.8	94.9	95.0	95.0
	Residential customer satisfaction		95.2	95.8	94.6	94.7
	Office building customer satisfaction	# out of 100	92.6	95.0	94.9	95.1
	Shopping mall customer satisfaction		93.7	94.0	95.4	95.1
	Customer satisfaction		–	–	95.8	95.3



Governance Performance

Relevant Disclosure	Description	Unit	2022	2023	2024	2025
Anti-corruption						
GRI 205-2	Communication and training about anti-corruption policies and procedures					
	<i>Communicated about organisation's anti-corruption policies and procedures</i>					
	Governance Body		100%	100%	100%	100%
	Employee	%	100%	100%	100%	100%
	Business Partners		100%	100%	100%	100%
	<i>Trained on Organisation's anti-corruption policies and procedures</i>					
	Governance Body	%	100%	100%	100%	100%
HKEX B7.1 HKEX B7.3	Employee		100%	100%	100%	100%
	Concluded legal cases regarding corrupt practices					
	Concluded legal cases regarding corrupt practices brought against the company	# of cases	0	0	0	0
	Concluded legal cases regarding corrupt practices brought against any company employees		0	0	0	0



GRI Standards, HKEX ESG Code, SASB and IFRS Content Index

This index provides mapping of the information related to disclosures from the Global Reporting Initiative (GRI) Sustainability Reporting Standards of 2021, HKEX ESG Code, the Sustainability Accounting Standards Board (SASB) for Real Estate Sector Disclosure.

GRI Standards/ SASB Standards	HKEX ESG Code	Disclosure	Reporting Location	Section cross reference, additional information or explanation
General Disclosure				
GRI 1: Foundation 2021				
–	–	Statement of Use	–	Shui On Land Limited has reported the information cited in this GRI content index for the period from 1 January to 31 December 2025 with reference to the GRI Standards.
GRI 2: General Disclosures 2021 and SASB for Real Estate Sector Disclosure				
The organisation and its reporting practices				
GRI: 2-1 SASB: IF-RE-000.A IF-RE-000.B IF-RE-000.C IF-RE-000.D	–	Organisational details	• About Shui On Land	• Annual Report – Directors' Report
2-2	–	Entities included in the organisation's sustainability reporting	• About this Report	–
2-3	–	Reporting period, frequency and contact point	• About this Report	–
2-4	–	Restatements of information	• Performance Data Summary	–
2-5	–	External assurance	• Assurance Statement	–
Activities and workers				
2-6	KPI B5.1 KPI B5.2 KPI B5.3	Activities, value chain and other business relationships	• Approach to Sustainability – Stakeholder Engagement • 2024 – At a Glance – Performance across the 5C Pillars – Community • Clean – Performance Data Summary – Social Performance	–
2-7	KPI B1.1	Employees	• Care • Performance Data Summary – Social Performance	–
2-8	–	Workers who are not employees		During the reporting year, SOL did not hire workers who are not employees including contractors.
Governance				
2-9	–	Governance structure and composition	• Approach to Sustainability – Sustainability Governance • Corporate Governance	–
2-10	–	Nomination and selection of the highest governance body	–	• Annual Report – Corporate Governance Report
2-11	–	Chair of the highest governance body	–	• Annual Report – Biographies of Directors and Senior Management
2-12	–	Role of the highest governance body in overseeing the management of impacts	• Approach of Sustainability – Sustainability Governance • Corporate Governance	Please refer to the sustainability policies published in our official website for the frequency of Board reviewing the respective sustainability policies: • Climate Change Policy • Diversity and Inclusion Policy • Biodiversity Policy • Supplier Code of Conduct • Board Diversity Policy
2-13	–	Delegation of responsibility for managing impacts	• Approach of Sustainability – Sustainability Governance • Corporate Governance	–



