嘉華國際集團有限公司
K. WAH INTERNATIONAL HOLDINGS LIMITED

於百慕達註冊成立之有限公司 Incorporated in Bermuda with limited liability

Stock code 股份代號 00173

Delivering Value with Distinctive Quality

建優創值 力臻恆遠

Environmental, Social and Governance Report 2024

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Our Sustainability Vision

Sustainable development is at the heart of business strategy of K. Wah International Holdings Limited ("KWIH" or "the Group"). As the business world navigates the transition to a low-carbon economy, we are strengthening our resilience against climate change and remain dedicated to enhancing resource usage efficiency and promoting green building practices. Our ongoing efforts are aimed at optimising our environmental footprint while driving sustainable growth.

The Group is fully aware of the newly announced enhanced climate-related disclosure requirements stipulated by the Hong Kong Exchanges and Clearing Limited (HKEX). We have begun preparations to meet the enhanced standards, ensuring more comprehensive and detailed disclosure of our climate-related risks and opportunities in respect of the upcoming standards.

We recognise that engaging our employees is essential for steering the Group towards a path of sustainable development. Their collective efforts form the cornerstone of organisational excellence. Over the years, we have cultivated an inclusive and people-centric workplace culture — one that encourages open and interactive communication, supports professional development and prioritises employee well-being.

Moving forward, we remain committed to delivering value with distinctive quality, ensuring that our business operations and projects generate lasting benefits for our valued stakeholders. With sustainability and excellence embedded in our operations, we will continue to contribute to growth and cultivation of the thriving communities.

About KWIH

With a strong foothold established in Hong Kong, KWIH (stock code: 00173) is the property flagship of K. Wah Group. KWIH is committed to delivering premium projects built to an uncompromising standard of quality, large-scale residential communities, and comprehensive development including premium residential developments, Grade-A office towers, hotel, serviced apartments and retail premises, with a strategic focus on Hong Kong, and the Yangtze River Delta and Pearl River Delta regions of the Mainland. For detailed insights into KWIH's business and financial performance, please refer to its Annual Report 2024.

Corporate Governance

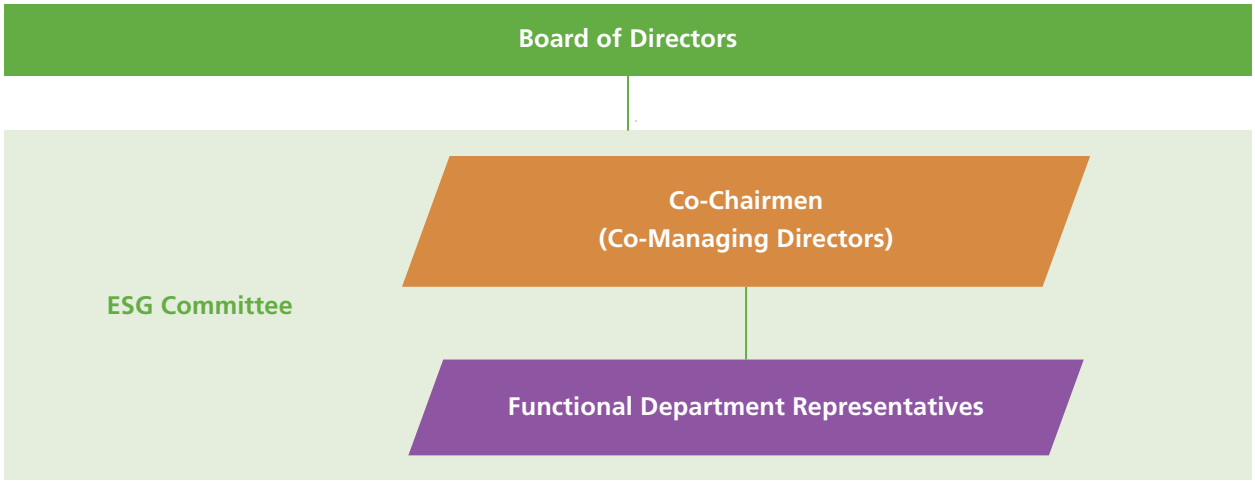
At KWIH, we are steadfast in our commitment to well-being of our stakeholders and ensure that the best practices of corporate governance are upheld. Management of Environmental, Social, and Governance (ESG) issues is integrated into our corporate governance framework, involving a wide range of internal stakeholders to support our sustainability initiatives. To ensure smooth daily operations, the Group relies on four Board-level committees: the Executive Board, the Remuneration Committee, the Nomination Committee and the Audit Committee. These committees collaborate effectively to provide strategic guidance, overseeing business direction, sustainability practices, corporate governance and financial performance.

For details on the Group's corporate governance, risk management and internal control systems, please refer to the "Corporate Governance Report" and "Biographical Information of Directors" sections of KWIH's Annual Report 2024.

Sustainability Governance and Board Statement

The Board of Directors (the "Board") plays an active role in overseeing KWIH's overall ESG strategy and performance. Our ESG Committee, co-chaired by Co-Managing Directors and comprised of functional department representatives, leads integration of ESG initiatives into the Group's daily operations. The ESG Committee is tasked with:

- Supporting the Board in formulating sustainability strategies;
- Overseeing the process used to identify, evaluate, prioritise and manage material ESG-related issues (including risks to KWIH's operations);
- Reviewing the Group's progress in driving and reporting impact against ESG-related goals and targets, which are under KWIH's ESG strategies; and
- Making recommendations to the Board.



The Group engages an independent consultant to conduct annual materiality assessment, gaining valuable insights into the impact of its operations and the perspectives of stakeholders. The findings and implications of the materiality assessment are reviewed and approved by the Board and the ESG committee. Recognising the potential influence of identified material topics on business operations and stakeholder decisions, the Group has developed tailored management approaches and established relevant targets. These details can be found in the corresponding sections of the 2024 ESG Report.

Risk Management and Internal Control

The Board oversees the Group's risk management system, ensuring that effective strategies are in place to address both risks and opportunities, including those related to ESG issues that may influence business operations. The Audit Committee, reporting directly to the Board and supported by the Internal Audit Department, is tasked with monitoring and reviewing the Group's risk management and internal control systems to ensure their effectiveness in addressing operational risks. Meanwhile, the ESG Committee collaborates with internal and external stakeholders to identify, assess and evaluate risks associated with sustainability and real estate. The Board is regularly updated on consolidated findings, along with any risks that could impact the Group's strategic direction or financial performance.

Ethical Business Behaviours

In line with our commitment to corporate responsibility, we maintain a zero-tolerance policy towards corruption and unethical conduct, as outlined in our Code of Business Conduct prescribed in our Human Resources Policy/Guideline. All employees are expected to adhere to this code and comply with applicable laws and regulations. Any intentional violation of our Code of Business Conduct results in appropriate disciplinary action. During the reporting period, KWIH recorded no confirmed cases of non-compliance with laws and regulations[1] relating to prevention of bribery, extortion, fraud or money laundering.

To promote a culture of accountability and ethical transparency, we have established a Whistleblowing Policy and Employee Communications Guideline, which is part of our Human Resources Policy/Guideline. The policy outlines the Group's whistleblowing and grievance mechanisms, ensuring confidentiality and providing a safe platform for stakeholders to report concerns related to corruption or unethical behaviour.

Whistleblowing cases are handled with strict confidentiality maintained and are managed by designated personnel for further investigation. Any intentional violations are addressed according to the severity, with disciplinary actions that may include summary dismissal or criminal prosecution under relevant laws and regulations[1]. To maintain the effectiveness of our whistleblowing mechanisms, we regularly review and update our policies and procedures.

For fostering an open and transparent work environment, we offer training on anti-corruption practices and ethical conduct. This includes sessions provided by the Independent Commission Against Corruption ("ICAC") on anti-corruption laws, best practices and how to address conflicts of interest and integrity issues. Besides, integrity training sessions were arranged in our regional offices, such as integrity and business ethics training on the day of induction for new employees in Shanghai office. Through these comprehensive sessions, we aim to promote an active and healthy "speak up" culture, wherein our employees are equipped with the appropriate knowledge to identify and report unethical behaviour.

[1] Including but not limited to the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong).

About This Report

This annual ESG Report (the "Report") provides an overview of KWIH's ESG management approach and highlights the sustainability-related initiatives that have been undertaken at entities that under its operational control over the reporting period of 1 January 2024 to 31 December 2024 (the "reporting period", the "year" or "2024").

Reporting Standard and Scope

This Report has been prepared in accordance with the Appendix C2 ESG Reporting Code[2] of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("HKEX"). Unless otherwise specified, the scope of the Report covers the Group's portfolio in Hong Kong and Mainland China under our operational control, which primarily includes residential developments, Grade-A office towers, hotel and serviced apartments, and retail complexes. For a comprehensive list of ESG aspects, key performance indicators (KPIs) and their corresponding references in this Report, please refer to the Hong Kong Stock Exchange ESG Reporting Code Content Index at the end of the Report.

Stakeholder Engagement

The Group recognises the importance of gaining insights into the key concerns and expectations of stakeholders as this enables informed strategic decisions to address any gaps in ESG initiatives, performance and strategies. By engaging with both internal and external stakeholders and assessing the market landscape, we identify, evaluate and prioritise material ESG topics.

