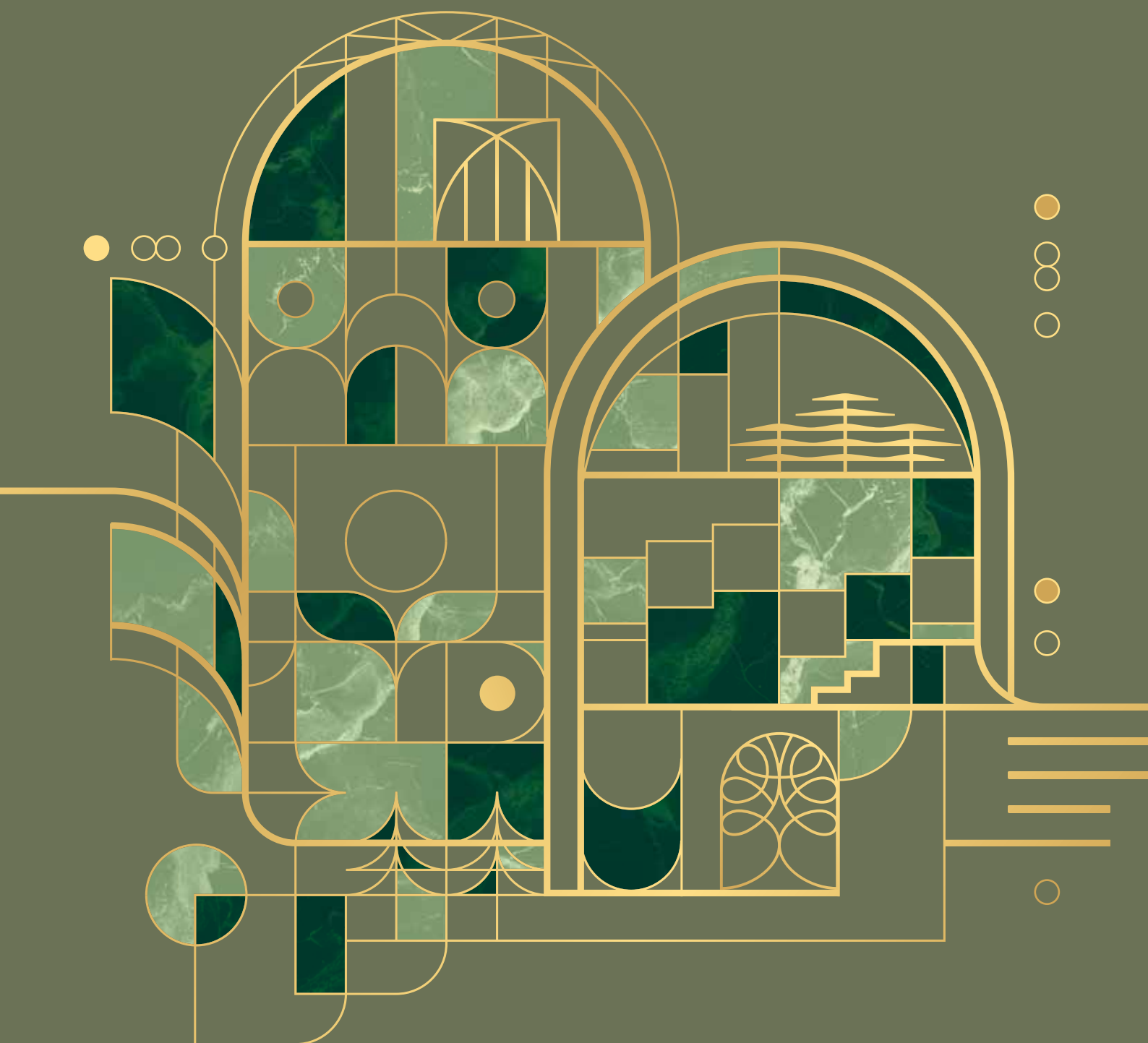


2025

CORPORATE SUSTAINABILITY REPORT



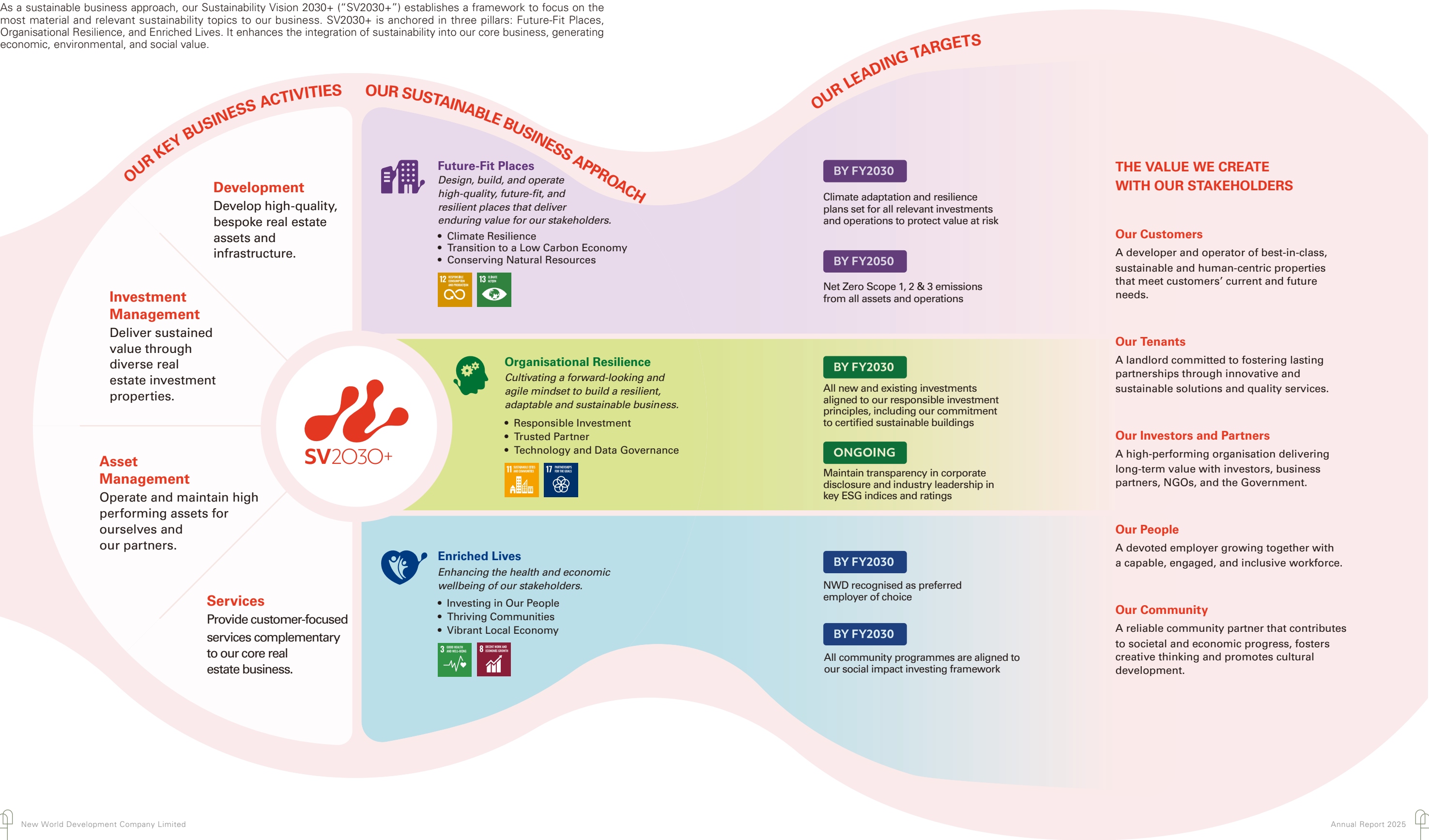
New World Development Company Limited

(Stock Code: 0017)

To foster a future-proof society through innovation and sustainable growth, NWD values driving collective growth as its sustainability philosophy and strategic approach, connecting business success with environmental and social development and providing significant value to both our stakeholders and future generations across key business activities.

As a sustainable business approach, our Sustainability Vision 2030+ ("SV2030+") establishes a framework to focus on the most material and relevant sustainability topics to our business. SV2030+ is anchored in three pillars: Future-Fit Places, Organisational Resilience, and Enriched Lives. It enhances the integration of sustainability into our core business, generating economic, environmental, and social value.

Throughout this Corporate Sustainability section, we describe the leading targets associated with each pillar and how it drives collective growth with our stakeholders and for society.



MESSAGE FROM THE SUSTAINABILITY COMMITTEE

At NWD, our commitment to responsible business practices drives our sustainability journey and ensures long-term success for our stakeholders. Sustainability is deeply rooted in our strategic framework and decision-making processes, guiding us to create influential value for stakeholders.

Our New World Sustainability Vision 2030+ ("SV2030+") establishes the strategic foundation for a focused approach, targeting three pillars: Future-Fit Places, Organisational Resilience, and Enriched Lives. With regular progress review of our near-term science-based targets ("SBTs"), NWD has received verification of its net-zero science-based target by 2050 against a baseline of FY2023 from the Science Based Targets initiative ("SBTi"). Our Decarbonisation Roadmap guides our emissions reduction strategies, enabling us to make significant strides toward the Group's targets through collective effort.

From a governance and management perspective, climate resilience remains a strategic imperative for NWD. We initiated detailed asset-level risk analyses for our key projects, such as K11 ECOAST and 83 King Lam Street, enabling us to transform insights into strategic actions, developing targeted resilience measures and fully integrating climate considerations into our future project portfolio.

Beyond our own operations, we maintain collaborative relationships with the Government to advance the broader development of green buildings by leveraging our industry expertise. We are proud that our Qianhai CTF Finance Tower has been selected as a pilot project to contribute to the establishment of a new benchmark for green building standards in Qianhai.

We continue to improve our practices to conserve resources. NWD enhances controls to assess the reliability of procuring renewable energy sources, exemplifying our commitment to responsible business practices. To support biodiversity and nature-related conservation, we plan to further strengthen our disclosures in accordance with nature-related reporting standards by conducting risk assessments aligning with recognised methodologies.

Responsible investment remains a core priority for NWD, ensuring that our capital is directed towards projects that deliver both environmental and social benefits. In December 2024, we upgraded our Sustainable Finance Framework, defining clear eligibility criteria for projects.

In support of tenant health and wellbeing, our projects incorporate relevant building concepts designed to deliver measurable benefits. Our commitment to advancing local development and creating thriving communities is also reflected in our community investment programmes, which align with SV2030+.

We extend profound appreciation to our employees, whose expertise and dedication drive these sustainability achievements. We equally value investors, partners, and other stakeholders for their indispensable collaboration. As we continue to evolve our sustainability journey, the Group remains steadfast in deepening partnerships and advancing SV2030+, delivering enduring value for shareholders, communities, and the ecosystems we inhabit.

Sustainability Committee

Hong Kong, China, September 2025

MAJOR ACHIEVEMENTS AND ESG HIGHLIGHTS

Sustainability forms the foundation of our corporate culture, aligning sustainability priorities and aspirations with our business activities. By empowering people to collaborate, innovate, and realise their potential, our sustainability efforts are acknowledged by various ESG ratings.

Global ESG Ratings:



MSCI¹ ESG Rating of 'BBB'



- S&P Global's **Sustainability Yearbook Member** since 2021
- **Top 15%** of real estate industry globally



Rated **Low ESG Risk** by Sustainalytics since 2019



One of 160 companies to be included in S&P Global's **Sustainability Yearbook (China) 2025**



4-star rating for Standing Investments Benchmark of Global's Real Estate Sustainability Benchmark ("GRESB") 2024



Constituent of **FTSE4Good Index Series** since 2020



Achieved a '**B**' in CDP Climate Change Assessment 2024



- Constituent of **Hang Seng Corporate Sustainability Index** since 2014-2015
- Rated **AA+**

ESG Highlights:

Future-Fit Places



- Conducted in-depth asset-level climate risk analyses at K11 ECOAST and 83 King Lam Street to identify further adaptation strategies.
- Received approval from SBTi on our net-zero SBT by 2050.

Organisational Resilience



- Upgraded Sustainable Finance Framework to better guide future fundraising efforts in alignment with sustainability objectives.
- Obtained Shenzhen's first office building dual "Excellent" ratings in BEAM Plus EB for Qianhai CTF Finance Tower and contributed to the establishment of Qianhai's new green building standard.

Enriched Lives



- Obtained WELL Health-Safety Rating (WELL HSR) for 100% of Mainland China's regional head offices, ensuring safe and healthy workplaces.
- Approved a Group-level Workforce Diversity, Equity and Inclusion Policy to guide and strengthen our DEI strategy across the organisation.

Signatories and Memberships:



Complementing our memberships, we have obtained accreditation through charters and pledges in the areas of climate change, environmental protection, diversity and inclusion, employment, and supply chain from recognised organisations. For more details on ESG ratings, memberships, charters and sustainability awards, please visit our website.

¹ THE INCLUSION OF NEW WORLD DEVELOPMENT COMPANY LIMITED IN ANY MSCI INDEX AND THE USE OF THE MSCI LOGO, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DOES NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF NEW WORLD DEVELOPMENT COMPANY LIMITED BY MSCI OR ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI, MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

SUSTAINABILITY-RELATED POLICIES

Establishing sustainability policies at both the Group and subsidiary levels outlines sustainability commitments and enables the governance of business operations and value chain activities. These policies are designed to comply with relevant laws and regulations while incorporating standards that aim for best practices. Details about the policies are publicly available on our website.

We maintain accountability by regularly evaluating compliance and conducting thorough reviews of our policies and procedures. During the Reporting Period, the “Workforce Diversity, Equity and Inclusion Policy” was approved to ensure alignment with the diversity, equity, and inclusion (“DEI”) strategy. In cases of potential breaches, NWD performs comprehensive investigations to resolve any issues. During the Reporting Period, we did not incur significant fines for non-compliance with environmental laws or regulations. No convictions or legal actions have been recorded for breach of relevant laws and regulation related to corruption and bribery or anti-competitive behaviour.

RISK MANAGEMENT AND SUSTAINABILITY INTEGRATION

To address significant ESG risks that have wide-reaching effects on our assets, business, and stakeholders, sustainability and climate-related risks have been incorporated into the Group’s Enterprise Risk Management (“ERM”) framework through materiality assessment and climate-related scenario analysis. The robust risk management process enables the evaluation, monitoring, and management of risks across the Group and all BUs. The NWD Board receives ERM updates at least once every six months.

OUR ENTERPRISE RISK MANAGEMENT FRAMEWORK

The risk management approach is governed by the ERM framework, following the guidelines from the Committee of Sponsoring Organisations of the Treadway Commission (“COSO”) and the World Business Council for Sustainable Development (“WBCSD”). The framework is regularly reviewed to ensure ongoing alignment with our strategic direction, sustainability commitments, regulatory obligations, and industry best practices.

For more details about our risk management structure and process for identifying, assessing, and managing risks, please refer to the ‘Risk Management and Internal Control’ section of this Annual Report.

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

STAKEHOLDER ENGAGEMENT STRATEGY AND FRAMEWORK

Understanding and addressing stakeholder expectations is critical in shaping our sustainability strategy, identifying and prioritising current and emerging risks and opportunities across our business and communities in which we operate.

We maintain ongoing open and transparent dialogues through various channels, including surveys, interviews, focus groups, site visits, mobile apps, newsletters, meetings, forums, events, hotlines, and social media channels. For more details on our engagement with key stakeholders, please visit our sustainability website.

MATERIALITY ASSESSMENT

Through conducting regular materiality assessments every two to three years and reviewing the assessment, NWD evaluates its sustainability priorities and further links to the identification of risks and opportunities, including climate- and nature-related factors. This materiality assessment approach aligns with best practices of the Global Reporting Initiative Sustainability Reporting Standards ("GRI Standards") and the "International Sustainability Standards Board's" ("ISSB") International Financial Reporting Standards ("IFRS").

Based on the previous double materiality assessment, NWD has reviewed the market trends and regulatory requirements, determining that the results and related sustainability-related impacts, risks and opportunities ("IROs") remain valid and applicable for FY2025. These identified IROs are the most material to NWD and our stakeholders from both financial materiality and impact materiality perspectives.

The assessment consisted of four key steps: To begin with, 12 global megatrends that impact NWD and the operating environment were identified. Deep-dive interviews with internal and external stakeholders were held to assess NWD's response to key megatrends, complemented by a review of internal documentation and industry best practice.

MEGATRENDS AND SUSTAINABILITY PRIORITIES

The 12 most relevant megatrends in four thematic areas are highlighted below:


Theme	Megatrends	Potential implications for NWD's business and development
Built Environment	Urbanisation and smart cities	<ul style="list-style-type: none"> Greater market demand for new and upgraded properties, infrastructure, and public utilities because of urban growth and rising incomes Significant opportunities for development of smart cities
	Sustainable development	<ul style="list-style-type: none"> Green building standards for improving efficiency and the use of sustainable materials being increasingly promoted by governments Higher demand for luxury and eco-friendly living options from customers
	Built environment technologies	<ul style="list-style-type: none"> Acceleration of digital transformation and technological adoption in the property and infrastructure sectors since the pandemic Rapid demand for smart building technologies to achieve operational optimisation and cost savings. Tenants are also willing to pay a "smart premium" for these technologies
People and Demographics	Ageing population	<ul style="list-style-type: none"> Increased demand for diverse housing and community services for older citizens Increased demand for healthcare facilities, social services, and amenities
	Future of work	<ul style="list-style-type: none"> Reshaped professions and new job opportunities due to Artificial Intelligence ("AI") Greater work-life integration expected by younger generations Reimagination of traditional office spaces
	Health and wellness	<ul style="list-style-type: none"> Greater awareness on wellness features and experiences Higher expectation on indoor green spaces and quiet relaxation areas for inclusive and accessible environments
	The experience economy	<ul style="list-style-type: none"> More focuses on unique customer experiences under a new form of consumerism Higher demand on bespoke physical spaces, customer services and technologies







Theme	Megatrends	Potential implications for NWD's business and development
Economics and Geopolitics	Economic transition	<ul style="list-style-type: none"> Shift towards high-value services under the Central Government planning, leading to a greater need for adaptive workspaces Increased market demand for high-quality residential properties and premium lifestyle amenities
	Deglobalisation	<ul style="list-style-type: none"> Rise in protectionism disrupts the supply chain, which increases costs and the level of compliance
Environment	Clean energy transition	<ul style="list-style-type: none"> Clean energy transition remains a business focus for property and infrastructure sectors Greater Government's efforts to implement energy efficiency initiatives, carbon trading and targeted finance
	Physical impacts of climate change	<ul style="list-style-type: none"> More urgent actions being demanded for the government and business leaders to address physical climate risks Greater demand on resilient infrastructure and green buildings to minimise climate-related disruptions
	Circular economy	<ul style="list-style-type: none"> Increasing pressure to use natural resources sustainably to drive business transformation More focuses on reducing embodied carbon in building materials and construction activities

A long list of over 80 sustainability-related IROs was developed, and further assessed for materiality under the ERM framework, using parameters such as magnitude, severity and likelihood. Thirty-six IROs were considered "highly material" and grouped into seven sustainability priorities. The full assessment and review process was validated by the Steering Committee and the Sustainability Committee of the Board of Directors.

SEVEN SUSTAINABILITY PRIORITIES

There are specific identified sustainability priorities that focus on enhancing NWD's internal operational efficiency, while most sustainability priorities extend beyond to create external and influential impact on the community through our key business activities.

Sustainability Priorities	Description	Impact	Time Horizon [#]	For More Details
Reimagining the built environment* 	<ul style="list-style-type: none"> Enhance asset resilience against extreme weather 	Enterprise value creation	Short term	See 'Future-Fit Places'
	<ul style="list-style-type: none"> Address rising costs in utility and insurance protection 	External stakeholders	Medium term	
			Long term	

Sustainability Priorities	Description	Impact	Time Horizon [#]	For More Details
Investing in a low carbon future* 	<ul style="list-style-type: none"> Navigate the transition to a net-zero economy Adopt renewable energy and utilise low carbon materials, technologies and processes to reduce emissions 	External stakeholders	Short term Medium term Long term	See 'Future-Fit Places – Transition to a Low Carbon Economy'
Driving operational efficiency* 	<ul style="list-style-type: none"> Reduce operational costs through increased building efficiency Lean construction practices and a lifecycle approach to asset enhancements and investments 	Enterprise value creation	Short term Medium term	See 'Future-Fit Places'
Enterprise approach to sustainability 	<ul style="list-style-type: none"> Embed sustainability into corporate strategy, risk management and financial planning Strengthen corporate governance with roles and responsibilities 	Enterprise value creation External stakeholders	Short term Medium term	See 'Corporate Governance' of this Corporate Sustainability section
Embracing tech and innovation* 	<ul style="list-style-type: none"> Leverage innovation and technology to enhance resilience and productivity Act as a catalyst in building more innovative, efficient, and adaptive spaces 	Enterprise value creation External stakeholders	Short term Medium term	See 'Organisational Resilience – Technology and Data Governance'
Investing in our people 	<ul style="list-style-type: none"> Foster a culture of employee development and wellbeing Attract and retain top talent in a diverse and inclusive workplace 	Enterprise value creation	Short term	See 'Enriched Lives – Investing in our People'
Contributing to thriving communities* 	<ul style="list-style-type: none"> Foster economic growth through business partnerships Generate employment and skills opportunities for a thriving community 	External stakeholders	Short term Medium term	See 'Enriched Lives – Thriving Communities' And 'Enriched Lives – Vibrant Local Economy'

* Denotes climate-related impacts, risks and/or opportunities within the sustainability priority
[#] Time horizons: Short term (0-1 year), medium term (2-5 years) and long term (5+ years)







CORPORATE SUSTAINABILITY

FUTURE-FIT PLACES

NWD considers climate change in tandem with other ESG and non-ESG factors to ensure we respond appropriately to emerging risk and opportunities. We take climate actions considering two aspects of climate change:

1. NWD's impact on climate – how our operations, supply and value chains contribute to climate change. We take action to reduce our impact by delivering emissions reduction strategies that also provide cost benefits.
2. Impacts of climate change on NWD – how our operations, supply and value chains are impacted by climate change.