GRI Standards/ SASB Standards	HKEX ESG Code	Disclosure	Reporting Location	Section cross reference, additional information or explanation
2-14	–	Role of the highest governance body in sustainability reporting	• Approach to Sustainability – Sustainability Governance	–
2-15	–	Conflicts of interest	–	• Annual Report – Ethical Corporate Culture & Biographies of Directors and Senior Management
2-16	–	Communication of critical concerns	• Corporate Governance	–
2-17	–	Collective knowledge of the highest governance body	• Corporate Governance	–
2-18	–	Evaluation of the performance of the highest governance body	–	• Annual Report – Corporate Governance Report
2-19	–	Remuneration policies	–	• Annual Report – Corporate Governance Report & Directors' Report & Notes to the Consolidated Financial Statements
2-20	–	Process to determine remuneration	–	• Annual Report – Corporate Governance Report
2-21	–	Annual total compensation ratio	–	The information is treated as confidential.
Strategy, policies and practices				
2-22	–	Statement on sustainable development strategy	• Chairman's Message	–
2-23	–	Policy commitments	• Corporate Governance – Sustainability Governance and Transparency	–
2-24	–	Embedding policy commitments	• Corporate Governance – Sustainability Governance and Transparency	–
2-25	–	Processes to remediate negative impacts	• Appendix – Climate-related Financial Disclosure	–
2-26	–	Mechanisms for seeking advice and raising concerns	• Corporate Governance – Highest Standards of Integrity in our Business Operation and Supply Chain	–
2-27	–	Compliance with laws and regulations	• GRI Standards, HKEX ESG Code, SASB and IFRS Content Index	–
2-28	–	Membership associations	• Appendix – Memberships and Affiliation	–
Stakeholder engagement				
2-29	–	Approach to stakeholder engagement	• Approach to Sustainability – Stakeholder Engagement	–
2-30	–	Collective bargaining agreements		Not reported – All of SOL's employees are in Chinese Mainland or in Hong Kong where there is no statutory recognition of collective bargaining agreements.
GRI 3: Material Topics 2022				
3-1	–	Process to determine material topics	• Approach to Sustainability – Materiality Assessment	–
3-2	–	List of material topics	• Approach to Sustainability – Materiality Assessment	–



GRI Standards/ SASB Standards	HKEX ESG Code	Disclosure	Reporting Location	Section cross reference, additional information or explanation
Topic-specific Disclosures				
MATERIAL TOPICS – GRI 200 SERIES (ECONOMIC TOPICS)				
GRI 201: Economic Performance				
3-3	General Disclosure (GD) B8	Discussion of management approach and related policies	- Clean – Decarbonisation - Clean – Climate Change Adaptation	–
201-1	KPI B8.2	Direct economic value generated and distributed	Care – Wellbeing, Health and Safety	–
201-2	–	Financial implications and other risks and opportunities due to climate change	Clean – Climate Change Adaptation	–
201-3	–	Defined benefit plan obligations and other retirement plans	Care – Wellbeing, Health and Safety	–
GRI 203: Indirect Economic Impacts				
3-3	GD B8	Discussion of management approach and related policies	Community	–
203-2	KPI B8.1	Significant indirect economic impacts	Performance Data Summary – Social Performance	–
GRI 204: Procurement Practices, GRI 308: Supplier Environmental Assessment, GRI 414: Supplier Social Assessment and HKEX Aspect B5 Supply Chain Management				
3-3	GD B5 KPI B5.3	Discussion of management approach and related policies (Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored)	- Community – Sustainable Lifestyle and Work Solutions - Performance Data Summary – Social Performance	–
–	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	- Approach to Sustainability – Stakeholder Engagement - Community – Sustainable Lifestyles and Work Solutions	–
204-1	–	Proportion of spending on local suppliers	Performance Data Summary – Social Performance	–
308-1		New suppliers that were screened using environmental criteria		–
414-1		New suppliers that were screened using social criteria	Community – Sustainable Lifestyles and Work Solutions	–
414-2		Negative social impacts in the supply chain and actions taken		–



GRI Standards/ SASB Standards	HKEX ESG Code	Disclosure	Reporting Location	Section cross reference, additional information or explanation	
GRI 205: Anti-corruption					
3-3	GD B7	Discussion of management approach and related policies	• Corporate Governance – Highest Standards of Integrity in our Business Operation and Supply Chain • Corporate Governance – Sustainability Governance and Transparency	–	
205-2	–	Communication and training about anti-corruption policies and procedures	• Corporate Governance – Highest Standards of Integrity in our Business Operation and Supply Chain • Performance Data Summary – Social Performance	–	
205-3	KPI B7.1	Confirmed incidents of corruption and actions taken (Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees and the outcomes of the cases)	• Performance Data Summary – Social Performance	There were no confirmed incidents of corruption during the reporting year, and neither the Company nor its employees were involved in any legal cases regarding corrupt practices.	
–	KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	• Corporate Governance – Highest Standards of Integrity in our Business Operation and Supply Chain		
	KPI B7.3	Description of anti-corruption training provided to directors and staff	• Corporate Governance – Highest Standards of Integrity in our Business Operation and Supply Chain		
MATERIAL TOPICS – GRI 300 SERIES (ENVIRONMENTAL TOPICS), HKEX ENVIRONMENTAL SUBJECT AREA and SASB for Real Estate Sector Disclosure					
GRI 301: Materials					
3-3	GD A2 GD A3	Discussion of management approach and related policies	• Clean	–	
301-1	KPI A2.5	Materials used by weight or volume (Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.)	–	Not applicable. The Group mainly provides real estate development and operation services which do not involve packaging materials used for manufactured goods.	
GRI 302: Energy and SASB Real Estate: Energy Management					
3-3	GD A2 GD A3	Discussion of management approach and related policies	–	During the reporting period, we have complied with all applicable environmental laws and regulations related to energy management, such as; Chinese Mainland: • Environmental Protection Law of the People's Republic of China • Energy Conservation Law of the People's Republic of China	
GRI: 302-1 SASB: IF-RE-130a.1 IF-RE-130a.2 IF-RE-130a.3	KPI A2.1	Energy consumption within the organisation	• Clean – Decarbonisation • Performance Data Summary – Environmental Performance	The energy consumption data covered 100% of the reporting scope. Approximately 35% of our energy is procured from renewable source. For the energy consumption data and like-for-like percentage change breakdown, please refer to the Performance Data Summary.	
302-4	KPI A2.3	Reduction of energy consumption (Description of energy use efficiency initiatives and results achieved.)	• Clean – Decarbonisation • Clean – Climate Change Adaptation		–
302-3	KPI A2.1	Energy intensity	• Clean – Healthy Communities and Buildings • Performance Data Summary – Environmental Performance		–