[2] Refer to Part A, B and C of the ESG reporting code. The Group is fully aware of the recently announced Part D: Climate-related Disclosures under the ESG Reporting Code are being worked out for inclusion. Part D will be disclosed in our ESG Report for 2025, in accordance with the timeline and requirements by the HKEX.

During the reporting year, we engaged a wide range of stakeholder groups in materiality assessment process to better understand their concerns and expectations. A thorough analysis of stakeholder feedback empowered the Group to make well-informed decisions that take into account the diverse interests of various stakeholders.

Stakeholder Groups and Engagement Channels

Employees
- Surveys
- Intranet
- Newsletters
- Training sessions
- Team-building activities
- Internal mobile app "One K. Wah"

Customers and Tenants
- Mobile app "K. Wah Plus" and customised apps for projects
- Customer service hotlines

Banks and Investors
- Surveys
- Annual General Meetings
- Annual and interim results announcements and press communications
- Announcements and circulars
- One-on-one meetings
- Roadshows
- Investor conferences
- Analyst briefings
- Press releases

Shareholders
- Annual General Meetings
- Announcements and circulars
- Press releases

Suppliers, Contractors, Service Providers, and Consultants
- Surveys
- Screenings and assessments

Community Groups and Non-Governmental Organisations ("NGOs")
- Surveys
- Community events
- Joint partnerships

Media
- Surveys
- Luncheons and gatherings
- Interviews and media audits
- Feedback and responses to media enquiries
- Press releases

Materiality Assessment

KWIH engages an independent consultant for an annual stakeholder engagement and materiality assessment following the appropriate practice in the previous year. To ensure identification of the most relevant topics each year, we begin the annual assessment with an initial review of the ESG landscape and industry trends. In 2024, 29 ESG topics were selected and evaluated. The assessment follows a three-step process, as outlined below.

Identification

- Review ESG disclosures of industry peers to develop a pool of ESG topics.
- Conduct an online assessment survey to collect feedback from internal and external stakeholder groups.

Prioritisation

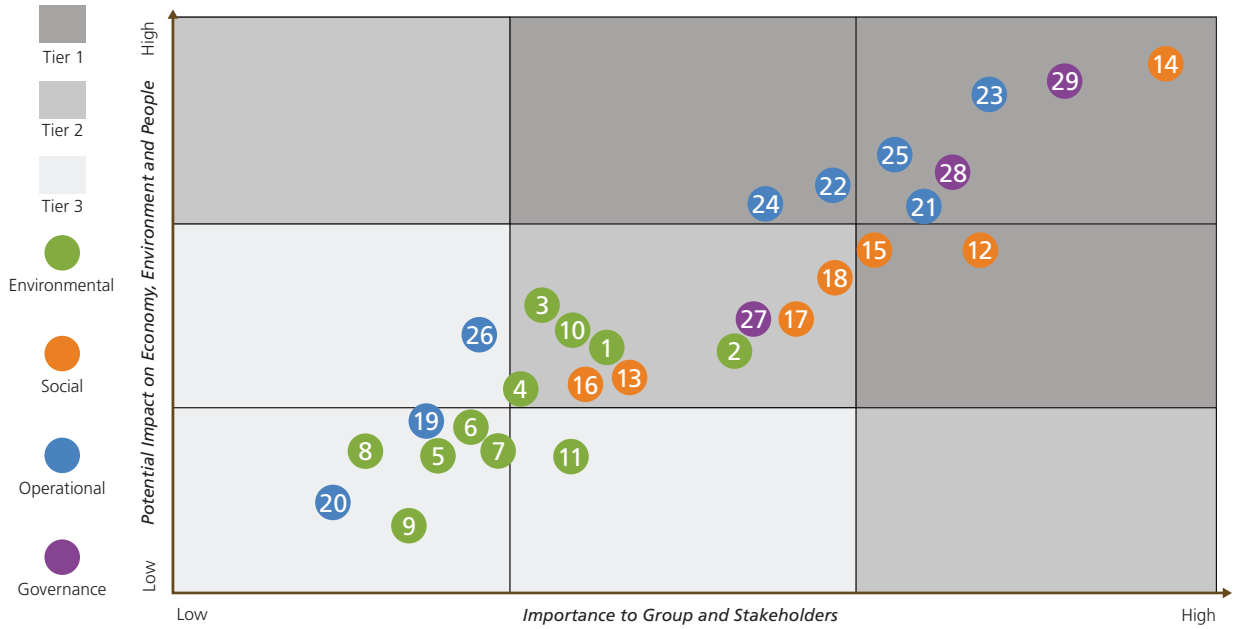
- Consolidate and analyse results from peer benchmarking exercise and online stakeholder engagement and materiality assessment survey to rank ESG topics based on three tiers of materiality as well as to identify relevant climate-related risks and opportunities.

Validation and Review

- Validation by the ESG Committee of findings of the independent consultant to finalise the list of material topics.
- Report the results of the materiality analysis to the Board for review.

29 ESG topics were assessed based on their importance to stakeholders and the potential impacts each topic could have on our operations, as well as the external environment, society and the economy. The results were analysed and are presented in the matrix below. This year, a total of 10 material topics were identified, covering social, operational and governance aspects. Two ESG topics were elevated to material level: “Occupational Health and Safety” and “Protection of Intellectual Property Rights”. Additionally, four topics transitioned from material in 2023 to tier 2 or 3 in 2024: “Energy Usage”, “Recruitment and Retention”, “Air Emissions” and “Corporate Governance”.

2024 Materiality Matrix



Tier 1	Tier 2	Tier 3
12 Employee Well-being	1 Green Procurement	5 Environmental and Natural Resources
14 Occupational Health and Safety	2 Energy Usage	6 Climate Change Adaptation
15 Staff Training and Career Development	3 Waste Management	7 Air Emissions
21 Customer Satisfaction	4 Greenhouse Gas ("GHG") Emissions	8 Usage of Packaging Materials
22 Quality Monitoring and Assessment	10 Green Building	9 Water Usage
23 Protection of Customer Privacy	13 Recruitment and Retention	11 Renewable Energy
24 Products and Services Quality Management	16 Diversity and Equal Opportunities	19 Innovative Products and Services
25 Protection of Intellectual Property Rights	17 Community Investment	20 Supply Chain Management
28 Anti-corruption	18 Prevention of Child and Forced Labour	26 Building Design and Lifecycle Management
29 Business Ethics and Integrity	27 Corporate Governance	

Environmental Social Operational Governance

Major Awards and Certificates

2022–2024 **BCI Asia** BCI Asia Hong Kong's Top 10 Developers	**2024** **Corporate Brand Awards of Excellence — Hong Kong Economic Journal** Excellence in Clubhouse and Landscape Design Award
2020–2025 **Employees Retraining Board** ERB Manpower Developer Award	**2024** **HKET Excellence Awards — Hong Kong Economic Times** Excellence in Clubhouse and Landscape Design Award
2018–2024 **Hong Kong Productivity Council** Happiness at Work Promotional Scheme	**2024** **HRise** ESG Best Practice Award
2016–2024 **Job Market** Employer of Choice Award	**2022–2024** **Labour Department** Good Employer Charter
2012–2024 **The Hong Kong Council of Social Service** Caring Company	**2023–2024** **The Mandatory Provident Fund Schemes Authority** Good MPF Employer Award

Empowering Our People

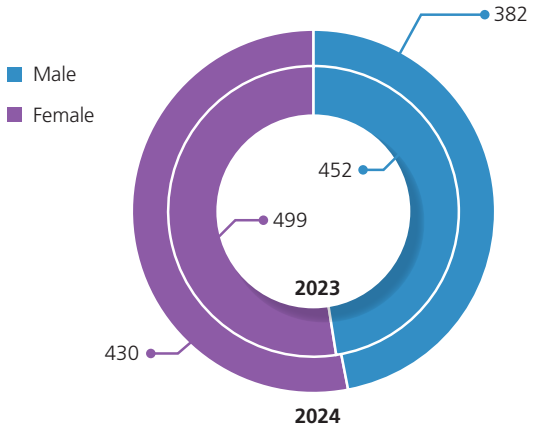
Business success is driven by a talented and innovative workforce, which is the key to achieving operational excellence. We prioritise creating an inclusive and supportive work environment that fosters open communication, personal development and employee well-being. Throughout the reporting period, we complied with all applicable employment laws, health and safety regulations and labour standards to ensure a safe and respectful workplace for all our employees.

Workforce Profile

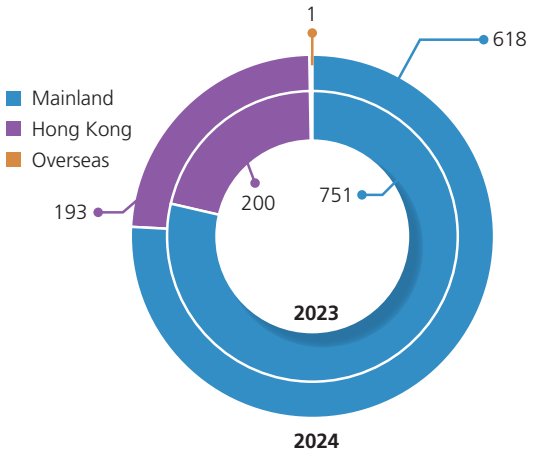
Talent is the key to our long-term success. With that in mind, the Group has developed a comprehensive Staff Handbook and Code of Business Conduct, which outline employment terms, workplace policies and employee rights. We are committed to fostering growth by offering promotion and development opportunities to high-performing individuals through a transparent, merit-based assessment system. This approach empowers our employees to reach their full potential while driving sustainable development of the company.