The pillar of Future-Fit Places outlines our approach to designing, building, and operating high-quality and resilient places that deliver enduring environmental benefits to our stakeholders. We achieve this by strengthening climate resilience, contributing to the transition to a low-carbon economy, and conserving natural resources. This pillar appeals to our tenants, customers and community members through sustainable building designs and operations.

OUR SUSTAINABLE BUSINESS APPROACH	OUR APPROACH AND KEY ACTIVITIES	HOW WE MEASURE PERFORMANCE	TARGET STATUS
 <p>Future-Fit Places</p> <p>Design, build and operate high-quality, future-fit and resilient places that deliver enduring value for our stakeholders.</p>  	 <p>Climate Resilience</p> <p>Integrate climate change considerations and measures throughout the asset lifecycle to ensure assets are resilient and positioned to thrive in a climate-affected future.</p> <ul style="list-style-type: none"> • Conduct climate risk assessments to understand asset-level climate-related risks and opportunities. • Develop asset adaptation plans in response to identified climate risks & opportunities. 	<p>BY FY2030</p> <p>Climate adaptation and resilience plans set for all relevant investments and operations to protect value at risk</p> <p>BY FY2026</p> <p>All new and existing investments and operations assessed for potential climate-related physical and transition risks</p>	<p>On Track</p> <p>On Track</p>
	 <p>Transition to a Low Carbon Economy</p> <p>Support our investments, operations and value chain through targeted efforts as we transition to a low carbon economy.</p> <ul style="list-style-type: none"> • Prioritise smart and efficient sustainable building design, development and operations. • Renewable energy and procurement. • Collaborate with our value chain, including tenants, suppliers, customers and industry, to further reduce our carbon intensity. 	<p>BY FY2050</p> <p>Net Zero Scope 1, 2 & 3 emissions from all our assets and operations</p> <p>BY FY2030</p> <p>Reduce absolute Scope 1 & 2 emissions by 42.0% (FY2023 baseline)</p> <p>Reduce absolute Scope 3 emissions from Capital Goods by 25.0% (FY2023 baseline)</p> <p>Reduce Scope 3 emissions from Downstream Leased Assets by 51.6% per square metre (FY2023 baseline)</p> <p>BY FY2026</p> <p>100% renewable energy use in our Greater Bay Area investment properties</p>	<p>On Track</p> <p>On Track</p> <p>On Track</p>
	 <p>Conserving Natural Resources</p> <p>Responsible and efficient consumption of natural resources and proactively managing nature-related risks and impacts.</p> <ul style="list-style-type: none"> • Deliver water-saving buildings that avoid water use and conserve natural resources. • Diversion of waste back into the economy through reuse or recycling, and reducing dependence on natural resources. 	<p>BY FY2030</p> <p>All new and existing investments have energy, water, and waste efficiency plans integrated into asset operations</p> <p>BY FY2030</p> <p>30% total recycling rate (landfill diversion) achieved across our relevant investments and operations</p>	<p>On Track</p> <p>On Track</p>

In addition, NWD is an active member of various locally and internationally recognised associations and industry groups, advancing industry-specific knowledge and development for climate change policy positions and initiatives. These collaborations enable us to propose recommendations that drive climate improvements and advise on strategic planning. For more information, please visit our website.

CLIMATE RESILIENCE

NWD prioritises identifying, managing and addressing its climate-related impacts. We acknowledge the effects of climate change on our operations across the business model and value chain.

In this section, we disclose climate-related information, referencing the ISSB's IFRS S2 Climate-related Disclosures and the Hong Kong Stock Exchange ("HKEX") Climate-Related Disclosure Guidelines.

GOVERNANCE

We maintain a consistent approach in managing climate-related risks and opportunities, supported by a robust governance structure outlined in the 'Corporate Governance' section of this Corporate Sustainability section.

The Board is responsible for overseeing the management of climate-related risks and opportunities to inform corporate strategy, budgets, and business planning, while receiving regular updates from the Sustainability Committee. Climate-related factors are integrated in making major capital investment and acquisition decisions under our Responsible Investment Policy.

The Steering Committee and various departments support climate action planning, tracking progress towards climate-related metrics and targets. The Steering Committee reports directly to the CEO and provides biannual updates to the Sustainability Committee.

STRATEGY

Guided by our Climate Change Policy, Responsible Investment Policy, and Decarbonisation Roadmap, NWD works towards developing a climate-related transition plan based on science-based targets ("SBTs") and implementing decarbonisation initiatives under the SV2030+ sustainable business approach, collectively forming the direction and plans for climate-related transition. This plan is also integrated into the Group's ERM framework, with clear and measurable performance metrics for BUs to take action.

Climate-related Risks and Opportunities

The following section outlines our assessment results of material physical and transition climate-related risks and opportunities, along with evaluating business implications and potential financial impacts.

Physical Risks and Opportunities

	Climate Hazard	Business Implications	Potential Financial Impacts
Acute hazards and risks	Drought Prolonged period of dry weather conditions	<ul style="list-style-type: none"> Shortage of water supply affecting or suspending business operations 	<ul style="list-style-type: none"> Increased operational and insurance costs Increased capital expenditure to install water-efficient and storage devices
	Wildfire Unplanned or uncontrolled fires in areas of combustible vegetation	<ul style="list-style-type: none"> Increased potential for damage to property and assets Potential impact of occupational health and safety 	<ul style="list-style-type: none"> Increased operational and insurance costs Increased cost to repair damage caused by wildfire events
	Flood Flooding caused by overflowing rivers and streams, extreme rainfall events or ineffective drainage	<ul style="list-style-type: none"> Increased potential for damage to property and assets More frequent and severe disruption to business continuity 	<ul style="list-style-type: none"> Reduced asset values due to increased property damage Reduced revenue from rental portfolio Increased operational and insurance costs Increased capital expenditure for resilient features to floods and strong winds Increased market valuation due to the adoption of climate resilience measures
	Storm surge Coastal flooding due to extreme rise in sea level during typhoons, typhoon tracks, elevation and climate change		
Chronic hazards and risks	Tropical cyclone Strong gusts and heavy rainstorms are caused by intense storms originating over warm tropical oceans		
	Heat stress A prolonged period of high temperature and humidity	<ul style="list-style-type: none"> Lowered labour productivity Increased health hazards to the workforce Higher demand for cooling and energy 	<ul style="list-style-type: none"> Increased cooling cost Reduced productivity leading to increased labour cost
	Change in precipitation patterns Changes in temperature lead to long-term shifts in precipitation patterns	<ul style="list-style-type: none"> Water supply shortage in areas with reduced precipitation 	<ul style="list-style-type: none"> Increased capital expenditure associated with building upgrades related to water retention and efficiency Increased operational costs for alternative water sources in areas with reduced precipitation
	Rising sea level Rise in average sea level due to climate change	<ul style="list-style-type: none"> Increased potential for damage to property and assets Asset relocation 	<ul style="list-style-type: none"> Reduced asset values due to increased damage to property Increased potential for stranded assets

Transition Risks and Opportunities

	Material Risk/ Opportunity	Business Implications	Potential Financial Impacts
Policy and legal	Carbon pricing Increased use of policy instruments to apply an explicit price on greenhouse gas ("GHG") emissions, through carbon taxes or emissions trading schemes	<ul style="list-style-type: none"> Increased need to optimise operational efficiency to reduce resource consumption Increased need to optimise building construction to reduce resource consumption and materials use 	<ul style="list-style-type: none"> Increased operational costs Increased capital expenditure to install energy-efficient facilities and green retrofits Lower operational costs associated with improved energy efficiency Increased procurement cost for low carbon alternatives for construction materials
	Building codes and standards More stringent regulations on building energy performance and emissions in a lifecycle approach	<ul style="list-style-type: none"> Increased need to optimise operational efficiency to reduce resource consumption Increased need to obtain green building certifications across the portfolio 	<ul style="list-style-type: none"> Increased capital expenditure to install energy-efficient facilities and green retrofits Lower operational costs associated with improved energy efficiency
Reputation	Stakeholder concern and feedback Higher expectations on ESG and climate risk management and disclosure	<ul style="list-style-type: none"> Comprehensive disclosures expected on climate change actions and metrics, including reference to the IFRS S2, HKEX Climate-Related Disclosure Guidelines, and other emerging standards 	<ul style="list-style-type: none"> Increased operational costs to implement changes in climate risk management and disclosure
Market	Consumer preference Increased market demand for low carbon and resilient buildings	<ul style="list-style-type: none"> Increased demand for buildings with lower carbon footprint and higher energy efficiency Increased need to assess and improve existing buildings' energy and environmental performance Increased need to obtain green building certifications across the portfolio 	<ul style="list-style-type: none"> Increased revenue due to rental and sales premiums of green buildings Increased capital expenditure to install green retrofits and climate-resilient features
	Increased cost of raw material Cost premium for low carbon materials and increased price for traditional materials due to supply chain disruption from changing climate conditions and policy	<ul style="list-style-type: none"> Increased fluctuations in the cost and supply of raw materials 	<ul style="list-style-type: none"> Increased procurement cost for traditional construction materials due to policy transition Increased procurement cost for low carbon alternatives for construction materials

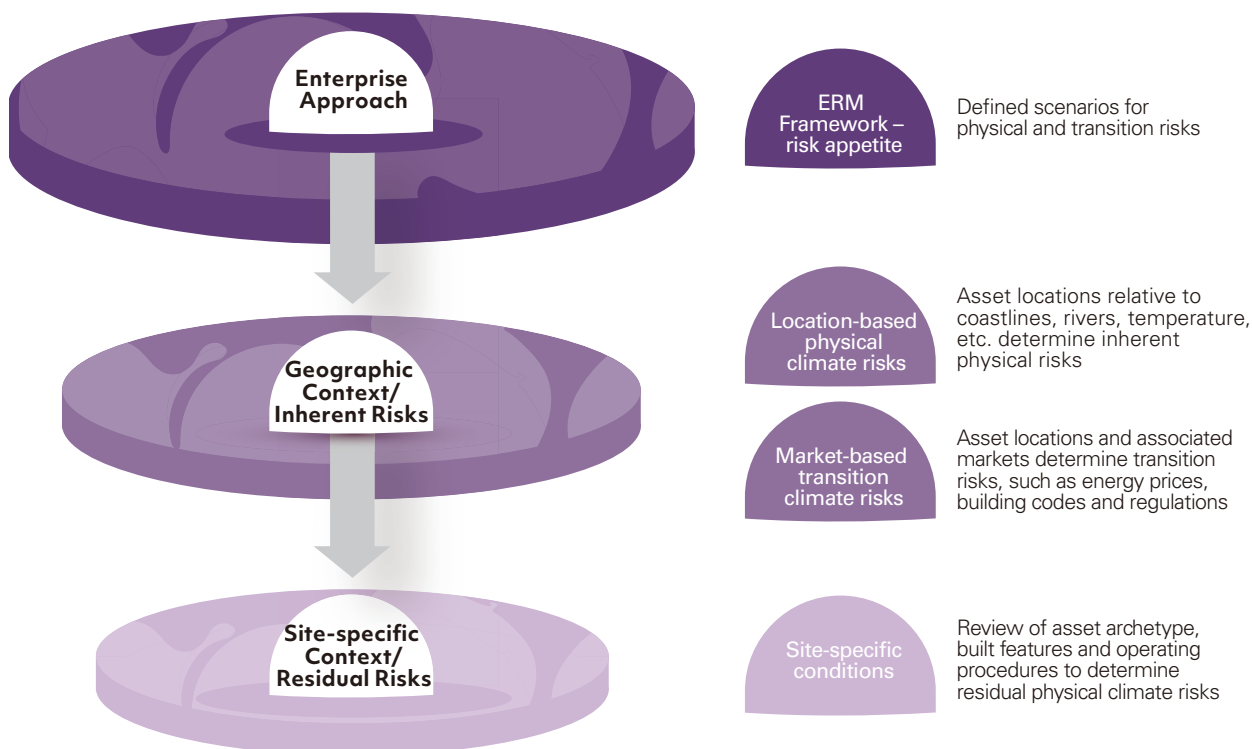
Based on the identification of climate-related risks and opportunities, we have implemented a range of measures using both strategic and operational approaches. These measures aim to strengthen our operational stability and business continuity, mitigate potential impacts, and better position the Group to seize emerging opportunities as the market evolves alongside decarbonisation.

Climate-related risks and opportunities	Strategic approach	Operational approach
Physical risks and opportunities	<ul style="list-style-type: none"> Conduct regular market review of preliminary climate risk assessment solutions Explore emerging climate assessment tools Implement climate adaptation and mitigation measures 	<ul style="list-style-type: none"> Assess over 200 assets and locations for potential climate risks Assets with high inherent physical risks are further assessed using Vulnerability Assessment Conduct asset-level analysis and integrate mitigation and adaptation measures into building designs and operational plans where applicable
Transition risks and opportunities	<ul style="list-style-type: none"> Foster a culture of sustainability and climate awareness at all levels Conduct regular compliance reviews Cover carbon pricing sensitivity assessment as part of the transition risk scenario analysis for selected assets Monitor the effectiveness of efficiency measures across the portfolio Collaborate with industry groups to promote the application of low carbon solutions 	<ul style="list-style-type: none"> Conduct lifecycle analysis for all Hong Kong developments and pilot projects in Mainland China Leverage proceeds from sustainable finance instruments Implement green lease programmes for our tenants Implement low carbon initiatives and conserve natural resources with performance quantification

Looking forward, we continue to enhance our assessment and quantification of the financial implications of climate risks and opportunities.

Scenario Analysis

The Group's climate-related decisions are informed by the outcomes of scenario analysis, a methodology we have employed since FY2019 to assess risks and opportunities.



Enterprise Approach

Scenario Analysis is a key consideration in establishing our climate action strategy through the Enterprise Approach. We have incorporated the latest research and data to develop both qualitative narratives and quantitative models for our physical and transition risk scenarios.

We perform scenario stress tests across our operations using various future settings and assumptions based on leading climate science. By developing scenarios with significant contrasts, the Group enables the preparation for both best- and worst-case outcomes.

	High Transition Risk, Low Physical Risk Scenario	Low Transition Risk, High Physical Risk Scenario
Physical Risk Scenarios¹	IPCC SSP1-2.6 – In this scenario, the 1.5°C global warming level is not likely to be exceeded. There will be wide-ranging physical impacts, including on average temperatures, mean sea levels, and other climate variables; however, the impacts are considerably more limited compared to higher emission scenarios.	IPCC SSP5-8.5 – In this scenario, emissions roughly double from current levels by 2050, leading to the projected temperatures to increase by 3.3 – 5.7°C relative to the pre-industrial period. Severe and wide-ranging physical impacts are projected, including average temperature increases, changes in precipitation levels, rising mean sea levels, and other climate variables, which are expected to lead to more significant extreme weather events.
Transition Risk Scenarios²	NGFS Net Zero 2050 – Global warming is limited to 1.5°C through stringent climate policies and innovation, reaching global net zero emissions around 2050. This scenario assumes that ambitious climate policies are introduced immediately.	NGFS Current Policies – This scenario assumes that only currently implemented policies are preserved, leading to high physical risks. Emissions growth leads to about 3°C of warming.
Time Horizons	Short-term: 2030 – This short timeframe aligns with the target year of our near-term SBTs. Medium-term: 2050 – This medium-term timeframe aligns with the target year of our net-zero target and the Paris Agreement. Long term: 2080 and beyond – This longer timeframe extends beyond our SBTs and net-zero target, the Paris Agreement, and Mainland China's commitment to achieve carbon neutrality by 2060.	
Geographical Coverage	Over 200 assets and locations across our portfolio, with the following geographical distribution: <ul style="list-style-type: none"> • 70% in Mainland China • 28% in Hong Kong • 2% in Southeast Asia³ These include investment properties currently held by the Group, current developments and construction sites, and agricultural land holdings.	

Geographic Context / Inherent Risks

This assessment aimed to identify and flag the inherent risks and projected rate of change for our operations under our Enterprise Approach scenarios, considering various time horizons across the diverse geographies in which we operate. We keep enhancing the granularity of this assessment by examining more specific asset locations.

Site-specific Context / Residual Risks

For assets assessed with inherent risk at a moderate or above level, we conducted a Vulnerability Assessment that incorporated site-specific features, such as asset types, locations of sensitive equipment, current adaptation features or controls and operating processes. We collaborated with asset representatives who are familiar with each asset to complete this assessment. The features and controls were then considered and assessed for each asset to determine whether the inherent risk could be adjusted, resulting in a residual risk.

¹ IPCC published a new set of climate scenarios which consider both emissions level and socio-economic developments in different future states in its Sixth Assessment Report. The scenarios are referred to as SSPx-y, where 'SSPx' refers to the Shared Socio-economic Pathway describing the socio-economic trends underlying the scenario, and 'y' refers to the approximate level of radiative forcing.

² The Network of Central Banks and Supervisors for Greening the Financial System ("NGFS") partnered with an expert group of climate scientists and economists to design a set of hypothetical scenarios to demonstrate how climate change (physical risk), climate policy and technology trends (transition risk) could evolve in different futures

³ Including Vietnam, Thailand and the Philippines.

Scenario Analysis Results

Physical Risks

We have quantified the inherent risks to our portfolio at an asset level. This approach emphasised location-specific evaluation of each asset. For instance, broad physical inherent risks, such as floods and typhoons, may be high for larger geographies but can be mitigated for certain assets given their more precise locations.

We conducted an assessment of over 200 of our assets and locations. We utilised third-party climate projections to evaluate the effects of climate hazards at the asset level. The evaluation was conducted under the assumption that no asset-specific adaptation or mitigation measures had been implemented. Although risks related to changes in precipitation patterns are not included in the summary, they were considered in the assessment of drought, river flooding, and rainfall flooding risks. Summary findings are presented below:

Inherent Physical Risks

Indicator	Physical Risk	Location	SSP1-2.6			SSP5-8.5		
			2030	2050	2080	2030	2050	2080
Percentage of total asset value at risk	Drought and Wildfire ¹	Hong Kong						
		Mainland China						
		Southeast Asia						
	River flood	Hong Kong						
		Mainland China						
		Southeast Asia						
	Rainfall flood	Hong Kong						
		Mainland China						
		Southeast Asia						
	Storm surge, including rising sea level	Hong Kong						
		Mainland China						
		Southeast Asia						
Percentage of productivity loss	Tropical cyclone	Hong Kong						
		Mainland China						
		Southeast Asia						
	Heat stress	Hong Kong						
		Mainland China						
		Southeast Asia						
		Hong Kong						
		Mainland China						
		Southeast Asia						

Insignificant
 Minor
 Moderate
 Major
 Extreme

¹ Drought and Wildfire were independently assessed, but results were the same, i.e. Insignificant across all Scenarios and Time Horizons, and hence grouped together in the summary findings.

Residual Physical Risks

Assets identified with inherent risks exceeding NWD’s risk appetite were further assessed using a Vulnerability Assessment. This assessment determines which assets may still be exposed to climate impacts after accounting for current mitigation measures. For existing assets, this covered physical asset features, such as the locations of sensitive equipment and operational procedures in the event of an emergency. For assets in development, the latest proposed designs were taken into consideration.

We reviewed the controls for the identified climate hazards and quantified their effectiveness in reducing inherent risk. Our assessment revealed that efforts to date can help mitigate potential inherent climate risks through on-site controls. We have categorised our portfolio from Most to Least Vulnerable based on the Vulnerability Assessment results. Adaptation plans are prioritised for assets identified as the most vulnerable. These efforts enhance our portfolio’s resilience by focusing capital expenditures on asset retrofits and implementing operational policies that account for potential climate impacts.



Transition Risks

A mix of quantitative and qualitative assessments was conducted across a cross-section of assets, calculating potential financial implications for the identified transition risks and opportunities detailed in our scenarios. It considered the financial impact of our transition scenarios for energy costs and the cost of raw materials.