GRI Standards/ SASB Standards	HKEX ESG Code	Disclosure	Reporting Location	Section cross reference, additional information or explanation
GRI 303: Water and effluents (2018) and SASB Real Estate: Water Management				
3-3	GD A2 GD A3	Discussion of management approach and related policies	Clean – Healthy Communities and Buildings	During the reporting period, we have complied with all applicable environmental laws and regulations related to water discharge, such as; Chinese Mainland: - Soil Pollution Prevention and Control Law of the People's Republic of China - Water Pollution Prevention and Control Law of the People's Republic of China - Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes - Water Law of the People's Republic of China - Water and Soil Conservation Law of the People's Republic of China Hong Kong: - Water Pollution Control Ordinance (Cap.358)
GRI: 301-1 SASB: IF-RE-140a.4	KPI A2.5	Interactions with water as a shared resource (Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.)	Clean – Healthy Communities and Buildings	–
GRI: 303-3 SASB: IF-RE-140a.1 IF-RE-140a.2 IF-RE-140a.3	KPI A2.4	Water withdrawal (Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.)	- Clean – Water Conservation - Performance Data Summary – Environmental Performance	The water consumed by our Group in Chinese Mainland and Hong Kong comes from municipal water supplies. There were no issues related to sourcing water that was fit for purpose in 2024. The water withdrawal data covered 100% of the reporting scope. For the water withdrawal data and like-for-like percentage change breakdown, please refer to the Performance Data Summary.
303-5	KPI A2.2	Water consumption (in total and intensity (e.g. per unit of production volume, per facility).)	- Clean – Healthy Communities and Buildings - Performance Data Summary – Environmental Performance	–
GRI 305: Emissions				
3-3 307-1	GD A1 GD A3	Discussion of management approach and related policies	- Clean – Decarbonisation - GRI Standards, HKEX ESG Code, SASB and IFRS Content Index	During the reporting period, we have complied with all applicable environmental laws and regulations related to emissions, such as; Chinese Mainland: - Energy Conservation Law of the People's Republic of China - Atmospheric Pollution Prevention and Control Law of the People's Republic of China Hong Kong: - Air Pollution Control Ordinance (Cap.311) - Ozone Layer Protection Ordinance (Cap.403) - Motor Vehicle Idling (Fixed Penalty) Ordinance (Cap. 611)
305-1	KPI A1.1 KPI A1.2 KPI A1.5	Direct (Scope 1) GHG emissions	- Clean – Decarbonisation - Performance Data Summary – Environmental Performance	–



GRI Standards/ SASB Standards	HKEX ESG Code	Disclosure	Reporting Location	Section cross reference, additional information or explanation
305-2		Other Indirect (Scope 2) GHG emissions	- Clean – Decarbonisation - Performance Data Summary – Environmental Performance	
305-4		GHG emission intensities	- Clean – Decarbonisation - Performance Data Summary – Environmental Performance	
305-5		Reduction of GHG emissions	Clean – Decarbonisation	
305-7		Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	–	Emissions of NO _x , SO _x and other air pollutants are considered not significant in our operations.
GRI 306: Waste (2020)				
3-3	GD A1 GD A3	Discussion of management approach and related policies	- Clean – Resource Management and Circularity - GRI Standards, HKEX ESG Code, SASB and IFRS Content Index	During the reporting period, we have complied with all applicable environmental laws and regulations related to waste management, such as; Chinese Mainland: - Law of the People's Republic of China on Evaluation of Environmental Effects - Environmental Protection Law of the People's Republic of China - Environmental Protection Tax Law of the People's Republic of China - Soil Pollution Prevention and Control Law of the People's Republic of China - Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes - Water and Soil Conservation Law of the People's Republic of China Hong Kong: - Waste Disposal Ordinance (Cap.354)
306-2	KPI A3.1	Management of significant waste-related impacts (Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.)	- Clean – Healthy Communities and Buildings - Community – Sustainable Lifestyles and Work Solutions	–
306-3	KPI A1.3 KPI A1.4	Waste generated (Total hazardous and non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).)	- Performance Data Summary – Environmental Performance - GRI Standards, HKEX ESG Code, SASB and IFRS Content Index	–
–	KPI A1.6	Description of how hazardous and non- hazardous wastes are handled, reduction initiatives and results achieved.	Clean – Resource Management and Circularity	–