Total Workforce Breakdown

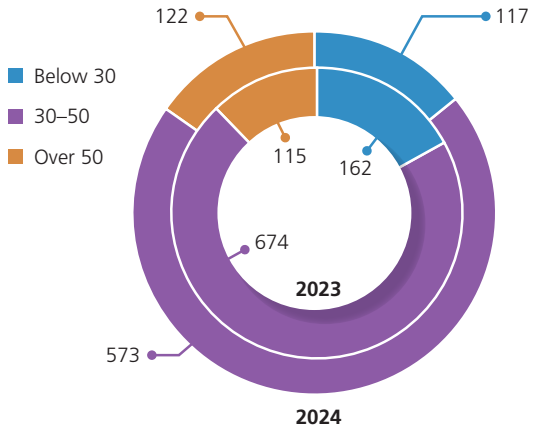
By Gender



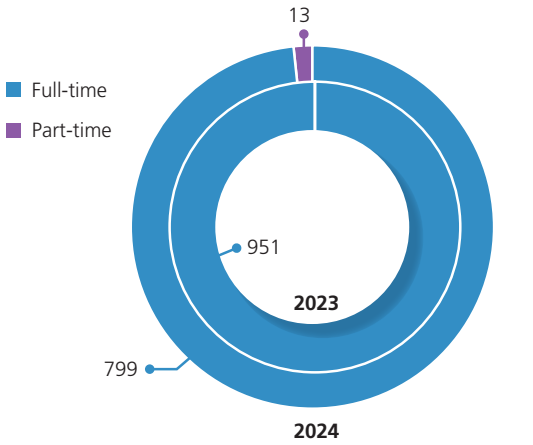
By Geographical Region



By Age Group



By Employment Type



Attracting and Retaining Top Talent

Our recruitment process is designed to be transparent, inclusive and fair. We focus on selecting candidates who are the right fit for the role and have the potential to meet current and future needs. To keep up with the changing landscape and industry best practices, we regularly review working of the Recruitment section in conjunction with our Human Resources Policy/Guideline. We are committed to provide equal opportunities to all and our policies and procedures are designed to ensures that recruitment and promotion decisions are based solely on qualifications, experience, performance and merit, aligning with our Equal Opportunities Legislations Policy. It disregards factors such as gender, age, nationality, ethnicity, religion, disability or sexual orientation.

The Group prohibits child and forced labour, in its own operations and across the entire supply chain. During the recruitment process, we gather personal data to assist in the identification of suitable candidates and to verify their eligibility. Our policies ensure that all employees meet or exceed the legal working age. We also ensure that our working hours comply with local laws, preventing any instances of forced overtime work.

We comply with all relevant legal requirements in Hong Kong and Mainland China, and any suspected violations are thoroughly investigated. If violations are found, disciplinary actions, including possible dismissal, are taken.

Inspiring Young Talent in the Greater Bay Area

KWIH continued to participate in the "Innovation Hong Kong" event in consecutive years which aimed to inspire young people to seize opportunities in the Greater Bay Area. As a professional platform integrating recruitment opportunities with informative forums and discussions, the event attracted talents to have more understanding of the career opportunities offered by KWIH.

Management Trainee Programme

In 2024, the Shanghai office focused on management trainee development. It provided on-the-job training, job rotation and arranged project visits for a group of trainees. This enhanced trainees' various skills, preparing them for future development and growth.

Summer Internship Programme

KWIH joined the "Tomorrow's Leaders Internship Programme" via partnerships with various universities and the Hong Kong-Shanghai Youth Association. Its Shanghai office offered an eight-week internship for undergraduate students in Hong Kong. With mentorship, internal training, project visits and discussion sessions, the programme enabled interns to acquire industry knowledge and work experience, while also aimed to attract more young talents to KWIH.

Employee Performance Management System

The Group is committed to fostering employee growth through a transparent and fair Performance Management System that facilitates feedback on past performance, future standards and professional development goals. Performance evaluations play a key role in guiding salary reviews, promotions and recognition of outstanding employees, motivating them to reach their full potential. Additionally, the Group ensures that in case of employment termination internal policies are strictly adhered to and relevant laws in Hong Kong and the Mainland are followed in letter and in spirit, firmly ensuring there is no unfair or unlawful dismissal. By continuously tracking employee growth and contributions, the Group cultivates a culture of excellence that supports both individual development and the Group's sustainable growth.

Compensation and Incentive Benefits

To build a resilient and dedicated workforce, the Group prioritises attracting and retaining talent aligned with its core values by offering competitive remuneration and a range of fringe benefits.

- Discretionary annual performance bonuses and the provision of a share option scheme
- Competitive medical insurance, dental plan, medical checkup benefits, personal accident insurance, etc.
- The benefits stated in the Group's Retirement Benefits, including Mandatory Provident Fund ("MPF") and Occupational Retirement Schemes Ordinance ("ORSO") schemes
- A range of leave entitlements
- Complimentary vaccination schemes against influenza

To ensure fair and motivating compensation for both Hong Kong and Mainland offices, the company actively monitors market trends and project sales performance, adjusting its policies accordingly. For instance, the Suzhou project introduced an updated assessment and incentive plan to encourage multi-channel customer acquisition and enhance sales performance. Similarly, for the Huajing P18 residential and office project in Shanghai, a commission and incentive management policy was implemented to provide strong support for sales personnel.

KWIH has been honoured with the "Employer of Choice Award" from JobMarket for nine consecutive years. The Group places its employees at the heart of its success, and our talent management strategy, coupled with an employee-centric culture, has received widespread recognition. The recognition is also complemented by the Learning & Development Award, which acknowledges our commitment to fostering employee growth.

KWIH has also been honoured with the "ERB Manpower Developer Award" by the Employees Retraining Board (ERB), acknowledging our ongoing commitment to developing employees' skills and empowering them to succeed in an ever-changing work environment. Through comprehensive training programs and a strong emphasis on continuous learning, the Group has established itself as a leader in workforce development.

The "Happy Company Award", presented by the Hong Kong Productivity Council, recognises our commitment to prioritising employee well-being and creating a positive, supportive, and engaging workplace. This honour reflects the Group's dedication to fostering a healthy and fulfilling work environment where employees feel valued, supported, and motivated to thrive.

Training and Development

The Group places strong emphasis on continuous learning and professional development and provides employees with opportunities to enhance their skills. Through the Financial Assistance Scheme for External Training, eligible employees receive subsidies for external training locally and overseas, as outlined in the Human Resources Policy/ Guideline.

To support career growth, we encourage employees from various departments at different career stages in Hong Kong and regional offices to participate in training programmes, which cover both hard skills, such as technical knowledge and customer service, and soft skills, including communication and teamwork, and also incorporating digital learning platforms. When planning the training, the Group takes full account of the job characteristics and career development paths of employees to ensure that the training content meets practical needs.

In alignment with regional training developments, the Group continues to refine and optimise its training policies. Employees are encouraged to participate in external training regularly, expanding their knowledge and skills to better contribute to the Group's long-term success.

Percentage of Employees Trained

86%

Total Training Hours

11,897
Total training hours

14.65
Average training hours per employee

Leadership Training and Internal Trainer Certification Project

The "Leadership Training and Internal Trainer Certification Project" of the Shanghai office selected top business talents to form internal trainer teams for the property and apartment sectors, creating a strong foundation for the future development of internal training initiatives.

Practical Training for Commercial Operations

The Shanghai office hosted an in-house training session, titled "*Pre-Operation Planning: Creating High-Quality Commercial Complexes*". An industry expert was invited to share insights and the latest industry knowledge, providing valuable guidance on best practices for developing high-quality commercial complexes.

Training on Policy & Regulation, HR Practices, and Risk Control

The Shanghai office invited a senior labour law expert to conduct a training session on policy and regulation, HR practices and risk control. The session provided an in-depth interpretation of new policies, including delayed retirement, enhancing employees' understanding and application of relevant labour regulations.

Enhancing Project Delivery Excellence

The Nanjing office organised training sessions focused on delivery of the Sierra project to enhance efficiency, improve project quality and strengthen project management. These sessions provided essential support for the Group's project operations, ensuring smooth and efficient execution.

Expanding Training Opportunities for Professional Growth

We actively broaden training opportunities by sending employees in various roles to pursue related training courses organised by the Shanghai Jiao Tong University MBA programmes and the Chief Financial Officer programmes of the Shanghai University of Finance and Economics. These initiatives enable employees to stay informed about market trends and industry developments, expand their professional networks, and gain insights on the best practices followed by leading peer enterprises.

Prioritising Wellness and Safety

Our Safety & Health Ordinance section within our Human Resources Policy/Guideline sets the Group's standards and expectations for maintaining a safe and healthy workplace. We proactively adopt standard management systems and implement a robust self-restraint mechanism to identify hazards, prevent accidents and control occupational risks, ensuring employee well-being.

To uphold workplace safety, we implement precautionary measures such as periodic inspections of safety gear, personal protective equipment and workplace hygiene, reinforcing proper housekeeping practices.