Indicator	Transition Risk	Net Zero 2050		Current Policies	
		2030	2050	2030	2050
% of projected electricity spending from operating expense	Change in energy costs (including carbon pricing)				
% of projected liquid fuel spending from operating expense					
% of projected natural gas spending from operating expense					
% of projected cement spending from operating expense	Increased cost of raw materials				

■ Insignificant ■ Minor ■ Moderate ■ Major ■ Extreme

We conducted a qualitative assessment of transition risks/opportunities related to building codes, consumer preferences and concerns regarding climate change. Findings from our qualitative assessment are outlined below:

Energy/Carbon Costs	Efforts on the market to decarbonise are likely to be passed on to consumers. Our energy costs are likely to increase; however, we may experience a sudden surge if the market accelerates efforts under a Net Zero 2050 scenario.
Cost of raw materials	The cost impact of decarbonising the economy is not limited to energy. Our analysis indicates that the cost of raw materials, such as cement and steel, is likely to increase; however, this impact is reduced under a Current Policies scenario.
Building codes	We expect building codes to become more stringent under a Net Zero 2050 scenario, which will impact the cost of developing new buildings and upgrading our existing portfolio. This cost increase will result from building standards that set high standards around energy efficiency, emissions reduction, electrification, and improving the resiliency of assets against physical climate hazards.
Customer preferences and concerns	Under both the Current Policies and Net Zero 2050 scenarios, consumers will favour greener buildings.

RISK MANAGEMENT

Our approach to managing climate-related risks aligns with the Group's ERM framework, integrating with insights from the scenario analysis. We define a clear risk appetite to determine the prioritisation of climate-related risks, while emphasising resiliency measures in our response strategies – all guided by the key principles of our ERM framework.

For more details on our risk management approach, please refer to our 'Risk Management and Internal Control' section on page 120.

METRICS AND TARGETS

We conduct ongoing reviews of climate-related metrics and targets under the SV2030+ sustainable business approach.

Metrics

We continue to report our Scope 1, 2, and 3 GHG emissions as part of our wider ESG accounting. For information related to the Group's emissions and target progress, please refer to the 'Transition to a Low Carbon Economy' section on page 67 and the Sustainability Performance Data Table 2025 on our website.

Climate Resilience Targets

Recognising the need to respond to the physical impacts caused by climate change, we have set climate resilience targets. These targets will foster a more comprehensive understanding of the potential impacts of climate change across the Group, and integrate measures throughout the property lifecycle to enhance the climate resilience of our portfolio.

- All new and existing investments and operations assessed for potential climate-related physical and transition risks by FY2026;
- Climate adaptation and resilience plans set for all relevant investments and operations to protect value at risk by FY2030.

Since 2022, NWD has received the approval for near-term SBTs that align with 1.5°C pathway and has committed to reaching science-based net-zero by 2050. Following the consideration of latest business changes, NWD reassessed its near-term SBTs to ensure their validity, setting FY2023 as an updated baseline year. These targets, together with the net-zero target, were verified by SBTi in December 2024.

Science-based Targets

Overall Net-Zero Target:

- NWD commits to reaching net-zero GHG across the value chain by FY2050.

Near-term Targets:

- To reduce absolute Scope 1 and 2 GHG emissions by 42.0% by FY2030.
- To reduce absolute Scope 3 GHG emissions from capital goods by 25.0% by FY2030.
- To reduce Scope 3 GHG emissions from downstream leased assets by 51.6% per square metre by FY2030.

Long-term Targets:

- To reduce absolute Scope 1, 2 and 3 GHG emissions from capital goods, use of sold products, downstream leased assets, and investments by 99.6% by FY2050.

With the dedication to enhancing climate resilience, NWD has incorporated climate-resilient designs and conducted climate risk and adaptation assessments for its projects. In 2021, we appointed a consultant to establish a Climate Resilience Guideline for future development projects. This Guideline was established with reference to our ERM framework. It aims to proactively incorporate relevant climate mitigation and adaption design features and measures, thereby enhancing overall project sustainability and resilience against physical climate risks.

Following the portfolio-wide assessments, we conducted in-depth asset-level analyses to identify and assess asset-specific adaptation measures.

Shaping Climate Resilient Buildings: K11 ECOAST and 83 King Lam Street



K11 ECOAST

Recognised by the Real Estate Asia Awards 2024 and the ESGBusiness Awards 2024, as well as LEED Platinum, SITES Gold and WELL pre-certifications, K11 ECOAST Art and Cultural District by the Sea has incorporated climate resilient architectural features, reinforcing its position as a high-quality, future-ready built environment with over 228,500 sq m of gross floor area.

Risks	Climate Resilient Designs
Heat-related Risks	<ul style="list-style-type: none"> • Roof tile with high solar reflective index >78 • >10,000 sq m of green roof • >200 native plant species • "Green Belt" – a covered jogging trail surrounding the building • Trees and building structures contributing to >2,000 sq m of sunshade coverage • Energy-efficient district cooling system with ice storage for occupants' thermal comfort
Water-related Risks	<p>Implemented "Sponge City" design concept with</p> <ul style="list-style-type: none"> • >1,400 m³ total storage capacity • >6,300 sq m of permeable paving • >4,500 sq m of rain gardens and infiltration trenches • >18,000 sq m of total greenery provision

83 King Lam Street

83 King Lam Street is a Grade A commercial building in Kowloon West, Hong Kong to receive the Best Futura Project (Silver) award at the MIPIM Asia Award 2021 and has also obtained WELL Platinum, BEAM Plus Gold and LEED Gold certifications.

We engaged an external consultant to conduct a climate risk and adaptation analysis based on the IPCC AR6 framework. This analysis evaluated risks from extreme climate events and resilience build-up across four key areas: hazards, exposures, adaptive capacity, and response preparedness, concluding with an evaluation of the building's vulnerability and readiness for future climate hazards.



Risks	Adaptation Measures in Place
Heat-related Risks	<ul style="list-style-type: none"> • Adopted rooftop greenery to reduce the urban heat island effect • Adopted high-performance façade • Conducted load design conditions with regular review
Water-related Risks	<ul style="list-style-type: none"> • Flood barriers and floodgates available around important entrances • Arranged elevated plant rooms to eliminate the impact of urban waterlogging
Wind-related Risks	<ul style="list-style-type: none"> • Installed typhoon-resistant doors and windows • Implement Standard Operating Procedure to protect people from injury and asset damage during a typhoon • Carry out preventive inspection regularly to identify signs of wear and tear

TRANSITION TO A LOW CARBON ECONOMY

NWD strives to achieve the near-term SBTs in line with the 1.5°C pathway outlined in the Paris Agreement. Guided by SV2030+, NWD drives progress towards targets on emissions and renewable energy to construct a low carbon future.

GREENHOUSE GAS EMISSIONS TARGETS

Our SV2030+ sets near- and long-term targets on greenhouse gas (GHG) emissions and works towards net zero, considering our properties and construction operations, by 2050. The Group's approved near-term SBTs have been regularly reviewed with business needs to ensure their validity. In December 2024, NWD received approval from SBTi on our net-zero science-based target by 2050 against a baseline of FY2023.

Overall Net-Zero Target:

- NWD commits to reaching net-zero GHG emissions across the value chain by FY2050.

Near-term Targets:


























- To reduce absolute Scope 1 and 2 GHG emissions by 42.0% by FY2030.
- To reduce absolute Scope 3 GHG emissions from capital goods by 25.0% by FY2030.
- To reduce Scope 3 GHG emissions from downstream leased assets by 51.6% per square metre by FY2030.

Long-term Targets:

- To reduce absolute Scope 1, 2 and 3 GHG emissions from capital goods, use of sold products, downstream leased assets, and investments by 99.6% by FY2050.

DECARBONISATION ROADMAP

We have developed a Decarbonisation Roadmap (the "Roadmap"), which sets an ambitious plan to reduce emissions for meeting our near-term SBTs by FY2030 that is in line with limiting global warming to 1.5°C. We will further integrate the Roadmap into investment decisions to capitalise on opportunities and amplify positive impacts through initiatives and our long-term targets. Being a signatory to the BEC Net-Zero Carbon Charter, we demonstrate our efforts on decarbonisation.

	INITIATIVES	OUTCOMES	
	Design, construct and invest in high performance green rated buildings	 Decrease energy demand and associated emissions with a high-performing asset portfolio	
	Sustainable procurement	 Reduce emissions in our supply chain partners via the use of low carbon goods and services	
	Energy efficiency plans on all our investment properties	 Reduce emissions via integration of energy efficiency upgrades into asset investment plans	
	Accelerate CSV Green Lease implementation across our assets	 Support our tenants to reduce their energy use and emissions during fit-out and operation	
	Upgrade existing investment portfolio and design new assets to be all-electric	 Eliminate fossil fuel use and associated emissions from our business activities	
	Provide electric vehicle charging infrastructure	 Support transition towards low-carbon transport options for our residents, tenants and customers	
	Maximise on-site renewable energy generation and storage	 Reduce operational emissions and improve resilience by lowering reliance on the grid	
	Purchase renewable energy	 Reduce asset emissions and support development of renewable energy infrastructure	
	Implement embodied carbon benchmarks on our new developments	 Continually reduce our upstream emissions from our developments via sustainable design and use of low carbon material solutions	
	Implement low carbon construction schedule	 Reduce construction related emissions through increased electrification, use of alternative fuels and low carbon materials	

Our value chain



Our Development Properties



Our Investment Properties



Our Supply Chain/Products



Our Tenants and Customers

Scope of carbon emissions



Scope 1

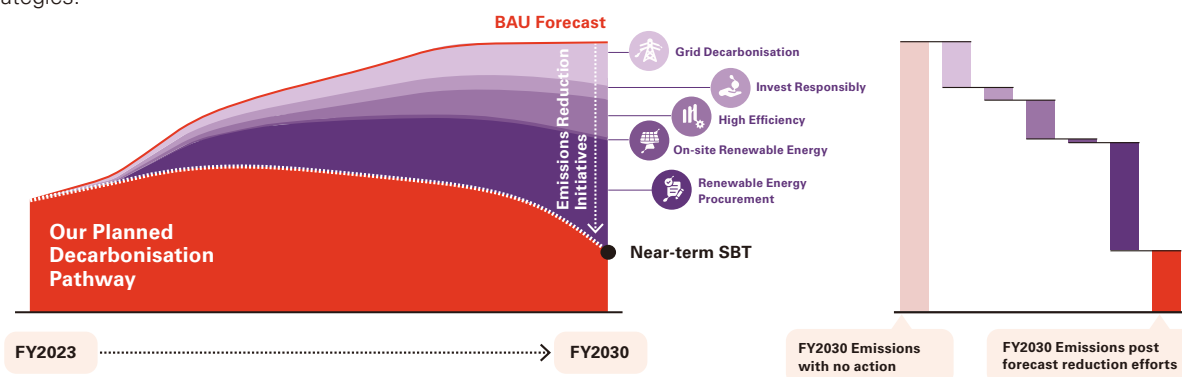


Scope 2



Scope 3

We have forecasted our Scope 1 & 2 decarbonisation pathway from FY2023 to FY2030, applying scenarios and accounting for pipeline growth to predict the expected emissions reduction resulting from the application of emission reduction strategies.



As our business expands, we conduct regular reviews of emissions forecasts and evaluate the effectiveness of decarbonisation measures. We will update the Roadmap periodically to revise reduction forecasts that align with actual performance. We expect to further release Scope 3 decarbonisation pathways for Category 2 Capital Goods and Category 13 Downstream Leased Assets in the future.

Invest Responsibly

At NWD, we emphasise on promoting green buildings and sustainable procurement.

Obtaining green building ratings and certifications requires independent verification of buildings' performance across various environmental and social factors. We have a Sustainable Building Policy in place to guide our green building journey.

We strive to achieve:

- BEAM Plus Gold Level or above for new projects in Hong Kong
- LEED Gold level or above for new commercial/retail projects in Hong Kong and Mainland China

Where feasible, we consider attaining certifications under:

- China Green Building Evaluation Labels ("Two Star" or above) for Mainland China projects
- WELL Building Standard at any level
- Sustainable SITES Initiative at any level for climate resilient landscaping

NWD continues to advocate sustainable building practices and the broader application of green building certifications. Following the signing of a Memorandum of Understanding ("MoU") to support the expansion of the BEAM Plus certification to cities outside Hong Kong, Qianhai CTF Finance Tower has been recognised as Shenzhen's first office building that achieved the highest "Excellent" ratings in both Management and Energy Use categories in June 2025. This milestone underscores our commitment to advancing green building standards across the border.

Achievements in Green Buildings¹

- 44 LEED certificates², of which 31 achieved Gold or above
- 22 BEAM Plus certificates³, of which 21 achieved Very Good/Gold or above
- 6 China Green Building Evaluation Labels ("Two Star" or above)
- 3 SITES certificates at Gold level
- 2 Zero-Carbon-Ready Building Certification
- 12 WELL Building Standard certificates⁴
- 10 WELL Health-Safety Ratings

¹ Excluded expired certificates

² Includes both pre-certified and certified projects as of 30 June 2025

³ Includes Provisional Assessment and Final Assessment certificates for both New Buildings and Existing Buildings as of 30 June 2025.

⁴ Includes both pre-certified and certified projects as of 30 June 2025. All projects are either Gold certified or V2 pre-certified; V2 pre-certification no longer includes a rating, but all projects are targeting Gold or above.

Hangzhou New World Art Centre — an Award-winning Sustainable Development

Key achievements:

- Designed and constructed according to LEED Gold, WELL Gold, SITES Gold and China Green Building Evaluation Labels Three Star
- Pioneered lifecycle-based building performance optimisation
- Received the “Sustainable Development of the Year – China” in Real Estate Asia Awards 2025

Located in Hangzhou, China, an emerging hub for global service industry leaders and high-value economic activities, Hangzhou New World Art Centre is a 740,000 sq m mixed-use development combining residential, commercial, and recreational spaces with an interconnected design.



Green Building Features

- **Energy Efficiency:** Use high-performance HVAC systems and intelligent lighting controls to reduce energy consumption by 20% compared to ASHRAE baseline standards
- **Energy Recovery:** Adopt air-sourced heat pumps and boiler systems for exhaust recovery, contributing to a projected annual energy saving of up to 1,350,000 kWh with an estimated operational savings of RMB1 million per year
- **Renewable Energy:** Install around 1,100 sq m of solar pergolas and PV panels, contributing to an annual yield of >213,000 kWh with an estimated operational savings of >RMB150,000 per year
- **Water Conservation:** Adopt water-efficient fixtures and rainwater harvesting systems to achieve >45% and >95% savings for indoor and outdoor water use, respectively
- **Sustainable Materials:** Use >25% recycled building materials such as steel, aluminium and concrete blocks and rapidly renewable bamboo formwork to reduce waste and GHG emissions
- **Indoor Air Quality:** Adopt low-VOC finishes and utilise CO₂/CO monitoring systems linked to smart ventilation to ensure optimal indoor air quality
- **Carbon Accounting:** Monitor and forecast embodied and operational carbon through Life Cycle Assessments (“LCAs”)
- **Urban Greenery:** Include a 500-metre central green corridor to enhance ecological connectivity among Wangjiang New Town, West Lake, and Qiantang River through spatial design



Bagua Terraces Geometry: Symmetrical balance of octagonal towers

High Efficiency

High energy efficiency is a key priority for all of our investment properties and we provide sufficient support to our tenants on daily energy reduction.

Energy Management

NWD has implemented a series of energy efficiency enhancement and improvement initiatives across our investment properties, driving energy savings and supporting our environmental targets. These measures are reinforced by regular performance reviews to evaluate effectiveness and ensure continuous improvement.

Energy Efficiency Programme	Description	Estimated Annual Savings
Energy-efficient HVAC equipment	Enhanced overall chiller plant efficiency through: <ul style="list-style-type: none"> Upgrading two chiller plants with variable speed drives Optimising chiller system control with real-time monitoring and demand forecast with historical weather data in the Centralised Control Management System 	700,000 kWh for New World Tower
Building energy management systems	Deployed Internet of Things ("IoT") sensors to monitor temperature and humidity and leveraged AI-driven demand forecasting and adjustment to achieve energy saving	83,000 kWh for THE FOREST
Retrofitting lighting	Replaced existing lighting with high-efficiency LED tubes in back-of-house and carpark areas	361,000 kWh for K11 Shanghai 205,000 kWh for K11 MUSEA 58,000 kWh for K11 ATELIER King's Road 20,000 kWh for New World Tower

In addition to the above energy efficiency programmes, NEW PARK and The Canton Place in Guangzhou have entered a 10-year Energy Performance Contract, allowing us to save energy at no capital costs and share financial benefits with our partners. The expected performance-based reduction ranges from 10% to 22%.

Managing our Downstream Leased Assets

Through our green lease programme, and supported by submetering, we collaborate with tenants to gather and manage electricity usage data. This strategic partnership not only allows us to assess Scope 3 emissions more effectively but also supports our ongoing energy management initiatives. By working together, we aim to identify opportunities for energy efficiency improvements and reduce our overall carbon footprint.

Alternative Fuels and Electrification

We recognise the importance of adopting alternative fuels and electrification to reduce emissions. Consequently, we are reviewing and upgrading, whenever possible, our existing investment portfolio and designing new assets to be fully electric.

We are actively expanding the provision of electric vehicle charging infrastructure in our investment properties and advancing electrification in our construction practices, aiming at minimising fossil fuel use and associated emissions.



Renewable Energy



Our Renewable Energy Roadmap has been developed to outline our proactive plan for installing on-site renewable energy systems, including photovoltaic panels, solar thermal systems, and wind turbines, at our assets, whenever possible and commercially viable.

We have developed renewable energy systems across our asset portfolio such as K11 ECOAST, K11 ATELIER King's Road, and 83 King Lam Street. As of FY2025, over 50% of NWD's new commercial construction and renovation projects are designed with on-site renewable energy systems. Meanwhile, assessing the applicability of retrofitting existing buildings with renewable energy system installations remains one of our focuses.

In addition to generating on-site renewable energy, we also explore renewable energy procurement opportunities through Power Purchase Agreements and Renewable Energy Certificates, or their equivalents, directly from energy providers or through their partners. We have introduced a set of screening criteria for sourcing Renewable Energy Certificates to guide and prioritise our procurement decisions and uphold high standards, ensuring the reliability and integrity of our renewable energy procurement.

Low Carbon Construction

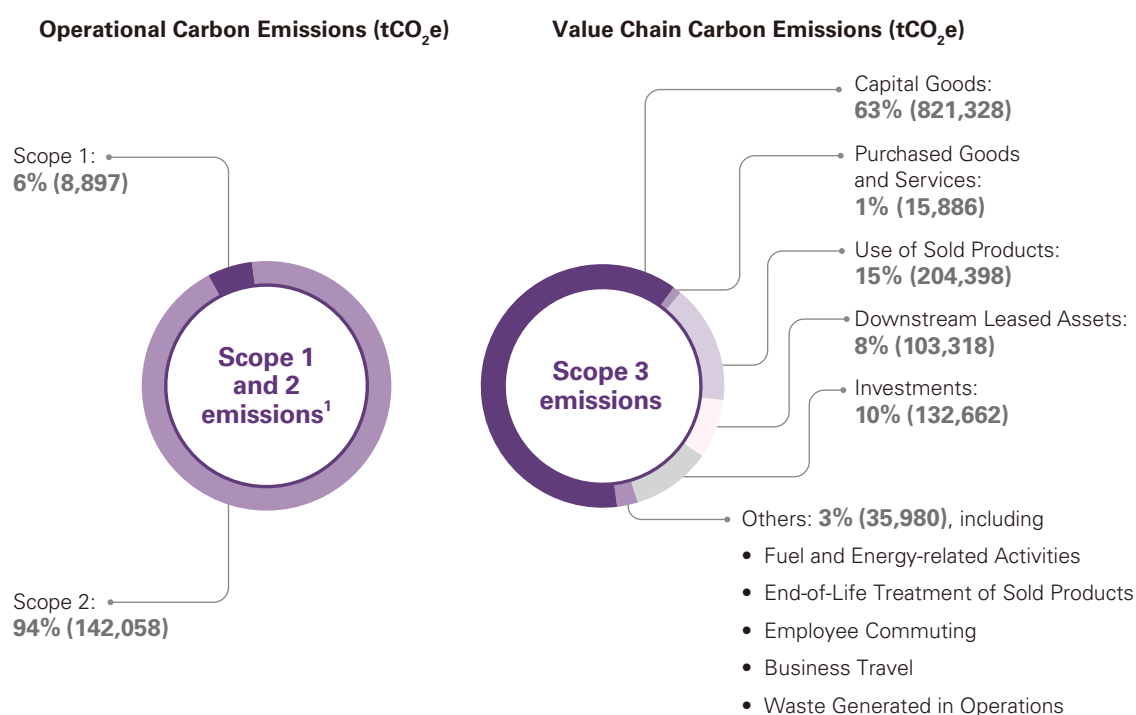
In service of our SBT on Scope 3 Capital Goods regarding the management of embodied carbon in our development pipeline, we have been conducting LCAs in the majority of our Hong Kong projects. This Year, we have expanded the efforts to Mainland China projects, exemplified by our Hangzhou New World Art Centre. Findings from the studies help us make informed decisions about using materials with lower embodied carbon wherever feasible. As our project pipeline in Mainland China grows, we see a valuable opportunity to apply these insights to other new developments.

Embodied carbon in steel is a significant source of Scope 3 GHG emissions for property developers in Hong Kong and Mainland China, prompting ULI Greenprint to initiate a transition to low carbon steel production in the real estate sector. NWD, along with 13 other leading property developers, has endorsed the Collaboration Statement on Low Carbon Emissions Steel for Real Estate in China. Key objectives of the initiative include improving data transparency, encouraging low carbon options and promoting sustainable procurement. This initiative is essential for driving innovation and supporting China's sustainability objectives, including its dual carbon targets.