GRI Standards/ SASB Standards	HKEX ESG Code	Disclosure	Reporting Location	Section cross reference, additional information or explanation
SASB Real Estate: Management of Tenant Sustainability Impacts				
IF-RE-410a.1	–	(1) Percentage of new leases that contain a cost recovery clause for resource efficiency related capital improvements and (2) associated leased floor area, by property subsector	• Performance Data Summary – Environmental Performance	Our Deep Green Lease contains a cost recovery clause for resource efficiency-related capital improvements. For details about the lease, please refer to the section of Tenant Engagement and Collaboration.
IF-RE-410a.2	–	Percentage of tenants that are separately metered or submetered for (1) grid electricity consumption and (2) water withdrawals, by property subsector	• Performance Summary – Environmental Performance	100% of our tenants are separately metred or submetered for grid electricity consumption and water withdrawals.
IF-RE-410a.3	–	Discussion of approach to measuring, incentivising, and improving sustainability impacts of tenants	• Clean – Healthy Communities and Buildings	–
SASB Real Estate: Climate Change Adaptation				
IF-RE-450a.1	–	Area of properties located in 100-year flood zones, by property subsector	• Clean – Climate Change Adaptation	–
IF-RE-450a.2	–	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	• Clean – Climate Change Adaptation	–
MATERIAL TOPICS – GRI 400 SERIES (SOCIAL TOPICS) and HKEX SOCIAL SUBJECT AREA				
GRI 401: Employment				
3-3 419-1	GD B1	Discussion of management approach and related policies	• Care • GRI Standards, HKEX ESG Code, SASB and IFRS Content Index	During the reporting period, we have complied with all applicable labour laws related to compensation and dismissal, recruitment, and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare, such as: Chinese Mainland: • Labour Law of the People's Republic of China • Labour Contract Law of the People's Republic of China • Employment Promotion Law of the People's Republic of China • Social Insurance Law of the People's Republic of China • Trade Union Law of the People's Republic of China • Labour Dispute Mediation and Arbitration Law of the People's Republic of China • Law of the People's Republic of China on the Protection of Women's Rights and Interests Hong Kong: • Employment Ordinance (Cap. 57)
401-1	KPI B1.2	New employee hires and employment turnover	• Performance Data Summary – Social Performance	–
401-2	–	Benefits provided to full-time employees that are not provided to temporary or part-time employee	• Care – Wellbeing, Health and Safety	–
401-3	–	Parental leave	• Care – Wellbeing, Health and Safety • Performance Data Summary – Social Performance	–



GRI Standards/ SASB Standards	HKEX ESG Code	Disclosure	Reporting Location	Section cross reference, additional information or explanation
GRI 403: Occupational Health & Safety (2018)				
3-3 403-1 419-1	GD B2 KPI B2.3	Discussion of management approach and related policies (Description of occupational health and safety measures adopted, and how they are implemented and monitored.)	- Care – Wellbeing, Health and Safety - Performance Data Summary – Social Performance	During the reporting period, we have complied with all applicable laws related to occupational health and safety, such as; Chinese Mainland: - Law of the People's Republic of China on Work Safety - Law of the People's Republic of China on Prevention and Control of Occupational Diseases Hong Kong: - Occupational Safety and Health Ordinance (Cap. 509)
403-9 403-10	KPI B2.1	Work-related injuries and Work-related ill health (Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities)	- Care – Wellbeing, Health and Safety - Performance Data Summary – Social Performance	–
–	KPI B2.2	Lost days due to work injury	Performance Data Summary – Social Performance	–
403-8	–	Workers covered by an occupational health and safety management system	Care – Wellbeing, Health and Safety	–
GRI 404: Training and Education and HKEX Aspect B3 Development and Training				
3-3 404-2	GD B3	Discussion of management approach and related policies (Programs for upgrading employee skills and transition assistance programs)	Care – Talent Development	–
–	KPI B3.1	The percentage of employees trained by gender and employee category	Performance Data Summary – Social Performance	–
404-1	KPI B3.2	Average hours of training per year per employee	Performance Data Summary – Social Performance	–
GRI 405: Diversity and Equal Opportunity				
3-3 419-1	GD B1	Discussion of management approach and related policies	Care – Diversity and Inclusion	–
405-1	KPI B1.1	Diversity of governance bodies and employees (total number of employees by age group)	- Care – Diversity and Inclusion - Performance Data Summary – Social Performance	–