Security Training and Activities

To enhance employees' knowledge of workplace safety, potential injury handling and insurance claims, we organise regular training sessions led by industry experts and insurance consultants. Additionally, we conduct routine fire drills to familiarise employees with office evacuation routes, strengthen emergency response capabilities and enhance self-rescue skills, ensuring personal safety in the event of a fire or other emergencies.

Strengthening Safety at the Cresleigh Property

To further ensure safety, the Group's property management arm in the Mainland, Cresleigh Property, has obtained ISO 45001 certification for its occupational health and safety management system.

In addition, the Cresleigh Property invited Red Cross instructors to give first-aid training to all project employees. The training expanded employees' emergency knowledge and boosted their emergency handling skills, helping them deal with crises better in work and life and laying a good foundation for safer, more attentive services.

Caring for Employees

To promote a healthy work-life balance, a variety of activities and programmes are organised to enhance employee well-being, strengthen teamwork and foster an inclusive and collaborative workplace culture. These include DIY workshops, festive celebrations, wellness talks, seminars, team-building events and a scholarship programme for employees' children. Internal communication is also strengthened through platforms such as the K. Wah Social Club, K-Channel and the KWIH mobile app "One K. Wah".

Employees' Children Scholarship Awards Ceremony

Lion Dance Celebration for the New Year

Quarter Employee Birthday Celebrations

Easter Balloon Twisting Workshop

Annual Spring Dinner in Shanghai Office

Staff Lunch Talk on Selected Topics — AI Application

Staff Appreciation Dinner

Celebrating Mid-Autumn Festival with Employees

Engaging Our Customers and Value Chain

KWIH is dedicated to delivering exceptional projects and services that meet the needs and expectations of its customers. We ensure operational excellence by closely monitoring all aspects of our operations and fostering strong, proactive partnerships with value chain collaborators. Prioritising health and safety of our customers and tenants, we implement strict control measures to maintain a healthy and pleasant environment across all development projects. To ensure compliance with relevant regulations, we work closely with both internal and external stakeholders, including contractors and suppliers, to uphold the highest standards of health and safety.

Data Privacy

Security and customer data privacy are always a top priority for KWIH. We strictly comply with relevant laws and regulations[3] to ensure that collection, storage, use and transmission of customer data are safe and secure. We only collect customer data for legitimate business purposes and inform customers of its intended use to obtain their consent. Customer data are securely stored and transmitted with restricted access and protected by advanced encryption technology. Customer data is used only for the purpose of providing services, improving customer experience or meeting legal requirements.

To reinforce data protection, we conduct regular privacy training for employees and continuously review our privacy policy, including a Personal Data (Privacy) Ordinance section as communicated in our Human Resources Policy, in line with technological advancements and customer needs. A dedicated channel is in place allowing customers to manage their data preference and privacy requests.

Advertising Ethics and Intellectual Property Protection

In terms of advertising standards and intellectual property protection, KWIH strictly upholds comprehensive management principles and practices. We require that all advertising content must be legal, truthful and healthy and strictly comply with relevant national laws and regulations[4] as well as social and ethical standards. We explicitly prohibit publication of any advertisements containing false information, misleading content or infringing on others' copyrights, trademarks and other intellectual property rights, and ensure transparency and integrity of our advertising campaigns. At the same time, we strictly scrutinise the content of advertisements and require advertisers to provide the necessary supporting documents to verify the legality and authenticity of the advertisement content.

We place high priority on protecting intellectual property rights and strictly prohibit the use of unauthorised trademarks, brands, images, texts or other copyrighted materials in advertisements. Encouraging innovation and originality, we ensure that all advertising content is either legally compliant or is created in-house to protect intellectual property rights.

[3] Including but not limited to the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong) and the Cyber Security Law of the PRC.

[4] Including the Residential Properties First-hand Sales Ordinance in Hong Kong and other relevant regulations in the Mainland.

Quality Assurance

KWIH is dedicated to delivering premium projects that uphold the uncompromising standards of quality. To ensure our projects and services comply with all relevant regulations and meet our quality benchmarks, we have established stringent mechanisms in both Hong Kong and the Mainland that oversee our internal standards as well as the requirements for suppliers and contractors.

Hong Kong Projects

- The Group conducts a pre-qualification screening that assesses contractors based on our quality-related requirements.
- In the construction phase, KWIH commissions a Clerk of Works to manage the site and to ensure the building's workmanship is up to the applicable standard. Projects that are assessed under green building standards such as the Building Environmental Assessment Method ("BEAM") are appropriately monitored by a qualified BEAM coordinator or consultant.

Mainland Projects

- The Group has established a robust quality assurance framework. This involves a pre-qualification assessment to compile a roster of contractors who align with our quality, expertise and safety criteria. We also perform regular site audits to ensure strict adherence to applicable codes and regulations.
- We have Standard Operating Procedures ("SOPs") in place to direct the design, tendering and quality control processes. These SOPs include KWIH's guidelines for material selection during the design phase, covering materials that meet national requirements as well as reflect industry best practices.

Our SOPs outline a structured tendering and quality auditing process for managing projects in the Mainland. We prioritise contractors who not only comply with health and safety regulations but also demonstrate commitments extending beyond regulatory compliance. Our three-tier auditing process, involving the site project team, regional office and headquarters, ensures thorough monitoring and adherence to compliance standards. For further details on our supplier and contractor audit process, please refer to the Responsible Supply Chain Management section of this report.

Cresleigh Property, our property management division in the Mainland, has obtained ISO 9001 Quality Management System certification, ISO 14001 Environmental Management System certification and ISO 45001 Occupational Health and Safety Management System, and has implemented key procedures such as Property Management and Service Delivery Management as well as Performance Monitoring and Measurement Management to ensure high-quality service and performance oversight. By proactively identifying potential hazards and implementing preventive measures, we aim to minimise accidents and effectively manage occupational risks. Currently, the management system covers to service projects like the Grand Summit and EDGE, with plans for gradual implementation across other projects.

Compliant Handling Mechanism

The Group emphasises the value of customer feedback when evaluating and maintaining quality standards. All concerns are addressed promptly in accordance with our complaint-handling SOPs. During this period, no substantiated product or service-related complaints were reported.

Complaint-Handling System

- Upon receiving a complaint, our customer service team logs the case and escalates it in accordance with our internal SOPs.
- If required, a designated individual is assigned to oversee the case.
- A thorough review and investigation are conducted.
- Appropriate actions are taken to address and resolve the complaint efficiently.
- All complaints related to our property management services are documented internally.

Responsible Supply Chain Management

The Group emphasises the importance of integrating environmental and social considerations into supply chain management to effectively manage ESG risks. All contractors and suppliers are expected to meet the Group's standards on quality, environmental protection, health and safety, and regulatory compliance as specified in tender documents.

Supplier Assessment and Evaluation

- **Pre-qualification in Hong Kong:** Potential vendors in Hong Kong must complete a pre-qualification form, which includes their historical performance, ESG-related track record, relevant ISO certifications and projects previously handled. This information is reviewed and evaluated by the Group.
- **Three-Tier Audit System in Mainland China:** Potential vendors in Mainland offices undergo a three-tier audit process. Their performance is assessed by the project site management team, regional office members and the Hong Kong headquarters before they are added to the Group's supplier list.

  The Shanghai office leads the way in the Shanghai region's projects by prioritising energy efficiency in its selection process, especially for key items such as air conditioning systems, facade, exterior wall insulation and energy-saving features, to meet the near-zero energy consumption requirements.

Monitoring and Compliance

- **Ongoing Audits and Assessments:** Existing suppliers and contractors are subject to regular audits, site visits and quality assessments to ensure full compliance with the Group's stringent requirements.
- **Corrective Actions and Contract Enforcement:** Areas of non-compliance are identified and addressed through corrective action plans. Suppliers or contractors who consistently fail to meet expectations may face further action, including contract termination if necessary.

Environmental and Social Integration

- **Lifecycle Assessment:** A Group-wide Environmental Policy is applied into our supplier assessment and monitoring workflow, with SOPs guiding the integration of climate change and environmental factors into our procurement decisions. The Group considers both environmental and social impacts across the entire product or service lifecycle, prioritising suppliers who perform well in ESG-related considerations.
- **Preference for Sustainable Materials:** Locally sourced construction materials and those with a lower carbon footprint are preferred whenever possible.

As of 2024, KWIH had a total of 510 key suppliers[5], with 133 from Hong Kong and 377 from Mainland China. All suppliers are subject to the Group's supplier policies and procedures.

[5] Key suppliers are those contracted for projects or subcontracted processes to provide a wide range of construction materials, including concrete, steel, interior decoration materials, as well as a variety of services such as labour, design, and consulting.

Building Our Sustainable Future

KWIH is committed to integrating the principles of sustainable development into its business operations, striving to create long-term value for its stakeholders while minimising environmental impacts. The Group has formulated and implemented internal guidelines and relevant SOPs in both Hong Kong and the Mainland, guided by its overarching Environmental Policy to enhance environmental management and uphold its environmental responsibilities.

To effectively oversee the environmental management, the ESG Committee engages with functional teams in both Hong Kong and Mainland offices to establish objectives and formulate action plans on key environmental issues, including but not limited to optimising energy consumption and exploring the feasibility of transitioning to electric vehicles to continuously enhance resource usage and reduce carbon emissions. Additionally, KWIH has set specific measurable and quantitative targets in four key aspects.