FY2025 EMISSION PROFILE

We are aware of our significant role in driving the transition to a low carbon future and have set ambitious targets for our emission reduction. With our decarbonisation roadmap and associated strategies in place, we actively monitor and manage our emissions and progress towards the Group's approved near-term SBTs, which cover our properties and construction operations in Hong Kong and Mainland China.

In FY2025, we continued to work towards our near-term SBTs and our carbon emission profile is shown below:



Our operational emissions (Scope 1 and 2) are primarily attributable to Scope 2 emissions, which include indirect emissions from purchased electricity, accounting for 94% of our total operational emissions. This highlights the critical importance of our energy efficiency programmes and transition to renewable sources. Direct emissions from our owned assets (Scope 1) represent a smaller portion at 6%. There is an approximately 5% reduction in overall Scope 1 and 2 emissions compared to the previous financial year. With 8.3% and 4.4% reduction in Scope 1 and Scope 2 emissions, respectively, we continue to implement more effective carbon reduction initiatives and strive to improve data quality for future disclosures.

¹ The figure indicates NWD's FY2025 Scope 1 & 2 emissions (location-based). Further details on definition and calculation method and NWD's FY2025 Scope 1 & 2 (market-based), please refer to the Sustainability Performance Data Table 2025 on our website.

In accordance with the GHG Protocol, we have conducted a screening of the 15 Scope 3 emissions categories and identified 10 categories which are related to NWD business activities for further accounting purposes. We continually enhance the data collection approach and calculation methodologies for Scope 3 emissions. For instance, we are disclosing the emissions from Category 1 Purchased Goods and Services of the Group, as well as including the emissions of our hotel business in Category 15 Investments for the first time in FY2025. We will continue to enhance our data collection strategy to improve data accuracy and quality for Category 2 Capital Goods and Category 13 Downstream Leased Assets.

This year, our Scope 3 emissions are heavily concentrated in two key areas: the acquisition of Capital Goods (63%) and the Use of Sold Products (15%). Together, these categories represent over three-quarters of our total footprint. The remaining emissions come from our Investments (10%), Downstream Leased Assets (8%), Purchased Goods and Services (1%), and other minor sources (3%), including fuel- and energy-related activities, business travel, employee commuting, waste generated in operations, and end-of-life treatment of sold products. This profile sharpens our focus on supplier engagement and product innovation to drive meaningful reductions.

More information on our calculation methods is outlined in the Sustainability Performance Data Table 2025, and the selected emissions data are subject to independent limited assurance. Both the Sustainability Performance Data Table 2025 and the limited assurance report are accessible on our website.

CONSERVING NATURAL RESOURCES

NWD advocates for the responsible use and conservation of natural resources in our developments, operations, and investments. NWD also ensures that all its active construction sites with completed preparatory project works are certified to ISO 14001. We ensure that 100% timber used in temporary works across our Hong Kong development projects is either sustainably sourced (e.g. FSC or PEFC certified) or reused. In Mainland China, we prioritise the use of recycled timber and alternative reusable or recyclable materials.

WATER MANAGEMENT

NWD is committed to designing water-saving buildings for efficient operation and supporting responsible management and conservation of water resources. Guided by our Water Policy, we integrate water management initiatives into our operations and across our value chain. We have implemented various water efficiency and conservation initiatives and continuously monitor our water consumption and wastewater discharge procedures to prevent contamination.

We adopt water safety plans in accordance with the recommendations of the World Health Organization (WHO). All key properties of the Hong Kong commercial portfolio are awarded with “Quality Water Supply Scheme for Buildings – Fresh Water (Management System)” and “Quality Water Supply Scheme for Buildings – Flushing Water” issued by the Water Supplies Department. This safeguards the health and wellbeing of the building users including our tenants and customers.

Our ongoing water-saving measures include the adoption of water-efficient equipment and low-flow sanitary fittings among our major properties. Other initiatives include rainwater harvesting, greywater recycling, and enhanced tenants’ water submetering for data monitoring in new projects and major refurbishments. We also select native plant species in the landscape design to minimise irrigation water demand.

Water Efficiency Programme	Description and Benefits
Use of high-efficiency fixtures	Adopt water-saving equipment at five commercial projects with an aggregate annual water saving of >240,000 m ³
Reuse of storm water and/or grey water	Adopt storm water and/or grey water recycling systems at four Hong Kong projects and two Mainland China projects, with an estimated annual water saving of >66,000 m ³
Rainwater capture	The Canton First Estate contains 35 interconnected ponds, forming a self-circulating water system that can store and supply 900,000 m ³ of water for irrigation
Submeters for tenants	Install submeters to monitor tenants' water consumption and raise awareness on water usage at suitable properties

Policies and guidelines are in place to ensure wastewater generated from our operations complies with regulatory and licensing requirements. No convictions for non-compliance with wastewater discharge were recorded in FY2025.

WASTE MANAGEMENT

NWD is dedicated to driving the circular economy and reducing waste generated throughout our value chain. Our Waste Management Policy outlines our commitment to minimising waste generation, enhancing waste diversion rate and ensuring compliance with the overall waste management strategy across our operations.

We collaborate with employees, suppliers, contractors, and tenants to manage waste through guidelines, training, and programmes. We have also installed recycling facilities in our projects to enable our business partners to conduct waste sorting and recycling. Contractors working on our development projects are required to prepare a Waste Management Plan, outlining the proactive project-specific waste management practices and procedures adopted, covering all new projects.

Regular independent waste audits are conducted at several of our key managed assets in Hong Kong, involving site operation teams, tenants, and waste contractors. These audits enabled us to evaluate the effectiveness of our current waste management practices, benchmark our performance, and identify areas for improvement. Based on the audit findings, we are taking the following actions to reduce waste generation and increase our recycling rate:

- Identify standard procedures for operational staff and tenant education and engagement on waste management;
- Determine potential improvement related to waste management, including that for plant and equipment; and
- Review waste contractor practices and procedures.

Following a waste audit and having identified operational risks for tenants, we upgraded the food composter at the Victoria Dockside to the Food TranSmarter, one of Hong Kong's pioneering food waste solutions. The system enhances our operational efficiency with a centralised waste tank, enabling us to collect up to 1,000 kg of food waste daily. The waste tank can contain up to 10 tonnes of slurry, which is then transported to O · PARK1 for renewable energy generation.

We understand the importance of managing building material waste. To support the circular economy, K11 ECOAST has adopted 20% recycled content in façade and signage materials, and applied 100% recycled glass and aluminium at key main entrances.

These practical measures will also be extended to other retail and commercial properties in the next phase of implementation.

Looking ahead, we are working towards achieving a 30% total recycling rate (landfill diversion rate) across our relevant investments and operations by FY2030.



Eco-friendly Bricks at the Avenue of Stars

We have replaced the brick pavements at the Avenue of Stars with eco-friendly materials to enhance circularity. 26,300 bricks containing 25% recycled plastic were made from 7,390 kg of plastic recovered from 770 unwanted washing machines, in partnership with EcoBricks. By embracing these sustainable practices, we improve the aesthetic appeal of the Avenue of Stars while reducing landfill waste.



26,300
Bricks
Produced



25%
Recycled
Plastic
Content



7.4t
Plastic
Upcycled



770
Washing
Machines

CONSERVING BIODIVERSITY

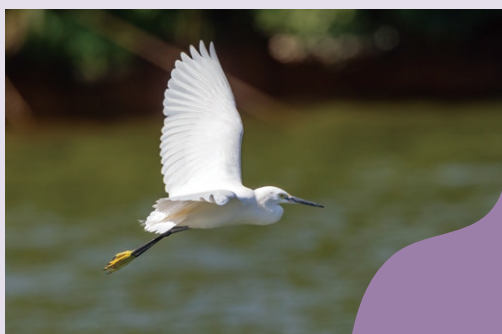
We understand the importance of biodiversity protection to minimise the impact on natural resources and habitats. Our Biodiversity Policy governs the protection of the natural and landscape environment, as well as the prevention of potential biodiversity loss, throughout our operational and value chain activities.

With the Group's aim of no deforestation, NWCL has set biodiversity-related targets for tree planting, including an 8% increase in trees to be planted in selected properties by the end of FY2025, compared to the baseline year of FY2023. This target was achieved in FY2025.

Biodiversity Study in Canton First Estate

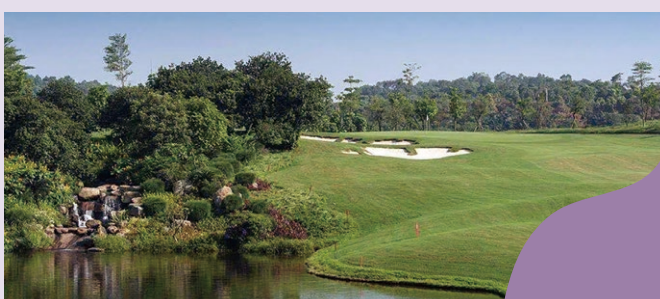


NWCL conducted a location-specific biodiversity exposure assessment in Canton First Estate as an initial step to understand and assess biodiversity-related risks. The study investigated ecological resources, regional policy requirements, and community positioning in FY2025. Adopting a sampling method that combines line transect and visual encounter surveys to document species populations and habitats, the research identified a diverse range of species, including amphibians, birds, insects, and plants. Notably, it highlighted the discovery of six bird species classified as Level 2 National Protected Wild Animals. The findings concluded that the Canton First Estate supports rich biodiversity, with no significant threats detected during the monitoring periods.



Built on the study, enhanced biodiversity protection measures and effective management strategies are being developed across three key areas: habitat restoration, species diversity conservation, and vegetation enhancement. We aimed to protect the key species identified in the survey by actively preserving freshwater ecosystems and wetland habitats. Meanwhile, we will promote the growth of native plants to improve overall ecosystem health and resilience.

Looking ahead, we plan to continue the study and expand it to other projects as part of a Group-wide assessment on nature-related risk and opportunities.



Onsite photos collected from Canton First Estate

Based on the biodiversity assessment results, NWD implements mitigation measures to reduce the impact and dependency on nature, whenever practicable. We will ensure, as far as possible, that our development projects are not located in biodiversity-sensitive areas. This minimises habitat disturbance, degradation, and indirect effects of operations, while advancing the principles of regeneration, restoration, and transformation for future development.

Moving forward, we work towards assessing nature-related risks and opportunities using the Locate, Evaluate, Assess and Prepare ("LEAP") approach recommended by the Taskforce on Nature-related Financial Disclosures ("TNFD").

ORGANISATIONAL RESILIENCE

Organisational Resilience is defined as cultivating a forward-looking and agile mindset to build a resilient, adaptable and sustainable business. Our approach focuses on promoting responsible investment, being a trusted partner to stakeholders and embracing innovation via robust technology and data governance.

OUR SUSTAINABLE BUSINESS APPROACH	OUR APPROACH AND KEY ACTIVITIES	HOW WE MEASURE PERFORMANCE	TARGET STATUS
 <p>Organisational Resilience</p> <p>Cultivate a forward-looking and agile mindset to build a resilient, adaptable and sustainable business.</p> <p>11 SUSTAINABLE CITIES AND COMMUNITIES 17 PARTNERSHIPS FOR THE GOALS</p>	 <p>Responsible Investment</p> <p>Ensuring investment decisions are socially and ethically responsible, environmentally sustainable and economically focused.</p> <ul style="list-style-type: none"> Invest in assets that are ethically responsible, and deliver positive economic, environmental and social impact. 	<p>BY FY2030</p> <p>All new and existing investments aligned to our responsible investment principles, including our commitment to certified sustainable buildings</p> <p>BY FY2026</p> <p>Minimum sustainability standards established for all relevant investments and operations</p>	<p>On Track</p> <p>Under Review</p>
	 <p>Trusted Partner</p> <p>Robust and transparent corporate governance throughout the organisation and value chain.</p> <ul style="list-style-type: none"> Integration of sustainability issues into business model and best practices in governance and disclosures. Responsible and sustainable supply chain. 	<p>ONGOING</p> <p>Maintain transparency in corporate disclosure and industry leadership in key ESG indices and ratings</p> <p>ONGOING</p> <p>Maintain commitments and alignment with international sustainable business practices and reporting, including UNGC and ISSB</p>	<p>On Track</p> <p>On Track</p>
	 <p>Technology and Data Governance</p> <p>Embrace innovation and strengthen governance to futureproof processes and ensure business continuity.</p> <ul style="list-style-type: none"> Embrace innovation to enhance efficiencies, futureproof processes and accelerate the realisation of our ambitions. Adopt industry-leading technology and systems to ensure business continuity, data security and privacy. 	<p>ONGOING</p> <p>All staff trained in data protection and security</p> <p>ONGOING</p> <p>Maintain annual review and audit of IT systems to continually align with international standards on data security and privacy</p> <p>ONGOING</p> <p>Implementation of the Privacy Management Programme with oversight from the Data Protection and Compliance Committee</p>	<p>On Track</p> <p>On Track</p> <p>On Track</p>

RESPONSIBLE INVESTMENT

NWD integrates sustainability commitments, standards, guidelines, and risks into investment decisions, as outlined in the Responsible Investment Policy. This Policy applies to all investments across the full property lifecycle, spanning from land acquisition to project acquisition, as well as new business development.

NWD makes decisions and undertakes a comprehensive due diligence process based on our ESG Investment Filters and Guidelines, identifying potential regulatory, compliance, ESG and ethical risks, as well as cost-reducing opportunities among the following focus areas:

Enterprise approach	<ul style="list-style-type: none"> Affirm investments are aligned with existing strategy, commitments, targets and policies Develop and implement risk mitigation measures where relevant
Environment and climate	<ul style="list-style-type: none"> Conduct physical climate risk assessments Conduct environmental site assessments, including considerations such as contamination, ecosystems, and pollution Take into consideration of carbon pricing impacts, resource efficiency, the nature, and biodiversity impacts
Ethical and social impact	<ul style="list-style-type: none"> Conduct social impact assessments on local heritage and economic impacts Conduct ethical and branding risk assessments Take into consideration of community and employee health and wellbeing, encourage inclusive placemaking and provide support for the local economy

SUSTAINABLE FINANCE

We utilise sustainable finance instruments to fund projects that can deliver a positive environmental and social impact. In December 2024, we have completed a strategic review and updated our Sustainable Finance Framework. The Framework is built on four core components to align with global sustainable finance standards and best practices. A Second-Party Opinion of Sustainability Quality Score “SQS2 Very Good” was obtained from Moody’s Ratings.

Aligning with Hong Kong Sustainable Finance Taxonomy and the ASEAN Taxonomy for Sustainable Finance, the Framework guides our funding transactions by adopting principles on Use of Proceeds, Process for Project Evaluation and Selection, Management of Proceeds, etc.

The Group has formed a “Sustainable Finance Review Panel” with senior representatives from Finance & Accounts, Group Audit and Management Services, Sustainability, and relevant departments. The Panel selects Eligible Green and Social Projects for financing based on a set of detailed eligibility criteria and manages projects’ environmental and social risks. Decisions are then communicated to the Board-level Sustainability Committee for further approval.

We list our sustainable finance offerings on the HKEX Sustainable and Green Exchange (“STAGE”), the first multi-asset sustainable investment product platform in Asia. Visit our website to access financing frameworks, details of our sustainable finance transactions, and our sustainable finance limited assurance report.

KEY MILESTONES ON SUSTAINABLE FINANCE

In line with our SV2030+ sustainable business approach, NWD has deployed sustainable finance instruments throughout its project development and operational activities.

In December 2024, we secured a new Sustainability-Linked Loan. The performance indicators are tied to promoting green and healthy buildings, for instance, obtaining WELL Health-Safety Ratings, enhancing energy efficiency for existing buildings and offices, as well as improving our ESG rating performance. This demonstrates our commitment to integrating sustainability into our financial decision-making and operational practices.

NWCL also took a step forward by allocating US\$30 million in Green Deposits in June 2025. These deposits support our banking partners in channelling funds towards projects that drive positive environmental and social impacts, such as green building development. Our approach supports the UN SDGs and aligns with strategic priorities across the Asia Pacific region.

These efforts reflect our ongoing commitment to responsible investment and long-term value creation for different stakeholders.

Sustainable Finance Transaction Summary

Green and Social Bonds

Instrument Number	Issue Date	Issuer	ISIN	Principal Amount (\$m)	Outstanding Amount (\$m)	Coupon	Maturity Date
Green Perpetual Bond							
GPB1	Jun 2022	NWD Finance (BVI) Limited	XS2435611327	US\$500	US\$345	6.15%	N/A
Green Bonds							
GB2	Apr 2021	NWD (MTN) Limited	HK0000721974	HK\$780	HK\$780	3.95%	Mar 2031
GB1	Mar 2021	NWD (MTN) Limited	HK0000707171	HK\$550	HK\$550	3.00%	Mar 2028
Social Bond							
SB1	Jun 2022	NWD (MTN) Limited	XS2488074662	US\$200	US\$172	5.875%	Jun 2027

Green Loans

Instrument Number	Execute Date	Borrower	Loan Amount (\$m)	Maturity Date
Green Loans				
GL5	Mar 2024	Super Record Limited	HK\$5,700	Mar 2027
GL4	May 2023	New World Finance Company Limited	HK\$4,000	May 2028
GL3	Oct 2022	New World Finance Company Limited	HK\$300	Oct 2027
GL2	Mar 2022	Spotview Development Limited	HK\$500	Mar 2027
GL1	Dec 2019	Full Asset Enterprises Limited	HK\$5,000	Sep 2027

Proceeds Allocation¹

Eligible Projects:	Instrument Number	Allocated Amount (\$m)
Green Buildings		
K11 ATELIER King's Road	GL1	HK\$4,000
NCB Innovation Centre	GB2	HK\$780
	GB1	HK\$550
	GL2	HK\$27
	GL1	HK\$1,000
11 SKIES	GL4	HK\$4,000
	GL3	HK\$300
	GL2	HK\$473
	GPB1	US\$500
83 King Lam Street	GL5	HK\$5,700
Eligible Projects:	Instrument Number	Allocated Amount (\$m)
Cultural and Heritage Preservation		
State Theatre	SB1	US\$200

¹ Unless otherwise specified, all bonds and loans have been 100% allocated. All issued green and social bonds and loans listed in this section were outstanding as of 30 June 2025.

Sustainability-linked Loans and Bonds

Execute Date	Borrower	Loan Amount (\$m)	Maturity Date	Purpose/Use of Proceeds
Sustainability-linked Loan				
Dec 2024	Legarleon Finance Limited	HK\$4,500	Dec 2029	• Linked to S&P CSA performance and sustainable building standards
Jun 2024	Spotview Development Limited	HK\$1,200	Jun 2027	• Linked to S&P CSA performance and CSV Green Lease adoption
Feb 2023	Spotview Development Limited	HK\$2,000	Feb 2028	• Linked to S&P CSA performance and CSV Green Lease adoption
Jun 2021	Spotview Development Limited	JP¥13,500	Jun 2028	• Linked to S&P CSA performance

Issue date	Issuer	ISIN	Principal (\$m)	Outstanding Amount (\$m)	Coupon	Maturity Date	Purpose/Performance Targets
Sustainability-linked Bond (Private)							
Feb 2021	NWD (MTN) Limited	HK0000685260	HK\$1,500	HK\$1,500	3.50%	Feb 2031	• Driving Renewable Energy Roadmap and linked to FY2026 progress
Sustainability-linked Bond (Public)							
Jan 2021	NWD (MTN) Limited	XS2282055081	US\$200	US\$76	3.75%	Jan 2031	• Driving Renewable Energy Roadmap and linked to FY2026 progress

TRUSTED PARTNER

As a trusted partner to our stakeholders, NWD upholds robust governance and sustainability across our organisation and value chain. This foundation strengthens our organisational resilience and guides responsible business practices that generate positive impact today and into the future.

We integrate sustainability into our business model and governance practices, collaborating with suppliers and partners to maintain a responsible and future-ready supply chain.

BUSINESS ETHICS

NWD maintains the highest standards of ethics and integrity across all business activities, ensuring responsible conduct that enhances long-term resilience in line with public commitments to the United Nations Global Compact ("UNGC"), particularly following anti-corruption and human rights as fundamental principles.

Preventing Fraud and Corruption

NWD's leadership is dedicated to banning all forms of corruption, bribery, fraud, and extortion. In addition to the Anti-Corruption Policy that applies to NWD at all levels and our business partners acting for or on behalf of the Group, NWD also engages external parties to conduct regular assessments. The insights gained from these analyses help track effectiveness and inform mitigation and management actions for ongoing improvement.

During FY2025, there were neither concluded legal cases regarding corrupt and related breaches nor convictions, nor any ongoing external investigations related to corruption and bribery.

Whistleblowing and Grievance Mechanism

NWD establishes anonymous channels for whistleblowing, grievances, and complaints to gather and address concerns from employees and stakeholders. As outlined in the Whistleblowing Policy, we ensure confidentiality in every case and protect whistleblowers from retaliation. Cases

are then forwarded to the Group Audit and Management Services Department for fair and independent investigations and appropriate follow-up actions. Additionally, we regularly review and report these cases to leadership teams to enhance transparency.

Human Rights

NWD is committed to uphold the fundamental principle of human rights. As a signatory of the UNGC principles on Human Rights and Labour, we are guided by international human rights principles and standards, such as the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. During the Reporting Period, no incidents of discrimination or harassment were reported at NWD.