GRI Standards/ SASB Standards	HKEX ESG Code	Disclosure	Reporting Location	Section cross reference, additional information or explanation
GRI 408: Child Labour and GRI 409: Forced or Compulsory Labour and HKEX Aspect B4: Labour Standards				
3-3 419-1	GD B4	Discussion of management approach and related policies	Corporate Governance – Highest Standards of Integrity in our Business Operation and Supply Chain	During the reporting period, we have complied with all applicable laws and regulations related to prevention of child and forced labour, such as - Labour Law of the People's Republic of China - Law of the People's Republic of China on the Protection of Women's Rights and Interests - Law of the People's Republic of China on the Protection of Minors - Regulations on the Prohibition of Child Labour - Notice on the Prohibition of Child Labour
408-1 409-1	KPI B4.1 KPI B4.2	Operations and suppliers at significant risk for incidents of child labour (Description of measures to review employment practices to avoid child and forced labour.)	Corporate Governance – Highest Standards of Integrity in our Business Operation and Supply Chain	–
GRI 416: Customer Health and Safety and GRI 418: Customer Privacy and HKEX Aspect B6 Product Responsibility				
3-3 416-2	GD B6 KPI B6.5	Discussion of management approach and related policies (Incidents of non-compliance concerning the health and safety impacts of products and services)	- Community – Sustainable Lifestyles and Work Solutions - GRI Standards, HKEX ESG Code, SASB and IFRS Content Index	During the reporting period, we have complied with all applicable laws and regulations related to product responsibility, such as; - Advertising Law of the People's Republic of China - Provisions on the Release of Real Estate Advertisements - Real Estate Sales Management Measures - General Principles of the Civil Law of the People's Republic of China - Public Security Administration Punishments Law of the People's Republic of China - Law of the People's Republic of China on the Protection of Consumer Rights and Interests - Trademark Law of the People's Republic of China - Patent Law of the People's Republic of China
–	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	–	Not an applicable material topic. The Group mainly provides real estate development and operation services, not involving product recalls.
418-1	KPI B6.2	Substantiated complaints concerning breaches of customer privacy and losses of customer data (Number of products and service-related complaints received and how they are dealt with.)	Performance Data Summary – Social Performance	–
–	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	–	Not an applicable material topic
–	KPI B6.4	Description of quality assurance process and recall procedures.	–	Not an applicable material topic



This index provides mapping of our climate disclosures based on Part D of the HKEX ESG Code.

Disclosure Description	Reporting Location/Additional information or explanation
Governance	
19. An issuer shall disclose information about:	
(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about:	
(i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate related risks and opportunities;	Climate-related Financial Disclosure – Governance
(ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	Corporate Governance – Sustainability Governance and Transparency
(iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	Climate-related Financial Disclosure – Governance
(iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and	Climate-related Financial Disclosure – Governance
(b) management's role in the governance processes, controls and procedures used to monitor, manage, and oversee climate-related risks and opportunities, including information about:	
(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	Climate-related Financial Disclosure – Governance
(ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Climate-related Financial Disclosure – Governance
Strategy	
Climate-related risks and opportunities	
20. An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:	
(a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	Climate-related Financial Disclosure – Risk Management Climate-related Financial Disclosure – Strategy
(b) explain, for each climate-related risk the entity has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	Climate-related Financial Disclosure – Risk Management Climate-related Financial Disclosure – Strategy
(c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons—short, medium or long term—the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	Climate-related Financial Disclosure – Risk Management Climate-related Financial Disclosure – Strategy
(d) explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	Climate-related Financial Disclosure – Strategy
Business model and value chain	
21. An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose:	
(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	Climate-related Financial Disclosure – Risk Management
(b) a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Climate-related Financial Disclosure – Risk Management
Strategy and decision-making	
22. An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:	
(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about:	
(i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities;	Climate-related Financial Disclosure – Risk Management Climate-related Financial Disclosure – Strategy
(ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect);	Climate-related Financial Disclosure – Risk Management Climate-related Financial Disclosure – Strategy



Disclosure Description	Reporting Location/Additional information or explanation
(iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies); or an appropriate negative statement where the issuer does not have a climate-related transition plan; and (iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and	Climate-related Financial Disclosure – Strategy
(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	Climate-related Financial Disclosure – Strategy Climate-related Financial Disclosure – Metrics and Targets
23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	Corporate Governance – Sustainable Financing Clean
Financial position, financial performance and cash flows	
Current financial effect	
24. An issuer shall disclose qualitative and quantitative information about: (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and	Climate-related Financial Disclosure – Risk Management Climate-related Financial Disclosure – Strategy While our assessment of physical and transition risks and opportunities includes quantitative analysis of potential financial impacts, we have chosen to disclose only qualitative information at this stage due to the level of measurement uncertainty in quantifying these effects and concerns about commercial sensitivity. Applying financial effects relief, we will continue to improve the accuracy of our quantitative assessments and revisit the feasibility of related disclosures in the future.
(b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	Currently no significant risks have been identified that may lead to material adjustments to the carrying amounts of our assets or liabilities in the next annual reporting period.
Anticipated financial effect	
25. The issuer shall provide qualitative and quantitative disclosures about: (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and	Climate-related Financial Disclosure – Risk Management Climate-related Financial Disclosure – Strategy While our assessment of physical and transition risks and opportunities includes quantitative analysis of potential financial impacts, we have chosen to disclose only qualitative information at this stage due to the level of measurement uncertainty in quantifying these effects and concerns about commercial sensitivity. Applying financial effects relief, we will continue to improve the accuracy of our quantitative assessments and revisit the feasibility of related disclosures in the future.
(ii) its planned sources of funding to implement its strategy; and	Corporate Governance – Sustainable Financing
(b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	Climate-related Financial Disclosure – Risk Management Climate-related Financial Disclosure – Strategy