Aspect	2025 Targets	2024 Progress
Greenhouse Gas ("GHG") Emission Intensity	Reduce GHG emissions intensity by 26% from 2016 baseline	Achieved 39% reduction in 2024 from 2016
Energy Intensity	Reduce energy intensity by 39% from 2016 baseline	Achieved 41% reduction in 2024 from 2016
Paper Recycling Rate	Maintain paper recycling rate in the Hong Kong office by at least 60% per year	Achieved 119% recycling rate in 2024
Sustainable Buildings	For all our new residential developments in Hong Kong and investment properties in the Mainland, we aim to obtain a green building certification	Achieved

Throughout the reporting period, the Group adhered to all applicable laws and regulations pertaining to environmental protection[6].

[6] Including but not limited to the Air Pollution Control Ordinance (Cap. 311 of the Laws of Hong Kong), the Waste Disposal Ordinance (Cap. 354 of the Laws of Hong Kong), the Environmental Protection Law of the PRC, and the Energy Conservation Law of the PRC.

Climate Governance

The Board is responsible for overseeing KWIH's overall ESG strategy and performance, including climate-related issues. The Management is responsible for implementing ESG initiatives and reporting progress to the Board. Climate-related targets are set at the Group level, and performance is monitored and reported to the Board annually. ESG-related matters, including climate-related risks and opportunities, are overseen and managed in an integrated manner. For more details on the governance structure and processes, please refer to the Corporate Governance section.

Climate Strategy and Risk Management

In alignment with our Environmental Policy, we are committed to formulating and implementing mitigation, adaptation and resilience strategies that are in line with industry's best practices to enhance our climate risk management capabilities. This year, the Group conducted a climate-related risk and opportunity assessment to evaluate the potential impact on our business, considering both their likelihood of occurrence and severity. The results indicate that property damage and shifts in market demand are among the most significant risks, with a relatively high potential impact on our operations.

Physical Risk	Impact Level	Description	Potential Financial Impact
Property Damage	**Relatively High**	Extreme weather events such as typhoons or floods could damage properties.	Higher repair and maintenance expenses.
Rising Sea Levels	Relatively Low	Rising sea levels may threaten coastal developments, increasing the risk of flooding and reducing the usability of affected land.	Decline in property values and higher maintenance and insurance costs to mitigate the risk of future flooding.
Rising Temperature	Relatively Low	Properties without energy-efficient features would face rising electricity and maintenance expenses, while tenant satisfaction and demand may decrease for spaces that are uncomfortable during extreme heat.	Higher average temperatures and increased heatwaves could lead to higher cooling costs for buildings.

Transition Risk	Impact Level	Description	Potential Financial Impact
Market Demand Shift	**Relatively High**	A shift in market preferences toward sustainable and energy-efficient properties could reduce demand for the non-sustainable assets of the company.	Lower sales or rental income and potentially higher costs to upgrade properties to meet new market expectations.
Regulatory and Policy Changes	Relatively Low	Stricter building regulations, carbon pricing, or mandatory climate-related disclosures could lead to higher operational and compliance costs.	Higher capital expenditure and operational costs in energy-efficient technologies or retrofitting buildings to meet new standards.

Climate-related Opportunity	Description	Potential Financial Opportunity
Green Building Development	As demand for sustainable and energy-efficient properties rises, the company can invest in green building technologies and eco-friendly designs in new developments.	Attract environmentally conscious investors and tenants, increase rental income, and command premium prices for green-certified properties.
Climate Resilience and Property Value Enhancement	Developing properties with built-in climate resilience (such as flood-resistant designs or energy-efficient systems) could enhance the value and longevity of the assets of the company.	Climate-resilient properties are more likely to attract long-term tenants and investors, boosting occupancy rates and rental income while reducing future maintenance and repair costs.

To effectively address these challenges, the Group has implemented a range of measures, including allocating sufficient resources and enhancing data support. In response to the enhanced climate-related disclosure requirements announced by HKEX in April 2024, the Group has also engaged an external consultant to work on internal climate-related policies and a Scope 3 emissions inventory. These efforts aim to enhance transparency in climate-related disclosures in the 2025 ESG report, ensuring compliance with regulatory requirements and meeting stakeholder expectations.

Green Buildings

To capitalise on climate-related opportunities, the Group integrates sustainable development principles across all aspects of building construction and management, including material use, energy efficiency, water conservation and air quality. New property development projects are designed with sustainability features from the outset, incorporating water-saving devices, monitoring meters, occupancy sensors, light control timers, and more. Site planning and design are prioritised during the initial construction stages to seamlessly integrate projects into the neighbourhood and surrounding environment.

In particular, we have set targets for sustainable buildings, aiming to obtain green building certifications for all new residential developments in Hong Kong and residential investment properties in Mainland China.

Prestigious Landscape Design Recognised

Guided by "Commitment to Excellence" and"K. Wah Plus" philosophy, the Group prioritises landscape design with a user-centric approach, delivering high-quality landscape that seamlessly blend nature with residential comfort. In recognition of its outstanding achievements, KWIH received multiple accolades for its landscape and clubhouse designs, including:

- **"Excellence in Clubhouse and Landscape Design"** at the *HKET Excellence Awards 2024 by Hong Kong Economic Times*
- **"Excellence in Clubhouse and Landscape Design Award"** at the Corporate *Brand Awards of Excellence 2024 by Hong Kong Economic Journal*
- **"Outstanding Landscape Planning Enterprise"** at the *01 Gold Medal Awards 2023* by HK01

"Five-Star Award for the Best Residential High Rise Development Hong Kong" & "Award Winner of Landscape Architecture Hong Kong" Honoured to KT Marina

KT Marina in Kai Tak has won two prestigious awards at the Asia Pacific Property Awards 2024–2025: the "Five-Star Award for the Best Residential High Rise Development Hong Kong" and the "Award Winner of Landscape Architecture Hong Kong".

KT Marina stands out for its exceptional green design, featuring expansive landscaped spaces. With its "Garden in the City" concept, the development integrates vibrant natural elements, creating a prestigious living experience for residents.

The Asia Pacific Property Awards are recognised as one of the most prestigious accolades in the real estate industry, widely regarded as one of the largest and most recognised property awards across the Asia Pacific region.

Sustainable Architecture Recognition for Huajing Mixed-Use Project in Shanghai

The KWIH's Huajing mixed-use project in Shanghai has been recognised as the "Best Mixed Use Architecture Shanghai Municipality, China" in the Asia Pacific Property Awards 2024–2025.

The award recognises the Huajing mixed-use project's outstanding achievement in sustainable architectural design, reflecting the Group's commitment to integrating ESG principles into its developments and providing customers with high-quality, sustainable accommodations.

In particular, its residential portions, Avenir, is one of the earliest residential projects in Shanghai whose design and standards comply with the "Technical Standard for Nearly Zero Energy Buildings". Utilising advanced near-zero energy building technology, the project achieves reduction of energy consumption of over 60% compared to current standards. Equipped with high-efficiency equipment, photovoltaic systems, triple-pipe temperature- and humidity-balanced air conditioning, full heat-exchange fresh air systems, and triple-glazed double-cavity insulated aluminum alloy windows, it perfectly integrates green energy efficiency with comfortable living.

KWIH's Green Building Portfolio

Region	Project Name	Assessment Standard and Rating
Hong Kong	31–33 King's Road	BEAM Plus New Buildings v2.0 Provisional Pre-requisites Achieved
	7 Hospital Road	BEAM Plus New Buildings v2.0 Provisional Pre-requisites Achieved
	LOHAS Park Package 13	BEAM Plus New Buildings v2.0 Provisional Gold
	30 Po Shan Road Project	U.S. LEED v4 Silver Precertification