Our Human Rights Policy guides employees, suppliers, and stakeholders in fostering safe, equitable, and supportive workplaces that promote respect and courtesy. NWD requires business operations and supply chains to conduct business free of discrimination, all forms of harassment, intimidation, violations, illegal and forced labour and human trafficking, including but not limited to child labour. If violations are discovered, NWD collaborates with suppliers to address human rights concerns through corrective action plans, while reserving the right of contract termination for severe violations to uphold our ethical standards.

DELIVERING QUALITY PRODUCTS AND SERVICES

NWD prioritises delivering high-quality and innovative products that undergone robust controls. We continue to develop and refine products and solutions that meet our customers' needs and improve their user experience. For residential projects, we have launched a PropTech property-purchase blockchain platform to streamline mortgage services throughout the property purchase process, delivering an all-in-one digital solution. This platform facilitates efficient collaboration among buyers, banks, real estate developers, law firms, property management teams, and other stakeholders. In addition, our customers can enjoy green mortgage plans when purchasing designated residential properties that hold a valid green building rating, highlighting the collaborative partnership among green building associations, industry players, and financial institutions.

Quality Assurance of Projects

We implement quality inspections during both pre-sales and handover phases to verify full compliance with specifications and quality standards, ensuring minimal deficiencies in our properties. By coordinating and supporting necessary rectification work, we strive to maintain our commitment to quality throughout the entire customer journey.

Responsible Marketing

We are committed to marketing responsibly and in accordance with all relevant ordinances, regulations and industry guidelines across our marketing, advertising and sales activities, including the Residential Properties (First-hand Sales) Ordinance and the Real Estate Developers Association of Hong Kong self-regulatory regime. Sales activities like sales hall event management is properly supervised by the Group. Robust internal standards and controls, supported by multiple levels of internal and external due diligence, are also established to ensure that all promotional materials provide accurate, transparent, and non-misleading information.

Members of our loyalty programme enjoy exclusive benefits and receive event invitations and newsletters from both internal and external partners, subject to the agreed terms and conditions.

RESPONSIBLE AND SUSTAINABLE SUPPLY CHAIN

We have established policies overseen by the Sustainability Committee and relevant controls to uphold commitments across our value chain and make informed procurement decisions:

- **Group Sustainability Policy:** Captures our commitment in collaborating with the value chain to advance sustainability, integrating sustainability criteria throughout our supply chain management approach, from supplier screening and tendering to engagement, performance monitoring and evaluation.
- **Sustainable Procurement Policy:** Defines sustainability criteria for informing procurement decisions. Suppliers that demonstrate sustainability commitments, supported by relevant policies and code of conduct, are prioritised for selection.
- **Supplier Code of Conduct:** Sets out the minimum standards covering ethical conduct, labour rights, privacy and data protection, and environmental impacts that suppliers and contractors are expected to adhere to and comply with.



NWD promotes green and sustainable practices among our suppliers. We encourage the use of environmentally preferable products, sustainable packaging, and services across their work scopes, as well as in their proposal and tendering processes. This includes products certified by the Forest Stewardship Council ("FSC"), Marine Stewardship Council ("MSC"), or other fair-trade organisations. NWD also prioritises local procurement to minimise emissions from transportation and promote the local economy.

Procurement-related risk factors are incorporated into our ERM and the Risk Management and Internal Control Assessment Checklist. Risks are evaluated by departments and BUs every six months and reported to the Board regularly. For imminent risks, they are reported through internal issue alert system to ensure prompt responses.

Assessing Supplier Performance

We embed sustainability into our procurement by mandating adherence to our Supplier Code of Conduct, with stringent environmental and social criteria for significant suppliers. Our screening process and assessment¹ are enhanced by evaluating country-, industry-, and commodity-specific risks through financial, legal, and operational due diligence. Whenever feasible, we apply a multi-stage process that includes pre-qualification checks on credentials and financial health, risk ratings via third-party credit tools, and on-site assessments on their technical and operational capabilities. This proactive approach allows us to build a resilient, transparent, and responsible supplier network.

We assess supplier performance on various aspects via desk and on-site assessments, for instance, quality, environmental protection, occupational health and safety, financial and legal standing, and product sustainability beyond regulatory compliance requirements. Suppliers with ISO certifications can gain a competitive advantage in

¹ Throughout the assessment, no evidence was identified to believe any suppliers posed actual/potential substantial negative ESG impacts. Hence, no suppliers were required to implement any corrective action plans.

the supplier assessment. We verify continued compliance, including current certificates and accreditations, during our supplier performance assessment process.

In FY2025, the Group has approximately 3,300 Tier-1 suppliers¹, with 24% from Hong Kong, 75% from Mainland China, and 1% from other regions. All Tier-1 suppliers have been screened. 605 are identified as significant suppliers, contributing to over 60% of total Tier-1 supplier spending.

Supplier Training and Engagement

We offer quality assurance training to help suppliers understand the details of our environmental and social sustainability requirements. NWD conducts regular performance evaluations for all suppliers, either quarterly or annually for long-term suppliers, and at a minimum of once for short-term engagements. Suppliers with poor performance may be subject to warnings, the return or exchange of goods with compensation, removal from our vendor list, and the development of improvement plans. Contract termination may occur if supplier performance fails to improve after these measures are implemented. To enhance the sustainability knowledge of our suppliers, we also have them participated in our supplier capacity-building programmes.

Our ERM considers supply chain, outsourcing and third-party management and supports our monitoring of external audits and due diligence activities for new and existing suppliers. We maintain records of suppliers' compliance status, including whether they have appropriate policies and systems in place.

UNDERSTANDING OUR TENANTS AND CUSTOMERS

We cater for the current and future needs of our tenants and customers through combining sustainability, innovation, and quality customer service. Refining our products and services ongoingly, we enhance customer satisfaction and experience and strive for excellence.

We conduct surveys with our tenants and customers, covering topics related to customer service quality, tenant communication timeliness, quality of property maintenance and cleanliness. To date, we have collected Voice-of-

Customer from 34,000 customers and tenants. K11 MUSEA recorded an annual average Net Promoter Score (NPS) of 93, reflecting strong customer satisfaction towards our services.

We prioritise tenants' health and wellbeing in response to feedback from regular tenant surveys. These tenant surveys serve as assessments to identify risks and opportunities, allowing us to embed health and wellbeing actions for our tenants. With 31% of tenants at K11 ATELIER highlighting physical activity as their top priority, we have introduced targeted initiatives, including fitness and yoga sessions at K11 ATELIER King's Road Rooftop Terrace, to cultivate healthier and more engaging workplaces. NWD assumes responsibility to maintain high standards of indoor air and water quality while optimising thermal comfort across its project portfolio. Our projects also incorporate biophilic design principles to foster connections with the natural environment, where applicable.



We apply standardised complaint handling procedures to address and respond to customer feedback promptly. During FY2025, we received approximately 1,400 complaints related to product and service responsibility. Our dedicated staff investigates every complaint and provides satisfactory responses and updates within a reasonable timeframe.

We are dedicated to delivering exceptional in-person and online customer experiences to ensure customer satisfaction and retention. We have developed a variety of mobile applications and digital tools across our BUs to support customers with property access, products and services, activity registration, loyalty points management, and more.

We regularly engage with our tenants and customers to share emerging sustainability requirements and up-to-date best practices through guidelines, trainings, events and tenant briefings.

¹ According to the company's record, NWD has no non Tier-1 significant suppliers.

Promoting Health and Wellness for our Tenants at New Metropolis Centre



New Metropolis Centre demonstrates the integration of health and wellness elements to promote tenants' wellbeing and create a supportive community space:

Concepts	Initiatives and Benefits
Tenants' health and wellbeing designs	<p>Air quality:</p> <ul style="list-style-type: none"> MERV-13 air filters and nano photon purification system to block 90% of outdoor pollutants Air quality sensors monitoring indoor air quality (CO₂, PM2.5, PM10 concentrations) <p>Thermal comfort:</p> <ul style="list-style-type: none"> Well-designed building mass and form to ensure natural wind flows for thermally-comfortable outdoor environment Indoor humidity maintained at around 60% <p>Acoustical comfort:</p> <ul style="list-style-type: none"> Double-glazed windows, well-designed exterior walls and floor structures to reduce background and traffic noise <p>Natural lighting:</p> <ul style="list-style-type: none"> Daylight assessment through computational simulation to maximise natural light, resulting in >55% area accessing to >300 lux daylight in >4 hours daytime <p>Biophilic design:</p> <ul style="list-style-type: none"> Unique zigzag design with sky gardens at various levels, offering stunning views and natural surroundings for occupants Two floors of communal space with greenery for building users to engage with one another and connect with the nature <p>Accessibility:</p> <ul style="list-style-type: none"> Barrier-free facilities to fit the needs of customers and tenants, such as slip-resistant floor design, accessible toilets, disabled carpark area, etc.
Smart living solutions for building users	<p>"NEW LIVING"</p> <ul style="list-style-type: none"> Smart tenant services through WeChat Mini Programme for facilities reservation, visitor management and payment to enhance user experience, convenience and security
Tenant engagements	<p>Knowledge exchange activities:</p> <ul style="list-style-type: none"> In FY2025, over 30 tenants gathered to exchange smart office ideas related to sustainability and innovation <p>Mental health promotion:</p> <ul style="list-style-type: none"> Cultivate a supportive tenant community and regularly implement initiatives to raise awareness of mental health topics

We facilitate collaborations with like-minded tenants to support and achieve our mutual ESG goals. In FY2025, we piloted an enhanced landlord-tenant collaboration under our green lease programme, leveraging the installation of IoT and smart metering to help selected tenants track and share environmental data, identify energy-saving opportunities, and advance their decarbonisation targets. These pilot initiatives contribute to our broader efforts to manage Scope 3 emissions and improve portfolio-wide sustainability performance. We appointed a consultant to conduct a study on this initiative for applying improved energy and resource efficiency measures across all project phases, from fit-out, operations, refurbishment to deconstruction. At K11 ATELIER, over 70% of leased floors have pledged to join our green lease programme.

Looking ahead, we will continue to refine our offerings to ensure our programmes for tenants and customers remain fit for purpose with value delivery.

GOVERNMENT COLLABORATION

As a trusted partner of our stakeholders, NWD maintains a collaborative and synergistic relationship with the Government to champion sustainability practices, especially on driving progress in green building development and guiding effective policy planning.

Qianhai CTF Finance Tower: A Pilot Project for Qianhai's Green Building Standards

As one of the first pilot projects, our CGBL-, LEED-, WELL- and BEAM Plus-certified Qianhai CTF Finance Tower contributed to the development and implementation of the "Environmental Assessment Standard for Green Building in Qianhai Shenzhen – Hong Kong Modern Service Industry Cooperation Zone" via arranging technical site visits and providing construction and operation data.

Under the "One Assessment, Dual Certification" mechanism, the standard serves as a pioneering model for building a green and low carbon system across Hong Kong and Mainland China. Using Hong Kong's

green building standard "BEAM Plus" as the basis, it further incorporates national standards and Qianhai's development needs, forming a replicable and scalable path for the development of green building assessment practices.

This initiative not only addresses the local needs of Qianhai but also facilitates deeper integration between Shenzhen and Hong Kong – and even the broader Greater Bay Area – in terms of green building assessment mechanisms, policy tools, and technical approaches. It is a concrete action that echoes the Government's strategy on Shenzhen's standardisation reform and the goal of establishing an international, high-quality green building standard.

We will continue to work closely with the Government and governmental authorities, contributing to the development of standards and industry best practices across regions where we operate.



TECHNOLOGY AND DATA GOVERNANCE

Embracing innovation and strengthening our technology and data governance enables us to future-proof processes and ensure business continuity, while supported by defined governance targets.

DATA PRIVACY AND CYBERSECURITY

Data privacy and cybersecurity are fundamental to our technology and innovation initiatives. We prioritise the protection of employee and stakeholder information, strengthening defences against cyber threats, and building trust in our digital solutions. Over the past year, we monitored Key Risk Indicators for data privacy and cybersecurity to identify potential risk exposures early.

Information Security Governance

Amid the rapid growth of digitalisation and cross-border data flow, we are adapting to the changing data privacy landscape. To prepare for new data privacy laws and regulations, we established a Data Protection and Compliance Committee to strengthen governance and oversight of our data privacy and protection compliance requirements. This Committee, which includes the NWD Personal Data Privacy Officer, CEO, CFO, and executives from various functions, reports to the Audit Committee of the Board. It oversees the implementation of the Privacy Management Programme ("PMP") to foster a culture of data protection. In addition, a Data Privacy Protection Office has also been established to assist in the day-to-day implementation and management of the programme controls of the PMP. For further details of the Data Protection and Compliance Committee, please refer to the 'Corporate Governance Report' section of this Annual Report.

Our Cybersecurity Committee, comprising senior IT representatives from each BU, addresses issues and formulates long-term strategies under the oversight of the Group Head of Technology. We have undergone an independent external audit to verify our compliance with international security standards and are certified with ISO 27001:2022. This certification is further supported by ongoing annual audits of our IT management processes and regular vulnerability analyses.

Management Approach

Our internal policies offer a strategic framework for handling personal data, which is reviewed and updated as necessary by the Data Protection and Compliance Committee. NWD has established the Personal Data Privacy Policy and Guidelines, the Personal Data Access and Correction Policy, the Personal Data Privacy Enquiries and Complaints Handling Policy, and the Personal Identifiers Policy, ensuring compliance with Hong Kong's Personal Data (Privacy) Ordinance ("PDPO") and Mainland China's Personal Information Protection Law ("PIPL").

In FY2025, the Data Privacy Protection Office has received no customer privacy complaints. No convictions for breach of laws and regulations related to privacy and no loss of customer data has been identified.

Cybersecurity

Our IT Policy protects information assets and guides responsible use of information technology, the policy includes guidance on the appropriate usage of AI in the workplace to ensure that its usage will not pose risk to sensitive company data, business reputation and regulatory compliance. In addition, our cyber-related procurement procedure helps assessing the suitability of technology solutions when we engage suppliers to support our cybersecurity efforts. We utilise advanced technologies and develop cyber risk dashboards for monitoring vulnerabilities, with incident response procedures in place for cyberattacks or data breaches. Suppliers are also evaluated to ensure their solutions meet our security standards. For more details of our robust governance systems on cybersecurity risks, please refer to the 'Corporate Governance Report' section of this Annual Report.

In FY2025, we conducted ongoing evaluations of our cybersecurity framework and practices to maintain the robustness and effectiveness of our IT defence systems.

Leveraging AI to Enhance Performance and Sustainability

In FY2025, we expanded the adoption of AI to mitigate operational risks and enhance operational efficiency, whilst upholding data security and regulatory compliance standards. AI tools, including an enterprise-grade assistant, have been deployed across corporate functions to streamline internal reporting and query handling. These initiatives align with the Group's established IT governance framework, data security, and cybersecurity standards, aiming to improve transparency, reduce human errors, and boost productivity. We monitor performance improvements via metrics like estimated reductions in reporting time and collect qualitative feedback from users.

The project design stage is vital for our core business in the real estate sector. The pilot implementation of AI-driven generative design tools has accelerated early-stage planning, reduced the number of design iterations, and minimised reliance on physical samples. Performance is assessed through project-level tracking of design revisions. Looking ahead, the Group will continue to enhance user awareness through trainings on responsible use of AI tools, ensuring alignment with corporate policies and standards.

Personal Data Privacy

We are committed to fostering a culture of privacy compliance, enhancing our competitiveness and adhering to the regulatory framework, thereby safeguarding business continuity in information security-related aspects. Protecting data is essential for building trust and integrity with our stakeholders and customers, as well as for avoiding reputational damage caused by data mishandling or breaches.

EMBRACING INNOVATIONS IN PROPERTY DEVELOPMENT

Build with Construction Technology

We utilise digital platforms to facilitate cross-departmental communication and collaboration, thereby enhancing operational efficiency and ensuring adherence to the property development standard. The platforms enable tracking all project details, including timelines and progress. Innovative solutions are also applied in construction practices to optimise the design, construction and renovation process.

NWD was the first developer to receive in-principle acceptance from the HKSAR Buildings Department to adopt the Modular Integrated Construction ("MiC") system. This construction method shortens the construction period, ensures health and safety, improves workmanship and quality and reduces waste and environmental impacts.

NWCL partnered with a construction technology company to deploy data-driven construction technologies, supporting a seamless conversion from 2D drawings to 3D presentations. Furthermore, the partnered company supplies us with building materials manufactured through an automated process launched by smart factories.

NWCL also introduced "NEW LIVING" as a one-stop digital platform with a series of WeChat Mini Programmes to promote the smart home concept in our projects and enhance customer convenience. Big data has been integrated into a centralised platform for real-time monitoring, advanced analytics, and comprehensive management of a living community. Users can also use this platform to explore the surrounding community, facilitating resource integration.

Intellectual Property Rights

We proactively invest in solutions that can capitalise on proprietary and collaborative Intellectual Property ("IP") opportunities when appropriate. Our commitment is demonstrated through strong policies that protect our IP rights while respecting those of others. We continuously monitor the status of our IP to ensure they remain protected.

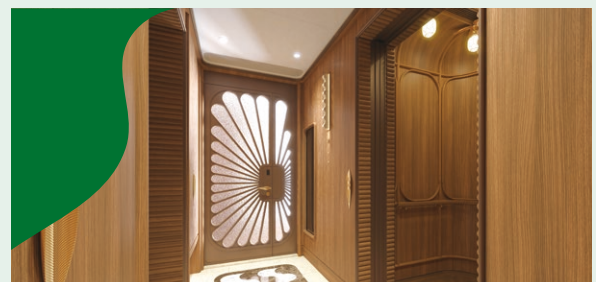
Customer-centric Innovative Designs in Residential Projects

We are committed to delivering high-quality and innovative products that meet and exceed customer expectations. By regularly gathering Voice-of-Customer insights, we integrate patented and user-friendly designs into our development projects. The Artisan Foyer+ is applied at Deep Water Pavilia, exemplifying our dedication to enhancing customers' health, safety, and convenience through the following features:

- High Efficiency Particulate Air filter systems for cleaner air ventilation
- Sanitisation systems to reduce bacteria and viruses
- Ventilated shoe cabinets to prevent mold and odour
- Steam closet care system to remove odour, bacteria and viruses

Besides, we also introduced LAUNDRY+, an integrated laundry and storage solution, in response to customer needs for enhanced convenience and space optimisation. This design has become one of our most popular designs, as reflected in users' feedback. According to our 2025 New World CLUB survey, customers valued NWD's originality, innovation and practicality in design.





These innovations reflect our commitment to understanding customer expectations, while delivering high-quality and sustainable homes which enhance user experience.



CORPORATE SUSTAINABILITY

ENRICHED LIVES

Enriched Lives captures our commitment to enhancing the health and economic wellbeing of our stakeholders. We invest in our people and communities, while also fostering vibrant local economies. This focus area brings value to our people by building workforce capabilities and promoting an inclusive culture within safe environments. Through strategic partnerships, we support local community development and invest in local businesses to drive economic prosperity for all.

OUR SUSTAINABLE BUSINESS APPROACH	OUR APPROACH AND KEY ACTIVITIES	HOW WE MEASURE PERFORMANCE	TARGET STATUS
 <p>Enriched Lives</p> <p>Enhance the health and economic wellbeing of our stakeholders.</p> <div> <div>3 GOOD HEALTH AND WELL-BEING</div> <div>8 BETTER HOUSING AND ECONOMIC GROWTH</div> </div>	 <p>Investing in Our People</p> <p>Fostering a people-centric, vibrant and inclusive culture supported by safe and healthy workplaces.</p> <ul style="list-style-type: none"> Prioritise employee wellbeing, engagement and development programmes. Deliver healthy, diverse and inclusive workplaces. 	<p>BY FY2030</p> <p>NWD recognised as preferred employer of choice.</p> <p>ONGOING</p> <p><1.5 Lost-time injury rate (LTIR)</p>	<p>On Track</p> <p>On Track</p>
	 <p>Thriving Communities</p> <p>Advancing local development with community partners and delivering on health and economic outcomes.</p> <ul style="list-style-type: none"> Partnering with key stakeholders, community groups and local institutions to address local community needs. Creating healthy and inclusive spaces that connect people, celebrate culture and provide access to diverse amenities. 	<p>ONGOING</p> <p>We strive to create a vibrant and resilient community. We invest in impactful social programmes and initiatives delivering health and economic wellbeing outcomes, including:</p> <ul style="list-style-type: none"> Inclusive skilling, education & employment programmes Charitable donations and foundations Community health and wellbeing initiatives Industry association, university and research partnerships Arts, heritage and cultural projects Corporate volunteering activities Community emergency response Community funding and grants 	<p>On Track</p>
	 <p>Vibrant Local Economy</p> <p>Invest in local business community to improve economic prosperity for all.</p> <ul style="list-style-type: none"> Support learning, skilling and employment programmes in collaboration with local partners and businesses. Foster local business partnerships with our operations, tenants and customers. 	<p>BY FY2030</p> <p>All community programmes are aligned to our social impact investing framework</p> <p>BY FY2026</p> <p>Develop a social value framework to measure and report on impact investment outcomes</p>	<p>Under Review</p> <p>Under Review</p>

INVESTING IN OUR PEOPLE

We understand the importance of recognising our employees, fostering an inclusive culture that emphasises employee wellbeing and diversity, and encouraging collaboration to develop innovative solutions.