Disclosure Description	Reporting Location/Additional information or explanation
Climate resilience	
26. An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose:	
(a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of:	
(i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis;	Climate-related Financial Disclosure – Risk Management Climate-related Financial Disclosure – Strategy
(ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and	Climate-related Financial Disclosure – Risk Management
(iii) the issuer's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term;	Climate-related Financial Disclosure – Risk Management Climate-related Financial Disclosure – Strategy
(b) how and when the climate-related scenario analysis was carried out, including:	
(i) information about the inputs used, including:	
(1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios;	Climate-related Financial Disclosure – Risk Management
(2) whether the analysis included a diverse range of climate-related scenarios;	
(3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks;	
(4) whether the issuer used, among its scenarios, a climate related scenario aligned with the latest international agreement on climate change;	
(5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties;	
(6) time horizons the issuer used in the analysis; and	
(7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis);	
(ii) the key assumptions the issuer made in the analysis; and	Climate-related Financial Disclosure – Risk Management
(iii) the reporting period in which the climate-related scenario analysis was carried out.	Climate-related Financial Disclosure – Risk Management
Risk management	
27. An issuer shall disclose information about:	
(a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about:	
(i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);	Climate-related Financial Disclosure – Risk Management
(ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;	Climate-related Financial Disclosure – Risk Management
(iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria);	Climate-related Financial Disclosure – Risk Management
(iv) whether and how the issuer prioritises climate-related risks relative to other types of risk;	Corporate Governance – Emergency Preparation and Risk Mitigation Climate-related Financial Disclosure – Strategy
(v) how the issuer monitors climate-related risks; and	Corporate Governance – Emergency Preparation and Risk Mitigation Climate-related Financial Disclosure – Risk Management
(vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;	There are no changes of the processes compared with the previous reporting period.
(b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	Climate-related Financial Disclosure – Risk Management Climate-related Financial Disclosure – Strategy
(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process	Corporate Governance – Incorporating Sustainability-related Risks into Enterprise Risk Management Climate-related Financial Disclosure – Strategy



Disclosure Description	Reporting Location/Additional information or explanation
Metrics and targets	
Greenhouse gas emissions	
28. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO ₂ equivalent, classified as: (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions;	Climate-related Financial Disclosure – Metrics and Targets Performance Data Summary – Environmental Performance Greenhouse Gas Emissions – Scope 3 Emissions Inventory and Methodology Total scope 3 greenhouse gas emissions during the reporting period is 298,981 tCO₂ equivalent.
29. An issuer shall: (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the issuer is listed to use a different method for measuring its greenhouse gas emissions; (b) disclose the approach it uses to measure its greenhouse gas emissions including: (i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; (ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes; (c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and (d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	Performance Data Summary – Environmental Performance Greenhouse Gas Emissions – Scope 3 Emissions Inventory and Methodology Performance Data Summary – Environmental Performance Greenhouse Gas Emissions – Scope 3 Emissions Inventory and Methodology Performance Data Summary – Environmental Performance Greenhouse Gas Emissions – Scope 3 Emissions Inventory and Methodology
Climate-related transition risks	
30. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks;	Climate-related Financial Disclosure – Risk Management Applying reasonable information relief, we will continue to improve our quantitative disclosure and revisit the feasibility of related disclosures in the future. We are exploring how to best measure and define our vulnerability to these risks—factoring in our existing and planned mitigation measures—and will work to provide additional details in subsequent disclosures.
Climate-related physical risks	
31. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	Climate-related Financial Disclosure – Risk Management Based on our Group-wide and asset-level physical climate risk assessments, extreme precipitation and heat have been identified as financially material risks. In 2024, we carried out on-site physical risk inspections across all operating assets to evaluate their vulnerability to these hazards. In response, we have developed and implemented key mitigation measures to strengthen the climate resilience of our assets against both current and projected physical climate risks. Applying reasonable information relief, we will continue to improve our quantitative disclosure and revisit the feasibility of related disclosures in the future.