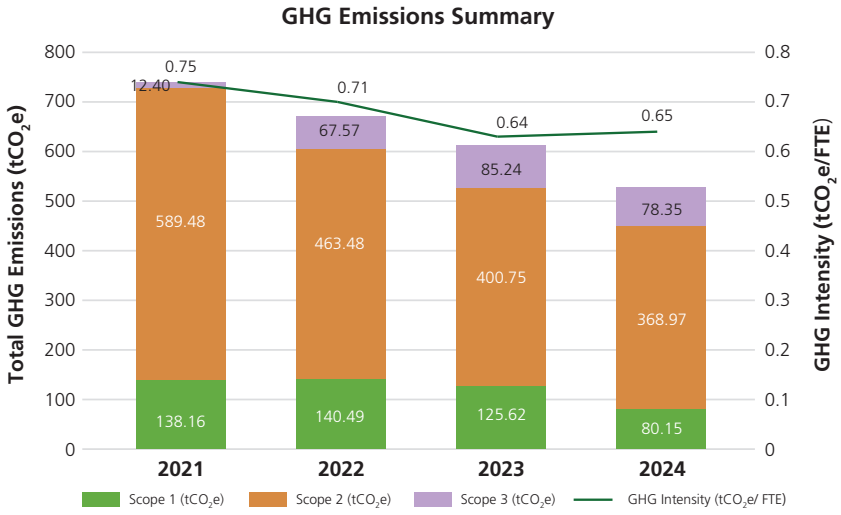
Region	Project Name	Assessment Standard and Rating
	Villa Garda	BEAM Plus New Buildings v1.2 Provisional Gold
	KT Marina	BEAM Plus New Buildings v1.2 Provisional Gold
	Kai Tak NKIL 6554	BEAM Plus New Buildings v1.2 Provisional Gold
	Grand Mayfair	BEAM Plus New Buildings v1.2 Provisional Gold
	Grand Victoria	BEAM Plus New Buildings v1.2 Provisional Gold
	K. Summit	BEAM Plus New Buildings v1.2 Gold
	K.CITY	BEAM Plus New Buildings v1.2 Unclassified
	Solaria	BEAM Plus New Buildings v1.2 Unclassified
	The Spectra	BEAM Plus New Buildings v1.2 Gold
	Twin Peaks	BEAM Plus New Buildings v1.2 Bronze
Nanjing	P20 Project	China Green Building 2 Stars (Precertification) China Green Building 3 Stars (Precertification) U.S. LEED CS Platinum (Planning stage) U.S. LEED CS Gold (Planning stage) U.S. LEED CS Silver (Construction stage) U.S. WELL CORE Gold (Planning stage)
Shanghai	P18 Residential Building	Ultra Low Energy Building (Construction stage)
	P18 Office Tower	China Green Building 2 Stars (Drawing review stage) China Green Building 3 Stars (Drawing review stage) U.S. LEED CS Gold / WELL Gold (Registration stage completed)
	EDGE	U.S. LEED Gold Certification

Metrics and Targets

GHG Emissions

Greenhouse gas (GHG) emissions are the primary driver of climate change. Over the past few years, we have made steady progress in managing our carbon emissions, working towards our target of reducing GHG emissions intensity by 26% from the 2016 baseline. The Group's GHG emissions are primarily attributed to petrol (Scope 1), purchased electricity (Scope 2), and wastepaper and business travel (Scope 3).

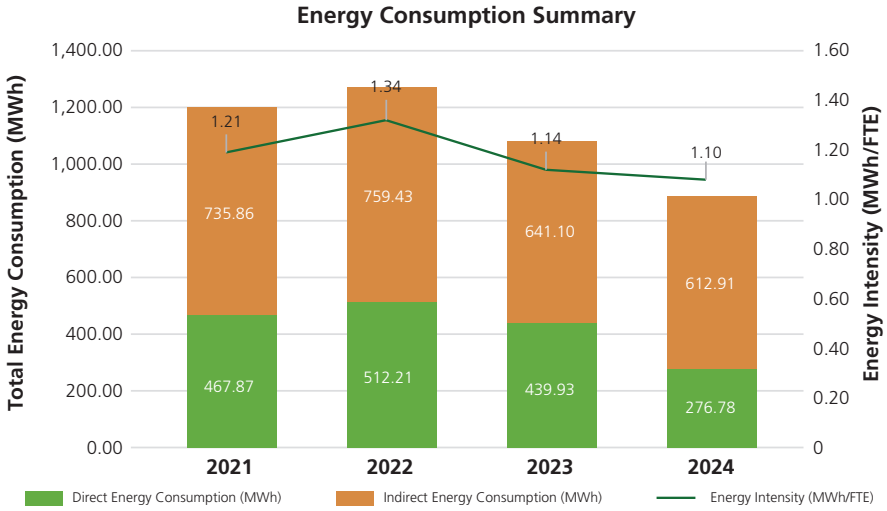
During the reporting period, KWIH's total GHG emissions amounted to 527.48 tCO_2e, reflecting a 13.8% decrease compared to 2023. The GHG emissions intensity for 2024 showed a slight increase, primarily due to the reduction in the number of full-time employees.



In particular to emission related to vehicles, we encourage employees to sue intercity high-speed trains or metro services for business trips and official outings. When company vehicles are required, the Administration Department prioritises arrangements for shared rides to minimise the number of vehicles used. Additionally, we actively monitor the mileage and fuel consumption of company vehicles, requiring drivers to record the distance travelled and submit monthly fuel consumption reports for verification.

Energy Consumption

During the reporting period, KWIH reported a decrease in the Group's total energy consumption and energy intensity by 18% and 4% respectively as compared to 2023.



Energy Saving Initiatives

The Group is dedicated to promoting energy conservation and has implemented comprehensive energy-saving measures in its business operations and workplaces. An energy consumption monitoring system is in place to efficiently manage and optimise energy use, improving the energy performance of air-conditioning, lighting, and vehicles, with the goal of reducing carbon emissions and maximising resource utilisation.

Transition to Sustainable Transportation

- Regularly inspect company fleet to assess and monitor performance levels.
- Mainland offices adopted hybrid vehicles as part of a commitment to greener mobility solutions.

Smart Lighting Systems Implementation

- Deploy automated timing controls and sensors for lighting systems.
- Solar window film installation to reduce indoor heat gain while maximising natural light.
- Ongoing LED light fixture replacement programme.
- Switch to energy-saving mode when feasible.

Air Conditioning Efficiency and Zoning

- Regulate central air conditioning use, limit operation to weekdays.
- Daily inspection to ensure systems are turned off in areas that are unoccupied.
- Enforce temperature control for central air conditioning with implementation of air-conditioning zoning of offices.

Infrastructure Enhancements

- Recalibrate the operation schedule of the lifts base on demand analysis to optimise energy usage.
- Replace busbar to enhance efficacy and reliability of the power supply system.

The property management unit of the Group has received the Energywi$e Certificate from Hong Kong Green Organisation in 2024.

"GO GREEN @ K. Wah" — Raising Internal Environmental Awareness

The Group organised year-round ESG activities under the theme "GO GREEN @ K. Wah" to raise awareness, promote a green lifestyle among employees, and support sustainable development in the community.

Internal communications including prominent posters, notices were strategically placed throughout the workplace and up-to-date environmental news via email to encourage employees to adopt eco-friendly behaviours. Besides, regular reminders to employees to adopt an energy-efficient workplace, such as turning off electric devices and appliances in workstations when not in use, especially during holidays.

Low Carbon Living and Healthy Eating Workshop

The Group partnered with the Zonta Club of The New Territories to host a Low Carbon Living and Healthy Eating Workshop, encouraging colleagues to engage in hands on eco-friendly cooking and adopt a low-carbon diet through understanding food carbon emissions.

Colleagues engaged in creative plant-based DIY cooking and explored heritage conservation at Green Hub, gaining insights into ecofriendly practices and sustainable living.

During the Mid-Autumn Festival, we encouraged employees to collect used paper and metal mooncake boxes to send to NGO Greeners Action for recycling.

Mooncake Box Recycling

Green Low Carbon Day

KWIH actively supported the Green Low Carbon Day 2024, organised by The Community Chest of Hong Kong, to promote sustainable living. Under the theme "Share, Enjoy & Cherish Green", the event raised funds for green initiatives, including food recycling and community resource redistribution.

Red Packet Recycling Activity

"Lai See Reuse and Recycle Programme" was held during the Lunar New Year, encouraging colleagues to donate used red packets to Greeners Action for recycling and reuse.

Waste Management

The Group's Environmental Policy outlines a clear commitment to responsible waste management, ensuring compliance with all relevant local legislation and environmental standards required to be followed when disposing waste in water or on land. We adopt best practices to minimise hazardous and non-hazardous waste at the source while promoting sustainable use of resources.

Construction Waste

- All construction waste is collected and managed by appointed licensed operators, who are required to comply with the "Best Practice Guide for Environmental Protection on Construction Sites" issued by the Hong Kong Construction Association.

Hazardous Waste

- Centralised collection, classification, and record-keeping of hazardous waste, such as fluorescent tubes, various types of batteries, ink cartridges and mercury-containing lamps.
- Engaged qualified third-party providers to handle hazardous waste disposal properly.

Non-hazaroud Waste

- Wastes are systematically sorted and recycled in accordance with established environmental practices.
- Avocating for electronic office practices and reusing single-sided paper among employees to reduce paper printing.

The property management unit of the Group has received Wastewi$e Certificate from the Hong Kong Green Organisation in 2024.

During the reporting period, the Group achieved the following paper recycling target in Hong Kong office.

119%
paper recycling rate[7] in the Hong Kong office

More than
32.5
tonnes of CO_2e[8] averted

[7] The paper recycling rate is calculated as "total paper recycled divided by total paper consumption during the financial year and then multiplied by 100%".

[8] The emission factor for paper waste disposed at landfills is taken with reference to HKEX and equal to 4.8 kg CO_2e/kg. Through recycling the paper, the Group prevents approximately 32.5 tonnes of CO_2e from being emitted into the atmosphere.

Giving Back to Our Communities

In alignment with our commitment to "giving back to society from which one has benefited", KWIH has crafted a Corporate Communications Handbook to ensure that the Group's community initiatives effectively benefit the community and enhance our overarching positive impact. Our community engagement efforts have been organised around three key themes: Arts and Culture, Community Empowerment and Youth Development.

In 2024, we dedicated over **1,900** hours to volunteering.

Arts and Culture

Support for Hong Kong Palace Museum Volunteer Programme

KWIH supported as a co-sponsor of the Hong Kong Palace Museum ("HKPM") Volunteer Programme for a second year, reinforcing its commitment to promoting Chinese art and culture among the public. The programme offered training courses and work opportunities to nurture talent for the heritage industry. In particular, KWIH collaborated with HKPM to organise the inauguration ceremony for the volunteers in February 2024 to further promote the initiative.