TALENT MANAGEMENT

We prioritise employee wellbeing, engagement, and development by providing comprehensive learning opportunities that support both personal and professional growth. Our recruitment and talent development processes are inclusive, upholding human rights in our operations. We follow a structured talent selection process, rigorously evaluating candidates' core skills and competencies to ensure the right fit for each role. We recruit people from diverse backgrounds, regardless of age, gender, race, nationality, religion, family status, or any other legally protected characteristics.

Employee Engagement and Communication

We value our employees' perspectives and wellbeing, engaging with them regularly through various channels. To better understand their needs, we conduct a Group-wide Employee Engagement Survey every two to three years to collect feedback on multiple topics, including sustainability. The recent survey results highlighted Culture, Sustainability, Corporate Governance, Performance Management and Communication as the highest-scoring areas. Using this feedback, we pinpointed several key areas for improvement. To delve deeper into these issues, we organised focus groups with employees to uncover root causes. This approach guides us in implementing targeted measures to improve employee wellbeing, satisfaction and happiness, bringing value to our business.

The recent Employee Engagement Survey has a 88% participation rate, along with an employee Net Promoter Score of 30%, indicating our good performance in employee satisfaction.



Labour Practice and Employee Benefits

We realise the importance of upholding the highest standards of human rights and labour practices, ensuring that all our employees, suppliers, and stakeholders are treated with fairness and respect. As outlined in our Human Rights Policy, NWD operates in full compliance with the statutory requirements regarding working hours, holidays, remuneration, and benefits as stipulated in the Employment Ordinance (Cap. 57) of HKSAR. We also uphold the fundamental rights to freedom of association and collective bargaining for our employees. In FY2025, over 68% of employees in Mainland China are represented by independent trade unions.

We offer a comprehensive range of benefits for our employees and their families. This includes paid family care leave, medical subsidies, and medical insurance coverage for the dependents of employees at specific grade levels. We also offer wellness allowance that can be used for various services, including health checks, dental care, gym memberships, personal training, physiotherapy sessions, and nutritional plans.

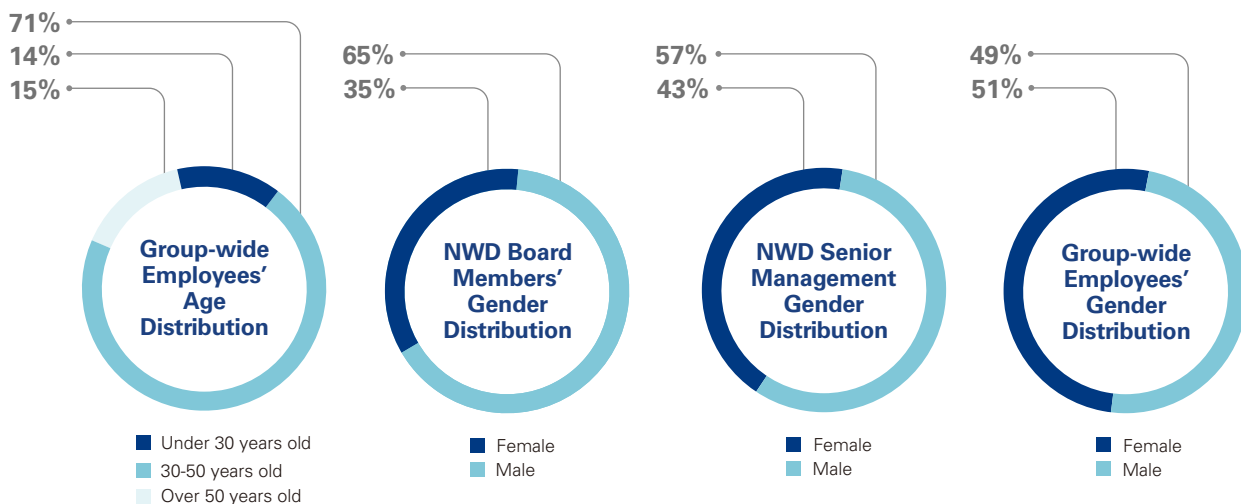
Through NWCL's Employee Children Scholarship Programme, we offer scholarships to the children of employees who demonstrate outstanding academic performance in arts, sports, and technology. Over the past 12 years, we have invested over RMB1.5 million to support and encourage over 150 families in need.

Promoting Diversity, Equality and Inclusion

As an equal opportunity employer, we are dedicated to fostering a culture of respect and inclusivity within our organisation. In 2020, we endorsed the UN Women's Empowerment Principles and became a signatory to the Racial Diversity and Inclusion Charter for Employers, which is overseen by Hong Kong's Equal Opportunities Commission. We also have an approved "Workforce Diversity, Equity and Inclusion Policy" in place at both the Board and operational levels, ahead of the regulatory requirements under corporate governance.

To enhance awareness of diversity, equality, and inclusion among our workforce, we organised webinars which address discrimination and harassment, while also promoting a culture of equity. Additionally, our parenting policies have been implemented to support working parents. For our employees in Hong Kong, we provide 14 weeks of fully paid maternity leave and five days of fully paid paternity leave.

We are actively focused on enhancing female representation within our organisation, driven by our strong belief in gender equality. We consistently monitor and disclose our efforts to sustain a gender-balanced workforce. As at the date of this report, our female board member representation is at 35.29%, exceeding our target of 30%, and our average gender pay gap ratio is 1.3. Promoting diversity and inclusivity fosters a supportive and dynamic environment for all employees, thereby reinforcing our core values. As of 30 June 2025, the female gender ratio among senior management was 43%. The female gender ratio of our workforce (excluding senior management) was 51%.



TALENT DEVELOPMENT

Professional development enhances the capabilities of our employees while ensuring that NWD possesses the necessary skills for the future. We provide learning opportunities tailored to various skill levels and interests across our BUs, with an average of 15.6 training hours completed per employee in FY2025. Our programmes range from new hire orientation and onboarding to subject matter training and leadership development, supporting our employees' growth and success through mechanisms such as on-the-job training, mentorship, and formal education. We are committed to cultivating a culture of continuous personal and professional development and to assisting our employees in realising their full potential, including through our annual education subsidy and examination leave policy. A wide variety of training courses are available for all employees and directors, and some examples are shown below.



Topics of Training	Description
Anti-corruption	Annual training delivered by external trainers from the Independent Commission Against Corruption ("ICAC"), focusing on: <ul style="list-style-type: none"> Business integrity Ethical conduct within the construction and property management activities
Sustainability	Mandatory training which covers: <ul style="list-style-type: none"> Emerging sustainability trends Impacts of the built environment The Group's sustainability risks and opportunities
Discrimination and Harassment in the Workplace	Mandatory training organised by Equal Opportunities Commission, covering: <ul style="list-style-type: none"> Inclusive workplace Best management practices for employee relations
Data Privacy Protection and Cybersecurity Awareness	Mandatory and voluntary training sessions on: <ul style="list-style-type: none"> Data protection and compliance Practical skills necessary to prevent data breaches, respond to cyber incidents and securely handle sensitive information

We offer targeted and specialised trainings for colleagues, covering topics such as responsible marketing and hiring. We have introduced a learning reward programme to incentivise high achievers on our e-learning platform.

We strive to cultivate young talent and attract global talent to Hong Kong. In support of the Government's talent attraction strategy, we actively participated in the Innovating Hong Kong Global Talent Carnival and the Hong Kong Talent Engage – Global Talent Summit 2025. We were honoured to invite one of our colleagues to share his journey of living and working in Hong Kong. Furthermore, New World Connect has been launched as a platform to provide useful resources for newcomers to help them adapt to Hong Kong. This not only contributes to our organisation's growth, but also paves the way for creating a sustainable future for future generations.

Recognising the importance of annual performance appraisals for employee growth, we have implemented a structured and transparent appraisal system. It features a 360-degree feedback platform that encourages employees to reflect on their performance and identify areas for development. Sustainability-related KPIs are integrated into our employees' Objectives and Key Results ("OKRS"), with performance evaluated during the year-end review. We regularly review our appraisal system to ensure it remains aligned with leading practices.

Nurture Future-ready Talents with High Potential Development Programme

Over the past years, we have revitalised our High Potential (“HiPo”) Development Programme to enhance skills and support the growth of our future high-potential talents. This year, 120 selected participants, with consideration of gender balance, joined our mentorship programme, leadership sharing sessions and engagement workshops. These training initiatives enabled participants to leverage their mentor’s expertise and experience, and share knowledge and skills to develop their competencies for both personal and business growth.



The HiPo Programme significantly contributed to a higher employee retention rate. The turnover of HiPo employees is approximately 50% lower than the broader workforce, reflecting the impact of our focused development and engagement strategies. Furthermore, as participants were empowered to set strategic, goal-oriented objectives for advancement, they demonstrated 2.3 times higher promotion rates compared to non-participants, highlighting the programme’s effectiveness in fostering career growth and stability within the organisation.

Internal Trainer Programme for Knowledge Sharing

To foster a learning atmosphere and uphold the principles of “Share frequently, share expertly and share joyfully”, NWCL has established a structured Internal Trainer Programme for knowledge transfer and professional development across the organisation.

This programme identifies and empowers employees with professional and specialist expertise to design and deliver internal training sessions. The training curriculum is designed to cover practical case studies, role-specific technical knowledge, and essential management and communication skills, supported by comprehensive teaching materials.

Programme Highlights:

- Appointed 35 internal trainers to teach 23 curriculums
- Over 680 employees benefited as programme trainees

To optimise the programme’s impact, NWCL implements an incentive mechanism that provides subsidies aligned with trainers’ grades, along with an annual “Top Trainer” Recognition Scheme through peer nomination, offering both financial rewards and organisational acknowledgement for participating trainers.

This initiative reflects our commitment to nurturing talent and building long-term value for our stakeholders through a resilient and capable workforce.



PROMOTING HEALTH AND SAFETY TO OUR EMPLOYEES AND CONTRACTORS

NWD has established a Health and Safety Policy that guides health and safety practices, aligning with industry-specific standards and referencing international best practices. We uphold stringent health and safety standards for both our employees and contractors. Apart from committing to zero fatalities at our workplace, we have also set a target of less than 1.5 Lost-time Injury Rate ("LTIR") under SV2030+. In FY2025, LTIR of 0.7 was recorded.

We have robust mechanisms in place that measure, monitor and evaluate our safety performance across business operations and the value chain. We highly value the health and safety standards of our operations. As such, we have obtained ISO 45001 for our major office operations at NWCL, and 100% of Mainland China's regional head offices have obtained the WELL Health-Safety Rating in FY2025. We are proactively extending the commitment to more commercial portfolios. Also, we are a signatory to the Mental Health Workplace Charter, which is organised jointly by Hong Kong's Department of Health, the Labour Department, and the Occupational Safety and Health Council.

Strengthening Human Capital through Mental Health Investment

As part of our SV2030+ sustainable business approach, we recognise that investing in employee mental health is fundamental to building a resilient, inclusive, and high-performing organisation. With one in seven people in Hong Kong affected by common mental health disorders, our Mental Health and Wellbeing Programme addresses a critical social need while strengthening our human capital.

In its second year, the programme delivered targeted workshops and training across Hong Kong and Mainland China for senior leaders, people managers, general staff, and key suppliers. Each session was tailored to its audience of different levels of mental health literacy, with a strong focus on inclusive leadership, psychological safety, and peer support, contributing to a sustainable and equitable workplace.

To date, over 1,000 participants have benefited, including more than 50 internationally certified Mental Health First Aiders. We created the "Friends in Need" employee network and 78% of the network members find themselves more confident and knowledgeable when supporting colleagues with mental health challenges,

thereby creating a mentally healthy working culture. Additionally, 80% of the managers attending "Supporting Teams' Mental Health" and Mental Health First Aid courses were reported with greater confidence and better skills in addressing team members' mental health challenges and crises. These positive impacts recognised our ongoing investment in a healthier, more resilient workforce.





We regularly organise events and activities to support health and wellbeing of our employees and their family. Regular workshops, such as health checks and webinars, aim to promote social, physical, mental, and spiritual wellbeing.



Beyond our operations, we have transparent investigation and incident reporting mechanisms established for contractors, complemented by hazard identification and risk assessments through standardised procedures. These include hazard identification, mitigation measures, hazardous materials assessments, and health and safety audits to identify and implement remedial and corrective actions that drive continuous improvement. For instance, the NWCL's safety management system is ISO 45001 accredited for its office management and contractors' activities, supporting both office and frontline employees and stakeholders. The operation of all construction projects managed under our wholly-owned main contracting subsidiary is certified with ISO 14001 and ISO 45001.

For more details on the employee and contractor health and safety, please refer to the Sustainability Performance Data Table 2025 on our website.

THRIVING COMMUNITIES

NWD facilitates social integration through educational projects and art-infused leisure projects to create a thriving community and support local economic development. These social programmes and initiatives align with our core focus areas as well as the Government's social priorities, delivering outcomes in health and financial wellbeing.

Our Group Sustainability Policy embodies our commitment to society by pursuing innovative approaches that promote social inclusion and enhance quality of life. We are currently developing a more outcome-focused approach that aligns with SV2030+ targets. In FY2025, NWD made significant social investments totalling HK\$35.0 million through charitable foundations and donations and motivated employees to complete more than 6,300 volunteering hours.



INCLUSIVE SKILLING, EDUCATION AND EMPLOYMENT PROGRAMMES

This focus area emphasises creating education and employment opportunities for youth to promote social inclusion.

Empowering Underprivileged Youth through Technology

NWCL continued to support St. James Settlement through the STEM-Up Picker Programme, donating a total of HK\$200,000 over the past two years. This initiative was supported by the Partnership Fund for the Disadvantaged, aiming to reduce barriers for more than 100 underprivileged primary and secondary students. Participants were able to develop skills and knowledge in AI, 3D modelling, and IoT technology, which are relevant to the real estate sector and align with our industry expertise.



Among the participants, 94% of primary and 80% of secondary students rated 7 or above (out of 10) in the satisfaction survey, demonstrating positive feedbacks in terms of engagement and satisfactory level across different age groups. Besides, 85% and 92% of secondary students agreed the programme enhances their problem-solving skills and decision-making abilities, respectively.

We continue to support the HKSAR Government's Strive and Rise Programme, intending to promote upward mobility among teenagers and tackle intergenerational poverty. Since the launch of the programme, over 200 employees served as mentors to guide their mentees in exploring their development goals and broadening students' horizons through activities.



In response to the Hong Kong Housing Authority's Well Being-Start-Up 2.0 Programme, NWD contributed as a supporting partner by offering a dedicated pop-up space at THE FOREST in Mong Kok for young entrepreneurs to launch their ventures.

NWCL lit up its several signature buildings in blue colour to celebrate the UNICEF World Children's Day and showed support for children.

"Welcome Little Migratory Bird" Summer Camp for Children



In partnership with the Wilber Foundation, NWCL organised the "Welcome Little Migratory Bird" summer camp in Guangzhou, supporting over 900 children. The three-week programme focused on youth empowerment through hands-on learning in areas such as first aid and aerospace science, fostering inclusion and personal development.

NWCL supported a youth volunteering programme in collaboration with the Former Residence of Cao Xueqin. The initiative empowered 61 students to contribute over 300 hours of their time to cultural education and community service during the 39th International Volunteer Day.



COMMUNITY HEALTH AND WELLBEING INITIATIVES



The rooftop jogging trail of K11 ATELIER King's Road

We actively incorporate healthy and inclusive spaces in our projects to connect individuals, embrace diverse cultures, and provide stakeholders with an access to a wide range of amenities.

Our properties demonstrate the integration of sustainability and wellness elements in public spaces. The jogging trail on its rooftop terrace at K11 ATELIER King's Road highlights wellness-driven designs that create values for office tenants. K11 ECOAST, designed as an urban hub, encourages healthy living through features like a covered jogging trail and end-of-trip facilities, such as 500 bicycle parking lots and 30 shower facilities, to promote physical and mental wellbeing in the community.

NWCL, in collaboration with the Wilber Foundation and Guangzhou Daily's Guangai Charity Foundation, co-organised the "Love Inclusion" event at The Canton Place, Guangzhou. With a series of activities, including a photography exhibition by visually impaired students, blindfolded coffee tasting, and charity art stalls, it promoted inclusivity and accessible public spaces. Separately, NWCL continued to partner with the Wilber Foundation to launch the "Wonderful Star Market", a fundraising initiative that utilises music and art to support critically ill children. The event celebrated youth resilience and creativity, while reinforcing the Group's commitment to social inclusion and wellbeing. It was recognised with the ESG Sustainable Development Excellence Award at the Greater Bay Area ESG Development Summit.

We actively promote community wellbeing through supporting running events across cities in Mainland China. In April 2025, the 2nd Vertical Marathon was held at Tangshan New World Centre, attracting 140 runners



Enterprises, Walking Together for Health", engaging over 100 participants in a 3.2-km run to raise health awareness. In Hong Kong, around 60 of our employees joined the Kai Tak Run 2025 as runners and volunteers, supporting the Kai Tak Sports Initiative to promote physical and mental health through sports. These initiatives reflect the Group's commitment to fostering active and healthy communities.



from 15 teams, including tenants, for a staircase race. In the same month, Langfang New World Centre hosted its 3rd Fun Marathon. The marathon was themed "Caring for



INDUSTRY ASSOCIATION, UNIVERSITY AND RESEARCH PARTNERSHIPS

NWD recognises that collaboration among industry associations, universities, and research institutions is essential to maximising benefits for both the industry and the wider community.



We continue to support the Employees Retraining Board Summer Internship programme which is designed for secondary school students to experience the possibilities of the working world. With many participants at a pivotal stage in their education, the programme aimed to guide their career thinking by offering hands-on exposure to workplace dynamics and professional development. It emphasised the belief that one's career is more than an occupation – it should be a source of fulfilment where personal values align with purposeful work.

The Government launched the HYAB Scheme on Corporate Summer Internship on the Mainland and Overseas in 2018. This year, we offered six to eight weeks of high-quality internship opportunities across Mainland China and overseas locations, providing Hong Kong's youth with meaningful cross-cultural exposure. By offering placements spanning diverse sectors and major cities across Mainland China, we empowered participants to explore modern workplace cultures, contribute to impactful projects, and gain hands-on experience while aligning with their career aspirations.



We also invest in educational programmes that focus on biodiversity. The New World Charity Foundation has been funding the Hong Kong Biodiversity Museum ("HKBM") in collaboration with the University of Hong Kong to showcase a diverse range of specimens from Hong Kong and beyond, drawing over 60,000 visitors. It also runs a robust training programme, having engaged over 120 interns and volunteers, equipping them with valuable knowledge and experience in biodiversity conservation and public engagement.



In addition, NWCL supported the Shanghai Municipal Commission of Housing and Urban-Rural Development and participated in the Shanghai International City and Architecture Expo, showcasing green building principles and sustainable development cases to the public.

ART, HERITAGE AND CULTURAL PROJECTS

Leveraging a strong foundation in arts and culture, NWD incorporates different elements into community culture and leisure initiatives.

The State Theatre

The State Theatre in North Point represents NWD's first acquisition of a Grade I historic building in Hong Kong, highlighting our commitment to cultural preservation and revitalisation. We have assembled a team of multidisciplinary experts to contribute to our efforts in heritage conservation. This work includes conducting oral history interviews, salvaging artefacts, and undertaking extensive research to revitalise its cultural essence.

We have been continuously working on our stakeholder and community engagement programmes through a variety of immersive events and site tours, allowing stakeholders to identify emerging concerns and provide constructive advices. Our team of experts conducts regular reviews of local stakeholders' perceptions to ensure that all concerns and areas for improvement are addressed. This ongoing dialogue has not only deepened our understanding but has also reinforced our commitment to cultural preservation.

Stakeholder and Community Engagement programmes highlights:

- A dedicated team focused on conserving heritage, culture and history, and formulating a comprehensive plan for conservation and development
- Over 100 oral history interviews with stakeholders such as historians, industry leaders and members of the local community
- More than 200 on-site tours involving local stakeholders, including the Government, media representatives, professional associations, and cultural-related organisations
- Two UNSDG Achievement Awards Hong Kong in 2024



K11 ECOAST – K11 HACC Cultural Space

K11 ECOAST has been conceived as a site of artistic and cultural significance. K11 HACC, multi-purpose art space of K11 ECOAST, is designed to provide a space for a variety of arts and cultural programmes, such as art exhibitions, film festivals, drama, and music performances.

These events and exhibitions drew participations from both local and global artists. For example, an inaugural collaborative exhibition by Gao Yuan and Li Xiaoliang unveiled the secret stories of musicians while exploring the cultural significance of Chinese rock music. The audience supported and enjoyed the show, which captured local spirit and deepened cultural understanding. Complementing photographic collections, it captured significant events and iconic rock musicians from the last century to the present era, offering insights into the evolution of this genre and its impact on society.



COMMUNITY EMERGENCY RESPONSE

NWD realises the vital importance of strengthening community resilience and safety. We work to prepare for emergencies, ensuring prompt response and well-coordinated recovery efforts when crises occur.

In July 2024, through a strategic partnership with the Guangzhou Charity Association and Shanghang Red Cross Society, we donated RMB1 million to support the reconstruction of the damaged bridge in Fujian Province following flooding.