Disclosure Description	Reporting Location/Additional information or explanation
Climate-related opportunities	
32. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	SOL has pursued climate-related opportunity in the form of energy efficiency improvement and the transition to renewable energy. In 2025, we maintained a 35% portfolio-wide share of renewable electricity, with over 1,000m ² of roof-top solar panels installed at CPIC Xintiandi Tower 1 and Tower 2. Various energy-saving measures are described in the Clean chapter of this Report. Applying reasonable information relief, we will continue to improve our quantitative disclosure and revisit the feasibility of related disclosures in the future.
Capital deployment	
33. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	Corporate Governance – Sustainable Financing Climate-related Financial Disclosure – Risk Management For our development projects, climate-related measures—including climate adaptation strategies such as passive design, green building practices, and sponge city principles—are fully integrated into the development cost. In operations, annual budget is allocated to implement energy efficiency initiatives, such as automating chiller plant systems and upgrading to EC fans. Please refer to the Clean chapter for more details.
Internal carbon prices	
34. An issuer shall disclose:	
(a) an explanation of whether and how the issuer is applying a carbon price in decision making (for example, investment decisions, transfer pricing, and scenario analysis); and	Currently, we do not apply a carbon price in decision-making. We will continue to monitor and assess the opportunities to use internal carbon prices as part of our broader climate strategy.
(b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions.	See the reference for paragraph 34 (a)
Remuneration	
35. An issuer shall disclose whether and how climate-related considerations are factored into executive remuneration.	Corporate Governance – Sustainability Governance and Transparency Climate-related Financial Disclosure – Governance
Industry-based metrics	
36. An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	GRI Standards, HKEX ESG Code and SASB Content Index



Disclosure Description	Reporting Location/Additional information or explanation
Climate-related targets	
37. An issuer shall disclose (a) the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and (b) any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:	
(a) the metric used to set the target;	Clean – Decarbonisation
(b) the objective of the target;	Climate-related Financial Disclosure – Metrics and Targets
(c) the part of the issuer to which the target applies;	
(d) the period over which the target applies;	
(e) the base period from which progress is measured;	
(f) milestones or interim targets (if any);	
(g) if the target is quantitative, whether it is an absolute target or an intensity target; and	
(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	
38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	
(a) whether the target and the methodology for setting the target has been validated by a third party;	Clean – Decarbonisation
(b) the issuer's processes for reviewing the target;	Climate-related Financial Disclosure – Metrics and Targets
(c) the metrics used to monitor progress towards reaching the target; and	
(d) any revisions to the target and an explanation for those revisions.	There are no revisions to the SBTs in the reporting period.
39. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	Climate-related Financial Disclosure – Metrics and Targets Performance Data Summary – Environmental Performance
40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37–39, an issuer shall disclose:	
(a) which greenhouse gases are covered by the target;	Clean – Decarbonisation Climate-related Financial Disclosure – Metrics and Targets
(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	Clean – Decarbonisation Climate-related Financial Disclosure – Metrics and Targets
(c) whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;	Clean – Decarbonisation
(d) whether the target was derived using a sectoral decarbonisation approach; and	Climate-related Financial Disclosure – Metrics and Targets
(e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose:	
(i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;	Currently, we have no plans to utilise carbon credits in meeting our climate related targets.
(ii) which third-party scheme(s) will verify or certify the carbon credits;	
(iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and	We will continue to monitor and assess the opportunities to use carbon credits as part of our broader climate strategy.
(iv) any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the issuer plans to use.	
Applicability of cross-industry metrics and industry-based metrics	
41. In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	See the reference for paragraph 28 to 36



Independent Assurance Report

1. Limited Assurance Conclusion

Hong Kong Quality Assurance Agency ("HKQAA", "we", "our", "us") was engaged by Shui On Land Limited ("the Company") to conduct an independent limited assurance engagement on the sustainability disclosures ("Sustainability Disclosures") presented in its Sustainability Report 2025 ("the Report") for the reporting period from 1 January 2025 to 31 December 2025 ("Reporting Period") and issue this Independent Assurance Report ("Assurance Report").

Based on the procedures performed, evidence obtained, and subject to the stated assumptions, dependencies, boundaries, limitations, and exclusions set out in Appendix A, nothing has come to our attention that causes us to believe that the Sustainability Disclosures are not presented, in all material respects, in accordance with the requirements of the ESG Reporting Code, and with reference to reporting criteria as stated in Section 2 of this Assurance Report.

2. Engagement Overview

The objective of this sustainability assurance service is to provide an independent conclusion, with a limited level of assurance, on whether the Sustainability Disclosures have been prepared in accordance with the following reporting criteria:

The Environmental, Social and Governance Reporting Code ("ESG Reporting Code") set out in Appendix C2 of the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited.