Community Empowerment

KWIH is committed to giving back to the communities where it operates, with particular focus on supporting vulnerable groups. In 2024, we launched several initiatives aimed at improving the well-being of senior individuals.

The Nanjing office cooperated with Wuhou Community, Jianye District, and held a public welfare activity of "Warm Dragon Boat Festival, make rice dumplings and offer love" to care for the elderly living alone in the community.

The Shanghai office took the initiative to fund and donate essential supplies to elderly individuals and those in need within the community located among the WYSH project of KWIH.

K. Wah Plaza, Jiangmen and Yongxian district of Jiangmen jointly held a charity market event.

Youth Development

KWIH recognises the vital role that nurturing young people plays in the development of society. With this in mind, we have actively supported and launched several programmes to cultivate young leaders, believing strongly in the potential of the younger generation.

Support for the "Strive and Rise Programme" for Two Consecutive Years

In a strong response to the "Strive and Rise Programme" led by the Chief Secretary for Administration, KWIH has been actively supporting the "Strive and Rise Programme" for two consecutive years, assisting secondary students from underprivileged families in building self-confidence and providing them with diverse learning opportunities.

As part of the "Strive and Rise Programme," a job shadowing activity was organised for participating students, who visited the KWIH headquarters along with their mentors. This experience aimed to inspire them to explore new career possibilities. Mentors shared their professional journeys, offering mentees a deeper understanding of their roles and the Group's diverse business operations. Additionally, students toured the show flats of the Group's residential properties, gaining valuable insights into the property sales business.

Also, they together visited the InterContinental Grand Stanford Hong Kong to learn about hotel operations and daily practices. During the event, students had a detailed view of the housekeeping operations and had the opportunity to experience the banquet arrangement work of the Banquet Services Team. Staff representatives from various hotel departments were invited to chat with the students, sharing their work experiences and highlights, in hopes of helping young people interested in joining the hotel industry get a whiff of the lives of hotel employees.

Partnering with Hong Kong-Shanghai Youth Association to Support Youth Development and Children's Care

KWIH has partnered with the Hong Kong-Shanghai Youth Association to promote youth development and support children's care in the broader community. In April 2024, the "Big Hands Holding Little Hands" initiative was launched with a kick-off ceremony hosted by the Hong Kong-Shanghai Youth Association and co-organised by the Tung Wah Group of Hospitals.

With KWIH's sponsorship, the initiative provided youth volunteer training, visits to underprivileged children, environmental protection activities, and youth sharing sessions with KWIH. The programme aimed to provide care and support for children in need while fostering a sense of social responsibility and positive values among young participants.

Other Youth Development initiatives:

Jiangmen Office Donated Air Conditioners to a Primary School

Guangzhou Office Partnered with Schools to Celebrate Mid-Autumn Festival with Students

Appendix I — Reporting Principles

In the preparation of this Report, we have applied the Stock Exchange's reporting principles of materiality, quantitative, balance and consistency.

Reporting Principles

Material ESG topics were identified through the annual materiality assessment and reviewed and validated by the ESG Committee and the Board. The relevant management approach for each material topic is outlined in the "Stakeholder Engagement" and "Materiality Assessment" sections.

The standards, methodologies and relevant assumptions used in the calculation of KWIH's key performance indicators ("KPIs") are conducive to comparison with historical data.

This Report provides a balanced overview of our ESG performance over the reporting period.

Unless otherwise stated, calculations and disclosures made in this report are consistent with previous reports and allow for historical comparisons. Any changes in the scope of disclosure or calculation methodologies in this Report that may affect its measurability against historical data are supplemented with explanations.

Appendix II — Performance Data Summary

Environmental[9]

Air emissions	Unit	2023	2024
Nitrogen oxides (NO_X)	Kg	16.51	9.17
Sulphur oxides (SO_X)	Kg	0.56	0.39
Particulate matter (PM)	Kg	1.22	0.68
Non-hazardous waste (landfilled)	**Unit**	**2023**	**2024**
Paper to landfill	Tonnes	13.76	14.55
Total non-hazardous waste	**Tonnes**	**21.05**	**14.88**
Non-hazardous waste intensity	**Tonnes/FTE[10]**	**0.02**	**0.02**
Hazardous waste	**Unit**	**2023**	**2024**
Total hazardous waste	**Tonnes**	**0.09**	**0.07**
Hazardous waste intensity	**Tonnes/FTE**	**0.00[11]**	**0.00[12]**
Energy consumption	**Unit**	**2023**	**2024**
Direct energy consumption	**MWh**	**439.93**	**276.78**
Petrol	MWh	439.93	276.78
Diesel	MWh	0	0
Indirect energy consumption	**MWh**	**641.10**	**612.91**
Purchased electricity	MWh	641.10	612.91
Total energy consumption	**MWh**	**1,081.02**	**889.69**
Energy consumption intensity	**MWh/FTE**	**1.14**	**1.10**
GHG emissions[13]	**Unit**	**2023**	**2024**
Direct GHG emissions — Scope 1	tCO_2e	125.62	80.15
Energy indirect GHG emissions — Scope 2	tCO_2e	400.75	368.97
Other indirect GHG emissions — Scope 3	tCO_2e	85.24	78.35
Total GHG emissions — Scope 1, 2 and 3	**tCO_2e**	**611.61**	**527.48**
GHG emissions intensity	**tCO_2e/FTE**	**0.64**	**0.65**
Water Consumption	**Unit**	**2023**	**2024**
Water Consumption	**Tonnes**	**2,683.00**	**2,619.40**
Water Consumption Intensity	**Tonnes/FTE**	**2.82**	**3.23**

9 Due to rounding, some figures may not exactly sum to the stated total.

10 As of 31 December 2024, the Group's full-time employees are 812 (2023: 951 employees). This data will also be used for the calculation of other intensity data.

11 The actual figure for hazardous waste intensity is 0.0001 tonnes/FTE but is represented as 0.00 for the sake of consistency in data presentation.

12 The actual figure for hazardous waste intensity is 0.0001 tonnes/FTE but is represented as 0.00 for the sake of consistency in data presentation.

13 GHG emissions data are presented in terms of tonnes of CO_2 equivalent, with reference to, including but not limited to, "GHG Protocol", "How to prepare on ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" issued by the HKEX, "Announcement on the Release of 2022 Electricity CO_2 Emission Factors" issued by the Ministry of Ecology and Environment of the PRC, "2023 Sustainability Report" issued by the CLP Holdings Limited, "Sustainability Report 2023" issued by the HK Electric Investment Limited, and "Global Warming Potential Values" from the IPCC Fifth Assessment Report.

Social

Workforce profile	2023	2024
Total workforce	**951**	**812**
By gender		
Male	452	382
Female	499	430
By employment type		
Full-time	951	799
Part-time	0	13
By age group		
Below 30	162	117
30–50	674	573
Over 50	115	122
By Employment Category		
Senior management[14]	32	24
Middle management[15]	227	205
General[16]	692	583
By geographical region		
Hong Kong and Macau	200	194
Mainland China	751	617
Others	0	1
By Education Level		
High school diploma or below	276	240
Undergraduate	511	484
Postgraduates	97	87
Others	67	1

[14] Senior Management refers to employees at General Manager or above level.

[15] Middle Management refers to employees at Deputy General Manager, Assistant General Manager, Senior Manager and Manager level.

[16] General refers to employees at Assistant Manager or below level.

Turnover rate[17]	2023	2024
Total employee turnover rate	**18.82%**	**21.92%**
By gender		
Male	21.46%	22.77%
Female	16.43%	21.16%
By age group		
Below 30	46.30%	55.56%
30–50	14.54%	16.06%
Over 50	5.22%	17.21%
By geographical region		
Hong Kong and Macau	31.00%	36.60%
Mainland China	15.58%	17.34%

Occupational Health and Safety	2023	2024
Number of lost days due to work injury	26	398.5
Number of work-related fatalities	0	0
Rate of work-related fatalities	0	0

[17] Turnover rate is calculated as "total number of employees leaving employment during the financial year divided by total number of employees at the end of the financial year and then multiplied by 100%".

Training	2023		2024	
	The percentage of employees trained[18]	Average training hours completed per employee[19]	The percentage of employees trained	Average training hours completed per employee
Total	**86.33%**	**19.3**	**85.71%**	**14.65**
By gender				
Male	86.95%	20.1	85.34%	14.92
Female	85.77%	18.6	86.05%	14.42
By employee category				
Senior management	90.63%	22.4	58.33%	7.55
Middle management	92.51%	15.6	94.15%	11.38
General	84.10%	20.4	83.88%	16.09
Supply Chain			**2023**	**2024**
Total key suppliers			**581**	**510**
By geographical region				
Hong Kong			150	133
Mainland China			431	377
Anti-corruption			**2023**	**2024**
Concluded legal case			0	0

[18] The percentage of employees trained is calculated as "total number of employees trained during the financial year divided by total number of employees at the end of the financial year and then multiplied by 100%".

[19] Average training hours completed per employee is calculated as "total hours of employees trained during the financial year divided by total number of employees at the end of the financial year".