VIBRANT LOCAL ECONOMY

We recognise the importance of supporting local businesses through investment in the local community. As such, we capitalise on all potential opportunities through partnerships in areas where we operate.



K11 Art Mall fosters the “Goods Economy” through strategic local partnerships showcasing pop-up events and cross-sector collaborations for Gen Z consumers.

K11 MUSEA debuted “100% DORAEMON & FRIENDS”, marking the first stop on the world tour. This event resulted in a 40% increase in visitors, a 30% rise in retail sales, and a 10% increase in tourist spending. The same exhibition was also hosted at Guangzhou K11 Art Mall.

In September and October 2024, we supported nearly 30 F&B and retail brands in the “Night Vibes Hong Kong” Campaign at K11 MUSEA.

SUPPORTING LOCAL ECONOMIC DEVELOPMENT THROUGH COLLABORATION

Supporting local economic development through collaboration is crucial for promoting sustainable growth and enhancing community resilience. By partnering with the Government and strategic partners, we aim to create opportunities that benefit both the economy and the community as a whole.

Fostering a Vibrant Local Economy in the Northern Metropolis

NWD is in partnership with China Merchants Shekou Industrial Zone Holdings Co., Ltd., to launch the first commercial and residential project under the PAVILIA COLLECTION in Ma Sik Road, Fanling – marking a key milestone in Hong Kong’s Northern Metropolis. This project supports the urban planning vision of Northern Metropolis and complements the San Tin Technopole, while contributing to local economic growth.

Situated near a well-established New Town and connected to the public transport network, the development enjoys a strategic locational advantage. It has been included in the “Boundary Commerce and Industrial Zone” under the “Northern Metropolis Action Agenda” as the Northern Metropolis’ first new development area to enter the construction phase. The urban planning concept has taken into account environmental and community factors to support a balanced development and long-term value creation.



北部都會區粉嶺馬適路大型商住項目動工儀式
Groundbreaking Ceremony for the Large-Scale Residential and Commercial Project on Ma Sik Road, Fanling, in the Northern Metropolis

REPORTING PERIOD

This Corporate Sustainability section of the Annual Report provides an overview of the Group's ESG performance during the reporting period of 1 July 2024 to 30 June 2025 and the latest initiatives after FY2025 where specified.

REPORTING BOUNDARY

This section covers NWD's businesses over which NWD has operational control. This coverage includes our businesses under NWD, NWCL and K11 Concepts Limited.

In alignment with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, NWDS, as an individually listed subsidiary, continues to be classified as an investment that contributes to our Scope 3 emissions. More comprehensive sustainability disclosures can be found in its report.

SUSTAINABILITY WEBSITE

Supplementary information, such as the Sustainability Performance Data Table 2025, content index and limited assurance report, is available on the NWD Sustainability Website (<https://sustainability.nwd.com.hk/>).

ESG REPORTING STANDARDS

This Corporate Sustainability section has been prepared in accordance with the requirements of the Environmental, Social and Governance Reporting Code, set out in Appendix C2 issued by The Stock Exchange of Hong Kong Limited ("HKEX"). The section also references the following ESG standards and principles:

- Global Reporting Initiative Sustainability Reporting Standards ("GRI Standards"),
- Sustainability Accounting Standards Board ("SASB") Real Estate Standards,
- International Sustainability Standards Board's ("ISSB") International Financial Reporting Standards ("IFRS") S1 General Requirements for Disclosure of Sustainability-related Financial Information ("IFRS S1"),
- ISSB's IFRS S2 Climate-related Disclosures ("IFRS S2"), and
- The Ten Principles of the United Nations Global Compact ("UNGC"), as an annual Communication on Progress.

REPORTING PRINCIPLES

Our ESG disclosure responds to the Mandatory Disclosure Requirements required by HKEX in the following applications :

- **Materiality:** Informed by a structured materiality assessment process involving both internal and external stakeholders, such as investors, customers and employees. Please refer to our Stakeholder Engagement and Materiality Assessment section for more information.
- **Quantitative:** Gives updates on targets and key performance indicators ("KPIs"). Please refer to our Sustainability Performance Data Table 2025 for more information.
- **Balance:** Offers unbiased disclosure of the Company's performance.
- **Consistency:** Uses consistent methodologies on performance disclosure to support meaningful comparisons over time.

REPORT ASSURANCE

The Board of Directors oversees the content of this section. This Corporate Sustainability section has been reviewed and approved by the Board.

PricewaterhouseCoopers was engaged to conduct a limited assurance engagement on certain identified sustainability information in accordance with International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board. The limited assurance report can be found on our website.

CONTACT US

We welcome your feedback on this Corporate Sustainability section and other matters related to sustainability. Please contact us at sustainability@nwd.com.hk.

If there is any inconsistency or conflict between the English and the Chinese versions, the English version shall prevail.

Corporate Sustainability / Content Indices for Reporting Guidelines – FY2025

GRI STANDARDS, UN GLOBAL COMPACT AND HKEX ESG CODE INDEX

Note: General Disclosure (GD) / Mandatory Disclosure (MD) / Key Performance Indicator (KPI)

GRI Standards Disclosure/ Topic Disclosed	GRI Standards	UNGC	HKEX ESG Code	Description	Remarks and References
GRI 2: General Disclosures 2021					
The Organisation and its Reporting Practices	2-1	–	–	Organisational details (the legal name; the nature of ownership and legal form; the location of its headquarters; and the countries of operation)	Annual Report 2025
	2-2	–	–	Entities included in the organisation's sustainability reporting	Annual Report 2025: Corporate Sustainability – About this Section
	2-3	–	–	Reporting period, frequency and contact point	Annual Report 2025: Corporate Sustainability – About this Section
	2-4	–	–	Restatements of information	Corporate Sustainability Website – Sustainability Performance Data Table 2025
	2-5	–	–	External assurance	Annual Report 2025: Corporate Sustainability – About this Section Corporate Sustainability Website – Limited Assurance Report
Activities and Workers	2-6	–	–	Activities, value chain and other business relationships	Annual Report 2025: Corporate Sustainability – Driving Collective Growth through SV2030+ Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner Corporate Website – Company Profile Corporate Sustainability Website – Supplier Code of Conduct
	–	–	KPI B5.1	Number of suppliers by geographical region	Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner: Responsible and Sustainable Supply Chain
	2-7	6	KPI B1.1	Employees	Annual Report 2025: Corporate Sustainability – Enriched Lives, Investing in Our People: Talent Management Corporate Sustainability Website – Sustainability Performance Data Table 2025
	2-8	–	–	Workers who are not employees	Corporate Sustainability Website – Sustainability Performance Data Table 2025

Driving Collective Growth through SV2030+

Corporate Governance

Stakeholder Engagement and Materiality Assessment

Future-Fit Places

Organisational Resilience

Enriched Lives

GRI STANDARDS, UN GLOBAL COMPACT AND HKEX ESG CODE INDEX

GRI Standards Disclosure/ Topic Disclosed	GRI Standards	UNGC	HKEX ESG Code	Description	Remarks and References
Governance	2-9	–	–	Governance structure and composition	Annual Report 2025: Corporate Sustainability – Corporate Governance Annual Report 2025: Corporate Governance Report
	2-10	–	–	Nomination and selection of the highest governance body	Annual Report 2025: Corporate Governance Report
	2-11	–	–	Chair of the highest governance body	Annual Report 2025: Corporate Governance Report
	2-12	7	MD13	Role of the highest governance body in overseeing the management of impacts	Annual Report 2025: Corporate Sustainability – Corporate Governance Annual Report 2025: Corporate Governance Report
	2-13	7	MD13	Delegation of responsibility for managing impacts	Annual Report 2025: Corporate Sustainability – Corporate Governance Annual Report 2025: Corporate Governance Report
	2-14	7	MD13	Role of the highest governance body in sustainability reporting	Annual Report 2025: Corporate Sustainability – Corporate Governance Annual Report 2025: Corporate Governance Report
	2-15	–	–	Conflicts of interest	Annual Report 2025: Corporate Governance Report Corporate Governance Website – Conflict of Interest Policy
	2-16	–	–	Communication of critical concerns	Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner Annual Report 2025: Corporate Governance Report Corporate Governance Website – Whistleblowing Policy
	2-17	–	19 (a)(i)	Collective knowledge of the highest governance body	Annual Report 2025: Corporate Sustainability – Corporate Governance Annual Report 2025: Corporate Governance Report
	2-18	–	–	Evaluation of the performance of the highest governance body	Annual Report 2025: Corporate Governance Report
	2-19	–	–	Remuneration policies	Annual Report 2025: Corporate Governance Report
	2-20	–	–	Process to determine remuneration	Annual Report 2025: Corporate Sustainability – Corporate Governance Annual Report 2025: Corporate Governance Report
	2-21	–	–	Annual total compensation ratio	Annual Report 2025: Notes to the Financial Statements
	–	7	MD 13	ESG-related governance structure	Annual Report 2025: Corporate Sustainability – Corporate Governance

Driving Collective Growth through SV2030+

Corporate Governance

Stakeholder Engagement and Materiality Assessment

Future-Fit Places

Organisational Resilience

Enriched Lives

Corporate Sustainability / Content Indices for Reporting Guidelines – FY2025

GRI STANDARDS, UN GLOBAL COMPACT AND HKEX ESG CODE INDEX

GRI Standards Disclosure/ Topic Disclosed	GRI Standards	UNGC	HKEX ESG Code	Description	Remarks and References
Strategy, Policies and Practices	2-22	–	MD 13 (ii)	Statement on sustainable development strategy	Annual Report 2025: Corporate Sustainability – Driving Collective Growth through SV2030+ Annual Report 2025: Corporate Sustainability – Message from the Sustainability Committee
	2-23	8	12 (i)	Policy commitments	Annual Report 2025: Corporate Sustainability – Corporate Governance Corporate Sustainability Website – Sustainability Governance and Policies
	2-24	–	12 (i)	Embedding policy commitments	Annual Report 2025: Corporate Sustainability – Corporate Governance Corporate Sustainability Website – Sustainability Governance and Policies
	2-25	–	–	Processes to remediate negative impacts	Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner Annual Report 2025: Corporate Governance Report Corporate Governance Website – Enterprise Risk Management Policy; Whistleblowing Policy
	2-26	–	–	Mechanisms for seeking advice and raising concerns	Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner Annual Report 2025: Corporate Governance Report Corporate Governance Website – Whistleblowing Policy
	2-27	–	12 (ii)	Compliance with laws and regulations	Annual Report 2025: Corporate Sustainability – Corporate Governance We were not subject to significant fines or non-monetary sanctions for non-compliance with laws or regulations during the reporting period.
	2-28	8	–	Membership associations	Annual Report 2025: Corporate Sustainability – Major Achievements and ESG Highlights Corporate Sustainability Website – Performance and Reporting
Stakeholder Engagement	2-29	–	MD 14	Approach to stakeholder engagement	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment
	2-30	–	–	Collective bargaining agreements	Annual Report 2025: Corporate Sustainability – Enriched Lives, Investing in Our People: Talent Management

Driving Collective Growth through SV2030+

Corporate Governance

Stakeholder Engagement and Materiality Assessment

Future-Fit Places

Organisational Resilience

Enriched Lives

Corporate Sustainability / Content Indices for Reporting Guidelines – FY2025

GRI STANDARDS, UN GLOBAL COMPACT AND HKEX ESG CODE INDEX

GRI Standards Disclosure/ Topic Disclosed	GRI Standards	UNGC	HKEX ESG Code	Description	Remarks and References
GRI 3: Material Topics 2021					
Disclosures on Material Topics	3-1	–	MD 14 MD 15	Process to determine material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment
	3-2	–	MD 14	List of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment
Topic-specific disclosures					
Economic					
Economic Performance 2016	3-3	–	–	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Governance Report – Risk Management Annual Report 2025: Management Discussion and Analysis
	201-1	–	–	Direct economic value generated and distributed	Annual Report 2025: Financial Statements
	201-2	7, 8, 9	–	Financial implications and other risks and opportunities due to climate change	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Climate Resilience
	201-3	–	–	Defined benefit plan obligations and other retirement plans	Annual Report 2025 We report on our benefit plan obligations and retirement benefits for employees in the Notes to the Financial Statements section.
Indirect Economic Impacts 2016	3-3	8, 9	–	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Governance Report – Risk Management Annual Report 2025: Management Discussion and Analysis
	203-1		–	Infrastructure investments and services supported	Annual Report 2025: Corporate Sustainability – Driving Collective Growth through SV2030+ Annual Report 2025: Corporate Sustainability – Message from the Sustainability Committee Annual Report 2025: Corporate Sustainability – Future-Fit Places Annual Report 2025: Corporate Sustainability – Organisational Resilience, Responsible Investment & Technology and Data Governance Annual Report 2025: Corporate Sustainability – Enriched Lives, Thriving Communities & Vibrant Local Economy Annual Report 2025: Report of the Directors – Donations
	203-2		–	Significant indirect economic impacts	Annual Report 2025
	205-1				
Anti-corruption 2016	3-3	10	Aspect B7 GD	Management of material topics	Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner: Business Ethics
	205-1		KPI B7.1	Operations assessed for risks related to corruption	Annual Report 2025: Corporate Sustainability – Enriched Lives, Investing in Our People: Talent Development
	205-2		KPI B7.3	Communication and training about anti-corruption policies and procedures	Annual Report 2025: Corporate Governance Report Corporate Governance Website – Anti-Corruption Policy
	205-3		KPI B7.1	Confirmed incidents of corruption and actions taken	Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner: Business Ethics During FY2025, no convictions or legal actions have been recorded for breach of relevant laws and regulation related to corruption and bribery or anti-competitive behaviour.
	–		KPI B7.2	Description of whistle-blowing procedures, how preventive measures and whistleblowing is implemented and monitored	Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner: Business Ethics Corporate Governance Website – Whistleblowing Policy

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GRI STANDARDS, UN GLOBAL COMPACT AND HKEX ESG CODE INDEX

GRI Standards Disclosure/ Topic Disclosed	GRI Standards	UNGC	HKEX ESG Code	Description	Remarks and References
Environmental					
Materials 2016	3-3	7, 8, 9	Aspect A2 GD Aspect A3 GD	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Sustainability – Future-Fit Places, Transition to a Low Carbon Economy & Conserving Natural Resources Annual Report 2025: Corporate Governance Report – Risk Management
	301-1		KPI A2.5	Materials used by weight or volume	Packaging materials were not considered material for the Group's core business hence such data is not disclosed.
Energy 2016	3-3	7, 8, 9	Aspect A2 GD Aspect A3 GD	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Sustainability – Future-Fit Places, Transition to a Low Carbon Economy
	302-1		KPI A2.1	Energy consumption within the organisation	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Transition to a Low Carbon Economy
	302-3		KPI A2.1	Energy intensity	Corporate Sustainability Website – Sustainability Performance Data Table 2025
	302-4		KPI A2.3	Reduction of energy consumption	
Water and Effluents 2018	3-3	7, 8	Aspect A2 GD Aspect A3 GD	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Sustainability – Future-Fit Places, Conserving Natural Resources: Water Management Annual Report 2025: Corporate Governance Report – Risk Management
	303-5		KPI A2.2	Water consumption	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Conserving Natural Resources: Water Management
	–		KPI A2.4	Water sourcing and water efficiency	Corporate Sustainability Website – Sustainability Performance Data Table 2025
Biodiversity 2024	3-3	7, 8	Aspect A3 GD	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Sustainability – Future-Fit Places, Conserving Natural Resources: Conserving Biodiversity Annual Report 2025: Corporate Governance Report – Risk Management
	101-2		A3.1	Management of biodiversity impacts	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Conserving Natural Resources: Conserving Biodiversity
	101-4			Identification of biodiversity impacts	
	101-5			Locations with biodiversity impacts	

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GRI Standards Disclosure/ Topic Disclosed	GRI Standards	UNGC	HKEX ESG Code	Description	Remarks and References
Emissions 2016	3-3	7, 8, 9	Aspect A1 GD Aspect A3 GD	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Sustainability – Future-Fit Places, Climate Resilience & Transition to a Low Carbon Economy: Greenhouse Gas Emissions Targets & FY2025 Emission Profile Annual Report 2025: Corporate Governance Report – Risk Management
	305-1		28 (a)	Direct (Scope 1) greenhouse gas emissions	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Climate Resilience & Transition to a Low Carbon Economy: Greenhouse Gas Emissions Targets & FY2025 Emission Profile
	305-2		28 (b)	Energy indirect (Scope 2) greenhouse gas emissions	Corporate Sustainability Website – Sustainability Performance Data Table 2025
	305-3		28 (c)	Other indirect (Scope 3) greenhouse gas emissions	
	305-4		–	Greenhouse gas emissions intensity	
	305-5		KPI A1.5	Reduction of greenhouse gas emissions	
	305-7		KPI A1.1	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Corporate Sustainability Website – Sustainability Performance Data Table 2025
Waste 2020	3-3	7, 8, 9	Aspect A1 GD Aspect A3 GD	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Sustainability – Future-Fit Places, Conserving Natural Resources: Waste Management Annual Report 2025: Corporate Governance Report – Risk Management
	306-2		KPI A1.6 KPI A3.1	Management of significant waste-related impacts	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Conserving Natural Resources: Waste Management
	306-3		KPI A1.3	Waste generated	Corporate Sustainability Website – Sustainability Performance Data Table 2025
	306-4		KPI A1.4	Waste diverted from disposal	
	306-5			Waste directed to disposal	
Supplier Environmental Assessment 2016	3-3	7, 8	–	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner: Responsible and Sustainable Supply Chain Annual Report 2025: Corporate Governance Report – Risk Management
	–		Aspect B5 GD	Policies on managing environmental risk in supply chains	Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner: Responsible and Sustainable Supply Chain
	308-1		KPI B5.2	New suppliers that were screened using environmental criteria	Corporate Sustainability Website – Sustainability Governance and Policies Corporate Sustainability Website – Supplier Code of Conduct
	–		KPI B5.3	Practices used to identify environmental risks along the supply chain	
	–		KPI B5.4	Practices used to promote environmentally preferable products and services when selecting suppliers	

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GRI Standards Disclosure/ Topic Disclosed	GRI Standards	UNGC	HKEX ESG Code	Description	Remarks and References
Social					
Employment 2016	3-3	1, 3, 4, 6, 8	Aspect B1 GD	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Sustainability – Enriched Lives, Investing in Our People Annual Report 2025: Corporate Governance Report – Risk Management
	401-1		KPI B1.2	New employee hires and employee turnover	Corporate Sustainability Website – Sustainability Performance Data Table 2025
	401-2		Aspect B1 GD	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Annual Report 2025: Corporate Sustainability – Enriched Lives, Investing in Our People
	401-3		–	Parental leave	Annual Report 2025: Corporate Sustainability – Enriched Lives, Investing in Our People: Talent Management 173 employees took parental leave during FY2025 across the Group, of which 109 were female and 64 were male employees.
Occupational Health and Safety 2018	3-3	1, 6	Aspect B2 GD	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Sustainability – Enriched Lives, Investing in Our People: Promoting Health and Safety to Our Employees and Contractors Annual Report 2025: Corporate Governance Report – Risk Management
	403-1		KPI B2.3	Occupational health and safety management system	Annual Report 2025: Corporate Sustainability – Enriched Lives, Investing in Our People: Promoting Health and Safety to Our Employees and Contractors
	403-5		KPI B2.3	Workers training on occupational health and safety	
	403-6		KPI B2.3	Promotion of worker health	
	403-9		KPI B2.1	Work-related fatalities and injuries	Corporate Sustainability Website – Sustainability Performance Data Table 2025
			KPI B2.2		
Training and Education 2016	3-3	6	–	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Sustainability – Enriched Lives, Investing in Our People: Talent Development Annual Report 2025: Corporate Governance Report – Risk Management
	–		Aspect B3 GD	Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities.	Annual Report 2025: Corporate Sustainability – Enriched Lives, Investing in Our People: Talent Development
	404-1		KPI B3.2	Average hours of training per year per employee	Corporate Sustainability Website – Sustainability Performance Data Table 2025
	404-3		–	Percentage of employees receiving regular performance and career development reviews	
	404-2		–	Programmes for upgrading employee skills and transition assistance programmes	Annual Report 2025: Corporate Sustainability – Enriched Lives, Investing in Our People: Talent Development
	–		KPI B3.1	The percentage of employees trained by gender and employee category	Corporate Sustainability Website – Sustainability Performance Data Table 2025