The assurance team also reviewed whether the Sustainability Disclosures have been prepared with reference to the Global Reporting Initiative Sustainability Reporting Standards ("GRI Standards") and the Sustainability Accounting Standards Board ("SASB") Standards for Real Estate industry. Our assurance engagement is limited to the specific referenced sections as listed in the Report only, encompassing the information in the Performance Data Summary for the Reporting Period outlined below:

- | | |
|---|--|
| 1. Greenhouse gas emissions (Scope 1&2, market-based and location-based) | 9. Workforce – Occupational Health and Safety |
| 2. Energy consumption and intensity | 10. Workforce – Training |
| 3. Water consumption and intensity | 11. Workforce – Diversity |
| 4. Hazardous waste | 12. Workforce – Employee Benefits |
| 5. Non-hazardous waste | 13. Supply Chain – Suppliers |
| 6. Greenhouse Gas Emissions - Scope 3 emissions inventory and methodology | 14. Community Investment |
| 7. Workforce – General Employment | 15. Product Responsibility and Customer Satisfaction |
| 8. Workforce – New Hires and Turnover | 16. Anti-corruption |

For the avoidance of doubt, the Appendices listed at the end of this Assurance Report form an integral part of it, though certain Appendices are intended for the Company's internal use only. For reference, a generic version of Appendix A (which sets out the assumptions, dependencies, boundaries, limitations, exclusions, roles and responsibilities, and independence applicable to this engagement) is publicly available on the HKQAA website (www.hkqaa.org) under the navigation path: News & Resources > Guides & Forms > Guidelines > Sustainability Assurance.



3. Basis for Conclusion

HKQAA's assurance procedure was conducted in accordance with the International Standard on Sustainability Assurance 5000, General Requirements for Sustainability Assurance Engagements ("ISSA 5000"), issued by the International Auditing and Assurance Standards Board ("IAASB").

A limited assurance engagement involves performing procedures that vary in nature and extent from those performed for a reasonable assurance engagement. Accordingly, the level of assurance obtained is substantially lower than that obtained in a reasonable assurance engagement.

In conducting this engagement, we confirm our independence from the Company. The engagement team performed the engagement in accordance with the HKQAA Code of Conduct. Based on the procedures performed and the evidence obtained, we consider the evidence sufficient and appropriate to form a basis for our conclusion.

4. Other Information

Management of the Company is responsible for the other information. The other information comprises the information included in the Company's Annual Report, including the financial statements and notes thereto and chairman's statement, but does not include the Sustainability Disclosures. Our conclusion on the Sustainability Disclosures does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our assurance engagement on the Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Sustainability Disclosures or our knowledge obtained in the assurance engagement, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Responsibilities for the Sustainability Disclosures

The Company's management is responsible for the preparation of the Sustainability Disclosures in accordance with the applicable reporting criteria, and for designing, implementing and maintaining such internal controls as it determines necessary to enable the preparation of Sustainability Disclosures that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Company's sustainability reporting process.

6. Responsibilities of the Engagement Team

Our responsibility is to plan and perform this engagement to obtain limited assurance about whether the Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue this Assurance Report that includes our conclusion.

Misstatements can arise from fraud or error and are considered material if they could reasonably be expected to influence the decisions of users taken on the basis of the Sustainability Disclosures.

As part of this engagement, we exercise professional judgment and maintain professional skepticism, perform risk assessment procedures including obtaining an understanding of relevant internal controls (but not for the purpose of providing a conclusion on their effectiveness), and design and perform procedures responsive to assessed risks. As fraud is inherently more difficult to detect than unintentional error, the risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error.



7. Summary of Work Performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgment, including the assessed risks of material misstatement, whether due to fraud or error.

Our assurance procedures included, but were not limited to:

- Reviewing relevant policies, procedures, relevant documentation and records provided by the Company, including those related to sustainability-related information such as governance, risk identification, and performance metrics;
- Interviewing key management and responsible personnel of the Company for reporting and sustainability-related governance;
- Conducting analytical reviews of disclosures for plausibility and consistency with relevant external frameworks and internal supporting data;
- Selecting representative samples of disclosures, with a focus on materiality and risk, and assessing the underlying evidence for each sample using judgmental sampling;
- Evaluating the transparency of disclosed assumptions, dependencies, and boundaries; and
- Assessing the completeness of coverage with respect to the requirements of the reporting criteria, including reviewing methodologies used for estimations, sensitivity analyses, and disclosures of uncertainties.

This Assurance Report is made solely for the use of Shui On Land Limited and the users of its Sustainability Report 2025, and for use in accordance with the reporting criteria stated in Section 2 of this Assurance Report. We do not accept or assume responsibility for any other purpose or to any other person to whom this Assurance Report is shown or in whose hands it may come.

The engagement leader on the assurance engagement resulting in this Assurance Report is KT Ting.

Signed on behalf of Hong Kong Quality Assurance Agency

Hong Kong, PRC
17 April 2026
Ref: 14994917