Appendix III — Major Memberships

Membership (Level)	Organisation/Programme
Corporate Member	Employers' Federation of Hong Kong
Corporate Member	Hong Kong General Chamber of Commerce
Corporate Member	Hong Kong Institute of Human Resource Management
Corporate Member	Hong Kong Investor Relations Association
Corporate Member	Hong Kong Management Association
Property Management Company Licence	Property Management Services Authority
Corporate Member	Nanjing Real Estate Association
Vice President Unit	Guangzhou Real Estate Industry Association
Corporate Member	Hong Kong Chamber of Commerce in Guangdong
General Governing Body	Dongguan Real Estate Association

Appendix IV — Hong Kong Stock Exchange ESG Reporting Code Content Index

Mandatory disclosure provisions	Section/Declaration
Governance structure	About KWIH — Corporate Governance, Sustainability Governance and Board Statement, Risk Management and Internal Control
Reporting principles	Appendix I — Reporting Principles
Reporting scope	About This Report — Reporting Standard and Scope

Hong Kong Stock Exchange KPI	Description	Section/Declaration
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Building Our Sustainable Future
A1.1	The types of emissions and respective emissions data.	Building Our Sustainable Future — Metrics and Targets Appendix II — Performance Data Summary
A1.2	Direct (Scope 1) and indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where propriate, intensity (e.g. per unit of production volume, per facility).	Building Our Sustainable Future — Metrics and Targets — GHG Emissions Appendix II — Performance Data Summary
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Building Our Sustainable Future — Metrics and Targets — Waste Management Appendix II — Performance Data Summary
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Building Our Sustainable Future — Metrics and Targets — Waste Management Appendix II — Performance Data Summary
A1.5	Description of emissions target(s) set and steps taken to achieve them.	Building Our Sustainable Future
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Building Our Sustainable Future — Metrics and Targets — Waste Management

Hong Kong Stock Exchange KPI	Description	Section/Declaration
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Building Our Sustainable Future
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in'000s) and intensity (e.g. per unit of production volume, per facility).	Building Our Sustainable Future — Metrics and Targets — GHG Emissions, Energy Consumption Appendix II — Performance Data Summary
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Appendix II — Performance Data Summary
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Building Our Sustainable Future
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Due to the nature of KWIH's business operations, this KPI is considered not material.
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Due to the nature of KWIH's business operations, this KPI is considered not material.
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Building Our Sustainable Future
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Building Our Sustainable Future — Climate Strategy and Risk Management
Aspect A4: Climate Change		
General disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Building Our Sustainable Future
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Building Our Sustainable Future — Climate Strategy and Risk Management Building Our Sustainable Future — Metrics and Targets

Hong Kong Stock Exchange KPI	Description	Section/Declaration
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Empowering Our People
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Empowering Our People — Workforce Profile Appendix II — Performance Data Summary
B1.2	Employee turnover rate by gender, age group and geographical region.	Empowering Our People — Workforce Profile Appendix II — Performance Data Summary
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Prioritising Wellness and Safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Appendix II — Performance Data Summary No reported cases of work-related fatalities over the past three years including the reporting year.
B2.2	Lost days due to work injury.	Appendix II — Performance Data Summary
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Prioritising Wellness and Safety

Hong Kong Stock Exchange KPI	Description	Section/Declaration
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Empowering Our People — Training and Development
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle, management).	Empowering Our People — Training and Development Appendix II — Performance Data Summary
B3.2	The average training hours completed per employee by gender and employee category.	Appendix II — Performance Data Summary
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Empowering Our People — Attracting and Retaining Top Talent
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Empowering Our People — Attracting and Retaining Top Talent
B4.2	Description of steps taken to eliminate such practices when discovered.	Empowering Our People — Attracting and Retaining Top Talent

Hong Kong Stock Exchange KPI	Description	Section/Declaration
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Engaging Our Customers and Value Chain — Responsible Supply Chain Management
B5.1	Number of suppliers by geographical region.	Engaging Our Customers and Value Chain — Responsible Supply Chain Management Appendix II — Performance Data Summary
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Engaging Our Customers and Value Chain — Responsible Supply Chain Management
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Engaging Our Customers and Value Chain — Responsible Supply Chain Management
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Engaging Our Customers and Value Chain — Responsible Supply Chain Management

Hong Kong Stock Exchange KPI	Description	Section/Declaration
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Engaging Our Customers and Value Chain
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Due to the nature of KWIH's business operations, this KPI is considered not material.
B6.2	Number of products and service-related complaints received and how they are dealt with.	Engaging Our Customers and Value Chain — Quality Assurance During the reporting period, there were no substantiated product and service-related complaints received.
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Engaging Our Customers and Value Chain — Advertising Ethics and Intellectual Property Protection
B6.4	Description of quality assurance process and recall procedures.	Engaging Our Customers and Value Chain — Quality Assurance
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Engaging Our Customers and Value Chain — Data Privacy

Hong Kong Stock Exchange KPI	Description	Section/Declaration
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	About KWIH — Ethical Business Behaviours
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	About KWIH — Ethical Business Behaviours Appendix II — Performance Data Summary
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	About KWIH — Ethical Business Behaviours
B7.3	Description of anti-corruption training provided to directors and staff.	About KWIH — Ethical Business Behaviours
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Giving Back to Our Communities
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Giving Back to Our Communities
B8.2	Resources contributed (e.g. money or time) to the focus area.	Giving Back to Our Communities

The information, drawings (including design concept drawings) and/or photos of the developments in Hong Kong (inclusive of the developments under construction) as provided in this Environmental, Social and Governance Report are for the purpose of the Environmental, Social and Governance Report of K. Wah International Holdings Limited ("KWIH") (please refer to the sales brochures for details of the respective developments) and are not and do not form part of any advertisement purporting to promote the sale of any residential property, and do not constitute and shall not be construed as constituting any offer, representation, warranty, covenant or contractual term whether expressed or implied (whether related to the development, any residential property in the development, the standard provisions, fittings, finishes and appliances, etc. of any residential property, appearance, view, surrounding environment and facilities, and clubhouse facilities, etc. or not). No publishing or transfer to any third party is allowed without the prior written consent of KWIH and the respective vendors as stated in the sales brochures of the respective developments (each a "Vendor"). For some of such developments or projects, permission for promotional activities and/or pre-sale consent is/are not yet applied for and/or issued and the time of issue of such permissions and pre-sale consents are not certain. All time schedule of sales launch set out herein are of the tentative sale schemes and are for reference only. KWIH and the respective Vendors do not represent or warrant the time of issue of such permissions and/or consents. KWIH and the respective Vendors shall not be liable for any reliance of these information, drawings and/or photos by any party for his/her decision on purchase of any residential property in the respective developments or otherwise.

All photos, images, drawings or sketches in this Environmental, Social and Governance Report represent artists' impressions of the respective developments or the part of the respective developments concerned only. They are not drawn to scale and/or may have been edited and processed with computerized imaging techniques. In respect of any design concept drawings of the respective residential developments contained in this Environmental, Social and Governance Report, they are products of computer renderings. Pipes, conduits, air-conditioners, grilles etc. which might exist on the external walls, flat roofs or roofs, etc. of the respective developments, and the surrounding environment and buildings of the respective developments have been simplified or omitted. The respective renderings do not simulate or reflect the actual appearance and the surrounding environment of the respective developments. The respective design concept drawings do not simulate or reflect the view from any part of the respective developments and the present or future condition of the surrounding environment and buildings of the respective developments. The layout, partition, specifications, dimensions, colour, materials, fittings, finishes, appliances, equipment, furniture, household accessories, display, decorations, signs, clubhouse facilities, sculptures, models, artwork, plant, trees, landscape design, lighting features and lightings, etc. shown in the respective design concept drawings might be different from those, if any, to be actually provided in the respective developments and that they might not appear in the part of the developments concerned. The respective Vendors reserve the right to alter, increase and reduce the above items and clubhouse and recreational facilities, which are subject to the agreements for sale and purchase. The respective Vendors reserve the right to alter the design of the landscaping and the water features of the respective developments and the species and quantity of flowers and plants provided. The respective Vendors reserve the right to alter the building plans and other plans from time to time, which are subject to the final approvals of the relevant Government authorities. The provision of clubhouses and recreational facilities are subject to the terms and conditions of the agreements of sale and purchase and the final approvals of the relevant Government authorities. The opening time and use of different clubhouses and recreational facilities are subject to the relevant laws, land grant conditions, terms of the deed of mutual covenant and the actual conditions of the facilities. The use and operations of some parts of the facilities and/or services may be subject to the consents or permits to be issued by the relevant Government authorities. The respective Vendors reserve the right to amend the use of the facilities and/or services which are shown or not shown or not specified in the design concept drawings. Such facilities (including clubhouse and ancillary recreational facilities, etc.) may not be in operation when the respective developments can be occupied. The respective Vendors reserve the rights to alter the clubhouse and recreational facilities and the partition, design, layout and use thereof. Fees may be separately charged on the use of the clubhouse(s) and different recreational facilities. The existing, future or proposed buildings and facilities, etc. as shown in this Environmental, Social and Governance Report (if any) are subject to changes from time to time, and may not be completed or ready for operation when the relevant developments can be occupied, and their physical state after completion may be different from those as stated or shown in this Environmental, Social and Governance Report, and are for reference only.

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