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GRI Standards Disclosure/ Topic Disclosed	GRI Standards	UNGC	HKEX ESG Code	Description	Remarks and References
Diversity and Equal Opportunity 2016	3-3	1, 3, 6, 8	Aspect B1 GD	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Sustainability – Enriched Lives, Investing in Our People: Talent Management Annual Report 2025: Corporate Governance Report – Risk Management
	405-1		–	Diversity of governance bodies and employees	Annual Report 2025: Corporate Sustainability – Enriched Lives, Investing in Our People: Talent Management Corporate Sustainability Website – Sustainability Performance Data Table 2025
	405-2		–	Ratio of basic salary and remuneration of women to men	Annual Report 2025: Corporate Sustainability – Enriched Lives, Investing in Our People: Talent Management Corporate Sustainability Website – Sustainability Performance Data Table 2025
Non-discrimination 2016	3-3	1, 2, 3, 6, 8	Aspect B1 GD	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Sustainability – Enriched Lives, Investing in Our People: Talent Management Annual Report 2025: Corporate Governance Report – Risk Management
	406-1		–	Incidents of discrimination and corrective actions taken	Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner During FY2025, no incidents of discrimination or harassment were reported at NWD.
Child Labour 2016 Forced or Compulsory Labour 2016	3-3	1, 2, 4, 5, 8	–	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner: Responsible and Sustainable Supply Chain Annual Report 2025: Corporate Sustainability – Enriched Lives, Investing in Our People: Talent Management Annual Report 2025: Corporate Governance Report – Risk Management
	–		Aspect B4 GD	Policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	Annual Report 2025: Corporate Sustainability – Enriched Lives, Investing in Our People: Talent Management
	–		KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	
	–		KPI B4.2	Description of steps taken to eliminate such practices when discovered	
	408-1		–	Operations and suppliers at significant risk for incidents of child labor	Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner: Responsible and Sustainable Supply Chain
	409-1		–	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Corporate Sustainability Website – Supplier Code of Conduct & Human Rights Policy

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GRI Standards Disclosure/ Topic Disclosed	GRI Standards	UNGC	HKEX ESG Code	Description	Remarks and References
Local Communities 2016	3-3	7, 8	–	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Sustainability – Organisational Resilience, Responsible Investment Annual Report 2025: Corporate Sustainability – Enriched Lives, Thriving Communities & Vibrant Local Economy Annual Report 2025: Corporate Governance Report – Risk Management
	–		Aspect B8 GD	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	Annual Report 2025: Corporate Sustainability – Organisational Resilience, Responsible Investment Annual Report 2025: Corporate Sustainability – Enriched Lives, Thriving Communities & Vibrant Local Economy
	413-1		–	Operations with local community engagement, impact assessments, and development programmes	Annual Report 2025: Report of the Directors, Donations
	–		KPI B8.1	Focus areas of contribution	
	–		KPI B8.2	Resources contributed to the focus area	
Supplier Social Assessment 2016	3-3	1, 2, 3, 4, 5, 6, 10	–	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner: Responsible and Sustainable Supply Chain Annual Report 2025: Corporate Governance Report – Risk Management
	–		Aspect B5 GD	Policies on managing social risk in supply chains	Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner: Responsible and Sustainable Supply Chain
	414-1		KPI B5.2	New suppliers that were screened using social criteria	Corporate Sustainability Website – Supplier Code of Conduct & Human Rights Policy
	–		KPI B5.3	Practices used to identify social risks along the supply chain	
Customer Health and Safety 2016	3-3	–	Aspect B6 GD	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner: Delivering Quality Products and Services & Understanding Our Tenants and Customers Annual Report 2025: Corporate Governance Report – Risk Management
	416-1		–	Incidents of non-compliance concerning the health and safety impacts of products and services	Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner: Delivering Quality Products and Services & Understanding Our Tenants and Customers
	–		KPI B6.1	Percentage of total products sold or shipped subject to recalls for health and safety reasons	
	–		KPI B6.2	Number of products and service related complaints received and how they are dealt with	
	–		KPI B6.4	Description of quality assurance process and recall procedures	

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GRI Standards Disclosure/ Topic Disclosed	GRI Standards	UNGC	HKEX ESG Code	Description	Remarks and References
Marketing and Labelling 2016	3-3	–	Aspect B6 GD	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner: Delivering Quality Products and Services Annual Report 2025: Corporate Governance Report – Risk Management
	417-2		–	Incidents of non-compliance concerning product and service information and labelling	Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner
	417-3		–	Incidents of non-compliance concerning marketing communications	
Customer Privacy 2016	3-3	–	Aspect B6 GD	Management of material topics	Annual Report 2025: Corporate Sustainability – Stakeholder Engagement and Materiality Assessment Annual Report 2025: Corporate Sustainability – Organisational Resilience, Technology and Data Governance: Data Privacy and Cybersecurity Annual Report 2025: Corporate Governance Report – Risk Management
	418-1		–	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Annual Report 2025: Corporate Sustainability – Organisational Resilience, Technology and Data Governance: Data Privacy and Cybersecurity In FY2025, the Data Privacy Protection Office has received no customer privacy complaints. No convictions for breach of laws and regulations related to privacy and no loss of customer data has been identified.
	–		KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	
Product Responsibility	–	–	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	Annual Report 2025: Corporate Sustainability – Organisational Resilience, Technology and Data Governance: Embracing Innovations in Property Development

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SASB REAL ESTATE STANDARDS INDEX

Topic	Code	Accounting Metric	Remarks and Reference
Energy Management	IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property sector	100% commercial properties under NWD's operational control
	IF-RE-130a.2	(1) Total energy consumed by portfolio area with data coverage (2) Percentage grid electricity (3) Percentage renewable, by property sector	(1) Corporate Sustainability Website – Performance & Reporting (2) 100% commercial properties under NWD's operational control (3) Corporate Sustainability Website – Performance & Reporting
	IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property sector	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Transition to a Low Carbon Economy Corporate Sustainability Website – Sustainability Performance Data Table 2025
	IF-RE-130a.4	Percentage of eligible portfolio that (1) Has an energy rating (2) Is certified to ENERGY STAR, by property sector	Nil. NWD did not manage any assets in the U.S. during the reporting period
	IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Transition to a Low Carbon Economy
Water Management	IF-RE-140a.1	Water withdrawal data coverage as a percentage of (1) Total floor area and (2) Floor area in regions with High or Extremely High Baseline Water Stress, by property sector	(1) 100% commercial properties under NWD's operational control (2) We conducted the physical risk assessment in FY2019 for our major properties, while the scope of properties has included over 200 assets and locations in Hong Kong, Mainland China and Southeast Asia. No water stress was found in the assessment Annual Report 2025: Corporate Sustainability – Future-Fit Places, Climate Resilience & Transition to a Low Carbon Economy
	IF-RE-140a.2	(1) Total water withdrawn by portfolio area with data coverage (2) Percentage in regions with High or Extremely High Baseline Water Stress, by property sector	(1) Water withdrawal data collection and management mechanism is under development and optimisation (2) No water stress was found across our major properties in the assessment
	IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property sector	Water withdrawal data collection and management mechanism is under development and optimisation
	IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Conserving Natural Resources: Water Management
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 (2) Associated leased floor area, by property sector	(1) Relevant leases are under development (2) Relevant leases are under development
	IF-RE-410a.2	Percentage of tenants that are separately metered or submetered for (1) Grid electricity consumption (2) Water withdrawals, by property sector	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Transition to a Low Carbon Economy Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner: Understanding Our Tenants and Customers Data collection and management of tenants' environmental performance are under optimisation
	IF-RE-410a.3	Discussion of approach to measuring, incentivising and improving sustainability impacts of tenants	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Transition to a Low Carbon Economy Annual Report 2025: Corporate Sustainability – Organisational Resilience, Trusted Partner: Understanding Our Tenants and Customers
Climate Change Adaptation	IF-RE-450a.1	Area of properties located in 100-year flood zones, by property sector	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Climate Resilience
	IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	
Code	Activity Metrics		Remarks and Reference
IF-RE-000.A	Number of assets, by property sector		Please refer to Annual Report 2025 pages 282-283 and 288-293.
IF-RE-000.B	Leasable floor area, by property sector		Please refer to Annual Report 2025 pages 282-283 and 288-293.
IF-RE-000.C	Percentage of indirectly managed assets, by property sector		Nil
IF-RE-000.D	Average occupancy rate, by property sector		Please refer to Annual Report 2025 pages 6-11 and 16-21.

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IFRS S2 CLIMATE-RELATED DISCLOSURES AND HKEX PART D: NEW CLIMATE REQUIREMENTS INDEX

IFRS S2 Reference	HKEX ESG Code	Disclosure Description	Remarks and References
Governance			
IFRS S2–6(a)	19(a)	<p>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, including the information about:</p> <ul style="list-style-type: none"> (i) How responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s). (ii) How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities. (iii) How and how often the body(s) or individual(s) is informed about climate-related risks and opportunities. (iv) How the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities. (v) How the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies. 	<p>Annual Report 2025: Corporate Sustainability – Corporate Governance Annual Report 2025: Corporate Sustainability – Future-Fit Places, Climate Resilience: Governance Annual Report 2025: Corporate Governance Report – Board Committees</p> <p>The remuneration of the CEO and employees is performance-based and linked to the Company's profitability, which includes overall sustainability performance and sustainable business growth. While the overall sustainability performance has included climate-related considerations (Climate Resilience under the pillar of Future-Fit Places), NWD will enhance relevant disclosures in the future.</p>
IFRS S2–6(b)	19(b)	<p>Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:</p> <ul style="list-style-type: none"> (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. (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. 	
Strategy			
IFRS S2-9(a)	–	The climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	<p>Annual Report 2025: Corporate Sustainability – Future-Fit Places, Climate Resilience: Strategy (Climate-related Risks and Opportunities) Annual Report 2025: Corporate Governance Report – Risk Management</p>
IFRS S2-9(b)		The current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain.	
IFRS S2-9(c)		The effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan.	
IFRS S2-9(d)		The effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning.	
IFRS S2-9(e)		The climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities.	

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IFRS S2 CLIMATE-RELATED DISCLOSURES AND HKEX PART D: NEW CLIMATE REQUIREMENTS INDEX

IFRS S2 Reference	HKEX ESG Code	Disclosure Description	Remarks and References
Climate-related risks and opportunities			
IFRS S2-10(a)	20	Climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Climate Resilience: Strategy (Climate-related Risks and Opportunities) Annual Report 2025: Corporate Governance Report – Risk Management
IFRS S2-10(b)		For each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk.	
IFRS S2-10(c)		For each climate-related risk and opportunity the entity has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur.	
IFRS S2-10(d)		How the entity defines ‘short term’, ‘medium term’ and ‘long term’ and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	
Business model and value chain			
IFRS S2-13(a)	21	A description of the current and anticipated effects of climate-related risks and opportunities on the entity’s business model and value chain	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Climate Resilience: Strategy (Climate-related Risks and Opportunities)
IFRS S2-13(b)		A description of where in the entity’s business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	
Strategy and decision-making			
IFRS S2-14(a)	22	<p>How the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation, including the information about:</p> <p>(i) Current and anticipated changes to the entity’s business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments).</p> <p>(ii) Current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications).</p> <p>(iii) Current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains).</p> <p>(iv) Any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity’s transition plan relies.</p> <p>(v) How the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets.</p>	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Climate Resilience: Strategy (Climate-related Risks and Opportunities) & Transition to a Low Carbon Economy & Conserving Natural Resources Annual Report 2025: Corporate Sustainability – Organisational Resilience, Responsible Investment NWD is developing a climate-related transition plan based on science-based targets (“SBTs”) and implementing decarbonisation initiatives under the SV2030+ sustainable business approach, collectively forming the direction and plans for climate-related transition.
IFRS S2-14(b)		How the entity is resourcing, and plans to resource, the activities disclosed in accordance with 14(a).	
IFRS S2-14(c)	23	Quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 14(a).	

IFRS S2 CLIMATE-RELATED DISCLOSURES AND HKEX PART D: NEW CLIMATE REQUIREMENTS INDEX

IFRS S2 Reference	HKEX ESG Code	Disclosure Description	Remarks and References
Financial position, financial performance and cash flows			
IFRS S2-15(a)	–	The effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects).	<p>Annual Report 2025: Corporate Sustainability – Future-Fit Places, Climate Resilience: Strategy (Climate-related Risks and Opportunities)</p> <p>Annual Report 2025: Corporate Sustainability – Organisational Resilience, Responsible Investment</p> <p>Based on the current available information, NWD has qualitatively assessed the potential financial impacts of physical risks, transition risks, and climate-related opportunities. Looking forward, we will continue to enhance our assessment and quantification of the financial implications of climate risks and opportunities.</p>
IFRS S2-15(b)	–	The anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	
IFRS S2-16(a)	24	How climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period.	
IFRS S2-16(b)		The climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	
IFRS S2-16(c)	25	How the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	
		<ul style="list-style-type: none"> (i) Its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to. (ii) Its planned sources of funding to implement its strategy. 	
IFRS S2-16(d)		How the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation).	
Climate resilience			
IFRS S2-22(a)	26	<p>The entity's assessment of its climate resilience as at the reporting date, including the information about:</p> <ul style="list-style-type: none"> (i) The implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis. (ii) The significant areas of uncertainty considered in the entity's assessment of its climate resilience. (iii) The entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including: <ul style="list-style-type: none"> (1) The availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities. (2) The entity's ability to redeploy, repurpose, upgrade or decommission existing assets. (3) The effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience. 	<p>Annual Report 2025: Corporate Sustainability – Future-Fit Places, Climate Resilience: Strategy (Scenario Analysis)</p> <p>Annual Report 2025: Corporate Sustainability – Organisation Resilience, Responsible Investment</p> <p>NWD has conducted Vulnerability Assessments for over 200 physical assets and locations since FY2024. Following the portfolio-wide assessments, we conducted asset-level in-depth analysis to identify and assess asset-specific adaptation measures. These assessments included detailed asset-level risk assessments for our key projects, such as K11 ECOAST and 83 King Lam Street, which were crucial for constructing climate-resilient buildings and responding to climate-related risks.</p>

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IFRS S2 Reference	HKEX ESG Code	Disclosure Description	Remarks and References
IFRS S2-22(b)		<p>How and when the climate-related scenario analysis was carried out, including the information about:</p> <p>(i) The inputs the entity used, including:</p> <p>(1) Which climate-related scenarios the entity used for the analysis and the sources of those scenarios.</p> <p>(2) Whether the analysis included a diverse range of climate-related scenarios.</p> <p>(3) Whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks.</p> <p>(4) Whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change.</p> <p>(5) Why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties.</p> <p>(6) The time horizons the entity used in the analysis.</p> <p>(7) What scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis).</p> <p>(ii) The key assumptions the entity made in the analysis, including assumptions about:</p> <p>(1) Climate-related policies in the jurisdictions in which the entity operates.</p> <p>(2) Macroeconomic trends.</p> <p>(3) National- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources).</p> <p>(4) Energy usage and mix.</p> <p>(5) Developments in technology.</p> <p>(iii) The reporting period in which the climate-related scenario analysis was carried out.</p>	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Climate Resilience: Strategy (Scenario Analysis)
Risk management			
IFRS S2-25(a)	27	<p>The processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about:</p> <p>(i) The inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes).</p> <p>(ii) Whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks.</p> <p>(iii) How the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria).</p> <p>(iv) Whether and how the entity prioritises climate-related risks relative to other types of risk.</p> <p>(v) How the entity monitors climate-related risks.</p> <p>(vi) Whether and how the entity has changed the processes it uses compared with the previous reporting period.</p>	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Climate Resilience: Risk Management Annual Report 2025: Corporate Sustainability – Corporate Governance: Risk Management and Sustainability Integration
IFRS S2-25(b)		The processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities.	
IFRS S2-25(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 entity's overall risk management process.	

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IFRS S2 Reference	HKEX ESG Code	Disclosure Description	Remarks and References
Metrics and targets			
Climate-related metrics			
IFRS S2-29(a)	28	Information relevant to the cross-industry metric categories of greenhouse gases, including:	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Climate Resilience: Metrics and Targets & Transition to a Low Carbon Economy: Greenhouse Gas Emissions Targets & FY2025 Emission Profile Corporate Sustainability Website – Sustainability Performance Data Table 2025
		(i) Absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO ₂ equivalent, classified as:	
		(1) Scope 1 greenhouse gas emissions.	
		(2) Scope 2 greenhouse gas emissions.	
		(3) Scope 3 greenhouse gas emissions.	
	29	(ii) Measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions.	
		(iii) The approach used to measure greenhouse gas emissions including:	
		(1) The measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions.	
		(2) The reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions.	
		(3) Any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes.	
		(iv) For Scope 1 and Scope 2 greenhouse gas emissions disclosed in 29(a)(i), disaggregate emissions between:	
		(1) The consolidated accounting group.	
		(2) Other investees excluded from 29(a)(iv)(1) (for example, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries).	
		(v) Location-based Scope 2 greenhouse gas emissions, and the information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions.	
		(vi) For Scope 3 greenhouse gas emissions disclosed in 29(a)(i):	
		(1) The categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	
		(2) Additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance.	
IFRS S2-29(b)	30	Climate-related transition risks – the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Climate Resilience: Strategy (Scenario Analysis)
IFRS S2-29(c)	31	Climate-related physical risks – the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	
IFRS S2-29(d)	32	Climate-related opportunities – the amount and percentage of assets or business activities aligned with climate-related opportunities.	

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IFRS S2 Reference	HKEX ESG Code	Disclosure Description	Remarks and References
IFRS S2-29(e)	33	Capital deployment – the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities	Annual Report 2025: Corporate Sustainability – Organisational Resilience, Responsible Investment
IFRS S2-29(f)	34	Internal carbon prices, including the information about: (i) An explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis). The price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions.	Internal carbon pricing has not been incorporated into NWD's strategic decision-making approach, NWD is exploring the adoption of internal carbon pricing and will consider relevant disclosures in the future.
IFRS S2-29(g)	35	Remuneration, including the information about: (i) A description of whether and how climate-related considerations are factored into executive remuneration. (ii) The percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations.	Annual Report 2025: Corporate Sustainability – Corporate Governance The remuneration of the CEO and employees is performance-based and linked to the Company's profitability, which includes overall sustainability performance and sustainable business growth. While the overall sustainability performance has included climate-related considerations (Climate Resilience under the pillar of Future-Fit Places), NWD will enhance relevant disclosures in the future.
IFRS S2-33(a)	37	The metric used to set the target.	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Climate Resilience: Metrics and Targets & Transition to a Low Carbon Economy: Greenhouse Gas Emissions Targets & FY2025 Emission Profile Corporate Sustainability Website – Sustainability Performance Data Table 2025
IFRS S2-33(b)		The objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives).	
IFRS S2-33(c)		The part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region).	
IFRS S2-33(d)		The period over which the target applies.	
IFRS S2-33(e)		The base period from which progress is measured.	
IFRS S2-33(f)		Any milestones and interim targets.	
IFRS S2-33(g)		If the target is quantitative, whether it is an absolute target or an intensity target.	
IFRS S2-33(h)		How the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	
IFRS S2-34(a)	38	Whether the target and the methodology for setting the target has been validated by a third party	
IFRS S2-34(b)		The entity's processes for reviewing the target.	
IFRS S2-34(c)		The metrics used to monitor progress towards reaching the target.	
IFRS S2-34(d)		Any revisions to the target and an explanation for those revisions.	
IFRS S2-35	39	An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance.	Annual Report 2025: Corporate Sustainability – Future-Fit Places, Climate Resilience: Metrics and Targets & Transition to a Low Carbon Economy: Greenhouse Gas Emissions Targets & FY2025 Emission Profile Corporate Sustainability Website – Sustainability Performance Data Table 2025

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IFRS S1 GENERAL REQUIREMENTS FOR DISCLOSURE OF SUSTAINABILITY-RELATED FINANCIAL INFORMATION INDEX

Material sustainability-related impacts, risks, and opportunities (“IROs”) have been identified through stakeholder engagement and a double materiality assessment. These contents are disclosed in the FY2025 Corporate Sustainability section of the Annual Report, with reference to IFRS S1.

The Sustainability Committee at NWD oversees and manages sustainability-related matters in a leadership-driven approach. NWD has also established Sustainability Vision 2030+ (“SV2030+”) as a guiding framework for the Group to focus on the most material and relevant sustainability topics linked to strategic decision-making. With identified sustainability-related IROs being integrated into the NWD’s Enterprise Risk Management framework, we are working towards quantifying their current and anticipated financial implications related to sustainability. To ensure we are on track with our sustainability commitments, we have established a set of short to long-term targets and regularly monitor their progress.

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TASK FORCE ON NATURE-RELATED FINANCIAL DISCLOSURES INDEX

Recognising that the Biodiversity Protection is one of the material and relevant sustainability topics to our business, the approach of Conserving Natural Resources has been included in the Future-fit Places pillar under the SV2030+. NWD has started preparing the disclosures with reference to the Taskforce on Nature-related Financial Disclosures (“TNFD”) Reporting Standard.

The Sustainability Committee at NWD oversees and manages nature-related matters in a leadership-driven approach. With the Biodiversity Policy in place, it governs the protection of the natural and landscape environment, as well as the prevention of potential biodiversity loss, throughout our operational and value chain activities. Location-specific biodiversity exposure assessments were initiated in a selected pilot site, and it served as an initial step to understand and assess biodiversity-related risks. Moving forward, NWD is working towards assessing nature-related dependencies, risks and opportunities using the Locate, Evaluate, Assess and Prepare (“LEAP”) approach and applying different scenarios at the Group-level as recommended by the TNFD. NWD is also studying the feasibility of incorporating biodiversity-related factors into its risk management framework. For metrics and targets, NWD has established certain initial biodiversity-related metrics and targets, including tree planting targets, and strives to avoid having development projects that are located in biodiversity-sensitive areas. NWD will establish more nature-related metrics and targets after the completion of comprehensive nature-related assessments, aligning to its strategy and risk management process.